



City of Desert Hot Springs

Prepared by:
Coachella Valley Economic Partnership



Annual REPORT

Financial Update

FY 2015-16 was about implementing business fundamentals and management discipline while preserving CVEP's mission.

Building a Solid Balance Sheet

- Total assets increased 3.3%
- Long-term debt eliminated
- Total liabilities decreased 64.5%
- Cash positions comfortable

Predictable and Manageable Operating Performance

- Budget managed in real time
- Revenue > expenses by \$235,000 (11% over budget)

FY 2016-17 indicators are positive and available in October



Annual REPORT

Return on Investment

CVEP is a vital innovator of business and workforce development initiatives. CVEP promotes a diversified, year-round economy by facilitating programs to stimulate job creation in key industries and unite business and education to create a well-prepared workforce. Service highlights include:

- **\$8.1 million of loan and equity capital accessed** by small businesses in the region in 2016, and **\$33** million since 2012.
- **67 jobs created** by small businesses in the region in 2016, and **364** since 2012.



Annual REPORT

ROI: iHub Q2 of 2017

DESCRIPTION	GOAL	ACTUAL
New Companies	50	56
Graduates	9	19
Equity Investments	\$7 million	\$20+ million
Employees	290	163
Debt Capital	\$3 million	\$3.2 million (variable)
Grants	\$5 million	\$3.4 million
Technology	20	19 patents



CVEP Funding Sources FY 2016-17

Public Funding: \$481,500 (40.9%)
Healthcare Sector: \$150,000 (12.7%)
Banking Sector: \$133,000 (11.3%)
Other Private Businesses: \$172,500 (14.7%)
Self Generated: \$240,000 (20.4%)

Total Revenue: \$1,177,000



CVEP Economic Impact 2016

Elliot D. Pollack & Company

March 2, 2017

Commissioned by: Southern California Edison

Impact	PS iHub	Biz Services	Total
Direct	\$55.0 M	\$2.3 M	\$57.3 M
Indirect	10.3 M	\$0.7 M	\$11.0 M
Induced	11.0 M	\$1.0 M	\$12.0 M
Total	76.3 M	\$4.0 M	\$80.3 M



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Business Services

- **Created CVEP-branded Business Services Center**
- **Began offering geographic information systems (GIS) services** to the business community
- **Welcomed Accion**, which offers micro- and small business loans and financial advice, at the Rabobank Regional Business Center.
- **Established partnerships** with new micro-lender **Lendistry** and SBA lender **Enterprise Funding Corp** for personalized, direct client access.
- **Attracted first outside support**



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Tangible Value: City of Desert Hot Springs 2016-17

- 2 general business clients based in Desert Hot Springs
 - 12 hours of counseling
- 2 iHub client founders domiciled in Desert Hot Springs
 - 1 pilot test with Mission Springs Water District
 - \$18,000 invested in iHub client's executive coaching
- Co-Promoted GO-Biz Cal Competes Tax Credit Workshop held in Desert Hot Springs 7-21-16

2017 Business Attraction Activities

- American Airlines: \$50,000 Advertising Package
- Google Foundation: \$120,000 Advertising Grant for Targeted Attraction
- GIS Directed Direct Outreach to Coastal and High Cost Communities



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Tangible Value: City of Desert Hot Springs 2016-17 Scholarship Recipients

- **27** Total Desert Hot Springs High School Students
- **8** Attending College of the Desert
- **10** Attending a California State University school
- **8** Attending a University of California school
- **1** Attending USC

\$115,000 in TOTAL Scholarship Funding



Annual REPORT

Objectives for FY 2016-17

- Workforce Excellence successfully spun off as an independent 501(c)3 entity
- Business Attraction Activities Initiated
- Attract new private investors
- Work Closer with Chambers of Commerce
- Bring valued long-term partners back to the table (8 of 9 cities are now in CVEP)
- Be attentive, transparent, and interactive



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GREATER PALM SPRINGS
ECONOMIC SUMMIT



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Claremont McKenna College

October 25, 2017

PALM SPRINGS CONVENTION CENTER

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