

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

DEPARTMENT: City Development Department

AGENDA DATE: Regular Agenda 10/15/2013

CONTACT PERSON/PHONE NUMBER: Mathew McElroy 915-541-4193

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 and discussion by Medical Center of the Americas on their annual report on status of activities during the fiscal year, use of grant funds and progress in the performance measures required under the agreement with the City of El Paso.

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 February 7, 2012 Council approved a Chapter 380 Economic Development Program Grant Agreement between the City of El Paso and the Medical Center of the Americas Foundation ("The Applicant"), in relation to undertaking of an economic development project consisting of biomedical cluster specific and infrastructure programs; in approving the agreement; City Council waived the Impact Fund policy requirements, which restricted the use of funds for land acquisition in the MCA area to the City only, because it was more cost-effective for the applicant to acquire land itself. Per the agreement, MCA is required to deliver an annual presentation to City Council, on status of activities during the fiscal year, use of funds and progress in the performance measures.

(All Districts) (City Development – Mathew McElroy 915-541-4193)

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?

Council approved a 380 Grant Agreement on February 7, 2012 and then approved the first amendment to the agreement on July 31, 2012.

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

BOARD / COMMISSION ACTION:

Enter appropriate comments or N/A

N/A

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

DEPARTMENT HEAD: _____

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

Information copy to appropriate Deputy City Manager



MEDICAL CENTER
OF THE AMERICAS

**Economic Development Program Grant
Agreement “Impact Fund”**

MCA’s 1st Annual Report – covering the period
from February 7, 2012 to August 31, 2013

City of El Paso

October 15, 2013



MCA's Impact Fund Grant

- ❑ **February 7, 2012** – City Council approved the Economic Program Grant Agreement with the MCA for the purpose of developing a biomedical cluster
- ❑ MCA awarded **75%** of the City's Impact Fund
- ❑ **\$3 million** = total payment for 2011 & 2012
- ❑ **\$2.772 million** = annual payment for 2013



MCA's Impact Fund Projects

- ❑ **A** - Baseline Staffing
- ❑ **B** - Planning and Design
- ❑ **C.1** - MCA BioTech Commercialization Institute
- ❑ **C.2** - Clinical Research Organization (CRO)
- ❑ **C.3** - Proof of Concept Fund
- ❑ **D** - Land Acquisition
- ❑ **D.1** - Parking
- ❑ **E** - MCA Tech Building
- ❑ **F** - TTUHSC Gayle Greve Hunt School of Nursing Building.



MCA's Strategy

- Establish a **strong leadership foundation** to accomplish the difficult task of creating a biomedical industry
- Borrow against future grant funding to **develop infrastructure today** that is needed to support a robust biomedical industry
- Secure significant additional **non-Impact Fund revenue sources**:
 - Rental income
 - Grant / contract income
 - Fee for service income
 - Philanthropic donations
 - Equity investments
 - Other (licensing fees; royalties, etc.)



MCA Governance Leadership

MCA Foundation

Rafael Adame

Lisa D. Budtke

Edward Escudero – *Vice*

Miguel Fernandez, Jr.

L. Frederick Francis

Woody Hunt

Ike Monty

Rodolfo Mata – *Chair*

Raymond Palacios

Robert E. Skov

Linda Troncoso

Jim Volk

+ Honorary

+ Institutional

MCAmericas Realty/Tech Park

Lisa D. Budtke

Edward Escudero – *Chair*

Gary Hedrick

Ike Monty

Meyer Marcus

Rodolfo Mata

Robert E. Skov

Linda Troncoso – *Vice*

Henry Yoshawirja

BioMedical Institute

Rafael Adame

Miguel Fernandez, Jr. – *Chair*

Woody Hunt

Charles Miller, PhD

Raymond Palacios

Robert E. Skov – *Vice*

Alfred Wechsler

Henry Yoshawirja



MCA Staff

□ **Management Team**

- Emma Schwartz, President
- Carlos Ortega, CFO
- Albert Di Rienzo, BMIA

□ **Staff**

- Noemi Rojas, Director of Communications & Editor of Synapse
- Martha Hood, Accountant
- Marianne Mijares, Administrative Assistant

□ **Contractors**

- Beverly Rebe, Corporate Governance Secretary
- Angelica Talavera, Grants and Development





MCA Foundation – Organizational Chart

December 2012





Project A

BASELINE STAFFING





Baseline Staffing

- ❑ **Status:** Complete and On-Going
- ❑ Carlos Ortega, CFO
- ❑ Marianne Mijares, Administrative Assistant
- ❑ Office space and support at Chase building downtown





Project B

PLANNING & DESIGN





Planning & Design

- ❑ **Status:** Complete and On-Going
- ❑ Biomedical Institute of the Americas (BMIA) Business Plan submitted to the City on November 30, 2012
- ❑ MCA Tech Building Business Plan submitted to the City on November 30, 2012
- ❑ Both plans are being updated continuously



Project C.1

CREATION OF BIOMED COMMERCIALIZATION INSTITUTE





BMIA

Mission/Vision

Biomedical Institute of the Americas

To position the Paso del Norte region as a hub of excellence for global healthcare innovation.

Legally formed on May 4, 2012



BMIA Core Values

- ❑ **Challenge**, and allow yourself to be **challenged**.
- ❑ Flawless personal and professional **integrity**.
- ❑ Passionate belief in the **team** as the basis for success.
- ❑ **Relentless and fearless** pursuit of radical innovation.
- ❑ **Respect and humility** toward all.



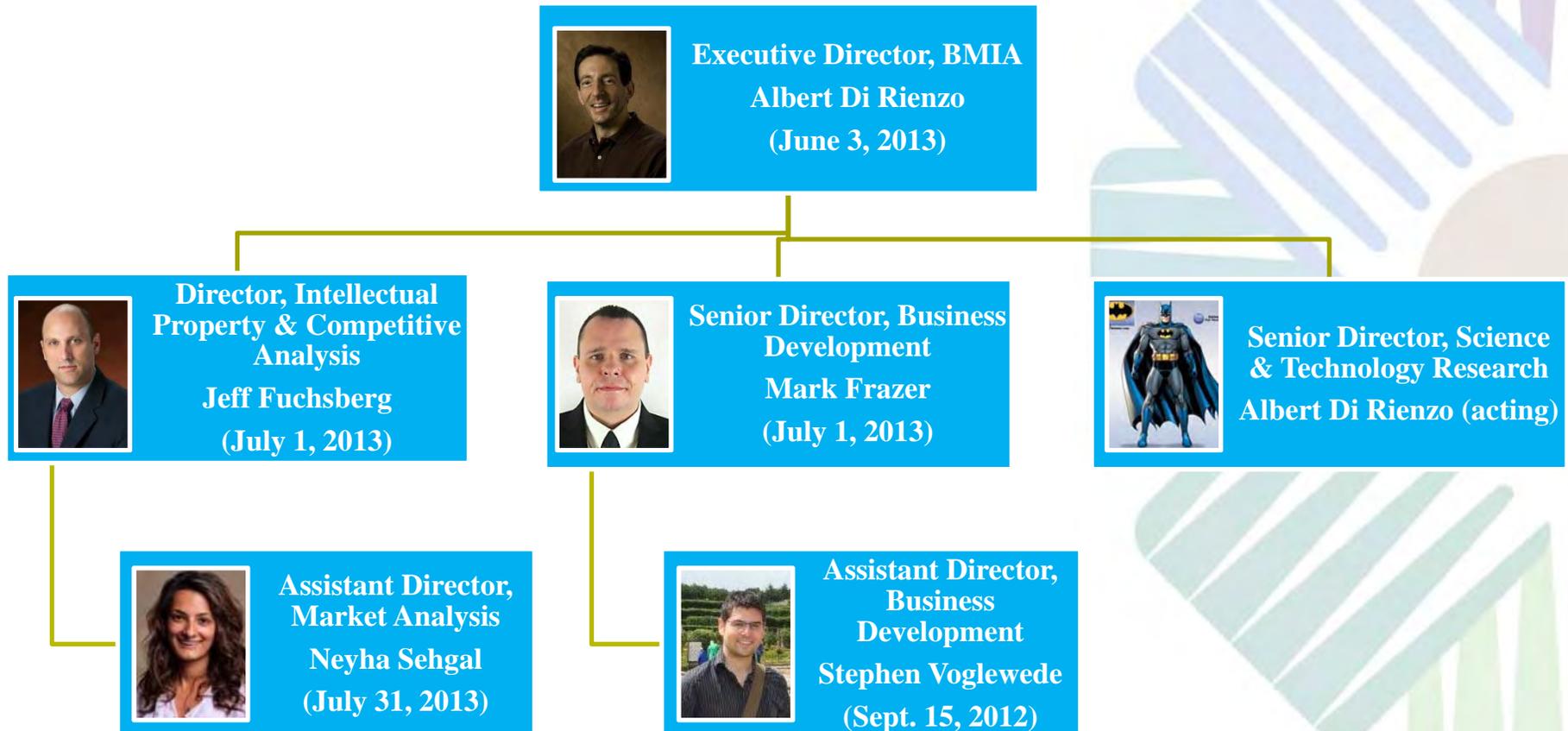
BMIA

Cultural Enablers

- **Agility** by design in **every aspect** of running our business.
- Ensure we take a global perspective, and provide the resources to reach **wherever necessary** to achieve our mission/vision.
- Hire the **best people** we can; empower them to deliver **superior performance**; and provide them with **exceptional rewards**.
- **Lead with humility**.
- Operate a business model that actively seeks to **collaborate** with exceptional partners, and openly share the risks and rewards to deliver superior results for all.
- Provide the **resources** to enable individuals to **progress as innovators**.
- Treat **commitments** with the utmost seriousness; deliver on every commitment with **unwavering endeavor**.
- **Unbounded scope** to introduce game-changing approaches.

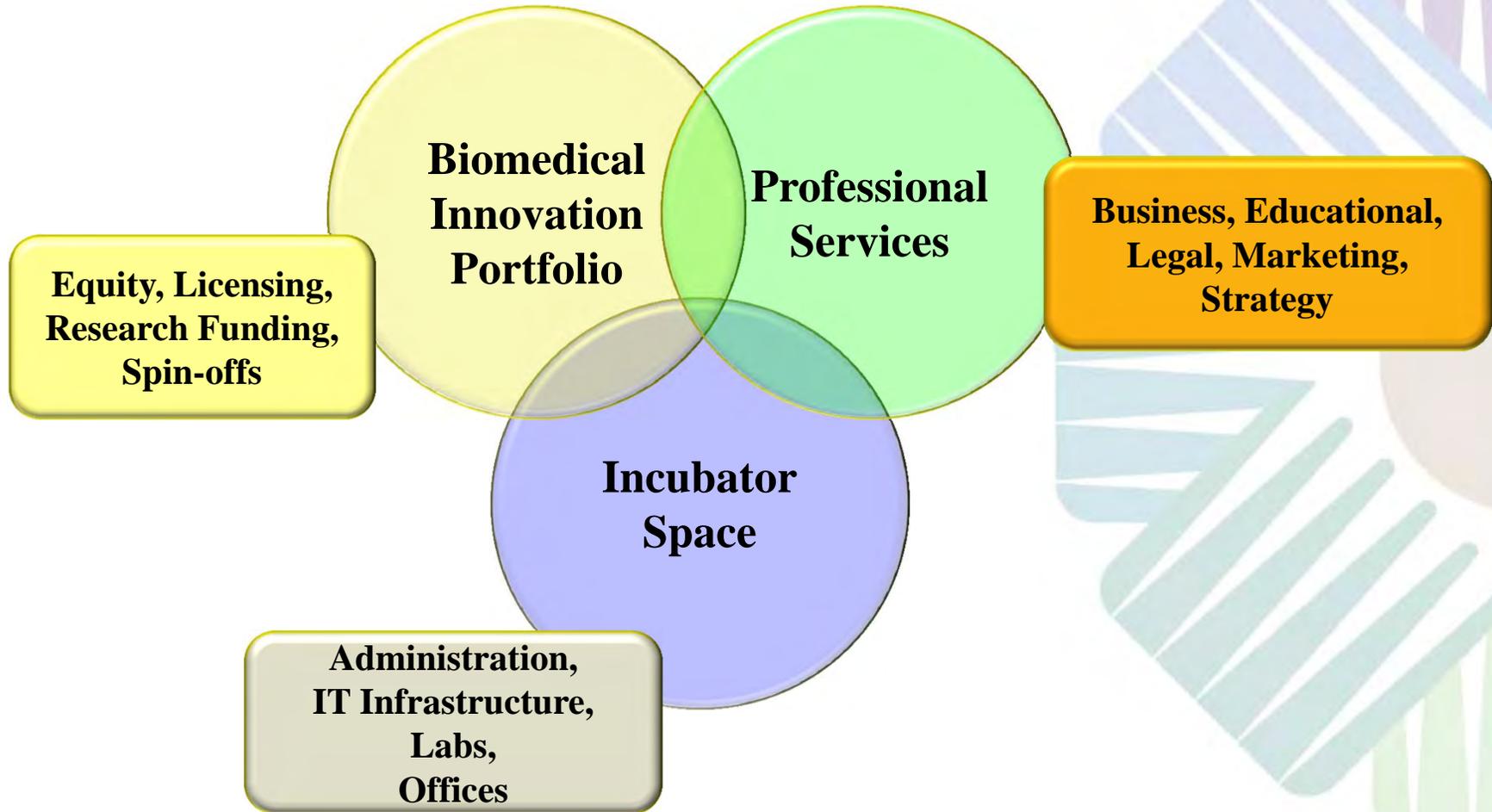


Organizational Structure





BMIA Strategy Overview





BMIA

Activities to Date

- Staffed the foundational team and first intern, utilizing Korn Ferry to hire Executive Director
- Moved to 4th floor of Chase office building
- Rebranding the BMIA and building brand
- Cardwell Collaborative equipment, furnishings, infrastructure, & space specification involvement
- BIOMED Symposium planning & sponsorship



BIOMED

MCA BIOMEDICAL RESEARCH SYMPOSIUM

CALL FOR POSTERS
DEADLINE SEPTEMBER 30

REGISTER NOW — WWW.MCABIOMED.COM

OCTOBER 26 2013
CAMINO REAL HOTEL

PRESENTED BY



[www.mcabiomed.com](http://WWW.MCABIOMED.COM)





BMIA

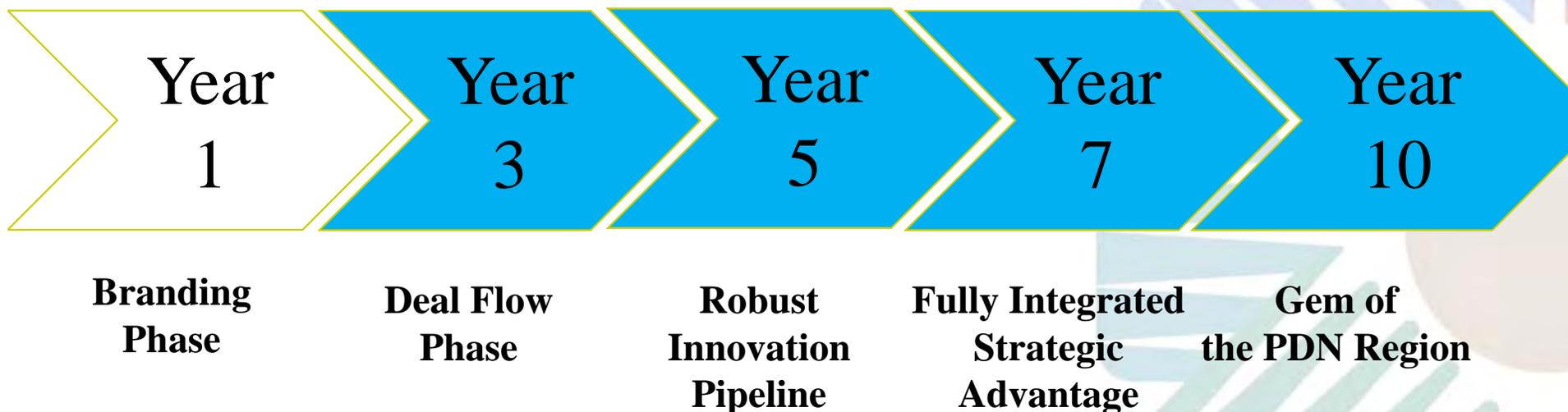
Activities to Date

- ❑ Commenced with the creation of key internal processes that will provide the BMIA with a competitive advantage (e.g., opportunity triage)
- ❑ Triaged various local/regional/national biomed companies
- ❑ Multiple collaborator & stakeholder interactions
- ❑ Pursuing several grant and contract opportunities
- ❑ Started interviewing possible science & technology candidates, including interns
- ❑ Strategy development



BMIA

10 Year Strategy Snapshot





Project C.2

CLINICAL RESEARCH ORGANIZATION





Clinical Research Organization

- **Status:** Planning Phase
- June 19, 2012 – **CRO kick-off meeting**, including all major healthcare providers, universities, public health organizations
- April 2013 – **Private hospitals** invited as Honorary Board Directors for MCAF
- February 28, 2013 – **CRO progress report** submitted to the city



Project C.3

PROOF-OF-CONCEPT FUND





Proof-of-Concept Fund

- **Status:** Planning Phase, first awards to be given in October/November 2013
- Triaging of local opportunities underway
 - (10 triages complete; 12 in the pipeline)
- Research Collaboration Grants will be awarded at the BIOMED Symposium on October 26, 2013



Project D
LAND ACQUISITION





Land Acquisition

- **Status:** Planning underway
- MCA is evaluating several properties for acquisition in the MCA area





Project D

MCA TECH BUILDING...

“CARDWELL COLLABORATIVE”



Cardwell Collaborative Milestones

□ Completed Milestones

- Assembled key team members
- Master planned the site
- Secured a bank construction loan to mini-perm
- Raised required equity for building
- Completed Schematic Design → August 3, 2013

□ Upcoming Milestones

- Complete Design Development → Oct. 17, 2013
- Let GMP Packages → December 2013
- Begin demolition and site work → January 2014
- Groundbreaking ceremony → February 2014
- Begin construction → March 2014
- Ribbon cutting → August 2015





Cardwell Collaborative Team

- Owner = MCA Tech Park, Inc.
- Program Manager = ECM International, Inc. + Broaddus & Associates
- Architect = Philo Wilke Partnership
- Construction Manager at Risk = Vaughn Construction
- Commissioning Agent = ccrd
- LEED Consultant = Uncommon





Project Costs

- **\$37.9 million = Project Cost**
 - \$27.5 million = **construction** cost
 - \$6.1 million = **soft costs** (architecture, engineering, program management, etc.)
 - \$4.3 million = lab **case work & equipment, furniture**





Funding

□ Funding

- Construction loan to mini-perm
- Local Bank Consortium
 - WestStar Bank
 - 1st National Bank
 - Bank of Texas
- Equity requirement due at occupancy
- Lease rates must be subsidized: City, TT, BMIA (Impact Fund)

□ Equity / Fundraising Plan

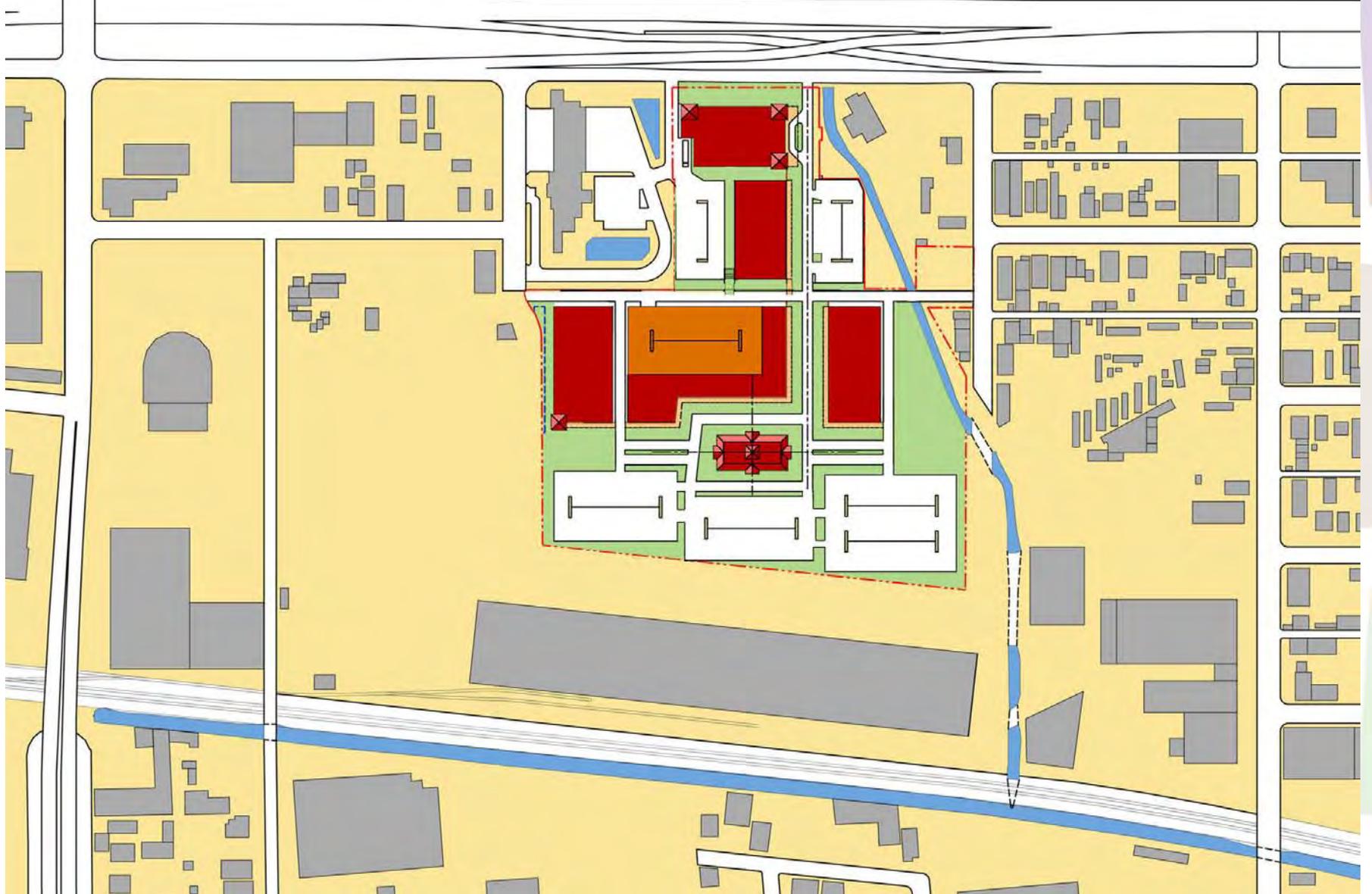
- \$16 million fundraising goal over 2 years
- \$7 million already raised
- \$5 million NMTC goal

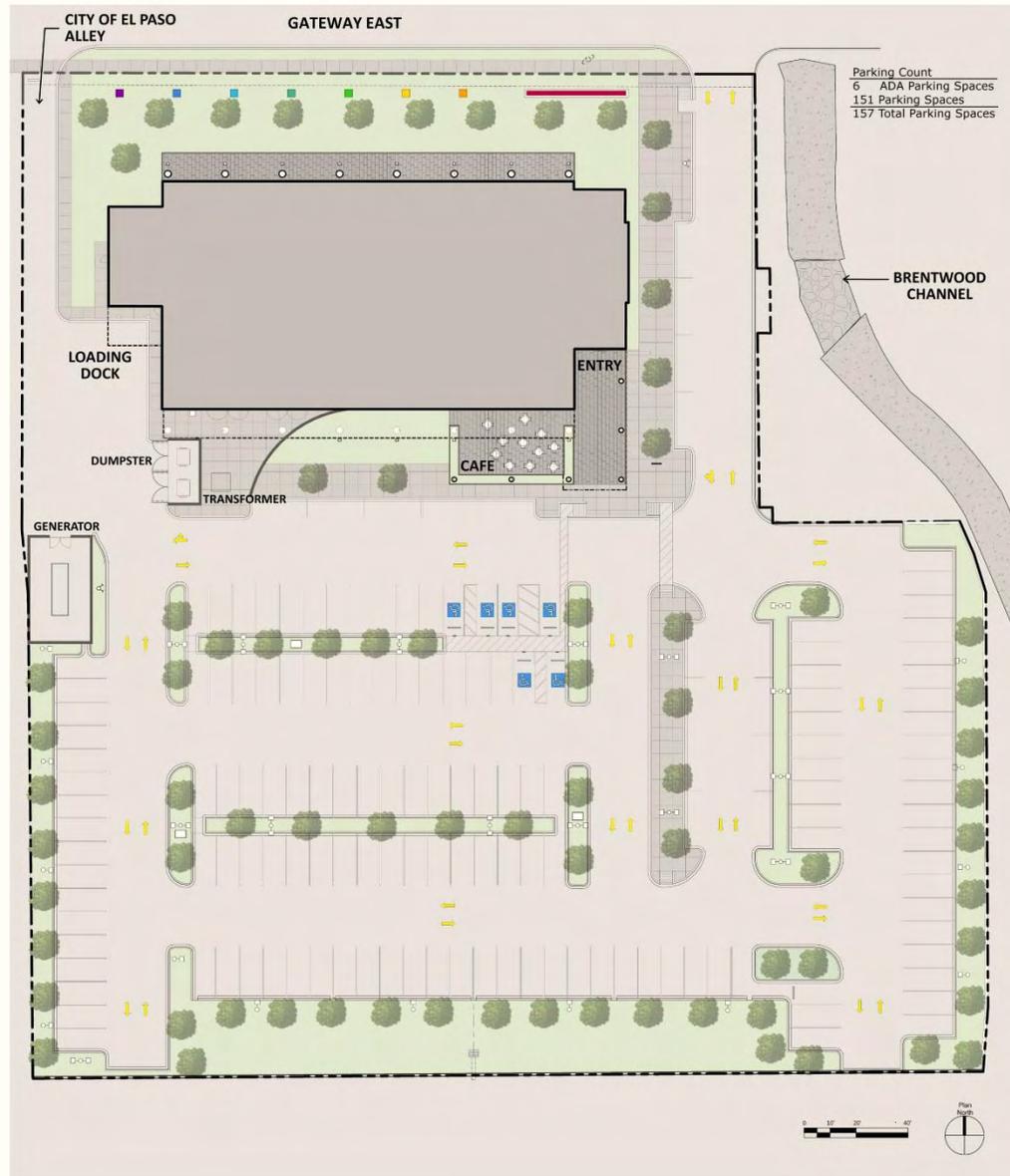
- **\$4 million philanthropy goal** (*Capital Campaign*)

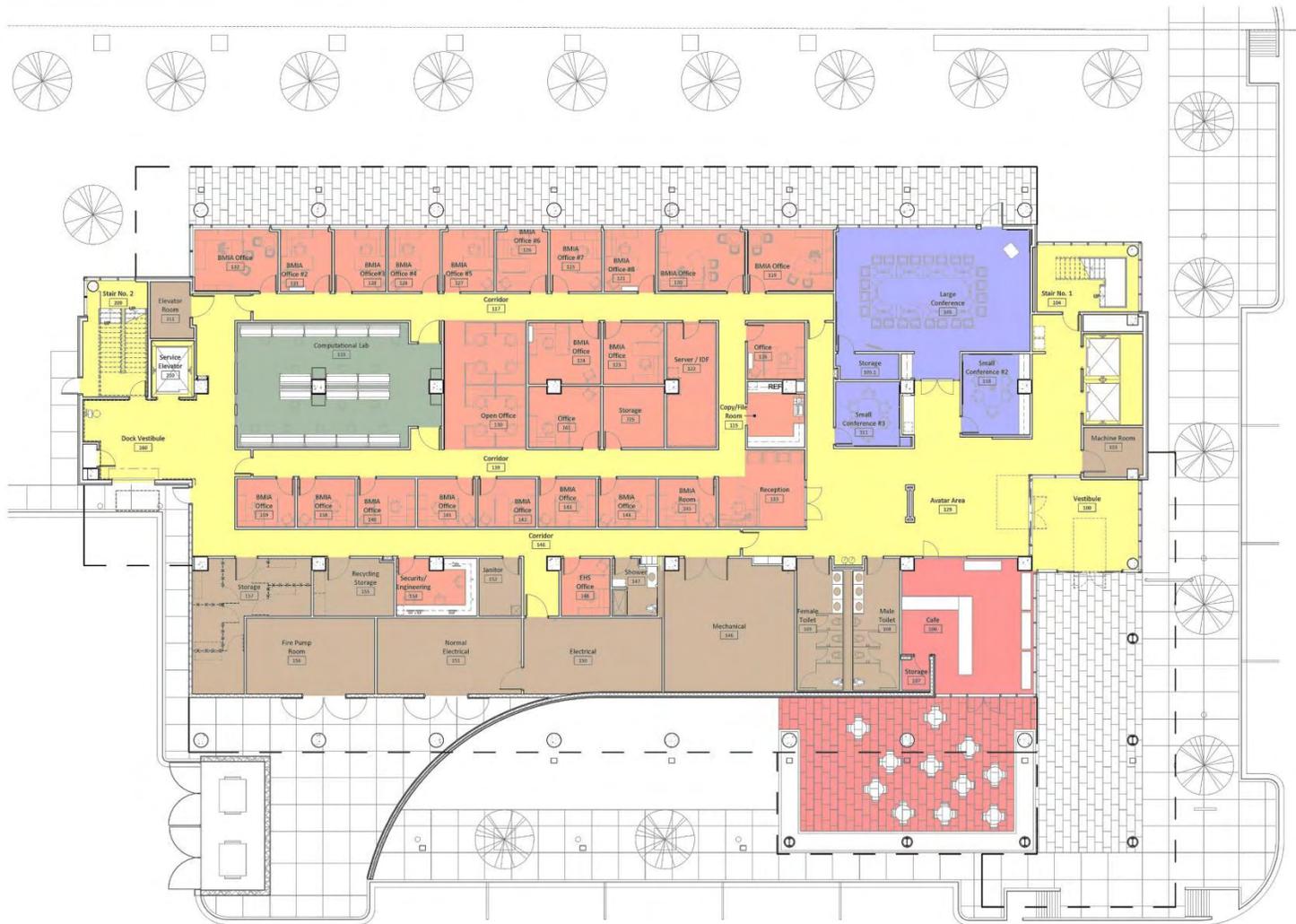




Long Range Tech Park Site Plan







- Legend**
- Building Support
 - Offices
 - Circulation
 - Conference Center
 - Computational Lab
 - Cafe



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MCA - BRTC Building El Paso, Texas

Level 1 Floor Plan



Not for regulatory approval.
Issued for construction.
By: Author
Name: Philo Wilke
Date: 02/20/13
DW/04/13

**Philo
Wilke**
Partnership



- Legend**
- Building Support
 - Offices
 - Circulation
 - Conference Center



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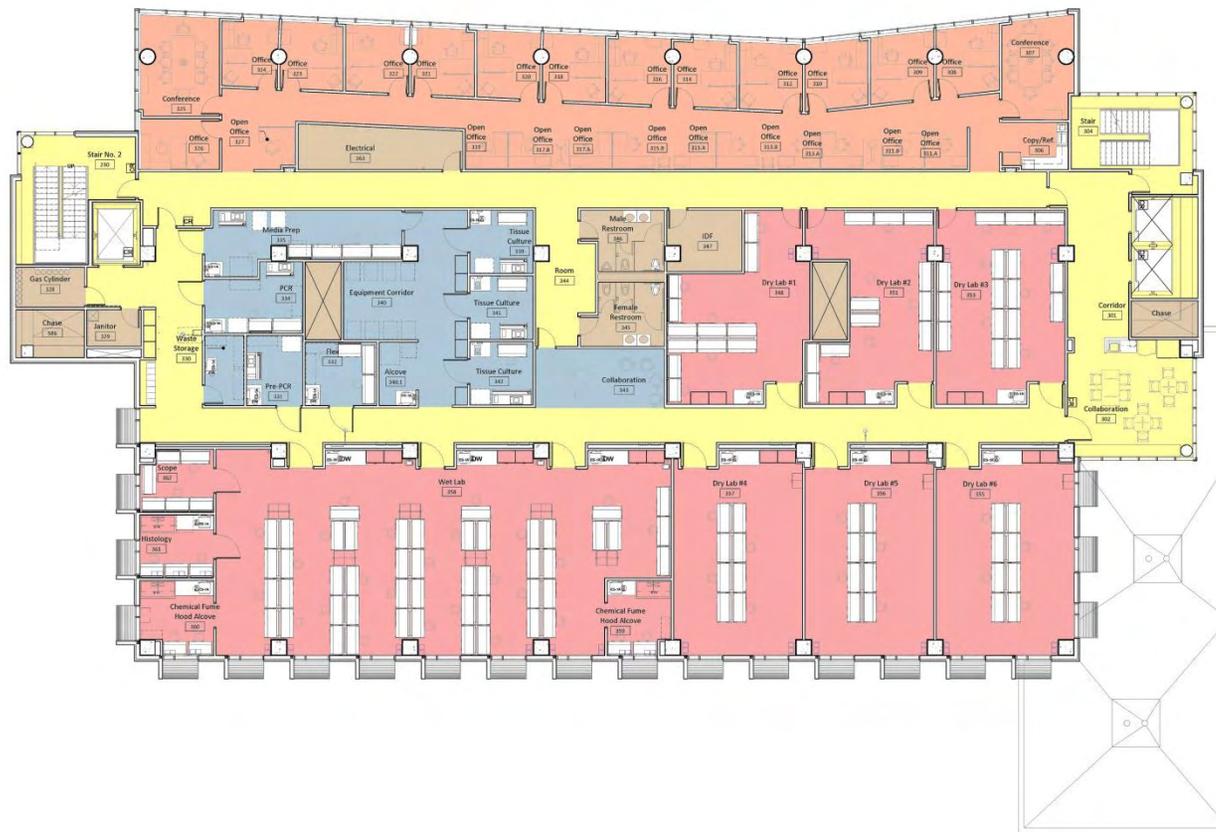
MCA - BRTC Building El Paso, Texas

Level 2 Floor Plan



Not for regulatory approval.
Building or construction
by Author
Name: Philo Wilke
Date: 05/20/21
DWG No: 1.2
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- Legend**
- Lab Support
 - Building Support
 - Offices
 - Circulation
 - Lab Spaces



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MCA - BRTC Building El Paso, Texas

Level 3 Floor Plan



Not for regulatory approval.
Issued for construction.
By: Author
Title: Rev. No.
Date: 09/20/11
DW/2011.2

**Philo
Wilke**
Partnership



- Legend**
- Lab Support
 - Building Support
 - Offices
 - Circulation
 - Future Tenant Lease Space
 - BSL 3
 - Lab Spaces



MCA - BRTC Building El Paso, Texas

Level 4 Floor Plan



Not for regulatory approval.
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By: Author
Title: Rev. No. 01
Date: 09/20/13
DW/RLS















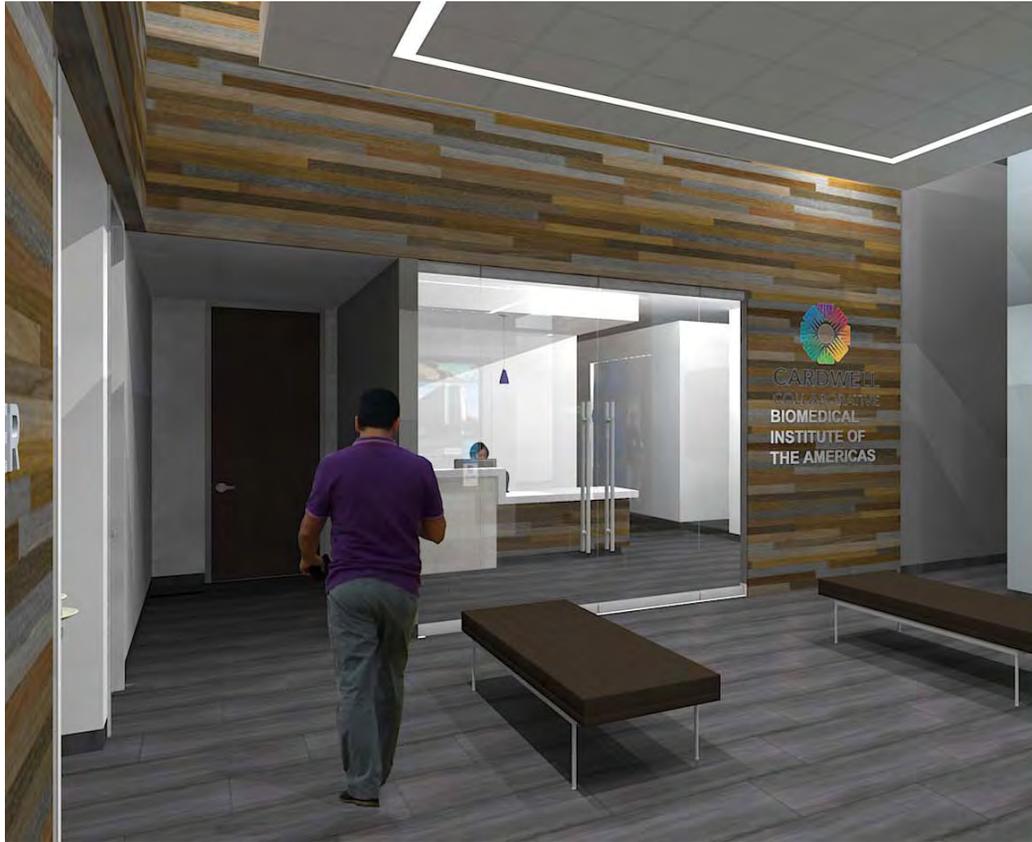
GARDNER-BELL
UNIVERSITY OF HEALTH SCIENCES
Philo Wilke
Partnership







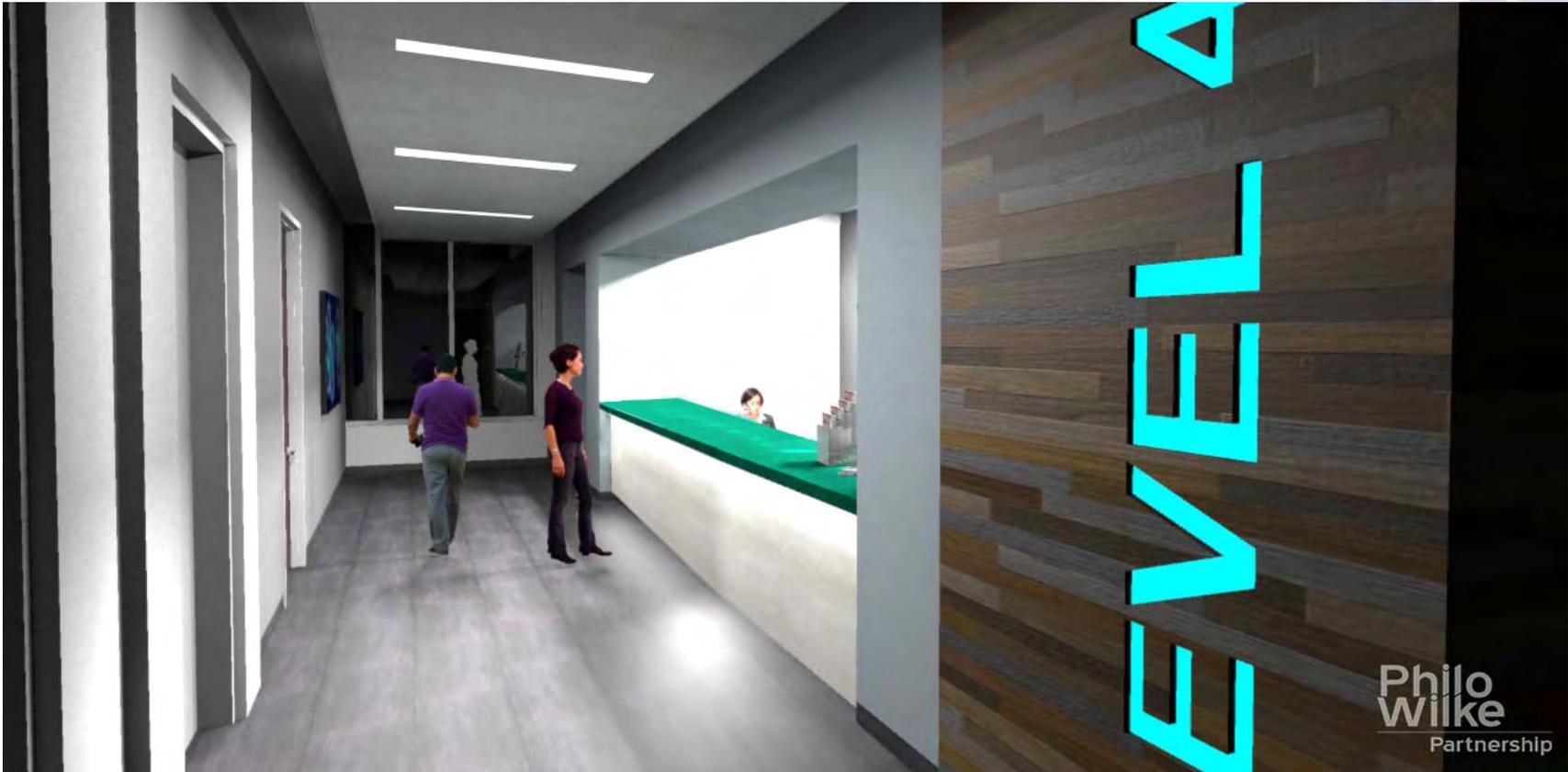












Philo
Wilke
Partnership



Project F

**TTUHSC GAYLE GREVE HUNT
SCHOOL OF NURSING
BUILDING**





TTUHSC Gayle Greve Hunt School of Nursing

- **Status:** Under construction
- **Team:**
 - Vaughn Construction
 - Paige Southerland Page architects
- \$14 million (\$11 million from MCA)
- 33,000 square feet
- **Timeline**
 - August 19, 2013 = Groundbreaking
 - Construction Completion = Spring 2015





GGHSON – rendition





GGHSON – rendition





GGHSON – rendition





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Thank you!!