

Municipal Housing Infrastructure Program
Health and Safety Water Stream (MHIP-HSWS)
Frequently Asked Questions (FAQs)

Table of contents

Applicant Eligibility	2
Project Eligibility.....	3
Project Conditions	7
Key Dates	9
Assessment Process.....	9
Asset Management Plan (AMP) – Municipal Applicants Only.....	11
Financial Matters	12
Duty to Consult Requirements	14
Contact Information.....	14

Applicant Eligibility

1) Who is eligible to apply to the program?

Municipalities in Ontario defined under the *Municipal Act, 2001*, and Indigenous communities in Ontario, defined as Band Councils under the *Indian Act* (i.e., Indian Act Band Councils) are eligible to apply. For questions on the program or eligibility, please email MHIP@Ontario.ca.

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 water assets are eligible to submit an application. For upper-tier (UT) municipalities that own and operate the asset on behalf of the LTs, the UT is eligible to submit an application for the program.

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*.

Note: Conservation authorities (CA) are not eligible to apply for this program. If an asset is owned or managed by a CA at the time of application, municipalities (both LT and UT) can collaborate with their local CA and submit applications for publicly owned water assets.

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. That is, an applicant cannot submit a joint application in addition to a stand-alone application.

4) Can municipalities re-submit the same application previously submitted for the Housing-Enabling Water Systems Fund (HEWSF)?

Yes, municipalities that were unsuccessful for HEWSF may submit the same project under MHIP-HSWS, but will have to download and complete the new application form. MHIP-HSWS has a specific set of program guidelines and a unique application form so please ensure you review all program requirements as well as the frequently-asked-questions (FAQs) document before submitting.

Project Eligibility

5) What type of projects will be eligible for the program?

A project can be a new build, rehabilitation, or expansion. However, dams and dykes are not eligible for new construction and projects involving these asset types may only include maintenance or rehabilitation of existing structures.

6) Which asset types are eligible for the program?

The following asset types will be eligible for the program:

- **Drinking water assets** (e.g., treatment plants, reservoirs, local pipes including the distribution system watermain and the recipient's portion of service lines, pump stations).
- **Wastewater assets** (e.g., lagoon systems, pump stations, lift station, linear assets, treatment plants, storage tanks and collection systems).
- **Stormwater assets** (e.g., management facilities, linear assets including conveyance piping/ditches/culverts).
- **Water management** (e.g., dams*), **flood** (e.g., dykes*, conveyance improvements) **and erosion infrastructure** (e.g., riverine non-structural and structural erosion management, including vegetated mesh and grids, natural channel design, live fascines, vegetated crib walls, rip-rap), **including shoreline protection works** (vegetation and bioengineering, flexible revetments and seawalls, rigid revetments and seawalls, beach nourishment, groynes, artificial headlands, detached breakwaters, nature based solutions).

*Dams and dykes are not eligible for new construction and projects involving these asset types may only include maintenance and rehabilitation of existing structures and may not include increasing storage or adding additional freeboard to the asset.

7) Can a project submission include eligible costs from a combination of water (e.g., distribution system), wastewater (e.g., pump station and linear), stormwater (e.g., management facilities) and/or water management (e.g., dam) flood (e.g., conveyance) and erosion infrastructure 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 asset type but may bundle more than one eligible asset type as part of the project. For example, a project may have both water and wastewater components. Similarly, a flooding project may include both flooding and erosion components, as appropriate.

Projects with more than one asset type in the same or different locations must be under “one system.” That is, the other asset(s) included in the project should **be inter-related and/or addresses the same issue**. For example, a project may include the expansion of lagoon systems and the rehabilitation of pump stations in the same or two different locations, both of which fall under a wastewater asset system.

If bundling shoreline work, ensure the projects address the same issue (e.g., erosion mitigation) within a defined area, such as a regional littoral cell. Contiguity is not required.

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

You can provide additional information pertaining to the other asset(s) included in the project by way of supporting documentation that can be uploaded to TPON.

8) If we have linear infrastructure (water, wastewater, and stormwater) that is 100+ years old, does the linear infrastructure have to connect continuously for it to be considered one project?

One of the primary objectives of the HSWS stream is to support aging water infrastructure to improve critical health and safety issues in Ontario.

As per section 4.2 of the Program Guidelines, applicants must select only one primary project asset type but may bundle more than one eligible project asset type. Bundled projects are not required to be contiguous, but applicants must demonstrate that each asset of the project is inter-related and/or addresses the same health and safety issue, and meets eligibility requirements.

9) If water infrastructure is being built by the development community on behalf of the municipality/First Nation and the ownership of the infrastructure will ultimately be with the municipality/First Nation, would this project be eligible for funding?

The asset must be publicly owned at the time of application. For example, some municipal water assets may be owned or managed by conservation authorities (CA), however, since they are not eligible to apply for this funding, eligible applicants can collaborate with their local CA and submit applications for publicly owned water assets.

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

All land acquisition 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 MHIP-HSWS.

11) 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.

12) Do requirements relating to provincial policies and regulations (alignment of project with asset management plans, Provincial Planning Statement (PPS) and other land use planning policies, provincial environmental assessment, etc.) apply to First Nation applicants?

Given that First Nation communities in Ontario are on federal lands, provincial statutes, regulations, and policies may not apply, however, additional federal policies may apply (e.g., federal environmental assessments). Wherever possible, First Nation applicants should provide similar information as it relates to federal jurisdiction.

13) Do the following application elements apply to First Nation applicants?

- **Questions in the technical appendix regarding systems revenues and rate structure**
- **Alignment with provincial land-use planning legislation and policy**
- **Asset Management Plans**
- **Provincial environmental assessments**
- **Provincial compliance and regulatory requirements (e.g., drinking water compliance)**

The above do not apply to First Nation applicants in the application form. Wherever possible, First Nation applicants should provide similar information as it relates to federal jurisdiction. If you are not able to provide a response, please include “N/A” for that question to ensure that the form validates and can be submitted. Your submission will not be penalized for providing a N/A response for questions related to the topics above.

14) There are some questions in the technical appendix regarding drinking water advisories. How should this be answered for projects located on reserve land?

First Nation applicants are asked to provide information in response to the technical appendix only insofar as it is applicable to their system/jurisdiction. If certain questions or components of questions do not apply, First Nation applicants are asked to provide a related quantitative measure that can be used to assess existing health and safety issues, where possible. For example, First Nation applicants could provide information regarding health advisories issued by Health Canada or Indigenous Services Canada with respect to the potability of water, or other relevant supporting information.

15) 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.

16) 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?

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.
- 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.

Project soft costs (i.e., preconstruction work), which includes planning, can be retroactive to April 1, 2024.

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, have been met. The province will confirm in writing that Duty to Consult (DTC) requirements have been met.

18) 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.

Project soft costs (i.e., preconstruction work like design and planning) can be retroactive to April 1, 2024. 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 HSWS project.

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

Project Conditions

19) 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.

20) 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 and program conditions.

21) What kind of documents, engineering studies or plans show a good level of project readiness?

Documentation to demonstrate project readiness would vary depending on the project type. For water management, flood and erosion infrastructure works, project readiness will be assessed based on engineering/geoscience studies (depending on project) that identifies the scope of the issue and the overall impact of the completion of the project (e.g., number of properties where flooding is alleviated, etc.) including project planning and engineering status/completed, environmental assessment or Master Plan status, requisite approvals/permits acquired, etc.

Similarly, 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.

22) What is Modern Technology?

“Modern Technology” for this purpose is described as physical products and/or software that help to augment manual techniques to collect information for the purpose of delivering, managing or operating infrastructure for efficient outcomes. Examples of modern technology include software that includes 3D models of planned or existing infrastructure, artificial intelligence or machine learning software, software/tools using augmented reality, or the use of sensors or machine learning-assisted cameras to provide real-time or near real-time data collection.

23) What does capacity to maintain the technology mean?

To demonstrate an applicant has the capacity available to monitor or maintain the technology, a strong application would provide details on what types of resources (e.g., human, financial, technical) are available to ensure the sustainability and monitoring of the technology (e.g. maintain it and review the data).

24) Why is the use of modern technology being included in the evaluation criteria?

Ontario has an interest in supporting data driven insights in the delivery, management, and operation of infrastructure. Modern technology has the potential to support scenario planning, prioritize investment decisions, mitigate risk, and improve asset management. As Ontario plans to invest \$191B over the next 10 years to address increasing demands on infrastructure; use of modern technology, including Digital Twins, is one area the province is exploring to improve construction planning and development.

Key Dates

25) What is the application intake period and how can applications be submitted?

Application intake opens at **9:00 a.m. EST on April 17, 2025**.

Municipal applicants will have until **June 26, 2025, at 4:59 p.m. EST** to submit their applications. First Nations applicants will have until **July 10, 2025, at 4:59 p.m. EST** to submit their applications.

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.

26) What are the eligible start and end dates for projects?

Projects must start no later than **June 30, 2026**, and must be completed **no later than March 31, 2029**. 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, 2024**. 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.

27) What is the duration of the program?

Successful applicants will have until March 31, 2029, to complete their project.

Assessment Process

28) 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 which pass **Stage 1** – Mandatory Requirements, including alignment with program objectives (i.e., addressing health and safety issues, ability to maintain existing housing units, ability to promote climate resiliency and adaption), will move onto **Stage 2** where applications will be evaluated against criticality of health and safety risk(s), technical merit, financial need, project readiness, use of modern technologies, and joint applications.

29) For joint applications, First Nations will receive full marks in the financial need category. Does this apply to tribal councils or First Nations organizations?

Joint projects are those where each **co-applicant** meets the applicant eligibility criteria.

The provision of full marks in the financial need category is specifically linked to the participation of an eligible First Nation applicant (i.e., a Band Council under the Indian Act) as a co-applicant. The involvement of other Indigenous organizations, such as tribal councils (that are not themselves an eligible applicant under HSWS), does not change this requirement for the financial need scoring.

Under HSWS, eligible applicants include municipalities in Ontario and Indigenous communities in Ontario, defined as Band Councils under the Indian Act (i.e., Indian Act Band Councils).

30) Are applicants providing more than the minimum 27% contribution towards project costs scored higher?

The cost-share ratio is not a scoring criterion. Applicants contributing more than 27% do not receive additional points.

Eligible applicants can apply for a maximum 73% provincial contribution towards total eligible costs (up to \$30 million) per eligible applicant.

31) 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.

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

32) 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.

33) How will applicants with limited internet access and/or barriers to access to TPON be accommodated?

If you experience issues with accessing TPON, applicants can email MHIP@Ontario.ca.

34) 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/protected by the project.

Asset Management Plan (AMP) – Municipal Applicants Only

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

Applicants must use their most up to date AMP that includes the proposed project. If applicants have not met the July 1, 2024, regulatory deadline, they may use their AMP developed for the July 1, 2022, regulatory deadline.

36) What if the municipality’s AMP is not compliant with the 2024 regulation, is it ineligible?

The AMP would still be eligible if the applicant has submitted an AMP for the July 1, 2022, regulatory deadline. However, if the municipality has not submitted an AMP that meets the requirements of July 1, 2024, please provide a link to your updated, public-facing and Council-approved plan as soon as possible to municipalassetmanagement@ontario.ca.

37) Will the AMP be used for assessment?

No, it will not. However, the AMP will ensure applicants have complied to provincial regulatory requirements and that projects are consistent with their plans.

Financial Matters

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

Through the MHIP-HSWS, the province is investing \$175 million to help municipalities and First Nations build, rehabilitate and expand aging water, wastewater, stormwater, flood and erosion infrastructure to address critical health and safety issues, maintain the current housing supply, and promote resiliency and adaptation across communities. The province will fund a maximum of 73% (up to \$30 million) of eligible project costs with the recipient required to fund all remaining project costs. Please see table 1 below for example:

Table 1. Example: Funding for One Recipient.

Value of Project	Provincial Contribution (73% maximum)	Recipient Contribution (27% minimum)
\$5 million	\$3.65 million	\$1.35 million
\$48 million	\$30 million	\$18 million
\$100 million	\$30 million	\$70 million

Joint projects between eligible applicants are encouraged. For joint applications, the primary applicant can apply for up to \$30 million in provincial contribution on total eligible costs, times the number of eligible applicants. For example, a joint project with three eligible co-applicants can submit a project with a combined provincial contribution of up to \$90 million (i.e., \$30 million multiplied by three eligible applicants equals \$90 million). Please see table 2 below for example:

Table 2. Example: Funding for Recipients (Joint Application).

Value of Project	Number of Partners	Provincial Contribution (73% maximum or \$30M multiplied by number of partners)	Recipient Contribution (27% minimum)
\$5 million	3	\$3.65 million	\$1.35 million
\$100 million	3	\$73 million	\$27 million
\$150 million	3	\$90 million	\$60 million

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

Successful applicants are permitted to stack other municipal, First Nation, or federal funds to fund the 27% minimum recipient contribution. Applicants are responsible for determining if federal funding can be used towards the project being submitted to the Province. Provincial stacking will not be permitted, with the exception of funding received from the Building Faster Fund (BFF) and the Ontario Community Infrastructure Fund (OCIF).

40) Can the province advise on how to source the 27% minimum applicant contribution?

The Ministry cannot provide specific advice on how applicants should fund their contribution.

However, under HSWS, eligible applicants may combine (i.e., stack) other federal, First Nation, and/or municipal funding (including development charges revenue) to meet the 27% minimum recipient contribution.

It is the applicant's responsibility to determine whether federal funding is eligible for the proposed project.

Provincial stacking is not permitted, except for contributions from the Building Faster Fund (BFF) and the Ontario Community Infrastructure Fund (OCIF).

Additionally, 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.

41) 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)?

The program would consider costs associated with the restoration of all assets to pre-construction condition. 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.

Enhancements that did not exist prior to the undertaking of the project are not considered eligible costs. For example, if bike lanes are added and they did not exist prior to the project, the applicant may choose to proceed with enhancement or improvement work, however, these costs are not eligible for reimbursement under MHIP-HSWS. The asset must be publicly owned at the time of application.

Duty to Consult Requirements

42) 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 June 30, 2026, provided that funding approval has been received from the province **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.

43) I am a First Nation applicant. Do I still need to complete the DTC Questionnaire?

Yes, all applicants are required to complete the DTC questionnaire and the Province will work with First Nation recipients to determine applicable DTC requirements.

44) 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). 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 Duty to Consult has been met.

Contact Information

45) What is the contact information to ask questions for MHIP-HSWS?

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