



PRESS RELEASE



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New Affordable Housing Projects in Fredericton

FREDERICTON, New Brunswick, July 20, 2006 — Non-elderly singles and persons with disabilities in Fredericton will have access to more affordable housing with the construction of three new affordable housing projects developed by Fredericton Non-Profit Housing Corporation Inc.

The projects received \$1.1 million under the Canada – New Brunswick Affordable Housing Agreement and involve a total of 16 affordable housing units.

The Honourable Greg Thompson Minister of Veterans Affairs and Regional Minister for New Brunswick, on behalf of the Honourable Diane Finley, Minister of Human Resources and Social Development, and the Honourable Bernard Lord, Premier of New Brunswick, made the announcement.

“I am pleased to see that more affordable housing will soon be available to the residents of Fredericton,” said Minister Thompson. “These projects are excellent examples of how governments working together with local groups can help those who need it the most, find a place to call home.”

“The non-profit sector plays an important role in this Affordable Rental Housing Program and we are pleased to get their support to create more affordable housing for New Brunswickers,” Premier Lord said.

The projects will be located on 746 Brunswick Street, 145 Westmorland Street, and 279 Brunswick Street. They will receive a total of \$510,000 in federal funding to offset the construction costs, as well as \$640,000 in rent supplements from the Province of New Brunswick for all 16 units.

A provincial Proposal Development Funding loan of \$23,800 was provided to the Fredericton Non-Profit Housing Corporation, to help offset upfront project development costs for the building at 279 Brunswick Street. The loan assisted with expenses related to architectural drawings, site plans, costs projections and other related activities.

The Canada – New Brunswick Affordable Housing Agreement involves investments of more than \$45 million for the creation of affordable housing units in New Brunswick.

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Backgrounder

Canada – New Brunswick Affordable Housing Agreement

Phase I

Objectives:

- To create and sustain rental housing for low-to moderate-income New Brunswick households through new construction or rehabilitation.
- Housing must be affordable for at least 10 years.

Program:

- Funding under this agreement will be used for a Rental Housing Program.
- The program will create and sustain in excess of 600 units of rental housing for low-to moderate-income households.
- 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 the New Brunswick Department of Family and Community Services.
- Family and Community Services is responsible for the selection of affordable housing projects.

Financial Provisions:

- Maximum CMHC funding under the agreement is \$14.98 million to be matched by the Province of New Brunswick for a total of \$29.96 million.
- Overall average CMHC funding will not exceed \$25,000 per unit.
- Province of New Brunswick will provide rent supplements for low-to moderate-income households who occupy their housing.

Phase II

Phase II of the Agreement increases the total investment under the Canada – New Brunswick Affordable Housing Program Agreement by \$15.14 million in funding. The Government of New Brunswick will contribute at least 50 per cent 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 Rental Housing Program in Phase I plus a new rent supplement program;
- targeted to urban areas with considerable housing needs; and
- targeted to persons on or eligible to be on a waiting list for social housing.