



Ontario

Northern Ontario
Heritage Fund



Prosperity for the North



Overview of the New NOHFC Mandate

In December 2004, the mandate of the Northern Ontario Heritage Fund Corporation (NOHFC) was refocused to advance the *Northern Prosperity Plan* goals of fostering job creation and strengthening northern communities.

The aim of the newly refocused NOHFC is to work with northern entrepreneurs, companies and business organizations while continuing to support vital infrastructure and community development projects that enhance quality of life and stimulate economic activity.

To help create jobs and foster growth in the northern economy, the NOHFC will deliver targeted programs under the following new themes:

Growing Jobs

Enterprises North Job Creation Program

Youth

Northern Ontario Youth Internship and Co-op Program
Northern Ontario Young Entrepreneur Program

Energy Conservation Opportunities

Small Business Energy Conservation Program

Emerging Technology

Emerging Technology Program

Community Development

Infrastructure and Community Development Program

These NOHFC programs do not duplicate or replace other initiatives. They will complement other provincial programs and strengthen Northern Ontario's communities and economy. They are intended to work with other government initiatives as part of the *Northern Prosperity Plan* to increase the number of sustainable jobs and private sector employment opportunities available in Northern Ontario.

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Enterprises North Job Creation Program

1

*Driving Prosperity Through
Job Creation*

Enterprises North Job Creation Program

Job creation and economic growth in Northern Ontario must be driven by a strong private sector. The North's small and medium size enterprises must continue to be positioned to thrive and succeed. Through this program, the Northern Ontario Heritage Fund Corporation will provide financial assistance to the private sector to support initiatives that bring new jobs and economic benefits to the North.

Who is Eligible

New and existing enterprises that will create jobs in Northern Ontario involved in the following sectors:

- * Agriculture
- * Mining
- * Forest products
- * Resource-based, cultural, adventure and nature-based tourism
- * Manufacturing
- * Technology
- * Processing
- * Telecommunications
- * Other business activities that will result in an economic development advantage for Northern Ontario.

What is Eligible

Examples of eligible costs include, but are not limited to:

- * Capital construction costs related to the expansion of existing businesses in Northern Ontario that result in job creation in the North
- * Capital construction costs related to the establishment of new businesses in Northern Ontario that result in job creation in the North
- * Leasehold improvements that result in job creation in Northern Ontario
- * Purchase of new or used equipment/machinery that results in job creation in Northern Ontario

- * Intellectual capital that results in job creation in Northern Ontario
- * Other capital investments by an enterprise that result in job creation in Northern Ontario.

What is Not Eligible

Ineligible projects, costs and activities include, but are not limited to:

- * Retail business activities
- * Business plans
- * Strategic plans
- * Feasibility studies
- * Research and development costs
- * Training costs
- * Marketing costs
- * Land acquisition costs
- * Infrastructure costs including water, sewer, hydro, roads, parking lots and landscaping
- * Rolling stock (e.g.: trucks and cars)
- * Project management costs
- * Consulting costs
- * Maintenance costs
- * Administration costs
- * Mining exploration and underground development costs
- * Working capital
- * Inventory
- * Other ongoing operating costs.

Funding

Funding assistance will be in the form of repayable loans.

Projects will normally receive funding based on the number of full time equivalent jobs created in Northern Ontario.

The maximum contribution from the NOHFC to any one project generally will not exceed 50 per cent of eligible capital costs up to \$1 million.

Other projects proposed by individual businesses which, in the opinion of the NOHFC Board, are deemed necessary to further a goal in Northern Ontario may be considered for approval on a case-by-case basis.

Guidelines

- * Consideration of funding will be based on the creation of full time equivalent job(s) in Northern Ontario.
- * The proposed project should not unfairly compete with other Northern Ontario businesses.
- * The proposed project should result in net economic benefits for Northern Ontario.
- * The enterprise will have to identify its other funding sources to implement the project.
- * All information required to conduct appropriate due diligence on the proposed project is to be provided upon request by the enterprise.
- * Costs incurred prior to the approved project start date will not normally be eligible for NOHFC funding.

Application Process

Applications must be completed and submitted to:

Northern Ontario Heritage Fund Corporation
70 Foster Drive, Suite 200
Sault Ste. Marie, Ontario P6A 6V8
Telephone: 1-800-461-8329 or 705-945-6700
Fax: 705-945-6701

The "Enterprises North Job Creation Program" application form is available on the NOHFC website at: www.nohfc.com or may be obtained from Government Information Centres and Ministry of Northern Development and Mines offices.

Applications must be received by the NOHFC by December 31, 2007. Applications will be reviewed as they are received.

As funding is limited for the "Enterprises North Job Creation Program", there is no guarantee that all applications meeting program criteria and received prior to the deadline will be approved by the NOHFC.





Northern Ontario Youth Internship and Co-op Program

2

*Providing New Skills and
Development Opportunities*

Northern Ontario Youth Internship and Co-op Program

Through this program, young northerners seeking to launch and build their careers in Northern Ontario will have access to work placements and internships. The aim is to have these opportunities serve as a springboard to rewarding and successful careers. Northern Ontario employers will be able to invest in training our highly skilled young workforce and prepare them for future employment right here in the North.

Who is Eligible

Both private sector and public sector (i.e. municipal governments, First Nations and not-for-profit corporations) employers located in Northern Ontario involved in the following areas:

- * Health care
- * Social services
- * Value-added manufacturing
- * Telecommunications
- * Bio-technology
- * Emerging technologies
- * Environmental sciences
- * Other activities that will result in an economic development advantage for Northern Ontario.

Retail business activities are not eligible. Also, federal and provincial governments are excluded from receiving funding under this program.

What is Eligible

Funding is available for eligible employers located in Northern Ontario for the following:

- * Co-op Placements: to hire post-secondary students from Northern Ontario for work placements in their related fields
- * Internships: to provide first-time employment in a related field to recent university and college graduates from Northern Ontario.

Funding

Co-op Placements: eligible Northern Ontario employers would be provided the following:

- * A conditional contribution (a conditional contribution is financial assistance that does not need to be repaid, provided certain conditions are satisfied) of up to 50 per cent of a wage subsidy to a maximum of \$6.00 per hour to hire post-secondary students from Northern Ontario for work placements.

Internships: eligible Northern Ontario employers would be provided the following:

- * A conditional contribution of up to 50 per cent of a recent Northern Ontario graduate's salary to a maximum of \$27,500 annually (for private sector employers)
- * A conditional contribution of up to 90 per cent of a recent Northern Ontario graduate's salary to a maximum of \$27,500 annually (for public sector employers).

It is important to note that NOHFC funding under this program, when combined with other provincial and federal government sources, will generally not exceed 50 per cent of eligible costs for private sector employers and 90 per cent of eligible costs for public sector employers.

Guidelines

- * Applications will be reviewed according to the following criteria:
 - The opportunity for the co-op placement or internship to result in a full time permanent job
 - The quality of the skill development opportunity
 - The type of training being proposed by the employer, and
 - The work plan/supervision method.
- * Jobs under this program should be new and result in net economic benefit for Northern Ontario.
- * Upon receiving NOHFC approval for funding, all employers are responsible for recruiting appropriate candidates.

Employers may wish to contact the appropriate college and/or university for recruitment assistance.

- * Appropriate candidates are defined as follows:
 - Co-op Placements: Northern Ontario secondary school graduates 29 years of age or under currently attending an accredited college or university
 - Internships: Northern Ontario secondary school graduates 29 years of age or under recently graduated from an accredited college or university.
- * A fair selection process must be conducted by employers for each position.
- * Employers cannot hire immediate family members or relatives.
- * Work must be undertaken during the agreed co-op placement or internship period.
- * A co-op placement will normally not exceed one semester. An internship period will normally not exceed one year.
- * Employers are required to notify the NOHFC when an employee has been hired under this program, when an employee leaves, or if an alternate employee has been hired.
- * Costs incurred prior to the approved project start date will not be eligible for NOHFC funding.
- * For co-op placements, NOHFC payment will be made on a cost-incurred basis with one payment being made at the end of the co-op placement.
- * For internships, NOHFC payment will be made on a cost-incurred basis with quarterly payments being made at three months, six months, nine months and at the end of the internship.
- * In exceptional circumstances, the NOHFC may consider more frequent payments.

Application Process

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The "Northern Ontario Youth Internship and Co-op Program" application form is available on the NOHFC website at: www.nohfc.com or may be obtained from Government Information Centres and Ministry of Northern Development and Mines offices.

Applications for co-op placements under the "Northern Ontario Youth Internship and Co-op Program" should be received each year by the following deadlines: March 15, July 15 and November 15 for the subsequent work term up to November 15, 2007.

Applications for internships will be accepted for consideration by the "Northern Ontario Youth Internship and Co-op Program" until December 31, 2007.

As funding is limited for the "Northern Ontario Youth Internship and Co-op Program", there is no guarantee that all applications meeting program criteria and received prior to the deadline will be approved by the NOHFC.





Northern Ontario Young Entrepreneur Program

3

*Supporting Business Skills
Development and Start-Up
for Northern Youth*

Northern Ontario Young Entrepreneur Program

For too long, one of Northern Ontario's most precious resources, its youth, has been exported never to return home. This new program will help mobilize a new generation of entrepreneurs and community builders in the North, securing a more prosperous future for tomorrow's northern families and workers. This program is designed to assist young northerners to remain in the North to develop their business skills and start their own full-time businesses.

Who is Eligible

Residents of Northern Ontario, 18 to 29 years old (inclusive), who are planning on starting their own for-profit business in the North may be eligible to apply.

Retail businesses will be considered on a selective basis in cases where the proposed retail business does not exist in a Northern Ontario community and does not unfairly compete with existing businesses.

To be eligible, the new venture cannot be an expansion or natural extension of a similar business owned by the young entrepreneur and/or family members or direct relatives.

What is Eligible

Funding is available to help the North's youth develop their business skills and to help them start their own enterprises in Northern Ontario.

Examples of costs that may qualify for funding include, but are not limited to:

- * Capital costs related to starting a new business such as office furniture, fixtures and equipment.

What is Not Eligible

Certain costs and projects will generally not be considered eligible for funding. These include, but are not limited to:

- * Financing existing debts
- * Financing transactions between related businesses or individuals
- * Purchasing an existing business or assets
- * Assuming the clients' and/or name of a business which is already operating or ceased operations within the past six months
- * Inventory
- * Working capital
- * Personal expenses
- * Land acquisitions
- * Rolling stock (e.g.: trucks and cars)
- * Product distribution
- * Multi-level marketing
- * Commission sales
- * Adult entertainment and/or related telephone services
- * Studies
- * Marketing costs, and
- * Ongoing operating costs.

Funding

Residents of Northern Ontario, 18 to 29 years old (inclusive), who are planning on starting a new business in Northern Ontario may receive funding in the form of a conditional contribution, generally up to 85 per cent of eligible costs, to a maximum total amount normally not to exceed \$25,000 per project.

At the time of approval, the young entrepreneur must make a cash investment to the business equal to 10 per cent of the NOHFC conditional contribution.

It is important to note that NOHFC funding under this program, when combined with other provincial and federal government funding, will generally not exceed 85 per cent of eligible costs.

Guidelines

- * A proposed new business under the Northern Ontario Young Entrepreneur Program should not unfairly compete with existing Northern Ontario businesses.
- * A proposed new business under the Northern Ontario Young Entrepreneur Program should result in net economic benefits for Northern Ontario.
- * All Northern Ontario residents 18 to 29 years old (inclusive) requesting NOHFC funding will be required to partner with the Small Business Enterprise Centre in their area to attend training sessions, or be a graduate with a business related degree from a recognized college/university or have successfully completed online business courses or the equivalency.
- * For a partnership, each partner must be a co-applicant. Total NOHFC assistance to a partnership normally will not exceed \$25,000 per project.
- * A complete business plan will have to be prepared.
- * The proposed new business will have to identify other funding sources supporting its establishment.
- * All information requested to conduct an appropriate review of the proposed project must be provided by the applicant.
- * Costs incurred prior to the approved project start date will not be eligible for NOHFC funding.
- * The proposed new business will operate as a full-time business (a minimum of 2,000 hours per year) and create a minimum of one new job in Northern Ontario.
- * The young entrepreneur will be required to reimburse the NOHFC should she/he sell assets financed by the NOHFC within the first year of operation.
- * Following the first year of operation, approved applicants will be required to submit a report to the NOHFC outlining the economic benefits of their project including revenues and job creation.

Application Process

Applications must be completed and submitted to:

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Fax: 705-945-6701

The "Northern Ontario Young Entrepreneur Program" application form is available on the NOHFC website at: www.nohfc.com or may be obtained from one of the Small Business Enterprise Centres in Northern Ontario, from Government Information Centres and Ministry of Northern Development and Mines offices.

Applications must be received by the NOHFC by December 31, 2007. Applications will be reviewed as they are received. As funding is limited for the "Northern Ontario Young Entrepreneur Program", there is no guarantee that all applications meeting program criteria and received prior to the deadline will be approved by the NOHFC.



Small Business Energy Conservation Program

4

*Supporting Energy Conservation
Initiatives for Northern Business*

Small Business Energy Conservation Program

By pursuing innovative solutions to energy generation and conservation, northern enterprises will be able to better manage and reduce their costs of energy consumption, positioning the Northern Ontario business sector for stronger growth. This program is designed to assist northern businesses to capitalize on these opportunities. In achieving these objectives, the provincial government will also encourage the private sector to pursue clean internal generation capacity that will reduce their demand on external energy sources.

Who is Eligible

New or existing small to medium sized enterprises that have fewer than 100 employees may be eligible under this program.

What is Eligible

The program has three distinct elements. Examples of eligible businesses that may be successful in qualifying for funding under the "Small Business Energy Conservation Program" are listed under each element below:

1. Energy Retrofit Planning

- Energy audits, energy management plans and other project facilitation measures that are designed to consider energy retrofits.
- Small businesses that intend to retrofit office and hospitality building space are eligible. The hospitality sector includes hotels, resorts and restaurants.

2. Energy Retrofit Projects

- Building retrofits that will result in demonstrated energy savings for the business.
- Small businesses that intend to retrofit office and hospitality building space are eligible. The hospitality sector includes hotels, resorts and restaurants.

3. New Internal Energy Generation Projects

- New internal generation of energy for the business's own use which reduces the demand on external energy.
- Small businesses in the mining, forestry, agriculture, hospitality, processing and manufacturing sectors are eligible.
- The NOHFC may also consider other innovative internal energy generation projects that, in the opinion of the Board, adhere to the mandate of the NOHFC.

What is Not Eligible

Certain projects will generally not be considered eligible for funding. These projects include, but are not limited to:

- * Residential, retail, multi-residential and institutional building projects.

Certain costs will generally not be considered eligible for funding. These costs include, but are not limited to:

- * Project management costs
- * Administration costs
- * Ongoing operating costs
- * Maintenance costs
- * Business plans/strategic plans/feasibility studies
- * Marketing costs and/or training costs
- * Land acquisition costs
- * Rolling stock (e.g.: motor vehicles, boats, planes, etc.)
- * Transmission and distribution infrastructure projects
- * Infrastructure costs for water, sewer, roads, parking lots and landscaping

- * Costs for the construction of new "energy efficient" buildings. Energy retrofits can only involve the upgrade of pre-existing buildings.

Funding

Funding assistance will be in the form of conditional contributions.

1. Energy Retrofit Planning

The maximum contribution by the NOHFC to any one retrofit planning project will generally not exceed 50 per cent of eligible project costs up to a maximum of \$25,000.

2. Energy Retrofit Projects

The maximum contribution by the NOHFC to any one retrofit planning project will generally not exceed 50 per cent of eligible project costs or \$7.50 per gigajoule of savings up to a maximum of \$250,000.

3. New Internal Energy Generation Projects

The maximum contribution by the NOHFC to any one internal energy generation project will generally not exceed 50 per cent of eligible project costs up to a maximum of \$250,000.

All Projects:

- * Total government assistance for all projects should normally not exceed 75 per cent of total project costs.
- * The NOHFC may consider higher levels of assistance on a case-by-case basis.

Guidelines

- * Preference will be given to proposals that demonstrate significant energy cost savings.
- * Applicants will have to identify all other funding sources to implement the project.
- * Costs incurred prior to the approved project start date will normally not be eligible for NOHFC funding.

Application Process

Applications must be completed and submitted to:

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70 Foster Drive, Suite 200
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The program component supplements any assistance received from the federal *Energy Retrofit Planning* and/or *Energy Retrofit Projects* programs. When applying to the NOHFC, applicants must attach a copy of their federal application and the approval letter from Natural Resources Canada. Information regarding the federal program is available at: <http://oee.nrcan.gc.ca/eii/home.cfm>.

New Internal Energy Generation Projects – Applications for this program should be sent directly to the NOHFC.

The "Small Business Energy Conservation Program" application form is available on the NOHFC website at: www.nohfc.com or may be obtained from Government Information Centres and Ministry of Northern Development and Mines offices.

Applications must be received by the NOHFC by December 31, 2007. Applications will be reviewed as they are received.

As funding is limited for the "Small Business Energy Conservation Program", there is no guarantee that all applications meeting program criteria and received prior to the deadline will be approved by the NOHFC.



Emerging Technology Program

5

*Supporting Technology
Innovations to Grow
the Northern Economy*

Emerging Technology Program

Just as Northern Ontario was built on the rich bounty of its natural resources throughout the 20th century, the future sustainability and prosperity of the region will be founded on how we apply new technologies in both traditional and new emerging sectors of the 21st century. The Ontario government is committed to being a partner in northern research and innovation. This program is designed to encourage both the private and public sectors to develop exciting and viable new technologies that will contribute to future northern prosperity.

Public Sector Emerging Technology Program

Who is Eligible

Eligible applicants may include partnerships and alliances comprising municipalities, private sector businesses and organizations, federal government and other government-related agencies. Municipalities, First Nations, not-for-profit corporations and educational institutions may apply individually.

Projects must be located in Northern Ontario.

Individual businesses and projects led by the federal or provincial government are not eligible under this section of the program.

What is Eligible

Examples of emerging technology initiatives that may qualify for capital funding include, but are not limited to:

- * Information and communications technology infrastructure
- * Centres of excellence
- * Film development and production
- * Value-added products
- * Biotechnology and life sciences projects.

The NOHFC may provide funding to projects that have been supported under other federal and/or provincial programs.

Intellectual property development costs will be considered under this program.

The NOHFC may also consider other innovative applied technology projects that, in the opinion of the Board, meet the mandate of the NOHFC.

The amount of NOHFC investment will be based on the extent of the partner investment, the overall business case and the project benefits. Funding is limited. Not all projects will be funded.

Projects that serve multiple purposes and have broad partnerships and/or significant private sector investment will be favoured.

What is Not Eligible

Certain costs will generally be considered not eligible for funding. These include:

- * Projects that do not have direct job creation or economic development objectives
- * Websites and portals
- * Ongoing operating costs of organizations
- * Business plans
- * Strategic plans
- * Feasibility studies
- * Training costs
- * Marketing costs
- * Purchase of rolling stock (e.g.: trucks and cars).

Funding

Generally, up to 50 per cent of the costs for capital projects may be provided in the form of conditional contributions, repayable loans and forgivable performance loans (a forgivable performance loan is a loan that will be forgiven provided that certain targets are met). The maximum NOHFC contribution for any project will normally not exceed \$1 million. The NOHFC may consider higher levels of assistance on a case-by-case basis.

Guidelines

- * Projects must meet industry standards where applicable.
- * To the greatest extent possible, the project will not duplicate investments already made in basic, underlying infrastructure.
- * Community support for the project must be demonstrated in the form of financial contributions to the project.

- * All other potential sources of funding must be explored and documented.
- * NOHFC assistance must be required to make the project viable.
- * Preference will be given to projects that demonstrate a high level of contribution from the client or request a repayable contribution.
- * No ongoing cost to the NOHFC can be incurred.

Projects of a purely social, recreational or cultural purpose will normally not be considered eligible for assistance.

Private Sector Emerging Technology Program

Who is Eligible

Eligible applicants may include individual private sector companies or consortiums of companies. The applicant must be prepared to become incorporated and be incorporated prior to receiving assistance.

What is Eligible

The NOHFC will work with individual companies:

- * To increase research and development projects that demonstrate a high commercial potential
- * To foster greater commercialization of successful projects
- * To foster collaborative research and development activities in industry and among industry and research institutions
- * To encourage successful innovation in small companies by supporting commercialization of internationally competitive products, processes and services.

Examples of emerging technology initiatives that may be successful in qualifying for capital funding include, but are not limited to:

- * Information and communications technology sector projects
- * Film development and production
- * Value-added products
- * Biotechnology and life sciences projects.

The NOHFC may provide funding to projects that have been approved under other federal and/or provincial programs. Projects must be located in Northern Ontario.

On a case-by-case basis, the NOHFC Board may consider other projects which, in the sole opinion of the Board, have significant job creation and/or other substantial Northern Ontario benefits.

What is Not Eligible

Certain costs will generally not be considered eligible for funding. These include:

- * Feasibility studies
- * Business plans
- * Training costs
- * Direct marketing costs
- * Purchase of rolling stock (e.g.: trucks and cars).

Funding

NOHFC investments may generally be up to one third of the total project cost. The NOHFC may provide up to \$50,000 in non-repayable contributions to eligible applicants on a cost-shared basis for research and pre-competitive development technical projects (the stage of product development immediately preceding commercial release), upon assessment of a project and firm.

The Emerging Technology Program may also provide repayable loans of up to \$1 million or one third of eligible project costs, whichever is less, for capital projects.

The amount of NOHFC investment will be based on the extent of the partner investment, the overall business case and the project benefits. Funding is limited. Not all projects will be funded.

Guidelines

- * Projects must create direct jobs.
- * All other potential sources of funding must be explored and documented.
- * The costs of full-time staff, or operating costs of businesses will normally not be considered eligible, although human capital may be considered on a case-by-case basis.
- * The proposed product, service or process must be innovative and have commercial potential.
- * The applicant must have operations located in Northern Ontario and/or the project must be undertaken in Northern Ontario.
- * The proposed project should not unfairly compete with other Northern Ontario business and must result in net economic benefits for Northern Ontario.
- * The applicant must own or control the intellectual property needed to conduct the project.
- * The applicant must be unable to obtain sufficient funding for the project from financial institutions.

Application Process

Applications must be completed and submitted to:

Northern Ontario Heritage Fund Corporation
70 Foster Drive, Suite 200
Sault Ste. Marie, Ontario P6A 6V8
Telephone: 1-800-461-8329 or 705-945-6700
Fax: 705-945-6701

The application form is available on the NOHFC website at: www.nohfc.com or may be obtained from Government Information Centres and Ministry of Northern Development and Mines offices.

Applications must be received by the NOHFC by December 31, 2007. Applications will be reviewed as they are received.

As funding is limited, there is no guarantee that all applications meeting program criteria and received prior to the deadline will be approved by the NOHFC.





Infrastructure and Community Development Program

6

*Investing in Infrastructure
to Promote Growth
and Economic Development*

Infrastructure and Community Development Program

Modern and reliable infrastructure is a cornerstone of building thriving, prosperous communities everywhere. In Northern Ontario, where municipalities face unique geographic and socioeconomic challenges, the assistance levered by this program can make the difference for a community seeking the necessary investment to improve its infrastructure. This program encourages partnerships that find effective ways to create jobs and improve economic prospects in the North through improvements to infrastructure.

Who is Eligible

Eligible applicants may include partnerships and alliances comprising municipalities, private sector businesses and organizations, federal government and other government-related agencies. Municipalities, First Nations, not-for-profit corporations and educational institutions may apply individually.

Projects must be located in Northern Ontario.

Individual businesses and projects led by the federal or provincial government are not eligible under this section of the program.

What is Eligible

The program will assist in the provision of essential and strategic community infrastructure necessary for the creation of jobs in Northern Ontario. The program will also fund other economic development activities under the community development program.

What is not Eligible

Certain projects and costs will generally not be considered eligible for funding under this program. These include:

- Q New airports
- Q Airport runway improvements, lighting and navigational systems
- Q Vehicle purchases
- Q Land acquisitions
- Q Aesthetic improvements
- Q Administrative facilities
- Q Waste disposal
- Q Road projects, except for strategic economic development purposes
- Q Ongoing operating costs of organizations
- Q General feasibility studies
- Q Maintenance costs
- Q Projects to serve individual businesses.

Infrastructure Program

Eligible infrastructure projects include but are not necessarily limited to:

- Q Industrial parks
- Q Winter roads projects
- Q Waterfront development
- Q Infrastructure projects in support of long term job creation
- Q Community facilities (such as call centres) for economic development purposes.

Other community and/or regional infrastructure projects which, in the opinion of the Board, are considered necessary to further an economic goal or improve the quality of life in Northern Ontario may be considered for approval on a case-by-case basis.

The NOHFC may consider making investments in projects that are eligible for assistance under other federal and/or provincial programs. However, such contributions will only be considered where:

- Q An approval of funding has already been made by the core program
- Q An NOHFC investment is required to make the project viable
- Q NOHFC assistance will not replace funding from other provincial or federal sources and may only be used to reduce the client's share of the costs.

Community Development Program

Eligible projects include but are not necessarily limited to the following:

- * Identifying development opportunities consistent with the NOHFC's objectives and mandate to create direct jobs and economic growth in Northern Ontario
- * Preparing proposals for consideration under the second stage of the NOHFC approval process
- * Projects which improve the capacity and investment readiness of communities
- * Sectoral research projects which contribute to the overall objectives of the NOHFC
- * Small capital projects which enable the community to realize economic development opportunities.

Projects that identify development opportunities will only be considered for funding if a credible source is identified to support advancement of the project to the construction or implementation stage.

The NOHFC may provide funding to assist in the preparation of business cases for projects that may be eligible under other federal and/or provincial programs. However, such contributions will only be considered where:

- * The project's eligibility for capital funding is clearly demonstrated
- * Other funding sources have been investigated
- * An expression of interest or application for funding has already been made to the other source(s)
- * There is general conformity with NOHFC goals, objectives and strategic direction
- * Funding would not duplicate that available from another source.

Funding

Assistance available from the NOHFC includes conditional contributions, forgivable performance loans, and repayable loans.

For infrastructure projects, the amount of NOHFC assistance will generally not exceed the lesser of 50 per cent or \$1 million. For community development projects, the amount of NOHFC assistance will generally not exceed the lesser of 50 per cent or \$50,000.

The amount and type of assistance will be determined by the Board taking into account such factors as the significance of the project, the financial capability of the applicant(s) and adherence to program guidelines. In exceptional circumstances, the Board may consider projects exceeding the normal levels of assistance on a case-by-case basis.

Guidelines

- * Applications require support by a municipal council resolution, a band council resolution, a local services board bylaw or other supporting document as appropriate. Applications will be assessed based on such factors as:
 - the significance of the project, number of jobs to be created, service being provided
 - financial capacity of the applicant
 - ability of the applicant to operate and maintain the completed project
 - public benefit
 - adherence to program guidelines
 - consistency with a community planning process such as business retention and expansion or the Investment Readiness Test.

- * All buildings, facilities or land related to the project must be owned by the applicant or leased for a period exceeding the life of the capital improvement, or for a shorter period if approved by the NOHFC.
- * Funding may be provided for buildings and other facilities, which can be considered part of the community economic development infrastructure. However, it should be noted that the thrust of this component is economic in nature and is intended to support job creation rather than social, cultural or recreational goals.
- * Projects must lead to direct job creation in Northern Ontario and provide new economic benefits. Projects which shift economic benefit from one part of the North to another will not be considered.
- * NOHFC funding is not intended to replace other government programs. Where a project is considered the direct responsibility of a federal or provincial department, ministry or agency, funding will not be provided, except possibly as additional assistance once approval is given by the lead agency.
- * Preference will be given to projects which demonstrate high levels of financial leverage and which provide opportunities for investment from other partners.
- * All projects must have a solid, viable business plan which identifies technical, managerial and financial capacity.
- * NOHFC investment must be necessary to make the project viable, and ongoing initiatives must demonstrate self-sustainability.

Application Process

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Fax: 705-945-6701

The application form is available on the NOHFC website at: www.nohfc.com or may be obtained from Government Information Centres and Ministry of Northern Development and Mines offices.

Applications must be received by the NOHFC by December 31, 2007. Applications will be reviewed as they are received.

As funding is limited, there is no guarantee that all applications meeting program criteria and received prior to the deadline will be approved by the NOHFC.

