



Town of Saugeen Shores
600 Tomlinson Drive, P.O. Box 820
Port Elgin, ON N0H 2C0

The Honourable Graham McGregor, Minister of Citizenship and Multiculturalism
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Toronto, ON M7A 2E7
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Celyeste Power, President and CEO, Insurance Bureau of Canada
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Dear Minister McGregor and Ms. Power,

We write to you as Mayor of the Town of Saugeen Shores, and Chair of the Saugeen Shores Municipal Heritage Committee. Our Town has an active Municipal Heritage program with 16 provincially designated properties and 114 properties on our Heritage Register. We endeavor to protect and celebrate our built heritage, recognizing that heritage properties are not just real estate—they embody cultural identity, architectural history, and tourism economies. Preserving historical heritage is crucial for any municipality, as it allows future generations to understand and appreciate their roots.

We were recently contacted by one of our residents who owns one of our provincially designated properties. They were informed by their insurance broker that the insurance company they have had for the past decade didn't want to insure the property at all because of its heritage designation, as rebuild-specific requirements are a concern. When it was posted again to find other insurers, the quotes came back significantly higher - about \$1,000 more annually.

Unfortunately, we have heard of similar situations in other municipalities, despite the fact that the provincial government's own "Heritage Properties and Insurance" page (<https://www.ontario.ca/page/heritage-properties-and-insurance>) emphasizes that "insurance premiums should **not** go up because of a heritage designation. Insurance companies may increase premiums for older buildings for a variety of reasons such as outdated wiring, old heating systems, etc. Some companies do not insure buildings over a certain age, but designation itself does not place additional requirements on the insurer and should not affect premiums." We note that the Insurance Bureau of Canada's own website contradicts the government's website with this information: "It is generally a requirement that heritage properties be rebuilt on the original site, to the original occupancy, using materials similar to the ones used at the time it was built." (<https://a.storyblok.com/f/339220/6254b99ec9/heritage-properties-en.pdf>) We urge the Insurance Bureau to consider removing this statement as it is not accurate, and encourages insurance companies to charge unnecessarily elevated fees.



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This same government page also states that “Heritage designation does not require an owner to restore their building to its original appearance.” While some owners may voluntarily obtain a heritage rider on their insurance policy to cover costs if restoring to close to original conditions, most municipalities do not impose specific rebuild requirements related to heritage construction materials or techniques. Saugeen Shores has never imposed such restrictions upon the owners of designated properties. For example, our Committee and Council recently approved the rebuild of part of a designated property without any material requirements; we only required that the rebuilt section be reconstructed in a compatible style to the rest of the property. Our Clerk is preparing a letter for owners of designated properties to use to assure insurance companies that the Municipality will not impose specific rebuild requirements related to heritage materials or construction techniques, and does not require heritage approvals for general maintenance work.

High insurance costs are becoming a serious threat to heritage properties in Ontario, both private and public. Without affordable insurance, preservation becomes financially unsustainable, placing irreplaceable landmarks at risk. While it may be appropriate for insurance companies to impose higher rates if building conditions outdated (ex. electrical or plumbing), general assumptions that municipal by-laws mandate strict preservation regulations are unfair to heritage property owners and communities themselves. We respectfully request that the Insurance Bureau of Canada follow Ministry of Citizenship and Multiculturalism guidelines on insuring heritage properties, and that both organizations coordinate to release industry and public information dispelling misconceptions which result in higher insurance costs.

Sincerely,

Luke Charbonneau, Mayor, Town of Saugeen Shores

Cheryl Grace, Councillor and Chair, Town of Saugeen Shores Municipal Heritage Committee

cc: Lisa Thompson, MPP
Matthew Gregor, President, Community Heritage Ontario
Debra Crawford, President, Architectural Conservancy of Ontario
(president@contario.ca)