

**CITY OF TEMECULA
AGENDA REPORT**

TO: City Manager/City Council

FROM: Betsy Lowrey, Assistant to the City Manager

DATE: April 22, 2025

SUBJECT: Approve Extension of Temecula Valley Entrepreneur's Exchange Incubator Rent Waiver Program (At the Request of Subcommittee Members Kalfus and Stewart)

PREPARED BY: Mary Cervantes, TVE2 Manager

RECOMMENDATION: That the City Council approve a 24-month extension of the Temecula Valley Entrepreneur's Exchange (TVE2) Incubator rent waiver program for the purpose of supporting local startups and fostering economic development.

BACKGROUND: The Temecula Valley Entrepreneurs Exchange (TVE2) opened to the public on November 3, 2012, with a mission to attract and support innovative early-stage companies by providing affordable office space and business development resources. Through its Entrepreneurial Resource Center, TVE2 offers free training, business resources, and networking opportunities to all businesses, regardless of size or type. Since its inception, the TVE2 Incubator Program has helped tenants focus on growth by easing the financial burden of commercial rent costs. In Fall 2022, the City launched the Rent Waiver Program under the Community Reinvestment Program, allocating \$80,000 to cover rent for all existing and incoming incubator tenants from November 1, 2022, to November 30, 2024. This initiative has successfully fostered innovation, supported economic development, and promoted job growth by allowing tenants to reinvest in their businesses. As the region continues to recover economically, extending the Rent Waiver Program for an additional 24 months would provide critical support to startups and small businesses, helping them stabilize, scale, and contribute to a diverse and resilient local economy. The rent waiver program expands the City's support of local entrepreneurs in the Temecula Valley and will be used to cover rent costs for current tenants and recruit prospective tenants.

FISCAL IMPACT: The fiscal impact of the project is \$80,000 over a 24-month period.

ATTACHMENTS: None