

**Ministry of Labour, Immigration, Training and Skills  
Development**

# **Skills Development Fund Capital Stream: SEED Pathway**

Program Guideline

**November 2024**

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## 1.0 INTRODUCTION

### 1.1 Purpose

The purpose of the Skills Development Fund (“**SDF**”) Capital Stream SEED Pathway Guideline (“**Guideline**”) is to provide information to support the development and submission of an application and the delivery of planning projects under the SDF Capital Stream SEED Pathway (“**SEED Pathway**”). This pathway is a new initiative under the SDF Capital Stream.

This Guideline is intended to be a resource for organizations applying for funding under the SEED Pathway (“**Primary Applicants**”) and SEED Pathway funding recipients (“**Recipients**”). The SDF Capital Stream SEED Pathway is being delivered by the Province of Ontario.

This Guideline provides information on:

- I. Program description
- II. Program delivery
- III. Funding structure
- IV. Performance measurement
- V. Program administration

In the event of any conflict or inconsistency between this Guideline and any terms or conditions in the SEED Pathway Transfer Payment Agreement (“**TPA**”), the TPA shall prevail. Not all sections of this Guideline are applicable to all SEED Pathway projects. For a [Glossary of Terms](#) used in this Guideline, see Appendix A.

This is not a legal document. This Guideline is intended as a resource for information and assistance only and should not be used as or considered as legal advice. This Guideline does not replace or modify any legislation, regulations, municipal by-laws, or contractual agreements, and is only intended to provide general information about the SEED Pathway. This Guideline is not intended to provide interpretations of the law or identify all laws that may apply. Please consult the relevant legislation, regulations, municipal by laws and contractual agreements that apply to your situation as necessary. If you need help understanding your legal rights or obligations, you may wish to seek legal advice.

## 2.0 PROGRAM DESCRIPTION

### 2.1 SDF Capital Stream – SEED Pathway Description

The SDF Program aims to tackle Canada’s declining productivity and ensure a resilient workforce by supporting access to the labour market, as well as strengthening the

retention, training capacity and labour supply of workers in emerging and in-demand sectors.

### **SDF Capital Stream**

Building on the success of the original SDF Training Stream, the Government of Ontario established the SDF Capital Stream to provide major capital investments to build new training centres, upgrade existing training centres or convert existing facilities into state-of-the-art training centres. This includes new building construction, facility renovations, retrofits, expansions, conversions, and repairs (“**Capital Projects**”). SDF Capital Stream projects may include acquisition of the land or building where the Capital Project will occur. The SDF Capital Stream supports projects that enable education and skills development, enhance training capacity and delivery, and facilitate economic growth in emerging and in-demand sectors of Ontario’s economy.

The SDF Capital Stream will support the overall objectives of the SDF program by:

- supporting innovative programs, prototyping and development;
- attracting and retaining capable and diverse jobseekers and workers;
- maximizing the economic potential of the skilled trades; and
- enhancing employers’ capacity to build a talent pipeline that meets their workforce needs now and in the future.

The SDF Capital Stream is intended to complement the SDF Training Stream as Applicants may choose to apply to both funding sources. Costs related to the delivery of Skills Development Activities and the materials and equipment necessary for training are not covered under the Capital Stream but may be supported by the SDF Training Stream. Please refer to the [SDF Training Stream Guideline](#) for information about eligible costs.

### **SEED Pathway**

In June 2023, the Government of Ontario launched the SDF Capital Stream. The program has now been redesigned to better support the labour market and Ontario’s growing economy needs by including two pathways for funding: the SEED Pathway (a new planning initiative) and the GROW Pathway, a continuation of the SDF Capital Stream.

The SEED Pathway supports the technical planning costs associated with the development of a Capital Project proposal to 40% design status (specific to engineering or architectural plans, mechanical and electrical drawings, and construction cost estimates and other related activities).

SEED applicants can, but are not required to, apply to the GROW Pathway after the successful completion of their SEED Architectural/Engineering Planning Project to

execute their Capital Project. Please refer to the [SDF Capital Stream – GROW Pathway Guideline](#) for more information about the GROW Pathway.

## 2.2 SDF Capital Policy Objective

As part of the application, Primary Applicants must describe how the proposed Capital Project will support the SDF Capital Stream Policy Objective stated below.

The SDF Capital Stream will support projects which demonstrate that the proposed Capital Project supports and aligns with the following objective:

- Create or improve physical spaces that increase training capacity/number of trainees, and/or increase retention of trainees for jobs in emerging and in-demand growth sectors of Ontario’s economy., e.g., build new training centres, upgrade existing training centres, or convert facilities into training centres in key sectors like the skilled trades (“**SDF Capital Stream Policy Objective**”).

## 2.3 SDF Capital Stream Participant Groups

Primary Applicants must describe in their submitted project plan how the Skills Development Activity will serve one or more of the following participant groups:

- Workers that are needed to fill unmet labour market demand;
- Any jobseekers and/or Incumbent Workers who are at risk of job displacement;
- Jobseekers who face higher barriers to employment.

Primary Applicants may propose any Skills Development Activity enabled through a Capital Project on the condition that it is aligned with the SDF Capital Stream Policy Objective, is focused on an SDF Capital Stream Target Sector or Occupation, and serves one or more of the participant groups listed above.

## 2.4 Key Target Sectors and Occupations

The SDF Capital Stream focuses on emerging and in-demand growth target sectors and occupations that are linked to Ontario’s future economic growth and strengthen training capacity (“**SDF Capital Stream Target Sectors and Occupations**”). The SDF Capital Stream addresses the demand for training spaces to meet occupational and employer needs. To this end, the [Ontario Labour Market](#) website has a relevant tool to assess emerging and in-demand growth target sectors and occupations. The website provides information on the top jobs that are forecasted to remain in demand for the next five

years by region. Occupations are in-demand if they have a five-year occupational outlook of “good” or “very good.”<sup>1</sup>

The target sectors and occupations that the SDF Capital Stream focuses on are intended to support key government priorities, commitments, and strategies, and include (but are not limited to) the following:

- jobs in emerging and in-demand growth sectors of Ontario’s economy including skilled trades, high-skilled technical occupations, construction, manufacturing, and healthcare.
- sectors experiencing labour shortages and challenges, including those sectors with unmet demand, as well as other priority sectors.

## **2.5 Applicant Eligibility**

This Section outlines entities that are eligible to apply for SDF Capital Stream SEED Pathway funding as Primary Applicants. The Province retains absolute and sole discretion to decide which projects to fund.

### **2.5.1 SDF Capital Stream SEED Pathway Primary Applicants**

SDF Capital Stream SEED Pathway Primary Applicants must meet all eligibility requirements detailed below.

The following entities are eligible to apply to the SDF Capital Stream SEED Pathway as **Primary Applicants**:

- Employers in Ontario, other than the educational organizations listed in Section 2.5.2
- Minister approved, non-college apprenticeship program Training Delivery Agents (“TDA”s)
- Non-profit organizations, including Indigenous band offices and Indigenous Skills and Employment Training (ISETs) agreement holders
- Professional/industry/employer associations
- Trade unions/union-affiliated organizations; and
- Municipalities, District Social Services Administration Boards (DSSABs), Hospitals and Consolidated Municipal Service Managers (CMSMs)

Primary Applicants must meet the following requirements:

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<sup>1</sup> Please note that applicants may still provide evidence regarding the demand for training without and beyond referencing the Ontario Labour Market website. It is meant as a reference tool only – and applicants are encouraged to present their own individualized rationales.

- Be a legal entity;
- Be authorized to operate or carry on business in the Province of Ontario;
- Have a physical presence and be actively operating or carrying on a business in the Province of Ontario;
- Comply with all applicable legislation that may be applicable to the Primary Applicant, its operations or business, or the project and, including the Ontario Building Code and other municipal requirements, the *Human Rights Code*, *Occupational Health and Safety Act (OHSA)*, the *Employment Standards Act, 2000 (ESA)*, the *Building Opportunities in the Skilled Trades Act, 2021 (BOSTA)*;<sup>2</sup>
- Ensure the project follows municipal bylaws, and any proposed uses are compliant with municipal zoning requirements; and
- Individually or with its Partners, provide demonstrated experience and organizational capacity to deliver the SEED Architectural/Engineering Planning Project.

Primary Applicants who intend to deliver apprenticeship in-class training must be, or must partner with, a minister-approved TDA. Only minister-approved TDAs may deliver apprenticeship in-class training.

The Primary Applicant is not required to have received funding from the SDF Training Stream to be eligible for the SDF Capital Stream.

An application may be submitted on behalf of a partnership/consortium, if appropriate, as long as one organization or entity is named the Primary Applicant. That Primary Applicant will be required to serve as the TPA signatory and primary contact for the Province if the application is approved for funding.

Primary Applicants may submit more than one SDF Capital Stream SEED Pathway application. For entities developing multiple independent projects located in different locations, separate applications must be submitted for each eligible project. Entities may partner together on multiple SDF Capital Stream projects, though the Province may consider funding concentration risk within the overall SDF Capital Stream portfolio of projects with respect to application approvals.

While a project may progress from the SEED to the GROW Pathway, Applicants cannot apply to both SEED and GROW Pathways simultaneously for the same project.

## **2.5.2 Educational Organizations**

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<sup>2</sup> For greater certainty, the receipt of SDF Capital funding does not mean that any programming delivered using the relevant capital asset constitutes a pre-apprenticeship program approved by the Minister within the meaning of clause 1(1)(c) of O. Reg. 877/21 under the Building Opportunities in the Skilled Trades Act, 2021 (BOSTA).



The following **educational organizations** are not eligible to apply to the SDF Capital Stream SEED Pathway as Primary Applicants, but can participate in the SDF Capital Stream as a Partner to an eligible Primary Applicant:

- District School Boards under the *Education Act*;
- Publicly assisted colleges, universities, or Indigenous Institutes in Ontario<sup>3</sup>;
- Career colleges registered under the *Ontario Career Colleges Act, 2005*; and
- Private universities with consent from the Ministry of Colleges and Universities to offer degrees under the *Post-Secondary Education Choice and Excellence Act, 2000*.

These educational organizations can participate in the SDF Capital Stream SEED Pathway as a Partner in a consortium led by an eligible Primary Applicant.

## 2.6 SEED Architectural/Engineering Planning Project Eligibility Criteria

Primary Applicants may qualify for SDF Capital Stream SEED Pathway funding if the proposed SEED Architectural/Engineering Planning Project meets all four of the requirements noted below in Table 1:

**Table 1: Required SEED Architectural/Engineering Planning Project Criteria**

Required Project Eligibility Criteria	Explanation
<b>1. Aligns with SDF Capital Policy Objective (Section 2.2)</b>	The Capital Project, if executed, will support the creation or improvement of physical spaces to increase training capacity, and/or increase retention of trainees for jobs in emerging and in-demand growth sectors of Ontario’s economy.
<b>2. Aligns with SDF Target Sector or Occupation (Section 2.4)</b>	The Capital Project, if executed, will support a Skills Development Activity in emerging and in-demand growth sectors of Ontario’s economy.  In-demand occupations (defined as having a “good” or “very good” occupational outlook) can be found on the <a href="#">Ontario Labour Market website</a> .

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<sup>3</sup> All publicly assisted universities are autonomous institutions, each established by their own acts of provincial legislature. Similarly, each publicly funded college of applied arts and technology is a non-share corporation, established through the *Ontario Colleges of Applied Arts and Technology Act, 2002*. There are nine Indigenous Institutes recognized in Ontario as part of the publicly assisted postsecondary education system under the *Indigenous Institutes Act, 2017*.

Required Project Eligibility Criteria	Explanation
<b>3. Serves at least one SDF Capital Participant Group (Section 2.3)</b>	The Capital Project, if executed, will support one or more of: <ul style="list-style-type: none"> <li>• Workers that are needed to fill unmet labour market demand;</li> <li>• Jobseekers and/or Incumbent Workers who are at risk of job displacement;</li> <li>• Jobseekers who face higher barriers to employment.</li> </ul>
<b>4. Delivers Training Volume Objective (Section 3.2)</b>	Applicants must forecast the potential incremental annual trainee enrollment attributable to the Capital Project, if executed, and subsequent delivery of the Skills Development Activity in the new or improved training space. The forecast must cover a 5-year period of training delivery.

See Section 9.1 Application Package for more details on application requirements.

## 2.7 Partnership Development

Primary Applicants may partner with other organizations (“**Partners**”) to deliver a SEED Pathway project. The application must indicate the roles and responsibilities for each organization within the project team/consortium, along with an organizational chart which details each organization’s role and their respective financial commitment.

Notwithstanding the roles of Partners, if the project is selected for funding, the Primary Applicant will be primarily responsible for, and accountable to the Province for the SEED Architectural/Engineering Planning Project.

## 3.0 PROGRAM DELIVERY

### 3.1 Eligible SDF Capital Stream SEED Pathway Projects and Activities

The SDF Capital Stream SEED Pathway provides funding for eligible expenses directly associated with the development of technical engineering/architectural plans and design drawings (“**SEED Architectural/Engineering Planning Project**”) for Capital Projects that will create or improve spaces in which a Skills Development Activity will be carried out.

SEED Architectural/Engineering Planning Projects must develop the design drawings and other professional supports, planning activities and documentation required to reach 40% design status (“**Construction Working Documents at 40%**”) (see Appendix

B for construction working documents required to reach 40% design status). SEED Architectural/Engineering Planning Projects are designed to include all the documentation required for a Primary Applicant to later complete an SDF Capital Stream GROW Pathway application.

SEED Architectural/Engineering Planning Projects developed through this Pathway will support future Capital Projects including, but not limited to, the following:

**New Construction:**

- New Construction – building a new facility that supports training delivery (which may include dormitory space for exclusive use by trainees)

**Conversion, Expansion, Renovation, Repair and Retrofit:**

- Conversion – changing a facility from its current use (e.g., commercial, industrial, institutional, residential) into a facility dedicated to training.
- Expansion – increasing capacity of a facility to deliver additional training, cross functional training, or real-life platforms for safety demonstrations, and/or provide additional dormitory spaces for exclusive use by trainees to increase training capacity.
- Renovation – improving the functionality of a facility to increase its usefulness with respect to training output.
- Repair – fixing or restoring a facility to increase its useful life, which otherwise would be unable to continue training delivery.
- Retrofit – adding new features to improve the functionality or efficiency of a training facility by modernizing existing features.

**3.2 Program Outcomes – 40% Design Status**

Applicants must identify in the application the intended outcomes related to the SEED Architectural/Engineering Planning Project. The Applicant (Recipient) will be expected to deliver on its commitments to produce the Construction Working Documents at 40% within a specified timeframe as part of its performance obligations under the TPA.

A SEED Architectural/Engineering Planning Project is designed to develop all the technical documentation that could be used to later complete an SDF Capital Stream GROW Pathway application or to proceed with the Capital Project without provincial funding. See Table 2 below for a list of mandatory technical documents the Project must produce.

For Recipients that wish to proceed to the GROW Pathway to deliver the Capital Project after the successful completion of their SEED Architectural/Engineering Planning Project, consult the [SDF Capital Stream GROW Pathway Guideline](#) for more information on program eligibility and application requirements.

**Table 2: SEED Architectural/Engineering Planning Project Outcome Requirements**

Outcome	Description
<b>1. Construction Working Documents at 40% Design Development Status</b>	Construction specifications and design drawings for the Capital Project with sufficient detail to meet a 40% design status. See Appendix B: Construction Working Documents at 40% Design Development Status for more details.
<b>2. Full Capital Project Budget</b>	A capital cost budget with all potential sources and uses of funds, including all hard construction costs, soft costs, administrative costs, and land and building costs (if applicable) required to develop the Capital Project.
<b>3. Construction Cost Estimates at +/- 20% accuracy</b>	Total Eligible Capital Project Costs must be validated by a quantity survey firm or construction cost consultant with a valid licence, issued by the Association for the Advancement of Cost Engineering (AACE) International Institute or equivalent issuer, to practice in the Province of Ontario.
<b>4. Financial Projections for the Intended Use Period of the Capital Project</b>	A projected capital and operating cost budget over a 5-year training lifecycle during the Capital Project's Intended Use Period.
<b>5. Capital Project Plan</b>	The Project Plan must detail the full potential project scope alongside anticipated design and construction milestones, procurement strategy, and training outcomes. It must include a business case and market analysis with supporting rationale as to the project's commercial, economic, and operational feasibility.
<b>6. Timeline to Seek Competitive Pricing, Begin Construction and Reach Substantial Performance</b>	An indicative timeline and supporting commentary that identifies a competitive tendering process designed to optimize value for money and mitigate against cost escalation. This must include the date of commencement of construction and construction end date, and a schedule of the necessary phases, key milestones, and interdependencies associated with procurement.

Outcome	Description
<b>7. Risk Management Plan for the Capital Project and Training Delivery</b>	The plan must include identified risks that can occur during construction, and risks which could impact the delivery of the proposed Skills Development Activity. Control measures and contingency measures to mitigate against risks must be described in detail.
<b>8. Independent Third-Party Land/Building Appraisal</b> (Applicable only to land and building Capital Projects)	Recipients that have included land/building acquisition costs in their Capital Project must provide an independent third-party appraisal of the land and/or building prepared by a professional that is accredited by the Appraisal Institute of Canada – Ontario (AIC-ON).
<b>9. Land/Building Acquisition Business Case</b> (Applicable only to land and building Capital Projects)	Capital Projects that involve land/building acquisitions must be supported by a business case that outlines the rationale for land and/or building acquisition. The Primary Applicant must also demonstrate how they will support the ongoing operation, and maintenance of the land/building for a period of at least 20 years after Substantial Performance.

If a Recipient fails to meet the requirements of the SEED Architectural/Engineering Planning Project, the failure may be considered an Event of Default.

Recipients may propose modifications or enhancements to their approved SEED Architectural/Engineering Planning Project with supporting rationale. All proposed changes during the Project Term are subject to the Province’s approval, in its sole and absolute discretion.

Additional details on reporting requirements can be found in Section 3.5 Roles and Responsibilities and 3.6 Performance Management.

**3.3 Eligible Costs**

Primary Applicants can apply for funding for the following cost categories that are associated with developing the Architectural/Engineering Planning Project (“**Eligible Costs**”), without duplication of any costs that may be claimed under the GROW Pathway:

1. Professional fees that are incurred in connection to the technical capital planning and hiring of certified professionals required to produce Construction Working

Documents at 40%. Primary Applicants will be required to provide at least one (1) quote for each professional service that will be utilized along with a project budget as part of their application. These include:

- Engineering/Architectural plans & drawings, notes, and sections
- Construction drawings and technical specifications
- Civil plans, notes, and sections
- Structural plans, notes, sections, and details fully describing the structural building requirements
- Mechanical plans, notes and details fully describing the plumbing, HVAC, and fire protection requirements
- Electrical plans, notes and details fully describing the electrical communications, security, and equipment requirements
- Detailed demolition drawings (if renovation)
- Conveyance plans, specifications and sections fully describing elevators, escalators, and lifts
- Landscape design
- Construction cost estimates to within  $\pm 20\%$  accuracy that are associated with the future Capital Project the SEED Architectural/Engineering Planning Project will support. See the [SDF Capital Stream GROW Pathway Guideline](#) for more information on eligible construction costs. Cost estimates must be validated by a quantity survey firm or construction cost consultant with a valid licence to practice in the Province of Ontario issued by the Association for the Advancement of Cost Engineering International Institute (“AAACE”) or an equivalent issuer.

See Appendix B below for more information on Construction Working Documents at 40% status.

## 2. Administrative costs

- SDF Capital Stream recognizes that there are indirect expenditures necessary for operating an organization but that are not directly associated with project delivery.
- Administrative costs should be attributed to the project on a basis that is proportional with the respective size of the organization and the size and/or effort of the project.

- Administrative costs may be claimed to a maximum of 5% of the Recipient's Eligible Costs. The maximum administrative allowance is calculated as:

[(Total Eligible Costs under paragraph 1 – 2 of this section) x 5%]

Examples of eligible administrative costs include a pro-rated portion of the following:

- Salaries/benefits/mandatory employment-related costs of the Executive Director, information technology (IT), and/or financial staff that work for the organization but may spend a portion of their time dedicated to carrying out administrative functions/tasks that supports the execution planning of the project
- Accounting fees
- Contracting (if not contracted specifically to support the project), bookkeeping, IT used indirectly in project delivery, equipment maintenance services, security, translator, consultant fees, printing contract fees
- Indirect/support equipment repair and maintenance (includes photocopy meter charges)
- IT maintenance
- Lease or finance/interest costs attributed to administrative functions

Administrative costs are eligible for the SDF Capital Stream SEED Pathway only if those same costs are not also claimed against any administrative cost allowances submitted through the SDF Capital Stream GROW pathway, the SDF Training Stream or any other government program.

All Eligible Costs associated with the proposed Architectural/Engineering Planning Project (“**Total Eligible Costs**”) must be detailed in a project budget in MS Excel format and attached as a required document through the Transfer Payment Ontario (TPON) application system. Applicants will have to provide at least one (1) quote for each professional service needed to complete the design drawings and plans.

Submitted cost estimates and/or quotes should be inclusive of applicable Harmonized Sales Tax (“HST”) associated with the Eligible Costs listed above.

### **3.3.1 Incurring Eligible Costs**

Primary Applicants may begin incurring Eligible Costs after notification of application approval and prior to the execution of a TPA. However, SDF Capital Stream SEED Pathway funding will be subject to and conditional upon the execution of a TPA. Any incurrence of costs prior to the execution of the agreement will be made at the Primary Applicant's own risk.

The Government of Ontario is not responsible for reimbursing any cost incurred by any Primary Applicant should the application not be approved, or if the selected Primary Applicant fails to enter into a binding TPA with the Province for any reason.

### **3.3.2 Facility Space Dedicated to Training**

SDF SEED Architectural/Engineering Planning Project funding will be proportionate to the portion of the future capital project that supports the delivery of the Skills Development Activity.

In addition to providing information about the estimated size of the proposed project/facility, the Applicant must identify the potential percentage of net floor area that **will not be** supporting the future Skills Development Activity.

### **3.4 Ineligible Costs**

The following costs are ineligible for SDF Capital Stream SEED Pathway funding:

1. Costs related to delivering Skills Development Activities/services (e.g., training, partnership building), or other training related activities/services.
2. Legal costs.
3. Financial obligations of the Recipient, including building lease costs, mortgage payments or expenses, or other loan payments.
4. Debt reduction costs.
5. Operating and maintenance costs, except as approved under administrative costs.
6. Infrastructure development beyond property line (e.g., roads, sanitary sewer, storm system, power lines etc.).
7. Purchasing of goods for resale.
8. Salary or honoraria, except as approved under administrative costs.
9. Expenses incurred before receiving notification of approval by the Province.
10. Expenses that are not supported by an invoice or similar documentation and proof of payment.
11. Own-force labour costs and expenses, except as approved under administrative costs.



12. Any costs paid to a non-arm's length supplier of the Recipient or to the Recipient's own personnel or an affiliate of the Recipient, unless supported by an independent auditor's report substantiating that the costs were equivalent to what would be charged by an arm's-length supplier.
13. Professional development expenses for management and administrative staff.
14. Equipment acquisition and operating costs, such as mobile units, vehicles, furniture, and appliances.
15. Maintenance costs for equipment and facilities.
16. Operational costs related to the SDF Training Stream or any other Employment Ontario Program.
17. Administrative costs in excess of the maximum administrative allowance (5% of Total Eligible Costs).
18. Land or building acquisition costs.
19. Marketing and promotional costs.
20. travel, meals, accommodations expenses.
21. Hard construction costs, including materials, building and site work, and labour costs.
22. Infrastructure, permit and development charges and fees. These costs include but are not limited to:
  - Land survey fees
  - Costs of inspections, development charges, demolition and construction permitting fees paid to regional or municipal government authorities; (site plan approval, building permits, foundation permits, monumental permits, etc.)
  - LEED Certification or similar designations designed to reduce environment footprint and enhance energy conservation.
23. Real estate fees or commissions.
24. Costs of advancement of design drawings from 40% design status (the minimum requirements for GROW Pathway Capital Project applications) to 100% Tender-level Design Development and related materials and activities. These costs to advance design drawings to 100% may be covered for approved projects under the SDF Capital Stream GROW Pathway, including:
  - complete construction drawings

- technical specifications
- permits
- environmental, archaeological, geotechnical and other assessments.
- See The [SDF Capital Stream GROW Pathway Guideline](#) for more information on Construction Working Documents at Tender-level Design Development funded through the SDF Capital Stream GROW Pathway

## **3.5 Roles and Responsibilities**

### **3.5.1 Primary Applicant's/Recipient's Role**

The Recipient is accountable to the Province for managing and executing the development and delivery of the project, including resource management and satisfaction of performance and financial obligations, as established in the TPA. The Recipient is required to adhere to all terms and conditions of the TPA.

The Primary Applicant/Recipient is required to:

1. Provide a comprehensive budget for all costs expected to be incurred, and update the project budget according to the progress report requirements
2. Complete the SEED Architectural/Engineering Planning Project, including production of the Construction Working Documents at 40%, within the timeline and scope set out in the TPA, and as described below in Section 3.5.2
3. Submit reports in accordance with the timelines and content requirements set out in the TPA, and as described below in Section 3.6.2
4. Develop and manage clear protocols, project governance, and decision-making processes, and establish regular communication channels with key Partners and other stakeholders, if applicable
5. Meeting all applicable legal and technical standards, codes, and regulations/requirements
6. Meeting all financial obligations (e.g., staying on budget) and sourcing necessary funding to satisfy any cost overruns or increases in project scope
7. Maintain all financial records, including records related to Eligible Costs and the SDF SEED Contribution, and all other documents and records related to carrying out the SEED Architectural/Engineering Planning Project or otherwise set out in the TPA, for

a period of seven (7) years following expiry of the TPA or such later date as may be set out in the TPA

8. Adhere to all other terms and conditions of the TPA

### **3.5.2 SEED Architectural/Engineering Planning Project Performance Obligations**

Primary Applicants must provide timelines for submission of all documents and materials from certified professionals (as outlined in Appendix B) required to produce Construction Working Documents at 40%. The Province requires Recipients to produce all Construction Working Documents at 40% within 12 months of TPA execution.

If the Recipient cannot meet the timelines set out in the TPA for submission of Construction Working Documents at 40%, the Recipient shall provide a Remediation Plan prior to the relevant deadline that will be missed. The plan must include a rationale for the delay, and a revised timeline. The Province, in its sole and absolute discretion, may accept or reject any proposed Remediation Plan.

### **3.5.3 Province's Role**

The Province establishes the SDF Capital Stream SEED Pathway policy and sets standards for requirements and quality assurance and provides SEED Pathway funding to Recipients. This includes:

1. Setting policy, designing program parameters, and providing information on applications and program requirements
2. Developing reporting requirements and tools
3. Establishing and approving TPAs
4. Providing funding (the SDF Capital Stream SEED Pathway Contribution) to the Recipient in accordance with the TPA
5. Monitoring performance and compliance with TPAs

## **3.6 Performance Management**

### **3.6.1 Monitoring Progress and Performance**

The Province will monitor the progress and performance of all SDF Capital Stream SEED Pathway projects to ensure the Recipient is compliant with their TPA and program obligations. The Province may without limitation:

1. Verify any information provided by the Recipient in their application
2. Verify forms, invoices, proof of payment and any other documents related to Eligible Costs incurred
3. Directly contact Partners, and individuals involved in the project (i.e., consultant, architect etc.)
4. Review reports submitted by the Recipient
5. Request additional reports as required for monitoring and program assessment purposes
6. Perform audits and inspections

The Province will maintain open and regular dialogue with Recipients throughout the Project Term in support of continuous improvement and a compliance with all TPA obligations.

### **3.6.2 Reports**

#### **Final SEED Architectural/Engineering Planning Project Report**

Recipients must submit a final report outlining the planning cost budget to actual costs, within final timelines (as outlined in the TPA). This must be validated with receipts and invoices to substantiate the actual Eligible Costs incurred, and to clarify the relationship between costs and project milestones/activities.

#### **Financial Reports**

Financial reporting of the Recipient's financial statements will allow the Province to ensure that the Recipient continues to have the financial capacity to carry out the performance obligations as set out in the TPA during the Project Term. The Recipient must submit its audited financial statements (and the audited financial statements of its guarantor, if applicable). Final timing will be outlined in the TPA. Unaudited financial statements may be accepted in the sole and absolute discretion of the Province.

#### **Performance Activity Reports**

Activity reports are to be shared with the Province on a periodic basis, as outlined in the TPA, to determine the Recipient's progress towards performing the activities and achieving outcomes required under the TPA.

## **4.0 FUNDING PARAMETERS AND REQUIREMENTS**

## 4.1 Project and Payment Parameters and Security Requirements

The SDF Capital Stream is intended to support the development of a resilient workforce. However, the Province must also safeguard prudent and effective use of public funding by ensuring that its investment programs are accessible to participants with varying degrees of financial and resourcing capabilities. The SDF Capital Stream is designed to balance the need for workforce development and capital risk management.

During the assessment process, the Primary Applicant may be required to, or choose to provide a parent or Partner guarantee issued by a sufficiently credit-worthy entity, for all the Primary Applicant's payment and performance obligations (as Recipient) under the TPA. The Primary Applicant will, where requested by the Province, provide reasonable evidence of the creditworthiness of the proposed guarantor.

## 4.2 Funding Source Limits and Recipient Minimum Contributions

A minimum of 30% of the Total Eligible Costs for the SEED Pathway Planning Project must be independently sourced by the recipient. This may be funded through equity, debt, or other sources of capital, including capital campaign fundraising. In-kind contributions cannot be used towards the 30% requirement.

For clarity, the funding and contribution limits to Total Eligible Costs are as follows:

- Minimum of 30% of the Total Eligible Costs must be sourced by the Recipient.
- Up to 70% of the Total Eligible Costs can be funded through SDF Capital Stream SEED Pathway up to a maximum of \$200,000 (or a combination of SDF Capital Stream SEED Pathway and other government funding).

Primary Applicants will be required to declare any funding they receive or expect to receive from other government sources in relation to the SEED Architectural/Engineering Planning Project, and the anticipated use of those other funds. This is an ongoing obligation that continues to apply from the time the application is submitted to the completion of the project term.

### 4.2.2 Funding Mechanics/Structure

Through the application process, Primary Applicants must specify the amount of grant funding requested through the SDF Capital Stream SEED Pathway as a percentage of Total Eligible Costs. This amount shall not exceed 70% of the Total Eligible Costs associated with the proposed Architectural/Engineering Planning Project up to a maximum of \$200,000. If approved, the Province will determine the maximum amount of SEED Pathway funds available for the project ("**Maximum SDF SEED Commitment**") based on the Total Eligible Costs and percentage requested. The SDF Contribution will not exceed the Maximum SDF Commitment established in the TPA.

For clarity, the Province will not contribute more than 70% (up to a maximum of \$200,000) of Total Eligible Costs incurred, as substantiated by vendor invoices and proof of payment.

### **Payment of the SDF SEED Contribution**

SEED Pathway funding may be paid to Recipients periodically throughout the Project Term, as Eligible Costs are incurred. The Province will make payments following the receipt of and approval by the Province of a Recipient's invoices and proof of payment, and subject to compliance with the other applicable terms and conditions in the TPA.

Upon receipt of the required materials, the Province will verify and calculate the actual Eligible Costs and the corresponding SDF Capital Stream SEED Contribution payment in accordance with the TPA. The total amount of SDF Capital Stream SEED Contribution payments will not exceed the Maximum SDF Capital Stream SEED Commitment.

If the Recipient fails to deliver the SEED Architectural/Engineering Planning Project within the required timelines as set out in the TPA, or any other Event of Default occurs, the Recipient may be required to return the funds.

## **5.0 EVENTS OF DEFAULT**

Events of Default will be outlined in the TPA, are subject to the sole and absolute discretion of the Province, and may include but are not limited to:

- Inaccuracy or misrepresentation in any representation provided by the Recipient in the TPA or their application
- Failure to achieve any of the required Architectural/Engineering Planning Project design development deadlines
- Failure to submit reports in accordance with the timelines and content requirements as set out in the TPA
- Failure to produce all required Construction Working Documents at 40% (as outlined in Appendix B)
- Change in ownership of the Recipient, or where applicable, the guarantor, solely where the person acquiring the ownership interest is a Restricted Person (defined in the TPA)
- Material adverse change in the business, assets, operations, prospects or financial condition of the Recipient or the guarantor

- Failure to comply with the prohibition against receiving any other government funds in respect of Eligible Costs
- Failure to meet the requirement for the Recipient to contribute a minimum of 30% of Total Eligible Costs

## **6.0 GOVERNANCE AND DELIVERY**

Organizations interested in applying to the SDF Capital Stream will apply through [Transfer Payment Ontario \(TPON\)](#).

Applications will be assessed based on requirements as defined in this Guideline (See Section 7.0 - Assessment Criteria). A risk-based approach and investment protection considerations will be used to identify, assess, and understand the potential risks that could affect the Primary Applicant's ability to achieve the project objectives.

The Province is not required to enter into a TPA with any Applicant, even if they meet the eligibility requirements in the Guideline.

If the Province selects an eligible Primary Applicant to proceed to the next stage of the application process, the Primary Applicant will be notified by the Province regarding next steps, which may include negotiating the final parameters and budget to be set out in the TPA. The Province retains the absolute right to not enter into a TPA with any selected applicant, notwithstanding any negotiations and/or consultations.

Applications will be assessed using the assessment criteria below set out in Section 7.0 (Assessment Criteria). The Province retains full and absolute discretion to select or not select any eligible application for funding. If a TPA is signed by the Province and a Recipient, the funds will be distributed to the Recipient in accordance with and subject to the terms of the TPA.

Applicants can apply to both the SDF Training Stream and the SDF Capital Stream if expenses do not overlap and are not duplicated. Recipients of the SDF Capital Stream SEED Pathway may subsequently apply to the GROW Pathway for funding to carry out the Capital Project, but no expenses reimbursed through the SEED Pathway will be reimbursed through the GROW Pathway.

## **7.0 ASSESSMENT CRITERIA**

SDF Capital Stream applications will be assessed as follows:

- The Province will review submitted applications and assess eligible applications against the program's requirements as outlined in this Guideline

- A risk-based approach will be used to identify, assess, and understand the potential risks that could affect the Primary Applicant’s ability to achieve the project objectives

The Province will have sole authority to decide which eligible projects are to be funded and the decision cannot be appealed.

**Table 3: Assessment Criteria**

<b>Principles</b>	<b>Description</b>
<b>Project Concept and Readiness</b>	<p>Evidence of sufficient project and program planning and financial acumen to implement the proposed Architectural/Engineering Planning Project.</p> <p>Sufficient experience in, and track record of, training delivery. Sufficient experience in executing Capital Projects or demonstration of the support of technical and other supporting advisors and management capacity to enhance Capital Project delivery and minimize construction risk.</p>
<b>Capital Need and Impact</b>	<p>Identified need for the Capital Project including supporting evidence of the scarcity of the labour supply the new or improved training facility will support, and/or the need of identified cohorts in the community, consistent with the SDF Capital Stream Policy Objective. This information should identify how the project:</p> <ul style="list-style-type: none"> <li>• Addresses training in emerging and in-demand growth sectors of Ontario’s economy; and</li> <li>• Addresses training in sectors experiencing high labour market demand.</li> </ul> <p>For more details on demonstrating the capital need and impact, see the requirements for the Project Implementation Plan outlined in Appendix C.</p>
<b>Return on Investment</b>	<p>Detailed planning and evidence that support best design practices to ensure the prudent use of funds and optimization of return on investment</p>

Applications may be selected and/or prioritized based on expected outcomes relative to the estimated SDF SEED Contribution and alignment to the SDF Capital Stream Policy Objective.

## **8.0 PROGRAM ADMINISTRATION**



The following section provides general information, tools and resources for Recipients, Partners, and participants in the SDF Capital Stream.

The section also identifies some key obligations for Recipients and Partners with respect to information management, documentation, and reporting.

## **8.1 Promotion, Communications and Graphic Standards**

Any public-facing communication/messaging related to the SDF Capital Stream (printed or broadcasted) must use the Employment Ontario wordmark/logo and the Government of Ontario logo. This includes but is not limited to, news releases, posters, flyers, brochures, newspaper displays and classified advertising, radio or television advertising, billboards, transit shelter postings, and newsletters that are produced by service providers.

Alternatively, acknowledgement can be used when wordmarks/logos are not feasible. For more information, consult the Visual Identity and Communication Guidelines for Employment Ontario Services on the [Employment Ontario Partners' Gateway website](#). For information on the use of the Ontario logo specifically, consult [the Ontario logo usage guidelines](#).

SDF Capital Stream SEED Pathway Recipients and Partners must use official hard copy or digital master artwork when reproducing the Employment Ontario logo and may not alter or add to it in any way.

SDF Capital Stream SEED Pathway Recipients are required to secure the Province's approval prior to doing media events, advertising, digital marketing, social media campaigns or publishing news releases relating to their SDF Capital Stream SEED Pathway funding. The Recipients will also give the Province prior notice before doing public events.

## **8.2 Access to Information and Protection of Privacy**

The Province is subject to the *Freedom of Information and Protection of Privacy Act* ("FIPPA"). FIPPA is a provincial statute that regulates the collection, use and disclosure of personal information and access to information in the custody and/or control of governmental institutions.

Section 17 of FIPPA provides a limited exemption for third party information that reveals a trade secret or scientific, commercial, technical, financial, or labour relations information supplied in confidence where a disclosure of the information could reasonably be expected to result in certain harms. Any trade secret or any scientific, technical, commercial, financial, or labour relations information submitted to the ministry in confidence should be clearly marked by the Primary Applicant/Recipient.

The Province will provide notice before granting access to a record that might contain information referred to in Section 17 of FIPPA so that the affected party/parties may make representations to the Province concerning the disclosure. Should the Province decide not to disclose certain records, the requester has the right to appeal the Province’s decision to the office of the Information and Privacy Commissioner, who will decide on the disclosure of the record.

Applicants are advised that the names and addresses of Recipients, the amount of SDF SEED Contribution awarded, and the purpose for which the SDF SEED Contribution is awarded is information that the Province may make available to the public.

**8.3 Documentation Requirements**

Recipients must maintain documentation and records related to Eligible Costs, the SEED Architectural/Engineering Project Plan, and the SDF SEED Contribution, and other documents and records as set out in the TPA, for seven (7) years following expiry of the TPA, or until such later date as otherwise set out in the TPA.

**8.4 Insurance**

As outlined in the TPA, the Recipient will be required to maintain and provide evidence of customary insurance of a quantum and type commensurate with the size and scope of the project/project assets.

**9.0 APPLICATION PACKAGE AND PROCEDURES**

**9.1 Application Requirements**

The Province may, at its discretion, request additional supporting documentation (beyond what is set out below) to assess an application to the SDF Capital Stream.

**Table 4: Application Requirements**

Application Requirement	Description
<p><b>1. Roles and Responsibilities with Organizational Chart and Governance Structure:</b> clearly identifying each Partner in the project team as well as resumes for key leads.</p>	<p>Primary Applicants must demonstrate the following:</p> <ul style="list-style-type: none"> <li>Established track record of effective skills training delivery that meets SDF Capital Stream Policy Objectives which includes providing years of experience, number of individuals trained, achievements, accreditations, number of distinct types of training programs delivered</li> </ul>

Application Requirement	Description
	<p>and other information of a similar type that would demonstrate their ability to deliver the Skills Development Activity if the Capital Project were to be executed.</p> <ul style="list-style-type: none"> <li>• Evidence from the Primary Applicant and/or Partner(s) and/or sub-contractors that the project will be delivered effectively and efficiently. This includes providing a plan indicating the resources and services that the Primary Applicant has available to it to provide effective and efficient delivery of the SEED Architectural/Engineering Planning Project (scope of work, pricing quotations, project team, CVs of key personnel and company details.)</li> <li>• Within the Primary Applicant’s project team, each specific role(s) must be clearly defined with an associated governance structure. Any third-party contracts and relationships that are essential to the delivery of outcomes, must also be disclosed.</li> </ul>
<p><b>2. Risk Management Plan</b></p>	<ul style="list-style-type: none"> <li>• Primary Applicants must identify key project risks, the likelihood and impact of each risk that can occur during the Architectural/Engineering Planning Period. In addition, Primary Applicants must identify risk mitigation strategies for each risk identified.</li> </ul>
<p><b>3. Demonstrate Control over Capital Asset over Project Term</b></p>	<ul style="list-style-type: none"> <li>• <b>For Primary Applicants that currently own the property where the Capital Project will be carried out</b>, they must provide a description and supporting documentation confirming details of the ownership, and necessary lender consents for the proposed improvements (as applicable); or</li> <li>• <b>For Primary Applicants that have a long-term lease for the property where the Capital</b></li> </ul>

Application Requirement	Description
	<p><b>Project will be carried out</b>, they must submit a long-term leasehold agreement (joint or shared) for the property for the Project Term. The length of the lease agreement (including lease extension options) must meet or exceed the Project Term; or</p> <ul style="list-style-type: none"> <li>• <b>For Primary Applicants that do not yet have a long-term lease but intend to enter a lease as part of the proposed project</b>, they must submit an executed long-term lease agreement prior to execution of the TPA; or</li> <li>• <b>For Applicants that are proposing a Capital Project on-reserve land</b>, they may provide alternative proof to substantiate control over the Project Asset during the Project Term in the form of a Band Council Resolution or other Ministry approved document.</li> <li>• <b>If the Primary Applicant does not yet own the property where the Capital Project will be carried out and intends to acquire the property</b>, they must describe the land and/or building and the rationale justifying the need for land and/or building acquisition, provide the anticipated closing date for the purchase of the property, and provide documentation demonstrating that the Primary Applicant would be able to support the ongoing operation and maintenance of the property for a period of at least 20 years from the date of Substantial Performance.</li> </ul>
<p>4. <b>Architectural/Engineering Planning Project Budget</b></p>	<ul style="list-style-type: none"> <li>• Applicants must submit an Architectural/Engineering Planning Project budget with all Eligible Costs (refer to Section 3.3) set out in Excel format.</li> <li>• This must include all sources and uses of funding/financing that will be used during the</li> </ul>

Application Requirement	Description
	<p>Architectural/Engineering Planning Project period.</p> <ul style="list-style-type: none"> <li>Budgets must incorporate costs from quotes obtained from certified professionals as outlined below.</li> </ul>
<p><b>5. Professional Services Quotes</b></p>	<ul style="list-style-type: none"> <li>Applicants must submit at least one quote for each professional service that is being used to complete the Construction Working Documents at 40%. Quotes must have been produced within 6 months prior to the date of application submission from professionals or firms certified in the relevant field.</li> </ul>
<p><b>6. Project Implementation Plan:</b> outlining how the Architectural/Engineering Planning Project will be implemented, and how the Capital Project will increase training capacity and/or training volume and/or SDF Capital Stream participant groups in Skills Development Activities if executed.</p>	<ul style="list-style-type: none"> <li>The Project Implementation Plan must include contents outlined in Appendix C.</li> <li>The Project Implementation Plan must detail the full project scope alongside anticipated design milestones. Applicants are encouraged to provide architectural renderings or preliminary sketches of the proposed capital asset if available.</li> <li>The Project Implementation Plan must include a business case that provides the rationale and supporting metrics to substantiate the Capital Project’s commercial, economic, financial, and operational feasibility. The submitted cost benefit analysis must make best efforts to quantify all potential tangible and intangible benefits against all costs associated with the delivery of the Capital Project.</li> <li>Primary Applicants must provide a market analysis supported by evidence and labour market data of the specific labour needs and gap in available trainings the Architectural/Engineering Planning Project and future Capital Project will address, including the</li> </ul>

Application Requirement	Description
	<p>expected benefits of the project for workers and employers in the community, and how activities relate to in-demand occupations and strengthen training capacity. Applicants can refer to the <a href="#">Ontario Labour Market website</a> for up-to-date information on in-demand sectors and occupations in Ontario.</p> <ul style="list-style-type: none"> <li>• Primary Applicants must provide commentary on the following metrics in their Project Implementation Plan: <ol style="list-style-type: none"> <li>1. <b>Training Capacity:</b> Applicants must provide a forecasted number of incremental training seats attributable to the Capital Project and delivery of the Skills Development Activity over the Intended Use Period</li> <li>2. <b>Training Volume:</b> Applicants must provide a forecasted number of incremental annual trainee enrollment attributable to the Capital Project and delivery of the Skills Development Activity over the Intended Use Period.</li> <li>3. <b>SDF Capital Stream Participant Groups:</b> Applicants must provide a forecasted annual enrollment volume for one or more SDF Capital Stream Participant Groups.</li> </ol> </li> </ul>

Application Requirement	Description
<p><b>7. Three Years of Audited Financial Statements</b></p>	<ul style="list-style-type: none"> <li>• Primary Applicants and any potential guarantors supporting their application are required to submit audited financial statements from the last three (3) fiscal years.</li> <li>• Primary Applicants and potential guarantors must include a signed letter from the organization for which financial statements are being provided, stating that there have been no material adverse changes since the date of the last audited financial statements submitted. This letter must be signed from an individual employed with that organization who has binding authority to make accurate representations of the Applicant’s financial status and capacity.</li> <li>• The Province reserves the right to determine if alternative documentation (e.g., unaudited financial statements, management reports) is sufficient where the Primary Applicant is unable to meet this requirement. In this situation, the Province may request additional supporting documentation to verify the accuracy and completeness of alternative documentation. Any material changes to the Recipient’s financial standing post TPA execution must be disclosed immediately. Financial standing is defined as reasonably sufficient financial capacity to successfully deliver the proposed Architectural/Engineering Planning Project and the future delivery of the contemplated Capital Project the plan would support.</li> </ul>
<p><b>8. Letter of Reference from a Schedule A Financial Institution</b></p>	<ul style="list-style-type: none"> <li>• Applicants will be required to attach a reference letter from an issuing bank to ensure they have the sufficient financial standing to contribute the minimum 30% towards the Total Eligible Costs for the Architectural/Engineering Planning</li> </ul>

Application Requirement	Description
	Project and to carry out the Capital Project. (See Appendix E for a sample letter template)

**9.2 Application Procedure and Process**

Upon the launch of the SDF Capital Stream SEED Pathway and the commencement of the application intake process, organizations can submit applications through TPON. TPON is the Province of Ontario’s online application system for grant funding. Applicants must register with TPON to access the SDF Capital Stream SEED Pathway application form.

SDF Capital Stream SEED Pathway applications will be assessed as follows:

- The Province will review submitted applications and assess eligible applications against the program’s requirements as outlined in this Guideline.
- The Province will ensure that the Primary Applicant has sufficient financial capacity and meets minimum requirements to provide confidence in their ability to execute the SEED Architectural/Engineering Planning Project and the Capital Project if it were executed.
- A risk-based approach will be used to identify, assess, and understand the potential risks that could affect the Primary Applicant’s ability to achieve the project obligations.

The Province will have sole authority to decide which eligible projects are to be funded and the decision cannot be appealed. The Province’s required due diligence on each SDF Capital Stream SEED Pathway application will be completed to ensure that the assessment process is consistent, fair, objective and protects public funding. The Province may prioritize projects that would deliver greater outcomes relative to the SDF Capital Stream SEED Contribution requested.

If the Province selects an eligible Primary Applicant to proceed to the next stage of the application process, the Primary Applicant will be notified by the Province regarding next steps, which may include negotiating the final parameters and budget to be set forth in a TPA. The Province retains the absolute right to not enter into a TPA with any selected applicant, notwithstanding any negotiations and/or consultations.

Additional information on registering and accessing TPON is available at:

- [Get funding from the Ontario Government](#)
- [Transfer Payment Ontario](#)



Applicants with questions on how to access or submit an application through Transfer Payment Ontario (TPON) can contact the TPON Customer Service Line at 416-325-3408 or 1-855-216-3090, Monday to Friday from 8:30 a.m. to 5:00 p.m. Eastern Standard Time, or by email at [TPONCC@ontario.ca](mailto:TPONCC@ontario.ca).

Applicants with general questions on the SDF Capital Stream, including information provided in the SDF Capital Stream program guidelines, can contact [SDFCapitalProgram@ontario.ca](mailto:SDFCapitalProgram@ontario.ca).

## APPENDICES

### Appendix A: Glossary of Terms

All definitions are meant to provide consistency, clarity, and specificity for use in the SDF Capital Stream.

Term	Definition
<b>Architectural/Engineering Planning Project</b>	The SDF Capital Stream SEED Pathway will support the costs associated with the development of an applicant's design drawings and plans for a Capital Project that will build or improve a training facility. Architectural/Engineering Planning Projects include activities and costs related to the technical planning and hiring of certified professionals required to complete all Construction Working Documents at 40%.
<b>Capital Project</b>	New building construction, renovation, retrofit, expansion, conversion, or repair of a training facility.
<b>Construction Working Documents at 40%</b>	The construction working documentation required to advance planning for a Capital Project to 40% design drawings status as set out in Appendix B.
<b>Eligible Costs</b>	Costs and expenses that are reasonably and actually incurred by the Recipient and are directly related to and necessary for the Architectural/Engineering Planning Project as set out in section 3.3 of the Guideline, and that are not Ineligible Costs
<b>Employment Ontario (EO)</b>	The Province operates EO as a one-stop source of information, services, and programs for jobseekers, Incumbent Workers, and employers. Through this network, the Province helps employers train and hire employees through programs, grants, and incentives.
<b>Event of Default</b>	See section 5 of the Guideline.
<b>Guideline</b>	This guideline for the SDF Capital Stream SEED Pathway.
<b>GROW Pathway</b>	The continuation of the original SDF Capital Stream.
<b>Incumbent Workers</b>	Individuals who are employed but are experiencing barriers to job retention or advancement and need help to retain their employment or advance from entry-level to medium-skilled jobs.
<b>Indigenous Peoples</b>	Individuals who are as First Nations, Inuit, and/or Metis.
<b>Ineligible Costs</b>	Costs and expenses that are ineligible for the SDF Capital Stream SEED Contribution as set out in section 3.4 of the Guideline.
<b>Intended Use Period</b>	The 5-year period after Substantial Performance during which the Skills Development Activity will be delivered in the training facility where the Capital Project was carried out.
<b>Maximum SDF SEED Commitment</b>	The maximum SDF Capital Stream SEED Pathway funding amount for a single project, to be calculated as up to 70% of the

Term	Definition
	Total Eligible Costs up to a maximum of \$200,000. If approved, the Province will determine the maximum amount of SEED Pathway funds available for the project based on the Total Eligible Costs and percentage requested. The Province reserves the right to prorate Total Eligible Costs based on the percentage of useable or net floor area that will support delivery of the Skills Development Activity.
<b>Partner</b>	An organization that has a formal role in the development and implementation of the Architectural/Engineering Capital Planning Project, but is not the Primary Applicant, and is directly involved in the delivery of a project component or providing ongoing project advice/direction through governance structures such as an advisory committee.
<b>Primary Applicants</b>	Organizations that are applying for funding under the SDF Capital Stream SEED Pathway. If an application is selected for funding and a Transfer Payment Agreement is entered into, the Primary Applicant will be a signatory to the TPA and, as Recipient, accountable to the Province for managing and executing the development and delivery of the Architectural/Engineering Planning Project, including resource management and satisfaction of performance obligations established within the TPA.
<b>Project Term</b>	The period of time beginning from the execution of the TPA to the completion of the Architectural/Engineering Planning Project including completion of Construction Working Documents at 40%.
<b>Recipient</b>	An entity that is a party to a Transfer Payment Agreement with the Province to receive funding under the SDF Capital Stream SEED Pathway. A Primary Applicant becomes a Recipient upon signing a TPA with the Province.
<b>Remediation Plan</b>	If a Recipient fails to meet or anticipates that they will fail to meet an SDF Capital Stream SEED Pathway deadline or performance obligation, the Recipient may be required to provide an explanation for the missed or failed obligation (or anticipated missed or failed obligation) and a plan to remediate the situation, including (as applicable) a proposed new timeline or performance objective.
<b>SDF Capital Stream Policy Objective</b>	The policy objective for the SDF Capital Stream, as set out in Section 2.2 of the Guideline.
<b>SDF Capital Stream SEED Contribution</b>	The amount of grant funding provided by the Province through the SDF Capital Stream SEED Pathway based on actual costs incurred and in accordance with the terms and conditions of the

Term	Definition
	Transfer Payment Agreement, and which cannot exceed the Maximum SDF Capital Stream SEED Contribution.
<b>SDF Capital Stream Target Sectors and Occupations</b>	Emerging or in-demand growth sectors and sectors experiencing labour shortages. With respect to emerging or in-demand growth occupations or sectors, the <a href="#">Ontario Labour Market</a> website has a relevant tool that produces indicators of future demand through a 5-year regional occupational outlook.
<b>SEED Pathway</b>	A new initiative under the SDF Capital Stream that supports costs for the development of an Architectural/Engineering Planning Project.
<b>Skills Development Activity</b>	Training provided to jobseekers and workers in the training facility built or improved by the Capital Project, such as training in skilled trades, apprenticeships, or other training for skilled professions. Any proposed Skills Development Activity must be aligned with the SDF Capital Stream Policy Objective, support an SDF Capital Target Sector or Occupation, and serve one or more SDF Capital participant groups.
<b>Substantial Performance</b>	The state of the project being “substantially performed” with the meaning as described in subsection 2(1) of the <i>Construction Act</i> , as it may be amended from time to time.
<b>Total Eligible Costs</b>	All costs necessary to carry out the Architectural/Engineering Planning Project that are Eligible Costs.
<b>Transfer Payment Agreement (TPA)</b>	A legally enforceable contract sets out the rights, responsibilities, and obligations of both parties, including the payment of funds by the Government of Ontario and the undertaking of all project activities by the Recipient.

## Appendix B: Required Construction Working Documents Produced by the Architectural/Engineering Planning Project

The Province requires that SEED Architectural/Engineering Planning Projects produce construction working documentation required to advance planning for a Capital Project to 40% design drawings status. This includes the documents set out in the following table:

**Table 5: Construction Working Documents at 40% Design Status**

Categories	Building and Speciality Structures Including Exterior Works (e.g., parking, landscape, services)
<b>General Trades</b>	<ul style="list-style-type: none"> <li>• Developed architectural (&lt;25%) floor plans, reflected ceiling plans, roof plans</li> <li>• Structural foundation design, typical structural framing, including shear walls and size of members</li> <li>• Developed (&lt;25%) building elevations and sections</li> <li>• Typical interior wall types and acoustical guidelines</li> <li>• Preliminary finish schedule with material selections</li> <li>• Sustainable design requirements</li> <li>• Special project-specific Skills Development Activity requirements</li> <li>• Outline specification with selected equipment, sizes, and performance requirement</li> </ul>
<b>Mechanical</b>	<ul style="list-style-type: none"> <li>• Schematic flow diagrams</li> <li>• Preliminary equipment selections/schedules</li> <li>• Plans showing locations of major equipment</li> <li>• Plans showing routing of mains (duct and piping) runs/zoning</li> <li>• Schedule information</li> <li>• Plumbing fixture locations</li> <li>• Fire protection zoning</li> </ul>
<b>Electrical</b>	<ul style="list-style-type: none"> <li>• Preliminary Single Line Diagram</li> <li>• Preliminary Lighting and Controls Layout</li> <li>• Preliminary Systems Layout</li> <li>• Costs to be excluded by Electrical contractor, such as, security equipment, communications cabling, public address, and audio-visual equipment, etc.</li> </ul>
<b>Civil/Site</b>	<ul style="list-style-type: none"> <li>• Site plans, indicating building locations and site improvements (including all paved areas, site utilities, and building or vertical structure locations)</li> <li>• Additional site investigations, as required</li> <li>• Topographical information (current and engineered topographical information)</li> <li>• Utility location (showing all underground structures and lines)</li> </ul>

- |  |  |
|--|--|
|  | <ul style="list-style-type: none"><li>• Demolition/removal plans and information (if applicable)</li></ul> |
|--|--|

Funding for the development of Construction Working Documents at Tender-level design status is not supported under the SDF Capital Stream SEED Pathway, however, are available for funding through the SDF Capital Stream GROW Pathway which funds the construction stage of new Capital Projects. For more information see the [SDF Capital Stream GROW Pathway Guideline](#).

## Appendix C: SEED Project Implementation Plan Template

### Project Implementation Plan Table of Contents

#### a. Executive Summary

#### b. Project Background

Market analysis and project rationale with third-party supporting metrics/data. The market analysis must be supported by evidence and labour market data of the specific labour needs and gap in available trainings that the Capital Project aims to address.

#### c. Project Description

Full scope of the SEED Pathway Architectural/Engineering Planning Project

- Description of the Capital Project
- Detail the anticipated Skills Development Activity supported by the Capital Project.
- Business case: Provide the rationale and supporting metrics to substantiate the project's commercial, economic, financial, and operational feasibility.
- Cost/benefit analysis: The submitted cost benefit analysis must make best efforts to quantify all potential tangible and intangible benefits against all costs associated with the delivery of the capital project. This should include the expected benefits of the project for workers and employers in the community, and how activities relate to in-demand occupations and those experiencing labour shortages and recruitment challenges.
- Risk management plan: identification of risks, likelihood of occurrence and mitigation strategies

#### d. Forecasted Training Volume and Capacity

Provide the estimated Training Volume, Training Capacity and Participant Groups, as described below, for each year of the 5-year Intended Use Period.

- Training Volume: the potential incremental annual trainee enrollment attributed to the capital project and delivery of the Skills Development Activity over the Intended Use Period.
- Training Capacity: the number of incremental training seats attributed to the capital project over the Intended Use Period.

- SDF Capital Stream Participant Groups: the annual enrollment volume for SDF Capital Stream Participant Groups.

As an illustrative example of the difference between each metric noted above, please see below:

The proposed project will create 100 new physical training seats that will support the training delivery.

*Through these newly created training seats*, a total of 1,000 trainee enrollments will be delivered over the 5-year Intended Use Period.

Of the 1,000 trainee enrollments noted above, it is expected that one or more SDF Capital Stream participant group(s) will participate in the training program:

- 600 jobseekers and/or incumbent workers who are at risk of job displacement;
- 300 women;
- 100 Indigenous youths.

**e. Project Implementation Strategy**

Applicant to detail timeline and plan from the concept state to achieve 40% design drawings and associated technical documentation.

Applicant to provide commentary how the Architectural/Engineering Planning Project will source the certified professionals required to develop the Construction Working Documents at 40% design status, and how funding will be effectively deployed to achieve the greatest outcomes per grant dollar spent.

**f. Strategic Alignment Assessment**

- a. Project Objectives and Constraints
- b. Alignment with SDF Capital Stream Policy Objective

**g. Conclusions and Recommendations**



## Appendix D: Example of a Architectural/Engineering Planning Project Progress Report Template Information

Progress reports may include requests for some or all of the following information, to be determined and outlined in the final TPAs:

1. **Project Overview:** This section introduces the Architectural/Engineering Planning Project, including the project name, location, and a brief description of the work to be done.
2. **Schedule Update:** This section includes an updated schedule that outlines the work that has been completed, any delays or changes to the original schedule, and the planned schedule for the upcoming weeks.
3. **Work Completed:** This section provides a detailed summary of the work that has been completed since the last progress report. This could include completed tasks, and milestones reached.
4. **Budget Update:** This section includes an update on the project budget, including any changes or modifications to the original budget, any cost overruns or savings, and any issues or challenges that may be impacting the budget and Forecasting / Estimate at Completion, as well as Variance from Baseline.
5. **Next Steps:** This section outlines the work that still needs to be done in order to complete the Architectural/Engineering Planning Project, as well as any milestones or deadlines that need to be met.

## Appendix E: Bank Reference Letter Template

Bank Letterhead

*[insert bank/institution's full address including postal code and contact number]*

Date:

TO WHOM IT MAY CONCERN:

This letter confirms that [insert Applicant name] of [insert Applicant's full address including postal code] is a customer in good standing of this [insert bank/institution name]. Our records state that [insert name of Applicant's authorized signatory] is the [insert title of authorized signatory] of this organization and the signature appearing at the bottom of this letter is the same as the signature we have on file for this customer. [Insert Applicant name] has been a client at this bank for the past [insert number] of years. Over this period [insert Applicant name] has operated [insert type of account] satisfactorily.

During the period of our relationship credit has been approved and the repayment history is satisfactory.

[Insert bank/institution name] is satisfied that the [insert Applicant name] has the financial wherewithal to undertake the envisioned [insert proposed project name] whereby [insert project description].

Sincerely,

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([insert bank/institution name] Signing Officer)

Print Name:

Print Title:

Phone Number: