

## Business Ready Community Grant and Loan Program Allocation Plan

<b>FY17Q3</b>									
	Total Annual Funds Available at Beginning of Quarter	Base Quarterly Allocation	Carry Forward from Previous Quarter	Total Available	Awards	Carry Forward to Next Quarter	Used to fund Bar Nunn		
Business Committed	\$ 4,926,313	\$ 1,981,578	\$ 963,156	\$ 2,944,734	\$ 978,677	\$ 1,966,057	\$ 230,317		
Community Readiness	\$ 3,869,471	\$ 1,717,368	\$ 434,736	\$ 2,152,104	\$ 2,152,104	\$ -			
Community Enhancement	\$ 1,481,578	\$ 660,526	\$ 160,526	\$ 821,052	\$ 1,481,578	\$ -			
Planning	\$ 132,105	\$ 44,035	\$ 44,035	\$ 88,070	\$ 132,105	\$ -			
<b>Total</b>	<b>\$ 10,409,467</b>	<b>\$ 4,403,507</b>	<b>\$ 1,602,453</b>	<b>\$ 6,005,960</b>	<b>\$ 4,744,464</b>	<b>\$ 1,966,057</b>	<b>\$ 295,439</b>		
<b>FY17Q4</b>									
	Total Annual Funds Available at Beginning of Quarter	Base Quarterly Allocation	Carry Forward from Previous Quarter	Total Available	Staff Recommendations	Carry Forward to Next Quarter	Used to fund Bar Nunn		
Business Committed	\$ 4,177,952	\$ 1,981,578	\$ 1,966,057	\$ 3,947,635	\$ -	\$ 3,947,635			
Community Readiness	\$ 1,717,367	\$ 1,717,368	\$ -	\$ 1,717,368	\$ 1,500,000	\$ 217,368			
Community Enhancement	\$ 681,578	\$ 660,526	\$ -	\$ -	\$ -	\$ -			
Planning	\$ 88,105	\$ 44,035	\$ -	\$ -	\$ -	\$ -			
<b>Total</b>	<b>\$ 6,665,003</b>	<b>\$ 4,403,507</b>	<b>\$ 1,966,057</b>	<b>\$ 5,665,003</b>	<b>\$ 1,500,000</b>	<b>\$ 4,165,003</b>	<b>\$ 704,561</b>		
<b>FY18Q1</b>									
	Total Annual Funds Available at Beginning of Quarter	Base Quarterly Allocation	Carry Forward from Previous Quarter	Total Available	Staff Recommendations	Carry Forward to Next Quarter	Used to fund Bar Nunn		
Business Committed	\$ 9,349,112	\$ 2,337,278	\$ 3,947,635	\$ 6,284,913					
Community Readiness	\$ 8,102,564	\$ 2,025,640	\$ 217,368	\$ 2,243,008					
Community Enhancement	\$ 3,116,371	\$ 779,093		\$ 779,093					
Planning	\$ 207,758	\$ 51,940		\$ 51,940					
<b>Total</b>	<b>\$ 20,775,805</b>	<b>\$ 5,193,951</b>	<b>\$ 4,165,003</b>	<b>\$ 9,358,954</b>					



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## BRC Financial Summary

Available Funds Summary	
	<b>BRC</b>
Net Appropriations	\$ 379,549,305
Awards Adjusted by Deobligations	\$ (355,714,052)
BRC Loan Principal and Interest Payments Received to Date	\$ 2,595,554
BRC State Revenue Recapture Received to Date	\$ 10,000
<b>Total Available Funds</b>	<b>\$ 26,440,807</b>

## BRC Application and Program Summary

### BRC Application and Program Summary

Awards are contingent on satisfactory execution and administration of previous grants or loans by an applicant. Other contingencies, if any, are defined in the project descriptions.

Any remaining funds will be added to the allocation for the next quarter.

BRC Applications - March 1, 2017						
Applicant	Project	Type	Request	Funds available	Staff Recommendation	Carry Forward to Next Quarter
		Business Committed		\$ 3,947,635		\$ 3,947,635
Campbell County	Advanced Carbon Products Innovation Center	Community Readiness	\$ 1,500,000	\$ 1,717,367	\$ 1,500,000	\$ 217,367
		Community Enhancement				
		Planning	\$ -	\$ -		
<b>Total Requests</b>			<b>\$ 1,500,000</b>	<b>\$ 5,665,002</b>	<b>\$ 1,500,000</b>	<b>\$ 4,165,002</b>

If staff recommendations are accepted and recommended to the June SLIB, Q1 of FY18 funding will be as follows:

BRC Project Types	Priorities	% of Allocation	Annual Allocation	Base Quarterly Allocation	Carry Forward from FY17	FY18 Q1 Allocation Available
Business Committed & Managed Data Center Cost Reduction	High	45%	\$ 9,349,112	\$ 2,337,278	\$ 3,947,635	\$ 6,284,913
Community Readiness	Medium	39%	\$ 8,102,564	\$ 2,025,640	\$ 217,368	\$ 2,243,008
Community Enhancement	Low	15%	\$ 3,116,371	\$ 779,093		\$ 779,093
Planning	Low	1%	\$ 207,758	\$ 51,940		\$ 51,940
<b>Totals</b>		<b>100%</b>	<b>\$ 20,775,805</b>	<b>\$ 5,193,951</b>	<b>\$ 4,165,003</b>	<b>\$ 9,358,954</b>





## CAMPBELL COUNTY

**\$1,500,000 BRC Community Readiness Grant**

**Advanced Carbon Products Innovation Center**

**Business Ready  
Community Grant  
and Loan Program**

*WBC Recommendation:*  
**Fund**

### Project Description

Campbell County, in partnership with Energy Capital Economic Development, Campbell County's economic development organization, requests a \$1,500,000 Business Ready Community (BRC) Community Readiness grant for the purchase of Lot 4 and Lot 7a, totaling 9.5 acres, in the Fort Union Industrial Park, construction of a 4,000 square-foot steel lab and office building, water lines to the building, a septic system, electrical and necessary data and telecommunication lines. The new Advanced Carbon Products Innovation Center facility (ACPIC) will be located on Lot 4, which consists of 6 acres and is adjacent to Atlas Carbon, a company that converts coal to activated carbon through a proprietary and patented process. Lot 7a, consisting of 3.5-acres, will provide additional space to build pilot and pre-commercialization plants.

The ACPIC will provide research space and a steady supply of raw product (coal) to drive research and value-added manufacturing of Wyoming raw minerals. Additionally, the facility will enable a variety of similar industrial uses beyond coal value-added activities. The ACPIC facility project is consistent with Energy Capital's 2015 Strategic Plan, specifically targeting Goal 4: New Business Development, by diversifying and broadening local

value-added businesses that use coal as a primary raw material to manufacture new products. This project also ties into the Governor's ENDOW initiative by building on efforts to add value to coal.

Energy Capital Economic Development receives yearly \$240,000 allocations from Campbell County and the city of Gillette. These funds comprise the organization's general operating funds. The city and county also provide in-kind services including legal services and engineering services. Energy Capital sought match assistance from both the city and county but this region has been hit especially hard by the decline in coal prices and production, and neither was able to provide cash toward the project. Energy Capital does not have the revenue to make loan payments, so bank financing is not viable.



## Project Benefits and Goals

The 9.5-acre site is well suited to provide a low-cost environment that will allow for the development of value-added coal projects at the pilot or pre-commercial development stages.

The ACPIC will explore value-added potential for carbon products such as graphene, carbon nanotubes, agricultural char, coal to gas, coal to liquids and more. Project benefits include the diversification and growth that will occur by creating value-added products to help ensure long-term demands for Wyoming minerals, building manufacturing plants to provide new products and employing Wyoming workers.

Tenants will lease lab space from Energy Capital Economic Development. Tenants will be allowed automatic two-year extensions at the ends of their original leases, and will be entitled to two one-year leases at the ends of their two-year extensions. The facility's purpose is to provide lab space for front-end research on raw coal for value-added carbon products, and to provide space for pilot and pre-commercial plants with the end goal of locating their commercial plants in the state. Five companies have expressed interest in locating at the facility. Their names remain confidential at this time.

This project is expected to create 10 to 20 direct-support jobs during the next five years. Like the ENDOW initiative, this project requires short-term victories and long-term vision toward diversifying and growing Wyoming's economy. It is best envisioned in stages, beginning with constructing an operational facility and the first tenants starting research work. It will be several years before the first pilot plants are built followed by additional years for ensuing phases. It is anticipated hundreds of jobs will be created at commercial plant locations around the region as projects mature and are commercialized.

Campbell County, in partnership with Energy Capital Economic Development, received a \$1,240,000 Community Readiness grant and \$280,000 loan in 2016, for the purchase of 3.7-acres of land and three buildings. The portion of the building that is still unleased lacks space sufficient for the purposes of the ACPIC pilot plant development and does not have convenient access to coal.

The Fort Union Industrial Park is a prime location for the ACPIC facility for several reasons:

- The site was once a coal mine and contains necessary infrastructure including coal storage and handling equipment, a rail loop, wastewater disposal well and conveyors that can be used to unload feedstocks and load manufactured products. It would require millions of dollars to otherwise build coal silos and other equipment from scratch in another location.
- On-site coal crushing equipment allows feedstocks for different coal conversion processes to be prepared in volumes suitable to supporting pilot research plants and pre-commercial and commercial facilities.
- The site provides access to a high-pressure gas pipeline and heavy electrical power to support valued-added processes.
- The site is located between two medium-capacity coal mines that can supply coal to site by truck or conveyor as demand for coal increases. Larger amounts of coal can be provided by rail from other coal mines.
- The new Integrated Test Center is three miles away at the Dry Fork Station. Collaborative efforts on research could take place at both locations. The ACPIC will provide the front-end research of raw coal to value-added carbon products, while the Integrated Test Center provides research on how to commercialize technologies around carbon emissions, or the "back end" of coal.
- Discussions are underway with the University of Wyoming School of Energy Resources, Gillette College and local efforts in the development of research and related curriculum.
- The second phase of the realignment of Highway 59 is expected to be complete by summer 2018. The realignment takes Highway 59 from its current route to a new route that will run alongside and connect at three access points to the Fort Union Industrial Park.
- BNSF staff visited the Fort Union Industrial Park in early 2017 to coordinate and provide preliminary assistance to park owners, with plans to develop a fully functioning rail park.

## Lease and Revenue Recapture

Energy Capital Economic Development will own the facility and will lease space to prospective tenants as follows:

- Office space: \$650 per month (includes utilities)
- Lab space: \$800 per month plus utilities
- Land/acres: \$1,000 per month
- Common Area Maintenance (CAM) fee: \$200 per month (fees may be adjusted up or down by 10% per year depending on actual expenses incurred)
- Total Monthly Rent: \$2,550

The net revenue generated after all expenses, operations and maintenance savings funds, and other covered expenses, will be distributed as follows:

- 25% - WBC recapture return
- 10% - General Reserve fund
- 10% - Opportunity/Advocacy fund
- 20% - Future Project fund
- 30% - Operations
- 5% - Business Grant/Loan fund

## Timeline

If funded, the property purchase is expected to be complete by October 2017, construction bid award is projected in early 2018 and completion expected by August 2019.

## Funding

The total eligible project cost is \$1,666,745, of which \$1.5 million represents the Community Readiness grant. The grant is matched by \$83,373 in cash, and an in-kind match of \$83,372 in property value by Greenbridge (property owner). DOWL provided cost estimates for site work, water service, sewer and septic systems; and by S&S Builders for the pre-fabricated building, foundation, interior finishes, HVAC, plumbing, electrical, and utilities for a cost of \$158.59 per square foot.

Sources	
BRC amount	\$ 1,500,000
Cash Match	\$ 83,373
In-Kind Match	\$ 83,372
<b>Total eligible project cost</b>	<b>\$ 1,666,745</b>
BRC % of total eligible project costs	90%
Local % of total eligible project costs	10%
Uses	
<b>Land Acquisition Costs</b>	
Land	\$ 498,000
<b>Non-Construction Costs</b>	
Architectural and Engineering fees	\$ 77,085
<b>Construction Costs</b>	
Site work	\$ 300,100
<i>Building Components:</i>	
Electrical Systems	\$ 176,170
Mechanical, plumbing, HVAC systems	\$ 19,530
Foundation and/or Structural Framing system	\$ 117,180
Interior Finishes	\$ 143,610
Pre-Engineered Steel Building	\$ 153,070
Contingencies (18%)	\$ 182,000
<b>Total Uses</b>	<b>\$ 1,666,745</b>

## WBC Deliberation

The board asked about companies interested in the site. The WBC, Energy Capital Economic Development, and University of Wyoming School of Energy Resources are in non-disclosure agreements with many of the companies. The companies are focused on clean coal technologies.

The WBC unanimously recommends approval.

## SLIB Decision

## Project Overview

Campbell County Advanced Carbon Products Innovation Center					
<b>Purpose</b>	Campbell County, in partnership with Energy Capital Economic Development, requests a \$1,500,000 Business Ready Community (BRC) Community Readiness grant for the purchase of two lots totaling 9.5 acres, construction of a 4,000 square-foot steel lab and office building, water lines to building, septic system, electrical, and necessary data and telecommunication lines.				
<b>Project Budget</b>	<b>Projected Grant Expenditure Schedule</b>				
	<b>Description</b>	<b>BRC</b>	<b>Match</b>		<b>Total</b>
			Cash	In-Kind	
	Land	\$ 331,255	\$ 83,373	\$ 83,372	\$ 498,000
	Non-Construction Costs	\$ 77,085		\$ -	\$ 77,085
Construction Costs	\$ 1,091,660		\$ -	\$ 1,091,660	
<b>Total Project Cost</b>	<b>\$ 1,500,000</b>	<b>\$ 83,373</b>	<b>\$ 83,372</b>	<b>\$ 1,666,745</b>	
	Percentage BRC of all cash:		<b>95%</b>		
<b>Performance Measures</b>	<b>Measure</b>		<b>Quantity</b>	<b>Notes</b>	
	Revenue Recapture		\$ 250,000		
	Additional Investment/Capital Expenditures		\$ 100,000	Future site development	
	Jobs to be Created (5 Year Projection)		10 - 20	Direct support jobs anticipated to be created	
	Partnerships established; Curriculum Development / Research & Development			UW School of Energy Resources, Gillette College, Integrated Test Center, Atlas Carbon	
<b>Project Infrastructure</b>	Acres Developed		9.5	Lot 4, consisting of 6-acres; Lot 7a, consisting of 3.5-acres.	
	New Building Construction		4,000 square-feet	Pre-Engineered Steel Building to be located on Lot 4.	
	Water		400 lineal-feet	Attach to existing system.	
	Sewer		400 lineal-feet/ Septic System	Install 4" sanitary sewer service, septic tank, holding tank, and leach field system.	
	Other			Concrete sidewalks, foundation & slabs, signage, and bollard lighting, electrical, data and telecommunications.	

# GILLETTE, WY

