



COURAGEOUS CONVERSATIONS: ***Eco-fiscal Challenges to Building Resilient Communities*** **An Outcome Statement from the OCSI Infrastructure Forum on May 26, 2015**

On May 26th, 2015, leaders from 20 organizations within the municipal and public works sectors in Ontario met in Toronto along with representatives from the province to discuss some of the funding and fiscal challenges to building resilient communities. The second annual OCSI Infrastructure Forum, was hosted by the Ontario Coalition for Sustainable Infrastructure (OCSI) and created an opportunity for delegates to share courageous conversations on the critical infrastructure challenges facing the province. The outcome of the day was four “big ideas” that can help Ontario build resilient communities.

THE PROCESS

Three invited provocateurs (see profiles below) spoke at different points in the program, sharing their ideas and insights related to the impacts of climate change and urban infrastructure resilience. The infrastructure leaders in attendance then broke into group discussions and responded to the specific questions raised by the speakers. By challenging the participants’ assumptions and encouraging them to dig deeper, valuable ideas were shared and new connections made on the various eco-fiscal challenges of climate change. Although communities should be adaptable and resilient to many different types of events, flooding from intense storms was top of mind for many.



Glen Murray, Minister of the Environment and Climate Change, spoke from the global perspective, citing the significant impact of increasing mean temperatures by 4 degrees Celsius on world food production. Locally, the province is mitigating its carbon footprint by planning for 15 minutes electric GO service.

Mel Cappe, representing Canada’s Ecofiscal Commission, The Ecofiscal Commission recommends that all the costs of resource use be internalized. Government sets the framework, while the market decisions determine allocation. An example of this is the cap-and-trade system.



Gerry Lashley from Intact Insurance shared a first-hand perspective of the insurance cost of climate change related to flooding in Calgary, Toronto and Burlington. The World Bank is predicting a 10-fold increase in weather damage largely due to climate change. The insurance industry can’t just increase premiums by 10-fold, as that’s not affordable. What can be achieved if we work together on mitigating the impacts of climate change?

FOUR “BIG IDEAS” FOR BUILDING RESILIENT COMMUNITIES

The prevailing outcome from the OCSI group discussions and provocateur presentations on May 26, 2015 is summarized in four ideas, as identified and ranked by the participants.

#1 – Identifying the Economic Benefit of Climate Change Mitigation and Adaptation

One of the ideas identified was the need for new models for governments and the public, to recognize and incorporate the economic benefit of climate change mitigation and adaptation. There is a need to mandate evidence-based decision-making based on life-cycle assessment to maximize economic, environmental and social values.



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How do we raise awareness on the value of mitigation and adaptation efforts that reduce risk to the community and to the homeowner? Incentive programs are needed to reward homeowners who implement resilience changes, such as reduced premiums on insurance and rebates for downspout disconnection and back flow prevention. Education is also key to help drive changes in behaviour for early adopters, followed by standards and regulations that would require everyone to participate.



#2 – Encouraging Innovation by Municipalities

During the Forum discussions, it was appreciated that technical and technological innovation will certainly be part of the solution, but the greatest need for innovation is in the way that municipalities go about their “business” in areas such as procurement, policy and implementation. Existing municipal procurement processes will need to be modified to facilitate these advancements (e.g., by focusing on long-term value rather than short-term cost) and considering best practices such as Qualifications-Based Selection (QBS) of consulting engineers. Other levels of government and, in particular, regulators must remove any roadblocks and constraints in achieving that innovation.

#3 – Supporting Leadership by the Province

In a recent survey by OCSI, 22% of municipalities indicated that they are doing “nothing” with respect to climate change, where 49% are thinking about doing something and 18% are already committed due to a significant weather event in their own community. To encourage municipalities to consider climate change in their asset management planning, the province should provide direction through legislation and other tools (e.g. MOU, charter) that set minimum standards, promote innovation and are based on professional expertise. The province could also recognize municipalities who are incorporating climate change in their asset management planning with easier access to programs and funding, such as an express line.

#4 – Planning and Funding for Resiliency

The pricing of municipal services needs to reflect the full cost of climate change. The ability for a community to attract employers is connected to the reliability of services provided by the municipality. Mitigating and adapting initiatives of the municipality increase reliability of services and promote resiliency of the community. Programs that assist property owners to be more sustainable would help support public engagement and understanding of actual costs.



An emerging best practice in stormwater management is to implement a stormwater utility charge that reflects the additional cost transferred to the municipality for paved surfaces. Municipalities can add a resiliency lens to existing revenue stream to provide guidance on how to allocate the revenue. Develop a business case and incentives for rate payers who take action to reduce their impact on the community. Need a clear understanding of how to invest money collected through rates for adaptation and mitigation needs. Identify needs and priorities in the municipality to adapt to climate change.