

## Additional Information Requested by Council

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As part of the Tenants First Implementation Phase 1 Report several requests for further information were made by Council. The response to those directions are outlined in this Appendix.

City Council direct the Deputy City Manager, Cluster A to report to Committee and Council with an analysis of:

- i. the Government of Sweden's non-governmental delivery of social housing; and
- ii. the success of the voucher approach in other jurisdictions in delivering social housing.

### *Affordable Housing in Sweden*

The Swedish system of social housing has recently been transformed to mixed reviews. The selling of public housing to tenants and private companies has decreased the amount of affordable stock and created long waitlists for rental housing of any variety. A strong system of rent control appears to be undermined by loopholes that allow a landlord to renovate units, upgrading the living conditions of the units, and increase rent. This has resulted in "renovictions" whereby tenants have been evicted after units have been upgraded and rents increased, after falling into rental arrears.

### *Portable Housing Benefit (PHB)*

Portable Housing Benefits are currently a popular topic in policy discussions, due in part to their relatively low start-up time and up-front cost, as well as a perceived growing crisis in Canadian housing affordability in key metropolitan areas, including Toronto. However, few if any Canadian municipally-administered housing benefits have been rigorously evaluated in the research literature.

A literature review completed by SSHA found that in theory, PHBs have the potential to:

- relieve households of unsustainable housing costs;
- improve the quality of housing attainable by low-income households;
- increase the responsibility, autonomy and agency of low-income households in receipt of benefits; and
- as a result of the above, allow households to escape the negative effects of living in areas of concentrated poverty.

However, not all of these outcomes are equally well-supported by experimental and observational data. PHBs often act as a general income supplement, though one that is targeted at those whose household incomes are unacceptably low specifically due to rental market conditions. There is evidence that PHBs can improve some mental health outcomes for adults and children, but other positive effects are less well-supported.

Portable housing benefits have the potential to ease unsustainable rent burdens for low-income renters; they may have limited other private benefits such as a reduction of stress and a rise in self-reported well-being. Depending upon the supports surrounding their provision, PHBs may have modest effects on neighbourhood segregation by income or other factors. Their effects on labour incentives and rental markets seem to be limited relative to other types of benefit, and weaker than simple economic modelling would suggest. The extent to which a particular program can capture all of the above benefits is affected by program design.