



City of La Quinta

TO: The Honorable Mayor and Members of the City Council

FROM: Chris Escobedo, Assistant to City Manager

DATE: January 20, 2015

SUBJECT: THE EAST VALLEY ECONOMIC GROUP

On February 28, 2014 the City of Indio and County of Riverside sent a letter inviting the City to explore an eastern Coachella Valley economic development partnership opportunity. This stemmed from State legislation dissolving the State's enterprise zone program, which included the Coachella Valley Enterprise Zone Authority consisting of the Cities of Indio, Coachella and County of Riverside. Representatives of agencies subsequently met over the year to further discuss the opportunity and it included conversations with the Coachella Valley Economic Partnership (CVEP).

On January 8, 2015, representatives of the Cities of Coachella, Indio, La Quinta, and County of Riverside met and received a presentation on a proposal from Riverside County Economic Development Agency (EDA) on the formation of the East Valley Economic Group (EVEG). The purpose of the proposal is to establish a formal partnership and business attraction strategy to aggressively market the eastern Coachella Valley for new business investment.

Recognizing the importance of this need, Riverside County is offering to provide targeted economic development support to assist EVEG in support of this effort. Specifically the County, through EDA, would provide a business ambassador to co-manage the marketing campaign, serve as a clearinghouse for small business assistance, coordinate available incentive programs, conduct lead generation for new business investments, and market EDA's small business loan program.

EVEG will include the contribution and participation of CVEP in order to maintain connection with the Coachella Valley iHub. CVEP will provide office space and staff support at the current East Valley offices in Indio located at 45-125 Smurr Street, provide regional economic data to support the marketing campaign, assist in the development of regional strategies, and offer clean technology and renewable energy focused services through the iHub.

The Cities of Coachella, Indian Wells, Indio, La Quinta, Palm Desert, the Imperial Irrigation District, and the Torres-Martinez Desert Cahuilla Indians have been identified as potential members for this group. A suggested annual sponsorship of \$10,000 per entity will cover costs associated with a) hosting prospective businesses, b) marketing production, and c) advertising.

Each partner will appoint one member and an alternate to the partnership's advisory body. This body will determine measureable outcomes for the group, and receive regular reports from staff.

Proposed Budget

Partner Name	Support Value
City of Coachella	\$10,000
City of Indian Wells	\$10,000
City of Indio	\$10,000
City of La Quinta	\$10,000
City of Palm Desert	\$10,000
Imperial Irrigation District	\$10,000
Torres-Martinez Desert Cahuilla Indians	\$10,000
Coachella Valley Economic Partnership	\$10,000
Riverside County Economic Development Agency	\$127,453
Total	\$207,453
Fiscal Agent (10%)	\$20,745
Grant Total	\$228,198

The contribution of CVEP can be in the form of in-kind support and the City of Indio will serve as the fiscal agent.

Should the City Council wish to proceed with this effort, the next step would be to express formal commitment of the support amount and work with all interested parties on a formal agreement that will outline the goals of the partnership, detail the manner in which combined resources will be employed, as well as identifying measureable outcomes.

Attachment: 1. Partnership Proposal

PURPOSE: The purpose of this proposal is to establish a formal partnership and business attraction strategy to aggressively market the Eastern Coachella Valley (ECV) for new business investment.

BACKGROUND: The East Valley Coalition has determined that there exists a need to leverage resources to assist the Eastern Coachella Valley in actively pursuing private domestic and foreign investment as well as new businesses. Recognizing the importance of this need, Riverside County is offering to provide targeted economic development support to assist the Coalition in its effort to strengthen and diversify the regional economy. In addition, the County is proposing to formalize the Coalition through a formal agreement between all partners which will clearly outline the goals of the partnership, the manner in which combined resources will be employed as well as work towards identifying measurable outcomes.

PROPOSED PARTNERSHIP AND STRATEGY: The overarching goal of the East Valley Business Attraction Partnership is the development of a comprehensive, action-oriented business attraction strategy for the Eastern Coachella Valley.

The proposed partnership shall include: City of Coachella; City of Indian Wells; City of Indio; City of Palm Desert; City of La Quinta; Imperial Irrigation District; the Torres-Martinez Desert Cahuilla Indians, the Riverside County Economic Development Agency (EDA); and the Coachella Valley Economic Partnership (CVEP). All partners will jointly exercise their powers to manage, coordinate, market and administer the program as follows:

EDA

The Riverside County Economic Development Agency will leverage large scale economic development resources and staffing to ensure that the business attraction campaign is effectively deployed. Specific contributions will include:

- A Business Ambassador to co-manage campaign and one-stop business assistance center;
- Serve as a clearinghouse for small business assistance to aid start-up and business expansion efforts;
- Assist with the coordination and targeting of available federal, state and local incentive and development programs;
- Provide technical assistance and relevant demographic data via the agency's Business Intelligence Team;
- Assist in the development of attraction strategies and marketing materials;
- Serve as a lead generation source for new business investment and primary source of contact for companies exploring the ECV region;
- Market and administer EDA's Small Business Loan Program;
- Perform such other functions as may be deemed necessary and appropriate to meet the objectives of the group.

CVEP

The Coachella Valley Economic Partnership will provide regional expertise and will leverage the assets of the Coachella Valley IHUB to further the goals of the Partnership. Specific contributions will include:

- Provide office space and office support for the partnership at: 45-125 Smurr Street, Suite B, Indio, CA 92201;
- Provide staffing for the office and its programs (1 FT Office Manager and 2 PT Business Liaisons)
- Provide regional economic data to support campaign and prospective new businesses;
- Assist in the development of attraction strategies and marketing materials;
- Provide programs, services, and incentives to start-up businesses focused on clean technology and renewable energy through the Coachella Valley IHUB.

City of Indio

- Serve as Fiscal Agent for the partnership.

East Valley Entities

- The Cities of Coachella, Indian Wells, Indio, La Quinta, Palm Desert, the Imperial Irrigation District, and the Torres-Martinez Desert Cahuilla Indians shall support the partnership through an annual cash contribution. A suggested sponsorship of \$10,000 will cover the following costs:
 1. Hosting prospective businesses (travel and meal expenses)
 2. Marketing production
 3. Advertising

ADVISORY BODY: Each partner will appoint one member and an alternate to the partnership’s advisory body. This body will serve to determine the measurable outcomes for the team. The advisory body will also receive regular reports from the staff.

ACTION PLAN:

Deliverable	Responsible Party
Coordinate and Convene Meeting of Advisory Body	EDA
Stakeholder Input and SWOT Analysis	Advisory Body
Create Coordinated ECV Business Attraction Strategy and Performance Measures	Advisory Body
Monthly and Annual Progress Report	EDA

APPENDIX 1: PROPOSED PARTNERSHIP BUDGET

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City of Coachella	\$10,000	
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City of Indio	\$10,000	
City of La Quinta	\$10,000	
City of Palm Desert	\$10,000	
Imperial Irrigation District	\$10,000	
Torres-Martinez Desert Cahuilla Indians	\$10,000	
Coachella Valley Economic Partnership	In-kind or \$10,000	
Riverside County Economic Development Agency	\$127,453	
	Total	\$207,453
	Fiscal Agent (10%)	\$20,745
	Grand Total	\$228,198

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