

ECONOMIC OPPORTUNITY PROGRAM GRANT AGREEMENT

EXCITE RIVERSIDE

A Unique Startup Acceleration/Incubation Program

THIS AGREEMENT is made and entered into this 24 day of SEPTEMBER, 2021 (“Effective Date”), by and between the CITY OF RIVERSIDE, a California charter city and municipal corporation (“City”) and EXCITE RIVERSIDE, a California nonprofit corporation (“Subrecipient”).

RECITALS

A. On October 20, 2020, the City Council of the City of Riverside adopted the Envision Riverside 2025 Strategic Plan (“Strategic Plan”), which identified strategic priorities and implementation actions necessary to advance the City’s potential over the next five years.

B. Priority 3 in the Strategic Plan is economic opportunity that champions a thriving and enduring economy and provides opportunity for all.

C. To further this priority, the City has engaged multiple stakeholders and key partners to establish programs that develop, attract, and retain innovative business sectors, that connect local talent with high quality employment opportunities, education, and training, that cultivate a business climate welcoming of innovation, entrepreneurship, and investment, and that promote local business growth and equitable opportunities for all.

D. Subrecipient, a nonprofit corporation, accelerates new technology businesses through facilities, networks, mentorship, management, and access to financial resources.

E. With support from the University California Riverside, the County of Riverside and the City of Riverside, Subrecipient has established A Unique Startup Acceleration/Incubation Program (“Program”), a program designed to provide start-up companies with meeting space and coordination for tech-focused meetups, annual pitch competitions, and semi-annual investor preparation events.

F. In order to advance Priority 3 in the Strategic Plan, the City wishes to provide Subrecipient with a grant to support the Program, and the Parties intend this Agreement to set forth Subrecipient’s obligations relative thereto.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, and the mutual benefits to be derived therefrom, the City and Subrecipient agree as follows:

1. **SCOPE OF SERVICES.** Subrecipient shall provide services as part of A Unique Startup Acceleration/Incubation Program, as more particularly described in Exhibit "A", entitled Scope of Services ("Services") and Exhibit "B" entitled Budget ("Budget"), attached hereto and incorporated herein, in accordance with this Agreement.

2. **TERM.** The term of the Agreement shall begin on the Effective Date and shall remain in effect for two (2) years thereafter unless otherwise terminated pursuant to the provisions herein.

3. **GRANT.** Subrecipient shall receive a total sum not to exceed Twenty-Five Thousand Dollars (\$25,000), per year ("Grant Funds"). Invoices submitted by Subrecipient shall be delivered to the City in accordance with Section 4.

4. **NOTICES.** Any notices, invoices or payments provided for, or required, to be given hereunder shall be in writing and shall be personally served or given by mail. Any notice given by mail shall be deemed given when deposited in the United States Mail, certified and postage prepaid, addressed to the party to be served as follows:

City

City of Riverside
Community & Economic
Development Department
Attn: Sherry Shimshock
3900 Main Street, 5th Floor
Riverside, CA 92522

Subrecipient

ExCITE Riverside
Attn: Sean Varner and Jennifer Yturralde
3499 Tenth Street
Riverside, CA 92501

5. **AVAILABILITY OF FUNDS.** City's allocation of funding to the Subrecipient pursuant to this Agreement is contingent upon the availability funds. In the event of funding reduction, the City may reduce the Budget as a whole or as to cost category.

6. **SUBRECIPIENT AS INDEPENDENT CONTRACTOR.** In the performance of this Agreement, the Subrecipient, and the Subrecipient's employees, subcontractors and agents, shall act in an independent capacity as independent contractors, and not as officers or employees of the City. Subrecipient acknowledges and agrees that the City has no obligation to pay or withhold state or federal taxes or to provide workers' compensation or unemployment insurance to the Subrecipient, or to the Subrecipient's employees, subcontractors and agents. This Agreement shall not under any circumstances be construed or considered to create an employer-employee relationship or a joint venture. Subrecipient shall be responsible for any and all taxes that apply to the Subrecipient as an employer.

Subrecipient shall determine the method, details, and means by which it provides Services. Subrecipient shall be responsible to the City only for the requirements and results specified in this Agreement, and, except as expressly provided in this Agreement, shall not be subjected to the City's control with respect to the physical action or activities of the Subrecipient in fulfillment of this Agreement. If in the performance of this Agreement, any third persons are employed by

Subrecipient, such persons shall be entirely and exclusively under the direction, supervision, and control of the Subrecipient. All terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging or any other term of employment or requirements of law, shall be determined by the Subrecipient.

7. **INDEMNIFICATION.** Except to the extent caused by the City's negligent or willful acts or omissions, the Subrecipient shall defend, indemnify, and hold the City, and its officers, employees and agents, harmless from any and all loss, damage, claim for damage, liability, expense or cost, including attorneys' fees, which arises out of or is in any way connected with the Program or the performance of the Services under this Agreement by the Subrecipient or any of its employees, agents or subcontractors, and from all claims by the Subrecipient's employees, subcontractors and agents for compensation for services rendered to the Subrecipient in the performance of this Agreement, notwithstanding that the City may have benefitted from their services. This indemnification provision shall apply to any acts or omissions, willful misconduct or negligent conduct, whether active or passive, on the part of the Subrecipient or of the Subrecipient's employees, subcontractors or agents.

Subrecipient understands and agrees that it shall defend the City from any claim even if it appears to be without merit. Subrecipient shall also defend, indemnify, and hold the City harmless from any loss, damage, or attorneys' fees incurred because of any claim by any person or entity.

8. **INSURANCE.**

A. **General Provisions.** Prior to the City's execution of this Agreement, Subrecipient shall provide satisfactory evidence of, and shall thereafter maintain during the term of this Agreement, such insurance policies and coverages in the types, limits, forms and ratings required herein. The rating and required insurance policies and coverages may be modified in writing by the City's Risk Manager or City Attorney, or a designee, unless such modification is prohibited by law.

B. **Limitations.** These minimum amounts of coverage shall not constitute any limitation or cap on Subrecipient's indemnification obligations under Section 7 hereof.

C. **Ratings.** Any insurance policy or coverage provided by the Subrecipient or subcontractors as required by this Agreement shall be deemed inadequate and a material breach of this Agreement, unless such policy or coverage is issued by insurance companies authorized to transact insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class of VII or higher.

D. **Cancellation.** The policies shall not be canceled unless thirty (30) days prior written notification of intended cancellation has been given to the City by certified or registered mail, postage prepaid.

E. **Adequacy.** City, its officers, employees and agents make no representation that the types or limits of insurance specified to be carried by the Subrecipient pursuant to this

Agreement are adequate to protect the Subrecipient. If the Subrecipient believes that any required insurance coverage is inadequate, the Subrecipient will obtain such additional insurance coverage, as Subrecipient deems adequate, at the Subrecipient's sole expense.

F. Workers' Compensation Insurance. By executing this Agreement, Subrecipient represents that the Subrecipient is aware of and will comply with Section 3700 of the Labor Code of the State of California requiring every employer to be insured against liability for workers' compensation, or to undertake self-insurance before commencing any of the work. Subrecipient shall carry the insurance or provide for self-insurance required by California law to protect said Subrecipient from claims under the Workers' Compensation Act. Prior to the City's execution of this Agreement, the Subrecipient shall file with the City either (1) a certificate of insurance showing that such insurance is in effect, or that the Subrecipient is self-insured for such coverage, or (2) a certified statement that the Subrecipient has no employees, and acknowledging that if the Subrecipient does employ any person, the necessary certificate of insurance will immediately be filed with the City. Any certificate filed with the City shall provide that the City will be given at least ten (10) days prior written notice before modification or cancellation thereof.

G. Commercial General Liability. Prior to the City's execution of this Agreement, the Subrecipient shall obtain, and shall thereafter maintain during the term of this Agreement, commercial general liability insurance as required to insure the Subrecipient against damages for personal injury, including accidental death, as well as from claims for property damage, which may arise from or which may concern operations by anyone directly or indirectly employed by, connected with, or acting for or on behalf of the Subrecipient. City, and its officers, employees and agents, shall be named as additional insureds under the Subrecipient's insurance policies.

Subrecipient's commercial general liability insurance policy shall cover both bodily injury (including death) and property damage (including, but not limited to, premises operations liability, products completed operations liability, independent contractor's liability, personal injury liability, and contractual liability) in an amount not less than \$1,000,000 per occurrence and a general aggregate limit in the amount of not less than \$2,000,000.

Prior to the City's execution of this Agreement, copies of insurance policies or original certificates and additional insured endorsements evidencing the coverage required by this Agreement, for both commercial general and automobile liability insurance, shall be filed with the City and shall include the City and its officers, employees and agents, as additional insureds. Said policies shall be in the usual form of commercial general and automobile liability insurance policies, but shall include the following provisions:

It is agreed that the City of Riverside, and its officers, employees and agents, are added as additional insureds under this policy, solely for work done by and on behalf of the named insured for the City of Riverside.

H. Subcontractors' Insurance. Subrecipient shall require all of its subcontractors to carry insurance, in an amount sufficient to cover the risk of injury, damage or loss, which may be caused by the subcontractors' scope of work and activities provided in

furtherance of this Agreement, including, but without limitation, the following coverages: Workers' Compensation, Commercial General Liability, and Automobile liability. Upon the City's request, the Subrecipient shall provide the City with satisfactory evidence that subcontractors have obtained insurance policies and coverages required by this Section.

I. **Commercial Automobile Insurance.** Subrecipient is required to provide commercial automobile liability insurance for this Agreement with the exception being those subrecipients that do not require the use of an automobile to meet program requirements as detailed in the Scope of Work.

If the Subrecipient requires the use of an automobile or must drive to meet program requirements in the Scope of Work, the Subrecipient must submit insurance certificates acceptable to the City that meet the following requirement(s): the Subrecipient's automobile liability policy shall cover both bodily injury and property damage in an amount not less than \$1,000,000 per occurrence and an aggregate limit of not less than \$1,000,000. All of the Subrecipient's automobile and/or commercial general liability insurance policies shall cover all vehicles used in connection with the Subrecipient's performance of this Agreement, which vehicles shall include, but are not limited to, the Subrecipient owned vehicles, the Subrecipient leased vehicles, the Subrecipient's employee vehicles, non-Subrecipient owned vehicles and hired vehicles. City, and its officers, employees and agents, shall be named as additional insureds under the Subrecipient's automobile insurance policy.

9. **RECOGNITION OF CITY.** Subrecipient shall ensure recognition of the City in providing funding for the Services provided by this Agreement. All advertisements, notifications, publications, signs, brochures, and other promotional or information material shall identify the Program as being funded in part by the City of Riverside.

10. **AMENDMENT.** This Agreement may only be amended in writing by mutual agreement between the City and the Subrecipient.

11. **TERMINATION.** This Agreement may be terminated by either party with thirty (30) days written notice to the other party for any reason. Reconciliation of expenditures and Grant Funds shall be in accordance with Section 3 of this Agreement. In the event of such termination by Subrecipient, Subrecipient shall provide City with a report outlining all Services accomplished and Grant Funds expended within thirty (30) days' of its intent to termination. City shall have the right to review such report and request clarification or documentation. Subrecipient shall be paid in accordance with this Agreement for all Services performed and any un-cancellable obligations made before the effective date of termination under this clause. Subrecipient shall, except as and to the extent or directed otherwise by City, discontinue any Services being performed with funds provided under this Agreement and cancel any of Subrecipient's related orders for materials, facilities, and supplies in connection with such Services, and shall use its reasonable efforts to procure termination of the related existing contracts upon terms satisfactory to City. Any unobligated funds received by Subrecipient shall be returned to the City within thirty (30) days of such date of termination.

12. **PERFORMANCE MONITORING.** City will monitor the performance of the Subrecipient against goals and performance standards required herein. Substandard performance as determined by the City will constitute non-compliance with this Agreement. If action to correct such substandard performance is not taken by Subrecipient within a reasonable period of time after being notified by the City, termination will be initiated pursuant to Section 11.

13. **PERSONNEL.** Subrecipient shall furnish all personnel necessary to perform the Services and shall be responsible for their hiring, supervision, performance, and compensation. Subrecipient recognizes that the qualifications and experience of the personnel to be used are vital to professional and timely completion of the Services, and Subrecipient shall ensure that the City has a current, accurate list of the personnel involved with the Program throughout the term of this Agreement. Notwithstanding the foregoing, the Subrecipient shall solicit and consider the City's input on the hiring and/or assignment of personnel to the Program and shall include a City representative on interview panels, if applicable.

14. **GENERAL COMPLIANCE WITH LAWS.** Subrecipient shall keep fully informed of federal, state and local laws and ordinances and regulations which in any manner affect those employed by the Subrecipient, or in any way affect the performance of services by the Subrecipient pursuant to this Agreement. Subrecipient shall at all times observe and comply with all such laws, ordinances and regulations, and shall be solely responsible for any failure to comply with all applicable laws, ordinances and regulations. Subrecipient represents and warrants that Subrecipient has obtained all necessary licenses to perform the Scope of Services and that such licenses are in good standing. Subrecipient further represents and warrants that the services provided herein shall conform to all ordinances of the City of Riverside.

15. **WAIVER.** No action or failure to act by the City shall constitute a waiver of any right or duty afforded the City under this Agreement, nor shall any such action or failure to act constitute approval of or acquiescence in any breach thereunder, except as may be specifically, provided in this Agreement or as may be otherwise agreed in writing.

16. **AMENDMENTS.** This Agreement may be modified or amended only by a written agreement and/or change order executed by the Subrecipient and the City.

17. **SUCCESSORS AND ASSIGNS.** This Agreement shall be binding upon the City and its successors and assigns, and upon the Subrecipient and its permitted successors and assigns, and shall not be assigned by the Subrecipient, either in whole or in part.

18. **VENUE.** Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in the Superior Court, County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county. In the event either party hereto shall bring suit to enforce any term of this Agreement or to recover any damages for and on account of the breach of any term or condition of this Agreement, it is mutually agreed that each party will bear their own attorney's fees and costs.

19. **NONDISCRIMINATION.** During the Subrecipient's performance of this Agreement, the Subrecipient shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical disability, mental disability, medical condition, including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sex, genetic information, gender, gender identity, gender expression, or sexual orientation, military and veteran status, in the selection and retention of employees and subcontractors and the procurement of materials and equipment, except as provided in Section 12940 of the California Government Code. Further, the Subrecipient agrees to conform to the requirements of the Americans with Disabilities Act in the performance of this Agreement.

20. **SEVERABILITY.** Each provision, term, condition, covenant and/or restriction, in whole and in part, of this Agreement shall be considered severable. In the event any provision, term, condition, covenant and/or restriction, in whole and/or in part, of this Agreement is declared invalid, unconstitutional, or void for any reason, such provision or part thereof shall be severed from this Agreement and shall not affect any other provision, term, condition, covenant and/or restriction of this Agreement, and the remainder of the Agreement shall continue in full force and effect.

21. **AUTHORITY.** The individuals executing this Agreement and the instruments referenced herein on behalf of the Subrecipient each represent and warrant that they have the legal power, right and actual authority to bind the Subrecipient to the terms and conditions hereof and thereof.

22. **ENTIRE AGREEMENT.** This Agreement constitutes the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the subject matter of this Agreement and supersedes all prior and contemporaneous understandings or agreements of the parties. Neither party has been induced to enter into this Agreement by and neither party is relying on, any representation or warranty outside those expressly set forth in this Agreement.

22.1 Titles and captions are for convenience of reference only and do not define, describe or limit the scope or the intent of the Agreement or any of its terms. Reference to section numbers, are to sections in the Agreement unless expressly stated otherwise.

22.2 This Agreement shall be governed by and construed in accordance with the laws of the State of California in effect at the time of the execution of this Agreement.

22.3 In the event of a conflict between the body of this Agreement and Exhibit "A" - Scope of Services hereto, the terms contained in Exhibit "A" shall be controlling.

23. **EXHIBITS.** The following exhibits attached hereto are incorporated herein to this Agreement by this reference:

Exhibit "A" - Scope of Services

Exhibit "B" - Budget

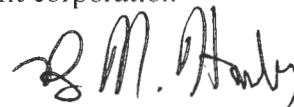
(Signatures on Following Page)

IN WITNESS WHEREOF, the City and the Subrecipient have caused this Agreement to be duly executed on the day and year first written above.

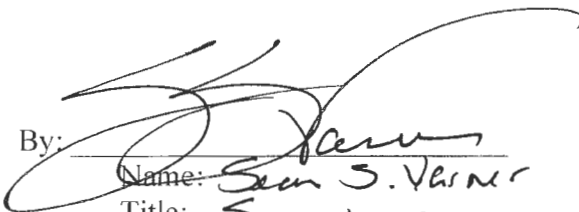
CITY OF RIVERSIDE, a California
Charter city and municipal corporation

EXCITE RIVESIDE, a California non-
profit corporation

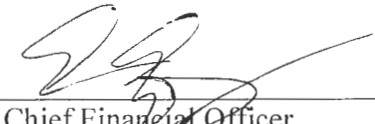
By: _____
City Manager

By: 
Name: Brian Howley
Title: Chairman

Attest: _____
City Clerk

By: 
Name: Sam S. Varner
Title: Secretary

Certified as to Availability of Funds:

By: 
Chief Financial Officer

APPROVED AS TO FORM:

By: 
Deputy City Attorney

EXHIBIT "A"

SCOPE OF SERVICES

This agreement between ExCITE and the City of Riverside is established to further the City goals under Council Strategic Priority Number 3. To fulfill the obligations of this agreement, ExCITE shall maintain an office in the City of Riverside with a regular schedule and provide a full range of its services. ExCITE shall partner with Community & Economic Development (CEDD) on programs and initiatives as relevant to the collaborative mission, participate in scheduled meetings with City staff, and maintain reporting schedules as identified in this scope of services. The goal is to facilitate the successful acceleration of startup companies engaged in entrepreneurial research and development with a specific focus on advanced technologies that promote economic opportunity, sustainability, resiliency, and innovation in Riverside.

Strategic Priority 3: Economic Opportunity

Goal 3.1: Facilitate partnerships and programs to develop, attract and retain innovative business sectors

Goal 3.2: Work with key partners in implementing workforce development programs and initiatives that connect local talent with high quality employment opportunities and provide access to education and training

Goal 3.3: Cultivate a business climate that welcomes innovation, entrepreneurship, and investment

Goal 3.4: Collaborate with key partners to implement policies and programs that promote local business growth and ensure equitable opportunities for all

- I. Support a welcoming and inclusive business climate, increase high-quality employment opportunities and access to education and training for Riverside's technology startup and innovation entrepreneurship community in the following ways:
 - a. Company Incubation: ExCITE will provide affordable space for Riverside's startup and innovation entrepreneurs to launch, grow, and scale new companies.
 - b. Technology Startup and Innovation Entrepreneurship Community Development: ExCITE will provide meeting space and coordination for tech-focused meetups, annual pitch competitions, and semi-annual investor preparation events. All events will be accessible to both incubator and non-incubator companies in Riverside's startup and innovation entrepreneurship community. At least 10 events will be held in Riverside per year virtually or in person.
- II. Stimulate local investment and promote the development and retention of workforce talent in the following ways:
 - a. Commercialization assistance: Through its partnership with UCR's EPIC Small Business Development Center (SBDC), Riverside's startup and innovation

entrepreneurship companies engaged with ExCITE will have access to specialized mentorship, connections to capital resources, and training, as well as a network of entrepreneurs and tech professionals to support business growth and the development and retention of local talent.

- b. Engaging Regional Partners for recruitment and outreach: ExCITE will aggressively pursue and engage new Riverside-based startups and entrepreneurs from local partners such as UCR, CBU, RCCD, La Sierra University, and other regional higher learning institutions to ensure equitable and resilient economic opportunities for Riverside's local workforce. Companies that join ExCITE are at all stages of development but are generally in very early development stages.
- c. Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) support: In partnership with UCR's EPIC SBDC, Riverside's startup and innovation entrepreneurship companies engaged with ExCITE will have access to training and proposal development support, improving opportunities for innovative business development and success. Additionally, they will be able to utilize the ExCITE space for company and product development, encouraging local investment. ExCITE is currently located in a HUBZone, which creates strategic advantages for Riverside's startup and innovation entrepreneurship companies. Eligible SBIR companies will have an ability to compete for the SBA program's set-aside contracts. HUBZone-certified businesses also get a 10 percent price evaluation preference in full and open contract competitions.

III. Location and Hours of Operation

- a. 3499 Tenth Street, Riverside, CA 92501 or other Riverside location with 24/7 access for ExCITE community members to be maintained for the duration of the agreement.

IV. Support Partnership and Collaboration in the following ways:

- a. Participate in quarterly strategic planning meetings with the City's Economic Development Team to maximize opportunities for collaboration on mutual goals.
- b. Lend support to City programs and initiatives to develop, attract and retain innovative business sectors as relevant to the scope of this agreement including promotion, data sharing, industry insights, business community feedback and participation in campaigns and events.
- c. Collaborate with City staff on presentations to targeted audiences such as local Colleges, Universities, and business groups to strengthen regional partnerships and support local workforce and business development.
- d. Participate with staff on educational programs and initiatives as relevant to promote local business growth and economic mobility for Riverside's entrepreneurs.
- e. Provide added value to the City's CARB Business Attraction Plan such as, but not limited to, hosting a cleantech event or panel discussion in collaboration with regional partners.
- f. Support companies that graduate from ExCITE to establish in the City of Riverside, increasing equitable access to high paying jobs, retention of local talent, and stimulating growth in the Innovation District and other areas of the City.

V. Collaborative Marketing and Promotion

- a. Include the City of Riverside as a sponsor on website, newsletters, and other marketing materials.
- b. Keep City staff informed on ExCITE marketing programs and provide information for City updates, social media posts, and newsletters (as available).
- c. Cross promote with the City on events, as relevant, to reach a broader audience including, but not limited to, participating in business visitations, providing connections to City services, and promoting other City startup and entrepreneurship programs that further local economic opportunity.
- d. Utilize appropriate opportunities through ExCITE connections to offer useful resources to Riverside business customers such as site visits and other connections to City staff, registration for the Economic Development Newsletter, and direction to data and resources through the City's Website.

VI. Reporting and Accountability

- a. Semi-Annual and Annual reports will be provided to the Community & Economic Development Department by January 31 and June 30 of each year and will include the following:
 - i. Measure gains in Riverside's startup and entrepreneurship community through reporting the number of jobs supported and grant and investment capital received.
 - ii. Track innovative business sector development and diversification through a breakdown of business types served.
 - iii. Track progress in engaging and retaining local talent through a breakdown of recruitment efforts among regional education partners.
 - iv. Measure the success of inclusive and equitable economic opportunities through demographic data including gender, veteran status, and ethnic backgrounds as reported by companies.
 - v. Inform staff on emerging industry trends through data on areas or subjects of counseling.
 - vi. Measure sustainable progress over time through client tracking data.
- b. Prepare and deliver an annual presentation to City Council at the end of each fiscal year, covering all information contained in the semi-annual reporting metrics and featuring the latest success stories

EXHIBIT "B"

BUDGET

City shall provide Subrecipient with a grant amount not to exceed Twenty-Five Thousand Dollars (\$25,000), per year, to cover the costs associated with providing the Services set forth in Exhibit "A."