



Wyoming Business Council
BOARD OF DIRECTORS MEETING

June 20, 2019 · Cheyenne, Wyoming



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— INCREASING —
WYOMING'S
— PROSPERITY —

Board of Directors Agenda

Special Meeting of the Wyoming Business Council Board of Directors

Thursday, June 20, 2019 | 1:00 PM | Laramie County Community College and by Teleconference

THURSDAY, JUNE 20

(Times and order of agenda are tentative and subject to change without notice)

WPMA NOTICE: *This Special Meeting of the WBC Board of Directors is called expressly for the consideration of a BRC Loan Request for the Campbell County Public Land Joint Power Board, consideration of an Extension for a BRC-Business Ready grant to Campbell County, consideration of a Large Loan request from WYTEC, LLC, consideration of a contract for a Beef Market, Workforce and Offal study with Orbis Advantage, Inc., discussion of a contract amendment with the University of Wyoming, and a preview of Innovation Center contracts.*

1:00p CALL TO ORDER

1:05p COMMUNITY GRANT AND LOAN STANDING COMMITTEE

Kim DeVore, Chair; Julie Kozlowski, Staff Lead

- Extension of BRC Business Ready award to Campbell County for the Advanced Carbon Products Innovation Center (ACPIC)
 - **ACTION ITEM:** Consideration of staff recommendations
- \$2m BRC Loan Request from Campbell County Public Land Joint Powers Board for the renovation and remodel of the CAM-PLEX Energy Hall & Heritage Center
 - **ACTION ITEM:** Consideration of staff recommendations

2:05p BUSINESS CONTRACT AND LOAN STANDING COMMITTEE

Ron Harvey, Chair; Josh Keefe, Staff Lead

- Consideration of Large Loan request from WYTEC, LLC (*Josh Keefe*)
 - **ACTION ITEM:** Consideration of staff recommendations
- Consideration of contract with Orbis Advantage, Inc. for a Beef Market, Workforce and Offal Study (*Brandon Marshall*)
 - **ACTION ITEM:** Consideration of staff recommendations

3:00p Break

3:15p BUSINESS CONTRACT AND LOAN STANDING COMMITTEE (continued)

- Discussion of a contract amendment/extension with the University of Wyoming for the continued operations of the Business Resource Network (*Shawn Reese, Sarah Fitz-Gerald*)
- Preview of Local Innovation Center Contracts with Sheridan County and the Casper-Natrona County Economic Development Joint Powers Board for consideration at the Regular meeting of the WBC Board in September 2019 at Sheridan (*Sarah Fitz-Gerald*)

4:00p OTHER MATTERS and ADJOURNMENT



SECTION A

COMMUNITY GRANT AND LOAN COMMITTEE

June 20, 2019 · Cheyenne, Wyoming







Community Grant and Loan Committee

Report and Recommendations to the
Wyoming Business Council

June 20, 2019

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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	Staff Recommendation
Campbell County Public Land Board	CAM-PLEX Loan	CD - Readiness	\$ 2,000,000	\$ 2,000,000
Total Requests			\$ 2,000,000	\$ 2,000,000

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)
BRC Total Available	\$ 23,727,732

FY19 Q4 Allocation

BRC Project Types	% of Allocation	Total Available this Quarter	Staff 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
	100%	\$ 5,931,933	\$ 2,000,000	\$ 3,931,933





Business Ready Community Grant and Loan Program

CAMPBELL COUNTY

ADVANCED CARBON PRODUCTS INNOVATION CENTER

\$1,500,000 Community Development – Readiness Grant

Staff Recommendation: Approve extension

Extension Description

Campbell County, in partnership with Energy Capital Economic Development, was awarded a \$1.5 million Community Readiness grant by SLIB (June 2017). Funds are to be used for the purchase of Lot 4 and Lot 7a in the Fort Union Industrial Park, and construction of a 4,000 square-foot steel lab and related infrastructure for the Advanced Carbon Products Innovation Center (ACPIC). The grant agreement was executed on Nov. 1, 2017, with a construction service completion date of June 30, 2019, and a grant agreement expiration date of June 30, 2024. The following contingency was to be met before funds could be drawn down:

- Approved property re-platting documents to be received from Campbell County.

Re-platting of the property was completed and approved on April 19, 2019.

Revised Project Budget

Energy Capital Economic Development has been approved and tentatively awarded a U.S. Economic Development Administration (EDA) Grant in the amount of \$1,460,882 for this project.

A total of \$1,193,755 in EDA funds will be applied as part of the cash match for the BRC funding along with an \$83,373 cash match and \$83,372 in-kind match toward the property purchase from Greenbridge Holdings.

The remaining \$350,500 in EDA funds will be applied to the purchase of equipment, which is ineligible for reimbursement by BRC funds. The city of Gillette and Campbell County are matching \$175,250 each toward the equipment purchase.

The city and county have committed additional funds toward the operations and maintenance of the ACPIC facility once construction has been completed.

On Dec. 4, 2018, the county requested a 36-month extension to the construction service completion date and grant agreement expiration date due to complications related to the subdivision process. Given the amount of time that has lapsed and the budget increase for the project, staff scheduled a meeting on Jan. 3, 2019, with Campbell County and Energy Capital EDC to discuss the project in person.

As a result, the following information and documentation was requested by staff with a deadline of April 15, 2019:

1. Updated Project Summary: There have been delays in the final platting of the project site and changes in its layout. Provide a summary of the changes, explanation of delays, a path forward and a timeline for completion of the platting.

- Identify and explain any changes between the original BRC scope of work and the most recent USDA Economic Development Administration (EDA) application.
- Final project layout showing proposed subdivision lots and facility footprint.
- Updated cost estimates/clarifications, and a copy of cost estimates provided with the EDA application. Identify all sources & uses of funding.
- Updated timeline.

2. Complete and final business, marketing and operation/maintenance plans. Explain how the facility will be operated, marketed and maintained. Describe potential partners, potential clients, etc.

- Strategy to market the facility.
- Operational plans and anticipated operational costs and sources of funds.
- Complete project cash flow plan.

3. Regular updates on status of EDA application including any additional information provided to the EDA during its evaluation period.

Most of the requested information/documentation was received by the deadline. Several meetings have been held in follow-up.

Sources	
BRC amount	\$ 1,500,000
Cash Match	\$ 1,193,756
In-Kind Match	\$ 83,372
Total eligible project cost	\$ 2,777,128
BRC % of total eligible project costs	54%
Local % of total eligible project costs	46%
Uses	
Land Acquisition Costs	
Land	\$ 498,000
Non-Construction Costs	
Architectural and Engineering fees	\$ 202,000
Construction Costs	
Site work, grading Septic System, Utilities	\$ 486,300
<i>Building Components:</i>	
Electrical Systems	\$ 35,260
Groundwater Well Permit & Construction	\$ 50,000
Mobilization	\$ 140,000
Construction Surveying, Materials Testing	\$ 12,600
Main & Lab Pre-Engineered Steel Buildings	\$ 879,500
Contingencies (19%)	\$ 473,468
Total Uses	\$ 2,777,128

Staff Recommendation

Staff recommends approval of Campbell County's request for a 36-month extension with the following contingencies:

- The business plan is to be updated with:
 - a tenant recruiting strategy
 - a long-term operations and maintenance strategy
- Alignment of all related documents including, but not limited to:
- Contingency and Development Agreement
- Tenant lease
- MOU related to coal handling equipment and coal supply
- Facility Manager job description

Staff continues to support this project. However, the scope has changed, and additional funding sources have been added, thus additional attention to the detail of the project guiding documents, policies, etc., is necessary.

Time is of the essence, as award announcement of the EDA Grant is pending and cannot move forward until notification is received of the Business Council's approval to extend.



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
Total eligible project cost	\$ 1,666,745
BRC % of total eligible project costs	90%
Local % of total eligible project costs	10%
Uses	
Land Acquisition Costs	
Land	\$ 498,000
Non-Construction Costs	
Architectural and Engineering fees	\$ 77,085
Construction Costs	
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
Total Uses	\$ 1,666,745

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.

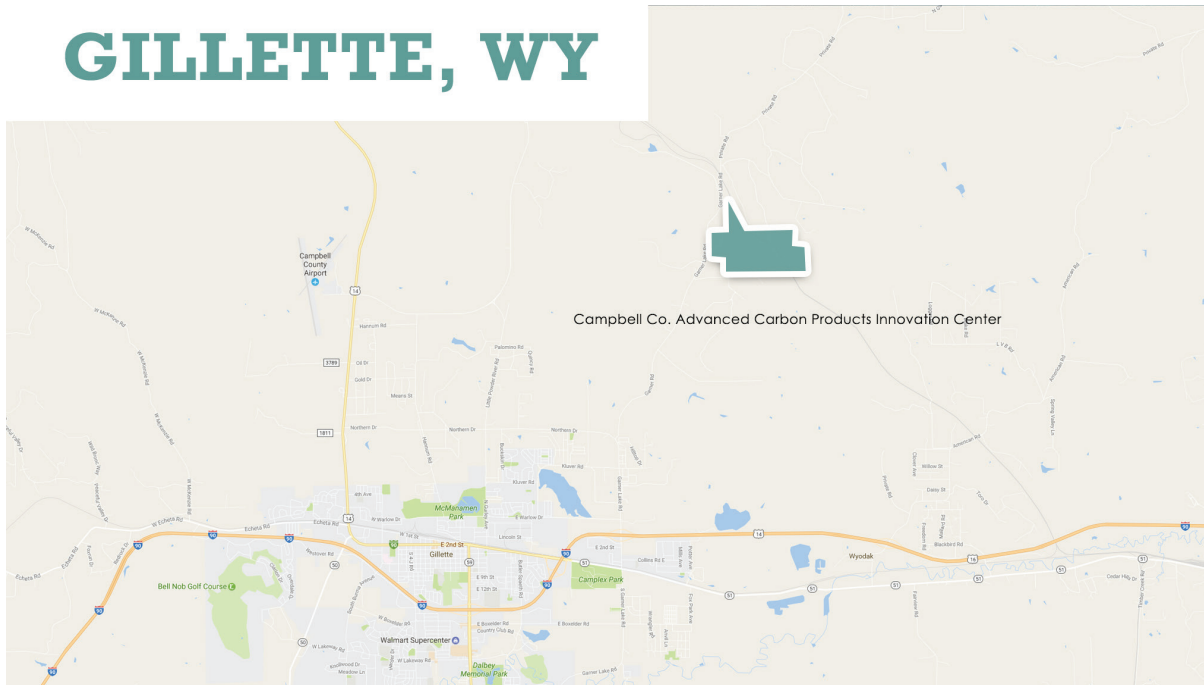
The WBC unanimously recommends approval.

SLIB Decision: APPROVED UNANIMOUSLY
JUNE 16, 2017.

Project Overview

Campbell County Advanced Carbon Products Innovation Center					
Purpose	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.				
Project Budget	Projected Grant Expenditure Schedule				
	Description	BRC	Match		Total
			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	
Total Project Cost	\$ 1,500,000	\$ 83,373	\$ 83,372	\$ 1,666,745	
	Percentage BRC of all cash:		95%		
Performance Measures	Measure		Quantity	Notes	
	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	
Project Infrastructure	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





OFFICE

500 South Gillette Avenue
Suite 1100
Gillette, Wyoming 82716
(307) 682-7283
(307) 687-6325 FAX
www.ccgov.net

Robert P. Palmer, Commissioners
Administrative Director

BOARD OF COMMISSIONERS

Mark A. Christensen, Chairman
Rusty Bell
G. Matthew Avery
Micky Shober

4 December 2018

Wyoming Business Council
Attn: Karen Fate, BRC Project Manager
214 West 15th Street
Cheyenne, WY 82002-0240

RE: Advanced Carbon Products Innovation Center Community Readiness Project
Grant Extension Request

Dear Ms. Fate:

Campbell County is writing to request an extension to the construction services completion date of June 30, 2019, as stated in the Grant Agreement between the Wyoming Business Council and Campbell County. We want to request an extension of thirty-six (36) months. This would establish a new construction services completion date of June 30, 2022.

There were several factors which have contributed to the delay in construction completion. For a further explanation of these factors, please see the enclosed letter from Mr. Phil Christopherson of Energy Capital Economic Development in this regard.

Campbell County would like to thank the Wyoming Business Council for its on-going support in making Campbell County a Business Ready Community. Please contact Bethany Raab if you have any questions or if you need additional information at (307) 687-6324 or BLR01@ccgov.net.

Sincerely,

A handwritten signature in blue ink that reads "Mark A. Christensen".

Mark A. Christensen
Chairman

Enclosure

The mission of Campbell County is to provide quality, efficient, and cost-effective services for all Campbell County residents through sound decision making and fiscal responsibility.



Economic Development

Stimulate and facilitate a diverse economy through business retention, expansion, and recruitment.

Campbell County Commissioners
500 S. Gillette Ave.
Suite 1100
Gillette, Wyoming 82716

November 26, 2018

Subject: Wyoming Business Council BRC grant extension request for ACPIC project.

Commissioners,

Energy Capital ED is requesting that you ask for a grant extension for the Wyoming Business Council (WBC) Advanced Carbon Products Innovation Center (ACPIC) Business Ready Community (BRC) grant. We would like an extension of three years providing for a construction completion date of June 30, 2022.

The reason for the delay in the project is centered around subdividing the land and complications related to the subdivision process. The land owner submitted the final plat to the County and it was approved in August 2018. The land owner was approximately nine months behind schedule due to engineering issues, tenant issues and other concerns. Another issue has arisen that has delayed granting the final plat. We expect resolution of the latest issue at any time. Once this issue is resolved the subdivision will be finalized, ECED will be able to purchase the land, Greenbridge Holdings will provide the grant match, and the project can move forward with design efforts.

During this delay we have diligently sought additional funding to complete the project and are very optimistic about four potential sources.

Thank you for your consideration and assistance with this project,

Phil Christopherson
Chief Executive Officer



214 W. 15th Street
Cheyenne, WY 82002
T: 307.777.2800
F: 307.777.2837

www.wyomingbusiness.org

January 23, 2019

Chairman Mark Christensen
Campbell County Commission
500 S. Gillette Avenue
Gillette, WY 82716

Dear Chairman Christensen,

Thank you for meeting with us last week to discuss Campbell County's request to extend by three years the Advanced Carbon Products Innovation Center (ACPIC) Business Ready Community (BRC) project. This letter summarizes additional information we need before it can go to the WBC Board of Directors. Please submit the following information to BRC Project Manager Karen Fate at your earliest convenience, but no later than April 15, 2019:

1. Updated Project Summary: There have been delays in the final platting of the project site and changes in its layout. Please provide a summary of the changes, explanation of delays, path forward, and timeline for completion of the platting.
 - Identify and explain any changes between the original BRC scope of work and most recent EDA application.
 - Final project layout showing proposed subdivision lots and facility footprint. Updated cost estimates/clarifications, as well as a copy of cost estimates provided with the EDA application. Identify all sources & uses of funding
 - Updated timeline
2. Complete and final business, marketing, and operation/maintenance plans: how the facility will be operated, marketed, maintained, potential partners, potential clients, etc.
 - Strategy to market the facility
 - Operational plans and anticipated operational costs and sources of funds
 - Complete project cash flow plan
3. Regular updates on status of EDA application including any additional information provided to the EDA during its evaluation period.

When the information is received and evaluated (along with any additional clarifications), the extension request will be forwarded to the WBC Board for consideration at its May 15-16 meeting in Riverton.

Sincerely,

A handwritten signature in blue ink that reads "Shawn Reese".

Shawn Reese, CEO

cc: Robert Palmer, County Administrator
Phil Christopherson, Energy Capital Economic Development



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 \$2 million BRC loan for the renovation and remodel of the Energy Hall & Heritage Center at the CAM-PLEX Multi-Events Facility in Gillette.

The Campbell County Public Land Board originally requested a \$3 million-dollar grant and was awarded a reduced amount of \$1.5 million by SLIB on Jan. 17, 2019. The SLIB suggested the Land Board work with the Business Council staff and consider applying for a loan for the \$1.5 million balance (See original project description with SLIB decision attached).

The Land Board has provided all necessary documents required for the application of a BRC loan, however the requested amount has increased due to structural work needed in replacement of sewer lines beneath the Heritage Center facility.

Loan Terms

BRC Loan Amount:
 \$2,000,000

Interest Rate: 0.5%

Term: 10 years

Collateral:
 \$1,100,000 Cash and Investments from Special Events Fund; and Net Income from National and Regional Events held at the CAM-PLEX facility.

Staff Recommendation

Staff recommends funding as requested.

Sources	
BRC amount	\$ 1,500,000
Cash Match	\$ 1,193,756
In-Kind Match	\$ 83,372
Total eligible project cost	\$ 2,777,128
BRC % of total eligible project costs	54%
Local % of total eligible project costs	46%
Uses	
Land Acquisition Costs	
Land	\$ 498,000
Non-Construction Costs	
Architectural and Engineering fees	\$ 202,000
Construction Costs	
Site work, grading Septic System, Utilities	\$ 486,300
<i>Building Components:</i>	
Electrical Systems	\$ 35,260
Groundwater Well Permit & Construction	\$ 50,000
Mobilization	\$ 140,000
Construction Surveying, Materials Testing	\$ 12,600
Main & Lab Pre-Engineered Steel Buildings	\$ 879,500
Contingencies (19%)	\$ 473,468
Total Uses	\$ 2,777,128

WYOMING BUSINESS COUNCIL



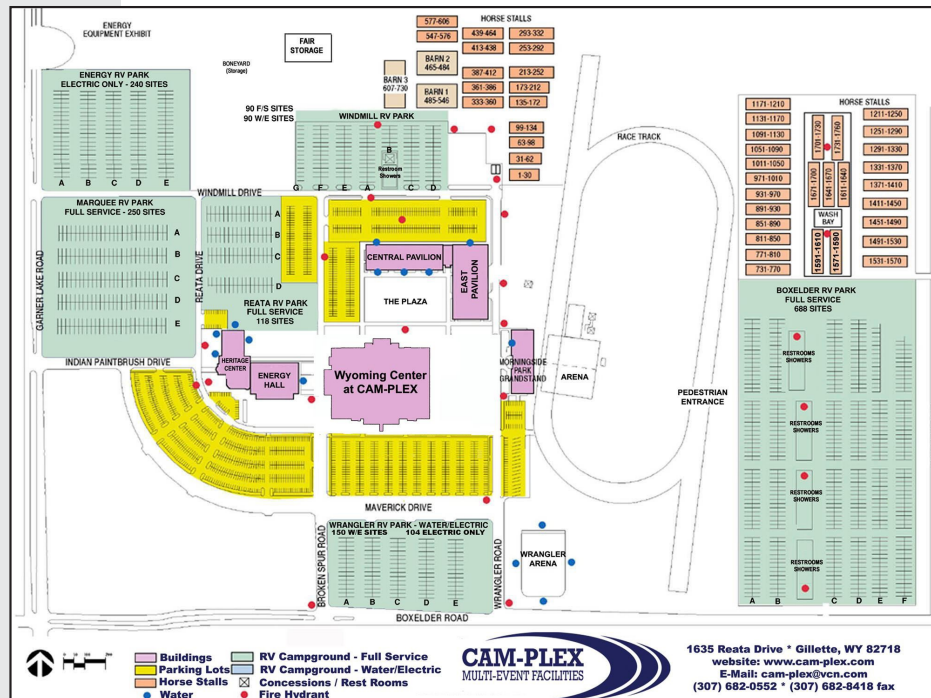
Business Ready Community Grant and Loan Program
**CAMPBELL COUNTY
 PUBLIC LAND JPB BOARD**
 CAM-PLEX HERITAGE CENTER & ENERGY HALL
 RENOVATION AND REMODEL PROJECT

**\$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 dollars to the community.
- Increase the number of events and participants attending, which creates higher economic impact through travel spending, lodging, food services, gas stations and retail.

Public Goals include:

- Improv quality of life and generate economic benefit for the region by hosting 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
Total eligible project cost	\$ 6,000,000
BRC % of total eligible project costs	50%
Local % of total eligible project costs	50%
Uses	
Non-Construction Costs	
Architectural and Engineering fees	\$ 171,000
Other fees (surveys, tests, etc.)	\$ 35,000
Project inspection fees	\$ 4,550
Construction Costs	
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
Total Uses	\$ 6,000,000

- 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 Shoher, 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 Shoher 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			
Purpose	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.		
Project Budget	Projected Grant Expenditure Schedule		
	Description	BRC	Match
			Total
	Non-Construction Costs	\$ 105,275	Cash \$ 105,275
	Construction Costs	\$ 2,894,725	\$ 2,894,725
Total Project Cost	\$ 3,000,000	\$ 3,000,000	\$ 6,000,000
	Percentage BRC of all cash:		50%
Performance Measures	Measure	Quantity	Notes
	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.
Project Infrastructure	Existing Building Construction	56,500	Total space to be renovated

SECTION B

BUSINESS CONTRACT AND LOAN STANDING COMMITTEE

June 20, 2019 · Cheyenne, Wyoming







Business Contract and Loan Standing Committee

Report and Recommendations to the Wyoming Business Council

June 20, 2019

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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 complimentary 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 Ferton** – 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

Loan Amount:	\$13,350,000.00 (up to) <ul style="list-style-type: none"> • \$9,350,000 from State of Wyoming • \$4,000,000 from Bank of Star Valley (Afton, WY)
Guarantor(s):	Innovive, LLC Dee Conger
Application Date:	June 7, 2019
Loan Term:	22 Years
Payment Amortization:	<ul style="list-style-type: none"> • Interest Only during 2-year construction phase • Principal and Interest due quarterly based upon a twenty (20) year amortization
Use of Proceeds:	Construction of manufacturing and irradiation facility to be located in Cheyenne (WY) Business Park
Sources of Repayment:	Primary: Cash flow from ongoing operations Secondary: Guarantor Support Tertiary: Liquidation of Collateral
Initial Interest Rate:	4.18% (as of application date)
Prepayment Penalty:	None
Loan Origination Fee:	1% - \$133,500 (to be paid in cash at closing)
Collateral:	<ul style="list-style-type: none"> • 1st real estate mortgage on facility to be constructed in Cheyenne Business Park (3rd Filing, Lot 7, Block 2) • 1st UCC/Blanket Lien filing on all assets of WYTEC, LLC
Collateral Value:	\$17,800,000.00 (estimated)
Loan to Value/Cost:	Not to exceed 75%

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:

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

- 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.

STAFF RECOMMENDATION:

- **Staff recommends funding the proposed project up to a maximum amount of \$9,350,000 utilizing the Large Project Economic Development Fund via the Challenge Loan account in participation with Bank of Star Valley. The recommended loan amount is based on a cumulative three-year direct and indirect increase in the assessed valuation at completion of the project. This calculation was developed by Applied Economics; as required by statute. Staff has analyzed the character and capacity of the management team, market conditions, cash flow, competition and the collateral to secure the proposed credit.**
- **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.**



APPLIED ECONOMICS

April 9, 2019

Mr. Josh Keefe
Economic Development Finance Manager
Wyoming Business Council
214 W. 15th 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
Direct					
Company	\$0	\$923,048	\$923,048	\$923,048	\$923,048
Employees	\$883,512	\$897,536	\$1,030,764	\$1,128,932	\$1,128,932
Total Direct	\$883,512	\$1,820,584	\$1,953,812	\$2,051,980	\$2,051,980
Supplier (Indirect)					
Related Businesses	\$119,899	\$119,899	\$156,791	\$166,014	\$166,014
Employees	\$189,324	\$189,324	\$245,420	\$266,456	\$266,456
Total Supplier	\$309,223	\$309,223	\$402,211	\$432,470	\$432,470
Consumer (Induced)					
Related Businesses	\$101,453	\$110,676	\$138,345	\$147,568	\$147,568
Employees	\$161,276	\$168,288	\$217,372	\$231,396	\$231,396
Total Consumer	\$262,729	\$278,964	\$355,717	\$378,964	\$378,964
Total	\$1,455,464	\$2,408,771	\$2,711,740	\$2,863,414	\$2,863,414



APPLIED ECONOMICS

March 25, 2019

Mr. Josh Keefe
Economic Development Finance Manager
Wyoming Business Council
214 W. 15th 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
Direct					
Company	\$0	\$464,550	\$464,550	\$464,550	\$464,550
Employees	\$0	\$189,324	\$189,324	\$189,324	\$189,324
Total Direct	\$0	\$653,874	\$653,874	\$653,874	\$653,874
Supplier (Indirect)					
Related Businesses	\$0	\$9,223	\$9,223	\$9,223	\$9,223
Employees	\$0	\$14,024	\$14,024	\$14,024	\$14,024
Total Supplier	\$0	\$23,247	\$23,247	\$23,247	\$23,247
Consumer (Induced)					
Related Businesses	\$0	\$18,446	\$18,446	\$18,446	\$18,446
Employees	\$0	\$28,048	\$28,048	\$28,048	\$28,048
Total Consumer	\$0	\$46,494	\$46,494	\$46,494	\$46,494
Total	\$0	\$723,615	\$723,615	\$723,615	\$723,615



**CONTRACT BETWEEN
WYOMING BUSINESS COUNCIL
AND
ORBIS ADVANTAGE, INC.**

1. **Parties.** The parties to this Contract are Wyoming Business Council (Council), whose address is: 214 West 15th Street, Cheyenne, Wyoming 82002, and Orbis Advantage, Inc. (Contractor), whose address is: PO Box 145, LaGrange, Wyoming 82221.
2. **Purpose of Contract.** The purpose of this Contract is to set forth the terms and conditions by which the Contractor shall perform a Beef Market, Workforce and Offal Products study for the Council.
3. **Term of Contract.** This Contract is effective when all parties have executed it (Effective Date). The term of the Contract is from July 1, 2019 through October 31, 2019. All services shall be completed during this term.

This Contract may be extended by agreement of both parties in writing and subject to the required approvals. There is no right or expectation of extension and any extension will be determined at the discretion of the Council.

4. **Payment.**
 - A. The Council agrees to pay the Contractor for the services described in Section 5 below. Total payment under this Contract shall not exceed one hundred forty-two thousand dollars (\$142,000.00). Payment shall be made in two equal installments, with fifty percent (50%) due at the execution of this Contract, and the remainder due upon receipt of the final report from the Contractor. Payment shall be made within forty-five (45) days after submission of invoice pursuant to Wyo. Stat. § 16-6-602. Contractor shall submit invoices in sufficient detail to ensure that payments may be made in conformance with this Contract.
 - B. No payment shall be made for work performed before the Effective Date of this Contract. Should the Contractor fail to perform in a manner consistent with the terms and conditions set forth in this Contract, payment under this Contract may be withheld until such time as the Contractor performs its duties and responsibilities to the satisfaction of the Council.
 - C. The payment of bona fide travel expenses related to Contractor's work under this contract shall be allowed in an amount not to exceed five thousand dollars (\$5,000.00) of the total set forth in Paragraph A of this Section. Contractor is expected to procure the most cost-efficient travel arrangements, and all reimbursement of travel expenses is stipulated on the provision of original receipts. Under no circumstances shall the Contractor seek reimbursement for alcoholic beverages.
5. **Responsibilities of Contractor.** The Contractor agrees to:

Contract between Wyoming Business Council
and Orbis Advantage, Inc.

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- A. Conduct a Beef Market Study to include:
 - a. An assessment of currently-operating processing plants in Wyoming and identifying in-state, domestic, and international market opportunities for existing Wyoming beef product lines;
 - b. Identification of opportunities for Wyoming beef beyond premium cuts;
 - c. Assessment of beef industry trends in Wyoming, the United States, and internationally;
 - d. Identification of consumer trends in Wyoming, the United States, and internationally, affecting Wyoming producers of beef; and
 - e. Identification of beef consumption trends in Wyoming, the United States, and internationally.

- B. Conduct a Workforce Study to include:
 - a. Wyoming labor market and unemployment rates;
 - b. Identification of the type and level of housing required for the Wyoming beef industry supply chain workforce;
 - c. Examination of the workforce impact on Wyoming communities opening or expanding a beef processing facility;
 - d. Assessment of technological advances which may mitigate workforce factors; and
 - e. Recommendation of training opportunities and needs (skills gap analysis).

- C. Conduct a Beef Offal Products Study to include:
 - a. Identification of value-added opportunities in Wyoming for beef offal and carcass remnants;
 - b. Assessment of existing and potential supply chain opportunities in Wyoming and surrounding states;
 - c. Ranking of all parts of carcass by perceived value-added opportunities, market demand, strength of market, and location; and
 - d. Identification of value-added opportunities in Wyoming for disposal and/or further processing of offal and carcass products.

- D. Deliver the final report(s) for all three Studies on or before September 30, 2019.

6. **Responsibilities of Council.** The Council agrees to:

- A. Pay Contractor in accordance with Section 4 above.

7. **General Provisions.**

- A. **Amendments.** Any changes, modifications, revisions, or amendments to this Contract which are mutually agreed upon by the parties to this Contract shall be incorporated by written instrument, executed by all parties to this Contract.

- B. Applicable Law, Rules of Construction, and Venue.** The construction, interpretation, and enforcement of this Contract shall be governed by the laws of the State of Wyoming, without regard to conflicts of law principles. The terms “hereof,” “hereunder,” “herein,” and words of similar import, are intended to refer to this Contract as a whole and not to any particular provision or part. The Courts of the State of Wyoming shall have jurisdiction over this Contract and the parties. The venue shall be the First Judicial District, Laramie County, Wyoming.
- C. Assignment Prohibited and Contract Shall Not be Used as Collateral.** Neither party shall assign or otherwise transfer any of the rights or delegate any of the duties set out in this Contract without the prior written consent of the other party. The Contractor shall not use this Contract, or any portion thereof, for collateral for any financial obligation without the prior written permission of the Council.
- D. Audit and Access to Records.** The Council and its representatives shall have access to any books, documents, papers, electronic data, and records of the Contractor which are pertinent to this Contract.
- The Contractor shall immediately, upon receiving written instruction from the Council, provide to any independent auditor or accountant all books, documents, papers, electronic data, and records of the Contractor which are pertinent to this Contract. The Contractor shall cooperate fully with any such independent auditor or accountant during the entire course of any audit authorized by the Council.
- E. Availability of Funds.** Each payment obligation of the Council is conditioned upon the availability of government funds which are appropriated or allocated for the payment of this obligation and which may be limited for any reason including, but not limited to, congressional, legislative, gubernatorial, or administrative action. If funds are not allocated and available for continued performance of the Contract, the Contract may be terminated by the Council at the end of the period for which the funds are available. The Council shall notify the Contractor at the earliest possible time of the services which will or may be affected by a shortage of funds. No penalty shall accrue to the Council in the event this provision is exercised, and the Council shall not be obligated or liable for any future payments due or for any damages as a result of termination under this section.
- F. Award of Related Contracts.** The Council may award supplemental or successor contracts for work related to this Contract or may award contracts to other contractors for work related to this Contract. The Contractor shall cooperate fully with other contractors and the Council in all such cases.
- G. Certificate of Good Standing.** The Contractor shall provide to the Council a Certificate of Good Standing from the Wyoming Secretary of State, or other proof that Contractor is authorized to conduct business in the State of Wyoming, if required, before performing work under this Contract. Contractor shall ensure that all annual filings and corporate taxes due and owing to the Secretary of State’s office are up-to-date before signing this Contract.

- H. Compliance with Laws.** The Contractor shall keep informed of and comply with all applicable federal, state, and local laws and regulations in the performance of this Contract.
- I. Confidentiality of Information.** All documents, data compilations, reports, computer programs, photographs, data, and other work provided to or produced by the Contractor in the performance of this Contract shall be kept confidential by the Contractor unless written permission is granted by the Council for its release. If and when Contractor receives a request for information subject to this Contract, Contractor shall notify the Council within ten (10) days of such request and shall not release such information to a third party unless directed to do so by the Council.
- J. Entirety of Contract.** This Contract, consisting of ten (10) pages represents the entire and integrated Contract between the parties and supersedes all prior negotiations, representations, and agreements, whether written or oral.
- K. Ethics.** Contractor shall keep informed of and comply with the Wyoming Ethics and Disclosure Act (Wyo. Stat. § 9-13-101, *et seq.*) and any and all ethical standards governing Contractor's profession.
- L. Extensions.** Nothing in this Contract shall be interpreted or deemed to create an expectation that this Contract will be extended beyond the term described herein. Any extension of this Contract shall be initiated by the Council and shall be accomplished through a written amendment between the parties entered into before the expiration of the original Contract or any valid amendment thereto, and shall be effective only after it is reduced to writing and executed by all parties to the Contract.
- M. Force Majeure.** Neither party shall be liable for failure to perform under this Contract if such failure to perform arises out of causes beyond the control and without the fault or negligence of the nonperforming party. Such causes may include, but are not limited to, acts of God or the public enemy, fires, floods, epidemics, quarantine restrictions, freight embargoes, and unusually severe weather. This provision shall become effective only if the party failing to perform immediately notifies the other party of the extent and nature of the problem, limits delay in performance to that required by the event, and takes all reasonable steps to minimize delays.
- N. Indemnification.** The Contractor shall release, indemnify, and hold harmless the State, the Council, and their officers, agents, and employees from any and all claims, suits, liabilities, court awards, damages, costs, attorneys' fees, and expenses arising out of Contractor's failure to perform any of Contractor's duties and obligations hereunder or in connection with the negligent performance of Contractor's duties or obligations, including, but not limited to, any claims, suits, liabilities, court awards, damages, costs, attorneys' fees, and expenses arising out of Contractor's negligence or other tortious conduct.

- O. Independent Contractor.** The Contractor shall function as an independent contractor for the purposes of this Contract and shall not be considered an employee of the State of Wyoming for any purpose. Consistent with the express terms of this Contract, the Contractor shall be free from control or direction over the details of the performance of services under this Contract. The Contractor shall assume sole responsibility for any debts or liabilities that may be incurred by the Contractor in fulfilling the terms of this Contract and shall be solely responsible for the payment of all federal, state, and local taxes which may accrue because of this Contract. Nothing in this Contract shall be interpreted as authorizing the Contractor or its agents or employees to act as an agent or representative for or on behalf of the State of Wyoming or the Council or to incur any obligation of any kind on behalf of the State of Wyoming or the Council. The Contractor agrees that no health or hospitalization benefits, workers' compensation, unemployment insurance or similar benefits available to State of Wyoming employees will inure to the benefit of the Contractor or the Contractor's agents or employees as a result of this Contract.
- P. Nondiscrimination.** The Contractor shall comply with the Civil Rights Act of 1964, the Wyoming Fair Employment Practices Act (Wyo. Stat. § 27-9-105, *et seq.*), the Americans with Disabilities Act (ADA), 42 U.S.C. § 12101, *et seq.*, and the Age Discrimination Act of 1975 and any properly promulgated rules and regulations thereto and shall not discriminate against any individual on the grounds of age, sex, color, race, religion, national origin, or disability in connection with the performance under this Contract.
- Q. Notices.** All notices arising out of, or from, the provisions of this Contract shall be in writing either by regular mail or delivery in person at the addresses provided under this Contract.
- R. Notice of Sale or Transfer.** The Contractor shall provide the Council with notice of any sale, transfer, merger, or consolidation of the assets of the Contractor. Such notice shall be provided in accordance with the notices provision of this Contract and, when possible and lawful, in advance of the transaction. If the Council determines that the sale, transfer, merger, or consolidation is not consistent with the continued satisfactory performance of the Contractor's obligations under this Contract, then the Council may, at its discretion, terminate or renegotiate the Contract.
- S. Ownership and Return of Documents and Information.** The Council is the official custodian and owns all documents, data compilations, reports, computer programs, photographs, data, and other work provided to or produced by the Contractor in the performance of this Contract. Upon termination of services, for any reason, Contractor agrees to return all such original and derivative information and documents to the Council in a useable format. In the case of electronic transmission, such transmission shall be secured. The return of information by any other means shall be by a parcel service that utilizes tracking numbers. Upon Council's verified receipt of such information, Contractor agrees to physically and electronically destroy any residual Council-owned data, regardless of format, and

any other storage media or areas containing such information. Contractor agrees to provide written notice to the Council confirming the destruction of any such residual Council-owned data.

- T. Patent or Copyright Protection.** The Contractor recognizes that certain proprietary matters or techniques may be subject to patent, trademark, copyright, license, or other similar restrictions, and warrants that no work performed by the Contractor or its subcontractors will violate any such restriction. The Contractor shall defend and indemnify the Council for any infringement or alleged infringement of such patent, trademark, copyright, license, or other restrictions.
- U. Prior Approval.** This Contract shall not be binding upon either party, no services shall be performed, and the Wyoming State Auditor shall not draw warrants for payment, until this Contract has been fully executed, approved as to form by the Office of the Attorney General, filed with and approved by A&I Procurement, and approved by the Governor of the State of Wyoming, or his designee, if required by Wyo. Stat. § 9-2-1016(b)(iv).
- V. Insurance Requirements.**
- (i)** During the term of this Contract, the Contractor shall obtain and maintain, and ensure that each subcontractor obtains and maintains, each type of insurance coverage specified in Insurance Coverage, below.
 - (ii)** All policies shall be primary over any insurance or self-insurance program carried by the Contractor or the State of Wyoming. All policies shall include clauses stating that each insurance carrier shall waive all rights of recovery under subrogation or otherwise against Contractor or the State, its agencies, institutions, organizations, officers, agents, employees, and volunteers.
 - (iii)** The Contractor shall provide Certificates of Insurance to the Council verifying each type of coverage required herein. If the policy is a “claims made” policy instead of an “occurrence” policy, the information provided shall include, but is not limited to, retroactive dates and extended reporting periods or tails.
 - (iv)** All policies shall be endorsed to provide at least thirty (30) days advance written notice of cancellation to the Council. A copy of the policy endorsement shall be provided with the Certificate of Insurance.
 - (v)** In case of a breach of any provision relating to Insurance Requirements or Insurance Coverage, the Council may, at the Council’s option, obtain and maintain, at the expense of the Contractor, such insurance in the name of the Contractor, or subcontractor, as the Council may deem proper and may deduct the cost of obtaining and maintaining such insurance from any sums which may be due or become due to the Contractor under this Contract.

- (vi) All policies required by this Contract shall be issued by an insurance company with an A.M. Best rating of A- VIII or better.
- (vii) The Council reserves the right to reject any policy issued by an insurance company that does not meet these requirements.

W. Insurance Coverage. The Contractor shall obtain and maintain the following insurance in accordance with the Insurance Requirements set forth above:

- (i) Commercial General Liability Insurance. Commercial general liability insurance (CGL) coverage, occurrence form, covering liability claims for bodily injury and property damage arising out of premises, operations, products and completed operations, and personal and advertising injury, with minimum limits as follows:
 - (a) \$1,000,000.00 each occurrence;
 - (b) \$1,000,000.00 personal injury and advertising injury;
 - (c) \$2,000,000.00 general aggregate; and
 - (d) \$2,000,000.00 products and completed operations.

The CGL policy shall include coverage for Explosion, Collapse and Underground property damage. This coverage may not be excluded by endorsement.

- (ii) Workers' Compensation and Employer's Liability Insurance. Employees hired in Wyoming to perform work under this Contract shall be covered by workers' compensation coverage obtained through the Wyoming Department of Workforce Services' workers' compensation program, if statutorily required. Employees brought into Wyoming from Contractor's home state to perform work under this Contract shall be covered by workers' compensation coverage obtained through the Wyoming Department of Workforce Services' workers' compensation program or other state or private workers' compensation insurance approved by the Wyoming Department of Workforce Services, if statutorily required.

The Contractor shall provide the Council with a Certificate of Good Standing or other proof of workers' compensation coverage for all of its employees who are to perform work under this Contract, if such coverage is required by law. If workers' compensation coverage is obtained by Contractor through the Wyoming Department of Workforce Services' workers' compensation program, Contractor shall also obtain Employer's Liability "Stop Gap" coverage through an endorsement to the CGL policy required by this Contract, with minimum limits as follows:

- (a) Bodily Injury by Accident: \$1,000,000.00 each accident;
- (b) Bodily Injury by Disease: \$1,000,000.00 each employee; and
- (c) Bodily Injury by Disease: \$1,000,000.00 policy limit.

- (iii) **Unemployment Insurance.** The Contractor shall be duly registered with the Department of Workforce Services and obtain such unemployment insurance coverage as required. The Contractor shall supply Council with a Certificate of Good Standing or other proof of unemployment insurance coverage.
- (iv) **Automobile Liability Insurance.** Automobile liability insurance covering any auto (including owned, hired, and non-owned) with minimum limits of \$1,000,000.00 each accident combined single limit.
- X. Publicity.** Any publicity given to the projects, programs, or services provided herein, including, but not limited to, notices, information, pamphlets, press releases, research, reports, signs, and similar public notices in whatever form, prepared by or for the Contractor, shall identify the Council as the sponsoring agency and shall not be released without prior written approval from the Council.
- Y. Severability.** Should any portion of this Contract be judicially determined to be illegal or unenforceable, the remainder of the Contract shall continue in full force and effect, and the parties may renegotiate the terms affected by the severance.
- Z. Sovereign Immunity and Limitations.** Pursuant to Wyo. Stat. § 1-39-104(a), the State of Wyoming and Council expressly reserve sovereign immunity by entering into this Contract and specifically retain all immunities and defenses available to them as sovereigns. The parties acknowledge that the State of Wyoming has sovereign immunity and only the Wyoming Legislature has the power to waive sovereign immunity. Designations of venue, choice of law, enforcement actions, and similar provisions shall not be construed as a waiver of sovereign immunity. The parties agree that any ambiguity in this Contract shall not be strictly construed, either against or for either party, except that any ambiguity as to sovereign immunity shall be construed in favor of sovereign immunity.
- AA. Taxes.** The Contractor shall pay all taxes and other such amounts required by federal, state, and local law, including, but not limited to, federal and social security taxes, workers' compensation, unemployment insurance, and sales taxes.
- BB. Termination of Contract.** This Contract may be terminated, without cause, by the Council upon thirty (30) days written notice. This Contract may be terminated by the Council immediately for cause if the Contractor fails to perform in accordance with the terms of this Contract. If at any time during the performance of this Contract, in the opinion of the Council, the work is not progressing satisfactorily or within the terms of this Contract, then, at the sole discretion of the Council and after written notice to the Contractor, the Council may terminate this Contract or any part of it. As of the termination date, the Contractor will be entitled to a pro rata payment for all work accomplished and accepted by the Council; however, the Contractor shall be liable to the Council for the entire cost of replacement services for the duration of the Contract term.

- CC. Third-Party Beneficiary Rights.** The parties do not intend to create in any other individual or entity the status of third-party beneficiary, and this Contract shall not be construed so as to create such status. The rights, duties, and obligations contained in this Contract shall operate only between the parties to this Contract and shall inure solely to the benefit of the parties to this Contract. The provisions of this Contract are intended only to assist the parties in determining and performing their obligations under this Contract.
- DD. Time is of the Essence.** Time is of the essence in all provisions of this Contract.
- EE. Titles Not Controlling.** Titles of sections and subsections are for reference only and shall not be used to construe the language in this Contract.
- FF. Waiver.** The waiver of any breach of any term or condition in this Contract shall not be deemed a waiver of any prior or subsequent breach. Failure to object to a breach shall not constitute a waiver.
- GG. Counterparts.** This Contract may be executed in counterparts. Each counterpart, when executed and delivered, shall be deemed an original and all counterparts together shall constitute one and the same Contract.

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9. **Signatures.** The parties to this Contract, either personally or through their duly authorized representatives, have executed this Contract on the dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this Contract.

The Effective Date of this Contract is the date of the signature last affixed to this page.

COUNCIL:

Wyoming Business Council

Shawn Reese, Chief Executive Officer

Date

Ron Gullberg, Business Development Director

Date

CONTRACTOR:

Orbis Advantage, Inc.

Lisa Johnson, President

Date

ATTORNEY GENERAL'S OFFICE: APPROVAL AS TO FORM

Margaret A.R. Schwartz, Assistant Attorney General

Date

Innovation Centers

A collaborative approach to entrepreneur and startup development in Wyoming

Wyoming Business Council

June 2019

Background

Senate File 0118 requires the Wyoming Business Council to “develop incubators, accelerators, coworking spaces, maker spaces and other unique work spaces and equipment to foster entrepreneurialism.” SF0118 allocates funds for the effort that may be accessed by the Business Council with approval from the governor.

This effort directly relates to many of the strategic objectives in the Business Council’s strategic plan. Working with local partners, the Business Council has developed a draft Innovation Center Program that fulfills the requirements in Senate File 0118 and works to achieve its strategic objectives. This program is based on expert research, state analogues and local observations. The program combines services that benefit from scale administered by the WBC, UW, community colleges and other state partners with networking and personalized connections and coaching at the local level, and industry-focused venture studios.

While the model is expected to be effective based on research, analogues and local input, we recognize that is not proven in Wyoming, so the concept will be tested by a pilot program including state-administered efforts, industry-focused venture studios and local innovation centers.

To build on current success and leverage state assets, local innovation centers will be piloted in current Wyoming Technology Business Center (WTBC) communities in Casper and Sheridan.

The Pilot program will be monitored via quarterly reporting against outputs and research-backed outcomes and adjusted continuously over 3 years. Twice-annual reviews will address performance as well as readiness and next steps for expanding the model.

Wyoming Business Council Strategic Objectives

The Wyoming Business Council’s strategy, adopted by the Business Council Board of Directors in May 2019, emphasizes entrepreneurial growth as important for adding value to Wyoming’s core industries and activating new sectors.

Strategic objectives from the Business Council’s strategic plan:

Add Value to Core Industries

natural resources | tourism and outdoor recreation | agriculture

- Drive **innovation** to create new markets for Wyoming extracted and grown goods
- Foster **startups** in core industries
- Encourage development of new **technology** to create new expansion opportunities
- Transform **disruption** into new economic opportunity

Activate New Economic Sectors

healthcare | financial, scientific and professional services | digital and technology | arts and culture | advanced

- Create a vibrant community of **startups, investors and capital**
- Develop a culture of **innovation** that attracts transformative companies and people to Wyoming

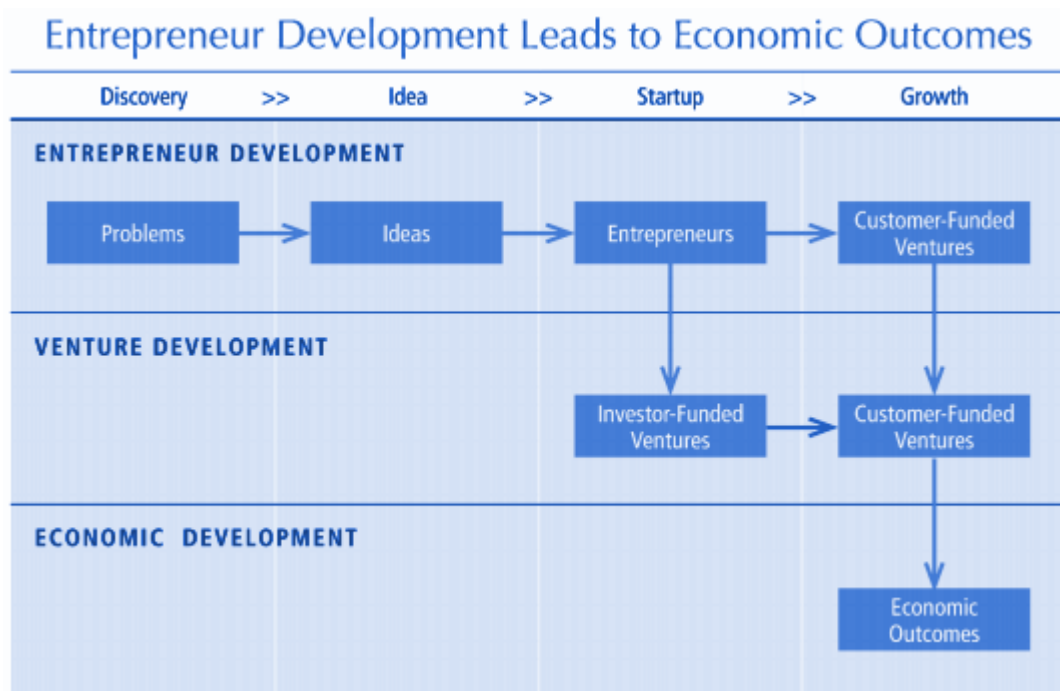
The innovation center model strives to address these--along with local priorities highlighted below--with the Innovation Center program.

Research and Input

The draft Innovation Center Program plan is based on expert research, a review of analogues and observations from pilot communities.

Expert Research

The Kauffman Foundation has found that entrepreneur development is the heart of any ecosystem’s entrepreneurial culture and momentum. It recommends that resources be dedicated to Entrepreneur Development and that both Venture Development and Economic Development is driven by Entrepreneur Development.¹

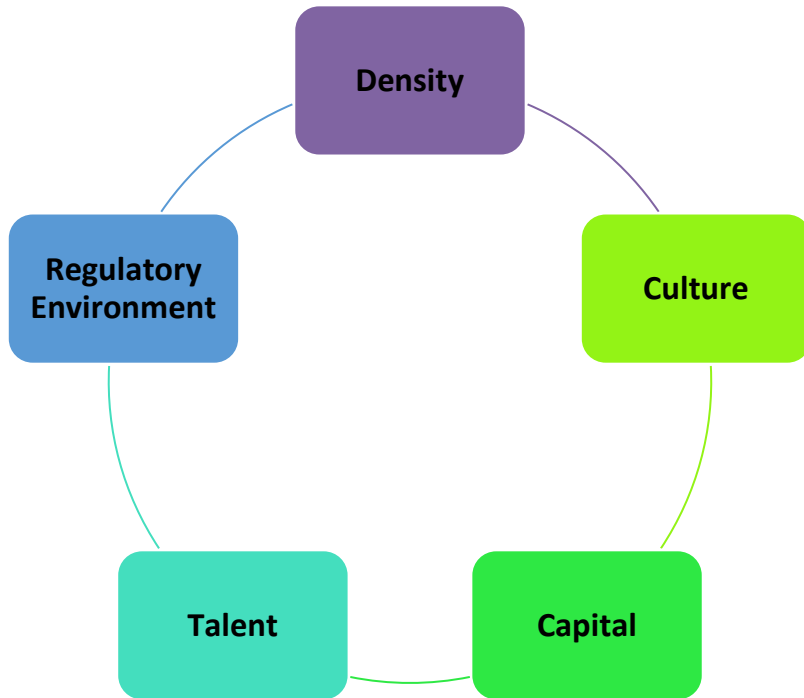


From Kauffman Foundation, ENTREPRENEURIAL ECOSYSTEM MOMENTUM AND MATURITY: The Important Role of Entrepreneur Development Organizations and Their Activities, (2017)¹

Tech Stars research aligns with that of the Kauffman Foundation, identifying 5 main components are necessary for entrepreneur development. These findings are echoed by The Aspen Network of

¹ Harrington, Ken (2017). *ENTREPRENEURIAL ECOSYSTEM MOMENTUM AND MATURITY: The Important Role of Entrepreneur Development Organizations and Their Activities*, 6-7. Ewing Marion Kauffman Foundation https://www.kauffman.org/-/media/kauffman_org/research-reports-and-covers/2017/entrepreneurial_ecosystem_momentum_and_maturity_2017.pdf

Development Entrepreneurs (ANDE)² and many other leading economic development organizations and think-tanks focused on entrepreneurship.



From Tech Stars, UP Global, *Fostering a Startup and Innovation Ecosystem*, p 3-4 (September 2014)³

These guidelines were used to develop the draft Innovation Center Program.

Analogues from other states

Analogues including USTAR in Utah, Network Kansas, Innosphere in Fort Collins, CO, and Tech Stars were investigated to inform the Innovation Center Program.⁴

Many models exist in different states and communities for developing successful entrepreneurial ecosystems. The successful ones provide ways to access to capital, professional services and mentorship. However, many variations exist in how these components are provided, as well as in educational models, networking, industry focus and funding sources.

² (2013) *Entrepreneurial Ecosystem Diagnostic Toolkit*, p 6. Aspen Network of Development Entrepreneurs (ANDE).

https://assets.aspeninstitute.org/content/uploads/files/content/docs/pubs/FINAL%20Ecosystem%20Tookit%20Draft_print%20version.pdf

³ <https://www.techstars.com/content/community/white-paper-announcing-5-ingredients-fostering-thriving-startup-ecosystem/>

⁴ <https://drive.google.com/file/d/18Y7r4I4Ot8kzp-asjNNvixlDSttfJ2Wl/view?usp=sharing>

Observations from pilot communities⁵

The following main observations were identified through a series of in-person meetings and proposals from communities for pilot Innovation Centers.

- On average, Wyoming entrepreneurs are far less experienced than what is seen across the country. This has required WTBC to go “upstream” to create a flow of new companies with programs such as the Startup Challenges.
- Lack of experience and lack of capital leads to slow movement of companies, some being “stuck” in early stages for years.
- Lack of good service providers is a hindrance to startups
 - Few “traditional” services providers have startup expertise (Lawyers, Accountants, etc.)
 - Few resources for product development (Prototyping, Software Development, etc.)
- Customer Discovery is often difficult
 - Often prospective customers do not live in Wyoming, so connection and travel is difficult.
- Current branding of incubators is ineffective
- Wyoming’s “Alphabet Soup” of resources is confusing and inefficient
 - SBDC, Manufacturing-Works, etc.
- Lack of transparency of funding and return on investment of WTBCs
- University academic research did not reach the Casper WTBC
- WTBC has a lack of measurable goals, is not held accountable and has no definition of “Success”
- Local industry and business is not engaged with the startup community

These observations are reflective of two communities’ viewpoints. We know that many other communities throughout the state have implemented or hope to implement incubators, makerspaces and other entrepreneurial efforts and hope to harness that energy and expertise through the professional association program described below.

Draft Innovation Center Program

Based on the above analysis and research, we believe a hybrid model combining services that benefit from scale administered by the Business Council, UW, community colleges and other state partners with networking and personalized connections and coaching at the local level, and industry-focused venture studios will work best in achieving the Business Council’s strategic objectives related to entrepreneurship.

- State-administered services
 - All state-administered services will be developed and maintained with close collaboration between local innovation centers, industry focused venture studios and other state input.*
 - Single-point of entry website
 - Statewide branding and marketing
 - Mentor network
 - Professional expertise

5

https://docs.google.com/spreadsheets/d/1wgip1ChLUIINVo_3eIWAaNpM3NbkK1JUwUtFbXjd9QBE/edit?usp=sharing

- Statewide competitions (tied to local competitions, leveraging the Kickstart:Wyoming Program)
- Annual Wyoming Startup Festival
- Education
- Professional association and education for incubator professionals in Wyoming
- Industry-focused venture studios

Private sector-led, industry-specific acceleration programs that serve as the gateway to future innovation and entrepreneurial development in specific fields for the entire state. These venture studios will focus on collaboration between established firms and startups by providing specific R&D and commercialization frameworks and resources.
- Local innovation centers

Local innovation centers serve as connection points for entrepreneurs to state and local resources as well as a local network of entrepreneurs, investors and resources. Upstream recruitment of entrepreneurs also happens here. Local innovation centers are hubs centered around the people and programs that help entrepreneurs thrive.

 - Connection to state and local resources, capital and education
 - Personalized business coaching
 - Networking and events
 - Local marketing
 - Local competitions (associated with Kickstart:Wyoming)

Innovation Center Pilot Program

While the Innovation Center model is expected to be effective based on research, analogues and local input, we recognize that is not proven in Wyoming. Therefore, the Innovation Center Program, including state-administered services, local Innovation Centers and industry-focused Venture Studios will be tested using pilot programs over 3 years starting in July 2019.

Pilot Program: State-administered services

These services will be implemented by the Business Council and UW, community colleges and other state partners in collaboration with directors of local innovation centers and tested via research-backed metrics.

- Milestones
 - Create roles, responsibilities and owners for each component of statewide programs - July 2019
 - Collaborative communication plan for the transition of WTBCs to ICs - July 2019 (continuous maintenance)
 - Create revised plan for the Kickstart:Wyoming program, leveraging Startup Challenges - July 2019
 - Professional services allocation plan - August/July 2019
 - Collaborative entrepreneurial education plan - August 2019
 - Provide benchmark data as of July 1, 2019 for all metrics - September 2019
 - Mentor Network Established - September 2019
 - Single point of entry website created - November 2019

- Professional association and education for incubator professionals in Wyoming established - March 2020
- Startup Festival - Summer 2020
- Expectations
 - The Business Council will work closely with UW, community colleges, other state partners, and pilot local innovation center directors in the development of all new state programs.
 - Website - The Business Council will provide a single-point-of-entry website that will allow Wyoming entrepreneurs to easily find the resources they need, advertise Wyoming as the premier state to start a business, and promote entrepreneurship to Wyomingites to increase the number of people pursuing ventures.
 - Collaborative communication plan - The Business Council will work closely with local innovation center directors to create a plan and timeline to help simplify and coordinate messaging across resources include new local innovation centers and new statewide program.
 - Mentor Network - In conjunction with the Institute of Innovation and Entrepreneurship at the University of Wyoming, the Wyoming Business Council will establish a pilot program for the Mentor Network program, based primarily on the [SAGE Model](https://innosphere.org/sage/) -<https://innosphere.org/sage/>.
 - Professional Services - Working closely with local innovation center directors, using UW alumni Network, referrals from Business Council regional representatives, and other sources, the WBC will engage subject matter experts that can help entrepreneurs with intellectual property, general business legal structure, marketing, public relations, etc. Contracts and payments will be administered by the Wyoming Business Council, with a preference for Wyoming providers. Individual requests will be facilitated by local innovation centers.
 - Statewide Competition Plan - The Business Council will develop a coordinated plan that incorporates startup competitions across the state, ensuring accessibility for all Wyoming entrepreneurs and leveraging the Kickstart Wyoming Program.
 - Entrepreneurial Education Plan - In conjunction with the Institute of Innovation and Entrepreneurship at the University of Wyoming, community colleges and other state partners, the Business Council will establish a pilot program, associated RFP strategy for establishing statewide selection process and funding starting in 2020.
 - Professional association and education for incubator professionals in Wyoming - Many communities throughout the state have implemented or hope to implement incubators, makerspaces, and other entrepreneurial efforts. To harness that energy and expertise, a professional association program that will facilitate learning and development for professionals will be formed. Specific benefits may include out-of-state conference scholarships, in-state professional networking and education.
- Metrics (tracked quarterly)
 - Output metrics:
 - Connectivity

- How easy is it for an entrepreneur to work with multiple organizations? (entrepreneur survey)⁶
 - How connected are the organizations serving entrepreneurs? (entrepreneur survey)⁷
- Website
 - Visits, bounce rates, time on page
- Mentor network
 - Number of entrepreneurs mentored
 - Effectiveness of mentoring (entrepreneur survey)
- Professional expert consulting
 - Hours of professional expert consulting
 - Effectiveness of professional expertise consulting (entrepreneur survey)
- Education program
 - Number of entrepreneurs participating in education programs
 - Effectiveness of education programs (entrepreneur survey)
- Professional association and education for incubator professionals in Wyoming
 - Number of incubator professionals in association
 - Attendance at events
 - Effectiveness of association (member survey)
- Outcome metrics:

Outcome metrics are based on multiple studies from multiple economic development organizations that focus on entrepreneurial ecosystem research. The primary source is the Kaufman Foundation⁸ with supporting research from Tech Stars, Aspen Network of Development Entrepreneurs (ANDE).

To foster reciprocal and purpose-driven relationships, identical outcome metrics apply for state-administered services and local innovation centers.

- Number of new ventures started that have worked with the state-administered services (number of new LLCs, partnerships, etc filed/ registered in your area).
Density⁹

⁶ Strangler & Bell-Masterson, “Measuring A Entrepreneurial Ecosystem”, *Kauffman Foundation Research Series on City, Metro, and Regional Entrepreneurship* (2015) p 4-5, (“A vibrant entrepreneurial ecosystem is not simply a collection of isolated elements—the connections between the elements matter just as much as the elements themselves. . . [T]his applies to programs, companies, and individuals, and the connectivity between them is another gauge of entrepreneurial vibrancy. . . [R]ecent years have seen a proliferation of entrepreneurship education and training programs around the world, but the mere existence of programmatic resources is not the same thing as effectiveness, let alone vibrancy. (site) Connections matter, and a dense network of connections, among a small number of programs, is arguably more important than a sparse network among a larger number. (site). . . [T]he diversity of your entrepreneurial population is likely to be high, and a one-stop shop for serving entrepreneurs is unlikely to do much good in serving all of them.¹⁶ Entrepreneurs move through an ecosystem, piecing together knowledge and assistance from different sources, and the connectivity of supporting organizations should help underpin the development of a strong entrepreneurial network).”

⁷ Id.

⁸ https://www.kauffman.org/-/media/kauffman_org/research-reports-and-covers/2017/entrepreneurial_ecosystem_momentum_and_maturity_2017.pdf

⁹ Stangler & Bell-Masteron, “Measuring an Entrepreneurial Ecosystem,” p 2 (“To begin with, we want to measure entrepreneurial density. At the core of any entrepreneurial ecosystem are the entrepreneurs themselves, so

- Number of ventures that have worked with the state-administered services that are identified as high-growth as defined by the [Kauffman Foundation](#). **Density/Talent**¹⁰
- Number of new products created by entrepreneurs/ventures that have worked with the state-administered services. **Density/Talent**¹¹
- Number of new prototypes developed by entrepreneurs/ventures that have worked with the state-administered services **Density/Talent**¹²
- Number of entrepreneurs/ventures that have worked with the state-administered services receiving seed/angel funding. **Capital**¹³
- Number of entrepreneurs/ventures that have worked with the state-administered services receiving bank funding. **Capital**¹⁴
- Number of entrepreneurs/ventures that have worked with the state-administered services receiving venture capital. **Capital**¹⁵
- Number of new jobs created by entrepreneurs/ventures that have worked with the state-administered services. **Density/Talent**¹⁶
- Revenue generated by entrepreneurs/ventures that have worked with the Innovation Center. **Capital**

naturally we want to know how many entrepreneurs are in a given city or region. Pure volume alone, however, is insufficient—you want to know the relative density of entrepreneurship, and you also want to distinguish among different types of firms. As many research studies have confirmed, new and young companies are not necessarily the same as small businesses, so here we focus on the former as the proper measure of entrepreneurial density. . . . Our suggested starting points for entrepreneurial density are: •Number of new and young companies— in your defined geographic area—per 1,000 people⁶ •Share of employment in new and young companies •High-tech (or other sectoral) startup density”)https://www.kauffman.org/-/media/kauffman_org/research-reports-and-covers/2015/03/measuring_an_entrepreneurial_ecosystem.pdf

¹⁰ Id. https://www.kauffman.org/-/media/kauffman_org/research-reports-and-covers/2015/03/measuring_an_entrepreneurial_ecosystem.pdf

¹¹ Note: This metric is included to try and capture those entrepreneurs in the idea stage that might later grow into a company. It is trying to identify density for those new entrepreneurs in the early stages of development and growth.

¹² Id.

¹³ UP Global, “Fostering a Startup and Innovation Ecosystem,” p 32 (“Whether a business is just getting started or is trying to scale, financing is critical for success. Experienced capital can really make a difference for new companies, and experienced investors can help coach founders along their journey. Policymakers can proactively take measures that make it easier for startups to access capital and can create tax incentives for investors to help create more of that capital. . . . [P]ublic money alone cannot finance small-and medium-sized enterprises (SMEs), but public money is very useful as seed money to lure private investors. This lesson is being applied in Singapore, where the government has adopted a “matching” model. This model has led to a number of international venture capitalists locating in Singapore and investing in regional businesses. For example, 500Startups and Golden Gate Ventures, U.S.-based venture capital funds, are located in Singapore because of the government capital matching program. In total, Singapore has seven government-sponsored tech incubators, with the government providing up to 85 percent of the investment.”

¹⁴ Id.

¹⁵ Id.

¹⁶ Stangler & Bell-Masteron, “Measuring an Entrepreneurial Ecosystem,” p 3 (Another way of getting at density is by looking at the employment impact of new and young companies. Entrepreneurial vibrancy should not just be measured by the number of companies—it also should include all the people involved in those companies. Thus, another data point to track is the share of employment accounted for by new and young companies. This will capture founders and employees.”)

- Capital raised by entrepreneurs/ventures that have worked with the Innovation Center. **Capital**

Pilot Program: Local innovation centers

To leverage previous state investment in Wyoming Technology Business Centers, local innovation centers will be piloted in Casper and Sheridan. Variations in specific types of incubation, acceleration, networking and events, and competitions will help inform how different models work. Funding will be provided to communities for up to three years, with yearly renewal based on fulfillment of milestones, expectations and reporting of metrics.

- Milestones
 - Provide benchmark current data as of July 1, 2019 for all metrics - September 2019
 - Identify Innovation Center program staff within the first month of funding - July 31st, 2019
 - Create a calendar for at least one monthly networking event in the community for entrepreneurs - July 31st, 2019
 - Milestones developed as part of collaborative communication plan¹⁷
 - Location-specific milestones related to transition from WTBC to local innovation centers
- Expectations

Local innovation centers are expected to provide staff that can accomplish the following to work toward achieving WBC strategic objectives and toward solving problems highlighted in local observations.

 - Connect entrepreneurs from idea stage to exit, regardless of high-growth potential, with the appropriate local or state resources including resources in the Wyoming Business Resource Network, education, mentor program, professional expertise, and other resources.¹⁸

¹⁷ UP Global, “Fostering a Startup and Innovation Ecosystem,” p 20 (“It is important for leaders to tell the story of the community and for entrepreneurs in the community to drive awareness and celebrate success. Through marketing and promotions, attracting more investors, and using convening powers to bring people together, governments can help create a positive environment for creating the necessary density of networks. By publicly touting entrepreneurial success, cities can attract even more talent—and, subsequently, more investment from Venture Capitalists and Angel investors.)

¹⁸ <https://www.kauffman.org/entrepreneurial-ecosystem-building-playbook-draft-3/entrepreneurial-ecosystems#talent> (“Strong ecosystems allow entrepreneurs to quickly find knowledge and resources they need to succeed. The knowledge and resources required by entrepreneurs are diverse. Knowledge may include answers to logistical questions (“How do I get my export license?”); points of friction (“How do I get my team to function better?”); or simple inquiries. A thriving ecosystem is an environment that encourages people to ask these questions and offers an abundance of easy ways for them to find the answers. Knowledge may reside with other entrepreneurs, other people (such as mentors or professionals), or institutions (such as universities, libraries, or accelerators). Resources are the assets entrepreneurs need, such as capital, potential hires, office space, professional services, or raw materials. In a successful ecosystem, these resources are more abundant and visible. It is often connections among individuals and institutions that allow knowledge and resources to flow to entrepreneurs quickly. . .[O]n ramps make ecosystems more open by creating clear paths for people to join. They grow networks by bringing in more talent, thus fostering diversity and allowing for serendipitous interactions that lead to new ideas. Healthy ecosystems have visible and welcoming onramps that make the ecosystem easy to access – for anyone, regardless of their background, experience, or ideas. These onramps may come in the form of events like 1 Million Cups; organizations like accelerators, small business development centers (SBDCS), or career development centers; or online communities like websites or social media groups.”)

- Provide personalized business concierge and coaching services for high-growth or high-growth-potential companies and entrepreneurs.
 - Startup business incubation, starting with initial vetting of idea and continuing regularly through first revenue.
 - Acceleration for early-stage companies, focused on helping an entrepreneur run their company and raise additional capital.
 - Develop relationships and connect entrepreneurs with resources for capital (traditional, angel, venture, state and federal programs).
 - Assist companies in shaping business plan packages and pitches to access capital
 - Host and advertise at least monthly entrepreneur networking events.
 - Host at least one startup competition annually in association with the Kickstart:Wyoming Program.
 - Raise and manage additional funding to sustain local innovation center.
- Local innovation center staff should:*
- Have a deep understanding of (ideally successful experience in) entrepreneurship and business.
 - Be knowledgeable of state and local services and resources.
- In addition, local innovation centers should:*
- Be committed to applying 100% of the funds to the administrative and program operations of the Innovation Center. Meaning, the funds should be able to be held separately from the entity's other funds. There should be an accounting as to how funds were spent.
 - Not create programs that duplicate programs already available to local entrepreneurs through other agencies and organizations.
 - Work collaboratively with agencies and organizations to develop the programs necessary to support entrepreneurs.
 - Meet on a quarterly basis to the Council to report on the progress of the local innovation center.
 - Market their services in coordination with the collaborative communication plan developed with state partners.
 - Work with the WBC to ensure solutions for education, professional services, etc. while state programs are developed.
 - Metrics (Initially reported Quarterly)
- Metrics (tracked quarterly)
 - Output metrics:
 - Connectivity
 - How easy is it for an entrepreneur to work with multiple organizations? (entrepreneur survey)
 - How connected are the organizations serving entrepreneurs? (entrepreneur survey)
 - Number of entrepreneurs working with local innovation participating in mentor program
 - Hours of professional services consulting used by companies working with the local innovation center

- Number of entrepreneurs working with the local innovation center participating in state and local education programs
 - Personalized business coaching
 - Number of entrepreneur engagements (phone call, email, in-person)
 - Number of entrepreneurs/businesses in startup incubation
 - Number of graduates from incubation program
 - Number of businesses in early-stage acceleration
 - Number of graduates from acceleration program
 - Networking and events
 - Attendance at monthly networking events
 - Access to capital
 - Number of connections made between qualified entrepreneurs and capital resources
 - Number of startup competition applicants
 - Amount of follow-on investment raised by startup challenge participants
 - Amount of money raised for the local Innovation Center from outside sources
- Outcome metrics:

Outcome metrics are based on multiple studies from multiple economic development organizations that focus on entrepreneurial ecosystem research. The primary source is the Kaufman Foundation¹⁹ with supporting research from Tech Stars, Aspen Network of Development Entrepreneurs (ANDE).

To foster reciprocal and purpose-driven relationships, identical outcome metrics apply for state-administered services and local innovation centers.

- Number of new ventures started that have worked with the Innovation Center (number of new LLCs, partnerships, etc filed/ registered in your area). **Density**
- Number of ventures that have worked with the Innovation Center that are identified as high-growth as defined by the [Kauffman Foundation](#). **Density/Talent**
- Number of new products created by entrepreneurs/ventures that have worked with the Innovation Center. **Density/Talent**
- Number of new prototypes developed by entrepreneurs/ventures that have worked with the Innovation Center. **Density/Talent**
- Number of entrepreneurs/ventures that have worked with the Innovation Center receiving seed/angel funding. **Capital**
- Number of entrepreneurs/ventures that have worked with the Innovation Center receiving bank funding. **Capital**
- Number of entrepreneurs/ventures that have worked with the Innovation Center receiving venture capital. **Capital**
- Number of new high-wage jobs created by entrepreneurs/ventures that have worked with the Innovation Center. **Density/Talent**

¹⁹ Harrington, Ken (2017). *ENTREPRENEURIAL ECOSYSTEM MOMENTUM AND MATURITY: The Important Role of Entrepreneur Development Organizations and Their Activities*, 9-10. Ewing Marion Kauffman Foundation. https://www.kauffman.org/-/media/kauffman_org/research-reports-and-covers/2017/entrepreneurial_ecosystem_momentum_and_maturity_2017.pdf

Pilot Program: Industry-focused venture studio

Venture studios apply specialized expertise, resources, capital, and equipment within an established effective platform to help entrepreneurs and established corporations develop ideas into companies or proprietary applications. Venture studios aim to achieve WBC's strategic objectives and problems highlighted by local observations by overcoming some of the largest obstacles that have been observed with Wyoming innovation:

- The lack of experienced entrepreneurs
- Companies getting stuck between early product and Minimum Viable Product
- Lack of sufficient human resources and capital to move a company forward at a viable pace

During fiscal year 2019, Industry-Focused Venture Studios should be focused on establishing a strategy for implementing the studios and establishing proof of concept and location fit.

- Milestones
 - Complete statewide industry cluster analysis and industry-focused resource analysis in collaboration with the Wyoming Business Council, determine location and concept fit - December 2019
 - Environmental scan of statewide R&D efforts at UW and other institutions in proposed industries - March 2020
 - Development of strategy and partnerships for venture studio(s) – June 30, 2020
 - Establishment of a detailed strategic plan that defines the Casper Venture Studio
 - Formulation of Executive Council that defines strategic programs
 - Identification of early high value market priorities
 - Establishment of a project plan, milestones and metrics
 - Partnership agreement with UW research centers in bioscience, energy and engineering
 - Identification of production platform and process
 - Integration plan with key community stakeholders
 - Definition of a membership process and model
 - Development of a three year (years 2-4) financial plan and proforma
 - Launch of venture studio(s) or present to Business Council staff explaining why a venture studio should/will not launch – Fall 2020
- Expectations
 - In developing a strategy and partnerships for a venture studio, the following critical components should be considered
 - Collaborative alliance - Leverage the strengths of each stakeholder using a collaborative alliance (industry, academia, government, not-for-profit) to maximize investment dollars and return on that investment.
 - Research and development framework - Take an applied focus to build an R&D capability leveraging existing UW and private industry strengths and when optimal to do so.
 - Commercialization - Commercialization will be at the heart of the Venture Studio, furthered by the continual development of new

- intellectual property, entrepreneurial upstarts, and expansion of new business units in existing Wyoming companies.
 - Industry-focused venture studios should serve clients statewide
 - Strategic planning efforts should involve statewide stakeholders including, but not limited to entrepreneurs, Business Council, UW, industry associations, local economic developers and communities.
- Metrics
 - To be developed in strategic planning exercise. Possible outcomes include:
 - Number of new high value entrepreneurial ventures started in Wyoming
 - Number of high-wage jobs created in Wyoming through creation, development, and growth of startup entities
 - Number of Wyoming businesses that benefit from their active involvement, sponsorship, market and technology guidance to the CIC entrepreneurs

Evaluation Questions

The overarching question that will be answered is whether the program outlined is effective in achieving the WBC’s strategic objectives related to entrepreneurship. Within that, there are more specific questions that remain:

- Is industry focus beneficial, how beneficial?²⁰
- What is the appropriate allocation of administrative responsibilities (state vs. local)?
- What is the appropriate allocation of state and local funds? Is local financial sustainability achievable? If not why and how much is needed to fill a gap in the long term?
- What is the appropriate role of educational institutes, including UW and community colleges?

What’s next?

Continuous adjustments will be made based on metrics reported quarterly, with formal in-person reviews with the Business Council staff and local innovation center directors twice annually. At each review, the following questions will be addressed:

- Are milestones, output metrics and expectations still the right ones?
- Are milestones, output and outcome metrics and expectations being met? If so, why? If not, why not?
- What needs to change if milestones, metrics and expectations are either not being met, or are determined to no longer be relevant/correct?

²⁰ Stangler & Bell-Masteron, “Measuring an Entrepreneurial Ecosystem,” p 6 (“The first measure of diversity is economic diversification; an important concept because no city or region should be overly reliant on one particular industry. At a country level, research has shown that economic complexity is correlated with growth and innovation.²³ Yet in reality, cities and regions also seek to specialize in certain economic activities because specialization brings comparative advantage and economic gains. What we have in mind here is not diversity instead of specialization, but a diversity of specializations. Cities and regions that specialize in multiple economic areas should enjoy greater entrepreneurial outcomes than those that only specialize in one or two industries.²⁴ To collect data on economic diversification, we recommend looking at location quotients.”)

In addition, reports to the WBC board will be made annually. In addition to the questions above, they will consider the following:

- If milestones, metrics and expectations being met, should the model be expanded?
- What steps need to happen to expand?

Additional Research Material

Tech Stars Communities

Cleveland, US

[https://cdn2.hubspot.net/hubfs/3089456/9%20-%20Cleveland%20Assessment%20Final%20Report\(digital,public%20use%20approved\).pdf](https://cdn2.hubspot.net/hubfs/3089456/9%20-%20Cleveland%20Assessment%20Final%20Report(digital,public%20use%20approved).pdf)

Okanagan, CA

[https://cdn2.hubspot.net/hubfs/3089456/OkanaganReport_01.22.19\(print%20version\).pdf](https://cdn2.hubspot.net/hubfs/3089456/OkanaganReport_01.22.19(print%20version).pdf)

Start Up Communities (Book)

Rise of the Rest

Entrepreneurial Community Report

<https://www.revolution.com/playbook/file/ROTR%202018%20Ecosystem%20Playbook.pdf>

Source Link

Making and Measuring an Entrepreneurial Ecosystem

[https://www.joinsourcelink.com/docs/default-source/research-reports/making-\(and-measuring\)-an-entrepreneurial-ecosystem.pdf?sfvrsn=0](https://www.joinsourcelink.com/docs/default-source/research-reports/making-(and-measuring)-an-entrepreneurial-ecosystem.pdf?sfvrsn=0)

From Harvard Business Review, “What an Entrepreneurial Ecosystem Actually Is”

<https://hbr.org/2014/05/what-an-entrepreneurial-ecosystem-actually-is>

USTAR (Utah Science Technology and Research Initiative)

2015 Program Reboot Report

https://ustar.org/wp-content/uploads/2015/09/USTAR-Recommendations-Report_SRI_2015.pdf

2018 Economic Impact and Budget https://ustar.org/wp-content/uploads/2018/10/AnnualReport_10.01.18_FINAL.pdf

Network Kansas

Program Information

https://www.networkkansas.com/docs/default-source/default-document-library/nwks_fy2017annualreport_web.pdf?sfvrsn=9d668836_0

Budget Information

<http://www.kslegresearch.org/KLRD-web/Publications/BudgetBookFY17/2017BudgetAnalysisRpts/Commerce.pdf>

Innosphere

Program Impact Report

<https://files.constantcontact.com/55de3684201/25153820-481c-409b-9f2a-915462e73ffb.pdf>

Budget Information

<https://projects.propublica.org/nonprofits/organizations/770707779>