

The Town of Niagara-on-the-Lake is home to some of Canada's most intact heritage building collections and streetscapes. To protect these irreplaceable assets, the Town has been pursuing their long-term preservation, with the preferred method being through the designation of properties under Parts IV and V of the *Ontario Heritage Act*.

iv What is Part IV designation?

Part IV Designation is a By-law registered on the title of a property that is passed by the Council of a municipality. The By-law contains the property's legal description, history, and a list of the heritage attributes that are to be protected. The intention of designation is not to stop change, but to guide and manage it. Alterations to properties can be made through the established heritage permit process.

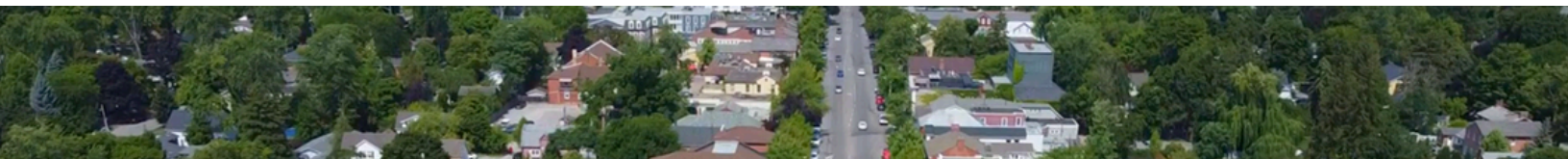
v What is Part V designation?

Part V designation, commonly referred to as a Heritage Conservation District (HCD), is a protection applied to an entire area due to a high concentration of intact heritage buildings with a shared history, through the passage of a By-law. This type of protection allows large areas to be protected, helping conserve important streetscapes and character areas. Alterations to properties within HCDs are also made through the established heritage permit process.

Insurance Concerns

In recent years, property owners of buildings constructed before 1940 have identified insurance availability and affordability as a growing concern. Most insurance premiums in Ontario have been increasing due to rising claim frequency, climate change, rising construction costs, the aging of existing structures, and supply chain issues.

The Town of Niagara-on-the-Lake is committed to supporting the stewards of heritage properties and has created this guide and additional tools to address these concerns.



Consultation with the Insurance Bureau of Canada has shown that buildings are often flagged by insurers as higher risk primarily due to their age (pre-1940) and assumptions regarding outdated mechanical, plumbing, and electrical systems. Heritage designation itself does not typically factor into insurance premium calculations, as it does not impose additional requirements on insurers.

The Province of Ontario has confirmed this position, stating that insurance premiums should not increase as a result of heritage designation, and that while some insurers may not cover buildings beyond a certain age, designation alone should not affect premiums.

The Province of Ontario released the following statement regarding insuring heritage properties: “Insurance premiums should not go up because of a heritage designation. 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.” Further information regarding insurance for designated properties is available on the Province of Ontario’s [Heritage Properties and Insurance webpage](#).

It is important to note that the intention of designation is not to stop change, but to guide and manage it. With routine maintenance, improvements, and modernization, property owners should be able to demonstrate to insurers that age-related risks have been mitigated. Importantly, if a building on a designated property is completely or partially destroyed, the municipality does not require the owner to replicate and rebuild lost heritage attributes. Any replacement building may be of a different design, material and scale.

Obtaining Insurance

When applying for insurance, property owners are encouraged to provide as much information as possible. Having detailed information about the property's condition to present to prospective insurers when shopping for a policy will make it easier to find the right insurance for the heritage property and for properties of a certain age in general.

Any items that are considered high risk to insurers can raise red flags or automatically deny the issuance of a policy. Property owners should keep detailed records of all building improvements, maintenance, and images showing the property's condition. The condition and age of building mechanicals, such as heating, electrical, and plumbing, are important qualifiers for obtaining insurance. Property owners are encouraged to inform their insurers of any renovations completed to the building within the last 15 years, as properly carried out renovations will, by default, bring impacted areas of the structure up to today's building code. Renovations bring a level of comfort to insurance companies.

The use of a qualified Insurance Broker or a Direct Right Insurance Provider is encouraged. A Direct Right provider will allow the property owner to speak directly with the insurance company that issued the policy, rather than a broker who works with multiple providers.

The Insurance Bureau of Canada has created a [Heritage Property Risk Prospectus](#) for homeowners to use as a checklist of items to provide to their insurer or when shopping for a policy.

Helpful Tips

The Bureau also offers five tips for all heritage property owners seeking insurance:

- 1 Shop around, as it can pay to compare companies.
- 2 Remember, it's not just about price; consider your claims settlement process and deductible amount.
- 3 Reduce your risk, take necessary steps to protect your home, and reduce the chances of making a claim.
- 4 Keep accurate records, keep current documentation of your home, and make improvements.
- 5 Buy enough insurance to cover your needs.

Review the Bureau's full guide on [Insuring Your Heritage Home](#).

Additional Resources

[Ecclesiastical Insurance - Maintaining your Heritage Property](#)

[Insurance and Heritage Properties - National Trust for Canada](#)

[Insuring Heritage Properties in Canada](#)

[Insuring Your Heritage Home](#)



Have questions? Send an email to heritage@notl.com