



TO: Elizabeth Pauli, Interim City Manager
FROM: Ricardo Noguera, Director, Community and Economic Development Department
COPY: Economic Development Committee
SUBJECT: Update on forming a Biotech Incubator in Tacoma
DATE: June 13, 2017

SUMMARY:

In the past year, significant progress has been made to establish a biotech incubator and training center at 2304 Jefferson Avenue in Tacoma. Pat Beard, Project Manager from the Economic Development Services Division and principals from the RAIN Incubator will provide an update to the Economic Development Committee.

BACKGROUND:

On May 24, 2016, the Economic Development Committee approved a motion recommending the City Council support establishment of a Biotech Proof of Concept Center & Academy through matching funds for a potential federal grant. The City's match, which was subsequently authorized by the City Council, would have provided for the purchase and lease-back of the former Nativity House at 2304 Jefferson Avenue, about two blocks from the University of Washington-Tacoma ("UWT") campus.

Subsequent to Committee and Council support of the project, the proponents - scientists and researchers from UWT, Madigan Army Medical Center and MultiCare - worked vigorously to form an incubator structure, recruit startup companies to invent new products, and raise funds. The result was that the group, now calling itself the Readiness Acceleration & Innovation Network ("RAIN"), secured private funding, purchased the former Nativity House without the need for City investment, and is currently preparing the space to open in summer, 2017.

ISSUE:

Tacoma City Council adopted priorities to "Increase the number and quality of jobs throughout Tacoma" and "diversify Tacoma's living wage base." During 2014 outreach for Vision 2025, residents and stakeholders said the City can best do this by focusing on small business development and growing our own businesses.

The University of Puget Sound ("UPS") has a Biochemistry and Molecular Biology Program and is the originator of the Tacoma Entrepreneurial Network. The University of Washington Tacoma ("UWT") launched a Biomedical Sciences major in 2016. At the same time, UWT, Madigan



Army Medical Center and MultiCare Health System had, for years, been discussing a military health consortium allowing expedited proof of concept and clinical trials to facilitate the launch of new companies in the South Sound.

To leverage these diverse activities, in 2016 the City Manager directed CEDD to convene a South Sound Biotech Partnership as a 2016 Strategic Key Objective. The Partnership's mission was to create and implement an action plan using its unique and collective resources to:

1. Establish a Research and Development cluster in Tacoma and the South Sound;
2. Focus on the development of private companies and academic advancement in support of military health; and
3. Develop a blue collar biotech "academy" to provide students and innovators a place to receive training and work on the development of products.

With the successful formation of RAIN, significant private investment, support from the City of Tacoma and build out of the former Nativity House an important objective of the City's Economic Development Framework Strategic Plan has been advanced.

ALTERNATIVES:

This is an informational briefing only. No alternatives are presented.

FISCAL IMPACT:

This is an informational briefing only. There is no fiscal impact.

RECOMMENDATION:

This is an informational briefing only. There is no recommendation.