

TO: Mayor and City Council
FROM: Alejandra Lopez, Executive Director, San Antonio Economic Development Corporation
Subject: San Antonio Economic Development Corporation, FY 21 Report
Copies: Erik Walsh, City Manager; Brenda Hicks-Sorensen, Director, Economic Development Department
Date: June 13, 2022

The San Antonio Economic Development Corporation (SAEDC) is a nonprofit corporation created in 2010 by the City for the purpose of promoting economic development. It is comprised of a seven (7) member Board of Directors, which the Mayor and City Manager serve as the President and Secretary respectively. Staff from the Economic Development Department (EDD) provides logistical support to the SAEDC.

City Council is charged with providing oversight of the Corporation by approving project investments over \$50,000; the SAEDC's annual budget; at-large Board member appointments; issuance of bonds, notes, and other debt; and grants and loans from the City to the SAEDC.

The purpose of this memo is to provide City of San Antonio's City Council with a report of the SAEDC's operations during the Fiscal Year 2021 as required by the organization's by-laws.

General SAEDC Operations

In December 2019, Ed Davis retired from the SAEDC as its Executive Director. After further discussions with the President and Secretary of the Board, the decision was made to bring the role of the Executive Director in-house to the City. Assistant City Manager, Alejandra Lopez, is the Executive Director with staff from EDD continuing to provide logistical support for the organization.

The SAEDC Board added two new members in FY 2021. Dr. Christine Burke was appointed to one of the three At-Large-Citizen positions in December 2020. She is the Director, Commercialization and Technology Transfer at The University of Texas at San Antonio. Dr. Burke has a Ph.D. in Molecular Biology from Yale University, was a post-doctoral fellow in Immunology at UC San Francisco, and has an MBA from the University of Texas at San Antonio. She has over 17 years of commercialization and entrepreneurial experience. As Chair of the Transportation and Mobility Committee, District 6 Councilwoman Melissa Cabello Havrda was appointed to the SAEDC Board in September 2021.

The SAEDC continues to be committed to supporting the greater entrepreneurial community in San Antonio. The organization renewed its \$2,500 annual membership with Alamo Angels, a local organization that provides the community with educational resources, high-quality deal flow, accredited investor network, and growth of more early-stage companies to spur economic development and are headquartered at VelocityTX.

San Antonio Military Medical Innovation (SAMMI) Status

In August 2017, the City and the SAEDC formed the Community Life Science Working Group to study and explore the unique medical and bioindustry that exists in San Antonio. The group eventually endorsed the SA Military Life Science Commercialization Action Plan which listed a number of recommendations to support the industry, including the establishment of the San Antonio Military Medical Innovation Director position aligned with a governmental entity. The intent of this position was to bring into alignment the military medical missions in San Antonio and better support this industry with uniform and collaborative

coordination. In August 2019, the SAEDC Board authorized the execution of a three-year employment agreement, which concludes at the end of FY 22, with Dr. Corey Levenson as the SAMMI Director.

In FY 21 Dr. Levenson initiated and continued elements of the San Antonio Military Life Science Commercialization Action Plan. This included supporting companies seeking Department of Defense non-diluted funding (AFWERX and SBIR), connecting industry with key leaders in San Antonio Army, Navy, and Air Force military medical R&D missions, and working with the larger life science community in San Antonio regarding capital attraction and business development in partnership with EDD, greater: SATX, and BioMedSA.

Dr. Levenson led communications within the Military Life Science Working Group regarding funding opportunities and possible collaborative projects. He assisted VelocityTX to establish the BioConnect Website, which is an in-depth mapping of the San Antonio life science industry and assisted the 59th Medical Wing with its Collaborations & Capabilities Guide that provides a detailed overview of collaboration opportunities with the 59th and their research capabilities. Dr. Levenson also brokered a relationship with 5VS and the US Institute of Surgical Research which led to a research agreement (CRADA) and 5VS applied for AFWERX funding.

Dr. Levenson presented to a number of military medical and industry events (BioMedSA's BioFest Invest, SURF2021, San Antonio Military Medical Research Labs group) serving as a mentor or judge for four local entrepreneurship programs (UT Health's TechNovum, VMS San Antonio, VelocityTX's BioGlobal Accelerator, and Health Cell's State of the Industry), and participated in BioMedSA's Advocacy Board. He also frequently provided consultations one-on-one with local and out of market companies to discuss San Antonio military medicine resources and opportunities

A key component of Dr. Levenson's work was assisting and networking for capital attraction. Meetings were held with several groups that are positioned to help local companies connect with sources of funding: Capital Factory, the Cooley Group, Long Capture, and pH Partners. He supported applications for DoD grant funding, referred companies to entrepreneurial support organizations, and brokered introductions to non-diluted funding consultants.

The SAMMI Fund was created in FY 20 with a focus on local, early-stage companies with technologies that are both relevant to military medicine and industry. The SAMMI Fund committed to fund two more companies, Allosense and Alt-Bionics, up to \$50,000 each in FY 21. In total, the SAMMI Fund has committed to investing in five local companies up to \$50,000 each if certain milestones are reached. Renovo Concepts was the first SAMMI Fund company to achieve \$50,000 in SAMMI Fund investment and the Fund's Renovo investment was converted to Series A shares.

FY2022 Operations and Prospects

A third Military Medical Industry Day was intended for Spring 2020 but was delayed due to the COVID-19 pandemic. The third MMID is now scheduled for April 19, 2022, at the convention center. MMID provides a unique platform for members of industry, academia, non-profits, and the military medical community to network, present, and explore potential collaborations. As a lead up to MMID, Dr. Levenson is assisting military medicine partners with three symposiums at VelocityTX, which will be interactive learning experiences to inform/prepare attendees and enhance their opportunities to network with the military, industry, and academic medical R&D community during MMID. The three symposiums are Keys to Collaborating with the Military, Military Medical Needs, Requirements, and Funding, and Tales from the Field.

Three of the five SAMMI Fund companies, Alt-Bionics, Allosense, and Renovo Concepts, were selected as part of San Antonio Business Journals inaugural Startups to Watch. EmergenceMed is close to reaching its goals in order to receive the full \$50,000 in SAMMI Fund investment. In 2022, SAEDC will be undertaking a review of the companies within its portfolio.

The SAEDC continues to work closely with the City in its efforts to provide unique solutions and services with the goal of retaining and recruiting new businesses to San Antonio. Thanks in large part to the efforts of the SAMMI Director, the SAEDC's footprint and support in the start-up and entrepreneurial community continues to grow, by leveraging, connecting, and supporting San Antonio's unique research institutions, military medicine assets, and entrepreneurial community.

To further enhance efforts, the role of SAEDC will be reviewed during the economic development strategic planning initiative. It is anticipated that recommendations will be brought forward in 2022 for consideration.

Alejandra Lopez
Executive Director
San Antonio Economic Development Corporation