Municipal Housing Infrastructure Program (MHIP) – Housing Enabling Core Servicing Stream (HECS) Frequently Asked Questions

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Applicant Eligibility

1) Who is eligible to apply to the program?

Municipalities (i.e., lower, upper, single tiers) that own road and/or bridge assets will be eligible to apply.

Municipalities that have 'New Deal' agreements in place are not eligible to apply either as a primary or co-applicant.

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 road/bridge 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.

Municipalities, including associated Upper and Lower-Tiers, that support the same housing development are required to submit as a joint application.

3) Is a municipality allowed to submit more than one application?

Each single municipality is allowed to submit only one application. Should a municipality choose to submit a joint application with another municipality, that submission would be counted as their sole application. That is, a municipality cannot submit a joint application in addition to a stand-alone application.

Project Eligibility

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

A project can be a new build, rehabilitation/repair, reconstruction or expansion and it must support housing volume increase.

2) Which asset types are eligible for the program?

Eligible asset types are:

- Roads; and
- Bridges.

Applicants may bundle more than one eligible asset type (e.g., a project with both road and bridge components).

3) Can a project submission include eligible costs from a combination of road and bridge assets? For projects where more than one eligible asset type is included, where can information on other assets included in the project be submitted?

Applicants must select only one primary asset type but may bundle more than one eligible asset type. For example, a project may have both road and bridge components. While bundled assets are not required to be contiguous, please include a copy of the Secondary Plan and other supporting documentation (e.g., Infrastructure Master Plan) to demonstrate that the assets included in the project are connected to the same housing development area.

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

You can provide additional information pertaining to the other assets included in the project by way of supporting documentation that can be uploaded to TPON. See #8 within the "Appendix A: Technical Schedule" tab of the TPON Application Form for instructions:

"8. Upload to TPON any supporting documentation (e.g., photographs, Municipal Structure Inspection Form)."

4) 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 the Environmental Assessment (EA) studies completed. However, priority will be given to those projects that are complete or more advanced in planning and design. 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.

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

Projects that are tendered and awarded would be eligible as long as capital work (e.g., construction, site preparation, etc.) has not started and the projects meet all other program conditions.

Projects cannot start capital work (e.g., construction or site preparation) until the provincial government has confirmed in writing that all Duty-to-Consult (DTC) requirements have been met.

Project Conditions

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

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

2) 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 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.

Key Dates

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

Application intake launched **August 21, 2024,** and applicants will have until **October 18, 2024, at 4:59 p.m. EST** to submit their applications. Applications must be submitted through the <u>Transfer Payment Ontario (TPON)</u> page where applicants can access the application form, a program guidelines document, and can upload supporting documents.

2) Will applications be reviewed only after the intake deadline or on an ongoing basis?

All applications will be reviewed after the October 18, 2024 deadline.

3) What are the eligible start and end dates for projects under the second intake?

Projects must start no later than **September 30, 2025**, and must be completed **no later** than **March 31, 2028**. The project start could include pre-construction soft costs (i.e., design, planning, engineering, project management, etc.) or construction (i.e., shovels in the ground). Project soft costs can be retroactive to **April 1, 2023**. However, construction must not start prior to project approval by the province and the successful applicant has received confirmation in writing that Duty-to-Consult requirements have been met.

4) What is the duration of the program?

Successful applicants will have until March 31, 2028, to complete their project.

Assessment Process

1) 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, project readiness and meeting program outcomes (housing enabling). Applications which pass Stage 1 – Mandatory Requirements will move onto Stage 2 where applications will be evaluated against technical merit, financial capacity, project readiness, and joint applications.

2) Where can applicants submit additional information (i.e., supporting documents)?

You can provide additional information by way of supporting documentation that can be uploaded to TPON. See #8 (within the "Appendix A: Technical Schedule" tab) of the TPON Application Form for instructions:

"8. Upload to TPON any supporting documentation (e.g., photographs, Municipal Structure Inspection Form)."

Asset Management Plan (AMP)

1) Which AMP could 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.

2) 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.

3) Will the AMP be used for project assessment?

No, the AMP will not be used for project assessment.

4) What if my proposed project has not been determined based on the lifecycle activities prioritized in my AMP?

Proposed projects may not always align with applicant's current approved AMP, please provide information as to why it is not aligned and how the applicant will ensure future alignment with the municipality's AMP work.

Financial Matters

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

The Province would fund a maximum of 50% (up to \$20 million) of eligible project costs with the municipality required to fund all remaining project costs, including any cost over-runs or escalations.

For joint applications, the primary applicant can apply for up to \$20 million in provincial contribution on total eligible costs, times the number of applicants. For example, a joint project with three eligible co-applicants can submit a project with a combined provincial contribution of up to \$60 million (i.e., \$20 million multiplied by three eligible applicants equals \$60 million).

Municipalities, including associated Upper and Lower-Tiers, that support the same housing development are required to submit as a joint application.

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

Successful applicants are permitted to stack other municipal and federal funds to fund the 50% minimum recipient contribution. Applicants are responsible for determining if federal funding can be used towards the project being submitted to the Province. However, 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).

Duty-to-Consult Requirements

1) Will a Duty-to-Consult (DTC) assessment be required?

Yes. Projects may only begin capital work (e.g., physical construction or site preparation) provided that funding approval has been received from the province and it has been confirmed in writing that the Duty-to-Consult (DTC) requirements has been met.

Projects that proceed with construction or site preparation **prior to program approval** or confirmation that DTC requirements are met and communicated in writing by the province, are not eligible for funding.

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

Ontario and municipalities 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 Indigenous or treaty right.

DTC assessments will begin while project approvals are being conducted (i.e., before Transfer Payment Agreements (TPAs) have been developed). Assessments are 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 site. Recipients will be notified in writing on the outcome of this assessment.

Projects must not start capital work (e.g., construction or site preparation) until the provincial government has confirmed in writing that the duty to consult has been met.

Contact Information

1) What is the contact information to ask questions for MHIP-HECS?

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