SUTL Innovation Grants Overview

Guiding Principles

The City of Sacramento's SUTL Innovation Grant Program is designed to catalyze innovation in the startup community and prepare Sacramento for the industries of the future.

Introduction

On June 21, 2016, the Sacramento City Council adopted the Innovation and Growth Fund Policy and Guidelines to create new programs that **expand the startup pipeline and engage the innovation ecosystem**. In doing so, the council unanimously approved a framework for an innovation grant program.

These grants offer up to $1 million in grants annually 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.

Originally named the Rapid Acceleration, Innovation and Leadership in Sacramento Grant Program, each cycle has built on feedback from the last and has shaped the way the third cycle of this grant program will operate. Beginning in the 2018 application cycle, startups focused on advancing key industry verticals through the Sacramento Urban Technology Lab (SUTL) framework were eligible to apply to the program. Concurrent with the 2018/19 grant cycle, an evaluator was brought on to provide key recommendations in how the program should operate going forward. Such recommendations included:

- Change the program name to be clear about objectives
- Change grant categories to "tiers" and make them clear
- Select a "focus" for multiple years so applicants can know what to expect

From these recommendations, the grant program was reframed as the SUTL Innovation Grant Program and application categories were separated out into 3 distinct processes.

- Ecosystem Building Grants - designed to **build pipelines to specific industries for startups and individuals in Sacramento**. Grants awarded in will go toward **establishing or expanding programming to build or strengthen these pipelines**.
- SUTL Ecosystem Marketing - consists of three discrete solicitations along with their respective scopes of work - SUTL Grant Program Documentation, National Marketing Strategy for Scaleup Growth Competition, Co-Working Marketing Grants
- Scaleup Sacramento Competition - designed to **help high-growth scale-ups locate and grow in Sacramento**. Grants awarded will go toward **determining a scaleup's fit in the Sacramento community**.

Sacramento Urban Technology Lab (SUTL)

SUTL embodies the "Triple Helix" model of economic innovation, where government, academia, and industry collaborate to transform Sacramento into a "living laboratory" for entrepreneurs, advanced technology businesses, and academic institutions to test, develop, and scale their ideas, products, and

services. By actively supporting technology development and demonstration throughout Sacramento, SUTL will help grow the City's existing base of high-tech workers, business incubators, and early-stage technology businesses, and encourage established technology firms and research partners to test new technologies in a live city environment. Just as important, the SUTL framework aligns the City's innovation and economic development efforts with the imperative to accelerate quality of life improvements for all residents.

Industry Focus

For the next three annual grant cycles (beginning in 2020 and ending in 2022), the SUTL Grant program will focus on building out the Internet of Things (IoT) and Cybersecurity, Mobility, and Health IT and Life Sciences verticals in the SUTL framework. This includes direct financial support from the City toward programming, training, and infrastructure needs for the startup community within these verticals.

Eligibility

- Public agencies (including public educational institutions) are ineligible for funding under this program
- Projects must be located in the City of Sacramento
  - Organizations with a domicile outside city limits are eligible if grant-supported programming is located within the city
- Previous RAILS grant recipients are eligible for funding under this program
- Applicants must have the capacity to implement the funded activities
- Applicants must meet City insurance requirements
- Applicants must be in good standing with the City of Sacramento

Innovation & Growth Fund Policy Guidelines

Funds awarded must advance economic development projects and programs that result in at least one of the following:

1. **Create Jobs**: Projects and programs that create or retain permanent jobs
2. **Make it Easier to Conduct Business:** Projects and programs that decrease or eliminate barriers for businesses to operate in the City
3. **Leverage Funds with other Private or Public Funds:** The Fund will fill financial gaps in projects and programs
4. **Increase Revenue to the City:** Projects and programs using Fund resources that directly or indirectly increase short-term City revenue or long-term revenue potential
5. **Accelerate Growth:** Projects and programs that promote the formation and growth of businesses that engage in the commercialization of innovative research and products, or promote emerging industries
6. **Encourage Diversity:** Projects and programs that encourage diversity and inclusion in the innovation community

Pre-Screening Factors

- Proven track record

- Clear actionable plans that achieve program objectives
- Fills an industry gap or local market need
- City funds would be "catalytic" to project implementation
- Value to the Sacramento innovation ecosystem
- Stated, realistic program deliverables and metrics
- Application completeness

Scoring Criteria
1. Potential Impact
2. Equity and Inclusion
3. Investment Leveraged and Financial Sustainability
4. Community Partnerships and collaboration