

IN CONSIDERATION OF RESOLUTION NO. 25-5516, FOR THE PURPOSE OF
AUTHORIZING A ROOFTOP COMMUNITY SOLAR LEASE AGREEMENT AT THE
METRO PORTLAND EXPO CENTER

Date: July 7, 2025
Department: Capital Asset Management
Meeting Date: July 31, 2025

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Presenter(s), (if applicable): N/A
Length:

ISSUE STATEMENT

Bonneville Environmental Foundation (BEF) has proposed to lease the roof of the Portland Expo Center's Halls D and E to develop a 1.5-megawatt community solar project. This project is part of the Empowering PDX project funded by the Portland Clean Energy Community Benefits Fund (PCEF). The project would advance climate justice by enabling equitable access to clean, renewable energy for over 200 low-income households, providing these households with \$1.6M in energy savings over twenty years. As a host and anchor subscriber to the community solar project, Metro would receive approximately \$300K in lease revenue and utility bill savings. Community solar will complement the plans identified in the Expo Future project, and Metro's Capital Asset Management Department reviewed potential impacts to the asset condition of the Expo Center.

Per State law and the Metro code, Council action is needed to authorize the Chief Operating Officer to enter into the lease agreement.

ACTION REQUESTED

As per the attached resolution, the following action is requested:

- Authorize the Chief Operating Officer to execute a lease agreement with BEF on terms substantially similar to those described in Exhibit A.

IDENTIFIED POLICY OUTCOMES

This resolution aligns with Expo Future plans, supports community renewable energy development, and generates additional revenue for Metro:

- The project aligns with the Expo Future guiding principles to seek sustainable and climate resilient solutions and maximize community benefit and connection for future generations.
- This project supports Expo Future's call for incremental investment in Halls D and E concepts. The use of the roofs of Halls D and E for community solar will not impact Expo redevelopment since Halls D and E will remain under the Expo Future development scenarios.
- The \$300K in lease revenue and utility bill savings can be used to support Expo operations and capital needs, along with other Metro priorities.

- The project will boost green energy workforce development and contribute to the diversification and capacity building of the solar workforce.

POLICY QUESTION(S)

Should Metro execute a lease agreement with BEF for a community solar project?

POLICY OPTIONS FOR COUNCIL TO CONSIDER

Metro Council could:

- a) Authorize the COO to execute a lease agreement for the Expo community solar project as proposed.
- b) Direct the COO not to execute a lease agreement.

STAFF RECOMMENDATIONS

Staff recommends consideration and approval of Resolution 25-5516.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

How is this related to Metro's Strategic Plan or Core Mission?

This project helps Metro deliver on its goals of advancing racial equity, shared prosperity, and climate justice, as well as accelerating sustainability in its operations by increasing renewable energy generation and providing utility bill savings to low-income families via the community solar model.

How does this advance Metro's racial equity goals?

The project would advance climate and racial justice in the region by providing equitable access to clean, renewable energy for over 200 low-income households and providing \$1.6M in utility bill savings. The community solar subscriptions would go to households with high energy burdens, including renters, residents in mobile homes and affordable housing, and households of color, primarily in North Portland.

The community solar project would be complemented by the delivery of energy-saving kits directly to participating community solar subscribers and other community members who are not able to subscribe to the project. The kits will include smart power strips, window sealing, weatherstripping, air purifiers, low-flow shower/faucet heads, and LED lights, enabling energy and cost savings and improved indoor air quality and comfort.

How does this advance Metro's climate action goals?

In addition to advancing climate justice in the region, the project will support achievement of Metro's climate goal for internal operations adopted by the Metro Council in 2003:

- Reduce direct and indirect greenhouse gas emissions to 80 percent below 2008 levels by 2050.

Metro's Sustainability Plan calls for increasing use of renewable energy at Metro sites. As the anchor subscriber to this community solar project, Expo's community solar subscription would account for approximately 28 percent of its annual electricity use.

Financial implications

There would be no capital or operating costs to Metro from this community solar project. The proposed twenty-year lease of \$0.08/sq foot would provide \$9,760 in lease revenue for the first year, with an annual increase of two percent, for a total of approximately \$237K in lease revenue over the twenty-year term. BEF would pay eight years of the lease revenue upfront. Metro would subscribe to forty percent of the renewable electricity produced by the community solar array estimated at 648,5000 kWh annually and receive monthly bill credits at a five percent discount, resulting in \$63K of utility bill savings. Expo would also retain ownership of the renewable energy certificates (RECs) associated with its community solar subscription, reducing the cost of purchasing RECs from PGE.

Metro staff capacity is not anticipated to be impacted by this project. BEF will manage the installation, operation, and maintenance of the community solar project over the twenty-year lease, including all contracts.

One financial risk is that Metro may incur costs if the solar array is temporarily decommissioned and does not generate energy, such as for roof repairs. This risk is mitigated through two strategies: first, the roofs of Halls D and E were recently restored, and so near-term repairs are unlikely. The lease agreement also requires BEF to ensure the installation does not impact the roof warranty. Second, the lease agreement also limits Metro's liability by capping costs incurred due to potentially decreased energy production to the total value of the lease revenue and utility savings.

BACKGROUND

This project is part of a larger Empowering PDX project funded by PCEF to deploy a total of nine MW of community solar across properties owned by the Port of Portland and Metro and provide direct and large-scale environmental, economic, and community benefits to PCEF priority populations. The Empowering PDX project is a culmination of years of project and partnership development that represents one of the largest single renewable energy opportunities in the city of Portland.

The Empowering PDX coalition includes APANO, AYCO, Central City Concern, Verde, Unite Oregon and Leaders Become Legends. These organizations are led by and designed to serve PCEF-priority populations, including communities of color and people with low incomes. This collaboration will provide exposure and experience for these community-based organizations to deliver community solar benefits to their clients and networks while opening up possibilities for future collaborations.

The coalition partners will conduct community engagement to identify households with high energy burdens who can benefit from the community solar subscriptions. These

organizations have a proven history of working with communities and have strong, trusted relationships with their community members.

Empowering PDX intends to contribute to the diversification of the solar workforce by prioritizing contracts with people of color- and women-owned businesses and by building capacity through training, certification, and community solar coaching services and support.

BEF and Verde have already demonstrated success developing community solar projects and subscribing priority populations with PDX Community Solar, a community solar project on Port of Portland property delivering monthly utility bill credits to households in the Cully neighborhood living at less than 80 percent of the state median income. BEF has a 20-year history of developing solar projects in the region, including in the city of Portland, and is a registered Project Manager in the Oregon Community Solar Program.

ATTACHMENTS

- Resolution No 25-5516
- Exhibit A: Basic Lease Terms