



**Sacramento Innovation
Incubator and Accelerator Grant Program
Notice of Funding Availability (NOFA)**

NOFA #: GRANT-2025-000020, GRANT-2025-000021, GRANT-2025-000022

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NOFA Priority Questions Due by: November 26, 2025, by 11:59 p.m. PDT

Grant Applications Due by: Monday, December 22, 2024, by 3:00 p.m. PDT

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INTRODUCTION AND BACKGROUND

The Sacramento Innovation Grant Program offers annual grants to support the development of Sacramento's entrepreneurial and innovation ecosystem. The Innovation Grant program focuses on funding "startup-enablers" – community-based initiatives and programs that help entrepreneurs take their startup from initial idea to a viable company.

The Sacramento Innovation Grant Program aims to achieve the following objectives:

- Expand the reach of entrepreneurial support organizations
- Increase opportunities for startups to grow
- Increase the number and viability of startups
- Increase venture capital investment in Sacramento
- Marketing broadly to change the perception of the ecosystem
- Foster and facilitate high-growth startups
- Encourage targeted collaborations
- Build key industry verticals

Since its initial establishment as the Rapid Acceleration, Innovation, and Leadership in Sacramento (RAILS) program in 2016, the Sacramento Innovation Grant has evolved to achieve these objectives in response to feedback from grantees and applicants. For the 2025/2026 application process, the program includes three distinct solicitations:

- Entrepreneurship Education and Access Grants
- Incubator and Accelerator Grants
- Innovation and Investment Readiness Grants

Unless otherwise noted, timelines, criteria, and processes will be the same for each solicitation.

PROGRAM DETAILS

The City of Sacramento's 2025/2026 Innovation Ecosystem Grant Program is designed to create a pipeline for entrepreneurs at different stages of their journey. Sacramento's entrepreneurial ecosystem thrives when new participants are welcomed, early-stage founders are nurtured, and growth-ready companies have the support needed to secure customers and capital.

Category A provides early access points for residents who are new to entrepreneurship, unsure how to begin, or seeking to expand their education, with an emphasis on skills for tech-enabled and scalable businesses. Category B supports incubator and accelerator programs that help early-stage founders grow through mentorship, product development, and connections to funding and partnerships. Category C serves advanced startups by funding targeted programming that helps companies commercialize technology, secure investment and acquire customers.

By structuring funding across these three categories, the program creates a continuum of support that enables people to enter the ecosystem, build skills, and advance toward high-growth ventures that strengthen Sacramento's economy.

Category Descriptions

CATEGORY A: ENTREPRENEURSHIP EDUCATION AND ACCESS

Entrepreneurship Education and Access Grants aim to fund standalone or progressive workshops, business seminar training series, open lab coaching hours focused on specific topics that help entrepreneurs develop ideas or skill up. Grants in this category are intended to serve entrepreneurs at any stage but be especially accessible to those who are just beginning their journey, may not yet identify as entrepreneurs, be business owners, or lack access to traditional support. Programming should focus on building awareness, confidence, and fundamental skills such as business formation, branding, licensing, digital readiness.

Funded programming in this category should focus specifically on skilling up entrepreneurs in tech or scalable startup entrepreneurship. Each class or session should be at least 60 minutes in length and may be in-person or hybrid with the grantee based in Sacramento city limits.

Applicants may apply for and be awarded an Entrepreneurship Education and Access grant and an Incubator and Accelerator grant.

CATEGORY B: INCUBATOR AND ACCELERATOR

Incubator and Accelerator Grants are focused on nurturing and supporting early-stage businesses with an end goal of the participants of the funded incubator and accelerator programs starting or growing their own business, spurring innovation, and stimulating economic development in Sacramento. Companies and non-profits are invited to apply to fund incubator and accelerator programs for a cohort of participants with high growth potential and innovative solutions. These programs should provide support through a combination of the following services:

- **Mentorship and Coaching:** Guidance from experienced entrepreneurs, industry experts, and mentors on business development, strategy, marketing fundraising, and more
- **Educational Programs:** Training sessions or workshops on topics such as business planning, market research, product development, and financial management
- **Product Development Support:** Assistance or guidance in prototyping testing, iteration, and product refinement based on market research
- **Legal and Administrative Support:** Assistance with legal, accounting, and administrative tasks such as business incorporation, intellectual property protection, and contracts
- **Marketing and Branding Support:** Assistance in identifying and reaching target audiences and customers through marketing and public relations strategies
- **Strategic Partnerships:** Connections with other startups, industry leaders, corporate entities, and business support organizations to expand access to resources and expertise

- **Access to Funding:** Access to funding opportunities such as demo days, pitch training and pitch events, introductions to investors including venture capital firms, angel investors, and government grants
- **Office Space:** Access to shared office space for participants to work and collaborate

Proposed incubator or accelerator programs must be hosted in the Sacramento city limits.

Applicants may apply for and be awarded an Entrepreneurship Education and Access grant and an Incubator and Accelerator grant.

CATEGORY C: INNOVATION AND INVESTMENT READINESS

Innovation and Investment Readiness grants aim to encourage connection to funding opportunities for established startup and tech businesses. Programs funded in this category could include programming around technology commercialization, access to capital or grants, or customer acquisition for businesses ready to grow. Programming does not have to be cohort based.

Example projects that could be eligible include:

- Programming to help companies refine their product to connect with customers and investors
- SBIR/STTR Application, Phase I, or II support
- Pilot project and case study programming to help companies show real-world cases for customer acquisition

Applicants for the Innovation and Investment Readiness grant are not eligible to apply for or be awarded an Entrepreneurship Education and Access grant or an Incubator and Accelerator grant.

Program Requirements and Eligibility

Proposed programming for Incubator and Accelerator or Innovation and Investment Readiness grants must commit to at least 90% of participants of grant funded activities having either a residence or business with an address within Sacramento city limits. The remaining 10% of participants must either employ residents who live in the city limits, have a Business Operations Tax Certificate with the City of Sacramento, or demonstrate measurable business engagement in Sacramento city limits such as sales, contracts, or formal partnerships. Participant requirements do not apply to Entrepreneur Education and Access Grant programming

- Additionally, participants in Innovation and Investment Readiness funded programming must apply for and receive a Business Operations Tax Certificate with the City of Sacramento.

Proposed programming may be new for the applicant or represent further development of existing programs.

Proposed programming must be completed within a 12-month contract period beginning no earlier than March 30, 2026.

All project activities funded by this grant program must be open and advertised to the general public and include publicity that recognizes the funding received from the City of Sacramento.

Applicants must operate from a fixed place of business within the Sacramento city limits, except if grant-supported programming is provided within the city limits. Entrepreneurship Education and Access Grant programming must be located within the Sacramento city limits.

Applicants must be in compliance with current and past City grants.

Application and Contracting Timeline

This schedule may be altered at any time at the discretion of the City of Sacramento

- Application open: October 27, 2025
- Optional information session(s): Week of November 18, 2025
- Questions accepted until: November 26, 2025, 11:59pm
- Question answers posted: December 3, 2025
- Application close: December 22, 2025, 2:59pm
- Awardees notified of conditional award and contract development begins: week of February 23, 2026
- City Council approval: March 10, 2026
- Programming begins: April 1, 2026

GRANT FUNDING CONSIDERATIONS

Grant Amounts

The City has allocated \$1,000,000 for the entire 2026 Sacramento Innovation Grant Program - \$100,000 for Entrepreneur Education and Access grants; \$500,000 for Incubator and Accelerator grants; and \$400,000 for Innovation and Investment Readiness grants. Amounts for each category may be adjusted at the City's sole discretion. Maximum grant requests for each category are as follows:

- **Entrepreneur Education and Access:** between \$10,000 and \$15,000
 - To ensure broad community access and measurable benefit, applicants can request no more than \$3,000 per publicly accessible workshop or training and no less than \$10,000 total. A \$15,000 request must include at least five workshops.
- **Incubator and Accelerator:** Between \$50,000 and \$100,000
- **Innovation and Investment Readiness:** Up to \$100,000

The amount of any grant award will be based on a number of factors including, but not limited to, the perceived impact of the grant activities, justification of proposed budget, experience of staff, equitable and inclusive project goals and outreach, established partnerships, and the total number of applicants. No cash match is required, but applications with additional financial or in-kind support for programming are encouraged.

Use of Funds

FUNDABLE ACTIVITIES

Examples of what expenditures this grant may be used for include:

- Program development and delivery costs (e.g. staff time, licensing costs, software, etc.)
- Salaries for staff delivering programming
- Training supplies and equipment
- Office space and co-working membership fees
- Marketing costs for program recruitment
- Food and non-alcoholic beverages provided to participants at the funded programs
- Software subscription fees
- Professional and contracted services

INELIGIBLE USES

This grant may not be used for:

- Projects restricted to private or exclusive participation including restriction of access to programs on the basis of sex, race, color, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, or sexual orientation
- Registration fees to attend classes, workshops, or conferences
- General operating expenses that are not specific to the project
- Costs for entertainment
- Any costs incurred, obligated, or paid prior to the execution of the grant award agreement or outside the dates stated in the grant agreement
- Costs associated with proposal or grant application preparation
- Costs for lobbying
- Re-granting, contributions to other organizations and donations except if grant is explicitly received on behalf of a fiscally sponsored organization
- Fundraising activities
- Capital campaigns or endowments
- Consultation or facilitation related to capital projects
- Public works as defined in the California Labor Code

REVIEW CRITERIA AND SCORING RUBRIC

Program Design & Approach (30 points)

Description: Clarity, relevance, and structure of the proposed program. Alignment with grant category goals and delivery format. Ability to accomplish overall Innovation program goals through skills growth of participating companies and preparation of companies for the next phase of growth.

- Excellent (30 points): Program design is clear, detailed, and well-structured. The program is fully aligned with the category goals and delivery format. Proposed activities demonstrate strong potential to advance the City's overall Innovation Ecosystem program by supporting participant skill growth and preparing companies for the next stage.
- Good (22.5 points): Application shows potential to accomplish overall program goals through participant skill growth; Program has outlined outreach plan for target program applicants; Program is well aligned with category goals and delivery format.
- Fair (15 points): Program is described, but lacks detail or doesn't clearly describe participant skill growth; Program is somewhat aligned with category goals and delivery format.
- Poor (7.5 points): Program is unclear or poorly articulated. Minimal alignment with category goals and delivery format.
- Inadequate (0 points): Little to no evidence of alignment with grant goals.

Outcomes & Metrics with focus on Sacramento Activation (20 points)

Description: Strength and clarity of proposed outcomes, how success will be measured, and how the program activates economic activity and development specifically within the City of Sacramento.

- Excellent (20 points): Proposed outcomes are clear measurable, and time-bound, with strong alignment to category goals. The program demonstrates a strong and direct link to economic activity and development within the City of Sacramento
- Good (15 points): Proposed outcomes and success measures are clear and mostly aligned with category goals; The program shows a well-defined link to economic activity and development in the city of Sacramento
- Fair (10 points): Outcomes and success measures are somewhat aligned or generally described. The program is generally linked to economic activity and development, but may not be focused in city of Sacramento.
- Poor (5 points): Outcomes and success measures unclear or poorly articulated. Unclear or poor link to economic activity and development in city of Sacramento.
- Inadequate (0 points): Little to no outcomes or success measures.

Organizational Capacity (20 points)

Description: Experience delivering programs/ Staff qualifications. Partnerships (if included) complement programming or address gaps in expertise. Past City grant performance (if applicable).

- Excellent (20 points): Staff possess extensive experience and qualifications relevant to proposed programming; Partnerships (if included) complement programming or

address gaps in expertise; Applicant demonstrates capacity to execute programs effectively.

- Good (15 points): Staff has relevant experience and qualifications, with adequate capacity to execute programs effectively; Partnerships (if included) align with program goals.
- Fair (10 points): Staff has some relevant experience, but may lack depth or capacity; Partnerships (if included) outlined, but alignment with program goals unclear.
- Poor (5 points): Limited clarity on staff and/or partnership experience or capacity provided.
- Inadequate (0 points): Staff lacks relevant experience or capacity to execute programs; Partnerships (if included) duplicative or weak.

Budget and Use of Funds (15 points)

Description: Appropriateness and clarity of the budget. Alignment of budget with programming scope. Reasonableness of costs for services proposed.

- Excellent (15 points): Provides a detailed budget with realistic allocations and justifications for grant funds; Budget is well-aligned with the scope and activities of the program; Applicant clearly demonstrates consideration for financial sustainability during and beyond the grant period, either through additional resources, clear cost management, or long-term planning.
- Good (12 points): Offers a budget with reasonable allocations and justifications; Scope and activities considered with the development of the budget; Applicant demonstrates some consideration for financial sustainability during and beyond the grant period, either through additional resources, cost management, or long-term planning.
- Fair (8 points): Budget is provided but lacks detail or justification; Budget loosely aligned with scope and activities; Demonstrates limited consideration for financial sustainability either through additional resources, cost management, or long-term planning.
- Poor (4 points): Budget is vague or poorly justified; Budget not aligned with scope and activities; Minimal consideration for financial sustainability or no other funding sources are listed.
- Inadequate (0 points): Budget provides no narrative or lacks coherence; budget not aligned with scope, doesn't consider financial sustainability, and does not include other funding sources.

Impact on Underserved Entrepreneurs (15 points)

Description: Program shows thoughtful approach to the outreach and inclusion of BIPOC, immigrant, low-income, LGBTQ+, or women entrepreneurs. Applicant has demonstrated past aptitude in working with those groups.

- Excellent (15 points): Program shows thoughtful approach to the outreach and inclusion of BIPOC, immigrant, low-income, LGBTQ+, or women entrepreneurs; Applicant demonstrates past aptitude in working with these groups.
- Good (12 points): Program considers outreach and inclusion of marginalized groups; Applicant demonstrates past consideration in working with these groups.
- Fair (8 points): Mentions approach to outreach and inclusion of marginalized groups, but lacks detail; No evidence provided of past consideration in working with these groups.
- Poor (4 points): Outreach and inclusion strategies are unclear or poorly articulated; Minimal evidence provided.
- Inadequate (0 points): No mention of outreach and inclusion strategies for or past experience with marginalized groups.

APPLICATION

Application Considerations

TRACK RECORD

Due to the competitiveness of this grant application, grantees must demonstrate ability to execute successful projects and a commitment to advancing Sacramento's innovation ecosystem.

INDUSTRY VERTICALS

The City encourages applicants to propose programs that advance emerging industries and efforts in Sacramento and beyond. By focusing on specific areas, we aim to amplify Sacramento's unique strengths and advance key sectors that promise long-term economic and social benefits.

Examples of emerging industries and efforts include, but are not limited to:

1. Food Systems and AgTech
2. Clean Technology and Sustainability
3. Life Sciences and Healthcare
4. Creative Economy
5. Government and Smart City Initiatives

Programming focused on a specific industry is not required, but encouraged. The City requests applicants provide reasoning for their choice of industry focus or lack thereof, and how that choice fills a gap or addresses a demand in the local innovation ecosystem.

METRICS, OBJECTIVES, AND GOALS

Successful applicants must identify the desired outcomes and goals of their programming. This includes notable program milestones, long and short-term objectives, key performance indicators, and participant learning objectives.

Progress toward the achievement of these goals will be documented in quarterly reports.

How to Apply

All applicants are required to submit the following information:

1. **Application form:** Applicants must complete all questions included in the online application. Application questions can be reviewed in Appendix A.
2. **Project budget narrative and table:** Applicants applying for grant funds must submit a proposed budget detailing how the grant funds will be used to accomplish the proposed activity. A budget template can be found in Appendix B.
3. **(Entrepreneurship Education and Access ONLY) Workshop Details:** Applicants applying for a grant in Category A must submit a list of the workshops or trainings they propose to deliver including the topic, format, length, and intended audience for each. A template can be found in Appendix C.

Completed grant applications must be submitted no later than December 22, 2025 at 2:59 p.m. PST. If an applicant does not complete all required questions in the online application and submit a proposed budget detailing how the award funds will be used to accomplish the proposed activity, the application is incomplete and not scored.

The City will only accept applications submitted on the City's Grant Management System at (<https://grants.cityofsacramento.gov/grants/s/>). An email will be returned to verify the receipt of your application.

Technical Assistance

Q&A

All questions regarding this NOFO are to be directed in writing via the application page on the City's Grants Management System in the grant category you are applying for. Individual grant category applications can be found at (https://grants.cityofsacramento.gov/grants/s/grant-opportunity/Grant_Opportunity_c/00B1U00000EP9oOUAT). To ask a question, you must be logged in and click the "Ask a question" button at the top right-hand of the screen. Responses to questions submitted by the deadline will be posted on the grant category application page.

All questions must be submitted no later than November 26, 2025, at 11:59 p.m. PDT. Questions via phone or email will not receive a response. Applicants may rely only on written instructions from the City. The City will not be responsible for any oral information or instructions given by third parties regarding this NOFO.

The City is committed to a fair, transparent, and impartial review process. To ensure the integrity of this process, applicants or their designated agents must not directly or indirectly contact any City officials or employees other than the contact persons identified in this NOFO, for meetings, conferences or technical discussions related to the NOFO. Unauthorized contact of any of these individuals may be cause for immediate disqualification from the grant process.

By submitting an application, applicants acknowledge and agree to abide by these requirements. Violations will be taken seriously and enforced accordingly.

For all inquiries, please use the designated communication channels provided in the NOFO materials.

If applicants require language assistance, please email Aubree Taylor at ajtaylor@cityofsacramento.org and the City will make reasonable accommodations to provide assistance as practicable.

GRANTS MANAGEMENT SYSTEM TECHNICAL SUPPORT

For technical support related to the City's Grants Management System, please visit the resource page at (<https://grants.cityofsacramento.gov/grants/s/public-resources>). If you have questions on using the site, please send an email to grants@cityofsacramento.gov.

INFORMATION SESSIONS

City staff will host optional information sessions to share key information and answer questions about this NOFO. Optional information sessions will be held the week of November 10, 2025. Details will be posted to the application page on the City's Grant's Management System. Any online sessions will be recorded and links will be posted on the application site. City staff will attempt to capture questions and answers from information sessions to post on the application site along with online Q&A responses. No preference will be given to applicants who attend information sessions.

Application Review Process

The City anticipated implementing the following process for reviewing and evaluating proposals:

1. City staff will pre-screen grant applications for completeness and eligibility and will conduct an initial scoring using the listed criteria. Applications that meet a minimum scoring threshold will be forwarded to the review panel for final review.
2. A panel including City employees and non-conflicted subject matter experts will review and score all eligible applications using the application scoring rubric included in this NOFO and designate the top applications as finalists.
 - a. Interviews may be requested by the review committee
3. City Council will vote to approve awards.

CONFLICTS OF INTEREST

No reviewer may be financially interested in any grant applications or awards.

GRANT IMPLEMENTATION

Contracting Process

Prior to contracting, grantees will be required to complete the items listed below. Any grantee that does not comply within the timeline established by their contract manager will forfeit the award.

- Be registered and in good standing with the California Secretary of State (<https://bizfileonline.sos.ca.gov/search/business>) or the Secretary of State where the business is registered at time of application.
- If applicant is a non-profit organization, it must be registered and in good standing with the California Attorney General: Registry of Charitable Trusts (<https://oag.ca.gov/charities>)
- Meet the City's requirements for general liability of insurance and provide proof of insurance prior to executing grant agreement. Insurance requirements can be reviewed in the sample grant agreement in Appendix D.
- Have an active Business Operations Tax Certificate or exemption letter. Organizations can apply for BOTC or look-up their status at (<https://www.cityofsacramento.gov/finance/revenue/business-operations-tax>) at time of application.
- Register as a supplier with the City of Sacramento by providing a complete IRS form W9 and California form 590 or 587 for businesses registered in a state other than California. This step will be completed with the support of City staff.

All grant recipients must execute an Innovation Grant Agreement with the City. The form of the grant agreement is attached as Attachment D. The applicant is responsible for reading and understanding the grant agreement's terms and conditions prior to submitting an application and must submit in writing with their application any potential changes requested to the grant agreement template.

Payment

Grantees will be paid on a reimbursement basis and may request payment no more frequently than once a month.

Reporting

On a quarterly basis, the grantee shall provide the City with a written report on the progress made on the authorized activities. With each payment request, the grantee shall provide the City a financial report including an itemized list of expenditures and supporting documentation to substantiate costs including receipts, staff hours worked, contractor invoices, and proof of payment to staff and contractors. The City may request any additional documentation it determines is needed to show appropriate use of funds and progress toward program objectives. A closeout report will also be required after the performance period of the grant has ended summarizing grant activities including reporting the outcomes of goals and metrics required by the contract.

ADDITIONAL CONSIDERATION

Rejection of Applications

The City of Sacramento may, at its sole discretion, determine not to award any grant in response to this request or to negotiate with any grantee in any manner necessary to serve the best interests of the City. No applicant shall receive any compensation for preparing any grant application.

Public Records

All applications and application materials are public records. All information received from an applicant, whether received in connection with a grant application or in connection with any grant funded activities performed, will be disclosed upon receipt of a request for disclosure pursuant to the California Public Records Act. Application scores may also be disclosed. The City reserves the right to use application materials as demonstration examples in future workshops.

Amendments

The City reserves the right to revise or amend any part of this solicitation by issuing an addendum up to the due date/time for submittal. If necessary due to the revisions or amendments, the due date for applications may be postponed.

Inclusive Economic Development Statement

The City of Sacramento is committed to ensuring fair and just treatment, access, opportunity, and advancement for all people, while identifying and eliminating barriers that have prevented the full participation of some groups. In alignment with the City's [Inclusive Economic Development](#) priorities, this program aims to expand economic opportunities that benefit underserved and underrepresented communities, thereby reducing social, racial, health, and economic disparities in these communities.

1. **PURPOSE** – The purpose of Inclusive Economic Development Investments is to foster economic and community development and job growth within the City of Sacramento that create opportunities for all of Sacramento's residents, while at the same time prioritizing strategic investments for people of color, low-income individuals, and underinvested communities. The City will make Inclusive Economic Development Investments in projects and programs that advance inclusive economic development and reduce inequities by improving the health, stability, and economic security of residents and neighborhoods; fostering business and job growth; increasing household wealth; encouraging productivity; and supporting people, places, and actions that promote economic growth throughout the City's diverse communities.
2. **DEFINITIONS:**
 - a. **Inclusive Economic Development Investments or Investments:** Investments that expand economic opportunities that benefit underserved and underrepresented communities, thereby reducing social, racial, health, and economic disparities in these communities. Through public and private actions that are responsive to

community need and builds on resident assets, these investments foster small business growth, increase quality jobs, stabilize people in safe and affordable homes, prepare residents of all ages to fill those jobs, improve neighborhoods, and increase household wealth.

- b. **Equity:** Fair and just treatment, access, opportunities, and advancement for all people, while identifying and eliminating barriers that have prevented the full participation of some groups.
 - c. **Racial and gender equity:** The development of policies, practices, and strategic investments to reverse racial disparity trends, eliminate institutional racism, and ensure that outcomes and opportunities for all people are no longer predictable by race and gender.
 - d. **Priority Neighborhoods:** Neighborhoods already having a federal, state, or local designation (could include city Priority Neighborhoods, federal Promise Zone, federal Opportunity Zone, Health Need Assessment Focus Communities, etc.) or neighborhoods experiencing a cost of living that outpaces the incomes of the residents, lagging commercial and residential investment, increased poverty and gentrification pressures; limited access to services and amenities, substantial change due to major development and/or public infrastructure improvements and local business displacement.
3. **OBJECTIVES** – Investments must seek to advance economic growth and development by achieving the following objectives:
- a. **Catalyze Inclusive Economic Development:** Investments must help to further develop and/or grow targeted industry clusters, tradable sectors, and university-industry innovation districts. Investments must catalyze economic development and community revitalization in targeted geographic areas that increase the economic security and mobility of vulnerable families and workers.
 - b. **Stimulate Job Growth:** Investments must help retain and grow job opportunities by cultivating the entrepreneurial ecosystem, attracting new businesses that create a range of quality jobs, and supporting the growth and advancement of existing businesses. Investments must also support hiring and retaining of low income and historically underserved and underrepresented residents.
 - c. **Create Experiential and Educational Opportunities:** Investments must expand access to experiential and educational opportunities that lead to career pathways that lead to the middle class. Investments must also cultivate homegrown talent through strong cradle-to-career pipelines that increase economic security and access to job opportunities and residents that have been historically underserved and underrepresented.
 - d. **Create Vibrant, Healthy, Opportunity-Rich Neighborhoods:** With the goal of reducing racial, social, health, and economic disparities, Investments must increase the supply and access to safe and affordable housing, transit, and transportation options, promote clean and safe neighborhoods, create positive

youth development experiences, and remove barriers to future economic development, particularly in distressed and disadvantaged neighborhoods that have not benefited from previous economic growth. Investments must ensure all communities have access to services and amenities that support healthy and vibrant neighborhoods.

e. **Increase Revenue and Other Social and Economic Benefits to the City:**

Investments must directly or indirectly increase City revenue and/or generate other significant public benefits (as outlined in Section 5F – Public Benefit) that provide a return on investment to the City.

Read the full [Inclusive Economic Development Investment Guidelines](#) approved by the City Council for more information on Guiding Principles for equity-focused investments and criteria for significant economic impact.

APPENDICES

Appendix Contents

- **Appendix A: Application Questions**
- **Appendix B: Budget Narrative and Table Template**
- **Appendix C: Workshop Details Template**
- **Appendix D: Sample Innovation Grant Agreement**

Appendix A: Application Questions

Category A – Entrepreneurship Education and Access Application Questions

GRANT APPLICANT ORGANIZATION INFORMATION

1. Organization/Company Name
2. Organization Address
3. Organization Website
4. Contact Person Name
5. Contact Person Email
6. Contact Person Phone Number
7. Type of Organization (Non-profit, for-profit, public institution, Other: write in required)
8. What is the overall mission of your organization? (Up to 500 characters)
9. Describe your organization's primary participants (youth, immigrant entrepreneurs, creatives, early explorers of entrepreneurship, etc.) (Up to 1,500 characters)

ACCOUNT PROFILE

If you have previously applied with the City in the grants management system, these may be pre-populated.

10. Mailing Address
11. Upload proof of registration and good standing with the California Secretary of State (screenshots acceptable). Status can be looked up at <https://bizfileonline.sos.ca.gov/search/business>
12. Upload proof of active Business Operations Tax Certificate or exemption letter (screenshots acceptable). Status can be looked up at <https://www.cityofsacramento.gov/finance/revenue/business-operations-tax/looking-for-a-business>

PROJECT DESCRIPTION

13. Provide an overview of your proposed project, including the types of workshops or trainings you will offer, and the specific objectives you expect to accomplish in 12 months. This should be a high-level narrative of your proposed project, including the project vision, goals and how it fits the grant category and purpose. Your response should address the following questions - What is your project, why does it matter, and what outcomes do you expect.
14. Workshop Details Requirement Acknowledgement (checkbox) – I acknowledge that I must upload a list of the workshops/trainings I propose to deliver in the next section of the application.
15. How does your project introduce participants to entrepreneurial thinking and topics directly relevant to scalable startup businesses, rather than duplicating general small business training? (up to 2,000 characters)
16. How will your project encourage participants to explore scalable business models (e.g., growth-oriented ventures, digital platforms, or technology-enabled businesses)?

WORKSHOP DETAILS TEMPLATE

17. Provide a list of the workshops/trainings you propose to deliver including the topic, format, length, and intended audience for each. This should be exactly what sessions will be held, who they are for, etc. An example template is provided for download and is outlined below:

Workshop Title	Topic	Format	Length	Intended Audience	Learning or Skill Outcomes
"Digital Tools for Growth"	Using Canva & Shopify	In-person lab	2 hours	Creatives & makers	Basic digital literacy for e-commerce in Canva and Shopify; Basic marketing concepts

IN-DEPTH PROJECT DETAILS

18. Will your project be prepared to start in April 2026? (yes/no)
 - If not, when do you plan to start?
19. What ecosystem gap or need does your project address? (Up to 500 characters)
20. What are the short-term (12 months) and long-term goals of your project? (Up to 5,000 characters)
21. What metrics will you use to measure success? Please indicate how you will track them. (Up to 5,000 characters) Example metrics include, but are not limited to Number of participants served, Number of workshops delivered, Percent of participants who continue to further entrepreneurship training.
22. How many participants do you plan to serve?
23. How will you recruit participants, particularly those who are residents of Sacramento or businesses with strong ties to the city?
24. Describe how your project design and outreach will be inclusive to underserved communities or those unlikely to access existing startup support services. (Up to 1,000 characters)
25. Do you have a location secured where your project activities will take place? (Workshops and trainings must be hosted in the City of Sacramento). If yes, please list the address(s). If not, what location(s) or type of location(s) are you considering? (Up to 500 characters)

ORGANIZATIONAL CAPACITY

26. Describe your organizational structure and the qualifications of key team members involved in delivering the project.
27. Describe past projects your organization has managed that are similar in scope. (Up to 1,500 characters)
28. Describe how you have approached inclusion of marginalized groups in past projects. (Up to 5,000 characters)
29. Share a success story or outcome that illustrates how your programming has helped an entrepreneur or participant move toward growth or opportunity.

FINANCE AND BUDGET

30. What is the requested grant amount? (\$10,000 - \$15,000, up to \$3,000 per workshop)
31. Budget Table and Narrative Requirement Acknowledgement (checkbox) – I understand that I need to separately upload the budget table and narrative in the next sections of the application.
32. How many workshops do you plan to host as part of this grant? (Up to 255 characters)
33. Does the requested grant amount cover the cost of the project? (yes/no)

34. Please list the sources and amounts of any additional funds that will be provided to the project. Please include any funding your organization plans to contribute to the project. (Up to 1,000 characters)
35. If there are unmet costs, how will your organization fund them? (Up to 1000 characters)
36. Will your programming continue after the grant period? If so, how will it be financially sustainable? (Up to 1,000 characters)

BUDGET TABLE

37. Upload a budget table categorizing planned expenditures (Example budget table included).

BUDGET NARRATIVE

38. Upload a budget narrative explaining how the grant funds will be used in each category. (Example budget narrative included).

OTHER

39. Please list the sources and amounts of City funds awarded to or received by your organization in the last 36 months as well as your City contract manager. This is any source of funding including grants, contracts, loans, etc. (Up to 500 characters)
40. Standard Grant Agreement Acknowledgement (checkbox) - The applicant acknowledges that recommended awardees must execute an innovation grant agreement with the city. The form of the grant agreement is included in the grant guidelines as Appendix B. The applicant is responsible for reading and understanding the grant agreement's terms and conditions prior to applying. If you have any desired deviations or modifications, please provide them with reasoning behind them.
Note: we have been asked many times to revise our indemnity language and the City Attorney's Office has, without exception, consistently declined any modifications. It has been drafted and revised to comply with current law. The language provides the protection the City requires.
41. Is there anything else we should know? (Up to 500 characters)

Category B – Incubator and Accelerator Questions

GRANT APPLICANT ORGANIZATION INFORMATION

1. Organization/Company Name
2. Organization Address
3. Organization Website
4. Contact Person Name
5. Contact Person Email
6. Contact Person Phone Number
7. Type of Organization (Non-profit, for-profit, public institution, Other: write in required)
8. What is the overall mission of your organization? (Up to 500 characters)
9. Describe your organization's primary participants (pre-revenue startups, industry verticals, historically underrepresented founders). (Up to 1,500 characters)

ACCOUNT PROFILE

If you have previously applied with the City in the grants management system, these may be pre-populated.

10. Mailing Address
11. Upload proof of registration and good standing with the California Secretary of State (screenshots acceptable). Status can be looked up at <https://bizfileonline.sos.ca.gov/search/business>
12. Upload proof of active Business Operations Tax Certificate or exemption letter (screenshots acceptable). Status can be looked up at <https://www.cityofsacramento.gov/finance/revenue/business-operations-tax/looking-for-a-business>

PROJECT DESCRIPTION

13. Provide an overview of your incubator or accelerator program. Include curriculum design, milestones, mentorship components, and expected outcomes over 12 months. (Up to 1,500 characters)
14. If your program has an industry or sector focus, please specify which industries and explain why. If not, please specify why not. Describe your target participants including the stage of growth, industry or community, knowledge level or any other defining characteristics.
15. Please share learning outcomes and objectives for participants in the program including skills or stage participants should achieve by completing the program.
16. How will your program recruit entrepreneurs with high growth potential? If your program takes diversity and inclusion into account in recruitment, please share how.
17. How does your program fill an industry gap or address a market need?
18. Provide a timeline of proposed activities, including application, program launch, major milestones, and completion.

SACRAMENTO RESIDENCY AND BUSINESS REQUIREMENTS

19. How will you ensure that at least **90% of participants** are either:
 - Residents of the City of Sacramento, or
 - Operating a business headquartered in the city limits?
20. How will you ensure that the remaining **10% of participants** meet one or more of the following Sacramento engagement criteria:
 - Employ residents who live in the city limits

- Demonstrate measurable business engagement in Sacramento (e.g., sales, contracts, formal partnerships)
 - Hold a City of Sacramento Business Operations Tax Certificate
21. Describe how you will verify participant eligibility (e.g., documentation collected, business license verification).

IN-DEPTH PROJECT DETAILS

22. Will your program be prepared to start in April 2026? (yes/no)
- If not, when do you plan to start?
23. What ecosystem gap or need does your program address (Up to 500 characters)
24. What are the short-term (12 months) and long-term goals of your program? (Up to 5,000 characters)
25. What metrics will you use to measure success? Please indicate how you will track these metrics. Example metrics include but are not limited to businesses launched, prototypes developed, revenue generated, capital raised, jobs created, etc. (Up to 1,500 characters)
26. How many cohorts will you operate in the grant period and how many participants do you expect to serve in each cohort?
27. Describe how your program design will be inclusive to underserved communities or those unlikely to access existing startup support services. (Up to 1,000 characters)
28. Do you have a location secured where your program activities will take place? If yes, please list the address(s). If not, what location(s) or type of location(s) are you considering? (Incubators and accelerators must have a physical location in city limits). (Up to 500 characters)
29. Do you plan to work with any outside organizations for any aspect of your program? If so, what is their role and have the partnership or services been confirmed?

ORGANIZATIONAL CAPACITY

30. Describe your organizational structure and the qualifications of key team members involved in delivering the project.
31. Describe your track record running programs of similar scope. Include examples of measurable results (e.g., startups advanced, investments secured, etc.). (Up to 1,500 characters)
32. Provide at least one success story or outcome that demonstrates how your past programs have contributed to the growth of entrepreneurs or businesses and their impact on the community (Up to 1,000 characters).

FINANCE AND BUDGET

33. Requested grant amount (\$50,000 - \$100,000).
34. Budget Table and Narrative Requirement Acknowledgement (checkbox) – I understand that I need to separately upload the budget table and narrative in the next sections of the application.
35. Does the requested grant amount cover the cost of the project? (yes/no)
36. Please list the sources and amounts of any additional funds that will be provided to the project – Please include any funding your organization plans to contribute to the project. (Up to 1,000 characters)
37. If there are unmet costs, how will your organization fund them?
38. How will your project be financially sustainable after the grant period? If this is a one-time program, please specify (Up to 1,000 characters).

BUDGET TABLE

39. Upload a budget table categorizing planned expenditures (Example budget table included).

BUDGET NARRATIVE

40. Upload a budget narrative explaining how the grant funds will be used in each category. (Example budget narrative included).

OTHER

41. Please list the sources and amounts of City funds awarded to or received by your organization in the last 36 months as well as your City contract manager. This is any source of funding including grants, contracts, loans, etc. (Up to 500 characters)
42. Standard Grant Agreement Acknowledgement (checkbox) - The applicant acknowledges that recommended awardees must execute an innovation grant agreement with the city. The form of the grant agreement is included in the grant guidelines as Appendix B. The applicant is responsible for reading and understanding the grant agreement's terms and conditions prior to applying. If you have any desired deviations or modifications, please provide them with reasoning behind them.
- Note: we have been asked many times to revise our indemnity language and the City Attorney's Office has, without exception, consistently declined any modifications. It has been drafted and revised to comply with current law. The language provides the protection the City requires.
43. Is there anything else we should know about your program or organization? (Up to 500 characters).

Category C – Innovation and Investment Readiness

GRANT APPLICANT ORGANIZATION INFORMATION

1. Organization/Company Name
2. Organization Address
3. Organization Website
4. Contact Person Name
5. Contact Person Email
6. Contact Person Phone Number
7. Type of Organization (Non-profit, for-profit, public institution, Other: write in required)
8. What is the overall mission of your organization? (Up to 500 characters)
9. Describe your organization's primary participants (e.g., technology startups, growth-stage companies, SBIR/STTR applicants). (Up to 1,500 characters)

ACCOUNT PROFILE

If you have previously applied with the City in the grants management system, these may be pre-populated.

10. Mailing Address
11. Upload proof of registration and good standing with the California Secretary of State (screenshots acceptable). Status can be looked up at <https://bizfileonline.sos.ca.gov/search/business>
12. Upload proof of active Business Operations Tax Certificate or exemption letter (screenshots acceptable). Status can be looked up at <https://www.cityofsacramento.gov/finance/revenue/business-operations-tax/looking-for-a-business>

PROJECT DESCRIPTION

13. Provide an overview of your proposed program, including how it will prepare companies to secure investment, contracts, or commercialization opportunities. (Up to 1,500 Characters)
14. Which barriers to investment readiness will your program address? (e.g., capital access, compliance, technical assistance, product-market fit, customer acquisition) (Up to 1,500 characters)
15. If your program has an industry or sector focus, please specify which industries and explain why. If not, please specify why not. Describe your target participants including the stage of growth, industry or community, knowledge level or any other defining characteristics. (Up to 1,500 characters)
16. How will your program identify and recruit participants that are investment-ready or ready for customer acquisition? (Up to 3,000 characters)
17. How does your program fill an industry gap or address a market need? (Up to 1,500 words)
18. Provide a timeline of proposed activities including major milestones and completion timeline.

SACRAMENTO RESIDENCY AND BUSINESS REQUIREMENTS

19. How will you ensure that at least **90% of participants** are either:
 - Residents of the City of Sacramento, or
 - Operating a business headquartered in the city limits?
20. How will you ensure that the remaining **10% of participants** meet one or more of the following Sacramento engagement criteria:
 - Employ residents who live in the city limits

- Demonstrate measurable business engagement in Sacramento (e.g., sales, contracts, formal partnerships)
21. Describe how you will verify participant eligibility (e.g., documentation collected, business license verification).

IN-DEPTH PROJECT DETAILS

22. Will your project be prepared to start in April 2026? (yes/no)
- If not, when do you plan to start?
23. What are the short-term (12 months) and long-term goals of your project? (Up to 5,000 characters)
24. What metrics will you use to measure success? Please indicate how you will track these metrics. Examples include, but are not limited to capital raised, SBIR/STTR awards, contracts secured, revenue growth, pilot projects completed, etc. (Up to 1,500 characters)
25. How many companies do you expect to serve during the grant period? (Up to 255 characters)
26. Describe how your program design will be inclusive to diverse participants, especially BIPOC, immigrant, women, LGBTQ+, and low-income founders who are investment-ready. (Up to 1,500 characters)
27. At what address will most of your project activities take place? (Programs must have a physical location in city limits).
28. Do you plan to work with any outside organizations for any aspect of your program? If so, what is their role and have the partnership or services been confirmed?

ORGANIZATIONAL CAPACITY

29. Describe your organizational structure and the qualifications of key team members who will deliver this investment readiness program.
30. Describe your track record delivering programs that support companies in raising investment, winning grants, securing customers, or other investment activities. Include measurable examples of past results (Up to 5,000 characters).
31. Provide at least one success story that demonstrates how your past programs have helped companies raise investment, scale, or commercialize (Up to 3000 characters).

FINANCE AND BUDGET

32. Requested grant amount (up to \$100,000).
33. Budget Table and Narrative Requirement Acknowledgement (checkbox) – I understand that I need to separately upload the budget table and narrative in the next sections of the application.
34. Does the requested grant amount cover the cost of the project? (yes/no)
35. List the sources and amounts of any additional funds that will support this program. Please include any funding your organization plans to contribute to the project. (Up to 1,000 characters)
36. If there are unmet costs, how will your organization cover them? (Up to 1,500 characters)
37. How will your project be financially sustainable after the grant period? If this is a one-time project, please specify (Up to 1,000 characters).

BUDGET TABLE

38. Provide a budget table categorizing planned expenditures (Example budget table included).

BUDGET NARRATIVE

39. Provide a budget narrative explaining how the grant funds will be used in each category. (Example budget narrative included).

OTHER

40. Please list the sources and amounts of City funds awarded to or received by your organization in the last 36 months as well as your City contract manager. This is any source of funding including grants, contracts, loans, etc. (Up to 1,000)
41. Standard Grant Agreement Acknowledgement (checkbox) - The applicant acknowledges that recommended awardees must execute an innovation grant agreement with the city. The form of the grant agreement is included in the grant guidelines as Appendix B. The applicant is responsible for reading and understanding the grant agreement's terms and conditions prior to applying. If you have any desired deviations or modifications, please provide them with reasoning behind them.
- Note: we have been asked many times to revise our indemnity language and the City Attorney's Office has, without exception, consistently declined any modifications. It has been drafted and revised to comply with current law. The language provides the protection the City requires.
42. Is there anything else we should know about your program or organization? (Up to 1,000 characters).

Appendix B: Budget Narrative and Table Templates

Sample Budget and Narrative Template

Purpose:

The purpose of the Budget Narrative is to provide support and an explanation for the amounts requested in the Budget Table (itemized cost list).

The Applicant must provide cost information for each applicable category listed below and explain how the requested funds will allow the Applicant to achieve the program goals. If you are not requesting funds for a particular category, list \$0 for that category in your narrative and cost list. Each expenditure must be supported by a justification to support the cost. All costs must be reasonable and allocable.

Cost Categories:

❖ Direct Costs, including:

- Salaries and Benefits: (staff costs related to the program): List the classification/title, total budgeted for each classification, salary and percentage of time or hourly rates and total hours allocated, and benefits costs (if applicable) for every person funded by the grant. Briefly describe each position's roles and responsibilities for grant activities.
- Services: Itemize all services and supplies to be purchased with grant funds to support the grant activities. If utilizing a subcontractor for professional or non-professional services, list subcontractor names (if known) and the amount of funds to be allocated to such services.
- Supplies: List the items and materials you plan to buy and use during the program (for example, office supplies, printing, or event materials). Briefly explain how each item will be used to support the grant activities.
- Marketing Expenses: Costs related to advertising the program services to the target audience.
- Equipment/Fixed Assets: Itemize any equipment or fixed assets to be purchased with grant funds (for example, computers, computer mice, a handcart). List each piece of equipment or fixed asset separately.
- Program Evaluation: Itemize all costs associated with evaluating progress toward the program goals.
- Other: Itemize any other direct costs that are not listed in the categories above.

Budget Table (Itemized Cost List)

Indirect Costs are not allowable expenses under this grant. Program-specific administrative costs are allowable and should be detailed in the Budget Narrative and included in the Budget Table.

Cost Categories (itemize within category)	Grant Funds	Outside Funds	Total
Salaries Time (Program Administration)	\$0	\$0	\$0
Services	\$0	\$0	\$0
Supplies	\$0	\$0	\$0
Marketing Expenses	\$0	\$0	\$0
Equipment/ Fixed Assets	\$0	\$0	\$0
Program Evaluation	\$0	\$0	\$0
Other Direct Costs	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0

Within each cost category in blue, expenses should be itemized in sufficient detail to allow the City to determine the allocability and reasonableness of the expense (e.g., salary and benefits should be listed for each position, sub-awards should be itemized for each partner known at the time of the application).

Appendix C: Workshop Details Template

Entrepreneurship Education and Access Workshop Details Template

Applicants must complete the following template for all proposed workshops, trainings, or other proposed sessions to demonstrate alignment with program goals. Each session should be clearly defined, at least 60 minutes in length, free to attend, and focused on skills that build awareness, confidence, or capacity for scalable entrepreneurship.

Example template:

Workshop Title	Topic	Format	Length	Intended Audience	Learning or Skill Outcomes
Digital Tools for Growth	Using Canva & Shopify	In-person lab	2 hrs	Creatives & makers	Basic digital literacy for e-commerce in Canva and Shopify; Basic marketing concepts
Building a Scalable Idea"	Lean startup & business model design	In-person class	90 min	Early-stage founders	Learn how to apply lean startup principles to test scalable business ideas and models
Startup Finance Basics	Financial modeling for growth companies	Virtual Class	90 min	Aspiring entrepreneurs	Learn fundamentals of startup cost structures, revenue streams, and break-even analysis
From Prototype to Product	Minimum Viable Product (MVP) development	In-person	2 hrs	Tech entrepreneurs	Learn rapid prototyping techniques and iteration strategies for scalable product launches
Pitch Your Concept	Investor pitching & customer discovery	In-person	90 min	Tech-curious founders	Create and deliver a simple pitch deck for investors

Appendix D: Sample Innovation Grant Agreement

Ecosystem Building Grant Agreement

This Innovation Ecosystem Building Grant agreement, dated [DATE], for purposes of identification, is between the CITY OF SACRAMENTO, a California municipal corporation (the “City”), and [ORGANIZATION] a California non-profit corporation (the “Grantee”).

Background

The [NAME OF GRANT CATEGORY] Grants are part of the City’s annual innovation grant program authorized under the City’s Innovation and Growth Fund Policy, Guidelines, and Procedures (Resolution 2016-0240). The Sacramento Innovation Grant Program (previously RAILS Grant Program) offers up to \$1 million in grants annually from the City’s Innovation and Growth Fund to support the development of Sacramento’s entrepreneurial and innovation ecosystem through “startup enablers” – community-based initiatives and programs that help entrepreneurs take their startup from initial idea to viable company.

The grant program and application are separated into three categories:

- Category A – Entrepreneurship Education and Access;
- Category B – Incubator and Accelerator programs; and
- Category C – Innovation and Investment Readiness.

[NAME OF GRANT CATEGORY AND PURPOSE]. The Grantee applied for, and has been selected by the City to receive, an [NAME OF GRANT CATEGORY] Grant to [PROGRAM DESCRIPTION].

With these background facts in mind, the parties agree as follows:

- 1. Term.** This agreement takes effect as described in section 5 and terminates on [CONTRACT END DATE], subject to early termination under section 8.
- 2. Disbursement of Funds.** The City shall disburse to the grantee a total sum not to exceed \$[GRANT AMOUNT] in accordance with section 3 below. The funds disbursed by the City under this agreement are referred to as “**Grant funds**”. In no instance will the City be liable for any payments or costs in excess of this amount, for any unauthorized or ineligible costs, or for costs incurred after [FUND EXPEND DATE].
- 3. Reimbursement Basis.** The City will make payments to the Grantee in arrears as follows:
 - (a) Progress Payments.** The Grantee may request payment on an as-needed basis, but no more frequently than once a month. To request payment, the Grantee shall provide the City with a Financial Report (in accordance with section 7(a) below) that includes a detailed accounting of costs incurred in sufficient detail for the City, in its opinion, to substantiate the costs. The City will notify the Grantee within fifteen business days following receipt of its Financial Report of any circumstances or data identified by the City that would cause withholding of approval and subsequent payment. The City may request any additional documentation it determines is needed to substantiate any request for reimbursement. The City reserves the right to withhold payment of

unauthorized amounts. The City shall remit payment to Grantee within a reasonable time after invoice approval.

- (b) *Final Payment.* As a condition of receiving final payment under this agreement, the Grantee shall provide the City with (i) a Financial Report covering the period since the Grantee last submitted a payment request, and (ii) the Closeout Report required under section 7(c), below. The City may request any additional documentation it determines is needed to substantiate any request for reimbursement or that is needed to complete the closeout report. The City reserves the right to withhold payment of unauthorized amounts. The City shall remit payment to Grantee within a reasonable time after Closeout Report approval.

4. Authorized Uses. The following terms apply to the Grantee's activities and expenditures related to this agreement:

- (a) The Grantee may expend funds received under this agreement to solely to carry out the activities listed in attachment 1 ("**Authorized Activities**") in accordance with the budget listed in attachment 2 (the "**Approved Budget**"). If a term included in attachment 1 is stated as an obligation, then the Grantee is obligated to perform the term under this agreement.
- (b) The Grantee may expend these funds only during the period between the effective date of this agreement and [FUND EXPEND DATE]. No later than [LAST REPORT DATE], the Grantee shall return all unexpended funds to the City by check payable to the City and delivered to the City at the address shown in section 9.
- (c) The Grantee shall not cumulatively adjust any line-item expenditure in the Approved Budget by more than 10% without the prior written approval of the City. Any line-item adjustment made by the Grantee without the City's prior written approval that either causes the cumulative adjustments for the line item to exceed 10% or is made after the cumulative adjustments for the line item have reached 10% is void. The Grantee shall submit requests for line-item adjustments in accordance with section 9.

5. Separate Accounts. The Grantee shall keep all funds received under this agreement separate from all other funds under its control.

6. Books and Records. During the term of this agreement and for three years thereafter, the Grantee shall keep appropriate books, records, and accounts in connection with the funds received and activities performed under this agreement and is subject to the following:

- (a) The Grantee shall maintain all records related to this agreement in accordance with generally accepted accounting practices, including the following records: (i) general ledger and subsidiary ledgers used to account for the receipt of the grant funds and the disbursements of the grant funds to meet eligible expenses; (ii) budget records for all fiscal years covered by this agreement; (iii) payroll, time records, human resource records to support costs incurred for payroll expenses related to this agreement; (iv)

receipts of purchases made related to this agreement; (v) contracts and subcontracts entered into using the grant funds and all documents related to such contracts; (vi) all documentation of reports, audits, and other monitoring of contractors, subcontractors, the Grantee, and subrecipients; (vii) all documentation supporting the performance outcomes of contracts, subcontracts, grant subaward agreements, and this agreement; (viii) all internal and external email/electronic communications related to use of the grant funds; and (ix) all investigative files and inquiry reports involving payment of the grant funds.

- (b) The Grantee shall make its books, records, and accounts (both those that relate to this agreement and those that do not), employees, performance-related records, property, and equipment related to this agreement available to the City's Accounting Manager (the "**Accounting Manager**"), the City Auditor, and any independent auditor at all reasonable times so that the Accounting Manager, City Auditor, or independent auditor may determine whether the Grantee has complied with this agreement.
- (c) Upon demand by the City, given in accordance with section 9, the Grantee shall reimburse the City for all grant funds that the Accounting Manager, City Auditor, or an independent auditor determines were expended for activities other than Authorized Activities in accordance with this agreement, with reimbursement to be by check payable to the City and delivered to the City at the address shown in section 9.

7. Reports.

- (a) *Financial Reports.* With each payment request, the Grantee shall provide the City a written report that includes all the following: (i) an itemized list of all expenditures of Grant Funds to date, (ii) the amount of any subaward and the name of each subaward recipient; (iii) the names of any contractors paid with Grant Funds and the amount paid; and (iv) any other information the City may request to demonstrate that the Grant Funds are being used solely for Authorized Activities and in accordance with this agreement and all applicable laws (each such report, a "**Financial Report**").
- (b) *Activity Reports.* On a quarterly basis, the grantee shall provide the City with a written report on the progress made on the Authorized Activities that includes: (i) a narrative explanation of the Grantee's progress toward all goals set forth in the Authorized Activities; and (ii) any other information the City may request to demonstrate that the Grant Funds are being used solely for Authorized Activities in accordance with this agreement and all applicable laws.
- (c) *Closeout Report.* The Grantee shall provide a closeout report that includes all of the following by (1) [LAST REPORT DATE], or (2) the 30th day after Grantee completes the Authorized Activities, whichever is earlier: (i) an itemized list of all expenditures of Grant Funds; (ii) the name of each subrecipient of Grant Funds; (iii) the name of each contractor who is paid with Grant Funds; (iv) the amount of each contract for the purchase of goods or services that is paid for in whole or in part with Grant Funds; (v) all information required to be reported under attachment 1; and (vi) and any other

information the City may request to demonstrate that the Grant Funds were used solely for Authorized Activities.

- (d) All reports must include certification by the Grantee that it used the grant funds solely for Authorized Activities.

8. Termination. The City may terminate this agreement if the City Manager determines that:

- (a) Grantee has failed to perform, or has performed unsatisfactorily, any term of this agreement;
- (b) Grantee has made (with or without knowledge) any material misrepresentation of any nature with respect to any information or statements furnished to City in connection with this agreement; or
- (c) There is pending litigation with respect to the performance by Grantee of any of its duties or obligations under this agreement that may materially jeopardize or adversely affect the undertaking of or the carrying out of the Authorized Activities.

9. Notices. Any notice, request, report, or demand under this agreement must be in writing and will be considered properly given and effective only when mailed or delivered in the manner provided by this section 8 to the persons identified below or their successors. A mailed notice, application, request, report, or demand will be effective or will be considered to have been given on the third calendar day after it is deposited in the United States Mail (certified mail and return receipt requested), addressed as set forth below, with postage prepaid. A notice, application, request, report, or demand sent in any other manner will be effective or will be considered properly given when actually delivered. Any party may change its address for these purposes by giving written notice of the change to the other party in the manner provided in this section.

If to the City:

City of Sacramento
Office of Innovation and Economic
Development
915 I Street, Third Floor
Sacramento, California 95814

Attention: [CONTRACT MANAGER]
Email: [MANAGER
EMAIL]@cityofsacramento.org
Phone: 916-808-XXXX

If to the Grantee:

[GRANTEE NAME]
[GRANTEE ADDRESS]
Sacramento, CA [ZIP]

Attention: [GRANTEE CONTACT]
Email: [GRANTEE EMAIL]
Phone: [GRANTEE PHONE]

10. Effective Date. This agreement is effective on the date that both parties have signed it, as indicated by the dates in the signature blocks below.

11. Indemnity. The Grantee shall defend, hold harmless and indemnify the City, its officers and employees, and each and every one of them, from and against any and all actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, costs and expenses of every type and description, including, but not limited to, any fees and/or costs reasonably incurred by the City's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (collectively, "**Liabilities**"), including Liabilities arising from personal injury or death, damage to personal, real or intellectual property or the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way related to this agreement, whether or not (i) such Liabilities are caused in part by a party indemnified hereunder or (ii) such Liabilities are litigated, settled or reduced to judgment, except that the foregoing indemnity does not apply to liability for any damage or expense for death or bodily injury to persons or damage to property to the extent arising from the sole negligence or willful misconduct of the City, its agents, servants, or independent contractors who are directly responsible to City, except when such agents, servants, or independent contractors are under the direct supervision and control of Grantee. The provisions of this section 11 will survive the termination of this agreement.

12. Insurance. During the term of this agreement, the Grantee shall maintain at its sole expense insurance coverage as follows:

- (a) Commercial General Liability Insurance providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury, arising out of activities performed by or on behalf of the Grantee, its contractors, subcontractors, products and completed operations of the Grantee, its contractors, subcontractors, and premises owned, leased, or used by the Grantee, its contractors, subcontractors, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy must provide contractual liability and products and completed operations coverage for the term of the policy.
- (b) The minimum limits of insurance required by section 11(a) may be satisfied by a combination of primary and umbrella or excess insurance coverage; provided that any umbrella or excess insurance must contain, or be endorsed to contain, a provision that it applies on a primary basis for the benefit of the City, and any insurance or self-insurance maintained by the City, its officials, employees, or volunteers is in excess of such umbrella or excess coverage and does not contribute with it.
- (c) The City, its officials, employees, and volunteers must be covered by policy terms or endorsement as additional insureds as respects general liability arising out of: activities performed by or on behalf of the Grantee and its contractors and subcontractors; products and completed operations of the Grantee and its contractors and subcontractors; and premises owned, leased, or used by the Grantee and its contractors and subcontractors.
- (d) The policies must contain, or be endorsed to contain, the following provisions:

- (1) The Grantee's insurance coverage, including excess insurance, is primary insurance as respects the City, its officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees, or volunteers is in excess of the Grantee's insurance and does not contribute with it.
- (2) Any failure to comply with reporting provisions of the policies does not affect coverage provided to the City, its officials, employees, or volunteers.
- (3) Coverage must state that the Grantee's insurance applies separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (4) The City must be provided with 30 days' written notice of cancellation or material change in the policy language or terms.
- (e) Insurance must be placed with insurers with a Bests' rating of not less than A:VI. Self-insured retentions, policy terms, or other variations that do not comply with the requirements of this section 12 must be declared to and approved by the City in writing prior to execution of this agreement.
- (f) The Grantee shall furnish the City with certificates and required endorsements evidencing the insurance required. The certificates and endorsements must be forwarded to the City representative named in section 9. Copies of policies must be delivered to the City on demand. Certificates of insurance must be signed by an authorized representative of the insurance carrier.
- (g) For all insurance policy renewals during the term of this agreement, the Grantee shall send insurance certificates reflecting the policy renewals directly to:

City of Sacramento
c/o EXIGIS LLC
P.O. Box 947
Murrieta, CA 92564

Insurance certificates also may be faxed to (888) 355-3599, or e-mailed to:
certificates-sacramento@riskworks.com

- (h) The City may withdraw its offer of contract or terminate this agreement if the certificates of insurance and endorsements required have not been provided prior to execution of this agreement. The City may withhold payments to the Grantee or terminate the agreement if the insurance is canceled or Grantee otherwise ceases to be insured as required by this section 12.
- (i) Any available insurance proceeds in excess of the specified minimum limits and coverages must be made available to the City.

- (j) The Grantee's liability to the City is not in any way be limited to or affected by the amount of insurance coverage required or carried by Grantee in connection with this agreement.

13. Compliance with all Laws, Requirements, and Orders. The Grantee shall comply with all applicable laws, regulations, orders of public officials, and requirements in connection with this agreement, including all non-discrimination and equal opportunity laws to ensure that Grantee does not deny benefits or services or otherwise discriminate on the basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity).

14. City Recognition. The Grantee shall use the City of Sacramento logos on printed and web-based materials that promote or explain the Authorized Activities, including flyers, programs, and similar materials.

15. Tax Implications and Consequences. The City makes no representations as to the tax consequences associated with the disbursement of funds under this agreement, and any determination related to this issue is the sole responsibility of the Grantee. Grantee acknowledges consulting with its own tax advisors or tax attorneys regarding this transaction or having had an opportunity to do so prior to signing this agreement. Grantee acknowledges the City cannot provide advice regarding the tax consequences or implications of the funds disbursed to Grantee under the terms of this agreement.

16. Conflicts of Interest. Grantee, its officers, directors, employees, agents, and subcontractors shall not have or acquire any interest, directly or indirectly, that creates an actual or apparent conflict with the interests of the City or that in any way hinders Grantee's performance this agreement.

17. Miscellaneous.

- (a) *Assignment.* The Grantee may not assign or otherwise transfer this agreement or any interest in it without the City's written consent, which the City may grant or deny in its sole discretion. An assignment or other transfer made contrary to this section 17(a) is void.
- (b) *Successors and Assigns.* This agreement binds and inures to the benefit of the successors and assigns of the parties. This section 17(b) does not constitute the City's consent to any assignment of this agreement or any interest in this agreement.
- (c) *Interpretation.* This agreement is to be interpreted and applied in accordance with California law. Attachments 1, and 2 are part of this agreement.

- (d) *Waiver of Breach.* A party's failure to insist on strict performance of this agreement or to exercise any right or remedy upon the other party's breach of this agreement will not constitute a waiver of the performance, right, or remedy. A party's waiver of the other party's breach of any term or provision in this agreement is not a continuing waiver or a waiver of any subsequent breach of the same or any other term or provision. A waiver is binding only if set forth in writing and signed by the waiving party.
- (e) *Severability.* If a court with jurisdiction rules that any nonmaterial part of this agreement is invalid, unenforceable, or contrary to law or public policy, then the rest of this agreement remains valid and fully enforceable.
- (f) *Counterparts.* The parties may sign this agreement in counterparts, each of which is considered an original, but all of which constitute the same agreement. Facsimiles, pdfs, and photocopies of signature pages of the agreement have the same binding effect as originals.
- (g) *Electronic signatures.* The parties agree that this agreement may be electronically signed. The parties agree that the electronic signatures appearing on this agreement are the same as handwritten signatures for all purposes.
- (h) *Time of Essence.* Time is of the essence in performing this agreement.
- (i) *Integration and Modification.* This agreement sets forth the parties' entire understanding regarding the matters set forth above and is intended to be their final, complete, and exclusive expression of those matters. It supersedes all prior or contemporaneous agreements, representations, and negotiations—written, oral, express, or implied—and may be modified only by another written agreement signed by both parties.

(Signature Page Follows)

EXHIBIT Z

GRANTEE NONCOMPLIANCE PROCEDURES

This Exhibit Z is incorporated into and made part of the Grant Agreement between the CITY and the GRANTEE. The terms and conditions set forth herein establish the standards, procedures, and consequences that govern GRANTEE noncompliance with the Grant Agreement and applicable CITY policies.

1. Purpose. This Exhibit defines the CITY's rights and the GRANTEE's obligations in the event of noncompliance with the Grant Agreement. The purpose is to ensure accountability, safeguard public funds, and preserve the integrity of CITY-funded programs.

2. Definition of Noncompliance. GRANTEE noncompliance shall include, but is not limited to, the following:

- A. Reporting or Documentation Noncompliance: Late or missing reports, poor documentation practices, or minor invoicing errors.
- B. Financial Mismanagement: Misuse or abuse of funds, weak internal controls, unauthorized spending, unsupported costs, budget deviations without approval, or bankruptcy.
- C. Performance Failures: Failure to meet grant terms, deliverables, timelines, or performance outcomes, failure to address participant eligibility, or program quality issues.
- D. Repeated or Unresolved Audit Findings: Pattern of adverse findings, failure to implement corrective actions, or disregard for prior audit or monitoring recommendations.
- E. Legal or Regulatory Violations: Violations of grant-related laws or requirements (e.g., OMB Uniform Guidance, civil rights, environmental laws, drug-free workplace rules, etc.).
- F. Fraud and Criminal Conduct: Submitting false information, willful misrepresentation, forgery, bribery, falsification of records, procurement fraud, embezzlement, or criminal convictions related to public funds.
- G. Ethics Violations or Conflicts of Interest: Kickbacks, having an interest that conflicts with the interests of the City or that may impair the grantee's ability to perform obligations under the grant agreement, or violations of public trust.
- H. Suspension, Debarment, or Bankruptcy: Active debarment/suspension by any government entity, or bankruptcy affecting the ability to perform grant obligations.

3. Classification of Noncompliance Severity. The CITY shall classify noncompliance into four (4) severity levels:

- A. Level 1 – Minor: Isolated administrative errors with limited impact, including:
 - (1) Reporting or Documentation Noncompliance.

- B. Level 2 – Moderate: Repeated issues or risks to performance or compliance, including:
 - (1) Reporting or Documentation Noncompliance;
 - (2) Financial Mismanagement;
 - (3) Performance Failures;
 - (4) Repeated or Unresolved Audit Findings; or
 - (5) Legal or Regulatory Violation.

- C. Level 3 – Major: Serious misconduct or operational breakdowns, including:
 - (1) Financial Mismanagement;
 - (2) Performance Failures;
 - (3) Repeated or Unresolved Audit Findings;
 - (4) Legal or Regulatory Violations;
 - (5) Ethics Violations or Conflicts of Interest; or
 - (6) Suspension, Debarment, or Bankruptcy.

- D. Level 4 – Severe: Fraud, criminal conduct, or violations of public trust, including:
 - (1) Legal or Regulatory Violations;
 - (2) Fraud and Criminal Conduct;
 - (3) Ethics Violations or Conflicts of Interest; or
 - (4) Suspension, Debarment, or Bankruptcy.

4. Letter of Noncompliance. Upon identifying noncompliance, the CITY may issue a Letter of Noncompliance, which shall include:

- A. A description of the violation(s);
- B. The specific corrective actions required;
- C. A deadline for submission of a written Corrective Action Response Plan (not to exceed thirty (30) calendar days); and,
- D. A notice that failure to respond may result in suspension or termination of funding.

For Level 3 and 4 violations, the CITY may, in its sole discretion, initiate immediate suspension without offering an opportunity to cure.

5. Corrective Action Process.

- A. Upon receipt of a Letter of Noncompliance, the GRANTEE shall respond in writing with a Corrective Action Response Plan within thirty (30) calendar days that includes:
 - (1) Specific actions taken or proposed to achieve compliance;
 - (2) A timeline for implementation; and,
 - (3) A designated point of contact for follow-up.

- B. The CITY shall review the GRANTEE's response within fifteen (15) business days and, in its sole discretion, may:
 - (1) Approve the plan;
 - (2) Request revisions; or
 - (3) Reject the plan and impose additional sanctions.
- C. The CITY shall not disburse any new payments to GRANTEE until it approves the Corrective Action Response Plan.

6. Sanctions and Suspension. If the GRANTEE fails to cure the violation, or if the violation is sufficiently serious, the CITY may impose any of the following sanctions, proportionate to the severity level:

- A. Level 1 – Minor: Enhanced oversight or monitoring, CITY-provided technical assistance.
- B. Level 2 – Moderate: Enhanced oversight or monitoring, CITY-provided technical assistance and repayment of any grant funds used for unauthorized expenditures.
- C. Level 3 – Major: GRANTEE-provided technical assistance, suspension of all active grant agreements with CITY, repayment of any grant funds used for unauthorized expenditures, audit by a third-party at Grantee's expense, two-year suspension from future CITY grant eligibility.
- D. Level 4 – Severe: Immediate termination of grant agreement, repayment of all grant funds disbursed by CITY, audit by a third-party at Grantee's expense, and five-year suspension from future CITY grant eligibility.

7. Suspension Notice and Consequences.

- A. The CITY shall issue a written Suspension Notice to the GRANTEE when, in the City's sole discretion:
 - (1) The GRANTEE has failed to respond to a Letter of Noncompliance within the required timeframe;
 - (2) The GRANTEE has submitted a Corrective Action Response Plan that is determined to be incomplete or insufficient, or Grantee fails to implement a Corrective Action Response Plan in a timely manner;
 - (3) The GRANTEE has engaged in conduct classified as a Level 3 (Major) or Level 4 (Severe) violation;
 - (4) The violation cannot be reasonably remedied through corrective action (e.g., repeated or willful misuse of funds, fraudulent reporting, or failure to deliver core services); or
 - (5) The GRANTEE's continued participation in City-funded programs would pose a significant risk to public funds or program integrity.
- B. The Suspension Notice shall include:

- (1) The nature and severity level of the violation.
- (2) The duration of the suspension.
- (3) Any conditions required for reinstatement.
- (4) The GRANTEE's right to appeal within fifteen (15) business days.

C. During the suspension period, the GRANTEE:

- (1) Shall not be eligible to apply for or receive CITY grant funds.
- (2) Shall have any pending or in-progress grant applications withdrawn.
- (3) Shall be listed as ineligible in the CITY's Grants Management System.

8. Appeals and Reinstatement

- A. A GRANTEE may appeal a suspension or request for reinstatement after the suspension period or upon satisfying reinstatement conditions.
- B. Appeals shall be in writing and directed to the City Manager, and must include:
 - (1) A written statement of appeal grounds;
 - (2) Supporting documentation; and
 - (3) Any evidence of corrective measures taken.
- D. The CITY shall review appeals within thirty (30) calendar days. All determinations are final and not subject to further administrative review.

9. Incorporation by Reference. The GRANTEE acknowledges that compliance with this Exhibit is a material term of the Grant Agreement. Failure to comply may result in termination of the Grant Agreement and recovery of funds.

Attachment 1

Authorized Activities

The Grantee shall use the grant funds solely to do the following:

1. Overview.

The Grantee shall implement an accelerator program to help companies scale with expert mentorship, financial literacy training, and e-commerce tools, building sustainable, local businesses primed for growth. (the “**Program**”).

Program features include:

- Provide one cohort of 4-5 micro-manufacturing businesses with one-on-one technical assistance to develop and work toward individual business goals;
- Digital assets, marketing, branding, and public relations services for participants;
- Training on minimum viable product, market fit, methods of growth, and raising capital; and
- Connections to potential investors and capital opportunities.

2. Eligibility Requirements. The Grantee shall provide the Program only to individuals who are company founders or community members who are entrepreneurs or potential entrepreneurs (each of these individuals, a “Participant”).

(a) 90% of Participants must reside or have a business address within the Sacramento city limits; and

(b) Up to 10% of Participants may reside or have a business address within the six-county Sacramento region (El Dorado, Placer, Sacramento, Sutter, Yolo and Yuba).

- 3. Performance Term.** The Grantee shall perform the Authorized Activities of this attachment between the effective date of this agreement and [FUND EXPEND DATE]. The Grantee will also have the period until [LAST REPORT DATE] to prepare and submit the Closeout Report.
- 4. Program Location.** The Grantee shall host all in-person authorized activities within the city limits of the City of Sacramento.
- 5. Authorized Activities.** [Description of the overarching activities that will be conducted for the project].
- 6. Outcomes.** [Desired outcomes or goals of the Project].
- 7. Key Performance Indicators.** [Required metrics to measure success of the Project]

Attachment 2
Budget Narrative and Table

[See Appendix B]