



PRESS RELEASE



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Saskatoon and North Battleford Approved for Infrastructure Loans

WHISTLER, British Columbia, June 08, 2009 — Speaking to delegates at the annual conference of the Federation of Canadian Municipalities, the Honourable John Baird, Canada's Minister of Transport and Infrastructure, on behalf of the Honourable Diane Finley, Minister of Human Resources and Skills Development Canada and Minister Responsible for Canada Mortgage and Housing Corporation (CMHC), announced today that Saskatoon and North Battleford are the first cities in Canada to be approved for loans as part of *Canada's Economic Action Plan*.

Saskatoon has been approved for more than \$33 million in low cost loans, from CMHC's Municipal Infrastructure Lending Program, to build a new water intake treatment plant, and to develop new residential green space. North Battleford has been approved for a \$2.5 million loan, which will be used for sewer replacement.

"Our Government understands the importance of infrastructure in maintaining strong and prosperous communities," said Minister Finley. "We're very pleased that Saskatoon and North Battleford are taking advantage of these low-cost loans, so they can move forward quickly on their housing-related infrastructure projects that will not only improve the quality of life for residents, but will also help create local jobs."

"This loan program and our partnership investments are concrete examples of the fast and unprecedented steps this Government is taking through our Economic Action Plan to help Canada's municipalities renew their infrastructure. This immediate economic stimulus will also help Canada emerge from the current economic downturn in a much stronger position," said Minister Baird.

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 served 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. Loans may be used by municipalities to cover their contribution for cost-shared federal infrastructure programming such as the Building Canada Fund.

"This program is opening the door for municipalities of all sizes to meet their infrastructure needs and create jobs," said the Honourable Gerry Ritz, Minister of Agriculture and Regional Minister for Saskatchewan. "This is good news not only for Saskatoon and North Battleford, but for also Saskatchewan."

"We are very pleased to partner with the federal government to use this low-cost loan to improve our community," said Saskatoon Mayor Donald Atchison. "These are significant projects that will have a tremendous positive impact for our citizens and their quality of life."

"We are pleased to have our application approved as this will allow us to continue with completion of our project in a cost effective manner that will lessen the burden on our ratepayers in the years ahead," said North Battleford Mayor

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Julian Sadlowski.

Eligible municipal infrastructure projects 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.

In order to meet Saskatoon's projected growth demands over the next 20 years, a new \$30.9 million water intake facility is being built to provide a source of potable water for 57,000 new homes and 61,902 existing homes. In addition, Saskatoon is committed to the redevelopment of high density areas to add residential green space and will invest \$2.3 million to develop the new Riverfront Park, which provides a gateway into the Riversdale neighborhood. Construction is anticipated to start immediately.

North Battleford will take advantage of the low-cost loans to complete its \$2.5 million sewer replacement project, which is intended to reduce the risk of massive flooding and property damage to residents during intensive weather-related events. Construction has already begun and is expected to be completed by the end of this summer.

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.actionplan.gc.ca.

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

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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.

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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-served 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.