ITEMS OF INFORMATION

COUNCIL AGENDA – June 6, 2022

Communications		Page
1.	Correspondence from the Town of Fort Erie dated May 31, 2022 Re: Federal Government's Plans to Tax Vacant Foreign Owned Properties	1
2.	Correspondence from the Town of Fort Erie dated May 31, 2022 Re: Bidding Wars on Apartment Rentals	4
3.	Correspondence from the Town of The Blue Mountains dated May 24, 2022 Re: Mayor Soever Notice of Motion May 10, 2022	5



Community Services

Legislative Services

May 31, 2022 File #120203

Sent via email: Justin.trudeau@parl.gc.ca

The Right Honourable Justin Trudeau, Prime Minister of Canada House of Commons Ottawa, ON K1A 0A6

Honourable and Dear Sir:

Re: Federal Government's Plans to Tax Vacant Foreign Owned Properties

Please be advised the Municipal Council of the Town of Fort Erie at its meeting of May 30, 2022 passed the following resolution:

Whereas the Federal Government proposed a tax on vacant non-resident foreign owned properties in the 2021 budget, and

Whereas the intent of this tax is to reduce speculation in the real estate market which is believed to contribute to housing unaffordability in Canada, and

Whereas Fort Erie and other vacation destinations across Ontario have a high number of non-resident American-owned vacation properties that are vacant during the tourism offseason during the winter months, and

Whereas the Federal Government signaled their intent to exempt non-resident foreign owned vacation properties in Canada so long as they meet certain requirements including being located in a Census Agglomeration with a population of less than 30,000 people, and

Whereas Fort Erie and numerous other seasonal vacation destinations across Southern Ontario are in Census Metropolitan Areas and Census Agglomerations with populations well in excess of 30,000 people despite the communities themselves being small and mediumsized municipalities, and

Whereas Fort Erie and other communities across Ontario have a long history of being a vacation destination for American visitors, many of which have owned the same property for generations, and would be taxed yearly on their assessed value of their vacation property based on this proposal, and

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Web-site: www.forterie.ca

Whereas vacant property taxes would be allocated to the general revenues of the federal government and not directly benefit the municipalities where these properties are located and serviced, and

Whereas vacation properties that are seasonally vacant do not contribute to the speculation that is believed to contribute to housing unaffordability in Canada,

Now therefore be it resolved,

That: The Municipal Council of the Town of Fort Erie requests the Federal Government to review the proposed exemption framework for seasonal vacation properties to better reflect the reality of where these properties are located and how they are used, and further

That: This resolution be circulated to The Right Honourable Justin Trudeau, Prime Minister of Canada, The Honourable Chrysta Freeland, Deputy Prime Minister of Canada and Minister of Finance, the Honourable Diane Lebouthillier, Minister of National Revenue (Canada), Tony Baldinelli, Member of Parliament for Niagara Falls, the Association of Municipalities of Ontario, and all municipalities located in Ontario.

Thank you for your attention to this matter.

Yours very truly,

Carol Schofield, Dipl.M.A.

in Schofuel

Manager, Legislative Services/Clerk

cschofield@forterie.ca

CS:dlk

c.c. The Honourable Chrystia Freeland, Deputy Prime Minister of Canada and Minister of Finance chrystia.freeland@parl.gc.ca

The Honourable Diane Lebouthillier, Minister of National Revenue (Canada) <u>diane.lebouthillier@parl.gc.ca</u> Tony Baldinelli, MP, Niagara Falls <u>tony.baldinelli@parl.gc.ca</u>

Association of Municipalities of Ontario AMO@amo.on.ca

All Ontario Municipalities



Community Services

Legislative Services

May 31, 2022 File #120203

The Right Honourable Justin Trudeau Prime Minister House of Commons Ottawa, ON K1A 0A6 Justin.trudeau@parl.gc.ca

The Honourable Doug Ford Premier of Ontario Legislative Building, Queen's Park Toronto, ON M7A 1A1 premier@ontario.ca

Honourable and Dear Sirs:

Re: **Bidding Wars on Apartment Rentals**

The Municipal Council of the Town of Fort Erie at its meeting of May 30, 2022 passed the following resolution:

Whereas Canada's housing market has not only made it difficult for many Canadians to afford to purchase a home but also to rent apartments, and

Whereas there is a disconnect between affordability of housing and apartment rentals versus wages that have not kept pace with them nor has it kept pace with inflation, cost of living expenses, the rising costs of goods & services including – food, gas and utility, and

Whereas Ontario has now become the least affordable jurisdiction suffering the worst erosion in the last 50 years, and

Whereas many Canadians continue to be locked out of the housing & rental market for many reasons including the affordability of a down payment, rising inflation rates, and the escalation of bidding wars, and

Whereas bidding wars do not stop at home purchases but have now transitioned to apartment rentals as a ripple effect of the real estate market, and

Whereas there is a profound psychological effect to those individuals who continue to be shut out of the housing and rental market as a direct result, and

Whereas both blind bids and open bids are bad for the housing and apartment market which can lead to a housing bubble, and while blind bids offer no transparency, both types create unrealistic values that helps the seller and the rental owner but hurts the purchaser and renter, and

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Web-site: www.forterie.ca

Whereas there are multiple sites that encourage and teach how to win at bidding wars, and

Whereas there is no comprehensive data or statistics that currently tracks prices for rentals, and

Whereas the Government of Ontario will be introducing new legislation with respect to blind bidding only which does not prohibit the seller from entering into a bidding war but, rather, would give sellers the option to "opt for an open offer process", and

Whereas the changes to the *Trust in Real Estate Services Act* provides an advantage to the seller(s) and largely weakens opportunities of the buyer and renter further adding to the disparity between the two;

Now therefore, be it resolved,

That: Both the Federal & Provincial Governments enact legislation that prevents both open and closed bidding on both rental units and residential sales, and further

That: Both the Federal & Provincial Government prohibit sales beyond the list price, and further

That: A copy of this resolution be circulated to The Right Honourable Justin Trudeau, The Honourable Doug Ford, Premier of Ontario, All Members of Parliament, All Members of Provincial Parliament, and all Municipalities for their support.

References:

https://www.truenorthmortgage.ca/blog/how-the-blind-offer-is-hurting-the-canadian-housing-market https://www.cbc.ca/news/bidding-wars-to-rent-a-house-in-ontario-tenants-and-agents-say-it-s-a-new-reality-1.6094412 https://nationalpost.com/news/canada/extremely-stressful-bidding-wars-no-longer-limited-to-purchase-of-houses-now-its-rentals-too

https://www.blogto.com/real-estate-toronto/2022/04/ontario-new-regulations-bidding-wars-homes/

https://www.cp24.com/news/ontario-to-allow-new-home-sales-tactic-that-would-change-the-bidding-process-

1.5867054?cache=yesclipId104062%2F7.493183

https://www.ontario.ca/laws/statute/s20001

https://www.gensqueeze.ca/housing_affordability_analysis

Thank you for your attention to this matter.

Yours very truly,

Carol Schofield, Dipl.M.A.

Manager, Legislative Services/Clerk

cschofield@forterie.ca

CS:dlk

c.c. All Members of Parliament

All Members of Provincial Parliament

All Ontario Municipalities



The Town of The Blue Mountains Council Meeting

Title: Mayor Soever Notice of Motion May 10, 2022

Date: Tuesday, May 24, 2022

Moved by: Mayor Soever
Seconded by: Councillor Hope

WHEREAS it is in the best interest of good government and the democratic process that all Ontarians have access to candidate information during the upcoming municipal elections; and,

WHEREAS the clerks of some municipalities do not supply the mailing addresses of voters on the voters list to candidates, thereby limiting the access of voters who have mailing addresses outside the municipality to candidate information, effectively disenfranchising them;

BE IT RESOLVED THAT the Council of the Town of The Blue Mountains expresses it support for the inclusion of the mailing addresses of voters on voter's lists provided to candidates;

AND THAT a copy of this resolution be sent to all municipalities in Ontario to ask for their support;

AND THAT a copy of this resolution be sent to the Premier of Ontario and the Minister of Municipal Affairs and Housing;

AND THAT a copy of this resolution be sent to the Canadian Civil Liberties Association

YES: 6 NO: 0 CONFLICT: 0 ABSENT: 1

The motion is Carried

YES: 6

Mayor Soever Deputy Mayor Bordignon Councillor Hope Councillor Matrosovs

Councillor Sampson Councillor Bill Abbotts

NO: 0

CONFLICT: 0

ABSENT: 1

Councillor Uram