
SUBJECT**RAPID HOUSING INITIATIVE**

ISSUE

What is the aim of the Rapid Housing Initiative?

RESPONSE

- **As we are all still dealing with the impacts of the pandemic, one thing as become clear: our homes have become a sanctuary - a place of safety and refuge. That is why the Government of Canada is working to ensure that every Canadian has a safe and affordable place to call home.**
- **The initial \$1 billion Rapid Housing Initiative has exceeded its original target and will now create more than 4,700 new permanent units of affordable housing across Canada, of which 1,836 are for Indigenous peoples.**
- **Budget 2021 committed an additional \$1.5 billion for the Rapid Housing Initiative to add a minimum of 4,500 new affordable units to address the urgent housing needs of vulnerable Canadians.**
- **At least 25 per cent of this new funding would go towards women-focused housing projects.**
- **This initiative, delivered in tandem with the National Housing Strategy (NHS), addresses urgent housing needs for vulnerable Canadians by rapidly creating new affordable housing.**

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 4,787 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 will add a minimum of 4,500 new affordable units to Canada's housing supply.