



July 21, 2022

The intention of this Letter of Collaboration is to begin the process of a formal partnership or contract with the Greater San Marcos Partnership and Splash Coworking LLC.

This letter goes over the budget request and relationship roles of Splash Coworking LLC. (Splash) and or the NGO, Riparious Foundation. Considering the mutually beneficial and supportive relationship between The Greater San Marcos Partnership (GSMP) and Splash over the last few years, the opportunity to collaborate and delegate deliverables will benefit the community in regards to the development and growth of local small and medium enterprises and entrepreneurial services.

The success of events such as Global Entrepreneurship Week and various programming focused on minority and historically underrepresented businesses in years past established a baseline for some of the local entrepreneurial community needs and service requests. In years past GSMP, has acted as a sponsor of Splash hosted events and programming aiding in fiduciary and staff supported needs.

The total requested budget of \$250,000 over the course of 18 months will sufficiently fund a contractual relationship between both entities. Under this budget Splash, will perform duties as follows.

Small Business and Local Start-up Development.

This partnership will focus efforts in working with start-ups and entrepreneurs that are small businesses and, in doing so, commit existing and newly identified substantial resources in terms of time, personnel and funds for the growth of local small and medium enterprises (SMEs) including, but not limited to start-up or micro-business.

1. Facilitate a minimum of eight educational events per fiscal year that focus on the needs of small business, micro-businesses, women and minority owned businesses, or entrepreneurs in partnership with the City or local community organizations in the City. Provide a written collaborative semiannual report to the City Manager.
 - a. Develop additional tracking and reporting of engagement with women and minority owned businesses within the Partnership's Customer Relationship Management ("CRM") program along with Splash's CRM
 - b. Develop additional tracking and reporting of engagement with micro-businesses with the Partnership and Splash's CRM
2. Develop a Business Success Roadmap as a pathway for the City of San Marcos and any other identified municipalities, to assure a business' success. This roadmap will include managed public processes and an appropriate regulatory focus as identified by stakeholders.
 - a. Work closely with a dedicated liaison who oversees public private stakeholder communications and business engagement.
3. Create a recruitment and talent management database, in order for employers to match with the local workforce.
4. Work with GSMP designated staff in marketing and identify grant or funding opportunities.
5. Develop the relationships and framework of an International program supporting the attraction of foreign enterprises to the area.

These efforts will be measured and reported upon agreement as follows.

- Work under the direction of Vision 2025 to establish areas of focus and industry sectors of the Greater San Marcos area.
- Conduct and report on facilitated educational events per fiscal year that focus on the needs of small business or entrepreneurs.
- Provide written quarterly updates on deliverables to GSMP and participate in monthly update meetings with the City Manager, or designee, with available documentation on requests.

Signed,



Carina Boston Pinales
CEO
carina@splashcoworking.com
512.667.0492
Splash Coworking
326 North LBJ Drive
San Marcos, TX 78666 USA
www.splashcoworking.com

Jason Giulietti
President
Jason@greatersanmarcostx.com
512.781.2096
Greater San Marcos Partnership
113 N. Guadalupe Street
San Marcos, TX 78666 USA
www.greatersanmarcostx.com

Start-up and Entrepreneurial Supportive Programming Budget

The total requested budget of \$250,000 over the course of 18 months will sufficiently fund a contractual relationship between both entities. Quarterly reviews will allow check-ins and updates to fulfill the KPIs set by GSMP and the COSM. Whereas the 12 month review will allow for a contract renewal or adjustment based on successes and reportive findings. The proposed \$250,000 budget is intended to serve the 18th month term to then be supplemented with additional resources to follow the renewal and adjustment over the course of 2 years.

Budget

\$60,000 Programming and Events

\$15,000 each, 4 annual events

\$8,000 Staffing and Program Management

\$5,000 Program Material Cost and Digital Inclusion and Archiving

This allows for the programs to be multilingual, virtually accessible and transcribed to convert to online recurring programming.

\$2,000 Marketing and Recruitment

\$50,000 Develop a Business Success Roadmap/ Small Business Advocacy and Liaison

\$10,000 Program Development

\$40,000 Program Management and Operational Expenses

\$110,000 Grant Management (Goal of 2-3 grants in the 18 month time frame)

\$30,000 Grant Director- assembles Grant Team

\$30,000 Per identified grant opportunity

- Team Lead- Coordinates with the City and Regional Partners in addition with the team assembled
- Budget Manager
- Writer

\$30,000 Administrative and Operational Cost

Under the first term budget proposed Splash, will perform duties as follows.

Small Business and Local Start-up Development.

This partnership will focus efforts in working with start-ups and entrepreneurs that are small businesses and, in doing so, commit existing and newly identified substantial resources in terms of time, personnel and funds for the growth of local small and medium enterprises (SMEs) including, but not limited to start-up or micro-business.

1. Facilitate 4 additional entrepreneurial and start-up focused events per fiscal year that focus on the needs of small business, micro-businesses, women and minority owned businesses, or entrepreneurs in partnership with the City or local community organizations in the City. Provide a written collaborative semiannual report to the City Manager.
 - a. Develop additional tracking and reporting of engagement with women and minority owned businesses within the Partnership's Customer Relationship Management ("CRM") program along with Splash's CRM
 - b. Develop additional tracking and reporting of engagement with micro-businesses with the Partnership and Splash's CRM

Events include

Start-up Success and Bootcamp

In previous years, successful events included the Small Business Saturday program series. These events were a continuation of events built on one another starting with how to start a business to validation and the lean canvas model. The intention is to take a start-up or hobby and create an enterprise based on the knowledge and exercises provided in the Small Business Saturday program series.

Start-up Showcase and Pitch Competition

Showcasing the start-ups of the San Marcos area, this program offers a platform to bring attention to the budding entrepreneurs that come out of programming and networks throughout San Marcos. The pitch competition allows for a training and coaching program that prepares participants for the keynote Pitch Competition event.

Minority Owned Business Expo

Working from the success of the Black Business Expo showcased during Global Entrepreneurship Week 2020, this program brings a highlighted

opportunity to combine education and resource opportunities to minority entrepreneurs and business owners.

Accelerator Programming

Currently Splash is partnered with expert incubation and accelerator programs throughout both the State of Texas and nationally. Most of these have served an outsourced purpose that has exported start-ups that were grown in San Marcos and could not find the supportive resources to continue the growing needs of their businesses. Localizing an accelerator program that is home based in San Marcos will allow the program to pull in resources and develop a more refined pipeline of success driven start-ups that are homegrown.

2. Develop a Business Success Roadmap as a pathway for the City of San Marcos and any other identified municipalities, to assure a business' success. This roadmap will include managed public processes and an appropriate regulatory focus as identified by stakeholders.
 - a. Work closely with a dedicated liaison who oversees public private stakeholder communications and business engagement.
3. Work with GSMP designated staff in marketing and identify grant or funding opportunities.

The performing duties will allow grants that are City, Regional, State and Federal to be constructed and coordinated by the Grant Director. Per identified grant opportunity a contractual team will be assembled based on proposal needs and areas of expertise. This allows for smaller overhead cost, lean budgeting for each application development needs and no benefit or administrative cost.

[Industry standard salary base]

Grant Director 150k this is who assembles the grant team

Team Lead 125k

Budget Manager 85k

Writer 50k

*Goals set by the Strategic Plan can be the direction of sought after grants for our community.

Examples of this are the strategic initiatives under

Sustainability. Areas 5,6,7,12,13,16,17

Covid Response Areas 7,10,11

Community Safety 4,23,24,25

Economic Development all that are listed, fit the above services in some capacity and are searchable within multiple grant opportunities

Develop Equity Policy 1,2,3

Supplemental Deliverables

4. Create a recruitment and talent management database, in order for employers to match with the local workforce.

Employers are seeking skill specialists and specific experience based backgrounds. There is no existing workforce matching tool currently available in our region that categorizes these specifics to aggregate talent options per Employer requests.

5. Develop the relationships and framework of an International program supporting the attraction of foreign enterprises to the area.

- a. This allows for the existing International Relationships developed in the UAE and through the Global Entrepreneurship Congress to establish an enterprise map for international start-ups to come to the States and become registered US based entities in San Marcos. This is not an expansion plan, this is a pipeline development plan that will bring existing international start-ups to San Marcos and walk them through the tiring process of establishing a US based entity.

This is a two way relationship and we will be establishing start-ups developed in San Marcos to be cross international as well.

Currently there is a flagship start-up ready to deploy in Sharjah UAE by November 2022. This is in process and this funding request will support existing efforts. The partners in the UAE intend to invest and offer any and all existing resources they have available in their Start-up Ecosystem.

How we are not similar to the Small Business Counseling program is that we are serving primarily underdeveloped and start-up enterprises. We also service businesses who exceed the small business definition of 26 employees or less. The programs have educational components but are community development focused and help cultivate the

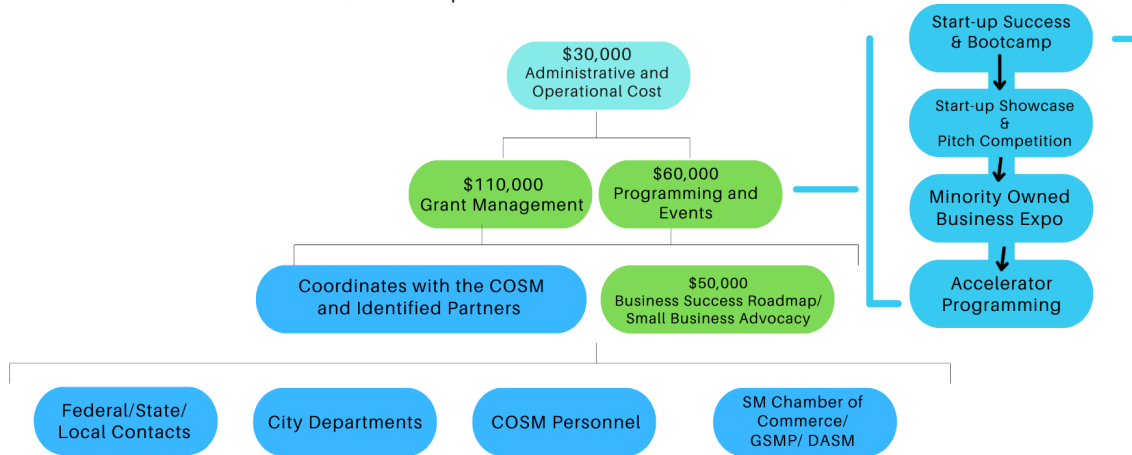
entrepreneurial ecosystem. Specialty programming is subject matter based and not a counseling session. Advocacy for small businesses through the Business Success Roadmap answers the need for a commonly decided pathway/ checklist for a start-up or new enterprise to walk through step by step (Economic Development and data collection). Case management is desperately needed to find the common challenges and specifically identify the target areas of improvement and what is working within the permitting process and or filing requirements process.

These efforts will be measured and reported upon agreement as follows.

- Work under the direction of Vision 2025 and COSM 2022-2026 STRATEGIC INITIATIVES to establish areas of focus and industry sectors of the Greater San Marcos area.
- Conduct and report on facilitated educational events per fiscal year that focus on the needs of small business or entrepreneurs.
- Provide written quarterly updates on deliverables to GSMP and participate in monthly update meetings with the City Manager, or designee, with available documentation on requests.

Splash Programming Budget Request

Flow Chart
(501c.3 Riparius Foundation Service Provider)



Budget

1. **\$110,000 Grant Management** (Goal of 2-3 grants in the 18 month time frame)
 - \$30,000 Grant Director- assembles Grant Team
 - \$30,000 Per identified grant opportunity
 - Team Lead- Coordinates with the City and Regional Partners in addition with the team assembled
 - Budget Manager
 - Writer
 2. **\$60,000 Programming and Events**
 - \$15,000 each, 4 annual events
 - \$8,000 Staffing and Program Management
 - \$5,000 Program Material Cost and Digital Inclusion and Archiving
 - This allows for the programs to be multilingual, virtually accessible and transcribed to convert to online recurring programming.
 - \$2,000 Marketing and Recruitment
 3. **\$50,000 Develop a Business Success Roadmap/ Small Business Advocacy and Liaison (Splash staffed and managed worker)**
 - \$10,000 Program Development
 - \$40,000 Program Management and Operational Expenses
 4. **\$30,000 Administrative and Operational Cost**
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1. Grant Management:

- Scout and identify available grants
 - Attend information sessions and review NOFOs
- Qualify COSM
- Develop and application plan
- Delegate application needs
- Coordinate with departments, organizations, local non-profits or social service organizations
- Communicate with grant evaluators as needed
 - Efficiently communicate with COSM
- Apply
- Monitor
- Manage requirements
- Manage funding and reporting

The goal is to identify and write/ apply to 2-3 substantial grants with the outcome of being awarded. These initial developed grant applications will roll into identified grants on a rotating basis.

This creates a capacity for the COSM to explore and win state and Federal grants that are tailored to our community. It is the grant manager's job to build on existing capacity and expand to new areas. Our vision is to create a standalone grant group that can support every element of the city from Business Support, Parks and Wildlife, Transportation and Mobility, to Fire and Safety.

The Grant Director in particular will be applying to grants that COSM qualifies for. The director must coordinate with the COSM personnel or any appropriate department/s to acquire any requirements for identified grants.

2. Programming and Events

Each event has three main focuses:

Outcomes: Draw attention to locally created businesses, spotlight entrepreneurs, and feature the start-up activity locally happening.

Objectives: Provide custom focused support to participating HUB

Deliverables: Data collection, case management of clients, and tracking of client journey

Key Terms:

HUB

A Historically Underutilized Business (HUB) is a corporation, sole proprietorship, partnership or a joint venture formed for the purpose of making a profit in which at least 51 percent ownership of the business is by a woman, minority and/or service-disabled veteran.

Hyper-Local (local)

Hyperlocal is oriented around a well-defined community (San Marcos ETJ) with its primary focus directed toward the concerns of the population in that community.

Micro-business

A micro business is a type of start-up that mirrors a small business, but can be completely online, done as a side hustle, also done as freelance work. Employees 10 or less persons and or makes less than \$250,000 in annual profit.

Client

A business entity, start-up, sole proprietor, independent contractor, entrepreneur, hobbyist

About 20 percent of small businesses in the United States are concentrated in the goods-producing sector. The remaining **80% are in the service sector** (Small Business Administration, 2010). The high concentration of small businesses in the [service-producing sector](#) reflects the makeup of the overall U.S. economy.

A. Start-up Success and Bootcamp

Outcome: Attract interested local attendees who have an idea, start-up or concept

Objectives: Local experts provide workshop based education and exercises to participants

Deliverables: Workbooks, business plan, scope, validation, SWOT analysis, mapping, lean canvas templates are provided to participants

This has been the highest demanded event. Originally funded by a State grant from the Texas Governor's office, Splash in partnership with TXST, and Workforce Solutions offered a Minority focused bootcamp. This one day event (30 participants) was renewed for a second year and developed into a three month course (100+ participants) with an initial introduction and fast-track week-long event (~50 participants).

*Participants are encouraged to attend the next stage events such as event B.

B. Start-up Showcase and Pitch Competition

Outcome: Spotlight startups made in San Marcos

Objectives: Provide curriculum based guidance to develop a pitch deck and presentation.

Start-ups will pitch to multiple experts, investors, gain some valuable exposure and receive quality feedback. Participants will network, potentially build partnerships. Most importantly, possibly get a chance to secure funding and accelerate their business.

Deliverables: Three selected start-up winners

Vet, recruit and coach 5-10 start-ups to participate in the event

Showcasing the start-ups of the San Marcos area, this program offers a platform to bring attention to the budding entrepreneurs that come out of programming and networks throughout San Marcos. The pitch competition allows for a training and coaching program that prepares participants for the keynote Pitch Competition event. Established entities are then encouraged and set up to be vendors at event C.

C. Minority Owned Business Expo

Outcome: Showcase HUBs and put them in front of clients or employers who need their services or products.

Objectives: Maximize the local number of certified HUBs, and assist in adding them in the Statewide Procurement Division (SPD)

Deliverables: Ensure a low-cost to no cost vending options, in-person and digital booth presence, assist in certifying participants to the Statewide HUB Program for approval and inclusion in the HUB Directory

Working from the success of the Black Business Expo showcased during Global Entrepreneurship Week 2020, this program brings a highlighted opportunity to combine education and resource opportunities to minority entrepreneurs and business owners.

D. Accelerator Programming

Outcome: Support early-stage, growth-driven companies through education, mentorship, and financing.

Objectives: Provide event participation to start-ups during a fixed-period of time, and as part of a cohort of companies. Deliver intense, rapid, and immersive education aimed at accelerating the life cycle of young innovative companies, compressing years' worth of learning-by-doing into just a few months (typically three months).

Deliverables: Company matching with business programming and tools in the areas of financing, mentorship and education.

Currently Splash is partnered with expert incubation and accelerator programs throughout both the State of Texas and nationally. Most of these have served an outsourced purpose that has exported start-ups that were grown in San Marcos and could not find the supportive resources to continue the growing needs of their businesses. Localizing an accelerator program that is home-based in San Marcos will allow the program to pull in resources and develop a more refined pipeline of success driven start-ups that are homegrown

3. Business Success Roadmap/ Small Business Advocacy

- Develop a check-list roadmap for any stage and size business to engage with
 - Federal Departments
 - State Departments
 - Local Departments
- Create an intake profile and case
- Identify needs
- Create a tracking system and plan
- Guide, and educate participant through the plan
- Advocate needs
- Track successes and identify challenges
 - Track repeated case challenges and report to COSM
 - Develop a solution base approach
 - Create and implementation plan for solution needs
- Report findings and set initiatives or goals based on collected findings with COSM and GSMP

Following participants in grant funded programs or the above events this roadmap will take a case management approach. Documenting each business phase and needs through the developed roadmap. Coordination with existing programs, departments, and public processes, public personnel will be reached out to appropriately to not exhaust resources or bandwidth.

*Small Business Counseling Program does not service entities or private developments greater than 25 FTE or start-up businesses younger than 12months. This also does not include independent contractors or gig based services.

Program eligibility This program is for businesses who meet the following criteria:

- Open for business for at least 12 months before applying
- Have a physical presence within the taxing jurisdiction of the City of San Marcos (i.e., within the city limits), and
- Employ 1-25 full-time employees.

4. \$30,000 Administrative and Operational Cost

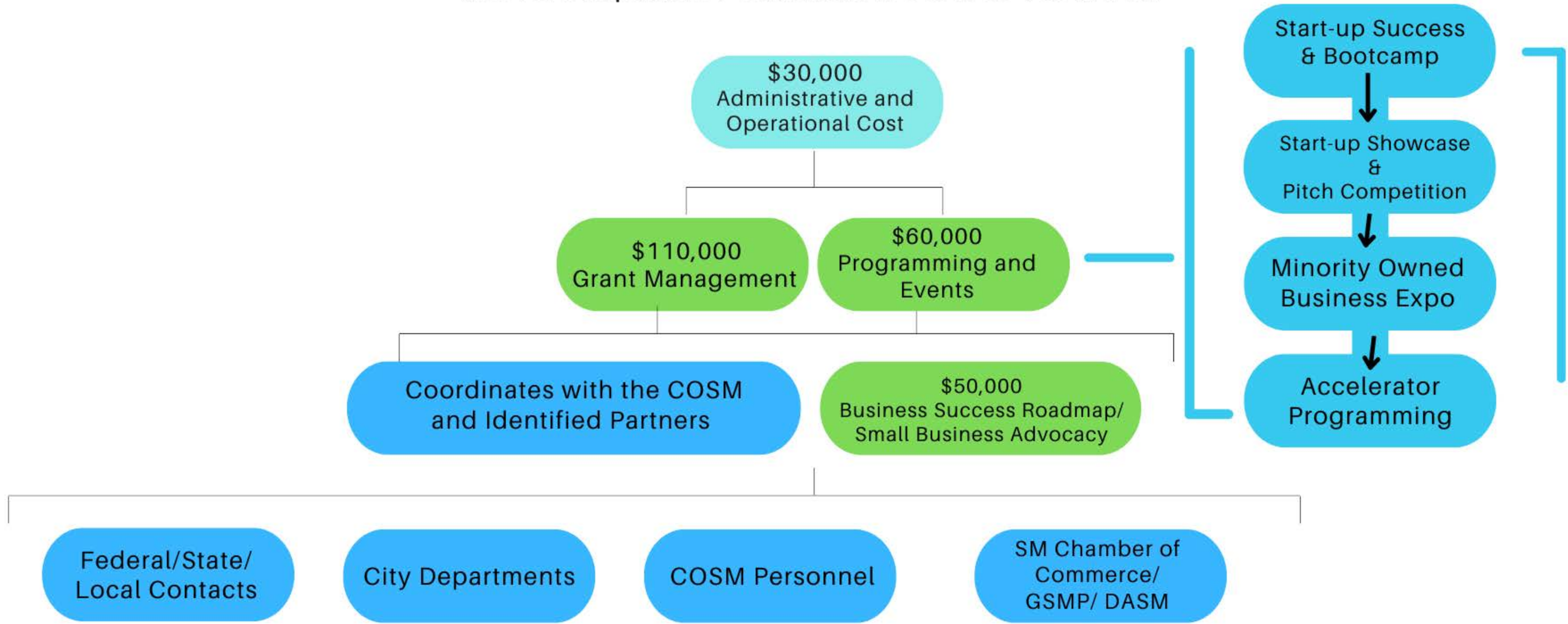
- **Coordination with GSMP**
- **Report to COSM CM Department**
- **Management of budget and reporting**
- **Additional equipment and software resources**

In the case of the Roadmap deliverable, Splash must manage this role and assess performance and progress. There needs to be oversight of each of these managing roles and adequate reporting. Additional cost for each of these deliverables is in space expansion need and usage, increase in insurance and software usage/ capacity, and equipment.

Splash Programming Budget Request

Flow Chart

(501c.3 Riparius Foundation Service Provider)



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