

# 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) If the services are within a municipal services corporation (MSC) would the project still be eligible?**

Under this program, municipalities (i.e., lower, upper, single tiers) that own road and bridge assets are eligible to apply. The municipality does not necessarily need to maintain and operate the asset, but does need to own the asset, and can submit the application on behalf of the MSC.

**6) If a municipal project is approved or being submitted under the Housing-Enabling Water Systems Fund (HEWSF), can a road or bridge project that enables housing units in the same area as that of the HEWSF project be submitted?**

As the MHIP-HECS stream is providing funding for eligible assets distinct from other provincial housing-enabling infrastructure programs, municipalities may submit their road/bridge projects for provincial consideration even if they are receiving funding for an approved project under another program (e.g., water infrastructure project receiving funds from the Housing-Enabling Water Systems Fund).

Please feel free to indicate in open comment areas of the application such as the project description and in the technical area of the application mentioning the linkages between the two projects and any other information that you would like MOI and reviewing ministries to know.

**7) 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.

**3) Does a project need to be delivered by municipal staff or can it be delivered by a developer on behalf of the municipality (and funded by the municipality)?**

The Province will enter into a Transfer Payment Agreement with the municipality. Municipalities may use third-party vendors for contract management, consulting, etc.

**4) Does MTO consultation need to be complete prior to submitting an application?**

For projects that require MTO consultation, the request for pre-consultation must be initiated through MTO's Highway Corridor Management System (HCMS) by the time of application and the pre-consultation number from HCMS provided in the Technical Schedule of the application form.

**5) How far into the planning phase must projects be?**

Priority will be given to those projects that are complete or more advanced in planning and design. 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.

**6) How large of a catchment area could be considered for “enabling housing” for the specific road/bridge project put forward? Would developments not directly adjacent to the road project, but still supported by improved city road connections nearby count?**

In the Outcomes section of the Application Form, applicants are requested to provide the total number of estimated net new housing units over each year (between 2024 to 2031) that will be enabled by the proposed project and when they will be built. For clarity, please only count those units that would not be able to proceed without the road or bridge infrastructure project proposed in this application regardless of the distance between the location of the project and the location of the enabled housing. Providing secondary plans and other supporting documents (e.g., Infrastructure Master Plans) as part of your application is recommended to demonstrate the link between the proposed infrastructure and future housing development.

**7) What is the intended difference between housing enabled and housing constructed?**

Housing units “enabled” refers to new housing units that are made possible or unlocked as a direct result of the project, while housing “constructed” refers to when the enabled housing units will be constructed. The number of housing units enabled is assessed as part of the evaluation process.

**8) Do I have to acquire land before I submit an application? Is land acquisition an eligible expense under the program?**

As indicated in the Municipal Housing Infrastructure Program – Housing-Enabling Core Servicing stream (MHIP-HECS) Program Guidelines: “Any 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 a municipality would only be able to seek funding for a portion of the full project.

Where there are some smaller adjacent pieces of land, such as easements, that still need to be acquired, the entire project will still be considered eligible however applications should include details that confirm these pieces will be acquired in a timely manner to not delay the broader project.

Land acquisition is not considered part of eligible costs under the MHIP-HECS funding (see Section 8.5 Ineligible Project Costs).

## 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 [Transfer Payment Ontario \(TPON\)](#) 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.

**5) Do you have an estimated timeline of when funding decisions will be made?**

The Province will provide notification on application decisions in early 2025.

## 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).”

**3) Is a Traffic Impact Study a mandatory supporting document? Can demonstration of need be provided in another manner in the absence of a Traffic Impact Study?**

While a Traffic Impact Study is highly beneficial and the best way to show need and resulting benefit, it is not the only way that need could be demonstrated. Any documentation that is relevant in demonstrating the design needs of a project should be submitted and will be considered during review.



#### **4) How do I demonstrate housing impact?**

With regards to housing impact, in the Outcomes section of the Application Form, applicants are requested to provide the total number of estimated net new housing units over each year (between 2024 to 2031) that will be enabled by the proposed project. For clarity, please only count those units that would not be able to proceed without the road or bridge infrastructure project proposed in this application.

### **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](mailto: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).

### **3) Would street lighting upgrades associated with the project be eligible?**

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

### **4) What are eligible costs under site-servicing? Can I include stormwater management for the road/bridge?**

As part of eligible site servicing costs, the Ministry would consider costs for the restoration and relocation of underground water asset(s) that result from impacts of the proposed HECS road/bridge project only. Your municipality may consider

additional activities such as the expansion or rehabilitation of the impacted water asset(s) during the undertaking of your proposed HECS project, however, these are ineligible costs under the program.

Infrastructure for stormwater management of a new road / bridge is considered an eligible cost if they are necessary for the completion of the project. If this infrastructure also supports other infrastructure including private facilities, then only the portion of the costs determined to support the road / bridge asset would be eligible.

### **5) Are bike lanes and side walks eligible costs?**

Construction costs for sidewalks and active transportation facilities are eligible expenses as a component of a road and/or bridge project, including for new constructions. Note that the sidewalks and active transportation facilities must run alongside the road and/or bridge (e.g., cannot veer off into a trail network).

## **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 [MHIP@ontario.ca](mailto:MHIP@ontario.ca). For inquiries related to the TPON system, please contact TPON at [TPONCC@ontario.ca](mailto:TPONCC@ontario.ca).