



Committee of the Whole Report

For the Meeting of August 8, 2019

To: Committee of the Whole **Date:** August 1, 2019
From: Fraser Work, Director of Engineering and Public Works
Subject: 2030 BOMA Resilient District Grant Funding Allocation

RECOMMENDATION

That Council:

Approve a grant of \$25,000 to be awarded to the Building Owners and Managers Association of BC (BOMA) for the creation of a 2030 Resilient District in Greater Victoria.

EXECUTIVE SUMMARY

The City of Victoria received a request for a grant of \$25,000 from BOMA to provide seed funding to support the establishment of a "Capital Region 2030 Resilient District" (2030 District). The District's purpose is to provide formal partnerships across the commercial building sector, to deliver GHG emissions reductions and also climate and seismic resiliency. This program is being led and developed by BOMA, which is a non-profit, sustainability leader, that works closely with property owners and managers. The 2030 District is to be located in Victoria and Saanich.

The grant funding will provide the necessary resources to initiate the development of legal agreements, tools, information and programs that can be accessed by stakeholder members, in order to deliver real GHG benefits and seismic improvements.

The Climate Leadership Plan (CLP) already recognizes 2030 Districts as an effective pathway to meaningful GHG building emission reductions in Victoria. The 2030 District will strengthen existing partnerships in the region to tackle climate change. The City of Victoria and the District of Saanich are both taking action to support this regional BOMA initiative. BOMA has also requested additional funding from the Province in partnership with UVic to add a research component to the project. Once launched, the 2030 District will engage with other community stakeholders such as Landlord BC and the Condominium Homeowners Association.

In supporting this grant, the City will commit \$25,000 of funding allocated from the Climate Action budget in January 2019. The resources from funding partners will provide a total budget requirement of \$79,000 for the first year of operations. Funding will be spread over two years allowing an opportunity to review progress after the first year. Staff will be working with BOMA on this project, and will provide updates to Council with any future recommendations.

PURPOSE

The purpose of this report is to seek Council's approval for allocation of funds to support BOMA's development of a Victoria "2030 District". These funds have been previously identified and approved by Council as part of the 2019 Climate Action Planning.

BACKGROUND

2030 Districts are a growing partnership/network of high-performance building districts that work together to take meaningful and common steps to mitigate and adapt to climate change. Each district commits to meeting 50% reductions in energy, water and transportation related emissions. Existing 2030 Districts in Toronto and Seattle have successfully reduced commercial building GHG emissions. The strength of 2030 Districts are their business-led and partnered administrative and planning structure, which creates a formal system of support, guidance and reporting for its members.

Initial funds are normally raised in partnership with non-profits, building owner groups and municipalities, to fund the work required to assemble, educate, and setup the agreements across multi-stakeholder groups. Once established, the group becomes self-sustaining, and can more easily adopt new members.

These Districts offer strong potential to deliver cost-effective community GHG reductions, which is why this action has been supported in the City's Climate Leadership Plan, and an action identified and approved by Council in January 2019, as a draw from the Climate Action Reserve Fund.

A local non-profit, BOMA, has developed a business plan to establish a Capital Region 2030 Resilient District. The three-year business plan would establish BC's first 2030 District and add additional components to support both climate and seismic resiliency. The budget for the first year of operations of the District is \$79,000. BOMA is seeking funding of \$25,000 from both the City of Victoria and the District of Saanich. The balance of the remaining budget (\$29,000), will be provided by BOMA in in-kind resources. A similar funding request is anticipated in year two, by year three the District is projected to be fully funded through its membership.

The first year's budget will fund the following activities:

- Establishment of 2030 District (website, admin, membership recruitment, etc.)
- A suite of energy reporting and energy conservation tools and services for building owners and operators
- Tools and services for building owners and operators to assess seismic and climate hazards
- Education and training resources
- An annual report on GHG emissions reductions and other success criteria, e.g. membership counts and climate resilience measures.

BOMA represents the commercial property and facility management industry in British Columbia. According to a 2017 Deloitte report, this industry sector generates over \$3 billion annually in provincial GDP, supports 37,000 FTEs, generates \$2 billion in labour income, and pays property taxes in excess of \$1.3 billion in Vancouver and Victoria (2016 data). Through initiatives, such as the BOMA BEST program BOMA has become leaders in helping transform the commercial

buildings industry towards energy efficiency and environmental responsibility. To establish a 2030 Resilient District in the Capital Region, BOMA have assembled a group of experienced Victoria based consultants.

Additional funding is being sought from the CleanBC Building Innovation Fund by BOMA, in partnership with UVic, to further leverage the work of the 2030 District to demonstrate design solutions for deep energy and emissions retrofits of existing commercial, institutional, industrial and multi-unit residential buildings.

ISSUES & ANALYSIS

GHG Reductions

Over the three-year period establishing the 2030 Resilient District, 765 tonnes of GHG emissions are estimated to be reduced across the District of Saanich and the City of Victoria. By 2030, potential GHG reductions by could be as high as 4,600 tonnes, plus other benefits in seismic resilience, energy efficiency and sustainability.

Partnerships

BOMA has designed a program that supports cross-sectoral collaboration, between the public and private sectors and academia. This approach of building strong partnerships reinforces work in other areas of the Climate Leadership Plan and recognizes that success in community GHG emission reductions requires existing collaborations to be strengthened and new collaborations to be established.

Co-Benefits

Work reducing the GHG emissions in the existing buildings sector is advancing on several fronts with work through the Transition 2050 project focus on ground-oriented dwellings and the Market Rental Revitalization Study focus on rental apartment buildings. The 2030 Resilient District focus in the commercial and multi-unit apartment buildings sector addresses an existing gap in the sector and an opportunity to further align and share information and resources across existing projects.

2030 Districts are voluntary benchmarking systems. Given the need to deliver rapid and substantial GHG emissions reductions, a regulatory benchmarking system may be imposed in future. Supporting a voluntary benchmarking system in Victoria today will build familiarity, experience and confidence in the local community to manage any future regulatory systems.

Risks

The risks of the investment are shared through the three partnering organizations, BOMA, the District of Saanich and the City of Victoria. Funding is spread over two years allowing an opportunity to review progress after the first year.

OPTIONS & IMPACTS

Option 1 – Approve award of a \$25,000 grant to BOMA to establish a 2030 Resilient District (Recommended).

A key action of Climate Leadership Plan would progress under this option, with high value for money resources. This option allows advances GHG emissions reduction in the commercial sector.

Option 2 – Further review grant application and make alternative decisions for grant awards.

Under this option, Climate Leadership Plan implementation progress would be slowed, and parallel programs would be required for larger, commercial buildings. Removal of the City from the partnership could impact the overall program, and future funding opportunities.

Option 3 – Reject Award of Grant

Same risks/considerations as Option 2.

Accessibility Impact Statement

There are no accessibility considerations related to the proposed recommendations in this report.

2015 - 2018 Strategic Plan

The applications received support the objectives and/or the action and outcome statements of the Strategic Plan, specifically:

Strategic Objective 4: Prosperity and Economic Inclusion

Strategic Objective 6: Climate Leadership and Environmental Stewardship

Impacts to Financial Plan

The \$25,000 for this grant can be funded from the approved 2019 Climate Action budget.

Official Community Plan Consistency Statement

The grant supports several of the OCP's broad objectives, including:

Climate Change and Energy Goals:

12 (A) Victoria and Victorians are more resilient to climate change and energy scarcity and costs.

12 (B) New and existing buildings are energy efficient, and produce few greenhouse gas emissions.

12 (E) Victoria relies on clean, renewable, diverse and efficient energy sources.

Economy Goals:

14 (A) Victoria generates economic growth through innovation, entrepreneurship and business formation, and attracts and retains sustainable enterprise well-suited to the region.

14 (B) Victoria contributes to global knowledge, produces and attracts talented researchers, incubates innovation, and brings new goods and services to market.

Respectfully submitted,



Fraser Work, Director
Engineering and Public Works

Report accepted and recommended by the City Manager:

Date:


