

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: Economic and International Development Department
AGENDA DATE: CCA Regular, March 2, 2021
CONTACT PERSON/PH. No.: Jessica Herrera, Director 915-212-1624
DISTRICT(S) AFFECTED: ALL DISTRICTS

SUBJECT:

APPROVE a resolution / ordinance / lease to do what? OR AUTHORIZE the City Manager to do what? Be descriptive of what we want Council to approve. Include \$ amount if applicable.

Presentation and discussion by Pioneers 21 on their Annual report on status of activities during the fiscal year, use of grant funds and progress in the performance measures required under the agreement executed on November 12, 2019 with the City of El Paso. (All Districts) [Economic and International Development Department, Jessica Herrera, Director 915-212-1624].

BACKGROUND / DISCUSSION:

Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?

On November 12, 2019, city council approved a grant agreement between the City of El Paso and Pioneers 21. The purpose of the agreement was to provide an incubator and related business development services to appropriate emerging technology and high-growth companies.

On an annual basis, the applicant must meet five of five performance metrics:

1. The number of Client Company firms that have achieved Graduate Company status.
 - **As of August 31, 2020 – 103**
2. Number of people currently employed full-time and part-time by each Client Company and each Graduate Company (FTE's):
 - **As of August 31, 2020 – 180**
3. Currently monthly salaries and wages paid by each Client Company and each Graduate Company.
 - **As of August 31, 2020 – \$26,781.49**
4. Gross Revenues for the most recent full year for each Client Company and each Graduate Company
 - **As of August 31, 2020 – \$47,354,708**
5. Total capital raised or self-invested equity and debt (bank loans, loans from family and friends, revolving loan funds and/other loans sources) by each Client Company and each Graduate Company
 - **As of August 31, 2020 – \$8,248,951**

By presenting to Council the Pioneers 21 will be complying with the obligations of applicant listed in the Chapter 380 agreement section 4.I. Obligations of Applicant

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?

Yes, A Chapter 380 Economic Development Program Grant agreement was previously approved by Council on November 12, 2019

AMOUNT AND SOURCE OF FUNDING:

How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

Impact Fund - \$500,000 over 2 years, not to exceed a maximum of \$250,000 annual payment.

EXHIBIT E


(Grant Submittal Package Form)

PIONEERS 21 believes that it has substantially met its obligations under the Chapter 380 Agreement dated the **12 day of November, 2019**. Pursuant to the Agreement, Applicant submits this Grant Submittal Package Form in compliance with the Agreement and in anticipation of receiving the Grant payments referenced in the Agreement in consideration for its obligations met therein.

As required by the Agreement, the following information is submitted as documentation required for the **ANNUAL REPORT** for the contract year ending on **8/31/20**.

1. Current Performance Metric Report (if being also submitted on a quarterly or yearly due date).
2. All appropriate and substantiating documents detailing eligible reimbursement amount requested.
3. All contract information as required.

PIONEERS21


Name: Carlos A. Martinez Vela
Title: Executive Director

ACKNOWLEDGMENT

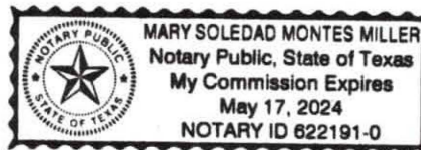
STATE OF TX
COUNTY OF El Paso

This instrument was acknowledged before me on the 21 day of January, 2021, by **Carlos A. Martinez Vela**, as **Executive Director** of **Pioneers21**.



Notary Public, State of 5/17/2024
Texas

My Commission Expires:
5/17/2024



PIONEERS 21

December 29, 2020

Ms. Denisse Carter
Economic and International Development Department, City of El Paso
123 W Mills Ave. Suite 111
El Paso, TX 79901

**Re: Annual Report for Pioneers 21, Year 9: 2019-2020
Outcome Metrics**

Dear Ms. Carter:

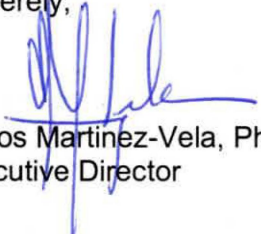
You will find attached to this letter the annual report in the form of Exhibit D (see Annex 1 attached) which includes the outcome metrics for the contract-year covering the period from 9/1/19 to 8/31/20. This report is submitted in accordance with the Chapter 380 Agreement between the City of El Paso and Pioneers 21, Document 19-1007-2514 / 942766, effective November 12, 2019.

For the purposes of calculating the outcome metrics and to have continuity in data collection, reporting and availability, this report builds on the most closely equivalent metrics from prior contract years. Table 2 establishes how outcome metrics reported in Exhibit D build on prior metrics.

For your reference, Table 3 includes the required quarterly performance metrics to the end of the contract year, as previously reported in the FY9 Q4 report. Backup for all events, workshops and seminars has been provided in previous quarterly reports.

The information contained in this report has been compiled and prepared in good faith to the best of my abilities using legacy and currently available data and methods. Please let me know if you have any questions or need additional information. Thank you as always for your guidance and support.

Sincerely,



Carlos Martinez-Vela, Ph.D.
Executive Director

PIONEERS 21

TABLE 1
EXHIBIT D: Outcome Metrics – FY9 2019-2010
Year 9 to 8/31/2020

PIONEERS 21	Year 3 9/1/2013 - 8/31/2014 Reported	Year 5 9/1/2015 to 8/31/2016 Reported	Year 6 9/1/2016 to 8/31/2017 Reported	Year 7 9/1/2017 - 9/30/2018 Reported	Year 8 9/1/2018 - 9/30/2019 Reported	Year 9 9/1/2019 - 8/31/2020 Reported
1. The number of Client Company firms that have achieved graduate company status <i>Reference: Total # of Client Companies (cum)</i>	26	49	63	74	87	103
2. Number of people currently employed fulltime and part time by each Client Company and Graduate Company <i>Reference: Client Employees Compensated (FTEs-cum)</i>	27	46	117	148	164	180
3. Current monthly salaries and wages paid by each client company and each graduate company <i>Reference: FT Employee Avg Compensation (annual)</i>	\$ 41,733	\$ 38,367	\$ 55,813	\$ 35,200	\$ 33,131	\$ 26,781.49
4. Gross revenues for the most recent full year for each client company and each graduate company <i>Reference: Total Revenue of Client companies (cum)</i>	\$ 7,571,178	\$ 16,949,648	\$ 23,966,790	\$ 27,262,577	\$ 36,324,945	\$ 47,354,708
5. Total capital raised or self-invested equity and debt by each client company and each graduate company <i>Reference: Total Equity Capital Raised or \$ Self Invested</i>	\$ 734,872	Data Not Available	\$ 2,367,532	\$ 4,536,832	\$ 5,115,380	\$ 8,248,951

TABLE 2
Reference metrics from prior contract years used to calculate outcome metrics

Exhibit D Outcome Metrics (as described in current contract)	Reference Metrics (from prior contract years)
1. The number of Client Company firms that have achieved graduate company status	Total # of Client Companies (cum)
2. Number of people currently employed fulltime and part time by each Client Company and Graduate Company	Client Employees Compensated (FTEs-cum)
3. Current monthly salaries and wages paid by each client company and each graduate company	FT Employee Avg Compensation (annual)
4. Gross revenues for the most recent full year for each client company and each graduate company	Total Revenue of Client companies (cum)
5. Total capital raised or self-invested equity and debt (bank loans, loans from family and friends, revolving loan funds and/or other loan sources) by each client company and each graduate company	Total Equity Capital Raised or \$ Self Invested

PIONEERS 21

TABLE 3
EXHIBIT C: Performance Metrics – FY9 Q4
Year 9 to 8/31/2020

PIONEERS 21	Year 9 2019-20 Required	Year 9 9/1/2019 - 8/31/2020 Reported
% Revenue from Hub Operations vs Expenses (annual)	12%-16%	14%
Total # of New Client Companies (annual)	10	16
Free Workshops/Seminars/Events	12	20
*Entrepreneur/Innovator @ Workshops/Seminars/Events	400	1198
*Entrepreneur/Innovator Trained	115	434
Micro-Enterprises / SMEs trained	20	21
Targeted audience / sector workshops	6	11
Free roaming workshops	8	10

BOARD / COMMISSION ACTION:


Enter appropriate comments or N/A

N/A

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD: _____

Eduardo Garcia

 Digitally signed by Eduardo Garcia
Date: 2021.02.23 08:13:35 -07'00'