



# Business Ready Community Grant and Loan Program Projects

## Report and Recommendations to the State Loan and Investment Board

August 8, 2019

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Approved April 4, 2019 SLIB Minutes

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**STATE LOAN AND INVESTMENT BOARD MEETING  
BUSINESS READY COMMUNITY GRANT AND LOAN PROGRAM  
APRIL 4, 2019**

**SLIB Members Present:**

Governor Mark Gordon  
Secretary Edward Buchanan  
Auditor Kristi Racines  
Treasurer Curt Meier  
Superintendent Jillian Balow

**Wyoming Business Council Board Members Present:**

Megan Goetz  
Cindy Johnson  
Kathy Tomassi  
Chuck Kenyon

**Wyoming Business Council Staff Present:**

Shawn Reese, Chief Executive Officer  
Julie Kozlowski, Community Development Director  
Karen Fate, BRC Project Manager

**1. Approval of January 17, 2019 State loans and Investment Board Business Ready Community minutes:**

Treasurer Meier moved to approve the minutes. Superintendent Balow seconded. Motion carried unanimously.

**2. New Business for Consideration:**

BRC Applications Received December 1, 2018				
Applicant	Project	Type	Request	WBC Recommendation
Sublette County	Enviromedial Industrial Property	Business Committed	\$ 1,032,500	\$ 1,032,500
City of Casper	Midwest Ave. Reconstruction	CD- Readiness	\$ 1,520,693	\$ 1,520,693
Sweetwater County	Industrial Development Plan	Planning	\$ 50,000	\$ 50,000
<b>Total Requests</b>			<b>\$ 2,603,193</b>	<b>\$ 2,603,193</b>

- **Sublette County, Enviremedial Business Committed Project. \$1,032,500 Business Committed Grant. WBC recommends funding as requested.**

Sublette County Commissioner Joel Bousman spoke on behalf of the project. There was no discussion.

**Superintendent Balow moved to accept the WBC recommendation. Auditor Racines seconded. Motion carried unanimously.**

- **City of Casper Midwest Avenue Reconstruction Project. \$1,520,693 Community Development Readiness Grant. WBC recommends funding as requested.**

Casper Community Development Director, Liz Becher; City Engineer, Andrew Beamer; City Manager, Carter Napier; Casper City Councilman, Bob Hopkins; Planning Commissioner, Fred Feth; Representative Pat Sweeney and Property Owner John Huff were present to speak on behalf of the project.

Superintendent Balow inquired about overlap with the state building project. Representative Pat Sweeney stated the Midwest portion of the project will be engineered to handle the capacities of the state building but will not otherwise overlap.

Secretary Buchanan inquired about current debt limitations and whether ability to bond is affected? Where do you see that as a possible funding source for the future? City Manager, Carter Napier informed the board that capacity is an issue, but the city manages carefully.

Governor Gordon asked about redevelopment of the area. Representatives believe that investment will occur in the area due to this project and the proximity to the development occurring in the Old Yellowstone District.

**Secretary Buchanan moved to accept the WBC recommendation. Treasurer Meier seconded. Motion carried unanimously.**

- **Sweetwater County- Industrial Development Plan, Targeted Industry Study. \$50,000 Planning Grant. WBC recommends funding as requested.**

Commissioner Randy Wendling; Mayor Tim Kaumo; Krisena Marchal, Sweetwater County Grants Manager; Eric Bingham, Sweetwater County Land Use Director/Project Manager; City Council Member Keaton West; City Council Member Jeanie Daymus were present to speak on behalf of the project.

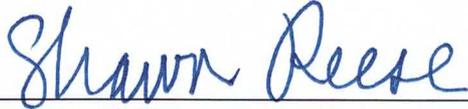
Governor Gordon asked if there were targeted industries in mind. Krisena Marchal informed the board that they are looking very broadly and there will be a data analysis done first and it will not be strictly tied to oil and gas development.

Superintendent Balow commented this was a good example of how to use a planning grant.

Treasurer Meier suggested being open to additional partnerships as the plan and implementation are considered.

**Treasurer Meier moved to accept the WBC recommendation. Auditor Racines seconded. Motion carried unanimously.**

Respectfully submitted,



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Shawn Reese, CEO

Wyoming Business Council

**DRAFT - STATE LOAN AND INVESTMENT BOARD MEETING  
BUSINESS READY COMMUNITY GRANT AND LOAN PROGRAM  
JUNE 20, 2019**

**SLIB Members Present:**

Governor Mark Gordon  
Secretary Edward Buchanan  
Auditor Kristi Racines  
Treasurer Curt Meier  
Superintendent Jillian Balow

**Wyoming Business Council Board Members Present:**

Megan Overman-Goetz  
Chuck Kennon  
Kathy Tomassi  
Cindy Johnson

**Wyoming Business Council Staff Present:**

Shawn Reese, Chief Executive Officer  
Julie Kozlowski, Community Development Director  
Karen Fate, BRC Project Manager  
Brayden Connour, BRC Project Manager

**1. Approval of April 4, 2019 State Loan and Investment Board Business Ready Community Minutes:**

Superintendent Balow moved to approve the minutes. Auditor Racines seconded. Motion carried unanimously.

**2. New Business for Consideration:**

BRC Applications Received March 1, 2019				
Applicant	Project	Type	Request	WBC Recommendation
City of Sundance	Central Park Development	CD - Enhancement	\$ 484,000	\$ 484,000
<b>Total Requests</b>			<b>\$ 484,000</b>	<b>\$ 484,000</b>

- **City of Sundance. Sundance Central Park Development Project. \$484,000 Community Development Enhancement Grant. WBC Recommendation: Fund as requested.**

Kathy Lenz was present to speak on behalf of the project. There was no other discussion.

**Auditor Racines moved to approve project as recommended by the WBC. Treasurer Meier seconded. Governor Gordon made note that contingencies must have been met. Motion carried unanimously.**

WBC Board Co-chair, Megan Overman-Goetz spoke to the SLIB board about the new strategic planning process and how it comes in response to legislative efforts. There is a need to look at economic development in a different way and the WBC is creating a very full and do-able tactile plan with many goals that can be checked off in 2019.

WBC CEO Shawn Reese also addressed the SLIB board on the new and more focused direction of the Business Council. New focus is wellbeing and prosperity with a more focused sub-set on economic diversification. Closer look at how Wyoming economy is structured- focus on industrial development, natural resources, tourism and agriculture and adding value to core economic sectors and activating underrepresented sectors like healthcare, finance, professional services, arts and culture and advanced manufacturing. In order to add value to those sectors and activate the underrepresented sectors we need to do more to leverage our local economic development and have a more comprehensive focus on rural development where they have a different set of needs. Need to leverage our partnerships, improve communication and collaboration. Leverage our programs and services and make sure they are in alignment with the way we want to add value and activate those sectors. Need a higher level of industrial expertise in logistics and supply chain and some of this expertise can be found in-house while some will have to be found outside of the Business Council.

Currently re-evaluating our programs and services to see how well they are aligned; how effective they are and where we have gaps and bringing in partners for input. Portfolio creation will be organized into themes such as rural development, start up, expansion, etc., and we will be able to cull a number of programs and services that are not effective and hone in on those programs that need to be fine-tuned to better offer their services. This portfolio is going to be the budget request to the Governor. Portfolio will be presented to SLIB to show them what else the Business Council does and how all of the dots are connected, and to gather their feedback and perspective. The Business Council is proud of the BRC program but there are some things that need to be updated and changed and we need to be known for more than just the one program.

Superintendent Balow asked how the Business Council will continue to partner with industries as well as cities, towns and counties through this new process.

Treasurer Meier asked about opportunity zones and tax credits available and what impact they have had on the state so far.

Respectfully submitted;

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Shawn Reese, CEO  
Wyoming Business Council

# BUSINESS READY COMMUNITY OVERVIEW

## BRC Application and Financial Summary

Total available funds after the June 20, 2019, SLIB meeting: \$23,727,732.

Applications received for the June 20, 2019, WBC Meeting:

BRC Application Received				
Applicant	Project	Type	Request	WBC Recommendation
Campbell County Public Land Board	CAM-PLEX Loan	CD - Readiness	\$ 2,000,000	\$ 2,000,000
<b>Total Requests</b>			<b>\$ 2,000,000</b>	<b>\$ 2,000,000</b>

Awards are contingent on the satisfactory execution and administration of previous grants or loans by an applicant. Other contingencies, if any, are defined in the project descriptions. The office of the Attorney General conducts a review of applications that are Business Committed, that have a loan component, or any extenuating circumstances.

## Allocation Plan - FY19

### FY20 Q1 Financial Summary

BRC Financial Summary	
BRC Balance in WOLFS as of 4.12.19	\$ 19,875,027
De-obligations received to date FY19	\$ 850,356
Revenue received (loans, principal, interest) to date FY19	\$ 3,486,349
Pending 6.20.19 SLIB Award for Sundance	\$ (484,000)
<b>BRC Total Available</b>	<b>\$ 23,727,732</b>

### FY19 Q4 Allocation

BRC Project Types	% of Allocation	Total Available this Quarter	WBC Recommendation	Carry Forward to Next Quarter
Business Committed	45%	\$ 2,669,370	\$ -	\$ 2,669,370
Community Development	54%	\$ 3,203,244	\$ 2,000,000	\$ 1,203,244
Planning	1%	\$ 59,319	\$ -	\$ 59,319
	<b>100%</b>	<b>\$ 5,931,933</b>	<b>\$ 2,000,000</b>	<b>\$ 3,931,933</b>





Business Ready Community Grant and Loan Program  
**CAMPBELL COUNTY PUBLIC LAND JPB BOARD**  
 CAM-PLEX HERITAGE CENTER & ENERGY HALL  
 RENOVATION AND REMODEL PROJECT

**\$2,000,000 BRC Community Development - Readiness Loan**

Staff Recommendation: Fund as requested

**Project Description**

The Campbell County Public Land Board requests a Business Ready Community loan of \$2 million to renovate and remodel the Energy Hall & Heritage Center at the CAM-PLEX Multi-Events Facility in Gillette. Among other things, the project will include replacement of flooring, skylights, wall and ceiling finishes, ADA upgrades, and replacement of lighting and plumbing fixtures. The city of Gillette and Campbell County have committed to provide \$1.5 million each as a cash match for the project.

The Campbell County Public Land Board presented this project to the WBC in December 2018, but the WBC did not recommend the original request of a \$3 million grant. The State Loan and Investment Board (SLIB) awarded a reduced amount of \$1.5 million on January 17, 2019, and suggested the Land Board work with the WBC staff to apply for a loan to make up the remaining funds. Since that time, structural work needed to replace sewer lines and additional plumbing fixtures has led to an increase in the requested award.

The project will provide direct and indirect financial and economic benefits to Campbell County and surrounding communities. The facility is projected to attract eight or more interested large-scale events per year; presumably, this will result in additional local sales tax revenue by attracting out-of-county and out-of-state visitors to the area. Furthermore, given the state and condition of the current facility, it would seem likely further decline

Sources	
BRC Loan	\$ 2,000,000
Cash Match (\$3m City/County; \$1.5 BRC Grant)	\$ 4,500,000
<b>Total eligible project cost</b>	<b>\$ 6,500,000</b>
BRC % of total eligible project costs	31%
Local % of total eligible project costs	69%
Uses	
<b>Non-Construction Costs</b>	
Architectural and Engineering fees	\$ 204,000
Other fees (surveys, tests, etc.)	\$ 35,000
Project inspection fees	\$ 4,550
<b>Construction Costs</b>	
Demolition and removal	\$ 300,000
<i>Building Components:</i>	
Electrical Systems	\$ 1,895,000
Mechanical, plumbing, HVAC systems	\$ 800,000
Foundation and/or Structural Framing system	\$ 50,000
Interior Finishes	\$ 2,297,000
Fire Protection	\$ 100,000
Remediation	\$ 250,000
Geotechnical recommendations, administrative costs	\$ 12,450
Contingencies (9%)	\$ 552,000
<b>Total Uses</b>	<b>\$ 6,500,000</b>

is inevitable without significant investment. The increased visitor attendance and event revenue from the remodel and renovation of the CAM-PLEX facility will contribute to the economic and social stability of the city, county and surrounding community, so this project appears to meet that objective.

The Public Land Board has agreed to use its cash and investments from the special events fund as collateral for the requested loan, ensuring the State's investment in the property. The investment in the CAM-PLEX project will increase the desirability of the facility as an event venue for large-scale events and performing arts production that brings visitors into Gillette and Campbell County.

### **Loan Terms**

BRC Loan Amount: \$2,000,000

Interest Rate: 0.5%

Term: 10 years

Collateral: The loan will have as collateral \$1,100,000 cash and investments from the special events fund.

### **Attorney General Opinion**

Pending.

### **WBC Deliberation and Recommendation**

There was no discussion and the WBC unanimously recommends funding the loan in the amount requested contingent upon a clean opinion from the Attorney General's Office.

**SLIB Decision:** \_\_\_\_\_

WYOMING BUSINESS COUNCIL



Business Ready Horse Community Grant and Loan Program

## CAMPBELL COUNTY PUBLIC LAND JPB BOARD

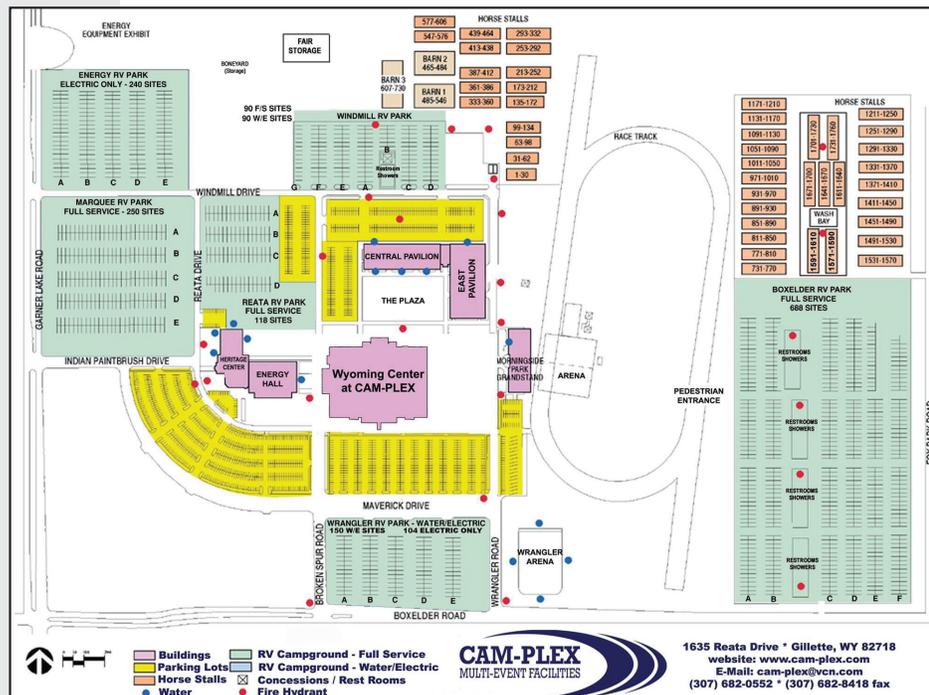
CAM-PLEX HERITAGE CENTER & ENERGY HALL RENOVATION AND REMODEL PROJECT

**\$3,000,000 BRC Community Development – Readiness Grant**

WBC Recommendation: Do Not Fund

### Project Description

The Campbell County Public Land Joint Powers Board requests a \$3 million BRC Community Development – Readiness grant for the renovation and remodel of the Energy Hall and Heritage Center at the CAM-PLEX Multi-Events Facility in Gillette. Renovations will include replacement of flooring, skylights, wall and ceiling finishes, new doors and hardware, replacement of lighting and plumbing fixtures, ADA upgrades, mechanical system upgrades and other improvements as necessary to approximately 56,500 square-feet of the 75,000 square-foot foot-print of both facilities. The city of Gillette and Campbell County have committed to providing \$1.5 million each toward the committed match for the project.



CAM-PLEX is an 1,100-acre site featuring a fine arts theater; convention and exhibition halls; two multi-purpose pavilions; rodeo grounds; covered stadium seating; a 21-acre park and forested picnic area and 1,785 recreational vehicle (RV) sites with services. CAM-PLEX contributes significantly to the economy of Campbell County through conferences, conventions, concerts, theater and dance productions, trade shows, livestock events, rodeos, RV rallies and much more.

Since the completion of the Energy Hall and The Heritage Center Theater in the 1980s, the facility has been well maintained. However, it has not necessarily been renovated or upgraded. Years of use have left both buildings in need of updates to prevent the loss of future events. Necessary renovations include safety and accessibility upgrades like fixing uneven stairs, low balcony railings for theater stairs, steep wheelchair ramps, adding more handicap-accessible bathroom stalls and generally making the facility more handicap accessible.

Regaining and maintaining a competitive edge in the event venue industry is a subject of concern. Attendees and event organizers complain about the disrepair and outdated buildings and how these facilities are costly to decorate over the deterioration. Renovations are necessary for CAM-PLEX to win bids on national, large-scale conferences, rallies, performing arts productions and other new events, as well as for retaining events that currently use the facilities.

### Project Goals and Public Benefits

**Project Goals include:**

- Removing barriers so CAM-PLEX Multi-Events Facilities can win bids for national and large-scale events and performing arts productions.
- Bring more visitors and outside dollarsto the community.
- Increase the number of events and participants attending, which creates higher economic impact throughtravel spending, lodging, food services, gas stations and retail.

**Public Goals include:**

- Improv quality of life and generate economic benefit for the region byhosting out-of-town visitors attending events.
- Leverage additional funding from the city of Gillette and Campbell County in the amount of \$3 million.
- Increase economic development in Campbell County and surrounding areas.

**Objectives include:**

- Submit 8 bid proposals a year for large-scale, national events and performing arts productions per year.
- Successfully book and host 2 large-scale, national events and performing arts productions per year.

Sources	
BRC amount	\$ 3,000,000
Cash Match	\$ 3,000,000
<b>Total eligible project cost</b>	<b>\$ 6,000,000</b>
BRC % of total eligible project costs	50%
Local % of total eligible project costs	50%
Uses	
<b>Non-Construction Costs</b>	
Architectural and Engineering fees	\$ 171,000
Other fees (surveys, tests, etc.)	\$ 35,000
Project inspection fees	\$ 4,550
<b>Construction Costs</b>	
Demolition and removal	\$ 245,000
<i>Building Components:</i>	
Electrical Systems	\$ 1,895,000
Mechanical, plumbing, HVAC systems	\$ 400,000
Foundation and/or Structural Framing system	\$ 50,000
Interior Finishes	\$ 2,297,000
Fire Protection	\$ 100,000
Remediation	\$ 250,000
Geotechnical recommendations, administrative costs	\$ 12,450
Contingencies (10%)	\$ 540,000
<b>Total Uses</b>	<b>\$ 6,000,000</b>

- Increase in hotel stays.
- Increase in travel spending in Campbell County.

**WBC Deliberations**

The board heard from Louise Carter-King, city of Gillette mayor; City Administrator Pat Davidson; and Micky Shober, Campbell County Commissioner. The CAM-PLEX is a premier event center hosting large events and bringing in outside dollars into the community.

Board members Easley and Wandler had both recently visited with the CAM-PLEX staff. Both agreed the CAM-PLEX facility was important to Gillette and northeast Wyoming and keeping it competitive on the national level would bring more dollars into Wyoming. This is particularly important as coal declines.

The board asked if the project could be phased. Commissioner Shober answered yes, but phasing the project would be difficult to do because events are scheduled in advance. Phasing would add \$500,000 in costs.

**WBC Recommendation**

A motion was made and seconded to approve \$2 million dollars in funding. Motion failed due to a tie vote. A second motion was made and seconded to fund project as requested for \$3 million. Motion failed with a vote of 4 in favor and 10 opposed.

WBC does not recommend funding.

**SLIB Decision:** RECOMMENDED REDUCED FUNDING OF \$1,500,000 WITH THE SUGGESTION THE APPLICANT WORK WITH THE WBC FOR LOAN ON THE BALANCE OF \$1,500,000. MOTION CARRIED UNANIMOUSLY JANUARY 17, 2019.

**Project Overview**

Campbell Co. Land Board CAM-PLEX Heritage Center & Energy Hall Renovations			
<b>Purpose</b>	The Campbell County Public Land Joint Powers Board is requesting a \$3 million BRC Community Development – Readiness grant for the renovation and remodel of the Energy Hall and Heritage Center at the CAM-PLEX Multi-Events Facility in Gillette.		
<b>Project Budget</b>	<b>Projected Grant Expenditure Schedule</b>		
	<b>Description</b>	<b>BRC</b>	<b>Match</b>
			<b>Total</b>
	Non-Construction Costs	\$ 105,275	\$ 105,275
	Construction Costs	\$ 2,894,725	\$ 2,894,725
Total Project Cost	\$ 3,000,000	\$ 3,000,000	\$ 6,000,000
	<b>Percentage BRC of all cash:</b>		<b>50%</b>
<b>Performance Measures</b>	<b>Measure</b>	<b>Quantity</b>	<b>Notes</b>
	Businesses Assisted	Multiple	Multiple businesses located near CAM-PLEX and hotel, retail, gas stations benefiting from events held.
	Event Attraction - large-scale multi-day	5 per year	Attract 5 large reoccurring events per year.
	Event Attraction - small multi-day	8 per year	Attract 8 smaller events.
	Population Served	250,000 per year	Increase the number of people attending events.
	Lodging tax	15%	Increase in lodging tax collected for new events.
	Lodging nights	500 - 700	Increase in lodging nights for new events.
<b>Project Infrastructure</b>	Existing Building Construction	56,500	Total space to be renovated

## ECONOMIC DEVELOPMENT LARGE PROJECT PROGRAM

The program was established by legislation through Senate File 0097 in 2014 and revised through Senate File 0063 in 2016, and further modified in 2017. The legislation created large loan or loan guarantee authority and established roles of the governor, state treasurer, State Loan and Investment Board (SLIB) and the Wyoming Business Council (WBC). Loans or loan guarantees authorized by this act shall be used exclusively to promote and aid economic development of the state by providing loan guarantees or loans to proposed or existing enterprises which will employ people within the state, provide services in the state, use resources in the state or otherwise add economic value to goods, services or resources within the state consistent with this act.

- The project shall first be submitted to the Governor who may provide preliminary recommendations for size and parameters of the proposed loan or loan guarantee
- The project shall then be submitted to and reviewed by the state treasurer who may provide preliminary recommendations for the structure of the proposed loan or loan guarantee.
- The project shall then be submitted to the WBC for review under the process set forth under the Business Ready Community statute.
- WBC recommendations are forwarded to SLIB for approval.
- SLIB will submit to the governor for final approval.
- Projects recommended for approval shall meet the following minimum requirements:
  - Are anticipated to have an economic impact and a public benefit greater than the economic impact and public benefit of projects regularly funded under the Wyoming Business Ready Community program;
  - Based upon the findings of an independent third party approved by the Wyoming Business Council, will provide the following minimum public benefits:
    - The creation of a significant expansion of permanent jobs in the county or counties in which the project will be located;
    - Significantly increases the assessed valuation of the counties or counties in which the project will be located, by not less than the value of the loans or loan guarantees received by the applicant borrower;
    - A substantial increase in the sales, property or other tax revenues to the county where the project will be located;
    - Promotion of a stable, balanced and diversified economy; and
    - Private investment in the county or counties in buildings, equipment and direct project infrastructure of not less than twenty-five percent (25%) of the total cost of the project.
  - The project has a high likelihood of completion.

There was an initial \$25,000,000 appropriated for the program (2014). There has been one successful loan closing to Atlas Carbon for \$15,000,000 (May 2018). A clause in the statute states, “Any funds not encumbered by June 30, 2019 shall not be expended except upon further act of the legislature.” However, there was another appropriation deposited into the Challenge Loan (2017) account that can be transferred at the direction of the Governor to this Large Loan account (if so, the funds will be permanently appropriated to the Large Loan account).

# WYTEC, LLC



## ECONOMIC DEVELOPMENT LARGE PROJECT PROGRAM FUNDING REQUEST

**LOAN AMOUNT - \$9,350,000**

### **Project Description**

WYTEC, LLC (WYTEC) submitted a loan request on June 7, 2019, for \$9,350,00 as part of a \$17,800,000 project to consolidate and expand services related to the biomedical industry. WYTEC is a closely-held company and part of Innovive, LLC (Innovive) that has been in existence since 2004. Innovive manufactures cages used for rodents in medical research. The company manufactures racks to hold these cages, the cages themselves, the lids, and they can recycle these products. The products are irradiated/sterilized for re-use. The company has a well-established customer base in the bio-medical communities of Boston and the San Francisco Bay area. The company would like to expand their offerings to the industry by providing the sterilization service in-house; this is currently performed by a third party, which allows for the possibility of contamination because the environment is not as controlled as it could be. A vertical integration of these services provides a better product at a cheaper price. The manufacturing facility and sterilization facility would be housed in one location and provide efficiencies to the company.

### **The Business**

WYTEC was “officially” established as a Wyoming company in 2017, but does not have any historical activity. Due to this, Innovive and its CEO (Dee Conger) will be guaranteeing the loan to WYTEC both corporately and individually. The company is expected to employ 94 individuals at maturation with an annual payroll of \$4,140,000. The company would be located in the Cheyenne Business Park, to the east of Magpul. The site is approximately seven acres, is currently owned by Cheyenne LEADS, and has utilities available to the site. LEADS will be selling the property to WYTEC.

### **Project Goals and Benefits**

WYTEC/Innovive seeks to increase both the manufacturing and service capabilities of the company, while doing it efficiently. The company will be able to centrally-locate the manufacturing aspect of the company and also provide a sterilization service for others inside and outside of the industry. The project will not only help diversify the state and local economy, but also have a “ripple effect” where there could be complementary businesses that would also need the sterilization and/or manufacturing services of the company; such as the food industry in sterilizing packaging for raw meats that cross state lines, and also implantable medical devices; like pacemakers.

## Timeline

The company is expecting to break ground in either the Fall of 2019 or Spring of 2020. The loan is structured for a two-year construction period and with the facility fully operational by Jan. 1, 2022.

## Management Team

- **Dee Conger** – Dee is the CEO and Chairman of Innovive. Dee is an experienced entrepreneur with a deep experience in technology and biotechnology. Prior to Innovive, Dee was the founding CEO of Ansata Therapeutics, Inc., a venture-backed biopharmaceutical company that developed several broad-spectrum antibiotics and licensed to Medicis Pharmaceuticals. Dee has an MS in engineering and an MBA from Northwestern University. He also served as a combat fighter pilot in the USAF and is a California CPA.
- **William Alan McIntosh** – Alan is the Board Director of Innovive and is the founder of Emerald Investment, a London and Dublin-based investment management firm. Alan has extensive experience in private equity investments. Alan also co-founded and led the IPO of Cairn Holmes plc from July 2015 to the present; a €1.4B market cap Irish housebuilder listed on the Irish and London Stock Exchange.
- **Susan Coll** – Susan is the VP of Corporate Development and a founder/shareholder of Innovive. Susan has a variety of responsibilities at Innovive including raising capital, corporate administration, and partnership development. Prior to Innovive, Susan worked for 10 years in corporate and leverage finance. She has an undergraduate degree in Politics from Aberdeen University in Scotland and a master's degree in Development Economics from Cambridge University in England.
- **Emmanuel Fertou** – Emmanuel is the VP of Operations for Innovive. Emmanuel has 25 years in supply chain and operations management. Emmanuel has a master's degree in engineering from Ecole Central de Lyon and a master's in business from Ecole de Management de Lyon in France. Emmanuel has worked on three continents and in several countries, including France, Germany, Singapore and the USA.
- **Bo Smith** – Bo is the VP of Sales and Marketing at Innovive. Bo was one of the company's first employees in 2005 after successful sales roles with several Thermo-Fisher scientific companies. He has implemented installations from 1,000 to 25,000 cages as Innovive has grown. As VP, Bo focuses on forming strategic alliances and programs that add value to the customer relationship. He is responsible for sales channels and partner product relationships. Bo has a bachelor of Business Management (1997).

## Funding

The total project cost is \$17,800,000, including \$9.35 million from the Economic Development Large Project program. Project costs include the components to construct a manufacturing/warehouse facility and the mechanisms needed for the sterilization of medical products.

## Financial Analysis

- WYTEC has no historical financial activity, therefore the financial analysis has been performed on Innovive; a guarantor of the proposed loan. The company has seen growth for a number of years and shown the capacity to expand. The financial analysis performed was

conservative regarding to debt service of the company and did not consider potential efficiencies with the integration of services at the Cheyenne facility. Mr. Dee Conger will also be asked to personally guarantee the loan and has the ability to do this.

**Loan Terms**

<b>Loan Amount:</b>	<b>\$13,350,000.00 (up to)</b> <ul style="list-style-type: none"> <li>• \$9,350,000 from State of Wyoming</li> <li>• \$4,000,000 from Bank of Star Valley (Afton, WY)</li> </ul>
<b>Guarantor(s):</b>	<b>Innovive, LLC Dee Conger</b>
<b>Application Date:</b>	<b>June 7, 2019</b>
<b>Loan Term:</b>	<b>10 Years</b>
<b>Payment Amortization:</b>	<ul style="list-style-type: none"> <li>• Interest Only during 2-year construction phase</li> <li>• Principal and Interest due quarterly based upon a fifteen (15) year amortization</li> </ul>
<b>Use of Proceeds:</b>	<b>Construction of manufacturing and irradiation facility to be located in Cheyenne (WY) Business Park</b>
<b>Sources of Repayment:</b>	<b>Primary: Cash flow from ongoing operations Secondary: Guarantor Support Tertiary: Liquidation of Collateral</b>
<b>Initial Interest Rate:</b>	<b>4.18% (as of application date)</b>
<b>Prepayment Penalty:</b>	<b>None</b>
<b>Loan Origination Fee:</b>	<b>1% - \$133,500 (to be paid in cash at closing)</b>
<b>Collateral:</b>	<ul style="list-style-type: none"> <li>• 1st real estate mortgage on facility to be constructed in Cheyenne Business Park (3rd Filing, Lot 7, Block 2)</li> <li>• 1st UCC/Blanket Lien filing on all assets of WYTEC, LLC</li> </ul>
<b>Collateral Value:</b>	<b>\$17,800,000.00 (estimated)</b>
<b>Loan to Value/Cost:</b>	<b>Not to exceed 75%</b>

**Statutory Requirements**

- This project will have a greater impact than most projects funded under the Business Ready Communities (BRC) Grant and Loan program. For example, the BRC program cannot fund equipment for a project; only infrastructure.
- A third-party analysis of the investment and jobs documents the expansion of permanent jobs and a significant increase in the combined assessed valuation by \$3.16 million per year after the completion of the proposed project; direct and indirect valuations.

- Due to the manufacturing and servicing aspects of the business/project, two separate economic impacts were performed. These are below:

<b>Department</b>	<b>Annual Impact</b>	<b>Multiplier</b>	<b>Eligible Amount</b>
Manufacturing	\$2,484,450	3	\$7,453,350
Sterilization	\$677,121	3	\$2,031,363
<b>TOTAL</b>	<b>\$3,161,571</b>	<b>3</b>	<b>\$9,484,713</b>

- The project will help stabilize, balance and diversify the Wyoming economy.

- The private investment in the project is at least 25%.
  - Innovive will be investing approximately \$4.45 million dollars to complete the project. There is also a preliminary approval from the Bank of Star Valley to participate in the project for \$4 million dollars and act as the lead bank in the participation.
- There is a high likelihood of completion.

**WBC DELIBERATIONS:**

The WBC Board of Directors (John Coyne III) inquired about:

- If there was a contingency line item in the construction budget
- Third party support in administering construction draws and release of funds associated with the project

Josh Keefe, WBC Economic Development Finance Manager, commented that the lead bank (Bank of Star Valley) does expect to have a third party administer the construction inspections before releasing loan funds during the project. Also, Keefe commented there was a contingency in the latest construction budget he'd seen for the project.

Anja Bendel, Business Development Director of LEADS, further commented on the project and LEAD'S intent to sell the property to WYTEC, LLC/Innovive, LLC for operations. Anja further commented about the ability of the company to help diversify the economy by creating a presence in the biomedical space. Susan Coll, CFO of Innovive, LLC also spoke at the WBC board meeting. She elaborated on the logistical advantages of having the company's headquarters in Wyoming, more specifically, Cheyenne.

There is a stipulation in the legislation stating that any funds not encumbered by June 30, 2019, can only be disbursed by the power of the legislature. However, there is enough money in the Challenge Loan Fund (at the WBC) to fund the project. That funding must be approved and transferred by the Governor.

There may be additional conditions, loan covenants, etc. in structuring the loan, however, these will be determined by the Treasurer's Office, with final approval from the Governor's Office. The Attorney General's office will also review the legality and the documents related to the loan.

Erin Moore moved to approve. John Coyne III seconded.

Motion was unanimously approved.

**WBC RECOMMENDATION:**

WBC recommends funding as requested.



# APPLIED ECONOMICS

April 9, 2019

Mr. Josh Keefe  
Economic Development Finance Manager  
Wyoming Business Council  
214 W. 15<sup>th</sup> Street  
Cheyenne, WY 82002

Dear Josh,

The purpose of the analysis is to provide a third-party estimate of the assessed value associated with Project Ivy - Manufacturing as required for the Large Project Loan Fund. The assessed value includes value of the company's capital investment, plus additional assessed value created by supplier and consumer businesses and their employees that would benefit from the increase demand created by Project Ivy - Manufacturing.

### ESTIMATED ASSESSED VALUE FOR PROJECT IVY MANUFACTURING

	2020	2021	2022	2023	2024
<b>Direct</b>					
Company	\$0	\$923,048	\$923,048	\$923,048	\$923,048
Employees	\$883,512	\$897,536	\$1,030,764	\$1,128,932	\$1,128,932
<b>Total Direct</b>	<b>\$883,512</b>	<b>\$1,820,584</b>	<b>\$1,953,812</b>	<b>\$2,051,980</b>	<b>\$2,051,980</b>
<b>Supplier (Indirect)</b>					
Related Businesses	\$119,899	\$119,899	\$156,791	\$166,014	\$166,014
Employees	\$189,324	\$189,324	\$245,420	\$266,456	\$266,456
<b>Total Supplier</b>	<b>\$309,223</b>	<b>\$309,223</b>	<b>\$402,211</b>	<b>\$432,470</b>	<b>\$432,470</b>
<b>Consumer (Induced)</b>					
Related Businesses	\$101,453	\$110,676	\$138,345	\$147,568	\$147,568
Employees	\$161,276	\$168,288	\$217,372	\$231,396	\$231,396
<b>Total Consumer</b>	<b>\$262,729</b>	<b>\$278,964</b>	<b>\$355,717</b>	<b>\$378,964</b>	<b>\$378,964</b>
<b>Total</b>	<b>\$1,455,464</b>	<b>\$2,408,771</b>	<b>\$2,711,740</b>	<b>\$2,863,414</b>	<b>\$2,863,414</b>



# APPLIED ECONOMICS

March 25, 2019

Mr. Josh Keefe  
Economic Development Finance Manager  
Wyoming Business Council  
214 W. 15<sup>th</sup> Street  
Cheyenne, WY 82002

Dear Ben,

The purpose of the analysis is to provide a third-party estimate of the assessed value associated with Project Ivy as required for the Large Project Loan Fund. The assessed value includes value of the company’s capital investment, plus additional assessed value created by supplier and consumer businesses and their employees that would benefit from the increase demand created by Project Ivy.

### ESTIMATED ASSESSED VALUE FOR PROJECT IVY

	2020	2021	2022	2023	2024
<b>Direct</b>					
Company	\$0	\$464,550	\$464,550	\$464,550	\$464,550
Employees	\$0	\$189,324	\$189,324	\$189,324	\$189,324
<b>Total Direct</b>	<b>\$0</b>	<b>\$653,874</b>	<b>\$653,874</b>	<b>\$653,874</b>	<b>\$653,874</b>
<b>Supplier (Indirect)</b>					
Related Businesses	\$0	\$9,223	\$9,223	\$9,223	\$9,223
Employees	\$0	\$14,024	\$14,024	\$14,024	\$14,024
<b>Total Supplier</b>	<b>\$0</b>	<b>\$23,247</b>	<b>\$23,247</b>	<b>\$23,247</b>	<b>\$23,247</b>
<b>Consumer (Induced)</b>					
Related Businesses	\$0	\$18,446	\$18,446	\$18,446	\$18,446
Employees	\$0	\$28,048	\$28,048	\$28,048	\$28,048
<b>Total Consumer</b>	<b>\$0</b>	<b>\$46,494</b>	<b>\$46,494</b>	<b>\$46,494</b>	<b>\$46,494</b>
<b>Total</b>	<b>\$0</b>	<b>\$723,615</b>	<b>\$723,615</b>	<b>\$723,615</b>	<b>\$723,615</b>