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# INVEST North Program

## Investment - Launch Program

### Who is Eligible?

Businesses expanding existing operations in Northern Ontario.

Applications under the NOHFC's Invest North - Grow stream will be evaluated in competitive rounds.

**Round 1:** Detailed business plan submission deadline April 30.

**Round 2:** Detailed business plan submission deadline July 31.

**Round 3:** Detailed business plan submission deadline October 31.

**Round 4:** Detailed business plan submission deadline January 31.

### What Projects are Eligible?

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

- Capital construction
- Leasehold improvements
- Land servicing costs
- Information & communications technology (ICT) investments
- Marketing for new products and business initiatives (limited to a maximum of 20% of all other eligible project costs, or \$75,000, whichever is less)
- Training costs incurred with third parties (limited to a maximum of 20% of all other eligible project costs)

### Evaluation Criteria

Factors that will be considered during evaluation of applications will include but not limited to:

- Job creation
- Level of investment from other sources to be secured by the applicant
- Strength of the applicant's detailed business plan
- Does not unreasonably impact existing Northern Ontario businesses
- Net economic benefits for Northern Ontario

Other business activities that, in the opinion of the NOHFC Board of Directors, will result in an economic development advantage for Northern Ontario may be considered.

The NOHFC Board of Directors may consider exceptions to these eligibility criteria for projects that address a priority economic need in Northern Ontario.

### Funding

Funding is in the form of a conditional contribution of up to 50% of total eligible project costs to a maximum of \$200,000.

Funding for each project is determined by the NOHFC Board of Directors, and limited funding is available. Not all projects meeting the criteria will necessarily receive funding.

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1. Funding in the form of a conditional contribution only of up to 20% of total eligible costs to a maximum of \$400,000.
2. Funding in the form of a conditional contribution of up to 20% of total eligible costs to a maximum of \$400,000, plus a term loan of up to 30% of total eligible costs to a maximum of \$600,000.
3. Funding in the form of term loan only of up to 50% of total eligible costs to a maximum of \$1,000,000.

Funding for each project is determined by the NOHFC Board of Directors, and limited funding is available. Not all projects meeting the criteria will necessarily receive funding.

#### **What is Not Eligible?**

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

- Retail and consumer service businesses that primarily earn revenue by providing products and services directly to individuals
- Ongoing operating costs including maintenance
- In-kind contributions
- Restructuring or refinancing of existing business operations
- Accommodation & food service businesses and related business activities
- Businesses that are primarily involved in wholesale activities
- Business plans / strategic plans / feasibility studies etc.
- Assets acquired through operating leases
- Research and development
- Land purchase/lease
- Rolling stock (e.g. cars, trucks & boats and motors)
- Project management costs / consulting costs / administration costs
- Mineral exploration, mine development and milling operations
- Working capital
- Cost of inventory
- Cellular and internet service projects
- Capital projects or leasehold improvements to residential or personal properties
- Acquisitions and buy-outs of existing businesses
- Electricity generation projects
- The NOHFC Board of Directors may consider exceptions to these eligibility criteria for projects that address a priority economic need in Northern Ontario.

#### **Program Requirements**

The applicant is expected to secure balance of funding/financing necessary to implement the project.

When launching a new business:

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- It will be expected to operate on a full-time basis and the entrepreneur/owner must work at the business on a full-time basis
- Launch applicants are required to contribute (from their own resources) an amount equal to at least 15% of total eligible project costs towards the project.
- The applicant may be required to reimburse NOHFC if assets financed by NOHFC are sold after project completion.