

BOARD OF DIRECTORS MEETING
AGENDA PACKET

APRIL 19, 2023



AGENDA

Board of Directors Meeting

Wednesday, April 19, 2023

8:00 a.m.

Palm Desert iHub

37023 Cook Street

Palm Desert, CA 92211

In Person and via Zoom

1. Call to Order
2. Board Member Attendance
3. Approval of March 22nd, 2023 Minutes
4. Presentation: Dan Ballister, LifeStream Blood Bank
5. Executive Committee Report – Deborah McGarrey
6. Board Development – Laura James
7. Business Services/Marketing and Communications Report – Laura James
8. CEO Report – Joe Wallace
9. Board Member Updates/Comments
10. Adjournment

Next Meeting:

Wednesday, May 17, 2023

8:00 a.m.

Palm Desert iHub

37023 Cook Street

Palm Desert, CA 92211

In Person and via Zoom - Hybrid

BOARD OF DIRECTORS ROSTER



Investor Agency/Organization	Representative(s)	Jul 20	Dark	Sep 21	Oct 13	NOV 16	Dec 14	Jan 18	Feb 22	Mar 22	Apr 19	May 17	Jun 21
Agua Caliente Band of Cahuilla Indians	Todd Hooks	EXC		EXC	EXC	X		X	X	X			
Charter Communications/Spectrum	Sandra Cuellar	EXC		X	EXC	EXC		EXC	X	EXC			
City of Cathedral City	Mark Carnevale/Ernesto Guitierrez	EXC		X	X	EXC		X	X	X			
City of Desert Hot Springs	Roger Nunez/Russell Betts	EXC		X	EXC	EXC		X	X	X			
City of Indian Wells	Greg Sanders	X		X	X	X		X	X	EXC			
City of Indio	Waymond Fermon	X		X	X	EXC		EXC	EXC	X			
City of Palm Desert	Jan Harnik/Gina Nestande	X		X	X	X		EXC	X	X			
City of Palm Springs	Grace Garner/Ron de Harte	EXC		X	X	EXC		EXC	X	X			
City of Rancho Mirage	Meg Marker/Steve Downs	X		X	EXC	EXC		EXC	X	X			
College of the Desert	Andy Dunn	X		X	X	X		EXC	X	X			
Desert Care Network	(To be determined)	X		X	EXC	X		EXC	EXC	EXC			
Eisenhower Medical Center	Ken Wheat	EXC		X	EXC	EXC		EXC	EXC	EXC			
GCVCC	Diana Soto	EXC		EXC	EXC	EXC		X	EXC	EXC			
Gulf California Broadcast Co./KESQ	Jerry Upham	X		X	EXC	EXC		EXC	X	X			
Hunter Johnsen	Chris Hunter	X		X	X	X		X	X	X			
LifeStream Blood Bank	Dan Ballister	X		EXC	X	EXC		X	X	EXC			
Oliphant Enterprises	Richard Oliphant	EXC		X	X	X		X	X	X			
Osborne Rincon	Lee Osborne	EXC		X	EXC	EXC		EXC	EXC	EXC			
Pacific Western Bank	Tracy Tremblay	EXC		X	X	X		EXC	EXC	X			
Palm Springs Life	Paulina Larson	EXC		X	EXC	EXC		EXC	EXC	EXC			
Riverside County EDA	Joaquin Tijerina/Bob Wright	X		X	X	X		X	X	X			
Southern California Edison	Jeremy Goldman	X		X	EXC	EXC		X	X	EXC			
Southern California Gas Company	Deborah McGarrey	X		X	X	EXC		X	X	X			
Sunrise Company	Phil Smith	EXC		X	EXC	X		X	EXC	EXC			
The Desert Sun LOCALiQ	Tom Niva	X		X	X	EXC		EXC	X	EXC			
University of California, Riverside	Tamara Hedges/Agam Patel	X		X	X	X		X	X	X			
U.S. Bank	Alan Brimmer	EXC		X	EXC	EXC		EXC	EXC	EXC			
Wells Fargo Bank	Amanda Kramer/Moises Aguirre	EXC		X	X	X		X	EXC	X			
Honorary Board Member													
CSUSB	Dr. Jake Zhu	EXC		EXC	X	EXC		EXC	X	X			

BOARD OF DIRECTORS MEETING

MARCH 22, 2023

8:00 AM

CVEP - PALM DESERT IHUB

HYBRID MEETING - IN PERSON AND VIA ZOOM

37023 COOK STREET

PALM DESERT, CA 92211

Call to Order

The meeting was called to order at 8:10 am by Chair, Deborah McGarrey.

Also Present

Joe Wallace Ian Vos
Laura James Rosanna Jeran
Lesla Bodnar
David Robinson

Welcome and Roll Call

Chair Deborah McGarrey welcomed the board and attendance was noted.

Minutes

On a motion by Todd Hooks, seconded by Dick Oliphant, the minutes of the February 22nd, 2023 meeting were approved as presented...all in favor.

Presentation: Hello Computer

Rosanna Jeran, co-founder of Hello Computer, presented her pitch and helped to inform the board members about her company and business model.

Executive Committee Report

Deborah McGarrey informed the board that the executive committee will meet tomorrow and the report will be delivered at the next board meeting.

Board Development/Business Services Report/Marketing and Communications Report

Laura James ceded most of her time to today's presenter, Rosanna Jeran. She briefly reviewed her report. A copy of her report is included in the board packet.

CEO Report

Joe Wallace presented his report – a copy is included in the board packet.

Board Member Updates

None at this time.

Adjournment

There being no further business, the meeting was adjourned at 9:15 a.m.



ECONOMIC DEVELOPMENT – PART 3

Laura E James, Vice President of Innovation
Coachella Valley Economic Partnership

April 19, 2023

1



DEFINING ECONOMIC DEVELOPMENT

Economic development is the intentional practice of improving a community's economic well-being and quality of life.

It includes a broad range of activities to retain, create, and attract high-quality jobs, and to foster the growth of a resilient tax base and an inclusive economy.

It is a collaborative effort involving industry, government, and myriad community stakeholders focused on improving a community's competitiveness.

Source: International Economic Development Council

2



CVEP'S PRIMARY AREAS OF FOCUS

- Technology-led Economic Development
- **Entrepreneurial & Small Business Development**
- Access to Capital

SECONDARY AREAS OF FOCUS

- Business Retention & Expansion
- Marketing & Attraction
- Workforce Development
- Disaster Recovery

3




ENTREPRENEURIAL AND SMALL BUSINESS DEVELOPMENT

Developing small enterprises into those that enhance the economic growth of a community or region.

Why pursue this strategy in the Coachella Valley?

4



The old thinking:
“What’s good for General Motors is good for America”
1953 - Attributed to Charles Wilson, GM President


The new thinking:
“What’s good for entrepreneurs is good for regional economies”

The new thinking holds water: small businesses =

- 99.9% of all US firms
- 43.5% of GDP
- 63% of net new job creation since 1995

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5



BENEFITS: ENTREPRENEURIAL AND SMALL BUSINESS DEVELOPMENT

- Broadens the tax base
- Employs people
- Fills empty storefronts
- Offers stability – these businesses tend not to leave
- Keeps income inside the community

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6

YES, BUT...

- Broadens the tax base
 - *But does not necessarily diversify it*
- Employs people
 - *Majority of small firms pay less than corporate, at least initially*
- Fills empty storefronts
 - *If they can afford them*
- Offers stability – these businesses tend not to leave
 - *Half will close within five years; two-thirds will close within ten years*
- Keeps income inside the community
 - *Most small businesses operate solely within the local market, and do not bring money into the community*

7

HOW WE DO IT

Economic Gardening

- **Intelligence** – data, GIS, industry trends, local market insights.
- **Connections** – education, mentoring, networking.
- **Community & Workforce Dev and Infrastructure** – incubators, meeting places, education-rich environment.

8

HOW WE DO IT



Technical Assistance

- Business planning
- Marketing planning
- Help with accessing financing options
- Referrals
- Navigating governments and regulations
- When *not* to start a business
- When to liquidate... no shame necessary

9

NEXT MONTH

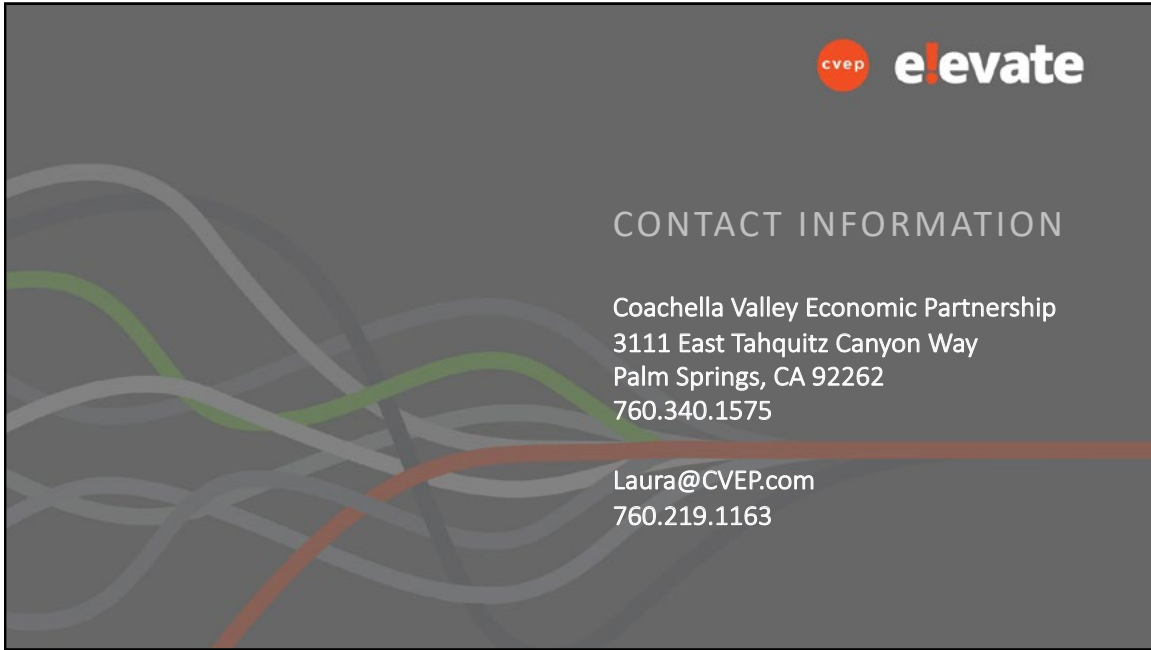



- Access to Capital

AND RELATED TO TODAY'S TOPIC

- CSUSB State of Entrepreneurship Update

10

A dark grey business card back with a pattern of overlapping, wavy lines in shades of grey, green, and orange. The CVEP e!evate logo is in the top right corner. The text 'CONTACT INFORMATION' is centered in the upper right. Below it, the contact details for the Coachella Valley Economic Partnership are listed.


CONTACT INFORMATION
Coachella Valley Economic Partnership
3111 East Tahquitz Canyon Way
Palm Springs, CA 92262
760.340.1575
Laura@CVEP.com
760.219.1163

BUSINESS SERVICES REPORT

APRIL 19, 2023

Business Services Updates

- We have a full slate of activities and events for Riverside County Innovation Month.
 - April 6: Coachella Valley Fast Pitch at Palm Desert iHub
 - April 10: Meet the Entrepreneurs at CVEP HQ/Palm Springs iHub
 - April 12: Morning Insights at Palm Desert iHub
 - April 24: Meet the Entrepreneurs at Palm Desert iHub
 - April 27: Riverside County Fast Pitch Finale at UCR ARTS in Downtown Riverside
- We are bringing on a summer intern to work directly with iHub client companies on business challenges and on data analytics projects with David Robinson. The internship begins May 1.
- CVEP's new event series, Morning Insights, was held for a third installment at the Palm Desert iHub on April 12. As with the first installment, two dozen people attended. Morning Insights will be held on the second Wednesday of each Month at 8:00am. The next is May 10. Visit <https://cvep.com/events/> for more info.
- We are exploring development of a program to formalize the relationship between CVEP/PDiHub and a number of business mentors that have become increasingly involved since launching Morning Insights. We estimate that the program could be active as soon as late Q3 or early Q4.
- New Data Digests published include: Employment Inflows/Outflows in the CV, Commuting Patterns, and Wages by Sector for Each City.
- iHub projects over the last month primarily include: pitch refinement and review for Hello Computer, Inc., pitch review and practice for Moducan Corporation, and orchestrating the Meet the Entrepreneurs events.
- Community impact projects include: UCR Science Policy Showcase (Judge), CSUSB Executive Committee, DSUSD Portrait of a Graduate visioning sessions, IEGO, We are One United Career Fair, SCE Community Advisory Panel, DSUSD Comprehensive Local Needs and Assessment Survey (CLNA), College of the Desert Computer Information Systems (CIS) Advisory Committee (upcoming: May 4).

Investor Spotlights

- Investor Spotlights:
 - Eisenhower Health
 - Palm Springs Life

- Investor content shared in insights and on social media (partial list):
 - UCR (Science Policy Showcase)
 - CSUSB-PDC (student pitch competition)
 - Riverside County (Innovation Month)
 - LifeStream Blood Bank (Blood Drive Info)
 - College of the Desert (Chicano Art Exhibits at Marks Center)
 - Desert Care Network (DRMC Level 1 Trauma Designation)
 - KESQ (Fast Pitch coverage)
 - Desert Sun (Coachella – music and traffic coverage)

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

MARKETING AND COMMUNICATIONS REPORT
AS OF TUESDAY, APRIL 18, 2023

Public Relations

Tuesday, April 18, 2023

The Public Record

Winners of the 6th Annual Coachella Valley Fast Pitch Announced

Friday, April 14, 2023

ABC7 Eyewitness News

Coachella Begins as Concert Goers Bring Traffic and Economic Windfall to Desert Community

Friday, April 14, 2023

Palm Springs Life and Palm SpringsLife.com

Women Who Lead 2023: Meet the Coachella Valley's High Achievers

Wednesday, April 12, 2023

MarralIntel

Winners of the 6th Annual Coachella Valley Fast Pitch Announced

Saturday, April 8, 2023

KESQ.com

Local Businesses Take Part in 2023 Coachella Valley Fast Pitch Competition

Friday, April 7, 2023

WeRaveYou.com

Coachella 2023: Impact of Festival on the Local Economy

Thursday, March 23, 2023

CoachellaValleyTimes.com

Commuting Patterns of the Coachella Valley

Monday, March 20, 2023

UkenReport.com

Winter Park Authority Board Members Named

Friday, February 17, 2023

Gov.Ca.Gov

Governor Newsom Announces Appointments 2.17.23

Wednesday, January 11, 2023

MusicBusinessWorldwide.com

Bad Bunny, Blackpink and Frank Ocean to Headline 2023 Coachella

Tuesday, January 10, 2023

Spin.com

Frank Ocean, Bad Bunny, Blackpink to Headline Coachella

Thursday, January 5, 2022

San Bernardino Sun (SBSun.com)

The Recession of 2023: Is it a Myth or a Reality?

To view the links or pdfs of the above coverage, visit <https://cvep.com/press/>

Marketing / Advertising / Collateral Materials / Public Outreach

- Broadband Roundtable (February 8)
- 2023 Leadership Summit (January 29-31)
- Morning Insights (February, March, April)
- \$23 in '23 Giving Day Campaign (March 1)
- Innovation Month (April)
- Fast Pitch 2023 (April 6)
- Palm Springs iHub Showcase (April 10)
- Palm Desert iHub Showcase (April 24)
- City Economic Reports (9)
- Investor Benefits fulfillment (Investor Package updates, Investor Spotlight, Investor Spotlight blog, website banner advertising)
- BOD Packets, Quarterly Reports
- Ongoing Website updates
- Ongoing blog post and social media images
- Online report and updates
- Public Relations assistance on various (as noted above)

CEO REPORT

APRIL 20, 2023

Operational Highlights March 2023

1. IEGO's new administrator has advised CVEP that sub-conveners will need to respond to a forthcoming RFP to be considered for this opportunity. CVEP is still poised to respond to the RFP as the sub-convenor for the Coachella Valley and High Desert. IEGO did not have a contract in place with the state at the most recent update meeting on April 14.
2. Palm Springs iHub client Eco Culture Manufacturing has been issued US Patent #11,481,721 titled Garment Life Cycle Tracking System and Method.
3. CVEP and the UCR Office of Technology Partnerships have begun working together for CVEP to serve as a startup advocate for UCR in the Coachella Valley. The first milestone has passed with positive feedback from both sides and there is an option to renew for an additional 3 years starting March 2024.
4. CVEP has initiated the disposal of surplus and abandoned equipment. We have a verbal agreement to sell off the surplus capital equipment in Building #12 for \$5,000.
5. CVEP was solicited by CA Forward to assist with the California Economic Development Summit that will be held at the Renaissance Hotel in Indian Wells from October 11-13, 2023. CVEP expects to have a contract in place by April 21, 2023. CVEP expects to be conducting our annual Economic Summit on the morning of October 11th to kick off the event that is expected to bring about 800 attendees to Indian Wells.
6. CVEP's Fast Pitch qualifier for the Riverside County Innovation Month event drew 4 high quality entrepreneurs who pitched their concepts to a panel of judges. The top two awards were taken by Moducan and Hello Computer both of which are members of the PS iHub and PD iHub programs. The other two are CVEP clients through our business services program and made great pitches too. As a bonus we also held a student contest that drew 4 participants all of whom performed admirably.
7. A dialog has begun regarding the changes needed to the agreements between the City of Palm Springs and CVEP with respect to the CVEP Headquarters and the Accelerator Campus. The initial discussions have been positive.
8. The Meet the Entrepreneurs event held at the CVEP Headquarters was attended by Palm Springs Mayor Grace Garner, who was able to interact with several of the PS iHub clients for over an hour. A similar event will be held at the Palm Desert iHub on April 24 at 9 am. We are hoping for a similarly enthusiastic turnout as the event in Palm Springs.

FINANCIAL SNAPSHOT APRIL 14, 2023

Cash Positions

Cash on Deposit:	\$ 264,933
Cash Expectations thru EOM:	\$ 150,000 (AR + new billings)
Total Cash & AR:	\$ 414,933
Less Projected Ops :	\$ 35,000 (through 4/30)
Projected Cash & AR End of April	\$ 379,933 (approx. 4.5 months)

Comparison of YTD FY 22-23 and FY 21-22

Financial Metric	YTD FY 22-23	YTD FY 21-22	Year to Year Change
Revenue	\$949,587	\$1,015,368	-\$65,781 (-6.5%)
Expenses	\$965,544	\$936,064	+29,480 (+3.1%)
Revenue less Expenses	(\$15,957)	\$79,304	-\$95,261 (-120%)

Comparison of YTD FY 22-23 and YTD Budget FY 22-23 (prior to mid-year adjustments)

Financial Metric	YTD FY 22-23	Budget YTD FY 22-23	Deviation from Budget
Revenue	\$949,587	\$972,040	-\$22,453 (-2.3%)
Expenses	\$965,544	\$1,006,185	-\$40,641 (-4.0%)
Revenue less Expenses	(\$15,957)	(\$34,145)	\$18,188 (+153%)

1. Excludes depreciation and interest.
2. Taken from Osborne Rincon Reports for March 31, 2023, June 30, 2022, and March 31, 2022
3. Revenue shortfalls from budget are driven by delayed sales of abandoned equipment, rent collection shortages, and the Summit.
4. \$25,550 bad debt is from 2018 and was absorbed into FY 22-23 expenses.
5. Expense increases in events, utilities and other operations activities range from 12% to 29% above budgeted levels and last year's expenses.

Balance Sheet Changes Post June 30, 2022

- Cash decreased to \$283,413 from \$467,653
- Total Assets decreased to \$425,013 from \$657,076
- Liabilities decreased to \$458,330 from \$583,419 (short term liability is \$148,792)
- Total Net Assets decreased to (\$33,315) from \$73,657

Note: Abandoned Assets are **NOT INCLUDED** on the balance sheet

Mid-Year Budget Analysis: CVEP has reached the 9 month point in FY 22-23 with a negative revenue less expenses of \$15,957. This is above our amended budget of (\$18,974) by \$3,017. The contributors to lower performance relative to last fiscal year are deferring the sale of abandoned assets, lower Summit revenue, some reduced investments and increased expenses driven by inflation across all expense sectors. It is to be noted that the category of salaries and wages is under budget, so talent costs are not contributing to the deviation from the budgeted financial performance. CVEP currently has a strong cash position with 4.6 months of expenses on deposit. Additionally, the expected revenue through April 2023 should maintain a positive performance through that time. A detail of the expectations for the remainder of the fiscal year is below. It is vital to end the year with positive performance to liquidate existing assets and maintain a frugal operating discipline. It is also noted that since FY 20-21 CVEP has absorbed roughly \$400,000 in reduced funding and lost rental opportunities in our facilities.

Best Opportunity to Mitigate Risks: On February 17, 2023, all of the abandoned assets can now be sold, and the liquidation value has the potential to be nearly \$100,000. We are moving on this now. First deal to sell off surplus equipment has been made.

Approved Expense Budget Jan - June 2023: \$491,046

Proposed Reduced Expense Budget Feb- June 2023: \$433,941

Proposed Expense Reduction: \$57,105

	Revenue	Expense	YTD Rev - Expense
January YTD (actual)	\$871,063	\$786,701	\$84,362
February YTD (actual)	\$897,069	\$872,892	\$24,177
March YTD (actual)	\$949,587	\$965,544	(\$15,957)
April	\$123,750	\$86,083	\$21,710
May	\$21,250	\$88,985	(\$46,025)
June	\$16,250	\$90,154	(\$119,929)
FY Totals	\$1,110,837	\$1,230,766	(\$119,929)

CVEP will be receiving some deferred income in the Spring that will strengthen our already strong cash position. We typically take in about \$85,000 so our end of fiscal year cash and AR should be in the \$350,000 range. July typically is the best cash flow month of the year.

Focusing on FY 23-24 revenue sources and selling available assets should be front of mind alongside our mission of mentoring entrepreneurs and supporting local businesses.

INNOVATION MONTH

Palm Desert iHub Showcase

MEET THE ENTREPRENEURS

Monday, April 24, 2023

9:00 am - 10:30 am

Palm Desert iHub

37023 Cook Street, Suite 102

Palm Desert, CA 92211

In celebration of Innovation Month, **this free event** is your chance to meet, mix, and mingle with our iHub client companies.

Who Should Attend

- City Council Members
- City Economic Development Leaders
- Interested businesspersons and general public

Presented by CVEP

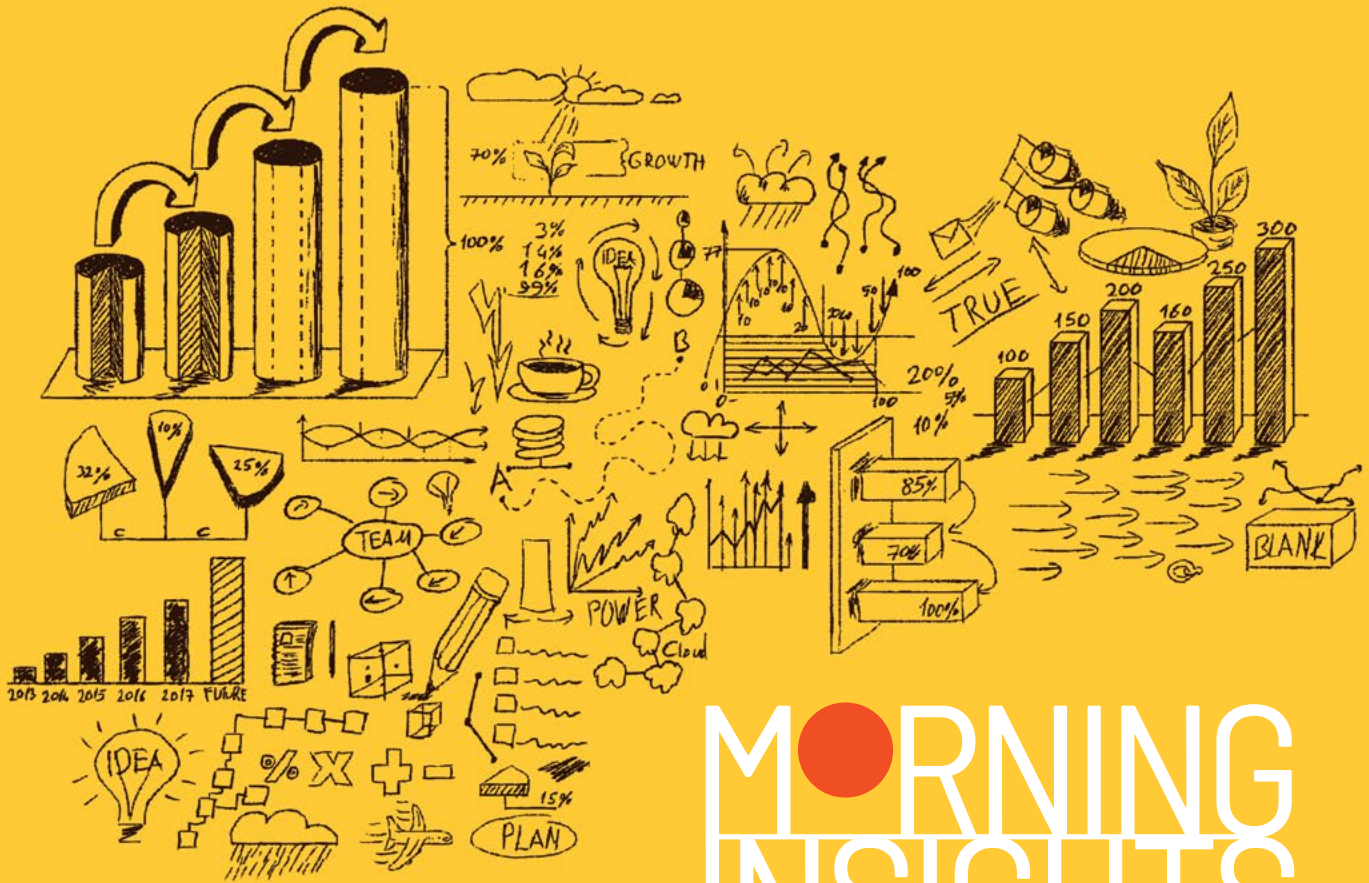
Refreshments will be served.

RSVP to Ian Vos at ian@cvep.com or 760.898.0489, or register online by clicking **here**.



elevate





MORNING INSIGHTS

A Forum for Entrepreneurs and Innovators

Wednesday, May 10, 2023

8:00 am Networking
and Refreshments

8:30 am **The Raw Truth:**
Dr. Ezekiel Bonillas of CSUSB
School of Entrepreneurship
will address **The Raw Truth of
Coachella Valley Entrepreneurship**

This Free Event is an idea
exchange, designed to take your
concept, program, or product to the
next level.

Who Should Attend

- Innovators and entrepreneurs
of all levels
- Businesspeople and advisors
from all industries

Presented by CVEP

Coffee, juice, and a continental
breakfast will be served.

RSVP to Ian Vos at Ian@cvep.com
or 760.898.0489, or register online
at cvep.com.

Palm Desert iHub

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e!evate





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