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June 18th, 2014

Councillor Peter Milczyn, Chair, and Members
Planning and Growth Management Committee
City of Toronto

Re: Restructuring of the Heritage Property Tax Rebate Program: PG34.15: June 19th,
2014 meeting

I object to the recommendations in the report because they effectively would end the Heritage Property Tax Rebate Program for residential properties. That will cause a significant and unexpected tax increase for a number of owners of such properties. Many, like me, undertook costly heritage renovations in reliance on the heritage tax rebate program. Nowhere in the recommendations before you is it specified that the program is to be terminated. It is hidden in the report, from members of Council, heritage property owners, the heritage community and the public.

Surely it is only fair that people affected by the recommendation should be clearly notified and have an opportunity to be heard, as should heritage groups such as the Architectural Conservancy of Ontario. After enticing people to enter Heritage Easement Agreements based on tax rebates, is it fair to cancel the program?

A Heritage Easement Agreement is required for a heritage tax rebate. Those agreements impose most serious constraints on the freedom of an owner to alter the property in accordance with the law otherwise applicable. They contain obligations for repair, restoration, maintenance and notably insurance. Owners accept those agreements in the public interest and rely on the heritage tax rebate program to help them with costs incurred in the public interest. Without that program, how could an owner be persuaded to enter a heritage easement agreement?

Cancelling the program, particularly without real and effective notice and an opportunity to be heard, breaks faith with heritage property owners and with the heritage community. The alternative (heritage grants), does not work well for residential properties because the expenses to restore the heritage attributes are generally incurred in large lumps in one year and cannot meet the heritage grant criteria. Owning a heritage property entails continuing heavy expenses.

There is no proper rationale in the report for terminating the program and I submit it is in the public interest to reconsider. Might I therefore make the following recommendation:

RECOMMENDATION

That the report on Restructuring of the Heritage Property Tax Rebate Program be referred back to the Toronto Preservation Board for further consideration, notice to residential property owners and organizations affected and for an opportunity for them to be heard.

I will make every effort to be present at the meeting when this matter is dealt with so I can speak directly to it but that may not be possible, having in mind the size of the agenda.

Thank you.

Yours truly,

A handwritten signature in black ink, appearing to read "Michael B. Vaughan". The signature is fluid and cursive, with a prominent initial "M" and a long horizontal stroke at the end.

Michael B. Vaughan, Q.C.
MBV/gb