



## HSSA Update – November 2013

### Riverpoint Campus economic impact growing, research is key contributor

Greater Spokane Incorporated (GSI) contracted with TrippUmbach, Pittsburgh, PA, in 2009 to conduct an economic analysis of the development of a comprehensive, research-intensive academic health science center at the Riverpoint campus in downtown Spokane, Washington. In its initial report, the firm concluded that the initiative would create about a \$2 billion return by 2030. In 2013, Tripp Umbach again visited Spokane at the request of GSI and was asked to provide a four-year update to its original analysis. The company concluded that academic and research impacts were ahead of schedule with 2013 numbers approaching 2017 estimates, economic impact growth had moved from \$105 million to \$150 million annually in four years, and that the University District infrastructure was in place to fuel more campus growth between 2013 and 2017 and beyond.

TrippUmbach additionally found that the biomedical industry growth had more spin-off than estimated, private investments such as the McKinstry Innovation Center and commercial investments helped spur growth, and that research investments through the **Health Sciences & Services Authority (HSSA) of Spokane County** was also a key contributor. The regional employment has grown by about 700 jobs over the past four years at the Riverpoint campus and its annual economic impact is about \$20 million more than expected by 2017, or nearly \$350 million. The campus supports more than 1,800 jobs in the region, well on its way to achieving the estimated 2,374 jobs by 2017.

“Expansion of **research** on the Riverpoint campus is a major driver of economic impact growth over the four-year period,” according to Paul Umbach, TrippUmbach (2013). HSSA funded start-up packages for two nationally-renowned researchers who joined the WSU College of Pharmacy, along with important core laboratory equipment. These two researchers have already achieved a *14:1 return on HSSA’s investment to date* in extramural funding and research jobs. We are on the right track!

### Health Sciences companies grow in Spokane

HSSA’s criteria for research grants includes a proposal from a company or institution with matching funds through proof-of-concept, peer-reviewed grants from the National Institutes of Health (NIH) or other federal agencies or foundations, so extramural funding is important. HSSA also funds researchers who bring up to \$500,000 in current funding to their Spokane research.

Novion Technologies is one company that received HSSA funding in 2013. Formerly Iasis Molecular Sciences, Novion received two HSSA grants in 2013 totaling \$381,241. Iasis/Novion focuses on the prevention of wound infections. One HSSA grant to Novion supports research to improve silver therapeutics with lower overall toxicity and improved efficacy for the treatment and prevention of wound infection. Novion will prepare a new family of antimicrobial agents into ointment and gel forms, characterize the chemical and

biologic properties and determine maximum tolerated dosages in a rat. The second grant received by Novion is for nanofiber polymer constructs produced by electrospinning for medical applications such as the treatment of cardiovascular disease by creating synthetic, small diameter vascular grafts used to treat peripheral artery disease, coronary artery disease and cerebrovascular diseases.

In late 2013, HSSA funded Dahl Natural LLC, an Oregon company in the amount of \$499,954. Dahl will move its business and 8 employees to Spokane. This is the first out-of-state company recruited by HSSA and its matching grant opportunity. Greater Spokane Incorporated ably assisted HSSA in the identification of possible recruits and actual recruitment of Dahl and other companies. Dahl is developing an automated electrochemical molecular monitoring device that is low cost and has fast, on-site turnaround capability to test food and water safety. The company's intent is to commercialize this product in Spokane County. This technology meets needs in our own state's agricultural industry and has a significant variety of other potential uses and global applications.

### **Health Sciences Research by the numbers**

HSSA direct research funding to date totals **\$5,585,096** and is responsible for the creation of over **160 jobs** and over **\$12 million** in extramural grant funding in Spokane. In total, HSSA's investments have created **434 jobs** and **\$40,445,720** in economic activity, according to the Washington Research Council's Trends in Washington's Life Sciences Industry 2007-2011 (jobs multiplier of 2.71) and the TrippUmbach University of Washington Economic Impact Study, July 2010 (economic activity multiplier).

### **Health Services "Access to Care" Grants**

In addition to funding innovative research, researchers and infrastructure to support a growing academic and industry cluster, HSSA is charged with providing some funding to organizations in Spokane County that increase access to health care for the under- and uninsured people in the county.

HSSA "Access to Care" funding to date totals **\$1,088,277** and supports both jobs and health care provider hours. It is partly responsible for approximately **17,000** patients receiving medical and dental care who otherwise would not have been treated. In addition, over **\$56 million** in donated medical care services (\$18 for every \$1 in local funding in 2012) and over **\$4 million** in free prescribed pharmaceuticals were contributed, or \$29 in national pharmaceuticals for every \$1 in local funding in 2012.

### **About Our Board and Staff:**

**Nancy Isserlis**, City Attorney, City of Spokane, and HSSA Board Chair; **Earl F. "Marty" Martin, Ph.D.**, Executive Vice President, Gonzaga University and HSSA Board Vice Chair; **Michael Wilson**, Chief Executive, Providence Health Care and Grants Committee Chair; **Jason Thackston**, Vice President of Energy Delivery, Avista Corp. and Finance Committee Chair; **Dr. Jeff Collins**, Medical Director, Providence Health Care; **Kevin Oldenburg, Ph.D.**, Vice President R&D and Site Head, Brooks Life Science Systems; **Gary Pollack, Ph.D.**, Dean, WSU College of Pharmacy, **David J. Vachon, Ph.D.**, CEO/Founder, Iasis Molecular Sciences/Novion Technologies, and **Francisco R. Velázquez, M.D., S.M.**, President & CEO, PAML. HSSA is staffed by **Susan Ashe**, Executive Director.

### **For More Information:**

The mission of HSSA is to invest funds to create and support a nationally competitive health sciences research cluster in Spokane County, and to increase access to health care. HSSA works collaboratively with community partners to catalyze higher education research and the health sciences industry to lead to higher wage jobs, long-term sustainability and economic diversification. For more information, visit our website at [www.hssaspokane.org](http://www.hssaspokane.org), or contact **Susan Ashe**, Executive Director, at 509.483.5985 or [info@hssaspokane.org](mailto:info@hssaspokane.org).