



Mercer Island CAP – New Callout Box: The Cost of Inaction (Draft)

“THE COST OF INACTION” CALLOUT BOX

- **Location in CAP:** Implementation plan introductory sections (p.39)

Failure to act on climate change has implications not only for community health and wellbeing but also to local and global economies.

Delaying action incurs both direct costs from damages caused by climate impacts (such as destruction to infrastructure and increased insurance costs to address increased wildfire and flooding) as well as potential savings missed through advancements to lower cost energy and other technological advancements. Many experts predict that over several decades these costs could far outpace the costs of investing in climate action today. On a global scale, some models indicate, insufficient action could cost \$178 trillion over the next 50 years—a 7.6% cut to global gross domestic product (GDP) in the year 2070 alone.¹

In Mercer Island, these costs of inaction could play out in several ways. For example, postponing the assessment of areas prone to local flooding in Mercer Island (**Action CR1.3: *Urban flood management***) may result in neglecting key infrastructure upgrades that could save millions from avoided flood damage. Similarly, implementing **Action CR2.3: *Electric grid resiliency*** helps the Island avoid costly future electric outages that disrupt local businesses and often many hundreds of residents.

¹ Deloitte. 2022. "The Turning Point: A Global Summary."
<https://www.deloitte.com/content/dam/assets-shared/legacy/docs/gx-global-turning-point-report.pdf>.