

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

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FROM: Economic Development Agency **SUBMITTAL DATE:** July 29, 2005

SUBJECT: FUNDING FOR INLAND EMPIRE ECONOMIC PARTNERSHIP

RECOMMENDED MOTION: That the Board of Supervisors:

- a) Allocate \$200,000 in Fiscal Year 2005/06 funding to the Inland Empire Economic Partnership (IEEP) for community economic development and tourism promotion; and
- b) Authorize the Assistant County Executive Officer/Economic Development Agency (EDA) or her designee to negotiate non-monetary issues and execute an agreement, subject to County Counsel approval, with IEEP.

BACKGROUND: This recommendation is a follow-up to the August 9, 2005 Board of Supervisors' meeting in which the Economic Development Agency (EDA) requested funding approval for community economic development and tourism organizations. Funding for the Inland Empire Economic Partnership was pulled from the motion with a request for staff and IEEP President Paul Hiller, to provide a 2004-05 report on IEEP's activities. The attached report (Attachment A) summarizes their activities and breakdowns the \$200,000 funding request.

Inland Empire Economic Partnership	
Business Attraction	\$125,000
Small Business Development Center	\$25,000
Tourism	\$50,000
TOTAL	\$200,000

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Robin Zimpfer

Robin Zimpfer, Assistant County Executive Officer/EDA

FINANCIAL DATA:

CURRENT YEAR COST: \$200,000
 NET COUNTY COST:
 BUDGET ADJUSTMENT: NO
 COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: NO
 SOURCE OF FUNDS: CDBG, WIA, RDA, EDA Administration, Aviation

ANNUAL COST
 IN CURRENT YEAR BUDGET: YES
 FOR FY: 2005-2006

C.E.O. RECOMMENDATIONS:

APPROVE

County Executive Officer Signature: _____

Branda King

Department Recommendation: Policy
 Consent Policy
 Consent Policy
 Per Executive Office:

COUNTY OF RIVERSIDE
 02 AUG 12 04 PM '05
 OFFICE EXECUTIVE

**Inland Empire Economic Partnership (IEEP)
2004/05 Activity Report – 2005/2006 Funding Request
Riverside County**

Business Attraction and Film

IEEP is requesting \$125,000 in continued support of film and business attraction. Last year's results are:

- Business Attraction Projects – Over the past 12 months, IEEP has worked directly with 52 companies looking to locate major facilities in California. Cities and unincorporated areas in Riverside County were invited to submit sites for consideration on all projects. Fourteen companies have visited and are considering specific sites within the county.
- Business Attraction Marketing – IEEP launched a very aggressive national marketing campaign in 2005. Porter Novelli (5th largest public relations firm in the U.S.) was hired as IEEP's agency. A major campaign to build awareness of the Inland Empire as a business location is underway. With direct input from county staff as well as cities within the county, feature articles have appeared in *The Wall Street Journal*; *CNBC* television; *Associated Press*, *New York Times* and *The San Diego Tribune* to name a few. We expect one major article every week for the next three years. The total marketing budget is \$750,000 per year with \$350,000 of the total going to the public relations program. The balance is for national trade shows, website, literature and staff
- Film – IEEP's Film Commission assisted in the production of nine movies, 43 TV productions, 42 commercials, 25 videos and 137 commercial photo shoots. The estimated economic impact to Riverside County was \$30,880,036.

Small Business Development Center

IEEP is asking for continued support for the program at the \$25,000 level for the coming year. Last year's results in the county of Riverside were:

- Provided free counseling to 981 businesses in Riverside County (3,569 counseling hours)
- 225 total jobs created
- 12 SBA loans funded for \$2,599,500
- 12 Non-SBA loans funded for \$1,333,000

Tourism Development

IEEP is requesting an additional \$50,000 in the coming year for tourism development. More specifically, it would be an aggressive marketing campaign similar to our business attraction program. Porter Novelli would be utilized under a separate contract with IEEP to launch a public relations campaign to attract tourists and outdoor enthusiasts to the region.

IEEP's goal is to raise \$300,000 to \$350,000 per year for the program, with each county contributing \$50,000; the Inland Empire Tourism Council contributing \$25,000; and, the balance coming from Indian Tribes, Attractions and cities throughout the two-county region with strong tourism interests.

Tourism is a major industry in the region. Presently, each venue, city or sub-region markets their products on their own. There is not a strong united effort promoting the region and competing directly with San Diego, Orange County and Las Vegas.