Toronto’s Rental Housing
J. David Hulchanski, April 2007

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TORONTO’S RENTAL HOUSING

NEOLIBERAL POLICIES, MARKET FAILURE & NEIGHBOURHOOD HOUSING TENURE POLARIZATION

City of Toronto

2.5 million people
1 million households, 50% renters
Social housing: 10% of households (20% of renters)
7.5 million people in the urbanized region
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OWNER / RENTER TRENDS  CITY OF TORONTO

Renter Households from 30% to 50%
1951-2001

Income Gap
Owners +50% to +100%
1971-2001

Completions by Tenure
1981-2005

RENTAL HOUSING TRENDS  CITY OF TORONTO

Renters Paying > 30% & > 50% on Rent, 1981-2001

Vacancy Rate
1970 to 2006

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Q: What are the city-level & housing tenure impacts of:

- neoliberal public policy
- deregulated residential markets
- deindustrialization under free trade
- economic globalization
- a growing “creative class”

A: Neighbourhood polarization by income, housing tenure, ethno-cultural origins
The Rental Housing Sector is severely impacted, resulting in:

- growing social need rather than market demand for rental housing
- increasingly segregated neighbourhoods by tenure, as the income/wealth gap grows (social distance, “them & us”)
- real estate price inflation & gentrification
- new concentrations of poverty in poorly serviced inner suburbs

AVERAGE INDIVIDUAL INCOME 1970 TO 2000
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WHAT HAPPENED TO MIDDLE INCOME PEOPLE?

Change in Census Tract Income Distribution, City of Toronto 1970 to 2000 and Forecast to 2020

WHAT HAPPENED TO MIDDLE INCOME AREAS?

Formerly Middle Income Census Tracts:
Census Tracts with an Income Ratio of 0.8 to 1.2 in 1970
- Large Increase: Ratio is 1.4 or More in 2000
- Large Decrease: Ratio is Less than 0.8 in 2000
- Middle Increase: Ratio is 1.2 to 1.4 in 2000
- Middle Decrease: Ratio is 0.9 to 0.9 in 2000
- Other
- No Data
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CHANGE IN RENTED DWELLINGS 1971 TO 2001

PERSISTENT INCOME Increase or Decrease, 1970-2001

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PERSISTENT INCOME  Increase or Decrease

Average Individual Income
Census Tracts with a Persistent Trend in Average Individual Income, 1980 to 2000
and Priority Neighbourhoods in the City of Toronto, 2000

Average income of individuals 15 years and over from all sources

PERSISTENCE of Income Trends, 1971 to 2001

The average individual income ratio (individuals 15 years and over from all sources) is the Census Tract average divided by the Toronto Census Metropolitan Area (CMA) average in each Census year. The graph shows over time the average individual income ratio for both a sample of the City of Toronto which shows a persistent increase or decrease in income compared to the overall (CMA) average of 1.0.

Note: Income in the Census is the total income range for the previous calendar year.
Neoliberal Housing & Social Policy

- Terminate social housing supply programs
- Terminate private sector rental housing incentives
- Assist ownership sector further
- Displacement by gentrification
- Dehousing processes: homelessness
- Slash social assistance, unemployment ins.

Toronto’s Rental Sector

Existing stock: aging, overcrowded, concentrated
New stock: very little supply, loss of scattered units
Social housing: few new units or rent supplements
City Planning: no inclusionary zoning
Growing income gap: absolute & by tenure
Neighbourhood polarization: …
WHAT CAN BE DONE?

GENTRIFICATION POLICY ACTION

In the context of a national & provincial housing strategy:

1. Improve Rental Rehabilitation Assistance Program (RRAP)
2. End Vacancy Decontrol
3. Implement a Made-In-Toronto Approach to Inclusionary Zoning
4. Remove Zoning & Regulatory Barriers to Affordable Housing
5. Limit Conversions of Rental Buildings
6. Adopt Study Recommendations on Rooming Houses
7. Consider Taxation Tools to Fund Affordable Housing
8. Support Owner-Occupied Businesses
9. Community Capacity Building
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