

# Memo



**Date:** December 6, 2010  
**File:** 1200-90  
**To:** City Manager  
**From:** Michelle Kam, Sustainability Coordinator  
**Subject:** Pacific Carbon Trust's Small/Medium Business Engagement Fund and Climate Smart Program

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**Recommendation:**

THAT Council direct staff to apply for the \$5,000 Pacific Carbon Trust (PCT) Small/Medium Business Engagement Fund scholarship;

AND THAT, conditional on the successful application for the above scholarship, Council approves \$2,500 from the Energy Management Rebates Reserve so the Climate Smart Program can be offered to ten small to medium Kelowna businesses in 2011;

AND FURTHER THAT, conditional on the successful application for scholarship, the 2011 Financial Plan be amended to include the \$2,500 City share of cost for the project with funding from the Energy Management Rebates Reserve.

**Purpose:**

On October 18, 2010 Council passed the following resolution: "THAT Council directs staff to consider the Pacific Carbon Trust's Small Business Engagement Fund program as a contribution towards the Community Climate Action Initiatives and that staff report back to Council on the feasibility of providing some sort of funding for the program." (Service Request 181083)

**Background:**

The Pacific Carbon Trust has made available four Small/Medium Business Engagement Fund scholarships of \$5,000 for the first four municipal partners that commit to the Climate Smart program. To date, two of the four scholarships have been dedicated to the City of Vancouver and the District of Saanich.

Climate Smart is an organization that delivers a business-skills training program to small/medium enterprises, to build economic resiliency and capacity amongst local businesses to cut costs and greenhouse gas emissions, while helping to meet community emissions-reduction goals.

The objective of this program is to equip small/medium enterprises (up to 500 employees) with the internal training and tools to compile GHG inventories for their organizations. Businesses will complete a baseline inventory and a list of strategies of their own design that they intend to implement in order to reduce their emissions.

Each business that participates will have two employees trained, have an inventory review, have access to an information hotline and receive a Climate Smart seal on completion. To date, 110 businesses from Metro Vancouver have already taken part in the Climate Smart training. Businesses

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were shown how to understand green initiatives and save money through business efficiencies and shifting corporate values.

The Climate Smart Program would aid in Kelowna's greenhouse gas target of reducing emissions by 33% below 2007 levels by 2020. The baseline data provided by the Province for 2007 shows that 28% of Kelowna's community greenhouse gas emissions come from buildings. Climate Smart training would be a low cost way for businesses to build capacity and start to reduce the greenhouse gases they are producing.

**Internal Circulation:**

General Manager of Community Sustainability, Director of Financial Services, Director of Infrastructure Planning, Community Planning Manager, Grants Manager, Director of Community and Media Relations

**Existing Policy:**

OCP 2020 Policy 7.6.1:

The City of Kelowna will, in partnership with: senior governments; local residents and businesses; NGOs; external agencies; and utility providers, work towards reducing community greenhouse gas emissions by 33% by 2020.

The City of Kelowna's efforts will be focused on creating more mixed-use neighbourhoods (as identified on the OCP Future Land Use map) and on ensuring that residents can conveniently and safely travel by bus or by foot, bicycle and other forms of active transportation to get to major community destinations while also ensuring the efficient movement of goods and services.

The City will support the reduced use of fossil fuels in buildings by encouraging renewable energy supplies, district energy systems and energy efficient technologies in new and existing buildings. By working with senior government partners, regulated utilities and others, the City will lead through example and strive to meet the BC Climate Action Charter targets for the reduction of GHG emissions from municipal infrastructure.

**Financial/Budgetary Considerations:**

The cost for 10 businesses to complete the Climate Smart training is \$17,500.

Fortis BC and Terasen Gas have each committed \$2,500 to this project. If Pacific Carbon Trust provides a \$5,000 scholarship towards a Climate Smart Program in Kelowna, then the City would have to contribute \$2,500 towards the project as illustrated by the cost breakdown below:

Partner	Funding Amount
Pacific Carbon Trust	\$5,000
Fortis BC	\$2,500
Terasen Gas	\$2,500
City of Kelowna	\$2,500
Local businesses	\$5,000 (\$500 per participating business)
TOTAL	\$17,500

By providing a financial contribution towards this program in Kelowna, the City of Kelowna will demonstrate leadership, show that community climate action is a priority, will build partnerships and will provide an incentive required for businesses to participate in greenhouse gas reduction strategies.

The on-going provincial Climate Action Revenue Incentive Program (CARIP) provides grants equal to 100% of the City's carbon tax costs to support climate change initiatives. Currently, CARIP funding is approximately \$100,000/year and placed in the "Energy Management Rebates Reserve" that is also the repository of rebates from utility companies. This reserve could be used to pay carbon offsets and/or to fund actions to reduce GHG emissions.

This opportunity provides the City with a 7:1 leverage initiative. As part of the partnership, the City would be required to fund \$2,500 towards the total cost of \$17,500 for the program.

The City will not contribute the \$2,500 towards the Climate Smart program if the \$5,000 Pacific Carbon Trust scholarship is not approved.

**External Agency/Public Comments:**

Fortis BC and Terasen Gas utility companies have committed \$2,500 each towards this partnership.

**Considerations not applicable to this report:**

**Legal/Statutory Authority:**

**Legal/Statutory Procedural Requirements:**

**Community & Media Relations Comments:**

**Alternate Recommendation:**

**Personnel Implications:**

Submitted by:



M. Kam, Sustainability Coordinator

Approved for inclusion:  SB

cc: General Manager of Community Sustainability, Director of Financial Services, Director of Infrastructure Planning, Community Planning Manager, Grants Manager, Director of Community and Media Relations