

Civic Partnerships including Subsidiaries - Status Update

NOW THEREFORE BE IT RESOLVED:

NoM Action 5: That Council direct Administration to work with ***civic partners and subsidiaries*** to ensure alignment with Calgary's climate risk reduction goals and emissions reductions target, including the interim targets;

Summary and Background

This attachment provides an overview of The City of Calgary's current and planned work with Civic Partners including wholly-owned subsidiaries to plan for and achieve Calgary's climate risk and emission reduction goals as directed by Notice of Motion EC2021-1698.

The City of Calgary partners with over 500 external organizations, including over 30 Civic Partners to develop and advance strategies, to construct and manage assets, and to deliver effective programs and services in targeted areas. Under the *Investing in Partnerships Policy* (CP2017-01), a **Civic Partner is an independent organization that delivers programs and services to Calgarians, manages or operates City-owned assets, or stewards Council-approved strategies and have a City investment of over \$500,000**. This includes The City's seven wholly-owned subsidiaries where The City is the sole shareholder. Each subsidiary's operations are guided by a mandate from City Council and operate independently from The City. Civic Partners are subject to applicable Council and Administration policies through their legal agreements with The City.

A list of The City's current Civic Partners including wholly-owned subsidiaries can be found at [Calgary.ca](https://calgary.ca). The City also works closely with many Community Partners including social and recreation groups and Community Associations. Administration works with all Partners including subsidiaries to ensure alignment, where applicable, with The City's climate risk reduction goals and emissions reduction targets, through actions including:

- quality assurance / design reviews for new building construction and existing building retrofits;
- implementation of The City's *Sustainable Building Policy* (CP20201-02), and associated Design Guidelines for applicable buildings;
- funding and support to complete and update building condition assessments and asset management plans, and undertake related retrofit opportunities in alignment with these plans;
- support investments in climate risk reduction and greenhouse gas (GHG) reduction projects where possible in alignment with the *Investing in Partners Policy*; and
- support the development of strategies, action plans, risk assessment frameworks, and annual accountability reporting to the Standing Policy Committee on Community Development.

Current Progress and Next Steps

Civic Partners maintain independent operations and provides unique services relative to one another. The City must engage Civic Partners to understand their ability to implement climate action and potential

impacts to their services and programs as it looks to evaluate and modernize its policies to ensure it remains a leader in municipal Climate Change efforts. A proposed timeline of actions with Civic Partners is below.

Updates to the *Sustainable Building Policy* that clearly identify GHG emissions and climate adaptation are critical. This will ensure Civic Partners will have clear guidance when making investments in their facilities. Once *Sustainable Building Policy* updates are undertaken (anticipated by Q4 2023), The City will collaborate with Civic Partners to assess and explore opportunities for climate resilience based on Partners' readiness.

The City will continue the Sustainable and Climate Resilient Infrastructure Capital Program approved in the 2023-2026 capital service plans and budgets. Development of a process and financial supports for Partners to undertake climate actions will be considered as part of this work. The City will continue to work with Civic Partners to support and provide regular updates on climate efforts as part of annual accountability reports, annual civic partners reports, including corporate climate change goals and indicators.

Action	Anticipated Timeline*
Develop capital funding support program that assist Civic Partners with climate resilience and adaption projects as part of the Climate Resilience Infrastructure Capital Program	Q2 2023
Update <i>Sustainable Building Policy</i> with direction to support climate resilience and climate investments for City-owned facilities.	Q4 2023
Collaborate with Civic Partners to determine individual readiness and identify opportunities to make climate-related investments, including potential pilot projects	1 year following development of capital program (Q2 2024)
Prioritize identified Civic Partners opportunities based on readiness and need	6 months following completion of readiness assessment with Partners (Q4 2024)
Undertake pilot projects in collaboration with Civic Partners at Partner-operated facilities	Ongoing, multiple years following identification based on budget support available
Provide updates on work with Civic Partners through annual Civic Partner and Climate & Environment reporting process	Ongoing once reporting established

*Timelines are tentative estimates and subject to change

Support for Civic Partners

The City supports many Civic Partners through nominal capital leases or license of occupation of City-owned lands and buildings. Direct financial support for capital projects, including ongoing lifecycle maintenance, is provided through The City's Civic Partner Infrastructure Grant or similar lifecycle grants. Additional non-financial City-staff supports such as subject matter expertise and project management is also provided to Civic Partners as needed.

Most Civic Partner facilities are subject to The City's *Sustainable Building Policy* to ensure that the planning, design, construction, management, renovation, operation, and demolition of facilities is done sustainably and integrates climate mitigation and adaptation measures. An update to the *Sustainable*

Building Policy and associated Design Guidelines is underway to ensure energy efficiency and GHG emissions targets for new building construction and existing building retrofits are continuously updated as we move toward the 2030 and 2050 goals.

Civic Partner capital investment opportunities undergo engineering review throughout the design process to ensure alignment to City policies and standards. Energy consumption, GHG emissions, durability and resilience outcomes are included as considerations within these reviews. Civic Partner facility performance is based on building condition assessments (BCAs) conducted by Civic Partners and The City to prioritize lifecycle maintenance and replacement of end-of-life components with modern, energy efficient models. Energy efficiency and lighting audits have also been conducted with some Civic Partners since 2015 to reduce energy consumption and GHG emissions. The City has also supported one-time climate-focused projects with Civic Partners, for example:

- Completing flood mitigation work at the Calgary Zoo following the 2013 floods that significantly reduced the potential risk to facilities up to a 1-in-100-year event.
- Constructing the Renfrew Solar Carport at the TELUS Spark Science Centre. Once completed, this project will generate roughly enough energy to power 120 homes per year.
- Completing a climate Lens Assessment pilot on the Glenbow Museum Revitalization Project in partnership with the Government of Alberta and the Glenbow Alberta Institute.

Additionally, The City, through the ENMAX Community Solar Program, has provided community and recreation partners with \$5 million in solar photovoltaic (PV) installations at community facilities to eliminate 4,000 tonnes of GHG emissions annually. Funding for future Civic Partner projects will occur in alignment with The City's *Investing in Partnerships Policy*, *Sustainable Building Policy* and capital investment guidelines.

Capacity Building

The capacity of Civic Partners to address climate change varies greatly, and The City takes multiple approaches to support Civic Partners in taking climate action. Starting in 2023, The City plans to work with Civic Partners to include climate risk considerations in the scope of future BCAs. The City is also developing climate capacity building programs that will be offered to City staff in 2023/2024 to further build understanding of climate risk and climate action and Civic Partners will be invited to participate in these programs.

Support for Subsidiaries

The City maintains ongoing relationships with wholly-owned subsidiaries and keeps them informed about City-led initiatives and priorities, such as the *Calgary Climate Strategy – Pathways to 2050* and **net-zero by 2050** goal. These organizations retain control over their individual operations and capital plans, including the development of their own strategies, programs, and policies, based on the direction from their board of directors and shareholders (The City). The paragraphs below provide insights on the actions being undertaken by some of The City's subsidiaries.

Calgary Municipal Land Corporation

Calgary Municipal Land Corporation's (CMLC) climate change framework and action plan is being developed in alignment and in support of The City's Climate Strategy. This work is underway and The City is working with CMLC to align future actions and efforts. Once completed, the action plan will guide

CMLC's efforts and will identify how they will support The City's climate goals. Projects funded by The City are also subject to the above noted *Sustainable Building Policy*.

ENMAX

ENMAX has committed to achieving net-zero emissions by 2050, which includes emissions from ENMAX buildings, fleet and energy generation. Emissions from ENMAX's supply chain and customers are not in scope for these targets. ENMAX has reduced GHG emissions by 66 percent from 2015 to 2021, **significant progress towards the interim reduction target of 70 percent by 2030**, due to the transition of their power generation portfolio. In addition, ENMAX is investing in the electric grid to ensure reliable and resilient infrastructure will meet future demand.

ENMAX is actively engaging the federal government on the Clean Electricity Standard (Net Zero Electricity by 2035) to inform them of the implications of policy for Alberta and ENMAX and to gain clarity on expected outcomes for their thermal generation facilities and for reliability and affordability for Albertans.

Calgary Economic Development

Calgary Economic Development (CED) works to position Calgary as a city helping solve global challenges, a leader in the energy transition, and a centre for clean tech innovation. As a member of the Calgary Region Hydrogen Task Force, in 2023 CED supported the release of *The Transition Accelerator's report, Towards a Fuel Hydrogen Economy in the Calgary Region: A Feasibility Study*, concluding Calgary and Alberta is "superbly positioned" to be a leader in the emerging hydrogen economy. With a market potential of \$4.6 billion per year for fuel hydrogen production in the Calgary region, CED will help harness the opportunity for Calgary. The hydrogen feasibility study followed the release of the *Alberta Energy Transition Study*, which details the \$61 billion opportunity and 170,000 cleantech jobs that could be created in the province by 2030.

CED administers the Opportunity Calgary Investment Fund Ltd. (OCIF), which makes catalytic investments to help attract capital, expand the innovation ecosystem and spur transformative economic development. In 2022, OCIF supported the launch of the Energy Transition Centre. Additionally, OCIF's \$5 million investment into IBM Canada supports the IBM Sustainability Centre in Calgary, which will help companies accelerate their net-zero pathway through digital transformation. The federally funded EDGE UP program CED administers has retrained almost 300 displaced oil and gas professionals for careers in technology. As actions and programs are developed, Administration will engage CED and collaboratively implement future projects.

Calgary Housing Company

Calgary Housing Company (CHC) investments are subject to The City's *Sustainable Building Policy*, with Administration working directly with CHC in identifying portfolio-wide energy efficiency opportunities, in addition to ensuring new building construction and existing building retrofits are designed to meet the targets outlined in the *Sustainable Building Policy*. Administration is working closely with CHC to identify external grants to support its capital portfolio, with many of these funding sources contingent on achieving net-zero emissions ready construction and exceed building codes.