FINANCE AND ECONOMIC DEVELOPMENT COMMITTEE REPORT 26 9 JUNE 2021

EXTRACT OF DRAFT MINUTES 26
FINANCE AND ECONOMIC
DEVELOPMENT COMMITTEE
1 JUNE 2021

COMITÉ DES FINANCES ET DU DÉVELOPPEMENT ÉCONOMIQUE RAPPORT 26 LE 9 JUIN 2021

EXTRAIT DE L'ÉBAUCHE DU PROCÈS-VERBAL 26 COMITÉ DES FINANCE ET DU DÉVELOPPEMENT ÉCONOMIQUE LE 1 JUIN 2021

RESIDENTIAL VACANT UNIT TAX

ACS2021-FSD-REV-0004

CITY WIDE

REPORT RECOMMENDATIONS

That the Finance and Economic Development Committee recommend that Council:

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- 1. Receive the information on the implications of and best practices related to the implementation a residential vacant unit tax in the City of Ottawa, as described in this report and including the results of the initial public consultations attached as Document 1; and
- 2. Direct staff to proceed with the development of a residential vacant unit tax as described in this report, including the proposed principles and framework and public consultation plan, with the goal of implementing a residential vacant unit tax regime in 2022 for billing in 2023, to be reported back to the Finance and Economic Development Committee and Council as part of the 2022 annual Tax Policies Report.

Wendy Stephanson, Chief Financial Officer and Joseph Muhuni, Deputy City Treasurer, Revenue, spoke to a PowerPoint presentation, a copy of which is held on file with the City Clerk.

Committee heard from the following public delegations:

• Cheryl Parrot, Chair, Hintonburg Community Association spoke in support of the report recommendations. She described the vacant buildings in the Hintonburg area and advised that a person has been tasked in following up on these units. In

response to a question, Ms. Parrot advised that Winnipeg is working with the water department to identify vacant units. She also noted she would prefer to see a higher tax rate.

- Anne Hanna showed a video to Committee which described vacant buildings in the Hintonburg community. She believes a higher tax will discourage developers from evicting tenants.
- Salma Al-Shehabi, spoke against the staff report and asked Committee to vote against the recommendations. She noted the housing crisis and urged members to consider the affects this would have, if approved, on housing supply, affordability, vacancy rate and could become a systemic racism tool.
- Tony Miller spoke on behalf of the Ottawa Small Landlord Association did not oppose the report and reminded the Committee that small landlords need their units to be occupied. He recommended that a mechanism be put in place to protect small landlords such as a working group comprised of small landlords and councillors.
- John Dickie, Chair, Eastern Ontario Landlord Organization (EOLO) noted that EOLO is generally in support of the report recommendations and the one per cent tax rate. A copy of his comments and recommendations are held on file with the City Clerk.
- Suzanne Le, Multifaith Housing Initiative also spoke in support of this initiative, noting the shortage of available units and the 12,000 households that are currently on the waiting list.

The following correspondence is held on file with the Office of the City Clerk.

- Jason Hardy emailed on May 28, 2021
- Jason Burggraaf, Executive Director, Greater Ottawa Home Builders' Association (GOHBA) emailed on May 31, 2021
- Clinton DeRushie emailed on May 31, 2021

Questions and comments pertained to the current number of vacant units; comparability with other municipalities in Ontario and lessons learned; whether multi-units are included, and ways to monitor vacant units.

After discussion, the Committee CARRIED the report recommendations as presented.