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May 2, 2022

His Worship Fred Eisenberger
Mayor
City of Hamilton, City Hall
71 Main Street West, 2nd Floor
Hamilton, Ontario
L8P 4Y5

Dear Mayor Eisenberger:

I am writing further to my earlier correspondence of March 15, 2022, acknowledging your request for the authority to establish a Vacant Home Tax for the purposes of improving housing supply and choice in Hamilton.

Ontario's recently updated Housing Supply Action Plan anchored by the *More Homes for Everyone Act*, delivers important reforms to help address Ontario's housing supply crisis. This included measures to crack down on bad actors who are making the housing supply crisis worse, including tough penalties for new home contract cancellation, and serious fines and license impacts for speculators and developers wrongfully withholding housing permits and approvals to restrict the supply of new homes and drive sales prices up. The government has also significantly expanded the Non-Resident Speculation Tax.

The City of Toronto has identified and advanced its Vacant Home Tax as a potential additional tool to disincentivize actions that reduce housing options for more Ontarians. The establishment of a Vacant Home Tax is a municipal decision that, like the City of Toronto, you are approved to proceed with in an effort to improve housing supply and choice for those hopeful to call Hamilton home. Ontario is prepared to facilitate municipal discussions over the summer through the establishment of a working group to provide a forum for the sharing of information and best practices, as well as to explore opportunities to enhance the existing legislative framework.

The findings and recommendations of this working group may have implications for municipal Vacant Home Tax by-laws that you should be prepared to accommodate.

I look forward to Hamilton's participation on this staff-level working group. Officials from my ministry will be in contact with more details.

.../cont'd

Thank you again.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter Bethlenfalvy". The signature is fluid and cursive, with a prominent loop at the end.

Peter Bethlenfalvy
Minister of Finance

- c: The Honourable Steve Clark, Minister of Municipal Affairs and Housing
- Kate Manson-Smith, Deputy Minister, Ministry of Municipal Affairs and Housing
- Greg Orencsak, Deputy Minister, Ministry of Finance
- Tim Schuurman, Associate Deputy Minister, Ministry of Finance
- Allan Doheny, Assistant Deputy Minister, Ministry of Finance
- Caspar Hall, Assistant Deputy Minister, Ministry of Municipal Affairs and Housing