

Tall Order: Understanding Change in Toronto's Inner-Suburban Rental Towers

Executive Summary

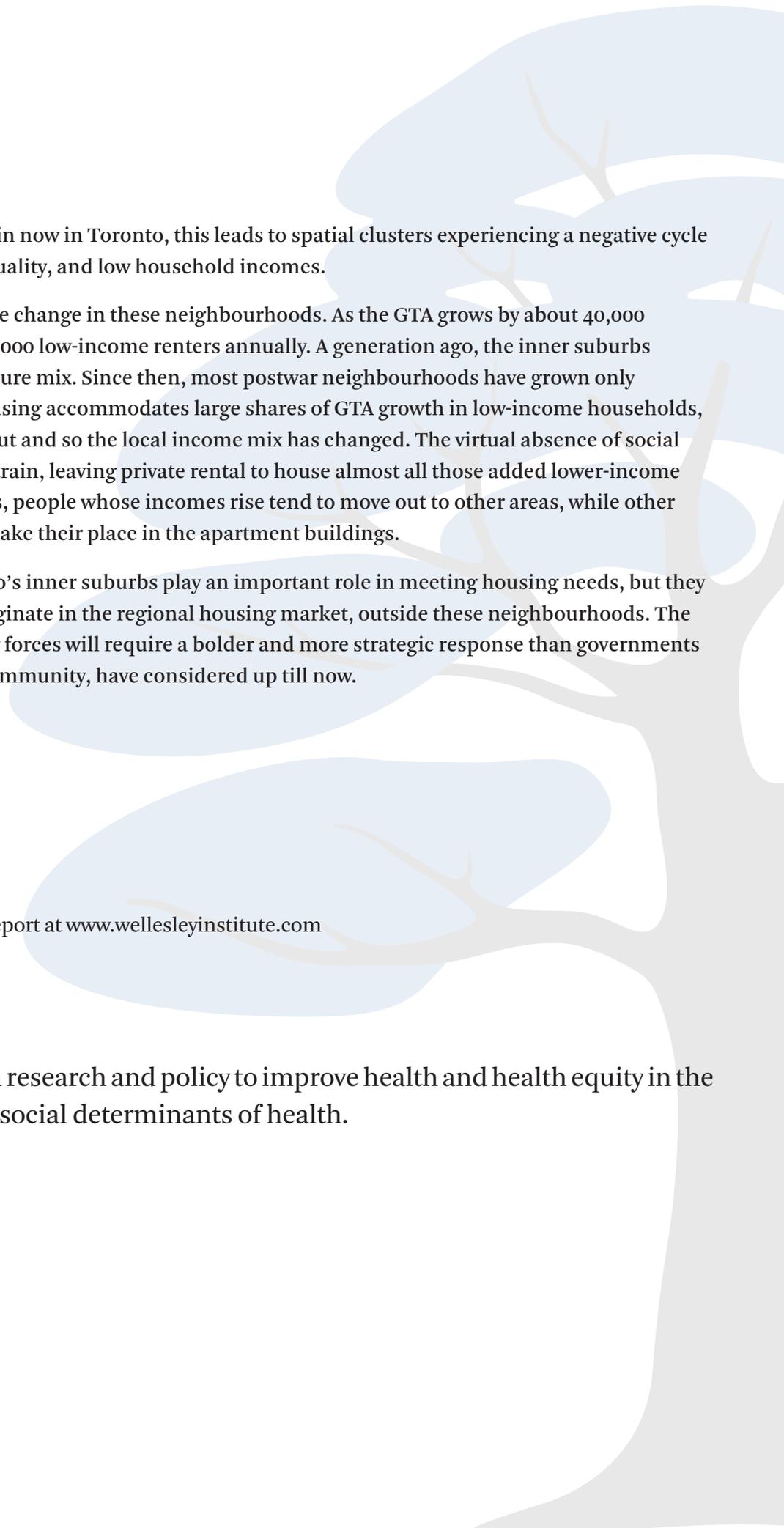
The aging rental towers in Toronto's inner suburbs present big challenges and opportunities for health and social well-being. Housing has large impacts on health, whether it is high rents that drive food bank use, or health risks from pests, unsafe conditions, and bad air quality.

These 170,000 apartment units are a huge asset – the main form of relatively moderate-rent housing available for low and modest income families. But they face big challenges, with increasing disrepair and severe affordability problems. This housing has become the main locale of poverty in the Greater Toronto Area (GTA), and these neighbourhoods are increasingly stigmatized. The people most affected are in lower-income racialized groups that already face other social and health disadvantages. Addressing the issues in this housing is therefore important for health and social equity.

While the trends and challenges are well known, we need to understand the forces that underlie them if we want to develop adequate policy responses. This report identifies ten main factors, grouped under themes of declining incomes, disrepair, and broader forces in the housing market and housing system.

Declining incomes in Toronto's postwar rental towers reflect national and regional trends. With more middle-income households now owning a home, Canadian rental housing has become a lower-income sector. The GTA housing market has few moderate-rent options outside towers in postwar neighbourhoods, and few family-sized apartments, so this is where low-income families rent. Meanwhile, the flatlined social housing sector has been pushed to house people with very low incomes and high social needs, and the greatest impact is felt in postwar areas with a lot of social housing.

The rising disrepair problems are strongly correlated with building age and real estate factors. Most rental apartments are now 40 to 60 years old, and need rising investment in repair even to maintain the same quality. But in neighbourhoods where incomes are low, there is an unfortunate economic logic to under-investment in



maintenance. In many cities and in now in Toronto, this leads to spatial clusters experiencing a negative cycle of disinvestment, poor housing quality, and low household incomes.

Broader forces of growth also drive change in these neighbourhoods. As the GTA grows by about 40,000 households a year it adds about 5,000 low-income renters annually. A generation ago, the inner suburbs mirrored the GTA income and tenure mix. Since then, most postwar neighbourhoods have grown only slightly. However, their rental housing accommodates large shares of GTA growth in low-income households, as middle-income renters move out and so the local income mix has changed. The virtual absence of social housing production adds to the strain, leaving private rental to house almost all those added lower-income tenants. In these neighbourhoods, people whose incomes rise tend to move out to other areas, while other low-income newcomers arrive to take their place in the apartment buildings.

The older rental towers in Toronto's inner suburbs play an important role in meeting housing needs, but they are under huge pressures that originate in the regional housing market, outside these neighbourhoods. The scale and power of the underlying forces will require a bolder and more strategic response than governments at all levels, or advocates in the community, have considered up till now.

Authors: Scott Leon

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