



Architectural Conservancy Ontario – London Region Branch
Grosvenor Lodge
1017 Western Road
London, ON N6G 1G5

Sunday, November 19, 2017

Anna Lisa Barbon
Managing Director, Corporate Services and City Treasurer, Chief Financial Officer
City of London
abarbon@london.ca

Jim Logan
Division Manager, Taxation and Revenue
City of London
jlogan@london.ca

Members of the Corporate Services Committee:
Councillor Paul Hubert (Chair) – phubert@london.ca
Councillor Jesse Helmer – jhelmer@london.ca
Councillor Josh Morgan – joshmorgan@london.ca
Councillor Tanya Park – tpark@london.ca
Councillor Harold Usher – husher@london.ca

Dear Ms. Barbon, Mr. Logan, and Members of Corporate Services Committee,

The London Region Branch of Architectural Conservancy Ontario (ACO) wishes to comment on the City of London's proposal to eliminate the tax rebate for vacant commercial and industrial buildings.

As you know, the current program allows landlords to receive a tax rebate for leaving these buildings vacant. ACO London believes this practice leads to heritage properties being damaged by neglect, especially in the downtown core. The rebate as it stands is often being abused by property speculators, rather than offering genuine tax relief for owners who have temporarily lost a tenant.

A prime example is the way Farhi Holdings has owned the old Central Library on Queens Avenue since 2005, during which time it has remained vacant. We can only imagine the probable deterioration to the building during these past dozen years as the public have no way of entering. Vacant commercial space in the downtown core, if the owner is not actively trying to market their space for rent and obtain tenants, may add to development pressure in the suburbs, which is contrary to growing "inwards and upwards" – a focus of the London Plan. Vacant commercial space in the downtown core makes for a less vibrant atmosphere, making it less attractive to both prospective downtown residents, shoppers, and tourists.

Elimination of the vacancy rebate may provide commercial and industrial property owners with an incentive to actively look for a tenant and repair derelict properties to meet the prospective tenant's requirements. The City must encourage occupancy to promote a downtown core that appears prosperous, not deserted.



Rather than phasing the vacancy rebate out gradually over the next two years, consider changing this vacancy rebate to be used one-time only (per commercial rental unit) for a maximum period of three months or some other such time period as deemed appropriate by City Council and staff based on input from relevant stakeholders. Such an approach allows relief to the owners who genuinely need tax relief and may help them fund renovation or restoration while they market the unit to new tenants. Another possible approach could be to tie the rebate to restoration. The rebate would match money spent on restoration to a maximum of three months of the current rebate level.

By eliminating the limitless rebate that encourages demolition by neglect and drains the public coffers, we hope you will explore these suggestions and other options to ensure that valid use of the rebate continues for those who actually need it.

Thank you for considering our comments. If you would like to discuss this matter further, please contact me.

Sincerely,

Mike Bloxam
President, London Region Branch
Architectural Conservancy Ontario

CC:
Cathy Saunders, City Clerk – csaunder@london.ca