



Pioneers 21 380 Agreement Renewal

Goal 1: Create an Environment Conducive to Strong Sustainable Economic Development

- 1.1 Stabilize and expand El Paso's tax base
- 1.7 Identify and develop plans for areas of reinvestment and local partnership

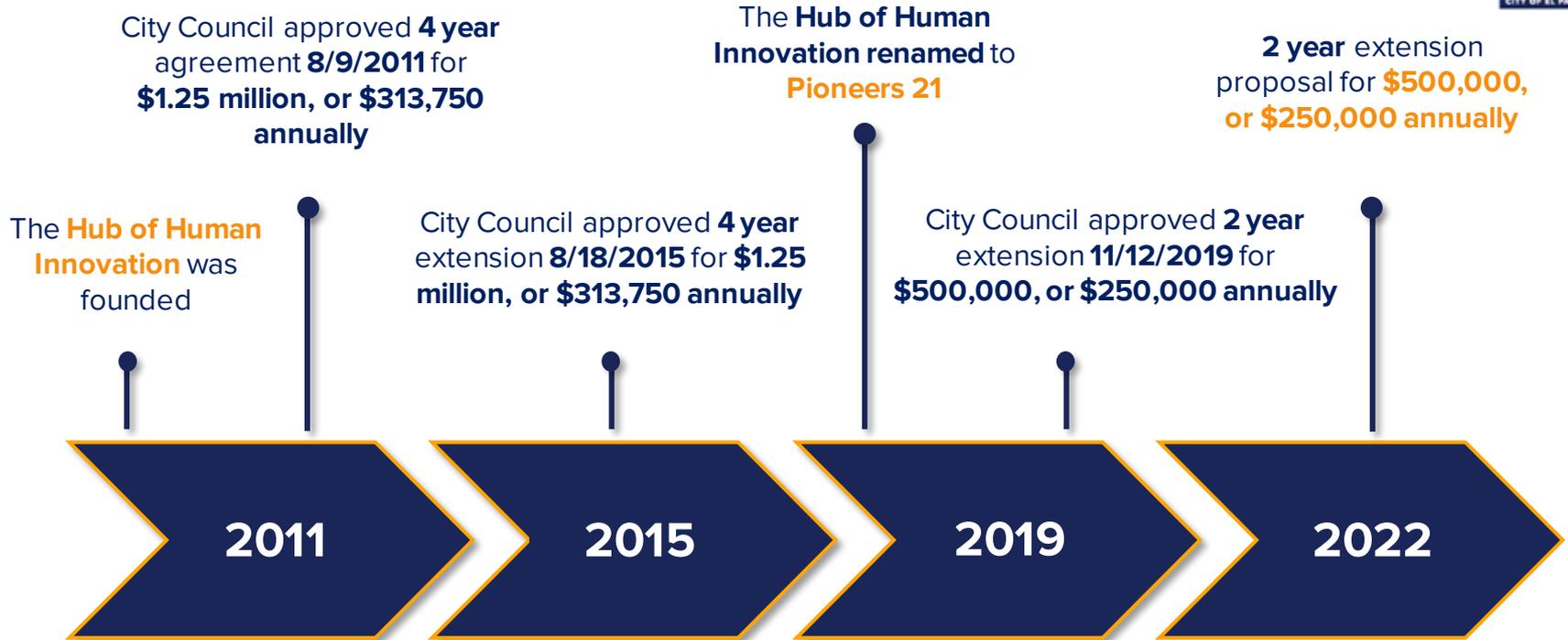




Presentation Summary

1. Background
2. Recommendation 1: Amend Project Budget
3. Recommendation 2: Amend Performance Metrics
4. Recommendation 3: Adopt Industry Practices

Chapter 380 Agreement Timeline



Background

- ❖ On **November 12, 2019**, City Council adopted a Chapter 380 Agreement with **Pioneers 21** set to expired on **November 12, 2021**.
- ❖ **Pioneers 21**, previously known as the **Hub of Human Innovation**, is a non-profit organization and business incubator based in Downtown El Paso, that nurtures the development of startup and early stage companies.
- ❖ Pioneers 21 has rebranded themselves as a **Business Incubator** and has improved their training programs



Discussion & Action Item



That the City Manager be authorized to sign a Chapter 380 Economic Development Program Agreement (“Agreement”) between the City of El Paso (the “City”) and Pioneers 21 (the “Applicant”)



Funding



\$250,000 maximum grant:
\$50,000 conditional to
fundraising match of (1:1)

Create new grant opportunities
for businesses with at least
20% of fund raised money

Fundraising can be sourced from
new donors, grant opportunities,
or new revenue streams

2019 - 2021 Performance Metrics



Item	Annual Metric Target
Percent Revenue from PIONEERS 21 Operations vs Expenses	12-16%
Total number of firms defined as a New Client Company	12
Free Workshops / Seminars/ Events	12
Entrepreneurs / Innovator @ Workshops / Seminars / Events	400
Entrepreneurs / Innovator Trained	115
Micro-Enterprises / SMEs Trained	20
Targeted Audience / Sector Workshops	6
Free Roaming Workshops	8



Performance Metrics

- Conduct a **Benchmarking Survey**
- Update metrics tracking from task oriented to **Results Oriented**

Proposed Performance Metrics



Performance Metric	2022	2023
Conduct an annual Benchmarking Survey to assess program effectiveness (No less than 20 responses)	Due within 90 days of contract execution	Due within 90 days after one year of anniversary execution date
Total # of program applicants (new or existing) from newly launched programs: a) Startup Bootcamp Program b) Borderland Venture Service Business Model Canvas	25	25
Access to Capital Referrals Community Development Financial Institution (CDFI) or other banking/financial institutions	12	12
Number of Entrepreneurs Securing Working Capital	4	6
Startup Bootcamp Graduates	15	20
Borderland Venture Service Business Model Canvas Graduates	10	10
Quality Texas Examiner Training	10	10

Best Practices

Borrow Best Practices from Similar Incubators

- Engage volunteers and alumni as mentors, and legal/financial **assistance for businesses**
- Leverage relationships with local non-profits to strengthen small **business ecosystem**
- Require City logo on all publications as a supporting partner

Next Steps

- Authorize City Manager to execute a Chapter 380 Agreement



Mission

Deliver exceptional services to support a high quality of life and place for our community



Values

Integrity, **R**espect, **E**xcellence,
Accountability, **P**eople



Vision

Develop a vibrant regional economy, safe and beautiful neighborhoods and exceptional recreational, cultural and educational opportunities powered by a high performing government