

Owners of vacant homes should face tax penalties: Council

By Brock Weir

Aurora might soon have the tools at its disposal to crack down on the owners of vacant homes ? hitting them in the pocketbook. Council has tasked municipal staff with developing a list of options available to the municipality to impose a vacant home tax, a provision which was made in the recent Ontario Budget.

The move stems from a motion made by Councillor Tom Mrakas, who said in his pitch that residents ? particularly young residents ? are ?experiencing difficulty entering the housing market due to a lack of affordable homes? along with ?an increase in buyers purchasing properties and, upon closing, many of these homes remain unoccupied.?

The motion was taken to the next level by Councillor Paul Pirri, who suggested an amendment formally requesting that it receive the ability from the Province to tax vacant homes in any upcoming legislation.

A recent announcement from the Province made it clear that they would be introducing legislation empowering the City of Toronto ?and potentially other interested municipalities? to introduce just such a vacant homes property tax and it is time for Aurora to get its bid in.

?I think the Town of Aurora needs to be vocal about being included in this initial phase of the program,? said Councillor Paul Pirri. The amendment had the full support of Councillor Mrakas ? and indeed Council as a whole.

Speaking to the amendment, Councillor Mrakas agreed it is time for Aurora to have its voice heard.

?I do agree that it is important that we get on the ball first, jump in and be strong and vocal and say that we want this, we want this as a Town,? he said. ?For all we know they are only going to give it to a certain number of municipalities and I think it is important that we be at the top of the list.

?We have talked at Council for a long time about having this ability ? and I just think let's ask for the ability to do this and staff will bring those options forward on how we can implement and move forward. Once the legislation has been drawn out and we can look at exactly what the province is going to allow us to do and will not allow us to do, but I think it is very important that we take a lead and jump in on this right away because we have been talking about doing this for a really long time and we need this ability. Now that the Province is allowing it, we need to jump in.?

Additional support was offered by Councillor Sandra Humfries, who said a vacant home tax is ?a great plan and I am looking forward to launching this.?

?The thought of having that legislation on the table usually starts the ball rolling and I suspect that most of the land speculators will be long gone before legislation kicks in and this will certainly be a positive step forward for the future [if] another tight housing market exists again.?

Although they both supported the motion, however, Mayor Geoff Dawe and Councillor John Abel cast doubt on the hope such a tax would facilitate more affordable housing in the community, particularly for younger buyers.

?This [vacant property issue] has been something that was brought to our attention more than a year ago by a prominent real estate person who asks to remain unnamed,? said Councillor Abel. ?Although I don't think it is going to address the shortage of affordable housing, those are the concerns we are going to address with a vacant home tax. I am in support of moving along with what the Province is going to do to bring forward as an initiative and I think it is important that municipalities who want to participate respond.?

Added Mayor Dawe: ?I think we have to be very clear in recognizing that a vacant home tax is not necessarily going to fix this issue. It is a supply side issue.?

In response, Councillor Mrakas said he didn't disagree that a vacant property tax won't be a magic bullet, he disagreed there was a supply problem.

?The development community has taken this opportunity to jump on this and state that supply is the problem and therefore they can ask and push for the Provincial government to open up lands that are not currently available to them, environmentally sensitive lands,? he contended. ?There is more than enough supply to move people into.?