

The SFU logo consists of the letters 'SFU' in white, bold, sans-serif font, set against a solid red rectangular background.

SFU

MORRIS J. WOSK
CENTRE FOR DIALOGUE

APR 2023

ACCELERATING ACTION

The Cities +
Climate Initiative

DIALOGUE REPORT · UPDATED MAY 2023



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INTRODUCTION

In 2021 and 2022, the Cities + Climate Initiative convened three high-level roundtable dialogues and delivered programming at COP26 in Glasgow and COP27 in Sharm El-Sheikh. These sessions brought together leaders from Canadian municipal governments, the Government of Canada, and a number of civil society organizations both within and outside of Canada, with the goal of developing and amplifying the key messages of Canadian municipalities, as they seek to promote more robust multilevel action on climate in this country.

During our fourth national dialogue, the Initiative held space for this community of expertise and action to take stock of our efforts towards meeting climate mitigation and adaptation goals, and identify areas of need and concrete steps towards accelerating implementation efforts. The session generated some important ideas and sharpened the path forward for municipalities as they seek to meet and surpass climate targets in this decade.

Building on the ideas generated by this expert community, the Cities + Climate Initiative intends to support Canadian multilevel climate action through direct follow-ups, targeted issue-based convening, network support, recruitment of local governments to the table, international partnership development, and other such activities necessary to meet our mitigation and adaptation goals.

In the months ahead, we will lean into the expertise and strength of this network to take this report from paper to progress.

We have structured this report to reflect participants' views of the current playing field as it stands on multilevel climate action, and to dive into the key messages and steps that emerged from discussion around 4 key thematic areas:

THEMATIC AREAS

- | | |
|--|--------------------------------------|
| 1 Energy, Decarbonization & Retrofits | 2 Finance & Procurement |
| 3 Transportation | 4 Adaptation & Resilience |

Each of these thematic areas surfaced insights and recommendations for action, as cities seek to strengthen the narrative around multilevel climate action in Canada and accelerate their implementation strategies. These messages have been synthesized and highlighted in this report, and we hope that they can be useful in advancing cities' climate priorities in the months to come.

SECTION I

Taking Stock

Cities Are Making Progress, But Need Support To Go Even Further

Cities have been showing leadership for a long time, but regulatory and funding gaps often limit them to piecemeal approaches. Dedicating resources and multilevel support to city plans, which are designed to be implementable, will help accelerate progress towards meeting Canada's NDC targets. With direct support from the federal government and increased financing capacity, city-level expertise and reporting can be better leveraged to make good on existing climate leadership from municipalities.

Rural-Urban splits have been exacerbated by COVID-19

With the shifts in work-from-home arrangements, population movements, and changing lifestyles in light of the recent pandemic, the differences between rural and urban communities have grown larger.

Planning bodies across local government sizes are shifting their community development strategies to reflect changing land-use needs and transit usage patterns. This, in turn, will affect our progress in reducing emissions in the mobility and built environment sectors.

Deepening Collaboration with Indigenous Communities

Across Canada, municipalities are learning from Indigenous communities on mitigation and adaptation. However, while around half of Canadian cities' climate plans involve consultation of indigenous communities, only 1 out of 5 are moving forward with Indigenous governance and decision-making participation.

Meaningful collaboration with a focus on participatory implementation must be prioritized, and cities and civil society organizations must take the lead of indigenous communities on nature-based solutions.

Taking Stock (Cont'd)

Budget challenges, exacerbated by inflation

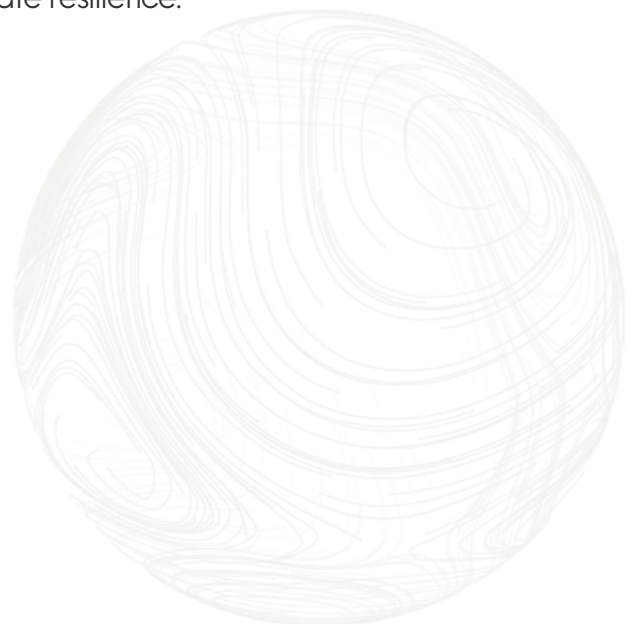
Canadian cities are still not seeing sufficient recovery to pre-COVID revenue streams, and recent inflation pressures have further exacerbated these budget challenges. Much of the grant funding that municipalities receive is on a discretionary, year-to-year basis. Maintaining fiscal health at the municipal level will remain a central priority for governments, and without support this will stall momentum on climate action.

The economic impacts of the pandemic and our response continue to affect how cities plan for land-use needs. These needs extend into residential, industrial, commercial, and other sectors.

Adaptation Plan

The release of Canada's National Adaptation Strategy (NAS) in Fall of 2022 is very welcome news for municipal governments. Together with the Emissions Reduction Plan, these documents make important strides towards solidifying the centrality of cities in Canada's climate targets. NAS investment in municipalities through the FCM Green Municipal Fund is particularly helpful for local communities.

As highlighted below, more work is needed towards mobilizing private capital and streamlining existing funding structures for climate resilience.



SECTION II

Key Messages & Thematic Areas

Energy, Decarbonization & Retrofits

ERP Progress Report

The first progress report for Canada's 2030 Emissions Reduction Plan (ERP) is expected to be released in late 2023. This report will offer a chance for cities to highlight the barriers they've faced, and deepen their engagement with the ERP.

Policy and implementation gaps should be highlighted on a program-by-program basis, and solutions proposed with local expertise in the driver's seat. Collaboration with civil society organizations is key, as they can provide support on data and reporting.

Finance & Procurement

Federal Budget 2024

Next year, there is an opportunity to make the 2024 Federal Budget both a 'climate budget' and a 'cities budget'. Over the course of the coming year, cities and civil society organizations must work together to ensure that municipal expertise and needs are represented, and backed up by solid climate reporting and economic modelling. Messaging on climate resilience, especially, can be tailored to speak to voters across the political spectrum.

The LC3 Model - Successes and further opportunities for growth

Low Carbon Cities Canada (LC3), a partnership between seven local centres and the FCM aimed at demonstrating and scaling low-carbon climate solutions developed at the municipal level, provides a funding model to support innovative climate financing. It works, in large part, thanks to the broad suite of local expertise that it leverages, including program design, service provision and accountability of reporting.

Stakeholders have noted that the original endowment provided is a start, and needs to be leveraged further. The model has been able to mobilize resources in communities; scaling up the funding for this work will allow more cities to access the resources they need to deliver on necessary solutions.

Finance & Procurement (cont'd)

MFA Legislation - Providing low interest financing for any size municipality

The Municipal Finance Authority (MFA) of British Columbia pools resources and borrowing programs so that communities of any size can lower financing costs and raise money for capital projects, through low-interest bonds and pooled investment. While low-cost loans can be useful, especially for small and medium-sized communities, the BC MFA is unique from other similar provincial bodies in that it is not backed by provincial debt guarantee, and goes beyond lending to provide cost-effective pooled investment, interim financing, and leasing services to municipalities.

It is important to explore the possibility of extending and scaling this model in other provinces - both those without a provincial financing body, and in those where such bodies do not extend beyond lending assistance. Such expansion would both lower local debt charges and transaction costs, and significantly increase municipalities' ability to fund capital projects.

National Critical Infrastructure Strategy

Local governments must take an active role in informing the 2021-23 Action Plan for Critical Infrastructure. The ongoing consultation process for the plan is set to end this year, and local representation is crucial. Hazard data must be gathered at the local level, so that outputs from risk assessment can be used to prioritize what projects get funding, and shape the national direction according to communities' needs.

Transportation

Permanent Public Transit Fund Roll Out (PTF)

Civil society organizations and local governments must work with the federal and provincial governments to create an accountability framework for the PTF. The 2023 national budget indicates that the federal government will consult with municipalities and other partners on the details involved in permanent public transit funding. **See our budget snapshot for more information.**

Land Use Reform and Transit Planning

One of the most important strategy wedges in terms of addressing sustainability goals is urban land use. Legislation must be updated to link land-use and transit planning, while supporting densification and network plans that decrease vehicle KM-travelled (VKT).

Adaptation & Resilience

Mobilizing Private Capital Through Local Data

More granular, provisional data at the local level is needed, so that climate vulnerabilities can be accurately assessed, and cities can effectively prioritize which investments are required to meet adaptation and resilience needs.

Beyond identification of needs, cities must work to make projects compelling to private capital so that adequate funding can be delivered for A&R projects. Civil society organizations must work closely with cities to provide more data on communities and ecosystems, to ultimately support the attraction of investment.

Nature-Based Solutions

Capital projects towards A&R must draw on nature-based solutions, working with indigenous communities to assess ecosystem-specific needs and implement plans accordingly.

Community Co-Design

Adaptation and resilience strategies should be co-designed to include impacted communities' lived experiences. Storytelling is important to deepen communities' connection to these strategies.

Working Across Borders

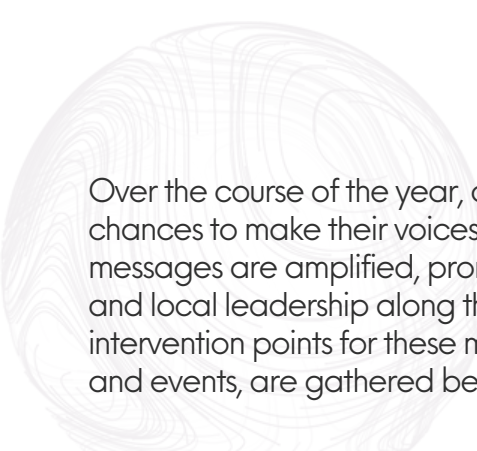
Bioregional governance should be coordinated across national borders to properly account for the interconnectedness of these vast ecosystems. To this end, cross-border partnerships are necessary both at government and civil society levels.

Following Up

In the coming months, the Cities + Climate Initiative will be following up with stakeholders in the cities and climate community, to begin developing concrete interventions on the basis of the key messages developed during this and previous dialogues.

Through compact focus groups and other collaborative and coordinated activities, we will support this community in accelerating cities' climate goals, and ensuring that local communities are adequately represented in upcoming decision-making processes.

MAPPING INTERVENTION POINTS



Over the course of the year, cities will have a number of chances to make their voices heard and ensure that these key messages are amplified, promoting multilevel climate action and local leadership along the way. Some of the upcoming intervention points for these messages, including key reports and events, are gathered below.

**2030 Emissions
Reduction - Plan
Progress Report**

**National Green
Building Strategy**

**Critical
Infrastructure Action
Plan Consultation**

**New York Climate
Week
(Sep 2023)**

Federal Budget 2024

UN COP28

**Low Carbon
Economy Fund**

**Federal Stocktake
report to UN**

**FCM Annual
Conference and
Trade Show
(May 25-28)**

**ICLEI 2023 Livable
Cities Forum: From
Intention to
Implementation
(Sept 25-27)**

Additionally, we note that there have been calls from across civil society for a national convening with targeted outcomes affecting legislation, policy and funding directions akin to a "Canadian COP".

We will be working with stakeholders to determine how such intervention points and convening can be effectively organized given our targets and sectoral needs.

CONCLUSION

Throughout the last two years, in national dialogues and in international fora, we have witnessed the power of convening and collaboration among this community of local governments and civil society organizations. Canada's cities and climate community has worked together to develop key messages, demand concrete actions, and strengthen the narrative around multilevel climate action in this country.

Going forward, it is crucial that we all continue to build on this collective momentum, working to collaborate and speak with a strong and unified voice as we continue to amplify the asks and ambitions of local governments on climate. The Cities and Climate Initiative looks forward to convening smaller, impact-oriented task-groups aimed at supporting cities and other stakeholders in developing and implementing interventions that mirror the key messages presented here.

We would like to thank **Simon Fraser University** and the **Trotter Family Foundation** for their generous support of this work. We would also like to thank the fantastic community of leaders, practitioners, experts and more who participated in Accelerating Action, and who continue to strengthen Canada's collective ambition and multilevel action on climate.

We want to also recognize the efforts and contributions of the **Canadian Urban Institute (CUI)** to the Cities + Climate Initiative from the start of this project. At the last meeting, we were honoured to have **Mary Rowe**, CEO of CUI, take the role of Lead Facilitator and support our discussion.

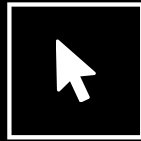
We look forward to building upon this partnership, and, in the coming months, we are eager to connect with your organizations on next steps.

SHARED RESOURCES

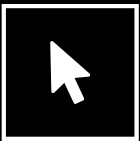
**Urban Resilient
Futures Initiative**



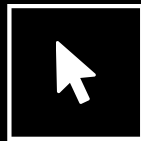
**ACT
Resources**



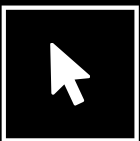
**Article: Housing
Built on Costco**



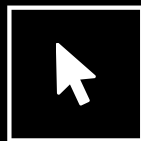
**Article: Proposal to
Build Housing on Mall**



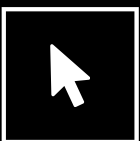
**Natural Asset Mgmt
Roadmap**



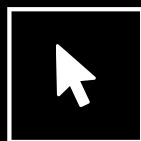
**IBC: 2021 Severe
Weather Damages**



**C40: Guidebook to
Inflation Reduction Act**

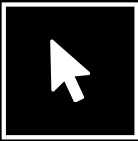


**C40: Climate
Budgets**

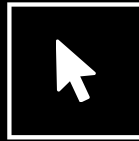


SHARED RESOURCES CONTD

**Post-COVID Transit
'Death Spiral'**



**Urban Sustainability
Directors Network Report**



**Investing in Canada
Infrastructure Program**



