

## **Resilient Roofing Rebate Program**

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### **RECOMMENDATION(S):**

That the Priorities and Finance Committee recommend that Council:

1. Approve \$2.175 million from the Fiscal Stability Reserve investment income for one-time operating budget to fund year one of the Resilient Roofing Rebate Program.
2. Approve the Resilient Roofing Rebate Program as identified in Attachment 2, and direct Calgary Building Services to return to 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.

### **RECOMMENDATION OF THE PRIORITIES AND FINANCE COMMITTEE, 2021 APRIL 27:**

That Council:

1. Approve \$2.175 million from the Fiscal Stability Reserve investment income for one-time operating budget to fund year one of the Resilient Roofing Rebate Program.
2. Approve the Resilient Roofing Rebate Program as identified in Attachment 2, and direct Calgary Building Services to return to 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.

### **Opposition to Recommendations:**

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Against: Councillor Chu

### **HIGHLIGHTS**

- In response to Notice of Motion PFC2020-0828 *Disaster Relief and Mitigation*, Calgary Building Services had prioritized a suite of actions with external and internal stakeholders that will assist in the mitigation of damage to buildings from severe weather events in Calgary, and as a result build a more resilient city. One of those actions was to develop a resilient roofing rebate program which is detailed in this report.
- What does this mean to Calgarians? This rebate program will support Calgarians in building a more resilient city.
- Why does this matter? A resilient roof will help Calgarians build a more resilient city, reduce long-term costs, increase property protection and personal safety, and reduce stress and social impacts related to building repairs.
- This rebate program is a phased, three-year program that will provide eligible homeowners with a \$3,000 fixed rebate for installing resilient roofing. The program will support up to a maximum of 660 homes in Calgary in year one. \$175,000 of the funding will be used in year one for the educational campaign to increase awareness of environmental hazards, promotion of resilient roofing practices and materials, and the administration of the program.
- The lessons learned from year one will inform the approach for the second and third years of the program.

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- Council approved the proposed resilient roofing rebate program in principle at the 2021 March 22 Combined Meeting of Council and directed Administration to return with full details to the Priorities and Finance Committee in 2021 April.
- Strategic Alignment to Council's Citizen Priorities: A city of safe and inspiring neighbourhoods
- Background and Previous Council Direction is included as Attachment 1.

### **DISCUSSION**

In response to Notice of Motion PFC2020-0828 *Disaster Relief and Mitigation*, Calgary Building Services has prioritized a suite of actions with external and internal stakeholders that will assist in the mitigation of damage to buildings from severe weather events in Calgary; and therefore, build a more resilient city. Details can be found under report PFC2021-0194 *Mitigating the Impacts of Severe Weather Events in Calgary*. One of those actions was to develop a resilient roofing rebate program.

Calgary Building Services is requesting \$2.175 million from the Fiscal Stability Reserve investment income for one time operating budget to fund year one of the Resilient Roofing Rebate Program. \$2 million will be for the roofing rebate, (which has the potential to support up to 660 homes in the first year), and \$175,000 will be for the educational campaign and to administer the program. The program will be phased over three years and will provide eligible homeowners with a \$3,000 fixed rebate for installing resilient roofing. Calgary Building Services intends to encourage the insurance providers to match this rebate program, as one of the mitigation actions identified in PFC2021-0194 *Mitigating the Impacts of Severe Weather Events in Calgary* was to explore additional insurance incentives for using resilient materials on homes.

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 this program. Administration will continue to pursue this request with the provincial government.

The purpose of the 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 by:

1. Encouraging the installation of resilient roofing materials to limit the damage to property and potential increase of insurance premiums,
2. Educating homeowners and industry on the value of resilient materials and roofing best practices,
3. Creating a sample group of more resilient properties to inform and support additional insurance incentives, and
4. Influencing the growth in demand for higher standards of materials and practices to drive down costs.

The program will begin on 2021 June 1 and will be rolled out as follows:

#### **Year 1: Rehabilitation/Repair**

- *Group A (until the end of 2021):*  
For eligible homeowners impacted by the 2020 hailstorms.
- *Group B (starting 2022):*

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Eligible existing homes.

### **Year 2: Resilience of existing homes**

- Eligible existing homes.

### **Year 3: Resilience of homes**

- Eligible new and existing homes.

Eligibility will be for full roof replacements (Year 1 and Year 2 of the program) or new roofs (Year 3) using a Class 4 rated shingle on single family homes, semi-detached homes, or duplexes, which are installed by an approved roofing contractor and certified installer. Applications will be accepted for resilient roof replacement costs incurred as of 2020 June 13. Homeowners who have already replaced their roofs prior to the start of this program may still qualify for the rebate retroactively. Please see Attachment 2 for full details on the eligibility criteria and application requirements.

Year one of the program will contain a stage gate process to provide answers to the unknowns and to manage the risks. The program will be monitored and reviewed by Administration on an ongoing basis. Calgary Building Services will return to the Priorities and Finance Committee within the first year of the program to report back on the progress, lessons learned, and recommendations which may inform the approach for the second and third years of the program.

The success of year one of the program will be 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.

## **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

Engagement work is ongoing with external and internal stakeholders.

## **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 the long-term social wellbeing of communities.

### **Environmental**

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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 reduces landfill waste generation.

### **Economic**

Reducing repair after severe weather events has positive impacts for the economy; homeowners would benefit tremendously from avoided costs related to repairs (including uninsured losses), avoided lost wages and productivity, and potential reductions in insurance premiums. As the rebate program would be applicable to all districts in Calgary by the third year, there is also economic benefits and resiliency in avoiding damages incurred from storms.

### **Service and Financial Implications**

#### **Other:**

\$2.175 million

Calgary Building Services is requesting \$2.175 million from the Fiscal Stability Reserve investment income for one time operating budget to fund year one of the Resilient Roofing Rebate Program.

- \$2 million will be for the roofing rebates, up to a maximum of 660 homes, based on the following:
  - Eligible homes in Calgary are estimated at 320,000
  - Average number of roof replacements per year is estimated at 7% or 22,000 rooftops
  - Estimated number of homes upgrading to resilient roofing in year one would be 3% or 660 roofs
- \$175,000 for the educational campaign to increase awareness of environmental hazards, promotion of resilient roofing practices and materials, and the administration of the program.

Any unused funds by the end of the program will be transferred back to the Fiscal Stability Reserve.

### **RISK**

A number of risks have been identified:

- Participation levels will be strongly affected by what insurance providers offer for incentives.
- Rebate amount may not fully fund an upgrade to resilient material; therefore, we risk not capturing a segment of the population who do not have the means to upgrade to resilient materials.
- Negative public reaction to the rebate program and funding source during this economic time.
- Demand exceeds the allotted \$2 million in year one.

**Planning & Development Report to  
Priorities and Finance Committee  
2021 April 27**

**ISC: UNRESTRICTED  
PFC2021-0575  
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**ATTACHMENT(S)**

1. Previous Council Direction, Background
2. Resilient Roofing Rebate Program

**Department Circulation**

Stuart Dalgleish	Planning and Development	Approve
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