



## **Council Member Motion For the Committee of the Whole Meeting of February 25 2021**

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**To:** Council **Date:** February 15 2021  
**From:** Mayor Helps and Councillor Loveday  
**Subject:** Council Endorsement of Help Cities Lead Campaign

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### **RECOMMENDATION**

That Council formally endorse the Help Cities Lead campaign and consider the following actions:

- a. Write a letter to the following provincial ministers to voice Council's support for the five policies detailed in this report:
  - Minister of Environment and Climate Change Strategy, ENV.Minister@gov.bc.ca
  - Minister of Municipal Affairs, MAH.Minister@gov.bc.ca
  - Minister of Energy, Mines, and Low-Carbon Innovation, EMPR.Minister@gov.bc.ca
  - Minister of Finance, FIN.Minister@gov.bc.ca
  - Attorney General and Minister responsible for Housing, AG.Minister@gov.bc.ca
- b. Write a letter to the Capital Regional District requesting regional endorsement of the campaign.
- c. Write a letter to all BC local governments asking to endorse the campaign.

### **EXECUTIVE SUMMARY**

The purpose of this report is to seek Council endorsement of the Help Cities Lead campaign to support climate action advocacy. Help Cities Lead ([helpcitieslead.ca](http://helpcitieslead.ca)) is an education and awareness campaign working to build support for more focused collaboration between the Province of British Columbia and local governments on building related climate policy. It is led by Climate Caucus, members of the BC Hydro Community Energy Managers Network, and the Pembina Institute.

Political endorsement and advocacy by City Councils to MLA and Cabinet Ministers is necessary to achieve legislative change. Meetings between City Councils, MLA's and Cabinet Ministers would further help outline the need and expedite the pace of change.

### **PURPOSE**

The purpose of this report is to seek Council endorsement of the Help Cities Lead campaign to support climate action advocacy, the goal of the Climate Leadership Plan and climate emergency response.

## BACKGROUND

Emissions from buildings account for about 11% of the province's GHG emissions. This is the third highest source of GHG emissions in BC after road transportation (27.1%) and the oil and gas sector (17.6%). For municipalities, GHG emissions from existing buildings account for 40-60% of community emissions. In Victoria this number is around 50% of our community GHG inventory.

In British Columbia, the regulation of buildings typically occurs at the provincial level. For the past two decades British Columbia has been at the forefront of action and policies taken in Canada to reduce energy use and GHG emissions from buildings. The 2018 CleanBC Plan moved the province further in this direction with key commitments for the building sector such as a net-zero energy building standard by 2032, a building upgrade standard by 2024, and exploring building energy labelling options.

A number of local governments, including Victoria, are keen to take even bolder action, and have set ambitious targets of our own to significantly reduce GHG emissions from buildings over the next 10 years in alignment with climate emergency declarations. The success of the Province in achieving deep emissions reductions from the building sector are directly connected to the success of local governments to achieve their own targets because most buildings are situated within these communities. However, tools currently available to local governments to pursue these ambitious reduction targets are largely limited to information campaigns and incentives. Although helpful, on their own these tools are insufficient to achieve broad and deep energy and GHG reductions given limited budgets.

Help Cities Lead ([helpcitieslead.ca](http://helpcitieslead.ca)) is an education and awareness campaign working to build support for more focused collaboration between the Province of British Columbia and local governments on building climate policy.

The campaign project team identifies five regulatory measures where additional authority would be instrumental for municipalities in accelerating climate action:

1. Regulating GHG emissions for new buildings – the BC Energy Step Code only regulates energy efficiency in new buildings. Leading local governments would also like the ability to regulate GHG emissions from new buildings.
2. Mandatory home energy labelling - In Canada and British Columbia, legislation requires energy labelling for a broad range of consumer products including motor vehicles, furnaces, windows, lightbulbs, and kitchen appliances. However, there are no labeling requirements for the single largest purchase a given Canadian is likely to make—their home.
3. Property assessed clean energy (PACE) financing - programs allow property owners to finance the up-front cost of building energy efficiency upgrades—such as more efficient heating systems, or windows—by paying the costs back over time via a voluntary property tax assessment. The assessment is attached to the property, not an individual; if, and when, the property is sold, the financing carries on with the new owner
4. Regulating GHG emissions for existing buildings – this would include the development of a new regulation that would set greenhouse gas emissions targets from existing buildings.
5. Mandatory building energy benchmarking and reporting - Energy benchmarking is the process of collecting and monitoring energy data from a large number of buildings over time so that governments and the private sector can compare the performance of any one participating building against similar properties.

Direction to implement the first three of these measures – enabling local governments to regulate GHG emissions for new buildings, home energy labelling, and PACE financing – were included in the ministerial mandate letters issued in November 2020. Help Cities Lead encourages the province to move as quickly as possible and in close consultation with local governments to develop and implement these measures.

Help Cities Lead would also like the Province to enable local governments to choose, when ready, to opt into the remaining two measures not addressed by the mandate letters – namely, regulating GHG emissions for existing buildings and building energy benchmarking and reporting.

The suite of initiatives is intended to compliment what the provincial government and utilities are already doing in this area and help to lay the groundwork for eventual province-wide adoption of these measures. These five measures are expanded on in Appendix A.

## **ISSUES & ANALYSIS**

The Help Cities Lead project team worked with numerous leading local governments and civil society groups to identify an initial set of regulatory tools that would achieve deep emissions reductions in buildings and align with the aggressive targets set by these cities.

While experience from other jurisdictions shows that, on their own, measures such as building benchmarking, home energy labelling or PACE financing result in some additional GHG savings, alone they are not likely to achieve the GHG emissions targets that have been established for the building sector by the Province and local governments. However, when integrated together, building benchmarking and home energy labelling can identify what degree and type of improvements are needed, a GHG requirement for new and existing buildings then sets requirements, and PACE financing helps to spread the cost of upgrades over a longer period of time than what is otherwise possible for most building owners.

The five expanded authorities being requested for local governments should therefore be considered as an integrated market transformation suite of actions to drive deep GHG emissions reductions from the building sector, rather than standalone measures. If adopted, the five measures will allow local governments to more effectively derive GHG savings from across the entire spectrum of the building sector: new and old; Part 3 buildings (big) and Part 9 buildings (smaller); residential, commercial, and institutional uses.

In addition to integration between these five measures, it is also important to recognize that they will need to continue to be implemented with a host of other measures from all levels of government and utilities, including incentives, information campaigns, low-income programs, and other affordable and accessible financing options. They should therefore not be thought of as an isolated set of measures but rather as a missing compliment to what is already being done.

### **Aligning with the Climate Leadership Plan and Climate Emergency**

These five regulatory changes are necessary to meet the targets outlined in the City of Victoria's Climate Leadership Plan and as a response to the City's declaration of a Climate Emergency.

### **UBCM Resolutions & Leading on Climate**

It is important to note that many of these initiatives have appeared as formal UBCM resolutions in the past. However, despite the need for urgent action as a result of the climate emergency, there

has been a lack of movement following these resolutions. To help meet climate action goals, Help Cities Lead has initiated a campaign that would allow the issues to be elevated to civil society groups, in particular the environmental NGO community, industry and the broader community concerned with climate action.

Political endorsement and advocacy will strengthen this campaign and make the likelihood of legislative change much more likely. Therefore, it is recommended that Council formally endorse the Help Cities Lead campaign and consider writing letters and requesting meetings with MLA's and Cabinet Ministers, to expedite the pace of change.

## **OPTIONS & IMPACTS**

### *2019 – 2022 Strategic Plan*

This campaign supports the strategic plan goal of "Expedite implementation of the BC Step Code." The inclusion of a GHG metric to step code will allow for greater carbon reduction across all steps of the BC energy step code than what exists in the framework today.

### *Impacts to Financial Plan*

The advocacy recommended in this report would not have any impact to the Financial Plan for 2021. If in future, legislative changes were made, Victoria's climate action staff would begin exploration of these initiatives to focus on building emission reductions. A complete project plan outlining the costs and benefit, including impacts to the Financial Plan, of each initiative would be brought to Council for consideration.

## **CONCLUSIONS**

Council endorsement of Help Cities Lead would send a strong signal to the Province of BC that Victoria and other local governments require expanded climate action powers in order to meet ambitious targets identified as part of the climate emergency response.

Five measures where additional authority is requested are:

- Regulating GHG emissions for new buildings
- Regulating GHG emissions for existing buildings
- Building energy benchmarking and reporting
- Home energy labelling
- Property assessed clean energy (PACE) financing.

These additional authorities would let municipalities, ready to take bolder action on climate, lead the way in regulating emissions in buildings. This would provide a template for action for other jurisdictions and even for provincial regulation in the future.

Respectfully submitted,



Mayor Helps



Councillor Loveday