

# NOHFC Funding Support for Agricultural Projects

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## 1. Regional Tile Drainage Projects

*(Land clearing is no longer an eligible expense under this program).*

NOHFC is accepting applications for regional tile drainage projects under the **Strategic Economic Infrastructure Program** (<http://nohfc.ca/en/programs/strategic-economic-infrastructure-program>).

### *Who is Eligible?*

- The applicant would be a not-for-profit, agricultural or community organization that will develop/submit funding applications and administer approved funding on behalf of NOHFC. The applicant would work within its region to build a consortium of producers interested in undertaking tile drainage projects.

### *What is Eligible?*

- tile drainage contractor costs (materials and labour) and the project management/administration fees of the service provider are eligible for support.
- The land can be already in production or be new acreage.

### *Funding*

- NOHFC will fund 50 per cent of tile drainage contractor costs to a maximum of \$500 per acre, and 100 per cent of the project management/administration fees which is calculated as 10 per cent of the contractor costs to a maximum of \$100 per acre.
- Funding is in the form of a conditional contribution.

### *General Guidelines*

- The individual producers must make cash contributions of at least 10 per cent of the contractor costs (materials and labour) specific to their individual acreage.
- For tile drainage projects:
  - Work must be completed by a contractor licensed for tile drainage installation.
  - Materials are eligible only if installed by a contractor licensed for tile drainage installation.
  - Copy of map and identification of property showing tile installation must be provided with requests for payment to NOHFC.
  - In-kind contributions (labour, farm machinery, etc.) are ineligible.
- Applicants are strongly encouraged to consult with the Ministry of Agriculture, Food and Rural Affairs (OMAFRA) staff on viability of proposed projects.
- An OMAFRA technical review is a mandatory part of the due diligence process.

## 2. Individual Agricultural Projects

NOHFC is accepting applications for individual agricultural projects through the **Northern Business Opportunity Program**.

New farms can apply for funding under the **Small Business Start-Up Stream** (<http://nohfc.ca/en/programs/northern-business-opportunity-program-small-business-start-projects>) or the **Business Expansion Stream** (<http://nohfc.ca/en/programs/northern-business-opportunity-program-business-expansion-projects>) depending on the needs/size of the project.

For new farms, NOHFC will consider all agricultural buildings, equipment, and storage facility costs as eligible for support. Marketing and third-party training costs are also eligible for support.

Existing farms can apply under the **Business Expansion Stream**.

For existing farms, NOHFC will consider only those building, equipment, and storage facility costs that are incremental to the existing operation as eligible for support (e.g. assets that are needed on the farm to support the growth activities). Replacement or upgrade of existing assets is not eligible. Marketing and third-party training costs are also eligible for support.

### *Who is Eligible?*

- Farm businesses are eligible to apply.

### *What is Eligible?*

- Capital costs associated with starting or expanding a farm operation, namely capital construction, leasehold improvements, storage facility costs and new or used equipment.
- Marketing costs are also eligible at up to 20 per cent of other eligible project costs.
- Training costs incurred with third-parties will be considered on a case-by-case basis.
- Tile drainage contractor costs (materials and labour).
- Quota (e.g. milk quota, poultry quota, egg quota).
- Permanent and predator-proof fencing.

### *What is not Eligible?*

- The ineligible costs and activities listed in the program guidelines.

### *Funding*

- For projects under the **Small Business Start-Up Stream**:
  - NOHFC will fund 50 per cent of eligible costs.
  - 100 per cent of the funding is in the form of a conditional grant up to \$200,000 per project.
- For projects under the **Business Expansion Stream**:
  - NOHFC assistance will generally not exceed 50% of total eligible project costs up to a maximum of \$1 million per project. In exceptional circumstances, the NOHFC may consider exceeding the \$1 million maximum on a case-by-case basis.
  - NOHFC assistance under this program can be provided through three funding options:
    1. Funding as a conditional grant only to a maximum of 20% of total eligible costs.
    2. Funding as a conditional grant to a maximum of 20% of total eligible costs plus a repayable loan to a maximum of 30% of total eligible costs.
    3. Funding as a repayable loan only to a maximum of 50% of total eligible costs.

### *General Guidelines*

- Applicants are strongly encouraged to consult with OMAFRA staff on viability of projects that are proposed.
- An OMAFRA technical review is a mandatory part of the due diligence process.