MAY 03 2007

His Worship Fred Eisenberger
Mayor
The City of Hamilton
71 Main Street West
Hamilton, Ontario
L8P 4Y5

Dear Mayor Eisenberger:

Thank you for your letter of February 22, 2007, concerning the funding formula of the National Housing Act (NHA) Section 95 Social Housing Program.

As noted in your letter, the federally subsidized Section 95 non-profit portfolio was transferred to the Ministry of Municipal Affairs and Housing as part of the Social Housing Agreement (SHA) signed in 1999. The Ministry has assumed the management and administration of the programs, and Canada Mortgage and Housing Corporation (CMHC) has transferred its long-term funding for the programs contained in the SHA to the Province. Consequently, I would encourage you to continue your discussion with the Ministry of Municipal Affairs and Housing for Ontario concerning this issue.

Thank you again for writing.

Sincerely,

Monte Solberg, P.C., M.P.

Canada