

MAR 11 2022

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## SENATE RESOLUTION

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URGING THE COUNTIES TO UTILIZE AN EMPTY HOMES TAX AS A MEANS OF  
ADDRESSING AFFORDABLE HOUSING IN THE STATE.

1 WHEREAS, property taxes in the State are among the lowest  
2 in the nation at approximately .28 percent; and  
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4 WHEREAS, about one fourth of all housing in the State is  
5 owned by people who do not reside in the State; and  
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7 WHEREAS, low property taxes have benefitted real estate  
8 investors, many of whom do not reside in the State and purchase  
9 homes and other residential properties as investments or second  
10 homes; and  
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12 WHEREAS, a significant number of residential investment  
13 properties are vacant, which, combined with low property taxes,  
14 negatively impacts the housing supply statewide and results in  
15 less revenues for the counties and government services; and  
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17 WHEREAS, homes and other residential properties that are  
18 vacant for extended periods of time negatively impact the  
19 State's housing supply by taking housing units out of the  
20 housing market and contributing to a scarcity of affordable  
21 housing and a prevalence of homelessness in the State; and  
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23 WHEREAS, in 2017, the empty homes tax, also known as the  
24 vacancy tax, was introduced in Vancouver, British Columbia to  
25 help return vacant and under-utilized properties to the market  
26 as long-term rental homes for people who live and work in  
27 Vancouver and support affordable housing initiatives; and  
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29 WHEREAS, under Vancouver's empty homes tax:  
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- 31 (1) Thirty-six percent of properties declared or deemed  
32 vacant in 2019 were converted to occupied in 2020;  
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(2) There was a twenty-six percent reduction in vacant properties from 2017 to 2020; and

(3) \$86,600,000 of revenues from the empty homes tax were allocated to support affordable housing initiatives between 2017 and 2020; and

WHEREAS, Vancouver's empty homes tax does not apply to principal residences, homes that qualify for an exemption, or homes rented for at least six months of the year; and

WHEREAS, adopting a tax similar to Vancouver's empty homes tax would help return vacant or under-utilized properties to the State's long-term rental housing inventory and relieve pressure on the State's rental housing market; now, therefore,

BE IT RESOLVED by the Senate of the Thirty-first Legislature of the State of Hawaii, Regular Session of 2022, that the City and County of Honolulu and the counties of Hawaii, Kauai, and Maui are urged to utilize an empty homes tax, similar to the Vancouver, British Columbia empty homes tax, as a means of addressing affordable housing in the State; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Mayor and Council Chair of the City and County of Honolulu and the Mayors and Council Chairs of the counties of Hawaii, Kauai, and Maui.

OFFERED BY: 

