



PRESS RELEASE



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Canada and Alberta Sign Affordable Housing Agreement

CALGARY, Alberta, June 24, 2002 — Working together to address the affordable housing problem, the Governments of Canada and Alberta today announced the signing of an Affordable Housing Program Agreement which will provide funding over the next five years to help increase the supply of affordable housing in the province. Federal funding of \$67.12 million will be matched by an equal contribution from the province and other partners to facilitate the development of affordable housing in high need areas of the province.

The announcement was made jointly by the Honourable John Manley, Deputy Prime Minister, Minister of Finance and Minister of Infrastructure and Crown Corporations and the Honourable Stan Woloshyn, Minister of Seniors.

"More Albertans will have access to affordable housing as a result of this agreement," said Minister Manley following the signing. "It marks the sixth affordable housing agreement signed in the past six months and confirms the Government of Canada's commitment to housing as a means to support strong and safe communities."

Minister Woloshyn added, "This agreement will enable the province to accelerate its activities that involve increasing the supply of affordable housing in high need areas of the province. I encourage municipalities and their housing partners to review the housing needs in their communities and then submit proposals that will address those needs. Program funding will be allocated on a project-by-project basis, based upon the level of need and the quality of the proposal. "

Funding under this agreement will be used for provincially designed programs that support affordable housing initiatives for low-income families and individuals with special needs. As well, \$8.74 million will be dedicated to sustainable housing in remote areas.

Helping to stimulate the creation of more affordable housing was part of the January 2001 Government of Canada Speech From the Throne. The \$680 million in federal funding was confirmed in the December 2001 federal budget.

Persons and organizations interested in more details on this initiative should contact Alberta Seniors.

For further information please contact:

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Backgrounder Affordable Housing Initiative

The 2001 Speech From the Throne indicated the Government of Canada would help stimulate the creation of more affordable rental housing. The federal/provincial/territorial housing ministers met twice to finalize details of an affordable housing initiative that would address the needs and priorities of individual jurisdictions while meeting the goal of increasing the supply of affordable housing. The final framework was developed and agreed to on November 30, 2001 and includes the following:

- Provinces and territories have the primary responsibility for design and housing program delivery;
- Provinces and territories require flexible programs to address their housing needs;
- The initiative needs to create affordable housing for low to moderate income households;
- Units funded will remain affordable for a minimum of 10 years and;

Provinces and territories will be required to match federal contributions overall.

To date, bilateral agreements have been signed with British Columbia, Quebec, Ontario, Northwest Territories and Nunavut.

Canada-Alberta Affordable Housing Program

Agreement Summary

Objectives:

To increase the supply of affordable housing in Alberta.

Guiding Principles:

The program will consider proposals in high-growth, high-need and northern remote communities.

The role of the municipality, and its locally based organization, will be to identify needs and priorities, to provide recommendations, and to foster and forge new partnerships between government, non-profit organizations, industry stakeholders, and the private sector when possible.

Funding for these projects will be allocated based upon greatest demonstrated need, financial viability, sustainability without ongoing housing subsidies, project design and location.

Housing must remain affordable for at least 20 years.

Initiatives:

Funding under this agreement will be used for:

- Affordable Housing Partnerships which will provide stable, affordable rental or ownership housing for low-income families, seniors and individuals with special needs.
- Supportive Housing Incentives, which will increase the supply of low-cost supportive housing for persons with special needs.
- Sustainable Remote Housing, which will ensure people in remote communities have access to safe adequate and suitable shelter based on need.

Administration:

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- Alberta Seniors will administer the program.
- Alberta Seniors will be responsible for the approval of projects.

Financial Provisions:

- Maximum CMHC funding under the agreement is \$67.12 million to be matched by the Province of Alberta and others.
- Of the \$67.12 million, \$58.38 million could be used to increase the supply of low-cost housing in high-growth communities and \$8.74 million must be targeted towards northern remote communities.
- Overall average amount of CMHC funding will not exceed \$25,000 per unit.

Other Government of Canada Housing Support in Alberta

The \$67.12 million federal contribution over the next five years builds on current Government of Canada expenditures on housing in Alberta.

The Government of Canada annually supports housing with approximately \$109 million in grants, contributions and subsidies, which serve some 40,200 low-income families, seniors, persons with disabilities, Aboriginal people and victims of domestic violence.

This includes approximately \$6 million per year for existing renovation programs such as the Residential Rehabilitation Assistance Program (RRAP), Home Adaptations for Seniors' Independence (HASI), Emergency Repair Program (ERP).

In addition the Government of Canada is spending \$753 million on a national homelessness strategy, including \$311 million to expand programs designed to repair and improve housing for low-income people.

Further information is available from the CMHC web site: www.cmhc.ca

Other Government of Alberta Housing Support:

- The Alberta government provides approximately \$37.0 million annually in supports for low-income families and individuals with special needs. This includes 17,700 subsidized households (9,300 government-owned and 8,400 government supported housing units).
- The Alberta government provides \$17.6 million annually in supports for seniors housing in Alberta. This includes 23,000 subsidized households (19,000 government-owned and 4,000 government-supported housing units).
- Through the Provincial Homelessness Initiative, the Alberta government provides \$3 million annually to the seven major urban centres in Alberta to implement community plans that address homelessness in their communities. So far, these community plans have increased capacity to support approximately 1,100 individuals in both emergency shelters and supportive housing.
- Over the last three years, over \$50 million has been provided through the Seniors Supportive Housing Incentive and Healthy Aging Partnership Initiative programs to develop supportive housing for lower income seniors which will result in over 1,600 units being developed.
- The Alberta government transferred title of seven acres of land in Fort McMurray to the municipality to facilitate the development of a 180 new affordable housing unit complex in Fort McMurray. In addition, existing government rent supplement funds will be transferred to the new complex to provide operational support. These new units will be very helpful in assisting low-income clients and will free up more affordable rental accommodations in Fort McMurray.