



Toronto Youth Cabinet
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Re: Policy Analysis, Potential Design and Possible Implementation of a Vacant Home Tax in Toronto

Members of the Executive Committee,

We are writing to express our support for the implementation of Vacant Homes Tax in Toronto. This is an initiative that has the potential to address both the City's financial and housing issues.

The City of Toronto is severely constrained by its limited number of revenue tools and would benefit from more varied revenue sources. The City needs access to additional revenue for both the operating and capital budgets. COVID-19 has only further magnified the City's financial constraints.

Toronto is also challenged by a housing market that is becoming increasingly unaffordable and inaccessible, especially for Toronto's youth. The COVID-19 pandemic has only exacerbated that, with unaffordable rents, and housing prices continually increasing even though the usual influx of immigrants has been limited. We have been faced with long waitlists for affordable housing, inadequate maintenance of the city's existing housing stock, and gentrification that is increasing prices in the last few pockets of affordable housing in the City. Housing has become a commodity, which is negatively affecting those who rely on it for shelter, safety, and comfort. A solution to curb the speculative aspect of the Toronto real estate market is important. In this, we can work towards a housing fabric that is accessible to everyone. For the young people in this city who have little hope of being able to attain their own housing, this is only one step of many that is required to rebuild our city's housing. Similar to other cities, this money should be used to help fund affordable housing measures by the city.

While we support this initiative we believe that empty homes should be taxed regardless of whether a condo board prohibits units from being rented. Any investor who can afford to purchase additional properties to be left vacant without tenants can afford the tax and should pay the tax.

Any acceleration of the Vacant Homes Tax which could allow the City to collect revenue in advance of 2023 should be explored.

Sincerely,
Eli Aaron, Budget Lead
Youssef Ameir, Housing Lead
Michael Manu, Executive Director