



## PRESS RELEASE



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### **CMHC to Assist Municipalities with Infrastructure Loans**

**KITCHENER - WATERLOO, Ontario, April 19, 2009** — The Honourable Diane Finley, Minister of Human Resources and Skills Development and Minister Responsible for Canada Mortgage and Housing Corporation (CMHC), today announced that municipalities can begin applying for direct, low-cost loans for shovel-ready infrastructure projects through CMHC.

“Our Government understands the importance of infrastructure in maintaining strong and prosperous communities,” said Minister Finley. “We’re very pleased to officially launch our Municipal Infrastructure Lending Program, which will give municipalities access to the low-cost funding they need to move forward quickly on housing-related infrastructure projects. These projects will also provide job creation for the local community.”

Canada’s Economic Action Plan provides up to \$2 billion in direct low-cost loans to municipalities, over two years, for housing-related infrastructure projects. Municipal infrastructure loans are available to any municipality in Canada and will provide a new source of funds for municipalities to invest in housing-related infrastructure projects. Eligible loans will be approved largely on a first come, first serve basis, however, CMHC will also seek to facilitate equitable access to the program and will work to encourage applications from urban and rural municipalities across Canada. Only infrastructure projects serving new or existing residential areas may be considered.

Eligible municipal infrastructure projects must directly relate to housing, contributing to the efficient functioning of residential areas. Projects include, for example, infrastructure related to the provision of housing services such as water, wastewater and solid waste services, power generation; local transportation infrastructure within or into residential areas such as roads, bridges and tunnels; residential sidewalks, lighting, pathways, landscaping and green space.

"The Canadian Home Builders' Association (CHBA) is pleased to see this program launched so quickly," said Gary Friend, President of CHBA. "This funding will not only provide needed municipal infrastructure for housing in our communities, but it will also help to create jobs and stimulate our economy."

"This program will help municipalities across Canada," said Ken Seiling, Regional Chair, Regional Municipality of Waterloo. "With access to preferential lending rates, it should assist many communities in advancing their critical infrastructure projects."

As Canada’s national housing agency, CMHC draws on more than 60 years of experience to help Canadians access a variety of quality, environmentally sustainable, and affordable homes — homes that will continue to create vibrant and healthy communities and cities across the country.

More information on this and other measures in Canada’s Economic Action Plan, a plan to stimulate the economy and protect those hit hardest by the global recession, can be found at: [www.budget.gc.ca](http://www.budget.gc.ca).

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More information, including applications forms, for municipalities wishing to apply for loans can be found at: [www.cmhc.ca/housingactionplan](http://www.cmhc.ca/housingactionplan)

To watch this event on-line, visit the [Newsroom](#) on CMHC's website.

### **Media inquiries:**

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## **Backgrounder**

### **Helping Municipalities Build Stronger Communities**

#### **CMHC Municipal Infrastructure Lending Program**

Canada's Economic Action Plan provides up to \$2 billion in direct low-cost loans to municipalities over two years through Canada Mortgage and Housing Corporation (CMHC) for housing-related infrastructure projects in towns and cities across the country.

These infrastructure loans are available to any municipality within Canada and will provide a new source of funds for municipalities to invest in housing-related infrastructure projects. Only infrastructure projects serving new or existing residential areas may be considered.

Eligible municipal infrastructure projects must directly relate to housing, contributing to the efficient functioning of residential areas. Projects include, for example, infrastructure related to the provision of housing services such as water, wastewater and solid waste services, power generation; local transportation infrastructure within or into residential areas such as roads, bridges and tunnels; residential sidewalks, lighting, pathways, landscaping and green space.

Infrastructure projects not directly related to housing such as social infrastructure projects, including community centres, skating rinks, playground equipment and libraries, are not eligible under this program.

There will be a focus on funding projects that are shovel-ready, as this is a targeted, short-term, temporary measure intended to create jobs.

These low-cost loans will significantly decrease the cost of borrowing for municipalities and can be used by them to fund their contribution for cost-shared federal infrastructure programming.

Eligible loans will be approved largely on a first-come, first-serve basis, provided the proposal meets eligibility requirements. However, CMHC will also seek to facilitate equitable access to the program and will work to encourage applications from urban and rural municipalities across Canada.

CMHC will screen applications against program eligibility, readiness to proceed and Canadian Environmental Assessment Agency (CEAA) requirements.

For more information or to make an application, municipalities can visit CMHC's website at [www.cmhc.ca/housingactionplan](http://www.cmhc.ca/housingactionplan).

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Municipalities can also reach CMHC by phone at 1-800-668-2642.



Left to right: Carl Zehr, Mayor of Kitchener, The Honourable Diane Finley, Minister of Human Resources and Skills Development and Minister Responsible for Canada Mortgage and Housing Corporation (CMHC); Stephen Woodworth, Member of Parliament for Kitchener Centre, and Ken Seiling, Regional Chair of Waterloo, in Kitchener, Sunday, April 19, 2009, announce that municipalities can begin applying for direct, low-cost loans for shovel-ready infrastructure projects through CMHC. Canada's Economic Action Plan provides up to \$2 billion in direct low-cost loans to municipalities, over two years, for housing-related infrastructure projects.



Left to right: Harold Albrecht, Member of Parliament for Kitchener-Conestoga; Stephen Woodworth, Member of Parliament for Kitchener Centre; The Honourable Diane Finley, Minister of Human Resources and Skills Development and Minister Responsible for Canada Mortgage and Housing Corporation (CMHC); Ken Seiling, Regional Chair of Waterloo, and Peter Braid, Member of Parliament for Kitchener-Waterloo, in Kitchener, Sunday, April 19, 2009, at a press conference to announce that municipalities can begin applying for direct, low-cost loans for shovel-ready infrastructure projects through CMHC. Canada's Economic Action Plan provides up to \$2 billion in direct low-cost

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