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## **Report to Economic Development Sub-Committee**

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**TO:** Economic Development Subcommittee

**FROM:** Mike Lee, City Manager/Economic Development Director

**AGENDA DATE:** September 12, 2023

**TITLE:** GENER8TOR MUSIC PARTNERSHIP –  
MEMORANDUM OF UNDERSTANDING

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### **RECOMMENDED ACTION**

1. Approve the Memorandum of Understanding (MOU) between the City of Moreno Valley and gener8tor Music, for establishing a partnership that will seek funding to build up to three accelerator skills programs at the Moreno Valley Business and Employment Resource Center (BERC).
2. Authorize staff to execute the MOU as to form all necessary documents with the gener8tor Music.

### **SUMMARY**

MOU with gener8tor Music outlines the duties and responsibilities agreed upon to offer support for artistic entrepreneurs and those seeking careers in the music industry through one-on-one consulting, technical assistance, workshops, and other programs.

### **DISCUSSION**

Moreno Valley is a growing community with over 217,000 population and 4,500 businesses. The Economic Development Department partners with key organizations to provide technical assistance workshops and free one-on-one consulting to both Moreno Valley businesses and job seekers to ensure that they have access to the resources needed to start and grow prosperous businesses and advance their careers. These services are offered for free under the umbrella of the Hire MoVal initiative and Moreno Valley Business & Employment Resource Center (BERC) services.

Entrepreneurship is an area of expansion for BERC services. To ensure the Moreno Valley community has access to the best resources, the Economic Development staff proposes a partnership with gener8tor Music. Gener8tor provides three accelerator models focusing on entrepreneurial business skills as well as skills to work in the music industry. Each of these programs has already been developed in 41 cities across 22 states.

Through this partnership, the BERC and gener8tor Music will seek funding and build together the region's first music-based accelerator that cultivates future entrepreneurs and assists the local workforce with securing high-quality jobs in the music industry and digital economy. These programs will do so at no cost to the participants and help to foster local entrepreneurs with access to start-up capital.

Entering such a partnership will allow Economic Development staff to leverage resources to help new and established entrepreneurs grow locally.

Gener8tor Music agrees to support Moreno Valley entrepreneurship by providing:

1. Design the curriculum and structure for the accelerator programs (gBETA Accelerator, gener8tor Skills Accelerator, and gener8tor Music Accelerator).
2. Seek funding opportunities.
3. Hire and supervise staff to administer the accelerator programs at the BERC.
4. Recruit and manage program participants.
5. Manage and administer costs associated with program models.
6. Coordinate with CITY staff about facility and program needs.
7. Collaborate with CITY staff for future programming opportunities at the BERC.

The City agrees to support these programs by:

1. Support and actively seek grants and funding opportunities.
2. Provide and manage office space for accelerator staff at the BERC.
3. Serve as a liaison between GENER8TOR, regional America's Job Center of California (AJCC) Partners, and the Moreno Valley business community.
4. Utilize CITY and BERC marketing and promotion channels to promote the accelerator programs.
5. Assist with the recruitment of program participants.
6. Contribute and consult on the creation of program rollout and future curriculum.

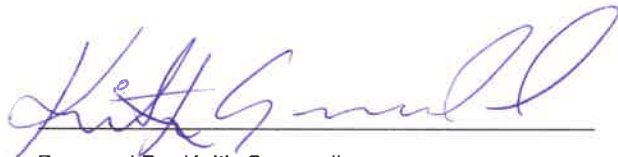
**FISCAL ANALYSIS**

Zero annual cost unless grant funding is secured.

Each accelerator is estimated to cost between \$350,000 and \$400,000 with a maximum annual cost of \$1,050,000 if all three accelerators operate simultaneously.

**ATTACHMENTS**

MOU between City and gener8tor Music for BERC accelerator skills programs

A handwritten signature in blue ink, appearing to read "Keith Gemmell", written over a horizontal line.

Prepared By: Keith Gemmell  
Business & Workforce Development Division Manager

A handwritten signature in blue ink, appearing to read "Mike Lee", written over a horizontal line.

Department Head Approval: Mike Lee  
City Manager/Economic Development Director



## **MEMORANDUM OF UNDERSTANDING**

**BETWEEN**

**CITY OF MORENO VALLEY /  
MORENO VALLEY BUSINESS & EMPLOYMENT RESOURCE  
CENTER**

**AND**

**GENER8TOR MUSIC**

**FOR**

**BERC ACCELERATOR SKILLS PROGRAMS**



## **1. INTRODUCTION**

This Memorandum of Understanding ("MOU") is made and entered into the \_\_\_\_\_ day of 2023, by and between the City of Moreno Valley, a local government agency located in Riverside County, by and through its Business & Employment Resource Center (collectively "CITY") and gener8tor Management, LLC., a nationally-ranked venture capital firm and accelerator that brings together startup founders, investors, corporations, job seekers, universities, musicians and artists, through accelerator and skills programs (collectively "GENER8TOR"). The CITY and GENER8TOR are collectively referred to herein as the "PARTIES."

## **2. Purpose**

This MOU outlines the agreement between the PARTIES to work in partnership to apply for grant funding to establish and staff up to three different accelerator programs at the Moreno Valley Business & Employment Resource Center, an America's Job Center of California (also referred to as "BERC").

## **3. Background**

Since its inception in 2012, GENER8TOR has expanded its successful startup and small business programs across 41 cities, 22 states, and three countries. GENER8TOR is a member of the Global Accelerator Network (GAN) and is nationally ranked amongst the "Top 15" accelerators in the United States by the Seed Accelerator Rankings Project. Of note, gener8tor is the only "Top 15" ranked accelerator without a presence in a top-10 metro market, thus proving its ability to produce national-caliber outcomes for startups in secondary and tertiary markets. In the last ten years, GENER8TOR has worked diligently to build our international network of thousands of mentors, financiers, corporate partners, and companies to benefit program participants during as well as far beyond each program. To date, this global network includes:

- 3,700+ Investors
- 2,690+ Mentors
- 3,390+ Corporate Connections

GENER8TOR has exhibited great success in our ability to recruit and support diverse, underestimated founders across different cities and states in a variety of secondary and tertiary markets worldwide. GENER8TOR's accelerator programs have:

- Supported 1,115 companies
- Raised over \$1.4 billion in follow-on financing
- Created over 9,800 jobs.

On July 5, 2023, the City of Moreno Valley and GENER8TOR met to discuss partnership opportunities to create a regional accelerator at the BERC that will artists find jobs, help create local entrepreneurs, and entrepreneurs find access to capital.

The CITY and GENER8TOR recognize that together they are better equipped to accomplish their shared interest of creating accelerator programs at the BERC with the intent to cultivate future entrepreneurs and assist the local workforce with securing high-quality jobs in the music industry and digital economy. All programs will be at no cost to participants. Below is a list of planned programs:

**gBETA Accelerator<sup>1</sup>**

gBETA focuses on building wealth and jobs in communities and facilitates the growth of local startups in a cohort-based model by aiding them in building their company, meeting relevant mentors and connecting them to mentors. gBETA grads have imported \$607M+ in growth capital and created 3970 jobs nationwide since in 2015.

Annual program cost for 2 cohorts is \$350,000 plus \$25,000 whitelabel.

**gener8tor Skills Accelerator<sup>1</sup>**

gener8tor Skills Accelerator focuses on programming to offer workshop-style courses tailored to career seekers and enables them to become proficient in new skills for a growing digital economy. gener8tor Skills Accelerator has worked with over 1100 graduates in 25+ communities for an overall annual economic impact of \$37M in salaries since its inception in 2020.

Annual program cost is \$350,000 for 100 graduates plus \$25,000 whitelabel.

**gener8tor Music Accelerator<sup>1</sup>**

The gener8tor Music Accelerator is an education and grant initiative designed to help the local music community level up and break out that can serve 250+ participants annually. Programming focuses on building artist business acumen, expanding industry networks, and engaging with industry professionals through concierge support, listening sessions, and one-on-one meetings.

Annual program cost is \$400,000 which includes \$150,000 in microgrants awards for certain participants.

While each program has a successful track record, to be implemented at the BERC funding must be secured to pay for GENER8TOR staff and access to capital grants for program participants. Programs are scalable and costs can be

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<sup>1</sup> See Exhibit A for full program details

reduced to meet local needs.

The CITY and GENER8TOR enter this MOU to build a partnership that will seek grant funding needed to establish and run GENER8TOR accelerator programs at the BERC.

#### **4. Business Incubator/Makerspace Obligations**

##### **A. GENER8TOR Obligations:**

- a. Design the curriculum and structure for the accelerator programs ( gBETA Accelerator, gener8tor Skills Accelerator, and gener8tor Music Accelerator);
- b. Seek funding opportunities;
- c. Hire and supervise staff needed to administer the accelerator programs at the BERC;
- d. Recruit and manage program participants;
- e. Manage and administer costs associated with whitelabels;
- f. Manage and administer costs for participant grants;
- g. Communicate with CITY staff about facility and office space needs;
- h. Coordinate with CITY staff to schedule BERC classrooms for workshops and programming; and
- i. Include CITY staff in planning for future programming opportunities at the BERC.

##### **B. CITY Obligations:**

- a. Manage the daily operations of the BERC
- b. Provide office space for accelerator staff at the BERC including desktop computer and phone access;
- c. Support and actively seek grant and funding opportunities from state, local, federal and private sources;
- d. Serve as a liaison between GENER8TOR, regional America's Job Center of California (AJCC) Partners and the Moreno Valley business community;
- e. Assist with recruiting program participants through promoting the accelerator programs to the general public, regional AJCC partners, and business community;
- f. Utilize CITY and BERC marketing and promotion channels to promote the accelerator programs; and
- g. Contribute to and consult on the creation of program roll out and future curriculum needs.

#### **4. Costs**

##### **A. GENER8TOR**

The CITY acknowledges and agrees that the GENER8TOR shall not be liable for

any costs incurred by the CITY, including any of its affiliates in connection with the administration and/or implementation of this MOU or any related partnership or program activities.

The CITY further acknowledges and agrees that the GENER8TOR shall use grant funding raised to directly pay for staff and program materials needs to run gener8tor programs at the BERC. Including but not limited to payment of any costs, fees, wages or any other amounts to be paid to any party arising out of or related to this MOU.

## **B. CITY**

The GENER8TOR acknowledges and agrees that the CITY shall not be liable for any costs incurred by the GENER8TOR, including any of its affiliates in connection with the administration and/or implementation of this MOU or any related partnership or program activities.

The GENER8TOR further acknowledges and agrees that the CITY shall not be liable in any way for payment of any costs, fees, wages or any other amounts to be paid to any party arising out of or related to this MOU.

The CITY agrees to cover operations costs associated with office and classroom space used by GENER8TOR, including building rent, utilities, office supplies and equipment.

## **6. General Terms**

It is further mutually agreed by the Parties as follows:

### **A. Insurance**

The parties shall meet the insurance requirements attached hereto as Exhibit "A" or provide a certificate of insurance acceptable to the other party.

### **B. Indemnity; Hold Harmless**

City of Moreno Valley shall indemnify, defend and hold harmless GENER8TOR and their officers, employees, representatives, volunteers, and agents from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with GENER8TOR's performance of work hereunder, except that GENER8TOR shall indemnify, defend and hold harmless the City of Moreno Valley for any such loss or damage which was caused by the sole negligence or willful misconduct of GENER8TOR under this agreement.



GENER8TOR shall indemnify, defend and hold harmless the City of Moreno Valley, and their officers, employees, representatives, volunteers, and agents from and against any and all liability, demands, claims, loss, actions or proceedings, damages, costs, and expenses incidental thereto (including without limitation costs of defense, settlement, and reasonable attorneys' fees) of every nature arising out of, related to, or in connection with UEC (IESBDC)'s performance of work hereunder.

### **C. Termination**

Either party may terminate this MOU for any reason by giving written notice to the designated representative of the other party thirty (30) days prior to the expiration of this MOU. Except as otherwise provided herein, upon termination of this MOU, neither party shall have any obligation to the other.

### **D. Legal Authority**

Nothing in this MOU binds the CITY or GENER8TOR to perform any action that is beyond its legal authority.

### **E. Conflict of Interest**

No member, official or employee of the CITY or GENER8TOR shall have any personal interest, direct or indirect, in this MOU nor shall any such member, official or employee participate in any decision relating to this MOU which affects his or her personal interest or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested.

### **F. Assignment**

No assignment of this Agreement or of any part or obligation of performance hereunder shall be made, either whole or in part, by GENER8TOR without the prior written consent of CITY.

### **G. Independent Contractor**

The parties hereto agree that GENER8TOR and its employees, officers, and agents are independent contractors under this Agreement and shall not be construed for any purpose to be employees of the City of Moreno Valley.

### **H. Entire Agreement**

It is expressly agreed that this Agreement embodies the entire Agreement of the parties in relation to the subject matter hereof, and that no other

Agreement or understanding, verbal or otherwise, relative to this subject matter, exists between the parties at the time of execution.

**I. Amendments and Modifications**

It is agreed that the rights, interests, understandings, agreements and obligations of the respective Parties pertaining to the subject matter of this MOU may not be amended, modified or supplemented in any respect except by a subsequent written instrument evidencing the express written consent of each of the Parties hereto and duly executed by the Parties.

**J. Effective Date; Term**

The term of this MOU shall commence on the date of the last signature below ("Effective Date") and shall continue for 24 months ("Term"), unless extended by written mutual agreement of the Parties or terminated earlier.

[Signatures on Following Page]


[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this MOU as of the dates written below.

“GENER8TOR”

gener8tor Management, LLC., a national  
venture capital firm and accelerator

By:



Prentice Keller - Partner

“CITY”

CITY OF MORENO VALLEY, a local  
government agency located in Riverside  
County, by and through its Economic  
Development Department

By: \_\_\_\_\_

Mike Lee

APPROVED AS TO FORM

APPROVED AS TO FORM

**EXHIBIT A**



# gener8tor

## gener8tor Program Information

*Prepared for City of Moreno Valley*

Our mission at gener8tor is to be the best partner for a community to invest in its best and brightest. gener8tor's turnkey platform for the creative economy connects startup founders, musicians, artists, investors, universities and corporations. The gener8tor platform includes pre-accelerators, accelerators, corporate programming, conferences and fellowships. From this work, we are proud that Fast Company recognized gener8tor as one of [2022's Most Innovative Companies](#) and Fast Company also recognized us as a [Best Work Place for Innovators in 2021](#).

Since its inception in 2012, gener8tor has expanded its successful startup and small business programs across 41 cities, 22 states and three countries. gener8tor is a member of the [Global Accelerator Network \(GAN\)](#) and nationally ranked amongst the "Top 15" accelerators in the United States by the Seed Accelerator Rankings Project. Of note, gener8tor is the only "Top 15" ranked accelerator without a presence in a top-10 metro market, thus proving its ability to produce national-caliber outcomes for startups in secondary and tertiary markets. In the last ten years, gener8tor has worked diligently to build our international network of thousands of mentors, financiers, corporate partners and companies to benefit program participants during as well as far beyond each program. To date, this global network includes:

- 3,700+ Investors
- 2,690+ Mentors
- 3,390+ Corporate Connections

gener8tor has exhibited great success in our ability to recruit and support diverse, underestimated founders across different cities and states in a variety of secondary and tertiary markets worldwide. gener8tor's accelerator programs have:

- Supported 1,115 companies
- Raised over \$1.4 billion in follow-on financing
- Created over 9,800 jobs.

We credit this, in part, to our nationally recognized curriculum and concierge approach. Our concierge approach manifests in smaller cohort sizes and a significantly higher ratio of staff to program participants.



# gener8tor

## **gBETA Accelerator**

gBETA focuses on building wealth and jobs in communities. It is a free-to-participate accelerator that facilitates the growth of local startups in a cohort based model by aiding them in building their company, meeting relevant mentors and connecting them to mentors. gBETA catalyzes gener8tor's mission of investing in our best and brightest by facilitating the creation and growth of startups in our partners' communities. gBETA grads have imported \$607M+ in growth capital and created 3970 jobs since we started in 2015.

Primary Metrics: Jobs created, venture capital received, demographics served.

### Impact:

- Up to 2 cohorts per year with 5 companies in each cohort, 10 companies total.
- Office Hours and Lunch & Learns with 100's of companies annually.

### Staffing:

- 1 FT Program Director

### Cost:

- One cohort: \$300K/year
- Two cohorts: \$350K/year
- + \$25K whitelabel

### Program Examples:

1. [gBETA Urban League](#)
2. [gBETA Bronze Valley Venture Lab](#)

## **gener8tor Skills Accelerator**

gener8tor Skills Accelerator focuses on programming to offer workshop-style courses tailored to career seekers and enables them to become proficient in new skills for a growing digital economy. gener8tor Skills Accelerator has worked with over 1100 graduates in 25+ communities for an overall annual economic impact of \$37M in salaries since we started in 2020, this includes an average salary of \$53,907/yr for placed graduates.



**gener8tor**

Primary Metrics: Placements, certificates earned, average salary, demographics served.

Impact:

- Up to 5 cohorts annually with 25-35 participants per cohort, 100-120 graduates total.

Staffing:

- 1 FT Program Manager (Four to five cohort model)
- 1 FT Career Coaches (Four to five cohort model)

Cost:

- \$350K for 100 graduates. Use a sliding scale of \$3,500 per graduate for pricing. ie \$175K
- for 50 grads, \$315K for 90 grads, etc.
- +\$25K whitelabel

Program Examples:

1. [gener8tor Neurodivergent Skills Accelerator - Atlanta, Georgia](#)
2. [gener8tor Skills - Central Florida](#)

## **gener8tor Music Accelerator**

The gener8tor Music Accelerator is a free, no-cost education and grant initiative designed to help the local music community level up and break out. Programming focuses on building artist business acumen, expanding industry networks, and engaging with industry professionals through concierge support, listening sessions and one-on-one meetings.

Primary Metrics (music): % Increase in musician KPIs during program, annual revenue/income generated by participating artists, song/album plays, song/album sales, social media following increase, booked gigs, tours, earned media, merchandise revenue, demographics served.

Impact:

- Professional development programming for 250+ participants hosted throughout the year
- Masterclass series for applicants (150+ artists), offered over two weeks
- 6-week accelerator program for up to 50 participants, sharing entrepreneurial best



# gener8tor

practices relevant to the music industry. Each 6-week accelerator selected artist receives a \$1,000 micro-grant.

- 12-week accelerator program catered to the needs of 2-4 participants, including trips to music hubs where participants build relationships with key industry executives. Each 12-week accelerator selected artist receives a \$25,000 grant to support the development of their music career.
- Select artists who participate in the gener8tor Music accelerator see an average social media engagement and average income increase of 50%+

#### Staffing:

- 1 FT gener8tor Music Program Director

#### Cost:

- \$400K/annually
- Includes 50 \$1,000 microgrants to participants in the 6-week program
- Includes 4 \$25K grants to each participant in the 12-week accelerator