

Report to Council



Date: July 11, 2022
To: Council
From: City Manager
Subject: Local Government Climate Action Program Update
Department: Policy & Planning

Recommendation:

THAT Council receives, for information, the report from Policy & Planning dated July 11, 2022, with respect to the Local Government Climate Action Program Update.

AND THAT the 2022 Financial Plan be amended to increase both the revenue and the associated contribution to the Local Government Climate Action Program Reserve budget by \$419,082 as a result of the Local Government Climate Action Program grant.

AND FURTHER THAT Council approve annual funding, for no more than three years, from the Climate Action General Reserve to meet the 20 per cent (\$83,816) matching contribution requirement of the program.

Purpose:

To update Council on the provincial government's new Local Government Climate Action Program, and to make the results of the Program's survey public, as per the Program's requirements.

Background:

The Province of BC's long standing Climate Action Revenue Incentive Program (CARIP), which provided local governments with an annual grant equivalent to the 100 per cent of the carbon taxes they paid directly, came to an end last summer. The Province recently announced a new program, the Local Government Climate Action Program (LGCAP), which provides local governments and Modern Treaty Nations with predictable and stable funding to support the implementation of local climate action that reduces greenhouse gas (GHG) emissions and prepares communities for the impacts of a changing climate.

Discussion:

The City of Kelowna is eligible for \$419,082 annually for a three-year period provided the eligibility requirements outlined in Table 1 are met each year. LGCAP funding is nearly 40 per cent more than what was received for 2021 CARIP grant. As this is the first year of the program, the Province has designed it to disburse funds efficiently and support timely local climate action, however, additional program requirements may be introduced in subsequent years.

Table 1: Meeting LGCAP Eligibility Requirements

LGCAP eligibility requirement	Kelowna meets requirement?	Details
Be a signatory of the BC Climate Action Charter .	✓	Kelowna signed on to the Charter soon after it was launched in 2007.
Measure and report on corporate GHG emissions.	✓	Corporate GHG emissions were reported up to 2018 as part of the <i>Annual Progress Report on Council Priorities 2019-2022</i> , Environmental Protection Result.
Demonstrate climate investment equivalent to 20 per cent (\$83,816) of provincial funding.	✓	This year the City has invested in a variety of initiatives to mitigate and adapt to climate change that far surpasses the 20 per cent requirement. See below for sample climate action projects the City has recently invested in.
By the July 15 deadline, submit and publicly post a completed program survey and a signed attestation form to confirm that the LGCAP funds will be used towards climate action projects.	✓	See Attachment A for a copy of the survey and Attachment B for a copy of the signed attestation form to meet the requirements for 2022.
Demonstrate that all LGCAP funds received over the three-year period are spent on climate action by March 31, 2025.	TBD	2022 funds will be placed in the Local Government Climate Action Program Reserve and will be directed towards projects at a future date.

Measuring and Reporting on Corporate GHG Emissions

The City tracks energy and emissions data from its corporate operations through its energy management system. Some examples of corporate GHG emission sources include:

- Civic buildings and facilities (e.g. H₂O, Fire Halls, City Hall, etc.)
- Water and wastewater treatment
- Vehicle Fleet
- Outdoor lighting

Due to data issues, corporations GHG emissions have been reported only up to 2018. The City recently procured new energy management software and corporate GHG emissions to 2021 should be available in quarter three. A Corporate Strategic Energy Management Plan is under development and is anticipated to be complete by the end of the year. This Plan will identify direction to improve energy efficiency and reduce GHG emissions in City operations over the next five years.

City of Kelowna Recent Climate Action Projects

One of the requirements of the LGCAP funds is that it be used towards climate action projects that link to the objectives of the *CleanBC Roadmap to 2030* and/or *BC's Climate Preparedness and Adaptation Strategy*. The intent of the required LGCAP is to track progress and highlight climate leadership from local governments and Modern Treaty Nations across the province. Below is a sample of climate initiatives Kelowna has recently undertaken or is undertaking. Additional actions can be found in *Attachment A: Local Government Climate Action Program Survey for Kelowna*.

- **Climate Resilient Kelowna Strategy.** The first phase of this strategy, GHG modelling, recently completed and phase two, a climate vulnerability and risk assessment has just begun. The full strategy is anticipated to be complete mid-2023.
- **Micromobility Permit Program:** In 2021 Kelowna became a participant in the provincial electric kick scooter pilot program and updated the traffic bylaw to allow electric scooters to be ridden under the same rules as bikes and e-bikes. Under the City's Micromobility Permit Program, the City issued permits to several shared e-scooter companies to provide shared micromobility services within Kelowna. Analysis of the program found that between April – October, 2021 approximately 33 per cent of e-scooter trips replaced car trips (personal car, taxi, or ride-hail), resulting in 148,500 kilometers of vehicle travel that was prevented from being driven on our roadways (reducing 29 metric tonnes of CO₂ emissions).
- **Public EV Charging Infrastructure Gap Analysis:** This analysis, currently in process, will aid in strategizing on locations for additional public chargers in the community.
- **Mill Creek Flood Protection:** The Mill Creek Flood Protection Project is a multi-year, multi-million-dollar initiative to improve the creek corridor and reduce flooding potential throughout the City, from the Kelowna Airport to Okanagan Lake. As part of that project, improvements have been made to the diversion structure located next to the Okanagan Rail Trail east of Dilworth Drive. This project is funded in part by the Government of Canada.
- **FireSmart Community Chipping Program:** To reduce risk related to wildfire, Kelowna offers residents the opportunity to have hazardous vegetation removed from curbside. From April 19-June 16, approximately 70 metric tonnes were collected to be converted to organic compost.
- **Community Wildfire Resilience Plan.** This update to the 2016 Community Wildfire Protection Plan is nearing completion and will be presented to Council later this summer.
- **Construction Demolition Diversion Pilot.** This pilot study will deconstruct several City owned houses that are scheduled to be demolished to understand the materials that can be recovered to determine if a larger program is feasible.
- **Advanced Metering Infrastructure (AMI) for Water Management.** The City is implementing new cellular AMI devices that transmit metered water use data in near real time so residents can access their water use information to prevent unintentional water waste.

Next Steps:

At this time a specific climate project or program has not been identified for use of this year's LGCAP funds. Consequently, staff recommend that the funds be placed in the Local Government Climate Action Program Reserve for use on future projects which will be prioritized at a later date, so that the grant monies received will be spent over the next three years prior to the March 31, 2025 deadline.

Financial/Budgetary Considerations:

To be eligible for the LGCAP grant, a copy of the LGCAP Survey for Kelowna needs to be submitted to the Province by July 15, a copy of the signed attestation form must be submitted to the Province by July 29th, and both documents must be made public by September 30th, 2022.

The annual LGCAP conditional grant will be received, upon Council's approval, and funds held in the new Local Government Climate Action Reserve until the climate action projects are determined that align with the Province's *CleanBC Roadmap to 2030* and/or *BC's Climate Preparedness and Adaptation Strategy*.

The 20 per cent, three-year, matching funding will be appropriated from the Climate Action General Reserve (R111). All funds received through the LGCAP must be spent no later than March 31, 2025.

Conclusion:

Local and regional governments influence approximately 50 per cent of the nation's overall GHG emissions, however, they are also uniquely positioned to help the community shift towards a low carbon lifestyle and respond to climate impacts. Recognizing this, the Province has introduced the new LGCAP program to provide predictable and stable funding to local governments and Modern Treaty Nations over the next three years to either reduce greenhouse gas emissions and/or to help adapt to the anticipated increase in frequency and severity of climate events (e.g. wildfire, drought, heat domes and flooding).

While the amount of influence a local government has varies depending on different sources of GHG emissions within their boundaries, there is an opportunity to strategically plan and build the community, so Kelowna's GHG emissions decrease and the city is well-adapted to a changing climate. The LGCAP funds can support infrastructure, policy and regulation, and engagement and outreach to help deliver on Kelowna's climate goals and ultimately create a healthier and more livable community for people of all ages and abilities, while driving local job growth and economic development.

Internal Circulation:

Communications
Financial Services
Partnership Office
Planning & Development Services
Solid Waste
Integrated Transportation
Urban Forestry
Utility Planning
Utility Services

Considerations applicable to this report:

Existing Policy:

2040 Official Community Plan

- **Objective 12.1 Design the community to be more resilient to a changing climate.**
 - Policy 12.1.1 GHG Emissions Reduction Targets.
 - Policy 12.1.2 Climate Resilient Land Use Planning
 - Policy 12.1.3 Adapting Infrastructure
- **Objective 12.2 Prioritize climate resiliency in City operations**
 - Policy 12.2.3 Climate Leadership
- **Objective 12.9 Support the community to prepare for and become resilient to the impacts of climate change.**

Community Climate Action Plan (2018)

- Reduce GHG emissions 4%, 25% and 80% below 2007 levels by 2023, 2033 and 2050 respectively.

Corporate Energy and GHG Emissions Plan (2018)

- Reduce GHG emissions 12% below 2007 levels by 2022.

Communications Comments:

A link to the LGCAP survey will be posted on the City's Climate Action webpage at www.kelowna.ca/environment.

Submitted by:

T. Guidi, Sustainability Coordinator

Approved for inclusion:



D. Noble-Brandt, Dept. Manager, Policy & Planning

Attachments:

Attachment A: Local Government Climate Action Program Survey for Kelowna

Attachment B: LGCAP Signed Attestation Form for Kelowna