



June 8, 2021

Dear Minister Osborne,

I am writing to you today on behalf of Victoria City Council to request that the Province engage local governments on the swift replacement of Climate Action Revenue Incentive Program (CARIP) with a program that provides consistent, non application-based funding, tied to annual climate reporting, with first payments received by local governments in 2022. Council has expressed the following concerns expressed here for your context as we transition away from CARIP.

The CARIP carbon tax refund has been a valuable funding source for the City of Victoria and other municipalities. The City has used the funding to secure dedicated climate action staffing, develop multi-year climate action plans, undertake key emissions-reduction projects, and leverage larger climate-related grant programs. In fact, CARIP funds are sometimes leveraged to twice their value through government and utility grant matching. The termination of this dedicated, steady funding program will directly impact both the staffing and the funding of climate action initiatives that are currently underway.

Local governments are aware that the Ministry of Municipal Affairs has indicated \$11 million in new funds to be provided to UBCM to invest in local government plans for compact, energy-efficient communities. As it is our understanding that these funds will not be a direct replacement for CARIP, we are requesting more details of this funding given the short timeframe that local governments have been given for this transition. In addition, local governments have staff expertise and efficiencies in delivering programs to support climate action. We hope that the new program will operate similar to CARIP with predictable regular funding rather than a grants-based program.

The carbon tax was designed to be revenue neutral and a stimulus towards a low carbon economy. Local governments across B.C. have responded, using CARIP funding, to lead our communities towards sustainable, circular economies that can withstand the climate emergency. While the Province will continue to return carbon tax revenue to the taxpayer, businesses and industry, we are concerned that municipalities will no longer be receiving this benefit.

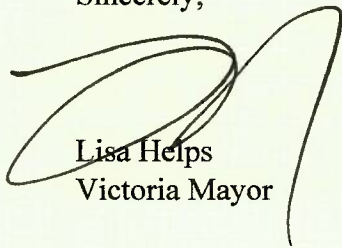
Local governments have both a responsibility and an opportunity to respond to the causes and impacts of climate change - the future sustainability and prosperity of our communities depends on it. Municipalities remain a vital partner to the Province in achieving CleanBC targets, and the termination of CARIP is a significant loss to our collective climate action efforts.

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*The City of Victoria recognizes the Songhees and Esquimalt Nations in whose traditional territories we live and work "Hay swx qa"*

For these reasons, the City of Victoria is requesting that the Province engage local governments on the swift replacement of Climate Action Revenue Incentive Program (CARIP) with a program that provides consistent, non application-based funding, tied to annual climate reporting and with first payments received by local governments in 2022.

Sincerely,

A handwritten signature in black ink, consisting of several overlapping loops and a long, sweeping tail that extends downwards and to the right.

Lisa Helps  
Victoria Mayor