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Province Increases Funding for Affordable Housing

New Assistance Will Ensure Projects Proceed to Completion

TORONTO, Ontario, February 14, 2005 — The Ontario government has offered to double its funding for some units being built under the Affordable Housing Program, and will provide up to \$100,000 in developmental funds to assist approved non-profit groups to pay for pre-construction costs.

"The McGuinty government is committed to gradually match federal funding for the Affordable Housing Program," said Minister of Public Infrastructure Renewal David Caplan. "These funding improvements represent the first step towards achieving that important goal."

"We are also introducing a Surplus Government Lands for Affordable Housing initiative, which will ensure that some sites that are surplus to the needs of the government and suitable for housing can be made available for projects proceeding under the Affordable Housing Program."

"Housing is an important part of life and today's announcement will help us to move forward on our commitment to build healthy, safe, and affordable communities in Ontario," said the Honourable Joe Fontana, Minister of Labour and Housing.

The province has increased available funding for approved projects to \$4,000 per unit on average from \$2,000 per unit under the Affordable Housing Program. The funding will be targeted to affordable housing projects in the early stages of development that may be experiencing increases in construction costs or other financial challenges. The housing projects may only be recommended by municipalities with projects currently approved or under construction for Affordable Housing Program funding.

As well, the province will provide private non-profit groups with access to \$100,000 from existing approved funding to assist them in carrying out planning, legal and architectural activities required in the early stages of an affordable housing development.

In 2004, Ontario completed a province-wide consultation with stakeholders on the design of an improved version of the Canada/Ontario Affordable Housing Program. The province plans to sign a new affordable housing agreement with the federal government in 2005. To date, more than 3,300 new affordable housing units have been funded across Ontario. Some 500 of these units are now occupied by low-and moderate-income households, and the rest are at various stages of construction.

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