

August 1, 2022



Item 2

# Request for Reallocation of American Rescue Plan Funding

To Support Strong Partnerships & Optimize Growth

**Goal 1** Cultivate an environment conducive to  
strong, economic development

**1.1** Stabilize and expand El Paso's tax base



## **Economic Recovery:** **Council Requested Action**

That, as the recipient of the **American Rescue Plan Act** grant funds in the amount of \$154,365,135, the City Council approves the appropriation of **\$3,000,000** of the grant funds to assist impacted or disproportionately impacted **small businesses** in the **manufacturing industry sector** as a result of the pandemic, and in accordance with the requirements stipulated by the American Rescue Plan Act and federal guidelines; and that the City Manager is authorized to effectuate said appropriation.

# Economic Recovery: Council Approved ARPA Allocation (May 2022)

## 4 Strategies to Support Existing + New Small Businesses

**Increase  
Access to  
Capital**

**Address  
Workforce  
Needs**

**\$6.2M**

Of that, \$2.5M to be allocated to  
Small Business Grant Program  
administered by LiftFund

**\$4.8M**

**Strengthen the  
Entrepreneurial  
Support  
Ecosystem**

**\$3.0M**

**Support Strong  
Partnerships to  
Optimize  
Growth**

**\$14M  
Total Investment**



# Economic Recovery: Support Strong Partnerships to Optimize Growth



- The City is part of a **coalition**, led by UTEP, is a finalist in the Economic Development Administration's nationally competitive **Build Back Better Regional Challenge**.
- The City is lead on developing a 250-acre **Advanced Manufacturing District** at the El Paso International Airport,
- The District provides the opportunity for small local manufacturers to collocate with other manufacturers and research and design teams; and access the infrastructure necessary to successfully compete for aerospace and defense contracts.
- The requested \$3 million in ARPA funding will provide a mechanism to offset costs associated with small local manufacturers' relocation to the District.
- Prior to receipt of assistance, businesses will be required to demonstrate they have been impacted or disproportionately impacted by the pandemic.



# Economic Recovery: Support Strong Partnerships to Optimize Growth



Our strategy builds on existing partnerships and our regional strengths, including:

- Applied research preeminence informed by UTEP's Aerospace and Keck Centers' federal agency and industry partners;
- Industry-talent pipeline at UTEP that offers hands-on experience in applied research;
- UTEP's track record in placing students underrepresented in STEM occupations in high paid aerospace and defense and advanced manufacturing occupations;
- **An existing manufacturing sector with a specialization in metals manufacturing which is in high demand for aerospace and defense manufacturing;**
- Proximity to military assets critical to our nation's defense and providing a source of regional defense contractors;
- Private investment in the aerospace industry in West Texas and southern New Mexico; and
- Available and undeveloped land, owned by the City and located at the El Paso International Airport.

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## Mission

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



## Vision

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



## Values

Integrity, Respect, Excellence, Accountability, People