

SAMPLE - Written Submission for the Federal Pre-Budget Consultations 2024

Please submit on organizational letterhead, if appropriate.

Deputy Prime Minister and Minister of Finance
Department of Finance Canada
90 Elgin Street
Ottawa, Ontario K1A 0G5

February __, 2024

Re: Federal Pre-Budget Consultations 2024 – Heritage Places Funding to Advance Housing Creation, Reconciliation, and Climate Action

Dear Ministers,

I am writing as an individual// OR on behalf of _____ [and explain you or your organization's involvement/interest in heritage places].

Pre-Budget 2024 Recommendations:

- **Recommendation 1:** Contribute significantly to Canada's decarbonization and housing creation goals by:
 - introducing a new rehabilitation tax incentive modelled on the US Federal Historic Preservation Tax Incentive and/or at least \$500 million in grants or other incentives. This would encourage the private sector to invest in the rehabilitation and reuse of heritage/existing buildings, with emphasis on converting existing buildings into new housing units; and
 - correcting biases in the federal tax system that make premature building obsolescence and demolition attractive, such as terminal loss, capital gains, and recapture of depreciation.
- **Recommendation 2:** Strengthen the essential leadership capacity needed to advance cultural heritage priorities that are of importance to Métis, Inuit, and First Nations Peoples in Canada by providing an initial investment of \$50 million over three years for the Indigenous Heritage Circle, an Indigenous-led national non-profit heritage organization.
- **Recommendation 3:** Save Canada's National Historic Sites, Heritage Lighthouses, and Heritage Railway Stations by restoring funding to at least \$60 million over 5 years to the National Cost-Sharing Program for Heritage Places.
- **Recommendation 4:** Recognize the material value of older buildings and the climate impact of building reuse versus new construction, by integrating embodied energy/embedded carbon into new measurement tools to be developed by the Federal Government. Prepare the construction sector to accelerate green rehabilitation and reuse of older/heritage buildings, by funding a rapid scale-up in heritage conservation education and trades training, with a focus on reusing existing buildings.

What these recommendations will accomplish:

These 2024 Federal Budget recommendations will spur heritage rehabilitation projects across Canada and create new green jobs, contribute to reconciliation and climate change efforts, and contribute to community resiliency over the long term.

We have seen the impact provincial-level Indigenous heritage leadership has had for the revitalization of Indigenous cultural heritage. There is now a pressing need for Canada-wide Indigenous heritage leadership that can similarly coordinate and advance cultural heritage priorities for Inuit, Métis, and First Nations Peoples in Canada. Places of significance to Indigenous Peoples are very much underrepresented and overlooked in current programs and funding sources in Canada. In addition, conventional approaches to identifying, valuing, and protecting heritage places are not well-suited to Indigenous heritage places. There is a pressing need for funding for Indigenous heritage leadership to help create policies, funding and programs that support the full diversity of places that reflect Canada's peoples and cultures. The Indigenous Heritage Circle, an Indigenous-led, distinctions-based organization, is well-situated to provide this leadership.

Stimulating the reuse of heritage buildings would also play a key role to play in meeting Canada's 2030 GHG emission reduction targets. Construction and building operation is widely understood to be the world's largest single source of energy use and emissions – 39 percent of the carbon footprint worldwide – and therefore offers the opportunity for dramatic decarbonization returns. While current carbon mitigation efforts primarily focus on reducing emissions from building operations (28% of emissions), new building materials and new construction represents 11% of embodied emissions.

Investing in the rehabilitation of heritage buildings is a key component of the low carbon economy: building renewal and re-use capitalizes on materials and embedded carbon already invested, reduces construction and demolition waste, and avoids environmental impact associated with new development. Studies demonstrate that it takes up to 80 years for a new “green” building to make up for the negative climate change impacts of its construction. Building reuse is still not the norm in Canada, with resource- and carbon-intensive demolition and construction of new buildings offering the path of least resistance for the construction industry and for buyers.

The potential impact for new federal rehabilitation investments targeting heritage buildings is vast: many billions of dollars in capital repair, energy retrofits and adaptive re-use could be generated at some of the 437,000 pre-1960 commercial and industrial properties; 1,000,000 pre-1960 apartment units; 27,000 places of faith; as well as thousands of institutional buildings in private and public ownership. Federal heritage rehabilitation investments can leverage at least 5 times more in private investment, create new green jobs; renew, adapt and retrofit existing infrastructure; produce new revenue-generating space; create new affordable housing units and more.

There are compelling precedents for these federal rehabilitation investments. In the United States, Federal Historic Preservation Tax Incentives Program has distinguished itself as one of the nation's most successful and cost-effective community revitalization program. Since its launch in 1976, it has leveraged \$102.64 billion in private investment (5 times the value of the federal tax credits provided), created over 130,000 jobs each year (construction, manufacturing, services, retail trade, etc.), preserved 45,383 historic properties, and enabled 172,416 affordable housing units.

There are heritage places in my [choose one - riding/city/region] that urgently need rehabilitation funding:

- Example 1 – one sentence description of place and project; another sentence describing, if possible, the estimated cost of the project and jobs created.
- Example 2 – additional example, if available

There are [National Historic Sites or Heritage Railway Stations or Heritage Lighthouses] in my riding/city/region that urgently need National Cost-Sharing Program for Heritage Places funding:

- Example– one sentence description of place; another sentence describing the need.

Thank you very much for your consideration.

Yours sincerely,

Your Name
Organization
Contact information