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File: 0620-20 Climate Action Revenue Incentive Program 0400-40 Correspondence/Meetings/General

The Honourable John Horgan Premier Via email: Premier@gov.bc.ca

The Honourable Josie Osborne Minister of Municipal Affairs Via email: MAH.minister@gov.bc.ca

The Honourable George Heyman
Minister of Environment and Climate Change Strategy
Via email: ENV.Minister@gov.bc.ca

Councillor Brian Frenkel
President, Union of BC Municipalities
Via email: ubcm@ubcm.ca, bfrenkel13@gmail.com

Dear Premier Horgan, Ministers Osborne and Heyman and Councillor Frenkel:

RE: TERMINATION OF BC CLIMATE ACTION REVENUE INCENTIVE PROGRAM

On May 11, 2020, representatives from the Ministry of Municipal Affairs announced to local governments that the provincial Climate Action Revenue Incentive Program (CARIP) will be ending after this reporting year. Despite all local governments in the region being a signatory to the BC Climate Action Charter, we were not engaged in the decision and are concerned that the Province does not understand the repercussions of this decision.

On July 14, 2021, the Capital Regional District (CRD) Board passed a motion "requesting 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, with first payments received by local governments in 2022."

CARIP has been a very valuable source of dedicated funding over the years, allowing local governments to take action on climate change by resourcing staff, funding key emissions reduction projects, supporting climate adaptation planning activities and leveraging larger climate-related grants. Many of these initiatives have been directly aligned with Clean BC plan goals. The CRD uses the grant to fund a dedicated staff position focused on supporting departments undertaking key mitigation and adaptation projects and plans.

This position undertakes annual corporate greenhouse gas accounting, capacity-building support to staff on both mitigation and adaptation topics, develops and monitors corporate climate mitigation and adaptation policy and procedures, facilitates multiple departments in accessing grants (FCM, CleanBC, Natural Resources Canada), and continues to initiate key greenhouse gas reduction projects - recently the Hartland Renewable Natural Gas project and fleet transition projects. While we acknowledge and appreciate the various provincial climate-related grants currently available to local governments, these are competitive and time-bound and present various barriers to access (i.e., time to confirm Board/Council approvals, adjustment of budgets to ensure accessible matching funding, and having internal staff capacity to initiate and undertake associated reporting). CARIP has been a funding source that many local governments have leaned on to leverage these opportunities. It is unfortunate that, in the absence of either the CARIP program or a similar source of consistent funding, many local governments will be limited in their ability to apply for such competitive grants and support the Province in executing their community-focused programming.

There is an overwhelming demand for municipal tax dollars to support core municipal services. Removing dedicated climate action funding will create a shortfall that is unlikely to be met from the municipal tax base. This will likely become more evident as the carbon tax rate increases annually. This change is also being implemented at a time of particular uncertainty due to the COVID-19 pandemic, and local governments have limited ability to reallocate budgets. While the CARIP program may have ended, the need for dedicated funding to support local government climate action through initiatives such as carbon tax refunds has never been more important.

The CRD and its 13 local governments and three electoral areas are committed to climate action. Significant effort has been made working with provincial colleagues to build internal capacity and to restructure systems to align with the BC Climate Action Charter and CARIP reporting requirements. Over the past few years, many local governments have encouraged the Province to work between ministries to refresh the Charter and CARIP to better align with provincial and local government climate goals. Again, consistent, reliable and dedicated funding is the need.

Local governments have direct or indirect influence over more than half of BC's provincial inventory of greenhouse gas emissions and are at the front lines in dealing with climate impacts. The Province needs full involvement by local governments to be successful in achieving targets and goals of your CleanBC plan. To be effective partners in a coordinated effort, we request that CARIP funding, or a similar program, be reestablished.

Sincerely,

Colin Plant

Chair, Capital Regional District Board

cc: Deputy Minister Okenge Yuma Morisho, Ministry of Municipal Affairs CRD Board Robert Lapham, Chief Administrative Officer, CRD Larisa Hutcheson, General Manager, Parks & Environmental Services, CRD Glenn Harris, Senior Manager, Environmental Protection, CRD