



Report to City Council

TO: Mayor and City Council

FROM: Keith Gemmell, Acting Economic Development & Housing Director

AGENDA DATE: June 17, 2025

TITLE: ACCEPTANCE OF CALIFORNIA JOBS FIRST CATALYST GRANT AND AWARD FOR PROFESSIONAL SERVICES AGREEMENT FOR BUSINESS ACCELERATOR PROGRAM (AGMT. NO 2025-__) (REPORT OF ECONOMIC DEVELOPMENT AND HOUSING) (ALL DISTRICTS)

TITLE SUMMARY: Authorization to accept California Jobs First Catalyst Grant funds and to award professional services agreement to operate business incubator program. (Agmt. No. 2025-__) (All Districts)

DISTRICT: All Districts

Recommendation(s)

That the City Council:

1. Accept a \$325,000 grant from Thrive Inland SoCal's California Jobs First Catalyst grant (Catalyst) to create and implement a business accelerator program at the Moreno Valley Business & Employment Resource Center (BERC).
2. Authorize the City Manager to execute an agreement with gener8tor Management, LLC., in the amount of \$325,000 to provide a professional accelerator program pursuant to the Catalyst grant application to provide support services to early-stage startups.
3. Authorize the City Manager, or his designee, to execute the agreement and any subsequent related amendments to the agreement with gener8tor Management, LLC.

subject to the approval of the City Attorney and available budget previously approved by Council.

4. Approve budget adjustments as set forth in the Fiscal Impact section of this report.

SUMMARY

This report recommends acceptance of a \$325,000 grant award from Thrive Inland SoCal (Thrive), the local High Roads Training Collaborative (HRTC) for California Jobs First's Catalyst Fund (Catalyst), to create and implement a business accelerator program at the Moreno Valley Business & Employment Resource Center (BERC). Funds will be used to manage the program and enter into a proposed agreement between the City of Moreno Valley and gener8tor management, LLC (gener8tor), in the amount of \$325,000 to provide support services to early-stage startup businesses through individualized mentorship, business development resources, and investor connections. This report outlines the duties of the parties and authorizes the implementation of the agreement during Fiscal Year 2025-2026.

DISCUSSION

In October 2024, the City of Moreno Valley co-applied with gener8tor for Thrive's Catalyst grant to expand local business development resources available to Moreno Valley entrepreneurs and early-stage startups. In March 2025, the application was initially denied with the opportunity to appeal the decision. On May 25, 2025, Thrive approved the appeal and awarded \$325,000 to the City to implement the "gBETA Inland Empire" program through the BERC.

To deliver this initiative, staff recommends following the grant application implementation plan by entering into a progressive services agreement with gener8tor, a nationally recognized business incubator provider specializing in coaching entrepreneurs and connecting them with investors. gener8tor will implement a seven-week program that mentors 10 early-stage startups from a competitive applicant pool to receive intensive, equity-free support. Participants will engage in individualized, twice-weekly coaching sessions to refine their business models, gain customer traction, and prepare for seed funding or entry into full-time accelerators.

Under this agreement, gener8tor will serve as the lead training provider and subrecipient, offering virtual and in-person instruction, including individualized coaching, mentor engagement, educational workshops such as Lunch & Learns, and a public showcase event where participating startups will pitch to investors and community stakeholders. The City will provide oversight, marketing support, facilities, and administrative coordination through the BERC.

The proposed agreement does not exceed \$325,000 and is fully funded through the restricted Catalyst grant. The program supports the City's 2024 Economic Development Strategic Plan and broader business development strategy to foster entrepreneurship and access to high-wage, high-growth careers for Moreno Valley residents.

ALTERNATIVES

1. Accept the \$325,000 grant award from Thrive's Catalyst Fund and authorize the City Manager to execute an agreement with gener8tor Management, LLC in the amount of \$325,000, including any related amendments. This alternative will allow the City to implement a business accelerator program at the BERC. This program supports the City's economic development goals of enhancing entrepreneurship and access to high-wage employment. Staff recommends this alternative.
2. Decline to accept the grant award and decline to authorize the agreement with gener8tor Management, LLC. This alternative will result in the City forfeiting \$325,000 in grant funding and foregoing the opportunity to provide equity-free startup support, mentorship, and investor connections to local entrepreneurs. Staff does not recommend this alternative.

FISCAL IMPACT

The program is fully funded by the \$325,000 award from Thrive's Catalyst Fund. Grant funds are restricted to business development programs and will fund a short-term business accelerator program at the BERC. A Budget Adjustment will be processed upon a fully executed grant agreement between the City of Moreno Valley and Thrive Inland SoCal. There is no impact to the General Fund.

| Description | Fund | GL Account No. | Type (Rev/Exp) | FY 25/26 Budget | Proposed Adjustments | FY 25/26 Amended Budget |
|-------------|-------|--|----------------|-----------------|----------------------|-------------------------|
| BERC Grant | Grant | 2322-22-25-72215-489000 GR CAT FY26 | Rev | \$0 | \$325,000 | \$325,000 |
| BERC Grant | Grant | 2322-22-25-72215-620299 GR CAT FY26 | Exp | \$0 | \$325,000 | \$325,000 |

NOTIFICATION

Publication of the City Council Meeting Agenda

ATTACHMENTS

Attachment 1: Thrive Catalyst Fund Award Letter

Attachment 2: gener8tor Management, LLC Professional Services Agreement

PREPARATION OF STAFF REPORT

Prepared By:
Keith Gemmell
Acting Economic Development & Housing Director

Department Head Approval:
Keith Gemmell
Acting Economic Development & Housing Director

CITY COUNCIL GOALS

Advocacy: Develop cooperative intergovernmental relationships and be a forceful advocate of City policies, objectives, and goals to appropriate external governments, agencies and corporations.

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development**
- 2. Public Safety**
- 3. Library**
- 4. Infrastructure**
- 5. Beautification, Community Engagement, and Quality of Life**
- 6. Youth Programs**

Objective 1.1: Proactively attract high-quality businesses.

Objective 1.3: Promote local hiring through the expansion of local, quality, high paying jobs, and workforce development efforts.

Objective 1.7: Promote small business development and entrepreneurship.

Objective 1.8: Evaluate staff resources and dedicate City funding to invest in aggressive Economic Development activities that will result in increased revenues to the City, additional employment opportunities, and enhanced quality of life for our residents.

Objective 1.9: Ensure the City's General Plan articulates the vision for how Moreno Valley wants to evolve over time, and provides an orderly and predictable process through which this vision is developed and implemented, including new attention to economic development, sustainability, public health, and innovation.

Report Approval Details

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| Document Title: | STAFFREPORT_ED_CATALYST_GRANT.docx |
| Attachments: | - ATT 1 - Thrive Catalyst Fund Award Letter.pdf - ATT 2 - gener8tor Management, LLC Professional Services Agreement.pdf |
| Final Approval Date: | Jun 10, 2025 |

This report and all of its attachments were approved and signed as outlined below:

Keith Gemmell

Natalia Lopez

Dena Heald

Launa Jimenez

Brian Mohan

Patty Rodriguez