

2024 CLIMATE BUDGET

Council Presentation | December 5, 2023



2024 CLIMATE BUDGET

Agenda

CONTEXT

APPROACH

2024 BUDGET AND FUTURE NEEDS

NEXT STEPS

PURPOSE

report-back to Council
providing information for
climate-related spending

2024 CLIMATE BUDGET

Recommendations

A Receive for information; consider Climate Budget in budget and planning processes

B Manage financial needs through senior government/new funding opportunities, regulatory tools, optimized delivery

CONTEXT

Council Direction

CLIMATE BUDGET MOTION

Feb 15, 2023

*complete operating budget
and capital spending on
mitigation and adaptation*

*expected outcomes
and contributions of
each investment*

*benefits and avoided costs
from climate action*

CONTEXT

Definition and Objectives

CLIMATE BUDGET
a governance *system*
to *communicate* and integrate
climate considerations
into financial decision-making



greater clarity,
consolidated picture



prioritization,
rational definitions



planned spends vs.
future needs

CONTEXT

Emerging Best-Practice



many cities pursuing different approaches with **common themes**



system to help meet climate targets



helps to prioritize actions



limited success at quantifying impacts



not yet focused on adaptation



project definitions vary considerably

CONTEXT

Cost of inaction, benefits of early action

Cost of climate inaction



23% income loss
in low-income households
by end-of-century



\$28.6B land/buildings
in Vancouver vulnerable
to sea level rise and major
storm surge

Benefits of climate action



\$1 invested in adaptation
= \$13-15 in benefits
from cost reduction
and avoided loss



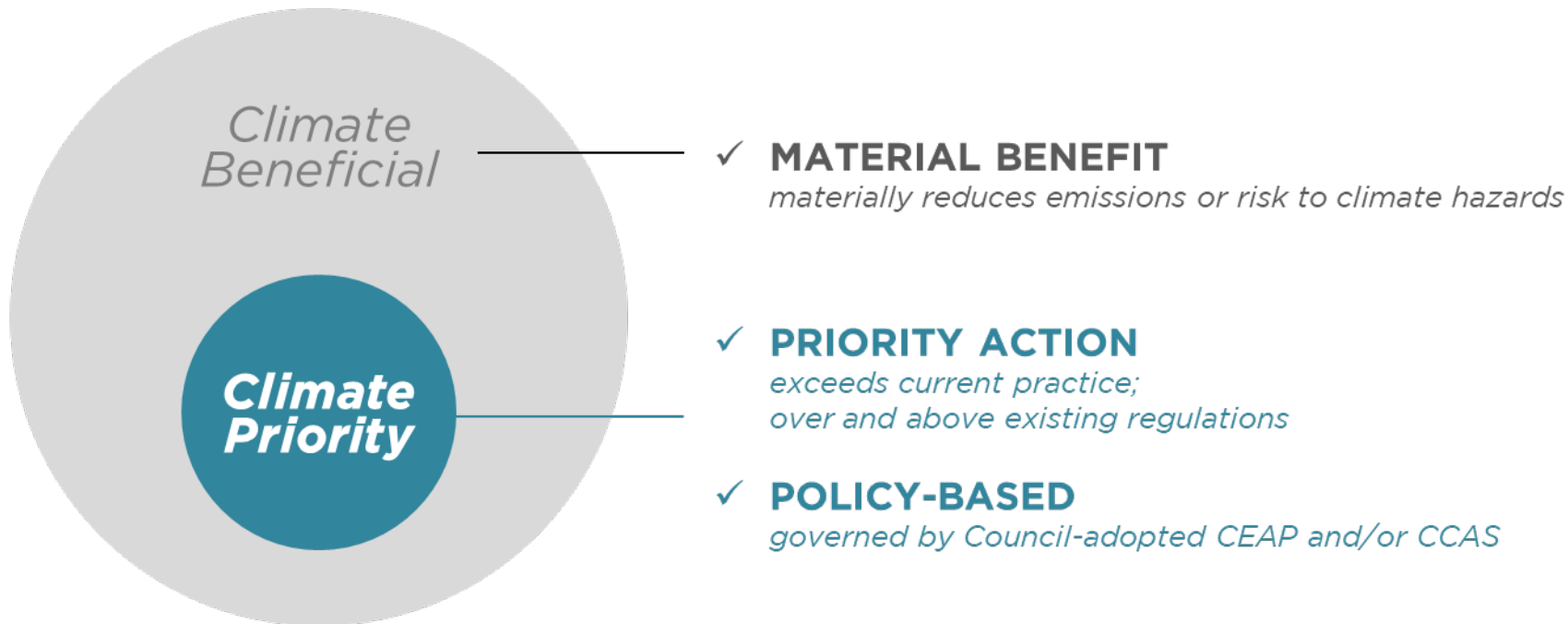
\$850M annual savings estimated
for households in 2030
if CEAP/CleanBC implemented



\$215M avoided carbon tax
for residents in 2030
if CEAP targets met

APPROACH

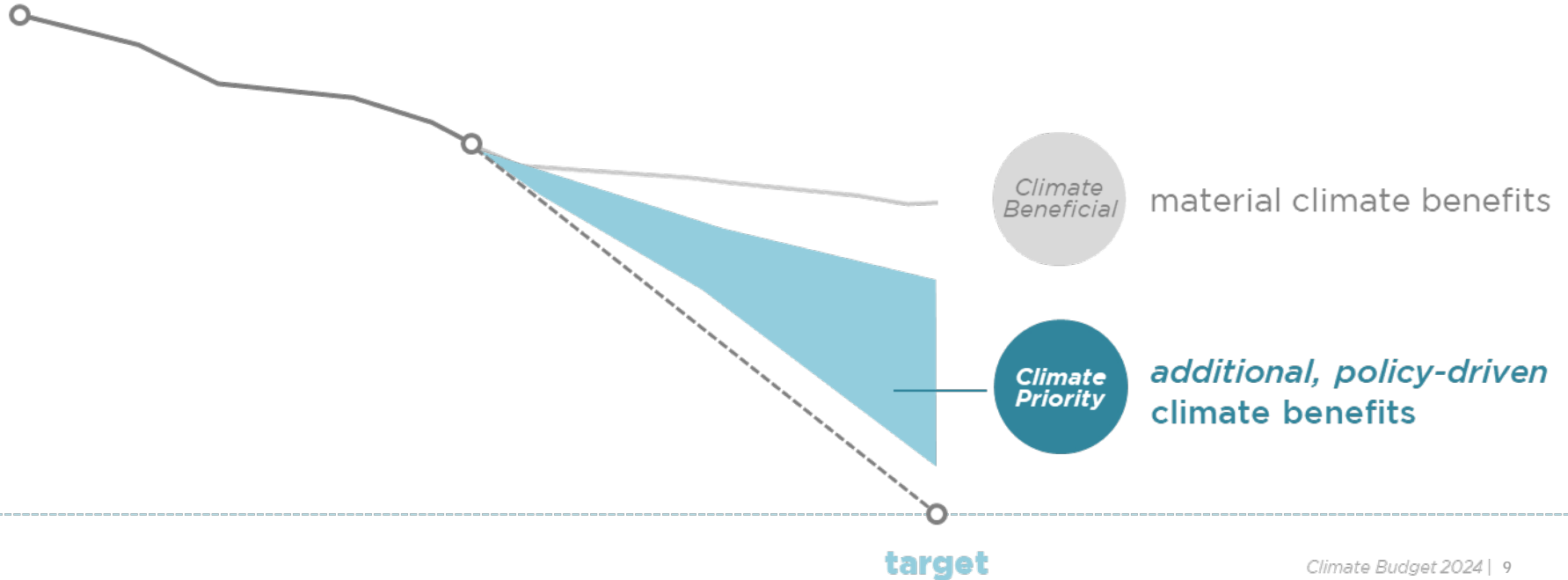
What is a “climate” investment?



CLIMATE BENEFICIAL vs CLIMATE PRIORITY

From an impact perspective

Carbon Emissions



2024 BUDGET, FUTURE NEEDS

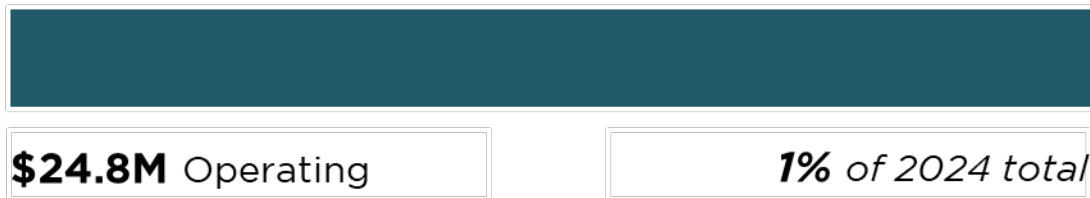
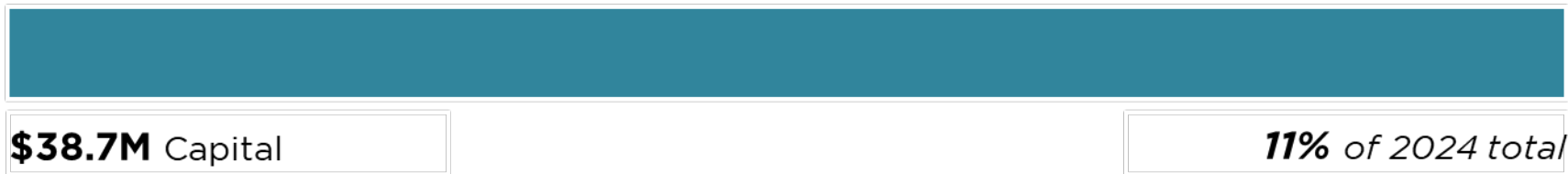
2024 BUDGET

FUTURE NEEDS



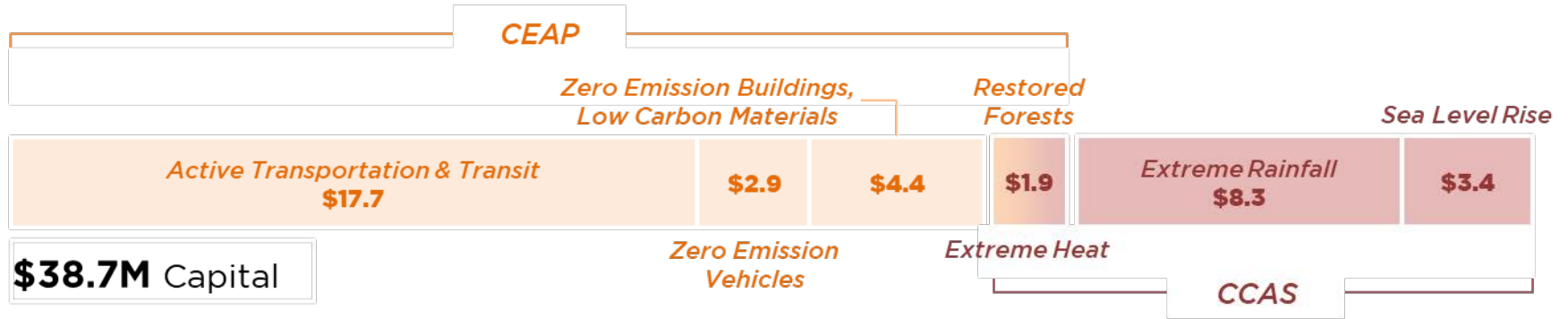
2024 BUDGET

2024 Draft Capital and Operating Budget



2024 BUDGET

2024 Draft Capital and Operating Budget



\$38.7M Capital

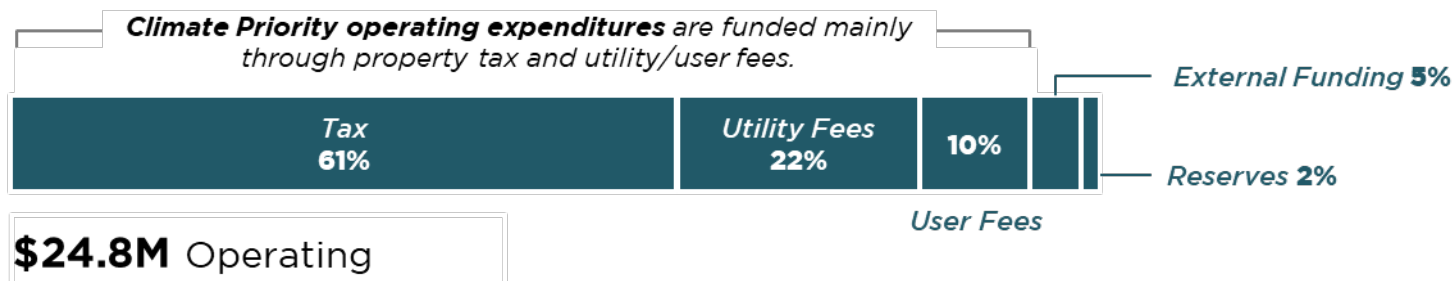
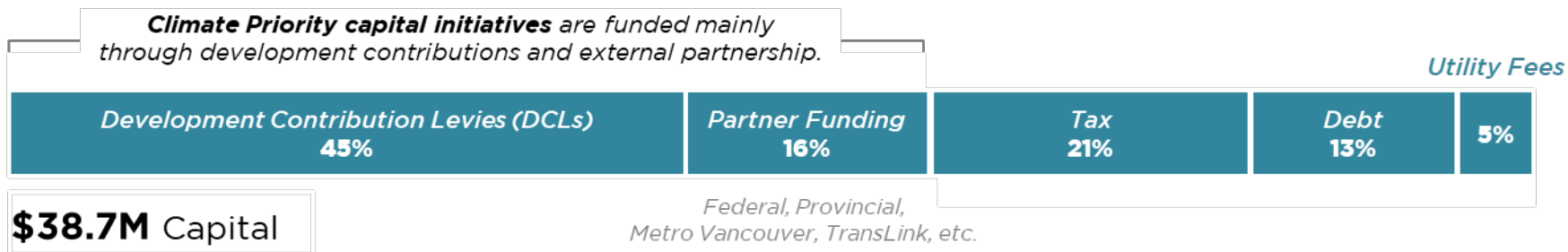
Climate Priority
\$24.8M

\$24.8M Operating

ACROSS ALL FOCUS AREAS:
staffing, community support programs,
equipment, fleet, policy development

2024 BUDGET

2024 Draft Capital and Operating Budget



FUTURE INVESTMENT NEEDS

2024-2026



CLIMATE MITIGATION

\$215M

2024-2026

restated *CEAP 2021-2025*
Financial Framework

CLIMATE ADAPTATION

tbd

2024-2026

CCAS Refresh in February 2024:
allocations and objectives

FUTURE INVESTMENT NEEDS

2024-2026



Addressing the funding gap



regulatory, advocacy tools



lower-cost implementation



external funding, new revenue



Capital Plan Update,
future budget/revenue allocations

NEXT-TIER PRIORITY INITIATIVES



Prioritized for:

- impact
- City cost
- alignment
- equity

	<i>Initiative</i>	<i>\$M</i>	<i>Budget</i>
CEAP	Active Mobility Plan: Melville Route and Victoria-Central Valley Greenway Improvements	\$4.1	Capital
	Medium- and heavy-duty truck retrofit pilot	\$0.5	Capital
	Expanded work on transit priority corridors (bus lanes, etc.) (TransLink funding leverage)	\$0.4	Operating
CCAS	Social policy capital grants for resilient retrofits	\$3.0	Capital
	Impervious surface reduction pilot projects	\$2.0	Capital
	Heat pump/cooling retrofit of Kerrisdale Library	\$1.0	Capital
	Community resilience to extreme heat	\$0.5	Operating
	Coastal asset inventory resilience guidelines (seawall)	\$0.5	Capital

2024 CLIMATE BUDGET

Next Steps

consolidated reporting

with CEAP/CCAS
Annual Reports

continued enhancement

develop Canadian best-practice
for reporting and processes

THANK YOU

*Photos: @ Unsplash
Icons: Flaticon*

COUNCIL MOTION

Feb 15, 2023

... **a restatement** of the Climate Emergency Action Plan (CEAP) budget and revised summary of proposed City investments for actions outlined in the CEAP...

... provide information on **expected outcomes and contributions of each investment** towards reducing carbon pollution and reducing future costs...

... reflect the City of Vancouver's **full and complete operating budget and capital spending** on direct climate mitigation and adaptation...

... overview to **help inform Council's decision-making** ...

... how much of the operating budget is directly related to climate action, what that funding is used for, and **how it benefits the City and residents**, including positive impacts on health and air quality and **helping avoid or reduce future costs** of coping with climate impacts.

... **annual basis** to update Council with a “carbon budget”...

... **recommendations on how to maximize the positive benefits to the City** of climate action, including how to **better avoid climate costs** and minimize the negative impacts of our changing climate.