

CATTALES

e-newsletter of the Institute for Catastrophic Loss Reduction



Institute for Catastrophic Loss Reduction

Building resilient communities

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ICLR and TD Insurance collaborate on Showcase Homes initiative to raise awareness of flood protection measures

Together, ICLR and TD Insurance have retrofitted at-risk homes in Edmonton to help reduce the potential impact of basement flooding to these homeowners and help raise awareness for Canadians in high-risk areas across the country.

In addition, to help educate homeowners and demonstrate the steps they can take to protect their homes from floods, ICLR and TD Insurance hosted a Flood Protection Display Centre at a TDI Auto Centre on September 12 to 15, open to members of the community interested in learning about making their homes more resilient to flood. The Display Centre included working exhibits of basement

flood protection options, including backwater valves and sump pump backup systems.

Canadians coast-to-coast have experienced more than one billion dollars in damage in the past year from basement flooding and other water damage to their property. To support building more flood-resilient communities, TD Insurance collaborated with the Institute for Catastrophic Loss Reduction (ICLR) to launch the newest "Showcase Homes" initiative, a longstanding ICLR program designed to demonstrate actions to reduce risk of loss from extreme events. >



“Extreme rainfall is a top disaster driver in Canada. Governments and homeowners should act to protect Canadian homes from the effects of extreme rainfall related flooding,” said Paul Kovacs, Founder and Executive Director of ICLR. “Working together, insurers, governments and households can significantly reduce the risk of urban flood impacts.”

Participating households received a free inspection for the risk of flood prior to participating in this project. EPCOR’s free inspection program helps to identify individual property risks and make recommendations to mitigate flood risk. EPCOR also offers subsidies for backwater valves which protect homes against sewer backup.

ICLR also worked with homeowners and local contractors to implement sewer backflow protection measures, enhance lot grading and drainage, maintain pre-existing basement flood protection systems and identify available subsidies.

“We are proud to collaborate on this project with ICLR to help homeowners understand the simple steps they can take to protect their homes from water damage,” said Jason Thacker, Senior Vice President, Claims, Fraud, Litigation, & Vendor Management, TD Insurance. “Flooding in urban areas is an issue that extends across Canada. We’re committed to helping Canadians understand and reduce their climate-related risks.”

TD Insurance established its Advisory Board on Climate Change in 2019, comprised of experts from Canadian universities and Engineers Canada who are helping guide efforts under TDI Insurance’s role as a signatory to the UNEP FI Principles for Sustainable Insurance. This collaboration with ICLR is the first initiative to be rolled out by TD Insurance and its Advisory Board whose commitment extends into 2024 and beyond.



Flooding resulting from short-duration, high-intensity rainfall in urban areas is expected to worsen. To address this increasing risk, governments, particularly local governments, and homeowners must work together to increase resilience to extreme rainfall-related flooding.

EPCOR is leading the effort in the city of Edmonton to implement a 20-year Stormwater Integrated Resource Plan (SIRP), an innovative approach to assess risks and prioritize improvements to reduce flooding impacts. Other municipal governments have made progress with complex infrastructure management approaches, ensuring adequate drainage

system capacity, and managing excess water flow into sewer systems; but consumers, especially those in higher-risk flood regions, have a role to play. Municipalities and insurers across Canada have been encouraging homeowners to take proactive steps, including improving lot grading and drainage, disconnecting downspouts and foundation drains from sanitary or combined sewer systems, and installing sewer backflow protection measures to mitigate basement flooding. Many municipalities and utility providers across Canada have programs, including rebate opportunities, to encourage homeowners to make these investments.

NIBS releases the Resilience Incentivization Roadmap 2.0

The U.S.-based National Institute for Building Sciences (NIBS), with the support of Fannie Mae (the Federal National Mortgage Association) has developed a roadmap on mitigation investment to help owners and developers pay for resilience improvements to buildings. The roadmap can promote investments in Canada as well as the U.S.

Dr. Keith Porter, ICLR's Chief Engineer, led the development of the core concept, technical and business cases, real estate, benefit cost analysis, mitigation technical guides, and emotional incentives.

In 2020, the NIBS Committee on Finance, Insurance, and Real Estate (CFIRE) published *A Roadmap to Resilience Incentivization*, in which Dr. Porter and NIBS vice president of engineering JQ Yuan called for public and private incentives that allow owners of buildings and other infrastructure to facilitate the upgrade of existing infrastructure and better design of new infrastructure.

The Resilience Incentivization Roadmap 2.0 is a continuation of the 2020 white paper, where the project team worked with experts from building science, lending, insurance, developer, owner, real estate, appraiser, and public assistance to understand (1) the actors, who can promote, participate in, or resist incentivization, and what drives their decisions, and (2) how to carve the economy at the joints (i.e. how to group

stakeholders so each incentive template best serves a large class). The study mainly focuses on residential buildings subject to flood, and also leaves language and procedures flexible to deal with other perils, occupancies, and locales.

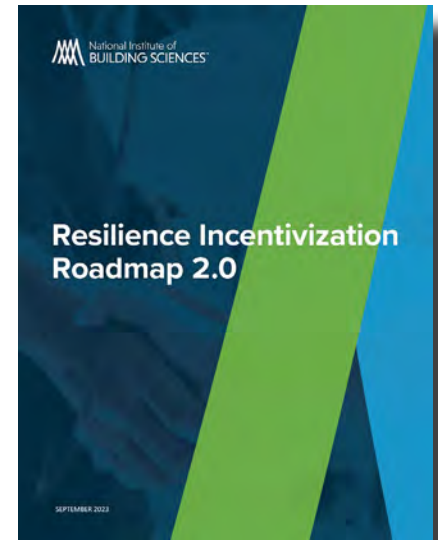
Roadmap 2.0 key findings

Based on extensive research and input from organizations representing a cross-section of stakeholder groups, the report presents several key findings:

1. Mitigation saves, but it doesn't do so in proportion to individual stakeholder investments.
2. Co-beneficiaries can share the cost of such investments, with the goal of reducing the owner costs and increase uptake of cost-effective mitigation.
3. Public-private coordination is essential to align stakeholder interests.

Based on these conclusions, the project team has formulated a roadmap aimed at establishing and executing initiatives to bolster disaster resilience. This comprehensive plan encompasses the conceptualization of a certification program tailored to enhance flood resilience, along with the contemplation of three prospective pilot studies.

The primary purpose of this roadmap is to offer a structured framework that fosters alignment of the motivations and interests



of various stakeholders involved. While it serves as an illustrative model for enhancing pluvial urban flood resilience, it is noteworthy that numerous principles outlined in the report can be adapted to address challenges related to riverine and coastal flooding, as well as other non-flood-related perils.

Taken together, the report recommendations form the basis for a pilot program (or series of pilot projects) to create value for all stakeholders while generating useful learnings toward future resilience incentive efforts.

The Resilience Incentivization Roadmap 2.0 can be downloaded at <https://www.nibs.org/reports/resilience-incentivization-roadmap-20>

ICLR's Climate Resilience Centre up and running

On October 19, ICLR board members became the first official visitors to the new permanent home of the Institute's Climate Resilience Centre at Western University.

Earlier this year, ICLR signed a lease with Western to house the Institute's Climate Resilience Centre in the 50 acre Western Discovery Park, located adjacent to the University in the heart of London. ICLR has been affiliated with Western almost since inception of the Institute more than 25 years ago. The Institute took possession of the new space on August 1.

ICLR's Climate Resilience Centre teaches practical, cost-effective, consensus-based methods to become resilient to climate related disasters. Using hands-on exhibits, displays, videos, interactive kiosks and other features, the Centre demonstrates resilience to insurance professionals, builders and code officials, homeowners, journalists, and others. Hazards currently profiled in the Centre include basement flooding/sewer backup, wildfire, extreme wind and hail.

The Institute will make the Centre available for use by ICLR member insurers for board meetings and AGMs, management offsites, and training sessions for staff and brokers. The Centre can also be made available for other groups. Additionally, exhibits that make-up the Centre can be borrowed for company and industry events.

Climate Resilience Centre exhibits were first introduced at the Institute's 25th anniversary celebration at Western's WindEEE Research Institute in October 2022.



ICLR's Climate Resilience Centre set up at OMIA's Presidents and Managers (P&M) meeting

All exhibits that make up ICLR's Climate Resilience Centre were set up at the Ontario Mutual Insurance Association's annual Presidents & Managers (P&M) meeting in London, Ontario October 23 and 24.

While a few components of the Centre had been sent out to other recent events, the P&M marked the first time that the entire Centre was made available at a remote location.

More than 300 attendees of the OMIA event, held at RBC Place in London, were able to walk through the exhibit hall at their leisure, watch demonstrations and try some of the exhibits for themselves.

Hands-on iPad kiosks and a wide array of ICLR loss control material for homes and businesses were also made available to give attendees an opportunity to bring the Institute's science and messaging back to their respective companies.

All OMIA member companies belong to ICLR and enjoy full member privileges.



Institute for Catastrophic Loss Reduction

Mission

To reduce the loss of life and property caused by severe weather and earthquakes through the identification and support of sustained actions that improve society's capacity to adapt to, anticipate, mitigate, withstand and recover from natural disasters.

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