# STAFF REPORT NO.

**TO:** Mayor and City Council  $\rightarrow 100$  **DATE:** 12/05/2022

FROM: Eric Holmes, City Manager

**Subject:** The resolution to adopt the Climate Action Framework, a 2040 framework to reduce greenhouse gas emissions and build resiliency to climate change impacts.

### **Key Points:**

- Council first directed the City Manager to begin development of City climate goals in late 2019. Staff completed an update to the municipal and community greenhouse gas inventory in fall of 2020 and Council provided direction to pursue a "Leading Edge" approach to the climate strategies in summer of 2021.
- In June 2022, Council adopted the Climate Priority Resolution, thus adopting the following leading-edge greenhouse gas reduction goals:
  - o an 80% reduction in greenhouse gas (GHG) emissions by municipal operations by 2025:
  - o an 80% reduction in GHG emissions by the Vancouver community by 2030; and
  - o carbon neutrality by both municipal operations and the Vancouver community by 2040.
- The resolution further directed the City Manager to develop a Climate Action Plan (now called the Climate Action Framework, or CAF) to define the strategies and actions necessary to achieve these goals.
- City staff co-developed an initial draft CAF through research into best practices, public outreach, direct engagement with community stakeholders, and consultation with City Department leadership and staff. City Council first reviewed this draft in August 2022.
- Council provided policy direction on several key issues at several subsequent touchpoints including a policy discussion Workshop in Sept. 2022 and two Council Communications at Council meetings in Nov. 2022. This direction has been incorporated into the current version of the CAF.
- In order to be eligible to apply for grant funding through the federal Inflation Reduction Act, the City must have an adopted plan to reduce greenhouse gas emissions.

### **Strategic Plan Alignment:**

**Goal 1, Objective 1.1:** Develop and maintain a safe, balanced and innovative transportation system that will meet the needs of future generations.

Goal 1, Objective 1.2: Ensure our infrastructure, including buildings and utilities, is safe, environmentally responsible and well maintained.

Goal 3, Objective 3.2: Improve services available to underserved or vulnerable residents.

Goal 6, Objective 6.1: Support a strong, active neighborhood program that enhances livability and community connections.

# **Present Situation:**

In December 2019, Council directed the City Manager to begin developing climate goals related to reductions in greenhouse gas emissions.

Beginning in 2020, City staff worked with Cascadia Consulting Group ("Cascadia") to conduct an updated inventory of municipal and community greenhouse gas emissions. The results of the updated inventory and models of potential future emissions were shared with Council in fall of 2020 and Council engaged in a series of conversations with staff and the consultant team to identify targets for municipal and community emission reduction targets. In July 2021 Council identified the "Leading Edge" emission reduction target as their preferred policy direction.

Through surveys, roundtable meetings, one-on-one meetings with individual community members and stakeholder groups, multiple rounds of review with staff across City departments, and input from City Councilmembers, staff co-developed a robust list of strategies and actions with community partners that would set the City on its path towards its stated goal of carbon neutrality by 2040. Staff efforts were supported by a team of graduate students from Portland State University whom staff engaged in the spring of 2022 to conduct focused public outreach on climate resiliency and adaptation to learn about the priorities of frontline communities who too often bear the heaviest burden of climate change impacts.

Taken together, these climate priorities, strategies, and actions were compiled into the Draft Climate Action Framework. Cascadia modeled the GHG reductions that could be achieved by the actions in the CAF, as well as the expected costs associated with the most impactful actions. The first draft was presented to Council in August 2022. The CAF has subsequently undergone several rounds of revision following input from Council and community stakeholders. The GHG impact and cost models have been updated accordingly to reflect these revisions.

An unprecedented amount of funding for greenhouse gas reduction and climate resiliency projects will be available to local jurisdictions in 2023 via the federal Inflation Reduction Act of 2022. One of the requirements to apply for this funding is for the City to have an adopted plan to reduce greenhouse gas emissions. The CAF would satisfy this requirement.

#### Advantage(s):

- 1. Adopts strategies and actions that the City can pursue to achieve its adopted greenhouse gas emission goals.
- 2. Establishes strategies to protect vulnerable communities such as low-income people, communities of color, people with health issues, the elderly, young people, and unhoused people from the impacts of climate change.
- 3. Positions the City to apply for grants and other funding opportunities through the federal Inflation Reduction Act of 2022, which requires an adopted GHG reduction plan as a condition of eligibility for application.
- 4. Provides needed guidance as staff approach efforts such as the update of the Strategic Plan and the Comprehensive Plan.

# **Disadvantage(s):**

- 1. Implementing the actions in the CAF to cut GHGs and protect the Vancouver community from climate change impacts will require substantial investments in infrastructure, community assets, equitable outreach, and education by municipal and community sources
- 2. Efforts to reduce emissions may result in disruption to businesses and their customers as they adapt to new market practices and regulatory environment.

3. Strategies to promote compact, walkable neighborhood design and promote usage of alternative forms of transportation will lead to changing land use and development patterns, increased density through Vancouver, and a reprioritization of transportation choices that may be disruptive to historic community patterns of living.

### **Budget Impact:**

Approval of the climate priority resolution does not directly result in a budget impact. Implementation of individual actions in the CAF will be included in department budget requests that come before Council for review and approval, and over the long-term implementation may require additional budget resources.

## **Prior Council Review:**

November 23, 2020, Council Workshop – Staff provided an overview of the GHG emissions forecast and options for emission reduction targets.

December 14, 2020, Council Workshop – Council continued discussion on emission reduction targets.

March 22, 2021, Council Workshop – Staff provided an overview of the Strategy Development Process.

July 26, 2021, Council Workshop – Staff provided an update on the process to develop a full Climate Action Plan (CAP), the Early Action Package, and the interim Green Building Policy.

November 21, 2021, Council Communications – Staff provided an update on the development of the CAP.

March 7, 2022, Council Workshop – Staff provided an update on the development of the CAP.

May 16, 2022, Council Workshop – Staff presented the draft list of climate strategies and actions that had been developed for the CAP.

June 6, 2022, Council Meeting – Council voted to adopt the Climate Priority Resolution.

Aug. 8, 2022, Council Workshop – Staff introduced the first draft of the full Climate Action Framework (CAF) document.

Sept. 19, 2022, Council Workshop – Council considered several key policy questions related to energy supply for new and existing buildings, fuel supply for and provided direction to Staff.

Nov. 7, 2022, Council Communications – Council provided comments and asked questions regarding four sections of the CAF (Building Energy, Transportation & Land Use, Solid Waste & Wastewater, and Governance).

Nov. 21, 2022, Council Communications – Council provided comments and asked questions regarding two sections of the CAF (Equity & the Green Economy and Natural Systems).

## **Action Requested:**

1. On December 5, 2022, subject to the public hearing, pass the resolution to adopt the Climate Action Framework.

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### **Attachments:**

- Climate Action Framework
- Climate Priority Resolution

