

# Investing In Our Future: Taking Action for Economic Vitality

Our thriving regional economy is fueled by a diversity of active sectors including agriculture, manufacturing, government, professional services, and even burgeoning tech. To preserve our economic vitality, we must meaningfully prepare for and address water scarcity, heat waves, extreme weather, and other climate change impacts. Integrating readiness strategies into operational and programmatic planning can increase business resilience, support job growth, attract new businesses, and reduce our region's exposure to the worst economic risks from climate change.

## How Will Climate Change Affect Our Economy?



### Regional Economy

Extreme heat and warmer winters, combined with unpredictable swings between precipitation extremes from drought to heavy winter rains and floods, can damage agricultural production. Shifting temperatures, along with extreme weather, are forcing farmers to reconsider what they can grow, as tree nut crops (the region's main agricultural product) may start to lose productivity and revenue.



### Small Businesses

Natural disasters such as wildfires, floods, and severe storms can damage buildings, power and communication lines, and other infrastructure critical for business functions. Small businesses are particularly vulnerable to extreme weather due to lack of capital and capacity for repairs or extended closures, and risk suffering revenue losses and disrupted supply chains.



### Workforce and Supply Lines

An increase in high heat days and extended heat waves lowers employee productivity and workforce efficiency, and can be dangerous for outdoor workers such as those in agriculture or construction. As temperatures and weather patterns impact natural ecosystems, critical resources may become depleted and impact both large and small businesses up the supply chain. Floods and storms can also damage roads and bridges, cutting off distribution routes that could affect perishable agricultural products or necessitate expensive detours.

### A Local Perspective



**"Climate change is now a bottom-line calculation for businesses.**

Throughout the Capital Region and beyond, businesses can take proactive measures to reduce their carbon footprint and address climate change liabilities. The cost of addressing climate change later significantly outweighs the cost of implementing risk-mitigation measures now. There is a true sense of urgency that we all should be paying attention to."

— Betty T. Yee, California State Controller



**"As scientists have reminded us,**

our climate will continue to get hotter and weather conditions more extreme unless we adapt to changing conditions. Designing our buildings to meet LEED certified standards reduces greenhouse gas emissions and makes our business operations more resilient. Our employees enjoy working in this environment and our customers like supporting a business that shares their values."

— Andrea Lepore, Co-Founder and Creative Director, Hot Italian

*The Capital Region Climate Readiness Collaborative is exploring strategies and solutions to strengthen the climate resiliency of our region. Join us to learn more!*

[www.climatereadiness.info](http://www.climatereadiness.info)



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## Local Solutions for a Stronger Community

### Arch|Nexus Living Building

Architectural Nexus (Arch|Nexus), an architectural design firm in Sacramento, redesigned their office to express their company's core values of inspiration, stewardship, and regeneration. What was once a warehouse has now been renovated into an 8,200 square-foot building centered around sustainability. The office incorporates a number of sustainable design features including a cutting-edge composting system, on-site agriculture, on-site water filtration and treatment, and energy independence through highly efficient electrical systems and a solar PV array. Arch|Nexus aims to have their office be the first building to receive the "Living Building Certification" in California.



## CLIMATE CHANGE BY THE NUMBERS



**49-60%** of small businesses never reopen after a major disaster.



Sacramento and Yolo County's economic output will fall by **4%** for every 1 degree C increase.\*



Energy Expenditures: Sacramento County residents and businesses will see energy bills jump **9.9%** for every 1 degree C increase in temperature – one of the highest increases in the state.



In 2014, water shortages led to reductions in farm land use, resulting in a loss of **17,000** jobs.

\*(CA can expect 1% (\$26 billion) of its annual economic output for 1 degree C (1.8 deg F) in avg. temp)  
(Sources: VV's BRI; sacbee.com/news/local/environment/article161851888.html; sacbee.com/news/local/environment/article161851888.html; cdph.ca.gov/programs/Documents/VARReportSection2\_Sacramento\_12-21-2015.pdf)

## Become a Leader



**Have a plan and be prepared:** Create a disaster preparedness or business continuity plan that helps your business and employees manage potential threats and recover from disruption in the aftermath of a disaster.



**Promote green jobs:** Investing in clean energy, green design and construction, ecological restoration, and urban greening and farming can create jobs and bolster the regional economy while increasing climate resilience. Workforce development and

**Invest in climate-smart strategies:** From green infrastructure and low-impact development to clean energy resources and new vehicle technologies, innovative practices can help sectors and businesses thrive in the face of a changing climate.

trainings for those who face barriers to employment can generate additional socio-economic benefits.

**Encourage diversity:** Diversifying supply chains and attracting new businesses into the region can reduce the economic impact of shocks and disasters while increasing our region's resilience to climate change.



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