

**LICENSE AGREEMENT BETWEEN THE CITY OF
TEMECULA AND UNIVERSITY ENTERPRISES
CORPORATION AT CSUSB, ON BEHALF OF THE INLAND
EMPIRE CENTER FOR ENTREPRENEURSHIP AT
CALIFORNIA STATE UNIVERSITY SAN BERNADINO**

REAL PROPERTY

THIS LICENSE AGREEMENT ("Agreement") is made and entered into as of March 14, 2023, between the City of Temecula (hereinafter referred to as "City") and University Enterprises Corporation at CSUSB, a non-profit corporation, for itself and on behalf of the INLAND EMPIRE CENTER FOR ENTREPRENEURSHIP (hereinafter referred to as "Licensee") for use of the second floor of the TVE² Building as described more fully below. In consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, City and Licensee agree as follows:

Recitals. This Agreement is made with respect to the following facts and for the following purposes, which each of the parties hereto acknowledge as true and correct:

The City is the owner of certain real property in the City of Temecula generally known as the TVE² Building, located at 43200 Business Park Drive, Temecula, California, and identified as Assessor's Parcel Number 921-020-078 ("TVE² Building")

Licensee wishes to use the entire second floor of the TVE² Building along with the parking lot and common areas of the TVE² Building ("Subject Property"). The Licensee acknowledges that the City will continue to use the first floor of the TVE² Building, along with common areas and parking lot for its Temecula Valley Entrepreneurs Exchange Program providing office space and educational opportunities for developing small businesses and that this program is compatible with Licensee's proposed use of the Subject Property.

The "Subject Property" is described and depicted in Exhibit "A", which is incorporated herein by this reference as though set forth in full.

The Licensee, through its Inland Empire Small Business Development Center, provides a variety of services designed to develop, assist, and support new and existing small businesses, including, business consulting, new business development, training in management, financing, marketing, and business planning. Licensee shall provide the following programs including but not limited to: Marketplace program, SBDC Eats Program, Catapult Business Growth Network, Financial Fitness Boot Camp, Main Street Digital Program, SBDC Center for contracting, Mini-MBA, Upstaters Discovery Program, Workshops delivered in Spanish, Boots to Business (B2B), Incubation and Co-Working Space, and other entrepreneurial support programs and services bases on need/demand of small businesses in the City of Temecula. The Scope of Services" is described and depicted in Exhibit "B", which is incorporated herein by this reference as though set forth in full.

E. The Inland Empire Small Business Development Center is one of many programs of Licensee designed to assist small businesses.

F. The City is willing to grant a license to Licensee to use the Subject Property in consideration of and recognition of the economic development opportunities provided to the community by the Licensee.

G. The City and Licensee desire to enter into this License Agreement to provide the terms and conditions upon which Licensee shall use the Subject Property.

2. Right to Use Subject Property. City hereby grants a license to Licensee to use the Subject Property, in accordance with and subject to the terms and conditions of this Agreement.

3. Rent. In consideration of the economic development opportunities provided by Licensee, Licensee shall pay rent to the City in the amount of one dollar (\$1.00) for the term of this Agreement.

4. Term of This License.

A. Duration. The Term of this Agreement shall commence on July 1, 2023 and shall end on October 31, 2025, subject to the early termination as provided in Subsection B of this Section.

B. Right to Terminate Agreement. Either party may terminate this Agreement for any reason, with or without cause, by providing a ninety (90) day prior written notice of termination to the other party at the addresses shown in Section 15 (Notice), below. Licensee may terminate this Agreement immediately, without liability, in the event of an occurrence of either of the following: i) the County of Riverside assesses any possessory interest tax, general or special assessment, except that Licensee shall be liable for any such tax or assessment levied during its occupancy; or ii) grant funding from any source is reduced such that expenses under this Agreement cannot be maintained.

5. Responsibilities of Licensee.

A. The Licensee, through its Inland Empire Small Business Development Center, shall use the Subject Property for the sole purpose of providing a variety of services and programs designed to develop, assist and support new and existing small businesses, including, business consulting, new business development, training in management, financing, marketing, and business planning.

B. Licensee shall maintain the interior of the Subject Property in a neat, clean and safe condition.

C. Licensee shall prepare Tenant Improvement Plans and complete any tenant improvements necessary for Licensee to occupy and use the Subject Property. The Tenant Improvement Plans shall be approved by the City Manager.

D. Licensee shall be responsible for providing the interior furniture, fixtures and equipment for the interior of the Subject Property.

E. Licensee shall be responsible for providing and equipping the interior of the Subject Property with its own information technology, systems and equipment, including but not limited to internet, cable, telephones, facsimile machines, computers, printers, copiers and other similar types of equipment. Licensee shall also be responsible for maintaining such information technology, systems and equipment.

F. Licensee shall promptly notify City of any conditions on the Subject Property that require repair, other than those that are present at the time of initial occupancy.

G. Licensee shall not make any modifications to the interior or exterior of the Subject Property, nor shall Licensee place any storage units in or around the Subject Property, without the prior written consent by City.

H. Licensee shall be responsible for its proportional share of the costs of utilities, including but not limited to water, gas, and electricity for a total amount of twenty- four thousand dollars and no cents (\$24,000.00) for fiscal year 2023-2024, twenty four thousand dollars and no cents (\$24,000.00) for fiscal year 2024-2025, and twenty four thousand dollars and no cents (\$24,000.00) for fiscal year 2025-2026 not to exceed the amount of seventy two thousand dollars and no cents (\$72,000.00) for the entire term of this agreement which shall be paid to the City on a monthly basis each fiscal year for the Subject Property.

I. Licensee shall be responsible for the costs of cable TV, internet service, telephone service to serve its operations and the Subject Property.

J. Licensee shall be responsible for the procurement and maintenance of fixtures, equipment, carpet, window coverings, furniture, and cubicles needed for Licensee's operations on the Subject Property.

K. Licensee shall carefully monitor the use of utilities in the Subject Property and implement measures to conserve energy to the best of Licensee's ability.

L. Licensee shall put forth its best effort to ensure that no loitering occurs on the Subject Property after the hours of operation.

M. Licensee agrees to maintain the Subject Property in a clean and neat condition, free and clear of garbage, weeds, and debris. No dumping, storage of hazardous or toxic waste, nor the maintenance of any nuisance, public or private, shall be permitted.

N. If Licensee damages the Subject Property, Licensee shall pay City promptly for all costs necessary to restore and remedy the Subject Property or its equipment to its prior condition. In addition, Licensee shall pay City for any damage or injuries to the Subject Property occasioned by Licensee's negligence, misuse, or lack of ordinary care.

O. Upon termination of this Agreement, Licensee shall return the Subject Property in as good as a condition and repair as the Subject Property existed as of the date of this Agreement subject to reasonable wear and tear.

6. Responsibilities of City.

A. City shall provide all landscape maintenance services surrounding the exterior of the Subject Property.

B. City shall be responsible for all maintenance and repairs for the exterior of the Subject Property, including roofing, the parking lot and exterior lighting, including the HVAC System that services the Subject Property.

C. City reserves the right to inspect the interior and exterior of the Subject Property at any time.

D. City shall provide 24/7 keycard building access; access to common areas, including scheduled access to conference rooms; access to shared restrooms, collaboration areas and kitchen facilities; and free parking.

E. City shall be responsible for the installation and maintenance of security systems and fire alarm systems.

F. City shall be responsible for maintaining, by providing custodial services for, the interior of the buildings located on the Incubator and Resource Center Site in a neat, clean and safe condition.

G. Absent exigent circumstances, City reserves the right to enter the subject property located on the Incubator and Resource Center Site, including the second floor, at any time during normal business hours.

7. Insurance Requirements. Licensee shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the work hereunder by the Licensee, its agents, representatives, or employees.

A. Minimum Scope of Insurance. Coverage shall be at least as broad as:

1) Insurance Services Office Commercial General Liability form No. CG 00 01 11 85 or 88.

2) Insurance Services Office Business Auto Coverage form CA 00 01 06 92 covering Automobile Liability, code 1 (any auto). If the Licensee owns no automobiles, a non-owned auto endorsement to the General Liability policy described above is acceptable.

3) Worker's Compensation insurance as required by the State of California and Employer's Liability Insurance. If the Licensee has no employees while performing under

this Agreement, worker's compensation insurance is not required, but Licensee shall execute a declaration that it has no employees

4) Licensee shall obtain and maintain insurance on Licensee's improvements and betterments. Policy shall be provided for replacement value on an "all risk" basis. There shall be no coinsurance penalty provision in any such policy.

5) Licensee shall obtain and maintain commercial property insurance covering the Subject Property, fixtures, equipment, building, all property situated in, on, or constituting a part of the Subject Property and any improvements. Coverage shall be at least as broad as the Insurance Services Offices broad causes of loss form CP 10 20 and approved of in writing by City. Coverage shall be sufficient to insure 100% of the replacement value and there shall be no coinsurance provisions. The policy shall include an inflation guard endorsement, 100% rents coverage, contents coverage, coverage for personal property of others, ordinance or law and increased cost of construction coverage.

B. Minimum Limits of Insurance. Licensee shall maintain limits no less than:

1) General Liability: Two million (\$2,000,000) per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

2) Automobile Liability: One Million Dollars (\$1,000,000) per accident for bodily injury and property damage.

3) Worker's Compensation as required by the State of California; Employer's Liability: One Million Dollars (\$1,000,000) per accident for bodily injury or disease.

C. Deductibles and Self-Insured Retentions. Deductibles or self-insured retentions shall be approved by the City Manager or his or her designee.

D. Other Insurance Provisions. The general liability and worker's compensation policies are to contain, or be endorsed to contain, the following provisions:

1) The City of Temecula, the Temecula Community Services District, the Successor Agency to the Temecula Redevelopment Agency, their officers, officials, employees and volunteers are to be covered as insureds on the insurance policies described in Section 7.A 1) 3) and 4). The coverage shall contain no special limitations on the scope of protection afforded to the City of Temecula, the Temecula Community Services District, and the Successor Agency to the Temecula Redevelopment Agency, their officers, officials, employees or volunteers.

2) For any claims related to this project, the Licensee's insurance coverage shall be primary insurance as respects to the City of Temecula, the Temecula Community Services District, the Successor Agency to the Temecula Redevelopment Agency, their officers, officials, employees and volunteers. Any insurance or self-insured maintained by the City, the City of Temecula, the Temecula Community Services District, the Successor Agency to the

Redevelopment Agency of the City of Temecula, its officers, officials, employees or volunteers shall be excess of the Licensee's insurance and shall not contribute with it.

3) Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the City of Temecula, the Temecula Community Services District, and the Successor Agency to the Temecula Redevelopment Agency, their officers, officials, employees or volunteers.

4) The Licensee's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5) Each insurance policy required by this agreement shall be endorsed to state: Should the policy be canceled before the expiration date the issuing insurer will endeavor to mail thirty (30) days' prior written notice to the City of Temecula.

6) If insurance coverage is canceled or, reduced in coverage or in limits the Licensee shall within two (2) business days of notice from insurer phone, fax, and/or notify the City via certified mail, return receipt requested of the changes to or cancellation of the policy.

E. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best rating of A:VII or better, unless otherwise acceptable to the City. Self insurance shall not be considered to comply with these insurance requirements.

F. Verification of Coverage. Licensee shall furnish the City with original endorsements effecting coverage required by this clause. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. The endorsements are to be on forms provided by the City. All endorsements are to be received and approved by the City before work commences. As an alternative to the City's forms, the Licensee's insurer may provide complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications.

8. Indemnification.

A. Licensee agrees to defend, indemnify, protect, and hold harmless, the City of Temecula, Temecula Community Services District, and/or the Successor Agency to the Temecula Redevelopment Agency and its officers, officials, employees, agents, and volunteers ("Indemnified Parties"), from and against any and all claims, demands, losses, defense costs or expenses, actions, liability or damages of any kind and nature which the City of Temecula, Temecula Community Services District, and/or the Successor Agency to the Temecula Redevelopment Agency, its officers, agents, employees, and volunteers may sustain or incur or which may be imposed upon them for injury to or death of persons, or damage caused by any of the actions or inactions of the Licensee or users of the Subject Property or that may result from the Licensee's use of the Subject Property, whether such actions or inactions or use by Licensee or any person directly or indirectly employed or contracted with by Licensee and whether such action shall accrue or be discovered before or after termination of this Agreement. This Section 8 (Indemnification) shall survive termination of this Agreement.

B. City, Temecula Community Services District, and/or the Successor Agency to the Temecula Redevelopment Agency and their officers, officials, employees and volunteers shall not be liable for any business income or other consequential loss sustained by Licensee. City, Temecula Community Services District, and/or the Successor Agency to the Temecula Redevelopment Agency and their officers, officials, employees and volunteers shall not be liable for any loss of Licensee's personal property even if such loss is caused by negligence of City, Temecula Community Services District, and/or the Successor Agency to the Temecula Redevelopment Agency or their officers, officials, employees and volunteers.

9. Default Of Licensee

A. The Licensee's failure to comply with the provisions of this Agreement shall constitute a default.

B. If the City Manager or his delegate determines that the Licensee is in default in the performance of any of the terms or conditions of this Agreement, he or she shall serve the Licensee with written notice of the default. The Licensee shall have (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that the Licensee fails to cure its default within such period of time, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

10. General Provisions

A. Licenses, Permits and Approvals. Licensee shall, at Licensee's sole cost and expense, obtain any and all licenses, permits and approvals required for the performance or use of the property.

B. Exclusive Control. The City reserves the exclusive right to control or to limit access to the Subject Property at all times.

C. Legal Responsibilities; Non-Discrimination. The Licensee shall keep itself informed of all local, State and Federal ordinances, laws and regulations which in any manner affect those employed by it or in any way affect the performance of its services described in this Agreement. As required by law, the Licensee hereby covenants that there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the use, occupancy, tenure or enjoyment of the Subject Property or operations of the activities thereon, nor shall the Licensee establish or permit any such practice or practices of discrimination or segregation. The Licensee shall at all times observe and comply with all such ordinances, laws and regulations. The City, Temecula Community Services District, and/or the Successor Agency to the Temecula Redevelopment Agency and their officers, officials, employees and volunteers, shall not be liable at law or in equity occasioned by failure of the Licensee to comply with this section.

D. City's Reservation of Right of Entry. Absent exigent circumstances, The City, through its management staff or any other authorized representative of the City, shall have the right to enter the Subject Property at all times during business hours during the period covered by this Agreement in order to ensure compliance with this Agreement.

E. Liens. Licensee shall not directly or indirectly create or permit to be created or to remain any mortgage, lien, encumbrance, charge or pledge of the Subject Property. Licensee shall defend, indemnify and hold City harmless, pursuant to Section 8 (Indemnification), from any liens that may attach to the Subject Property or to the Subject Property arising from the use of the buildings on the Subject Property.

F. Notice. Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, that provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by written notice to the other party. Notice shall be effective upon delivery to the addresses specified below or on the third business day following deposit with the document delivery service or United States Mail as provided above.

City: CITY OF TEMECULA
41000 Main Street
Temecula, California 92590
Attention: City Manager

Licensee: INLAND EMPIRE SMALL BUSINESS DEVELOPMENT CENTER
University Enterprises Corporation at CSUSB
3750 Market Street
Riverside, California 92501
Attention: Paul Nolta, Director
Email: pnolta@iesmallbusiness.com

G. Assignment and Subletting. Licensee shall not assign its interest in this Agreement or in the Subject Property, in whole or in part, to any person or entity without first obtaining the City Manager's written consent. Any assignment without the City Manager's prior written consent shall be voidable and, at the City Manager's election, shall constitute a default of this Agreement,

H. Independent Contractor. The relationship of the parties to this Agreement shall be that of independent contractors and that in no event shall Licensee be considered an officer, agent, servant or employee of the City. The Licensee shall be solely responsible for any workers' compensation, withholding taxes, unemployment insurance and any other employer obligations associated with its employees, agents and performers.

I. Governing Law. The parties understand and agree that the laws of the State of California shall govern the rights, obligations, duties and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with geographic jurisdiction over the City of Temecula. In the event such litigation is filed by one party against the other to enforce its rights under this Agreement, the prevailing party, as determined by the Court's judgment, shall be entitled to reasonable attorney fees and litigation expenses for the relief granted.

J. Acknowledgements; Disclaimer of Warranties.

1) Licensee acknowledges that Licensee has had the opportunity to fully inspect the Subject Property and is accepting its license of the Subject Property "As Is" with known building and site maintenance needs.

2) In executing and delivering this Agreement, Licensee has not relied on any representation or warranty of City.

3) CITY MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY LICENSEE OF THE SUBJECT PROPERTY, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE SUBJECT PROPERTY. IN NO EVENT SHALL THE CITY AND ITS ASSIGNS BE LIABLE FOR INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT, OR THE EXISTENCE, FURNISHING, FUNCTIONING OR LICENSEE'S USE OF THE SUBJECT PROPERTY.

K. Taxes. Licensee shall pay any possessory interest taxes, and general and special assessments, if any, which may be levied against the Subject Property above as a result of Licensee's use of the Subject Property.

L. Interpretation. Each party had the full opportunity to participate in the drafting of this Agreement and, therefore, the Agreement shall not be interpreted against any party on the ground that the party drafted the Agreement or caused it to be prepared.

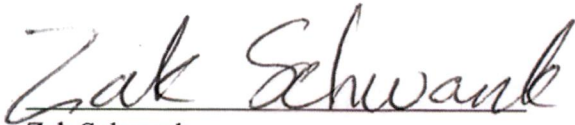
M. Entire Agreement. This Agreement is the entire agreement and understanding between the parties with respect to the subject matter of this Agreement and this Agreement supersedes any representations, or previous agreements, either oral or in writing, between the parties hereto with respect to the subject matter of this Agreement. Any modifications of this Agreement will be effective only if it is in writing and signed by the parties hereto.

N. Authority to Execute Agreement. Licensee has expressly authorized the execution of this Agreement on its behalf and bind said party and its respective administrators, officers, directors, shareholders, divisions, subsidiaries, agents, employees, successors, assigns, principals, licensees, joint ventures, insurance carriers, and any others who may claim through it to this Agreement. The person executing this Agreement on behalf of the Licensee warrants and represents to the City that this Agreement has been duly approved by the Licensee and that all

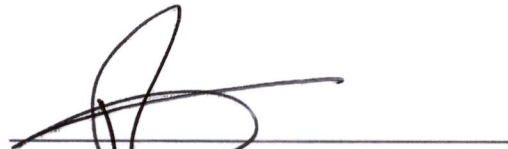
applicable notices and procedures were complied with and that he is duly authorized by the Licensee to execute this Agreement on behalf of the Licensee and has been duly authorized to do so.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

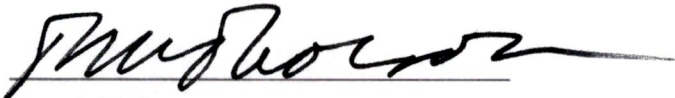
CITY OF TEMECULA



Zak Schwank
Mayor




Randi Juhl, JD, MMC
City Clerk

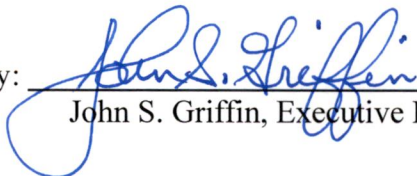


Peter M. Thorson
City Attorney

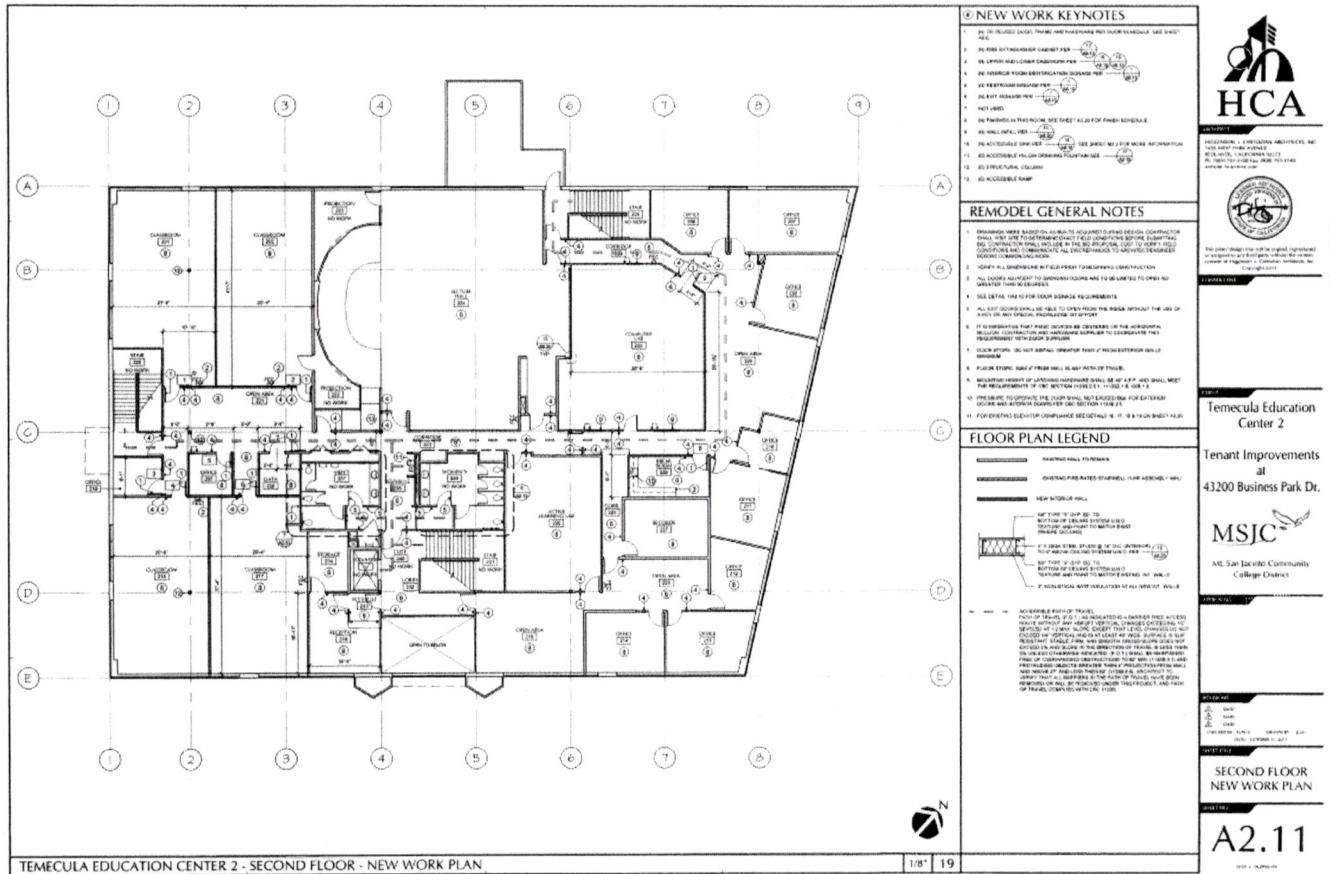
**City Purchasing Mgr.
Initials and Date:**

 2/28/23

**LICENSEE
UNIVERSITY ENTERPRISES
CORPORATION AT CSUSB, A NON-PROFIT
CORPORATION FOR ITSELF AND ON
BEHALF OF THE INLAND EMPIRE SMALL
BUSINESS DEVELOPMENT CENTER**

By: _____
John S. Griffin, Executive Director

DESCRIPTION AND DEPICTION OF SUBJECT PROPERTY



*For reference only

EXHIBIT “B”

SCOPE OF SERVICES

The target location for The Entrepreneurial Resource Center (ERC) is the Temecula Valley Entrepreneurs Exchange (TVE2) at 43200 Business Park Drive, Temecula, CA, 92590. The Entrepreneurial Resource Center (ERC) will provide a centrally located and easily accessible hub for small businesses to bring a wide range of entrepreneurial support organizations and provide a complete set of training, technical assistance, and access to resources for small business owners and entrepreneurs within the City of Temecula. The proposed activities and services will be delivered by the following premier programs – the Inland Empire Small Business Development Center (IESBDC), Women’s Business Center (WBC), and International Business Development Program and in addition to providing new services and programs, will leverage existing infrastructure, staff, faculty, and funding support.

Key Objectives:

- Ensure that all current and aspiring small business owners have consistent access to the resources they need to start and grow their businesses.
- Provide long-term small business support that ensures sustainable success.
- Address disparities in small business ownership and entrepreneurship through a deliberate focus on Latinos and others from underrepresented groups.
- Increase coordination and collaboration among entrepreneurial support organizations working within the region in order to establish a clear and easy-to-access continuum of support for entrepreneurs and small business owners.

The ERC will provide a wide range of specialized programs and services such as:

- Marketplace Program – Assists entrepreneurs as they move from initial idea to microbusiness launch with tracks for farmers market / craft fair sales (IE Made), e-commerce (California Shop Small-Amazon), wholesale (procurement network), and exports.
- SBDC Eats Program – Six-week program that prepares participants to start and run a food-based business (includes follow-on counseling). This program fosters food industry entrepreneurship through education and training and offers business development support and professional experience from its leadership team to help startup and early-stage food entrepreneurs launch their products into the marketplace.
- Catapult Business Growth Network – 50-hour intensive for small business owners focused on key concepts and tools proven to drive and manage business growth (includes peer mentoring network). This network will meet to gain new entrepreneurial

competencies, connect and share business experiences, and build impactful relationships that will result in a vibrant and ongoing peer mentoring group. The ultimate goal is to equip small business owners with the tools and the connections to fuel the trajectory of their business.

- Financial Fitness Boot Camp – Four-day workshop for small business owners focused on financial literacy and financial management basics including pricing products and services correctly, importance of and diagnosing cash flow issues, preparing and understanding key financial reports, implementing a financial tracking and accounting system, understand the fundamentals of business credit, and more.
- Main Street Digital Program – Assists Temecula brick-and-mortar businesses interested in having an online presence. This program will help small business owners to create a digital presence and learn how to drive traffic through paid and non-paid advertising. IESBDC will assist in granting funds to 50 existing start-up businesses which will be utilized by the business owners to pay for expenses relating to the digital marketing of their business.
- SBDC Center for Contracting – Helps small businesses with contract readiness and securing contracts. This program assists small business with winning procurement contract at the state, local, and private levels. The key objectives of this program are research, certifications, contracts/bids, and managing a contract.
- Up Starters Discovery Program – Introduces middle and high school students to entrepreneurship fundamentals. This program includes video instruction and interactive sessions that provides entrepreneurial insights, develop skills to learn and think like an owner, and discover how to launch dream ventures.
- Boots to Business (B2B) entrepreneurial training program – delivered by Murrieta/Wildomar Chamber of Commerce. Participants are introduced to the skills, knowledge, and resources they need to launch a business, including steps for developing business concepts, how to develop a business plan, and information on the resources available that help small businesses.
- Incubation and Co-working space.
- Other entrepreneurial support programs and services based on need/demand.

Licensee shall provide the City of Temecula a report outlining the scope of services provided to small business applicants once per quarter of each fiscal year. The report should include the number of client sessions per month; type of workshops held, the date it was held, and the number of attendees; total economic impact including investments in progress, jobs created, and jobs retained; report should also outline what areas of counseling was provided and number of people assisted in these areas of focus. Licensee to measure economic impacts and track participants milestones; except to the extent any such data shall be determined in good faith by Licensee to constitute confidential information, the disclosure of which could materially harm Client' s business and/ or fundraising prospects Confidential Information".



ENTREPRENEURIAL DEVELOPMENT SERVICES PROPOSAL

The following programs and activities from the Inland Empire Center for Entrepreneurship (IECE) at California State University San Bernardino will provide resources and support for entrepreneurs and small business owners located in Riverside County. The goal is to aid aspiring and existing small business owners through business counseling and specialized business assistance programs to help them recover from the pandemic and build sustainable resilience to navigate and survive future economic challenges.

The proposed activities and services will be delivered by our premier programs – the Inland Empire Small Business Development Center (SBDC), Women’s Business Center (WBC) and State Trade Expansion Program (STEP) – and in addition to providing new services and programs, will leverage our existing infrastructure, staff, faculty and funding support (of \$1.5 million). Thus, the County and City is investing in a well-established program and leveraging a wide range of State and Federal funds currently invested in the IECE. In addition, the School of Entrepreneurship at CSUSB is a collaborative partner in one of the initiatives, leveraging its expertise and resources as one the top ranked Entrepreneurship programs globally by the Entrepreneur Magazine and The Princeton Review.

Total Number of Initiatives Supporting Entrepreneurship/Ecosystem Building: 2

Total Funding: \$1,725,000 (annual cost - \$575,000)

Funding period: 3 years

1. Entrepreneurial Resource Center (ERC)

Project Overview

Historically there has been a lack of coordination among the roughly two dozen organizations working to support entrepreneurship in the Inland Empire. While some of the smaller entities leverage the programs and resources of larger, better-established organizations, most work in relative isolation and lack the capacity to meet the changing needs of entrepreneurs as they move from initial idea to business launch. These coordination deficits result in duplicative efforts and disjointed programming that can be difficult to access and navigate.

The Entrepreneurial Resource Center (ERC) will provide a centrally located and easily accessible hub for small business training and technical assistance. The ERC will bring together a wide range of entrepreneurial support organizations to provide a complete set of training, technical assistance, and access to resources for small business owners and entrepreneurs in the general service area of the location. It will improve access to resources for all aspiring and existing entrepreneurs, increase the rate of business creation, and foster greater success and long-term sustainability for local small businesses.

The ERC will be anchored by the IECE—one of the largest university-based Centers for Entrepreneurship in the world and the most experienced and comprehensive entrepreneurial technical assistance provider in the Inland Empire—and the globally recognized SoE, which remains the first and only school of its kind in the state. The extensive array of entrepreneurial support programs offered by the IECE and SoE encompasses every stage of company formation and growth. Together the IECE and SoE will work with partner entrepreneurial support organizations to set clear objectives, develop programming, and deliver services with tangible results. The key partners collaborating with the IECE-SoE to develop and deliver the ERC include the Riverside County Office of Economic Development, City of Temecula, City of Murrieta, Impact SWRC, and the Murrieta/Wildomar Chamber of Commerce.

For many years, entrepreneurial support organizations in the region have worked largely in isolation, though a small number have focused on leveraging the programming and resources of larger, more established organizations. The ERC will convene these actors in order to create a well-defined and well-coordinated continuum of services capable of supporting businesses across their entire lifecycle. It will also work with the County of Riverside to connect local Latino and Black vendors to contract-readiness programming and procurement-focused sales opportunities.

Key Objectives of the ERC

- Ensure that all current and aspiring small business owners have consistent access to the resources they need to start and grow their businesses.
- Provide long-term small business support that ensures sustainable success.
- Address disparities in small business ownership and entrepreneurship through a deliberate focus on Latinos and others from underrepresented groups.

- Increase coordination and collaboration among entrepreneurial support organizations working within the region in order to establish a clear and easy-to-access continuum of support for entrepreneurs and small business owners.

Location, Size and Scope

The target location for the ERC is the Temecula Valley Entrepreneurs Exchange (TVE2).

Facility size: approximately 14,456 sq ft square feet, to include:

- Private office space: 5,000 square feet
- Training rooms: 3,000 square feet
- Storage / shipping: 1,500 square feet
- E-commerce digital media room: 1500 square feet
- Reserve training/coworking space: 2,500 square feet
- Specialized space / equipment needed for training, consulting, private offices, digital media room, retail space, shipping/receiving

Number of people working in the facility (including administrative staff): 10-15

Cohort-focused programs: 50 per cohort, offered quarterly in English and Spanish

Foot traffic (drop-in public events, use of meeting space, etc.): 2,500 served each year, 10 percent of which will be drop-in traffic.

Program Components

The ERC, at its core, will provide both short and long-term business counseling and training services from programs such as the Inland Empire Small Business Development Center (IESBDC), Inland Empire Women's Business Center (IEWBC) that will assist business owners at every stage of development, from startup to growth. In addition, we will provide a range of specialized programs and services such as:

- Marketplace Program – Assists entrepreneurs as they move from initial idea to microbusiness launch with tracks for farmers market / craft fair

sales (IE Made), e-commerce (California Shop Small-Amazon), wholesale (procurement network), and exports.

- SBDC Eats Program – Six-week program that prepares participants to start and run a food-based business (includes follow-on counseling).
- Catapult Business Growth Network – 50-hour intensive for small business owners focused on key concepts and tools proven to drive and manage business growth (includes peer mentoring network).
- Financial Fitness Boot Camp – Four-day workshop for small business owners focused on financial literacy and financial management basics.
- Main Street Digital Program – Assists brick-and-mortar businesses interested in having an online presence.
- SBDC Center for Contracting – Helps small businesses with contract readiness and securing contracts.
- Mini-MBA in Entrepreneurship for Veterans.
- UpStarters Discovery Program – Introduces middle and high school students to entrepreneurship fundamentals.
- Startup programs and workshops delivered in Spanish – delivered by Association de Emprendedor@s.
- Boots to Business (B2B) entrepreneurial training program – delivered by Murrieta/Wildomar Chamber of Commerce
- Incubation and Co-working space.
- (If applicable at the selected location) Commercial food kitchen and commissary for food-based companies. The focus will be on the creation of a “food lab” to highlight local food businesses - established restaurateurs and food entrepreneurs can share a state-of-the-art space and provide additional dining options for local residents and businesses.
- Other entrepreneurial support programs and services based on need/demand.

We envision that more than 2,500 small businesses will be served annually through the ERC, with small business owners receiving access to free business counseling, training and mentoring programs.

Cost

To create the ERC and ensure a minimum operating period of 3 years will require an investment of approximately \$1.5 million (approximately \$500,000 per year). This will leverage the IECE and SoE current annual investment of \$1.5 million in small business technical assistance resources (staff and programs) and allow for establishment of the location, performing necessary facility improvements, and ongoing space costs, deploying additional staff resources necessary, and support for partner organizations.

A sustainability plan is in place that will allow the ERC to operate indefinitely. In addition to seeking ongoing funding through various grants, the intent is to have the planned farmers market; co-working space, incubator and commercial food kitchen/food lab (if applicable) generate sufficient revenue at maturity to cover the annual operating costs.

In collaboration with the IECE, Riverside County will be the first location in the Inland Empire to implement this innovative program.

2. Veterans Entrepreneurship Program - Mini-MBA for Veteran Entrepreneurs: An Apprenticed- based Program for Entrepreneurship Warriors

Program Overview

Entrepreneurship is one of the most flexible options for veterans, military service members, and their families to effectively transition from the military environment to civilian life. Via self-employment, veterans, service members, and military spouses are empowered to create their own working environment, which can be significantly easier transition than adapting to the American Corporate culture – something they have limited experience with. Entrepreneurship studies also have shown that veterans, service members and military spouse are much better business owners as compared to the general population. Nevertheless, the veteran/military entrepreneurship rate remains low, as this group of entrepreneurs, or potential entrepreneurs, face a set of unique challenges such as the lack of business skills, knowledge and education, resources, and business network. Most importantly, being heavily cultivated in the order-based military culture, veteran/military entrepreneurs struggle to adjust to the entrepreneurial mindset.

This program aims to solve these challenges specifically for veteran/military candidates and thus facilitate them to better perform as an entrepreneur. More specifically, the program aims to (1) provide entrepreneurial education to participants, (2) Develop entrepreneurial skills and competencies via an apprenticed-based approach, (3) provide access to business resources to the participants, (4) teach participants to effectively transit between the orderly-based mindset to an entrepreneurial mindset.

We plan to achieve these goals with a three-staged, apprenticed-based approach education program. The first stage (1) is ideation, which consists of the course introduction, ideation exercises for participants to generate ideas, and mindset priming sessions to help participants to shift to an entrepreneurial mindset. The class meets in person for two 4-hour workshops during the weekends, followed by 1 – 1 coaching on business ideations for the next two weeks. The total duration of the first stage is one month.

The second stage (2) is business idea experimentation. In this stage, participants will use the business idea they have developed from the first stage (1) and further transform it into a feasible business opportunity via industry/economic climate analysis, consumer discoveries, and a pilot business model run. The cohort will spend a total of four-months in this stage, with a total of 7 group meetings on the weekend and weekly individual coaching sessions with the professor(s) and/or business consultants.

The program's third and last stage (3) is transitioning into business organizing and scaling. Participants will learn how to perfect their business model to deliver the most value to consumers, and/or maximize their profit margin, and how to expand their business beyond the existing business barriers such as geographic locations, industry categories, and thus be able to transform into a highly scalable business model. The duration for this stage will be one month.

Target Audience

Our target audience is the existing and/or potential entrepreneurs who have at least one of the following statuses – veteran, active duty, or military spouse. According to data from the California Department of Veteran Affairs, Riverside County has one of the largest population of veterans in the state with over 120,000 individuals.

We will be recruiting our participants via four (4) main channels. First, via a network of military career counselors and the military transition assistance program (TAP), who are the gatekeepers for military retention, we will be able to identify service members who are exiting the force and thus recruit them into our program. Second, to recruit

veterans who have already exited the service, we will recruit participants via multiple Online Facebook Military and Veteran groups in which our lead faculty member, Dr. Anna Long, is an established member. Third, we will reach out to business owners who have founded their businesses using an on-base address in the Southern California region via the Inland Empire Center for Entrepreneurship (IECE) business dataset, which captures the business population in the Southern California region. Lastly, we will work with existing entry level veteran startup programs such as Boots to Business (B2B), to provide the next level of training needed for participants in that specific program.

Program Goals and Evaluation Plan

We plan to have one cohort every year, and each cohort will have 40 participants. Each year, we aim to have 30 businesses created (75% of the cohort), 20 of these businesses will be able to provide self-employment and/or create additional jobs, and 80% of the total started companies will receive funding via equity or loans. In addition, we aim to have 70% survival rate in the next three-year period for the new venture started, and 30% of the firms in the technology or non-service industry will be scalable.

There are four (4) key evaluations in the program which we use for outcome and performance measures. First (1), in each stage of the program (ideation, experimentation, and organizing/scaling), we conduct pre-and post-test for various entrepreneurial indicators. The goal is to see significant changes in those indicators between pre-and post-tests. Our research team will collect data and use advanced econometrics to study the effectiveness of the program. Second (2), we measure how many ventures will be created from each cohort. Our goal is to ensure 75% of the cohort will formulate business entities. Third (3), we record the actual firm performance, such as revenue, firm size, market share, etc., via quarterly coaching sessions with the experts. Subsequently, we compare the actual performance with the prior collected data on a participant's expected firm performance to see if a participant has achieved their goal. Lastly (4), our research team will conduct qualitative studies, for example, via individual interviews and focus group meetings annually at the award dinner to understand a participant's experience in the program and identify areas for improvement.

Program Cost

This program is delivered through a collaborative effort between the IECE and the CSUSB School of Entrepreneurship, the first and only School in the state of California. Annual cost to deliver the program is \$75,000. In collaboration with the IECE, Riverside County will be the first location in the Inland Empire to implement this innovative program.



CITY OF MURRIETA

October 25, 2022

Mayor Matt Rahn
City of Temecula
41000 Main Street
Temecula, CA 92590

RE: Support for an Entrepreneurship Resource Center in the Temecula Valley Entrepreneurs Exchange

Dear Mayor Rahn:

On behalf of the City of Murrieta, this letter serves as a statement of support for an entrepreneurship resource center, which will be in the City of Temecula at the Temecula Valley Entrepreneurs Exchange (TVE2). Small businesses in Southwest Riverside County face primary challenges such as access to business mentorship, counseling, and education. The creation of this resource center would build a hub of services for entrepreneurs that would assist with just those challenges. The City of Murrieta recognizes the proposed center would support entrepreneurs in starting and commercializing new companies. The services offered would be available to all small businesses throughout the region. Business support centers, such as the one proposed, have been successful in many other regions, providing valuable services that help to grow the larger business community and bring additional investments into entrepreneurship programs. The City of Murrieta is actively seeking additional opportunities to grow small business resource programs and this proposal could serve as a major step towards building a full-service small business support ecosystem. We are very excited to work with the City of Temecula on this program to help encourage and facilitate the growth of business resources in our region. It is our belief that the Temecula Valley Entrepreneurship Exchange and the Murrieta Innovation Center can build on their existing synergies to create an even stronger regional economic development partnership.

The City of Murrieta is supportive of this possible business resource center. We stand ready to assist in its development and to promote the services it would provide. Please let me know if you have any questions. I can be reached directly at (951)-461-6003.

Sincerely,



Scott Agajanian

Director of Economic Development

C: Mayor and Members of the Murrieta City Council
Members of the Temecula City Council
Kim Summers, City Manager, City of Murrieta
Aaron Adams, City Manager, City of Temecula
Christine Damko, Economic Development Manager/PIO, City of Temecula