Resilient Roofing Rebate Program Amendment

RECOMMENDATION(S):

That the Priorities and Finance Committee direct that this report be forwarded to the 2021 July 26 Combined Meeting of Council as Urgent Business, and recommend that Council:

1. Direct Administration to bring forward a recommendation for funding for a weather resilient building material program to lessen the impact of climate change for consideration to the 2022 Budget Adjustments in 2021 November.

HIGHLIGHTS

- In response to Notice of Motion PFC2020-0828 Disaster Relief and Mitigation, Administration launched the Resilient Roofing Rebate program on 2021 June 1. The purpose of the rebate program is to educate Calgarians on the benefits of resilient roofing materials and to support Calgarians in building a more resilient city against environmental risks. The rebate has been successful thus far with more than 500 applications received.
- The rebate program is one of a group of actions that support the three pillars for action from PFC2021-0194 *Mitigating the Impact of Severe Weather Events in Calgary*: education, incentives, and regulations. Due to the success of these initial efforts, Administration recommends returning to the 2022 budget adjustment in 2021 November for consideration of ongoing funding for a weather resilient building material program to lessen the impact of climate change.
- What does this mean to Calgarians? A weather resilient building material program will support Calgarians in adapting to the changing climate by building a more resilient city.
- Why does this matter? The program will raise awareness of resilient material options, support an informal partnership with the home insurance industry, and support local business and employment in Calgary among construction professionals. It will also help to reduce the release of embodied Greenhouse Gas (GHG) in construction materials and help to reduce construction waste.
- Year one of the rebate program runs from 2021 June 1 to 2022 May 31. Based on the number of applications received in the first six weeks of the program and the predicted usage of the funds, Administration projects that the program budget of \$2 million will be near depletion by the end of 2021 and there will be limited funds to continue the program for residents who experienced damage in 2021 hail events and for *Group B eligible existing homes* applicants in 2022 January.
- Council approved the Resilient Roofing Rebate program at the 2021 May 10 Combined Meeting of Council and directed Administration to return to the Priorities and Finance Committee no later than Q2 2022 with a monitoring report on the program's progress, lessons learned, and approach for the subsequent years of the program.
- Strategic Alignment to Council's Citizen Priorities: A city of safe and inspiring neighbourhoods
- Background and Previous Council Direction is included as Attachment 1.

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DISCUSSION

Weather resilient building material program

As per PFC2021-0194 *Mitigating the Impacts of Severe Weather Events in Calgary*, Administration worked with external and internal stakeholders to develop a suite of actions under the following pillars:

- Education to create public awareness of the benefits and options of resilient materials
- Incentives to reduce the cost of adopting more resilient materials and to increase the demand and installation of those materials
- Regulations to increase building resiliency for all new construction

A number of the actions have been successfully launched or completed, in particular, the launch of the Resilient Roofing Rebate program. Other successes include:

- Education:
 - Completed a series of industry engagement sessions on mitigating against climate hazards and the benefits of impact resistant materials
 - Released the Climate Resilient Home Handbook
 - Hosted a public webinar on hail and resilient roofing materials
 - Launched an extensive media campaign to educate Calgarians on the benefits of resilient roofing materials and the Resilient Roofing Rebate program
- Incentives:
 - Hosted a virtual symposium with the insurance industry, and work on initiating incentives is ongoing
 - o Launched the Resilient Roofing Rebate program
- Regulations:
 - Administration is currently working with the provincial government on building code changes to support the use of impact resistant materials in new construction
 - Explored the introduction of a building envelope inspection

Engagement with external and internal stakeholders will continue to further refine and prioritize the identified actions to continue to proactively mitigate the increasing likelihood of climate disasters. Administration recommends bringing forward a recommendation for consideration to the 2022 Budget Adjustments in 2021 November for funding for a weather resilient building material program to lessen the impact of climate change.

Rebate program budget and spend to date

At the direction of Council, following the approval of PFC2021-0194 *Mitigating the Impacts of Severe Weather Events in Calgary*, the Mayor wrote a letter to the Premier, requesting that the provincial government match The City's financial commitment to the Resilient Roofing Rebate program. The provincial government declined support for the program. Administration will continue to encourage insurance providers to match this rebate program.

The first year of the rebate program launched on 2021 June 1, which offers a \$3,000 rebate to eligible *Group A* homeowners who experienced hail damage in 2020 and replaced, or plan to replace, their roof with a Class 4 impact resistant product. The program then expands in 2022 January to include *Group B* – *eligible existing homes*. The first year program budget of \$2 million can support up to a maximum of 660 homes.

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In the first six weeks of the program, over 500 rebate applications were received. With an overall budget to approve 660 rebates and expected approval rate of 80% or greater, Administration projects there will be limited funds available to continue the program for residents who experienced damage in 2021 hail events and for *Group B – eligible existing homes* applicants as the program budget will be near depletion by the end of 2021. Please see Attachment 2 for details on the uptake to date and resulting projections.

Rebate program success

The success of the program is measured on the following:

- Building awareness: at least 200 participants at each of the resilient roofing webinars
- Increased public interest: average of 100 website visits per week on resilient roofing
- Usage: rebate awarded to 500 homes by the end of year one of the program

The first month of the program exceeded the program success measures. This is encouraging as it indicates the success in educating homeowners on the benefits of resilient materials. Please see Attachment 2 for details on the success measures.

Administration will still be returning to the Priorities and Finance Committee and Council before the end of 2022 Q2 on year one's lessons learned and recommendations for the second and third years of the rebate program. Recognizing that extreme weather events are an ongoing concern, this interim report is intended to solicit Council direction in advance of 2022 budget adjustments to ensure continuity of effort in light of the higher than anticipated uptake in the roofing rebate program.

STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)

- Public Engagement was undertaken
- Public Communication or Engagement was not required
- Public/Stakeholders were informed
- Stakeholder dialogue/relations were undertaken

Internal and external stakeholders have continued to provide valuable support to the program, by sharing information about the program with citizens, and by sharing feedback from citizens and industry. Based on further consultation with industry partners, application processing adjustments were made within two weeks of the program launch to simplify the application process for homeowners, to help support local business, and to achieve a greater reach to help promote the improved resilience of Calgary.

A public webinar on *hail and how to improve the resilience of your home* was held in the evening of 2021 June 9 with special guest, Councillor Chahal. There were 282 total attendees and a total of 221 questions/comments.

The promotional campaign started on 2021 June 13 and includes a mixture of ethnic and English collateral including translated curbex signs, radio ads, static and animated digital media, YouTube ads, and social media. A City webpage was also created to provide citizens with

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information on hail and the Resilient Roofing Rebate program, including an online application form with translated sample application forms, and a self-help eligibility tool.

IMPLICATIONS

Social

Repairing buildings after severe weather events resulting in damage is a source of considerable stress for citizens. The time to assess and action repairs, manage financial costs, and the potential disruption of daily schedules all negatively impact communities' long-term social well-being.

Environmental

Reducing the need for repairs after severe weather events has several positive environmental benefits, including reducing the release of embodied Greenhouse Gas (GHG) in construction materials and operational GHG reductions in shipping, material handling, and installation as identified in the Climate Resiliency Strategy. Avoided repairs also reduce landfill waste generation.

Economic

The effort to replace roofs in Calgary with resilient materials will support employment in Calgary among roofing professionals and help to support local business.

Service and Financial Implications Other:

Utner:

Administration recommends bringing forward a recommendation for consideration to the 2022 Budget Adjustments in 2021 November for funding for a weather resilient building material program to lessen the impact of climate change.

RISK

If rebate funding is depleted earlier than anticipated and the program ends, there is a risk of negative public reaction from citizens who would have qualified for the rebate, and a risk that fewer people will choose more resilient roofing materials for repairs resulting from 2021 hail events or other planned maintenance.

ATTACHMENT(S)

- 1. Previous Council Direction, Background
- 2. Resilient Roofing Rebate Tracking

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Stuart Dalgleish	Planning & Development	Approve