

FY2027 Capacity Building Grant Program Information Session 1

August 13, 2026

Economic Development Department
Community and Business Engagement Division



Agenda

- Welcome
- Team Introductions
- Program Overview
 - Funding Tracks
 - Track Specific Details
 - Timeline
- Application Process
 - Documentation
 - Application Demo
- Selection Process
- Contracting Process
 - Required Forms
- Reporting Requirements
- Budget Adjustments
- Q&A

Business Engagement

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Community Engagement

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Program Overview

Goal: Build capacity for nonprofit organizations that strengthen small businesses, commercial corridors, and neighborhoods in under-resourced communities throughout the City of San Diego.

FY27 UPDATE: Two funding tracks under one Capacity Building Grant program. Applicants may select only one funding track.

Small Business Support	Community Growth
Supports nonprofit organizations that provide programs and services benefiting small businesses, entrepreneurs, and commercial corridors in under-resourced communities.	Supports nonprofit organizations implementing programs and initiatives that strengthen neighborhoods and improve quality of life for residents in under-resourced communities.
Small Business Enhancement Program	City of San Diego partnership with California Coast Credit Union

Small Business Support Track

Mission: Strengthen local business ecosystems and expand economic opportunity through activities that directly support small business success.

- Applicants must be a 501(c)(3) or 501(c)(6) nonprofit organization
 - CDBG recipients are eligible
 - BID Managers and lending institutions are not eligible
 - Fiscal sponsors not permitted
- Funding available: \$220,000

Examples of activities:

- Entrepreneur education/workshops
- Commercial corridor activations
- Placemaking initiatives
- See past project summaries for more examples

Community Growth Track

Mission: Strengthen neighborhoods and improve quality of life for residents in under-resourced communities.

- Applicants must be a 501(c)(3) nonprofit organization
 - BID Managers and lending institutions are eligible.
 - Fiscal sponsors are permitted.
 - CDBG recipients are not eligible.
- Funding available: \$101,000

Examples of activities:

- Workforce development
- Youth programming
- Health and wellness initiatives
- See past project summaries for more examples.



Parameters for Both Tracks

- Only capacity building expenses are allowed. Ineligible expenses include but are not limited to:
 - Personnel
 - Religious or political activity
 - Alcoholic beverages
 - Donations or gifts
 - Penalties, late fees, fines, etc.
 - Programs in inaccessible facilities (must be ADA compliant)
- Ineligible organizations:
 - For-profit businesses/entities
 - Organizations located outside of the County of San Diego
- Awarded organizations will receive an advancement of funds.
- Award amounts are up to \$15,000.
- All funds must be expended by June 30, 2027.
- Review the Program FAQs for more information.

**Opportunities to provide community members, program participants, and/or employees with financial literacy workshops from California Coast Credit Union are available.*



Estimated Timeline	
Application Opens	August 10, 2026
Information Sessions	August 13, 2026 at 1:00 pm August 19, 2026 at 11:00 am
Technical Assistance Deadline	September 14, 2026 at 12:00 pm
Application Deadline	September 15, 2026 at 5:00 pm
Application Review	September–October
Award Notification	October
Contract Execution	October–December
Grant Term Ends	All funds must be expended by June 30, 2027

Application Overview

- General organization information
- Select one track – Small Business Support or Community Growth
 - Organization mission statement
 - Proposed project description
 - Addressing equity/DEI
 - Communities served
 - Anticipated impact
 - Scope of work/services
 - Budget summary
 - Schedule
 - City funding sources
 - Fiscal sponsorship – Community Growth Track only
- Required attachments:
 - Articles of Incorporation
 - Board of Directors List
 - CA Department of Justice Nonprofit Status
 - CA Franchise Tax Board Entity Status
 - CA Secretary of State Current Status
 - Federal IRS Form 990
 - Financial Statement
 - IRS Determination Letter - Nonprofit Status
 - Key Personnel List
- Authorized signer information

Application Demo



Visit the application-

<https://sandiego.seamlessdocs.com/ng/fa/29mfaae8dhlo>

EXHIBIT B – BUDGET SUMMARY

Non-Personnel Itemized Expense: Detail any non-personnel expenses (e.g., equipment purchases, office supplies, contracted technical support, communication software, website, banners, marketing costs, etc.) to be funded with Capacity Building Grant Program funds.

Justification: Describe how each expense is needed to advance the proposed program/project.

Category (Use Drop Down List)	Non-Personnel Itemized Expense	Quantity Purchased	Projected Cost	Justification
			\$0.00	
Event Supplies			\$0.00	
Equipment			\$0.00	
Office Supplies			\$0.00	
Marketing/Outreach Materials			\$0.00	
Subscriptions			\$0.00	
Contractor/Consultant			\$0.00	
Program Delivery Expenses			\$0.00	
Other			\$0.00	
			\$0.00	
			\$0.00	
			\$0.00	
			\$0.00	
			\$0.00	
			\$0.00	
			\$0.00	
			\$0.00	
			\$0.00	
			\$0.00	
			\$0.00	
			\$0.00	
			\$0.00	
			\$0.00	
TOTAL NON-PERSONNEL EXPENSES			\$0.00	

Selection Process

General Requirements

- Applications reviewed for completeness/eligibility before evaluated through a competitive review process. All required documentation must be submitted by application deadline.
- Organizations must be an eligible nonprofit organization and provide programs/ services benefiting those in under-resourced communities.
 - Nonprofit status must be in good standing for applicable governmental agencies.

Scoring

- Applications will be evaluated using the criteria for each funding track and will consider factors such as:
 - Alignment with the selected funding track
 - Demonstrated community need
 - Project feasibility and budget reasonableness
 - Anticipated community impact
- For returning applicants: Priority will be given to organizations with a proven track record of success with the Economic Development Department.
- Priority will be given to independent organizations with modest budgets.
- Funding recommendations developed based on application scores and available funding.

Contracting Process

Selected applicants will be required to:

- Execute a grant agreement and comply with applicable City requirements. Grant funds can only be used for approved project activities.

Awarded organizations will need to submit the following:

- Form W9
- Electronic Funds Transfer (EFT/ACH) Form
- Acceptance Notice Form
- 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, 2027. 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.*

Reporting Requirements

- Complete all reporting requirements (Progress Report and Final Report) throughout the grant period. Failure to comply with the reporting requirements may impact future funding opportunities.
- EDD staff will provide a reporting template
 - Financial reconciliation
 - Performance/narrative update
- Reports due approximately 15 days after the close of the reporting period
- Financial back-up documentation must include:
 - Bank statements
 - Invoices/receipts
 - Cleared checks
- In-person site visits are an opportunity to discuss reporting/spending

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, 2027.

Questions?

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Last opportunity for technical assistance is September 14, 2026 at 12:00 pm.