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Canada Mortgage and Housing Corporation Société canadienne d'hypothèques et de logement



cmhc.ca

October 23, 2020

Drina Omazic

<u>Drina.Omazic@hamilton.ca</u>

Chief of Staff to the Mayor

City of Hamilton

Dear Ms. Omazic,

RE: Priority Allocation for Your Municipality from the Rapid Housing Initiative

I am pleased to inform you that your municipality has been identified for immediate funding to create new permanent affordable housing under the Rapid Housing Initiative (RHI) that was announced by the Government of Canada on September 21.

RHI will deliver \$1 billion to help address urgent housing needs of people and populations who are vulnerable by rapidly creating new affordable housing units across the country.

This funding will be delivered through the Canada Mortgage and Housing Corporation (CMHC), and the RHI will cover the construction of modular housing, as well as the acquisition of land, and the conversion of existing buildings to affordable housing. This initiative will be delivered through two funding streams:

- Major Cities Stream: which will flow directly to municipalities to ensure funds are directed to areas where chronic homelessness is most prevalent and;
- Projects Stream: which will prioritize applications received from Provinces, Territories, municipalities, Indigenous governing bodies and organizations and non-profits based on the overall strength of the application.

As part of the first funding stream, your municipality has been identified for immediate funding of \$10,760,585 to create a minimum of 38 units of new permanent affordable housing. This funding will be transferred to your municipality in full upon the successful execution of an agreement. Your collaboration to execute an agreement quickly is needed in order for the funding to be transferred before the end of the calendar year.

An investment plan outlining the capital projects that will be built with your municipality's RHI allocation is needed before November 27 in order to confirm the take-up of funds. Unused funds will be reallocated within the Major Cities Stream. You are encouraged to take a community benefits approach and are asked to prioritize 30% of projects targeting women and 15% of projects for urban Indigenous peoples.

There will be an opportunity for your municipality to request additional funding for consideration under the Projects Stream, that you can identify in your investment plan without needing to submit a separate application.

Projects funded under the RHI are intended to serve populations and operate for a minimum of 20 years, which may require support beyond what is provided through RHI and what municipalities can cover. We would be pleased to support you in your discussions with your provincial government counterparts regarding supports that may be needed over this 20-year period.

Later today, CMHC will be hosting a multilateral call with all the municipalities receiving funding under the Major Cities Stream. We invite you to participate in this call, as we will present further details on RHI and the next steps to complete an agreement and advance funding (template attached).



Please designate a key contact who will be involved with the funding agreement to reach out to Glenn Furlong, CMHC lead for your discussions with your municipality (contact information below), following the multilateral call in order to facilitate the coordination of activities.

Congratulations on being selected for this important initiative. We look forward to working with you to help address urgent housing needs of people and populations who are vulnerable.

Yours Sincerely,

Pam Hine

Vice-President, Partnership and Promotions

Client Solutions

CC

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