

REPORT TO ENVIRONMENTAL SERVICES COMMITTEE MEETING OF WEDNESDAY, JUNE 18, 2025

<u>SUBJECT</u> Additional Opportunities for Regional Climate Action

ISSUE SUMMARY

To provide an update on new options for regional climate action in support of the renewed Climate Action Strategy.

BACKGROUND

In 2021, the Capital Regional District (CRD) Board approved the CRD's Climate Action Strategy and a five-year action plan. This strategy includes 54 actions, detailing specific initiatives across CRD services between 2021 and 2025.

In addition to the actions identified in the Climate Action Strategy, the Board directed staff at the following meetings to conduct additional policy and program analysis to support more ambitious climate action:

- **October 11, 2023:** Staff received Board direction to explore innovative and ambitious options to meet the 2038 regional greenhouse gas (GHG) reduction target (61% below 2007 levels).
- **February 14, 2024:** The Board provided direction to undertake additional policy analysis, regulatory reviews and GHG modeling.
- May 8, 2024: Board directed staff to provide options for advancing a climate adaptation strategy and identifying further opportunities to meet regional GHG targets.

This report consolidates staff's response to the Board directions listed above and highlights opportunities to further support regional climate action in alignment with the new Climate Action Strategy currently being developed.

ANALYSIS

Staff conducted analysis to understand opportunities to advance GHG mitigation and climate change adaptation beyond the CRD's existing climate action initiatives. This analysis involved undertaking background research, engagement with key stakeholders, and a combination of legal, technical and policy analysis to develop recommendations for future consideration.

Three distinct areas of research were conducted in response to Board motions to strengthen the CRD's role in regional climate action:

- Implement new policies to accelerate regional GHG reductions, with a focus on buildings¹.
- Augment or enhance current climate adaptation efforts.
- Enhance community mobilization for climate action.

¹ Note that new major policies and actions needed to reduce GHG emissions for the transportation sector will be considered and modeled as part of the updated Regional Transportation Plan.

Greenhouse Gas Reductions

Each level of government has a portfolio of authorities that can be used to mitigate GHG emissions. Appendix A provides a reference for understanding how these authorities affect climate action in our region with key contributions noted as follows:

- The federal government provides funding and legislation support for climate action. The federal carbon tax policy has been an effective tool to mitigate emissions in support of Canada's climate commitments. With recent changes removing consumers from the carbon tax, industry emission regulation will be the most impactful emissions policy at the federal level based on current commitments
- The provincial government legislates energy utility emissions including establishing a 15% renewable natural gas supply target for Fortis BC and a 100% renewable energy supply target for BC Hydro. The Province also sets the BC Building Code which impacts the emissions related to energy use in local government jurisdictions. For mobility, provincial legislation regulates renewable fuel content for transportation fuels and electric vehicle (EV) sales targets that are expected to have a large impact on regional emissions.
- Local governments in BC possess direct authorities over many aspects of community development and have made major progress adopting optional low carbon building regulations, implementing design and infrastructure changes to support active transportation, and ensuring the capture and beneficial use of landfill gas to displace fossil fuels. Local governments also have concurrent (i.e. shared) jurisdiction for regulating the protection of the natural environment with the Province, but this is often overlooked given the uncertainty on the Ministerial approval(s) needed to advance this opportunity.

Staff reviewed a subset of policies previously shared with the Board that have specific applicability to the region as shown in Table 1. These were evaluated and the impactful policies were assessed to quantify opportunities for regional GHG emission reductions.

| Policy Option | Description | Existing Authority for LG's | Direct Regional Impact on GHG's | Level of Stakehold er Effort | Cost to LG's to Implement |
|--|---|-----------------------------------|--|------------------------------------|---------------------------------|
| Zero Carbon Step Code (4 remaining communities) | Enact Emissions Level 4 (EL4), the most restrictive level of the code for new builds in all local government jurisdictions | Yes | Low | Moderate | Low |
| Highest Efficiency Equipment Standard | Regulate all heating equipment to be 100% efficient or greater by 2030 or earlier | No | <u>High</u> | High | Low |

 Table 1: Summary Assessment of New Building Sector GHG Policies

| Policy Option | Description | Existing Authority for LG's | Direct Regional Impact on GHG's | Level of Stakehold er Effort | Cost to LG's to Implement |
|---|--|-----------------------------------|--|------------------------------------|---------------------------------|
| Building Performance Standard | Regulate all large buildings to achieve or exceed progressively more stringent carbon pollution limits | No | <u>Moderate</u> | Moderate | Moderate |
| Oil tank removal | Regulate the removal of heating oil storage tanks | Partial (concurrent) | Low | High | Low |
| Carbon financing | Provide loans to commercial properties for building upgrades with repayment through municipal taxes | No | Supporting | Voluntary | High |
| Incentives for MURB's & Commercial Buildings | Top-up provincial or utility incentives to commercial buildings for building upgrades | No | Supporting | Voluntary | Moderate to High |
| Enhanced Home Energy Navigator | Create an offer that integrates contractor quotes with a subsidized EnerGuide Energy Assessment | Yes | Supporting | Voluntary | Low |

LG = *local* governments, *MURB* = *multi-unit* residential building

The policies listed in the table above were modeled to demonstrate their GHG reduction potential over time as presented in Appendix B. The model indicates that the current policies in place or under development across the region will not meet the CRD's 2038 regional 61% reduction target. However, the implementation of the Highest Efficiency Equipment Standard as proposed by the Province and a Building Performance Standard similar to that introduced in the City of Vancouver, could allow the region to meet its current target within two years of the 2038 established target date.

Climate Adaptation

To identify ways to further advance climate adaptation efforts across CRD services, staff conducted research and engaged with CRD staff subject matter experts and local government partners to better understand the current landscape and opportunities.

As the owner and operator of critical regional infrastructure and as the authority responsible for emergency management in the Electoral Areas, the CRD has an opportunity to enhance climate adaptation activities and resiliency across its services by:

- integrating new disaster management regulations into emergency response plans and undertaking risk assessments that explicitly consider climate hazards.
- enhancing asset management activities to prepare for climate risks.
- collaborating across departments to bolster knowledge sharing.
- engaging with First Nations on climate adaptation, emergency planning, and disaster risk reduction measures.

The CRD also plays an important coordination role. Opportunities moving forward include:

- supporting local climate adaptation efforts by developing design guidelines, bylaws, and other regulations that support the climate adaptation capacity of member municipalities and electoral areas.
- leading and facilitating the development of data, mapping, monitoring and analysis for the region.
- undertaking public outreach and capacity building efforts with partners.

Community Mobilization

Community mobilization refers to initiatives that aim to engage and motivate the public to take part in community level action and social change. To better understand opportunities for community mobilization, staff undertook background research on best practices and interviewed 18 climate-focused community organizations, local government staff and elected officials, and CRD staff subject matter experts. Outcomes of this engagement highlighted the need for:

- streamlined, accessible education resources
- consistent messaging across the region
- regional funding opportunities
- increased opportunities for networking and collaboration
- greater support for underrepresented groups

Results of this work emphasized that successful, equitable and accessible climate action hinges on people seeing themselves in climate initiatives undertaken by the CRD. Addressing climate change requires widespread awareness, preparation and public support for transformative action. By partnering with residents and community groups, the CRD creates communication channels that enable better alignment of actions with local needs, promotes community participation, and builds trust so that members of the public may become advocates for change.

Climate Action Strategy Integration

The Climate Action Service continues to advance GHG reduction initiatives within existing authorities including corporate building retrofits, adoption of the zero-carbon building code, and launching of a building benchmarking program for large buildings. By continuing to advance these initiatives and exercising existing authorities, the Climate Action Service can demonstrate leadership and capability in policy areas that depend on collaboration with the Province and local governments to move forward.

Realizing GHG reductions from impactful new policies will require legislative change and explicit authorities from the Province. The renewed Climate Action Strategy will define how the CRD can continue to play a supporting role to local government while strategically considering their shared

authority with the Province for the protection of the natural environment and opportunities to encourage the Province to provide the necessary authorities and resources to ensure local governments can continue to be responsive to community needs.

The Climate Action Service also continues to advance impactful adaptation initiatives in data development, capacity building, and community outreach in collaboration with other CRD services, local governments and regional partners. Recent research conducted on this topic will inform the development of the renewed Climate Action Strategy, with the goal of further clarifying the CRD's role in climate adaptation.

Finally, the Climate Action Service has staff capacity and sufficient authority in place to address near-term community mobilization needs. More resources are likely needed to address longer-term capacity supports. The Climate Action Service will continue to consider how coordination with other services can address these longer-term needs through the development of the renewed Climate Action Strategy.

CONCLUSION

Following direction from the Capital Regional District Board over the past several years, Climate Action staff conducted analysis to assess additional opportunities for greenhouse gas reduction, climate adaptation and community mobilization. The analysis has identified key areas for action to support the region in meeting its climate targets and highlighted the need for further work to understand potential gaps in adaptation planning and opportunities to strengthen community support. These findings will guide the development of new impactful CRD initiatives and inform the renewal of the Climate Action Strategy, while supporting the continuation of existing commitments.

RECOMMENDATION

There is no recommendation. This report is for information only.

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ATTACHMENTS

Appendix A: Authority Over Climate Action in the Region (June 2025) Appendix B: Updated Climate Modeling for the Capital Region (June 2025) Appendix C: Presentation - Additional Opportunities for Regional Climate Action