

The Regional Municipality of York

Committee of the Whole
Finance and Administration
September 8, 2022

Report of the Commissioner of Finance, the Commissioner of Community and Health Services, and
the Chief Planner

Vacant Homes Tax to Support Affordable Housing Update

1. Recommendations

Council direct staff to continue its work on a potential Vacant Homes Tax and report back during the first quarter of 2023 with a proposed program design and a draft bylaw.

2. Summary

In October 2021, Regional Council directed staff to undertake a feasibility study and public benefits review of implementing a Vacant Homes Tax (VHT). Council also directed that any revenues resulting from the VHT, net of costs, would be used for future affordable housing initiatives.

This report provides an update on the work completed so far on a potential VHT for the Region and includes three consultant reports, identified as Attachments 1- 3: 'A Review of Issues to be Considered for the Taxation of Vacant Homes in York Region' (Attachment 1), 'A Review of Housing Market Conditions Within York Region' (Attachment 2), and 'Evaluating a Vacant Homes Tax - What We Heard' (Attachment 3).

Key Points:

- A VHT is levied on vacant, non-principal/investment, residential properties with the primary objective being to return more housing supply to the marketplace
- Beginning in 2017, designated municipalities in Ontario were permitted to levy a VHT and thus far only Ottawa (levying the tax beginning this year) and Hamilton have received provincial designation. Toronto, which is also now levying a VHT, did not require designation to implement. Vancouver was the first Canadian jurisdiction to levy a VHT (called an Empty Homes Tax)
- Initial estimates from KPMG indicate there could be up to 7,250 vacant homes in York Region, of which over 1,600 could be subject to a VHT
- During the spring and summer of 2022, a multi-platformed information/ engagement campaign was used to determine general support for a VHT as well as the potential policy design parameters

- Stakeholders consulted included residents, property owners, ratepayer groups, the Canadian Association of Retired Persons, finance and planning staff at local municipalities, members of the Planning Advisory Committee, the York Region Local Municipal Staff Housing Working Group, members of local Chambers of Commerce/Boards of Trade and the Building Industry and Land Development Association – York Chapter (BILD)
- From June 24 to July 13, the Region hosted an online survey seeking feedback on a potential VHT from residents and property owners. Of the over 2,750 surveys received, nearly 88% of respondents strongly or somewhat agreed that York Region is facing housing affordability challenges and nearly 80% believed the Region should levy a VHT to help address these challenges, with just over 50% believing the rate should be 2% or higher
- A Region-wide VHT, with a tax rate between 1% and 2%, could generate between \$13.4 million and \$26.8 million in the first year. It is estimated that this would require approximately \$6.5 million to implement, with operational costs estimated to be \$3.5 million annually
- It is recommended that staff report back during the first quarter of 2023 with a proposed detailed program design, draft VHT Bylaw, and a potential recommendation seeking designation by the Province, which could enable the Region to begin implementing this tax in 2023

3. Background

Council established the Housing Affordability Task Force in 2021 to help address challenges in the Region

As reported in the [Affordable Housing in York Region – 2021 Measuring and Monitoring report](#) from May of 2022, housing affordability is an ongoing challenge in the Region. Only 4% of new units built in 2021 were identified as affordable¹, which represents a decrease from 8% in 2020. In addition, between 2011 and 2021, while average resale home price increased by 139% (from approximately \$542,841 to \$1,292,351), the average family income increased by only 24% (from approximately \$89,960 to \$111,295). In 2021 to help address these challenges, Regional Council established the [Housing Affordability Task Force](#) with a mandate to identify solutions, including the use of all available tools (legislative or otherwise).

¹ Note: Includes ownership housing where the purchase price results in annual accommodation costs not exceeding 30 per cent of gross annual household income for low- and moderate-income households, and all purpose-built rental housing.

Amendments to the *Municipal Act, 2001* in 2017 now permit a designated municipality to impose a VHT

As part of the Province's Fair Housing Plan (Plan) in 2017 the *Municipal Act, 2001* (Act), was amended to allow designated municipalities² to, by way of bylaw, impose a VHT. A VHT is a levy on a vacant non-principal/investment residence which is intended to discourage homes from being left vacant over a long period of time. The ultimate policy outcome of the tax would see more housing supply being returned to the marketplace, either by way of additional rental or ownership opportunities. In fact, Finance Minister Bethlenfalvy, in an August 22nd interview at the Association of Municipalities 2022 Conference, was [noted](#) as saying that a number of municipalities are looking to use the VHT as a tool to help address housing affordability challenges.

Seeking designation, by way of request to the Minister of Finance, does not bind a municipal Council to levy a VHT, it is rather a procedural step ensuring that the municipality has the authority to pass a VHT Bylaw, should it so choose. Upon being designated, any VHT Bylaw must state the tax rate and the conditions of vacancy (e.g., vacant for 6 months). The Bylaw may also provide exemptions to vacancy, identification processes and how appeals/disputes are to be resolved. Finally, with respect to two tiered municipalities like the Region, an upper-tier municipality may implement a VHT that is applied in all, or some, local municipalities.

A VHT could also help combat housing speculation not addressed by the Non-Resident Speculation Tax

On April 21, 2017, the Province of Ontario implemented a 15% tax on the purchase of homes in the Greater Golden Horseshoe by non-resident non-Canadian individuals and corporations. The tax applies to the purchase price of the home. In March of 2022, the Province increased the tax to 20% and expanded it to the entire Province. While this tax may deter foreign buyers, it does not address speculative activity by Canadians. Preliminary analysis, as well as the Region's online VHT survey, shows most multi-property owners reside within the same general area in which they own properties.

Vancouver became the first Canadian municipality to levy a VHT in 2017, with Toronto and Ottawa joining in 2022 and Hamilton proceeding to implementation

The City of Vancouver was the first municipality in Canada to implement a VHT (called an Empty Homes Tax), in the 2017 taxation year. The initial tax rate was 1%; it gradually increased to 5% for 2023. Since implementation, the tax has generated \$86.6 million in net proceeds to support affordable housing programs. The city has also experienced a 26% decline in vacancies during that time.

² The City of Toronto is not required to seek a designation

Effective in 2022, the cities of Toronto and Ottawa implemented a 1% tax on vacant homes, with first taxes to be received in 2023. Key details of their respective tax policy designs are summarized in Table 1 below.

In February 2022 the City of Hamilton requested designation from the Province, which was provided on May 3, 2022. The city is now proceeding with implementation of a VHT. The Regions of Peel and Halton have conducted feasibility studies and have instructed their staff to design a VHT for their regions.

Table 1
Summary of key provisions of the Toronto and Ottawa VHT

Policy area	Municipality	
	Toronto	Ottawa
Tax rate	1% of assessed value	
Tax revenue utilization	Affordable housing initiatives	
Minimum length of time vacant	6 months	
Key exemptions	<ul style="list-style-type: none"> • sale or transfer of ownership • death of registered owner • property undergoing redevelopment or major renovation • occupant is residing in hospital, long-term care facility • court order prohibiting occupancy of the unit is in place 	<ul style="list-style-type: none"> • property is used as a cottage rental in the rural area, with a valid host permit • property has a combination of tenanted and construction/renovation period equal to 184 days

In October 2021, Regional Council directed staff to develop a feasibility study and public benefits review of a VHT in York Region

On October 14, 2021 Council [directed](#) staff to conduct a feasibility study and public benefits review for a potential VHT in York Region. The purpose of these studies is to determine the number of vacant units in the Region, potential revenues and costs associated with a VHT, support for the tax, examination of what neighboring municipalities have done, and to assist in a preliminary policy design for the tax.

Council also directed that any revenues from a VHT, net of costs, be used for future affordable housing initiatives. The October report noted that, based on consultations with the province, the following steps be followed to meet 'best practices' in an effort to seek potential designation by the Minister of Finance:

- Provide evidence of public consultation
- Provide evidence of local and upper-tier engagement
- Illustrate revenue yields

Finally, the report noted staff would need to procure a consultant to assist with the work on the VHT.

KPMG LLP and Creative PROCESS was retained as consultants on the project

During the spring of 2022, staff began working with KPMG LLP (KPMG) and Creative PROCESS (PROCESS) on the VHT.

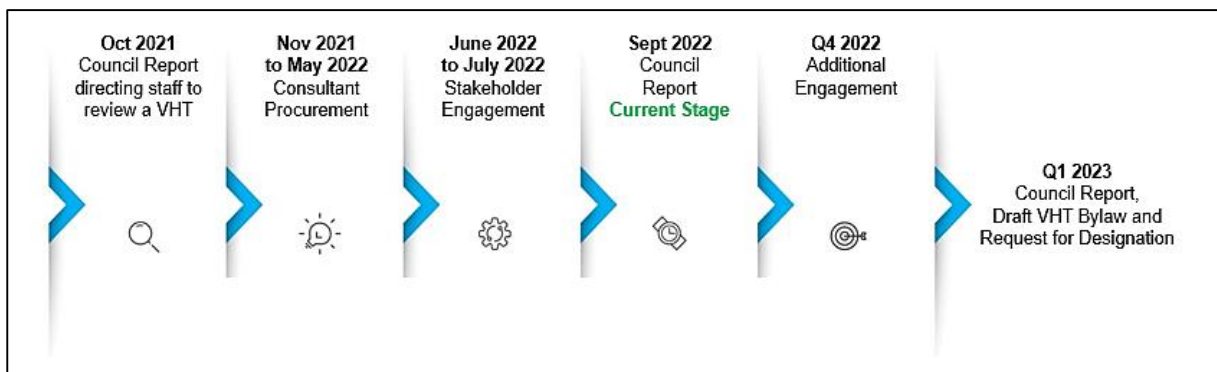
KPMG previously worked with the City of Toronto on their VHT and a review of new revenue tools, with York Region on the implementation of a Corporate Asset Management Risk System, and with the City of Vaughan on their Development Review Process Program Review. In addition to providing peer review and advisory services for this project, KPMG prepared the 'A Review of Issues to be Considered for the Taxation of Vacant Homes in York Region' and 'A Review of Housing Market Conditions Within York Region' (Attachments 1 and 2).

PROCESS is a team of strategists, professional urban planners, engagement specialists, communications and public relations experts, evaluation practitioners, and policymakers. PROCESS most recently worked with York Region helping to facilitate consultation in support of the Municipal Comprehensive Review. They have also worked with many local and neighboring municipalities, including the City of Markham, Town of Newmarket, the City of Barrie, and the Town of Whitby. PROCESS prepared the 'Evaluating a Vacant Homes Tax - What We Heard' report (Attachment 3).

This update report is a step in the process to develop and recommend a VHT program and draft Bylaw

Figure 1 provides a timeline for a VHT Bylaw. Additional engagement with stakeholders (particularly the local municipalities) during the fourth quarter of 2022 would allow for focused discussions on a VHT policy design and draft Bylaw as well an implementation model, which would come to Council for consideration during the first quarter of 2023. This timeline would allow Council upon designation and if it so chooses, begin levying the tax in 2023 and collecting in 2024³.

Figure 1
VHT Bylaw Timeline



4. Analysis

The review of housing market conditions within York Region, prepared by KPMG, confirms continued housing affordability challenges

As noted above, to get an updated understanding of the housing market in York Region, KPMG prepared 'A Review of Housing Market Conditions Within York Region'. Their review confirmed the continued housing affordability challenges and the need to explore all tools, including a VHT, to help address these challenges. Key findings of the report include:

- Housing prices in York Region reached record highs in March 2022, with a reported benchmark price of \$1,571,900 in York Region based on the MLS Home Price Index. While rising interest rates have resulted in a modest decline in housing prices, the benchmark remained relatively high at \$1,307,857 in June 2022
- Between 2006 and 2016, York Region median household income grew by only 17%, or approximately 1.7% per year, meanwhile median monthly payments for rented dwellings increased by 146%, or approximately 14.6% per year

³ Note: A VHT Bylaw can only be passed by a designated municipality. Therefore, upon designation, the draft Bylaw, as presented to Committee and Council in Q1-2023, would be back brought to Council for passage and enactment at a later date.

- 27% of renters in York Region spend 50% or more of their total income on housing costs. This level of spending is significantly higher than the 30% share of total gross income that has traditionally been viewed as the benchmark for housing affordability

KPMG estimates there could be up to 7,250 vacant homes in York Region with over 1,600 homes potentially subject to a VHT

KMPG considered several approaches when estimating the number of vacant homes in the Region but concluded that homes reported as “not occupied by usual residents” from the 2021 Census, would be the most reliable starting point for their analysis⁴. Using the ratio of Vancouver's share of private dwellings not occupied by usual residents as reported in the 2016 census to the number of homes ultimately subject to the tax in 2017 (the first year of its version of the VHT), KPMG estimated that approximately 1,600 homes could potentially be subject to the VHT in York Region.

Table 2 summarizes the estimated number of vacant homes by local municipality and those that could be taxed.

Table 2
York Region – Estimated Vacant Homes

Municipality	Number of Vacant Homes	Potentially Exempted Vacant Homes*	Potentially Taxable
Aurora	386	304	82
East Gwillimbury	218	180	38
Georgina	572	464	108
King	195	160	35
Markham	2,089	1,605	484
Newmarket	485	383	102
Richmond Hill	1,397	1,060	337
Vaughan	1,677	1,302	375
Whitchurch-Stouffville	231	187	44
TOTAL	7,250	5,645	1,605

*Note: Estimated using vacancy rates by property type reported in Vancouver

⁴ Note: Water and electrical usage data could not be used to determine vacancy due to privacy concerns.

A multi-platform communications campaign was used to inform and seek feedback from the public about a potential VHT

Beginning in early June, the Region began a multi-platform communications campaign and outreach to inform stakeholders about a potential VHT, seek feedback and inform the potential policy design. Key amongst these initiatives was the development of a dedicated campaign webpage at www.york.ca/vacanthomestax to inform and provide a link to the Region’s VHT survey (which was made available between June 24 and July 13⁵). As of the date of writing this report, this webpage has had nearly 20,000 unique webpage visitors which indicates the communications campaign has been effective. Table 3 provides a summary of key informational/engagement initiatives undertaken so far, and Attachment 4 provides examples.

Table 3
VHT Information and Engagement Initiatives

Information/Engagement Initiative	Detail(s)
Targeted email blasts	<ul style="list-style-type: none"> • 114 organizations including: <ul style="list-style-type: none"> ○ Local ratepayer organizations ○ Seniors' organizations and snowbird advocacy groups (e.g., Canadian Association of Retired Persons) ○ Planning Advisory Committee ○ Affordable Housing advocacy groups (e.g., Ontario Non-Profit Housing Association, Ontario Aboriginal Housing Services) ○ Local Boards of Trade/Chambers of Commerce ○ Real estate advocacy organizations (e.g., Ontario Real Estate Association, Canadian Real Estate Association)
Social Media	<ul style="list-style-type: none"> • Posts on York Region Facebook and Twitter page, story on York Region Instagram • Ad-buys on Facebook and Twitter
Virtual Town Halls	<ul style="list-style-type: none"> • July 7 (5-6 pm) and 11 (5-6 pm)
Regional Council	<ul style="list-style-type: none"> • Chair messaging on VHT on June 30 meeting of Regional Council • Information provided with July 5 Council Highlights
Online – York.ca and Newsroom	<ul style="list-style-type: none"> • Information link added to www.york.ca main page • Summary and link to campaign website at www.york.ca/newsroom

⁵ Note: Initially the survey was to close on July 11. However, due to the Rogers network outage on July 8, the deadline to complete the survey was extended until July 13.

Information/Engagement Initiative	Detail(s)
Online – York Region Media Group	<ul style="list-style-type: none"> Banner advertisements all day June 30 – linking to website
Building Industry and Land Development Association –York Chapter (“BILD”)	<ul style="list-style-type: none"> Vacant Homes Tax website and survey link in June 28, 2022, BILD newsletter; consultation on July 5
Local municipalities	<ul style="list-style-type: none"> Consultation session held at July 15 meeting of the York Region Local Municipal Housing Working Group Local municipal attendees included Planning Directors and Commissioners, planners, housing staff, Area Treasurers, tax staff, and development finance staff Posts on various local municipal social media (e.g., City of Vaughan LinkedIn) Posts on various local municipal websites (e.g., City of Vaughan Economic Development)
Radio interview	<ul style="list-style-type: none"> July 6 interview on 105.9 FM – The Region
Online Print interviews	<ul style="list-style-type: none"> July 8 interview with Metroland; July 11 article and in July 11 online edition of the Toronto Star July 26 interview with Newmarket Today; July 27 article

Nearly 80% of survey respondents believe the Region should levy a VHT

Whether through virtual townhalls, engagement with BILD and local municipal staff, or the over 2,750 responses to the online survey⁶, stakeholder feedback has largely been positive and in favour of using a VHT to help address the Region’s housing affordability challenges. The key findings of the consultation and outreach are summarized in the ‘Evaluating a Vacant Homes Tax - What We Heard’ report (Attachment 3).

The Region’s two townhalls, held on July 7 and 11, had nearly 50 attendees representing a broad and diverse set of demographic backgrounds. While the Region received feedback both in favour of the tax and in opposition, most of the feedback was in support.

⁶ Note: On a per capita basis, this response rate was equivalent to that of the City of Toronto’s VHT survey. PROCESS has also indicated that based on the population of York Region, 2,500 survey respondents provide a sample size that aligns with a 95% confidence level (with a 2% margin of error). The confidence level indicates the level of reliability and means if the same survey were to be repeated 100 times under the same conditions, 95 times out of 100 the measure would lie somewhere within the margin of error.

Of the survey respondents, nearly 88% strongly or somewhat agreed York Region is facing housing affordability challenges and nearly 80% believed the Region should levy a VHT to help address these challenges. As noted in the ‘Evaluating a Vacant Homes Tax - What We Heard’ report (Attachment 3, page 17), “the Vacant Homes Tax has strong support in York Region, despite the tax eliciting polarising responses. Perhaps due to a firm understanding that there is an affordable housing crisis in York Region, most participants in our consultation sessions were in favour of implementing a VHT in York Region”.

Table 4 below provides a sample of qualitative responses from the town halls and the survey.

Table 4
Sample of VHT Qualitative Responses – Surveys and Townhalls

In Support of a VHT (~80% of survey respondents)	Concerns with a VHT (~18% of survey respondents)*
<ul style="list-style-type: none"> • York Region is not affordable at all, hopefully this will help but there is a long way to go. • Homes should be made available for people who live and work in York Region. Vacant home tax will deter investors from using housing for profit. Housing is a basic human right - it should be accessible to all. • Houses should not be left sitting empty when there is a shortage of rental properties. Some of these properties are unkept and would be better kept if someone lived in them. Please implement a vacancy tax. • Perhaps a VHT will incentivize owners to sell their property or at least rent it out • York Region[s] real estate [is] being listed on Airbnb. York Region real estate should either be rented out or owned to live in. • Empty houses negatively affect the look of a community but most importantly, the feel of it... Thank you for embarking on this process to make owning a house in York Region something to be proud of, not just something to make money off of 	<ul style="list-style-type: none"> • People should be free to do whatever they please to do with their homes. Whether it be occupied or vacant. It will be an additional responsibility for residents to declare their status which takes time. • People may own two homes and use one as a cottage. Why should this second property be taxed as a penalty? • It’s not the government’s business if someone wants to keep a residential property vacant. • There is no doubt there is a lack of affordable housing. I am unsure however if you can solve this. • Would harm the real estate market, especially for investors. • How will the law protect people who fall into grey zones... who are trying to rent out their home, but no one wants to rent their home? • It would depend on how long it is empty. As a landlord, it sometimes takes a few months to repair, renovate and re-rent our property. It wouldn’t be fair to be taxed in such a situation.

In Support of a VHT (~80% of survey respondents)	Concerns with a VHT (~18% of survey respondents)*
<ul style="list-style-type: none"> I want to live in York Region, to have kids and raise them here. However, you walk in what are amazing neighbourhoods and there are houses sitting empty. There is nowhere to actually live. People are buying houses and they are just sitting empty. It's awful and sad. 	

*Note: Approximately 2% of survey respondents were neutral

Consultation and survey results have provided the basis for a preliminary VHT policy design

In reviewing what other municipalities have done, feedback from the consultation sessions and the survey results, staff developed preliminary VHT policy features. Table 5 below summarizes key policy features, including tax rate, use of revenues, duration of vacancy, and methods of identifying vacancy. These results will help form the basis of additional consultation during the next phase of the project.

**Table 5
Preliminary policy options - VHT**

Policy area	Potential Policy and Level of support
Tax rate	Nearly 51% of survey respondents felt the Region should apply a tax rate of over 2%, with an additional 16% of respondents supporting a tax rate of between 1 and 2%
Exemptions	<p>Top exemptions, based on survey results, in order, were:</p> <ol style="list-style-type: none"> 1. occupant residing in healthcare facility 2. death of registered owner 3. court order prohibiting occupancy/rental 4. property undergoing redevelopment or major renovation 5. extenuating circumstances (e.g., pandemic, natural disaster) <p>Through the town halls vacancy due to seasonal use (e.g., cottages) was identified as a potential exemption</p>
Vacancy duration	Over 62% of respondents felt a property should be vacant 3-6 months in the taxation year for the VHT to be levied
Identification mechanisms	<i>Mandatory Declaration</i> means residential property owners in York Region would be required to declare to the Region if their home is occupied or vacant each year. If property owners do not declare

Policy area	Potential Policy and Level of support
	<p>vacancy status to the Region, they would automatically be taxed for the VHT</p> <ul style="list-style-type: none"> Over 70% of survey respondents felt the Region should require property owners to declare if their property is occupied or vacant <p><i>Complaint Identification</i> means the Region would only be able to identify a vacant property if they are notified through a tip or a complaint that has been verified</p> <ul style="list-style-type: none"> Nearly 47% of survey respondents felt the Region determine vacancy based on verified complaints, however just over 40% disagreed with this approach. This was the least popular approach in consultation with BILD and the local municipalities <p><i>Voluntary Declaration</i> means residential property owners in York Region self-identify vacant units and must declare if they own a vacant property each year. If a property owner does not declare their vacancy status, the property would be assumed to be occupied</p> <ul style="list-style-type: none"> Just over 25% of survey respondents felt the Region should use this to determine vacancy while just over 62% of respondents disagreed with this approach
Occupancy declaration options	<p>Nearly 70% of survey respondents felt occupancy submissions should be done online</p> <p>Through the town halls it was identified that declaring by way of mail, or in person, should also be considered to accommodate seniors or people with disabilities</p>
Tax revenue use	<p>As previously directed by Council, VHT revenues, net of implementation and operating costs, would be allocated to support affordable housing initiatives by the Region, and if revenues are shared with Local Municipalities, by the local municipality</p> <p>Nearly 60% of survey respondents felt any VHT revenues should go to housing initiatives</p> <p>Town hall participants were also generally in favour of revenues (net of costs) being used to support affordable housing initiatives</p>

The Region continues to work with local municipal staff to develop a potential implementation model

As part of the consultation efforts, staff met with local municipal staff to discuss policy design features of a VHT, including potential implementation models. Two models have been developed as the basis for ongoing discussions during the next phase of the project:

1. Local municipalities to be responsible for all operating and implementation activities (reporting, collection, communication, compliance audits, etc.). This may lead to duplication of efforts related to compliance audits and inconsistencies in communications programs between each municipality. It would however take advantage of, and be in line with, how property taxes are currently administered
2. Region and local municipality share responsibilities for all operating and implementation activities - local municipality may be responsible for reporting and collections; the Region would handle compliance audits and communications. This could limit duplication of effort related to functionality and ensure consistent messaging while leveraging local municipal property tax payment mechanisms

Based on initial consultation, the shared responsibility model (option 2) is preferred.

Enhancements to municipal revenue sources and powers are needed to help support the Region's housing affordability objectives

Since 2018, the Region has [requested](#) that the Province allocate funds from the Non-Resident Speculation Tax (NRST) collected in York Region, currently estimated at \$215M (from inception in April 2017 to July 2022), to support Regional affordable housing incentives. As of the date of writing this report, the Region has yet to receive a formal response from the Province.

In addition to the NRST, beginning in 2015 the Region requested the power to levy a Municipal Land Transfer Tax (MLTT), the revenues of which could be used to help fund affordable housing initiatives. In 2018 the Region received official notice from Province that it would not be providing new revenue-raising powers at that time. A subsequent [request](#) was made in 2020, for which no response was received. It is estimated that a MLTT matching the provincial Land Transfer Tax structure could generate \$220 to \$440 million annually in the Region.

Continued advocacy, during the next Council term, for these revenue sources and powers, could help the Region achieve its housing affordability objectives.

5. Financial

A Region-wide VHT between 1% and 2%, could generate between \$13.4 million and \$26.8 million in the first year but will likely decline as vacant homes become occupied

To estimate the potential revenue from a VHT, KMPG assumed a range of tax rates between 1 and 2%. One percent was the initial rate implemented by Vancouver, Ottawa, and Toronto. The public consultations have indicated a strong support for a tax rate of 1% or more, with the majority of respondents supporting a rate of 2% or higher.

Table 6 summarizes the potential revenues for a Region-wide VHT at three different tax rates.

Table 6
Potential VHT Revenues

Number of Dwellings	Estimated Non-Exempt Vacant Homes	Tax Revenue at 1% Rate (million)	Tax Revenue at 1.5% Rate (million)	Tax Revenue at 2% Rate (million)
405,313	1,605	\$13.4	\$20.1	\$26.8

There would also be one time implementation costs of approximately \$6.5 million with ongoing annual costs, estimated at approximately \$3.5 million

If an VHT is adopted, KPMG anticipates that there would be an implementation cost for the Region and its local municipalities of approximately \$6.5 million, including expenditures for information technology, project management and communications. Ongoing operating costs are currently projected to be approximately \$3.5 million for administration, audit, communications, and information technology expenses. These estimates are in line with Vancouver's experience and proportional to estimated amounts reported by Halton and Peel staff.

While Council has directed that VHT revenues be directed towards affordable housing, potential revenue sharing options could be considered

If the Region were to introduce a VHT, regardless of the implementation model chosen, all costs incurred by the Region and local municipalities would be offset from VHT revenues.

While Council previously directed that net VHT revenues be directed towards supporting affordable housing, consultations with the local municipalities indicated that revenue sharing options could be considered (though still directed towards supporting affordable housing initiatives). Staff, working with KPMG, will develop potential revenue sharing options and, if directed by Council to continue work on the VHT, will consult further with the local municipalities.

6. Local Impact

York Region strives to provide opportunities for a full range of housing options for people of all ages, abilities, income levels and stages of life. The housing affordability crisis challenges this goal and has become a significant concern across all nine local municipalities.

Throughout the third quarter of 2021, local municipal staff have been engaged on the VHT project. Local municipal consultation has continued during this phase and is a vital component for any potential VHT to be successful. Pending Council direction to continue work on the VHT, consultation with local municipalities during the fourth quarter of 2022 would help develop the potential policy design, including a potential implementation model as well as how revenues, net of costs, could be shared.

7. Conclusion

In 2021, Regional Council declared a housing affordability crisis and later established the Housing Affordability Task Force. The VHT is one potential tool the Region may use to help address housing affordability challenges.

This report updates Council on the work done so far on the VHT and seeks Council direction to continue the work on the VHT.

If directed to continue to work on the VHT, staff will conduct additional consultations during the remainder of 2022. Staff would then report back during the first quarter of 2023 with a detailed program design and a draft VHT Bylaw for Council's consideration.

For more information on this report, please contact Edward Hankins, Director, Treasury Office and Deputy Treasurer at 1-877-464-9675 ext. 71644. Accessible formats or communication supports are available upon request.



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Attachments (4)
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