



ARTSCAPE

EX29.17.2

November 27, 2017

Members of Executive Committee
City of Toronto
100 Queen Street West
Toronto, ON M5H 2N2

Dear Member of Executive Committee,

I am writing to express Artscape's strong support for **EX29.17 Creation of a New Property Tax Class for Creative Co-Location Facilities**. Toronto, like many other cities, is struggling to cope with an affordability crisis driven by soaring real estate prices. The impact on the arts is now so profound in global cities that in 2016 the World Cities Culture Forum declared that the real estate market was the biggest threat to culture. The City of London, for example, has lost 50% of its music venues in the last 5 years, has identified 30% of its artist studios at risk and recently opened an office for cultural facilities at risk. Toronto needs to act fast to ensure that our cultural facilities built over decades with forward-looking arts and culture leadership as well as significant government and philanthropic support are not similarly decimated.

As Members of Executive Committee might know, Artscape's creative co-location facilities are mission-based through long-term use and affordability commitments that preclude being able to achieve value at highest and best use. The valuation of many Artscape properties, 401 Richmond and other creative co-locations has resulted in unsustainable tax increases. For example, Artscape and its tenants have experienced year-over-year increases in property taxes of an average of 9% across 6 co-location projects. Daniels Spectrum, the arts and culture centre in the heart of Regent Park, is projected to receive a 31% increase for spaces that are not exempt. These increases not only erode the affordability, they hamper the sustainability of these valued community buildings to ensure accessible and inclusive places where artist and cultural organizations can enrich communities through the power of the arts. There are also tangible contributions to local neighbourhoods and the City. In addition to reaching over one million participants annually, Artscape tenants and organizations support nearly 700 job opportunities not including artist self-employment. And they spend approximately \$26.5 million purchasing goods and services right here in Toronto.

In coordination with 401 Richmond, Artscape helped craft potential criteria for a property tax class as a solution. Reading EX29.17 has given us even more appreciation of the efforts that the Mayor, Councillor Cressy, City staff and others have made to create the set of recommendations before Executive Committee and Council. We know there will be more work involved in bringing forward detailed criteria and the tax class rate in the New Year. We are committed to working with the City to ensure that these measures provide a lasting solution. Thank you for your collective efforts to ensure that the cultural infrastructure we have worked so hard to create is not swept away by the rising real estate market or the property tax system that is inextricably linked to it.

Sincerely,

Tim Jones, CEO