

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

AGENDA DATE: September 27, 2022
PUBLIC HEARING DATE: N/A

CONTACT PERSON(S) NAME AND PHONE NUMBER: Elizabeth Triggs, 915-212-1619
Sam Rodriguez, 915-212-1845

DISTRICT(S) AFFECTED: All

STRATEGIC GOAL: No. 1: Create an Environment Conducive to Strong, Sustainable Economic Development.

SUBGOAL:

SUBJECT:

Approval of a resolution authorizing the City Manager to accept and sign a grant agreement for the Build Back Better Regional Challenge Phase 2 Grant from the United States Department of Commerce's Economic Development Administration (EDA) for development and construction of the 250-acre Advanced Manufacturing District located at the El Paso International Airport. This authorization shall include the original grant agreement, any related modifications, and any other documents when the form and substance of those documents have been reviewed and approved by the City Attorney's Office; and the authorization will include the ability to sign multiple agreements and documents, as the grant may be issued in various disbursements over time. The total grant amount shall include an estimated federal share of \$25,000,000 and an estimated local match of \$6,250,000 to be paid with Airport Enterprise Funds, totaling \$31,250,000 for the development and construction of the Advanced Manufacturing District. The City Manager may be authorized to approve and sign any budget transfers needed to establish appropriations in connection with this grant.

BACKGROUND / DISCUSSION:

Earlier this year, the West Texas Aerospace and Defense Manufacturing Coalition, of which the City is a part, was announced as one of 61 successful finalists out of 529 applicants nationwide to advance to Phase 2 of the EDA's Build Back Better Regional Challenge. On March 14, 2022, City Council voted to support staff's submittal of the Coalition's Phase 2 application, including plans for the development and construction of a 250-acre Advanced Manufacturing District to be located at the El Paso International Airport. The District will include a 50,000 square foot Innovation Factory and an additional 200,000 square feet of industrial space, including all necessary physical and digital infrastructure. On September 2, 2022, it was announced that this application was one of 21 successful applications nationwide, and that EDA has granted the Coalition \$40 million to support the growth of a regional aerospace, defense, and advanced manufacturing industry cluster. Of that \$40 million, the City of El Paso's El Paso International Airport was awarded \$25,000,000 in federal funds to develop and construct the Advanced Manufacturing District, with a \$6,250,000 local match to be provided initially through Airport Enterprise Funds.

PRIOR COUNCIL ACTION:

March 14, 2022: City Council voted to support staff's submittal of the Advanced Manufacturing District Project for a Build Back Better Regional Challenge Grant from the EDA

AMOUNT AND SOURCE OF FUNDING:

\$6.25 million dollars in required grant matching funds from Airport Enterprise Funds.

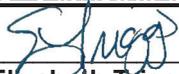
HAVE ALL AFFECTED DEPARTMENTS BEEN NOTIFIED? YES NO

PRIMARY DEPARTMENT: El Paso International Airport

SECONDARY DEPARTMENT: Economic & International Development

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

DEPARTMENT HEAD:


Elizabeth Triggs

Director, Economic and International Development Department

RESOLUTION

WHEREAS, on March 11, 2021, President Joseph R. Biden signed the American Recovery Plan Act of 2021 into law and appropriated \$3 billion to be awarded by the United States Department of Commerce's Economic Development Administration (EDA) to assist communities nationwide in their efforts to build back better by accelerating economic recovery and building local economies that will be resilient to future shocks; and,

WHEREAS, through the American Recovery Plan Act, funding became available across six programs, including the Build Back Better Regional Challenge; and,

WHEREAS, the Challenge is designed as a two-phase competition to (1) help regions develop transformational economic development strategies, and (2) fund the implementation of those strategies that will create and grow regional growth clusters through a collection of collaborative, aligned projects designed to grow new industries and scale existing ones; and,

WHEREAS, in October of 2021, City Council supported the City's participation in the West Texas Aerospace Manufacturing Coalition led by UTEP's Aerospace center and the submission of the Coalition's application to the Build Back Better Regional Challenge Phase 1; and,

WHEREAS, in December of 2021, from a pool of 529 applicants, the EDA announced that this coalition was one of sixty coalitions nationwide awarded Phase 1 Funding under the Build Back Better Challenge, and invited the Coalition to apply for Phase 2; and,

WHEREAS, on March 14, 2022, City Council voted unanimously to support the City of El Paso's Phase 2 application and grant match; and,

WHEREAS, on September 2, 2022, it was announced that this application was successful, and that USDOT has granted the City of El Paso a \$25,000,000 grant for this project, with a \$6,250,000 local match to develop and construct a 250-acre Advanced Manufacturing District located at the El Paso International Airport; and,

WHEREAS, the Advanced Manufacturing District will promote and retain a highly skilled workforce by fostering the growth of a leading technological industry in our region with an emphasis on aerospace and defense manufacturing.

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

That the City Manager be authorized to accept and sign a grant agreement for the Build Back Better Regional Challenge Phase 2 Grant from the United States Department of Commerce's Economic Development Administration (EDA) for the development and construction of the Advanced Manufacturing District; and

That this authorization shall include the original grant agreement, any related modifications, and any other documents when the form and substance of those documents have been reviewed and approved by the City Attorney's Office, and the authorization will include the ability to sign multiple agreements and documents, as the grant might be issued in various disbursements over time; and

The total grant amount shall include an estimated federal share of \$25,000,000 and an estimated match of \$6,250,000 to be paid for with Airport Enterprise Funds, totaling \$31,250,000 for the development and construction of the Advanced Manufacturing District; and

That the City Manager may be authorized to approve and sign any budget transfers needed to establish appropriations in connection with this grant.

PASSED AND APPROVED THIS ____ DAY OF _____, 2022

CITY OF EL PASO

Oscar Leeser
Mayor

ATTEST:

Laura D. Prine
City Clerk

APPROVED AS TO FORM



Juan S. Gonzalez
Senior Assistant City Attorney

APPROVED AS TO CONTENT



Samuel Rodriguez
Chief Operations Officer
Aviation Department