

401 RICHMOND PROPERTY TAX INCREASE LETTER OF SUPPORT for 401 Richmond Tenants and Friends

The Honourable Charles Sousa
Minister of Finance
c/o Budget Secretariat
Frost Building North, 3rd Floor
95 Grosvenor Street
Toronto, ON M7A 1Z1

I am greatly concerned about the ***property tax assessment levied on 401 Richmond Street West*** and its potentially disastrous effect on the cultural community that works there.

401 Richmond is home to a number of ArtsBuild Ontario's partners including Theatre Ontario, TAPA, and Ontario Association of Art Galleries and dozens of other organizations that we have engaged with over time. It is a shining example of a private landlord engaged in their community and wanting to provide more affordable space to artists, arts organizations and creative industries. This building not only provides value to the community but it is an example that is replicated province wide. The implications of this assessment, will have an effect on other cultural hubs across the province.

This unique property has been assessed, like other properties in the city, at what is deemed to be market value, which has become very high in recent years. Market rents for commercial properties in the area are much higher than rents at 401 and the value of the land in the neighbourhood has increased enormously because of the condominium boom. That creates a problem for 401 tenants, who can't afford to pay condo prices for their workplace—and aren't being charged those rates by Urbanspace, the owner.

I believe that places like 401 Richmond need protection from these assessments (and resulting) tax increases because it provides extraordinary benefits that contribute to the general welfare of the city. And it isn't just 401 Richmond that needs protection. There are other buildings—all unique in their own ways—that deserve protection from onerous tax bills. Indeed, this province needs to incentivize arts/culture/incubator spaces for the greater good of an informed and culturally active citizenry.

I ask that you support the active appeal of the 2012 assessment, and that you endorse an amendment to the Assessment Act.

I agree with the tenants group's proposal to recognize and protect civic-minded landlords (***who are not charging market value rents***) and their tenants by assessing those unique buildings on the basis of actual rents paid, ***not on market value***. If a building is assessed not on its market value but on the actual rents paid, the assessment will be lower, and this means the impact on taxes will be less for that building. That would be a significant benefit for these tenants.

I endorse the idea that the province should be asked to approve an amendment to the Assessment Act to create a class based on actual rents to achieve a public benefit.

Yours,

A handwritten signature in cursive script that reads "Lindsay Golds".

Lindsay Golds
Executive Director
ArtsBuild Ontario