



## PRESS RELEASE



*Canadian Mortgage News - National Archive 2007*

### **Newfoundland and Labrador Gets Over \$2 Million Boost in Affordable Housing**

**HOLYROOD, Newfoundland & Labrador, June 21, 2007** — Canada’s New Government and the Government of Newfoundland and Labrador today announced more than \$2 million to create 65 affordable housing units in eight communities under the Canada – Newfoundland and Labrador Affordable Housing Program Agreement.

Norman Doyle, Member of Parliament for St. John’s East, on behalf of the Honourable Monte Solberg, Minister of Human Resources and Social Development and Minister responsible for Canada Mortgage and Housing Corporation, and the Honourable Shawn Skinner, Minister of Human Resources, Labour and Employment and Minister responsible for Newfoundland Labrador Housing, made the announcement at a media conference held in Holyrood today.

Seniors, persons with disabilities, non-elderly singles and families in Newfoundland and Labrador will now have more access to affordable housing, made available under this agreement, in communities across the province.

“Canada’s New Government is working to ensure funding is available for projects like these to address the need for affordable housing in communities across the country,” said MP Norman Doyle. “We are pleased to be working with our partners in both the public and private sector to help the people of Newfoundland and Labrador build a better and stronger future.”

“In addition to this current \$2 million announcement, the federal/provincial Affordable Housing Agreement, to date, has provided approximately \$2.82M for the development of numerous other private and non-profit sector projects throughout the province, such as the Tommy Sexton Centre, Stella Burry Community Services, and CNB Holdings in Stephenville,” said Minister Skinner. “The Affordable Housing Program assists many who may be struggling financially, and allows individuals to remain in their communities where they can continue to have the support of family and friends while maintaining their independence.”

The new affordable housing projects include:

REA Rentals Inc.	Corner Brook	\$280,000	8 units — individuals living with disabilities, seniors and families
KSAB Construction Ltd.	Corner Brook	\$210,000	6 units — individuals living with disabilities
Ultimate Goal Inc.	Lewisporte	\$280,000	8 units — seniors
George Warr Ltd.	Springdale	\$350,000	10 units — seniors
Central Accommodations (2006) Ltd.	Bishop’s Falls	\$350,000	10 units — seniors

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Donovan Homes Ltd.	Paradise and St. John's	\$350,000	10 units — families, seniors, singles
Hawco Construction and Development Ltd.	Holyrood	\$175,000	5 units — seniors
White Bay Stores	Baie Verte	\$280,000	8 units — seniors

In January, Newfoundland Labrador Housing issued a proposal call for private sector development and operation of affordable rental housing to benefit low-to-moderate income households. The results of this proposal call will be announced later in 2007.

The Canada – Newfoundland and Labrador Affordable Housing Program Agreement involves investments of over \$20.45 million in the creation of affordable housing units in Newfoundland and Labrador.

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

Jenny Bowring, Manager  
Communications  
Newfoundland Labrador Housing  
709-724-3055  
[jmbowring@nlhc.nl.ca](mailto:jmbowring@nlhc.nl.ca)

Dawn L. Ring  
Consultant — Communications and Marketing  
Canada Mortgage and Housing Corporation  
Telephone: 709-772-5973  
[dring@cmhc.ca](mailto:dring@cmhc.ca)

### **Backgrounder**

## **Canada — Newfoundland and Labrador Affordable Housing Agreement**

### **Phase I**

#### **Objectives:**

- To increase the off-reserve supply of affordable housing in Newfoundland and Labrador.
- Housing must be affordable for at least 10 years.

#### **Program:**

- Funding under this agreement will be used for the creation of affordable housing.
- Funding is available to private non-profits, cooperatives, community or private developers interested in developing projects for low- to moderate-income families, seniors, non-elderly singles, disabled persons and persons with special needs.

#### **Administration:**

- The program will be administered by Newfoundland Labrador Housing (Housing).
- Housing is responsible for the selection of affordable housing projects.

#### **Financial Provisions:**

- Maximum CMHC funding under the agreement is \$15.14 million to be matched by the Province of Newfoundland and Labrador.
- Overall average CMHC funding will not exceed \$25,000 per unit.

## **Phase II**

Phase II of the Agreement increases the total investment under the Canada – Newfoundland and Labrador Affordable Housing Program Agreement by \$10.62 million in funding. The Government of Newfoundland and Labrador will contribute at least 50 percent of the matching funding; up to 10 per cent may come from municipalities and other third parties.

Under Phase II, funding will be:

- used for the creation of affordable housing;
- targeted to areas with considerable housing needs and low-income households who are eligible for social housing.

Overall CMHC funding will be based on 50 percent of capital costs to a maximum of \$75,000 per unit.