

BOARD OF DIRECTORS MEETING
AGENDA PACKET

APRIL 20, 2022



AGENDA

Board of Directors Meeting

Wednesday, April 20, 2022

8:00 a.m.

Palm Desert iHub

37023 Cook Street #102

Palm Desert, CA 92211

1. Call to Order
2. Board Member Roll Call
3. Approval of March 16, 2022 Minutes
4. iHub Client Presentation – Liz Wong
5. Executive Committee Report – Jan Harnik
6. Business Services Report – Laura James
7. CEO Report – Joe Wallace
8. Board Member Updates/Comments
9. Adjournment

Next Meeting:

Wednesday, May 18, 2022

City of Desert Hot Springs

8:00 a.m.

BOARD OF DIRECTORS ROSTER



Investor Agency/Organization	Representative(s)	Jul 21	Dark	Sep 15	Oct 20	Dark	Dec 15	Jan 19	Feb 16	Mar 16	Apr 20	May 18	Jun 15
Agua Caliente Band of Cahuilla Indians	Todd Hooks	X		X	X		X	X	X	X			
Best Best & Krieger	TBD	EXC		EXC	EXC		EXC	EXC	EXC	EXC			
Calif. Alliance for Renewable Energy Solutions	Patrick Sinclair	X		EXC	EXC		X	X	X	X			
Charter Communications/Spectrum	Sandra Cuellar	X		X	X		X	X	X	EXC			
City of Cathedral City	Mark Carnevale/Ernesto Guitierrez	X		X	X		X	X	X	X			
City of Desert Hot Springs	Roger Nunez/Russell Betts	X		X	X		X	X	X	X			
City of Indian Wells	Greg Sanders	X		X	X		EXC	X	X	X			
City of Indio	Oscar Ortiz/Elaine Holmes	EXC		X	X		X	X	X	X			
City of Palm Desert	Jan Harnik/Gina Nestande	X		X	X		X	X	X	X			
City of Palm Springs	Lisa Middleton	X		X	X		X	X	X	X			
City of Rancho Mirage	Ted Weill/Charles Townsend	EXC		X	X		X	X	X	X			
College of the Desert	Dr. Christina Tafoya	X		X	X		X	X	X	X			
Desert Care Network	Gary Honts	EXC		EXC	EXC		EXC	EXC	X	EXC			
Eisenhower Medical Center	Ken Wheat	EXC		EXC	EXC		EXC	EXC	X	X			
GCVCC	Emily Falappino/Diana Soto	X		X	EXC		X	X	EXC	X			
Gulf California Broadcasting/KESQ	Jerry Upham	EXC		X	X		X	X	X	EXC			
Hunter Johnsen	Chris Hunter	X		X	X		X	X	X	X			
Imperial Irrigation District	Antonio Ortega/Trinidad Arredondo	X		X	EXC		X	X	X	X			
LifeStream	Dr. Rick Axelrod	X		X	X		X	X	EXC	X			
Oliphant Enterprises	Richard Oliphant	X		X	X		X	X	EXC	X			
Osborne Rincon	Lee Osborne	EXC		EXC	EXC		EXC	EXC	EXC	EXC			
Pacific Western Bank	Tracy Tremblay	EXC		EXC	EXC		EXC	EXC	EXC	X			
Palm Springs Life	Paulina Larson	EXC		X	X		EXC	EXC	EXC	EXC			
Riverside County EDA	Joaquin Tijerina/Bob Wright	X		X	X		X	X	X	X			
Southern California Edison	Jennifer Cusack	X		X	X		X	X	X	X			
Southern California Gas Co.	Deborah McGarrey	X		X	X		X	X	X	X			
Sunrise Company	Phil Smith	X		EXC	EXC		X	X	X	X			
The Desert Sun	Tom Niva	X		X	X		X	EXC	X	X			
University of California, Riverside	Tamara Hedges/Agam Patel	X		X	X		EXC	X	X	X			
US Bank	Alan Brimmer	X		X	X		X	EXC	EXC	X			
Wells Fargo Bank	Amanda Kramer/Moises Aguirre	EXC		EXC	X		EXC	X	X	X			
Honorary Board Members													
PDACC	Randy Florence	EXC		X	X		EXC	EXC	EXC	EXC			
CSUSB	Dr. Joe Tormey	X		X	X		X	X	X	X			



**BOARD OF DIRECTORS MEETING
WEDNESDAY, MARCH 16, 2022
8:00 A.M.
VIA ZOOM VIDEO CONFERENCE**

Call to Order

The meeting was called to order at 8:03 a.m. by Board Chair, Jan Harnik.

Staff Members/Guests Present

Joe Wallace
Laura James
Lesla Bodnar
Rebecca Martinez
Ian Vos

Welcome and Roll Call

Jan Harnik welcomed the board and attendance was noted. Jan asked two new board representatives to introduce themselves – Dr. Christina Tafoya from COD and Tracy Tremblay from Pacific Western Bank.

Minutes

On a motion by Deborah McGarrey, seconded by Phil Smith, the minutes of the February 16th, 2022 meeting were approved as presented....all in favor.

Executive Committee

Todd Hooks noted that the Executive Committee met via video conference. Operations and financials were reviewed and discussed – all in good order. He reviewed the results of the first industry roundtable [banking] with the board – unanimous amongst attendees was the lack of “soft skills” in prospective employees, amongst other challenges. Discussion followed.

Business Services Report

Laura James gave an update on the activities of the Business Services team – the full report is included in the packet.

Marketing and Communications Report

Laura James gave an overview of the CVEP marketing and communications activities over the last two months.

CEO Report

Joe Wallace gave an overview of CVEP organizational activities - the full report is included in the packet. He also discussed the possibility of doing a live economic summit this year - there are advantages and disadvantages to doing it live vs. virtual.

Member Updates

Oscar Ortiz noted that the City of Indio is swearing in new police officers tonight as well as reviewing the City's strategic plan, notably "big ticket" items such as downtown redevelopment, parks and façade improvements.

Todd Hooks asked whether CVEP board meetings will be resumed in person. Jan Harnik responded that was possible and said that CVEP used to hold their board meetings across the valley in investor cities. Roger Nunez from the City of Desert Hot Springs offered to host the next meeting at their new City Hall building.

Adjournment

There being no further business, the meeting was adjourned at 8:58 a.m.

BUSINESS SERVICES REPORT

APRIL 20, 2022

General Updates

- PS iHub company Qwik tarp is featured in an Innovation Month spotlight video. View at <https://youtu.be/AXilnmDTu4A> or rivcoinnovation.org.
- Thank you to the sponsors of Coachella Valley Fast Pitch: SoCalGas, buzzbox, Hunter|Johnsen, College of the Desert, Desert Insurance Solutions, City of Cathedral City, Jan & Brian Harnik, and Coachella Valley SBDC. We were able to offer \$2,500 in prizes thanks to our sponsors.
- CVEP participated in the Wells Fargo Innovation Incubator (IN2) Channel Partner Meeting on April 12 in Denver, CO, held in conjunction with the National Renewable Energy Labs (NREL) Industry Growth Forum. Connections made for possible future or continued collaboration include at University of Arizona Center for Innovation, New Energy Nexus, The Yield Lab, and more.
- One new applicant to the Indio iHub, RE-3. Application pending with likely approval.
- Business consulting hours for 3C Health; LifelD; NiftyFed; CREATE; Eco Helicopters; RE-3.
- CVEP attended Palm Desert State of the City, Desert Best Friend's Closet, and Senior Inspiration Awards luncheons.
- Laura James has earned the designation of Certified Economic Developer (CEcD). No other person in the Coachella Valley holds this certification, which is issued through the International Economic Development Council (IEDC).

Intelligence Updates

- New Data Digests posted to CVEP.com (CV Population Under 18; Population Growth in our MSA and Riverside County: July 2020 to July 2021; 1950 Census Analysis)
- Development work continues on the Coachella Valley Economic Data and Demographics Dashboard. Website integration likely within 2 months.

Investor Spotlights

- Investor Spotlights:
 - Cathedral City (March 16; 1,348 opens)
 - Southern California Edison (March 30; 1,321 opens)
 - SoCalGas (April 20; data not yet available)

- Investor content shared in insights (partial list):
 - City of Indio (CalTrans beautification grant)
 - City of Palm Desert & UCR Palm Desert (Curative Testing Site)
 - CSUSB (ITS Tech Talks)
 - Desert Hot Springs (Innovation Month Session)
 - LifeStream Blood Bank (blood drive info)
 - Riverside County (Innovation Month; CV Business Conference; COVID Relief Grants, ReStart Loan Program)
 - SCE (Inflation-beating savings tips)
 - The Desert Sun (article on drought conditions)
 - UCR Palm Desert (Extension program: online course design)

A reminder: please add Laura@cvep.com to your media lists!

CEO REPORT

APRIL 20, 2022

CVEP Business Center Operations

Operational Highlights April 2022

1. The executive committee and staff embarked on a listening tour during February as part of a CVEP Sustainable Funding plan. Our second business sector was healthcare. Their main concerns expressed were staffing and soft skills. One executive expressed support for economic development being more regional.
2. P1CV has made encouraging progress in gaining critical support for the \$80M request to build a student success center on the Palm Desert Campus of CSUSB. The educational agenda for the current state budget discussions are set for 5/22 with a second milestone for possible approval in mid-May. Drop dead date for success is 8/31/2022. A press conference will be held at the PDC Friday 4/22 at 9:00 a.m.
3. CVEP is starting to schedule office hours for staff on an as-needed or made-available basis starting May 1.
4. CVEP's meeting with the Riverside County EDA to discuss what should be done to optimize outcomes in economic development is pending.
5. CVEP met with JP Morgan Chase representative to discuss partnering and investments to further internal DEI goals established by Jamie Dimon, CEO.
6. CVEP one-pager draft is developed and included for review.
7. LifeID (eTagz) was judged to have the best Fast Pitch at the Coachella Valley Fast Pitch Contest. The entrepreneur has advised us that he will not participate in the Riverside County Fast Pitch Finale event.
8. Joe Wallace and Jan Harnik served as panelists on higher education and job preparation in the CSU IT Tech Talks.
9. CVEP has been named to the IEGO Coordinating Council to assist with the State of California planning process for the greater Inland Empire Region. The initial allocation for the study will be \$5M for the Riverside/San Bernardino MSA.
10. We are continuing to monitor the reports on inflation and wage growth for use in forming a budget for FY 22-23.
11. Agreement reached to clear out Building #12 and part of #9.

FINANCIAL SNAPSHOT APRIL 18, 2022

Cash Positions

Cash on Deposit:	\$ 433,642
Cash Expectations thru EOM:	\$ 113,000 (AR + new billings)
Total Cash & AR:	\$ 546,642
Less Projected Ops :	\$ 40,000 (through 4/30)
Projected Cash & AR End of Feb:	\$ 506,642 (approx. 5.5 months)

Performance to Budget FY 21-22 through March 31, 2022

COST CENTER	REVENUE BUDGET	EXPENSE BUDGET	NET BUDGET
Operations	\$838,065	\$563,995	\$274,070
iHub Accelerator	\$392,400	\$431,457	-\$39,057
Totals	\$1,230,465	\$995,452	\$235,013

COST CENTER	YTD ACTUAL REVENUE	YTD ACTUAL EXPENSE	YTD ACT. PERFORMANCE
Operations	\$633,495	\$554,628	\$78,867
iHub Accelerator	\$381,873	\$381,436	\$437
Totals	\$1,015,368	\$936,064	\$79,304

COST CENTER	REVENUE VARIANCE	EXPENSE VARIANCE	NET VARIANCE
Operations	-\$204,570 (-24.4%)	-\$9,367 (-1.7%)	-\$195,203 (-71%)
iHub Accelerator	-\$10,527 (-2.7%)	-\$50,021 (-11.6%)	\$39,494 (200%)
Totals	-\$215,097 (-17.5%)	-\$59,388 (-6%)	-\$155,709 (-66%)

1. Excludes depreciation and interest

2. Taken from Osborne & Rincon Report for March 31, 2022

End of Fiscal Year Projections:

	YTD	PROJECTIONS THRU EOY	EOY
Revenue	\$1,015,368	\$205,000*	\$1,220,368
Expenses	\$936,064	\$260,000	\$1,196,064
Net	\$79,304	-\$55,000	\$24,304**

*Excludes \$45,000 in deferred revenue that will apply in FY 22-23

** Negligible change over end of January projection

Cash projection for end of FY is strong, but revenue reductions need to be backfilled going forward. Staying in survival mode is not favorable for efficacy or a sustainable future.

Balance Sheet Changes Post June 30, 2021

- Cash increased to \$454,608 from \$429,622
- Total Assets decreased to \$732,067 from \$806,993
- Liabilities increased to \$522,313 from \$445,594 (short term liability is \$207,947)
- Total Net Assets decreased to \$209,754 from \$361,400

Future Board Meeting Guest Speakers

April: Liz Wong, iHub client Double Lock Healthcare

Future: Board Retreat in Discussion Phase.

CVEP ACCOMPLISHMENTS: DRAFT

The Coachella Valley Economic Partnership (CVEP) was established in 1994 with the mission to further efforts to diversify the economy of the Coachella Valley into business sectors that pay thriving wages and are not dependent on our legacy hospitality industry. In 2011, the mission became more focused on entrepreneurship with the State of California's establishment of the Innovation Hub program. Today CVEP manages three iHubs in the region, offers analytical services, provides consulting services, and charts a course for a future of prosperity. Since refocusing efforts in 2011, a partial list of CVEP's accomplishments include the following:

Entrepreneurship: CVEP was selected as the operator of one of the original six innovation hubs (iHubs) in the State of California. Since beginning in 2012 in the CVEP headquarters in Palm Springs the iHub program has expanded to include an Accelerator Campus, a Palm Desert Digital iHub and a pilot iHub in Indio. The start-up count is approaching 100 businesses with 26 still in the program. Thirty-seven (37) companies have graduated from the program with 23 patents awarded, over \$30 million in venture capital raised and just over 200 jobs created. Companies from the iHub program have won seven (7) Sprit of the Entrepreneur Awards from CSUSB and three of the four Riverside County Innovation Month champions. The iHub program is considered the best entrepreneurial ecosystem in the San Bernardino- Riverside MSA and has won many honors for excellence.

Business Support: CVEP has been entrepreneurial in seeking ways to help local businesses. Our series of seminars on topics from financial literacy, operations, marketing and social media strategies have assisted businesses from across the Coachella Valley. CVEP has furthermore formed partnerships with other business support entities like banks, SCORE and the SBDC to assist businesses of all sizes and sectors in improving their operations.

Vision 2050: In 2018 after reviewing the request for proposal for the Amazon HQ2, CVEP realized that the Coachella Valley was not a serious contender for such projects. Upon this realization we embarked on a mission to bring together the leaders of the Coachella Valley on critical infrastructure needs such as state-of-the-art bandwidth, a vibrant local investment community, and a comprehensive four-year university.

Educational Advancement: CVEP partnered with the City of Palm Desert and Visit Greater Palm Springs to form Priority One Coachella Valley (P1CV) as a 501c4 to lobby for the State of California to expand the CSUSB Palm Desert Campus. We will learn in the next 5 months if we have successfully secured funding for a Student Success Center for the Palm Desert Campus. A student center is vital to the college experience: it will provide both health and food services along with other facility-related needs to provide the platform for an excellent college experience for Coachella Valley students.

CVEP's efforts were influential in the decision of CSUSB to offer programs in cybersecurity and entrepreneurship in the Palm Desert iHub adjacent to the campus.

Analytical Services: CVEP has a geographic information systems (GIS) professional on staff who regularly conducts analysis on economic trends that impact the Coachella Valley. The study that inspired the effort to seek funding from the State of California to expand the Palm Desert Campus originated in CVEP. Other timely studies have included workforce and business impacts due to the pandemic and various other topics of local economic interest.

Consulting Services: CVEP has served as consultants to local municipalities in projects like development of a five-year economic development plans and responding to warehouse opportunities. CVEP also holds a monthly meeting of city & tribal economic development directors to learn what their current priorities and areas of interest are.

COVID19 Responses: In response to the pandemic, CVEP redirected its efforts to assist Coachella Valley-based businesses of any size as they sought financial relief from federal, state, and local jurisdictions and then securing forgiveness from PPP and other loan programs. Our efforts literally helped bring tens of millions of dollars into the Coachella Valley at a critical time. In addition, CVEP sought and was awarded \$3 million worth of Personal Protective Equipment (PPE) to the businesses, non-profits and humanitarian agencies across the Coachella Valley.

Telecommuter Attraction: At the CVEP Economic Summit in 2019, CVEP announced the launch of a digital and social media-based telecommuter attraction campaign. Our messaging was seen by thousands of people from urban technology centers. The wealth created just from the increase in housing prices since the pandemic helped inspire telecommuters to relocate now exceeds \$50 Billion. The attraction of educated professionals who telecommute increases our critical metrics of educational attainment, disposable income, and workforce availability.

National Affiliations: CVEP was named as a charter channel partner of the IN2 partnership between Wells Fargo Bank and the National Renewable Energy Lab (NREL) and is an active participant in the program. CVEP was recently called upon by Breakthrough Energy (climate change initiative of Gate Foundation and others) to assist in the evaluation of proposals designed to mitigate over 50 million tons of CO2 emissions each year.

Laura James, CVEP's vice president of innovation, earned the designation of Certified Economic Developer (CEcD), the International Economic Development Council's recognition that denotes a mastery of skills in economic development, professional attainment, and a commitment to personal and professional growth. James is the only Certified Economic Developer in the Coachella Valley.

Awards: CSUSB Spirit of the Entrepreneur Awards (7), Martin Luther King Legacy of Service Award, Lifestream Humanitarian Award, South Coast Air Quality District Clean Air Award, International Economic Development Council Excellence Awards (3), Multiple Addy Awards, and numerous citations from the State of California.

Regional Economic Development Affiliations:

- IEGO Coordination Council
- SCE Community Advisory Panel
- UCR Center for Social Innovation
- SCAG Regional Broadband Consortium
- California Utilities Commission EPIC Program
- Riverside County Economic Recovery Team
- Coachella Valley Economic Recovery Team (founders)
- City of Palm Springs Economic Recovery Team
- College of the Desert: Palm Springs Campus Architectural Committee
- College of the Desert: Business Advisory Committee



3111 EAST TAHQUITZ CANYON WAY • PALM SPRINGS, CALIFORNIA 92262
PH: 760.340.1575 • FX: 760.548.0370 • WEB: CVEP.COM