

THE COACHELLA VALLEY IS READY TO RISE:  
THE CASE FOR A CALIFORNIA STATE  
UNIVERSITY PALM DESERT



**e!evate**

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This case study demonstrates the desert community's collective need, commitment and enthusiasm for establishing the 24th California State University (CSU) in the Coachella Valley. It details how the necessity for affordable higher education is greater in the desert region than in any other location in the state of California, as well as how the community is aligned and prepared to swiftly shepherd the development of CSU Palm Desert.

All of the elements are in place to support a vibrant university in Palm Desert:

- We have an existing foundation for the university at the California State University San Bernardino Palm Desert satellite campus.
- We have the resources to fund building and development.
- We have 170 acres of land already designated for the campus.
- We have an approved Master Plan and can build a full California State University Palm Desert campus quickly.
- We have access to renewable energy sources to power a green campus.
- We have a sizable local student base, with upwards of 5,500 high school graduates annually.
- We have no competing four-year colleges within 60 miles.
- We have one of the fastest growing populations in California and the U.S.
- We have a world class destination that would appeal to students from throughout the state.

Establishing CSU Palm Desert will serve to:

- Enable local youth to pursue their dreams of higher education.
- Support underserved families.
- Make four-year degrees accessible to Coachella Valley residents.
- Diversify the regional economy beyond tourism and agriculture.
- Attract more white-collar jobs.
- Prevent "brain drain."
- Improve infrastructure.



## BACKGROUND

### One Region, Rising Together

The Coachella Valley is currently home to 463,000 permanent residents. Residents of the Coachella Valley and neighboring Imperial County do not have access to an affordable public university education. Local students who aspire to go to college are inhibited from doing so due to the lack of degrees offered locally and the distance of existing higher education options currently available.

The California State University San Bernardino Palm Desert satellite campus (CSUSB-PDC) is the only public four-year university presence in the region, and its capacity and range of degrees are limited. The CSUSB-PDC satellite campus is located 72 miles from the main CSU San Bernardino campus, 94 miles from Cal Poly Pomona, and 63 miles from UC Riverside. Additionally, the Coachella Valley does not have a comprehensive private university such as the University of the Pacific in Stockton or University of Redlands.

	EDUCATIONAL ATTAINMENT (ADULTS OVER 25 WITH A BACHELOR'S OR HIGHER) (PERCENTAGE)	LIVING BELOW THE POVERTY LINE (PERCENTAGE)	DISTANCE TO CSU SAN BERNARDINO (IN MILES)	DISTANCE TO PALM DESERT CAMPUS (IN MILES)
Banning	15.4	23.4	37	32
Beaumont	25.1	11.8	31	40
Blythe	7.8	26.2	176	107
Brawley	13.1	28.1	151	82
Cathedral City	18.6	20.7	68	7
Coachella	3.9	28	85	16
Desert Hot Springs	12.1	36.8	61	17
El Centro	17	24.9	164	95
Indian Wells	58	4.4	76	5
Indio	16.6	18.1	80	10
Joshua Tree	20.4	21.9	80	45
La Quinta	34.7	11.2	108	11
Mecca	4.1	42.8	94	25
Palm Desert	35.9	12.5	75	0
Palm Springs	36.3	18.5	59	14
Rancho Mirage	42.7	11.8	72	6
Thermal	0.1	34.3	89	19
Yucca Valley	15.8	21.2	73	39
<b>Riverside County Average</b>	<b>21.5</b>	<b>15.6</b>		
<b>State of California Average</b>	<b>32.6</b>	<b>15.1</b>		

Proximity is the key to educational attainment for the approximately 5,500 yearly graduates of the desert region's public school system. Predominantly centered in the Eastern Coachella Valley, the K-12 student base is 68% Hispanic and 69% female. The percentage of residents living below the poverty line in 13 of the region's 17 cities far exceeds both California and Riverside County averages. Therefore, many local families do not have the resources to send their children to college.

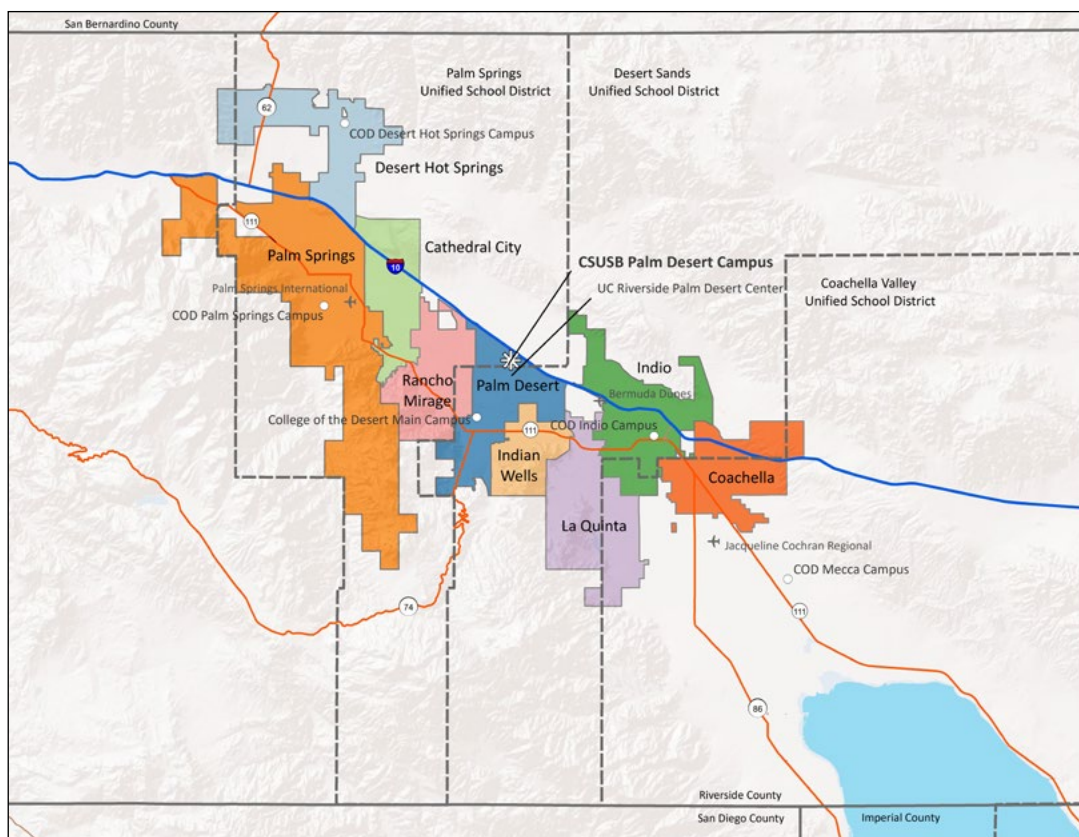
In the 1980s, the cities and leaders of the Coachella Valley stepped up to pave the way for a California State University with a vision to provide access to higher education locally. Over the past few decades, their philanthropic efforts yielded \$60 million in

donations that have been invested in the satellite CSUSB-PDC campus, which is now poised to offer the most cost-effective and educationally impactful option for the 24th campus of the California State University system.

## THE PALM DESERT CAMPUS

### A Sense of Place and Purpose

The Palm Desert Campus of the California State University at San Bernardino (CSUSB-PDC) presently serves 1,609 students. Each year, half of its applicants are not admitted either because the degrees they seek are not offered locally or due to space and faculty constraints.



The Palm Desert Campus is ideally situated in the Central Coachella Valley, with direct access to Interstate 10 and the region's public transportation system. It enjoys the same ideal climate and attractive surroundings that draw millions of tourists from around the world to the Coachella Valley every year. The campus has the potential to become a destination university that appeals to students from throughout California, the United States and abroad.

With an enviably low rate of violent crime, the Palm Desert Campus also offers parents the peace of mind that their young adults will be attending college in a safe and nurturing environment.

In 2020, an Innovation Hub (iHub) is set to open as the result of a partnership between the City of Palm Desert, the Coachella Valley Economic Partnership (CVEP), and CSUSB-PDC. Designed to serve aspiring entrepreneurs, iHub will be collocated with CSU programs in entrepreneurship, cybersecurity, and business with a depth area of hospitality management. Equipped with CENIC fiber high speed Internet, the facility will be a magnet for technology-based businesses and the students who will power the technology economy of the Coachella Valley.

## LOCAL INVESTMENT

### Supportive Cities and an Engaged Philanthropic Community

Between public and private sources, development of the Palm Desert Campus can be swiftly self-funded by the regional community.

The City of Palm Desert initially fueled the potential for the development of the Palm Desert Campus with the gift of 170 acres of land. Today, the value of that land, based on assessments of recently purchased comparable property, is \$44,075,657. Local investors provided funds to improve the land with roads and sewers, and to pay for the construction of four state-of-the-art buildings that serve the 1,609 students currently enrolled.

The cost to reproduce the local investments at the Palm Desert Campus has been estimated to be between \$150 and \$200 Million. These investments constitute 20% of the budget required to establish a campus with the capacity to serve 8,000 students.

All nine cities in the Coachella Valley have provided financial support for the campus and have continually come together to enthusiastically support the expansion of the campus to reach the original goal of hosting 8,000 students in a comprehensive institution of higher learning. It's also worth noting that the City of Palm Desert and its Coachella Valley neighbors are some of the most financially sound cities in all of California.





At a reported cost of \$200,000, CSU San Bernardino already commissioned a Master Plan for the campus. The approved Master Plan includes sufficient educational, athletic, housing, and administrative facility improvements designed to serve the original target of 8,000-plus enrolled students. This is yet another asset that will enable quick expansion into the 24th California State University campus.



## THE STUDENT BODY

### If We Build It, They Will Come

#### PUBLIC SCHOOL DISTRICT ENROLLMENT

The Coachella Valley is home to three unified school districts with a combined K-12 enrollment of 70,566 students: Coachella Valley, Desert Sands, and Palm Springs. There are currently between 5,500 and 5,800 graduating students each year, based on the typical rate of 8% of students being members of a given senior class.

Currently, many of the college-going seniors are faced with the necessity of leaving the region to continue their education because the major courses of study they seek are not offered locally. This large and growing student body will be a recurring and sustainable source of students for an expanded Palm Desert Campus that offers a full complement of majors.

#### COLLEGE OF THE DESERT

The College of the Desert (COD), the community college serving the Coachella Valley, currently has an enrollment of 16,067. That number reflects a robust 14% increase over the last four years.

In the 2017-18 academic year, 671 students completed an Associate Degree for Transfer (ADT), reflecting an increase of 121% over the previous four years. Another 466 students completed associate degrees of other disciplines. The growth in ADT completions is testament to the rapidly improving future economic impact of the COD graduates. Much like the high

school seniors, these ADT graduates currently have to leave the region to complete degrees that are not offered at the CSUSB Palm Desert Campus.

Additionally, COD is planning to open a new campus in Palm Springs in 2023 and will double the footprint of its Indio Campus in the same time frame. The Indio expansion is designed to add 5,000 students to the current capacity of 3,300 and will include a childhood development center to help parents who aspire to achieve a college education do so. The Palm Springs campus will have the capacity to serve over 3,000 full time equivalent students.

When complete, the capacity of COD will expand to at least 25,000 students—a 56% increase in the next three to five years.

#### POPULATION GROWTH TO DRIVE ENROLLMENT

According to the Coachella Valley Association of Governments (CVAG) and the Southern California Association of Governments (SCAG), the population of the Coachella Valley is expected to grow to 884,000 by 2035. This projection represents a growth rate of 99.4% from the 443,401 residents in the year 2014 when the projections were done.

Furthermore, the study projects that most of the population growth will come from the Eastern Coachella Valley, where a significant number of the current students at the CSUSB-PDC come from.



## ADJACENT ECONOMIC DEVELOPMENT

BlackRock, the world's largest asset management company with \$7.4 Trillion in assets under management, acquired 167 acres adjacent to the Palm Desert Campus in 2018. There is currently a Master Plan in place to develop 1,069 residential units including 336 apartments, 110 townhomes, and 623 single family homes. This development will create an economic impact of at least \$500 Million and serve as potential housing for students who require living accommodations near the Palm Desert Campus.

Additionally, the local business community driven by hospitality, healthcare, education, local government, and a rapidly growing community of technology professionals is poised to absorb the graduates of the Palm Desert Campus as programs of study are expanded to their needs.

As the campus actualizes, there is sufficient land off campus to attract even more private investment, further increasing the potential for positive local impact by establishing the 24th CSU Campus at the current Palm Desert Campus.

	GREATER COACHELLA VALLEY	SAN JOAQUIN COUNTY	SAN MATEO COUNTY	CONTRA COSTA COUNTY	
	PALM DESERT	STOCKTON	SAN MATEO	CONCORD	CHULA VISTA
4 Year Universities Within 60 miles	0	7	21	24	6
Population Served	600,834	759,314	727,209	1,079,597	615,127
Projected Population Growth Rate (ann)	3.37%	1.76%	0.77%	0.81%	0.78%
Student Population	1,609	881	0	1,300	0
Latinx	68%	51%	NA	33%	NA
Female	69%	66%	NA	61%	NA
Campus Status	CSUSB Branch	CSU Stan Branch	None	CSU East Bay Branch	None
Land	Yes	Undefined	Undefined	Yes	Undefined
Readiness	Immediate	Needs Site & Prep	Needs Site & Prep	Immediate	Needs Site & Prep
Private Investment to Date	\$52 million	0	0	unknown	0
Safety (Violent Crime Rate/1000))	1.71	14.23	2.73	3.69	3.09



## DIVERSIFYING THE ECONOMY & WORKFORCE DEVELOPMENT

### Positive Impacts Beyond Educational Opportunities

Given only 16% of the Coachella Valley workforce holds a Bachelor's degree, educated employees and a local university play a key role in diversifying the regional economy beyond hospitality and agriculture. The Coachella Valley doesn't have the same ratio of high-paying white collar jobs that nearby markets like Los Angeles, Orange County and Riverside have, which poses a challenge to both attracting workforce and keeping local talent local.

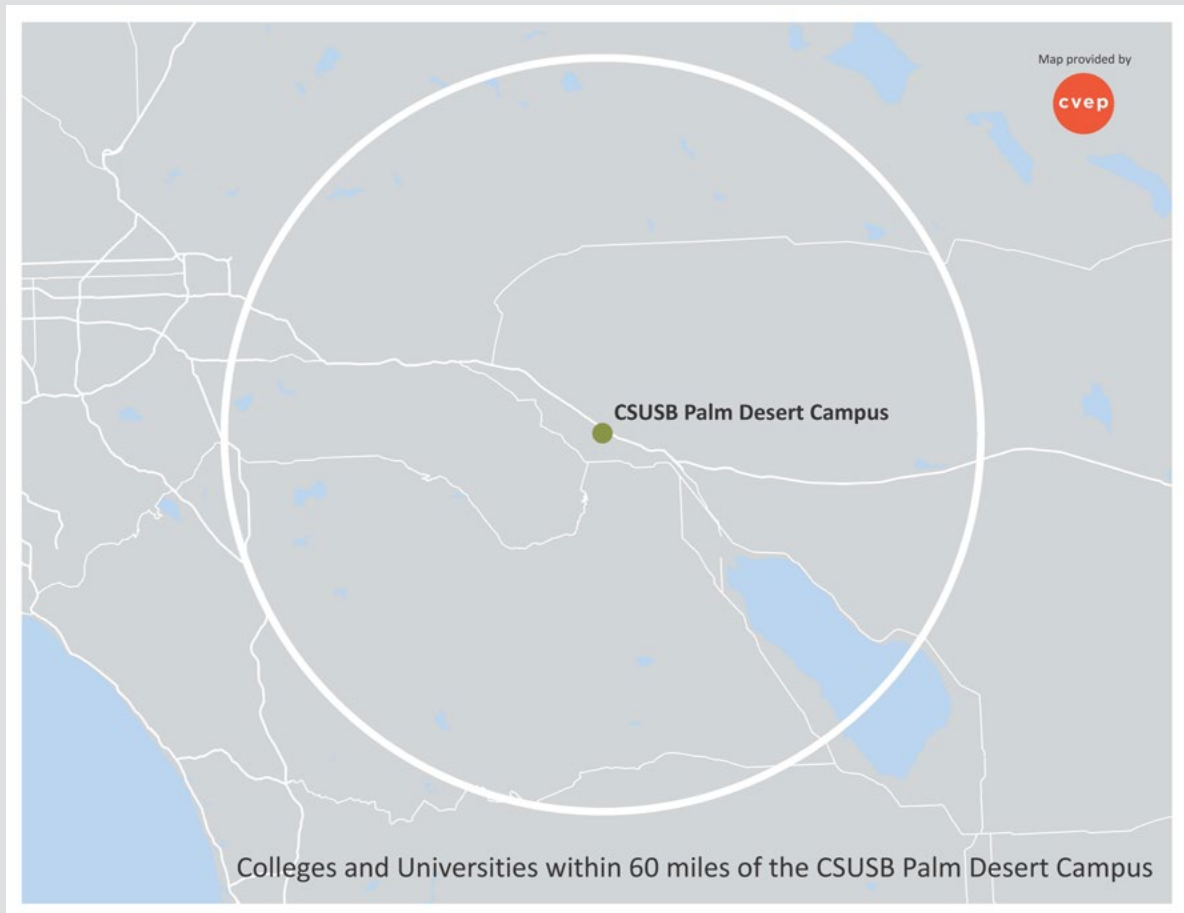
CSU Palm Desert would also effectively solve a major workforce development challenge for the tourism industry—the desert region's largest industry that employs one in four residents. Plus, the presence of a university would remove a longstanding barrier to airlift development: the lack of a significant business traveler population.

The Greater Palm Springs Convention and Visitors Bureau has invested in a robust collection of research on workforce and airlift development, as well as industry clusters. The findings of all such studies highlight the need for a university to overcome major obstacles to growth. The following studies can be provided upon request or accessed online:

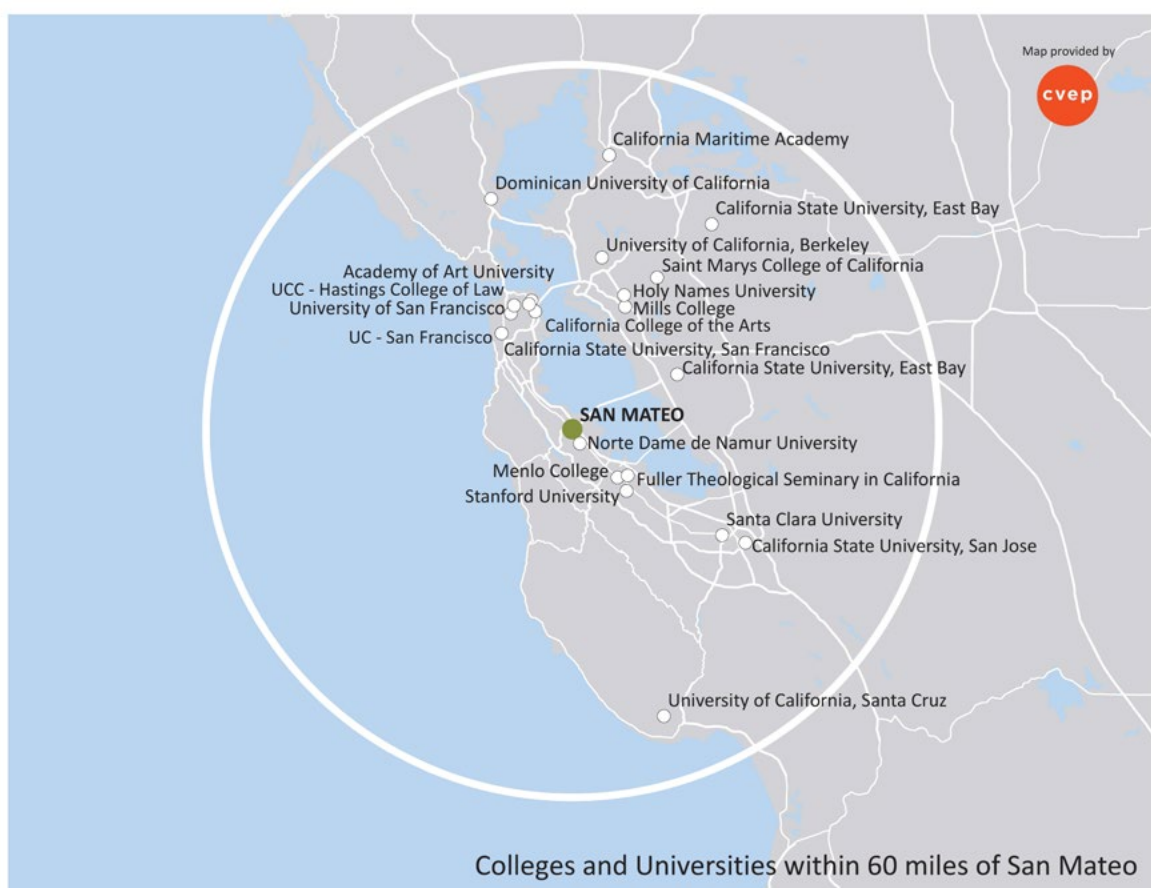
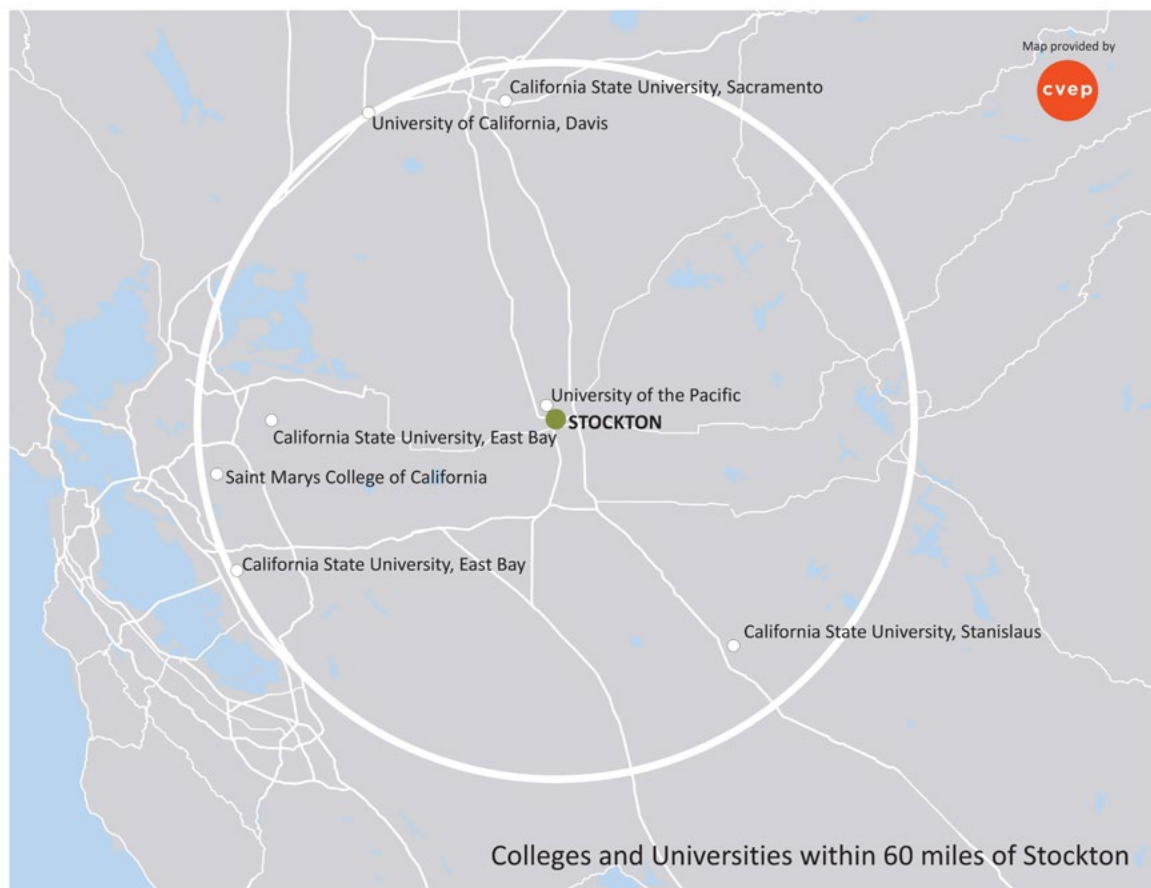
- Coachella Valley Business Attraction (RSG, February 2020)
- The Economic Impact of a Fully Utilized CSUSB Palm Desert Campus (Tourism Economics, 2018)
- The Economic Impact of a Proposed Hospitality Management Program at Palm Desert Campus (Tourism Economics, 2017)
- 2018 Greater Palm Springs Relocation Study (fuseResearch, 2018)

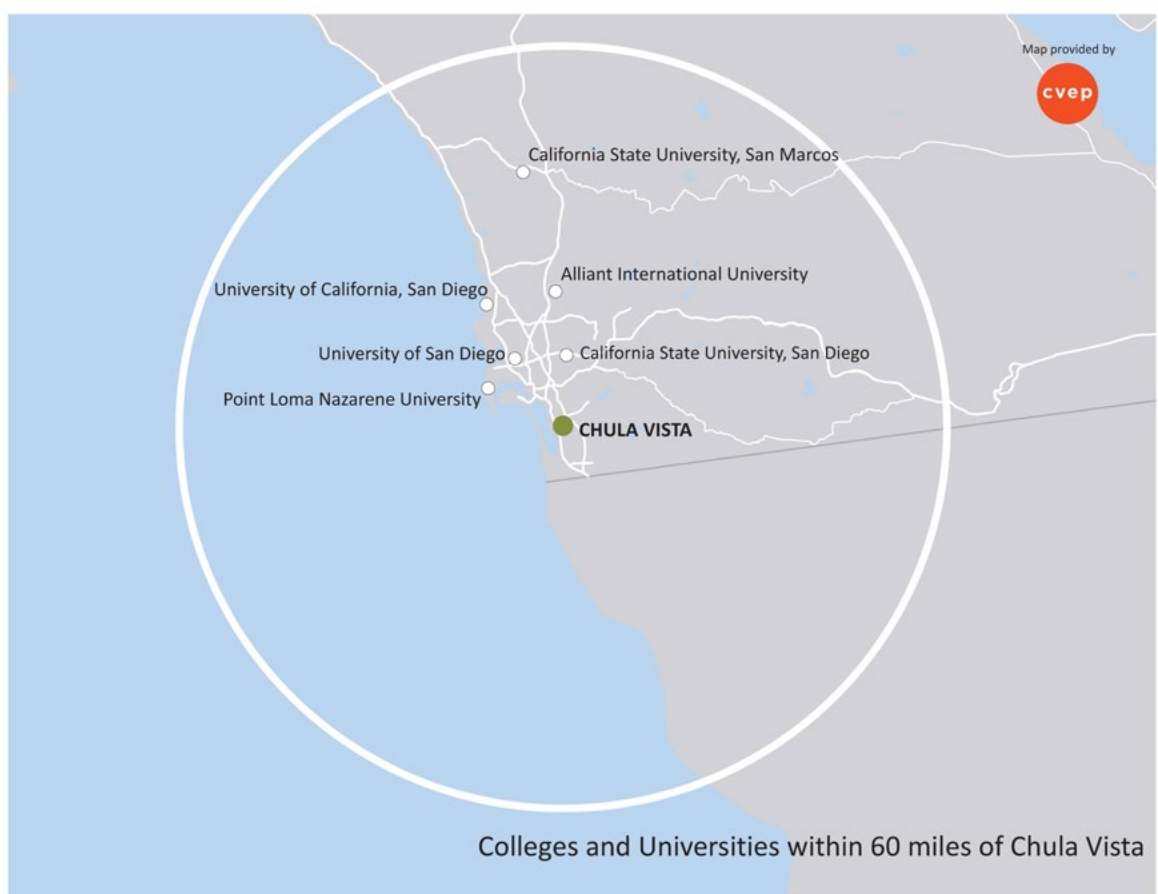
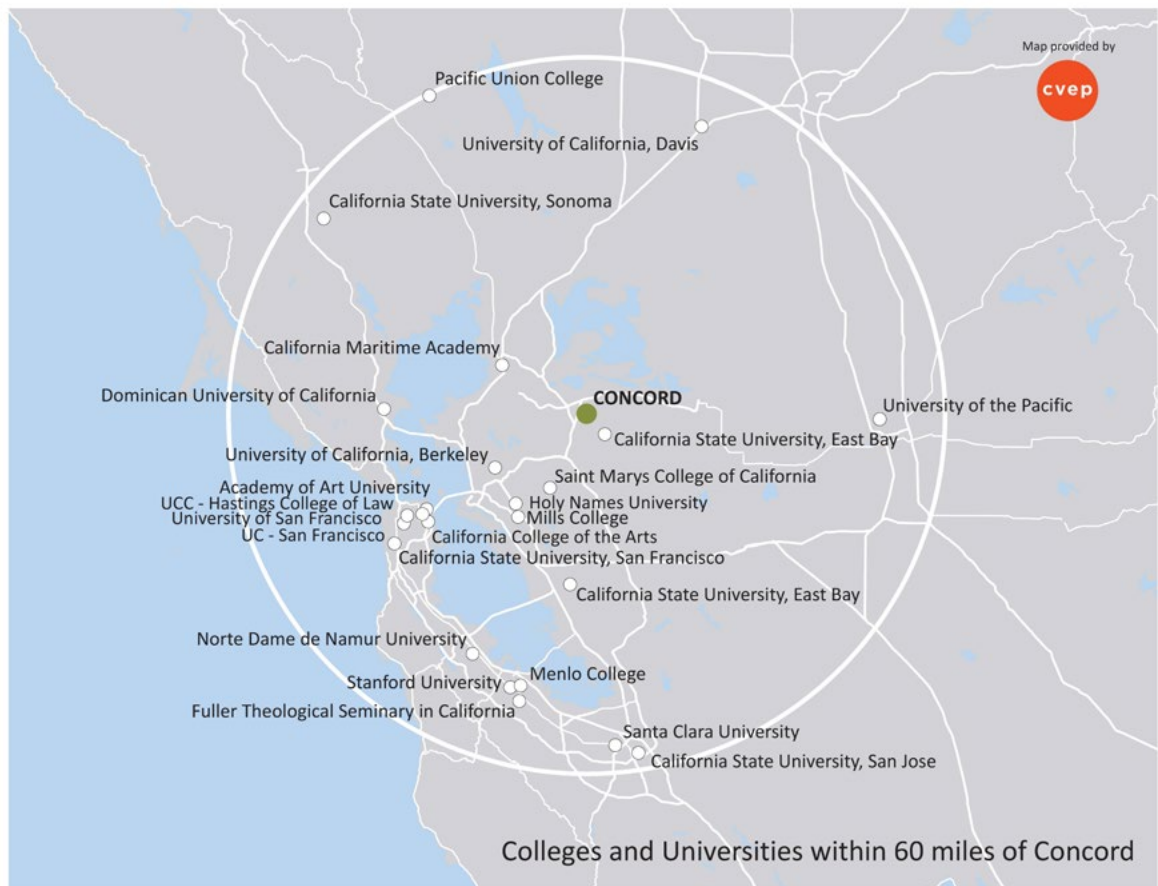


## APPENDIX













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