

Loans to Non-Profit Companies

The Federal Government may also make loans to non-profit organizations for low-rental housing projects. Such projects may be rented either to low-income families or to the elderly, whose limited resources often bar them from the general housing market. Either a municipality or a private group of public-spirited citizens may form a non-profit company. If the company can show evidence of need in its locality for a low-rental housing project, the Central Mortgage and Housing Corporation is authorized to lend, at a low interest rate, up to 90 per cent of the lending value of the project as determined by the Corporation. The housing may comprise self-contained units, hostels or dormitories, or any combination of these.

Urban Renewal

There has been an enthusiastic and continuing response to the 1964 amendments to the National Housing Act, which provided for increased financial assistance to provinces and municipalities for urban-renewal programmes. Urban renewal is an inclusive term, which describes the orderly process of rebuilding the municipality to improve working and living conditions. It involves redevelopment, rehabilitation and conservation, used separately or in combination in designated areas. The process involves both private and public initiative and investment.

CMHC, with Federal Government approval, may arrange with a municipality to undertake a study to identify blighted areas, determine housing requirements and provide data upon which an orderly programme of conservation, rehabilitation and redevelopment can be based. The federal contribution may be as much as 75 per cent of the cost of such a study.

NHA legislation also authorizes federal contributions equal to half the costs of preparing an urban-renewal scheme setting out proposals for urban-renewal action, a similar cost-sharing arrangement for the implementation of a scheme and loans of up to two-thirds of the provincial or municipal share of the cost of carrying out an urban-renewal scheme. To encourage the improvement and conservation of housing which meets minimum standards of construction, loans are available for the sale, purchase or refinancing of existing housing in urban-renewal areas not designated for demolition.

House-Building a Major Industry

House-building in Canada today is a major industry, carried on by firms who may employ from ten to 1,000 or more men and whose product is aimed at the mass market. The larger firms of merchant-builders can often achieve economies impossible to the builder of a single "custom-built" home.