

City council won't wait for province on empty homes tax

Vancouver city councillors gave their OK Wednesday for staff to pursue a tax on empty homes with or without help from the B.C. government.

But Matthew Bourke, a housing planner with the city, showed in a presentation to councillors that the task won't be easy. Though staff have a general sense of where to go with the plan, there is no roadmap to help them work out the details.

While other cities have used empty-home taxes to cut down on "boarded-up buildings in inner cities," Vancouver's problem is about the thousands of perfectly habitable homes — believed to be mostly condos — that sit empty year-round, Bourke said.

"It's kind of a unique problem and we're looking at unique tools."

A significant hurdle is how to identify those empty homes. While a recent study claimed to have found 10,800 of them using utility data, the city is "not intending to use B.C. Hydro data" for the purpose of a tax.

Rather, self-declaration by homeowners is a likely method, paired with an audit and complaint process, Bourke said. Such a system could require homeowners to prove primary occupancy through documentation like driver's licences or homeowner grants. Any homeowners with long-term tenants could prove occupancy with tenancy agreements.

That kind of system is ideal in at least one key respect: "Practically speaking, it is very challenging for government to prove that a home was unoccupied for a given period of time," Bourke said. But it's also a system that could be easily bested by unscrupulous property owners.

Homes that are not occupied by owners or long-term tenants would be subject to an empty-housing tax, according to the presentation. But that raises what may be the most tricky — and likely contentious — part of the plan. "Defining the exemptions will be the most important piece of our work going forward," Bourke said.

There is an array of reasons why a given home could be empty and staff will need to consider each of them. A short list of examples was provided in a staff presentation to councillors and include homes that are:
Undergoing renovation
Awaiting permits
About to be sold or rented
Owned by someone undergoing medical care or who is absent for holiday or work reasons
Used for short-term rentals
Properties visited occasionally by owners

He said staff plan to report back on a city-administered plan unless the province agrees by Aug. 1 to create and administer a "residential vacant" class on the assessment roll. B.C. Finance Minister Mike de Jong said earlier this week that the province was taking the city's proposal on an empty-homes tax seriously.

Before Elizabeth Ball and other councillors voted on the matter, she relayed the substance of some of the letters and phone calls she'd received about the city's idea. Among them were academics on sabbatical who said they don't want to rent their house "that's filled with a lifetime of memories," and a senior fearing they'd face pension clawbacks if forced to rent their home.

It does not take a genius to see how to circumvent any government regulations that could be put in place. Why not also tax all those empty bedrooms that our DNV Mayor says exist by the thousands on the North Shore! - cjk