

FINANCIAL MANAGEMENT COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

SUBJECT: OPERATING CLIMATE ACTION RESERVE

RECOMMENDATION:

1. THAT Council create an Operating Climate Action Reserve to fund operating initiatives associated with climate action.

REPORT

The Financial Management Committee, at its meeting held on 2020 February 12, received and adopted the *attached* report seeking Council authorization to establish an Operating Climate Action Reserve to fund operating initiatives associated with climate action.

Respectfully submitted,

Mayor M. Hurley
Chair

Councillor S. Dhaliwal
Vice Chair

Copied to: City Manager Director Finance Director Corporate Services
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TO: CHAIR AND MEMBERS
FINANCIAL MANAGEMENT COMMITTEE

DATE: 2020 February 05

FROM: DIRECTOR FINANCE

FILE: 7300-01

SUBJECT: OPERATING CLIMATE ACTION RESERVE

PURPOSE: To establish an Operating Climate Action Reserve to fund operating initiatives associated with climate action.

RECOMMENDATION:

1. **THAT** the Financial Management Committee recommend Council create an Operating Climate Action Reserve to fund operating initiatives associated with climate action.

REPORT**1.0 INTRODUCTION**

In 2019, the City of Burnaby declared a Climate Emergency and Council directed staff to develop a plan to guide the City to be carbon neutral by 2050. With this declaration, the City has committed to the following targets for reducing carbon emissions:

- 45% reduction by 2030
- 75% reduction by 2040
- Carbon neutrality by 2050

These new targets bring the City of Burnaby into alignment with the targets set by the International Panel on Climate Change (IPCC) to keep global temperature rise to a maximum of 1.5 degrees Celsius.

City staff have also been directed to develop a Climate Action Framework that outlines “Big Moves and Fast Track Actions” to ensure the City continues to progress across all sectors at a pace that will help meet the City’s new carbon emission targets.

The following are a few of the City’s current Climate Action initiatives:

- Developing a City Corporate Energy Strategy to reduce corporate climate pollution and energy use (estimated completion date of Spring 2020);

- Engaging the public on a updated Transportation Plan to increase walking, cycling and public transit targets (completed in Fall 2019);
- Advancing the Community Housing Strategy to incorporate green buildings;
- Implementing a Public Electric Vehicle Charging Stations Pilot Project; and,
- Working with Metro Vancouver on a district energy system business analysis and ownership model.

2.0 POLICY SECTION

Goal

- A Healthy Community
 - Healthy environment – Enhance our environmental health, resilience and sustainability
- A Thriving Organization
 - Organizational culture – Ensure that our core values are reflected in our policies, programs and service delivery
 - Financial viability – Maintain a financially sustainable City for the provision, renewal and enhancement of City services, facilities and assets

3.0 NEW OPERATING CLIMATE ACTION RESERVE

The Province of BC created the Climate Action Revenue Incentive Program (CARIP) which provides support to local government’s in the form of an annual grant to fund initiatives related to climate action. To be eligible, local governments must have signed the BC Climate Action Charter which is committing the organization to achieve carbon neutral operations, measure and report on their Greenhouse Gas (GHG) emissions, and creating complete, compact, and energy-efficient rural and urban communities. There are also annual reporting requirements for the Program where progress is tracked.

Since 2017, the City of Burnaby has received the annual CARIP grant which further incentivizes investment into climate action initiatives and supports efforts to achieve carbon neutral operations. The total CARIP annual grants received to date amount to approximately \$1.09 million:

2017	2018	2019	Total
\$351,517	\$359,843	\$373,826	\$1,085,186

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From: Director Finance
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It is recommended that the City create a new Operating Climate Action Reserve and transfer the CARIP grants received to date to this new reserve for the purpose of establishing base funding for climate action initiatives identified through the budget process. Current initiatives include costs of developing the Climate Action Strategy and additional staff resources required to deliver on the respective actions that will be defined within the strategy once approved by Council. The Operating Climate Action Reserve will be an interest bearing reserve and any future CARIP grants received will be transferred into this respective reserve.

4.0 RECOMMENDATION

It is recommended that the Financial Management Committee recommend Council create an Operating Climate Action Reserve to fund operating initiatives associated with climate action.



Noreen Kassam, CPA, CGA
DIRECTOR FINANCE

NK:RG:WK / md

Copied to: City Manager
Director Corporate Services