



**EL PASO MAKES:
INNOVATION FACTORY
INCENTIVE AND LEASE POLICY**

El Paso Makes: Innovation Factory Policy

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SECTION I. PURPOSE

On August 1, 2022, City Council approved a Resolution for appropriation of \$3,000,000 of the grant funds from the Coronavirus State and Local Fiscal Recovery Funds, to assist impacted or disproportionately impacted small businesses in the manufacturing industry sector in accordance with the requirements stipulated by the American Rescue Plan Act (“ARPA”) and federal guidelines in the Final Rule to cover expenses incurred to respond and recover from the COVID-19 public health crisis. Per the Resolution, such funding may be used to provide loans or grants to mitigate financial hardship, such as by supporting payroll and benefits, costs to retain employees and mortgage, rent, utility, and other operating costs; and technical assistance, counseling or other services to support business planning; or other assistance as identified in the Final Rule to support impacted and disproportionately impacted small businesses in the manufacturing industry sector, to include small business startups, microbusinesses, or individuals seeking to start small or microbusinesses.

The El Paso Makes: Innovation Factory Incentive and Lease Policy (“Policy”), contains guidelines on the leasing of space at the El Paso Makes: Innovation Factory (“Innovation Factory”) and the provision of incentives to Small Businesses occupying the Innovation Factory. Small Businesses, as defined by this Policy, are early stage, new or existing manufacturing technology businesses targeting the aerospace, defense, or other advanced manufacturing markets; and would greatly benefit from incubation services. Economic Development Incentives, funded through ARPA, will provide a mechanism to offset costs associated with Small Business’(re)location to the Innovation Factory.

The Innovation Factory is owned by the City of El Paso (“COEP”), managed by the El Paso International Airport (“ELP”), and is located at 501 George Perry Drive, El Paso, Texas 79925. The Innovation Factory was built for the purpose of incubating and accelerating Small Businesses, as defined herein, and connecting them to aerospace and defense markets. Applicants approved under this policy will lease space at the Innovation Factory.

This document is meant to serve as a guide for COEP staff and does not create any obligations on COEP. The COEP may modify this policy as the deemed necessary for the benefit of the COEP, always in accordance with local, state and federal regulations. Notwithstanding anything to the contrary, this document does not confer any rights to any party.

SECTION II. DEFINITIONS

Aerospace Center at The University of Texas at El Paso - The Aerospace Center’s mission is to educate and prepare a diverse, future-ready workforce for high-paying, in-demand careers through project-based learning in applied, cutting-edge research in aerospace, defense, and energy.

Aerospace Markets - Product is integrated into or is an aircraft, rocket, missile, spacecraft, or any product that is meant to operate in the earth’s atmosphere or space beyond. A product is also considered related to aerospace if the item is critical for the operation or maintenance of aircraft, rockets, missiles, spacecraft, satellites, or any other items that are meant to operate in the earth’s atmosphere or space beyond.

Advanced Manufacturing - The use of innovative technologies that enhance business competitiveness by increasing quality, productivity, and efficiency. Advanced manufacturing can include production activities that depend on the information, automation, computation, software, sensing, and networking.

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Applicant – A business that submits a formal application requesting incentives under the City of El Paso’s Innovation Factory Policy. Applicants will be Small Businesses, as defined herein, focusing on product development with the use of advanced manufacturing technologies, focused on maturing advanced manufacturing technologies or focused on deploying advanced manufacturing technologies. Markets for these Small Businesses could include, but is not limited to, aerospace and defense or renewable or alternative energy.

Common Areas – Areas of the building that are available for use by all tenants on a non-exclusive basis.

Cybersecurity - Different types of activities whose goal is to protect digital infrastructure from unauthorized access or harm.

Early Stage – The Small Business’s idea or proposed product is deemed scalable and is gaining more customer traction attracting larger funding.

El Paso Makes: Innovation Factory (“Innovation Factory”) - Owned by the City of El Paso, managed by the El Paso International Airport (ELP), and is located at 501 George Perry Drive, El Paso, Texas 79925, built for the purpose of encouraging aerospace, defense, and advanced manufacturing.

Facility Manager - A professional who oversees the daily operations of the Innovation Factory.

Growth Stage – The company has reached a consistent customer base and is producing income consistently. This stage is often accompanied by an increase in employees to manage the growing workload.

Landlord – The El Paso International Airport.

Lease – A legal, binding contract outlining the terms under which a person or corporate entity agrees to rent property owned by the COEP and managed by the El Paso International Airport.

Leased Space - Areas of the building that are available for a tenant’s exclusive use, as specified in the lease contract.

National Defense Market - Assists the federal or state government with ensuring national safety, welfare, and economy particularly resulting from foreign military action or natural disaster. An item is also considered related to national defense if the product is incorporated into another item that is used to assist the federal or state government with ensuring national safety, welfare, and economy particularly resulting from foreign military action or natural disaster.

Operating Hours - Monday through Friday from 8am to 5pm, excluding holidays.

Panel – One representative each from the Aerospace Center and the W.M. Keck for 3D Innovation at UTEP and four representatives from the City of El Paso.

Pre-Seed Stage - This stage typically refers to the period in which a company's founders are first getting their operations off the ground, often verifying the viability of the idea and completing their business model.

Seed Stage – The idea becomes a business with customer traction.

Small Business – early stage, new or existing manufacturing technology businesses targeting aerospace, defense and other advanced manufacturing markets; and would benefit greatly from incubation services.

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Tenant - A person or a corporate entity leasing space at the Innovation Factory.

W.M. Keck Center for 3D Innovation at the University of Texas at El Paso (Keck Center) - A multidisciplinary research center focused on the use and development Additive Manufacturing (AM) technologies with primary focus areas in AM Technology Development, Engineered and Structured Materials, and Advanced AM Applications.

SECTION III. ECONOMIC DEVELOPMENT INCENTIVES

Selected applicants will receive from the COEP up to a 100% subsidy of the rent and associated expenses for the lease of space at the Innovation Factory. The funding will come from American Rescue Plan Act funds for years 2023-2026. Per ARPA requirements, these funds must be allocated by year end 2024 and expended by year end 2026.

Applicants may request funds for tenant improvements at the Innovation Factory in an amount approved by the panel.

In order to comply with Federal Aviation Administration regulations, ELP must charge fair market value for the lease of space owned by the COEP, managed by ELP. The rental payments under the lease approved under this policy will be calculated on an annual basis and due in advance. In the event of a cancellation of a grant agreement, no refunds of rental payments will be made by ELP, however, ELP will ensure to credit any rental payments made to ensure that ELP does not charge duplicate rent for the same space. Any charges for expenses made by ELP will be reconciled annually and ELP will credit any overpayments. Refund of funds will only be made if a credit is not appropriate. In the event of a refund of funds by ELP, the tenant will not be entitled to such refund but rather the refund will be made back to the City where the funds will be reallocated to other applicants in accordance with any applicable ARPA regulations.

SECTION IV. ELIGIBILITY REQUIREMENTS AND SELECTION

In order to be eligible for incentives and to lease space at the Innovation Factory, a person or a corporate entity must:

- A. Fill-out and submit a complete application as provided by COEP;
- B. Demonstrate negative economic impact caused by COVID, as required by ARPA;
- C. Provide a business plan or proforma to include current and projected revenue;
- D. Provide the number of employees; and
- E. Provide detailed information about any required tenant improvements to property, if applicable.

To be eligible an applicant, the applicant must be a Small Business that is focused on at least one of the following areas:

- A. Focuses on developing a product or technologies using advanced manufacturing technologies;
- B. Focuses on maturing advanced manufacturing technologies or advanced materials;
- C. Focuses on deploying advanced manufacturing technologies as a service;
- D. Manufactures products that will accelerate the adoption of alternative or renewable sources of energy; or
- E. Manufactures products for aerospace or national defense markets.

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Office space not needed to support manufacturing will be available to Small Businesses that support manufacturing. To be eligible these spaces, an applicant must be a Small Business that:

- A. Provides design engineering services for manufacturers;
- B. Develops cybersecurity solutions for manufacturers, or
- C. Develops software or system designs for aerospace and defense markets, or other markets requiring manufacturing technology, including but not limited to renewable and alternative energy markets.

A panel consisting of staff from the COEP, the Aerospace Center and the W.M. Keck Center for 3D innovation will select applicants based on the following considerations:

- A. Rational, workable technology solution for product or service;
- B. A solid business plan with a proven market for product or service;
- C. Applicant's demographic information (gender, race, ethnicity, and educational attainment) that ensures we are serving a broad and diverse cross section of our community and that is reflective of our community's demographics;
- D. Commitment to growing in El Paso;
- E. Potential to produce jobs in the local area; and
- F. Potential for growth into the Advanced Manufacturing District.

To aid in decision making and at the discretion of the panel, the applicant may be invited to present their application and pitch deck in person.

SECTION V. UTEP INCUBATION SERVICES

UTEP will be responsible for incubation service delivery to tenants through the El Paso Makes: Innovation Network for Manufacturers. The programming is designed to make the tenant competitive and to introduce the tenant to potential customers in aerospace and defense markets. Services include, but are not limited to:

A. Technology Innovation

- 1. Technology and digital infrastructure assessment;
- 2. Product and process development and improvement;
- 3. Prototyping;
- 4. Research and development support;
- 5. Technical consultation about the adoption of digital integration strategies; and
- 6. Technical consultation about the adoption of advanced manufacturing technologies.

B. Infrastructure & Facilities

- 1. Technical consulting on facility and process upgrades required for AS9100D quality certifications; and
- 2. Technical consulting on facility and process upgrades for ITAR registration.

C. Talent Acquisition & Development

- 1. Assessment of workforce needs and connection with existing programs and training dollars to support training and workforce needs; and
- 2. Development of training programs to support workforce needs.

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D. Business Fundamentals

1. Department of defense contracting assistance;
2. One-on-one business coaching and support; and
3. Development of financing plan and connection to potential financing sources.

E. Business Growth

1. Access to CONNEX El Paso, a supply chain database tool to connect to new customers and suppliers and active support from Innovation Network staff to connect customer to new business opportunities;
2. Annual Aerospace and Defense Supplier Summit;
3. Annual Technology Forum;
4. Monthly networking meetings; and
5. Promotion at aerospace and defense trade shows.

F. Evaluation of Progress

Tenants will receive incubation services for three years. At the end of that term, the tenant will be evaluated based on a number of criteria that will depend on the type of company and its business and technology maturity to determine whether to continue incubation services or to graduate them into the acceleration track. Companies who graduate into acceleration services will be invited to lease in the Advanced Manufacturing District and will continue to receive services as needed through the Innovation Network for Manufacturers.

Tenants are required to provide a semi-annual report to UTEP, COEP and ELP, documenting growth and progress. The semi-annual report is to be comprised of:

1. Any updates to business plan
2. Number of employees;
3. Annual revenue; and
4. New business/contracts through support from Innovation Network.

Tenants are also required to respond to an annual survey administered by UTEP. Tenants are encouraged to collaborate with other tenants. Tenants are encouraged to attend meetings hosted by UTEP for Innovation Factory Tenants.

COEP and ELP at their sole discretion may provide other or similar types of services to tenants that are aimed at assisting small businesses.

SECTION VI. LEASE

A. Use Requirements

Tenants must use the property based on the eligibility requirements and as submitted in the application.

B. Minimum Space Requirements

A person or entity applying to lease space at the Innovation Factory must lease at least one maker space, one office, and one storage unit. Any exceptions must be approved by the COEP.

Individual offices may be leased in the event that all maker spaces are leased and offices remain available.

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C. Term

COEP may enter into a lease with an Eligible Person or entity for a term not to exceed 3 years provided, however, that the actual term granted to an Eligible Person will be determined on a case-by-case basis. A tenant may apply for a renewal of a lease no later than 2 months prior to the expiration of the Tenant's current lease.

D. Insurance

All tenants are required to have Renter's Insurance, Fire and Extended Coverage Insurance, and Commercial General Liability Insurance for the term of their lease.

E. Lease Rate

All tenants will be required to pay the Lease Rate as provided in the Lease Agreement.

F. Expense Amounts

Tenants will be required to pay for their pro rata portion of expenses at the Innovation Factory as set in the Lease. The following amenities and services are included as part of the Expense Amount:

1. Utilities (gas, water, wastewater, electricity);
2. Conference room access;
3. Break room access;
4. Building Insurance;
5. Maintenance;
6. Common area janitorial services;
7. Trash Services;
8. Pressurized Air;
9. 24-hour access;
10. Parking;
11. Building Security during operating hours; and
12. Property Management Service.

Nothing in this policy obligates the City to provide the services above. The City will conduct a reconciliation of the expenses at the end of each year. The tenant will be responsible for paying any expenses that exceed the actual Expense Amount paid by the tenant. The City will credit any overpayments to the tenant. No refunds will be issued. Following the reconciliation every calendar year, the Landlord will establish a new Expense Amount and will notify the Tenant of the new Expense Amount. The Tenant will pay the new Expense Amount within 30 calendar days of notification by the Landlord.

G. Not Included in the Lease Rate

The following are not included as part of the lease rate. Tenant is responsible for obtaining and paying for the following:

1. Renter's insurance and fire and extended coverage;
2. Commercial liability insurance;
3. Environmental pollution liability insurance;
4. Real Property Taxes; and
5. Inventory, Equipment and Personal Property Taxes.

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The tenant may elect to obtain the following services at the tenant's expense:

1. Janitorial services to leased space areas; and
2. Telephone and internet service.

H. Subleasing and Assignment

A tenant may not sublease or assign a lease without the express written consent of ELP.

I. Innovation Factory Regulations

All tenants will abide by the Innovation Factory Regulations ("Regulations") published by the Airport pertaining to the lease and use of space at the Innovation Factory. ELP will publish the Regulations on its website. ELP may change the Use Regulations as ELP deems necessary in the best interest of the airport and the Innovation Factory. All tenants will abide by any new Regulations published by ELP on the website.

SECTION VII. TERMINATION

COEP may cancel the lease and/or grant agreement following a 30-calendar day written notice, if COEP determines, in its sole discretion, that this lease must be canceled for any of the following reasons: (1) to allow COEP to comply with any Federal Aviation Administration or other federal or state agency requirements, (2) COEP requires the Premises for aeronautical purposes, or (3) COEP requires the Premises for any other municipal or airport purposes in the sole discretion of COEP.

Cancellation for failure to comply with requirements. If the tenant fails to comply with the requirements of the policy, this lease agreement, or the grant agreement following notice and a 30-calendar day opportunity to cure, then COEP may cancel any or all agreements with the tenant, at COEP's sole discretion, and the tenant will be responsible for repaying any funds granted under the grant agreement and responsible for any amounts under the lease agreement.

Cancellation by Tenant. Tenant may cancel the lease agreement and grant agreement upon 90-calendar day written notice if the tenant is unable to continue its business operations in accordance to the application approved for grant funds. The notice provided by the tenant must explain the reasons the tenant is unable to continue to operate its business as provided in the application approved for the grant funds. Upon receipt of notification COEP may immediately reallocate any funds approved for the tenant.

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EXHIBIT A – Innovation Factory Program Application

In order to be eligible for incentives and to lease space at the Innovation Factory, a person or a corporate entity must:

Fill-out and submit a complete application as provided by COEP,
Provide a business plan or proforma to include current and projected revenue,
Provide the number of employees; and provide detailed information about any proposed tenant improvements to property, if applicable.

Applicant Information

1. Applicant Company *

2. Name of Founder/ Point of Contact *

3. Email *

4. Phone *

5. Applicant headquarters address *

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6. If considered a startup, select your startup stage. The definitions provided are to be used only for the purposes of this application and the El Paso Makes Innovation Factory program. *

- Pre-Seed Stage:** This stage typically refers to the period in which a company's founders are first getting their operations off the ground, often verifying the viability of the idea and completing their business model.
- Seed Stage:** The idea becomes a business with customer traction. Equity is often provided in exchange for larger amounts of funding.
- Early Stage:** The idea is deemed scalable and is gaining more customer traction attracting larger funding. This phase is often before the first series A funding round.
- Growth Stage:** The company has reached a consistent customer base and is producing income consistently. This stage is often accompanied by an increase in employees to manage the growing workload.
- Small Business:** Small Businesses are generally considered as a privately owned, for-profit enterprises with 500 employees or fewer with certain exceptions depending on industry.
- Other

7. Business Structure *

- Sole Proprietorship
- Partnership
- LLC
- C Corp
- S Corp
- Non-Profit (501 C3)

8. Briefly describe the products that will be manufactured and the method of manufacturing such products: *

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9. Website and Social-media *

10. To be an eligible applicant, the applicant company must be focused on at least one of the following areas: *

- Focuses on developing a product or technologies using advanced manufacturing technologies;
- Focuses on maturing advanced manufacturing technologies or advanced materials;
- Focuses on deploying advanced manufacturing technologies as a service;
- Manufactures products that will accelerate the adoption of alternative or renewable sources of energy; or
- Manufactures products for aerospace or national defense markets

11. Office space not needed to support manufacturing startups will be available to businesses that support manufacturing. To be eligible these spaces, an applicant must be a startup that

- Provides design engineering services for manufacturers
- Develops cybersecurity solutions for manufacturers
- Develops software or system designs for aerospace and defense

12. Have you received incentives from any of these organizations in the past?

- City of El Paso
- El Paso County
- State of Texas
- None of the above

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13. Describe the problem you are solving *

14. Describe who you are solving the problem for *

15. How are you solving it? *

16. Number of people working full-time *

17. Number of people outside El Paso *

18. Number of people working part-time *

19. Please, select all that apply: The applicant company is a *

- UTEP Keck Center Spinoff
- West Texas community startup
- Startup/small business from outside the region
- Other

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20. How many people will be using the Innovation Factory?

**Please note that office spaces have a max occupancy of two **

- 2-5
- 6-10
- 11-15
- 15+

21. Describe your plans for growth in El Paso *

22. Do you require improvements or enhancements for the space? *

- Yes
- No

23. If you replied "Yes" to question 22, please, describe necessary improvements or enhancements for your space *

24. Have you leased a workspace before? *

- Yes
- No

25. If you replied "Yes" to question 24, please provide rate and zip code of your previous location *

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Employee Demographics

Please, fill out this section describing your team to the best of your knowledge. This is confidential information and will only be reported by aggregate.

26. How many people on your team are self described as female?

** Note: This question is meant to capture and understand trends in the representation of females in STEM related fields. **

27. Please, describe people belong to the following races *

	1-5	6-10	11-15	16-20	20+
White	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Black or African American	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Native Hawaiian or Other Pacific Islander	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Hispanic or Latinx	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Asian	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Prefer not to respond	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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28. Please, describe how many people belong to the following educational attainment categories *

	1-5	6-10	11-15	16-20	20+
Master's degree	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Bachelor's degree	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Associate's degree	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Some college, no degree	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
High school diploma or equivalent	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
No formal educational credential	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Prefer not to respond	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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Tenant Requirements

29. Expected move-in day * Please input date (M/d/yyyy)

30. Manufacturing space (SF) *

31. Office space (SF) *

32. Storage space (SF) *

Please Provide the Following

**Tenants must fill out and submit a Form 1295 with the Texas Ethics Commission. For more information visit <https://www.ethics.state.tx.us/filinginfo/1295/>.*

33. Upload business plan or proforma *

File number limit: 5 Single file size limit: 10MB Allowed file types: Word, Excel, PPT, PDF, Image, Video, Audio

34. Upload pitch deck *

File number limit: 5 Single file size limit: 10MB Allowed file types: Word, Excel, PPT, PDF, Image, Video, Audio

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35. Articles of Incorporation *

↑ Upload file

File number limit: 5 Single file size limit: 10MB Allowed file types: Word, Excel, PPT, PDF, Image, Video, Audio

36. Certificate of Authority from the Texas Secretary of State *

↑ Upload file

File number limit: 5 Single file size limit: 10MB Allowed file types: Word, Excel, PPT, PDF, Image, Video, Audio

37. Proof of signatory authority *

↑ Upload file

File number limit: 5 Single file size limit: 10MB Allowed file types: Word, Excel, PPT, PDF, Image, Video, Audio

38. Upload information regarding space improvements and enhancements including specifications and safety measures. Modifications will be subject to panel approval *

↑ Upload file

File number limit: 5 Single file size limit: 10MB Allowed file types: Word, Excel, PPT, PDF, Image, Video, Audio

Billing Contact Information

39. Name *

40. Phone *

41. Email *

42. Billing Address *

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COVID 19 Impact

Please check the boxes that best describe the impact of COVID 19 on your company

43. My company has been impacted by COVID 19 in the following ways *

- Decreased revenue or gross receipts
- Financial insecurity
- Increased costs
- Capacity to weather financial hardship
- Challenges covering payroll, rent or mortgage, and other operating costs
- Other

44. Please upload supporting evidence of negative economic impact of COVID 19. *(Can use items such as profit loss statement.)* *

File number limit: 5 Single file size limit: 10MB Allowed file types: Word, Excel, PPT, PDF, Image, Video, Audio

45. Signature *

46. Date *

Please input date (M/d/yyyy)



EXHIBIT B — Innovation Factory Building Regulations

All persons leasing or using space at the Innovation Factory must abide by these Innovation Factory Regulations (“Regulations”).

1. **Maintenance.** Tenant will maintain all Leased Space and Common Areas in a clean, safe and orderly condition at all times. Tenant will not tamper or attempt to fix any fixtures in the Common Areas and Leased Space. Tenant will report all problems to the Facility Manager or to the after-hours phone line provided by Facility Manager.
2. **Alterations and Improvements.** No alterations or improvements to Leased Space shall be made without the prior Landlord’s written approval. Tenant shall not make alterations or improvements to Common Areas.
3. **Tenant’s Contractors and Technicians.** All contractors, contractor's representatives and installation technicians performing work in the Building shall be subject to Landlord's prior approval and shall be required to comply with Landlord's standard rules, regulations, policies and procedures, which may be revised from time to time.
4. **Signs.** No signs, advertisements, or notices shall be painted or affixed to windows, doors or other parts of the Building, except those of such color, size, style and in such places as are first approved in writing by Landlord. All tenant identification and suite numbers at the entrance to the Premises shall be installed by Landlord, at Tenant's cost and expense, using the standard graphics for the Building. Except in connection with the hanging of lightweight pictures and wall decorations, no nails, hooks or screws shall be inserted into any part of the Building except by maintenance personnel.
5. **Access to the Building.** Tenants have access to the building 24 hours a day, 7 days a week provided that the Facility Manager is only available Monday through Friday from 8am to 5pm, excluding holidays (“Operating Hours”). In the event of an emergency, Tenant should contact the Facility Manager or the after-hours phone line.
6. **Keys to Main Entrance.** A key or a key card to the entry doors of the Building shall be furnished by Landlord to Tenant at the beginning of occupancy, Tenant shall not make any duplicate keys or key cards. All keys/key cards shall be returned to Landlord at the expiration or early termination of the Lease. Lost or stolen keys/key cards shall be promptly reported to Facility Manager. The tenant will be solely responsible for the cost of replacing any lost, stolen, or damaged keys/key cards and for rekeying the Facility and issuing new keys to other tenants.
7. **Keys to Leased Space.** Tenant is responsible for installing locks on any premises exclusively leased to the Tenant. Tenant will provide a copy of the key(s) to the Landlord.
8. **Right to Enter.** Landlord and persons authorized by Landlord may enter the Building at all reasonable times upon reasonable advance notice (except in the case of an emergency in which case no prior notice is necessary) for the purpose of inspections, repairs, alterations to adjoining space, appraisals, or other reasonable purposes; including enforcement of Landlord’s rights under this Lease. Landlord also shall have the right to enter the Premises at all reasonable times

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after giving prior oral notice to Tenant, to exhibit the Premises to any prospective Tenant or other persons as reasonably determined by Landlord.

9. **Telecommunications.** Tenant shall not use more than its proportionate share of telephone lines and other telecommunication facilities available to service the building. If a tenant requires access to the IT/Electrical room, then the Tenant will notify the Facility Manager and the Facility Manager will provide access to the IT/Electrical room. Tenant will permanently label all of their connections by clearly identifying what the connection is for and the name of the tenant. Tenant will not tamper with another tenant's connections.
10. **Electrical System Capacity.** Tenant shall not install, operate or maintain in the Premises or in any other area of the Building, electrical equipment that would overload the electrical system beyond its capacity for proper, efficient and safe operation as determined solely by Landlord.
11. **Temperature.** The Innovation Factory will be kept at a temperature of 72 degrees Fahrenheit during Operating Hours. Tenants are prohibited from tampering with any thermostats.
12. **Heating and Cooling Devices.** Tenant shall not furnish cooling or heating to the Premises, including, without limitation, the use of electronic or gas heating devices, without Landlord's prior written consent
13. **Trash.** Landlord will provide trash receptacles for the proper disposal of non-hazardous trash and garbage. Tenant will use the designated receptacles. Piling of boxes, cartons, barrels or other similar items in an unsightly or unsafe manner, on or about the Premises shall not be permitted. Tenant will not dispose of hazardous materials in the receptacles provided. Tenant will be responsible for the disposal of any hazardous materials in accordance with applicable laws. Tenant shall not throw away excess food or beverages in trashcans located in the offices to prevent smells within the work environment. Instead, Tenant shall deposit them in the trash cans located in the break rooms.
14. **Deliveries.** Deliveries of furniture, office equipment, or material to and from the Premises shall be made only at the times, in the areas and through the entrances and exits designated by Landlord. Tenant shall not make deliveries to or from the Premises in a manner that might interfere with the use by any other tenant of its premises or of the Common Areas, any pedestrian use, or any use which is inconsistent with good business practice.
15. **Parking.** Unassigned parking at a dedicated zone will be available for tenants and tenant's guests.
16. **Office Occupancy.** No more than 2 persons may occupy a single office.
17. **Makerspace Use.** Tenant will use makerspaces for manufacturing only. No office use will be allowed in makerspace areas. No storage of materials of any kind is allowed in makerspace areas.
18. **Storage Use.** Tenant will use the storage rooms for the storage of manufacturing materials. No storage of manufacturing materials is allowed in the maker spaces, offices, parking lot, or any other area in the Innovation Factory or outside.
19. **Conference Rooms.** Conference rooms must be booked in advance through Facility Manager.

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20. **Break Rooms.** Tenant shall not leave any unwashed dishes or utensils in the break rooms. Tenant will store dishes, utensils, food and beverages in the appropriate areas in the break room. Labeling food & beverage items stored in the pantry and fridges is highly recommended. Ensure food and beverages stored are properly packaged. Fridges will be cleared every Friday.
21. **Hazardous Materials.** All use and storage of hazardous materials must comply with all environmental laws. Tenant will only store hazardous materials in a storage space and can only store materials disclosed in application. A list of hazardous materials will be updated by the tenant and provided to Facility Manager every 6 months. Tenant shall immediately report any spills of hazardous material to Facility Manager. Tenant remains responsible for the proper cleaning of hazardous materials spills in accordance to applicable environmental laws.
22. **Guests.** Tenant must be present while Tenant's guest is invited to visit the space. No other individual other than those stated on the Lease are allowed to utilize a key to the Building's entry doors. Tenant will not be allowed to have guests/individuals not authorized via the lease agreement to utilize any workspaces. Casual guests and visitors are not permitted outside of Regular Hours. Only Tenant's clients or professional contacts are welcome after Operating Hours. Children are allowed in the workplace on a case-by-case basis and must be accompanied by an adult at all times. Children under the age of fifteen are not allowed in the makerspace areas.
23. **Conduct.** Tenant shall not: (1) make or permit any improper, objectionable, or unpleasant noises or odors in the Building, or otherwise, interfere in any way with other Tenant or persons having business with them; (2) conduct or permit other activities in the Building that might, in Landlord's sole opinion, constitute a nuisance.
24. **Prohibited Conduct.** Tenant and Tenant's guests may not engage in criminal conduct, regardless of whether or where arrest or conviction occurs. Tenant and Tenant's guests may not behave in a loud or obnoxious manner; or disturb or threaten the rights, comfort, health, safety, or convenience of others (including our agents and employees) in or near the Innovation Factory. Theft or on-premise criminal acts of any nature will result in immediate termination of the agreement by the Landlord without a refund of the deposit. Vaping, smoking, drugs of any type, and alcoholic beverages are not permitted inside Innovation Factory.
25. **Animals.** No animals, except those assisting handicapped persons, shall be brought into the Building or kept in or about the Premises.
26. **Valuable Personal Items.** We recommend locking up items of value including but not limited to valuable personal items and technology items - laptop, charger, mouse, mouse pad, etc.
27. These regulations are designed and implemented to ensure that all tenants have a seamless, productive, and professional atmosphere to work in and thrive. Regulations may be edited or added as needed. Tenant will be afforded one warning. The tenant and users agree that the contravention of such regulations can result in immediate removal from leased premises and/or immediate termination of tenancy, without return of security deposit. Failure by a tenant to abide by these Regulations is grounds for termination of the tenant's lease.