

**CITY OF TEMECULA
AGENDA REPORT**

TO: City Manager/City Council

FROM: Betsy Lowrey, Assistant to the City Manager

DATE: March 14, 2023

SUBJECT: Approve a Lease Agreement with the Inland Empire Center for Entrepreneurship for Use of Real Property for the Purpose of Enhanced Business and Entrepreneurship Services at the TVE2 through its Inland Empire Small Business Development Center (IESBDC) (At the Request of Subcommittee Members Mayor Pro Tem Stewart and Council Member Alexander)

PREPARED BY: Christine Damko, Economic Development Manager

RECOMMENDATION: That the City Council approve a Lease Agreement with the Inland Empire Center for Entrepreneurship for use of real property for the purpose of enhanced business and entrepreneurship services at the TVE2 through its Inland Empire Small Business Development Center (IESBDC).

BACKGROUND: The Temecula Valley Entrepreneurs Exchange (TVE2) opened its doors to the public on November 3, 2012, and celebrates over a decade of service to the local small business and entrepreneur communities. Upon opening, the TVE2's business plan focused on attracting innovative start-up companies to locate their office in the TVE2 to grow its business. The TVE2 also implemented no cost trainings, business resources and networking opportunities to all businesses regardless of size and business type. After ten years of assisting thousands of local businesses, the City is looking to elevate resources available at the ERC to help businesses in Temecula Valley grow, thrive and expand our region's job market.

In order to take the steps to grow the City's economic base (in general) and foster businesses through all stages of entrepreneurship (specifically), the Economic Development Department proposes to expand the scope and operations of the IESBDC to encompass the second floor of the TVE2 standing at 14,456 square feet in size and provide the space for \$1 per year rent. Staff anticipates this Agreement to be amended periodically to extend through 10 years, and possibly longer or shorter as programming and business resource needs of the community are continually assessed. In return, the IESBDC would provide a complete Entrepreneurial Resource Center (ERC) which would be a one-stop of all things business assistance and the first of its kind in Riverside County. See attached Scope of Services for details on enhanced services and operations.

In 2021, the IESBDC counseled and trained over 149,000 businesses Countywide with an estimated economic impact of \$388,000,000—of which, over 2,000 women-owned, and 2,500 minority-owned businesses have been assisted. Over 17,000 jobs and 250 startups have also been created. The ERC would offer a full menu of assistance, starting with the ideation phase through selling in a marketplace. The IESBDC would expand its offerings of 1:1 business counseling, mentoring and training and also bring in subject matter experts in exporting along with unique opportunities to assist with minority, veterans and women-owned businesses.

FISCAL IMPACT: The IESBDC will fund all aesthetic and minor tenant improvements that may be needed for the space. The IESBDC will pay \$24,000 a year for 3 years in utility payments to the City of Temecula.

ATTACHMENTS:

1. Lease Agreement
2. Scope of Services: “Entrepreneurial Development Services Proposal”
3. City of Murrieta Letter of Support