



News Release

FOR IMMEDIATE RELEASE

CANADA'S ECONOMIC ACTION PLAN DELIVERS HOUSING-RELATED INFRASTRUCTURE LOANS TO BRITISH COLUMBIA MUNICIPALITIES

New Westminster, BC, August 8, 2011 – The Government of Canada joined three municipalities today to celebrate more than \$19 million in low-cost infrastructure loans for various projects as part of *Canada's Economic Action Plan*.

The Honourable Alice Wong, Minister of State (Seniors) on behalf of the Honourable Diane Finley, Minister of Human Resources and Skills Development and Minister Responsible for Canada Mortgage and Housing Corporation (CMHC) attended the announcement in New Westminster along with municipal representatives and guests.

“Our Government understands the importance of infrastructure in maintaining strong and prosperous communities,” said Minister Wong. “This program opened the door here in New Westminster and in municipalities across Canada to meet their housing-related infrastructure needs. Canada's Economic Action Plan will continue to create jobs and stimulate the local economy here in British Columbia, and in all corners of the country.”

The City of New Westminster has been approved for \$6.3 million in a low-cost loan from CMHC's Municipal Infrastructure Lending Program (MILP). This loan is being used to remediate a brownfield site on B.C.'s historic Fraser River. Thanks to this project, 3.2 hectares of derelict industrial land in this community are being transformed into residential green space with connections to regional trail and greenway networks that will form part of the larger Westminster Pier Park development. Currently under construction and scheduled to open this fall, the 10 acre park will take advantage of its waterfront location along the historic Fraser River.

“We are pleased to receive this loan from CMHC, as it has enabled us to move forward on this great project,” said Wayne Wright, Mayor of the City of New Westminster. “These funds will help our talented project team bring our vision of Westminster Pier Park to fruition, reuniting our city with the waterfront.”

The City of Victoria has been approved for \$10.2 million to replace the old Johnson Street Bridge with a more modern, earthquake resistant structure.

“This is a significant project for our community and one that will create an estimated 900 jobs over the next four years,” said City of Victoria Mayor Dean Fortin. “By partnering with CMHC we are able to decrease the cost of borrowing, saving us money over the long term.”

The Town of Oliver has been approved for \$2.5 million to upgrade their water distribution system.

“As water purveyor to over 6,000 customers both rural and domestic, the Town of Oliver has a huge responsibility to supply its customers with both potable and irrigation water,” said Patrick Hampson, Mayor of the Town of Oliver. “The ability of a small BC town to secure loans at very affordable rates is critical in enabling us to reach another benchmark in our Water Twinning project.”

Canada's Economic Action Plan provided \$2 billion over two years in direct low-cost loans to municipalities. Municipal infrastructure loans were available to any municipality in Canada and provided a new source of funds for municipalities to invest in housing-related infrastructure projects. These low-cost loans could be used by municipalities to fund their contribution for cost-shared federal infrastructure programming.

Eligible projects included infrastructure related to housing services such as water, power generation and waste services, as well as local transportation infrastructure within and into residential areas, such as roads, sidewalks, lighting, firehalls and green space.

CMHC has been Canada's national housing agency for more than 65 years. CMHC is committed to helping Canadians access a wide choice of quality, environmentally sustainable, affordable housing solutions, while making vibrant, healthy communities and cities a reality 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.

Backgrounder attached.

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BACKGROUND

HELPING MUNICIPALITIES BUILD STRONGER COMMUNITIES

CMHC's Municipal Infrastructure Lending Program

Canada's Economic Action Plan provided \$2 billion in direct low-cost loans to municipalities over two years for housing-related infrastructure projects in towns and cities across the country. The Municipal Infrastructure Lending Program (MILP) is administered by Canada Mortgage and Housing Corporation (CMHC).

The municipalities that will receive contributions from the Government of Canada being announced today are:

City of New Westminster	\$6,300,814	Brownfield redevelopment
Town of Oliver	\$2,500,000	Drinking water supply
City of Victoria	\$10,200,000	Local transportation-bridges

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

Eligible municipal infrastructure projects needed to be directly relate to housing, thereby contributing to the efficient functioning of residential areas. Projects included 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; and residential sidewalks, lighting, pathways, landscaping, firehalls and green space.

There was a focus on funding projects that were construction ready, as this was a targeted, short-term, temporary measure intended to create jobs.

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

Loans were approved on a first-come, first-served basis, provided the proposals met eligibility requirements. To facilitate equitable access to the program, applications were encouraged from both urban and rural municipalities across Canada.

CMHC screened applications against program eligibility, readiness to proceed and Canadian Environmental Assessment Agency requirements.

For more information visit CMHC's Web site at www.cmhc.ca/housingactionplan.