



## ADMINISTRATIVE REPORT

Report Date: June 16, 2016  
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VanRIMS No.: 08-2000-20  
Meeting Date: June 29, 2016

TO: Standing Committee on Policy and Strategic Priorities  
FROM: General Manager, Community Services  
SUBJECT: Policy & Regulatory Steps for Reducing Empty Housing

### **RECOMMENDATION**

- A. THAT the Mayor, on behalf of Council, write to the Premier to request that the Province confirm its support for the creation and administration of a new property class "Residential Vacant" on the Assessment Roll such that Vancouver and other taxing authorities have the option to set a different property tax rate for empty housing.
- B. THAT if a written response has not been received from the Province by August 1<sup>st</sup> 2016 indicating its support for Recommendation A, in whole or in part, Council direct the General Manager of Community Services and the Director of Finance to report back on a City-administered program to levy a tax on empty housing, including an implementation plan and associated funding strategy, following additional consultation with the public and stakeholders.
- C. THAT Council approve the proposed City actions to address empty housing:
  - Provide information to assist owners in renting out units; and
  - Direct staff to develop a policy for using housing agreements to require occupancy and report back to Council on the policy following additional analysis and consultation with stakeholders.

### **REPORT SUMMARY**

This report provides recommendations for specific policy and regulatory steps the City, Provincial and Federal governments could take to reduce the amount of empty housing in Vancouver. The report recommends that the City request that the Province take the lead on implementing a program to enable the City and other taxing authorities to levy

higher property taxes on owners of empty housing. It is also recommended that the City take action to tax empty housing if the Province does not confirm its support for this action.

### ***COUNCIL AUTHORITY/PREVIOUS DECISIONS***

On March 8, 2016, after receiving a presentation from staff on the results of the Empty Housing Research Study, City Council directed staff to report back in quarter two of 2016 with recommendations for specific policy and regulatory steps the City, Provincial and Federal governments could take to address empty housing based on consultation with local housing, real estate and legal public policy experts and residents of Vancouver.

### ***CITY MANAGER'S/GENERAL MANAGER'S COMMENTS***

Empty housing is a problem in Vancouver. Given the affordability challenges in the city and region, it is not acceptable to allow over 10,800 housing units to remain empty on a long term basis. The Province is in the best position to take action on this issue and this report recommends that the Province move forward with a program to enable the City and other taxing authorities to levy higher property taxes on owners of empty housing to encourage owners to occupy or rent out these units. If the Province does not take the lead, the City has identified several actions that will be taken to address this issue, including a City of Vancouver administered business tax on empty housing. The City Manager recommends approval of the recommendations to address empty housing.

### ***REPORT***

#### ***Background/Context***

- 1. Vancouver has affordability challenges across the housing spectrum; empty housing represents unused housing supply which puts upward pressure on housing costs**

Vancouver's affordability challenges extend across the housing spectrum, with renters and homeowners feeling the effects of a tight housing market and record prices. Vancouver is Canada's most expensive housing market. The price of a typical single detached home on the eastside of the city was over \$1.4M in May 2016. The rapid rise in housing prices in the last two decades has created unprecedented challenges for households looking to enter the housing market in the city. Between 1986 and 2011, incomes increased by approximately 7%, while the median price of a condominium unit on the eastside of Vancouver increased by 280%.

A growing population, increased demand, and limited new supply of purpose-built rental housing in recent decades has also contributed to a tight rental market in Vancouver. Vancouver has one of the lowest rental vacancy rates in Canada, averaging 0.6% in 2015. With a growing population and strong real estate market, low rental vacancy increases competition for housing among renters and puts upward pressure on rents. These factors have increased the strain on renters,

especially seniors, young families, and those with low or moderate incomes who may already be paying more than they can afford on rent. Although renting is still a less costly option than ownership, renters in Vancouver face significant affordability challenges – 34% of renters pay over 30% of their income on housing, with 14% paying over 50% of income on housing.

In the context of Vancouver's housing crisis, there is concern that housing being left empty could have negative consequences on housing affordability, especially for low and moderate income households. The Canada Mortgage and Housing Agency (CMHC) estimates that there are 56,190 purpose built rental apartment units in the city of Vancouver. The October 2015 CMHC Rental Market Survey found a rental vacancy rate of 0.6% in the city of Vancouver, which means that only 337 purpose built rental apartments were vacant and available for rent that month. Increasing the housing available for rent will reduce pressure on renter households. For example, if the number of housing units available for rent was 2000, the vacancy rate would be around 3.5% ( $2000 / 56,190$ ). A vacancy rate of between 3 and 5% is considered to be a "healthy" balance between supply and demand.

**2. There are 10,800 empty housing units in Vancouver – 9,700 are condominiums and apartments**

The City's March 2016 study on empty housing found that 4.8 per cent of housing units in Vancouver were un-occupied in 2014, a rate that has stayed relatively stable since 2002. However, this represents nearly 10,800 empty housing units, of which nearly 90 per cent are condominiums and apartments. According to the study, the percentage and number of empty single-family and duplex properties in Vancouver remains the same as 2002 at around 1 per cent (~1000 houses). See Appendix A for the full consultant report.

**3. There is strong public support for action on empty housing**

There is strong public opinion in Vancouver and the Lower Mainland in favor of government action to address empty housing. A 2015 Angus Reid survey of public opinion on housing affordability polled a random sample of 821 adults in Metro Vancouver, and found that 82% of those surveyed supported imposing a "vacancy tax" on investor-owned properties that aren't occupied.

A May 2016 survey conducted through the City's Talk Housing platform also demonstrated strong public support for action to address empty housing. The survey had the highest response rate of any Talk Housing survey to date, with over 15,000 respondents. See Appendix B for a complete analysis of the survey results.

- 91% of respondents agreed that the number of empty homes in Vancouver is a problem.
- 88% of respondents agreed that the City should advocate for senior government actions to reduce the number of empty homes in Vancouver

A June 2016 survey of a representative sample of BC residents by Insights West also revealed strong support Province-wide, across all age groups, for action on the

issue of empty housing. 80% of those surveyed support tax penalties on people who purchase property without the intention to live in it or rent it out.

#### **4. Senior Governments have recently made commitments to address housing affordability**

The Province and Federal government have taken steps to collect data on the possible drivers of housing affordability in the region, as well as some initial action to address housing price growth and real estate practices. The 2016 BC provincial budget includes a commitment to collect buyer citizenship information through the land titles process and increases the land transfer tax for properties valued at over \$2M. The province also recently launched a study into the factors affecting home prices in BC, which is being managed by staff at BC Housing.

Aside from budget and research commitments, the Province has also taken action to address concern regarding real estate industry practices. In February 2016, the Real Estate Council of BC created an Independent Advisory Group (IAG) to review issues of concern relating to real estate licensee conduct and practices. Based on findings from the IAG, the province has moved forward with new regulations to prevent misconduct by real estate licensees.

The 2016 federal budget commits funds to Statistics Canada to develop methods to collect data on purchases of Canadian properties by foreign buyers

#### **5. Consultation with local experts**

On March 9, 2016, the City convened a working session on empty housing with local housing, real estate and legal public policy experts. The session was intended to provide an opportunity for local experts to comment on the City-commissioned study by Ecotagious on empty housing and to inform Staff recommendations to Council on specific actions to address empty or under-occupied housing by both the City and senior levels of government.

Participants identified several ideas for government action in response to the problem posed by empty housing, as well as ways to address the broader affordability challenges in Vancouver (Appendix C).

In addition to the workshop on March 9<sup>th</sup>, City staff also sought advice on the empty housing issue in meetings with the Condominium Home Owners Association of BC and LandLord BC.

### ***Strategic Analysis***

As a municipal government, the City of Vancouver has limited tools to deal with the issue of empty housing. This section of the report is organized into two sub-sections:

1. Recommended actions for senior governments to address the empty housing issue
2. The potential for City actions

## 1. Recommended actions for Senior Governments to address the empty housing issue

On March 9<sup>th</sup> 2016, City staff convened a workshop with local experts on options for addressing the empty housing issue. The panel identified several ideas for government action on this issue:

1. Survey or other tool to understand why housing is being under-occupied or left empty
2. Reform to strata legislation that currently enables owners to restrict rental of strata units
3. Occupancy requirements in housing agreements for new developments requiring a certain percentage of units be either primary residences or rented out as long-term rental
4. Increased density through zoning policy
5. Prohibition of or penalties on short-term flipping of properties that are not being used as primary residences
6. Property tax or municipal levy aimed at penalizing owners of empty units and/or bringing units back into use, with proceeds collected for affordable housing

Staff have assessed the ideas raised at the workshop as well as actions taken by other jurisdictions to address empty housing (Appendix D). While all of the ideas have the potential to impact the issue of empty housing, some are likely to have a greater impact than others. In terms of making a specific request for senior government action, Staff recommend that City Council focus in on one specific request as opposed to a list of options. Of all the options identified, idea #6, taxes or levies on owners of empty housing, has the greatest potential to have a direct and immediate impact on the number of empty housing units in the city.

### **Taxes or levies on owners of empty housing**

A policy to tax owners of empty housing must be implementable and practical. It would be very difficult for a government to set up a system to definitively prove that a property was unoccupied for a specified period of time (e.g. empty for one year or more). Proposals discussed with local experts provide mechanisms to prove that certain owners should be subject to a new tax, while others would be exempt. These proposals take the approach of applying a tax on property owners who are neither occupying their property nor renting it out on a long term basis. In order to avoid being taxed, owners could be required to produce evidence that they are primary residents or renting the property long-term, such as government ID (i.e. a driver's license) to substantiate primary residence or a long-term lease agreement. In order to be practical and enforceable, a tax on long term empty housing would also need to target under-occupied investment properties (e.g. second homes that are occupied occasionally by the owner or family, or properties occupied only for part of the year). Exemptions from the tax could be established to help focus the tax on particular properties. The ideas identified and the groups targeted and potentially exempted from the proposed taxes are described below.

### Creation of a new class of residential property: "Residential Vacant"

The first option identified for implementing a financial penalty on owners of empty housing and under-occupied investment properties is to use the existing property assessment and taxation system.

Under the current system, BC Assessment determines the value of all properties in the Province, and assigns them to appropriate property classes based on their "actual use" in accordance with the *Assessment Act*. An Assessment Roll is produced annually for municipalities and other taxing authorities such as provincial schools, Translink, Metro Vancouver, the Municipal Finance Authority and BC Assessment to levy property taxes.

City Council sets tax rates (one rate per class) and levies property taxes using the Assessment Roll. In order to charge higher taxes on owners of empty housing and under-occupied investment properties, the City would need the Province to set up a new property class "Residential Vacant".

The identification of properties subject to the "Residential Vacant" classification is required annually and would likely involve a self-declaration and audit/ complaint response process. It is recommended that the Province take the lead on administering this process, since it already collects data related to primary residence and rental income through the Homeowner Grant and income tax collection processes. Alternatively, the City could assume this role and provide a list to BC Assessment on an annual basis, though there are significant resource and cost implications to the City as discussed below.

## **2. The potential for City actions**

### **City of Vancouver action #1: provide access to information to assist owners in renting out units**

Some owners of empty housing may be hesitant to rent out their property because they lack reliable information on their rights and responsibilities and are unfamiliar with the process of managing a rental property. Staff will work with partners to connect private owners with information and tools that will help them understand how to mitigate the risks of renting (e.g. webinars, self-study guides, telephone information hotline). The City will partner with Landlord BC on this action, and has already received a commitment from them to advance this work. Staff will also explore whether there is a need for new resources tailored to owners that are unfamiliar with BC and/or Canadian landlord-tenant regulations. Links to these resources will be promoted on the City's website and through social media and public events.

### **City of Vancouver action #2: develop a plan to require occupancy in new buildings where rezoning is sought; and monitor the results**

Both the City of Vancouver study on empty housing and data from a recent BC Condominium Owners' Association survey of strata properties determined that condominium units - particularly units in newer, higher-density developments - are the most likely of all housing forms in Vancouver to be un-occupied for most or all of the year. At least one other jurisdiction - Islington, a borough of London in the

U.K., has taken steps to require that new strata properties are occupied by an owner or renter.

Council currently does not have authority to mandate occupancy of private property. However, the City of Vancouver has the authority to enter into housing agreements pursuant to Section 565.2 of the Vancouver Charter which may include terms and conditions agreed to by Council and an owner regarding occupancy. These types of agreements are often required as a condition of rezoning or in cases where discretionary development approval is sought and are typically used to secure units for rental use and to control rent. The use of housing agreements to require occupancy would therefore be limited in terms of the number of new developments that would be captured. Housing agreements are contracts and so a breach of the agreement would give rise to a claim by the City against the owner for breach of contract as opposed to fines.

### **City of Vancouver action #3: City of Vancouver administered business tax**

The third option for City action is to begin charging a business tax on empty housing and under-occupied housing. Under Section 279AA-287 of the Vancouver Charter, Council may enact a by-law for providing for an annual tax on every person occupying or using and real property for the purpose of carrying on within the City, any business, trade, profession or other occupation with the tax being based on the annual assessed rental value of the real property being used for such purpose. This by-law could define the ownership of residential property used for purposes other than continuous residential occupancy as a business subject to a business tax. This by-law may include:

- Inclusion/exemption of real property for business tax purposes (there would be exemptions in the by-law to address reasonable vacancy, for example, unimproved real property, property that is in probate, or property where development permits have been applied for and are in process);
- Assessment of rental value;
- Collection of business tax; and
- All matters necessary for the proper administration of the business tax.

The authority to enact a business tax by-law is unique to the Vancouver Charter and Council has not enacted a business tax by-law for many years so this option will take time for staff to develop. Staff have undertaken a very preliminary initial analysis of the steps involved in assessing and enforcing a business tax on empty housing and under occupied investment properties. Prior to a consideration by Council whether to enact a business tax by-law, additional analysis, program development and consultation would be necessary steps prior to the preparation of a by-law for Council approval; including consultation on exemptions from the tax. Preliminary analysis confirms that, while this option is legally and administratively possible there could be high costs associated with administration and enforcement of a City administered business tax.

### **Next Steps**

The Province is better suited to take the lead role on actions to address empty housing and under-occupied investment properties since it already collects the

data required for enforcing many of the actions identified above. This report recommends that the Mayor, on behalf of Council, write to the Premier to request that the Province confirm its support for the creation and administration of a new property class “Residential Vacant” on the Assessment Roll such that Vancouver and other taxing authorities have the option to set a different property tax rate for empty housing.

If the City does not receive a written response from the Province indicating its commitment to taking action as described above, in whole or in part by August 1<sup>st</sup> 2016, it is recommended that Council direct the General Manager of Community Services and the Director of Finance to report back on a City-administered program to tax empty housing including an implementation plan and associated funding strategy, following additional consultation with stakeholders.

Staff also recommend that Council approve the proposed City strategies to immediately address the issue of empty housing identified in this report:

- Provide information to assist owners in renting out units
  - Partnership with Landlord BC
- Develop a policy for using housing agreements to require occupancy and report back to Council on the policy following additional analysis and consultation with stakeholders

Staff will continue to monitor the number of empty housing units to measure the impact of recommended actions.

#### Public and Stakeholder Consultation

Consultation with the public and key stakeholders is needed in order to ensure that action to implement a tax on owners of empty housing and under-occupied investment properties is appropriately targeted and fair. This is particularly important because a tax on empty housing, whether implemented by the Province or the City, is likely to cast a wider net than just the pool of housing units that are empty for 12 months or more, and it is critical for Staff to understand the impact of this tax on different households.

A program to tax empty housing and under-occupied investment properties could require owners to prove that they are either residing in the property as primary residents, or renting the property out under a long-term lease agreement. Under this system, property owners who might also be required to pay an empty housing tax could include:

- Owners of second homes in Vancouver who use the property occasionally
- Short-term rentals such as AirBNB
- Property occupied from time to time by family members of the owner with primary residency elsewhere

Broad public consultation is needed to both inform the public of the process and implications of an empty housing tax, and to understand the range of scenarios and



situations that may require taxpayer exemptions. The consultation process will engage the public across a range of platforms such as surveys and public events.

Additional consultation is also required with key stakeholders and experts in order to fully understand the economic and market implications of the proposed tax regime on empty housing. This includes stakeholders such as:

- Academics and Real Estate Experts
- Development Industry
- Landlords
- Vancouver Economic Development Corporation
- Vancouver Board of Trade

### *Implications/Related Issues/Risk (if applicable)*

#### *Financial*

From an implementation and administrative perspective, the most effective approach to levy taxes on empty housing is to use the existing property assessment and taxation system. Should the Province support the creation of a new property class “Residential Vacant” on the *Assessment Roll* and direct BC Assessment to administer the self-declaration and classification process as part of their existing mandate, the City and other taxing authorities would have the option to set a different property tax rate for empty housing. Billing and collection of such taxes will also be part of regular taxation processes already administered by existing Revenue Services staff. Council will have full authority and control over the property tax rate to be levied on empty housing and the use of such tax revenues to provide affordable housing in Vancouver.

However, if the Province is not supportive of the above, in whole or in part, staff will report back on a City-administered program, which will likely require significant resources to implement and administer on an ongoing basis. Following additional consultation with the public and stakeholders, staff will report back on the details of the program, an implementation plan and associated funding strategy, for Council’s consideration.

#### *Legal*

There are few legal implications for the City that would arise from the proposed creation of a new property class, “Residential Vacant”, on the *Assessment Roll*. There are potential legal implications for the City if the City were to require housing agreements as a condition of all new rezonings, or if Council enacts a business tax by-law. While the City has the authority to enter in housing agreements under the Vancouver Charter, the use of a housing agreement to mandate occupancy would be new to the City. Enforcement of the agreement may present a challenge and may place a burden on the City’s legal resources. Similarly, Council has the authority to enact a business tax by-law, but past business tax by-laws did not previously address vacant real property as a business so this would be a new application of this tool.

*CONCLUSION*

This report provides recommendations for specific policy and regulatory steps the City, Provincial and Federal governments could take to reduce the number of empty housing units in Vancouver.

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# Stability in Vancouver's Housing Unit Occupancy

Analysis of Housing Occupancy in the City of Vancouver  
Using Electricity Meter Data Analytics

Prepared for the Vancouver Affordable Housing Agency

February 2016

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Ecotagious helps utilities and municipalities turn smart meter data into insights and energy conservation. In addition to helping municipalities develop housing policy, Ecotagious helps utility customers meet their energy savings targets which are put in place by regulators to keep energy prices low for consumers. **Ecotagious'** software-as-a-service offering drives conservation by providing utilities' residential customers with a breakdown of their electricity and natural gas use by major appliance, and then providing relevant tailored recommendations on how to save electricity and natural gas. The results are industry-leading energy savings and residential customer satisfaction.

Ecotagious Inc. is a private company based in Vancouver, Canada. For more information, please visit [www.ecotagious.com](http://www.ecotagious.com)

## Introduction

Every week seems to bring the publication of a new article on housing issues in Greater Vancouver. Many of these articles try to address topics related to the social discussion taking place in our community, such as housing affordability, low rental vacancy rates, non-occupied homes and associated impacts on neighbourhood vibrancy.

Vancouver City Council has expressed a desire to understand the extent of these issues. While research into some of these topics is starting to be undertaken and publicly released, very little information is available on housing occupancy.

Given the potential impact of housing occupancy on rental unit stock, associated vacancy rates, housing affordability and neighbourhood vibrancy, the City of Vancouver retained Ecotagious to undertake this study of the occupancy rates of residential housing units in the city and region. Ecotagious studied and analyzed anonymized electricity consumption data provided by BC Hydro and has included the results of that analysis in this report.

Electricity consumption data can deliver significant insights into housing occupancy because it is collected from every home in Greater Vancouver through a consistent methodology. However, the reader should be aware that there are limitations to the data and its analysis, and is encouraged to read the Methodology section of this report for more details. The reader is furthermore encouraged to:

- Consider the information provided in this report as a single contribution to the literature on housing occupancy in the City of Vancouver,
- Incorporate other sources of housing information to provide a more complete perspective on the issue,
- Place more attention on the relative occupancy trends over time and less attention to absolute occupancy values at any given time presented in this report.

## Key Findings

The analysis of electricity consumption data in the City of Vancouver (CoV) between 2002 and 2014 reveals:

- The Non-Occupancy rate<sup>1</sup> across all CoV housing units has been flat (4.9% in 2002, 4.8% in 2014)
- **The CoV's** Non-Occupancy rate is consistent with and tracks the Non-Occupancy rate for the rest of the Greater Vancouver Regional District (not including the CoV)
- The number of Non-Occupied housing units has grown from 8,400 in 2002 to 10,800 in 2014. This increase has been driven entirely from the growth in the overall housing stock
- **Apartments, which represent 60% of CoV's residential housing mix, are driving Non-Occupancy in the City at 7.2% in 2014**
- The Non-Occupancy rate for Apartments has been consistently 2% higher in the CoV than in the rest of the GVRD
- Single Family and Duplex Housing Units show low and relatively stable Non-Occupancy rates of 1% between 2002 and 2014
  - The CoV rate is in-line with the rate for the rest of the GVRD
- Similarly, Rowhouses also show low and relatively stable Non-Occupancy rates of 1%
  - The CoV rate is in-line with the rate for the rest of the GVRD
- All five of the city geographic sectors<sup>2</sup> analyzed show similar rates of Non-Occupancy by housing type, with no significant divergence over time with the exception of the Downtown Peninsula that has seen a drop in Non-Occupancy from 6.9% in 2002 to 6.0% in 2014
- Non-Occupancy rates increase as the period of Non-Occupancy shortens from 12 months (4.8%) to 4 months (6.0%) to 2 months (10.3%)
  - The non-Occupancy rates for each of these periods has remained stable between 2002 and 2014

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<sup>1</sup> Non-Occupancy is defined as a housing unit that is not occupied for at least 25 days out of every month for a year. See the Methodology section for more details. Note that Non-Occupancy differs from Vacancy in that a Vacant housing unit holds no significant personal belongings while a Non-Occupied housing unit may either be Vacant or have significant personal belonging but no one residing there on a frequent basis.

<sup>2</sup> The 5 city geographic sectors are the Downtown Peninsula, Northeast Vancouver, Southeast Vancouver, Southwest Vancouver and Northwest Vancouver. See map on page 23.

- An analysis of Non-Occupancy intensity (days per month that a unit is unoccupied) shows that there are 2x as many units that are unoccupied at least 15 days per month over 12 months as there are units unoccupied for at least 25 days per month

This report provides an extensive analysis of electricity consumption data on housing occupancy in the City of Vancouver, and the findings are consistent with those from other studies by the Urban Futures Institute and Andy Yan at BTAWorks.

However, the findings are not comprehensive and bring forth additional questions that may warrant additional research using complementary sources of information.

# Contents

3	Introduction
4	Key Findings
7	Background
8	Methodology
12	Results
30	Conclusion
31	About the Authors
31	Acknowledgements



## Background

Housing occupancy can have a significant impact on rental unit stock, associated vacancy rates, housing affordability and neighbourhood vibrancy. Existing research into housing occupancy has been limited to date to a few oft-cited reports:

- **'Much Ado About Nothing' released in 2013** by the Urban Futures Institute report noted that the 6.7% of apartments in the CoV that were unoccupied was in-line with the rate of 6.2% in the Vancouver CMA and 7.0% average across all 33 CMAs in Canada<sup>3</sup>
- **'Ownership, Occupancy, and Rentals: An Indicative Sample Study of Condominiums in Downtown Vancouver' released in 2009** by Andy Yan at BTAWorks noted that, based on the electricity consumption between January 2006 and December 2007 of a sample of Downtown condos, 5.5 – 8.5% of Downtown condos were unoccupied<sup>4</sup>

In order to gain additional insight into the issue of housing occupancy, the City of Vancouver commissioned this study with the primary research objectives of determining:

- The residential Non-Occupancy rate in the City of Vancouver over time
  - By housing type
  - By geographic sector within the City
  - In relation to the rest of the GVRD
- The number of Non-Occupied housing units in the City of Vancouver
- The Non-Occupancy rates by duration (e.g. 2 months, 4 months and 12 months)
- Whether there has been a change in the occupancy intensity of homes (i.e. occupied fewer days per month)

**At the City of Vancouver's request, BC Hydro kindly provided anonymized electricity consumption for residential units in the City of Vancouver and the rest of the GVRD.**

The City of Vancouver retained Ecotagious to study and analyze the anonymized electricity consumption data provided by BC Hydro, and Ecotagious has included the results of that analysis in this report.

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<sup>3</sup> Urban Futures Institute, *'Much Ado About Nothing'*, 2013 (<http://www.urbanfutures.com/foreign-unoccupied-pdf/>).

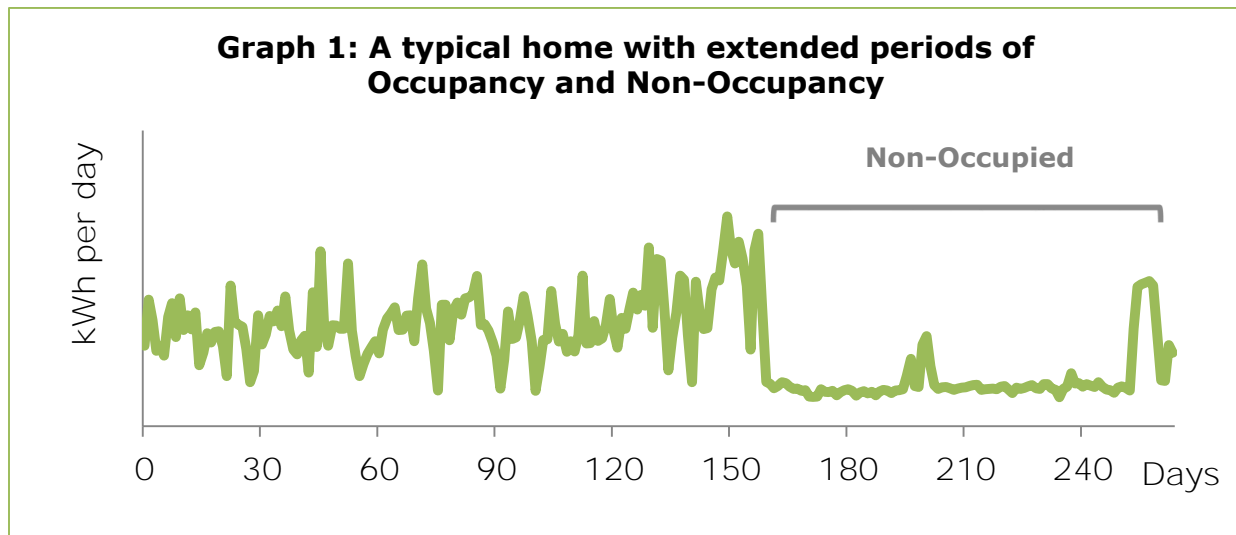
<sup>4</sup> Andrew Yan (BTAWorks), *'Ownership, Occupancy, and Rentals: An indicative Sample Study of Condominiums in Downtown Vancouver'*, 2009 ([http://www.btaworks.com/wp-content/uploads/2009/12/btaworks\\_condo\\_study\\_report\\_final2.pdf](http://www.btaworks.com/wp-content/uploads/2009/12/btaworks_condo_study_report_final2.pdf)).

## Methodology

Because every home in Greater Vancouver generates electricity consumption data and that data is collected in a consistent method and in a consistent format by a single organization (BC Hydro), residential electricity consumption data offers an opportunity to deliver insights on housing occupancy across the GVRD.

Occupied homes tend to use more electricity than non-occupied homes, and that electricity use varies significantly more from day to day than in non-occupied homes.

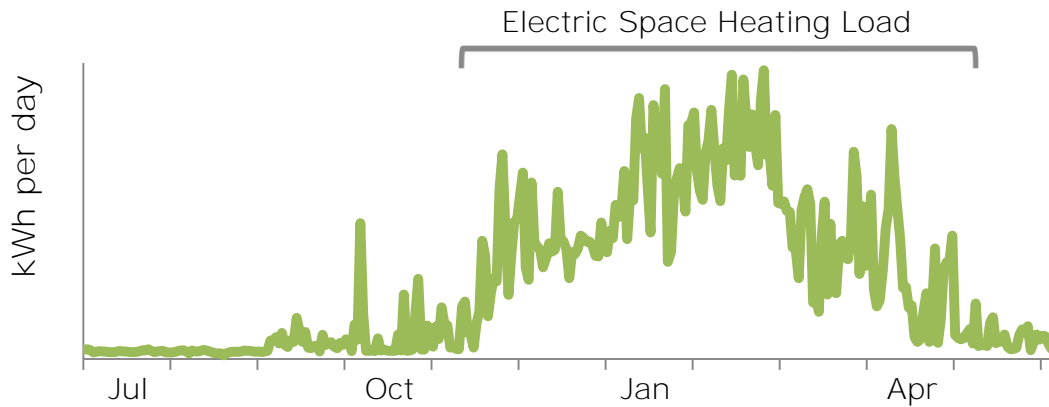
The graph below shows a home that is occupied from Day 0 through 160, followed by a period of non-occupancy through Day 250. The period of non-occupancy shows lower electricity consumption and lower variability in day to day consumption than the period of occupancy.



When identifying occupancy, the variability in electricity consumption is a more effective indicator than the average amount of electricity consumption over a given period.

The presence of electric space heating in a home, however, can confound the identification of occupancy. The graph below shows the electricity consumption by day of a home with electric space heating. As can be seen in the winter between Day 160 and 330, the electric space heating dominates the other daily loads on a consumption basis and on a day-to-day variability basis.

**Graph 2: A typical home with Electric Space Heating**



While the electric space heating load is highly correlated with the outside temperature, it is highly variable on a day to day basis. In addition, the electric space heating load can vary significantly from home to home based on a number of factors, including the presence of other heating sources. For example, surveys run by Ecotagious show that in some jurisdictions between 50 and 70% of homes have multiple heating sources, e.g.:

- A natural gas furnace for the primary suite and electric baseboard heaters for the secondary suite
- A natural gas furnace for most of a single family dwelling and electric baseboard heaters for the new addition or the garage
- A condo with electric space heaters supplemented by a natural gas fireplace

As a result, it becomes more difficult to remove the effects of electric space heating in order to identify occupancy during heating (winter) months.

To identify the Non-Occupancy rates presented in this report, Ecotagious applied its proprietary algorithms to the anonymized electricity consumption data provided by BC Hydro. The algorithm detects Occupancy by analyzing a number of factors, the most important of which is the variability in electricity consumption over time.

In defining Non-Occupancy, Ecotagious analyzed Non-Occupancy separately for periods of 2 months, 4 months and 12 months (see Graph 12). Based on the results of that analysis and the CoV's focus on using the information to inform housing policy, the analysis was completed using 12 months as the period over which to evaluate Occupancy.

For the purposes of this study and in order to minimize the distortive impacts of electric space heating during the winter months on the ability to detect Non-Occupancy, Ecotagious defined a housing unit as Non-Occupied in a given year when that unit was unoccupied for each of the 4 months during the non-heating

season (August, September, and the following June and July). A unit was deemed unoccupied in a given month when the unit was unoccupied for 25 or more days in that month.

The selection of the threshold of 25 or more non-occupied days each month allows for cases of infrequent use of the home (e.g. a domestic worker coming in once a week – 4x per month) without identifying the home as Occupied. An example of infrequent use of the home during a period of extended non-occupancy can be seen in Graph 1 above where the period of non-occupancy is briefly interrupted by a small window of use.

An analysis of Non-Occupancy when defined as 15 or more non-occupied days each month has also been included in the report (see Graph 13).

In addition, newly built homes of all types can distort the aggregated Non-Occupancy rates as they may potentially remain unoccupied for a period of time while the home is being constructed, while the unit is being sold and before occupation. Therefore, to remove the potentially distortive impact of new builds on the Non-Occupancy rate, the first year of electricity data was removed for each home in the CoV data.

The analysis was completed:

- From 2002 to 2014
- For each of 5 geographic sectors within the CoV (as identified by staff at the CoV given the geocoding possible with the anonymized electricity consumption data; see map on page 23 for boundaries)
  1. Downtown Peninsula
  2. Northwest Vancouver
  3. Northeast Vancouver
  4. Southwest Vancouver
  5. Southeast Vancouver
- For each of the three major housing types that make up over 99% of the housing units:
  1. Apartments: High-Rise and Low-Rise Purpose-Built Rental Units and Condominiums
  2. Rowhouses
  3. Single Family Dwellings and Duplexes

Note: Other Home Types, representing <1% of the housing unit population, were not included in the analysis due to their small population

While electricity consumption data has significant benefits as a data source to evaluate non-occupancy, it also has some inherent limitations that should be noted. The Non-Occupancy rates identified by analyzing electricity consumption data can be impacted by a number of factors, e.g.:

- **Secondary suites** in Single Family Dwellings will reduce the Non-Occupancy rate as suites often share the same meter as the primary suite, and therefore the unit will be identified as Occupied even if only one of the suites is occupied.

- The **frequent presence of visitors/domestic workers** in an otherwise unoccupied home may reduce Non-Occupancy rates.
- The **accuracy of the input data**. Prior to delivery to Ecotagious, the electricity consumption data was kindly prepared by BC Hydro. That preparation included a number of processes, included but not limited to the manipulation of the data to account for missing data. Like any data cleaning and preparation activity, the process can introduce unintended errors into the algorithm processing that may increase or decrease Non-Occupancy rates.
- The **accuracy of the algorithm**. In analyzing the high volume of electricity consumption data (big data) associated with this project in the combination of formats in which it was provided, Ecotagious selected algorithm processes that prioritized consistent application across the data sets. While this may result in lower accuracies in the absolute Non-Occupancy rate and count values, it results in more accurate relative longitudinal trends over time.
- The analysis of non-heating season months only (August, September, and the following June and July) to determine 12 month Non-Occupancy will fail to identify any changes in **winter-based seasonal occupancy changes** (i.e. a change in occupancy isolated to heating months only).
- The **housing stock population** used in the analysis is based on the population of BC Hydro accounts by home type in the CoV and the rest of the GVRD. This population does not include multi-unit dwellings that are metered in aggregate (e.g. one meter for multiple apartment units), therefore the number of apartment units presented in this report and used to calculate non-occupancy rates may be lower than the actual population of apartment units.

Due to the inherent limitations of the data and the analytics, the reader is encouraged to:

- Place more attention on the relative occupancy trends over time and less attention to absolute occupancy values at any given time,
- Consider the information provided in this report as a single contribution to the literature on housing occupancy in the City of Vancouver,
- Incorporate other complementary sources of housing information to provide a more complete perspective on the issue, particularly information that may address the drivers of Non-Occupancy.

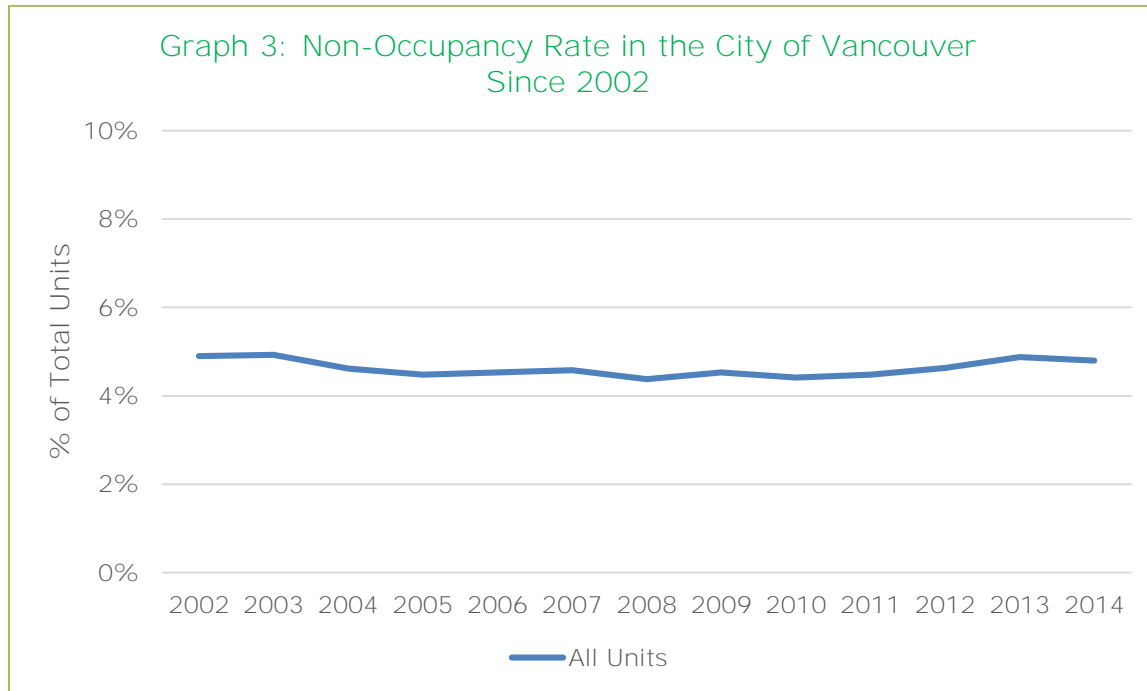
It should also be noted that the analytics used in this study are effective at detecting occupant-driven electricity consumption, and not necessarily **Vacancy**. A Vacant housing unit holds no significant personal belongings nor does anyone reside within it. Meanwhile, a Non-Occupied housing unit may either be Vacant or have no one residing there on a frequent basis **but still hold someone's** significant personal belongings. **Therefore, the term 'Non-Occupancy' has been used in this report in place of the more familiar term 'Vacancy'.**

## Results

The analysis of electricity consumption data in the City of Vancouver (CoV) between 2002 and 2014 reveals:

### **The Non-Occupancy rate across all CoV housing units has been flat**

The Non-Occupancy rate across all housing types in the CoV was 4.9% in 2002 and 4.8% in 2014.

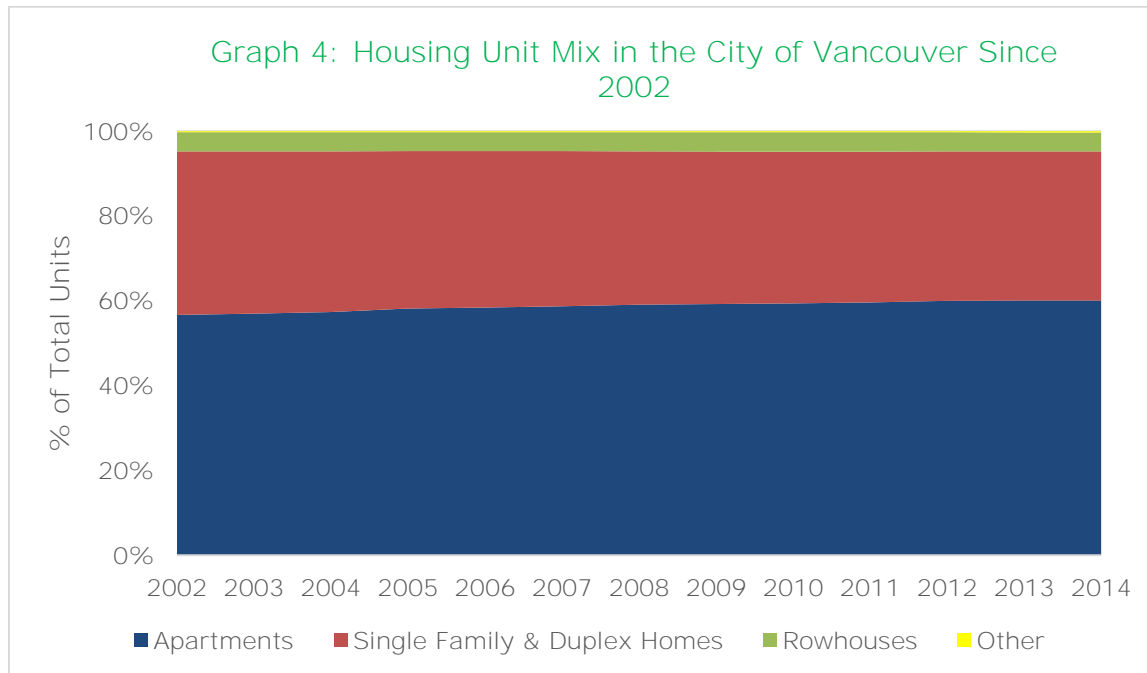


Notes: Non-Occupancy defined as no occupancy for 12 month period from August to July (ending the year noted above), inclusive.

Source: Ecotagious analysis of anonymized residential electricity consumption data from BC Hydro, 2015.

## **Apartments, Single Family Dwellings and Duplex Housing Units make up over 95% of the CoV's housing stock**

Apartments continue to grow as a proportion of the total housing stock<sup>6</sup> in the CoV, from 57% in 2002 to 60% in 2014. Single Family & Duplex Housing units contributed an additional 35% and Rowhouses made up 4.5% in 2014, with Other housing type units making up the remaining 0.5%. As a result of the small size of the Other housing category, it has not been included in the rest of the analysis presented in this report.



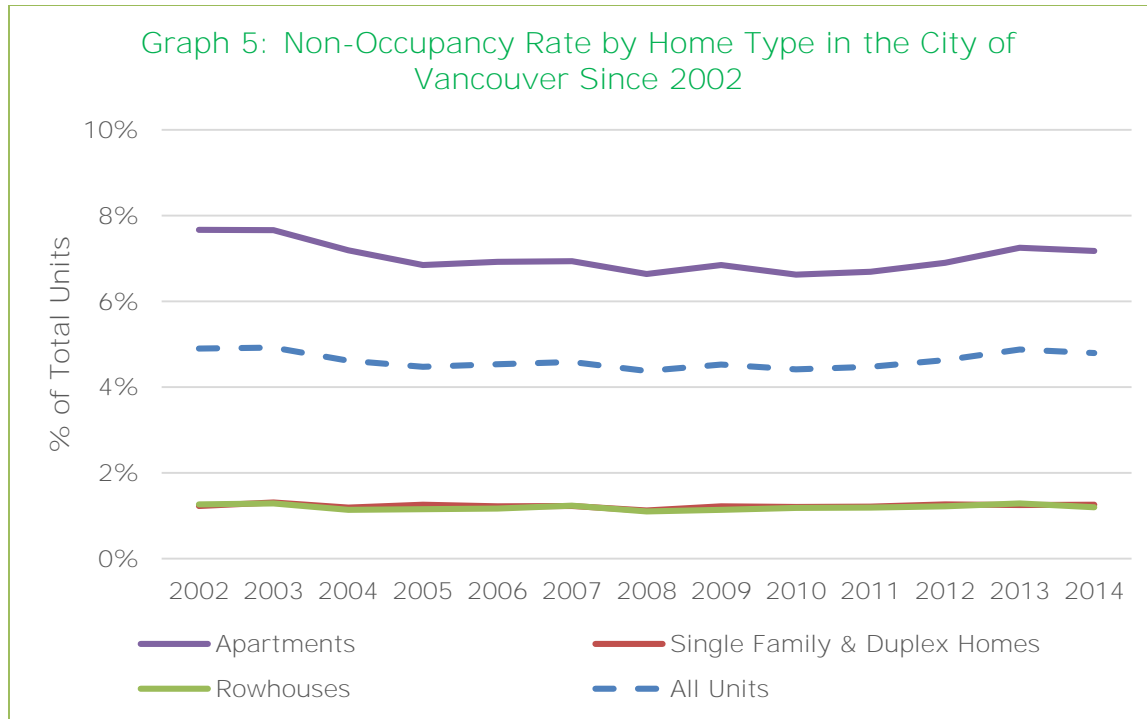
Note: Apartments include purpose-built rental units and condominiums.

Source: Ecotagious analysis of anonymized daily and monthly residential account smart meter data.

<sup>6</sup> The housing stock population used in the analysis is based on the population of BC Hydro accounts by home type in the CoV and the rest of the GVRD. This population does not include multi-unit dwellings that are metered in aggregate (e.g. one meter for multiple apartment units), therefore the number of apartment units presented in this report and used to calculate non-occupancy rates may be lower than the actual population of apartment units. See the Methodology section for more detail.

## The CoV's aggregate Non-Occupancy rate is driven by Apartments

Apartment Non-Occupancy has remained relatively flat (7.7% in 2002; 7.2% in 2014), yet is significantly higher than the rates for Single Family & Duplex Housing Units, and Rowhouses.



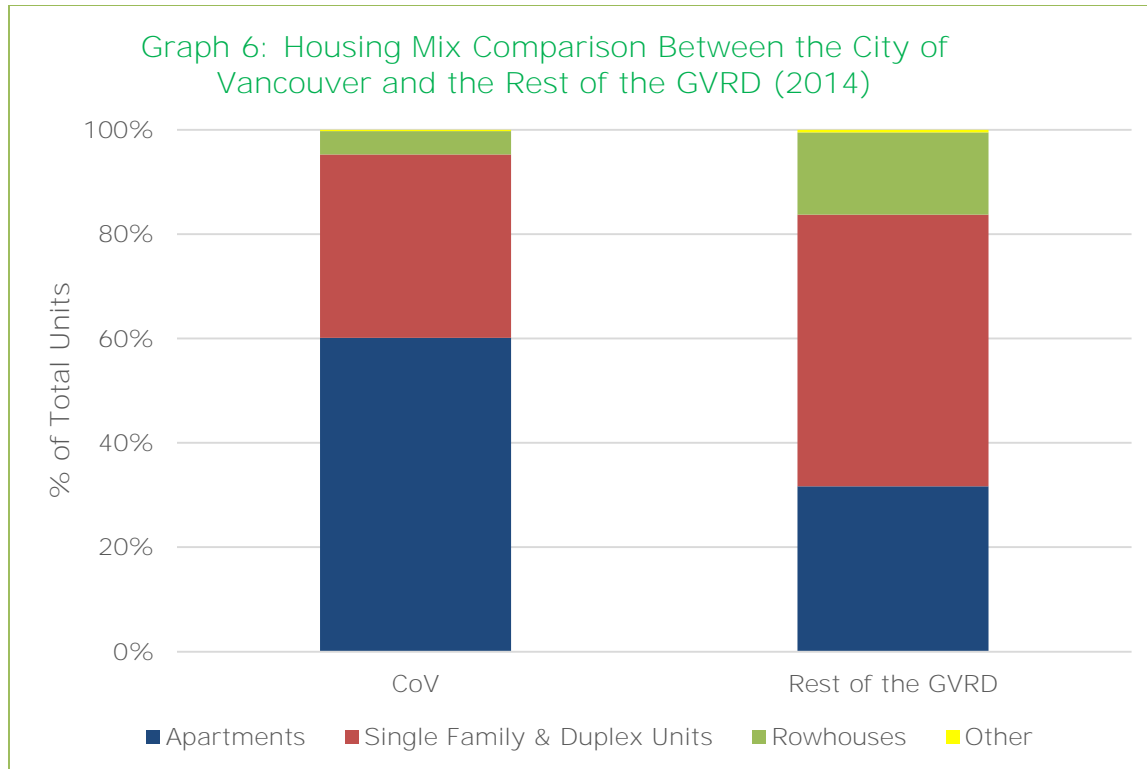
Notes: Non-Occupancy defined as no occupancy for 12 month period from August to July (ending the year noted above), inclusive. Apartments include purpose-built rental units and condominiums.

Source: Ecotagious analysis of anonymized residential electricity consumption data from BC Hydro, 2015.



**The CoV has a higher proportion of Apartments in its housing mix than the rest of the GVRD**

Approximately 60% of the CoV's housing units are Apartments, relative to 32% for the rest of the GVRD.



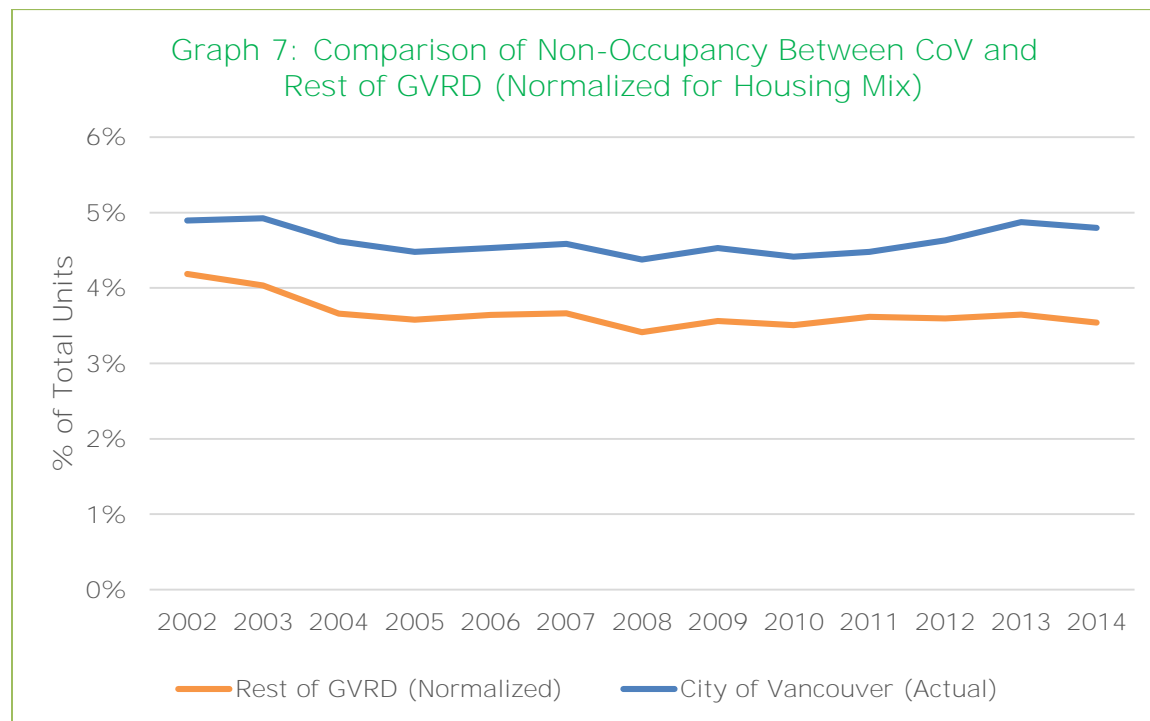
Note: Apartments include purpose-built rental units and condominiums.

Source: Ecotagious analysis of anonymized residential electricity consumption data from BC Hydro, 2015.

## The CoV's Non-Occupancy rate is consistent with and tracks the Non-Occupancy rate for the rest of the Greater Vancouver Regional District

As seen from the CoV data, Apartments have higher Non-Occupancy rates than other housing types. To compare the overall Non-Occupancy rate between the CoV and the rest of the GVRD, the Non-Occupancy rates for each of the rest of the **GVRD's housing types** were weighted by the CoV housing mix and aggregated. The resulting *normalized* Non-Occupancy rate for the GVRD is presented below with the actual CoV rate.

When normalized in such a way for housing stock mix, the CoV and the rest of the GVRD show similarly stable Non-Occupancy rates between 2002 and 2014, with the CoV showing approximately 1% higher Non-Occupancy from 2002 through 2014.

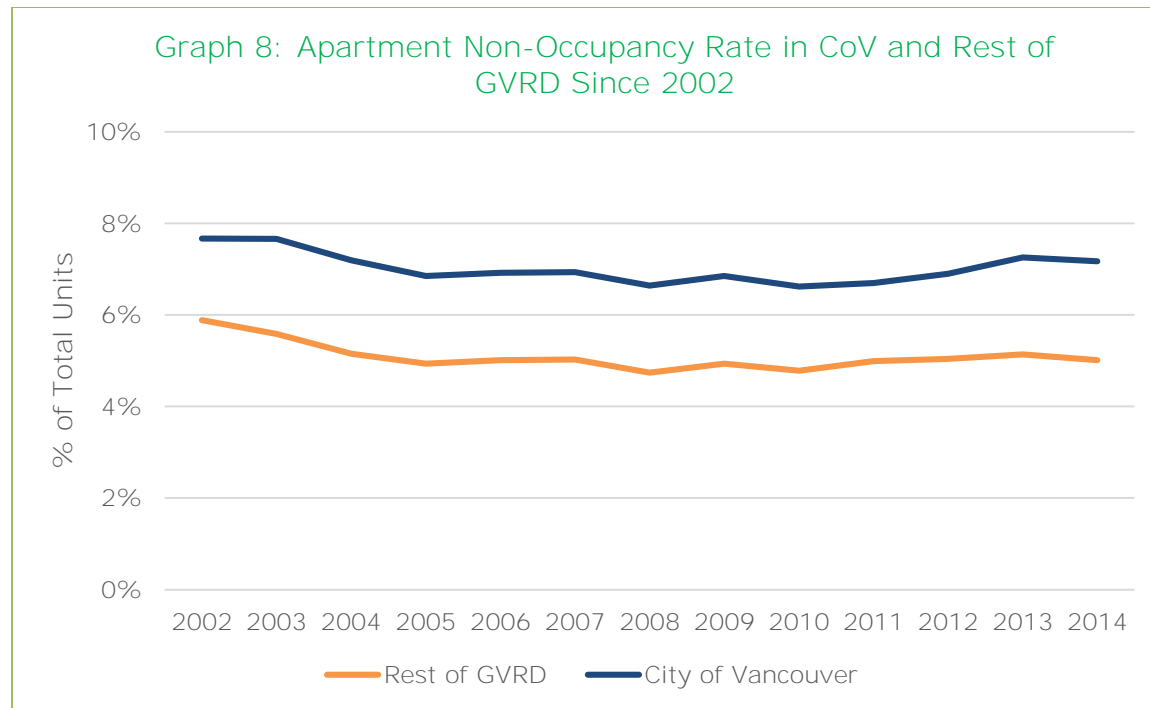


Notes: Non-Occupancy defined as no occupancy for 12 month period from August to July (ending the year noted above), inclusive. Rest of GVRD includes Surrey, Richmond, Burnaby, Coquitlam, Langley, Delta, North Vancouver, Maple Ridge, New Westminister, Port Coquitlam, North Vancouver, West Vancouver, Port Moody, White Rock, and Pitt Meadows. Rest of GVRD figures have been normalized to CoV housing mix.

Source: Ecotagious analysis of anonymized residential electricity consumption data from BC Hydro, 2015.

## The difference in the Non-Occupancy rate between the CoV and the Rest of the GVRD is driven by Apartments

As seen below, Apartments in the CoV have had Non-Occupancy rates 2% higher than seen in the rest of the GVRD since 2002.



Notes: Non-Occupancy defined as no occupancy for 12 month period from August to July (ending the year noted above), inclusive. Rest of GVRD includes Surrey, Richmond, Burnaby, Coquitlam, Langley, Delta, North Vancouver, Maple Ridge, New Westminister, Port Coquitlam, North Vancouver, West Vancouver, Port Moody, White Rock, and Pitt Meadows. Apartments include purpose-built rental units and condominiums.

Source: Ecotagious analysis of anonymized residential electricity consumption data from BC Hydro, 2015.

It should also be noted that Apartments are much less likely to be owner-occupied (33%) than other home types in the CoV (71%)<sup>7</sup>. And Apartments in the CoV are also much less likely to be owner-occupied than Apartments in the rest of the GVRD (48%). This correlation of higher Non-Occupancy rate in CoV Apartments with lower owner-occupancy may warrant further research.

The Apartment segment is in fact composed of two separate dwelling types: purpose-built rental units and condominiums. The purpose-built rental unit vacancy rate in 2014 was 0.5% in the CoV and 1.0% in the GVRD as a whole<sup>8</sup>. For illustrative purposes, if the purpose-built rental unit vacancy rates are assumed to be 0% over a 12 month period, the implication is that the Non-Occupancy rates for condominiums are 12.6% in the CoV and 7.3% in the rest of the GVRD<sup>9</sup>.

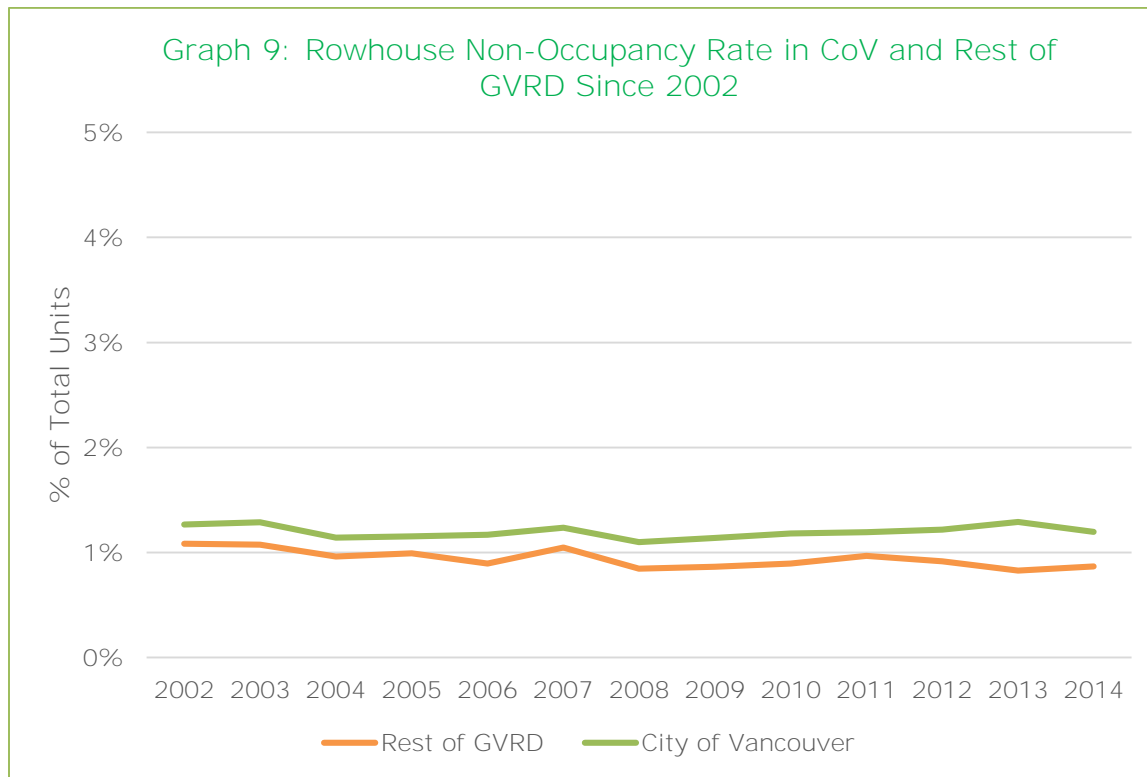
<sup>7</sup> Source: Custom data from the 2011 National Household Survey (originated from Statistics Canada and provided by City of Vancouver).

<sup>8</sup> CMHC Rental Market Report for Vancouver and Abbotsford-Mission CMAs, Fall 2014.

<sup>9</sup> Calculated based on condominium unit population data from the 2011 National Household Survey (originated from Statistics Canada and provided by City of Vancouver).

## The Non-Occupancy rates in Rowhouses in the CoV and the Rest of the GVRD are similar and stable

The Non-Occupancy rates in Rowhouses in the CoV and the rest of the GVRD have both been hovering near 1% since 2002.

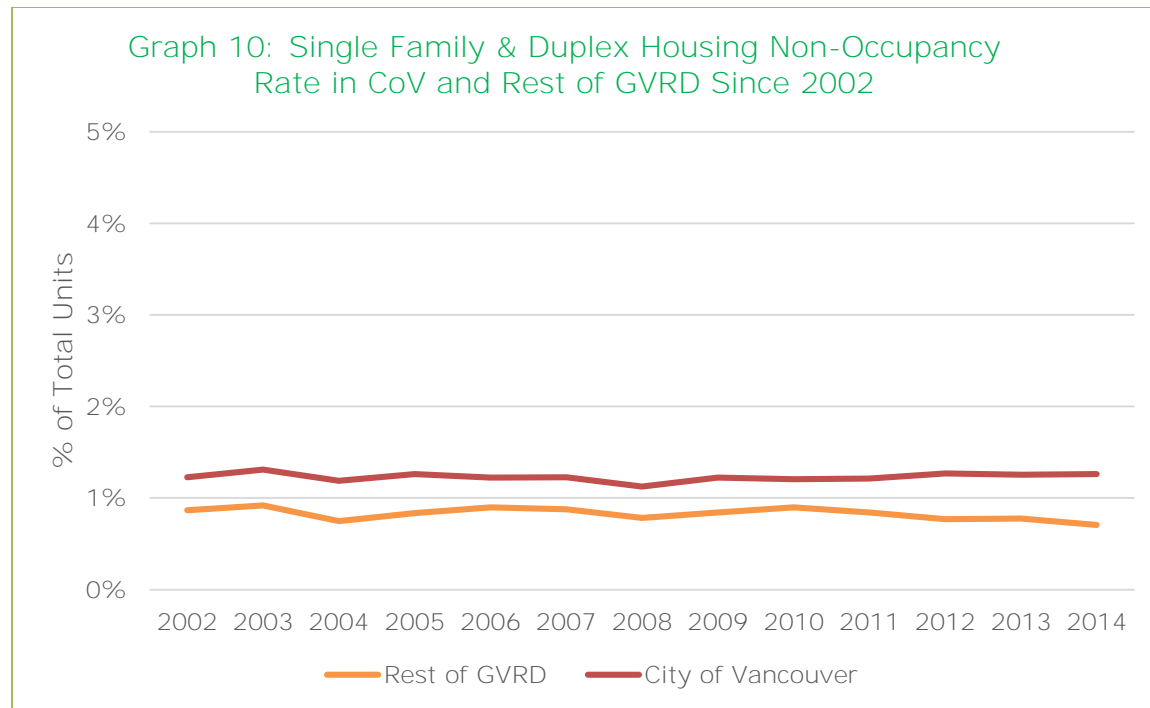


Notes: Non-Occupancy defined as no occupancy for 12 month period from August to July (ending the year noted above), inclusive. Rest of GVRD includes Surrey, Richmond, Burnaby, Coquitlam, Langley, Delta, North Vancouver, Maple Ridge, New Westminister, Port Coquitlam, North Vancouver, West Vancouver, Port Moody, White Rock, and Pitt Meadows.

Source: Ecotagious analysis of anonymized residential electricity consumption data from BC Hydro, 2015.

## The Non-Occupancy rates in Single Family & Duplex Housing Units in the CoV and the Rest of the GVRD are similar and stable

The Non-Occupancy rates in Single Family & Duplex Housing Units in the CoV and the rest of the GVRD have both been hovering near 1% since 2002.

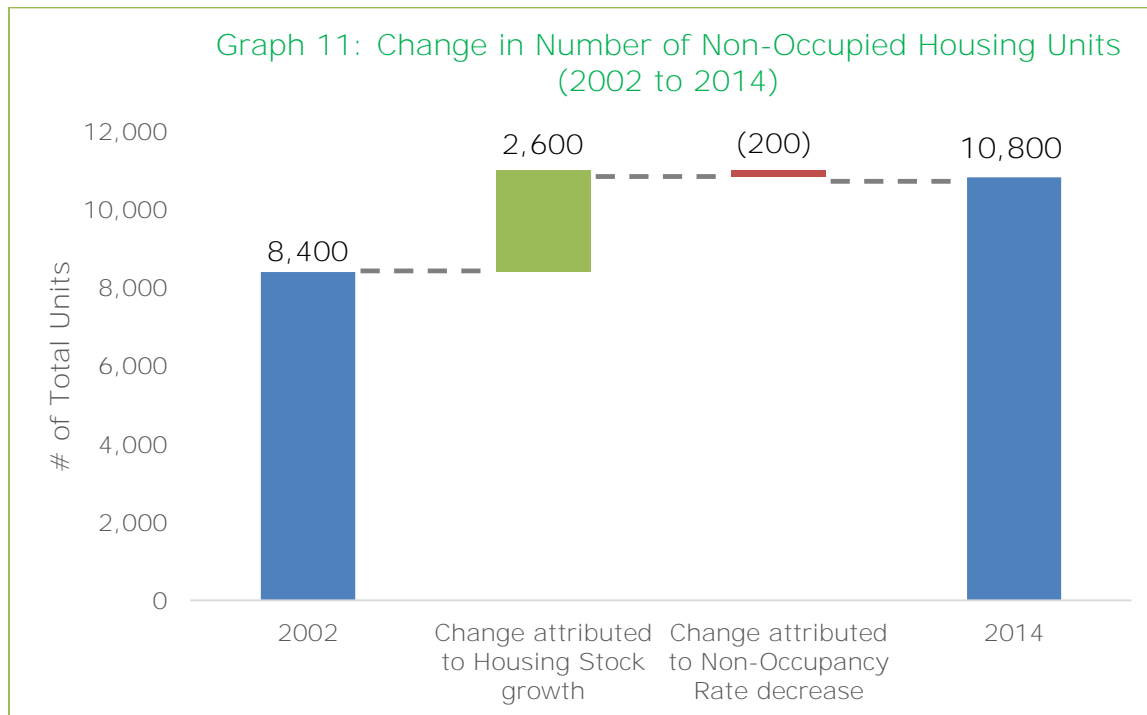


Notes: Non-Occupancy defined as no occupancy for 12 month period from August to July (ending the year noted above), inclusive. Rest of GVRD includes Surrey, Richmond, Burnaby, Coquitlam, Langley, Delta, North Vancouver, Maple Ridge, New Westminster, Port Coquitlam, North Vancouver, West Vancouver, Port Moody, White Rock, and Pitt Meadows.

Source: Ecotagious analysis of anonymized residential electricity consumption data from BC Hydro, 2015.

## The growth in the number of Non-Occupied housing units in the CoV is driven by the overall growth in the housing stock

The number of Non-Occupied housing units in the CoV has grown by 2,400 units, from 8,400 in 2002 to 10,800 in 2014. All of this growth has been driven by the growth in the housing unit stock, while the change in the Non-Occupancy rate (from 4.9% to 4.8%) has reduced Non-Occupancy by a modest 200 units.



Notes: Non-Occupancy defined as no occupancy for 12 month period from August to July (ending the year noted above), inclusive.

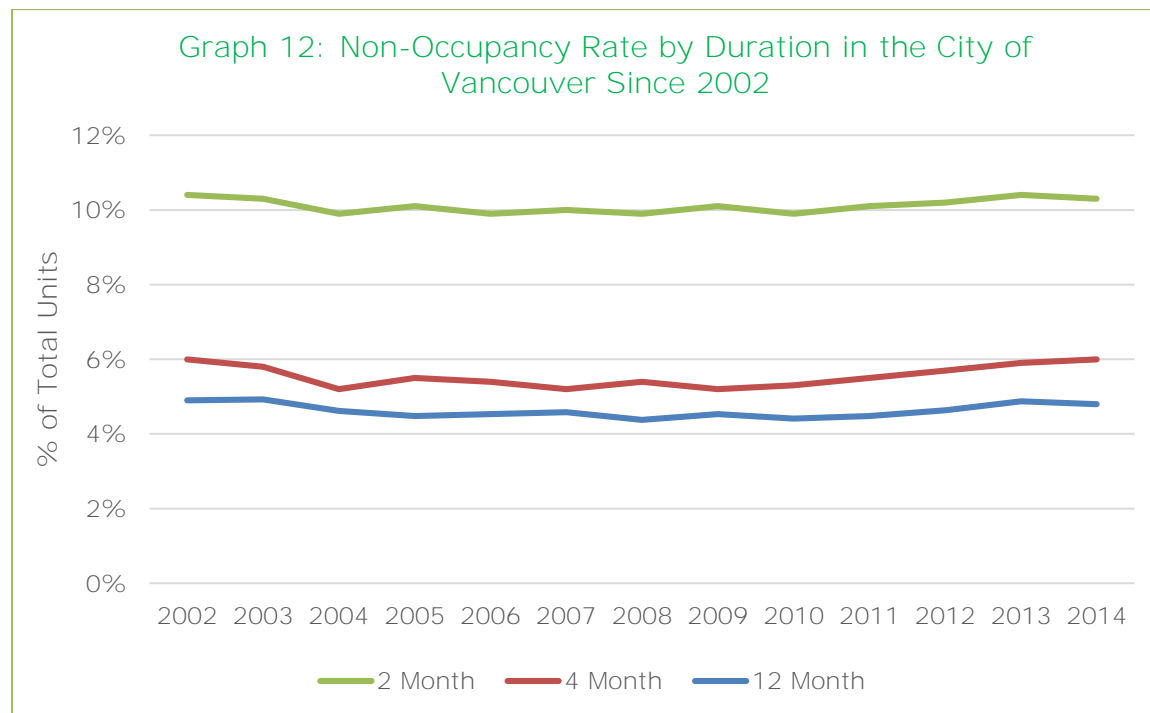
Source: Ecotagious analysis of anonymized residential electricity consumption data from BC Hydro, 2015.

## As expected, Non-Occupancy rates increase when the duration of the Non-Occupancy shortens

In defining Non-Occupancy, Ecotagious analyzed Non-Occupancy separately for periods of 2 months, 4 months and 12 months. Based on the results of that analysis and the CoV's focus on using the information to inform housing policy, the analysis was completed using 12 months as the period over which to evaluate Occupancy.

Since 2002, the rates for:

- Homes unoccupied for 2 months have been stable at 10%
- Homes unoccupied for 4 months have been stable at 6%
- Homes unoccupied for 12 months have been stable at 5%

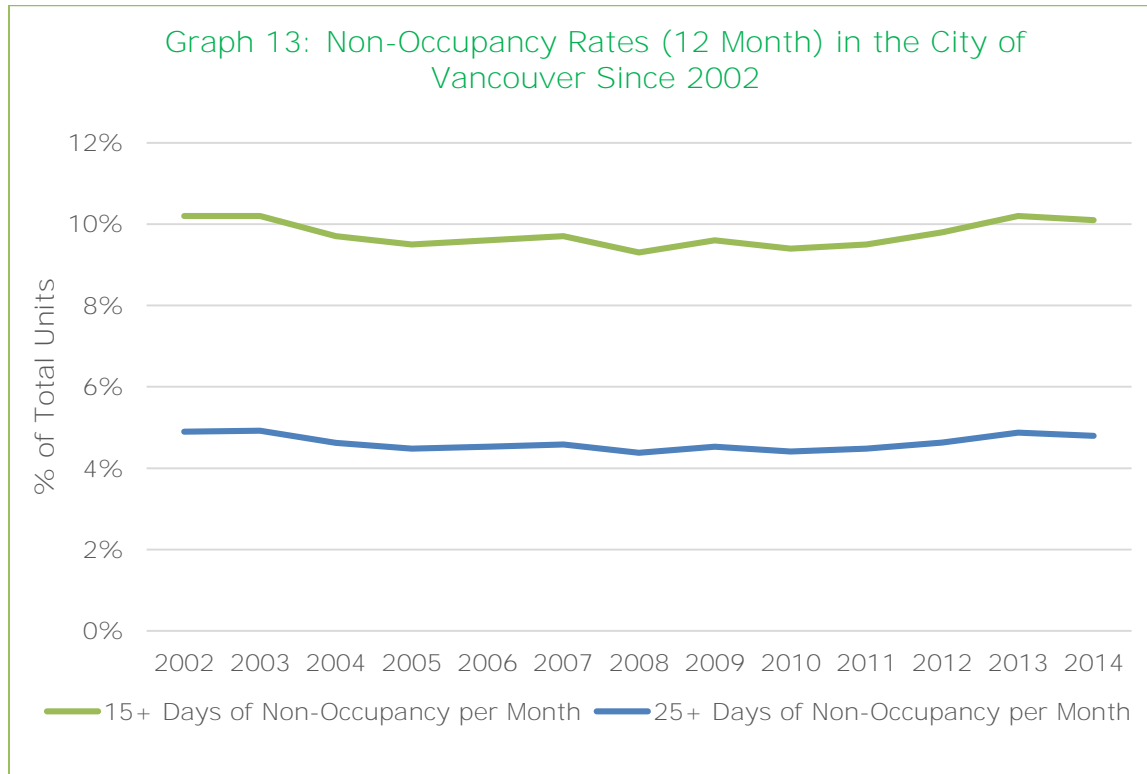


Notes: 2 Month Non-Occupancy period based on analysis of June data. 4 Month Non-Occupancy based on analysis of 4 month period from June to August of each year, inclusive. 12 Month Non-Occupancy analyzed using August, September, and the following June and July to avoid the distortive effects of electric space heating on the analytics.

Source: Ecotagious analysis of anonymized residential electricity consumption data from BC Hydro, 2015.

## Twice as many homes Non-Occupied for at least 15 days per month than for at least 25 days per month

In defining Non-Occupancy, Ecotagious also analyzed Non-Occupancy separately for periods of 12 months when the unit was unoccupied for at least 25 days each month and at least 15 days each month. As expected, twice as many homes are unoccupied at least 15 days per month as are unoccupied at least 25 days per month. Both of these rates have been relatively stable since 2002.



Notes: Non-Occupancy defined as no occupancy for 12 month period from August to July (ending the year noted above), inclusive.

Source: Ecotagious analysis of anonymized residential electricity consumption data from BC Hydro, 2015.



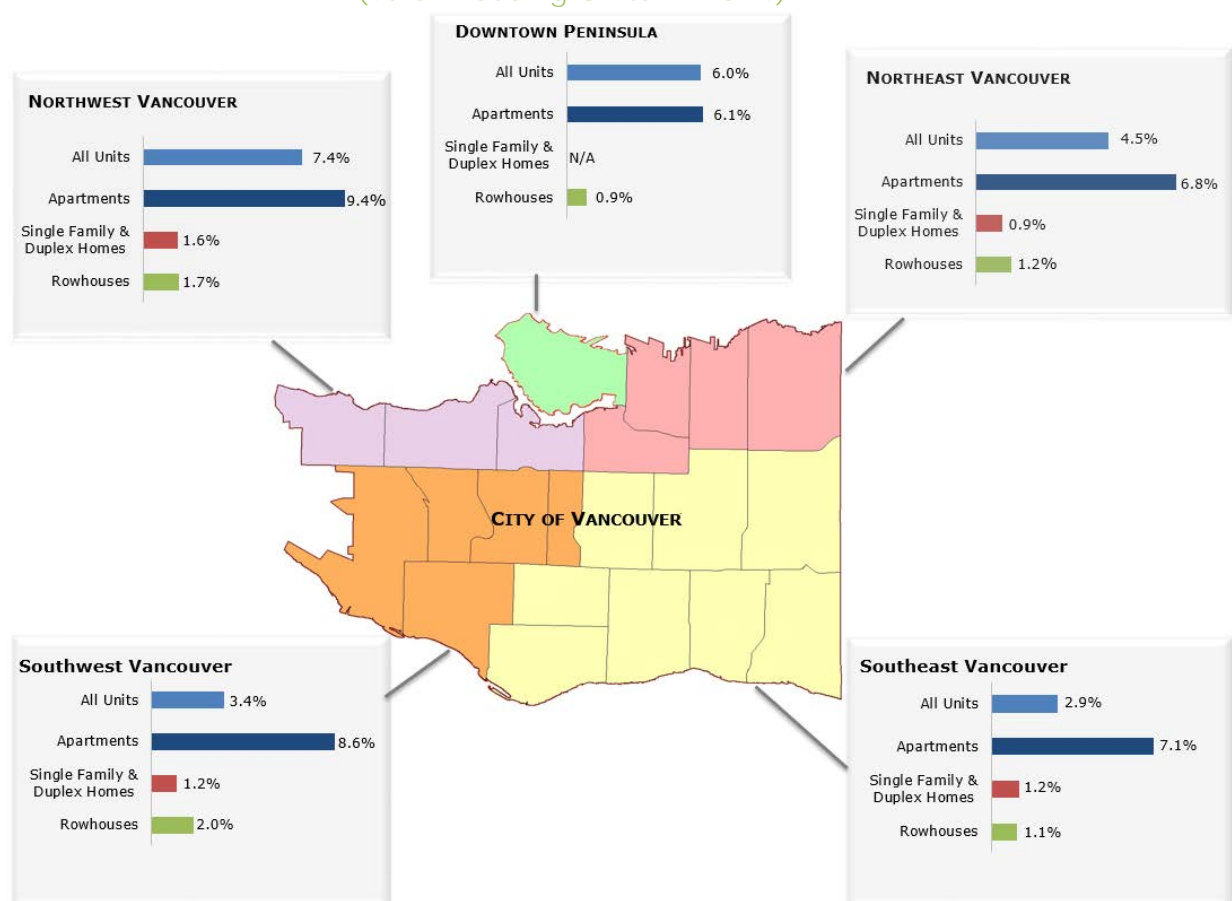
## Non-Occupancies rates by housing type consistent throughout City

The Non-Occupancy rates were analyzed for each of the 5 CoV geographic sectors (as identified by staff at the CoV given the geocoding possible with the anonymized electricity consumption data):

- **Downtown Peninsula** includes Downtown and the West End
- **Northeast Vancouver** includes Mt. Pleasant, Strathcona, Grandview-Woodland and Hastings-Sunrise
- **Southeast Vancouver** includes Renfrew-Collingwood, Kensington-Cedar Cottage, Riley Park, Oakridge, Marpole, Sunset, Victoria-Fraserview and Killarney
- **Southwest Vancouver** includes South Cambie, Shaughnessy, Arbutus-Ridge, Dunbar-Southlands and Kerrisdale
- **Northwest Vancouver** includes West Point Grey, Kitsilano and Fairview

The analysis showed little variation in the Non-Occupancy rates by housing type between neighbourhoods. The highest Non-Occupancy rate was found in Northwest Vancouver Apartments where 9.4% of units were unoccupied in 2014.

**Figure 1: Non-Occupancy Rates by CoV Neighbourhood by Housing Type**  
 (% of Housing Units in 2014)



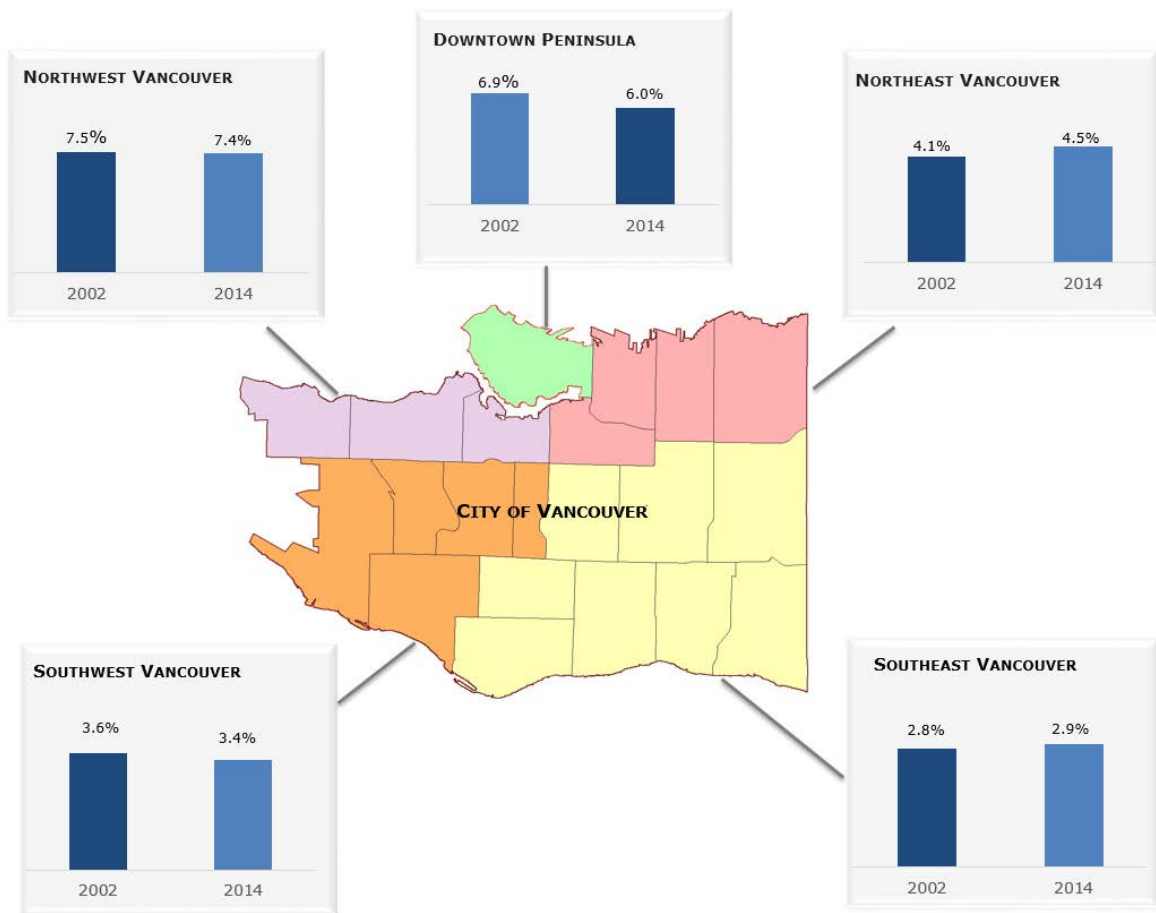
Notes: Non-Occupancy defined as no occupancy for 12 month period from August to July (ending the year noted above), inclusive. Apartments include purpose-built rental units and condominiums.

Source: Ecotagious analysis of anonymized residential electricity consumption data from BC Hydro, 2015.

## Non-Occupancy rates relatively consistent over time throughout City

The analysis showed very little variation in the overall Non-Occupancy rates between 2002 and 2014, with the largest change being a drop in Non-Occupancy of 1% in the Downtown Peninsula (see Graphs 14-18 for additional information on change over time by housing type by geographic sector in the city).

**Figure 2: Non-Occupancy Rates by CoV Geographic Sector for 2002 & 2014**  
 (% of Housing Units)

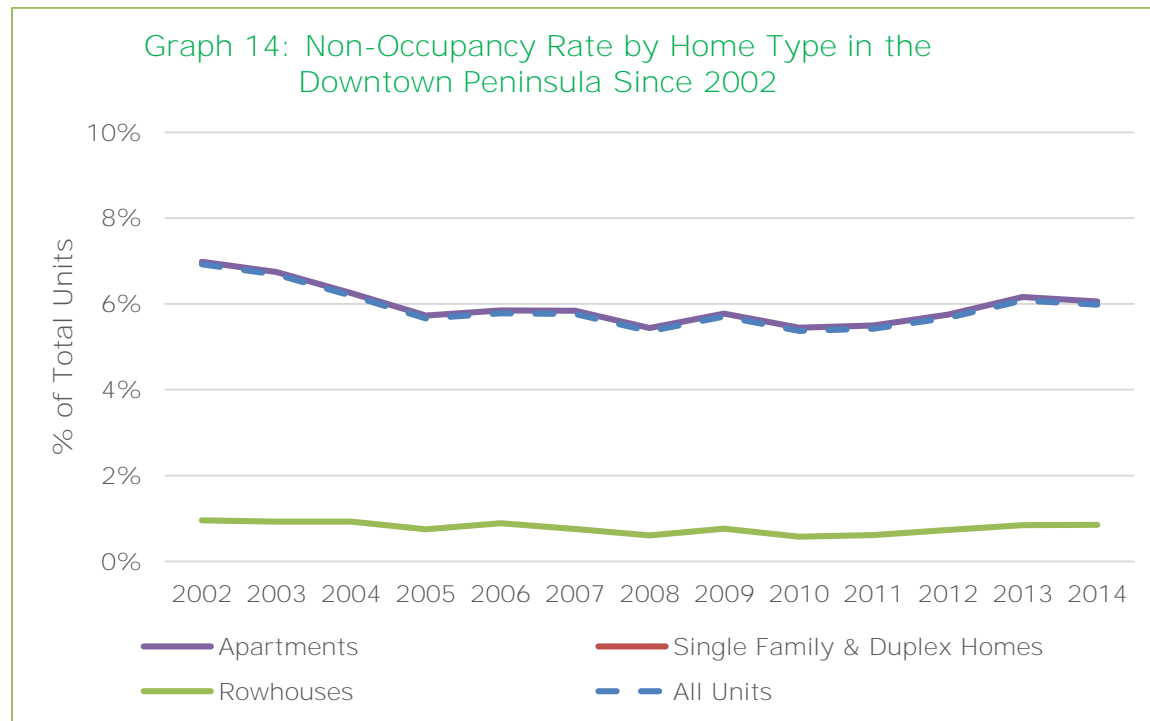


Notes: Non-Occupancy defined as no occupancy for 12 month period from August to July (ending the year noted above), inclusive.

Source: Ecotagious analysis of anonymized residential electricity consumption data from BC Hydro, 2015.

## Non-Occupancy in the Downtown Peninsula (dominated by Apartments) has dropped 1%

Apartments, which make up 98% of the housing units in the Downtown Peninsula, have driven a decrease in Non-Occupancy from 6.9% in 2002 to 6.0% in 2014. The Downtown Peninsula includes the West End and Downtown.



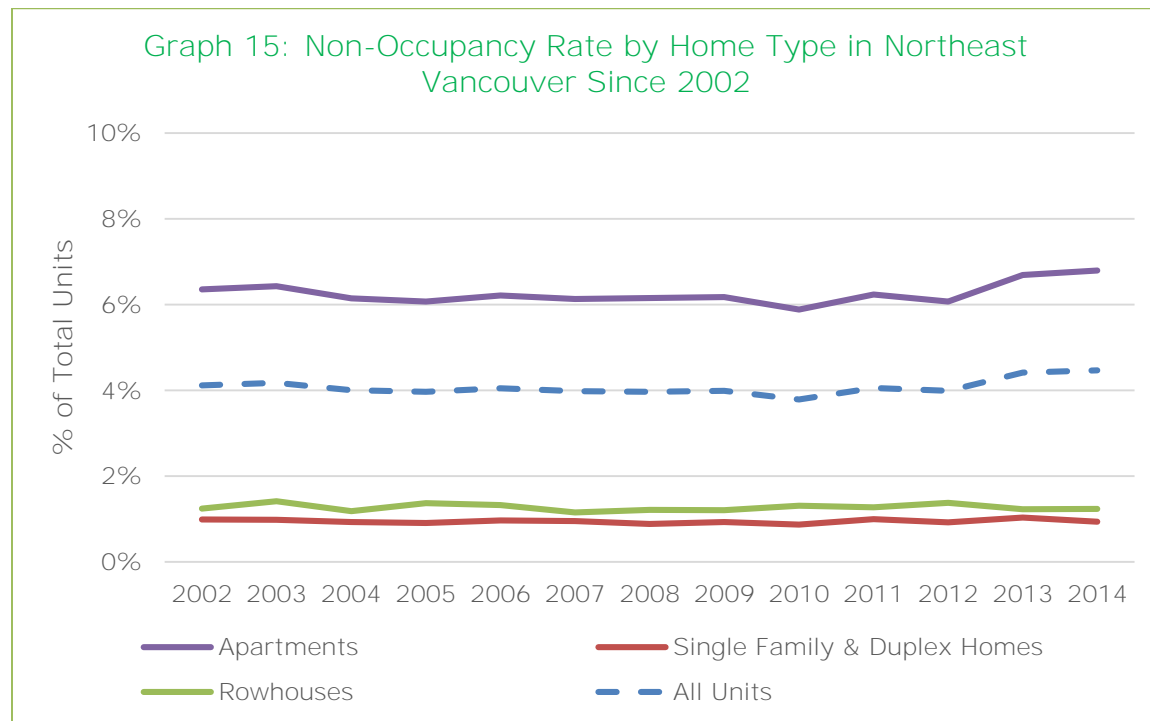
Notes: Non-Occupancy defined as no occupancy for 12 month period from August to July (ending the year noted above), inclusive. Apartments include purpose-built rental units and condominiums.

Source: Ecotagious analysis of anonymized residential electricity consumption data from BC Hydro, 2015.

## Apartments have driven a modest increase in Non-Occupancy in Northeast Vancouver

The overall Non-Occupancy rate in Northeast Vancouver has increased modestly from 4.1% in 2002 to 4.5% in 2014. The increase was driven by Apartments (6.4% in 2002; 6.8% in 2014).

Northeast Vancouver includes the neighbourhoods of Mt. Pleasant, Strathcona, Grandview-Woodland and Hastings-Sunrise.



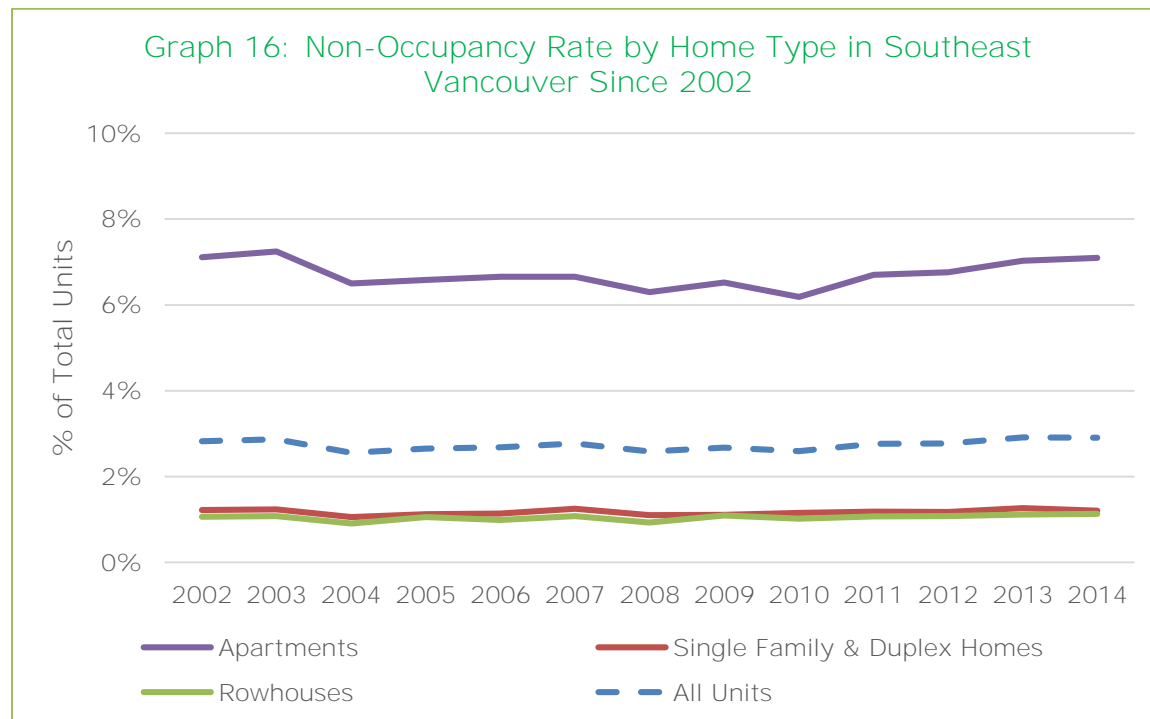
Notes: Non-Occupancy defined as no occupancy for 12 month period from August to July (ending the year noted above), inclusive. Apartments include purpose-built rental units and condominiums.

Source: Ecotagious analysis of anonymized residential electricity consumption data from BC Hydro, 2015.

## Non-Occupancy in Southeast Vancouver has been stable

The overall Non-Occupancy rate in Single Family and Duplex housing-dominated Southeast Vancouver has been stable (2.8% in 2002; 2.9% in 2014).

Southeast Vancouver includes the neighbourhoods of Renfrew-Collingwood, Kensington-Cedar Cottage, Riley Park, Oakridge, Marpole, Sunset, Victoria-Fraserview and Killarney.



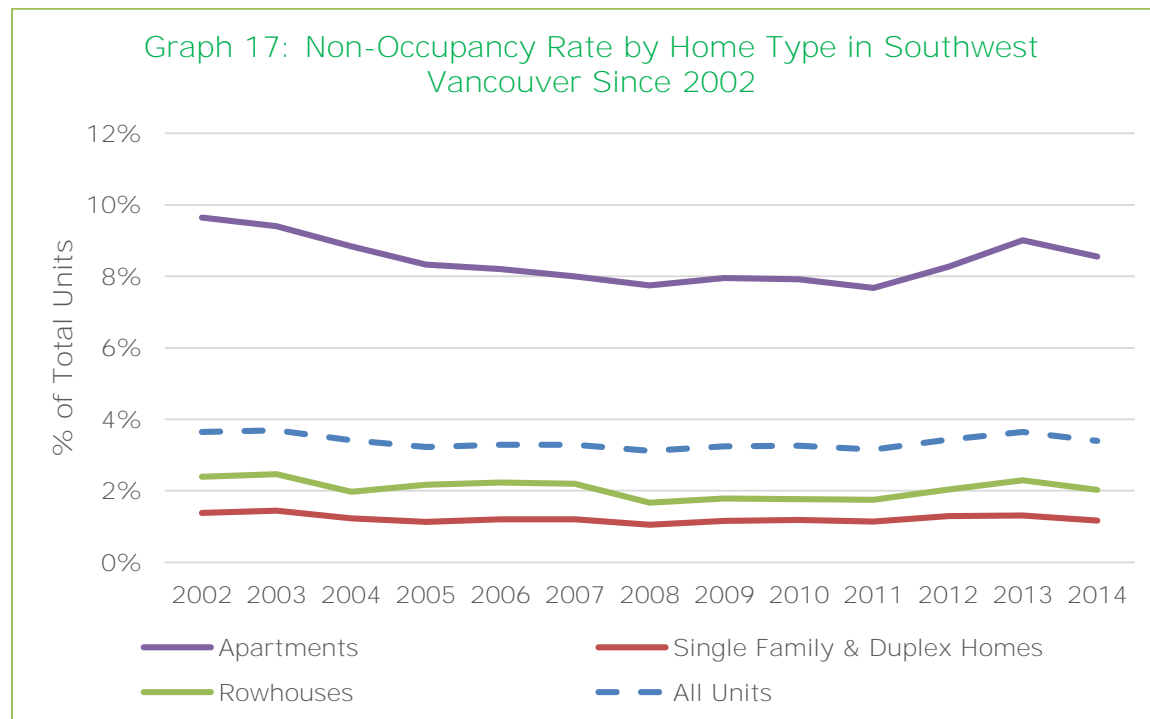
Notes: Non-Occupancy defined as no occupancy for 12 month period from August to July (ending the year noted above), inclusive. Apartments include purpose-built rental units and condominiums.

Source: Ecotagious analysis of anonymized residential electricity consumption data from BC Hydro, 2015.

## Non-Occupancy in Southwest Vancouver has been stable

The overall Non-Occupancy rate in Southwest Vancouver has been stable (3.6% in 2002; 3.4% in 2014). The Non-Occupancy rate of the relatively small population of Apartments, however, has decreased from 9.6% in 2002 to 8.6% in 2014.

Southwest Vancouver includes the neighbourhoods of South Cambie, Shaughnessy, Arbutus-Ridge, Dunbar-Southlands and Kerrisdale.

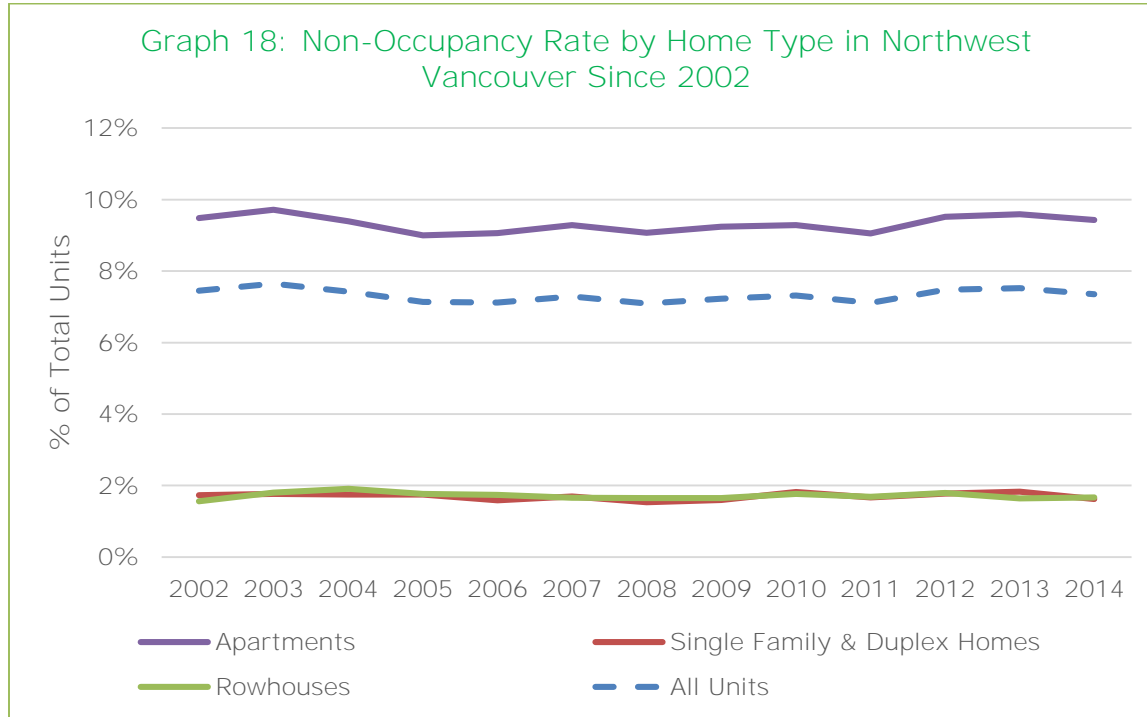


Notes: Non-Occupancy defined as no occupancy for 12 month period from August to July (ending the year noted above), inclusive. Apartments include purpose-built rental units and condominiums.

Source: Ecotagious analysis of anonymized residential electricity consumption data from BC Hydro, 2015.

## Non-Occupancy in Northwest Vancouver has been relatively stable

The overall Non-Occupancy rate in Northwest Vancouver (Fairview, Kitsilano and West Point Grey) has been relatively stable (7.5% in 2002; 7.4% in 2014).



Notes: Non-Occupancy defined as no occupancy for 12 month period from August to July (ending the year noted above), inclusive. Apartments include purpose-built rental units and condominiums.

Source: Ecotagious analysis of anonymized residential electricity consumption data from BC Hydro, 2015.

## Conclusion

An analysis of residential electricity meter data in the GVRD, in combination with a number of other data sources, has determined a relatively stable Non-Occupancy rate within the City of Vancouver from 2002 to 2014, at which time it was 4.8%. More detailed analysis, included in this report, shows that the Non-Occupancy rate is in-line with that of the rest of the GVRD, and fairly uniform throughout the geographic sectors of the City. The analysis did show that Apartments, which represent 60% of the **CoV's** residential housing mix, are driving Non-Occupancy in the City at 7.2% in 2014.

This report provides an extensive analysis of electricity consumption data on housing occupancy in the City of Vancouver, and the findings are consistent with those from other studies. However, the findings are not comprehensive and bring forth additional questions that may warrant additional research using complementary sources of information.



## About the Authors

**Bruce Townson** is the CEO at Ecotagious and a topic expert on using data analytics to derive insights and deliver energy savings. **Dr. Ryan Gandy** is a Database Development Consultant at Ecotagious and a topic expert in database management. **Dr. Roger Donaldson** is a Data Science Consultant at Ecotagious, an Adjunct Professor in the Department of Mathematics at the University of British Columbia, and a topic expert on data analytics. **Dustin Johnson** is a Data Scientist at Ecotagious.

## Acknowledgements

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- Cathy Rupp and Dennis Nelson, *BC Hydro*
- Edna Cho and Matthew Bourke, *Vancouver Affordable Housing Agency*
- Richard Sam, *CMHC*
- Margaret Eberle, *Metro Vancouver*
- Karen Hemmingson and Tammy Bennet, *BC Housing*

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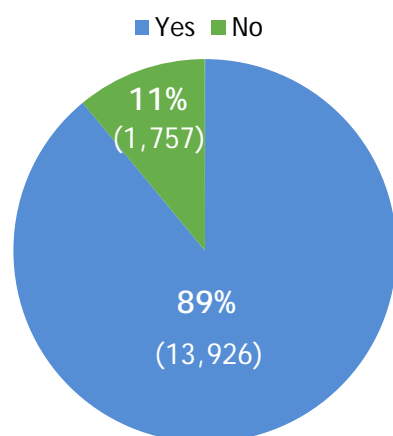
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## Appendix B: 2016 Results of Talk Vancouver Survey on Empty Homes

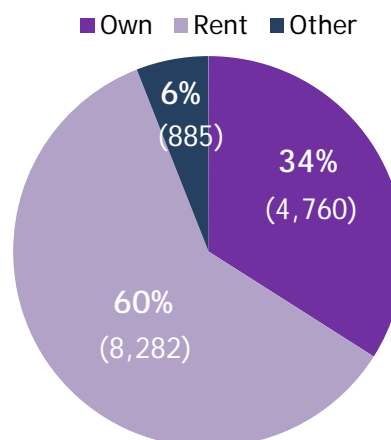
### Summary of Survey Results

Over 15,000 people responded to the Talk Vancouver Survey on Empty Homes which ran from May 2 to May 16, 2016. The survey asked participants what they thought of the City taking action on empty homes and the specific tools available that could address this issue.

Survey Respondents: Are you a resident of Vancouver?



Survey Respondents: Do you Rent or Own?



There was clear indication that survey respondents agree that the number of empty homes in Vancouver is a problem with 91% (14,244 respondents) agreeing to this statement. A further 88% (12,759 respondents) agree that the City should advocate for senior government actions to reduce the number of empty homes in Vancouver.

The majority of respondents were in support of the following tools to address the issue of empty homes:

- Encourage the construction of homes that are most likely to be occupied, such as purpose built rental housing and townhomes.
  - Agree - 83% (12,951)
  - Disagree - 7% (1,061)
- Increase taxes on "Flipping" or re-selling homes in a short period of time.
  - Agree - 85% (13,471)
  - Disagree - 7% (1,126)

91% (12,257 respondents) agreed that higher taxes on empty homes should be targeted towards owners with very few economic ties to BC, such as owners who do not pay income taxes in BC. 84% (13,152 respondents) agreed that owners who occupy or rent out their home should receive an annual tax credit and pay less property tax than owners who leave their home empty.

## Detailed Survey Results

### Your Opinion about the City of Vancouver's Empty Homes Study and the Need for Government Action

What are your opinions about the following statements?

	The findings of the Vancouver Empty Homes Study are what I would have expected, based on my day-to-day experience in Vancouver.	The number of empty homes in Vancouver is a problem.	If the owner of a property wants to keep it empty, that's their right.	The City should advocate for senior government actions to reduce the number of empty homes in Vancouver
Strongly Agree	4189	10997	1034	9491
	27%	70%	7%	61%
Agree	5288	3247	2512	4268
	34%	21%	16%	27%
Neutral	2228	710	3006	1004
	14%	5%	19%	6%
Disagree	2613	431	5097	449
	17%	3%	33%	3%
Strongly Disagree	1364	298	4033	471
	9%	2%	26%	3%
Did not answer	1	0	1	0
	0%	0%	0%	0%

Over half of respondents (61% or 9,477 respondents) agreed or strongly agreed that the findings of the Vancouver Empty Homes Study are what they would have expected, based on their day-to-day experience in Vancouver. 26% (3,977 respondents) disagreed or strongly disagreed.

The vast majority of survey respondents (91% or 14,244 respondents) agreed or strongly agreed that the number of empty homes in Vancouver is a problem and 88% (13,759 respondents) agreed or strongly agreed that the City should advocate for senior government actions to reduce the number of empty homes.

A little over half of respondents (59% or 9,130 respondents) disagreed or strongly disagreed that it is the right of a property owner to keep their property empty.

What is your opinion about the following statement?

*The City and senior governments should encourage the construction of homes that are most likely to be occupied, such as purpose built rental housing and townhomes.*

	Total	Tenure			Age						
		Own	Rent	Other	19 and under	20-29	30-39	40-49	50-59	60-69	70+
Total	15683	4760	8282	885	176	4918	5806	2428	1309	808	237
Strongly Agree	8076	1926	4859	420	81	2496	3031	1239	660	429	140
	51%	40%	59%	47%	46%	51%	52%	51%	50%	53%	59%
Agree	4875	1655	2357	282	60	1577	1795	777	396	215	55
	31%	35%	28%	32%	34%	32%	31%	32%	30%	27%	23%
Neutral	1671	655	707	110	26	558	596	231	144	90	25
	11%	14%	9%	12%	15%	11%	10%	10%	11%	11%	11%
Disagree	744	344	265	55	9	218	274	116	64	50	13
	5%	7%	3%	6%	5%	4%	5%	5%	5%	6%	5%
Strongly Disagree	317	180	94	18	0	69	110	65	45	24	4
	2%	4%	1%	2%	0%	1%	2%	3%	3%	3%	2%
Merged: Strongly Agree OR Agree	12951	3581	7216	702	141	4073	4826	2016	1056	644	195
	83%	75%	87%	79%	80%	83%	83%	83%	81%	80%	82%
Merged: Disagree OR Strongly Disagree	1061	524	359	73	9	287	384	181	109	74	17
	7%	11%	4%	8%	5%	6%	7%	7%	8%	9%	7%

The majority of survey respondents (83% or 12,951 respondents) agreed or strongly agreed that the City and senior governments should encourage the construction of homes that are most likely to be occupied, such as purpose built rental housing and townhomes.

This support was high amongst both owners (75% or 524 respondents) and renters (87% or 359 respondents) as well across all age groups (80% - 83% agreement levels).

What is your opinion about the following statement?

*New strata buildings should be prohibited from restricting rentals.*

	Total	Tenure			Age						
		Own	Rent	Other	19 and under	20-29	30-39	40-49	50-59	60-69	70+
<b>Total</b>	15683	4760	8282	885	176	4918	5806	2428	1309	808	237
<b>Strongly Agree</b>	5697	1074	3753	302	54	2100	2209	767	347	169	51
	36%	23%	45%	34%	31%	43%	38%	32%	27%	21%	22%
<b>Agree</b>	4471	1229	2467	265	49	1508	1683	671	316	185	58
	29%	26%	30%	30%	28%	31%	29%	28%	24%	23%	24%
<b>Neutral</b>	2284	791	1016	163	45	694	812	344	219	126	44
	15%	17%	12%	18%	26%	14%	14%	14%	17%	16%	19%
<b>Disagree</b>	2079	1023	683	111	23	425	744	397	255	184	51
	13%	21%	8%	13%	13%	9%	13%	16%	19%	23%	22%
<b>Strongly Disagree</b>	1152	643	363	44	5	191	358	249	172	144	33
	7%	14%	4%	5%	3%	4%	6%	10%	13%	18%	14%
<b>Merged: Strongly Agree OR Agree</b>	10168	2303	6220	567	103	3608	3892	1438	663	354	109
	65%	48%	75%	64%	59%	73%	67%	59%	51%	44%	46%
<b>Merged: Disagree OR Strongly Disagree</b>	3231	1666	1046	155	28	616	1102	646	427	328	84
	21%	35%	13%	18%	16%	13%	19%	27%	33%	41%	35%

Over half of respondents (65% or 10,168 respondents) agreed or strongly agreed that new strata buildings should be prohibited from restricting rentals. This agreement was higher amongst renters (75% or 6,220 respondents) than owners (48% or 2,303 respondents).

Older age groups (60 +) were more evenly split between agreement and disagreement than were younger age groups which were more weighted towards support of the statement.

What is your opinion about the following statement?

*Investors should be taxed for re-selling homes in a short period of time.*

	Total	Tenure			Age						
		Own	Rent	Other	19 and under	20-29	30-39	40-49	50-59	60-69	70+
Total	15683	4760	8282	885	176	4918	5806	2428	1309	808	237
Strongly Agree	10815	3121	5970	609	88	3076	4156	1751	956	609	178
	69%	66%	72%	69%	50%	63%	72%	72%	73%	75%	75%
Agree	2656	837	1319	152	35	1007	895	394	170	118	37
	17%	18%	16%	17%	20%	20%	15%	16%	13%	15%	16%
Neutral	1086	300	584	73	32	460	369	111	75	29	10
	7%	6%	7%	8%	18%	9%	6%	5%	6%	4%	4%
Disagree	709	288	286	25	15	261	253	96	57	21	6
	5%	6%	3%	3%	9%	5%	4%	4%	4%	3%	3%
Strongly Disagree	417	214	123	26	6	114	133	76	51	31	6
	3%	4%	1%	3%	3%	2%	2%	3%	4%	4%	3%
Merged: Strongly Agree OR Agree	13471	3958	7289	761	123	4083	5051	2145	1126	727	215
	86%	83%	88%	86%	70%	83%	87%	88%	86%	90%	91%
Merged: Disagree OR Strongly Disagree	1126	502	409	51	21	375	386	172	108	52	12
	7%	11%	5%	6%	12%	8%	7%	7%	8%	6%	5%

The majority of respondents (86% or 13,471 respondents) agreed or strongly agreed that investors should be taxed for re-selling their homes in a short period of time. This level of support was consistent for both owners and renters as well as across all age groups.

The highest levels of support were amongst older age groups (60+) at around 90% of respondents.

What is your opinion on the following statements?

	Owners who occupy or rent out their home should receive an annual tax credit and pay less property tax than owners who leave their home empty.	The tax credit for occupied homes should be administered using an application process that is similar to what is currently in place for the homeowner grant.	Higher taxes on empty homes should not be applied to seniors, veterans, or persons with disabilities.	Higher taxes on empty homes should be targeted towards owners with very few economic ties to BC, such as owners who do not pay income taxes in BC.	Revenue generated from additional taxes on empty homes should be used to create affordable housing in the city that it was collected in.
Strongly Agree	8397	4032	3232	12831	10591
	54%	26%	21%	82%	68%
Agree	4755	5658	3334	1426	2948
	30%	36%	21%	9%	19%
Neutral	1212	4951	3177	585	1297
	8%	32%	20%	4%	8%
Disagree	789	637	3680	413	407
	5%	4%	23%	3%	3%
Strongly Disagree	530	405	2260	428	440
	3%	3%	14%	3%	3%

The highest level of support amongst respondents (91% or 14,257 respondents agree or strongly agree) was to target higher taxes on empty homes towards owners with very few economic ties to BC. 87% (13,539 respondents) agreed or strongly agreed that revenue generated from additional taxes on empty homes should be used to create affordable housing in the city that it was collected in.

84% (13,152 respondents) agreed or strongly agreed that owners who occupy or rent their home should receive an annual tax credit and pay less property tax than those who leave their home empty. 62% (9,690 respondents) agreed or strongly agreed that this tax credit should be administered using a similar process as the current homeowner grant.

Less than half of respondents (42% or 6,566 respondents) agreed that higher taxes on empty homes should not be applied to seniors, veterans or persons with disabilities.

The maximum amount of time that a home can be left empty before being subject to higher property taxes and becoming ineligible for the tax credit should be:

	Total	Tenure			Age						
		Own	Rent	Other	19 and under	20-29	30-39	40-49	50-59	60-69	70+
<b>Total</b>	15683	4760	8282	885	176	4918	5806	2428	1309	808	237
<b>6 months</b>	9931	2721	5612	560	92	2947	3817	1590	823	505	157
	63%	57%	68%	63%	52%	60%	66%	65%	63%	63%	66%
<b>12 months</b>	4667	1465	2334	271	71	1693	1664	651	338	196	53
	30%	31%	28%	31%	40%	34%	29%	27%	26%	24%	22%
<b>24 months</b>	426	178	169	31	7	161	121	70	36	27	4
	3%	4%	2%	4%	4%	3%	2%	3%	3%	3%	2%
<b>Owners should not be charged additional taxes if they choose to leave their property empty.</b>	659	396	167	23	6	117	204	117	112	80	23
	4%	8%	2%	3%	3%	2%	4%	5%	9%	10%	10%

The majority of respondents (63% or 9,931 respondents) think that a home should be left empty for a maximum of 6 months before being subject to higher property taxes and becoming ineligible for the tax credit. Almost a third of respondents believe this length of time should be 12 months.

Slightly more renters than owners were in favour of the shortest time period of 6 months. Over half of all respondents in each age group were in favour of the 6 month period.



Are there any other ideas you want to share with us about empty homes and housing affordability overall?

	Total	Tenure			Age						
		Own	Rent	Other	19 and under	20-29	30-39	40-49	50-59	60-69	70+
Total	15683	4760	8282	885	176	4918	5806	2428	1309	808	237
Answered	7298	2293	3733	493	54	1894	2675	1265	763	502	145
	47%	48%	45%	56%	31%	39%	46%	52%	58%	62%	61%
Did not answer	8385	2467	4549	392	122	3024	3131	1163	546	306	92
	53%	52%	55%	44%	69%	61%	54%	48%	42%	38%	39%

A little under half (7,298) of all respondents provided additional ideas about empty homes and housing affordability in Vancouver. Their comments are summarized in the following section, "Idea Generation - Key Messages/Themes".

## About You

Are you a resident of Vancouver?

	Total	Tenure			Age						
		Own	Rent	Other	19 and under	20-29	30-39	40-49	50-59	60-69	70+
Total	15683	4760	8282	885	176	4918	5806	2428	1309	808	237
Yes	13926	4760	8281	885	151	4327	5188	2181	1161	700	217
	89%	100%	100%	100%	86%	88%	89%	90%	89%	87%	92%
No	1757	0	1	0	25	591	618	247	148	108	20
	11%	0%	0%	0%	14%	12%	11%	10%	11%	13%	8%

The majority of survey respondents (89% or 13,926 respondents) are residents of Vancouver. 30% (4,760 respondents) were owners and 53% (8,282 respondents) were renters.

Over half of respondents (68% or 10,724 respondents) were between the ages of 20 to 39.

Do you own or rent your home in Vancouver?

	Total	Tenure			Age						
		Own	Rent	Other	19 and under	20-29	30-39	40-49	50-59	60-69	70+
Total	13927	4760	8282	885	151	4327	5189	2181	1161	700	217
Own	4760	4760	0	0	57	592	1641	1085	723	503	159
	34%	100%	0%	0%	38%	14%	32%	50%	62%	72%	73%
Rent	8282	0	8282	0	64	3310	3322	988	382	167	48
	59%	0%	100%	0%	42%	76%	64%	45%	33%	24%	22%
Other	885	0	0	885	30	425	226	108	56	30	10
	6%	0%	0%	100%	20%	10%	4%	5%	5%	4%	5%

Of the respondents who live in Vancouver, 34% (4,760 respondents) own their home and 60% (8,282 respondents) rent. The majority of respondents aged 20 to 39 are renters. Ownership levels are higher for ages 50+.

Do you own more than one property in Vancouver?

	Total	Tenure			Age						
		Own	Rent	Other	19 and under	20-29	30-39	40-49	50-59	60-69	70+
Total	4760	4760	0	0	57	592	1641	1085	723	503	159
Yes	512	512	0	0	8	48	166	147	85	44	14
	11%	11%	0%	0%	14%	8%	10%	14%	12%	9%	9%
No	4248	4248	0	0	49	544	1475	938	638	459	145
	89%	89%	0%	0%	86%	92%	90%	86%	88%	91%	91%

Of the Vancouver resident owners, 11% (512 respondents) own more than one property in the city. The majority of resident owners, 89% (4,248 respondents) own only one property. Rates of ownership of multiple properties were highest among the age group 30 to 49 years.

Is this additional property (or properties) being rented out?

	Total	Tenure			Age						
		Own	Rent	Other	19 and under	20-29	30-39	40-49	50-59	60-69	70+
<b>Total</b>	512	512	0	0	8	48	166	147	85	44	14
<b>Yes</b>	444	444	0	0	7	38	148	127	73	39	12
	87%	87%	0%	0%	88%	79%	89%	86%	86%	89%	86%
<b>Some but not all</b>	20	20	0	0	0	3	4	7	4	2	0
	4%	4%	0%	0%	0%	6%	2%	5%	5%	5%	0%
<b>No</b>	47	47	0	0	1	7	14	13	7	3	2
	9%	9%	0%	0%	13%	15%	8%	9%	8%	7%	14%
<b>Did not answer</b>	1	1	0	0	0	0	0	0	1	0	0
	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%

The majority of respondents (87% or 444 respondents) who own more than one property are renting their additional property.

(Non-resident ownership) Do you own a property in Vancouver?

	Total	Tenure			Age						
		Own	Rent	Other	19 and under	20-29	30-39	40-49	50-59	60-69	70+
<b>Total</b>	1758	1	1	0	25	591	618	248	148	108	20
<b>Yes</b>	61	0	0	0	0	13	20	11	5	10	2
	3%	0%	0%	0%	0%	2%	3%	4%	3%	9%	10%
<b>No</b>	1697	1	1	0	25	578	598	237	143	98	18
	97%	100%	100%	0%	100%	98%	97%	96%	97%	91%	90%

The majority of respondents (97% or 1,679 respondents) who are not residents of Vancouver do not own a property in the city.

(Non-resident owner property rented) Is this property (or properties) rented?

	Total	Tenure			Age						
		Own	Rent	Other	19 and under	20-29	30-39	40-49	50-59	60-69	70+
Total	61	0	0	0	0	13	20	11	5	10	2
Yes	47	0	0	0	0	10	17	8	4	8	0
	77%	0%	0%	0%	0%	77%	85%	73%	80%	80%	0%
Some but not all	4	0	0	0	0	1	0	0	1	1	1
	7%	0%	0%	0%	0%	8%	0%	0%	20%	10%	50%
No	10	0	0	0	0	2	3	3	0	1	1
	16%	0%	0%	0%	0%	15%	15%	27%	0%	10%	50%

Of the respondents who are not residents of Vancouver and who own more than one property, 77% (47 respondents) are renting that property (or properties).

What is the postal code for your residence?

	Total	Tenure			Age						
		Own	Rent	Other	19 and under	20-29	30-39	40-49	50-59	60-69	70+
Total	13743	3719	7545	800	171	4737	5265	2025	948	484	113
Downtown	2129	548	1497	68	7	611	969	319	149	65	9
	15%	15%	20%	9%	4%	13%	18%	16%	16%	13%	8%
North-East	2417	660	1616	127	7	766	1083	381	125	50	5
	18%	18%	21%	16%	4%	16%	21%	19%	13%	10%	4%
North-West	1996	586	1300	94	29	612	792	296	158	85	24
	15%	16%	17%	12%	17%	13%	15%	15%	17%	18%	21%
South-East	1983	667	1161	144	20	663	746	363	120	57	14
	14%	18%	15%	18%	12%	14%	14%	18%	13%	12%	12%
South-West	1055	395	565	87	11	345	275	189	134	75	26
	8%	11%	7%	11%	6%	7%	5%	9%	14%	15%	23%
Not found in Vancouver postal code database	4163	863	1406	280	97	1740	1400	477	262	152	35
	30%	23%	19%	35%	57%	37%	27%	24%	28%	31%	31%

	Total	Tenure			Age						
		Own	Rent	Other	19 and under	20- 29	30- 39	40- 49	50- 59	60- 69	70+
Total	13743	3719	7545	800	171	4737	5265	2025	948	484	113
West End	1096	183	871	36	2	301	479	175	91	43	5
	8%	5%	12%	5%	1%	6%	9%	9%	10%	9%	4%
False Creek	1033	365	626	32	5	310	490	144	58	22	4
	8%	10%	8%	4%	3%	7%	9%	7%	6%	5%	4%
Vancouver Broadway	1629	452	1097	74	7	503	768	230	80	34	7
	12%	12%	15%	9%	4%	11%	15%	11%	8%	7%	6%
Vancouver South	1029	336	637	51	9	340	361	183	92	37	7
	7%	9%	8%	6%	5%	7%	7%	9%	10%	8%	6%
Vancouver Kerrisdale	583	258	259	63	7	182	122	102	88	61	21
	4%	7%	3%	8%	4%	4%	2%	5%	9%	13%	19%
Vancouver Kitsilano	1380	416	889	60	23	438	520	198	118	66	17
	10%	11%	12%	8%	13%	9%	10%	10%	12%	14%	15%
Vancouver SE	536	182	284	68	8	173	194	103	33	19	6
	4%	5%	4%	9%	5%	4%	4%	5%	3%	4%	5%
Vancouver East	1228	381	758	76	11	429	477	212	66	25	8
	9%	10%	10%	10%	6%	9%	9%	10%	7%	5%	7%
Vancouver Port	1066	283	718	60	2	321	454	201	60	25	3
	8%	8%	10%	8%	1%	7%	9%	10%	6%	5%	3%
Not found in Vancouver postal code database	4163	863	1406	280	97	1740	1400	477	262	152	35
	30%	23%	19%	35%	57%	37%	27%	24%	28%	31%	31%

Building type - what type of building do you live in?

	Total	Tenure			Age						
		Own	Rent	Other	19 and under	20-29	30-39	40-49	50-59	60-69	70+
<b>Total</b>	13743	3719	7545	800	171	4737	5265	2025	948	484	113
<b>Single, detached house</b>	4437	1412	1889	402	85	1565	1342	747	423	212	63
	32%	38%	25%	50%	50%	33%	25%	37%	45%	44%	56%
<b>Duplex or townhouse</b>	1682	571	645	131	39	488	669	288	127	59	12
	12%	15%	9%	16%	23%	10%	13%	14%	13%	12%	11%
<b>Apartment or condominium</b>	6905	1692	4500	190	35	2378	3009	901	370	178	34
	50%	45%	60%	24%	20%	50%	57%	44%	39%	37%	30%
<b>Other</b>	719	44	511	77	12	306	245	89	28	35	4
	5%	1%	7%	10%	7%	6%	5%	4%	3%	7%	4%

Half of survey respondents (6,905 respondents) live in an apartment or condominium, about one third (4,437 respondents) live in a single detached house and 12% (1,682 respondents) live in a duplex or townhouse.

Which of the following age groups do you fall into?

	Total	Tenure			Age						
		Own	Rent	Other	19 and under	20-29	30-39	40-49	50-59	60-69	70+
<b>Total</b>	13743	3719	7545	800	171	4737	5265	2025	948	484	113
<b>19 and under</b>	171	54	62	30	171	0	0	0	0	0	0
	1%	1%	1%	4%	100%	0%	0%	0%	0%	0%	0%
<b>20-29 years</b>	4737	565	3186	408	0	4737	0	0	0	0	0
	34%	15%	42%	51%	0%	100%	0%	0%	0%	0%	0%
<b>30-39 years</b>	5265	1419	3037	211	0	0	5265	0	0	0	0
	38%	38%	40%	26%	0%	0%	100%	0%	0%	0%	0%
<b>40-49 years</b>	2025	858	852	86	0	0	0	2025	0	0	0
	15%	23%	11%	11%	0%	0%	0%	100%	0%	0%	0%
<b>50-59 years</b>	948	486	285	42	0	0	0	0	948	0	0
	7%	13%	4%	5%	0%	0%	0%	0%	100%	0%	0%
<b>60-69 years</b>	484	266	104	18	0	0	0	0	0	484	0
	4%	7%	1%	2%	0%	0%	0%	0%	0%	100%	0%

70+ years	113	71	19	5	0	0	0	0	0	0	113
	1%	2%	0%	1%	0%	0%	0%	0%	0%	0%	100%

### Gender - do you identify as...?

	Total	Tenure			Age						
		Own	Rent	Other	19 and under	20-29	30-39	40-49	50-59	60-69	70+
Total	13743	3719	7545	800	171	4737	5265	2025	948	484	113
Male	5655	1537	3198	280	72	1930	2285	839	333	160	36
	41%	41%	42%	35%	42%	41%	43%	41%	35%	33%	32%
Female	7270	1948	3918	446	84	2534	2687	1048	548	299	70
	53%	52%	52%	56%	49%	53%	51%	52%	58%	62%	62%
Transgender	77	14	51	7	3	41	18	9	5	1	0
	1%	0%	1%	1%	2%	1%	0%	0%	1%	0%	0%
None of the above. I identify as	132	15	90	9	5	62	40	16	5	2	2
	1%	0%	1%	1%	3%	1%	1%	1%	1%	0%	2%
Prefer not to say	609	205	288	58	7	170	235	113	57	22	5
	4%	6%	4%	7%	4%	4%	4%	6%	6%	5%	4%

### Idea Generation: Key Messages/Themes

7,298 people provided a response to the open ended question, "Are there any other ideas you want to share with us about empty homes and housing affordability overall?" Many of the respondents shared personal stories of the difficulties finding appropriate and affordable housing for a range of life circumstances in Vancouver. Others expressed anxiety around whether or not they and their children would be able to afford to stay in the city.

While many different ideas were presented on both specific actions to discourage empty homes in Vancouver, a number of specific themes emerged among the responses to this question.

Theme	Example comments from the survey
Limit and/or more closely regulate foreign investment and ownership in residential property in Vancouver.	<i>"I think that there should be a policy about limiting foreign investors purchasing real estate in Vancouver, especially when you have local residents not being able to afford rent or buying a place of their own."</i>

<p>About 30% of responses related to this theme. This theme referenced investment both from overseas and within Canada as an issue. A strong desire to enable affordable ownership and rental among people who live and work in Vancouver was expressed.</p>	<p><i>"With many families juggling multiple jobs just to be able to afford rents in the city, I would really like to see foreign owners pay extra tax as the money they are earning is not going back to the community they own property in."</i></p> <p><i>"Residency requirements should be considered as part of property ownership as they are in other jurisdictions (eg. Australia, New Zealand). Housing in Vancouver is being treated by non-resident buyers as an investment; but for those of us who live and work in the region it is a basic necessity -- one that is nigh impossible for first-time buyers and near unaffordable for renters."</i></p>
<p><b>Ensure that any tax penalties on vacant homes are well-targeted and consider implications for a wide range of life circumstances.</b></p> <p>About 12% of responses related to this theme. Respondents encouraged the City to explore other ways to create disincentives to leaving homes empty, such as an incremental tax on multiple residential properties.</p>	<p><i>"Exemptions from the proposed home vacancy tax penalties should not be based on a demographic class such as the elderly, veterans or disabled people but rather be based on financial ability. There are people in all those named classes who have the financial ability to pay higher taxes for leaving a home vacant, and they should be penalized for it."</i></p> <p><i>"When applying higher taxes on "empty" homes we have to be careful to allow owners with legitimate reasons such as short term absence for employment reasons, temporary absence due to illness etc. to be exempt from those tax increases."</i></p> <p><i>"Notwithstanding my response in favour of taxing empty homes, I'm equally concerned that any regulation that is implemented will become yet another bureaucratic mess that has no affect and that those it targets finds loop holes and avoid being taxed."</i></p>
<p><b>Focus on creating more rental and ownership housing that is truly affordable for residents requiring social housing and housing that is suitable for families.</b></p> <p>About 10% of responses related to this theme. A desire for more varied housing choice including co-operatives, townhomes and row housing was expressed as well as a need for more pet-friendly rental options.</p>	<p><i>"My fundamental concern is availability of affordable housing. The solution tends more toward building new housing rather than cracking down on perceived empty homes."</i></p> <p><i>"I would like to see more unique solutions that are targeted towards the changing demographics of our city. Examples include more co-housing spaces, co-ops, laneway houses, and other spaces that promote community-building and affordable rent."</i></p> <p><i>"We need to find a way to incentivize the development of bigger, affordable condos. I grew up in this city, and my partner and I are both professionals with a newborn baby and two small dogs. We'd like to have another baby soon. We are temporarily living in very cramped quarters with our parents because we struggle to find something that we can afford"</i></p>



	<i>that is more than 1 bedroom or over 800 square feet. If young families need to divorce themselves from the goal of purchasing single detached homes (and I'm fine with this ideological shift!) there needs to be an alternative that is workable for families: three bedroom condos that are pet friendly..."</i>
<p><b>Regulate the real estate industry to prevent house flipping and residential speculation.</b></p> <p>About 5% of responses related to this theme. Many respondents expressed the belief that a home should not be treated solely as an investment. There was also a desire to limit the opportunity for money laundering and other illegal activities.</p>	<p><i>"We need policies that help change the role of housing from "investments" to places where people live."</i></p> <p><i>"Outlaw agents talking home owners into quick sales for lower than market, and then selling to a buyer before the original deal closed, at a higher price. This allows the agent to drive up prices, and avoid paying sales tax, on second sale"</i></p> <p><i>"The government should create regulations for realtors and realty companies to stop flipping and the use of "dark money" to tie up houses and condos."</i></p> <p><i>"Taxing ALL investors is a must. Shelter should be a basic human right. When a single investor or investor group are making millions off of 2, 5, 10, or hundreds of homes, and others have no opportunity to buy or even rent, regulation is needed. Homes shouldn't be a business for the rich to get richer. MASSIVE taxes on flipping homes and real estate speculation is needed. It's an absolutely immoral form of investing."</i></p>
<p><b>The analysis of housing occupancy commissioned by the City of Vancouver was flawed and the results do not reflect the lived reality of Vancouverites.</b></p> <p>About 4% of responses related to this theme. Respondents referenced data limitations to suggest that the actual count of empty homes is higher. A belief that this issue has hit certain neighbourhoods harder than others was also expressed.</p>	<p><i>"The conclusions of the study are misleading. There are many more condos in existence since 2002, yet the percentage of empty remains the same. This indicates a serious situation the city should be working on much harder than it appears to be."</i></p> <p><i>"The survey stating that empty homes are at the same percentage as they have always been is flawed and did not capture the truth about this issue. I have lived in Vancouver for 59 years in the same neighborhood and it is obvious there has been a significant increase over the last 20 yrs."</i></p> <p><i>"I don't think that the study was a very good proxy (using hydro) because people go back and turn on their electricity to show that it is not empty. I think there is a very high proportion of empty single detached houses on the west side of Vancouver."</i></p>

<p><b>Better regulate and tax short term rental as they damage rental market availability for residents.</b></p> <p>About 4% of responses related to this theme. This theme also mentioned the impact on the sense of community in multi-unit buildings when a large portion of the units are used for short-term rentals.</p>	<p><i>"Enforce existing laws relating to short term rentals to help with the rental stock in the city. AirBnb, while great as a consumer, must adversely affect the rental stock."</i></p> <p><i>"I think short-term vacation rentals may be causing more of a problem than empty homes."</i></p> <p><i>"Property owners renting out entire units on airbnb and the like for continuous periods of time should be subject to regulation and taxed. I know of local investors who have bought units solely for the purpose of renting out on airbnb. They are paying no tax and taking away possible rental from residents."</i></p>
<p><b>This is not an issue the City should be involved in, it is a homeowners right to decide what to do with their home.</b></p> <p>About 2% of responses related to this theme. Respondents clarified that owners should pay their taxes and maintain their property, however regulation beyond that should not occur.</p>	<p><i>"Don't create another impossible to police bureaucracy. Example: Does a senior/disabled person who is an offshore investor qualify? Empty homes is an issue that the City should not be involved with. Build more spaces suitable to families. Build more parks for people living in condos. Make transit better and cheaper."</i></p> <p><i>"In Canada, no level of government should force a property owner to rent/lease their private property. If I am able to afford a second home, pay my taxes, and otherwise live as a responsible citizen, Government bodies should not purposefully find ways to penalize me to satisfy their political agendas."</i></p> <p><i>"If someone pays for a home they have the right to what they please with their own home. Taxes are high enough and City Hall should stay out of homeowners personal life decisions."</i></p>

## Survey Questions

### **Vancouver Empty Homes Opinion Survey**

**We want to know what you think of the City taking action on empty homes and the specific tools available that could address it.**

The City of Vancouver recently completed a study investigating empty homes in Vancouver. The research study looked at 225,000 homes and found that:

- The percentage of empty homes has remained steady since 2002 - about 4.8% for all housing types.
- A total of 10,800 homes were empty for a year or more.
- Of all the empty homes, 90% were condos.
- Empty single-family and duplex homes remained at around 1%, the same as 2002.
- Census data shows that the percentage of empty apartment and condos in Vancouver is about the same as other large Canadian cities.

For the full research report, click [here](#).

**Share your thoughts on empty homes in Vancouver in this short questionnaire. Click "next" to begin.**

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### **Your Opinion about the City of Vancouver's Empty Homes Study and the Need for Government Action**

With Vancouver's significant affordability challenges we're concerned about the impact of empty homes on the already limited supply of rental housing. Vancouver's rental vacancy rate is at a record low of 0.6%.

The City has limited tools to enforce actions to discourage empty homes, so partnerships and support from senior government are critical to the City's next steps.

**We want to hear from YOU.** Your opinion about the need for action is an important part of the request we will present to senior governments.

### **What are your opinions about the following statements?**

*Please drag each item to a category or click on the category header.*

- The research study findings are what I would have expected based on my day-to-day experience in Vancouver.  
(Strongly Agree, Agree, Neutral, Disagree, Strongly Disagree)
- The number of empty homes in Vancouver is a problem.

(Strongly Agree, Agree, Neutral, Disagree, Strongly Disagree)

- If the owner of a property wants to keep it empty, that's their right.  
(Strongly Agree, Agree, Neutral, Disagree, Strongly Disagree)
- The City should advocate for Senior Government actions to reduce the number of empty homes in Vancouver.  
(Strongly Agree, Agree, Neutral, Disagree, Strongly Disagree)

### **Your Opinion about Specific Tools to Address the Number of Empty Homes**

The City has conducted research with local housing, real estate and legal public policy experts into potential actions to decrease the number of empty homes. We would like your opinion on the various options discussed through our work.

#### ***Increase the Supply of Homes Most Likely to be Occupied***

The study showed that 90% of the identified empty homes were condos. Purpose built rental housing and townhouses are most likely to be occupied.

**What is your opinion about the following statement?**

**The City and senior governments should encourage the construction of homes that are most likely to be occupied, such as purpose built rental housing and townhomes.**  
(Strongly Agree, Agree, Neutral, Disagree, Strongly Disagree)

#### ***Prohibiting Rental Restrictions in New Buildings***

Some condominium buildings have restrictions that prohibit owners from renting out their homes. This is one potential factor for why some condos are kept empty for long periods of time.

**What is your opinion about the following statement?**

**New strata buildings should be prohibited from restricting rentals.**  
(Strongly Agree, Agree, Neutral, Disagree, Strongly Disagree)

#### ***Increase Taxes on “Flipping” Homes***

The re-selling of homes in a short period of time or “flipping” can reduce the potential for a home to be owner occupied or rented out.

**What is your opinion about the following statement?**






**Investors should be taxed for re-selling homes in a short period of time.**

(Strongly Agree, Agree, Neutral, Disagree, Strongly Disagree)

***Higher Taxes on Empty Homes and Annual Tax Credits for Home Occupancy***

One proposal is to charge higher property taxes on empty homes. This could be implemented by charging additional taxes to all home owners, and those who occupy or rent out their homes can apply for a tax credit.

**What is your opinion on the following statements?**

		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Owners who occupy or rent out their home should receive an annual tax credit and pay less property tax than owners who leave their home empty.						
The tax credit for occupied homes should be administered using an application process that is similar to what is currently in place for the homeowner grant.						
Higher taxes on empty homes should not be applied to seniors, veterans, or persons with disabilities.						
Higher taxes on empty homes should be targeted towards owners with very few economic ties to BC, such as owners who do not pay income taxes in BC.						
Revenue generated from additional taxes on empty homes should be used to create affordable housing in the city that it was collected in.						

**The maximum amount of time that a home can be left empty before being subject to higher property taxes and becoming ineligible for the tax credit should be:**

- 6 months
- 12 months
- 24 months
- Owners should not be charged additional taxes if they choose to leave their property empty.

**Are there any other ideas you want to share with us about empty homes and housing affordability overall?**

*Please be as specific as possible.*

### **About You**

These last few questions help us determine how the feedback we receive represents the community. Individual responses are treated as anonymous and demographic information is always kept separate from personal identifiers.

**Are you a resident of Vancouver?**

**Do you own or rent your home in Vancouver?**

**What is the postal code for your residence?**

**What type of building do you live in?**

**Which one of the following age groups do you fall into?**

**Do you identify as...?**

*Appendix C: March 9<sup>th</sup> Expert Workshop Meeting notes*  
**Meeting Notes: Expert Session on Empty Homes**  
**March 9, 2016**



On March 9<sup>th</sup>, 2016, the City of Vancouver Office of Housing Policy and Projects convened a working session on Empty Homes. The session had two main objectives:

- 1) To provide an opportunity for local experts to hear about and comment on the City of Vancouver's Vacant Homes Research Study
- 2) To inform city staff recommendations to Council for specific actions for both City and Senior Government to reduce unused housing supply

The session was led by a professional facilitator, and participants in the working session included local academic, public sector, and industry experts. This document summarizes the day's discussion.

**Part 1: Presentation of Ecotagious Study by Bruce Townson (attached)**

The presentation was followed by a question and answer session, in which Mr. Townson addressed questions relating to the study methodology and conclusions:

- Would infrequent occupancy (for instance, from a domestic worker) register a home as occupied? Mr. Townson clarified that that the home would not register as occupied if the occupancy was 5 or fewer days in the month.
- What types of units were not included in the sample? Mr. Townson noted that due to aggregate metering for single-family homes with basement suites and in some apartment buildings, those buildings were not included in the study sample.
- What were the Type 1 and 2 error rates in the training dataset used to test Ecotagious's algorithm? Mr. Townson said that their training sets were quite accurate.

- Were district energy buildings included in the sample, and what impact might district energy heating have on the results? Mr. Townson answered that district energy buildings were included in the sample. He also clarified that because district energy systems in Vancouver are used for heating and not for electricity, the inclusion of these buildings would not have impacted the results.
- What assumptions were used to arrive at the '12.5% empty' figure for condos? Matthew Bourke, Housing Planner with the City of Vancouver, clarified that the 12.5% figure is a calculation based on an assumption that 0% of the rental apartments in the sample are empty. This assumption may not hold in all neighborhoods at any given time.

## **Part 2: Presentations from Academic Experts**

- Thomas Davidoff Presentation of the BC Housing Affordability Fund (attached)
- Rhys Kesselman Presentation on Progressive Property Surtax Proposal (attached)

## **Part 3: Analysis of Policy Options**

Following the presentations, participants were asked to engage in a strategic analysis discussion of three key steps:

- 1) Defining the Problem: How should we define the problem of empty homes and affordability challenges in Vancouver?
- 2) Selecting Assessment Criteria: What criteria should we use when evaluating possible options for government action in response to the empty homes problem?
- 3) Evaluating Ideas for Government Action: What ideas have been identified as possible government responses to the empty homes problem, and how do those options track with evaluation criteria identified in Step 2?

### ***Step 1: Defining the Problem***

Participants were asked to define the specific problem posed by empty homes in the City of Vancouver. One key question was whether the problem of empty homes is solely related to homes empty for twelve months or more, as identified in the City of Vancouver study, or whether all under-utilized housing presents an issue for residents, including second or vacation homes and homes occupied for only part of the year.

Another key question raised in the ensuing discussion was whether to focus on the narrow problem of how to bring empty homes back into use, or whether to broaden the scope of the problem to also include the issue of affordability and market growth both in Vancouver and in the region as a whole. There was a broad range of opinions on this issue, with some participants suggesting that there is insufficient data to tie the issue of empty homes to the broader issue of affordability. Others suggested a need for a more specific definition of un-affordability in the region, focused on comparing the type of housing that an average household can afford in Metro Vancouver to what they could afford in other major cities across Canada.



All participants agreed that there may not be a single answer to these problems – instead, they likely demand a collection of solutions from all levels of government. Actions to reduce the number of empty homes in Vancouver are just one part of this collection of solutions.

Participants suggested several possible definitions for the problem posed by empty homes as well as the broader affordability challenges in Vancouver:

**The Empty Homes Problem**

- Sub-optimal use of homes (homes being left empty or only part-time occupied by ‘astronaut families’ or snowbirds) is having a negative impact on neighborhood vibrancy, school enrolment, local businesses, and availability and affordability of long-term rental options in Vancouver.
- There are barriers to making currently empty condos available to renters, impacting rental affordability and choice in Vancouver.

**Affordability Challenges Overall**

- We are seeing broad public concern about affordability in all forms of housing stock, from renters experiencing rising rents and inability of families to access the homeownership market.
- Households with the same income and education background can’t afford the same level of housing in Vancouver and the region relative to cities with comparable amenities. This is a problem for the region’s economic viability, since talent and young people may ultimately not choose to live here.

***Step 2: Selecting Criteria for Evaluating Solutions:***

Following the discussion defining the problem of empty homes in Vancouver, participants were asked to discuss the criteria that are important to consider when evaluating possible policy solutions. These include criteria relating to the effectiveness of the policy in addressing the problem, as well as criteria relating to feasibility, equity, and fairness. Participants discussed the following list, agreeing that it is not comprehensive but represents some of the major issues that effective solutions must be weighed against:

- Potential of the solution to bring empty units into use as long-term rental
- Potential of the solution to raise revenue that could support affordable housing
- Legal authority to implement the solution
- Financial/resourcing implications of the policy solution
- Equity and fairness, both in terms of who is impacted by the policy and how revenues are distributed
- Unintended consequences
- Ability to evaluate policy effectiveness (i.e. availability of data)

**Step 3: Ideas Discussed for Government Action:**

Participants identified several ideas for government action in response to the problems identified in Step 1:

1. Survey or other tool to find out why homes are being under-occupied or left empty
2. Property tax regime or municipal levy aimed at penalizing owners of empty units and/or bringing units back into use, with proceeds collected for affordable housing
3. Reform to strata legislation that currently enables owners to restrict rental of strata units
4. Occupancy requirements in housing agreements for new developments requiring a certain percentage of units be either primary residences or rented out as long-term rental
5. Increased density through zoning policy
6. Prohibition of or penalties on short-term flipping of properties that are not being used as primary residences

Discussion about these ideas focused on how they address the problems identified in Step 2, as well as considerations related to the evaluation criteria in Step 3, including effectiveness at addressing the problem and feasibility in implementation. A summary of the discussion of each idea follows below:

**Idea #1: Identifying why units are being left empty**

In order to take effective action on the problem of empty homes, participants agreed that it is important to understand why homes are being left empty by their owners, suggesting a survey or other data collection tool. Participants suggested that many factors could be leading owners to leave their units empty, including strata rules, past experience with renters, or part-time occupancy by themselves or family.

Participants also agreed that it will be challenging to identify owners of empty units without a registry that required them to self-declare that their units are empty. Further, even if this were an option, a survey of these owners would risk being an under-count and an unrepresentative sample. Some participants suggested that there may be other ways to learn about why units are being left empty, including consultation with groups who might have experience working with absentee owners like scattered-site property management companies.

**Idea #2: Penalizing owners of empty homes through property tax or levy**

This idea was informed by the two proposals presented by Thomas Davidoff and Rhys Kesselman as ways to address the empty homes problem by penalizing absentee owners who do not rent out their properties. The solution would be implemented by imposing a special levy or raising taxes on all residential properties in the City and then allowing owners to be exempted if the property is owner occupied or rented out. The special levy or increase in tax could be progressive so that the penalty would increase as the value of the property increases.

Participants raised several considerations regarding the effectiveness and feasibility of using additional taxes or special levies to target absentee owners:

*Effectiveness of the proposals in addressing the problem of empty units*

Some participants suggested that a tax or special levy targeted to empty homes may only have a limited impact on the number of empty units or overall affordability. One reason for this is that owners targeted by the tax might choose to sell their units back into the market rather than rent them out. Another reason is even if owners targeted by the tax decided to rent out their units, some of these units may have high rents and would not serve people most in need of affordable rental housing.

Other participants noted that if a tax or special levy on empty homes was successful in bringing units back into use as rental, there could be a substantial impact on rental availability and affordability. Bringing just half of the 10,800 units identified as empty in the CoV study back into use would increase rental vacancy rate to around 9%.

Finally, some participants queried whether the penalty should also address the issue of what they considered to be other forms of 'wasted housing,' like empty nesters in large single family homes, snowbirds, or 'astronaut families.'

*Feasibility of implementation*

Several participants raised questions regarding how exemptions would be handled, documented, and enforced. Some suggested that taxpayers would declare eligibility for exemptions on their property tax bills, and then be required to provide supporting documents through periodic audits. Others suggested that the Province and Federal governments should develop back-end capacity to share data for the purposes of verifying exemptions. Finally, there was debate on the question of how the revenue from taxes on empty homes should be used, with some suggesting individual rebates to taxpayers and others suggesting use for developing affordable housing.

**Ideas #3 and #4: Reform to strata legislation permitting strata owners to restrict rental of strata units / Occupancy requirements in housing agreements for new strata**

These ideas were raised as ways to address the problem of strata rules limiting the extent to which condominium units can serve as rental housing. One option was exploring ways to reform strata legislation permitting strata owners to restrict or bar rental of units in their property. Another option was exploring whether occupancy requirements could be embedded in housing agreements for new strata, which could require a certain percentage of units to either be owner-occupied or occupied by renters.

Several participants suggested that before intervening in strata legislation, more research is needed to determine whether strata bylaws are the main reason why condominium units are being left empty. Participants were also not clear whether Charter authority is needed to use housing agreements or covenants to secure occupancy of newly built strata units, and how such provisions would be enforced to ensure compliance. There was also concern that an occupancy requirement in new strata might dampen sales in an economic downturn.

**Idea #5: Increased density through zoning policy**

This idea was raised as an alternative solution to addressing the broader issue of affordability in Vancouver. Several participants suggested that the widespread zoning of Vancouver neighborhoods as single-family zones may be contributing to unaffordability by preventing higher-density housing forms, and noted that ‘up-zoning’ strategically may alleviate affordability pressures. However, participants acknowledged that this type of broad action may be infeasible to implement in the short term. Other ideas raised as part of this discussion were home sharing and programs to help families in need access housing that may be under-occupied, such as single-family homes inhabited by empty nesters.

#### **Idea #6: Prohibition of short-term flipping of properties that are not being used as a primary residence**

This type of requirement was suggested by several participants as a way to cool off the luxury real estate market, ease affordability pressures and encourage long term rentals. One suggested approach was requiring owners to hold a property for a minimum time period in order to discourage short-term investment of real property and encourage long-term rental. However, some participants suggested that data on property sales do not indicate that short-term flipping is a primary driver of affordability concerns or empty homes, and that further research may be needed before taking government action.

#### **Next Steps**

Matthew Bourke, Housing Planner with the City of Vancouver thanked the group for attending the workshop and providing advice to the staff. Mr. Bourke noted the council motion from March 8<sup>th</sup> that requested that staff report back with recommendations for municipal, provincial and federal government action to address the empty homes issue in Vancouver. The discussion at the workshop will play an important role in informing those recommendations.

#### **Workshop Attendees**

Thomas Davidoff - UBC  
David Ley - UBC  
Andrew Ramlo - UFI/ SCARP  
J. Rhys Kesselman - SFU  
Joshua Gordon - SFU  
Margot Young - UBC  
Cameron Muir - BCREA  
Richard Sam - CMHC  
Eric Aderneck - Metro  
Karen Hemmingson - BCH  
Patrick Santoro - UDI  
Grant McDonald - B.C. Assessment  
Aaron Robinson - Vancouver Board of Trade  
Matt Bourke – City of Vancouver  
Mukhtar Latif - City of Vancouver  
Abi Bond - City of Vancouver  
Sara Ellis - City of Vancouver  
Grace Cheng - City of Vancouver

Bruce Townson - Consultant Ecotagious  
Diana Bulley - Facilitator

### ***Appendix D - Description of Additional Options Identified by the Expert Panel and Other Cities Research***

On March 9<sup>th</sup> 2016, City staff convened a workshop with local experts on options for addressing the empty homes issue. In addition to discussion around options for taxing empty homes and under-occupied investment properties, the panel also identified several key ideas for government action on this issue:

1. Survey or other tool to find out why homes are being under-occupied or left empty
2. Reform to strata legislation that currently enables owners to restrict rental of strata units
3. Occupancy requirements in housing agreements for new developments requiring a certain percentage of units be either primary residences or rented out as long-term rental
4. Increased density through zoning policy
5. Prohibition of or penalties on short-term flipping of properties that are not being used as primary residences

This appendix provides a description of the options identified by the expert panel, as well as options introduced in other jurisdictions in response to their own issues relating to vacant properties.

Options identified by the Expert Panel, March 2016	
Policy Response	Staff Analysis
Survey or other tool to find out why homes are being under-occupied or left empty	<ul style="list-style-type: none"> <li>• The CMHC annual Condominium Owners Survey (COS) currently includes questions that ask respondents about the status of their last purchased secondary condo unit. Possible responses include: <ul style="list-style-type: none"> <li>• Occupied by self or family members</li> <li>• Rented Out</li> <li>• Vacant</li> <li>• Under Construction/Pre-Sale</li> <li>• Other</li> <li>• Did Not Know / Refused to Answer</li> </ul> </li> <li>• Respondents who indicate that their unit is vacant are further asked whether it is vacant because it is for sale or rent, or whether it is vacant for reasons other than being for sale or rent.</li> <li>• Staff have worked closely with analysts at the CMHC to investigate whether it is possible to use the 2015 COS results to look at differences between occupied units and units that are vacant for reasons other than being for sale or rent. Unfortunately, given the small number of units identified as being vacant for reasons other than sale or rent, the CMHC suppressed the majority of the cells in the requested crosstabs due to concerns that the estimates would not meet the CMHC's data reliability standards.</li> <li>• Improved survey and/or sampling methods may allow for more detailed crosstabs of units that are vacant for reasons other than being for sale or for rent.</li> <li>• In addition, City staff have confirmed with the CMHC that given the current structure of the COS, it is not possible to produce estimates for the length of time that a unit is vacant. Without this estimate, it is also impossible to use the COS to investigate whether units that are kept</li> </ul>

	<p>vacant for a long period of time exhibit different characteristics from those that are vacant for a short period of time. Adding a question to the COS to ask about how long a unit has been vacant would improve the utility of the survey.</p>
<p>Reform Strata legislation that currently enables owners to restrict rental of strata units</p>	<ul style="list-style-type: none"> <li>• The Strata Property Act permits strata corporations to adopt rental restriction bylaws, which prohibit or limit the opportunities for owners of individual strata properties to rent out their units. A 2009 City study on rented condos estimated that between 9% and 15% of condominiums in the city had rental restrictions at that time. Staff have been advised by the Condominium Home Owners Association of BC (CHOABC) that it is now common practice for developers in the city of Vancouver to file rental disclosure statements with the superintendent of real estate preserving the right for owners to rent-out their unit.</li> <li>• It does not appear that strata-imposed rental restrictions are the main driver of empty homes in Vancouver. The CHOABC has recently finished collecting data on a sample of strata buildings in the city. The data shows that non-occupancy is highest in higher end relatively modern buildings. These properties are also most likely to have rental disclosures on file with the superintendent of real estate prohibiting the strata council from imposing rental restrictions. The survey identified four separate properties with an RDS on file where non-occupancy rates ranged from 15-34%. This data, as well as discussion with the CHOABC indicates that condominium investors are attracted to modern buildings with the potential to rent-out the unit, while owner occupancy is highest in older buildings with rental restrictions.</li> <li>• Industry experts have raised an important consideration for staff with respect to the security of the rental exemption made possible by the rental disclosure statements. According to the experts consulted, an owner-developer may change the number of lots that may be rented and the rental period for the lots if they have the approval of the strata corporation, which requires a three-quarters vote resolution at a general meeting. The experts also pointed out that a three quarters vote at an AGM means 75% of those who attend the meeting and not 75% of all owners.</li> <li>• In order to further protect the option for owners to rent out their strata unit, the BC Government could consider amending the Strata Act to require that owner-developers file a rental disclosure statement on all new multi-family strata developments and that owner-developers obtain 100% support from owners before making changes to the number of lots that may be rented and the rental period for the lots.</li> </ul>
<p>BC Housing Affordability Fund</p>	<ul style="list-style-type: none"> <li>• Economists from UBC and SFU have put forward a proposed approach for a provincial levy on property owners who keep their home empty or have limited economic ties to BC. The intent of the proposed approach is to levy additional taxes on owners who hold properties empty as investments, rather than renting them out or permitting people who live and work in the community to purchase them. The proposal has been brought forward as the BC Housing Affordability Fund <a href="http://www.housingaffordability.org">http://www.housingaffordability.org</a></li> <li>• The proposal allows local governments to 'opt in' to the levy via a majority council vote requesting status as a participating jurisdiction. Funds collected through the levy are paid into a Housing Affordability Fund, with proceeds collected from a specific jurisdiction to be used for</li> </ul>

		increasing housing affordability in that jurisdiction.
Increase Density Through Zoning Policy		<ul style="list-style-type: none"> <li>During the workshop with experts on March 9<sup>th</sup>, the group recognized the fact that the Ecotagious analysis of BC Hydro data showed that townhouses are very likely to be occupied. It was suggested that the city continue to increase the number of townhouses in the city as one measure to encourage occupancy.</li> </ul>
Prohibition of/Penalties on Short-Term Flipping of Properties that are not being used as primary residence		<ul style="list-style-type: none"> <li>A significant tax on properties bought and held for a short period of time may lead investors to consider buying and holding the property for longer. This might also encourage investors to rent out the property in order to earn income over the longer investment time period. A tax on 'flipping' would be assessed in addition to existing taxes on the purchase and sale of residential property, including the provincial land transfer tax and the federal capital gains tax on sale of residential property held as investment.</li> <li>Experts noted that the government should proceed carefully when considering actions that would discourage 'flipping,' since they are sometimes associated with renovation and renewal activities. Experts also cautioned that while the raw number of 'flipping' transactions (sales occurring within one year of previous sales) has increased in past years, the percentage of these transactions as a share of all sales has not changed significantly due to an overall increase in sales (See Table 1 below). However, this may in part be due to the fact that so-called 'shadow flipping,' or repeated assignment of sales contracts to several buyers before a final sales transaction is complete, is not accounted for in publicly available data. Recent action by the BC government to impact the practice of contract assignment could potentially lead to an increase in short term sales transactions.</li> </ul>
Options Adopted by Other Jurisdictions		
Policy Response	Cities	Staff Analysis
Increased Property Tax on Vacant and Nuisance Properties	Washington, D.C., USA	<ul style="list-style-type: none"> <li>The City of Washington, D.C. in the US created a new property tax classification for vacant commercial and residential properties and for blighted properties; vacant properties taxed at \$5.00 per \$100 of assessed value, blighted properties taxed at \$10.00 per \$100 of assessed value (compared to \$.85 per \$100 assessed value for real residential property).</li> <li>High incidence of vacant and abandoned properties in context of high levels of homelessness in many D.C. neighborhoods.</li> <li>Unlike Washington, D.C., Council does not have authority to create new assessment categories - this must be done by B.C. Assessment. However, once BC Assessment creates a new tax category, the City may determine the mill rate charged to properties in the class.</li> </ul>
Vacant Property Registry	Chicago, USA; Winnipeg, MB; Others.	<ul style="list-style-type: none"> <li>In a typical registry model, the owner or mortgagee of a vacant building must register the building with the City once it is vacant for more than a specified period. Owners are also required to post contact information in front of the property, purchase insurance, and maintain the property to verify it is clean and secure. Security requirements may include a watchman at night. Significant fees and penalties in event of failure to</li> </ul>



		<p>register or maintain properties.</p> <ul style="list-style-type: none"> <li>Several US cities enacted vacant property registries as a response to the increase in vacant and abandoned homes following the 2008 foreclosure crisis. Note that many of these registries were aimed specifically at single-family properties, with many explicitly exempting condominium properties.</li> <li>Though the City of Vancouver does receive complaints about poorly-kept properties, the primary concern regarding vacant properties is that they might be impacting affordability and availability of housing.</li> <li>Staff found that requiring registration of vacant properties may not necessarily lead to properties being occupied, unless penalties were made high enough.</li> </ul>
Government subsidies and support for owners to rent units to low-income tenants	Paris, France	<ul style="list-style-type: none"> <li>Under the 'Louez Solidaire' program in Paris, France, the municipal government assumes the risk of renting unoccupied private apartments to low-income tenants, who pay 70 to 80 percent of market rent. Properties are managed by companies contracted by the government.</li> <li>It is unclear whether there is appetite among Vancouver property owners for a program like 'Louez Solidaire,' or whether infrastructure exists for City to take on property maintenance and tenancy risk.</li> </ul>
Alternative Tenure Models to Facilitate Rental of Empty Homes	Netherlands	<ul style="list-style-type: none"> <li>In the Netherlands, tenancy laws were amended to allow property owners to hire a firm to manage and rent out empty properties to 'guardian' tenants for very low rent. Partly a response to a high incidence of squatting and vandalism in vacant buildings. Model features very limited security of tenure and tenants' rights has spread to other European countries including the UK.</li> <li>BC tenancy law does not currently allow for this type of tenancy, and most empty non-residential properties are not permitted to allow occupancy by residents.</li> <li>Countries that allow guardianship typically see it adopted by government and firms with large property portfolios; may be difficult to implement for investors with small portfolios.</li> </ul>

**Table 1: 'Flipping' Sales Summary, City of Vancouver 2012-2015 (Landcor Data Corporation)**

	2012 (Number/% of all sales)	2013 (Number/% of all sales)	2014 (Number/% of all sales)	2015 (Number/% of all sales)
Properties sold within 1 year	301/4%	209/3%	356/3%	591/4%
Total Property Sales - All	7,059	8,164	10,711	13,375
Properties sold within 1 year - Detached	88/5%	63/3%	114/4%	249/6%
Total Property Sales - Detached	1,850	2,368	3,128	3,916
Properties sold within 1 year - Condo	213/4%	146/3%	242/3%	342/4%
Total Property Sales - Condo	5,209	5,796	7,583	9,459