Ontario

MUNICIPAL HOUSING INFRASTRUCTURE PROGRAM - NON-DEVELOPMENT CHARGE (DC) MUNICIPALITIES STREAM

Program Guidelines – August 2026

Contents

1. Program Overview

The Municipal Housing Infrastructure Program - Non-Development Charge (DC) Municipalities Stream (Non-DC Stream) is a federal-provincial application-based program, which is co-funded under Canada's Build Communities Strong Fund. Projects funded through the program will enable new homes and preserve existing homes in municipalities that do not levy residential development charges (DCs) by investing in:

1. Increased access to potable water, treatment and/or management of wastewater and stormwater; and,
2. Improved capacity and reliability of roads and bridges (bridges include culverts with a span greater than 3 metres).

The following guidelines provide an overview of program details and requirements. Program webinars, including an opportunity to ask questions, will be offered in late September and early November.

2. Objectives

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) by providing time-limited funding to municipalities that do not levy residential DCs, and,
- Increased access to potable water, treatment and/or management of wastewater and stormwater, and/or;
- Improved capacity and reliability of roads and bridges.

This funding intake is a competitive process. Applications will undergo a comprehensive review to ensure they align with the objectives of the Non-DC Stream. They will also be assessed based on factors such as technical merit and demonstrated readiness.

3. Applicant Eligibility

3.1 Overview

Applicants must be municipalities (as defined under the *Municipal Act, 2001*) that do not levy residential DCs and do not have an active DC by-law in effect for residential development as of March 30, 2026.

Note: Municipalities that receive funding through the Non-DC Stream must maintain this status and may not introduce residential DCs before March 31, 2031. Compliance with this requirement will be a condition of funding.

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

Lower-tier (LT) municipalities that own and operate assets are eligible to submit an application if they do 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*.

For any questions on the program or eligibility, please contact MHIP@ontario.ca.

4. Project Conditions

4.1 Overview

The Non-DC Stream is funded by the Government of Ontario/Ministry of Infrastructure (Province/Ministry) and the Government of Canada/Housing, Infrastructure and Communities Canada (Federal Government/HICC). Transfer Payment Agreements (TPAs) will set out the terms and conditions under which the province agrees to provide funds to recipients and will provide additional details on payment schedules, milestones, reporting, and audit requirements. TPAs will only be entered into with primary applicants whose projects are approved by the provincial and federal governments. Please see Section 8 for details on program funding.

4.2 Project Eligibility

(1) Eligible Project Types:

- A project must include a capital component and may also include pre-construction planning and design work.
- A project must have at least one of the following housing outcomes:
  - Enable housing development (i.e., new housing units that would not otherwise be developed without the project); or
  - Preserve/maintain housing units that are otherwise compromised by health and safety risk(s).

- A project can be any of the following project types:
  - New construction – Building of new infrastructure assets or facilities where no comparable infrastructure currently exists.
  - Rehabilitation (including reconstruction) – Work undertaken in/on an existing asset that will extend the life or improve the quality or safety of that asset so that it may continue to be used for its current purposes or used for a new and alternate purpose. This includes any work undertaken to rebuild an asset to restore full functionality and establish sustainability.
  - Expansion – Work undertaken to upgrade or improve existing infrastructure assets to increase capacity or accommodate growth.
- 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.

(2) Eligible Asset Type:

- 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) that would maintain and/or enable housing.

As part of an eligible capital project on the above asset types, projects may include planning, design work, or an optimization and/or performance review if expenditures for such work are no earlier than April 1, 2026.

Private connections of water systems to municipal infrastructure would also be eligible. Where program funding is provided for such connections, municipalities must not recover the costs of the funded connection through connection fees, local service charges, capital charges, or any other fees imposed on developers, property owners, or customers.

(3) Ineligible Project Types:

- Projects that have started construction. Construction is strictly prohibited until program approval has been granted, public announcements have been made, and DTC notification requirements have been met.
- Projects that are limited to routine, cyclical, preventative, or regularly scheduled maintenance activities intended to maintain an asset in its existing condition.

- Planning and design work as well as optimization and performance reviews as stand-alone projects.
- Assets that are located on private land (e.g., campgrounds).
- Privately-owned water systems (e.g., year-round, non-applicant residential septic systems).
- Communal servicing systems.
- Stormwater green infrastructure (e.g., rain gardens, bioswales, green roofs, and permeable pavements) are not eligible as stand-alone primary assets, but may be included as ancillary components of an otherwise eligible asset type project noted above.

(4) Other requirements:

The application must include a clearly defined scope of work to enable a comprehensive assessment of the project (financial, technical, risk, etc.). An application must clearly define and identify how all project work and components will meet the program objectives.

To support your application evaluation, the application must demonstrate how it will meet the intended outcomes of the program. For example:

a. ***Drinking water projects:*** water quality following the completion of a drinking water project must comply with applicable provincial regulatory requirements.

b. ***Wastewater projects:*** must result in wastewater effluent that complies with the applicable provincial regulatory requirements.

c. ***Stormwater projects***: must result in improvements to the health and resiliency of the environment and communities such as improved water quality, reduced runoff volume, and reduced flood risk.

d. ***Road projects:*** will be assessed on technical criteria for improved and/or more reliable road infrastructure that enables housing development.

e. ***Bridge projects:*** will be assessed on technical criteria for improved and/or more reliable bridge infrastructure that enables housing development.

4.3 Project Conditions

Projects must comply with the following conditions to be considered eligible:

(1) **Project start:** Projects must have a clear start and end date. **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.

(2) **Project completion:** Projects must be completed by **March 31, 2031.**

(3) **Project cost maximum and cost sharing:** Total eligible costs for a project cannot exceed the maximum of $20 million. Successful recipients are required to fund a minimum of 20% of eligible project costs.

(4) **Financial sustainability:** As the program is milestone-based, funds are distributed to successful applicants after they have reached milestone requirements set out in the TPA. Successful applicants must have a financial plan in place to operate the asset(s) and to manage any cost over-runs or escalations experienced on a project. **Recipients will be responsible for all cost over-runs and cost escalations.**

(5) **Land acquisition:** All land acquisition must occur before an application is submitted.

(6) **Asset ownership:** Applicants must 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.

(7) **Duty-to-Consult**: Projects cannot start construction or site preparation until the provincial government has confirmed in writing that all Duty-to-Consult (DTC) requirements have been met. The undertaking of site preparation or construction prior to written confirmation being received from the provincial government confirming that DTC requirements have been met may jeopardize project funding.

(8) **Environmental Assessment**: Projects must meet all relevant and applicable federal environmental statutory requirements, provincial regulatory requirements, and policy directions including federal requirements under the *Impact Assessment Act* (IAA), northern regime or modern treaty (if applicable) and completion or exemption of Ontario Environmental Assessment (as applicable).

(9) **DC requirements:** 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 effect. 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.

(10) **Provincial and federal requirements**, as specified in the transfer payment agreement (TPA), such as communication requirements (including signage); use of

Canadian materials, goods and services, in accordance with Municipal Buy Ontario Procurement Directive, as applicable; and applicable climate change reporting.

(11) **Bundling and interrelation of eligible asset types in bundled project:** 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: 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.

(12) **Asset management plans:** Projects should be informed by an applicant's asset management plan. This means the proposed project addresses lifecycle needs identified in the plan for the applicable asset category (e.g., construction, maintenance, renewal, rehabilitation, replacement, etc.). For example, if an applicant has identified drinking water needs as a priority lifecycle activity within its asset management plan, then the submission of a drinking water project would be appropriate. Asset management plans should be developed in accordance with the *Asset Management for Municipal Infrastructure* regulation (O. Reg. 588/17). For more details on asset management planning requirements please see section 7.2.

(13) **Ministry of Transportation (MTO) Highway Corridor Management:** As per *Public Transportation and Highway Improvement Act (O. Reg. 104/97)*, MTO has the authority to control work within the Permit Control Area of a provincial highway. MTO permit control areas can be viewed through the Highway Corridor Management System (HCMS). MTO's Corridor Management program area reviews applications and submissions for third parties to conduct work along provincial highways and issues permits to allow the work to proceed. Third party proponents, including municipalities and developers, need a permit from MTO to conduct work within or adjacent to provincial highways. Municipalities (and proponents of the development) should be aware of MTO's requirements early in the process through pre-consultation. If any part of the land for which the project or supported housing development is within 400m of a provincial highway, the municipality (or proponent of the development on the municipality's behalf) must arrange a pre-consultation meeting with MTO through the HCMS. If applicable, the pre-consultation number from MTO must be provided in the Technical Schedule of the application.

(14) **Energy standards**: If the project is a building, the project must meet or exceed any applicable energy efficiency standards for buildings outlined in the Pan-Canadian Framework on Clean Growth and Climate Change.

(15) **Accessibility standards:** Projects must meet or exceed the requirements of the highest published accessibility standard in a jurisdiction in addition to applicable provincial building codes and relevant municipal by-laws.

5. Application Process

5.1 Number of Project Submissions

Each eligible applicant may only submit a maximum of **one project** for this intake. If an eligible applicant participates in a joint application, the joint project will be counted as their single project submission.

5.2 Joint Applications

Joint projects between multiple eligible applicants are encouraged. As part of the application assessment, additional consideration will be given to joint projects.

A municipality may submit a stand-alone or joint application. A joint application involves two or more eligible applicants (i.e., municipalities working on a joint project). Should a municipality choose to submit a joint application with another eligible applicant, that submission would be counted as their sole application. In summary, **a municipality cannot submit a joint application in addition to a stand-alone application.**

Requirements for joint applications are as follows:

- Joint applications must have a primary applicant submitting the application and the primary applicant must confirm that funding from all co-applicant(s) is secured to support the project.
- The primary applicant must own all or part of the asset.
- Each **co-applicant must contribute financially** to the project.
- All co-applicants must meet the applicant eligibility criteria.
- If project applications support the same housing development area, they must be submitted as a joint application

If a joint application is successful, the primary applicant will be required to sign a Transfer Payment Agreement (TPA) with the province. Funds will only be made available to the primary applicant who signs the TPA with the province. The primary applicant will be responsible for the financial management of the project, ensuring all requirements in the TPA are satisfied, including regular reporting requirements. The primary applicant will be the province's main contact for the project.

Note: 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 project costs (up to $8 million). These limits **do not** increase with the number of applicants participating in a joint application. **The maximum total eligible costs for a project is $20 million.**

5.3 Submissions and Funding Approval Steps

Step 1: Applicants must register or login online through the Province of Ontario's online funding portal, Transfer Payment Ontario (TPON)**.** Step by step support for working with the online funding portal is found here. Full details on the application can be found by following the Submitting for Funding link from the TPON landing page. When filling out the application, please review your organization's contact information carefully. If the program area is unable to contact a project representative in a timely manner, an application may be deemed incomplete. Only authorized representatives of the applicant organization should be included on the form (consultants should not be named as the point of contact). Authorized representatives typically include an individual that can legally bind the organization (e.g., CAO, Treasurer).

Step 2: Applicants must fully complete one Non-DC Stream application form and compile all supporting documents. **The application form and other available resources (e.g., Frequently Asked Questions (FAQ), declaration of EA exemption, if applicable to the project) are available through the TPON online portal.** For a full list of supporting documents required as part of a complete submission, please see section 11.

Step 3: The application form and all supporting documents must be submitted online through the **Transfer Payment Ontario (TPON) system by the deadline** (see Section 5.4 Key Dates)**.** A scanned application form will not be accepted. **Failure to meet minimum submission requirements will result in the submission being identified as incomplete and will be at risk of not proceeding to the evaluation portion of the application process.**

For technical issues related to the submission of your application form or other supporting documents, or if you note any discrepancies in the pre-filled section of the application form, please contact Transfer Payment Ontario Client Care at **416-325-6691 or 1-855-216-3090 or email TPONCC@ontario.ca for assistance. For all other questions, please contact MHIP@ontario.ca.**

Step 4: Once the completed application form has been submitted, an automated acknowledgement of receipt and a file number will be emailed to the primary applicant. If you do not receive an acknowledgement after your submission, please contact **TPONCC@ontario.ca** and **MHIP@ontario.ca** indicating your TPON ticket number.

Step 5: Projects will be assessed and evaluated by the Province of Ontario. The province will nominate recommended projects to the federal government for approval.

Step 6: Notification of project approval.

Step 7: TPA Development. Once a project has been approved, the province will prepare a TPA containing project-specific schedules and funding details and provide it to the primary applicant for signature. The TPA sets out the terms and conditions of funding including:

- That contracts will be procured through a transparent and fair process that promotes value for money and fair market value.
- That the primary applicant will fulfill all Duty-to-Consult and Environmental Assessment requirements (as applicable).
- A detailed list of eligible and ineligible expenditures (see Sections 8.4 and 8.5 for more details).
- Communication requirements (including project signage).
- Mandatory reporting requirements, including insurance obligations.

5.4 Key Dates

Municipal applications and all supporting documentations must be submitted through TPON by **4:59 p.m. EST on December 2, 2026.**

Note: applications, including all supporting documentation, will not be accepted after this time and submissions cannot be changed after this deadline. **Failure to meet minimum**

submission requirements will result in the submission being identified as incomplete and will be at risk of not proceeding to the evaluation portion of the application process. That includes completing each section of the application form within the required timeline.

Note: Successful applicants cannot start capital work (e.g., site preparation, construction, etc.) on a project until they have been notified by the province in writing that Duty-to-Consult requirements have been met.

Applicants will be notified of the final funding decision in **spring 2027 (estimated)**.

Projects must start no later than **September 30, 2027**, and be completed by **March 31, 2031.** The project start date can represent pre-construction soft costs (i.e., design, engineering, project management, etc.).

5.5 Project Description

A technical description of the proposed project should provide the Ministry adequate information to understand the scope of the project. Strong project descriptions include but are not limited to:

- Name of municipality;
- Project location (from x road to y road);
- Type of asset;
- Length of project work; and
- High-level project details/outcomes.

Water Project Description Example:
This project will replace and expand watermains in the downtown core in the City of Argyle. The project work will involve the installation of approximately 700 metres of watermain and valve chambers on Samuel Boulevard from Lyle Street to Canton Street. Approximately 300 metres of new trunk watermain on Locke Street from Barrie Avenue to York Street will also be constructed. All interconnections at junctions will also be installed.

Wastewater Project Description Example:
This project will expand the servicing capacity of the wastewater treatment system in the Town of Fitzgerald. The work will include the installation and expansion of SCADA control systems, upgrade the sewage lagoon’s mechanical and chemical processes, expand the tertiary treatment system by installing approximately 12 new intermittent sand filter cells, as well as the installation of a third pump. An upgraded power supply will also be installed.

Stormwater Project Description Example:
This project will enhance stormwater management in the Town of Saphire. A new stormwater management facility will be constructed at the Bellwood municipal management property. All mechanical, electrical, and internal control systems necessary to bring the new facility online will be included in this project.

Road Project Description Example
This project will reconstruct approximately 2.5 kilometres of Archibald Road from Exeter Road to approximately 50 metres west of Concession 2 in Murray. The project work will involve rebuilding the road base, shoulder work, adding curbs, gutters, and sidewalks. Street lighting and two bus shelters and benches will also be installed. The project will improve turning radii at all intersections, including a dedicated right turning lane at Morrow Street. All roads will be repaved.

Bridge Project Description Example
This project will replace King Street bridge in the Town of Williamsburg to support increased traffic flow and enable housing. Project work will include the demolition of the current one-lane bridge to be replaced with a 200 metre, two-lane bridge that will include sidewalks. Approximately 50 metres of asphalt will be replaced along both approaches and guide rail installed. Additionally, scour and erosion protection will be installed around bridge abutment and piers.

Bundled Project Description Example 1:
This project will upgrade the Wastewater Treatment Plant (WWTP) in Lakeland Township. The work will include the installation of approximately 5,000 metres of new forcemain from the Boxwood Sewage Pumping Station (SPS) to the WTTP and will also replace approximately 140 metres of watermain on Dover Street, and approximately 370 metres of water transmission main on Agatha Street. Approximately 420 metres of storm sewer will be replaced on Bell Avenue and approximately 1,000 metres of forcemain will also be replaced to tie in the Spruce SPS.

Bundled Project Description Example 2:
This project will expand municipal infrastructure capacity in the Township of Willowbrook. The project work will include the replacement of approximately 1,500 metres of watermain beneath County Road 8 from King Street to Victoria Avenue with larger-diameter pipe to provide additional water servicing capacity. County Road 8 will also be reconstructed, including road base improvements, curb and gutter installation, and pavement replacement. The project will further include upgrades to the South End Wastewater Pumping Station, including the installation of a third pump, expanded wet well capacity, and electrical upgrades to accommodate increased wastewater flows.

6. Outcomes and Indicators

The outcomes and indicators outlined in this table align with the Outcomes section of the application form. Applicants are expected to identify and report on the applicable outcomes and measures as part of their application. Successful recipients will be required to report on these outcomes and measures throughout the project.

Outcome Description	Indicator	Unit of Measure
Increased/restored drinking water/wastewater/stormwater infrastructure capacity, while the associated public health and safety risk is being addressed.	Extent to which conveyance capacity is being increased (or restored) in watermain and sewer infrastructure, in the upgraded and/or new water systems.	Flow Capacity Enhancement in Distribution/Collection Systems (m3/day or L/s).
Increased/restored stormwater infrastructure capacity, while the associated public health and safety risk is being addressed.	Increase in treatment capacity of the stormwater facility (operational and rated capacity) before Non-DC Stream investment and at project conclusion.	Increase in number of assets, increase in drainage area with stormwater management.
Increased/restored drinking water/wastewater/stormwater infrastructure capacity, while the associated public health and safety risk is being addressed.	Increase in treatment capacity of the drinking water treatment plant or wastewater treatment plant (operational and rated capacity) before Non-DC Stream investment and at project conclusion.	Increase in treatment capacity in volume units.
Improved capacity and physical condition of roads	Extent to which the road capacity and physical condition is being increased	Extension of assets (measured in m/km) Extension of assets (measured in number of assets) Pavement Condition Index (PCI)

Outcome Description	Indicator	Unit of Measure
Improved capacity and physical condition of bridges	Extent to which the bridge asset capacity and physical condition is being increased.	Extension of assets (measured in m/km) Extension of assets (measured in number of assets) Bridge Condition Index (BCI)
Enable housing development AND/OR Preserve/maintain housing supply	Housing impact	Number of new housing units enabled by the project (by year). Number of approved housing units (i.e., number of housing units related to the proposed project based on actual approvals, such as site plans). Number of new housing units that are anticipated to start construction as a direct result of the project (by year). OR Number of housing units being maintained for each project.

7. Assessment Process

7.1 Assessment Criteria

Ontario will assess projects primarily in relation to the following assessment criteria:

1. Technical Merit (Wastewater/Drinking Water/Stormwater Systems/Roads & Bridges [bridges include culverts with a span greater than 3 meters]) as applicable
2. Financial Need
3. Project Readiness of Water/Road and Bridge Assets
4. Project Readiness of Housing Development (e.g., zoning, development application underway/in place, etc.) as applicable
5. Housing Impact
6. Modern Technologies

Priority will be given to those projects that have greater multi-community impact (i.e., joint projects). 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.

All provincially nominated projects are subject to federal review and approvals.

7.1.1 Technical Merit for Water Systems as applicable

Projects would be assessed on technical merit factors such as:

i. Meets provincial regulatory requirements, as applicable.
ii. Environmental impacts, including climate resiliency.
iii. Current utilization of water/wastewater/stormwater infrastructure capacity. For stormwater and wastewater, how the project complements or exceeds existing treatment and hydraulic capacity.
iv. If the project is a net new or expansion project.
v. Criticality of health and safety risks based on industry standards.

7.1.2 Technical Merit for Roads and Bridges as applicable

Projects will be assessed based on technical merit relative to:

i. Eligibility: The work must relate to construction and repairs for road and bridge infrastructure (bridges include culverts with a span greater than 3 meters) that will support the creation of housing or preserve existing housing stock. For example, the road and bridge infrastructure must serve an existing settlement area or provide access to lands designated for residential development in the applicable municipal Official Plan. The lands must be fully serviced or planned to be serviced through municipal infrastructure.

ii. Criticality: The highest priority projects are those which can be demonstrated through traffic impact studies or other means of assessment to be the most critical to facilitating housing development or preserving existing housing stock.

iii. Urgency: Priority will be given to projects that are “shovel ready” (ready to proceed).

7.1.3 Financial Need

For municipalities, the province will review the cost of the proposed project per household, as well as median household income and weighted property assessment per household.

In general, applicants with greater funding need (i.e., higher project cost per household, lower median household income, lower weighted property assessment per household) will be more competitive in this criterion.

Weighted property assessment per household measures the size of the municipality's tax base. It refers to the total assessment for a municipality weighted by the tax ratio for each class of property (including payments in lieu of property taxes retained by the municipality) divided by the total number of households. Weighted property assessment data is retrieved from the Municipal Property Assessment Corporation and municipal tax rate bylaws. Median household income data is retrieved from Statistics Canada, and it is a measure of median household income for all private households. The province uses the best available data to determine the funding need of the proposed project.

For joint projects between municipalities, projects will be based on the best of the two (or more) scores (i.e., the score which reflects the greatest financial need).

7.1.4 Project Readiness of Water/Road and Bridge Assets

Projects will be assessed on project readiness factors such as:

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

*Inability to obtain requisite approvals and/or insubstantial land acquisition progress would make the project ineligible for funding.

7.1.5 Project Readiness of Housing Development

The housing development readiness (if applicable) will be assessed as follows:

i. Alignment of proposed housing development with land use planning policies (consistency with the Provincial Planning Statement, conformity with Official Plan and zoning by-law.)
ii. Status of the proposed housing development (e.g., what proportion of units enabled by the project have proceeded to the Plan of Subdivision, Plan of Condominium stage or Site Plan approval stage) and expected date of completion of the housing development.

7.1.6 Housing Impact

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. Projects will also be assessed based on cost per housing unit enabled or maintained. Applicants must include a map with clear delineation of location of existing residential units maintained or new units enabled as a result of the project as part of their application.

7.1.7 Modern Technologies

Applicants will be asked to identify modern technology and digital components of their projects, and the capacity of the applicant to maintain and apply those tools on an ongoing basis. This will be considered in evaluation to promote adoption of emerging practices and technologies in asset delivery, management, and planning.

"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.

7.2 Asset Management Plan

The *Asset Management Planning for Municipal Infrastructure* regulation (O. Reg. 588/17) sets out requirements for undertaking municipal asset management planning. The regulation was phased in over a 7-year period (from 2018 to 2025) with progressive requirements for municipalities with respect to their asset management plans.

At the time of application, the asset management plan used to inform the proposed project should be developed according to O. Reg. 588/17. As of July 1, 2025, the regulation is fully phased in and municipalities are required to have a Council-approved asset management plan for all municipal infrastructure assets that identifies current and proposed levels of service, the activities required to meet proposed levels of service, and a strategy to fund these activities.

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 requirements of the Asset Management Planning for Municipal Infrastructure regulation (O. Reg. 588/17) to satisfy Transfer Payment Agreement (TPA) requirements.

For more information about municipal asset management planning, please visit the http://www.ontario.ca/assetmanagement.

7.3 Alignment with Applicable Provincial Legislation

Projects must be aligned with and support provincial priorities and outcomes, including as set out in provincial land use policy and municipal official plans. Projects shall furthermore be consistent with provincial technical guidance used to implement the policies of the Provincial Planning Statement (PPS).

Projects must comply with all applicable provincial legislation and regulations and seek approvals and permits where required. Applicants are encouraged to make every effort of accounting for review, approval and permitting timelines in project planning, including as appropriate for staging and or sequencing of proposed works.

Applicants are required to submit a copy of the applicable official plan schedule(s) and zoning by-law map(s) with the enabled and/or maintained housing development lands clearly delineated, as well as to provide a detailed explanation of how the proposed development aligns with provincial planning priorities and outcomes.

7.4 Alignment with Federal Requirements and Legislation

Projects must comply with all applicable federal requirements associated with funding under the program, including requirements related to environmental and impact assessments, Indigenous consultation and accommodation, climate resilience, accessibility, official languages, communications, reporting, and other federal policy obligations as may apply.

Applicants are responsible for identifying and addressing any applicable federal requirements, obtaining necessary approvals, undertaking required consultation activities, and incorporating associated costs and timelines into project planning. Failure to satisfy applicable federal requirements may result in delays to project implementation or the ineligibility of certain project activities and expenditures.

Applicants will be required to attest that the proposed project meets, or will meet, all applicable federal requirements, including requirements related to climate resilience, procurement, accessibility standards, and federal reporting obligations. Successful applicants may be required to report on these requirements throughout project implementation as a condition of funding under the TPA.

8. Financial Matters

Non-DC Stream funds will be disbursed to recipients once mandatory reporting requirements have been fulfilled demonstrating that required milestones, as set out in the TPA, have been satisfactorily met (see Section 8.6 for details on milestones and payment). Additional reporting requirements may be included and described through the TPA.

Successful applicants must have a financing strategy to cover costs up-front and operating costs as well as any potential cost over-runs or escalations experienced on a project. More details on combining funding under this intake with other federal, provincial, and municipal programs can be found in Section 8.3 below.

8.1 Project Cost Maximum

The total eligible cost will be a **maximum of $20 million** for all projects (i.e., single-applicant and joint projects). This includes provincial, federal and recipient contributions, as well as contingency costs. Contingency costs are 25% of project costs and are automatically calculated in the application form.

8.2 Funding and Cost Sharing

The costs will be shared between the province (40%), the federal government (40%), and the recipient (20%).

For all projects, the province would fund a 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 20% of eligible project costs.

Note: 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 project costs (up to $8 million). These limits **do not** increase with the number of applicants participating in a joint application.

For illustrative purposes only:

Total Eligible Project Costs	**Maximum Provincial Contribution (40% (up to $8M))**	**Maximum Federal Contribution (40% (up to $8M))**	**Minimum Recipient Contribution (20% min)**
$5 million	$2 million	$2 million	$1 million
$10 million	$4 million	$4 million	$2 million
$15 million	$6 million	$6 million	$3 million
$20 million	$8 million	$8 million	$4 million

Note: figures reflect approximate amounts

8.3 Combining Funding from Other Sources (Stacking)

Eligible applicants may combine other municipal funding to fund the 20% minimum recipient contribution.

Eligible applicants can also 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.

8.4 Eligible Project Costs

All eligible project costs must be incurred after April 1, 2026. Eligible project costs are third-party costs such as:

- Site servicing costs related to the asset(s), including utility relocation
- Environmental assessment costs
- Design/engineering costs
- Project management costs
- Materials
- Construction

Successful applicants must not start capital work (e.g., site preparation, construction, etc.) until they have been notified in writing by the government that all Duty-to-Consult (DTC) and/or Environmental Assessment (EA) requirements have been met.

Construction costs incurred before all DTC and/or Environmental Assessment (EA) requirements have been fulfilled and communicated in writing to the primary applicant will be ineligible for funding and should not be included in the project scope and costs submitted within the application. Costs related to fulfilling DTC and Environmental Assessment requirements are eligible under the Non-DC Stream program.

Projects that begin construction prior to receiving written notification that they may proceed, may be deemed ineligible for program disbursement and projects cancelled.

Note: Project contracts must be awarded in a way that is fair, transparent, competitive and consistent with value-for-money principles in accordance with local procurement by-laws and as prescribed within the Procurement Requirements of Section 271 of the *Municipal Act*, 2001, S.O. 2001, Chapter 25 and the Municipal Buy Ontario Directive.

8.5 Ineligible Project Costs

Successful applicants are responsible and must pay for all ineligible project costs as well as any potential cost over-runs or escalations experienced on a project.

The following costs are ineligible for funding:

- All capital costs, including site preparation and construction costs, prior to confirmation in writing from the provincial government that DTC requirements have been met and continue to be met (See Section 9 for DTC);
- All costs associated with preparing the application are ineligible for funding and should not be included in the scope or financials of the application;
- Operational costs of operating assets;
- Financing and financing charges, debt restructuring, loan interest payments, bank fees, and legal fees including those related to easements (e.g. surveys);
- Costs incurred for cancelled projects;
- Costs of relocating communities;
- Land acquisition costs;
- Planning costs, if not tied to a capital project (i.e., planning-only project submitted);
- Leasing land, buildings and other facilities; leasing equipment other than equipment directly related to the construction of the project; real estate fees and related costs;
- Any overhead costs, including salaries and other employment benefits of any employees of the applicant, any direct or indirect operating or administrative costs of applicants, and more specifically, any costs related to planning, engineering, architecture, supervision, management and other activities normally carried out by the applicant's staff;
- Any goods and services costs which are received through donations or in kind;
- Any tax, including provincial sales tax, goods and services tax, or harmonized sales tax including non-rebateable portions of taxes;
- Any costs eligible for rebates;
- Costs associated with operating expenses and regularly scheduled maintenance work; and,
- Cost related to furnishing and non-fixed assets which are not essential for the operation of the asset/project.

A more detailed list of eligible and ineligible expenditure categories will be provided in individual project-level TPAs.

8.6 Payments & Reporting

Funding is milestone-based meaning that funds will be disbursed to recipients once reporting is submitted to the government demonstrating that required milestones, as set out in the TPA, have been met.

Expenditures for projects will be disbursed, conditional on the Recipient completing each milestone and submitting required reporting which are deemed satisfactory. For illustrative purposes, the following table is intended to be an example of a payment schedule.

Further information on the actual payment schedule and required reporting schedule will be provided in the TPA. Additional reporting requirements may be required as part of ongoing project monitoring that are not outlined above and are not tied to any payment (e.g., project status). These reporting requirements may include other data and information, such as climate resilience and use of Canadian materials, goods and services, in accordance the Municipal Buy Ontario Procurement Directive, as applicable.

Milestone	Supporting Documentation	Payment Amount
Milestone 1:	An executed TPA and a Council by-law authorizing the applicant's entry into the TPA. Any other reporting requirements requested by the Ministry.	Up to 25% of project Total Eligible Cost (TEC).
Milestone 2:	Construction Contract Award Report and project progress report, including revised budget forecast. Any other reporting requirements requested by the Ministry.	Up to 25% of project TEC.
Milestone 3:	Project Progress Report and the submission of documentation confirming that at least 85% of TEC has been incurred. Any other reporting requirements requested by the Ministry.	Up to 35% of project TEC.
Milestone 4:	Final Report, which may include any or all supporting documents related to the project lifecycle. Any other reporting requirements requested by the Ministry.	Province's acceptance and approval of Final report – release of the final (up to) 15% of project TEC.

* This schedule is intended to be an example of a payment schedule. Further information on payment schedule and required reporting schedule will be provided in the TPA.

9. Duty-to-Consult

As part of the application process for funding, applicants will be required to complete the Duty-to-Consult (DTC) Questionnaire found in the Non-DC Stream Application Form.

If the application is successful, DTC assessments will be conducted 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 start construction or site preparation until the provincial government has confirmed, in writing, that all DTC requirements have been met. The province reserves the right to cancel projects, withhold funding or recover funds utilized for construction-related activities if they began prior to the determination that DTC requirements have been met.

10. Contact Information

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

11. Application Package Requirements

As part of the complete Non-DC Stream application, applicants will be required to submit the following through TPON:

- ✓ The **Non-DC Stream Application Form** which will provide information about your project proposal. The form also includes a Technical Appendix and a Duty-to-Consult (DTC) Questionnaire, in the appendices, that need to be completed.
- ✓ **Project Map** clearly identifying all components in the project description in KML format (Refer to Section 12 for instructions) and submitted as an attachment through TPON.
- ✓ **Map** with clear delineation of **location of existing residential units preserved or enabled** as a result of the project.
- ✓ **Environmental Assessment or declaration of EA exemption** (document provided in TPON)**.** The **declaration of EA exemption document** is a blank document that does **not** require any input or manual entry of information and must be submitted for those projects which do not require an EA.

- ✓ The applicant may also be required to submit **additional supporting documentation** based on responses provided in Project Information and Technical Appendix sections of the Application Form. Any supporting documentation must be included as an attachment and uploaded to TPON (i.e., do not submit links). This may include:
  - ☐ For projects that are enabling new housing units: Land use planning information related to proposed housing development (e.g., location, official plan designation and zoning for subject area, status of and information regarding any other land-use planning applications/approvals);
  - ☐ Inspection reports (Mandatory for all bridge rehabilitation projects);
  - ☐ Laboratory reports;
  - ☐ Engineering assessments;
  - ☐ Design reports;
  - ☐ Master Infrastructure Plans;
  - ☐ Compliance/conformance letters/reviews;
  - ☐ Photographs;
  - ☐ Active Transportation Plans;
  - ☐ Secondary Plans;
  - ☐ PDF maps (not to be a replacement for a KML map – see 12. below);
  - ☐ Archaeological assessment report, where applicable; and
  - ☐ Duty-to-Consult (DTC) consultation logs, emails, documents, etc.

12. Project Maps in KML Format

The provincial government requires a detailed KML file showing exactly where each work site/asset is located. This is not a picture or PDF map of the project location, but a digital spatial representation of the project location produced by a geographic information system.

12.1 What is a KML File

This simple file type, designed specifically for the visualization of geographic data, provides an accurate and detailed representation of the project and asset locations. Using a KML allows a variety of point, polygon and line data to be represented spatially with detail and consistency.

A KML file identifies project-specific spatial information which will help reviewers understand the nature and location of your project as well as the work that you are proposing to do.

A submitted KML file must include a geometry for each element/asset of the project you are applying for.

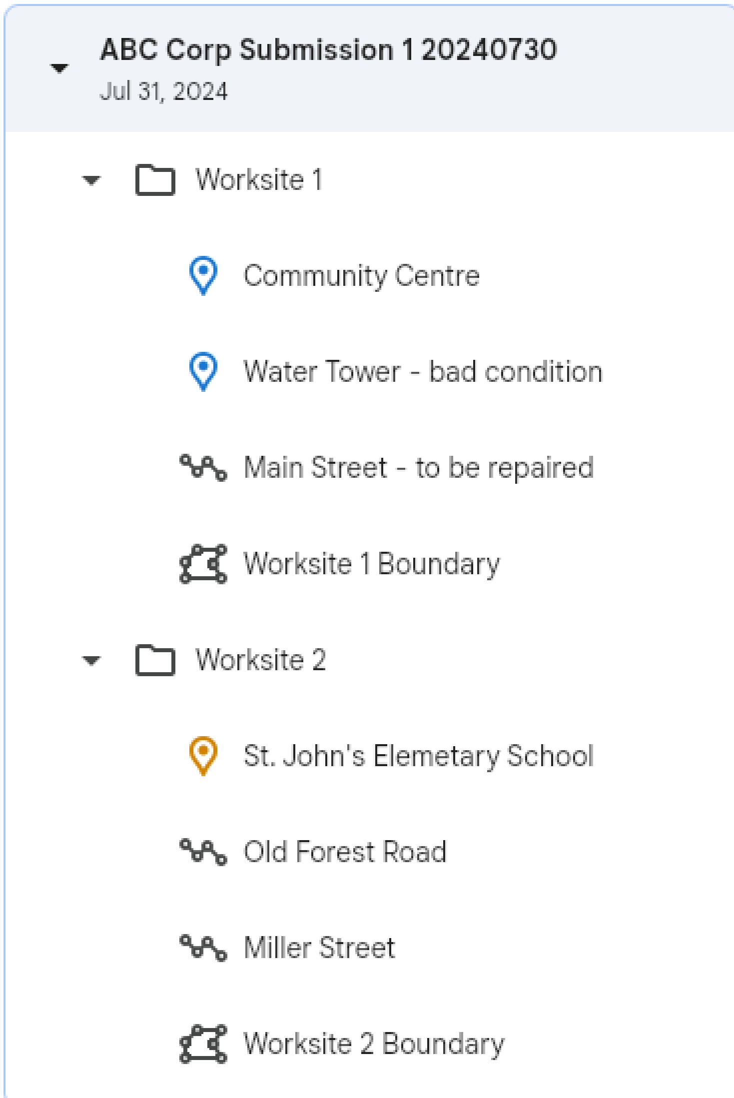
Every submitted KML file must include geometries representing the location of the asset on the ground. Geometries can be of three different types:

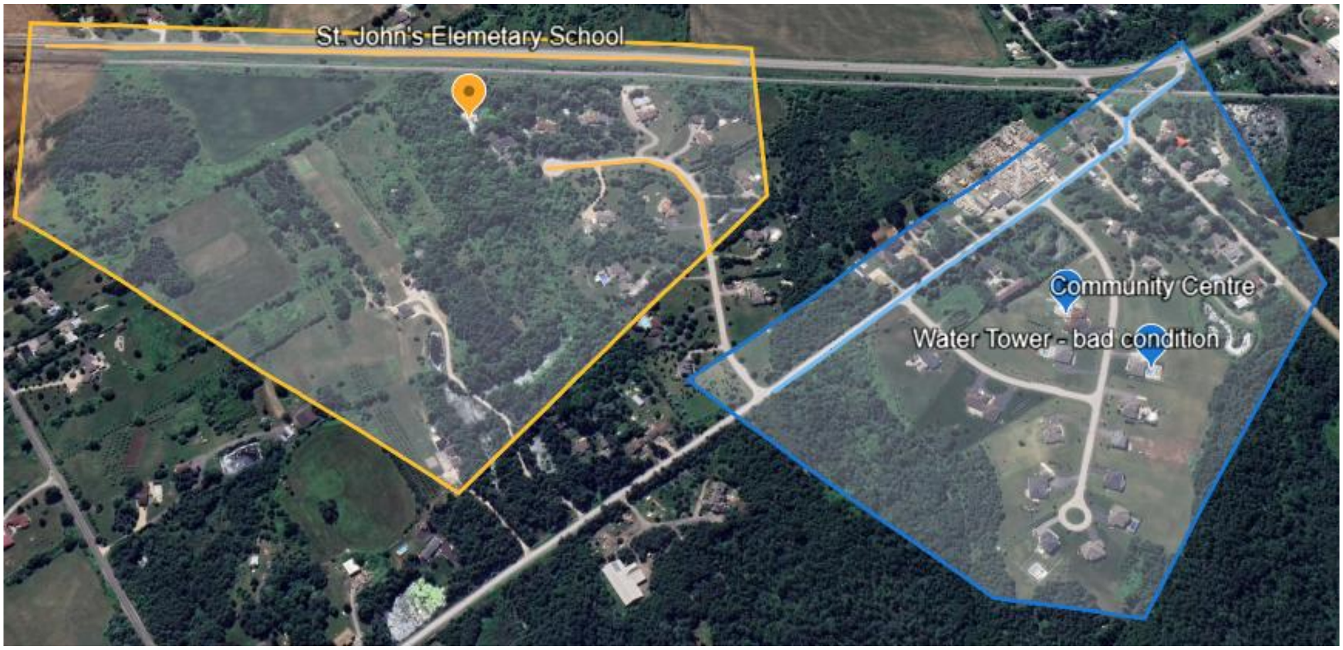
- Placemark (point):
  Use placemarks, or points, to represent discrete points on a map (small areas).
  Examples include: buildings, water towers, hydro poles, bridges, etc.

- Path (line):
  Use paths, or lines, to represent elongated features over larger distances such as roads, water mains, trails, rivers/streams, etc.

- Polygon:
  Use polygons to represent two-dimensional shapes that cover larger areas. Examples include parks, lots and concessions, project boundaries and large water bodies such as lakes and ponds.

See the below images for an example of a nicely structured KML file in Google Earth. Note that these images are meant for general reference for KML creation and may not reflect the data the applicant is meant to capture.


ABC Corp Submission 1 20240730
Jul 31, 2024
Worksite 1
Community Centre
Water Tower - bad condition
Main Street - to be repaired
Worksite 1 Boundary
Worksite 2
St. John's Elemetary School
Old Forest Road
Miller Street
Worksite 2 Boundary



12.2 KML Submission Structure

1) When creating a KML file, the naming convention of the file should include:

- Applicant name
- Name of submission
- Date of submission (yyyymmdd)

An example KML name would be: 'ABC Corp - Submission 1 - 20240730'

2) When adding geometries (placemarks, paths or polygons), each geometry should include:

- Name:
  Ensure that each geometry is clearly named with the asset type and key identifying information. For example, the condition of the asset should be included in the name where applicable (and expanded upon in the description – see below). It should be clear to the reviewer what each geometry represents based on the name. Examples:

  i. A path (line) geometry named 'Main Street – to be repaired'

  ii. A point bridge geometry named 'Elora Bridge – good condition'

  iii. A polygon geometry named 'Worksite 1', displaying the boundary of the proposed worksite(s) of the applicant.

- Description (Recommended):
  Add a description to the geometry for any additional information that cannot be captured in the name. Every geometry can be edited and a description added.

- Images/Videos (Optional):
  Attach an image or video file/URL to a geometry to provide further context to an asset.

3) When editing a KML file, use folders to categorize key information types. Note that you can further subdivide groups of geometries by adding sub folders. In general, there should be a folder for:

- Key application information:
  For example, label the folder 'New infrastructure to be built'. You may add sub folders by asset type. For example, a 'Bridges' sub folder, or a 'Assets in Critical Condition' subfolder.

- Supplemental application information:
  This may or may not be necessary depending on your application. This could include items like site administration centers.

The applicant may choose an alternative folder structure, as long as it clearly identifies intuitive groupings of geometries for the reviewer.

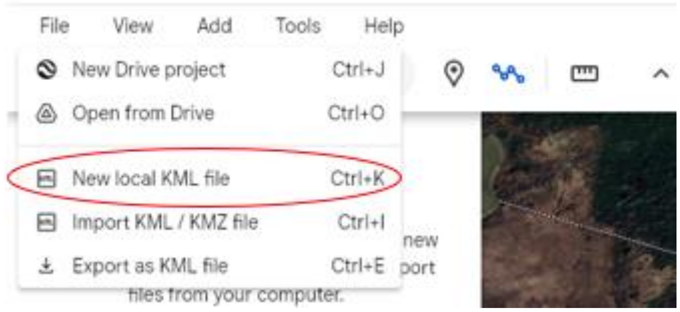
12.3 How to Create a KML File

A KML file can be created easily by anyone using Crown-Indigenous Relations and Northern Affairs Canada's (CIRNAC) publicly available Aboriginal & Treaty Rights Information System (ATRIS) web-based application or Google Earth's free web application as well as other geographic software packages like ArcGIS or QGIS. This guide will walk you through the steps to do so using Google Earth or ATRIS.

Create a KML File using Google Earth:

1. Open Google Earth.
    - Go to the Google Earth website and click 'Launch Earth'.
2. Navigate to your area of interest.
    - Use the search bar or manually navigate to the area where you want to create your KML.
3. Create a new KML.

- In the top left of Google Earth, click ‘File’, then click ‘New local KML file’. This will create a new KML file to add geometries in. Ensure you name the KML file following the conventions in the KML Submissions Structure section, ie. Applicant Name followed by the date of creation (‘yyyymmdd’).

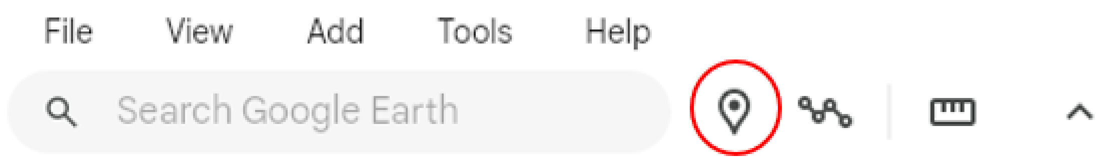


- Note that there is also an option to import existing KML’s you’ve created ‘New local KML file’.

4. Draw geometries. There are three types of geometries you can draw; placemarks, paths and polygons. Note that you can edit any geometry after it is created.

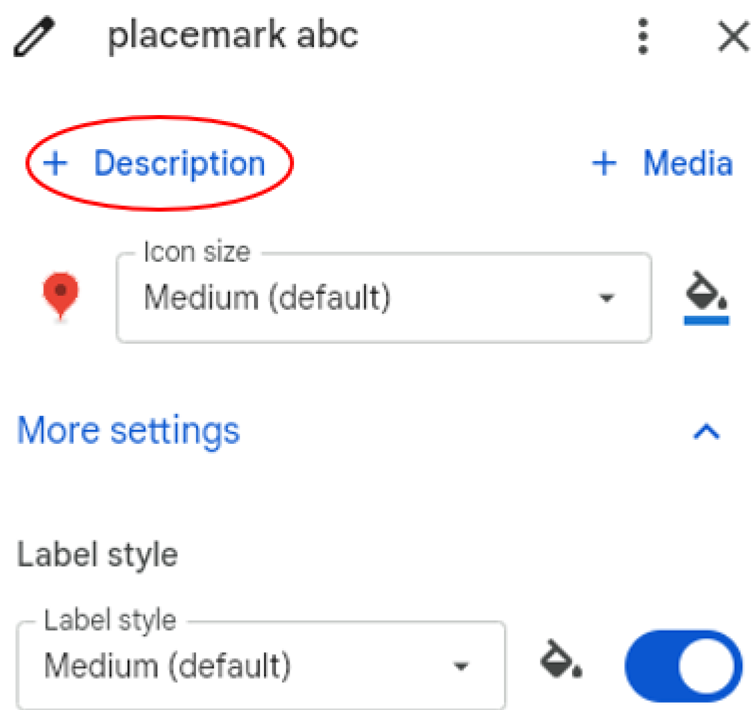
    - Add Placemarks (point geometries):

        i. Click on the Placemark button (the pushpin icon) in the toolbar.



        ii. A new placemark will appear at the center of the view. You can drag it to the exact location you want.

        iii. In the pop-up window that appears, give the placemark a name that properly identifies this feature (see KML Submission Structure section). Add a description to provide further context to the feature.

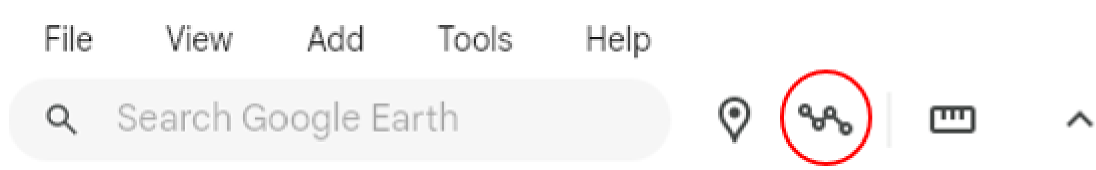


iv. Optional: click the icon image to change the icon symbol. This helps the viewer to visually differentiate between placemarks. For example, give bridge placemarks that same symbol.

v. When done, click OK to save the placemark.

- Add Paths (line geometries):

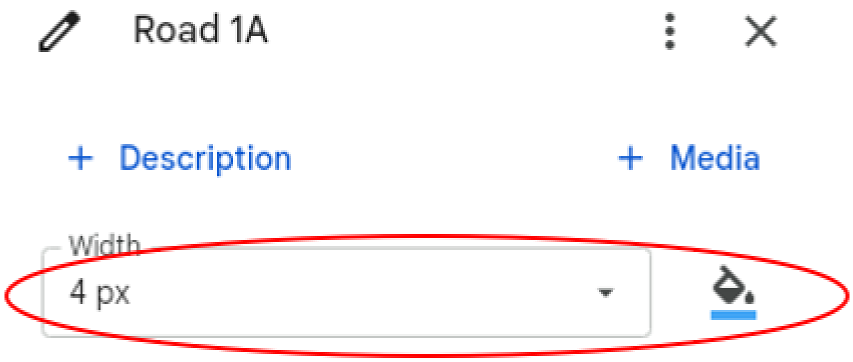
i. Click on the Path button (the lines icon) in the toolbar.



i. Click on the map to start drawing your path. Each click will add a point to the path.

ii. Once you finish drawing, give the path a name that properly identifies this feature (see KML Submission Structure section). Add a description to provide further context to the feature.

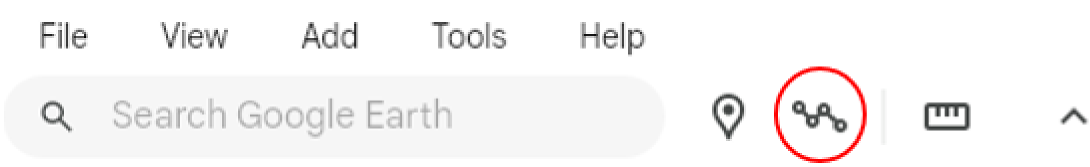
iii. Optional: you may adjust the line width and line colour to help visually differentiate different types of lines.



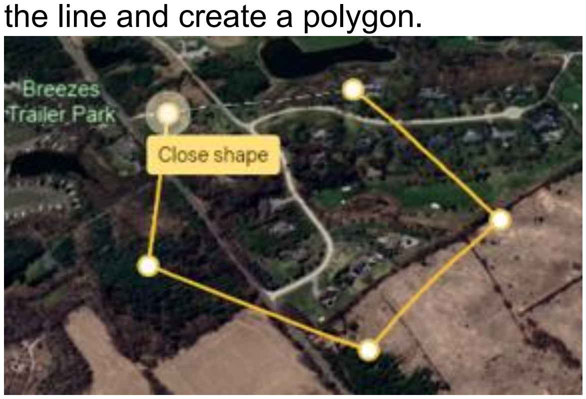
iv. Click OK to save the path.

- Add Polygons:

i. Click on the Path button (the lines icon) in the toolbar.



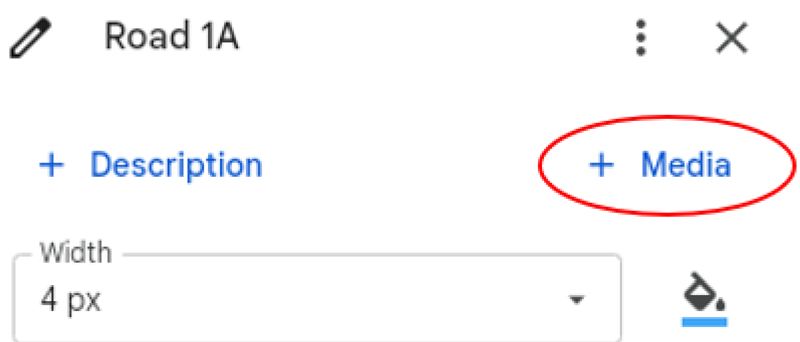
ii. Click on the map to start drawing your polygon. Each click will add a point to the polygon. Note that this operates identically to creating a path. The only difference is, to make a polygon geometry, you must close the linework by meeting the end of the line with the start of the line. When you hover over the end of the line, you should see ‘Close shape’ appear. Click to close the line and create a polygon.



iii. Once you finish drawing, give the polygon a name that properly identifies this feature (see KML Submission Structure section). Add a description to provide further context to the feature.

iv. Click OK to save the polygon.

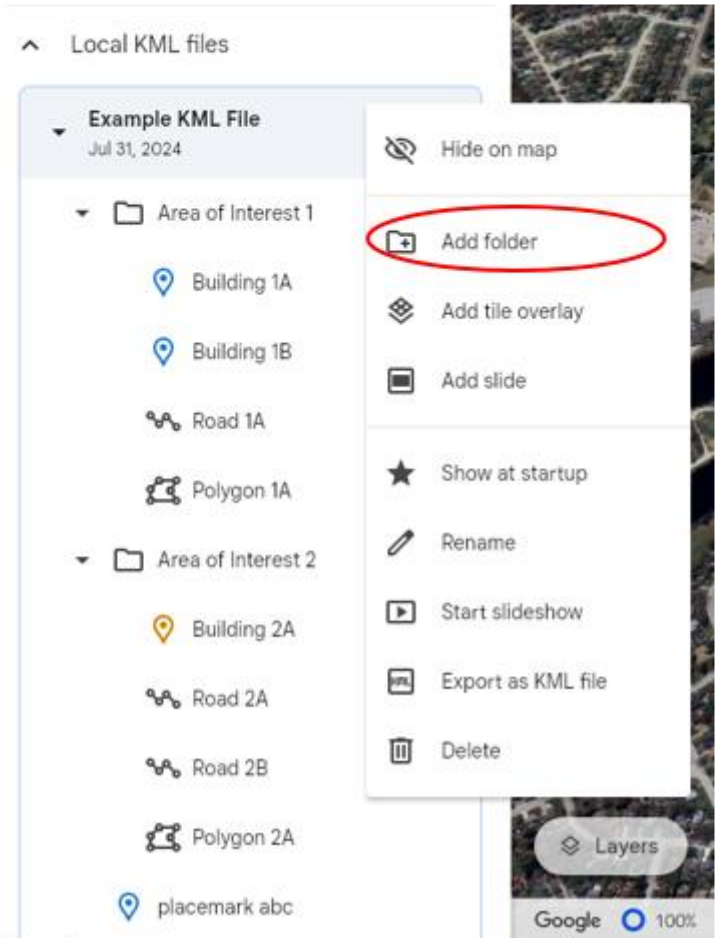
- Note on images:
  Every geometry can have an image or video attached to it. It is recommended to do so to provide further context to a geometry. To attach a picture to a geometry, edit the geometry and select ‘Media’ then ‘Upload image file’.



5. Organize your geometries by creating folders:

- You can create folders in the KML panel to organize your placemarks, paths, and polygons. To do so, hover over the name of the KML file (in the example below, the KML file is named ‘Example KML File’), select the three dots, then click ‘Add

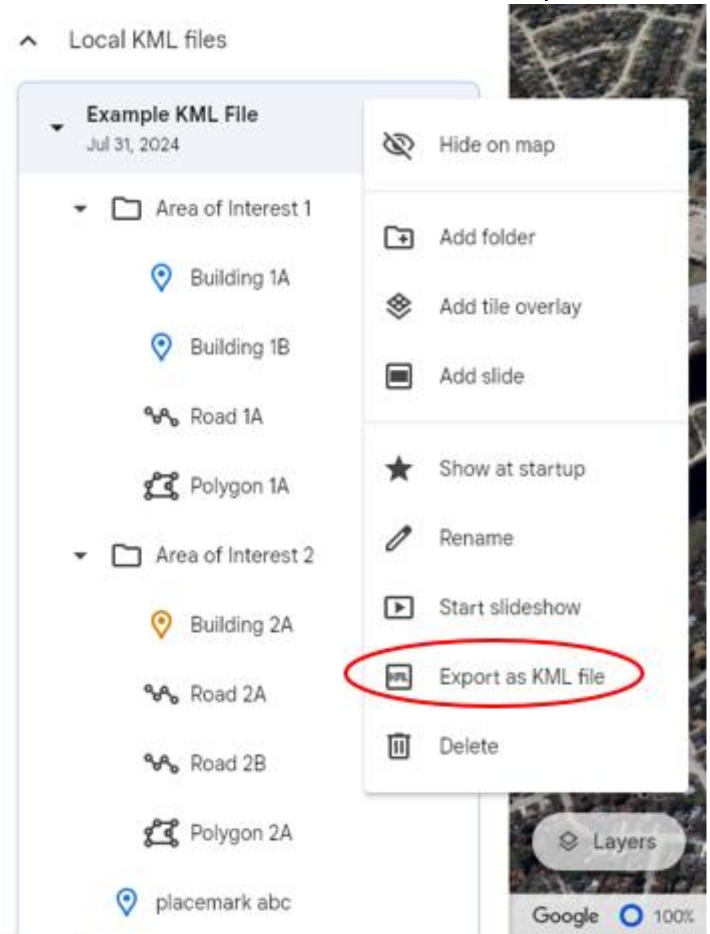
Folder'.



- Name the folder appropriately. Use intuitive names for grouping like geometries. You can also create nested sub-folders to further categorize the geometries.
- You can easily drag and drop geometries between folders.

6. Export your KML File.

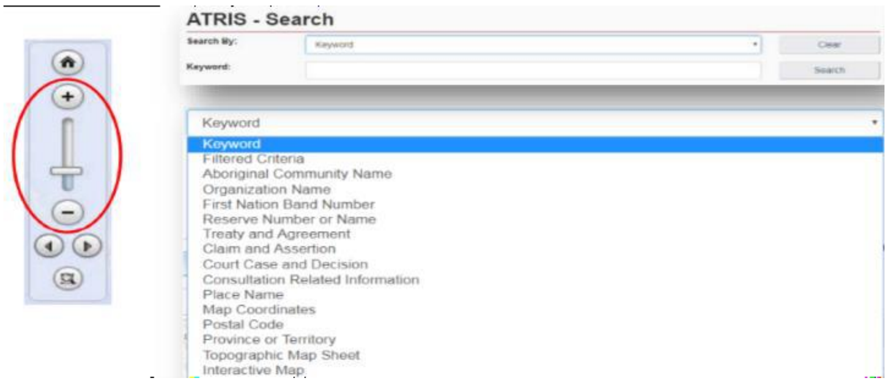
- To export your KML file to your local computer, hover over the name of the KML file, select the three dots, then click ‘Export as KML file’.



- The KML file should keep the name you gave it and will save to where your browser downloads.
- You are now ready to submit your finished KML file. If you need to, you can import the KML file back into Google Earth and make edits.

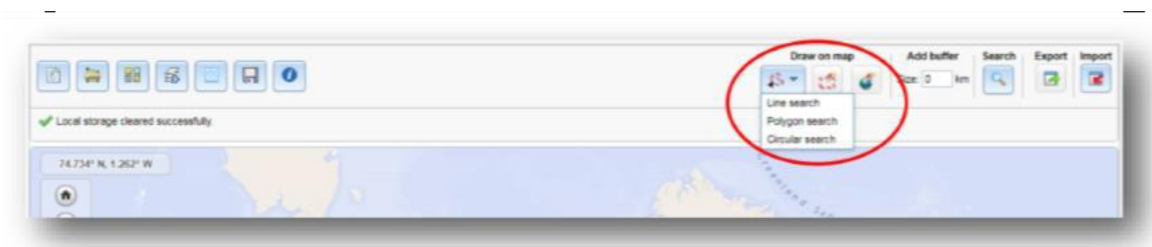
Create a KML File Using ATRIS:

1. Navigate to CIRNAC’s publicly available ATRIS web-based application using this link: http://sidait-atris.aadnc-aandc.gc.ca/atris_online/Content/Search.aspx
2. Navigate to the project location in the map viewer, either by clicking, dragging, and scrolling to zoom, or using the various search options available in the ‘Search By:’ drop down menu.



Draw your project on the map in the exact location using the “Draw on map” tools drop down located in the top right of the ATRIS interface. You may draw as many components of varying types (point*, line, polygon) as necessary to be saved as one single KML file.

*ATRIS users will not be able to create a geometry “point” in GIS terms, but the “Circular Search” option allows users to create circular polygons able to mimic points in terms of scale.

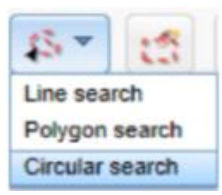


Choose the appropriate drawing tool for the type of component you are drawing:

- Line search − Click as many times as necessary to create a line that represents your linear project feature. Double click to complete. Examples include: roads, sidewalks, bike lanes, etc.

- Polygon search − Click as many times as necessary to create a closed polygon that represents the project feature. Double click to complete. Example: intersections.

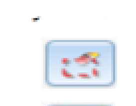
- Circular search − Click on the map to automatically create a circle. To create a smaller circle similar to a point, zoom in as close as possible on the map before clicking. Alternatively, click and drag, then release to draw a circular project feature yourself. Example: roundabouts.



If at any time you wish to erase anything you've drawn, use the following two options:

Erase by Extent: Click and drag to create a shape around what you want to delete.

Anything intersecting the box will be deleted when you release.



Global Erase: This will erase everything on the map. Click OK when prompted to clear the map viewer and start fresh.

3. Once you are satisfied with the drawn representation of your project, click the 'Export' button.

The .KML will download as ‘SearchAreas.kml’ (unless you have specified otherwise) to the location where your browser saves downloads. The file name can be changed to something that reflects the project name before sending it in with your application.

Once saved, the KML file is ready to be uploaded. Should you need any further assistance with ATRIS, please visit the following link to find more information about ATRIS training webinars:

Aboriginal and Treaty Rights Information System (rcaanc-cirnac.gc.ca)