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Canada and Nova Scotia Sign $37.26 Million Affordable Housing Agreement

HALIFAX, Nova Scotia, September 13, 2002 — David Collenette, Minister of Transport and Minister responsible for Canada Mortgage and Housing Corporation and Peter Christie, Minister of Community Services today announced a $37.26 million Affordable Housing Program Agreement. Up to 1,500 affordable housing units will be created or undergo renovation in Nova Scotia, over the next five years, as a result of this agreement.

Federal funding of $18.63 million together with matching contributions from the Province of Nova Scotia and housing partners demonstrates a commitment to work together to address the need for affordable housing.

"More Nova Scotians will now be able to gain access to affordable housing thanks to this agreement", said Minister Collenette following the signing of the agreement. "This is the eighth provincial bilateral agreement that the Government of Canada has signed, demonstrating our continuing commitment to help provide safe and strong communities throughout the country."

Minister Christie said he too was very pleased by the signing. "Today's agreement will support the ongoing efforts of the Province of Nova Scotia to address the need for safe, affordable, appropriate and sustainable housing for low- to moderate-income households. It will enable us to construct new affordable housing units and make improvements to existing housing in the province."

Funding under this affordable housing agreement will be used for provincially designed programs that will support the creation of new rental housing and homeownership, and the rehabilitation or conversion of existing housing which is at risk of loss from the housing stock.

Stimulating the creation of more affordable housing was part of the Government of Canada's, Speech from the Throne, in January 2001 and 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 Nova Scotia Community Services.

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 housing program design and 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 and;
- Units funded will remain affordable for a minimum of 10 years.
- Provinces and territories will be required to match federal contributions overall.

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

Other Government of Canada Housing Support in Nova Scotia

The $18.63 million federal contribution over the next five years builds on current Government of Canada expenditures on housing in the province of Nova Scotia. The Government of Canada annually supports housing with approximately $80 million in grants, contributions and subsidies which serve some 23,000 low income families, seniors, persons with disabilities, Aboriginal people and victims of domestic violence.

This includes funds for existing social housing and approximately $7.2 million for the Residential Rehabilitation Assistance Program (RRAP), Home Adaptations for Seniors' Independence (HASI), Emergency Repair Program (ERP) and the Shelter Enhancement Program (SEP).

Other Government of Nova Scotia Housing Support Programs

The provincial government offers a number of programs to help lower-income households maintain, acquire, or rent safe, adequate and affordable housing. Through housing authorities, we own and operate over 12,000 rental housing units for families and seniors. Rent is based on household income. We also provide grants and loans for home repair and additions, as well as mortgage funds to purchase or build modest houses.

Affordable Housing Program Agreement Summary

Objectives:

- to increase the supply of affordable housing in Nova Scotia.

- the housing must be affordable for at least 10 years.

Programs:

Funding under this agreement, is expected to be used for:

- New Rental Housing Initiative — to create new affordable rental housing for low- to moderate-income renters

- Rental Housing Preservation Program — to sustain rental housing for low- to moderate-income households through major renovation, regeneration or conversion, which also may involve project acquisition.

- New Home Purchase Program — to create ownership housing for low- to moderate-income households through reduced purchase price or down payment assistance in targeted urban areas

- Home Ownership Preservation Program — to sustain owner-occupied housing for low- to moderate-income households through major renovation and/or conversion.

Administration:

- the program(s) will be administered by Nova Scotia Community Services.

- Nova Scotia is responsible for the selection of projects.

Financial Provisions:

- Maximum CMHC funding under the agreement is $18.63 million to be matched by the Province of Nova Scotia and others.

- Overall average CMHC funding will not exceed $25,000 per unit.

Accountability:

- Nova Scotia will provide an annual audit and performance report on the use of CMHC funding.

- CMHC will lead an evaluation of the program in 2006 and the Nova Scotia Department of Community Services will be invited to participate.

Communications:

- Nova Scotia and CMHC have agreed on a communications protocol, which will be open, transparent and will recognize the contributions of each party to this initiative.

David Collenette, Minister of Transport and Minister responsible for Canada Mortgage and Housing Corporation.

David Collenette, Minister of Transport and Minister responsible for CMHC (left) and Peter Christie, Minister of Community Services for Nova Scotia.