

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

THE HONOURABLE ELEANOR MCMAHON
MINISTER OF TOURISM, CULTURE AND SPORT
900 BAY STREET
9TH FLOOR, HEARST BLOCK
TORONTO, ONTARIO
M7A 2E1

Dear Minister McMahon,

As an arts service organization that is dedicated to supporting creative spaces in Ontario we are 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.

We believe that is an issue relevant to creative space province wide, and we would welcome the opportunity to work with the Ministry and our organizations to come to a solution on this matter. As the property values in our city centres, increase the danger of pricing our organizations out of their spaces increases. This decreases the positive impact our creative sector has on our communities.

Thank you,

A handwritten signature in blue ink that reads "Lindsay Golds".

Lindsay Golds
Executive Director
ArtsBuild Ontario