

**CITY OF TEMECULA
AGENDA REPORT**

TO: City Manager/City Council

FROM: Betsy Lowrey, Assistant to the City Manager

DATE: August 26, 2025

SUBJECT: Approve First Amendment to License Agreement with Inland Empire Center for Entrepreneurship for Use of Real Property for Business and Entrepreneurship Services at the TVE2

PREPARED BY: Mary Cervantes, TVE2 Manager

RECOMMENDATION: That the City Council approve the first amendment to the license agreement with the Inland Empire Center for Entrepreneurship to extend the term of the existing agreement for business and entrepreneurship services, through the Inland Empire Small Business Development Center.

BACKGROUND: The Temecula Valley Entrepreneur's Exchange (TVE2) is a business incubator and resource center that has been in operation since November 2012. On March 14, 2023, the Temecula City Council approved a License Agreement with the Inland Empire Center for Entrepreneurship (IECE) for the use of real property at the TVE2. The purpose of this agreement was to enhance business and entrepreneurship services delivered through the Inland Empire Small Business Development Center (IESBDC) by expanding its operations to the second floor of the facility, totaling approximately 14,456 square feet.

In January 2024, in partnership with the IESBDC, the City launched a full-scale Entrepreneurial Resource Center (ERC) at TVE2, the first of its kind in Riverside County. This one-stop center provides a comprehensive range of business and workforce assistance services. A detailed Scope of Services is attached to this report, outlining the operational framework and programming offered.

Since its launch, ERC has secured over ten program partners to support and expand service capacity. To date, it has served more than 11,000 individuals through technical assistance, one-on-one business advising, and training. These efforts have contributed to the launch of over 70 new businesses, the creation and support of nearly 5,000 jobs, and the reinvestment of nearly \$3 million in capital into the local economy. Additionally, the ERC has hosted over 250 no-cost business training events.

It is important to note that these metrics reflect activity within Southwest Riverside County; however, the ERC's reach extends across all Riverside County, suggesting an even greater overall impact. The current lease term is set to expire on October 31, 2025. Approval of the proposed amendment will extend the lease term from November 1, 2025, through December 31, 2026, and allow for the continued delivery of these services at a similar or expanded capacity.

FISCAL IMPACT: The IESBDC will pay \$24,000 in utility payments to the City of Temecula for FY 2025-26 and \$12,000 for FY 2026-27.

ATTACHMENTS:

1. Original License Agreement dated March, 14, 2023
2. First Amendment