

**Sustainable Canadian Agricultural Partnership
Growing Greenhouses Program**

Terms and Conditions (Effective November 1, 2025)

1.0 PURPOSE

The purpose of the Sustainable Canadian Agricultural Partnership's Growing Greenhouses Program (the "**Program**") is to increase Alberta's access to locally grown food year-round by supporting the growth of the controlled environment agriculture sector. The Program will support the construction of new, or the improvement of existing, greenhouses and vertical farms which produce Food at a commercial scale.

The maximum that a person may receive under the Program is \$4 million over the duration of the Program. The maximum payment to an applicant is \$2 million per fiscal year.

This is a cost-share program. Eligible expenses must be shared 50% by the applicant and 50% by the Program.

Applications will be considered on a case-by-case basis, will be assessed against Program eligibility criteria, and will be subject to Program funding constraints.

Successful applicants must enter into a grant agreement to receive Program funding. Terms of the agreement can be viewed at: <https://www.alberta.ca/growing-greenhouses-program>

2.0 DEFINITIONS

2.1 Definitions - In these Program Terms and Conditions:

Applicant: means a person who submits an Application.

Application: means an application for funding under the Program.

Controlled Environment: means an enclosed space where environmental conditions are managed.

Eligible Activity: means the parts of an Eligible Project that have been approved under the Program.

Eligible Applicant: means an Applicant that is approved under the Program.

Eligible Expenses: means expenses that are eligible for funding under the Program.

Eligible Project: means a Proposed Project that is approved under the Program.

Food: means, as the context requires, one or both of the following:

- (a) edible products grown for human consumption including fruits, vegetables and any other food product deemed acceptable by the Minister,
- (b) seedlings or plants that will produce the edible products described in (a).

Grant: means funds payable to an Eligible Applicant under this Program.

Grant Agreement: means a grant agreement between the Minister and the Eligible Applicant.

Greenhouse: means a Controlled Environment, contained within clear glass or plastic, that is used to produce Food.

Minister: means the Minister of Agriculture and Irrigation and his authorized representative(s).

Program: means the Sustainable Canadian Agricultural Partnership Growing Greenhouses Program.

Program Application Form: means the application form for the Program, as posted on the Program Website.

Program Funding List: means the document that includes the activities and expenses that are eligible for funding under this Program, as posted on the Program Website.

Program Terms and Conditions: means these terms and conditions.

Program Website: means the Minister's website for this Program at: Program Website

Project Term: means the period in which the Eligible Applicant will conduct its Eligible Project, as stated in the Grant Agreement.

Proposed Project: means the project that is the subject of an Application.

Sustainable Canadian Agricultural Partnership (Sustainable CAP): means the Federal-Provincial-Territorial Sustainable Canadian Agricultural Partnership.

Vertical Farm: means an enclosed structure with a Controlled Environment in which Food is grown in multiple layers or levels.

3.0 ELIGIBILITY

3.1 Eligible Applicants

3.1.1 To be an Eligible Applicant, an Applicant must:

- a) either:
 - (i) as of the date of its Application, own and operate a Greenhouse or Vertical Farm in Alberta, or
 - (ii) as of the date of its Application, not own or operate a Greenhouse or Vertical Farm in Alberta but intend to own and operate a Greenhouse or Vertical Farm in Alberta that will be constructed as part of the Proposed Project, and
- b) be an individual that is a resident of Alberta, or a corporation, partnership or co-operative registered in Alberta.

3.1.2 The Minister may approve an Indigenous Applicant as an Eligible Applicant even though the Applicant does not meet the requirements under section 3.1.1(b). The Program is committed to supporting the success of Indigenous businesses in the agriculture and food sector. It is understood that Indigenous businesses may have distinct characteristics reflective of regulatory, operational, cultural, and other factors affecting their business history and operation. The Program aims for flexibility in its delivery in order to reduce barriers and ensure its accessibility. In this provision, "Indigenous" means First Nations, Inuit, or Métis.



3.1.3 The following are ineligible to apply to the Program:

- a) industry organizations,
- b) applied research organizations,
- c) post-secondary institutions,
- d) federal, provincial and municipal governments, agencies and institutions and similar organizations funded in whole or in part by the government, and
- e) any other person deemed by the Minister to be ineligible.

3.2 Eligible Project

3.2.1 To be an Eligible Project, a Proposed Project must meet the following criteria:

- a) If a new Greenhouse or Vertical Farm is to be constructed:
 - (i) the Greenhouse or Vertical Farm must be constructed in Alberta to be owned and operated by the Applicant,
 - (ii) the Greenhouse or Vertical Farm must have a total project investment of no less than \$2 million, and
 - (iii) the Greenhouse or Vertical Farm must have at least 50% of its growing area producing Food for 12 months per year.
- b) If an existing Greenhouse or Vertical Farm is to be improved,
 - (i) the Greenhouse or Vertical Farm must be in Alberta and owned and operated by the Applicant,
 - (ii) the improvement must be aimed at increasing the annual production of Food by the Greenhouse or Vertical Farm, within the project area, by at least 10% when compared to previous years' production, and
 - (iii) the Greenhouse or Vertical Farm must have at least 50% of its growing area producing Food for 12 months per year.
- c) If the Greenhouse or Vertical Farm entails production of Food as defined in paragraph (a) of the definition in these Program Terms and Conditions, the Proposed Project must be aimed at increasing the Applicant's production of such Food for sale into retail markets (i.e. to retailers such as grocery stores, big box stores, wholesalers or other major distribution centers).
- d) If the Greenhouse or Vertical Farm entails production of Food as defined in paragraph (b) of the definition in these Program Terms and Conditions, the Proposed Project must be aimed at increasing the Applicant's production of such Food for sale to commercial greenhouse or vertical farm operations that are engaged in the production of Food (as defined in paragraph (a) of the definition) for the consumer retail market (i.e. to retailers such as grocery stores, big box stores, wholesalers or other major distribution centers).
- e) The Proposed Project must entail at least 50% of the growing area of the Greenhouse or Vertical Farm being used to produce Food, at a commercial scale, for 12 months of the year.
- f) The Applicant must have, by the date of its Application, secured at least 50% of the required investment for the Proposed Project.



3.2.2 The following may not be an Eligible Project:

- a) activities associated with aquaculture, aquaponics, or seafood processing, with the exception of activities related to the international marketing of fish and seafood products which are eligible and may be included in an application,
- b) activities that provide support for province-specific branding, promotion or marketing activities that are detrimental to another province or territory,
- c) activities that are associated with the production of food in a Controlled Environment but that do not align with the intention of the Program including, but not limited to, the production of meats, insects, psychedelics, pharmaceuticals or cannabis, and
- d) any other activity deemed by the Minister to be ineligible.

3.3 Eligible Activities

3.3.1 To be an Eligible Activity, an activity must:

- a) be part of an Eligible Project,
- b) consist of the purchase, installation and commissioning of high-efficiency technologies at the Greenhouse or Vertical Farm, or consist of training operators of such technologies, and
- c) fall within one of the following categories:
 - (i) Renewable & Efficient Energy
 - (ii) Advanced Lighting Systems
 - (iii) Energy-Saving Construction
 - (iv) Automation & Robotics
 - (v) Engineering & Installation
 - (vi) Training Support.

4.0 CONDUCT OF ELIGIBLE PROJECT AND ELIGIBLE ACTIVITIES

4.1 Eligible Applicants must complete all Eligible Activities by the end of the Project Term, which shall be no later than **January 31, 2028**. An Eligible Activity shall be considered to be “completed” when all Program-funded equipment and systems have been paid for, received, and installed, or, if the Eligible Activity is in the “Engineering & Installation” or “Training Support” categories, when all Program-funded services have been paid for and completed.

4.2 Eligible Applicants must:

- a) By the end of the Project Term, be using at least 50% of the growing area in the Greenhouse or Vertical Farm to produce Food, for 12 months of the year, and
- b) As of January 31, 2031, continue to be producing Food at the Greenhouse or Vertical Farm.

4.3 Eligible Applicants will be required to submit a final report and may be required to submit progress reports during the Project Term. Reports must be submitted in the form and manner prescribed in the Grant Agreement and must include the information required by the Minister to assess the progress and status of the Eligible Activities. Failure to submit a required report may result in a suspension of payment, reduction of funding, or a requirement to repay the Grant.

- 4.4 During the Project Term and for at least three (3) years afterwards, the Eligible Applicant must obtain the Minister's approval before selling land with items permanently affixed for which the Eligible Applicant received payment under the Program.
- 4.5 Except for items permanently affixed to land sold by the Eligible Applicant, equipment for which the Eligible Applicant received payment under the Program must, during the Project Term and for at least three (3) years afterwards, remain owned by the Eligible Applicant (i.e. the equipment cannot be sold, returned, traded or gifted).
- 4.6 Eligible Applicants may be required to participate with the Minister in one or more public announcements, upon commencement and/or completion of the Eligible Project. The format and structure of such announcements will be outlined in the Grant Agreement.

5.0 ELIGIBLE EXPENSES

5.1 To be approved as an Eligible Expense, an expense must:

- a) have been incurred by, invoiced to, and paid by the Eligible Applicant between January 1, 2025 and the end of the Project Term,
- b) be a capital expense or non-capital expense associated with the purchase, installation, or commissioning of high-efficiency technologies as part of an Eligible Activity, or costs to train operators,
- c) have been listed in the Application or have been approved by the Minister as a substitute for an expense listed in the Application (Note: new technologies that are progressive, commercially available, and that have been successfully demonstrated are most likely to be approved),
- d) not be of a type listed in section 5.2 as ineligible under the Program,
- e) be of fair market value and have been incurred following a competitive process that is transparent, fair, and promotes the best value for the money expended.

5.2 The following may not be an Eligible Expense:

- a) travel expenses not in compliance with the Sustainable CAP Travel Expense Policy,
- b) expenses not incurred by the Eligible Applicant in carrying out the Eligible Activity,
- c) expenses associated with activities that are ineligible for the Program, including the purchase of land and buildings,
- d) activities associated with aquaculture, aquaponics, or seafood processing, and activities that provide province-specific branding, promotion or marketing activities that are detrimental to another province or territory,
- e) shipping costs,
- f) costs of lease of office furniture, space, and equipment,
- g) fixtures that are not an eligible capital expense,
- h) on-going business operational activities and overhead expenses (such as salaries, normal consulting and contracting expenses, legal costs, commissions, warehousing, maintenance costs, utilities, and photocopying),
- i) costs of on-hand materials or supplies,
- j) maintenance and repair costs,

- k) consumable expenses,
- l) administrative costs of the Applicant, such as costs to prepare documents or process invoices,
- m) leasing costs,
- n) staff or consulting expenses for product sale activities, or in-market representation for existing products,
- o) advertising expenses (including radio, social media, vehicle wraps, billboards, signage),
- p) sponsorship,
- q) donation of product,
- r) website hosting, domain registration or ongoing website maintenance,
- s) vehicles of any kind (e.g. trucks, forklifts, refrigerated trucks),
- t) expenses related to non-specific activities, such as those marked “miscellaneous”,
- u) any relevant taxes, such as Goods and Services Tax (GST),
- v) an expense arising from a non-arm’s length transaction, and
- w) any other expense deemed ineligible by the Minister.

5.3 Expenses or activities related to the production of non-Food products, such as tree seedlings or ornamental plants, may not be eligible. In the event that part of an Eligible Expense or part of the Eligible Activity is not for the production of Food, the Minister may adjust the amount of the Grant in those cases to reflect the portion which is for Food.

6.0 GRANT AGREEMENT

- 6.1** The Minister shall pay a Grant to the Eligible Applicant subject to the terms and conditions in the Grant Agreement, which shall provide for, among other things:
- a) the maximum amount of the Grant,
 - b) matters involving Eligible Expenses, including the criteria for an Eligible Expense, the submission of claims for Eligible Expenses, and the processes by which the Minister may verify that claimed expenses are Eligible Expenses and that the Eligible Applicant incurred and paid the Eligible Expenses, and the Minister’s ability to determine the amount of an Eligible Expense,
 - c) reporting by the Eligible Applicant on matters including the status of the Eligible Project and expenditure of the Grant,
 - d) the ability for the Minister to audit, evaluate or inspect the conduct of the Eligible Project and Eligible Activities, or compliance with the Grant Agreement, and
 - e) default by the Eligible Applicant and repayment of the Grant.
- 6.2** If there is a conflict or inconsistency between the Program Funding List, these Program Terms and Conditions, and the Grant Agreement, the order of precedence is: Grant Agreement, Program Terms and Conditions, Program Funding List.

7.0 APPLICATION REVIEW

- 7.1** Applications will be processed and assessed based on meeting the minimum eligibility requirements and the following assessment criteria. The Minister will also consider the overall intention of the Program – to increase Albertans' access to fresh locally grown food year-round – when assessing Applications.
- a) Total Project investment in relation to the Grant request in the Application,
 - b) Degree to which the Applicant's documents demonstrate that the Applicant has secured at least 50% of the Applicant's estimate of the required investment for the Proposed Project,
 - c) If the Proposed Project involves improvement of an existing Greenhouse or Vertical Farm, the likelihood that the improvement will increase the annual production of the Greenhouse or Vertical Farm, within the project area, by at least 10% when compared to previous years' production,
 - d) Proposed Project's potential to increase Alberta's access to fresh food year-round, especially in the winter months,
 - e) Percentage of the Greenhouse or Vertical Farm that will be used by the Applicant to produce Food for 12 months of the year,
 - f) Proposed Project's potential to result in the growing of Food that will be sold into the markets described at section 3.2.1(c) or (d),
 - g) Proposed Project's potential to increase Alberta's total growing area and /or output dedicated to food production in Controlled Environments,
 - h) Proposed Project's potential to address operating costs and benefit consumers,
 - i) Degree to which the Applicant's documents demonstrate that the Applicant has the necessary capacity to complete the Project. (Examples of suitable documentation which may include, but are not limited to: financial statements, business plans, letters of support to justify market demand, market studies, product production estimates, agreements with retailers, etc.).

8.0 APPLICATION PROCESS

- 8.1** There is limited funding in the Program. Applications will be considered for approval on a case-by-case basis, not "first come, first served". Applications will be evaluated and recommended for approval according to the eligibility criteria, assessment criteria and funding constraints.
- 8.2** Applications must include:
- a) A completed Program Application Form, signed by an authorized representative, and all documents required to be submitted pursuant to that form. The Minister may require evidence of authorization. Designates are not permitted to sign Applications unless they have Power of Attorney (submitted with the Application). Personal representatives may sign on behalf of estates.
 - b) Quotes or invoices for expenses over \$10,000.
 - c) Documentation specified in section 7.1(a).
 - d) Any additional or supplementary documentation requested by the Minister.

- 8.3** Applications must be delivered to the Minister by email at:

S-CAP.GrowingGreenhousesProgram@gov.ab.ca

or by mail to:

Growing Greenhouses Program
Industry Development Unit
Agriculture and Irrigation
#301, 7000 – 113 Street,
Edmonton AB T6H 5T6

- 8.4** The Minister may reject an Application that the Minister deems to be inaccurate, incomplete, or ineligible, including Applications for which the funding request is \$125,000 or less.
- 8.5** Submission of an Application does not entitle an Applicant to funding under the Program.
- 8.6** An applicant may request that their application to the Sustainable CAP Emerging Opportunities Program be accepted by the Minister as an application under this Program. The applicant shall provide any supplementary information and documentation requested by the Minister to verify the applicant's eligibility for this Program.

9.0 PAYMENT AND FUNDING

- 9.1** The Program provides grants on a cost-shared basis to cover Eligible Expenses. The cost of Eligible Expenses must be shared, with 50% contributed by the Eligible Applicant and 50% by the Program.
- 9.2** The Grant will be paid on a reimbursement basis. The maximum payment to an Eligible Applicant is \$2 million per fiscal year.
- 9.3** The maximum that an Eligible Applicant and a related Program participant may receive under the Program is \$4 million over the duration of the Program. The Minister may deem an Eligible Applicant and another Program participant to be related where, in the Minister's opinion, the parties are related through family, ownership, or control. Examples of cases where the Minister may deem parties to be related include: where the parties are related through blood or marriage; where the parties are parent-subsidiary or are owned by the same entity; where the parties are controlled by the same person or group of persons; where the parties are linked through a partnership or joint venture.
- 9.4** Funding received through any other Sustainable CAP programs may not be used toward the cost-share requirements of the Program.
- 9.5** Eligible Activities and Eligible Expenses qualify only once for payment under any Sustainable CAP Program.
- 9.6** Funding received through other federal, provincial, and municipal governments cannot exceed 100% of the Eligible Expenses paid under the Program. The amount of the Grant shall be adjusted so that the total government funding for Eligible Expenses does not exceed 100%.
- 9.7** The Minister may adjust the amount of the Grant if a portion of the Eligible Expenses or Eligible Activities are not for the production of Food.
- 9.8** Payments may be considered farm support payments, and AGR-1 tax slips will be issued in the name of the applicant, if applicable.

10.0 FALSE OR MISLEADING INFORMATION

- 10.1** An Applicant who provides false or misleading information under this Program forgoes all rights to benefits from this Program.

11.0 MINISTERIAL GRANTS REGULATION

- 11.1** Payments under this Program are grants subject to the *Ministerial Grants Regulation* (AR 215/2022), as may be amended or replaced from time to time. In addition to complying with the Grant Agreement, a successful Applicant must comply with the Regulation.

12.0 CHANGES TO THE PROGRAM

- 12.1** The Minister may change or terminate the Program at any time without notice. Any revisions to the Program, the Program Application Form, the Program Terms and Conditions and/or Program Funding List will be posted on the Program Website.
- 12.2** Applications are subject to the Program Terms and Conditions and Program Funding List as posted on the Program Website as of the date that the Application was received by the Minister.

13.0 MINISTERIAL DISCRETION

- 13.1** The Minister has the absolute discretion to determine the eligibility of any Applicant or Proposed Project under the Program. Notwithstanding anything in these Program Terms and Conditions, the Minister has the absolute discretion to not approve any Application. The decision of the Minister is final.

