



## PRESS RELEASE



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### **\$602 Million Allocated for Affordable Housing in Ontario**

**TORONTO, Ontario, April 29, 2005** — The Government of Canada and the Government of Ontario today signed an Affordable Housing Agreement, which will commit \$602 million over the next four years to increase the supply of affordable housing in the province.

The agreement was signed today by the Honourable Joe Fontana, Minister of Labour and Housing, and the Honourable David Caplan, Ontario's Minister of Public Infrastructure Renewal.

The federal/provincial agreement includes a commitment of \$301 million from each level of government.

The agreement brings the total amount invested in affordable housing in Ontario by the federal, provincial and municipal governments to \$734 million over the life of the program. This will mean assistance to some 20,000 households in total under the Affordable Housing Agreement, including rent supplement for more than 5,000 lower-income families in Ontario.

"The Government of Canada introduced a number of flexibilities, including rent supplements, that have enabled Ontario to move forward with housing initiatives under today's agreement," said Minister Fontana. "Ontario residents will now be able to obtain the same access to safe, affordable housing that we have been able to create across the country. I will continue to work with the province, municipalities, and stakeholders to flow these new funds quickly."

"Safe, secure affordable housing is a basic human need," said Minister Caplan. "This agreement represents a giant leap forward in providing more affordable housing in communities across Ontario, and will give thousands of people, including persons with mental illness, victims of domestic violence and lower-income families, a place to call home."

The Affordable Housing Agreement will provide financing for the following:

- rent supplement for low-income households, through existing vacant units across the province
- rental units targeted to people on or eligible to be on a social housing waiting list,
- supportive housing for persons with mental illness,
- housing for victims of domestic violence,
- homeownership housing for families with low to moderate incomes, and
- the provision or renovation of affordable housing for low-income persons in Northern Ontario.

#### **For further information please contact:**

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(left to right) Minister Joe Fontana and Minister David Caplan, Ontario Minister of Public Infrastructure Renewal.



(left to right) London-West MPP Chris Bentley; London North Centre MPP Deb Matthews; Minister Caplan; Councillor Susan Eagle; Minister Fontana (in front of the construction site for Homes Unlimited).

### **Affordable Housing Program Agreement (New Agreement)**

#### **Backgrounder**

#### **Canada-Ontario Affordable Housing Agreement**

#### **Background**

The Governments of Canada and Ontario signed an Affordable Housing Agreement on May 30, 2002 — the first phase provided federal funding of \$245 million together with matching contributions from the Province of Ontario, municipalities and other housing partners. Approximately \$73 million of federal funding has been committed under this agreement.

**New Agreement:**

Today's announcement increases the total federal investment under the Canada-Ontario Affordable Housing Agreement to a total of \$734 million in funding to be spent by 2010. This investment is being shared by the Government of Canada, the Province of Ontario and municipalities. Funding will be used for:

- **Affordable Urban Rental Housing:** a new rental housing supply program which aims to increase the supply of new rental affordable housing for moderate-to- low-income households. This includes a rehabilitation/conversion housing component to rehabilitate severely deteriorated properties into rental housing for low-income households;
- **Affordable Home Ownership Program:** to ease the demand for rental housing by assisting rental households to purchase affordable homes;
- **Affordable Remote Housing Program:** To create, acquire or rehabilitate through renovation, affordable rental or ownership housing in remote areas.
- **Housing Allowance/Rent Supplement Program:** An interim measure to create rental affordable housing for low-income households on or eligible to be on a social housing waiting list in rental markets, through rent supplements on existing vacant units.