



PRESS RELEASE



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Norwood Road Affordable Housing Official Opening

CHARLOTTETOWN, Prince Edward Island, July 18, 2005 — The Honourable Shawn Murphy, Member of Parliament for Charlottetown, on behalf of the Honourable Joe Fontana, Minister of Labour and Housing and the Honourable Chester Gillan, Prince Edward Island Minister of Health and Social Services, today officially opened the Norwood Road Housing Development, a new 12-unit affordable housing complex in Charlottetown, P.E.I.

Norwood Road Housing, which provides 12 three-bedroom units of affordable family housing for low-to moderate-income Islanders, was developed by McQuaid Construction of Charlottetown and is the first private sector multi-unit residential rental project to be developed under the Canada-P.E.I. Affordable Housing Agreement signed in May 2003.

Funding of \$290,400 was provided to the project under the Canada - P.E.I. Affordable Housing Agreement. McQuaid Construction of Charlottetown contributed \$292,000. The balance of funding is provided through a CMHC insured mortgage loan.

"This project shows how governments and the private sector can work together to bring about positive results," said MP Murphy. "The Government of Canada is committed to working with its partners to create more affordable housing in P.E.I. while helping communities offer improved services and contribute to positive growth and development."

"These types of partnerships are the way of the future," said Minister Gillan. "The flexibility of the Canada - P.E.I. Affordable Housing Agreement means that we can develop more partnerships, and work together with members of the community to develop similar projects in both urban and rural areas of the province."

"The development of the Norwood Road Housing project through the Canada- P.E.I. Affordable Housing Agreement is a practical way for government to ensure there are good quality units available at affordable rents in the marketplace; and that these units are only available to low-to moderate-income Islanders," said David McQuaid, President of McQuaid Construction Inc. "This program enables the private sector to become involved and to provide solid units at rents that would not be possible without the support of the Canada-P.E.I. Affordable Housing Agreement. "

The Canada-P.E.I. Affordable Housing Agreement, which was signed in 2003, stated that it would provide \$5.5 million to create approximately an additional 120 housing units by the end of 2007 across P.E.I. The Government of Canada is contributing \$2.75 million to be matched by the Province and other partners.

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Canada-P.E.I. Affordable Housing Program Agreement Summary

Dated signature: May 23, 2003

Objectives:

- To increase and sustain the supply of new affordable housing in Prince Edward Island (P.E.I.)
- Housing supported by the Canada-P.E.I. Affordable Housing Agreement must be rented at affordable rents for 10 years.

Program:

Funding under this agreement will be used to create new, additional, affordable housing units for low to moderate income Islanders through rental, conversion and homeownership initiatives.

Administration:

- The program is administered by the P.E.I. Department of Health and Social Services.
- P.E.I. is responsible for the selection of affordable housing projects.
- Provincial priorities are housing for families, persons with disabilities and persons with special needs.
- The P.E.I. Government has partnered with Habitat for Humanity to deliver the homeownership component.

Financial Provisions:

- Maximum funding under the agreement is \$2.75 to be matched by the Province of P.E.I., municipalities and others partners.
- Overall funding will not exceed \$25,000/unit over the life of the Agreement.

Accountability:

- P.E.I. will provide annual audit and performance reports on the use of CMHC funding.
- CMHC will lead a national evaluation of the program in 2006 and the province will be invited to participate.