

August 7, 2020

To: David Gagnon, Clerk, Standing Committee on Finance  
Re: Pre-Budget Consultations in Advance of the 2021 Budget



## Recommendation

That the Government provides at least \$200 million stimulus funding to unlock 1-2 billions of dollars in capital construction and other investments in shovel-ready heritage infrastructure projects across Canada.

This funding would target

- adaptive reuse, renewal, retrofitting and accessibility of revenue-generating space,
- social purpose real estate
- creation of affordable housing
- renewal of cultural infrastructure for nonprofits and charities

## Benefits:

- Job creation: Projects at existing buildings create 21% more jobs than new construction. Each dollar invested creates twice as much local employment and uses about half the resources, compared to new construction.<sup>1</sup>
- Fight climate change, meet Canada's 2030 GHG emission targets: Reduced greenhouse gas emissions, reduced demolition waste, reduced water and air pollution when existing buildings are adaptively used and retrofitted.<sup>2</sup> A way to capitalize on the materials, energy and sunk carbon already invested.
- Wellbeing: Heritage buildings and neighbourhoods have been proven to contribute to individual and community wellbeing, strengthen social cohesion and drive local economies.<sup>3</sup>
- Stimulate investment: Government funding will leverage private sector investment.
- Economic recovery: Investments in their infrastructure will lend stability to nonprofits and charities and in turn help revitalize the hard-hit culture and tourism sectors

## Evidence of the efficacy of stimulus funding for heritage infrastructure renewal: US Federal Historic Preservation Tax Incentives

- Since being launched in 1976, this revitalization incentive program has leveraged \$102.64 billion in private investment, five times the value of the federal tax credits provided.
- Over 130,000 jobs created each year, in construction, manufacturing, services, retail trade etc.)
- 45,383 historic properties have been conserved
- 175,416 units of affordable housing have been created.

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<sup>1</sup> Badger, Emily. "Another reason to stop building new homes: job creation," *Bloomberg CityLab*, November 8, 2011. Available online: <https://www.bloomberg.com/news/articles/2011-11-08/another-reason-to-stop-building-new-homes-job-creation> Rypkema, Donovan. "Heritage conservation and the local economy" *Global Urban Development Magazine*, Vol. 4, No.1, August 2008. Available online: <https://globalurban.org/GUDMag08Vol4Iss1/Rypkema.htm>

<sup>2</sup> Preservation Green Lab. *The Greenest Building: Quantifying the Environmental Value of Building Reuse*. Washington D.C., 2012. Available online: <https://forum.savingplaces.org/learn/issues/sustainability>

<sup>3</sup> Pennington A, Jones R et al. *The impact of historic places and assets on community wellbeing - a scoping review*. London [UK], 2018. Available online: <https://whatworkswellbeing.org/wp-content/uploads/2020/01/heritage-briefing.pdf>

### Canadian Commercial Heritage Properties Incentive Fund 2002-2008

- Leveraged ten times as much private investment as was provided by federal funds. Program funded 20% of eligible project costs with a maximum grant of \$1 million. Federal contributions of \$14.95 million leveraged \$143.4 million in construction costs.
- Created 1465 person-years of employment.
- Revitalized communities. Gave derelict heritage buildings vibrant new community uses.

### **Easy to implement.**

- Candidate projects are legion:
  - 437,000 pre-1960 commercial and industrial buildings
  - 1,000,000 pre-1960 apartment units
  - 27,000 places of faith
  - thousands of institutional buildings in private and public ownership
  - over 85,800 registered Canadian charities, including 1943 historical and 1331 heritage organizations.<sup>4</sup>
- Canadian heritage organizations have already compiled a list of over 300 shovel ready heritage infrastructure projects. Three Ontario examples:
  - Kineto Theatre, movie theatre operating for 103 continuous years in Forest Ontario needs accessible washrooms and theatre seating and an enhanced community meeting space to serve 1800 seniors, 900 persons with disabilities and 16,000 other citizens of this rural community near Lake Huron. This \$1.1 million project will create ten jobs: community volunteers have already raised \$760,000.
  - Moose Factory economic and reconciliation stimulus project, restoring and repurposing former St Thomas Anglican Church as a community meeting venue for the 2023 celebrations of 350 years of Indigenous-European Reciprocity in Moose Factory. \$2 million project will create 40 jobs, stimulate tourism and economic development.
  - Rella Braithwaite Black History Foundation digital infrastructure project to respond to increasing demands from Canadian and international visitors by improving user experience, information and data management and data security. Seven jobs will be created.
- Funding could flow without delay through existing mechanisms like Regional Economic Development Agencies, Cultural Spaces Canada Program, Parks Canada's National Cost-Sharing Program for Heritage Places, Investing in Canada Infrastructure Plan.

Respectfully submitted,  
Kae Elgie, Chair, Board of Directors, ACO

Architectural Conservancy Ontario (ACO) is a registered charity operating through a network of 20 branches and hundreds of active volunteers in communities across Ontario, linked by a management office in Toronto. Founded in 1933, ACO uses education and advocacy to encourage the conservation and reuse of structures, districts and landscapes of architectural historic and cultural significance, to inspire and benefit Ontarians.

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<sup>4</sup> Blumbergs Charity Data, <https://www.charitydata.ca>, retrieved August 5, 2020.