

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

**DEPARTMENT:** Economic and International Development Department

**AGENDA DATE:** CCA Regular, January 14, 2020

**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 by The Hub of Human Innovation on their Annual Report (September 1, 2018 – August 31, 2019), on their progress with respect to the FY 2019 performance measures, as described under the reporting metrics in the Chapter 380 grant agreement. (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 August 9 2011, city council approved a grant agreement between the City of El Paso and The Hub of Human Innovation. The purpose of the agreement was for the creation of a Technology Incubator, which would increase economic development in the City; by encouraging its clients to create jobs, make investments, and improve the City's ability to provide for the health, safety and welfare of the citizens of El Paso.

A second amendment was approved on August 18, 2015, which extended the Chapter 380 grant agreement 4 more years and incorporated a mid-year report and oral presentation requirement to City Council. The Hub of Human Innovation has completed YEAR 4 of their 4-year extension. The amount of \$2,253,247 were reimbursed for costs attributable to work performed from September 2011 thru August 2019.

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

1. New Client Companies per year:
  - a. FY 2019: 10 New Companies
2. Min Revenue Source from Operations:
  - a. FY 2019: 12% - 16%
3. Client Company Compensation:
  - a. FY 2019: \$32,500 - \$36,000
4. Public Workshops:
  - a. FY 2019: Minimum of four (4) public workshops free and open to the public by year
5. Entrepreneur/Innovator-Specific Seminar/Networking Events
  - a. FY 2019: 400
6. Directed Skill Development Training
  - a. FY 2019: 115

By presenting to Council the Hub of Human Innovation will be complying with the obligations of applicant listed in the Chapter 380 agreement section 4B Compensation, Reporting and Compliance.

**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 August of 2011.

**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 - \$1, 000,000 over 4 years, not to exceed a maximum of \$250,000 annual payment.

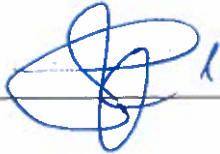
**BOARD / COMMISSION ACTION:**

Enter appropriate comments or N/A

N/A

\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**DEPARTMENT HEAD:**



FOR

JESSICA HERRERA



**Annual Report  
El Paso City Council  
January 21, 2020**

**Carlos Martínez-Vela, Ph.D.  
Executive Director**

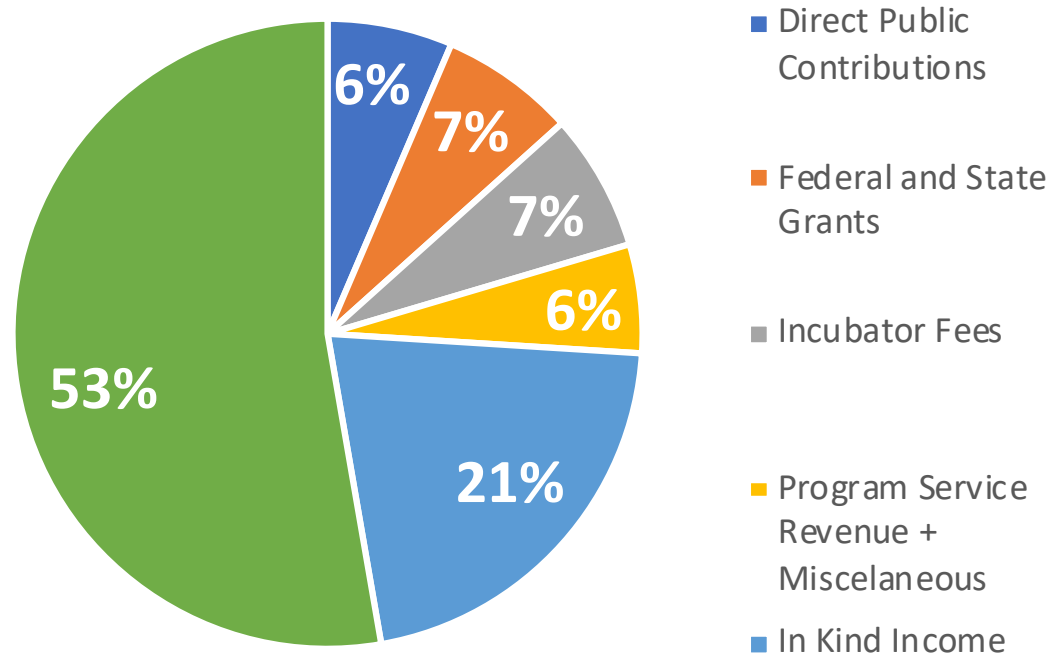
# Board of directors

- Laura Butler, Small Business VP, Wells Fargo
- Jaime Farias, VP for Workforce and Continuing Education, El Paso Community College
- Tom Fenton, Founder and Advisor, El Paso Inc.
- Leonard Goodman, President and CEO, Goodman Financial Group (Board Chair)
- David Jerome, President and CEO, El Paso Chamber of Commerce
- Cindy Lyons, CPA / Partner, Lauterbach Borschow & Co. (Treasurer)
- Don Margo, President, Hub International
- Carlos Martinez Vela, President and CEO, The Hub of Human Innovation
- Marina Monsisvais, Principal, Barracuda PR
- Ricardo Mora, Founder and CEO, Technology Hub - Juarez
- Robert Nachtmann, Professor, UTEP College of Business Administration
- Lydia Nesbitt-Arronte
- Melissa Silverstein, Associate General Counsel, Helen of Troy
- Cary Westin, Deputy City Manager, City of El Paso
- Steven Yellen



# Funding

Pioneers 21  
Total Income by Source  
2011-2019



# Metrics for FY8 (to 9/30/19)

	Required	Actual 6/30/19
% Programs Revenue	12-16 %	15 %
# of New Companies	10	12*
\$ New Employee Wage	33k-37k	68.9k**
# Workshops + Events	4	6
# Entrepreneur / Innovator @ Workshops + Seminars	400	650
# Entrepreneur / Innovator Trained	90	201

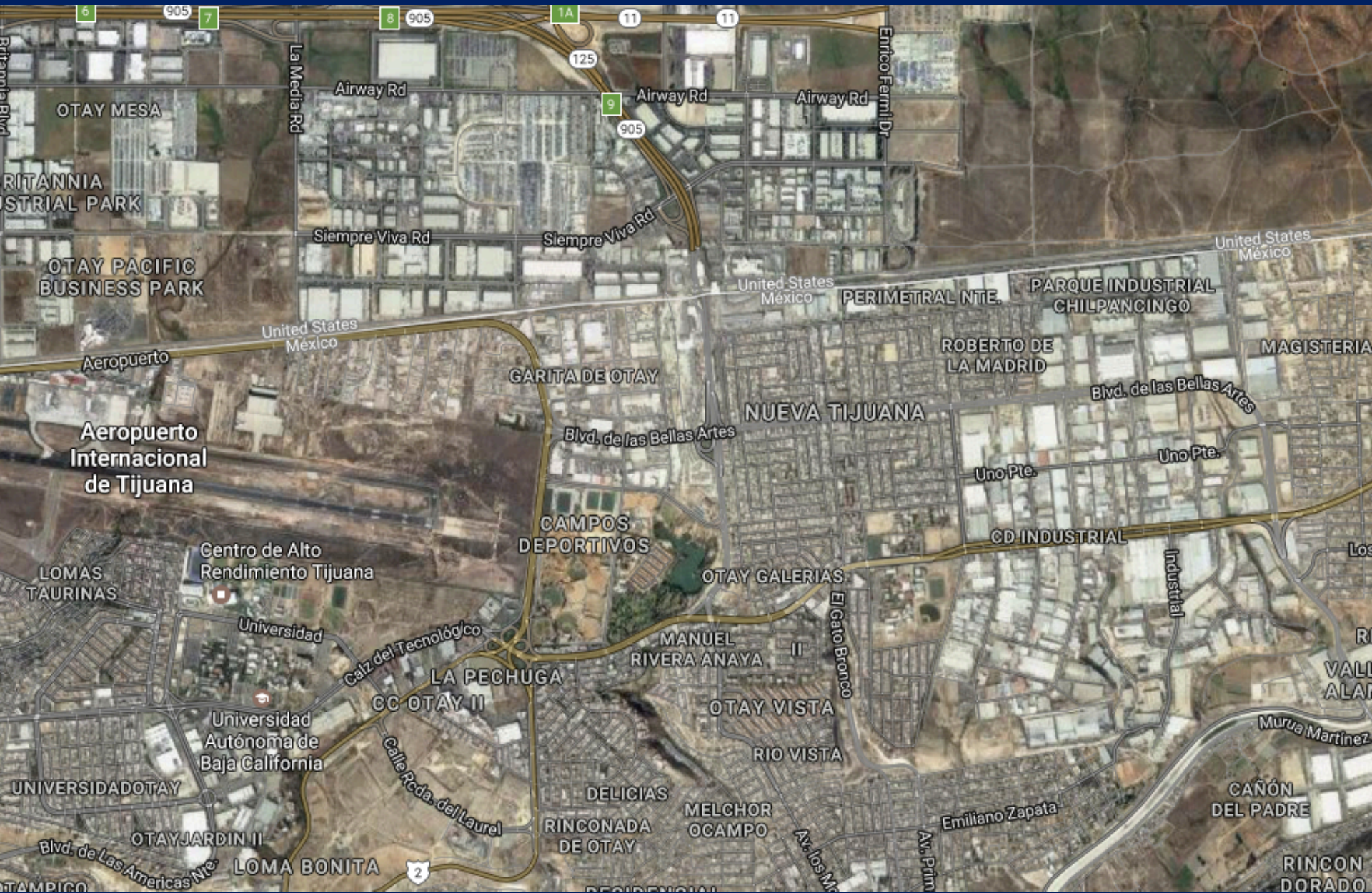
\*To 7/31/19 \*\*Average of all reporting members



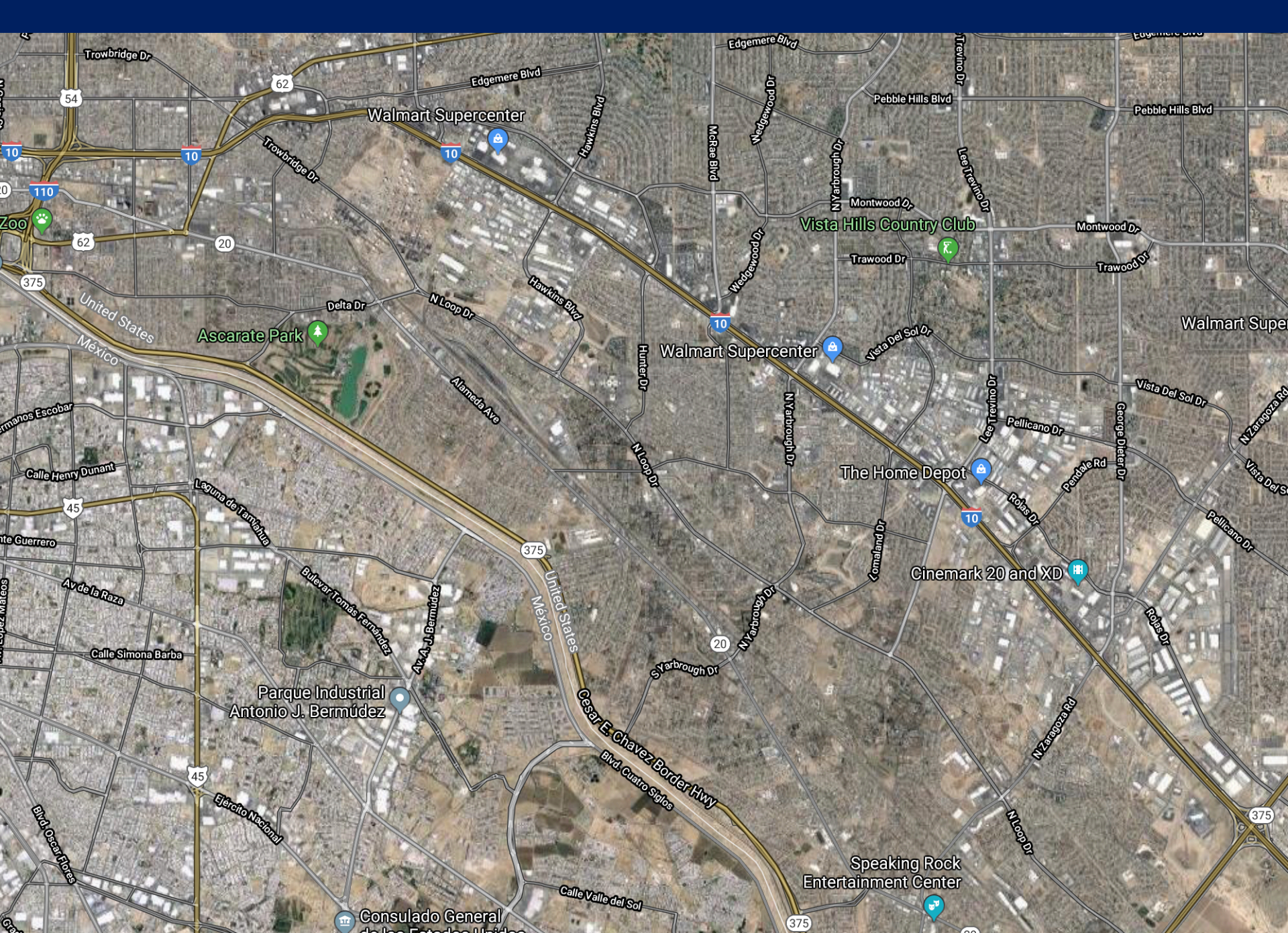
















# A Dominant Economic Development Strategy in Border Cities

## Attracting Investment NAFTA / USMCA

More Boxes

Trade

Maquiladoras

Manufacturing

Low Wages

## Growth from the Outside



# The Border Economy Conversation

It's also been all about

## OPTIMIZING FLOWS

People

Capital

Goods

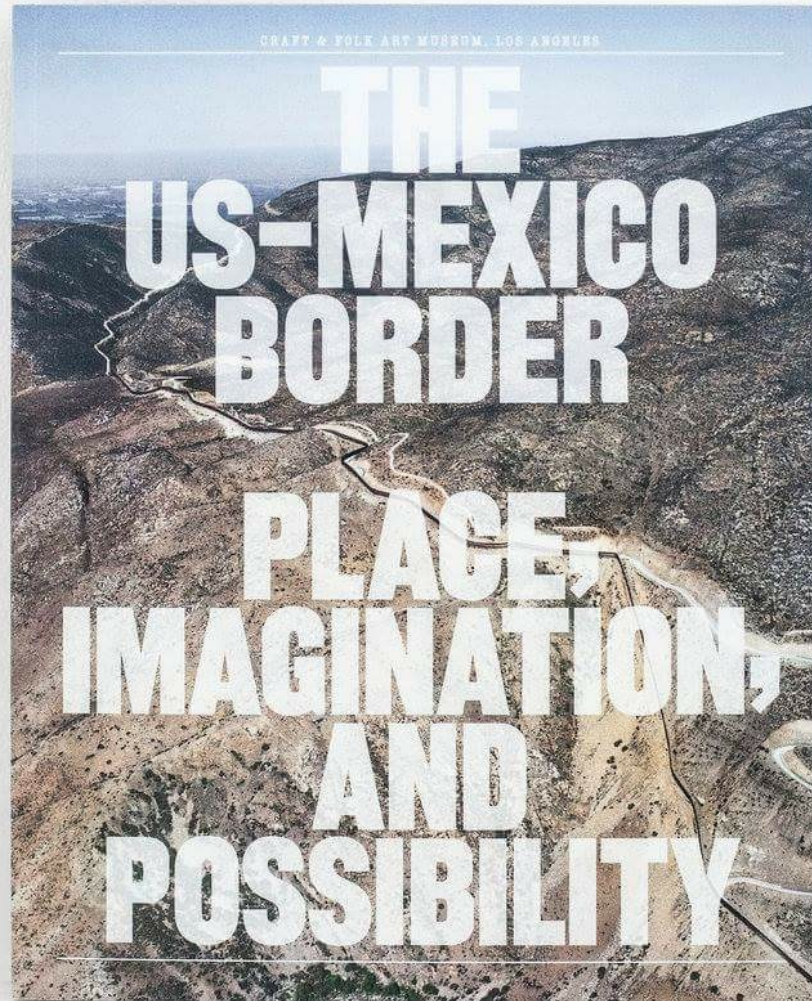
**FAST!**

**SECURE!**



We Need  
**A New Conversation:**  
Unleashing the Creative and  
Economic Potential of the  
U.S. – México Border

A new strategy:  
**Growth from Within**

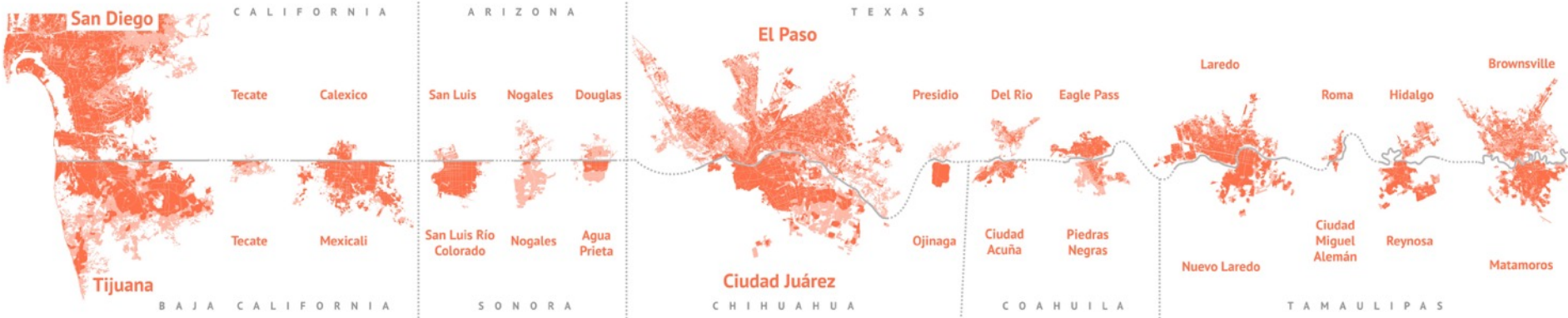




# US-Mexico border cities, from west to east

Cities are to scale, distances between cities are not to scale.

0 5 10 20 mi  
0 10 20 40 km  
Sasha Trubetskoy 2016  
sashat.me



Visualization: Sasha Trubetskoy



**Grassroots mobilization for  
regional economic change**

**Local entrepreneurship**

**Local SME Growth  
(Scale-up)**

Grassroots mobilization for  
regional economic change

Local entrepreneurship

Local SME Growth  
(Scale-up)



# What we do

## Economic Renewal

- We help and support entrepreneurs to start, build, and grow new businesses.

## Entrepreneurship Education

## Targeted Networking

## Coaching & Mentoring

- We connect with advisors, investors, business services, and technical assistance.
- From ideation and business start to acceleration and growth.



# Outreach and Civic Engagement

- Established in 2<sup>nd</sup> Amendment to Economic Development Program Grant Agreement.
- Build public knowledge about:
  - The existence and services of P21.
  - The city of El Paso as a location for technology and industry development.
- Local, regional, national, international.

**Building and Maintaining Relationships**

# Our Ambitions

We help entrepreneurs to start, build and grow businesses (core)

We build and connect communities of innovation and entrepreneurs

We discover, articulate and share stories of innovation in our region

We build relationships locally, regionally, statewide, nationally, and internationally

**We unleash the creative and economic potential of our region**

**We position El Paso as America's Borderland Capital**

**We are changing the narrative of the USMX Border**

# Members (2019)

Ad Appson	Software application - Mobile advertising
Alma Matters	Software application - Sports
Boost Human	Augmented reality
Campus Life	Software application – higher ed.
CellNovation Technology Corporation	Healthcare – wound care
Desert Roling	Wellness
E-Dealer Direct	Software application - vehicle sales
Educational Summit of the Americas	Educational conference
ESSgo Deliery Services	Software application
Equilivory	Software application – food delivery
FocusHR	Business services
Glide Scooters	Mobility
Hippie Girl Natural Products	Consumer products
Idle Fancy Creative	Digital services
Mayan Pigments	Pigments
My 360 IT	Software application - life sciences
Freudensong (Natural Ear)	Software application - singing
NegaWatt Industries	Clean tech - energy management
Phidev / Audisatt	Digital services / Auditing software

**85 companies incubated | 42 still in business**

# Finally,

an auto auction that **Works for You.**

View Inventory *without logging in.*

**View Auctions**



**Buy with us**



**Sell with us**



**Save a**

**Boost**human

HOME ENTERPRISE MIXED REALITY VIRTUAL TRAINING SMART GUIDES TELEPRESENCE COMMUNITY CONTACT US

## Train Guide Support

Boost Human develops enterprise mixed reality and artificial intelligence software for workforce development, productivity, and next-gen telecommunications. Boost productivity, boost efficiency, boost your workforce.



Get Started with Industrial Mixed Reality



**TheBridge**accelerator

BINATIONAL SUPPLIER DEVELOPMENT PROGRAM

**Maquiladoras buy \$39 billion annually in goods and services. Only 2% is supplied by local businesses. The Bridge helps local businesses tap into this market.**

- 11 companies in the first cohort
- 33 new jobs • +\$1.5 million in sales
- \$250k investment committed
- Microsoft extended support for \$1.5 M for 3 years



**TechnologyHUB**  
Connecting Minds



**Microsoft**



**transtelco**



**BOSCH**





**Global Containers &  
Custom Packaging Inc.**

Professional Grade Packaging



**WINNER  
2019**



**TheBridgeaccelerator**

BINATIONAL SUPPLIER DEVELOPMENT PROGRAM

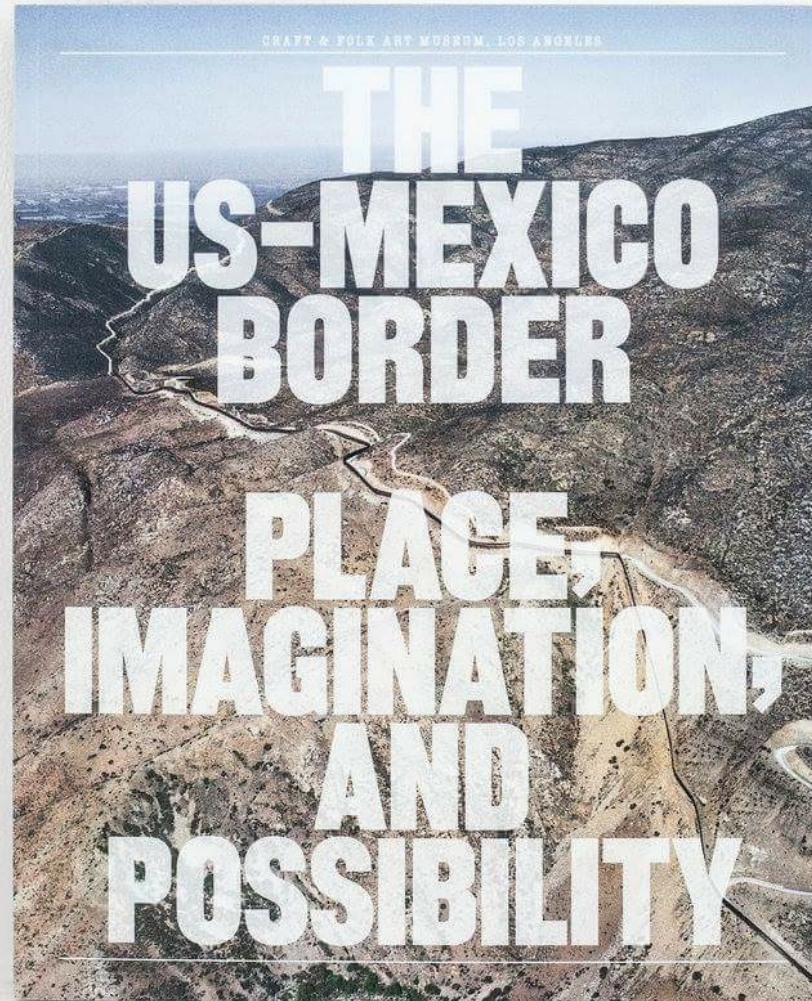


- Next cohort starts in February.
- Applications open!

# Coming Soon

- Entrepreneurship education
  - Innovation training for small and medium-sized enterprises (SMEs) and microenterprises
  - Targeted audience and sector workshops
  - Roaming(district) workshops
- MIT Venture Mentoring Service
- MassChallenge Texas
- Pioneer Conversations
- 2020 El Paso Innovation Awards
- Strategic initiatives
  - Analysis of Readiness for the Innovation Economy
  - Mixed Reality Lab
  - The Bridge Accelerator









**Carlos Martínez-Vela, Ph.D.**  
**Executive Director**

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