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VanRIMS No.: 08-2000-20 Meeting Date: July 23, 2024 Submit comments to Council

TO: Vancouver City Council

FROM: General Manager of Planning, Urban Design and Sustainability

SUBJECT: Vancouver's Next Climate Plans

### Recommendations

A. THAT Council direct staff to be guided by the objectives, scope, and process described in this report, as they develop the City's 2026-2030 climate action plans and a financial framework, to reduce carbon pollution and prepare for the impacts of climate change.

B. THAT Council direct staff to and report back with proposed plans for Council approval by Q3 2025.

### **Purpose and Executive Summary**

The purpose of this report is to seek Council's approval to proceed with developing Vancouver's next climate plans guided by the objectives, scope, deliverables and timeline described herein. The City has two plans that guide its climate actions: the Climate Emergency Action Plan (CEAP) and the Climate Change Adaptation Strategy (CCAS). CEAP, approved in 2020, is a five-year action plan (2021-2025) aimed at cutting carbon pollution by 50 percent by 2030. CCAS was updated in early 2024 as a two-year action plan (2024-2025) with the goal of increasing Vancouver's readiness and resilience in the face of climate change. Given that both plans sunset in 2025, there is a need to develop new action plans to guide the City's climate work to 2030 and beyond.

The proposed approach described in this report is to refresh both plans with the aim of bringing the next five-year actions plans (2026-2030) to Council for consideration in Q3 2025. The proposed timeline includes engaging with the public, stakeholders, and intergovernmental partners in Q3 and Q4, 2024. The City's work to reduce carbon pollution is expected to continue focusing on the two largest sources of carbon emissions in Vancouver: buildings and transportation. The climate adaptation plan will focus on the five main climate change-related hazards facing Vancouver: extreme heat, air quality (wildfire smoke), drought, extreme rainfall, and sea level rise. Both plans will prioritize the most impactful actions and "levers" for the City to achieve its climate targets and goals.

The approach outlined in this report is meant to provide greater clarity about the City's role on climate action and to support other Council priorities, such as housing affordability, in addition to reducing carbon emissions and improving climate resilience. Both plans will include a financial framework that outline what is achievable within the City's existing funding capacity, regulatory and policy tools; additional actions and outcomes that could be achieved through new regulations and policies that are subject to future Council decisions and/or senior government funding and partnerships.

## **Council Authority/Previous Decisions**

On March 13, 2024, Vancouver City Council approved the recommendation that <u>staff report</u> <u>back in 2025 with a five-year update</u> to the Climate Change Adaptation Strategy at the same time as an update to the Climate Emergency Action Plan (CEAP) is brought forward.

On February 15, 2023, Vancouver City <u>Council reaffirmed its commitment</u> to acting urgently within our jurisdiction to get the Climate Emergency Action Plan back on track to meet our science based climate targets, in ways that improve health, safety and equity.

## **City Manager's Comments**

The City Manager concurs with the foregoing recommendations.

## **Context and Background**

The City of Vancouver has a long history of being a global leader on climate action and sustainability. Going back to the Clouds of Change report approved in 1990, the City has prioritized efforts to reduce carbon pollution, protect and enhance green spaces, and enable its residents to make healthy, sustainable choices. These efforts have led to significant environmental outcomes, and also benefits related to improved mobility, cost savings for residents, growth in the local green economy, and international recognition of Vancouver's leadership.

The City currently has two plans that guide its climate actions: the Climate Emergency Action Plan (CEAP) and the Climate Change Adaptation Strategy (CCAS). CEAP, approved in 2020, is a five-year action plan (2021-2025) aimed at cutting carbon pollution by 50 percent by 2030. CCAS, first approved in 2018, was updated in early 2024 as a two-year action plan (2024-2025) with the goal of increasing Vancouver's readiness and resilience in the face of climate change. CCAS is informed by the City's Hazard Risk and Vulnerability Analysis and staff work closely with VEMA to align work programs and public communications. Given that both climate plans sunset in 2025, there is a need to develop new action plans to guide the City's climate work to 2030 and beyond. Doing so will provide a clear, prioritized roadmap for climate action at the City for the second half of this decade.

#### **Discussion**

#### The challenge

The City has cut community-wide carbon pollution by 17 percent since 2007. This reduction has happened at the same time the City's population and economy grew by roughly 15 and 60 percent respectively. This "decoupling" of carbon emissions from growth is a significant

accomplishment. The reductions were the result of meaningful improvements in energy efficiency and fuel switching in buildings, increased walking, cycling and transit usage, and a growing shift to electric vehicles. These changes have happened in large part because of leadership by the City, in terms of land use planning, and advancing regulations and infrastructure investments, along with actions taken by residents, businesses, non-profits and other levels of government.

Despite that progress, the City is currently off track to meet the target established by Council to reduce carbon pollution by 50 percent by 2030, which is based on the recommendations of the Intergovernmental Panel on Climate Change to limit the severity of climate change. With full implementation of the remaining actions in the Climate Emergency Action Plan (2021-2025) and the CleanBC Roadmap, carbon pollution could be cut by approximately 40 percent by 2030. While 40% would be a significant accomplishment, this report outlines a plan to increase that number while advancing new or accelerated actions in response to our changing context.

Over the past several years, the impacts of climate change have also been more pressing. The City has experienced several severe climate-related events, which have shown the importance of climate adaptation measures. In 2021, for example, an extreme heat dome event led to more than 600 fatalities across B.C., including 117 in Vancouver. That same year, an atmospheric river caused severe flooding in the Fraser Valley, rendering all main highways and rail lines that connect Vancouver with the rest of Canada impassable. Several wildfire smoke events have also impacted Vancouverites, particularly those who have existing health conditions. Together, these climate events highlight the need for more adaptation measures to be put in place now, and for continued planning to ensure the City's infrastructure and regulations are based on the expected future climate.

These recent events have also strengthened to need to prioritize equity in the City's climate work. Climate change impacts do not affect everyone equally, which means it is critical that disproportionately impacted communities be engaged with and prioritized when it comes to climate adaptation. For example, measures such as improving cooling in buildings should focus on areas where vulnerable populations are housed. There's also a need to develop actions that cut carbon pollution such that they also advance social equity—measures like improving access to safe, efficient public transit. By taking an equity-based approach it will ensure proposed actions will work for all members of the community.

### The proposed approach

Climate change is a daunting challenge, yet one that the City can make a meaningful difference locally and beyond. Vancouver's updated climate plans will identify the most impactful actions the City could take to reduce our carbon pollution and prepare our community for the impacts of climate change. Responding to this challenge gives us an opportunity to come together to create a city that is healthier, safer, more equitable, affordable, and resilient.

The proposed objectives in developing the climate plans are as follows:

- 1. Integrated Vancouver's plans to cut carbon pollution and adapt to climate change will be developed in parallel to provide a more holistic response to climate change.
- Responsive the climate plans will be responsive to the current priorities of the City, such as housing affordability, as well as the evolving climate plans of other levels of government.

- 3. Achievable the goals and actions put forward in the plans will be achievable and cognizant of the City's role and jurisdiction when it comes to climate action.
- 4. Meaningful the climate plans will focus on the most impactful actions that the City can take over the next five year to cut emissions and increase resiliency.
- 5. Equitable the climate plans will advance social equity by aiming to provide support where it's most needed, prioritizing equity-denied communities, and setting higher expectations on those with the greatest resources.
- 6. Supporting Reconciliation the climate plans will seek to advance reconciliation and support efforts by local First Nations to advance their climate work.
- 7. Informed the climate plans will be informed by public and stakeholder input, along with robust technical analysis and expert reviews.

The scope of the two climate plans is expected to be similar to what is currently in place. For CEAP, the intent is to continue focusing on the two largest sources of carbon pollution within Vancouver: buildings and transportation. The only proposed adjustment to scope for CEAP is to shift natural climate solutions (Big Move 6) into CCAS. The rationale for this shift is that natural climate solutions, and trees in particular, have strong adaptation benefits, including for cooling and rainwater management. Shifting Big Move 6 to CCAS will enable actions to focus primarily on the adaptation outcomes rather than on carbon sequestration, which is considered a secondary benefit. The scope of CCAS is expected to otherwise remain the same, focusing on the five main climate change-related hazards facing Vancouverites: extreme heat, air quality (wildfire smoke), drought, extreme rainfall and sea level rise.

The climate plans will focus on the most impactful measures. Actions related to local food and food choice are not proposed to be included, given the lack of connection to climate mitigation and lack of City levers to make material impact on carbon pollution respectively. Food waste will not be included in the climate plans as it contributes low levels of carbon pollution relative to transportation and buildings. The focus areas listed above as out-of-scope will continue to be addressed through the Healthy City Strategy and Zero Waste 2040 respectively. Finally, biodiversity will not be a driver for the climate plan, but will benefit from some of the climate change adaptation measures.

The climate plans will be supported with several pieces of technical analysis, including:

- Carbon emissions modeling for the proposed CEAP actions;
- Financial modeling to show the potential costs and savings for residents and businesses; and
- Economic analysis illustrating the impacts of the actions to Vancouver's economy, as well as an assessment of the cost of doing nothing;

The climate plans will also be informed by engagement with the public, stakeholders, and other levels of government, as well as input from climate and equity experts in the community.

In terms of timeline and deliverables, staff are aiming to bring the next five-year action plans (2026-2030) to Council in Q3 2025. To do so, staff are proposing to undertake engagement on proposed actions in Q3 and Q4 of 2024, which will enable the actions to be refined in early

2025. Two plans will be brought forward for Council approval on the same date in Q3 2025 in order to provide a holistic picture of the City's climate work.

# The opportunity

The five-year update to Vancouver's climate plans provides an opportunity to continue to align with the current context in Vancouver, BC, and Canada. There are several specific opportunities that are highlighted below, each with a suggested approach:

- 1. Getting on track with carbon emission reductions and continuing to advance priority adaptation measures the plans will focus on the most impactful actions and "levers" the City can use to advance climate actions, while also being transparent about the challenges of hitting science-based targets;
- Clarifying the role of the City when it comes to climate action the plans will include
  City-controlled targets, in addition to science-based targets, to highlight work within the
  City's control (e.g., availability of EV chargers). The plans will include specific
  partnership and advocacy actions, while also continuing to align the City's work with that
  of senior governments.
- 3. Supporting a smooth, efficient, and cost-effective transition off fossil fuels the plans will not rely exclusively on electrification but rather will draw on a range of zero-emission energy sources, including locally-sourced energy such as sewer heat and rooftop solar. Recognizing electricity will be a primary way to decarbonize, the City will continue working closely with B.C. Hydro to streamline electrical connections and upgrades.
- 4. Recognizing the City's funding limitations the plans will look for opportunities that don't rely on City investments (e.g., regulations, land-use decisions) and prioritize actions with the highest "bang for buck", while strategically seeking more investment from senior governments and partners. The plans may also identify opportunities to generate new or additional revenue for climate action.
- 5. Supporting affordability the plans will aim to provide opportunities for residents to save money while also offering support where it's most needed. Actions will be looked at through the lens of upfront and long-term costs, as well as the cost of inaction.
- 6. Achieving our objectives in a way that doesn't leave anyone behind the plans will aim to provide opportunities for all Vancouverites to benefit from climate action. Climate adaptation efforts will be centred on those communities that are being disproportionately impacted. Equity will also be a key consideration in efforts to reduce emissions.

Overall, the proposed approach to developing the City's climate plans is meant to build on the past momentum while also adjusting the reflect the needs and pressures facing the City today.

### **Environmental Implications**

In developing the next climate plans, staff intend to prioritize the most impactful climate actions. These actions will either reduce carbon emissions or increase the resiliency of the City to the effects of climate change, or in some cases will do both. The measures proposed in the plans will support healthy and diverse urban ecosystems and, in some cases, will improve residents' access to nature.

# **Equity Implications**

Council has directed that equity be a core consideration in developing any City programs, including climate plans. Equity will be centred in the throughout the planning process, including engagement.

# **Indigenous Relations Implications**

There is an opportunity to collaborate with xwməθkwəyəm (Musqueam Indian Band), Skwxwú7mesh (Squamish Nation), and səlilwətał (Tsleil-Waututh Nation), local Host Nations, on the development and implementation of the next climate plans. Staff have followed protocol and reached out to the Host Nations to inquire about their interest and capacity to provide input on the plans and will continue to create opportunities for the Nations to participate, with capacity funding provided. The climate plans aligns with/support UNDRIP priorities. Staff are also interested in exploring how the City can support the Host Nations in advancing their own climate priorities.

## **Financial Implications**

The planning work for the next climate plans will be undertaken within existing staffing resource and budget.

The climate plans will outline the required actions, including regulatory and policy changes and investment requirements, to achieve the target outcomes. Proposed actions will be based on cost and benefit analyses and consider impacts to residents and businesses. The plans will include a financial framework that outlines prioritized actions achievable using the City's current regulatory and policy tools and existing funding capacity. For context, the 2023-2026 Capital Plan includes ~\$215 million (~\$54 million per year) and the 2024 Operating Budget includes an additional ~\$25 million to support climate initiatives. The framework will also outline additional actions and outcomes that require i) regulatory and policy changes subject to future Council decisions, and ii) additional senior government funding and partnership.

Staff will also include in the report back an economic analysis illustrating the impacts of the proposed actions to Vancouver's economy, as well as a "cost of inaction" study to understand the financial implications of doing nothing.

### **Legal Implications**

There are no legal implications associated with this report's recommendations.

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