



PRESS RELEASE



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Canada and Manitoba Sign \$50.78 Million Affordable Housing Agreement

WINNIPEG, Manitoba, September 20, 2002 — David Collenette, Minister of Transport and Minister responsible for Canada Mortgage and Housing Corporation, Tim Sale, Manitoba Minister of Family Services and Housing, along with the Honourable Dr. Rey Pagtakhan, Senior Federal Minister for Manitoba and Eric Robinson, Manitoba Minister of Aboriginal and Northern Affairs, today announced the signing of a \$50.78 million Canada-Manitoba Affordable Housing Agreement. As a result of this agreement, low-income and moderate-income Manitobans will benefit from increased access to safe and affordable housing with up to 2,500 affordable housing units created in Manitoba, over the next five years.

The governments of Canada and Manitoba will each contribute \$25.39 million to the Affordable Housing Agreement Program, demonstrating their commitment to increasing the supply of affordable housing in Manitoba. It is anticipated that contributions from municipalities, the private and voluntary sectors, co-operatives and charities will significantly increase the size of this initiative in Manitoba.

"This agreement means more Manitobans will be able to gain access to affordable housing," said Minister Collenette following the signing of the agreement. "This is the latest in a series of provincial bilateral agreements that the Government of Canada has signed in the past ten months, demonstrating the federal commitment to providing strong, safe communities throughout Canada. Partnerships between two levels of government can work for all Canadians."

"Today's historic announcement recognizes the longstanding need for affordable housing in Manitoba," said Minister Sale. "This initiative focuses resources on those most in need while encouraging various organizations, such as neighbourhood renewal groups, to work together to meet the need for affordable housing throughout Manitoba. We look forward to working with the federal government on other initiatives to assist low- to moderate-income Manitobans to obtain affordable housing."

"The additional federal funding builds on current programs aimed at helping those in need of housing. This signing will mean significant support for the ongoing efforts of the Government of Canada and the Government of Manitoba to ensure suitable, affordable housing for the people of our province," said Minister Pagtakhan.

"This new agreement will result in enhanced affordable housing opportunities," said Minister Robinson. "Today's agreement supports Manitoba's Northern Development Strategy which recognizes housing as a major priority. Our government is committed to increasing social and economic development for northern Manitobans."

Funding under this agreement will be used for four provincially designed programs that will support new rental housing, and homeownership opportunities and the rehabilitation or conversion of existing housing. As well, \$6 million will be dedicated to housing in remote areas.

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.

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Manitobans can obtain additional information about the Affordable Housing Initiative by telephoning 945-5566 in Winnipeg or toll-free 1-866-689-5566.

For further information please contact:

Anthony Polci
Communications Director
Office of Minister Collette
(613) 991-0700

John Thorpe
Communications Coordinator
Communications Services Manitoba
(204) 945-6778

Government of Canada Background: 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, Alberta, Saskatchewan, Ontario, Quebec, Northwest Territories, Nunavut and Nova Scotia.

Other Government of Canada Housing Support in Manitoba

The \$25.39 million federal contribution over the next five years builds on current Government of Canada expenditures on housing in the province of Manitoba. The Government of Canada annually supports housing, with approximately \$112 million in grants, contributions and subsidies which serves 42,750 low-income families, seniors, persons with disabilities, Aboriginal people and victims of domestic violence.

Each year, approximately \$8.5 million is allocated for the Residential Rehabilitation Assistance Program (RRAP), Home Adaptations for Seniors' Independence (HASI), Emergency Repair Program (ERP) and the Shelter Enhancement Program (SEP).

Government of Manitoba Background: Affordable Housing Initiative

The \$25.39 million provincial contribution, over the next five years, builds on current expenditures on housing in Manitoba. The Province of Manitoba meets the shelter needs of low-income families and individuals through a variety of programs, including approximately \$58 million in annual grants and subsidies provided by the Manitoba Housing and Renewal Corporation. The Affordable Housing Initiative is complemented by the following programs already introduced:

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- Proposal Development Funding (PDF) Loans - The Manitoba PDF is an interest-free loan program for non-profit and co-operative housing organizations to help them develop project proposals for affordable housing for seniors, persons with disabilities, and persons with low incomes. Both new construction and redevelopment projects are eligible for PDF financing.
- 10 Per Cent Loan Guarantee Program - Supports the provision of private sector financing for affordable housing projects developed and delivered by non-profit organizations. The program is intended to help non-profit and co-operative groups secure and move forward with development projects located in inner-city neighbourhoods.
- Neighbourhood Housing Assistance Program - Provides \$10,000 per unit to community groups and individuals to acquire, repair, rehabilitate or develop housing units in targeted inner-city areas in Winnipeg, Brandon and Thompson, to support and encourage local revitalization efforts.
- Renovation and Repair Programs - In April 2000, the Province assumed responsibility for administration and delivery of federal/provincial renovation and repair programs, including the Residential Rehabilitation Assistance Program (RRAP). Manitoba cost-shares RRAP, the Home Adaptations for Seniors' Independence (HASI) Program, the Emergency Repair Program (ERP) and the Shelter Enhancement Program (SEP) with the federal government on a 25/75 per cent basis. Since 1999/2000, the Province has allocated \$2 million annually for the delivery of these programs. The Manitoba government also funds and delivers the Homeowner Emergency Loan Program (HELP).
- Northern Development Strategy - Housing has been identified and confirmed as a priority - along with health, transportation, employment and training and economic development - in the creation of a northern development strategy. Manitoba Family Services and Housing is developing a Northern Housing Strategy (NHS), in partnership with the Manitoba Metis Federation, the Northern Association of Community Councils, the Manitoba Keewatinowi Okimakanak, the Assembly of Manitoba Chiefs and the Northern Urban Industrial Communities, to address the needs associated with inadequate housing in the north.

Affordable Housing Program Agreement Summary

Objectives:

- to increase the supply of off-reserve affordable housing in Manitoba
- the housing must be affordable for at least 10 years

Programs:

Funding under this agreement will be used to:

- increase the supply of new rental affordable housing for low- to moderate-income renters
- rehabilitate severely deteriorated properties, that are expected to fall out of the market within five years, into rental or ownership affordable housing
- enable low- to moderate-income renters to become first-time homebuyers by providing down-payment assistance to purchase new or recently renovated affordable housing
- increase home ownership by encouraging new housing supply in targeted urban revitalization and remote areas

Administration:

- the program(s) will be administered by Manitoba Family Services and Housing and the Manitoba Housing and Renewal Corporation (MHRC) and delivered in Winnipeg, through the Winnipeg Housing and Homelessness Initiative single window office

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- Manitoba is responsible for the selection of affordable housing projects

Financial Provisions:

- Maximum CMHC funding under the agreement is \$25.39 million to be matched by the Province of Manitoba and others
- Overall average CMHC funding will not exceed \$25,000 per unit
- \$3 million in federal funding is allocated for remote areas of Manitoba

Accountability:

- Manitoba will provide an annual audit and performance reports on the use of CMHC funding
- CMHC will lead a national evaluation of the program in 2006 and Manitoba Family Services and Housing and MHRC will be invited to participate.

Communications:

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

CMHC-Manitoba — Affordable Housing Program Agreement



David Collenette, Minister of Transport and Minister responsible for CMHC (left), Tim Sale, Manitoba Minister of Family Services and Housing, Jean-Claude Villiard, President of Canada Mortgage and Housing Corporation, Tannis Mindell, Manitoba Family Services and Housing Deputy Minister as well as the Honourable Dr. Rey Pagtakhan, Senior Federal Minister for Manitoba (standing).

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Jean-Claude Villiard, President of Canada Mortgage and Housing Corporation (left), the Honourable David Collenette, Minister of Transport and Minister responsible for CMHC, Tannis Mindell, Manitoba Family Services and Housing Deputy Minister, the Honourable Dr. Rey Pagtakhan, Senior Federal Minister for Manitoba as well as Tim Sale, Manitoba Minister of Family Services and Housing (right).