



The Corporation of the Town of Milton

Report To: Council

From: Diana Jiona, Director, Infrastructure
Glen Cowan, Chief Financial Officer / Treasurer

Date: October 7, 2024

Report No: COMS-011-24

Subject: Municipal Housing Infrastructure Program (MHIP) - Housing Enabling Water Systems Fund (HEWSF)

Recommendation: THAT Council endorse the Town's application for the Municipal Housing Infrastructure Program (MHIP) - Housing Enabling Water Systems Fund (HEWSF) as outlined herein, including the selection of the Stormwater Management Pond 15 retrofit project.

THAT staff be delegated the authority to prepare and submit the application to the MHIP - HEWSF to the Province, as well as to make any revisions that may be required in the discretion of the Commissioner, Community Services.

THAT the Mayor and Town Clerk be authorized to execute any agreements that may be required in relation the MHIP-HEWSF program.

EXECUTIVE SUMMARY

- In August 2024, the Province of Ontario announced the MHIP - HEWSF funding program, which will provide \$400 million over 3 years to build, maintain and repair roads, bridges and culverts that unlock new housing opportunities and ensure safe reliable roadways.
- MHIP - HEWSF is an application based program, with submissions being due no later than November 1, 2024.
- The Stormwater Management Pond 15 Retrofit Project meets the program requirements, and includes detailed design and investigation work to confirm the ultimate scope of the retrofit, which is anticipated to result in an increased treatment capacity for the existing pond facility.

REPORT

Background

The Municipal Housing Infrastructure Program (MHIP) - Housing-Enabling Water System Fund (HEWSF) is an application-based program. Projects funded through the program will aim to protect communities by investing in the development, repair, rehabilitation and expansion of core water, wastewater, and stormwater projects to promote growth and enable housing. All municipalities that own water, waste or stormwater infrastructure are eligible to apply, with a limit of one application per municipality.

Full terms and conditions of the program will be outlined in a Transfer Payment Agreement (TPA) between the Province and the municipality. Through the program the Province will fund up to 73% of the eligible costs, up to a maximum of \$35 million, with funds being distributed on a milestone basis. Eligible projects must (amongst other items):

- Include a capital component;
- Enable housing development (i.e. new housing units that would not be enabled without the project);
- Be for new construction, rehabilitation, reconstruction or expansion;
- Increase access to potable water or increase treatment and/or management of wastewater and stormwater;
- Occur on land that was acquired in advance of the municipal funding application;
- Have a clear start and end point; and
- Be in the process of (or completed already) the design and planning phase.

Projects must be initiated no later than September 30, 2025 (initiation of design or construction), and projects must be complete no later than March 31, 2028. Project soft costs can be eligible for funding retroactively to April 1, 2023. Construction costs, however, are not eligible until after project approval by the Province and the duty to consult obligations are satisfied.

Submissions are required no later than November 1, 2024. Applications will be assessed on a competitive basis with consideration for their technical merit, housing impact, project readiness, financial capacity and public health and safety. Priority will be given to those projects that are more advanced in the planning process.



Background

If approved for funding, the municipality will need to execute a TPA with the Province to formalize the terms and conditions and secure funding.

Discussion

Stormwater Management Pond 15 Retrofit

The Stormwater Management Pond 15 retrofit project is expected to incorporate preliminary investigative work (on site inspections and water volume calculations) and a detailed design in order to lead to the retrofit of the pond. These steps will ensure that the pond has the treatment capacity it was originally designed for (to support development in the vicinity) and to potentially expand the capacity beyond this to support further redevelopment within the MTSA. In addition, opportunity to retrofit the lands surrounding the pond will be explored, in order to help ensure an adequate connection from the adjacent high-density development at 130 Thompson Road to the adjacent Milton Go Station. The full scope of work is being confirmed through continued preliminary design investigation, and will be further informed through the detailed design, which is anticipated to start in 2025.

Construction is anticipated to begin in 2026 and likely continue into 2027, pending completion of the detailed design work, and securing permission to enter agreements from adjacent property owners.

The Stormwater Management Pond 15 Retrofit Project does not currently have an approved stand alone capital budget, but preliminary design work has been completed through the Stormwater Management Facility Rehabilitation - Design work project. The value of the preliminary design work is \$19,750 (excluding HST). It is anticipated that a dedicated capital project will be presented through the 2025 Budget Process, and that detailed design will be in the range of \$100,000 to \$200,000. While the construction estimate will be refined during the detailed design progress, and as the ultimate scope of work is currently unknown and to be refined through detailed design, the high level estimate for construction is anticipated to be in the range of \$3,000,000 to \$4,000,000.

Adjacent Housing Development

The Stormwater Management Pond 15 retrofit project is located within the Major Transit Station Area (MTSA), which is a significant area of future growth and intensification for the Town. Pond 15 provides stormwater quality and quantity controls, which is essential to ensure the MTSA can be redeveloped and adequate stormwater management can be provided.



Discussion

The MTSA is expected to welcome 15,200 new people in 8,430 new residential housing units by the year 2051. Of this total, immediate growth is expected directly adjacent to Pond 15, specifically at 130 Thompson Road, which is expected to bring upwards of 873 residential units to the area.

Financial Impact

As noted above, the Stormwater Management Pond 15 Retrofit Project does not currently have an approved stand alone capital budget, but does have a preliminary design award valued at \$19,750 (excluding HST). While budget numbers are still being evaluated, it is anticipated that through the 2025 Budget process, a new capital job will be put forward, with anticipated values of up to \$300,000 for detailed design in 2025, and up to \$4,000,000 for construction in 2026/2027. Should the Town's application for funding through the MHIP - HEWSF program be successful, 73% of the eligible costs that are approved will be re-financed to reflect a revised funding source.

Respectfully submitted,

Doug Sampano
Commissioner, Community Services

Glen Cowan
Chief Financial Officer / Treasurer

For questions, please contact: Glen Cowan

Phone: Ext. 2151

Attachments

None

Approved by CAO
Andrew M. Siltala
Chief Administrative Officer



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Report #:
COMS-011-24
Page 5 of 5

Recognition of Traditional Lands

The Town of Milton resides on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation. We also recognize the traditional territory of the Huron-Wendat and Haudenosaunee people. The Town of Milton shares this land and the responsibility for the water, food and resources. We stand as allies with the First Nations as stewards of these lands.