



CITY COUNCIL STAFF REPORT

DATE: November 18, 2009 NEW BUSINESS

SUBJECT: APPROVING AN APPLICATION TO THE STATE OF CALIFORNIA BUSINESS, TRANSPORTATION AND HOUSING AGENCY FOR AN INNOVATION HUB (IHUB) DESIGNATION IN THE CITY OF PALM SPRINGS AND WESTERN COACHELLA VALLEY.

FROM: David H. Ready, City Manager

BY: Community & Economic Development Department

SUMMARY

This action will authorize the City of Palm Springs to submit an application to the State of California for an Innovation Hub (iHub) designation in the Western Coachella Valley Region, the boundaries for which includes the municipal corporate limits of the cities of Palm Springs, Cathedral City, and Desert Hot Springs, and their respective spheres of influence. This iHub designation will enhance our local economy and our efforts to develop clean, renewable energy technology.

RECOMMENDATION:

1. Authorize the City Manager to execute and submit the iHub Application to the State of California Business, Transportation and Housing Agency.

STAFF ANALYSIS:

On September 10, 2009 the State of California Business, Transportation and Housing Agency released guidelines for a new program – Innovation Hubs (iHub). The purpose of the iHub program is to promote collaboration and commercialization of technology to stimulate job creation. Companies and research institutions within iHubs will benefit from enhanced partnership opportunities, national and international exposures, and extensive increased marketing opportunities. The iHUB program will modernize California's approach to fostering innovation, stimulating entrepreneurship, and enhancing the State's national and global competitiveness through new business partnerships, which accelerate investment, job creation and sustainable economic development.

The City of Palm Springs submitted a letter of intent to apply for the iHub designation for the Western Coachella Valley region. Because our region is rich in naturally occurring, renewable energy with an abundance of wind, sun and geothermal resources, the focus

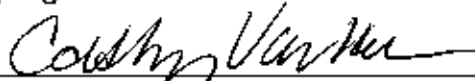
of our iHub would be the further development of clean, renewable energy technology. The iHub designation also aligns with the regional goals, outlined in the new Coachella Valley Economic Blueprint, of diversifying the regions industrial base to provide new jobs in four primary industry sectors, including clean/green technologies. In addition, the iHub designation will enhance the development of the West Valley College of the Desert Campus, which also identifies clean, green technologies as one of its four curriculum pillars at the new campus.

The iHub certification eligibility criteria must consist of a major university or research center/institute and demonstrate partnerships with: business organizations; an educational consortium; and municipal economic development departments. The application meets those requirements with those partnerships in place – including the University of California Riverside and College of the Desert; Palm Springs Chamber of Commerce; Small Business Development Center; Palm Springs Economic Development Corporation; and business partners such as, Care Fusion (formerly Bird Medical) and Micro Cool. There is also support from our Foreign Trade Zone Consultant and the Southern California Foreign Trade Zones Association.

Staff recommends approving the submission of the iHub Application with the designation providing a key component to inspire innovation and entrepreneurship in Palm Springs and the Western Region of the Coachella Valley.

FISCAL IMPACT:


There is no fiscal impact during the application process. If the iHub designation is issued and accepted, staff will present Council with a complete draft of operating and program costs.



Cathy Van Horn, Economic Development Administrator



Tom Wilson, Assistant City Manager



David H. Ready, City Manager

Attachments:

Draft iHub Application - TO FOLLOW