

Housing-Enabling Water Systems Fund (HEWSF) - Frequently Asked Questions

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

Application intake launched **Monday, January 29, 2024**, and applicants will have until **Friday, April 19, 2024, at 11:59 p.m.** to submit their applications. Applications must be submitted through the [Transfer Payment Ontario \(TPON\)](#) page where applicants can access the application form as well as a program guidelines document.

2) How many application intakes will there be for the program?

There is only **one** application intake for the program.

3) Will applications be reviewed only after the April 19 deadline or on an ongoing basis?

All applications will be reviewed after the April 19 deadline.

4) How will applications be evaluated?

Each application will undergo a comprehensive evaluation. Applications will be initially evaluated on application completeness, eligibility, water project readiness and meeting program outcomes (housing enabling).

Applications who pass Stage 1 – Mandatory Requirements will move onto Stage 2 where applications will be evaluated against technical merit, financial capacity and need, housing development readiness, critical health and safety and joint applications.

5) Which asset types are eligible for the program?

The following asset types will be eligible for the program:

- Wastewater assets (e.g., lagoon systems, pump stations, lift station, linear assets, treatment plants, storage tanks and collection systems).
- Drinking water assets (e.g., treatment plants, reservoirs, local pipes including the distribution system watermain and the municipal portion of service lines, pump stations).

- Stormwater assets (e.g., management facilities, linear assets including conveyance piping/ditches/culverts).

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

A project can be either rehabilitation/repair, reconstruction or expansion.

7) Who is eligible to apply to the program?

Municipalities (i.e., lower, upper, single tiers) that own water, waste and stormwater infrastructure will be eligible to apply. Where Local Service Boards (LSBs) and/or Municipal Service Corporations (MSCs) manage the water assets on the municipality's behalf, the municipality may submit an application.

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

Projects must start no later than **September 30, 2024**, and must be completed **no later than March 31, 2027**. 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.

9) What is the duration of the program?

Successful applicants will have until March 31, 2027, to complete their project.

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

Through the Housing-Enabling Water Systems Fund, the province is investing \$200 million over three years to help municipalities repair, rehabilitate and expand critical drinking water, wastewater and stormwater infrastructure. The province will fund a maximum of 73% (up to \$35 million) of eligible project costs with the municipality required to fund all remaining eligible project costs.

Joint projects between multiple eligible applicants are encouraged. For joint applications, the primary applicant can apply for up to \$35 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 \$105 million (i.e., \$35 million multiplied by three eligible applicants equals \$105 million).

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

Successful applicants are permitted to stack other municipal and federal funds. 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).

12) How does application process and eligibility of 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.

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

Yes. Projects may only begin physical construction prior to September 30, 2024, provided that funding approval has been received from the province and it has been confirmed in writing that all Duty-to-Consult (DTC) and Environmental Assessment (EA) requirements have been met.

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

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

After a project has been selected, Ontario and municipalities may have a Duty to Consult (DTC) and, where appropriate, accommodate Indigenous peoples (e.g., First Nation, Inuit and Métis peoples) where an activity is contemplated that may adversely impact an Indigenous or treaty right.

DTC assessments can be completed while project approvals are being conducted or immediately after the project is approved (i.e., before Transfer

Payment Agreements (TPAs) have been developed), however, it is recommended that the consultations are conducted as early as possible during the program timeline.

Review process timelines will vary based on many factors such as identification of which communities should be consulted, additional research by the legal team, number of communities engaged, type of consultation activities requested by the communities (e.g., virtual meetings; in-person).

15) 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. In summary, a municipality cannot submit a joint application in addition to a stand-alone application.