



The Corporation of the District of Saanich | Mayor's Office

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Sent via email: premier@gov.bc.ca

May 27, 2021

The Honourable John Horgan, MLA
Premier of British Columbia
Office of the Premier
PO Box 9041 Stn Prov Govt
Victoria, BC V8W 9E1

Dear Premier Horgan,

Re: British Columbia Climate Action Revenue Incentive Program (CARIP) Ending

This letter will confirm that Council, at their meeting held May 17, 2021, considered a staff report on the end of the Climate Action Revenue Incentive Program (CARIP) and resolved as follows:

“That Council:

- 1. Receive for information the report of the Director of Planning dated May 13, 2021.*
- 2. Direct the Mayor to send a letter to the Premier, the Minister of Municipal Affairs; the Minister of Environment and Climate Change Strategy; the Minister of Finance, and the Union of British Columbia Municipalities (UBCM) based upon the draft provided, detailing the impact of cancelling the Climate Action Revenue Incentive Program (CARIP) and the need for a swift replacement that provides consistent, non-application funding to allow the District of Saanich and other municipalities to continue their work at a scale that can deliver on the Provincial CleanBC Plan and Municipal Climate Plans.*
- 3. Direct staff to draft a resolution to UBCM on a replacement CARIP program and present this to Council for consideration prior to the June 30, 2021 submission deadline.*
- 4. Share this report and attachments with the Capital Regional District Board of Directors, other BC municipal elected officials and Chief Administrative Officers in advance of the UBCM Conference in September, 2021.”*

On May 11, 2021, the District of Saanich was made aware of the end to the Climate Action Revenue Incentive Program (CARIP) through an announcement made by the Ministry of Municipal Affairs.

In light of the Provincial commitment to climate action outlined in CleanBC and the Federal government's renewed climate commitments prior to the United Nations Climate Change Conference (COP26), the end of the CARIP program and withdrawal of this provincial funding source for climate action was extremely unexpected and it is clear that local governments have not been engaged in the decision.

CARIP has been a critical source of consistent and dedicated funding over the years, allowing municipalities to take action on climate change by resourcing staff, funding key emissions reduction projects and leveraging larger climate related grants. It is a true example of global best practice in coordinated and consistent climate reporting, representing over a decade of data on climate action at the municipal level.

The District of Saanich has delivered a considerable number of high impact actions using CARIP funding, ranging from multiple rounds of public electric vehicle charging stations, to the analysis and engagement required to support adoption of the BC Energy Step Code. Additional examples are provided in the attached Council Report. Further, CARIP funding has been instrumental in the development of a Sustainability Division and the hiring and retention of sustainability staff, which, until 2021, were still partly resourced via CARIP funding. Many other municipalities will have staff delivering on climate action that are still resourced through the CARIP carbon tax refund.

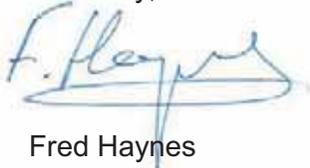
Given this, the clear lack of a replacement program that provides a consistent and reliable funding source for municipal climate action and the shift towards solely competitive funding streams and programs is of major concern. Such programs require significant effort, staff time and, often, financial resources to fund the analysis needed for an application with no guarantee of success. They also take substantial time and resources for evaluation by the decision making body and we regularly hear that grant programs and competitive funding streams are over-subscribed. In addition, they rely on match funding or financial contributions from the local government partner. In the absence of either the CARIP program or a similar source of consistent funding, many municipalities will be limited in their ability to apply for such competitive programs. Further, this level of uncertainty makes it extremely difficult to plan for and implement climate actions that span multiple years.

While some amendments to the CARIP process and report template would be valuable, for example, the move from a carbon tax refund based upon fossil fuel consumption to one based on municipal population, there remains considerable benefit to continuing with a program that provides consistent funding tied to the delivery of a simple annual climate report.

This change is being implemented in a time of particular uncertainty when there is an overwhelming demand for municipal tax dollars to support core municipal services and local governments have limited ability to pivot on budget decisions. Removing dedicated climate action funding will create a shortfall that is unlikely to be met by many local governments through the municipal tax base.

As such, Council requests that the Province engage local governments on the swift replacement of CARIP with a program that provides consistent, non-application based funding, tied to annual climate reporting and with first payments received by local governments in 2022. This will allow municipalities to continue their work at a scale necessary to address the Climate Emergency and deliver on CleanBC and Municipal Climate Plan goals.

Sincerely,



Fred Haynes
Mayor
Enclosures

cc: Saanich Council
Sharon Hvozdzanski, Director of Planning, District of Saanich
Valla Tinney, Director of Finance, District of Saanich
Tara Faganello, Assistant Deputy Minister, Local Government Division, Ministry of Municipal Affairs

May 28, 2021

Honourable Josie Osborne
Minister of Municipal Affairs
PO Box 9056, Stn Prov Govt
Victoria BC V8W 9E2

Dear Minister Osborne,

I am writing on behalf of the UBCM Executive to express concern with the elimination of the Climate Action Revenue Incentive Program (CARIP) funding for local governments.

We have previously taken the opportunity to voice our concerns about this decision with you, Premier Horgan and senior staff in your Ministry. We also feel it is important to follow-up in writing.

The UBCM Executive has received an outpouring of responses from our membership since Ministry staff informed local governments this would be the final year for CARIP. The elimination of CARIP took UBCM and our membership completely by surprise. We had not previously heard any concerns raised by the Province about the effectiveness of the Program and are still unclear as to the rationale behind this decision.

While CARIP was a modest sum of money in the scope of the Province of BC's budget, the positive impacts of the Program were significant. The funding was used by many local governments to showcase innovative new green technologies, and provide a visible example to their communities of the value of implementing climate change actions. In other local governments, the funding was used to build staff resources and budgets to assist with local government sustainability actions. In many places, the CARIP funding was identified as seed funding and was used to leverage significant additional funding from other sources for valuable climate change projects.

We do acknowledge that a new fund of \$11 million has been identified for the 2022 budget. However, the new program has not been designed beyond a reference to land use planning. UBCM was involved in the design of CARIP over ten years ago. We believe steps should be taken now to provide clarity and certainty for BC's local governments, and the design of this new program should begin immediately. Our membership was supportive of the CARIP funding model, and we would like to see a program that builds upon these successes. UBCM is willing to participate in the design of the new program and can draw upon the expertise in our own membership as required.

Yours truly,



Brian Frenkel
UBCM President

cc: Honourable George Heyman, Minister of Environment and Climate Change Strategy