

Business Highlight





Surf City Small Business Digital Grant Program

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How to Help Small Businesses Grow in 2026

KEY FINDINGS

- **Customer Acquisition:** The top operational challenge for small businesses is reaching new customers and growing sales.
- **Financial Pressures:** Businesses are grappling with rising costs, uneven cash flow, and limited access to affordable funding.
- **Workforce Issues:** Hiring and retaining qualified staff remains a significant challenge for many businesses.
- **Marketing Gaps:** Nearly 20% of businesses do not engage in marketing, limiting their ability to grow and compete.

Top interests for 2026 business growth:

- Marketing strategy
- AI
- Financing to grow/scale
- Contracting
- E-Commerce

Biggest needs for 2026:

- Marketing
- Increase sales
- Increase clients
- Capital
- Equipment

**2025 OCIE SBDC Survey (1,200+ responses) identified key small business challenges across Orange, Riverside, and San Bernardino counties and informs targeted support efforts.*

Supporting Business Retention & Growth

Responds to local business challenges:

- Customer acquisition
- Digital visibility in an increasingly online marketplace

Helps brick-and-mortar businesses:

- Compete more effectively online
- Drive foot traffic and increase sales
- Strengthen long-term sustainability

Advances the City's **Economic Development Strategic Plan:**

- Business retention
- Small business support
- Stronger commercial corridors

Targeted, measurable investment supporting:

- Long-term business retention
- Local sales tax generation



Program Overview

- Partnership with OCIE SBDC
- Three-week digital marketing program for 15 Huntington Beach brick-and-mortar businesses
- Combines:
 - Group training sessions
 - One-on-one SBDC advising
 - Hands-on instruction in Google and social media marketing
- Development of a customized paid digital advertising campaign
- \$1,000 grant per participant to implement the campaign
 - Total City investment \$15,000
 - Funded through existing Economic Development budget
- Designed to increase online visibility,



Eligibility & Selection

- Huntington Beach brick-and-mortar business
- Active City business license in good standing
- 2–25 full-time equivalent employees (including owner) focused on small growth-oriented businesses
- Applications reviewed for eligibility and completeness
- Lottery selection if demand exceeds available funding

How many employees do businesses in Huntington Beach have?



Data Source: Applied Geographic Solutions and FT Locations 2024, TaxFoundation.Org 2021 and FT Locations research.

Recommendation

- Approve the Surf City Small Business Digital Grant Program
- Authorize the City Manager to execute up to 15 grant agreements
- Direct staff to administer and implement the program

CITY OF HUNTINGTON BEACH

Surf City Small Business Digital Grant Program Agreement

THIS CITY OF HUNTINGTON BEACH'S SURF CITY SMALL BUSINESS DIGITAL GRANT PROGRAM AGREEMENT (the "Grant Agreement") is made and entered by and between **The City of Huntington Beach**, a California municipal corporation ("City") and _____ [Name of Business Grantee], a _____ [type of entity] ("Grantee"), with respect to the following:

- A. City has partnered with the Small Business Development Center (SBDC) to implement the SURF CITY SMALL BUSINESS DIGITAL GRANT PROGRAM, which will provide skills and funding to small businesses.
- B. City has approved the SURF CITY SMALL BUSINESS DIGITAL GRANT PROGRAM (the "Program Guidelines"), which are incorporated herein by this reference, governing the provision of grants to qualifying small businesses in the City.
- C. Grantee has applied to receive a grant from the City pursuant to SURF CITY SMALL BUSINESS DIGITAL GRANT PROGRAM.
- D. City has agreed to award the grant described in this Grant Agreement on the terms and conditions set forth in this Grant Agreement and the requirements of state and federal law

Questions?

