Municipal Housing Infrastructure Program - Non-Development Charge (DC) Municipalities Stream Frequently Asked Questions (FAQs)

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Applicant Eligibility

1) Who is eligible to apply to the program?

Eligible applicants include municipalities (as defined under the *Municipal Act, 2001*) that do not levy residential development charges (DCs) and do not have an active DC by-law in force for residential development as of March 30, 2026.

2) How does the application process and eligibility for the program impact upper and lower-tier municipalities?

Lower-tier (LT) municipalities that own and operate assets are eligible to submit an application if the LT does not levy residential DCs. For upper-tier (UT) municipalities that own and operate the asset on behalf of the LTs, the UT can submit an application for the program **if the UT meets the program's eligibility criteria (i.e., the UT does not levy residential DCs)**.

In the event that an UT owns and operates multiple eligible assets, each servicing different LTs in a region, the UT will only be permitted to submit one application.

Definitions for lower-tier, upper-tier, and single-tier municipalities are provided in the *Municipal Act, 2001*.

3) Is an applicant allowed to submit more than one application?

Each applicant is allowed to submit only one application. For example, should an applicant choose to submit a joint application with another applicant, that submission would be counted as their sole application. An applicant cannot submit a joint application in addition to a stand-alone application.

4) Can municipalities re-submit the same application previously submitted under a previous infrastructure grant program/MHIP?

Yes, if municipalities were unsuccessful for other MHIP streams and if construction activities for the project have not started, they may submit the same project under the Non-DC Stream, but will have to download and complete the new application form. The Non-DC Stream has a specific set of program guidelines and a unique application form so please ensure you review the program guidelines for all requirements, as well as the frequently-asked-questions (FAQs) document before submitting.

5) Is an applicant eligible for the Non-DC Stream if they applied for and received funding under Ontario's Development Charge Reduction Program (DCRP)?

No. Municipalities that received funding through the Government of Ontario's Development Charge Reduction Program (DCRP) are **not eligible** to apply.

6) **If I did not apply for the DCRP, can I apply for the Non-DC Stream?**
Municipalities that **do not levy residential DCs** as of March 30, 2026 and do not have a residential DC by-law in effect can apply for this program.

Additional intakes under the Non-Development Charge Municipalities Stream will be available in the future. Where municipalities choose to repeal their development charge by-laws, they may be eligible for future intakes.

7) **Can an applicant not levy DCs at time of application but start levying DCs before the project finishes?**
Applicants must attest that, as of March 30, 2026, the municipality does not levy residential DCs and does not have a residential development charge by-law in force. As a condition of funding, successful applicants must maintain their status of not levying residential DCs and must not introduce residential DCs before March 31, 2031.

Project Eligibility

8) **What type of projects will be eligible for the program?**
A project can be a new build, rehabilitation, or expansion that enables and preserves housing in Ontario.

Eligible Project Types:

- A project can be a new build, rehabilitation, or expansion.
- A project must include a capital component and may also include pre-construction planning and design work.
- Projects must have at least one of the following housing outcomes:
- Enable housing development (i.e., new housing units that would not be enabled without the project); and/or preserve existing housing units.
- Planning, design work, and optimization and/or performance reviews are not eligible as stand-alone projects.
- Projects can be stand-alone or a component of a larger project with multiple phases, with each phase assessed independently.
- Projects must be in the process of or completed design and planning.
- A project should demonstrate that it will create climate resiliency and adaptation.

Eligible projects must meet the following project outcomes:

- Enable housing opportunities and/or preserve the province's current housing stock to increase options for Ontario residents looking for a home, and;
- Address infrastructure backlog, and outstanding need related to core infrastructure (e.g., roads, bridges, and water systems),

- Increased access to potable water, treatment and/or management of wastewater and stormwater, and/or;
- Improved capacity and reliability of roads and bridges.

9) If my project addresses aging infrastructure but is not tied to a specific housing development, can it still qualify?

Eligible projects must demonstrate that, as a result of the expansion or rehabilitation of the aging water or road infrastructure, new housing units are enabled and/or existing housing units are maintained/preserved.

10) Which asset types are eligible for the program?

The following asset types will be eligible for the program:

- Wastewater (e.g., lagoon systems, pump stations, lift station, linear assets, treatment plants, storage tanks, collection systems).
- Drinking water (e.g., treatment plants, reservoirs, local pipes including the distribution system watermain and the municipal portion of service lines, pump stations).
- Stormwater (e.g., management facilities, linear assets including conveyance piping/ditches/culverts).
- Roads and bridges (bridges include culverts with a span greater than 3 metres).

Projects can include an optimization and/or performance review as part of a capital project on the above asset types. Private connections of water systems to municipal infrastructure would also be eligible.

11) Can a project submission include eligible costs from a combination of wastewater (e.g., pump station and linear), stormwater (e.g., management facilities), drinking water assets (e.g., treatment plants) and/or roads/bridges assets? For projects where more than one eligible asset type is included, where can information on the other asset(s) included in the project be submitted?

Applicants must select only one primary project asset type but may bundle more than one eligible project asset type. For example, a project may have both water and road/bridge components. Contiguity is not necessarily required. However, bundled projects must demonstrate that each component of the project is inter-related (e.g. a drinking water watermain as the primary project, with sanitary sewer and/or stormwater sewer on the municipal road allowance), meets eligibility requirements, and achieves the same infrastructure and housing outcomes.

If bundling projects, please include supporting documentation (e.g., Infrastructure Master Plan) to demonstrate connectivity of the distribution and/or collection system, housing area, etc. To be considered a bundled project, applicants should be able to clearly demonstrate that the removal of any individual project component would materially reduce the ability of the overall project to achieve its intended infrastructure and housing outcome.

Note: The project must meet all necessary provincial regulatory requirements (i.e., Duty-To-Consult, Environmental Assessment), funding limits, and program conditions.

12) Does the land need to be acquired before an application is submitted? Is land acquisition an eligible expense under the program?

All land acquisition activities, including easements, must occur before an application is submitted.

For proposed projects where land has been mostly acquired, only the portion of the project where the land has already been acquired at the time of application will be considered eligible. This means that the applicant would only be able to seek funding for a portion of the full project. Land acquisition is not an eligible cost under the Non-DC Stream.

13) If the applicant already owns the land, is a land acquisition still required for the project to be eligible?

If project lands are owned by the applicant and no further acquisition activities are required, the project would be considered eligible provided it meets all other program eligibility requirements.

14) Do all the necessary Environmental Assessment studies need to be completed to be eligible for this funding? If they are not completed, does this make a project ineligible?

It is not necessary to have all of the Environmental Assessment (EA) studies completed. However, priority will be given to those projects that are more advanced in planning and design (e.g., Stage 4 of Environmental Assessment, *where applicable*). Additionally, project approval will be assessed and prioritized based on program requirements, applicant eligibility, application completeness, assessment criteria and the overall demand of funds in the program.

15) Does the design and planning phase need to be complete in order for a project to be eligible? What if we have a completed feasibility study, but require funding for design and construction?

Projects must be in the process of design and planning. Planning and design do not have to be complete at the time of application, however, priority will be given to those projects that are more advanced in these activities.

To evaluate project readiness, the province considers:

- Anticipated project start date and construction start date.
- Whether the project is in or completed the planning and design phase.
- Completed Environmental Assessment, as applicable.
- Requisite approvals are obtained or in progress, as applicable.
- All land acquisition activities are complete, if applicable.

Documentation to demonstrate project readiness would vary depending on the project type.

For drinking water, wastewater and stormwater projects, the application form requires applicants to identify, among others, the state of completion of their engineering studies (conceptual, basic, and detailed engineering), and the status of their environmental assessment, where applicable.

Project soft costs (i.e., preconstruction work), which includes planning, can be retroactive to April 1, 2026.

16) Can I start a portion of a project prior to approval?

Construction must not start prior to project approval and Duty-to-Consult requirements being met and communicated in writing by the province. Projects can be tendered and awarded but cannot start construction, site preparation, or removal of vegetation until all provincial requirements, including the completeness of the Environmental Assessment, have been met. The province will confirm in writing that Duty to Consult (DTC) requirements have been met.

17) Will projects that have been tendered/awarded but not actually started yet be eligible? Can we tender before funding is awarded?

Projects can be tendered and awarded but cannot start construction, site preparation, or removal of vegetation until all provincial requirements, including the completeness of the Environmental Assessment and Duty to Consult (DTC) requirements have been met.

18) Can a project start later than September 30, 2027, if there are procurement or approval delays?

The project must start no later than **September 30, 2027**. This start date could include pre-construction activities (i.e., design, planning, engineering, project management, etc.). Project soft costs (i.e., preconstruction work) can be retroactive to April 1, 2026. Construction must not start prior to project approval and Duty-to-Consult requirements being met and communicated in writing by the province.

19) Can I apply for funding for a later phase of a multi-phase project?

Yes. Municipalities may apply for funding for either a stand-alone project or as a component of a larger multi-phase project. We recognize that infrastructure projects may be delivered in phases to help manage costs and spread investments over time.

If a municipality has already begun a multi-phase project, it may apply for funding for a future phase, provided that:

- the proposed phase meets all program eligibility requirements; and
- construction has not yet started on that phase.

Planning and design do not need to be complete at the time of application. However, priority may be given to projects that are further advanced in these activities. All applications will undergo a comprehensive review to assess alignment with program objectives. Submission of an application does not guarantee funding approval.

20) If a submitted project scope forms part of a larger construction project, which is tendered prior to notification of receipt of funding, but commencement of funding-related construction is delayed until after notice of successful application is received, is the project still eligible for funding?

Projects can be stand-alone or a component of a larger project with multiple phases.

Project soft costs (i.e., preconstruction work like design and planning) can be retroactive to April 1, 2026. Tendering for the component of a larger project may occur prior to provincial approval; however, should your project be approved, contract award documentation will need to be provided showing the construction dollar amount and activities for the specific Non-DC Stream project.

Construction must not start prior to project approval and Duty-to-Consult requirements being met and communicated by the province.

Project Conditions

21) What happens if project costs increase after approval?

Successful applicants must have a financing strategy in place to cover project costs upfront and unanticipated shifts in costs during the project such as cost escalations and overruns. Recipients will be responsible for all cost over-runs and cost escalations.

22) Can a single project include multiple tenders for phased work within a continuous area?

One single project may include multiple tenders; however, all of the work must be inter-related.

23) **What exactly is identified as a project in the planning phase? Does this include projects identified in infrastructure master plans?**
Projects identified in infrastructure master plans, or other infrastructure plans, can be considered eligible only if that project is in the process of or completed design and planning at the time of application. However, the project must also meet all other provincial regulatory requirements, federal requirements (if applicable) and program conditions.

24) **Do all municipalities in a joint application need to own part of the infrastructure asset?**
The primary applicant must own all or part of the asset and attest to owning and ensuring the operation of the infrastructure assets put forward for funding. Municipalities without current ownership must attest to acquiring and ensuring the operation of the infrastructure assets by project completion and for five years thereafter.

25) **Can a bundled project be inter-related and not contiguous?**
Bundled projects are not required to be contiguous, but applicants must demonstrate that each asset of the project is inter-related, meets eligibility requirements, and achieves the same infrastructure and housing outcomes. To be considered a bundled project, applicants should be able to clearly demonstrate that the removal of any individual project component would materially reduce the ability of the overall project to achieve its intended infrastructure and housing outcome.

26) **What is Modern Technology?**
"Modern Technology" for this purpose is described as physical products and/or software that help to augment manual processes in the collection and analysis of asset information to support the operations and planning of infrastructure required to meet service delivery needs.

Examples of modern technology include:

- Centralized system to collect, store, and periodically refresh data on assets and/or infrastructure projects that includes data on current replacement value, condition, location, type of assets, etc.
- Technology or software that integrates real-time data used to monitor the status, condition, or performance of assets such as the use of sensors or machine learning-assisted cameras to provide real-time or near real-time data collection.
- Digital systems that enable advanced analytics, including predictive modeling, 3D models of planned or existing infrastructure, artificial intelligence or machine learning software, or software/tools using augmented reality.
- Digital twin-enabling solutions such as developing a Building Information Modeling (BIM) platform that contains multiple layers of data sources into an interconnected and interoperable system.

27) What does capacity to maintain the technology mean?
To demonstrate an applicant has the capacity available to monitor or maintain the technology as well as utilize the data for decision making purposes, a strong application would provide details on what types of resources (e.g., human, financial, technical) are available to ensure that the technology and resulting data is meaningfully utilized and maintained.

28) Why is the use of modern technology being included in the evaluation criteria?
With Ontario's ten-year, $236 billion capital plan, the province has an interest in supporting data driven insights in the delivery, management, and operation of infrastructure. Specifically, Ontario is exploring how the use of modern technology, including Digital Twins, can improve construction planning and development. Modern technology can also support scenario planning, prioritize investment decisions, mitigate risk, and improve asset management.

Key Dates

29) What is the application intake period and how can applications be submitted?
Application intake opens at **9:00 a.m. EST on October 29, 2026**.
Municipal applications and all supporting documentations must be submitted though TPON by **4:59 p.m. EST on December 2, 2026.**

Applications must be submitted through the Transfer Payment Ontario (TPON) page where applicants can access the application form, the program guidelines document, and can upload supporting documents.

30) What are the eligible start and end dates for projects?
Projects must start no later than **September 30, 2027**, and must be completed **no later than March 31, 2031**. The project start could include pre-construction work (i.e., design, planning, engineering, project management, etc.) or construction (i.e., shovels in the ground). Project soft costs (i.e., pre-construction work) can be retroactive to **April 1, 2026.** However, construction must not start prior to project approval by the province and the successful applicant has received confirmation in writing from the province that Duty-to-Consult requirements have been met.

31) What is the duration of this intake?
Successful applicants will have until March 31, 2031, to complete their project.

Assessment and Evaluation Process

32) How will applications be evaluated?

Applications that are complete and include all supporting documentation will undergo a comprehensive evaluation. Applications will be initially evaluated on application completeness, eligibility and meeting program outcomes.

Applications that pass **Stage 1** – Mandatory Requirements, including alignment with program objectives (i.e., ability to enable/maintain existing housing units, ability to address infrastructure backlog and outstanding need related to core infrastructure, ability to increase access to potable water, treatment and/or management of wastewater and stormwater, and/or improve capacity and reliability of roads and bridges), will move onto **Stage 2** where applications will be evaluated against technical merit, financial need, project readiness, use of modern technologies, and joint applications.

33) Are applicants providing more than the minimum 20% contribution towards project costs scored higher?

The cost-share ratio is not a scoring criterion. Applicants contributing more than 20% do not receive additional points.

Eligible applicants can apply for a maximum 80% provincial and federal contribution towards total eligible costs (up to $16 million) per eligible applicant.

34) For joint applications or bundled projects with multiple assets, how should parameters and values for the assets (e.g., overflows, rated capacity, wastewater rates, etc.) be presented in the application form? The corresponding fields in the application form allow for only one value.

For joint applications or bundled projects, please provide the breakdown of values per asset. Within the application form, please also provide values for the primary asset and values for other assets in the joint application or bundled project. This can be added as supplemental information and uploaded to TPON as supporting documentation.

35) Where can applicants submit additional information (e.g., supporting documents)?

Supporting documentation that is required to support your application must be uploaded to TPON. For a list of supporting documentation that may be applicable as part of an application, please see Section 11 of the Program Guidelines.

36) Can a project that primarily maintains existing housing be as competitive as a project that enables new housing?

The Ministry will ensure equity in the evaluation of projects and their housing outcomes.

37) **How do I demonstrate that a project is preserving existing housing?**
Projects will be assessed on their ability to enable housing development and/or preserve current housing stock. Recipients are asked to specify the number of housing units that will be enabled (i.e., new housing development) or preserved (i.e. maintained) as a result of the project. Applicants must include a map with clear delineation of location of existing residential units maintained or enabled as a result of the project as part of their application.

38) **How will applicants with limited internet access and/or barriers to access to TPON be accommodated?**
If you experience issues with accessing TPON, please email MHIP@Ontario.ca.

39) **What types of maps must be submitted with the application?**
Please include a project map clearly identifying all components in the project description in KML format (please refer to Program Guidelines - Section 12 “Maps in KML Format” for instructions). Applicants may also submit a copy of the applicable official plan or housing plan for housing units being maintained/preserved by the project. Map with clear delineation of location of existing residential units preserved or enabled as a result of the project is also required.

Road Assets

40) **Is a Traffic Impact Study a mandatory supporting document? Can demonstration of need be provided in another manner in the absence of a Traffic Impact Study?**
While a Traffic Impact Study is highly beneficial and the best way to show need and resulting benefit, it is not the only way that need could be demonstrated. Any documentation that is relevant in demonstrating the design needs of a project should be submitted and will be considered during review.

41) **Does MTO consultation need to be complete prior to submitting an application?**
For projects that require MTO consultation, the request for pre-consultation must be initiated through MTO’s Highway Corridor Management System (HCMS) by the time of application and the pre-consultation number from HCMS provided in the Technical Schedule of the application form.

Asset Management Plan (AMP)

42) Which AMP should applicants use to ensure their project is aligned with AMP?

As of July 1, 2025, the Asset Management Planning for Municipal Infrastructure regulation (O. Reg. 588/17) is fully phased in. All municipalities were required to have a Council-approved asset management plan that meets the requirements of the regulation. Applicants should use their most recent Council-approved asset management plan that addresses lifecycle needs for the applicable asset category.

Municipalities that have not yet submitted a plan to the Ministry meeting all requirements of O. Reg. 588/17 are encouraged to do so as soon as possible to municipalassetmanagement@ontario.ca.

43) **Will the AMP be used for assessment?**

No, the AMP is not a scored criterion. However, proposed projects are expected to address lifecycle needs identified in the municipality's asset management plan for the applicable asset category. Where alignment with the asset management plan cannot be demonstrated, successful applicants will be required to provide a Council-approved asset management plan that meets all of the phases of the Asset Management Planning for Municipal Infrastructure regulation (O. Reg. 588/17) to satisfy Transfer Payment Agreement (TPA) requirements.

Financial Matters

44) What is the maximum funding available per project, and are joint projects allowed?

The total eligible cost will be a **maximum of $20 million** for all projects (i.e., single-applicant and joint projects). The costs will be shared between province (40%), the federal government (40%) and the recipient (20%).

For all projects, the province would fund the maximum of 40% (up to $8M) of eligible project costs, the federal government would fund a maximum of 40% (up to $8M), and the applicant is required to fund a minimum of 20% of eligible project costs

Joint applications are subject to the same funding limits as single-applicant projects. The maximum provincial contribution remains 40% of eligible project costs (up to $8 million) and the maximum federal contribution remains 40% of eligible projects costs (up to $8 million). These limits do not increase with the number of applicants participating in a joint application.

Please see table 1 below for example:

Table 1. Example: Funding for One Recipient

Value of Project	Maximum Provincial Contribution (40% (up to $8M))	Maximum Federal Contribution (40% (up to $8M))	Minimum Recipient Contribution (20% min)
$5 million	$2 million max	$2 million max	$1 million
$10 million	$4 million max	$4 million max	$2 million
$15 million	$6 million max	$6 million max	$3 million
$20 million	$8 million max	$8 million max	$4 million

Note: figures reflect approximate amounts

45) How does the $20 million project cap apply to contingency costs?

The $20 million project cap includes both eligible project costs and contingency. Since contingency is calculated at 25% of eligible project costs, applicants can include up to $16 million in eligible costs before contingency is added.

For example, a project with $16 million in eligible costs would receive a $4 million contingency allowance, resulting in a total project cost of $20 million, which meets the program cap.

46) Can a municipality submit a project with $20 million in eligible costs and then add contingency costs on top of that?

No. The $20 million cap applies to the total eligible project cost, including contingency. A project with $20 million in eligible costs would exceed the program cap once contingency is added.

47) How can municipalities determine whether their project exceeds the project cap?

Municipalities should calculate their total eligible project costs and then add the 25% contingency amount. If the combined total exceeds $20 million, the project scope, budget, or phasing may need to be adjusted to align with program requirements.

48) What other types of funding are allowed for the program (i.e., stacking)?

Eligible applicants can combine funding from other federal programs towards the recipient contribution, subject to the funding limits and stacking provisions of those. However, total funding from all federal government sources cannot exceed 100% of a project's eligible expenditures.

Provincial stacking **will not** be permitted, including the Building Faster Fund (BFF) and the Ontario Community Infrastructure Fund (OCIF). Municipalities cannot use funding from other provincial programs, including their available banked OCIF grants, for the required recipient portion in financing this project.

Funding decisions are assessed on a project-by-project basis, taking into account all confirmed sources of funding and applicable program requirements.

49) Can the province advise on how to source the 20% minimum applicant contribution?
The Ministry cannot provide specific advice on how applicants should fund their contribution.

The Infrastructure Ontario (IO) Loan Program offers affordable, long-term fixed-rate loans and short-term construction financing to help municipalities, universities and other eligible public sector partners renew and build Ontario's public infrastructure. All municipalities are eligible to apply to the IO Loan Program.

50) Is maintenance an eligible cost under MHIP-Non-DC Stream?
A project must include a capital component and may also include pre-construction planning and design work. Maintenance as part of a capital project or components may be eligible. Projects that are limited to routine, cyclical, preventative or regularly scheduled maintenance activities intended to maintain an asset in its existing condition are not eligible under the Non-DC Stream. Additionally, costs associated with operating expenses and regularly scheduled maintenance work are not eligible under the Non-DC Stream.

Road Assets

51) Are sidewalks eligible costs?
Construction including costs for sidewalks are eligible costs.

52) Would street lighting upgrades associated with the project be eligible?
Standalone street lighting upgrades would not be eligible; however, if street lighting is required in order for a project to meet standards, those associated costs would be eligible as part of the overall project cost.

53) Does the replacement of road infrastructure qualify as an eligible expense because of impacts of the water project (e.g., digging up roads to put in larger pipes)?
For road infrastructure that is directly impacted by a water project, the costs associated with the restoration of the road infrastructure to pre-construction condition are part of the water project. For example, if sidewalks are required to be dug up for the undertaking of the water project, then the cost to restore sidewalks to their pre-existing condition can be considered part of eligible costs of the water project.

Projects may involve enhancements that did not exist prior to the undertaking of the water project (e.g., roadway widening, intersection improvements for safety). Costs associated with enhancements may be considered part of a bundled project if they are inter-related and contribute to the same infrastructure and housing outcomes.

Duty-to-Consult Requirements

54) Will a Duty-to-Consult (DTC) review be required?

Yes. Projects may only begin capital work (e.g., physical construction, removal of vegetation or site preparation) prior to September 30, 2027, provided that funding approval has been received from the Government of Canada and the Government of Ontario, **and** it has been confirmed in writing that Duty-to-Consult (DTC) requirements have been met.

Projects that proceed with construction or site preparation **prior to program approval** or receiving written confirmation from the province that DTC requirements have been met will not be eligible for funding.

55) What is the Duty-to-Consult (DTC) review process?

The Province of Ontario and recipients may have a Duty-to-Consult (DTC) and, where appropriate, accommodate Indigenous communities (e.g., First Nation, Inuit and Métis peoples) if an activity is contemplated that may adversely impact an Aboriginal or treaty right.

DTC assessments will begin while project approvals are being conducted (i.e., before Transfer Payment Agreements (TPAs) have been developed). DTC assessments will be based on evaluating the project's potential impacts on Indigenous communities, including engagement history, regulatory approvals, and any known or potential concerns related to the project site(s). DTC assessments may also be reviewed by the federal government. Recipients will be notified in writing on the outcome of this assessment.

Projects **must not** begin construction, removal of vegetation or site preparation until the provincial government has confirmed in writing that the DTC requirements have been met.

Contact Information

56) What is the contact information to ask questions for the Non-DC Stream?

For program related inquiries the Municipal Housing Infrastructure Program team can be reached by email at MHIP@ontario.ca. For inquires related to the TPON system, please contact TPON at TPONCC@ontario.ca.