

Included in the federal-provincial cost-sharing arrangements is a program of housing for sale. Subsidy assistance for home-ownership has been provided under a variety of arrangements in Newfoundland, Prince Edward Island, Nova Scotia, New Brunswick, Manitoba, Saskatchewan and British Columbia. Under these arrangements mortgage payments are related to the incomes of the purchasers, with the federal government providing 75% of the difference between the mortgage payment made by the purchaser and the actual amount required to retire the loan and interest. During the year 1,683 units were provided under these arrangements, for a total of 7,439 to date.

14.2.6 Land assembly and new communities

The federal and provincial governments may enter into an agreement to provide for a land assembly project which involves the development of land for housing. The federal government pays up to 75% of the cost and the provincial government the remainder. The latter may call upon the municipality concerned to bear a portion of the provincial share. As an alternative loans of up to 90% of the cost of assembling and servicing land for public housing are available at a preferential interest rate to provinces, municipalities and their agencies.

Under federal-provincial partnerships nine projects for 1,548 residential building lots and two projects for land banks with a total area of 548 acres were approved in 1974. Since the inception of the program in 1948, 33,449 lots have been authorized for development. Of these, 24,064 have been offered for sale and 22,601 have been sold. A total of 31,861 acres have been authorized for acquisition in land banks. Of lands actually acquired, 20,411 acres remain to be developed. Section 42 of the National Housing Act authorizes the Corporation to make loans to provinces and their agencies for up to 90% of the cost of assembling and developing land for housing. During 1974, 135 loans amounting to \$80.6 million were approved under this Section.

The NHA also provides assistance through CMHC for new communities either through cost-sharing arrangements between federal and provincial governments or through loans with certain forgiveness elements to the provinces or their designated agencies. CMHC may participate in the acquisition of land for the new communities, including land for transportation corridors and open space in or around the communities, planning the communities and designing and installing services. Both the federal commitment to the loan arrangement and the federal-provincial cost-sharing agreement are dependent upon the province satisfying several points: the agency or corporation responsible for the planning and development of the new community must be designated, and CMHC must be satisfied that measures will be taken to allow the public to receive any economic benefits that may accrue from selling the lands and services to the private sector in the new community, and that acceptable plans for urban growth, including the location, size and order of development of other new communities, have been established. A federal-provincial agreement between CMHC and the government of any province will determine which new community will receive assistance.

The amount of capital costs, profits and losses to be shared by the Corporation shall not exceed 75% of the total capital costs, profits and losses of the project. A loan to a province or its designated agency may be made in an amount of 90% of the cost as determined by CMHC for the acquisition of land for the new communities, including land for transportation corridors and open spaces in or around the communities, for planning the communities, and for the design and installation of the services. The term of the loan will be 25 years. This term may be extended to 50 years for that part to be used for land and services leased on a long-term leasehold basis for private use.

To encourage the rapid development of recreational and social facilities CMHC may forgive up to 50% of that portion of the loan covering acquisition of land for these purposes. A forgiveness of an amount not exceeding 50% of the part of the loan used for initial planning costs may also be approved. This would include salaries, accommodation and expenses of the new community development corporation or agency and necessary consultants to provide over-all administration, site investigations, surveys, background research, concept plans, over-all development plans as may be required by the province and detailed phasing elements of layout and urban design.