



PRESS RELEASE



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\$63 Million More for Affordable Housing in Alberta

CALGARY, Alberta, August 15, 2005 — The Government of Canada and the Government of Alberta have signed Phase II of the Canada-Alberta Affordable Housing Program Agreement, which will commit at least \$63 million over the next two years to increase the supply of affordable housing in the province.

The agreement was signed by the Honourable Joe Fontana, Minister of Labour and Housing, and the Honourable Yvonne Fritz, Minister of Alberta Seniors and Community Supports.

The federal/provincial agreement includes a commitment of \$31.5 million from the Government of Canada and \$31.5 million from the Government of Alberta. "This agreement strengthens the Government of Canada's partnership with Alberta, and allows us to move forward on our commitment to provide more affordable housing in the province," said Minister Fontana. "We are very pleased with the work we are doing with our provincial partner to address housing needs, and this additional federal funding demonstrates our continued commitment to help provide safe and strong communities for lower-income residents throughout Alberta."

"I am very proud that Alberta is considered one of the most successful provinces to develop and build affordable housing under this program, said Minister Fritz. "The additional funding in Phase II reflects our commitment to build strong communities throughout the province."

This announcement brings the total investment under the Canada-Alberta Affordable Housing Program Agreement to approximately \$200 million in funding. This investment is being shared by the Government of Canada and the Government of Alberta and will create an estimated 3,150 affordable housing units under Phase I and II of the program.

Phase I of the program was signed in June 2002. Since then funding has been provided for projects in Banff, Brooks, Calgary, Camrose, Canmore, Cochrane, Edmonton, Grande Cache, Grande Prairie, the Municipal District of Greenview, Hythe, Leduc, Lethbridge, Medicine Hat, the Municipal District of Opportunity, Red Deer, Rocky Mountain House, Stony Plain, Villeneuve, Whitecourt and the Regional Municipality of Wood Buffalo.

Alberta is the eighth province in Canada to sign the second phase of the agreement. To date, more than \$109 million in funding has been allocated towards the creation of 2,449 affordable housing units throughout Alberta.

For more information on the Canada-Alberta Affordable Housing Program, visit the Alberta Seniors and Community Supports website at www.seniors.gov.ab.ca.

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Backgrounder

Canada-Alberta Affordable Housing Agreement

Phase I

Objectives:

- To create and sustain rental housing for low- to moderate-income Alberta households through new construction or rehabilitation
- Housing must be affordable for at least 20 years

Program:

Funding under this agreement will be used for affordable housing partnerships and supportive housing initiatives:

- Funding is available to private non-profits, cooperatives, community or private developers interested in developing projects for low-income families, seniors, non-elderly singles, disabled persons and persons with special needs

Administration:

The program will be administered by Alberta Seniors and Community Supports.

- The department is responsible for the selection of affordable housing projects.

Financial Provisions:

- Maximum CMHC funding under the agreement is \$67.12 million to be matched by the Province of Alberta under Phase I, for a total of at least \$134.24 million.
- Overall average CMHC funding will not exceed \$25,000 per unit.

Phase II

The August 15th announcement increases the total investment under the Canada-Alberta Affordable Housing Program Agreement by \$63 million in funding by 2008. The contributions of the Government of Canada will be matched by the Government of Alberta. This funding may be augmented through contributions from municipalities or other parties.

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Under Phase II, funding will be:

- used for affordable and supportive housing initiatives in Phase I;
- targeted to urban areas with considerable housing needs; and
- targeted to persons on or eligible to be on a waiting list for social housing.

As well, federal assistance is increased to a maximum of 50 per cent of capital costs to a maximum of \$75,000 per unit. The units funded will remain affordable and occupied by low-income households for a minimum of 10 years.