

**Written Submission for the Pre-Budget Consultations in
Advance of the 2021 Federal Budget**

By: National Trust for Canada



Recommendation:

We recommend that the Government provide at least \$200 million in stimulus funding to unlock billions of dollars in capital construction and other private and public investments in heritage buildings across Canada that would in turn create new green jobs. This funding would target the renewal, energy retrofitting and adaptive use of revenue-generating space, the creation of affordable housing and more; and would help nonprofits and charities renew heritage places, cultural infrastructure and social purpose real estate.

The National Trust for Canada is a national registered charity that leads and inspires action for Canada's historic places. Government's adoption of our 2021 Federal Budget recommendation will capitalize on shovel-ready heritage projects across Canada, create new green jobs, spur private investment, and contribute to community resiliency over the long term.

Why? Because investments in heritage places are an ideal target for economic recovery and community infrastructure programs:

- Hundreds of Shovel-Ready Projects exist across Canada at urban, rural, and Indigenous heritage places;
- Projects at existing buildings create 21% more jobs than new construction, with less "leakage" out of the Canadian economy for foreign goods;
- Funding will leverage private sector investment and other financial instruments;
- Adaptive use and retrofits of existing buildings reduce GHG emissions and demolition waste, and capitalize on materials, energy, and sunk carbon already invested;
- Investments in their infrastructure will provide increased stability for the charitable, non-profit and heritage tourism sectors; and
- Healthy and vibrant main streets and neighborhoods strengthen social cohesion and drive local economies.

Beginning this spring, the National Trust has worked with its National Council – comprised of heritage organizations in every province and territory – to gather information on immediately fundable "Shovel-Ready Heritage" projects in Canadian communities. We now have a database of over 225 heritage places – Indigenous, urban, rural – across Canada with \$356,402,668 in urgent rehabilitation work, creating an estimated 3,700 jobs that need federal stimulus funding. And our list keeps growing each day. Here are some of the compelling examples:

- Tashme Kindergarten Schoolhouse (Sunshine Valley, BC) – Tashme was Canada's largest Japanese Canadian internment camp during WWII (1942-1946). The Tashme Museum needs \$90,000 to restore the schoolhouse and turn into a dedicated classroom, resource centre, and exhibit space. The project would create five much need skilled jobs in this small rural BC community.
- Hangar 11 (Edmonton, AB) – Built in 1942, Hangar 11 is one of only two remaining Second World War-era hangars built through a partnership with the US Air Force at the

former Blatchford Field (later Municipal Airport) near downtown Edmonton. It is part of the Northwest Staging Route, which was a series of airports developed to assist the Lend-Lease program during World War II. Now owned by the City of Edmonton, Hanger 11's condition is very poor, and worsening every month. Current estimates for basic stabilization work are approximately \$20 million with full rehabilitation close to \$80 million. The project would create over 150 skilled construction jobs.

- Muscowequan Residential School (Lestock, SK) – Of the almost two dozen residential schools that operated in Saskatchewan, Muscowequan – operating from 1889-1997 – is one of the last remaining. The imposing three-storey brick building which now stands on the site was erected in 1931, after the previous building burned to the ground. Abandoned since 1997, the school is deteriorating and evidence of its dark history is being lost. The Muskowekwan First Nation – on whose land it now sits – is poised to lead for the development of a museum and site of memory in the rehabilitated school. If stimulus funding were earmarked for heritage projects, this work would create essential jobs in the region and contribute to Reconciliation with Indigenous peoples.
- St. Thomas Anglican Church (Moose Factory, ON) – Moose Factory's heritage buildings are tangible evidence of Canada's oldest continuous Indigenous-European "middle ground." St. Thomas' Anglican Church is the most important of these buildings, from the point of view of the descendants of those Cree and Europeans who forged these relationships and built this community church in 1864. The Moose River Heritage and Hospitality Association – bringing together the Moose Cree First Nation, MoCreebec Eeyoud Council, and the Town of Moosonee – needs \$2,200,000 to restore the church in time for the community's 350th anniversary in 2023 – a project that would create at least 40 construction jobs and renew a local landmark.
- Former Odd Fellows Hall (Mississauga, ON) – The former Odd Fellows Hall (1875) is a landmark building in the commercial core of the historic Streetsville area. While the building has been vacant for five years, it is poised to positively impact the economy of Streetsville's historic main street. An investment of \$1,500,000 would make it suitable for a combined new community and commercial use, and create at least 10 new green jobs in the process.
- Église Sainte-Marie (Church Point, NS) – Built between 1903-1905 by 1,500 volunteers, the iconic Église Sainte-Marie is the largest wooden church in North America, and features gigantic columns made from tree trunks 70 feet tall. Its 185 foot steeple is anchored from heavy Bay of Fundy winds by 40 tons of rock and a set of 2 ton bells. Its roof now leaks badly and its windows and siding are in need of an estimated \$3 million in repairs. If repair funds are not found by September 2021, the Archdiocese of Halifax-Yarmouth says the church will be demolished. Repair work to this iconic structure will create dozens of construction jobs in a area of rural Nova Scotia experiencing economic challenges.

What our recommendation will accomplish:

The potential for stimulus investments targeting heritage buildings is vast: many billions of dollars in capital repair, energy retrofits and adaptive re-use could be generated at some of Canada's 437,000 pre-1960 commercial and industrial properties; 1,000,000 pre-1960 apartment units; 27,000 places of faith; as well as thousands of institutional buildings in private and public ownership. Stimulus investments can leverage at least 5 times more in private investment, create new green jobs; renew, adapt and retrofit existing infrastructure; produce new revenue-generating space; create new affordable housing units and more.

There are compelling precedents for these federal stimulus measures. In the United States, the Federal Historic Preservation Tax Incentives program has distinguished itself as one of the nation's most successful and cost-effective community revitalization programs. Since its launch in 1976, it has leveraged \$102.64 billion in private investment (5 times the value of the federal tax credits provided), created over 130,000 jobs each year (construction, manufacturing, services, retail trade, etc.), preserved 45,383 historic properties, and enabled 172,416 affordable housing units. A comparable Canadian federal incentive program for commercial heritage properties (2005-2008) provided 20% of eligible project costs with a maximum grant of \$1 million, and yielded impressive results: federal contributions of \$14.95 million leveraged \$143.4 million in construction costs, created 1,465 person years of employment, and gave derelict heritage buildings vibrant new community uses.

Directing federal stimulus to heritage places will reach beyond major cities and have immediate and measurable impacts on the economies of small town and rural Canada. Funding could flow without delay to projects large and small through existing mechanisms such as Regional Economic Development Agencies, the Cultural Spaces Canada Program and Parks Canada's National Cost-Sharing Program for Heritage Places. It can also be used to support participation in national celebrations like Canada Historic Places Day that generate awareness and encourage Canadians to explore special places virtually online, and visit historic places close to home when the doors re-open. In parallel, there is great potential to leverage corporate philanthropy and crowdfunding and generate public awareness using proven high-profile crowdfunding tools like This Place Matters.

Stimulating the reuse of heritage buildings would also play a key role in meeting Canada's 2030 GHG emission reduction targets. Investing in the rehabilitation of heritage buildings is a key component of the low carbon economy: building renewal and re-use capitalizes on materials and embedded carbon already invested, reduces construction and demolition waste, and avoids environmental impact associated with new development. Studies demonstrate that it takes from 10 to 80 years for a new "green" building to make up for the negative climate change impacts of its construction.

We would be pleased to have the opportunity to discuss our recommendation with the House of Commons Standing Committee on Finance in more detail.

Yours sincerely,



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About the National Trust for Canada www.nationaltrustcanada.ca

The National Trust for Canada is a national registered charity that leads and inspires action for Canada's historic places. We know that historic places can be transformed to meet community needs, and we offer tools and resources to help communities do just that. We are connected across the country through our National Council to heritage organizations in every province and territory.

Since 2016, the National Trust's crowdfunding competition platform THIS PLACE MATTERS has delivered \$1.4 million to help save and renew 89 worthy historic places, and every year thousands of individuals and organizations benefit from our toolkits, webinars and national conference.