



March 7, 2023

Re: Help Cities Lead – report back to supporting Councils

Dear Mayor and Council,

In 2021 your Council passed a resolution endorsing the Help Cities Lead campaign. Help Cities Lead is an education and awareness campaign working to build support for more focused collaboration between the Province of British Columbia and local governments on climate policy related to buildings. The group is a coalition with [Climate Caucus](#) and other environmental organizations. The Help Cities Lead campaign has received widespread support from local governments in British Columbia. We appreciate your support and want to provide an update on the campaign, the work that we have done, and the progress that has been made.

Help Cities Lead believes that allowing for local government leadership is critical to developing innovative policies and programs to achieve deep emissions reductions from the building sector throughout the province. We saw that the tools available to local governments to pursue these critical reduction targets were largely limited to information campaigns and incentives which were insufficient to achieve broad and deep energy and GHG reductions at scale and in a timeline that is consistent with many local government's climate plans. The Help Cities Lead campaign identified a suite of five measures that would enable local action on reducing GHG emissions from new and existing buildings:

- Regulating GHG emissions for new buildings
- Regulating GHG emissions for existing buildings
- Home energy labelling
- Building energy benchmarking and reporting
- Enabling legislation for a low interest retrofit loan program known as PACE (Property Assessed Clean Energy)

As we advocated for these policy changes, Help Cities Lead received strong support from local governments across BC. We received endorsements from 38 local governments from Kitimat to

Metro Vancouver. Additionally, our work was supported by UBCM - a resolution of support was passed in 2021 with the endorsement of the UBCM executive.

To date Help Cities Lead has resolutions of support from the following:

AVICC	Bowen Island, Municipality	Comox, Town
Comox Valley RD	Courtenay, City	Cumberland, Village
Fernie, City	Gibsons, Town	Golden, Town
Highlands, District	Kitimat, District	Ladysmith, Town
Langley, Township	Lions Bay, Village	LMLGA
Maple Ridge, City	Metro Vancouver	Nanaimo, City
New Westminster, City	North Cowichan, Municipality	North Saanich, District
North Vancouver, City	North Vancouver, District	Oak Bay, District
Port Moody, City	Powell River, City	Rossland, City
Saanich, District	Sidney, Town	Squamish, District
Summerland, District	Ucluelet, Resort Municipality	UBCM
Vancouver, City	Victoria, City	West Vancouver, City
Whistler, Resort Municipality		

With that support in hand, we requested meetings with the relevant ministers. We had productive meetings with: then Minister of Municipal Affairs, Josie Osborne (and later with then Minister of Municipal Affairs, Nathan Cullen); Minister of Environment and Climate Change Strategy, George Heyman; then Minister of Energy Mines and Low Carbon Innovation, Bruce Ralston; and then Attorney General and Minister responsible for Housing (now Premier) David Eby.

In the wake of those meetings, we wanted to provide an update on the status of our policy requests:

1. Regulating GHG emissions for new buildings
 - a. New standards take effect May 1, 2023
 - i. Zero Carbon Step Code: The Zero Carbon Step Code enables local governments to “opt-in” to require that new buildings in their community meet certain emissions requirements by referencing them in their building or zoning bylaws. The Province recently signed this regulation, which comes into effect May 1, 2023.
Learn more about how to implement the new Zero Carbon Step Code tool in your own community here: [BC Energy Step Code requirements | Energy Step Code](#)

- ii. Two Pathways Approach: In the interim, prior to the Zero Carbon Step Code becoming available, some local governments have implemented a two pathways approach where applicants can elect to meet a lower level of the BC Energy Step Code than is generally required in exchange for installing a low carbon energy system that meets specific GHG criteria.

2. Regulating GHG emissions for existing buildings

- a. BC Existing Buildings Renewal Strategy: Through the [CleanBC Roadmap to 2030](#), the Province committed to introducing an alterations code for existing buildings by 2024. The Existing Buildings Renewal Strategy will include more details on the alterations code and develop a path for today's buildings to become more energy and water efficient, cleaner, and safer for British Columbians during events like earthquakes, wildfires and wildfire smoke, heat waves, drought, and floods. Phase 1 of engagement was completed in the fall of 2019 and Phase 2 was completed in the fall of 2021. It is expected that the alterations code will be focused on prescriptive efficiency improvements and harmonized with the national model building code. The draft Strategy is expected to be released later this year.
- b. Highest Efficiency Equipment Standards: Through the *CleanBC Roadmap to 2030*, the Province committed to introducing standards that will require all new space and water heating equipment sold and installed in B.C. to be at least 100% efficient after 2030. This will drive the market towards electrification and hybrid systems (e.g. heat pump with gas backup) and limit the installation of stand-alone fossil-fuel fired furnaces and boilers. A first round of engagement was conducted in fall 2022, and more details are anticipated in 2023. This policy will have a significant impact on reducing emissions over the coming decades; however, municipalities are calling on the Province to accelerate timelines for certain market segments (e.g. part 9 homes in climate zone 4) or provide authority for municipalities to move ahead of provincial regulation so that the policy may help achieve 2030 targets.
- c. Local Initiatives: Communities in BC have developed their own strategies to address emissions from existing buildings within their limited authority such as [concierge retrofit programs](#) to support homeowners as they move through the retrofit progress, and revitalization of tax exemptions for low emission and/or resilient retrofits. These and other initiatives support the anticipated Existing Buildings Renewal Strategy and the Highest Efficiency Equipment Standards.

3. Property Assessed Clean Energy (PACE) Financing

- a. Provincial Roadmaps: In 2020 the Ministerial Mandate letters for Municipal Affairs and for Energy, Mines and Low Carbon innovation identified PACE as a priority for the provincial government. In 2021 the Province developed an internal PACE Roadmap to identify the strengths, weaknesses, opportunities and barriers of the various considerations for residential and commercial PACE programs specific to the BC context implementation.

Also in 2021, through the *CleanBC Roadmap to 2030*, the Province committed to developing a PACE program stating: “We will proceed with the next steps on a Property Assessed Clean Energy (PACE) program, which is a form of financing for energy retrofits designed to help building owners save on energy costs and reduce greenhouse gas emissions.”

Notwithstanding this commitment, there has been little movement towards implementation since the *CleanBC Roadmap to 2030*.

- b. Local Initiatives: Some local governments have begun to move forward with progressive property assessed financing programs at a small scale, such as the District of Saanich. Saanich’s pilot offered interest-free financing to 50 homes switching from oil to a heat pump, including a stream for income-qualified initial results of the program are positive with most participants stating that the financing program has been integral to overcoming capital cost barriers and/or allowing them to undertake complementary efficiency upgrades. These types of programs cannot be scaled up significantly without legislative amendments, and local governments continue to advocate for the Province to follow through with its commitments on PACE.

4. Energy Labelling

- a. Provincial Response: In its CleanBC Roadmap to 2030, the Province committed to ensuring that:

“...home sale listings will include an energy efficiency rating or label, letting buyers know what their energy costs and carbon footprint will be. Along with raising public awareness, home energy labelling can motivate owners to invest in retrofits that save energy and cut GHG emissions, knowing it will impact future salability.

As a first step, we will introduce a user-friendly, web-based, virtual home-energy rating tool to let people see how efficient their homes are.”

The Province has been working on the virtual home energy rating tool and it is expected to roll out across the Province in 2024. More information is still to come on

the labelling requirements for home sale listings and any integration with Natural Resource Canada's EnerGuide Rating System.

- b. Local Initiatives: In the interim, some local governments in BC have included energy labelling as an administrative requirement for new construction at the time of building occupancy to support the disclosure of energy and emissions information for homeowners. This is the District of Saanich's [Bylaw](#) requiring energy labeling and their public facing [FAQs](#)

5. Benchmarking

- a. Legal Analysis: Help Cities Lead sought a legal analysis performed by Lidstone & Company on the authority of local governments to implement building energy benchmark provisions. The analysis found that municipalities in BC do in fact have authority to implement such requirements. This authority was brought to the attention of the Minister of Municipal Affairs who verbally confirmed the Ministry's interpretation of jurisdiction aligned with the Lidstone analysis.
- b. Local Initiatives: Several municipalities and organizations around the province have joined [Building Benchmark BC](#), Canada's largest voluntary benchmarking and disclosure program working to inform and inspire public and private sector leadership on built-environment climate change solutions. Some local governments are beginning to explore the best approach for a harmonized mandatory benchmarking program.

Help Cities Lead will continue to meet with Ministers and senior staff at the Province to press for action on these asks, and will report back as we make further progress.

We thank you for your support as we seek more tools for local governments to address the challenge of building decarbonization. We invite you to share your successes and challenges with us.

Best wishes,

Will Cole-Hamilton

Councillor, City of Courtenay

Chair, Climate Caucus

Chair, Help Cities Lead

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I gratefully acknowledge that I live and work on the
unceded territory of the K'ómoks First Nation,
the traditional keepers of this land.