



6899 NE Columbia Blvd, Suite A, Portland, OR 97218 503.290.8570 (p), 866.279.8719 (f)

February 7, 2018

Senator Michael Dembrow
900 Court St. NE, S-407
Salem, OR 97301

Representative Ken Helm
900 Court St. NE, H-490
Salem, OR 97301

Re: Clean Energy Jobs

Dear Chair Dembrow, Chair Helm, and members of the Joint Committee:

My name is Alan Hipólito, and I serve as Executive Director for Verde, a tax-exempt nonprofit in NE Portland's Cully Neighborhood. I write to urge the Oregon Legislature to take statewide action for climate in 2018, and pass a strong Clean Energy Jobs bill that centers community leadership, reduces negative environmental disparities and builds environmental wealth. In addition, I write to share information about our organization and the communities we serve, provide input to your consideration of the Clean Energy Jobs bill, and highlight emerging, critical best practices for statewide environmental policymaking.

Verde

Since 2005, Verde has brought environmental investments to low-income neighborhoods, designed community engagement strategies around these investments, and ensured that the investments linked environmental stewardship and health with economic development and community well-being. Verde was founded for two reasons: Sustainability, despite a foundational commitment to equity, had not engaged low-income people and people of color; many peer organizations (groups that represent and organize with low-income people and people of color) had not engaged sustainability. In response, we developed social enterprise programs and outreach-advocacy programs to bridge this green divide:

- *Social Enterprise.* Verde establishes environmental businesses to employ and train low-income adults, create contracting opportunities for target businesses (minority-owned, woman-owned, social enterprise), and bring environmental investments to low-income neighborhoods. Structured as Verde program areas with assumed business names on file with the state, these enterprises sell environmental services in support of our tax-exempt mission. Enterprises include Verde Builds, a general contractor that develops environmental infrastructure like parks, greenstreets and renewable energy. In a recent fiscal year, Verde enterprises generated \$3M in revenue, paid \$303,000 in wages and \$45,000 in health insurance premiums, employed 12 unduplicated Crew Members and paid \$2.4M to subcontractors.
- *Outreach-Advocacy.* Verde engages residents, peer organizations and policymakers about the connection between protecting the environment and building community, advocating and organizing with low-income people and people of color to drive environmental investments into their neighborhoods in response to existing needs: health, education, housing, economic opportunity. In a recent fiscal year, Verde involved 324 community members in the design of new environmental investments, including 126 youth, 143 low-income people and 231 people of color.

Verde serves low-income people and people of color, with a special focus on NE Portland's Cully neighborhood, where 26% of residents live in poverty and 51% of residents are people of color. Poverty and food insecurity are evident in Cully's schools, where almost 9 in 10 students qualify for free/reduced lunch. These children lack places to play and experience nature because Cully is a park-deficient and habitat-deficient neighborhood. Increasingly, Verde activities benefit low-income people and people of color statewide, because too many Oregonians live in places like Cully -- places

Verde serves communities by building environmental wealth through social enterprise, outreach and advocacy.



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that lack economic opportunity, suffer negative environmental disparities and lack consistent resources for building community. Verde affirms our solidarity with these communities – urban, rural and tribal – and such communities worldwide.

Clean Energy Jobs Input

Verde recognizes and supports your climate leadership. We call upon the Oregon Legislature to take statewide action for climate in 2018, and believe that Clean Energy Jobs is a critical opportunity to move Oregon’s environmental policy forward and incorporate environmental justice. We offer the following comments and recommendations toward centering community leadership, reducing negative environmental disparities and building environmental wealth.

Strengths. Clean Energy Jobs:

- Establishes inclusive governance. The bill creates an inclusive governance structure including program rulemaking, implementation and oversight through a Program Advisory Committee and resourcing of the State’s existing Environmental Justice Task Force. It is critical that this oversight structure be maintained, that it extends to all program activities and that the EJ Task Force be resourced;
- Recognizes the disproportionate impact of climate change on communities of color and low-income populations;
- Supports targeted investments in most impacted communities. The allocation of program proceeds from industrial, utility and transportation sectors is a step in the right direction to resourcing those most impacted by climate change. These resources should be maximized, and should be made available in a manner where groups that represent and organize with low-income people and people of color (urban and rural) can meaningfully compete for funding against larger public and private institutions.

Recommendations/Proposed Changes. Clean Energy Jobs:

- Must ensure that communities of color are considered when developing a methodology to identify communities that are impacted by and vulnerable to climate change;
- Should increase representation of tribal communities on the Program Advisory Committee;
- Should bolster environmental efficacy by limiting free allowances to 25 percent for energy-intensive trade exposed industries, eliminating exemptions for coal and fluorinated gases, reducing offsets to meet compliance and ensuring offset projects are based in Oregon and benefit local communities;
- Should allocate utility sector proceeds to mitigate the impact of climate change **as well as** meet the existing unmet need for bill assistance, weatherization and community-driven decarbonization strategies.

Making Environmental Policy in Oregon

Verde argues that the legislation’s shortcomings stem, at least in part, from an outdated approach to developing Oregon’s environmental policies. In this approach, state legislators and other policymaking stakeholders engage a small number of key environmental groups to identify and negotiate new environmental policies (e.g., Coal-to-Clean). Sometimes and more recently, frontline community-serving organizations are engaged to refine or offer feedback on an already-identified policy priority, but are rarely engaged when new environmental policies are identified or negotiated. This legislation has to be the end of that approach.

Oregon is changing -- our frontline communities are growing in nearly every city, town and county. Per the Oregon Center for Public Policy, “[t]he U.S. Census Bureau estimates that 13.3 percent of Oregonians — including nearly one in six children — met the official definition of poverty in 2016. That means more than 536,000 Oregonians lived in poverty that year, including nearly 137,000 children.” The Census Bureau also estimates that nearly 1-in-4 Oregonians is a person of color, with even greater percentages in our public schools.

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Further, these communities are emerging as a core environmental constituency locally and statewide, with poll after poll showing that people of color support environmental policies and candidates at higher rates than the general population. To address an environmental issue without their meaningful engagement and benefit means we are building our policies to serve a shrinking demographic/electorate and are satisfying ourselves with half measures.

To achieve justice, we must prioritize justice. This truism has been acknowledged by multiple state agencies, legislative findings, Governor's proclamations and any other body or task force that concerns itself with such things. When we do not intentionally benefit our frontline communities – urban, rural and tribal – we harm them because we then maintain or grow existing, negative disparities. In addition to being a bad metaphor in an era of climate change, “a rising tide lifts all boats” is a disproven theory of social justice because it does not shrink the gap between rich and poor, urban and rural, people of color and whites.

To serve these communities, we must center these communities. To that end, Verde urges you to pass a strong statewide bill that mandates community leadership, prioritizes the reduction of negative environmental disparities and commits to building significant environmental wealth in frontline communities. And, we look forward to working with you as we initiate the next phase in our state's environmental policymaking, where frontline communities identify, lead and benefit from statewide environmental action.

Sincerely,

A handwritten signature in black ink, appearing to read "Alan Hipólito".

Alan Hipólito