

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.

NOW, THEREFORE, in consideration of the covenants and agreements of the parties set forth in this Grant Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows.

1. **REPRESENTATIONS AND WARRANTIES.** Grantee hereby represents and warrants to City that Grantee has read and is familiar with all of the terms, conditions, and provisions of the Program Guidelines and this Agreement, and based thereon, Grantee represents and warrants that:
 - It is a for-profit business and is physically located in Huntington Beach;
 - The business has a current City of Huntington Beach business license on file;
 - As of January 1, 2026 it has a minimum of at least two (2) employees – including the owner and does not exceed a maximum total of twenty-five (25) full-time equivalent employees;
 - It is in good standing with the City (current on tax bills, no citations, no liens or judgments, etc.);
 - It has not been suspended or debarred or otherwise excluded from receiving federal funding; and,
 - It understands the grant is distributed, contingent upon and will be only, after attending a mandatory three-week training program and meeting with a SBDC consultant one-on-one.

2. **GRANTEE'S COVENANTS.** Grantee covenants and agrees, during the term of this Grant Agreement, to perform all the acts and promises set forth in this Agreement including:
 - (a) Program Requirements. Grantee has read and shall comply with all of the Program Requirements. This includes, but is not limited to, the requirements outlined in the Program Guidelines and this Grant Agreement. Further, Grantee shall comply with all applicable state, federal, and local laws.
 - (b) Further Assurances. Grantee agrees to execute such other and further documents as may from time-to-time in the reasonable opinion of City be necessary to perfect, confirm, establish, reestablish, continue, or complete the purposes and intentions of this Grant Agreement.
 - (c) Other Agreements. Grantee shall not enter into any agreement containing any provision that would be violated or breached by the performance of its obligations under this Grant Agreement.
3. **SELF-CERTIFICATION AND RECORDS RETENTION.** As a condition precedent to all duties and obligations of City under this Grant Agreement, Grantee shall deliver to City any documents that the City may reasonably require, including such documents necessary to satisfy the Program Requirements.
4. **ELIGIBLE ACTIVITIES.** Eligible activities for the use of funds are to cover expenses for paid online advertising ("Eligible Expenses"). Any use of funding other than that to support the business is strictly prohibited.

The following is a nonexclusive list of expenditures that shall not constitute Eligible Expenses payable from the Grant Funds:

- (a) Rent or mortgage expense.
- (b) Utilities.
- (c) Payroll and benefit costs.
- (d) Inventory.
- (e) Business planning.
- (f) Personal protective equipment
- (g) Operational expenses for the business
- (h) Damages covered by insurance.
- (i) Expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act or contributions by States to State unemployment funds.
- (j) Reimbursement to donors for donated items or services.
- (k) Workforce bonuses other than hazard pay or overtime.
- (l) Severance pay.
- (m) Legal expenses or settlements.
- (n) Debt service or loan repayment.

Any expenditure not set forth above must be approved by the City in writing.

5. **GRANT AMOUNT.** The City hereby awards Grantee a grant in the maximum, not-to-exceed amount of ONE THOUSAND DOLLARS (\$1,000) (“Grant Funds”) to pay the costs of Grantee’s Eligible Expenses. The Grant Funds will be disbursed by the City upon the Grantee attending three (3) mandatory virtual training sessions and one (1) one-on-one consultation.

6. **EVENTS OF DEFAULT.** The matters described in Sections 6.1–6.3 shall constitute Events of Default and shall entitle City to exercise the rights and remedies under Section 7.

6.1. **Failure of Warranty or Representation to be True.** The failure of any representation or warranty provided by Grantee to be materially true.

6.2. **Violation Covenants.** Grantee’s failure to perform, or violation of, any of the covenants provided in Section 2.

6.3. **Default Under Grant Agreement.** Grantee’s breach of any of the material terms, covenants, or conditions set forth in this Grant Agreement.

7. **REMEDIES.**

7.1. **City’s Specific Rights and Remedies.** On the happening of any Event of Default, City, in addition to any and all rights provided by law or equity, may:

- (a) Demand repayment of the Grant Funds, with interest at the legal rate;
- (b) File suit against Grantee; and
- (c) Exercise all other rights and remedies provided by this Grant Agreement or state or federal law.

7.2. **Collection Costs.** If suit or action is instituted to enforce any of the terms of this Grant Agreement, the prevailing party shall not be entitled to recover from the other party its attorney fees and costs in addition to all other sums provided by law.

7.3. **Notice of Default.** City shall provide Grantee with thirty (30) calendar days’ prior written notice and an opportunity to cure any other act or omission constituting an Event of Default. Notwithstanding anything to the contrary stated herein.

8. **REPORTS AND RECORDS.** Eligible Expenses are considered necessary expenditures related to paid online advertising.

Grantee shall keep such books, receipts, purchase orders, and similar documentation evidencing use of the Grant Funds, and such other records as the City may reasonably request to evaluate Grantee’s compliance with this Grant Agreement. Grantee shall make available to City and/or their representatives during normal business hours of City all such records pertaining to the use of funds provided under this Agreement for inspection, including the right to copy, audit and make records and transcripts from such records. If upon auditing by

the City, it is determined the Grantee did not expend the funds consistent with the Eligible Expenses, it may constitute an Event of Default and, as such, the City may exercise all Remedies identified in Section 7.1. Grantee is required to retain the records described herein through December 31, 2029 following the execution of this Grant Agreement by the City Manager (or designee); the provisions of this section shall survive the termination of this Grant Agreement.

9. GENERAL PROVISIONS.

9.1. Notices. Any notice under the Grant Agreement shall be in writing, without implying the obligation to provide such notice. Any notice to be given or document to be delivered under the Grant Agreement shall be deemed to have been duly received on (a) delivery, if delivered in person or by any expedited delivery service that provides proof of delivery; or (b) the 5th City business day after mailing, if mailed by certified mail, return receipt requested, postage prepaid, addressed to City or Grantee at the appropriate addresses. The addresses for notices are those set forth below or such other addresses as may be hereafter specified by written notice by the parties:

If to City: The City of Huntington Beach
 2000 Main Street
 Huntington Beach, CA 92648
 Attn: Christopher Kennedy

If to Grantee: [Grantee's name and address]

Attn: _____

9.2. Indemnity. Grantee agrees to protect, defend, and hold harmless the City and its elective or appointive boards, officials, officers, agents, employees, and volunteers from any and all claims, liabilities, expenses or damages of any nature, including attorney's fees, for injury or death of any person, damage to property, interference with the use of property and any other monetary damage claims, arising out of, or in any way connected with performance of this Grant Agreement by Grantee, Grantee's agents, officers or employees, subcontractors, or independent contractors. The provisions of this section shall survive the termination of this Grant Agreement.

9.3. Counterparts. This Grant Agreement may be executed in multiple counterparts, all of which together shall constitute one instrument.

10. **TERM.** This Grant Agreement is effective upon executed by the City Manager (or designee) and shall continue therefrom for a term of one (1) calendar year.

IN WITNESS WHEREOF, Grantee and City have executed this Grant Agreement as of the dates written below.

GRANTEE,

CITY OF HUNTINGTON BEACH, a
municipal corporation of the State of
California

By: _____

City Manager

Name: _____

Its: _____

City Clerk

Date: _____

APPROVED AS TO FORM:

City Attorney

Paul

Surf City Small Business Digital Grant Program

Program Description and Guidelines



City of Huntington Beach

Program Overview

About the Program

The City of Huntington Beach is offering a three-week Surf City Small Business Digital Grant Program in partnership with the Orange County-Inland Empire Small Business Development Center (“SBDC”). The SBDC serves as a resource for entrepreneurs and small business owners throughout the country by providing consulting services, business plan development, financial plan guidance, and more. The Surf City Small Business Digital Grant Program will provide training and funding to brick-and-mortar commercial businesses, physically located in Huntington Beach (collectively, “Business or Businesses”) seeking to increase their social media presence and improve their digital marketing strategies. All eligible Businesses are invited to apply.

The Surf City Small Business Digital Grant Program is comprised of two virtual sessions and one in person group training session supplemented by one-on-one consulting session with the theme of “Creating a Digital Presence”. The program is based on the availability of funds, program guidelines, and submission of all required information and supporting documentation. Businesses with a minimum of two employees – which may also include owner, -- and a maximum of twenty-five employees (full or full-time equivalent combination) may be eligible to receive a digital marketing grant of one thousand dollars (\$1,000). The grant must be used for a paid digital/online advertising campaign following the conclusion of the program, developed during the training program and in conjunction with an SBDC consultant.

Funding Availability

The City’s Economic Development Division will be responsible for oversight of the Surf City Small Business Digital Grant Program, and the disbursement of funds will take place through the City’s Finance Department. The SBDC, the City’s partner, will be responsible for program administration, application processing, underwriting, training, and for the review and approval of financial and business documentation for disbursement. The SBDC may also be asked to provide the City with regular updates regarding the program’s implementation. City staff are obligated to fulfill the terms and conditions of the funds as established by the City Council, these program guidelines, and Federal, State, and local rules and regulations.

Program Description

The SBDC created a virtual training program aimed at assisting Businesses with “Creating a Digital Presence” for their business. Each Business will learn how to set-up an online profile through Google, will reach out to customers for a Google review and will learn how to create and send Facebook or Instagram posts. The program will highlight how to use paid and non-paid advertising to generate leads that turn into sales and/or increased community awareness. The program will culminate with Businesses receiving a small grant to put towards digital/online advertising that will generate customer traffic and/or community awareness. The program will consist of building a digital presence over three weeks. All sessions will take place in a group format and will be coupled with individual one-on-one consulting with SBDC consultants. The program will be conducted in English only.

The training program will cover the following topics:

All about Google

- Understanding how customers find you in a digital world
- Why Google?
- Creating your own Google profile

Reaching my Audience through Facebook (FB) and Instagram (IG)

- How to use social media, specifically Facebook and Instagram
- Capturing pictures and video
- Creating a successful: call to action

My First Facebook/Instagram (FB/IG) Post

- How to post a video or picture to Facebook or Instagram
- Each Business will post their video/picture
- How to attract a fan base to social media
- Creating a successful social media campaign that increases sales

Advertising on Social Media

- Different types of advertising campaigns on Facebook and Instagram
- What is the cost to run an ad campaign? How much should you spend?
- What should you be measuring?
- What goes in a FB/IG ad campaign
- Are Twitter and Tik Tok a good option for your Business?

Setting up the FB/IG Campaign

- Let's put together and launch your FB/IG Campaign
- What are you offering (Call to action and image/video)?
- Who are you targeting?
- Which Keywords are you using?
- What is your goal?
- How much are you spending?

Wrap-up: Utilizing Grant for Paid Digital/Online Advertising – Measuring and Tracking

Each Business will be assigned an SBDC business consultant to assist them with their paid advertising platform. The SBDC consultant will provide one-on-one assistance, customized to each Business' needs. The SBDC will continue to work with each client through the program and beyond. Every quarter, the SBDC will track and measure the success of each Business as they deploy their marketing campaigns. The SBDC will track change in sales, jobs created and/or increase in customer traffic.

City Reserved Rights

The City reserves the unqualified right, in its sole and absolute discretion at any time: (1) to amend or terminate this program with no recourse for any proposing applicant; (2) to choose or reject any or all applications received in response to this program; (3) to modify the application deadlines; (4)

to request additional information of the applicants as deemed necessary and appropriate by the City; (5) to conduct further due diligence with applicants or any third party; (6) to modify the City's objectives or the scope of the program; (7) to modify program requirements, general terms and conditions, or eligible activities; and/or (8) to disqualify any proposing applicant on the basis of any real or perceived conflict of interest that is disclosed or revealed by materials submitted or by any data available to the City.

Eligibility

Eligibility for the Surf City Small Business Digital Grant Program is limited to businesses that meet criteria established by the City of Huntington Beach.

*General Terms and Conditions**

- Must be a brick-and-mortar commercial business, physically located in Huntington Beach;
- Must have a current City of Huntington Beach business license on file.
- Cannabis-related businesses, gambling facilities, adult entertainment businesses, massage parlors, non-profits, and largely cash-based businesses are not eligible;
- Residential or real estate projects including short-term rental operators are also not eligible;
- As of January 1, 2026, must have at least a minimum of two employees –which may also include the owner - and no more than twenty-five full-time equivalent employees (two part-time employees equal one full-time employee);
- Must be in good standing with the City (current on bills, no liens or judgements, etc.);
- Must be in compliance with any City permit or license requirements applicable to the Business;
- Must submit the application and all required supporting documentation.

* City employees and elected and appointed officials are not eligible to participate in this program.

Eligible Activities

The funds must be used to develop a paid digital/online advertising campaign for the purpose of increasing the Business's social media presence. This advertising campaign will be developed during the program and in conjunction with an SBDC business consultant. Each applicant will need to sign and verify that the use of funds will be spent on a paid advertising campaign, such as expressed above. In addition, the applicant must attend the virtual Surf City Small Business Digital Grant Program sessions to receive these funds. Any use of funding other than for paid advertising is strictly prohibited.

In addition, the applicant cannot use these funds for paid advertising costs that have been or will be reimbursed or recovered through other funding programs.

Equal Opportunity Policy

The City of Huntington Beach and the SBDC shall not discriminate upon the basis of sex, age, race, creed, color, religion, national origin, marital status, ancestry, or physical handicap in accepting applications and processing program application.

Application Process

Application

The Surf City Small Business Digital Grant Program application includes information about the Business, the number of employees, location of the business, and amount of time in business. The application and Grant Agreement will require the following Attestations:

- The Business must be a brick-and-mortar commercial business, physically located in Huntington Beach, with a current City of Huntington Beach business license on file.
- The Business understands the grant is distributed as part of a three-week digital marketing training program.
- As of January 1, 2026, the Business must have at least a minimum of two employees –which may also include the owner - and no more than twenty-five full-time equivalent employees (two part-time employees equal one full-time employee).

Application Period

The program application will be available at **8:00 AM** on _____, **2026**. Applicants must apply for the training program by visiting www.hbbiz.com and submitting the application online.

Applications must be submitted online and will only be accepted from **8:00 AM**, _____, **2026**, to **11:59 PM**, _____, **2026**. Applications received online after this due date and time will be considered late and will not be accepted.

The City will disburse fifteen \$1,000 grants, a total of \$15,000, to fifteen eligible Businesses. Applications will be reviewed on a first-come first-serve basis and will be vetted by both the SBDC and the City of Huntington Beach in order to ensure that applicants meet the outlined requirements. The City anticipates the number of applications will exceed the amount of funding available for disbursement. As a result, the City will implement a lottery system for all eligible Businesses if necessary.

Documentation Requirements

Upon pre-approval and selection for the program, Businesses will be required to submit the following documents by _____, **2026 at 5 PM**, for review and verification to receive the grant:

- Business License; and,
- Current W-9.

In addition, the SBDC will provide the selected Businesses with the following documents to complete and submit by _____, **2026**:

- A signed Huntington Beach Small Business Grant Agreement.

At the end of the calendar year, the City will contact each Business to request a copy of its 1099-G. Although selection is not guaranteed, Businesses should begin to collect the required documentation

in order to expedite the approval process in the event they are selected.

Grant Review and Approval Process

Review

The application will be reviewed by the SBDC to determine application completeness and preliminary eligibility. **The application must be complete by the application submittal deadline date of 11:59 PM, _____, 2026**

Lottery

The City of Huntington Beach is expecting the Surf City Small Business Digital Grant Program to have a large number of applications. If the number of applications far exceeds the amount of funding that is available for disbursement, the City will implement an internal lottery system for all eligible Businesses. Once applications and eligibility have been approved, they will be assigned a number and entered into a lottery. This is an internal process that will not be open for public viewing. Applicants will be notified of lottery status. Program participants selected in the lottery will be contacted by email, phone, and/or letter **starting _____, 2026.**

Verification and Eligibility Determination

Upon pre-approval and selection, the SBDC shall request the applicant submit all required documentation for review and verification for grant approval. The SBDC will assign a consultant to work with each individual grantee to assist with completing all required documentation. Grantees documentation will be submitted directly to SBDC on a secured site. If the grant request meets the criteria for program funding, all required documentation **must be _____, 2026, by 5:00 PM to remain eligible.**

Grant Disbursement

Grant funds will be disbursed upon submission of all required documentation and successful completion of the program requirements, including one-on-one consulting, virtual training sessions, and the in-person training. The City will issue the grant in a single disbursement. **All grant funds shall be expended on a digital/online paid advertising campaign.**

Grant Report

The Business recipient shall keep documentation evidencing use of the Grant Funds. The City and/or the SBDC may request to evaluate the Business' compliance with the Grant program. If it is determined the Business did not expend the funds consistent with the program guidelines, it may constitute an Event of Default under the Grant Agreement.

Post Grant Follow Up

The City's Finance Department will contact each business for the provision of a 1099-G at the end of the calendar year.

The SBDC will continue to work one-on-one with each grantee, throughout the next twelve months. If contacted by the City or SBDC, all awardees will be required to update the City on their Business and if additional employees have been hired or employees retained. A twelve-month report will be created by the SBDC and the City of Huntington Beach, to document the success of the program. By acceptance of the grant, the Business agrees to comply with City information requests that may include use of photos or business logos. In addition, participating Businesses may be invited to a City Council meeting following the conclusion of the Surf City Small Business Digital Grant Program in order to be recognized.

Contact Information

For additional information regarding the Surf City Small Business Digital Grant Program, please contact the following:

City of Huntington Beach
Economic Development Division
Christopher Kennedy
Economic Development Project Manager
2000 Main Street
Huntington Beach, CA 92648
(714) 375-5186
christopher.kennedy@surfcity-hb.org

For questions about the guidelines and application or assistance in completing the application and to set up a one-on-one consultation (at no cost), please contact the SBDC at:

Manal Richa,
Director
CSUF SBDC
15375 Barranca Parkway, Suite A111
Irvine, CA 92618
(657) 256-3874 office
Manal.Richa@ociesbdc.com