

REPORT TO THE CITY COUNCIL



DATE: July 5, 2017

TITLE: Coachella Valley Economic Partnership (CVEP) Funding Request

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RECOMMENDATION

Consider the Coachella Valley Economic Partnership (CVEP) 2017-18 funding request and provide direction to Staff.

BACKGROUND

The Coachella Valley Economic Partnership (CVEP) is a regional organization devoted to attracting, retaining and expanding business while improving the quality of the local workforce. Their purpose aims to improve the economy and quality of life throughout the region. The organization includes leadership from both the public and private sectors, with representation of local municipalities, school districts, medical centers, broadcasting companies, infrastructure districts, banks, utility companies, transit agencies, and news/media providers.

CVEP funding requests to Coachella Valley cities are based on a calculation of \$1 per resident. For the City of Desert Hot Springs, this total is approximately \$28,000, based on census information from the United States Census Bureau (Exhibit 1). However, in the prior seven years, the City has provided various funding amounts that do not correspond with the number of residents. Funding was not provided between fiscal years 2014-16, due to the City's financial crisis. Last year, the City resumed funding with \$10,000 which is the minimum amount required for a seat on the board.

Desert Hot Springs CVEP Funding History

FY 2010-11	\$50,000
FY 2011-12	\$51,000
FY 2012-13	\$100,000
FY 2013-14	\$37,500
FY 2014-15	\$0
FY 2015-16	\$0
FY 2016-17	\$10,000

DISCUSSION

Coachella Valley Economic Partnership (CVEP) has submitted a request for funding in the 2017-18 fiscal year in an amount of \$28,000, based on the current number of Desert Hot Springs residents.

In the past year, City residents have benefited from several services described in the CVEP Annual Report for Desert Hot Springs (Exhibit 2). Direct benefits include business consulting, workshops, and \$115,000 of scholarships awarded directly to Desert Hot Springs students who attend local, state, and private colleges and universities. In the upcoming year, CVEP is planning to research cannabis industry business opportunities which would offer potential benefits to the City. Additionally, SecoSystems, CVEP's highest valued iHub company was founded by Desert Hot Springs residents.

FISCAL IMPACT

Should the City Council approve this request, funds will be taken from General Fund account number 001-41-64-4235 (Contract Services for Economic Development).

EXHIBIT(S)

- 1) Desert Hot Springs Population Estimate
- 2) CVEP Annual Report for the City of Desert Hot Springs