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# Background

- Buildings account for half of total GHG emissions
- A minimum retrofit rate of 2% per year is required
- The building stock is aging and inefficient
- Heating oil usage and growing natural gas hook-ups
- Electrification a key strategy
- Affordability, housing supply, and other competing challenges

# Climate Emergency High Impact Initiatives

Limited levers available for local governments include incentivization, homeowner support and building awareness.

- Heat Pump Incentives (via CleanBC)
  - Oil or natural gas to heat pump
  - \$2000 top-up (plus \$500)
- Regional Retrofit Support Service
  - Remove complexity barriers related to home retrofit decision-making and implementation
- Funds for promotions

# Heat Pump Top-up Incentive

## **PROS:**

- Leverage existing external funding and program administration
- Increased heat pump demand and getting to market “tipping point” faster
- Higher incentives = better business case for homeowners

## **CONS:**

- Incentive programs traditionally benefit homeowners with access to capital
- Those who are excluded and most vulnerable would benefit most from heat pumps
- Majority of Victorians are renters so are excluded from such programs

# Equity Barriers in the Community

- Split incentive issue
- Demographic challenges
- Manageable costs of existing heating systems
- Popular myths and misconceptions

# Addressing Equity Barriers

- Meet people where they are (door to door outreach, mail outs)
- Leverage and promote the CleanBC income qualified offer
- Provide translation support
- Ensure new awareness campaigns are accessible to equity deserving groups

# Purpose Built Rental Apartments

- 64% of building-related emissions are from multi-unit residential buildings
- 70% of all housing units are in MURBs
- 60% of Victorians are renters (80% of them are in rental apartments)
- Most were built in the 1960s/70s
- Vacancy rate is very low which results in much higher rents

# Purpose Built Rental Apartments

## **Retrofit Challenges:**

- The increasing need for cooling equipment
- Competing municipal priorities such as seismic upgrades
- Competing upgrade priorities for landlords/ property managers
- Risk of tenant renoeviction into the current housing market
- “Naturally-occurring affordable housing”



# Addressing Equity Barriers

- Tenant Assistance Policy
  - Early communication with the tenants
  - Appropriate compensation
  - Relocation assistance
  - Moving costs and assistance
  - Right of First Refusal
- Direct engagement with a diversity of building occupants
  - Provision of information (i.e., existing support programs)
  - Engagement on future programs
- Identify and prioritize upgrades that have low risk of tenant disruption
- Tax exemption pilot