

Policy 200.3 Climate Action Reserve Fund Allocation

Established: November 10 2014

Contact Department: Sustainability Coordinator

Guiding Principle

The District of Summerland recognizes the importance of reducing greenhouse gas (GHG) emissions and increasing climate adaptation and resilience and as such has committed to reducing its emissions and support climate resilience at community and corporate levels. The District signed onto the BC Climate Action Charter, committing to: becoming carbon neutral (in operations) by 2012; measuring and reporting GHG emissions; and creating more compact, complete, energy efficient communities.

Since the signing of the Charter the District has approved their Community Energy and Emission Reduction Plan (2020) with targets for reducing community-wide emissions to 18% below 2007 levels by 2025, 30% by 2030 and 80% by 2050. As well as the Corporate Energy and Emissions Plan (2021), which sets targets for reducing corporate emissions to 25% from 2012 levels by 2025, 35% by 2030, and 80% by 2050.

The Province of BC released the CleanBC Roadmap to 2030 in 2021, which outlined actions and measures to meet provincial emission reduction targets for 2030 and reach net zero by 2050. The document is intended to align with the draft version of the Climate Preparedness and Adaptation Strategy for 2021-2022, which provides direction and actions for the province to prepare for the impacts of climate change.

The Climate Action fund that this Policy advises is based on funding provided through the Local Government Climate Action Program (LGCAP). LGCAP is intended to continue providing flexible, long-term funding for local governments and Modern Treaty Nations to enable community-specific action to reduce emissions, increase climate resilience, and enable knowledge sharing among local governments and Modern Treaty Nations to promote innovation. As such, the District shall use the funds transferred into the Climate Action Reserve from the LGCAP program to:

- (i) Work towards corporate and community level emission reductions (as updated periodically) that contribute to reaching B.C.'s 2030 emission reduction targets, and
- (ii) Support climate action initiatives at the corporate and community level that increase climate resilience and prepare communities for a changing climate.

Purpose

The policy will give direction to focus on local projects that enable the District to reduce emissions and increase climate resilience, meeting its respective community and corporate climate action goals and emission reduction targets. In addition, this policy aligns with provincial goals and objectives for meeting emission targets for 2030, achieving net zero by 2050, and climate adaptation

efforts. Further, this policy will ensure that emission reduction and climate resilience projects funded through the Climate Action funds result in real emission reductions and adaptive measures, all of which encourage other environmental, social and economic 'co-benefits.'

Funds governed by this policy will be comprised of: the annual LGCAP payment from the Province, and an annual budget allocation for Climate Action initiatives.

1. Annually, Council will allocate 0.001% of the District's annual operating budget to the Climate Action operating budget.
2. The Climate Action operating budget will be used for: operational expenses (such as the annual SmartTOOL subscription); funding projects that reduce GHG emissions in Summerland, according to the criteria outlined below; and supporting public participation, education, and awareness initiatives related to climate action.
3. Each year, all monies received through the LGCAP will be transferred to the Climate Action operating budget.
4. Each year, excess revenue over expense in the Climate Action operating budget will be transferred to the Climate Action Reserve Account.
5. Funds in the Climate Action Reserve Account will be used solely for the purposes of reducing GHG emissions and increasing climate change resiliency in Summerland, according to the criteria outlined below, and shall not be allocated for any other purpose.
6. There shall be periodic reporting to the citizens of Summerland of the corporate and community-wide projects undertaken by the District to reduce local GHG emissions and increase climate change resiliency.

Application

1. Projects whose primary goal(s) are to reduce community-based emissions or increase community resilience and adaptability to climate impacts are **first priority** (*maximum 80% of available funds*): These include projects that directly address those actions found in the CEERP or CEEMP.
2. Projects that support increased understanding and knowledge at the corporate and community level for emission reductions and climate adaptation are **second priority** (*maximum 40% of available funds*): These include projects such as assessments, plans and staff or community education.
3. Projects that result in community emission reductions or climate adaptation, but are not the primary goal of the project, are **third priority** (*maximum 20% of available funds*): This includes projects that can provide co-benefits that contribute to emission reduction, and or climate resilience or adaptation.
4. Funds can be allocated towards staff wages (*maximum 50% of an individual staff members wage can be supplemented*): Wages of staff whose work is primarily directed at directing or managing climate action initiatives, environmental sustainability, or other related work that advances the District's climate actions and goals within the scope of LGCAP.

Policy Statement(s)

A) EMISSIONS REDUCTION CRITERIA

1. Emission Reductions from The Project Must Be Real And Measurable:

Emission reductions must be real and measurable in accordance with CEEI and LGCAP reporting methodologies, or any other methodology accepted by the Province.

2. Emission Reductions from The Project Must Be Permanent:

Emission reductions must be permanent so that the stored or avoided carbon is not released back to the atmosphere. Preference should be given to energy efficiency, conservation, and renewable energy technologies that result in a decrease in fossil fuel consumption.

3. Projects with High Emission Reduction Potential per Dollar Spent:

When comparing potential projects, priority should be given to projects that have the greatest potential to reduce emissions in absolute terms per dollar spent.

4. Emission Reductions from Projects must follow a low-carbon-resilience (LCR) framework

Projects must demonstrate climate risk reduction and resilience, while reducing emissions, and can demonstrate co-benefits to the community, environment and local economy.

B) CLIMATE ADAPTATION CRITERIA

1. Local climate hazards, risks, and vulnerabilities must be identified where appropriate.

Projects must show how they build in resilience to these localized hazards, risks and vulnerabilities, contributing to adaptation of climate change.

2. Climate adaptation projects must be cost-effective

Projects with an adaptation lens need to consider projected climate impacts on communities, infrastructure and the environment. Anticipating the impacts over time allows for continuous adaptive measures to be considered and planned for as the climate changes, providing the most cost-effective solution(s).

3. Climate adaptation projects must follow a low-carbon-resilience (LCR) framework

Projects must show how they contribute to risk reduction and minimization, measurably reduce emissions or contribute to the District's emission reduction goals, and demonstrate co-benefits to the community, environment and local economy.

C) SOCIAL CRITERIA

1. The project should be acceptable to the local community. Staff should consider whether projects will be accepted by the general public and use public consultation processes where appropriate.
2. The project should be inclusive to identified vulnerable populations, and identify and act on opportunities for equitable solutions.
3. Priority should be given to projects that are easily replicated and have a high potential for broader implementation.
4. Strategic priority will be given to initiatives that are highly visible – they set an example of energy conservation and/or greenhouse gas reduction and seek to mobilize the public.
5. Projects must be in line with the objectives outlined in the District's Official Community Plan.

D) ENVIRONMENTAL CRITERIA

1. The Project Should Avoid Significant Environmental Harm:

Some renewable energy projects, while reducing GHG emissions, have significant effects on other aspects of the environment. All significant environmental benefits and drawbacks need to be considered.

2. The Project Should Have Environmental Co-Benefits:

Examples of environmental co-benefits include reduced air contaminants, climate adaptation improvements, improved water quality, and improved wildlife habitat.

E) FINANCIAL CRITERIA

1. Priority should be given to projects that can deliver the greatest emissions reductions, increased climate resilience and/or avoided cost-savings, per dollar invested.
2. Priority should be given to projects that have economic co-benefits. Ideally, an emission reductions or climate resilience project will have other co-benefits such as local job creation, economic development, and a reduction in community energy costs.
3. Priority should be given to projects that involve partnerships or have the potential to leverage additional funding from other sources.
4. Climate Action funds should support projects that go beyond business as usual. These are projects that would not otherwise be undertaken for a variety of reasons including lack of external grant opportunities.

Do **not** include procedures or guidelines which provide methods for accomplishing tasks governed by the policy if these are considered recommended best practices for departments but are not tasks required for compliance with the policy.

Amendments/Reviews

Date of Council Consideration	Resolution/Report	Description
<u>January 23 2017</u>	<u>R-2017-21</u>	<u>To alter the amount of funds being designated towards climate action initiatives; provision of criteria to guide spending of the funds, the allocation of CARIP funds to operating budget rather than reserve, and the focus of the policy to carbon neutrality and reductions of emissions</u>