

Mayor favours tax to boost rental market

Vacant homes should be treated ‘more like a business’: Robertson

They’re sitting on those empty homes. ... We’d love to have thousands of those homes in the rental market.

Mayor Gregor Robertson wants to see a punitive tax on the thousands of empty homes that sit empty in Vancouver.

The intent of the tax would be to encourage owners treating their homes like an investment to put them on the rental market, Robertson told reporters Tuesday.

“Basically, they’re sitting on those empty homes as a business holding,” Robertson said, adding that those homes should be taxed “more like a business than a residence,” considering they’re empty through the year.

“We’d love to have thousands of those homes in the rental market right now.”

Speculative, absentee buyers have been blamed for contributing to Vancouver’s lofty home prices and low rental vacancy rate. While the city released a study in March using utility data to measure the overall size of the problem, it remains difficult to identify specific vacant homes.

“There are privacy concerns,” Robertson said of the issue, noting that the study’s B.C. Hydro electricity consumption data was anonymized. “A lot of other city process is complaint-driven, but that’s obviously anecdotal. Staff are going to report back on possible next steps and might give us a way forward.”

In all, about 10,800 Vancouver homes are empty, according to the city’s vacant homes study. They comprise about 12.5 per cent of the city’s condominiums and one per cent of single-detached homes, townhomes and row houses.

While the city’s vacancy rate is just a tick higher than the rest of Metro Vancouver and consistent with the rest of the country, according to that study and another by the Urban Futures Institute, the issue has remained a flashpoint in the ongoing discussion on affordability.

Robertson claimed “it’s easy” for the province to create an empty homes tax and said he wanted to see action from Victoria. Barring provincial action, the city would need to move on the issue “in the very near term” Robertson said, but he gave no details.

“There’s clearly huge public concern about empty homes, so we want to respond to that in a way that’s effective.”

When asked if Mike de Jong, the provincial minister of finance, supported the idea of a vacant home tax, ministry staff dodged the question in a written response.

“Finding ways to bring new supply of housing — rental and market — into development for people to access is a priority,” read the response.

“It’s good to see Vancouver is considering what action it can take within its authority. B.C. also continues to examine a broad range of policy choices to help British Columbians access appropriate housing in the short-term and to address the key issues causing rapid price increases. We will be bringing forward a plan when that work is concluded.”