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**SUBJECT****RAPID HOUSING INITIATIVE**

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**ISSUE**

What is the aim of the Rapid Housing Initiative?

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**RESPONSE**

- **The COVID-19 pandemic has made it clearer than ever that affordable housing is key to Canada's recovery. That is why the Government of Canada is working to ensure that every Canadian has a safe and affordable place to call home.**
- **The now \$4 billion Rapid Housing Initiative, delivered in tandem with the National Housing Strategy (NHS), addresses urgent housing needs for Canadians made vulnerable by rapidly creating new affordable housing.**
- **I am proud to say that through the two first round of the Rapid Housing Initiative, over 10,000 new affordable housing units will be created across the country instead of the 7,500 initially planned.**
- **More than 3,300 units will support women or women and their children, and more than 4,200 units will assist Indigenous Peoples.**
- **Mr. Speaker, in Budget 2022 we extended by \$1,5 billion the Rapid Housing Initiative. This new funding is expected to create 4,500 new affordable housing units, with at least 25 per cent of funding going towards women-focused housing projects.**
- **We had the pleasure of recently announcing details of the third round, with \$500 million being provided to 41 pre-determined municipalities and \$1 billion available for to a wide-range of applicants that includes provinces, territories, municipalities, Indigenous governing bodies and organizations, and non-profit organizations.**

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## BACKGROUND

Round 1: The Rapid Housing Initiative (RHI) a **\$1 billion** program to help address urgent housing needs of vulnerable Canadians, especially in the context of COVID-19, through the rapid construction of affordable housing.

The initiative provided capital contributions (upon signing a funding agreement with CMHC) under two streams to expedite the delivery of affordable housing. The RHI will:

- Support the creation of up to 3,000 (exceeded target to 4,788 new permanent affordable housing units)
- Cover the construction of modular housing, as well as the acquisition of land, and the conversion/rehabilitation of existing buildings to affordable housing
- Aim to commit all funds before March 31, 2021, and ensure housing is available within 12 months of agreements

The initial \$1B investment is divided into two equal funding streams:

- The RHI **Major Cities Stream** provided \$500 million in immediate support to 15 pre-determined municipalities that were identified in consultation with the Federation of Canadian Municipalities (FCM), based on highest levels of renters in severe housing need and people experiencing homelessness.
- Under the \$500 million **Projects Stream**, provinces, territories, municipalities, Indigenous governing bodies and organizations, and non-profit organizations could apply for funding by December 31, 2020. The RHI received a significant amount of interest, resulting in a high number of quality applications that far exceeded the available funding.

Round 2: Budget 2021 committed **\$1.5 billion** for the RHI in 2021-22 to address the urgent housing needs of vulnerable Canadians by providing them with adequate affordable housing in short order.

- At least 25 per cent of this funding would go towards women-focused housing projects.
- **\$500 million** will be allocated to a Cities Stream and flow to 30 pre-determined municipalities.
- **1\$ billion** will be allocated to unfunded eligible projects from Round 1.

Overall, this new funding to the initiative aimed to create more than 4,500 new units to Canada's housing supply. It exceeded its target to 5,461 new permanent affordable housing units.

Round 3: Budget 2022 provides **\$1.5 billion** over two years, starting in 2022-23, to extend the RHI. This new funding is expected to create at least 4,500 new affordable housing units, with at least 25 per cent of funding going towards women-focused housing projects.

- \$1 billion under the **Projects Stream** via an applications-based process. Eligible applicants for this stream include provinces, territories, municipalities, Indigenous governing bodies and organizations, and non-profit organizations.
- The \$500 million under the **Cities Stream** will be allocated to 41 pre-determined municipalities.

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