

February 2, 2026

The Honourable Peter Bethlenfalvy,
Minister of Finance
7 Queen's Park Crescent, 7th floor
Toronto, Ontario M7A 1Y7
SENT BY EMAIL: Peter.bethlenfalvy@pc.ola.org

Dear Honourable Peter Bethlenfalvy,

On behalf of the Federation of Northern Ontario Municipalities (FONOM), I am writing to raise an important concern regarding the eligibility criteria for provincial funding programs and to urge greater flexibility to ensure that all municipalities, particularly small, rural, and Northern communities, have a fair opportunity to apply for and access provincial grants and programs.

Attached for your reference is Resolution No. 2025-333 from the Municipality of Magnetawan. These resolutions call on the Province to revise current Site Readiness Funding and similar program criteria to recognize alternative servicing methods as eligible infrastructure.

Many rural and Northern municipalities lack municipal natural gas, water, or wastewater systems, not because of poor planning, but because such systems are neither practical nor financially feasible given their size, geography, or development patterns. As a result, communities that rely on proven alternatives such as drilled wells, septic systems, on-site servicing, or other innovative solutions are often excluded from funding programs designed to support growth and economic development.

FONOM is concerned that rigid eligibility criteria unintentionally disadvantage the very communities provincial funding programs are meant to support. When municipalities are deemed ineligible simply because they lack infrastructure that is unrealistic for their context, opportunities for housing, business development, and investment are lost.

We respectfully request that the Province:

- Ensure that all municipalities have the opportunity to apply for provincial funding programs;
- Allow exemptions or flexibility where communities do not have infrastructure systems that are not suitable to their circumstances; and
- Recognize alternative and appropriate servicing solutions as eligible infrastructure for the purposes of grant and program funding.

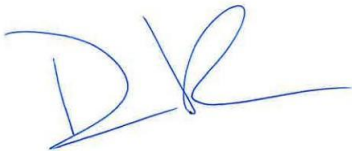
Inclusive and flexible funding criteria are essential to supporting sustainable growth, economic

development, and long-term resilience in rural and Northern Ontario. FONOM would welcome the opportunity to work with the Ministry of Finance and other provincial partners to help ensure funding programs reflect the diverse realities of municipalities across Ontario.

FONOM is an association of some 110 districts/municipalities/cities/towns in northeastern Ontario, mandated to work for the betterment of municipal government in Northern Ontario and to strive for improved legislation respecting local government in the north. It is a membership-based association serving northeastern Ontario and governed by an 11-member board.

Thank you for your consideration of this matter. We look forward to continued collaboration.

Sincerely,

A handwritten signature in blue ink, appearing to read 'D. Plourde', with a long horizontal stroke extending to the right.

Dave Plourde
President

cc: Minister of Economic Development, Job Creation & Trade
Association of Municipalities of Ontario
Rural Ontario Municipal Association
Northwestern Ontario Municipal Association
Northern MPPs