

Aberdeen Pavilion heritage past/developing future

On Friday, April 8th, 1988 the City of Ottawa received a \$2 million grant from Ontario's Provincial Government to restore and renovate the historic Aberdeen Pavilion into a recreational and trade exhibition facility.

Dr. Lily Odie Munroe was "very pleased that her Ministry (Culture and Communications) was able to assist with the project." A sizeable sum of \$1.1 million was granted by her Ministry to "ensure the preservation and continued use of a provincially and nationally significant heritage structure."

The restored pavilion will contain 35,000 square feet of flexible exhibition space, and will accommodate a full North American size ice surface.

"In addition to being a major tourist attraction, a restored Aberdeen will increase the amount of downtown recreational space for community groups sports events and craft and trade show. The project benefits Ottawa in a wide variety of ways," says Hugh O'Neill, whose Ministry (Tourism and Recreation) contributed \$850,000 toward the restoration.

Additional funding came by way of the Ministry of Agriculture which contributed \$50,000.

In total the funding from the three Ministries will effectively support the capital costs of the restoration including: the stabilization of trusses; removal of windows and siding.

As Nancy Smith (Member of Ottawa City Council) pointed out, the Provincial funding still does fall short of the expected \$3 million commitment; but it must be considered "as a second step in the process of securing funds for the restoration of the building."

The City of Ottawa has already contributed \$3 million. Other sources of funding could eventually include the Federal Government, as well as private business sector participation, and public donation.

Ultimately, as Ottawa Centre M.P.P. Richard Patten acknowledged, "we are so much further ahead than we have been, and that is the key."

The Aberdeen Pavilion was built in 1898 by Moses C. Edey (architect of the Daly Building on Wellington and Sussex), and has served as the main agricultural and industrial display facility for the Central Canada Exhibition (C.C.E.) in Ottawa. Plans to move the C.C.E. grounds had cast doubts on the future use of the Pavilion.



Billings House, 1828-29
2100 Cabot Street

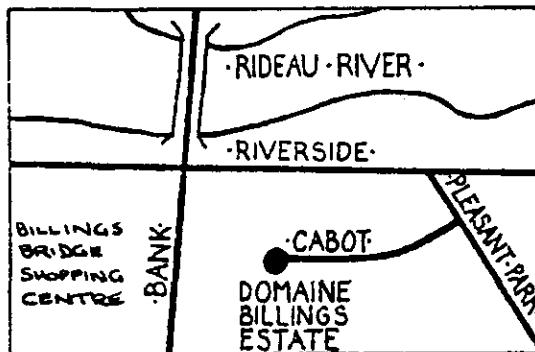
ANNUAL GENERAL MEETING OF
HERITAGE OTTAWA

Heritage Ottawa invites all of its members to attend its 16th Annual General Meeting and election of officers, to be held this year in the historic Billings House. The meeting will take place on Monday, June 13th, at 7:30 p.m.

The main speaker will be Dr. George MacDonald, Director of the Canadian Museum of Civilization. He will illustrate his talk with slides.

We will also have an update on the major preservation battles which have occurred in the national capital region over the past year.

Join us for this important and interesting meeting. There will be refreshments and chatting afterwards. There is ample free parking on the grounds of the Estate. Please consult map below for its location.



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AYLMER MUSEUM GRAND OPENING

June 5, 1988 - Afternoon
10 Front Street, Aylmer

The first visitors to Aylmer Museum: The construction crew on clean-up detail one recent Saturday regrettably turned away a father and son who had come to "see the Museum". Although their visit was premature, we hope that their enthusiasm is typical of Aylmer families.

The Museum crew is hard at work preparing for the Grand Opening on June 5th. In co-operation with the National Capital Commission and local groups we hope to welcome Samuel de Champlain (or reasonable facsimile) as well as Aylmer families.

Printed by the Editor on behalf
of the Aylmer Heritage Assoc.

HERITAGE OTTAWA GALLERY

JUNE 1, 1988, 7:30 p.m.

To inaugurate the summer season, the Gallery at Heritage Ottawa is featuring a new show, entitled Growth and Change: Ottawa Landmarks Then and Now. This exhibit will feature a selection of archival photographs chosen from the Permanent Collection, including such landmarks as the Parliamentary Library, the Old City Hall, and the Old Carnegie Library. Many of these buildings no longer exist. Each print will be paired with a current photograph of the same site, taken by Ottawa visual artist Karen Irwin, and accompanied by a page of written description of the site's architectural significance.

The vernissage for Growth and Change will be held at our Open House on June 1, 1988. The Open House will last from 10-6 p.m., and the vernissage from 7:30 to 9 p.m.. Heritage Ottawa gratefully acknowledges the assistance of Robert Corrigan and Karen Irwin, both of whom are donating their skills to make this show possible.

Upcoming shows at the Gallery include an exhibit of Jinny Jimmo's architectural renderings, opening July 1, 1988, and an exhibit of the History of Sparks Street, opening later in the summer. Details for these and other exhibits will be available in upcoming newsletters or by calling Heritage Ottawa at 745-0551.



Walking Tours

Heritage Ottawa invites you to take a walk through history this summer, as it continues its on-going walking tour series.

From the picturesque neighbourhood off New Edinburgh, through the vitality of the Byward Market and Sussex Drive, the enchanting "Mile of History," these tours offer something for everyone, whether a seasoned resident or tourist.

It's a unique opportunity to explore Ottawa's heritage through its architecture and historic landmarks as trained guides open doors to Ottawa's scenic region and downtown core.

Join us at our Open House on June 1st, as we kick off our summer series with a tour of New Edinburgh.

Those individuals that are interested in becoming tour guides, please contact us as soon as possible: 745-0551.

SPECIAL NOTICE

TRAINEE POSITIONS

Training positions now open for persons out-of-school, unemployed, and under 25, and seeking entry into work force:

research assistant
information officer
administrator
secretary/bookkeeper

Call 613-745-0551 leave messages for Rolf Latte, Chairman, Administration Committee.

P.E.I. LOG HOME FOR RENT

DURING MONTH OF JULY



Located by the ocean with a beach only a stone's throw away this, lovely two storey building is available for \$350 per week or \$1,100 for all of the month's four.

This heritage home built circa 1815 has all the amenities for an enjoyable stay. With two separate bedrooms, the place actually sleeps four due to the accessible loft.

For more information feel free to consult below. Due to the all wood interior though, only non-smokers need apply. Thanks; your Editor..

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Gloucester, Ontario
K1J 8E2 746 - 8125 (h)



CHAPEL REOPENS

A cherished chapel has opened its doors of its new home. Former teachers and students were delighted to learn on the weekend that the one hundred year old Rideau Street Convent chapel looks the same.

Reconstructed inside the new National Gallery of Canada during the past four years, the chapel is now finished. About 1,200 people (many former students) had a sneak preview prior to the official opening later this month.

The intricate fan-vaulted ceiling and 16 slim cast-iron columns remain intact. Thanks a-

gain must be given to all those men and women who gave up their valuable time and effort for this heritage cause. Beautiful for not only its architecture, the chapel will become a focal point of everyone's trip to the new gallery. It has become a work of art in itself.

Ottawa's first school, which opened in 1849, was closed in 1971 due to declining enrollment. The chapel, formerly located at the corner of Rideau and Waller streets, was demolished a year later. But the chapel's interior was taken apart and stored in a warehouse on Kaladar Avenue.

Real estate may never be the same again. And Ottawa's cityscape may well be the better for it.

Owners of tired buildings may now encounter the largest economic incentive to date to spruce up, patch up and perk up their premises instead of giving them a rendezvous with the bulldozer. After a recent ruling by the Supreme Court of Canada, owners who renovate investment properties may now claim a tax deduction up to 25 times greater than before. There is no predicting how many hundreds or even thousands of heritage and other familiar older buildings will benefit.

For years Canada had been one of the few countries in the western world whose tax structure favored demolition over renovation. But the old bias in favor of leaving gaping holes in the urban fabric has been turned on its head.

The case started with a Montreal woman named Denise Goyer. Goyer was a landlady with a modest building in need of help: the balconies were rotten, the windows weren't much better and the plumbing was a disaster.

Goyer called in the renovators; she wound up with a beautiful building and a bill to match.

At least when one owns an investment property (as opposed to home sweet home), one can deduct a part of those expenses from taxable income.

For example, both the national and Quebec versions of income tax legislation say that for revenue-producing properties, one could deduct typical regular expenses like painting, changing lightbulbs; job overhauls are another matter altogether. If the expense is a one-shot deal (what the taxman

calls an expense made "once and for all" or "capital" expense), the taxpayer couldn't deduct it. The best that the taxpayer could do would be to say, in subsequent years, that his total investment was depreciating (at a rate of four per cent), and claim that modest sum as a reduction of taxable income.

In a nutshell, the difference between a current expense and a capital expense was that 100% of a "current" expense was tax-deductible right away, but only four per cent of a "capital" expense could be deducted now (then four per cent next year, four per cent the year after that, etc.).

So that's what Goyer was up against. It looked like she would be out of luck in trying to deduct the cost of her balconies, windows and plumbing. These were all expenses made "once and for all" so the best she could do was claim four-per cent depreciation. However, she did try to deduct her other expenses; painting, clean-up, etc. which normally qualify as "current expenses" and which are deductible accordingly.

However, Revenue Quebec decided it wouldn't allow those deductions either.

The decision was based on a wonderfully discriminatory policy created by the gremlins at Revenue Canada that said this: In a major renovation, the taxman will treat everything as a capital expense...even those which would otherwise be deductible! That little bureaucratic document (called IT-128 R) had stung many other renovators in the past, so Revenue Canada cheerfully used it again.

That's when Goyer got mad.

She hired a heavy-duty Montreal law firm (whose former resident



Irish tenor was Brian Mulroney) to take the case to Quebec Provincial Court.

Two could play at this game: If Revenue Quebec could claim that all the expenses were "capital" she would claim that all the expenses were "current".

She may have appeared to have 60 years of jurisprudence against her, but damn the torpedoes. She won. And Revenue Quebec certainly had trouble believing she had won. Citing precedents from across Canada and all the way to the old Privay Council in London, they appealed the court's decision.

But even the Quebec Court of Appeal refused to side with Revenue Quebec.

The appeal judges said that the old "once and for all" test wasn't decisive. What was decisive were these three factors

- No new property was being created.
- No disappeared items were being replaced.
- The renovations did not change the "normal capital value" (whatever that means).

Observers stared at the judgment in disbelief. It means that new balconies, windows and plumbing are excluded, and therefore 100% tax deductible.

Carried to its logical conclusion, taxpayers who renovated investment properties would be able to deduct more than they could before.

From Revenue Quebec's standpoint, this simply would not do. Next stop: the Supreme Court of Canada.

The Supreme Court, however does not open its doors to all comers. . .not even the taxman. In many cases, the court must be

persuaded that the issue is at least worth arguing.

Revenue Quebec sent its representatives to Ottawa to ask for such permission.

The court declined.

That stopped the case with a thud. The Quebec Court of Appeal's decision is now the final word on the subject.

That can mean several things for owners and renovators of investment property in Ottawa.

First, the wording in the various judgements is sweeping and would apply as much to Ottawa taxpayers as to Quebec ones. Next, there are probably still people wondering how far one can go in tax-deductible renovations before one changes the "normal capital value" of a building. Finally, there may be mandarins burning the midnight oil over possible tax amendments to restore the previous stingy situation.

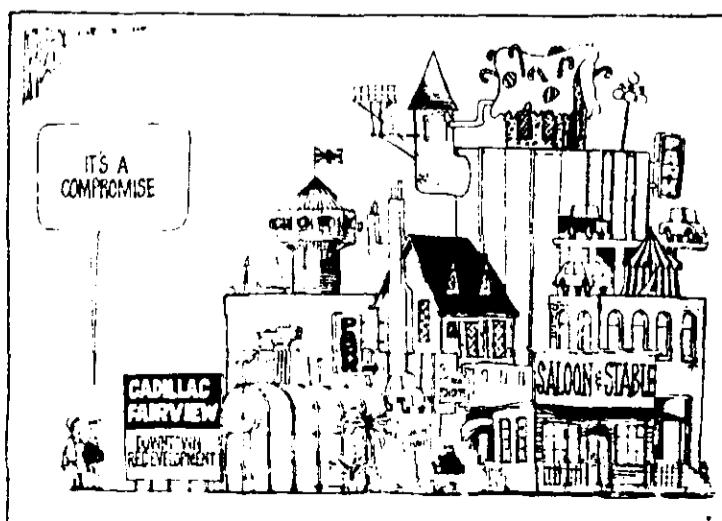
But what about the meantime? It's entirely possible that renovators could enjoy the best bottom line they have ever seen.

Let's take someone who was facing \$100,000 of work on a building in the Byward Market (replacing carpentry, piping, electrical systems etc.).

Under the old system, he might have been able to deduct \$4,000 of that expense against his taxable income. Thanks to Goyer, he might be able to deduct as much as \$100,000! That translates into tens of thousands of tax dollars saved. That, in turn, dramatically improves the economic prospects of every renovation (or proposed renovation) in Canada.

The mind boggles at what this might mean for renovation activity in the Ottawa area.

From The Citizen, April 23, 1988, on file at head office



Mr. _____
Mrs. _____
Miss _____
Ms. _____
Dr. _____ Surname _____ Initial _____
Address _____

City, Province, Postal Code _____

Payment enclosed Cheque Money Order

DONATION:

\$ _____

Receipt requested