

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

AGENDA DATE: October 12, 2021

PUBLIC HEARING DATE: N/A

CONTACT PERSON(S) NAME AND PHONE NUMBER: Elizabeth Triggs, Interim Director, 212-1619

DISTRICT(S) AFFECTED: All Districts

STRATEGIC GOAL: Goal 1: Create an Environment Conducive to Strong, Sustainable Economic Development.

SUBGOAL: 1.1 Stabilize and expand El Paso's tax base

SUBJECT:

A resolution authorizing the City of El Paso's participation as a Coalition Member with the Medical Center of the Americas Foundation (the "MCA"), and other coalition members as identified in the coalition's application for the U.S. Department of Commerce's Economic Development Administration's 2021 American Rescue Plan Act Build Back Better Regional Challenge (the "Challenge") led by the MCA; and authorizing the Mayor to sign a letter of support for the Coalition's submission of its application, "MedTech Cluster – Developing a Productive EcoSystem," to Phase I of the Challenge which identifies the City's role in providing support to build regional manufacturing capacity and other supportive economic development efforts by providing data and connections for industry partners and other Coalition members.

BACKGROUND / DISCUSSION:

The U.S. Department of Commerce's Economic Development Administration's 2021 American Rescue Plan Act Build Back Better Regional Challenge offers the opportunity to revitalize and strengthen the resilience of regional economies by providing funding to grow new and/or scale existing key regional industry clusters. This resolution acknowledges the City's participation as a regional coalition member in the Medical Center of America's led application, "MedTech Cluster – Developing a Productive EcoSystem," intended to leverage the region's current assets to build economic diversity and resiliency in the MedTech sector, thereby mitigating the impacts of future economic disasters, such as COVID, while at the same time benefitting regional workforces and residents through creation of tech-based startups, high-quality jobs, increased wages, and revitalized communities. It additionally acknowledges the City's role in the project to build regional manufacturing capacity and supportive economic development efforts by providing data and connections for industry partners and other Coalition members.

PRIOR COUNCIL ACTION:

N/A

AMOUNT AND SOURCE OF FUNDING:

No local match is required for Phase I of the EDA's Build Back Better Regional Challenge. Successful Phase 2 applications will require a 20 percent local match which may include cash and in-kind contributions to the project. If successful in securing Phase I grant funding, staff, in collaboration with the MCA-led regional coalition, will develop the project budget and determine the required local match prior to Phase II submission. The budget, including local match required, will be brought back to City Council for consideration prior to the March 2022 Phase II application deadline.

HAVE ALL AFFECTED DEPARTMENTS BEEN NOTIFIED? X YES ___ NO

PRIMARY DEPARTMENT: Economic and International Development

SECONDARY DEPARTMENT: N/A

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

DEPARTMENT HEAD: Elizabeth Triggs, Interim Director, Economic & International Development

Elizabeth Triggs

(If Department Head Summary Form is initiated by Purchasing, client department should sign also)

RESOLUTION

WHEREAS, on March 11, 2021, President Joseph R. Biden signed the American Rescue Plan Act into law to enable all Americans to respond to and recover from the impacts of COVID-19; and

WHEREAS, under the American Rescue Plan, the U.S. Economic Development Administration (the “EDA”) was allocated \$3 billion in supplemental funding to assist communities nationwide in their efforts to build back better by accelerating the economic recovery from the coronavirus pandemic and building local economies that will be resilient to future economic shocks; and

WHEREAS, the American Rescue Plan funding enables the EDA to provide larger, more transformational investments across the nation while utilizing its greatest strengths, including flexible funding to support community-led economic development; and

WHEREAS, with an emphasis on equity, EDA investments made under the American Rescue Plan will directly benefit previously underserved communities impacted by COVID-19; and

WHEREAS, the EDA has made this funding available through a series of six innovative challenges; and

WHEREAS, one of this six challenges includes the Build Back Better Regional Challenge, designed to assist communities nationwide in their efforts to build back better by accelerating the economic recovery from the coronavirus pandemic and building local economies that will be resilient to future economic shocks; and

WHEREAS, the \$1 billion Build Back Better Regional Challenge will provide a transformational investment to 20 to 30 regions across the country that want to revitalize their economies by growing new regional industry clusters or scaling existing ones through planning, infrastructure, innovation and entrepreneurship, workforce development, access to capital, and more; and

WHEREAS, the EDA invites eligible applicants to form regional coalitions to apply for funding to implement a collection of three to eight distinct but related projects in their region, in coordination with industry and community partners, and aligned around a holistic vision to build and scale a strategic industry cluster; and

WHEREAS, the Build Back Better Challenge is a phased challenge wherein, through Phase I, the EDA anticipates awarding 50 to 60 regional coalitions of partnering entities approximately \$500,000 in technical assistance funds to develop and support three to eight projects to grow a regional growth cluster; and through Phase 2, the EDA will award 20 to 30 of these selected regional coalitions \$25 million to \$75 million, and up to \$100 million to implement those projects; and

WHEREAS, no matching funds are required for successful Phase I applicants, while successful Phase 2 applicants will require a 20 percent local match which may include cash and in-kind contributions to the project; and

WHEREAS, the City of El Paso (the “City”) has identified the MedTech sector as a key industry sector whose growth will revitalize and strengthen the region’s economy by leveraging the its current assets to build economic diversity and resiliency, thereby mitigating the impacts of future economic disasters, such as COVID, while at the same time benefitting regional workforces and residents through creation of tech-based startups, high-quality jobs, increased wages, and revitalized communities; and

WHEREAS, the City desires to grow the MedTech sector as a Coalition Member with the Medical Center of the America Foundation (the “MCA”); and

WHEREAS, as part of the City’s commitment to the success of this effort, the City will work to build regional manufacturing capacity and supportive economic development efforts by providing data and connections for industry partners and other Coalition members;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the City of El Paso is authorized to participate as a Coalition Member with the Medical Center of the Americas Foundation (the “MCA”), and other coalition members as identified in the coalition’s application for the U.S. Department of Commerce’s Economic Development Administration’s 2021 American Rescue Plan Act Build Back Better Regional Challenge (the “Challenge”) led by the MCA; and that the Mayor be authorized to sign a letter of support (**Exhibit “A”**) for the Coalition’s submission of its application, “MedTech Cluster – Developing a Productive EcoSystem,” to Phase I of the Challenge which identifies the City’s role in providing support to build regional manufacturing capacity and other supportive economic development efforts by providing data and connections for industry partners and other Coalition members.

PASSED and **APPROVED** this _____ of _____, 2021


THE CITY OF EL PASO

Oscar Lesser
Mayor

ATTEST:

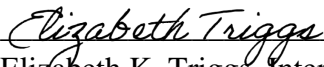
Laura D. Prine
City Clerk

APPROVED AS TO FORM:



Frances M. Maldonado Engelbaum
Assistant City Attorney

APPROVED AS TO CONTENT:



Elizabeth K. Triggs, Interim Director
Economic and International Development

EXHIBIT “A”
City of El Paso Letter of Support
(see following page)



City of El Paso

MAYOR

Oscar Leeser

October 11, 2021

CITY COUNCIL

District 1

Peter Svarzbein

U.S. Department of Commerce
Economic Development Administration
1401 Constitution Avenue, NW
Suite 71014
Washington, DC 20230

District 2

Alexsandra Anello

RE: EDA FY 2021 American Rescue Plan Act Build Back Better Regional Challenge

District 3

Cassandra Hernandez

To Whom It May Concern:

District 4

Joe Molinar

On behalf of the City of El Paso, I am writing to express our intent to act as a Coalition Member with the Medical Center of the Americas Foundation (MCA) application for the U.S. Department of Commerce’s Economic Development Administration’s 2021 American Rescue Plan Act Build Back Better Regional Challenge. The proposed *MedTech Cluster – Developing a Productive EcoSystem* project leverages the region’s current assets to build economic diversity and resiliency in the MedTech sector thereby mitigating the impacts of future economic disasters, such as COVID, while at the same time benefitting regional workforces and residents through creation of tech-based startups, high-quality jobs, increased wages, and revitalized communities.

District 5

Isabel Salcido

District 6

Claudia L. Rodriguez

District 7

Henry Rivera

District 8

Cissy Lizarraga

Specifically, within this project the City of El Paso will work to build regional manufacturing capacity and supportive economic development efforts by providing data and connections for industry partners and other Coalition members. I acknowledge that I have read the Overarching Narrative and am committed to executing the components mentioned above in order to help create a robust MedTech cluster supported by smart manufacturing.

CITY MANAGER

Tommy Gonzalez

The work proposed by this project is a natural extension our partnership with the MCA. The City of El Paso fully supports the MCA Foundation and has made significant investments to demonstrate that support. In 2012, the City awarded the MCA 75% of its Economic Development Impact Fund — approximately \$3 million per year for 18 years to support its work in launching a biomedical industry in El Paso through the development of a research park, and the City has waived all building permit fees for the MCA foundation for the next 10 projects it builds on this parcel, up to \$370,000. Our goals for economic development in the healthcare and biomedical industry are tightly aligned and supportive of each other.

Since the beginning of the coronavirus pandemic the MCA has been working with the City and other regional partners to respond effectively to the pandemic, and to





City of El Paso

MAYOR

Oscar Leeser

CITY COUNCIL

District 1

Peter Svarzbein

District 2

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CITY MANAGER

Tommy Gonzalez

create resiliency for the future. Part of our focus in this area has been to work with regional innovators, manufacturers, and suppliers to produce PPE, and other needed medical supplies and devices in the region. This work is critical to the continued economic development and resilience of the region.

I would like to acknowledge that the MCA Foundation is acting in full cooperation with the officials of the City of El Paso and is in compliance with the requirements of all agreements the City of El Paso has with the MCA Foundation. The City of El Paso will support with recruiting and ongoing coordination efforts that promote innovation in this arena through business and engineering support, prototyping, pre-production, and regulatory compliance.

We look forward to working with the MCA foundation and the other Coalition Members to make El Paso a global leader in MedTech innovation and production, and a model for diversity and inclusion.

Sincerely,

Oscar Leeser
Mayor
City of El Paso