

EXTRACT OF DRAFT MINUTES 35
FINANCE AND ECONOMIC
DEVELOPMENT COMMITTEE
1 MARCH 2022

EXTRAIT DE L'ÉBAUCHE DU
PROCÈS-VERBAL 35
COMITÉ DES FINANCES ET DU
DÉVELOPPEMENT ÉCONOMIQUE
LE 1 MARS 2022

2. RESIDENTIAL VACANT UNIT TAX

ACS2022-FSD-REV-0001

City Wide

REPORT RECOMMENDATIONS

**That the That the Finance and Economic Development Committee
recommend that Council:**

- 1. Adopt the Vacant Unit Tax (VUT) program outlined in this report starting in 2023 for the 2022 vacancy period.**
- 2. Approve a one percent vacant unit tax on the current value assessment of the residential properties that meet the vacant unit tax definition.**
- 3. Appoint the Review authority and Program Administrator for the Vacant Unit Tax Program as outlined in this report.**
- 4. Direct the Deputy City Treasurer, Revenue Services, to apply to the provincial Minister of Finance requesting Ottawa be designated as an eligible municipality to levy a vacant unit tax and to place the draft by-law substantially in the form attached as Document 3 on an agenda of Council for enactment, following such designation by the Province.**
- 5. Approve the Vacant Unit Tax program delivery annual operating costs, start-up costs and permanent and temporary full-time equivalent positions, as outlined in this report.**
- 6. Direct the net revenues from the vacant unit tax towards affordable housing as outlined in the Housing Services Long**

Range Financial Plan.

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

Committee heard from the following delegations:

*Salma Al-Shehabi provided a slide presentation and noted her opposition to the report recommendations, urging the Committee to assess other jurisdictions that have better outcomes.

*Alex Cullen, President, Federation of Citizens Association (FCA) spoke in opposition of the report, noting that the FCA was not part of the consultation process. He also noted his concern with the use of negative option billing and urged Committee to reject the report.

*Cheryl Parrott, Co-Chair Security Committee, Hintonburg Community Association spoke in support of the report and suggested that a review be conducted within two years to see if the one per cent tax is sufficient to affect the required change.

*John Dickie, Chair, Eastern Ontario Landlord Organization outlined the positive and negative impacts of the vacant unit tax and urged the Committee to include the revision to the purchase exemption.

*Jean Mullan, Bel-Air Community Association spoke in support of the report recommendation, however suggested that staff develop a simple easy-to-use method for non-vacancy declarations that does not require computer literacy.

Tony Miller, Ottawa Small Landlords Association supports the staff report however recommended that staff be directed to ensure the tax exemptions are not penalizing property buyers.

Written correspondence was also received by the Greater Ottawa Home Builders' Association and Heritage Ottawa. All written correspondence and public delegations' presentations are held on file with the City Clerk.

Questions and comments from members of Council touched on the vacancy periods during property sales; property owners residing in retirement homes; regulations regarding derelict homes, additional by-law services funding, and

providing communication/information in more languages other than French and English.

After discussion, the Committee CARRIED the item as presented.

DRAFT