

Senator GROSART: Was an attempt made to force you out of the downtown area?

Mr. PALEF: The only reason we were able to get into a downtown area was because the city owned the land, they had a piece of property that was not being made use of.

Miss TOWNSHEND: To get back to Senator Fergusson's question, we are aware certainly of the fact that CMHC is continuously doing research, sometimes related to senior citizen housing and sometimes more broadly related to housing generally. We have in mind something a little more specific, something that would be more specifically helpful to voluntary organizations wishing to sponsor projects, I think most of the material in the brochures you have referred to give examples of housing projects that have been carried out, and certainly there is material available to explain what Central Mortgage and Housing Corporation's contribution can be. But there are many other things involved. Just from hearing Mr. Palef's experience, one can imagine the kinds of feelings a voluntary organization has when it starts out to take on one of these projects. Very often these are people who have had no experience in investment or in dealing with building people, and they really have an extremely frustrating experience, as Mr. Hart will corroborate. Our idea of the manual would be to give them some 1, 2, 3, 4 simple suggestions.

Senator FERGUSSON: I have heard Mr. Hart talk about this, so I am familiar with your problem. I would like to know if this is a problem you have run into in Ottawa—that is, generally, whenever the provisions of section 16 are going to be used for housing for elderly citizens.

Mr. PALEF: Outside of one other project being undertaken by the King's Daughters Guild we are the only senior citizens apartment project which has gotten under way in the City of Ottawa; and, as I say, notwithstanding the various pieces of literature which have already been published, it still means you have to put up a considerable amount of money of your own. We have had many changes of people within our own group who got frustrated and disillusioned and who said they felt they were getting nowhere. We have used several thousand dollars of our own money. Before you can even make an application to Central Mortgage and Housing Corporation you have to put deposits up. They are extremely co-operative, but they have rules and regulations by which they have to operate.

Mr. GITTERMAN: I do not know whether I should mention this, but a practical consideration I feel I should point out is that we are short one month of three years since the project was started or conceived. In this period I, as a professional architect, dealt with Mr. Palef who was not at that time the chairman of a board of any company. We had no one to deal with, and in that period, in addition to having no company, there were no funds, and in this period no money exchanged hands. I, as a professional, felt I was doing quite a bit of welfare work in this period. If the project did not start it would be in trouble, and Mr. Palef put up the money all the way through. This is one problem that occurs in that type of project.

The CHAIRMAN: It took you three years from the beginning until it was completed?

Mr. GITTERMAN: Until the ground was broken.

The CHAIRMAN: That is, the preliminary stages from the conception until the ground was broken took three years?

Mr. PALEF: The King's Daughters Guild were a little longer than we were, and they were supplying the total equity capital of \$150,000.

Senator GROSART: They would be a group in Ottawa close to the sources knowing the ropes?