

FY2026 Capacity Building Grant Program Workshop

August 12, 2025

Economic Development Department
Business Expansion Attraction and Retention (BEAR) Division



Agenda

- Welcome
- Program Overview: Mission and Goal
- Application Process
 - Qualifications
 - Documentation
 - Timeline
- Scoring
- Reporting Requirements
- Budget Adjustments
- Required Forms
- Q&A



Program Overview

Goal: Build capacity for nonprofit organizations that directly support small businesses in under-resourced communities within the City of San Diego.

- Funded through the Small Business Enhancement Program (SBEP)
- Capacity building expenses: non-personnel expenses only
- Funding available: \$180,000
- Award amounts are a minimum of \$10,000 to a maximum of \$15,000
- Advancement of funds
- Reporting and reconciliation requirement
- All funds must be expended by June 30, 2026

Deadline to apply is September 5, 2025

Eligibility

- Applicants must be a 501(c)(3) or 501(c)(6) nonprofit organization
- Project is required to serve small businesses within the city of San Diego in under-resourced communities, including the San Diego Promise Zone and Opportunity Zones
- Priority will be given to independent organizations with modest budgets
- Proposals that align with the Economic Development Strategy and Creative City Cultural Plan will also be highly considered

Ineligible Organizations

- For-profit business or entity
- Lending institutions
- Business Improvement District (BID) managers
- Located outside of the County of San Diego
- Other SBEP grant recipients

Application

- Organization Information
 - Primary Contact Person for the Project
 - Authorized Signer
 - Amount Requested
- Organization Mission/Goal/Objective
 - Mission Statement
 - How does your organization prioritize efforts to address equity across San Diego communities, specifically for small businesses?
- Proposed Program/Project
 - How does this program/project directly support businesses in under-resourced communities?
 - **NEW QUESTION:** How will this funding help your organization expand and build capacity?
 - Other City Funding? Only one SBEP award per organization in FY26.



Application

- Exhibits:
 - Exhibit A - Scope of Work
 - Exhibit B - Budget Summary and Forms
 - Exhibit C - Schedule
- Required Attachments:
 - Board of Directors List
 - Key Personnel List
 - IRS Determination Letter - Nonprofit Status
 - Articles of Incorporation
 - CA Department of Justice Nonprofit Status
 - CA Secretary of State Current Status
 - CA Franchise Tax Board Entity Status
 - Federal IRS Form 990
 - Financial Statement





Budget Forms

EXHIBIT B – BUDGET SUMMARY			
Non-Personnel Schedule: Please detail any non-personnel expenses (e.g., equipment purchases, office supplies, utilities, technical support, communication software, website, banners, marketing costs, etc.) to be funded with Capacity Building Grant Program funds. Separate spreadsheet can be submitted in Excel format detailing proposed costs, if necessary.			
Category (Use Drop Down List)	Non-Personnel Itemized Expense	Quantity Purchased	Projected Cost
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
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			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
TOTAL NON-PERSONNEL EXPENSES			\$0.00



Budget Form

PROGRAM/PROJECT BUDGET DESCRIPTION	
<i>DESCRIPTION AND JUSTIFICATION OF PROPOSED EXPENSES FOR PROGRAM/PROJECT</i> <i>Use this section to describe how each category of expenses is needed to advance the program/project. Do not include dollar amounts here. This should reflect the budget created on Page 1 of this workbook.</i> <i>If a category has multiple expenses, please add a new row.</i> <i>If a category is not applicable to the project, leave it blank.</i>	
Event Supplies	
Equipment	
Office Supplies	
Marketing/Outreach Materials	
Subscriptions	
Contractor/Consultant	
Contractor/Consultant	
Contractor/Consultant	
Other 1	
Other 2	
Other 3	

Timeline

August 4, 2025: Application published

August 6, 2025: Program workshop #1

August 12, 2025: Program workshop #2

September 3, 2025 at 12:00 p.m.: Last opportunity for one-on-one technical assistance

September 5, 2025 by 5:00 p.m. (Friday): Application deadline

October 2025: Application review and award determination

November 2025: Award notifications and contract process begins

Scoring

General Requirements

- Submitted all the required documentation
- Proposal serves small businesses within the San Diego Promise Zone, Opportunity Zones, and/or otherwise under-resourced communities
- Organization's mission aligns with supporting small businesses

Scoring

- Organization has a proven track record of success
 - Submitted reports/invoices in a timely manner
 - Spent all funds according to agreement
 - Did not have to process a refund to the City
- Project describes a direct impact on the business community
- Proposal includes a clear articulation of the project and businesses served, as well as a description of activities
- Organization provides evidence that the budget and spending plan supports the scale of the project
- Organization is independent with a modest budget
- Proposal demonstrates feasibility of the project including its timeline

Reporting Requirements

- Reports need to include financial reconciliation and a narrative update
- Due approximately 4 weeks after the close of the reporting period
- Financial back-up documentation
 - Bank statements
 - Invoices/receipts
 - Cleared checks

Budget Adjustments

- Budget adjustments between categories or line items can be made with staff approval
- Organizations will need to submit the following:
 - Written request on letterhead that includes a brief explanation of the adjustment.
 - An updated budget table that demonstrates the adjustment in funding between the original budget along with the updated budget details.
- Economic Development staff must approve requests **BEFORE** purchases take place.
- Budget adjustment requests will not be accepted after April 30, 2026.

Required Forms

Awarded organizations will need to submit the following:

- Form W9
- Electronic Funds Transfer (EFT/ACH) Form
- Updated: Acceptance Notice Form
 - **NEW REQUIREMENT:** In-person site visit
 - Staff welcome invitations to events/activities
- Updated: Contractors and Consultants List
 - The organization is responsible for contacting City staff when an update to this form is being considered.
 - Updates to the form cannot be made after April 30, 2026. It will be at the City's discretion to approve modifications.
 - *Capacity Building Grant funds are for non-personnel expenses only; under no circumstance may the board of directors or organizational staff receive direct or indirect monetary compensation.*

Questions?

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