



Wyoming Business Council **BOARD OF DIRECTORS MEETING**

May 23-24, 2018 · Gillette, Wyoming



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— INCREASING —
WYOMING'S
— PROSPERITY —

Board of Directors Agenda

Gillette, Wyoming • May 23-24, 2018

Gillette College, Pronghorn Center Rooms 243-245, 300 West Sinclair Street

WEDNESDAY, MAY 23

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

Wednesday dress code is business casual

1:30 p.m. Gillette Community Tour

4:00 p.m. WBC Board of Directors Executive Session – Board only

Pursuant to WS 16-4-401 through 16-4-408 et seq (Wyoming Public Meetings Act)

Held at PREcorp Gillette Offices at 200 Garner Lake Road

5:00-6:00 p.m. Community Reception

Hosted by City of Gillette and Campbell County

Held at Area 59 Makers Space at 3207 Highway 59

THURSDAY, MAY 24

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

Thursday dress code is business attire

8:30 a.m. Convene Public Meeting – Co-chair Illoway

- Pledge of Allegiance
- Welcome and introductions of Board Members
- Introductory Remarks
- Recognition of 2017 Board Chair Cactus Covello
- **ACTION ITEM:** Consideration of approval of minutes from March 2018 Board meeting at Evanston (Section A)

8:45 a.m. Welcome to Gillette

- Mayor Louise Carter-King, City of Gillette
- Mark Christensen, Chairman, Campbell County Commission
- Phil Christopherson, Energy Capital Economic Development
- Dr. Mark Englert, Gillette College

9:00 a.m. Outdoor Recreation Task Force Update

- Dave Glenn, East Regional Manager for Wyoming State Parks & Cultural Resources

9:15 a.m. CEO Report and ENDOW Update

- CEO Shawn Reese

9:30 a.m. Market Development Advisory Committee

- Kelly Lockhart, Chair / Ron Gullberg, Staff Lead

9:45 a.m. Technology Development Advisory Committee

- Aaron Sopko and Allen Hoopes, co-Chairs / Colin McKee, Acting Staff Lead
- **ACTION ITEM:** Consideration of recommendations on members for the Broadband Advisory Council

10:15 a.m. Business Development Advisory Committee

- Ron Kensey, Chair / Brandon Marshall, Staff Lead

10:30 a.m. MORNING BREAK

10:40 a.m. Community Development Advisory Committee

- Jerry Blann, Chair / Kim Porter, Staff Lead

10:45 a.m. Industrial Development Advisory Committee

- Cactus Covello, Chair / Sarah Fitz-Gerald, Staff Lead

11:10 a.m. West Region Update – Elaina Zempel

11:20 a.m. Northwest Region Update – Amy Quick

11:30 a.m. Northeast Region Update – Brandi Harlow

11:40 a.m. Southeast Region Update – Heather Tupper

11:50 a.m. South Central Region Update – Rebecca Briesmaster

12:00 p.m. Public Comment

12:10 p.m. Personnel, Budget and Audit Committee (Section B) – Chairman Mike Easley

- Financial reports by CFO Janet Marschner
- **ACTION ITEM:** Consideration of approval of financial reports

12:30 p.m. Lunch Break

- Lunch provided on-site for Board and Staff
- Guests may wish to enjoy one of the local restaurants

1:30 p.m. Air Service Update – Senator Michael Von Flatern

1:45 p.m. Business Contract and Loan Committee (Section C) – Chairman Ron Harvey

- Review of Business Resource Network contracts – Business Development Director Ron Gullberg
- **ACTION ITEM:** Consideration of staff recommendations
 - Economic Development Finance Manager Josh Keefe:
 - Quarterly Challenge Loan report
 - **ACTION ITEM:** Consideration of approval of quarterly Challenge Loan Report
 - WIDC-CDC Revolving Line of Credit Renewal
 - **ACTION ITEM:** Consideration of staff recommendations
 - Cover Page of annual Challenge Loan report
 - Review of Audit by Department of Banking & response to Audit Findings
 - Review of Loan Portfolio as of 12/31/17
 - Annual SBIC Report as of 12/31/17
 - **ACTION ITEM:** Consideration of approval of annual SBIC report

- Consideration of \$5 million loan from Fund 039 to DBJJDM Enterprises LLC for continued operations at WyoTech
- **ACTION ITEM:** Consideration of staff recommendations
 - Consideration of lease agreement with Land Investment LLC for WBC facilities in Cheyenne
- **ACTION ITEM:** Consideration of staff recommendations

3:00 p.m. AFTERNOON BREAK

3:15 p.m. Community Grant and Loan Committee (Section D) – Chairwoman Kim DeVore

- Community Development Division Update
- Community Development Director Julie Kozlowski will present a proposal for the Business Ready Communities grant and loan program allocation plan
- **ACTION ITEM:** Consideration of staff recommendations
 - Business Ready Community staff Karen Fate and Brayden Connour will present recommendations on the following project applications:

BRC Applications Received March 1, 2018				
Applicant	Project	Type	Request	Staff Recommendation
Cheyenne	FEW AFB Enhanced Use Lease Infrastructure Grant	Community Readiness	\$ 3,000,000	\$ 3,000,000
Cheyenne	FEW AFB Enhanced Use Lease Infrastructure Loan	Community Readiness	\$ 1,337,455	\$ 1,337,455
Riverton	Development	Planning	\$ 50,000	\$ 50,000
Total Requests			\$ 4,387,455	\$ 4,387,455

- Each project will be presented by staff with opportunities for Board questions and public comment
- **ACTION ITEM:** Consideration of staff recommendations for each project

4:30 p.m. Other Board Matters

- Advisory Committees will meet during the week of August 6
- Remaining 2018 Board meeting dates/locations
 - September 5-6 at Cody
 - December 5-6 at Laramie

4:40 p.m. Closing Remarks and Adjournment





DRAFT

BOARD OF DIRECTORS MEETING

EVANSTON, WYOMING – MARCH 14-15, 2018

BOARD MEMBERS PRESENT:

Jerry Blann, Cactus Covello, Mike Easley, Ron Harvey, Allen Hoopes, Pete Illoway, Jason Kintzler, Kelly Lockhart, Erin Moore, Aaron Sopko, Mike Wandler

WBC STAFF PRESENT:

Warren Appel, Rebecca Briesmaster, Brayden Connour, Tom Dixon, Sarah Fitz-Gerald, Andy Greenman, Ron Gullberg, Brandi Harlow, Tom Johnson, Josh Keefe, Janet Marschner, Ben Peterson, Kim Porter, Amy Quick, Shawn Reese, Kim Rightmer, Elaina Zempel

DAY 1: CONVENTION, INTRODUCTIONS, WELCOMING REMARKS AND 2018 BOARD ASSIGNMENTS

Wyoming Business Council Chief Executive Officer Shawn Reese called the meeting to order at 8:31 a.m. in the Portland Rose room of the Evanston Roundhouse and led the group in the Pledge of Allegiance. Reese thanked the City of Evanston, Mayor Kent Williams and City Clerk Amy Grenfell for the community tour and for hosting the Board meeting. Reese acknowledged and welcomed new Board members Erin Moore and Jason Kintzler, and Board members introduced themselves in turn. Roll was called and quorum was established.

NOMINATING COMMITTEE REPORT

Mr. Wandler read the report of the nominating committee for 2018 Board Officers. Members of the committee included Mr. Wandler as chair, Mr. Jay Anderson and Ms. DeVore. The nominating committee recommends Mr. Illoway as Board Co-Chair, Ms. Goetz as Vice-Chair, and Mr. Easley as Secretary/Treasurer.

- **ACTION:** Motion to accept nominating committee recommendations as-offered by Mr. Hoopes, second by Mr. Blann, and no discussion. Motion carried unanimously.

COMMITTEE ASSIGNMENTS

Following confirmation as Co-Chair, Mr. Illoway appointed chairs for the standing committees, to include Mr. Easley as chair of the Personnel, Budget and Audit committee; Mr. Harvey as chair of the Business Contract and Loan committee; and Ms. DeVore as chair of the Community Grant and Loan committee.

- **ACTION:** Motion to adopt standing committee chairs by Mr. Illoway, second by Mr. Lockhart, and no discussion. Motion carried unanimously.

Mr. Illoway also appointed 2018 chairs for the Board advisory committees, with Mr. Lockhart chair of Business Development, Messrs. Sopko and Hoopes co-chairing Technology Development, Mr. Kensey chair of Business Development, Mr. Blann chair of Community Development, and Mr. Covello chair of Industrial Development.

MINUTES APPROVAL

The Board considered for approval the minutes from the December 6-7, 2017 meeting in Cheyenne.

- **ACTION:** Motion to approve minutes by Mr. Harvey, second by Mr. Covello, and no corrections, amendments or discussion. Motion carried unanimously.

WELCOME TO EVANSTON

City of Evanston Mayor Kent Williams thanked the Board for choosing Evanston for their Board meeting and acknowledged the many ways the City has benefitted from BRC grants, including renovations to the Roundhouse.

CEO REPORT, LEGISLATIVE/ENDOW UPDATE

CEO Reese provided the Board with a recap of ENDOW work to-date and recent legislative successes including the air service improvement bill, broadband bill, international trade and agricultural marketing expansion, changes to the State Fair board and the StartUp Wyoming bill for entrepreneurial funding. Reese indicated these new mandates will require a re-evaluation of the WBC strategic plan to ensure our priorities align and resources are allocated appropriately.

Reese also spoke about the efforts to save WyoTech and the proposed process and funding available to the successful proposer, which would include a \$5 million grant from the “rainy day” fund to a public-sector entity such as a community college, or a \$5 million loan from the Large Loan fund to a private-sector entity.

ADVISORY COMMITTEE UPDATES

Business Development

Business Development Director Ron Gullberg provided a business recruitment update, discussed social media, and spoke about upcoming events including the WindPower Expo in Chicago in May, spring site location advisor mission while in Chicago, the sector strategies/NextGen Sector Partnerships training forthcoming; and work with the Wyoming Grown program to recruit UW grads.

Community Development

Community Initiatives Director Kim Porter gave an overview of the planned Placemaking workshops and discussed the process for communities to get involved.

Industrial Development

Industrial Development Manager Sarah Fitz-Gerald spoke about Business Development Innovation Zones, opportunity zones, and discussed efforts on diversification of the natural resources sector in cooperation with ENDOW. Other updates include energy sector recruiting and the upcoming launch of Wyoming Wind Energy service company directory which has received much industry input.

Technology Development

Community Initiatives Director Kim Porter shared information with the Board about the ENDOW Broadband bill impacts, recruitment for the Broadband Coordinator and Broadband Advisory Council formation. She spoke about the work to prepare the Broadband enhancement plan and grant program plan which is due September 1, the inclusion of broadband mapping, and the Governor’s Executive Order regarding preference for in-state technology vendors for state contracts.

Market Development

Business Development Director Ron Gullberg discussed the new International trade and marketing bill, gave a review and update on the STEP program and discussed export readiness workshops coordinated by the WBC. Also mentioned were efforts to expand the Grown in Wyoming program and potential synergies with the Made in Wyoming program.

REGIONAL UPDATES

Chief Performance Officer Tom Johnson introduced the regional directors and asked each to provide a brief update to the Board. West Regional Director Elaina Zempel, Northwest Regional Director Amy Quick, Northeast Regional Director Brandi Harlow, East Central Regional Director Kim Rightmer and South Central Regional Director Rebecca Briesmaster spoke in turn about happenings and new developments in their respective regions.

PUBLIC COMMENT

Mike Cole with the City of Gillette thanked the WBC staff for their help with a fiber optic improvement project application. He indicated the City was withdrawing the application at this time due to lack of funding and potential impacts of the recent Broadband legislation. He said the City does intend to reapply in the future.

PERSONNEL, BUDGET and AUDIT COMMITTEE REPORT

After an introduction by Committee Chair Megan Goetz, Chief Financial Officer Janet Marschner presented the financial reports to the Board, including loan balances, receivables and expenditures year-to-date.

- **ACTION:** Motion to accept financials by Mr. Sopko with a second from Mr. Hoopes, and no discussion. Motion carried unanimously.

Human Resources Manager Chava Case presented the personnel report. Updates include the hiring of Jason Reid for the graphic designer position, the recruitment of a new Accounting Manager, and preparing to recruit for the Writer and Broadband Coordinator positions.

BUSINESS CONTRACT and LOAN COMMITTEE REPORT – SOPKO

Committee Chair Aaron Sopko invited Economic Development Finance Manager Josh Keefe to provide staff updates for the committee. Keefe began with the quarterly Challenge Loan report. One past-due loan to Ascent 2000 is now current, the loan loss reserve is adequate, and there are no charge off balances.

- **ACTION:** Motion to accept quarterly Challenge Loan report made by Mr. Lockhart, second by Mr. Harvey, and no discussion. Motion carried unanimously.

Keefe then reviewed a Change in Terms request from Wyoming Bank & Trust on behalf of WYCO Recycling. The request would increase the amount of the WBC's participation in the loan by \$38,500.00, extend the term of the loan from 6 to 10 years, and includes additional collateral. Staff recommends approval of this request.

- **ACTION:** Motion to accept staff recommendations for Change in Terms by Mr. Wandler, second by Mr. Easley, and no discussion. Motion carried unanimously.

COMMUNITY GRANT and LOAN COMMITTEE REPORT

Brayden Connour, BRC and CDBG Project Manager, provided the current BRC financial summary and updates. CEO Shawn Reese spoke about the Upton Railcar Facility project and the failure of the sponsors to meet the Board's requirements on financials. Since this project will not be proceeding at the current time, the funds have been de-obligated and will be reallocated to other projects as shown in the current summary.

Uinta County Planning Grant

Connour provided a review of a request from Uinta County for a \$50,000.00 planning grant for targeted industries. This would create a comprehensive and strategic blueprint to recruit and cultivate identified target industries in the region of Uinta and south Lincoln counties, including the communities of Bear River, Diamondville, Evanston, Kemmerer, Lyman and Mountain View. The region presently has two economic development organizations – Uinta County Economic Development Commission/Uinta County Industrial Development Commission (UCEDC/UCIDC) and the South Lincoln County Economic Development Corporation (SLCEDC). These two entities agreed to form both functional and financial partnerships for the mutual benefits this regional implementation plan will ultimately deliver. The planning process will determine a regional image, assess the economic base and define competitive advantages. The plan will also create a comprehensive marketing strategy to attract a more diverse spectrum of targeted industries, and strengthen and retain existing businesses.

WBC staff had initially recommended against funding for this project due to lack of funds. However, with the de-obligation of funds for the Upton project, staff are now advocating the approval of the project.

The board heard from project proponents Gary Welling (Uinta County Economic Development), Andrew Nelson (Kemmerer City Administrator), and Liz Pace (Bear River Town Councilwoman and member of Uinta County Economic Development). Mr. Lockhart noted the cooperation between Uinta and South Lincoln counties and spoke about the benefits of regional planning.

- **ACTION:** Motion to approve staff recommendations in favor of funding by Mr. Harvey, second by Mr. Hoopes, and no discussion. Motion carried unanimously.

CLOSING REMARKS and ADJOURNMENT

Mr. Illoway thanked the Board and staff for their work at this meeting and invited the Board to attend a retirement party in honor of Ben Avery on April 27 in Cheyenne.

Mr. Easley thanked his peers on the nominating committee for the opportunity to serve as Secretary/Treasurer

Mr. Illoway announced the next Board meeting will take place in Gillette on May 23 and 24. With no further business, Illoway adjourned the meeting at 2:13 P.M.

Respectfully Submitted:

Warren R. Appel, Executive Coordinator

Date

Mike Easley, Secretary/Treasurer

Date



“It is very important for us to diversify our local economy, not just for Gillette, but for the sake of the entire state,” Phil Christopherson, CEO of Energy Capital Economic Development said.

HOW THE FOSSIL FUEL CAPITAL OF THE NATION IS LEADING INNOVATION

Gillette, the “Energy Capital of the Nation.” It’s a weighty title that has brought prosperity, struggle, growth and innovation to this small city with big ideas. Its main commodity is coal, cuffing its livelihood directly to the health of the coal industry.

Coal continues to power about 30 percent of electrical generation in the US, and Wyoming produces about 40 percent of the nation’s coal, much of it coming from the area around Gillette and Campbell County. And as the word “coal” becomes controversial

in conversations about carbon emissions and climate change – and as coal mines approach their lifespans, as well – Gillette has found itself in the position to innovate or be left behind. It would be easy for its people to throw up their hands, pack up their things and mosey on out of town. But the people who call Gillette home aren’t strangers to hard work or innovation, and they don’t give up easily.

A new way forward

Gillette’s leadership and citizens have invested heavily in the community to make it



**Wyoming Integrated
Test Center at the
Basin Electric Power
Cooperatives Dry
Fork Station**

livable and friendly, adding the Madison water pipeline, a recreation center, dozens of parks, Gillette College and the multiuse Cam-Plex facility.

Still, the city's heartbeat depends largely on the unavoidable boom-and-bust cycles of the coal industry. In 2015, Wyoming saw the highest unemployment spike in the country, and nearly 500 of the state's coal miners were laid off in 2016. Gillette bore the brunt of that storm. Jobs were few and far between, and the economy barely slogged along.

Previous bust cycles in the fossil fuel industry had been relatively short lived. Energy prices that had slumped eventually rose again, creating breathing room for companies to rebound and rehire.

But this was different. This

was more than a normal, cyclical downturn. This was the beginning of a societal shift that has the potential to completely change how Wyoming and its people function and do business.

Today, thanks to a creative, problem-solving spirit, Gillette is taking the lead on advancements with the potential to change the world, both environmentally and economically. It is diversifying its economy, putting people back to work and, as it always has, refusing to give up.

Balancing economy and environment

In 2014, the state and private industry worked together to fund the design, construction and operation of the Integrated Test Center (ITC) at the Dry

Fork Station, located seven miles north of Gillette.

Even more than "coal," the word "carbon" is at the center of climate change conversations. Carbon dioxide gas is emitted when coal is burned at coal-fired plants. With the coal industry paying such a large percentage of tax revenue coming into Wyoming, and the livelihood of so many of the state's citizens intricately woven into the industry, the trend away from coal-fired energy should pique the interest of everyone who lives and works in Wyoming.

"This is a political, economic and social reality, but if we can find a technology to address CO2 emissions, then there should be no reason we can't continue to use coal," explained Jason Begger, the executive director of the

Wyoming Infrastructure Authority (WIA).

The WIA works to diversify and expand the state's economy by adding value to Wyoming's energy resources.

"The state stepped up and said, 'If we don't do something, we're going to find ourselves without a coal industry, without those thousands of jobs, and without those taxes,'" Begger said.

The ITC was created with the goal of striking a balance between environment and economy. Researchers will capture and repurpose carbon emissions in a real-world application, turning those emissions into profitable commodities like construction materials, alternative fuels and other everyday products. Doing so will help ensure the continued viability of the coal industry, while also reducing the release of carbon into the atmosphere.

The ITC is designed to host multiple research teams at one time. Some of the

center's first researchers are competing for the XPrize, a \$20 million global competition to incentivize the development of technologies that will convert CO2 emissions into those other valuable products.

This month, teams from India, Canada, the United Kingdom, China and the US will arrive at the center to begin their work. They'll then go back home to start redesigning their projects for the larger scale. Until now, many have been operating in places like university laboratories; now it's time to take these projects into the real world.

Likely by this fall or next spring, they'll arrive back on-site to begin their research. The winner is scheduled to be announced in early 2020.

In addition, the National Association of Counties is hosting a Coal Reliant Communities forum in Gillette on June 21st and 22nd to network and further discuss the region's efforts to diversify.

A Warm Place to Grow

While researchers work to keep coal viable, Gillette is working hard to further diversify its economy. Two years ago, the Wyoming Business Council awarded a grant to help create the Energy Capital Enterprise Center business incubator – an innovative approach to nurturing new businesses through their infancies.

Phil Christopherson, the CEO of Energy Capital Economic Development in Gillette, explained many new business owners are experts in their field, but they might not know much about things like human resources, marketing and other essentials to creating and sustaining a successful business.

The business incubator provides not only a space for offices and meeting rooms, but a steering committee, advisory board, networking opportunities and workshops to support entrepreneurs. The goal is for fledgling



businesses to start there, and ultimately move into their own spaces, allowing other up-and-coming entrepreneurs to take advantage of the incubator.

There are several tenants in the space now, including God Inspired Games, a Christian-based video game company, as well as a marketing firm.

"It is very important for us to diversify our local economy, not just for Gillette, but for the sake of the entire state," Christopherson said.

There is a big demand for welders, machinists, diesel mechanics and other trade jobs, he said. And, just as cities around the nation are struggling with a retiring workforce as Baby Boomers age, so is Gillette. There's no easy fix, but the more diversity and variety in options, the better.

We Make Things

In another effort to diversify and promote a healthy economy, Gillette has supported the Area 59 makerspace.

"It's a place for people to come work on projects," said Ian Scott, the director of Area 59.

Soon, as grant processes wrap up, the space will be home to tools like 3D printers, laser cutters, milling machines and much more – specialized, expensive tools typically unavailable to an everyday person with an innovative idea.

"We want to democratize access to tools," Scott said. "We're ripping down barriers to manufacturing."

Students – both from Gillette College and K-12 schools – as well as members of the public will be able to use



the space for anything from tinkering on crafts to creating full-blown prototypes for pitching to manufacturing companies. It's building on the DIY movement, Scott said, and opening new doors for inventors and entrepreneurs.

It's also promoting collaboration, Scott added. Kids today might watch YouTube videos on how to build something, but they often don't have a space full of tools or an adult to guide them as they try it for themselves. Area 59 will bring together everyone from elementary students to retirees, blending ideas and fostering innovation.

"It speaks to something that's programmed in us as people," Scott added. "We make things; that makes us different from every other animal on the planet."

Stop and Stay a While

Gillette's leaders understand the community can only thrive

when people want to live and work there. People like Jessica Seders, the manager for Gillette Main Street, are working to offer a variety of fun and interesting events downtown.

Business owners recently participated in several informative workshops, she said, including the Business Council's Placemaking initiative and Jon Schallert's presentation on turning small businesses into destinations for visitors.

The Main Street organization started a historic building tour this month. It will host its fifth annual Brewfest in July. It's already gearing up for the Halloween Boofest. And, everyone always looks forward to a big Winterfest activity in December, Seders said.

Business Council grants have been instrumental in beautifying downtown, Seders added, encouraging visitors to stop instead of driving through. Specifically, the grants helped purchase banners, flowerpots, a four-sided clock and a much-needed restroom facility.

Merchants have been happy to report better sales this winter than last winter, Seders said.

A prosperous future

Gillette has grown into a safe, comfortable place for individuals and families to thrive. With the promise of and progress toward, the continued viability of coal as well as overall diversification, there is plenty of hope for a long, prosperous future for the Energy Capital of the Nation and its hardworking citizens.

2017



CAMPBELL COUNTY HOUSING REPORT



Many factors in a community are considered to develop a comprehensive understanding of its housing environment. Campbell County's housing report is a tool to help the community understand its current unmet housing needs. In addition to this report, more detailed housing information can be found at <http://bit.ly/2hgY6Oq>.

Campbell County is the third most populated county in Wyoming and has one of the lowest rates of employees going out of the county for work. This may explain its high housing needs in each income category.

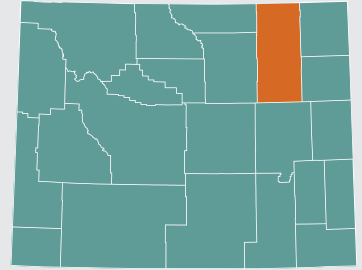
Campbell County needs:

- 1,803 units to meet current rental needs.
 - 1,731 (96%) with rents less than \$1,757 month
- 2,016 owner units are needed
 - 1,161 (58%) need to cost less than \$272,052

Workforce housing needs:

- 72 rental units less than \$2,526 per month
- 855 owner units less than \$391,123

Campbell County BY THE NUMBERS



RENTER RATE
27.7%

Ranks 12 of 23



POVERTY RATE
7.5%

Wyoming 11.1%
Ranks 21 of 23



**MONTHLY
HOUSEHOLD INCOME**
\$6,672

Wyoming \$4,930
Ranks 2 of 23

Housing Demand

Percent of Median Family Income	Affordable Monthly Rental or Mortgage Payment ^[2]	Affordable Housing Purchase Price ^[1]	Shortage Units for Purchase ^[1]	Shortage Rental Units Needed ^[2]
0-30	\$0-\$659	\$0-\$102,039	361	685
31-50	\$659-\$1,098	\$102,039-\$170,013	375	554
51-80	\$1,098-\$1,757	\$170,013-\$272,052	425	492
81-95	\$1,757-\$2,087	\$272,052-\$323,148	321	11
96-115	\$2,087-\$2,526	\$323,148-\$391,123	252	34
115+	\$2,526	\$391,123	282	27



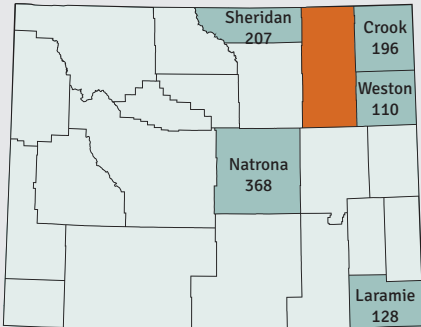
1,954

people work in Campbell County, but permanently reside out of state.

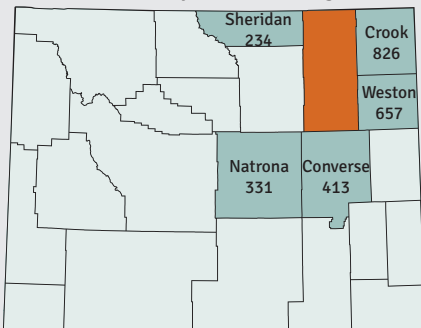
Commuting ^[3]

19.6% of Campbell County's workforce commutes from other areas and 7.8% of Campbell County residents commute elsewhere. With the commuter inflows and outflows, Campbell County may need another 3,373 housing units to meet the housing needs above the identified needs on page 1. The question is, do these people live outside of Campbell County due to a housing shortage, housing costs, cost of living or quality of life concerns?

Top 5 counties with commuters from Campbell County



Top 5 counties with commuters to Campbell County



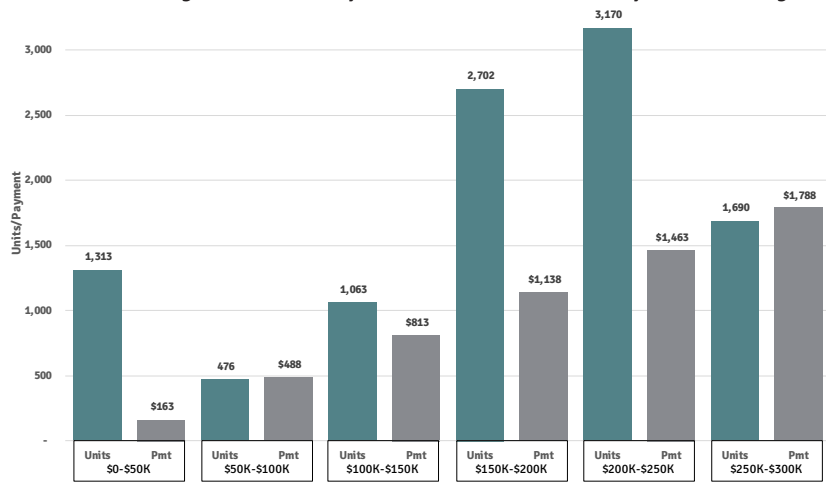
The definition of affordable housing is 30% of a family's income, and any income level can be burdened by housing costs.

Area Median Income (AMI) is the middle income in an area. Half of the households in the area make more than the AMI and half make less.

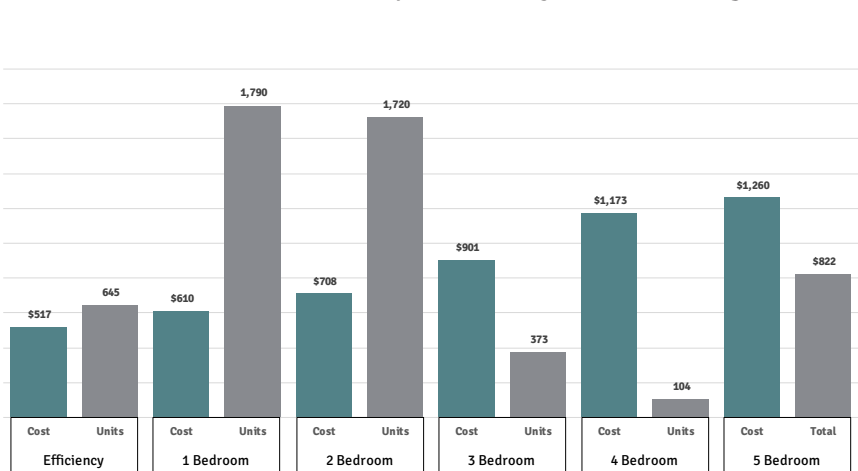
- Most federal housing assistance is available to people who are at 50% or lower of AMI, or half the average income.
- Some assistance is available at 80% of AMI or lower.
- Generally, those families who earn over 120% of AMI have enough disposable income to have housing choices both in quality and cost.
- The missing middle are those families who earn 80-120% of AMI – this is generally referred to as “workforce” housing, keeping in mind that many families who are below 80% of AMI work several jobs to be able to afford housing and work in industries that are vital to our communities, such as accommodations, food service and retail.

The top chart shows the number of owner occupied units by price range and the associated estimated monthly payment. The bottom chart shows the number of rental units by bedroom size and the estimated average monthly cost.

How many owner occupied units exist in Campbell County? ^[4]



How affordable is Campbell County rental housing? ^[4]



*No cost figure represents no data available.

[3] Dept. of Employment: 2017 Wyoming Inter-County Commuter Report
[4] datausa.io: Housing and Living Data (Derived from Census Data)

Housing Stock



Campbell County
average housing age^[5]
28 Years

Wyoming's average
housing age
42 Years

27% of housing in
Campbell County was
built before 1980

Pre-1980 housing may not meet current construction standards.

Campbell County ranks first in the state for new housing stock.

How does Campbell County's housing mix compare to other counties? ^[6]		
Unit Type	Number of Units	Percent of Mix/Rank
Single Family	11,235	64.16% (22)
Duplex	251	1.43% (16)
Tri or Four Plex	646	3.69% (7)
Apartment	1,964	11.22% (3)
Trailer/Other	3,414	19.5% (5)

Age of Housing ^[7]		
Year Built	Value* (Rank by County)	Percent of Mix
<1939	\$171,200 (5)	1%
1940-49	\$173,200 (4)	1%
1950-59	\$179,000 (5)	3%
1960-69	\$212,500 (3)	3%
1970-79	\$205,100 (4)	19%
1980-89	\$212,100 (5)	21%
1990-99	\$207,900 (7)	15%
2000-09	\$220,500 (13)	32%
2010-Present	\$280,800 (4)	4%

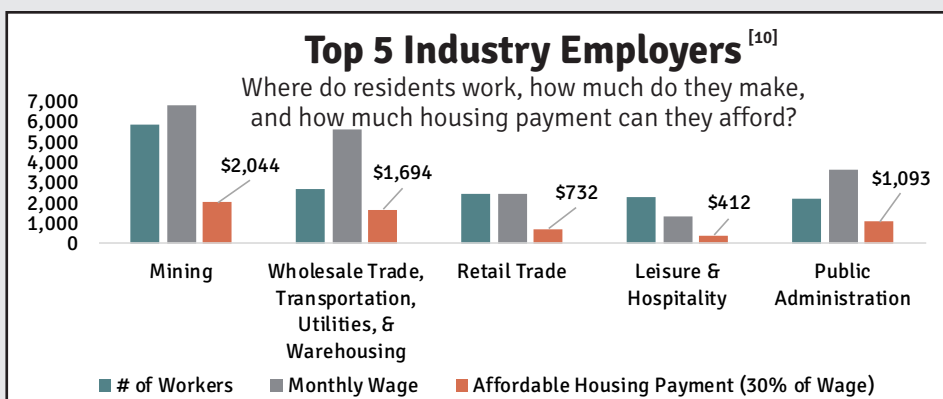
*Data only available in 14 counties. 2010-Present available in 10 counties.

Careers and Cost Burden

7% of Campbell County households spend more than half their income on housing and 15% spend 31-50% of their income on housing. 79% have affordable housing (less than 30% of income spent on housing). Campbell County ranks 8th in the state for those having affordable housing.

How does Campbell County's household cost burden compare to other counties? ^[8]	
Percent of Area Median Income	Percent of Household (Rank by County)
0-30%	79% (8)
31-50%	15% (9)
Above 50%	7% (20)

How much can households afford? ^[9]	
Max Monthly Payment	Number of Households
\$0-313	963
\$314-563	1,001
\$564-813	1,335
\$814-\$1,063	1,064
\$1,064-1,375	1,915
\$1,376-2,188	4,821
\$2,189-3,438	4,338
\$3,439-5,000	2,082



[5] [6] [7] [8] Wyoming Housing Database Partnership: Campbell County Housing Profile

[9] datausa.io: Housing and Living Data (Derived from Census Data)

[10] Dept. of Employment: Quarterly Census of Employment and Wages

Community Demographics



One adult needs to make
\$1,714 a month
to live without assistance.

How much monthly income does my family need to live without assistance? ^[11]

County Rank	3
One Adult	\$1,714
Two Adults	\$2,674
Two Adults, 1 Child	\$3,861
Two Adults, 2 Children	\$4,722



Vulnerable populations are populations that are at a disadvantage and include the elderly, the poor, minorities, and children in single-family homes to name a few. This chart depicts some of the vulnerable populations in Campbell County. Higher unemployment could be indicative of a volatile housing market.

Vulnerable Populations ^[12]

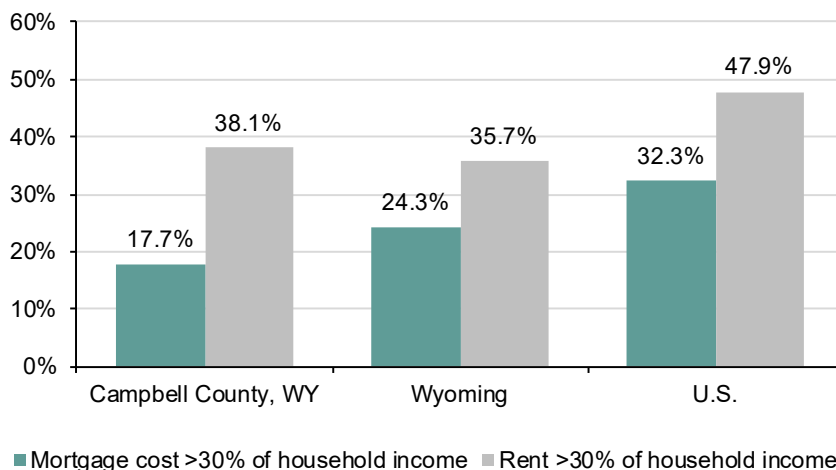
Metric	Percent/Number of Households or Individuals (Rank)
Supplemental Security Income (SSI)	2.6%, 457 Households (15)
Cash public assistance income	.92%, 161 Households (19)
Food Stamp/SNAP	2.4%, 414 Households (20)
Children in single-parent families	28% of Children (9)
Total Low Income Tax Credit Units	4.1%, 710 Units(1)
Assisted Living Beds	.26%, 45 Beds (16)
Nursing Home Beds	.91%, 160 Beds (17)
Population over 65	8.1%, 2,953 Persons (23)
Unemployment	7.1%, 1751 Persons (2)

Campbell County has a lower share of unaffordable housing than Wyoming or the United States at 17.7%.

Campbell County has a larger share of renters with unaffordable housing than Wyoming, but less than the United States at 38.1%.

* ACS five-year estimates used.
2015 represents average characteristics from 2011-2015; 2010 represents 2006-2010.

Housing Costs as a Percent of Household Income, 2015* ^[13]



PERFORMANCE

BRC FUNDING \$17,393,184	LOCAL MATCH FUNDING \$8,087,782	PRIVATE INVESTMENT \$34,098,187	JOBS CREATED 178	BUSINESSES ASSISTED 83
------------------------------------	---	---	----------------------------	----------------------------------

BASIC INFRASTRUCTURE

BUSINESS READY ACRES 100	WATER AND SEWER LINES 45,095 LINEAR FEET	BUSINESS ACCESS ROADS 11,580 LINEAR FEET	BUSINESS READY BUILDINGS 31,954 SQUARE FEET
------------------------------------	--	--	---

Jobs, private investment and infrastructure data are monitored until project evaluation closeout, which is generally three to five years after construction is complete. Performance data for projects still under evaluation are based on projections.

CAMPBELL COUNTY	DATE AWARDED	BRC FUNDING	LOCAL MATCH
Advanced Carbon Products Innovation Center Purchase land in the Fort Union Industrial park and construct a 4,000 square-foot building for research on value added Wyoming minerals. <i>Jobs 20; Status: Pending</i>	2017	\$1,500,000	\$166,745
Intertech Land and Property Purchase (Grant) Purchase land and buildings owned by Overland Investments. Campbell County will own the property and lease it to Energy Capital Economic Development. APEX (originally Intertech) will continue to lease space as an anchor tenant. <i>Status: Evaluation Period</i>	2016	\$1,240,000	\$261,944
Intertech Land and Property Purchase (Loan) Purchase land and buildings owned by Overland Investments. Campbell County will own the property and lease it to Energy Capital Economic Development. APEX (originally Intertech) will continue to lease space as an anchor tenant. <i>Status: Evaluation Period</i>	2016	\$259,392	-
South Industrial Roads Project (Grant) Construct road and drainage infrastructure in the Southern Industrial Area south of Gillette. <i>Status: Completed</i>	2012	\$1,864,571	\$1,465,088
Visitor Center Location Study-Tourism Plan Regional economic development planning to benefit the tourism industry. <i>Status: Complete</i>	2013	\$24,656	\$11,603
Robertson Water and Sewer Project-Bucyrus/Caterpillar Install water and sewer infrastructure that will serve Bucyrus' business expansion and other surrounding businesses within the Robertson Circle Association. <i>Jobs: 102; Status: Complete</i>	2009	\$2,615,000	\$290,600

GILLETTE	DATE AWARDED	BRC FUNDING	LOCAL MATCH
Gillette Plaza Restrooms and Parking Lot Construct a 400 square-foot restroom facility, including water and sewer to the site, and parking lot improvements to the southwest corner of 3rd and Kendrick streets in downtown Gillette to support events and downtown business traffic. <i>Status: Evaluation Period</i>	2015	\$245,642	\$245,638
Southern Industrial Addition (Grant) Purchase and expansion of city-owned infrastructure to provide redundant power to the Southern Industrial Area. <i>Status: Evaluation Period</i>	2015	\$1,645,046	\$700,203
Southern Industrial Addition (Loan) See Southern Industrial Addition (Grant). <i>Status: Evaluation Period</i>	2015	\$2,645,046	\$5,158
Convertible Street/Public Plaza Project Creation of a public plaza, which will bring many immediate and long-term economic benefits that will bolster the quality of life for citizens in the community. <i>Status: Evaluation Period</i>	2014	\$500,000	\$544,319
Gillette Avenue Improvement Project Renew and reinvigorate the original downtown. The Gillette Avenue businesses create a lot of jobs and the project is expected to spur even more job creation once complete. <i>Status: Evaluation Period</i>	2014	\$1,000,000	\$470,587

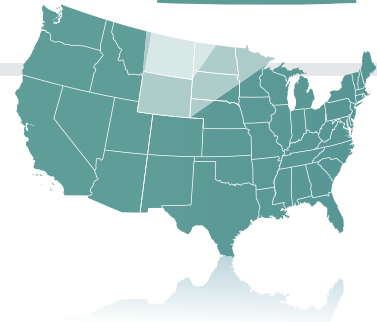
GILLETTE	DATE AWARDED	BRC FUNDING	LOCAL MATCH
Liebherr Water Line Extension Construction of the water line will meet a need for expansion of existing businesses and redevelopment of currently underdeveloped lots. <i>Jobs: 15; Status: Completed</i>	2012	\$911,950	\$100,741
Gillette Broadband Study Regional economic development planning to increase internet capacity in the area. <i>Status: Complete</i>	2014	\$40,280	\$27,992
Energy Park Rail Spur Feasibility Study Targeted area economic development planning. <i>Status: Complete</i>	2013	\$25,000	\$14,993
Equipment Maintenance Services, Inc. (EMS) Expansion Road and utility improvements that will assist in the expansion of Equipment Maintenance Services, Inc. <i>Jobs: 1; Status: Complete</i>	2009	\$570,240	\$65,376
Office building in Gillette Tech Center Construction of a 13,300 square-foot facility to house Gillette College's nurse training program. <i>Jobs: 5; Status: Complete</i>	2005	\$1,500,000	\$2,583,748

WRIGHT	DATE AWARDED	BRC FUNDING	LOCAL MATCH
Southern Campbell County Agriculture Complex Construct infrastructure for RV camping spots and 20 permanent horse stalls at the Southern Campbell County Agriculture Complex located on the western edge of Wright. <i>Status: Construction</i>	2016	\$190,000	\$190,000
Infrastructure for Uptown Wright Project Construction of a looped commercial street with water and sewer through subdivided lots of the uptown Wright area to encourage development. <i>Jobs: 35; Status: Complete</i>	2004	\$616,361	\$943,048

INCREASING
WYOMING'S
PROSPERITY

INCREASING WYOMING'S PROSPERITY

GDP GROWTH
2X



VISION

- Wyoming's industries are strong, diverse and expanding.
- Small business is a big deal.
- Wyoming is the technology center of the High Plains.
- Communities have the highest quality of life.
- Wyoming knows no boundaries.

STRETCH GOAL

Wyoming will outpace the nation's GDP growth rate by a factor of two.

STRATEGIES

THINK BIG

Industrial Development

- Expand value-added opportunities for at least 3 resource bases
- Increase industrial readiness

THINK SMALL

Business Development

- Grow jobs and profitability of existing businesses with special attention to those that create the highest economic output

THINK NEW

Technology Development

- Wyoming is a technology center of the high plains

THINK LOCAL

Community Development

- Increase livability of communities

THINK GLOBAL

International Development

- Increase investment in Wyoming
- Increase international trade

TARGETS

- Increase jobs in advanced industries by 25%
- Increase average earnings per job by 10%

- Rank first in number of new business starts per 1,000 employees
- Achieve 1-gigabit-per-second internet service in 75% of municipalities

- Double number of patents awarded
- Grow technology to be the fourth largest economic sector
- Double SBIR grants awarded
- Increase score on diversity index by 10%

- Increase total property and sales tax collections by 35%
- Rank in the top five for well-being
- Increase lodging and tourism related sales tax revenue generated by 35%

- Double foreign direct investment in Wyoming
- Increase Wyoming exports by 50%

BUILDING BLOCKS

KEY INITIATIVES

LEADERSHIP/CIVIC DEVELOPMENT & THE ROLE OF PUBLIC POLICY

Wyoming communities leverage policies and partnerships in an efficient regulatory environment.

INFRASTRUCTURE DEVELOPMENT

Wyoming is connected and business ready.

WORKFORCE DEVELOPMENT

Wyoming's workforce is educated and ready for the future.

QUALITY OF LIFE

Wyoming's communities are destinations where people want to live and work.

ENTREPRENEUR DEVELOPMENT

Wyoming's entrepreneurs innovate, create, and compete in the global market.

EXISTING BUSINESS DEVELOPMENT

Wyoming businesses are growing and thriving.

NEW BUSINESS RECRUITMENT

Wyoming attracts world-class companies through its extensive networks.



WHAT DRIVES US

We communicate and we are a team.

We are flexible, collaborative and get the work done.

We work in an environment of integrity, support and pride.

We make change happen and we are leaders.

SECTION A

ADVISORY COMMITTEES

May 23-24, 2018 · Gillette, Wyoming





Advisory Committees

May 24, 2018

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MARKET DEVELOPMENT

May 24, 2018 · Gillette, Wyoming



National/International Trade and Investment

Current Quarter

FY18Q4 Accomplishments/Goals

1. State Trade Export Promotion (STEP) program
 - Update on 2017-18 grant.
 - Update on 2018-19 grant application process (due May 16).
 - Creation of Wyoming Export Program.
2. International Trade Representative
 - Applied for and received certification letter from Taiwan Ministry of Foreign Affairs to begin process of creating Wyoming trade office in Taiwan.
 - Launched RFI, recruitment and contracting phase.
3. Meat Processing and Distribution

April 17 SF108 planning meeting with Wyoming Business Council staff and partners:

 - Out-of-state meat processing/Wyoming labeling/international shipping opportunities.
 - Small USDA-inspected meat processing facility case study.
 - Electronic technologies in meat processing/marketing.
 - Beef source verification blockchain pilot project.
 - Workforce training/needs.
 - Small/medium/large meat processing plant study.
 - Development of draft initiative.
4. Meat Market Development

April 17 SF108 planning meeting with Wyoming Business Council staff and partners:

 - Domestic market overview.
 - Wyoming Beef Council marketing program.
 - Meat Export Federation, international market overview.
 - Meat market study.
 - Development of draft initiative.
 - Professional-quality branding project
 - Beef samples to Taiwan in October/Gov's visit/trade mission

Looking Ahead

FY19Q1 Goals

1. Project Pacific (face-to-face visit in June?).
2. International trade rep on board (July 2018?).
3. Continue development/implementation of SF108 initiatives (quick wins).
4. Trade Show Incentive Grant program expansion to include service companies ("Market Expansion Grant").

Wyoming Products

Current Quarter

FY18Q4 Goals/Accomplishments

1. State Fair Event (Aug. 8-11)
 - Wyoming Mercantile (Made in Wyoming)
 - Farmers market/"Chopped"-style cooking competition (Grown/Made in Wyoming)
 - Ag innovation expo (SF 108 tie-in)
2. Wyoming Products Marketing
 - SF108 (expand Wyoming ag products marketing in-state, domestically and internationally).
 - Farm wall project.
3. Create new state-branded program website (Grown in Wyoming/Made in Wyoming)
 - In-state contractor preference.

Looking Ahead

FY19Q1 GOALS

1. Continue Grown in Wyoming/Made in Wyoming membership recruitment/program awareness efforts.
2. Made in Wyoming/Grown in Wyoming merger (January 2019?).
3. Successfully conduct state fair event.
4. Provide the annual Wyoming Farmers Market Association grant to all farmers markets.
5. Implement farm wall project.



TECHNOLOGY DEVELOPMENT

May 24, 2018 · Gillette, Wyoming



Broadband Development Program

Action item

- WBC Board of Directors appoint members to the Broadband Advisory Council. Details below and on separate attachment.

Overview

Originating from a recommendation of the ENDOW Executive Council, the Legislature passed and the Governor signed a bill creating the Wyoming Broadband Development Program.

Bill components

- Broadband Advisory Council
- Broadband Manager
- Enhancement Plan
- Data inventory/mapping
- Funding program/rulemaking

Updates

Advisory Council (action item)

- The Advisory Council provides advice and recommendations to the WBC Board of Directors. It consists of 11 voting members – the State Chief Information Officer, at least one tribal representative and nine additional members with geographic and professional diversity. Also has two non-voting legislative liaisons.
- Advisory Council members appointed by WBC Board of Directors, in consultation with ENDOW Executive Council.
- On April 24, the WBC issued a notice and started accepting applications. 40 applications were received.
- Tony Young will serve as State CIO representative. Meredith Bickell at ETS is alternative and needs to stay apprised.
- The tribes requested that each have its own representative. Northern Arapaho Business Council submitted two nominees. Eastern Shoshone offered no nominees.
- Rep. Albert Sommers and Sen. Dan Dockstader are legislative liaisons. Rep. Bill Henderson is alternative and needs to stay apprised.
- WBC staff has reviewed all applicants, conducted consultation with ENDOW and, on a separate attachment, lists the individuals recommended for WBC Board approval.

Broadband Manager

- Position has been posted. Applications are due May 21, with expectation the position will be filled by July 1.
- The Business Council hires this position, in consultation with the ENDOW Executive Council and Governor's office.

Enhancement Plan

- The legislation requires that a broadband enhancement plan be developed, detailing policies and objectives to promote the expansion of access to broadband service in unserved areas of the state.
- Staff will issue a RFP seeking assistance with plan development. A scope of work has been drafted. RFP will be issued soon, with expectation of having a contractor hired around the same time the Broadband Manager position is filled.
- Attempt to adhere to Governor's Executive Order to utilize in-state technology and service companies.
- **Upcoming Board action:** The Enhancement Plan must be adopted by the Board by September 1, 2018.

Data inventory/mapping

- The legislation requires data inventory and mapping to assist identifying areas of the state unserved by broadband technology, for both residential and business purposes.
- FCC data will be used initially, but drawbacks include lack of granularity and age of data.
- In addition to service data, how is data on cost of service obtained?
- WBC will work with providers to get granular data.
- Need to determine what data will be used for.
- Need to develop standardized form for data submission.
- Spoke with WyGIS at UW about housing data, but should WBC issue a RFP on this, as well?

Broadband Development Program

Funding program/rulemaking

- By September 1, the WBC shall develop administrative procedures governing application and funding process. This is separate from, but will inform, rulemaking.
- Writing of rules has started but is preliminary.
- Staff will need to hold technical conference.
- In addition, WBC will need to develop RFP for communities, an application and scoring/weighting criteria.
- The legislation lists a number of criteria which establish priorities for projects.
- Final approval of applications is placed with the Board. At least two funding rounds per year shall occur.

Upcoming action items

- Hire the Broadband Manager position – July 1, 2018.
- Hire a contractor to assist with development of a Broadband Enhancement Plan, to be adopted by the Board by September 1, 2018.
- Initiate meetings of the Advisory Council, first meeting in June.
- Develop administrative procedures for application and funding by September 1, 2018.
- Commence rulemaking and hold technical conference - summer/fall.
- Develop criteria for data needs and standardized data template for speeds, territory and cost of service - summer/fall.



BUSINESS DEVELOPMENT

May 24, 2018 · Gillette, Wyoming



Business Recruitment

Current Quarter

FY18 Q4 Accomplishments

- Modification and Execution of Sales Funnel Concept
 - Process improvements and Salesforce tracking of companies/contacts through the first four layers of the sales funnel
 - Email outreach series developed and delivered
 - Funnel filled with approximately 4,000 leads (500 over target)
- Prospecting Mission – recreation transportation equipment manufacturing association
 - Attended out-of-state meeting and presented Wyoming case to three manufacturers as well as one supplier.
 - Positive results, with companies requesting follow-up.
 - Project Thunder is meeting with subsidiaries to explore Wyoming options.
- Wind Energy Development - recruitment efforts
 - Attended WindPower Expo - Chicago
 - Eight meetings with companies interested in Wyoming locations for component manufacturing or distribution of wind energy components and equipment
- In-State Tours
 - Project Thunder progress toward visit; anticipate actual tour in Q1 2019
 - Project Picasso - toured Laramie; project on hold for one year.
- Site Selector Mission
 - Attend the IAMC Conference to network with site selectors and corporate real estate executives
 - Savannah, GA, May 2018

Looking Ahead

FY19 Q1 Goals

- Continued connection to companies contacted through sales funnel efforts.
 - Email marketing efforts, LinkedIn Connection (Will Hardin)
 - Picking up the phone
 - High-value targets, qualified leads, or connection to UW
 - UW Foundation and UW Alumni Association Outreach Letter
 - Goal to move 1% of companies through the funnel
 - Ongoing effort; may not be simply measured quarterly, but will be reflected over time.
- Wind Energy Development – Recruitment efforts
 - Prospect follow-ups from WindPower Expo
 - Touches with updates from various Wyoming wind energy projects.
- Summer Event Hosting
 - Plan to host site selectors with various communities
 - Host prospect companies at Cheyenne Frontier Days
 - Project Thunder
 - Recreation transportation equipment manufacturing association members
- Continued SHOT Show prospect follow-ups
- In-state tours with companies
 - Project Thunder
 - Potential other recreation transportation equipment manufacturing association members
 - Potential SHOT Show-related companies
- Start-Up Wyoming - Survey out to Wyoming companies soliciting feedback on state regulations impeding their operations
 - Results delivered to ENDOW by July 1.

Business Recruitment

Current Project Updates

- Agricultural Technology Company R&D Facility Attraction (No project name) – 20 jobs initially, grow to 100
 - Short List of communities accomplished – company has purchased expansion property in Laramie, though no announcements have been made for R&D Facility.
- Machinery Manufacturing Company Relocation (Project Two Cities) – 30 initial jobs, expansion to 400 in year 5
- Wood Joinery Manufacturing Facility (Project Join) – 40,000 sft facility
 - Site visit in Cheyenne
- Aviation Interiors Manufacturing Facility (Project Aviate) - 19 jobs initially, 60 in year 5. 15,000 sft
 - Cheyenne LEADS is point of contact for company – no recent update.
- Art and School Supply distribution company – 20 Jobs, 40,000 sft.
 - Project on-hold for one year.
- German Industrial Equipment Manufacturer; seeking first US location
 - Planning 2018 visit - still in regular contact
- Project Thunder – recreation transportation equipment manufacturer – major project – up to 2,000 jobs (over five years), multiple 90k-120k square-foot facilities
 - Received regional proposals from communities
 - Held conference call with company representative in early March
 - WY presentation to company in April at HQ
 - Company will alert the WBC of status of project during the week of April 16
- Computing / Programming Center (Project Cloud) – 400 employees, above-average wages
 - Company has been in contact with the Governor's office; no project progress past November report

Sector Strategies

Current Quarter

FY 2018 Q4 Accomplishments/Goals

- Next Generation Sector Partnerships Framework
 - Continue to work with team leads in communities in conjunction with Next Gen facilitator
 - Facilitate a State Sectors Academy to launch partnerships throughout rest of state
 - Academy will be held in Lander May 30-31, 2018
 - Begin launching sector partnerships throughout Wyoming
 - Work with Next Gen Facilitator and Wyoming Workforce Development Council (WWDC) Staff Support Team
 - Act as support role for local economic development organizations and other partners
- Outdoor Recreation Industry
 - Tourism Toolkit Task Force – initial meeting
 - Determined subcommittees to work on Toolkit – Outdoor Recreation is one subcommittee
 - Continue to work with ENDOW's Tourism/Outdoor Recreation Team

Looking Ahead

FY 2019 Q1 Goals

- Next Generation Sector Partnerships Framework
 - Continue to work with communities on launching their sector partnerships
 - Begin technical/administrative assistance for partnerships
 - Begin working with WWDC and Staff Support Team on future visioning of Next Gen in Wyoming
- Business Retention and Expansion Strategies
 - Work with Partnerships on weaving BRE strategies into Next Gen Framework
- Continue to work with Tourism Toolkit Group and Outdoor Rec Subcommittee
- Continue to work with ENDOW's Tourism/Outdoor Recreation Team

Startup: Wyoming

Background

- SF00118, Kickstart: Wyoming-economic diversification, passed out of the 2018 budget session.
- Part of the ENDOW set of bills, this statute includes the following:
 - Wyoming research and innovation program (9-12-408 –new)
 - Matching funds to access federal research and development grant funds
 - Startup: Wyoming investments (9-12-409 – new)
 - Council, in coordination with ENDOW, shall propose how the council will invest in high-growth startup businesses
 - Economic development diversification (9-12-105 – amendment)
 - Diversify what is currently being done by the Business Resource Network
 - Focus on priority economic sectors identified by the ENDOW 20-year plan
 - Foster connectivity between entrepreneurs, investors and mentors through local points of contact
 - Provide entrepreneurs with advanced resources (marketing, mentoring, legal, other coaching)
 - Council, UW, community colleges, local entities develop incubators, accelerators, maker spaces, etc.
 - Kick-start Wyoming grants (9-12-105 – amendment)
 - \$5k-\$50k grants for early stage Wyoming entrepreneurs
 - SBIR matching funds (9-12-105 – amendment)
 - Matching funds for Wyoming companies that have received SBIR phase I or II federal awards
 - Coordinate business permits (9-12-108 – amendment)
 - Consult with business in Wyoming; identify specific federal, state and local regulations that may delay permitting or licensing; review with entity with jurisdiction to eliminate

Startup: Wyoming

Current Quarter

FY18Q4 Accomplishments/Goals

- Draft Plan to Implement SF0118
- Met with working group of WBC staff and entrepreneurs from the ENDOW executive council and WBC board
- Deliver July 1st deliverables

Looking Ahead

FY19Q1 Goals

- Deliver August 1st deliverables



COMMUNITY DEVELOPMENT

May 24, 2018 · Gillette, Wyoming



Placemaking

Current Quarter

FY18Q4 Accomplishments

- 5 trainings held at WAM Meetings (Worland/Ft. Laramie/Riverton, Bear River/Rawlins) , 2 more this week (Sheridan/Gillette)
- Worland – 28, Ft. Laramie – 20, Riverton – 31, Bear River - 28, Rawlins – 21 = 128 people
- Invited into the Basin area, Star Valley area, Thermopolis
- 2 more trainings left – Sheridan, Gillette

Looking Ahead

FY19Q1 Goals

- Complete other training, as requested
- Provide technical assistance for communities who have completed the training
- Act as a conduit for placemaking projects and share ideas around the state.
- Fund 3 projects

Community Review Process

Current Quarter

FY18Q4 Accomplishments

- Story, WY Review finalized
- Completed Community Readiness Checklist

Looking Ahead

FY19Q1 Goals

- Story, WY training and Community Review
- Ripple effect mapping – Rawlins, Baggs, Green River, Cokeville – scheduled week of April 23
- Update process after Review

Housing Toolbox

Current Quarter

FY18Q4 Accomplishments

- Community Builders Grant denied

Looking Ahead

FY19Q1 Goals

- Statewide housing summary report w/ comparisons
- Planning meeting with team – what's next
- Education about importance of housing, issues, etc.
- Success Stories – WYFHOP
- Success Stories – Jackson plan

Community Tourism Toolbox

Current Quarter

FY18Q4 Accomplishments

- 53 people on team – mix of tourism, chambers, communities and businesses
- Kick-off meeting – action plan (25 people attended meeting)

Looking Ahead

FY19Q1 Goals

- Finalize Action Plan
- Solicit public input on Plan
- Implementation of Plan



INDUSTRIAL DEVELOPMENT

May 24, 2018 · Gillette, Wyoming



Business Development and Innovation Zones

Current Quarter

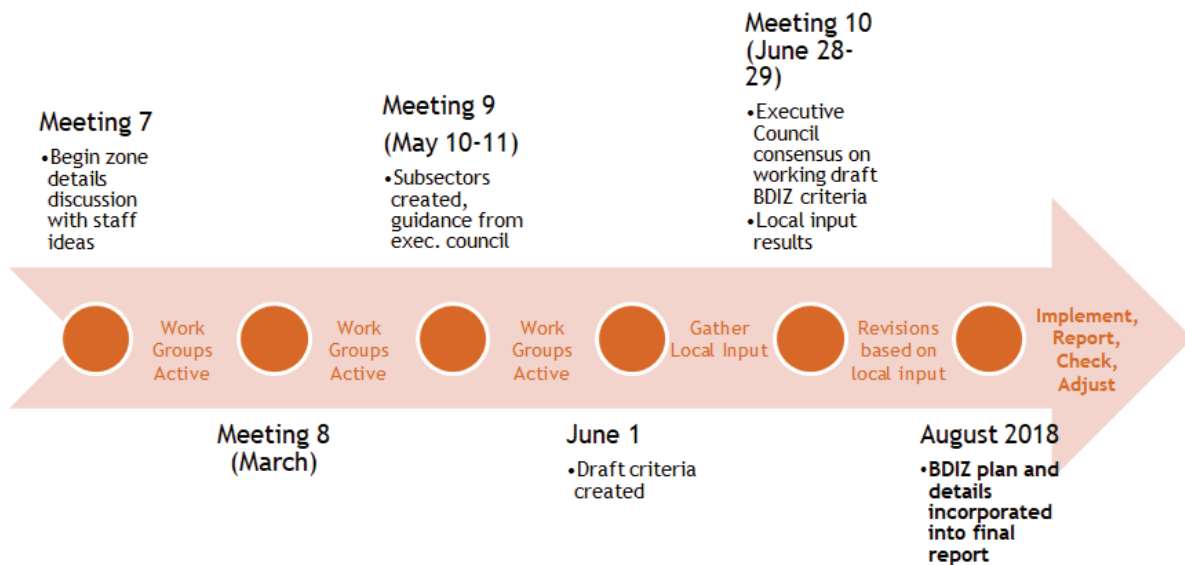
FY18Q4 Accomplishments/Goals

- Creating strategies that will help form the strategy for Business Development and Innovation Zones
- ENDOW Subcommittees are defining subsectors and steps to take to help those subsectors be successful
- Startup:Wyoming and Kickstart:Wyoming
- Facilitate feedback and council-wide consensus from the Executive Council on BDIZ criteria
- Gather feedback from local stakeholders

Looking Ahead

FY19Q1 Goals

- Facilitate Executive Council delineation of example/pilot zones
- Incorporate criteria and example/pilot zones into August 1st ENDOW report
- Rough Timeline:



Opportunity Zones

Current Quarter

FY18Q4 Accomplishments/Goals

- Outreach to communities
- Surveys sent to community leaders in each county with an eligible tract
- Determined recommendations for nominations based on information from communities, made recommendations to Governor Mead
- Nominations submitted to the U.S. Department of Treasury (Will receive certification in 30 days.)
- Publicize nominations
- Work toward attracting investment to designated opportunity zones

Looking Ahead

FY19Q1 Goals

- Work toward attracting investment to designated opportunity zones

Upstream Oil & Gas Diversification

Current Quarter

FY18Q4 Accomplishments/Goals

- Adjust message according to input from Wold

Looking Ahead

FY19Q1 Goals

- Implement recruitment strategy starting with peers of prospective companies, continuous
- Timeline:

Upstream Oil and Gas Recruiting Timeline

ACTIVITY	START	END	RESPONSIBLE
Project Start	11/1/2017		
Present Concept to WBC Staff and Board, Get Feedback	11/1/2017	12/6/2017	Sarah
Create Target Company List	11/15/2017	11/30/2017	Sarah
Wyoming Contacts Within Target Companies	12/18/2017	12/31/2017	Will and Kayla
Schedule Exploratory Concept Meeting with Wold	1/1/2018	2/15/2018	Sarah
Exploratory Concept Meeting with Wold	2/27/2018	2/27/2018	Sarah, Team
Meet with C-Suite Executives of at Least Two Prospective Companies	4/16/2018	9/30/2018	Sarah, Team
Prepare a Report on Efficacy of Plan to Date	9/30/2018	10/31/2018	Sarah
Evaluate Recruitment Results, Determine Next Steps	11/1/2018	12/31/2018	Team

Wind Energy Website

Current Quarter

FY18Q4 Accomplishments/Goals

- Launched Wyoming Wind Energy Service Company Directory part of the Wyoming Wind Energy Toolbox-17 companies and counting!
<http://wyomingbusiness.org/industry>
- Developing timelines and RFP board
- Launch timelines

Looking Ahead

FY18Q4 Goals

- Launch RFP board
- Continued promotion to developers, service companies and communities
- Maintain and update timelines as new submissions are made
- Track metrics of success
- Expand to other industries, starting with oil & gas

Kickstart Wyoming

Current Quarter

FY18Q4 Accomplishments/Goals

- Draft Plan to Implement SF0118
- Met with working group of WBC staff and entrepreneurs from the ENDOW executive council and WBC board
- Deliver July 1st deliverables

Looking Ahead

FY19Q1 Goals

- Deliver August 1st deliverables

SECTION B

PERSONNEL, BUDGET, AND AUDIT COMMITTEE

May 24, 2018 · Gillette, Wyoming



AGENDA ITEMS

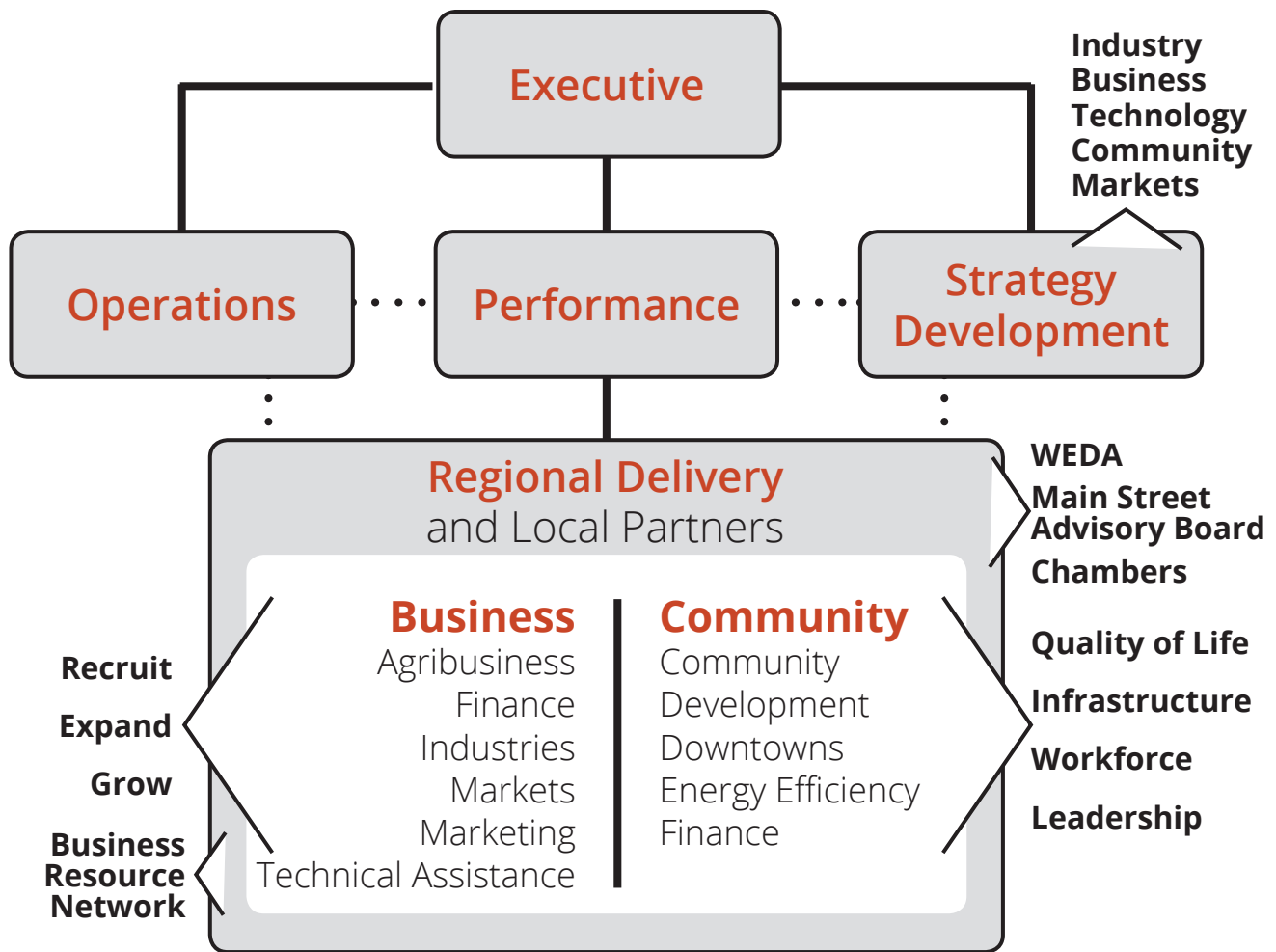
May 24, 2018

Personnel:

B-4 Organizational Charts

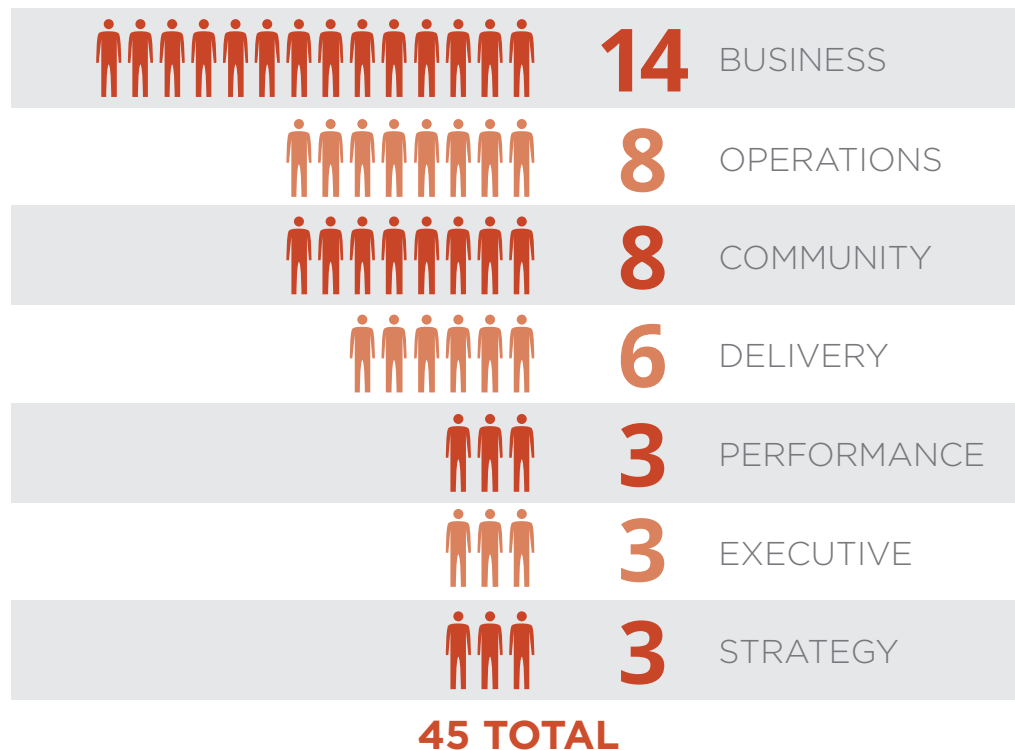
Financial:

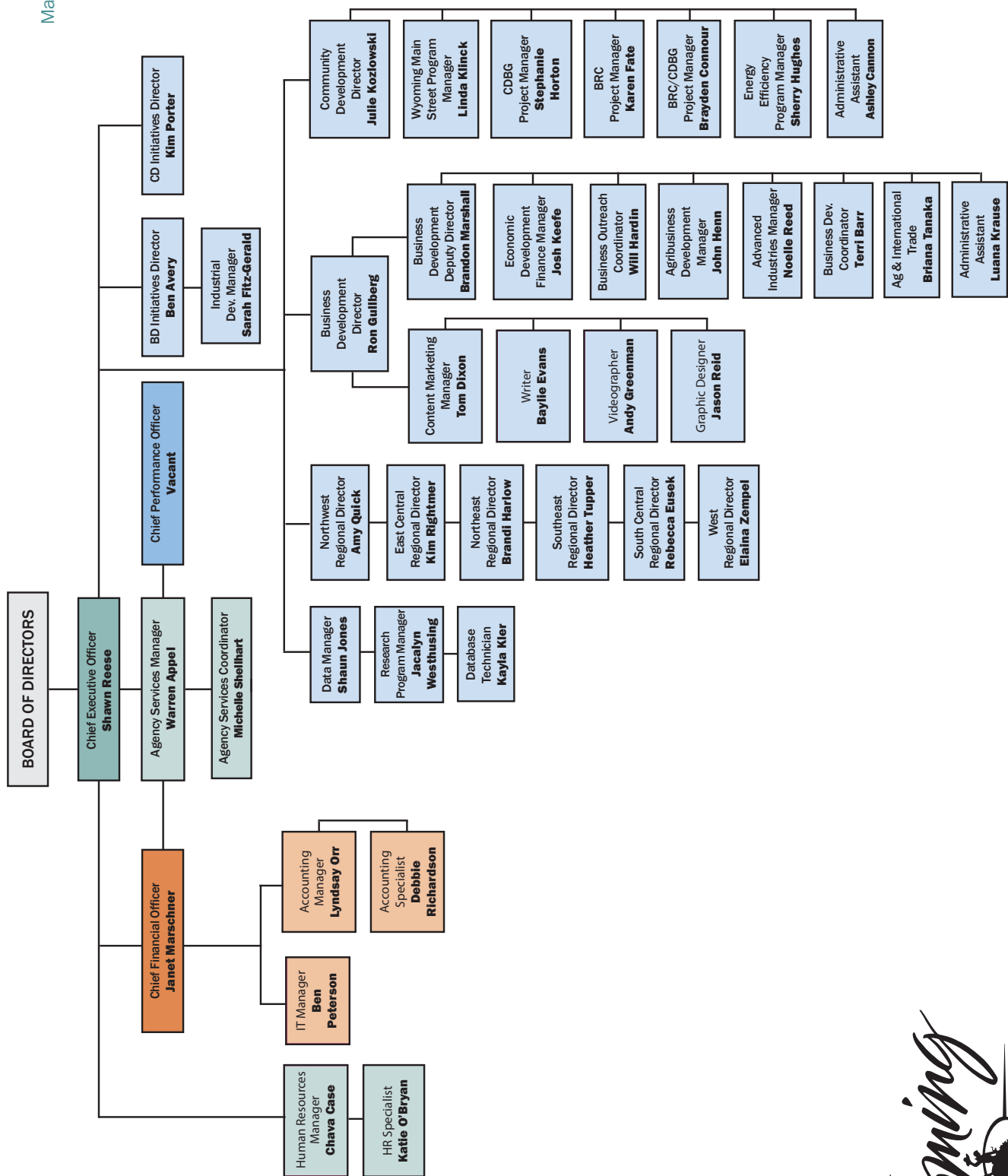
B-7 Financial Update



2018 Employees by Division

(Not including special funded positions. Includes vacant positions)







WYOMING BUSINESS COUNCIL
FY2018 Comments on Financial Statements
Nine months ended March 31, 2018 - UNAUDITED

Budget Summary

- FY2018 is the second of two years in the 2017-18 biennium which started July 1, 2016.
- General Funds – the % of expenditures and encumbrances ended the quarter at 79% of budget.
- Federal Funds - the % of expenditures and encumbrances ended the quarter at 60% of budget.
- Primary Agency Funds - the % of expenditures and encumbrances ended the quarter at 61% of budget.
- Total Community Development/BRC/Mainstreet available funds per the Financial Statements as of 03/31/2018 are \$10.53 million.
- Currently, the Business Ready Community Program has \$1.64 million in projects approved by WBC board and SLIB but not yet encumbered; as those grants agreements become effective, they will be encumbered. The funds available for BRC projects is \$7.36 million.

Available Cash Balances

- Economic Development fund has \$25.05 million in cash after obligations; year-to-date receipts total \$602.94 thousand, which is comprised of principal and interest payments received on loans and investment income earned through the State Treasurer's office on the cash in the fund.
- Rural Rehabilitation fund has \$4.45 million in cash after obligations and year to date receipts of \$74.23 thousand in investment income earned through the State Treasurer's office on the cash in the fund.

Loans Receivable

- Total loans outstanding net of allowances, are \$20.62 million as of 03/31/18; total principal and interest received since 7/1/2017 is \$954.5 thousand.

Governor's Office Funds

- The total cash balance in the petroleum violation escrow funds is \$3.79 million.

Budgeted Expenditures

- Grants make up 72% of the budget, followed by non-operating expenses/loans of 15%.

Line Item Expenditure Summary

Grant expense and encumbrance ended the quarter at 77% of the budget, due primarily to timing of grants.

Non-operating expenses/loans and encumbrances ended the quarter at 64% of the budget, due primarily to timing of loans.



WYOMING BUSINESS COUNCIL

Financial Update

BUDGET SUMMARY - ALL FUNDS (BFY 17/18 appropriation)

FY 2018 - year to date for the period:		07/01/17 - 06/30/2018		OPTIMUM >>> 75%	
PROGRAM BUDGET SUMMARY	BUDGETED	EXPENDED	ENCUMBERED	BALANCE	% EXPENDED & ENCUMBERED /BUDGETED
General Funds					
Business Development	\$1,338,517	\$876,644	\$6,097	\$455,776	66%
Strategic Initiatives	\$3,789,754	\$813,040	\$2,751,907	\$224,807	94%
Regional Offices	\$949,848	\$617,603	\$6,295	\$325,950	66%
Community Development	\$409,923	\$290,622	\$0	\$119,301	71%
Business Ready Communities	\$50,595,395	\$13,540,054	\$26,839,690	\$10,215,651	80%
Main Street	\$510,863	\$242,043	\$71,608	\$197,212	61%
Executive & Board of Directors	\$758,070	\$572,627	\$30,828	\$154,615	80%
Performance & Planning	\$608,597	\$404,972	\$0	\$203,625	67%
Communications & Marketing	\$465,137	\$226,289	\$15,506	\$223,342	52%
Human Resources	\$261,367	\$171,251	\$1,784	\$88,332	66%
Finance & Administration	\$694,355	\$442,420	\$0	\$251,935	64%
	\$60,381,826	\$18,197,565	\$29,723,715	\$12,460,546	79%
Federal Funds					
CDBG Program	\$5,847,415	\$711,720	\$3,059,815	\$2,075,880	65%
State Energy Repurposed ARRA funds	\$583,109	\$108,478	\$38,387	\$436,244	25%
State Energy Conservation Program	\$321,475	\$162,689	\$70,901	\$87,885	73%
State Trade and Export Program (STEP)	\$327,890	\$56,760	\$23,756	\$247,374	25%
	\$7,079,889	\$1,039,647	\$3,192,859	\$2,847,383	60%
Primary Agency Funds (See Terms on back for descriptions)					
Economic Loan Development and Large Projects (fund 039)	\$10,506,120	\$6,467,864	\$21,478	\$4,016,778	62%
Wyoming Business Council (fund 085)	\$28,076	\$24,841	\$0	\$3,235	88%
Rural Rehabilitation (fund 499)	\$207,890	\$34,461	\$0	\$173,429	17%
	\$10,742,087	\$6,527,166	\$21,478	\$4,193,443	61%
TOTAL	\$78,203,802	\$25,764,378	\$32,938,052	\$19,501,372	75%

FY2018 BALANCES

Loans Receivable

Balances as of 3/31/18

	Net Balance
Economic Disaster loans	\$7,100,534
Bridge loans	\$546,471
Mainstreet loans	\$23,517
Amendment IV loans	\$92,953
Natural Gas Infrastructure loans	\$232,478
BRC loans	\$11,656,008
ARRA SEP loans	\$1,014,085
Unallocated allowance	(\$50,295)
TOTAL	\$20,615,750



Governor's Office Funds = \$3,797,901
Petroleum Violation Escrows

Business Ready Community program has **\$1.6 million** in projects approved but not encumbered, and **\$7.36 million** in available funds.



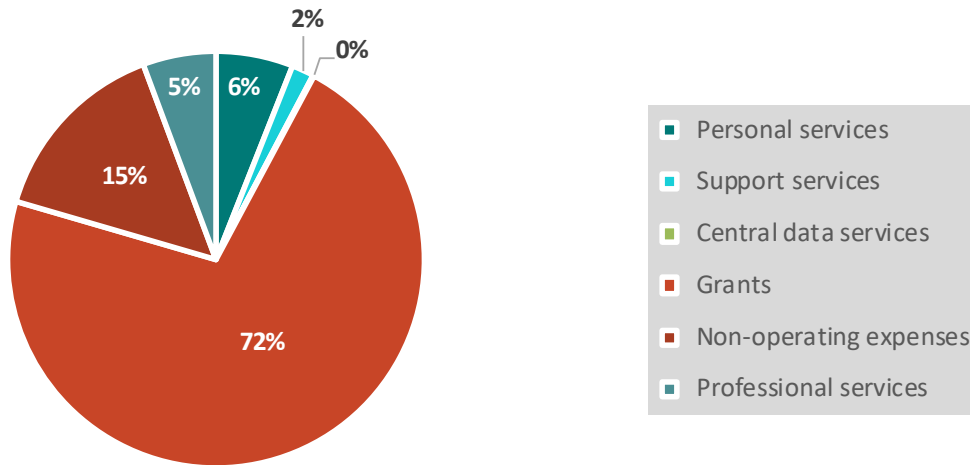
Janet Marschner
Chief Financial Officer
janet.marschner@wyo.gov | 307.777.2848



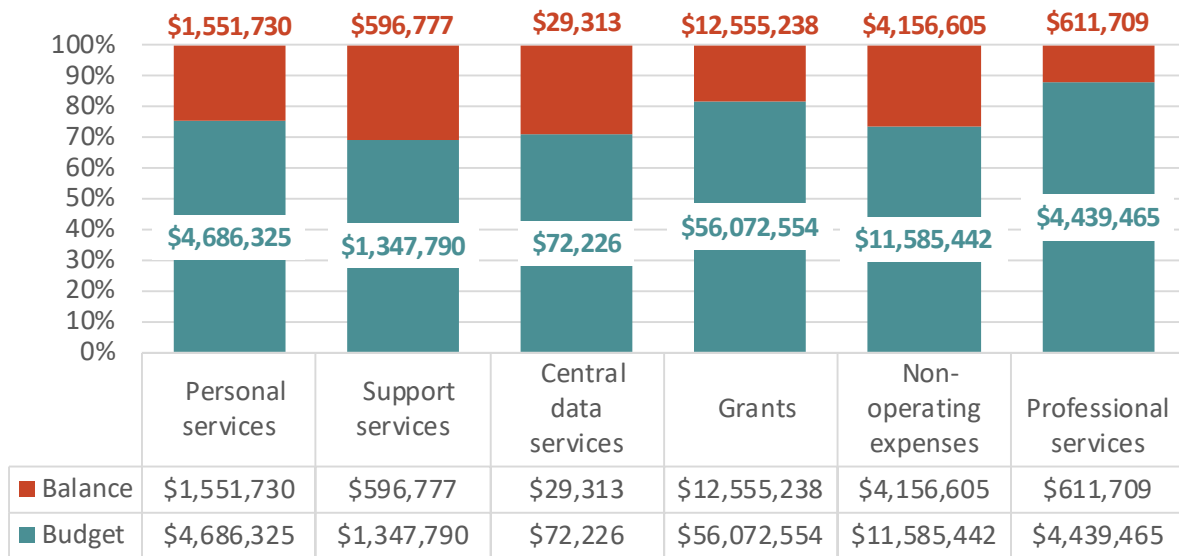
Learn more about Wyoming Business Council Financials at wyomingbusiness.org/boardbook.



BUDGETED EXPENDITURES BY FUNDING SOURCE



LINE ITEM EXPENDITURE SUMMARY



TERMS

Budgeted - Year two of two in the biennium budget

Encumbered - Funds are committed for a specific purpose

Expended - Funds have been spent

Federal Fund - Department of Energy, Housing and Urban Development, Commerce Funds

General Fund - Appropriated by the Wyoming Legislature on a biennium budget

Agency Funds - Special revenue funds that carry forward year to year

- 039 **Challenge Loan** - Economic Development Loans
- 085 **Shared with Tourism** - selling Wyoming First Program and Tourism sales
- 499 **Rural Rehab** - Farm Home Administration Funding for rural development

LOANS

ARRA SEP loans - for energy efficiency projects

BRC Loans - from BRC to a public entity

Fund 39 - Challenge Loans

- **Amendment IV Loans** - Pre-Challenge Loan Program
- **Bridge Loans** - Participation w/ bank
- **Economic Development Loans** - for industry disasters (excl. natural disasters)
- **Main Street Loans** - Participation w/ bank
- **Natural Gas Infrastructure** - for Natural Gas Fueling Stations



Janet Marschner
Chief Financial Officer
janet.marschner@wyo.gov | 307.777.2848



Learn more about Wyoming Business Council Financials at wyomingbusiness.org/boardbook.



SECTION C

BUSINESS CONTRACT AND LOAN COMMITTEE

May 23-24, 2018 · Gillette, Wyoming





AGENDA ITEMS

May 24, 2018

Business Contract and Loan Committee:

- C-5 Quarterly Board Report
- C-7 \$425,000 Renewal—WIDC
- C-11 Annual Challenge Loan Report
- C-13 Challenge Loan Audit Report
- C-21 Audit Report Responses
- C-23 Loan Portfolio as of December 31, 2017
- C-27 Annual SBIC Report
- C-31 Fund 039 Loan to DBJJDM Enterprises LLC





BUSINESS COUNCIL

214 W. 15th Street

Cheyenne, WY 82002

Tel: (307) 777-2800 Fax: (307) 777-2838

www.wyomingbusiness.org

Memorandum

To: Wyoming Business Council Board of Directors
From: Josh Keefe
Subject: Challenge Loan Reporting Requirements
Date: May 24, 2018

1. **Past Due Report.** Challenge Loan Policy requires quarterly reporting of all loans 30 days or more past due.
 - There was one loan past due on March 31, 2018 for Weber Ag, LLC. This loan was originated in July of 2017 as part of the Economic Disaster Loan declaration for the Wyoming Sugar Company. Lender and loan servicer have been in contact with borrower as he searches for a new lending relationship in Worland. The loan is 87 days past due and the amount due is \$7,021.81.
2. **Loan Loss Reserve Analysis.** Challenge Loan Policy requires a review of all loans that are delinquent (over 30 days past due) and a specific reserve will be allocated if the review warrants. There will be an additional unallocated reserve of one-half of one percent of the total portfolio balance.
 - The unallocated reserve is adequate with a balance of \$668,312. The allocation includes a 10% loan loss reserve for the Economic Disaster Loans originated, plus 0.5% of the total loan portfolio.
 - There are no other identified credits that are not past due but could present collection problems in the future.
 - The resulting available fund balance in the Challenge Loan account is **\$25,052,125**.
3. **Charge off balances.**
 - None to report.

Staff Recommendation: Staff recommends acceptance of this report.



TM

Credit Memorandum

Client: Wyoming Industrial Development Corporation (WIDC)
Date: April 30, 2018
Purpose: Renewal of Revolving Line of Credit (RLOC)

On May 31, 2002, the Wyoming Business Council originated a revolving line of credit in the maximum amount of \$2,500,000.00 to WIDC as authorized in the Wyoming Partnership Challenge Loan Program (attachment 1 is a listing of the applicable statute). There have been several renewals and modifications since origination. The current RLOC in the amount of \$425,000 matures on May 31, 2018.

This line of credit originated in May 2002 with an initial advance of \$1,600,000 for the benefit of two third party businesses. Subsequent advances and pay downs were made since origination. The balance peaked at \$1,810,000 in 2005. WIDC paid the balance of the revolving line of credit to zero on December 31, 2012 and has rested at a zero balance since that date.

The WBC is proposing to renew the RLOC at \$425,000.

Line of Credit	\$425,000
Current balance	-\$0-
Collateral	- Assignment of third party notes and mortgages on other owned Real Estate
	- Real Estate collateral consisting of a 1 st REM on 1330 North Derrick Dr. in Casper, WY
LTV	Not to exceed 80%
Repayment	Interest payable semi-annually, principal payments due semi-annually in the same amount of the principal reductions received by WIDC on the third-party notes.
Interest Rate	4%
Term	2 Years (maturity date of 5-31-2020)

Project: WIDC uses this line of credit to make SBA guaranteed loans to various qualifying businesses throughout the State. The WIDC serviced loan amounts of approximately \$41,148,928 (as of 9/30/2017).

History: WIDC was created by legislation in 1967 to serve as a non-bank lender, using federal and state loan programs to assist Wyoming's small businesses. WIDC has demonstrated a good track record in providing loan funds for developing businesses in the State of Wyoming.

- All documentation as required in the loan agreement is in file and current
- Collateral coverage is adequate
- All payments have been made as agreed

Cash Flow:

WIDC- Frontier CDC, Inc.				
		9/30/2017	9/30/2016	9/30/2015
Cash Available for Debt Service		\$66,703	\$245,495	\$106,023
Debt Service				
Proposed (Int. Only, Fully Advanced)		\$17,000	\$17,000	\$17,000
Cash Paid on N/P		\$37,058	\$36,690	\$36,328
Cash Paid on Capital Lease		-	\$3,651	\$6,597
Total Debt Service		\$54,058	\$57,341	\$59,925
Cushion/(Shortfall)		\$12,645	\$188,154	\$46,098
DSCR		1.23	4.28	1.77

The table above represents the accrual cash flow for WIDC-Frontier CDC, Inc. The analysis was taken from the last three years of audited financial statements and tax returns. WIDC-Frontier CDC, Inc. has a fiscal year from October 1st to September 30th.

- Repayment of the subject RLOC will be derived from the collection of underlying notes.
- The Non-Profit Organization exhibits positive unrestricted net assets for 9-30-2017, 9-30-2016, and 9-30-2015 of \$2,577,047, \$2,223,133, and \$2,088,788, respectively; a positive historical trend.

The net available balance in the Economic Development (as of 3/31/18) fund is \$25,052,125.

Recommendation:

Staff recommends that the Board of Directors of the Wyoming Business Council approve the renewal of the revolving line of credit in the amount of \$425,000.00 (four hundred twenty-five thousand dollars and 00/100 cents) as presented in this Credit Memorandum.

Josh Keefe
Economic Development Finance Manager

Attachment 1: Applicable Statute

§ 9-12-304. **Criteria for loans.**

- a) ... loans under this article may only be made by the council to ... state development organizations ...

WIDC is a state development organization created in 1967

- (i) The ... state development organization will contribute an amount of cash equivalent at least equal to the loan it receives under this article...
WIDC makes SBA guaranteed loans and sells the guaranteed portion leveraging the funds 5/1.

- (ii) The ... state development organization will consolidate the loan it receives under this article and its required contribution under paragraph (i) of this subsection and make loans to Wyoming businesses and investments in support of Wyoming businesses ...

All advances are made for the benefit of businesses

- (iii) The ... state development organization has been endorsed by a resolution of the council; and

Current and previous loan approvals have been an endorsement

- (iv) As part of any agreement under this article and to ensure funds loaned or committed under this section are invested by the ... state development organization in local economic development in a reasonable period of time, the council shall reserve the right to terminate the agreement.

The reservation is in the note and loan agreement

- b) Loans or loan commitments or any combination thereof shall be made under this article only:

- (i) ... if the total amount to state development organizations does not exceed three million five hundred thousand dollars (\$3,500,000);

Total loan commitments do not exceed \$3,500,000

- (ii) If there are sufficient funds in the economic development enterprise account to fully fund it and all other outstanding commitments and loans;

There are adequate funds in the account

- (iii) If funds provided by the state are adequately collateralized. The adequacy of the collateral shall be determined by the council;

The loan will be collateralized at no more than 85% loan to collateral value





BUSINESS COUNCIL

214 W. 15th Street

Cheyenne, WY 82002

Tel: (307) 777-2800 Fax: (307) 777-2838

www.wyomingbusiness.org

Memorandum

To: Joint Minerals, Business and Economic Development Interim Committee
From: Shawn Reese, CEO
Subject: Challenge Loan Report
Date: May 24, 2018

W.S. 9-12-306. Audit; report

(b) On or before July 15 of each year, the council shall submit a written report to the Joint Minerals, Business and Economic Development Interim Committee reviewing rules adopted by the council during the reporting period, presenting a portfolio of the loans made under the program and presenting a risk analysis of the portfolio of loans prepared by the state banking commissioner. The report, portfolio of loans and risk analysis required under this subsection shall be public record. The risk analysis prepared by the state banking commissioner shall not be subject to the limitations of W.S. 9-1-512.

Exhibit A – Rules adopted by the council during the reporting period

- Updated Challenge Loan rules were promulgated on May 28, 2015

Exhibit B – Portfolio of loans in the program as of 12-31-17

- Forty-Four (44) New loans during reporting period
 - One Bridge Loan to the WYCO Recycling, LLC for \$141,859.00
 - Forty-Three Economic Disaster Loans to the Wyoming Sugar Company and Western Sugar Cooperative beet growers; totaling \$6,364,875

Exhibit C – Report of Examination by the State of Wyoming, Department of Audit Division of Banking

- The WBC is administrating the loans it has funded under the Program in a satisfactory manner. No exceptions were found during last examination.

Exhibit D – Wyoming Business Council Loan Report of Examination Summary and Management Corrective Actions

- The Challenge Loan Program has made or participated in 220 loans since 1998
- Total loans have been \$56,220,170 with the State's portion being \$23,870,927
- Interest collected over last 16 fiscal years (2000–2016) totals \$4,499,386
- Estimated jobs created or retained of 622

Exhibit E – Cumulative Loan Loss & History of Challenge Loan Portfolio

- 10 loans totaling \$311,185 have been charged off (1.3% loan loss)





STATE OF WYOMING
DEPARTMENT OF AUDIT

DIVISION OF BANKING

(307) 777-7793 Fax (307) 777-3555 Email: wyoimbankingdivision.wyo.gov

Matthew H. Mead
Governor

Jeffrey C. Vogel
Director

Albert L. Forkner
Commissioner

March 27, 2018

Shawn Reese, Chief Executive Officer
Wyoming Business Council
214 West 15th Street
Cheyenne, Wyoming 82002-0240



Dear Mr. Reese:

Enclosed please find the Report of Examination of the Wyoming Business Council Challenge Loan Program made by examiners of the Department of Audit, Division of Banking, pursuant to Wyoming Statute 9-12-306. This office concurs with the findings and comments of the examiners.

If you have any questions regarding the Report of Examination, please do not hesitate to contact my office.

Sincerely,

A handwritten signature in blue ink that reads "Jeffrey C. Vogel".
Jeffrey C. Vogel
Director

Enclosure



Report of Examination

Wyoming Business Council's

Wyoming Partnership Challenge Loan Program

Consisting of Loans to Development Organizations;

Guarantee Loan Participations; Bridge Financing;

Economic Disaster Loans; Loan Guarantee Program Loans,

Main Street Loan Participations; and

Natural Gas Fueling Infrastructure Loans.

Prepared by:

Division of Banking

Department of Audit, State of Wyoming

February 13, 2018

EXAMINATION SCOPE

The purpose of this examination is to review loans funded by the Wyoming Business Council (WBC) under the Wyoming Partnership Challenge Loan Program (Program) and the credit administration of those loans. Loans made under the Program were examined for compliance with statutes and regulations as well as prudent underwriting standards. Additionally, loans were reviewed for proper documentation and compliance with WBC's loan policy.

Wyoming Statute (W.S.) 9-12-306 mandates the examination of the Program by the Department of Audit. The Director of the State of Wyoming's Department of Audit or designee is required to annually examine loans made under the Program and submit a Report of Examination to the Governor, the Legislature, and the WBC. Per the Program's Rules and Regulations a portfolio report of all loans as of December 31 is to be submitted to the State Banking Commissioner no later than January 15. The State Banking Commissioner is then required to complete an audit of the loan portfolio on or before April 1, with a completed audit report presented to the WBC on or before May 1.

This examination was completed on February 13, 2018. The loan review included all loans made under the Partnership Challenge Loan Program (Development, Bridge, and Guarantee Loan Participations), the Natural Gas Fueling Infrastructure Loan, and 52.62 percent of the dollar volume of Economic Disaster Loans. This equated to one Development loan, four Bridge loans, 16 Beet loans, and one Natural Gas Fueling Infrastructure loan.

PROGRAM OVERVIEW

Article 3 of the Wyoming Economic Development Act

The Program is governed by W.S. 9-12-301 through 9-12-307. The Program is funded through the Economic Development Enterprise Fund Account and is administered by the WBC. The WBC has adopted the Rules and Regulations of the Program in order to implement Article 3. These rules include Chapter 1, Wyoming Partnership Challenge Loan Program (Loans to Development Organizations, Bridge Financing, and Guarantee Loan Participations); Chapter 2, Economic Disaster Loans; Chapter 3, Loan Guarantee Program; Chapter 4, Wyoming Main Street Loan Participation; and Chapter 5, Natural Gas Fueling Infrastructure Loans.

Chapter 1 – Wyoming Partnership Challenge Loan Program

Loans made under Chapter 1 of the WBC's Rules and Regulations consist of loans made to community or state development organizations, loans for bridge financing, and guarantee loan participations. As defined by statutes, a community development organization is a group of private citizens organized as a business entity for the purpose of providing financing for new, existing, or expanding businesses and other economic or community development purposes throughout Wyoming. A state development organization is a corporation with the authority to provide financing for new, existing, or expanding businesses and to fulfill other economic or community development purposes throughout the state. Bridge financing is for projects where a commercial lender makes the loan and WBC shares in the loan. Guarantee loan participations

are for projects where a bank has a Federal guaranteed loan to guarantee repayment of a loan to a business.

The total amount of loans and loan commitments made to a single community development organization is limited to \$500,000. Total loans and loan commitments made to state development organizations are limited to \$3,500,000. Bridge financing loans and loan commitments to a business are limited to \$1,000,000. Loans to a business qualifying for guarantee loan participation are limited to \$2,000,000.

<u>Chapter 1 Challenge Loans</u>			
<u>Loan Type</u>	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
Development Loans	\$ 16,757	\$ 19,238	\$ 22,108
Bridge Loans	421,719	457,837	371,490
Guarantee Loan Participations	0	29,351	32,972
Total Loans	\$438,476	\$506,426	\$426,570
Loans 30 Days or More Past Due	\$0	\$0	\$0

At year-end 2017, there were five Challenge loans made pursuant to Chapter 1 compared to six loans at year-end 2016, resulting in a decrease of \$67,950. The Challenge Loans include one Development Loan totaling \$16,757 and four Bridge Loans totaling \$421,719. There were no new loans made in 2017.

Chapter 2 – Economic Disaster Loans

Loans made under Chapter 2 of the Rules and Regulations are intended for businesses that have been adversely affected by an economic disaster. The statutes define an economic disaster as an event occurring in Wyoming that has an economic impact with total lost revenues to impacted businesses in a twelve calendar-month period of at least \$4,000,000, or an economic impact with total lost revenues of impacted businesses in four or less counties in a twelve calendar-month period of at least \$1,000,000.

<u>Chapter 2 – Economic Disaster Loans</u>			
	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
Seed/Bean/Beet Grower Loans	\$6,364,875	\$10,722	\$366,515
Number of Loans Outstanding	43	2	30
Loans 30 Days or More Past Due	\$0	\$6,667	\$54,174

At year-end 2017, there were 43 Economic Disaster loans outstanding. A new beet program resulted in an increase of \$6,354M from year-end 2016. There were 54 new Economic Disaster loans originated in 2017 related to beet industry in Big Horn, Fremont, Washakie, and Park Counties. Of these new loans, 43 were funded in 2017 with the remaining 11 expected to be funded in early 2018. The two loans outstanding at December 31, 2016 were paid off in 2017. There were no loans past due as of December 31, 2017.

Chapter 3 – Loan Guarantee Program

Chapter 3 is for loan guarantees in which the WBC guarantees a portion of a bank loan made to a business. Such loan guarantees are not to exceed \$100,000 per loan guaranteed or 80 percent of any net loan loss by the bank, whichever is less. The WBC has not guaranteed any loans under this program.

Chapter 4 – Wyoming Main Street Loan Participation

Chapter 4 is for loans in which the WBC participates with a commercial lender that has made a loan to a business for building improvements to maintain the structure's historical character. The maximum participation is limited to 75 percent of the loan or \$100,000, whichever is less.

<u>Chapter 4 - Main Street Loans</u>			
	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
Main Street Loans	\$0	\$0	\$0
Loans 30 Days or More Past Due	\$0	\$0	\$0

At year-end 2017, there were no loans funded under this program.

Chapter 5 – Natural Gas Fueling Infrastructure Loans

Loans made under Chapter 5 of the Rules and Regulations are intended for direct loans made by the WBC for natural gas fueling infrastructure (NGFI). This program resulted from 2013 legislation. As defined by statutes, a natural gas fueling infrastructure loan is for the costs of the engineering, design, real property, equipment, and labor necessary to install a functioning natural gas filling station to fuel motor vehicles which operate on natural gas as transportation fuel. Loans issued under this chapter may not exceed 75 percent of the total project cost or \$1,000,000, whichever is less.

<u>Chapter 5 – Natural Gas Fueling Infrastructure Loans</u>			
	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
NGFI Loans	\$234,863	\$244,157	\$237,987
Loans 30 Days or More Past Due	\$0	\$0	\$0

The single loan has decreased by \$9,294 from the prior year due to normal payments. The increase of \$6,170 from 2015 to 2016 was due to the note's structure. The first 24 payments were capitalized onto the existing balance of the loan and actual payments did not begin until October 2016.

Administration

The program is administered by the Business and Industry Division of the WBC, and it is supervised by the Economic Development Program Manager, Josh Keefe. Mr. Keefe was named the Program manager on March 7, 2016.

Servicing

The WBC contracts with Markee Escrow Services, Inc., of Cheyenne, WY for servicing of the loan portfolio.

FINDINGS

Overall, the WBC is administering the loans it has funded under the Program in a satisfactory manner. WBC staff completes a cash flow analysis on loans as new financial information is obtained as well as on new loan requests.

Borrower Creditworthiness

Loans funded under the Program continue to be financially sound. New beet disaster loans were underwritten properly and do not yet have payment history to analyze.

Loans with Documentation Exceptions

Loan file documentation exceptions are measured by dividing the dollar amount of exceptions found by the total volume of loans reviewed. The table below details the dollar amounts of documentation exceptions cited at this examination. Documentation exceptions were centered in only two loans on stale financial statements and tax returns. Once corrected during the examination, there were no technical exceptions, an improvement from prior examinations.

<u>Loan File Documentation Exceptions</u>		
<u>Category</u>	<u>Amount (000)</u>	<u>Percentage</u>
All Exceptions – Initial	\$450	9.48%
All Exceptions – After Corrections	\$0	0.00%
Financial Statement Exceptions – Initial	\$450	9.48%
Financial Statement Exceptions – After Corrections	\$0	0.00%
Total Dollar Volume of Loans Reviewed	\$4,749	

Items marked with an asterisk (*) were corrected during the examination.

Star Valley Natural Gas, LLC

- Stale financial statement*

Jordan Farms, Inc.

- No personal financial statement. It was verified that the financial statement on hand was a consolidated statement for the company and the individual owners.*

Exit Meeting

On February 21, 2018, discussions were held with the Economic Development Finance Manager Joshua Keefe. Representing the Wyoming Division of banking were Examiner-In-Charge Jeremiah Bishop and Deputy Commissioner Fred Rife.



Albert L. Forkner, Commissioner



**Wyoming Business Council (WBC) Staff Comments on Department of Audit,
Division of Banking Report (March 27, 2018) - Challenge Loan Report of Examination**

WBC staff comments address findings that begin on page 4 of the report.

1. **General Comments in the Report (beginning on page 4 under FINDINGS):**
 - **Overall, the WBC is administering the loans it has funded under The Program in a satisfactory manner. WBC staff completes a cash flow analysis on loans as new financial information is obtained as well as on new loan requests. (page 4)**
 - Staff Response:
The Challenge Loan program has been successful in helping Wyoming businesses expand and relocate to the state. There were no violations of law and the portfolio performs very well with low delinquency, minimal charge offs, interest generated to make more loans and jobs created across the state. WBC staff is diligent in carrying out its fiscal responsibility while working hard to assist new and expanding businesses.
2. **Borrower Creditworthiness (page 4):**
 - Loans funded under the Program continue to be financially sound. New beet disaster loans were underwritten properly and do not yet have payment history to analyze.
3. **Loans not in Apparent Compliance with Rules and Regulations:**
 - *None noted at the end of the examination.*
4. **Loans with Documentation Exceptions (page 4&5): There were two credit relationships with financial statement exceptions, but were corrected during the exam. After corrections, there were no exceptions found during the examination.**
 - Staff Response:
WBC staff works throughout the year to minimize documentation exceptions. The documentation exception(s) were cleared during the examination and noted with an asterisk (*). Staff won't address in the comments.

Additional Challenge Loan Program Information (as of 12/31/17):

- a. The Challenge Loan Program has made or participated in 220 loans since 1998
- b. Total loans have been \$56,220,170 with the State's portion being \$23,870,927
- c. Interest collected over last 17 fiscal years (2000 – 2017) totals \$4,499,386
- d. 10 loans totaling \$311,185 have been charged off (1.3% loan loss)
- e. Estimated jobs created or retained of 622



Wyoming Business Council
Loan Servicing Report
December 31, 2017

Loan #	Loan	Lender	Borrower	RE Document #	Funding Date	Int Rate	Orig Date	Amount Due	Next Pmt Date	Pynt Freq	Original Balance	Current Balance	Principal Payment	Interest Payment	Service Fee	LC Fee	Total Payment	Date Last Payment	Interest To Date
100001	201 CHALLENGE	WBC	ASCENT 2000	ASCENT2000	12/19/2006	4.00%	12/19/2006	\$308.67	11/10/2017	M	\$96,000.00	\$16,757.42	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	10/16/2017	10/16/2017
Totals											\$96,000.00	\$16,757.42	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
200017	202 BRIDGE	FNB	GLUTEN FREE OATS LLC	07GLUTENFREE	12/2/2009	5.25%	12/2/2009	\$1,500.00	1/5/2018	M	\$174,000.00	\$90,418.98	\$1,056.24	\$413.54	\$39.39	\$0.00	\$1,509.17	12/4/2017	12/4/2017
200029	202 BRIDGE	RNB	L & L VENTURES LLC	13LVENTURES	7/23/2013	4.50%	7/23/2013	\$790.00	12/20/2017	M	\$303,831.37	\$83,350.53	\$371.25	\$362.77	\$45.35	\$0.00	\$1,278.37	12/8/2017	12/8/2017
200030	202 BRIDGE	BOC	COWBOY INN LLC	14COWBOYINN	8/22/2013	3.75%	8/22/2013	\$1,300.00	1/14/2018	M	\$209,925.49	\$144,187.09	\$84.95	\$392.74	\$60.42	\$0.00	\$1,278.11	12/14/2017	12/14/2017
200031	202 BRIDGE	SEC 1ST	YMCA	17CHEVENEWMCA	7/28/2016	4.00%	7/1/2016	\$1,050.00	1/1/2018	M	\$116,091.56	\$103,762.29	\$755.71	\$261.29	\$43.55	\$0.00	\$1,060.55	12/4/2017	12/1/2017
Totals											\$603,848.42	\$421,718.89	\$3,008.15	\$1,490.34	\$188.71	\$0.00	\$4,627.20		
400138	210 BEET	WBC	DENNIS E CHRISTENSEN	17DCHRISTENSEN	6/27/2017	3.50%	6/27/2017	\$449.78	1/1/2018	A	\$24,950.00	\$24,950.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6/27/2017	1/1/2018
400139	210 BEET	WBC	KENT CHRISTENSEN	17KENTCHRISTENSEN	8/3/2017	3.50%	8/3/2017	\$192.94	1/1/2018	A	\$13,325.00	\$13,325.00	\$0.00	\$165.38	\$27.56	\$0.00	\$192.94	12/26/2017	1/1/2018
400140	210 BEET	WBC	J AND J BAILING INC	17JBAILING	7/20/2017	3.50%	7/20/2017	\$1,229.36	1/1/2018	A	\$77,700.00	\$77,700.00	\$0.00	\$1,053.74	\$175.62	\$0.00	\$1,229.36	12/29/2017	1/1/2018
400141	210 BEET	WBC	JENNINGS FARMS INC	17JENNINGSFARMS	8/3/2017	3.50%	8/3/2017	\$1,292.29	1/1/2018	A	\$89,250.00	\$89,250.00	\$0.00	\$1,107.68	\$184.61	\$0.00	\$1,292.29	12/29/2017	1/1/2018
400142	210 BEET	WBC	JORDAN FARMS INC	17JORDANFARMS	6/27/2017	3.50%	6/27/2017	\$3,879.05	1/1/2018	A	\$215,175.00	\$215,175.00	\$0.00	\$3,324.90	\$554.15	\$0.00	\$3,879.05	12/29/2017	1/1/2018
400143	210 BEET	WBC	MCKAMEY FARMS II LLC	17MCKAMEY	8/3/2017	3.50%	8/3/2017	\$2,491.91	1/1/2018	A	\$172,100.00	\$172,100.00	\$0.00	\$2,135.92	\$355.99	\$0.00	\$2,491.91	12/26/2017	1/1/2018
400144	210 BEET	WBC	MAODEN FARMS LLC	17MAODENFARMS	7/20/2017	3.50%	7/20/2017	\$2,937.34	1/1/2018	A	\$185,650.00	\$185,650.00	\$0.00	\$2,517.72	\$419.62	\$0.00	\$2,937.34	12/26/2017	1/1/2018
400145	210 BEET	WBC	MENDEZ BROTHERS LLC	17MENDEZBROTHERS	8/10/2017	3.50%	8/10/2017	\$2,069.85	1/1/2018	A	\$149,900.00	\$149,900.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,463.31	12/26/2017	8/10/2017
400146	210 BEET	WBC	MICHAEL VIGIL FARMS INC	17MICHAELVIGIL	8/3/2017	3.50%	8/3/2017	\$5,456.31	1/1/2018	A	\$375,450.00	\$375,450.00	\$27.00	\$4,659.69	\$776.62	\$0.00	\$5,463.31	12/26/2017	1/1/2018
400147	210 BEET	WBC	THEODORE M ONDO	17ONDO	6/27/2017	3.50%	6/27/2017	\$2,238.55	1/1/2018	A	\$124,175.00	\$124,175.00	\$0.00	\$1,918.76	\$319.79	\$0.00	\$2,238.55	12/29/2017	1/1/2018
400148	210 BEET	WBC	PALESK FARMS INC	17PALESK	6/27/2017	3.50%	6/27/2017	\$6,494.37	1/1/2018	A	\$360,250.00	\$360,250.00	\$0.00	\$5,566.60	\$927.77	\$0.00	\$6,494.37	12/26/2017	1/1/2018
400149	210 BEET	WBC	DANIEL J PINCE	17DANIELPINCE	8/3/2017	3.50%	8/3/2017	\$2,389.11	1/1/2019	A	\$165,000.00	\$164,880.54	\$119.46	\$2,047.81	\$341.30	\$0.00	\$2,508.57	12/26/2017	1/1/2018
400150	210 BEET	WBC	DENNIS J PINCE	17DPINCE	7/20/2017	3.50%	7/20/2017	\$1,712.72	1/1/2019	A	\$108,250.00	\$108,164.36	\$85.64	\$1,468.05	\$244.67	\$0.00	\$1,798.36	12/27/2017	1/1/2018
400151	210 BEET	WBC	PROPP FARMS	17PROPPFARMS	7/20/2017	3.50%	7/20/2017	\$1,439.79	1/1/2018	A	\$91,000.00	\$91,000.00	\$0.00	\$1,234.11	\$205.68	\$0.00	\$1,439.79	12/21/2017	1/1/2018
400152	210 BEET	WBC	SAGE CREEK LAND & CATTLE	17SAGECREEKLAND	6/27/2017	3.50%	6/27/2017	\$8,729.77	1/1/2018	A	\$484,250.00	\$484,250.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6/27/2017	7/20/2017
400153	210 BEET	WBC	SCHLENKER RANCH INC	17SCHLENKERRANCH	7/20/2017	3.50%	7/20/2017	\$432.73	1/1/2018	A	\$27,350.00	\$27,350.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6/27/2017	6/27/2017
400154	210 BEET	WBC	TD FARMS INC	17TD-FARMSINC	6/27/2017	3.50%	6/27/2017	\$7,436.30	1/1/2018	A	\$412,500.00	\$412,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6/27/2017	8/3/2017
400155	210 BEET	WBC	WEBER AG LLC	17WEBERAGLLC	8/3/2017	3.50%	8/3/2017	\$7,021.81	1/1/2018	A	\$484,950.00	\$484,950.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	8/3/2017	8/3/2017
400156	210 BEET	WBC	BRETT WEBER	17BRETTWEBER	8/10/2017	3.50%	8/10/2017	\$1,191.99	1/1/2018	A	\$86,325.00	\$86,325.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	8/10/2017	8/3/2017
400157	210 BEET	WBC	WELIVER FARMS LLC	17WELIVERFARMS	8/3/2017	3.50%	8/3/2017	\$1,164.87	1/1/2018	A	\$80,450.00	\$80,450.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	8/3/2017	8/3/2017
400158	210 BEET	WBC	BRENTON PAXTON FARMS, LLC	17BRENTONPAXTONFARMS	8/10/2017	3.50%	8/10/2017	\$665.56	1/1/2018	A	\$48,200.00	\$48,200.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	8/10/2017	7/20/2017
400159	210 BEET	WBC	SOUTHLAND & LIVSTK	17SOUTHLAND	7/20/2017	3.50%	7/20/2017	\$7,910.96	1/1/2018	A	\$500,000.00	\$500,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	7/20/2017	7/20/2017
400160	210 BEET	WBC	AGUILAR BROTHERS, LLC	17AGUILAR	11/16/2017	3.50%	11/16/2017	\$39,157.76	1/1/2018	A	\$297,900.00	\$297,900.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
400161	210 BEET	WBC	MIGUEL AGUILAR	17AGUILAR	11/16/2017	3.50%	11/16/2017	\$119.54	1/1/2018	A	\$27,100.00	\$27,100.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		11/16/2017

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400162	210	BEET	WBC	ASHER FARMS, INC	17ASHERFARMS	11/16/2017	3.50%	11/16/2017	\$183.05	1/1/2018	A	\$41,500.00	\$41,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	11/16/2017	
400163	210	BEET	WBC	MAX E. BAKER	17BAKER	11/16/2017	3.50%	11/16/2017	\$529.32	1/1/2018	A	\$120,000.00	\$120,000.00	\$0.00	\$453.70	\$75.62	\$0.00	\$529.32	12/26/2017	11/16/2017
400164	210	BEET	WBC	LYLE R. BJORNESTAD	17BJORNESTAD	11/16/2017	3.50%	11/16/2017	\$559.75	1/1/2018	A	\$126,900.00	\$126,900.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	11/16/2017	
400165	210	BEET	WBC	COX & FISHER INC.		11/16/2017	3.50%	11/1/2000	\$30,337.74	1/1/2018	A	\$230,800.00	\$230,800.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
400166	210	BEET	WBC	CROSBY FARMS		11/16/2017	3.50%	11/1/2000	\$29,457.05	1/1/2018	A	\$224,100.00	\$224,100.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
400167	210	BEET	WBC	CODY A EKSUM	17EKSUM	11/16/2017	3.50%	11/16/2017	\$302.15	1/1/2018	A	\$68,500.00	\$68,500.00	\$0.00	\$258.99	\$43.16	\$0.00	\$302.15	12/26/2017	1/1/2018
400168	210	BEET	WBC	EDEN FARMS		11/16/2017	3.50%	1/1/2000	\$0.00	1/1/2018	A	\$135,300.00	\$135,300.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
400169	210	BEET	WBC	EUGENE MILLER & SONS, INC	17EUGENEMILLER&SONS	11/16/2017	3.50%	11/1/2000	\$910.75	1/1/2018	A	\$206,475.00	\$206,475.00	\$0.00	\$102.61	\$17.10	\$0.00	\$119.71	12/22/2017	1/1/2018
400170	210	BEET	WBC	LYLE EVELO	17EVELO	11/16/2017	3.50%	11/16/2017	\$277.89	1/1/2018	A	\$63,000.00	\$63,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	11/16/2017	
400171	210	BEET	WBC	BRET FABER	17FABER	11/16/2017	3.50%	11/16/2017	\$286.71	1/1/2018	A	\$65,000.00	\$65,000.00	\$0.00	\$245.75	\$40.96	\$0.00	\$286.71	12/28/2017	1/1/2018
400172	210	BEET	WBC	FARWELL FARMS, INC	17FARWELLFARMS	11/16/2017	3.50%	11/16/2017	\$969.09	1/1/2018	A	\$219,700.00	\$219,700.00	\$0.00	\$830.65	\$138.44	\$0.00	\$969.09	12/26/2017	1/1/2018
400173	210	BEET	WBC	FAKON FARMS	17FAKSONFARMS	11/16/2017	3.50%	11/16/2017	\$522.70	1/1/2018	A	\$118,500.00	\$118,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
400174	210	BEET	WBC	DWIGHT GILBERT		11/16/2017	3.50%	1/1/2000	\$7,623.87	1/1/2018	A	\$58,000.00	\$58,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
400175	210	BEET	WBC	CHARLES HESSENTHALER		11/16/2017	3.50%	1/1/2000	\$12,329.64	1/1/2018	A	\$93,800.00	\$93,800.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
400176	210	BEET	WBC	PETER KUKOWSKI		11/16/2017	3.50%	1/1/2000	\$6,373.11	1/1/2018	A	\$63,700.00	\$63,700.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
400177	210	BEET	WBC	MENDEZ BROTHERS, LLC	17MENDEZBROTHERS2	11/16/2017	3.50%	11/16/2017	\$700.02	1/1/2018	A	\$158,700.00	\$158,700.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	11/16/2017	
400178	210	BEET	WBC	MILLER BROTHERS, LLC		11/16/2017	3.50%	1/1/2000	\$11,002.03	1/1/2018	A	\$83,700.00	\$83,700.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
400179	210	BEET	WBC	MURRAYMERE FARMS	17MURRAYMEREFARMS	11/16/2017	3.50%	11/16/2017	\$604.30	1/1/2018	A	\$137,000.00	\$137,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
400180	210	BEET	WBC	MICHAEL NEVES	17MICHAELNEVES	11/16/2017	3.50%	11/16/2017	\$172.03	1/1/2018	A	\$39,000.00	\$39,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
400181	210	BEET	WBC	BRANDY PETTET	17BRANDYPETTET	11/16/2017	3.50%	11/16/2017	\$110.27	1/1/2018	A	\$25,000.00	\$25,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	11/16/2017	
400182	210	BEET	WBC	RICARDO RODRIGUEZ FARMS	17RICARDOFARMS	11/16/2017	3.50%	11/16/2017	\$1,102.74	1/1/2018	A	\$250,000.00	\$250,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	11/16/2017	
400183	210	BEET	WBC	JOEL G. SCHAEFER	17JOELSCHAEFER	11/16/2017	3.50%	11/16/2017	\$55.14	1/1/2018	A	\$12,500.00	\$12,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	11/16/2017	
400184	210	BEET	WBC	SCHLENKER RANCH INC	17SCHLENKERANCH2	11/16/2017	3.50%	11/16/2017	\$644.88	1/1/2018	A	\$146,200.00	\$146,200.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	11/16/2017	
400185	210	BEET	WBC	RICHARD SCHLENKER	17RICHARDSCHLENKER	11/16/2017	3.50%	11/16/2017	\$183.94	1/1/2018	A	\$41,700.00	\$41,700.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	11/16/2017	
400186	210	BEET	WBC	REGAN SMITH	17REGANSMITH	11/16/2017	3.50%	11/16/2017	\$316.27	1/1/2018	A	\$71,700.00	\$71,700.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	11/16/2017	
400187	210	BEET	WBC	SHANE SMITH		11/16/2017	3.50%	1/1/2000	\$9,345.81	1/1/2018	A	\$71,100.00	\$71,100.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
400188	210	BEET	WBC	JARED SNEEL		11/16/2017	3.50%	1/1/2000	\$1,735.09	1/1/2018	A	\$13,200.00	\$13,200.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
400189	210	BEET	WBC	STUTZMAN INC		11/16/2017	3.50%	1/1/2000	\$13,946.42	1/1/2018	A	\$106,100.00	\$106,100.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
400190	210	BEET	WBC	PAUL WAAMBEKE	17WAAMBEKE	11/16/2017	3.50%	11/16/2017	\$259.81	1/1/2018	A	\$58,900.00	\$58,900.00	\$0.00	\$345.19	\$57.53	\$0.00	\$402.72	12/21/2017	11/16/2017
400191	210	BEET	WBC	WILDMAN FARMS INC	17WILDMANFARMS	11/16/2017	3.50%	11/16/2017	\$402.72	1/1/2018	A	\$59,300.00	\$59,300.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
Totals									\$7,742,575.00			\$7,742,342.90		\$232.10	\$29,437.25	\$4,906.19	\$0.00	\$34,575.54		

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600001	205	AMEND IV	WBC	TENUPAH	9602ANL	1/26/2006	1.00%	1/26/2006	\$3,000.00	1/10/2018	M	\$800,000.00	\$301,298.16	\$2,675.21	\$162.40	\$162.39	\$0.00	\$3,000.00	12/22/2017	12/22/2017
Totals									\$800,000.00	\$301,298.16		\$800,000.00	\$234,863.37	\$935.32	\$646.02	\$80.76	\$0.00	\$1,662.10	12/22/2017	12/22/2017
700001	207	NAT GAS	WBC	STAR VALLEY NATURAL GAS	15STARVALNATGAS	9/22/2014	4.50%	9/22/2014	\$1,662.10	1/20/2018	M	\$225,000.00	\$234,863.37	\$935.32	\$646.02	\$80.76	\$0.00	\$1,662.10	12/22/2017	12/22/2017
Totals									\$1,662.10	1/20/2018	M	\$225,000.00	\$234,863.37	\$935.32	\$646.02	\$80.76	\$0.00	\$1,662.10	12/22/2017	12/22/2017
800001	208	BRC	WBC	JACKSON HOLE AIRPORT #1		1/7/2010	1.00%	1/7/2010	\$158,374.00	1/7/2019	A	\$1,500,000.00	\$312,050.27	\$153,716.33	\$4,657.67	\$0.00	\$0.00	\$158,374.00	12/15/2017	1/7/2018
800002	208	BRC	WBC	TETON COUNTY		12/6/2010	1.00%	12/6/2010	\$158,374.00	12/6/2018	A	\$1,500,000.00	\$480,229.76	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	11/13/2017	12/6/2017
800003	208	BRC	WBC	GOSHEN CARE CENTER JP8		1/9/2017	2.50%	1/9/2017	\$192,503.88	1/9/2018	A	\$894,340.00	\$894,340.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1/9/2017	1/9/2017
800004	208	BRC	WBC	CITY OF LARAMIE		4/1/2017	0.50%	4/1/2017	\$443,804.81	4/1/2024	A	\$433,161.00	\$433,161.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	4/1/2017	4/1/2017
800005	208	BRC	WBC	JACKSON HOLE AIRPORT #2		5/11/2015	1.50%	5/11/2015	\$323,249.40	5/11/2018	A	\$2,439,327.46	\$2,439,327.46	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	5/11/2017	5/11/2017
800006	208	BRC	WBC	CITY OF CHEYENNE		11/1/2015	0.50%	11/1/2015	\$12,269.72	11/1/2018	A	\$2,453,943.00	\$2,453,943.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	11/30/2017	11/1/2017
800007	208	BRC	WBC	CAMPBELL COUNTY		4/14/2016	0.00%	4/14/2016	\$25,939.00	4/14/2018	A	\$259,392.00	\$233,452.80	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	12/7/2017	4/14/2016
800008	208	BRC	WBC	CITY OF LANDER		3/31/2017	0.50%	3/31/2017	\$52,552.08	3/31/2018	A	\$194,316.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	3/31/2017	3/31/2017
800009	208	BRC	WBC	TOWN OF JACKSON		6/25/2016	1.00%	6/25/2016	\$28,607.66	6/25/2018	A	\$518,375.00	\$904,658.08	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6/25/2017	6/25/2017
800010	208	BRC	WBC	CITY OF LARAMIE		10/20/2016	1.00%	10/20/2016	\$153,549.56	10/20/2018	A	\$2,645,046.00	\$471,292.94	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	10/19/2017	10/20/2017
800011	208	BRC	WBC	CITY OF GILLETTE		4/25/2017	3.00%	4/25/2017	\$37,502.00	4/25/2018	A	\$557,935.00	\$557,935.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	4/25/2017	4/25/2017
800012	208	BRC	WBC	LARAMIE COUNTY			0.00%		\$0.00			\$117,033.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
800013	208	BRC	WBC	TOWN OF ALPINE			2.00%		\$0.00			\$209,250.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
800014	208	BRC	WBC	CITY OF LARAMIE			1.50%		\$0.00			\$500,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
800015	208	BRC	WBC	JACKSON HOLE AIRPORT #3					\$0.00			\$15,222,118.46	\$11,825,436.31	\$153,716.33	\$4,657.67	\$0.00	\$0.00	\$158,374.00		
Totals									\$0.00			\$15,222,118.46	\$11,825,436.31	\$153,716.33	\$4,657.67	\$0.00	\$0.00	\$158,374.00		
900011	211	MAIN ST	WBC	65 COFFEEN LLC	1065CCOFFEEN	1/27/2010	4.50%	1/27/2010	\$301.00	1/26/2018	M	\$28,000.00	\$5,653.58	\$279.79	\$18.85	\$2.36	\$0.00	\$301.00	12/26/2017	12/26/2017
900012	211	MAIN ST	WBC	GRIMSHAW INVESTMENTS LLC	10GRIMSHAW	4/20/2010	4.50%	4/20/2010	\$790.00	1/20/2018	M	\$76,200.00	\$20,449.17	\$715.56	\$66.17	\$8.27	\$0.00	\$790.00	12/13/2017	12/13/2017
Totals									\$790.00	1/20/2018	M	\$104,200.00	\$26,102.75	\$995.35	\$85.02	\$10.63	\$0.00	\$1,091.00		
Grand Totals									\$24,793,741.88	\$20,568,919.80	\$161,562.46	\$36,418.70	\$5,348.68	\$0.00	\$203,329.84					



2018 ANNUAL REPORT

SBIC



The Wyoming Small Business Investment Credit (SBIC) program provides alternative sources of capital to qualifying Wyoming businesses and entrepreneurs. In 2010, the Wyoming Legislature allocated \$30 million to the program in the form of tax credits. The funds are managed by private investment companies certified and regulated by the Wyoming Business Council (WBC) to make investments in Wyoming businesses. The Business Council qualifies participating businesses, manages and markets the program and provides reports to the Legislature.

As of December 31, 2017, cumulative SBIC investments (since 12/2011):

- Total \$23,024,233
- Leveraged \$17,812,874 in follow-on capital
- Helped create 125 jobs
- Financed a total of 23 businesses in Lander, Jackson, Alpine, Cody, Wilson, Moorcroft, Laramie, Sheridan, Casper, Gillette and Pinedale.
- Financed businesses in the following industries: meat processing, tourism, interior design, motion picture and video industries, construction, energy production service companies, manufacturing analytical instruments, machinery manufacturing, HVAC services, digital media and advertising services, car wash, real estate investment/development, pet services, a brewery, a convenience store, and professional guide services.

Investment Companies

The WBC Board of Directors certifies venture capital or private equity companies to act as a Wyoming Small Business Investment Company (SBIC). To receive certification, a SBIC must be located, headquartered and licensed to conduct business in Wyoming and have at least two investment managers with a minimum of five years of experience in money management in venture capital, private investment or as an officer in a commercial bank. SBICs invest designated capital into qualified businesses. The SBIC's investments, either in the form of a debt instrument or equity purchase, stimulate job creation by making capital available to Wyoming businesses.

Participating investors in SBICs are insurance companies with premium tax liability owed to the state of Wyoming. Insurance companies, in turn, receive a tax credit equal to the amount of their investment. A participating investor earns credit against any state premium tax liability up to one hundred percent (100%) of the participating investor's investment of designated capital in a Wyoming small business investment company. The total amount of tax credits earned by participating investors totaled \$2,507,000 for the year 2017.

Per Wyoming Statute 9-12-1307				
Years	2	4	6	8
Percentage Invested	25%	50%	70%	100%

*If percentage isn't met within proper time frame then investment company doesn't receive their management fee.

Wyoming Small Business Investment Companies	Designated Capital	Date of Certification	Standing	Amount of Tax Credits for 2017	Investments as a % of Designated Capital
Enhanced Capital Wyoming Fund, LLC	\$25,000,000	12/1/2011	Good	\$2,507,000	75.8%
Petros Wyoming Fund I, LLC	\$5,000,000	2/27/2014	Good	\$0	81.3%
TOTAL	\$30,000,000			\$2,507,000	

The Businesses

To be considered for SBIC financing, a business must:

- Be headquartered and principally operated in Wyoming (at least 60 percent of the employees are employed in Wyoming or the business has committed in writing to move to Wyoming as a condition of the investment)
- Intend to remain in Wyoming after the receipt of the qualified investment
- Have 250 employees or less
- Not be a franchise or an affiliate of an SBIC and not be predominantly engaged in:
 1. Professional services provided by accountants, doctors or lawyers
 2. Banking or lending
 3. Insurance
 4. Direct gambling activities

Investments made by Enhanced Capital Wyoming Fund LLC

Business	Investment Date	Investment Amount	Debt or Equity	Industrial Classification (NAICS)	Employees at time of Investment	Employees as of 12/31/17	Follow-On Capital	Location
Wyoming Authentic Products, LLC	12/13/2012	\$100,000	Equity	Meat Processed (311612)	1	17	\$1,314,162	Cody
	5/28/2013	\$100,000	Equity					
	1/17/2014	\$32,653	Equity					
	9/15/2014	\$38,776	Equity					
	12/18/2015	\$38,775	Equity					
	7/12/2016	\$1,000,000	Debt					
Total		\$1,310,204					\$1,314,162	
Fireside Glamping, LLC.	12/14/12	\$400,000	Debt	RV Parks and Campgrounds (721211)	4	10	\$400,000	Wilson
Total		\$400,000					\$400,000	
WRJ Design Associates, Ltd	2/11/13	\$250,000	Debt	Decorating Consulting Services, Interior (541410)	4	10	\$100,000	Jackson
Total		\$250,000					\$100,000	
Teton Gravity Research, LLC	3/12/13	\$700,000*	Debt	Motion Picture and Video Industries (512100)	20	20	\$33,000	Jackson
Total		\$700,000					\$33,000	
Peak Builders, Inc.	3/13/13	\$400,000*	Debt	New Single Family Construction (235115)	28	39	-	Jackson
Total		\$400,000						
Flowtech Fueling, LLC	7/1/13	\$250,000	Debt	Coal Mining Support Services (213113)	5	5	-	Moorcroft
Total		\$250,000						
SciApps, Inc.	7/9/2013	\$1,000,000*	Debt	Design, manufacture, and sale of portable analytical instruments (334516)	11	33	\$11,540,825	Laramie
	3/2/2015	\$750,000	Debt					
	8/17/2015	\$250,000	Debt					
	8/31/2015	\$250,000	Equity					
Total		\$2,250,000					\$11,540,825	

*Indicates loan has been paid in full



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Investments made by Enhanced Capital Wyoming Fund LLC

Business	Investment Date	Investment Amount	Debt or Equity	Industrial Classification (NAICS)	Employees at time of Investment	Employees as of 12/31/17	Follow-On Capital	Location
Vacuum Technologies Corp.	8/21/13	\$750,000*	Debt	Other Commercial and Service Industry Machinery Manufacturing (333318)	60	128	-	Sheridan
Total		\$750,000						
CK Mechanical Plumbing & Heating Inc.	9/27/2013 7/28/2016	\$750,000* \$650,000	Debt Debt	Plumbing, Heating & Air Conditioning (238220)	42	30	\$2,236,887	Casper
Total		\$750,000						\$2,236,887
Solving Tech, Inc./Fuzion Energy	2/20/14 3/7/14 3/12/14 3/31/14 4/9/14 4/18/14	\$1,300,000 \$150,000 \$150,000 \$300,000 \$100,000 \$600,000	Debt Debt Debt Debt Debt Debt	Oil & Gas Support Services (213112)	80	90	\$1,000,000	Gillette
Total		\$2,600,000						\$1,000,000
PitchEngine, Inc.	3/16/2015 12/8/2015	\$150,000 \$150,000	Debt Debt	Digital Media & Advertising (519130)	14	14	\$600,000	Lander
Total		\$300,000						\$600,000
Rocky Mountain Wash, LLC	4/28/2015 4/11/2016	\$70,000 \$1,702,561	Debt Debt	Car Wash & RE Investment (811192)	31	28	-	Pinedale
Total		\$1,772,561						
DogJax, LLC	7/31/15	\$881,500*	Debt	Pet Services (812910)	14	16	-	Jackson
Total		\$881,500						
L2 Development Partners, LLC	8/28/15 10/26/15	\$750,000* \$2,050,000	Debt Debt	RE Acquisition & Development (651201)	3	3	-	Jackson
Total		\$2,800,000						
Mercado, LLC	6/27/2016	\$450,000	Debt	Market/ Convenience Store (445120)	8	8	\$250,000	Jackson
Total		\$450,000						\$250,000
Brushbuck Guide Services, Inc.	12/9/2016	\$805,000	Debt	Professional Guide Services (812910)	9	9	\$38,000	Jackson
Total		\$805,000						\$38,000
Y2 Consultants, LLC	5/5/2017	\$1,140,000	Debt	Engineering Services (541330)	15	15	-	Jackson
Total		\$1,140,000						
Vertical Harvest, LLC	10/20/2017	\$300,000	Debt	Food Crops Grown Under Cover (111419)	28	28	-	Jackson
Total		\$300,000						

*Indicates loan has been paid in full

Investments made by Enhanced Capital Wyoming Fund LLC

DMOS Collective, Inc.	11/21/2017	\$50,000	Equity	Hand Tool Manufacturing (332216)	4	4	-	Jackson
Total		\$50,000						
Frost2, LLC	12/21/2017	\$150,000	Debt	Beauty Salon (812112)	2	2	-	Jackson
Total		\$150,000						
GRAND TOTAL		\$18,959,265	Equity = \$610,204 (3.2%) Debt = \$18,349,061 (96.8%)		383	504	\$17,512,874	

Investments made by Petros Wyoming Fund I, LLC

Business	Investment Date	Investment Amount	Debt or Equity	Industrial Classification (NAICS)	Employees at time of Investment	Employees as of 12/31/17	Follow-On Capital	Location
PitchEngine, Inc.	3/16/2015 12/8/2015	\$150,000 \$150,000	Debt Debt	Digital Media & Advertising (519130)	10	14	\$300,000	Lander
Total		\$300,000					\$300,000	
Alpine Keg SPE I, LLC	10/23/15	\$259,968	Debt	Brewery (312120)	3	3	-	Alpine
Total		\$259,968						
L2 Development Partners, LLC	8/11/15	\$1,000,000*	Debt	RE Acquisition & Development (651201)	3	3	-	Jackson
Total		\$1,000,000						
Incline Real Estate Holdings II, LLC	3/10/16	\$945,000	Debt	Comm. & Ind. Building Operation (651201)	4	4	-	Jackson
Total		\$945,000						
Mercado, LLC	10/25/2016 4/18/2017	\$250,000 \$310,000	Debt	Convenience Store (445120)	8	8	-	Jackson
Total		\$560,000						
1175 Partners, LLC	5/11/2017	\$1,000,000*	Debt	Comm. & Ind. Building Operation (651201)	4	4	-	Jackson
Total		\$1,000,000						
GRAND TOTAL		\$4,064,968	Equity=0% Debt=100%		32	36	\$300,000	

*Indicates loan has been paid in full

Combined SBIC Program Totals

Investment Amount	Debt or Equity	Employees at time of investment	Employees as of 12/31/17	Follow-On Capital
\$23,024,233	Equity = \$610,204 (2.7%) Debt = \$22,414,029 (97.3%)	415	540	\$17,812,874



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Credit Memorandum

Applicant: DBJJDM Enterprises, LLC

Date: May 21, 2018

Purpose: Continued Operations of WyoTech in Laramie, WY

Proposal:

During the sixty-fourth Legislature (2018) five million (\$5,000,000) dollars were appropriated toward the continuation of operations at WyoTech in Laramie, WY (HB 001, Section 331). The statute states the Wyoming Business Council (WBC), in consultation with the Governor's Office, shall solicit and evaluate proposals submitted by private entities and by Wyoming community college districts to continue operations of the automotive technology trade school.

The WBC is to recommend to the Governor "the proposal which provides the greatest benefit to the state, based upon direct returns of funding provided under this section, the likelihood of continued operations and anticipated direct and indirect revenues and costs to the state".

After receipt of two proposals (DBJJDM Enterprises, LLC and Laramie County Community College [LCCC]), the WBC has made a recommendation to the Governor's office to accept the proposal from DBJJDM Enterprises, LLC. This proposal has an experienced management team, collateral supportive of value, and the injection of another \$7,000,000 of working capital into the project.

Below is a summary of the proposed loan terms:

Borrower:	DBJJDM Enterprises, LLC
Loan Amount:	\$5,000,000
Interest Rate:	2.5%
Adjustment Period:	Fixed
Loan Term:	7 Years
Loan Payments:	Years 1-3: Interest Only = \$125,000 Years 4-6 P&I = \$787,477 Year 7 Balloon Payment = \$2,750,947
Payment Frequency:	Annual
Collateral:	UCC Filing on Business Assets
Collateral Value:	\$10,521,777
Loan To Value:	47.5%
Loan Fee:	\$0

Loan Covenants:

- Distributions shall be limited to tax liability of the respective member of the LLC
- Annual (complete) tax return for DBJJDM Enterprises, LLC (due May 15); if extension is filed, receipt of the extension will be required
- Receipt of annual equipment listing (due May 15)
- Financial statements (balance sheet, income statement) for DBJJDM Enterprises, LLC every six (6) months (due August 1 and February 1) for the first three years of the loan

Conditions to Close:

- Acknowledgement by Wyoming Business Council Board of Directors
- Copy of executed purchase agreement between DBJJDM Enterprises, LLC and CB Richard Ellis
- Receipt of statement of account showing available balance of a minimum of \$7,000,000
- Receipt of letter(s) of credit for US Department of Education accreditation (if required)
- Approval of vendor management forms from State of Wyoming Auditor's office
- Approval as to form of loan documents by the Attorney General's office

Findings:

The WBC finds the private sector proposal to be viable and provides great benefit to the state, a repayment (totaling around \$5.9M), and a high likelihood of continued operations and anticipated direct and indirect revenues to the state in the form of taxes.

Acknowledgment:

Staff recommends acknowledgement by the Wyoming Business Council Board of Directors that \$5,000,000 will be used from the Economic Development Loan Fund (Challenge Loan Fund) to close the loan to DBJJDM Enterprises, LLC. Staff also recommends the loan be closed and serviced by the WBC.

The current available balance in the Challenge Loan Fund is \$25,052,125.

Respectfully Submitted,

Joshua S. Keefe

Economic Development Finance Manager

SECTION D

COMMUNITY GRANT AND LOAN COMMITTEE

May 23-24, 2018 · Gillette, Wyoming







Community Grant and Loan Committee

Report and Recommendations to the Wyoming Business Council

May 24, 2018

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BUSINESS READY COMMUNITY OVERVIEW

FY18 Q4 Allocation Plan

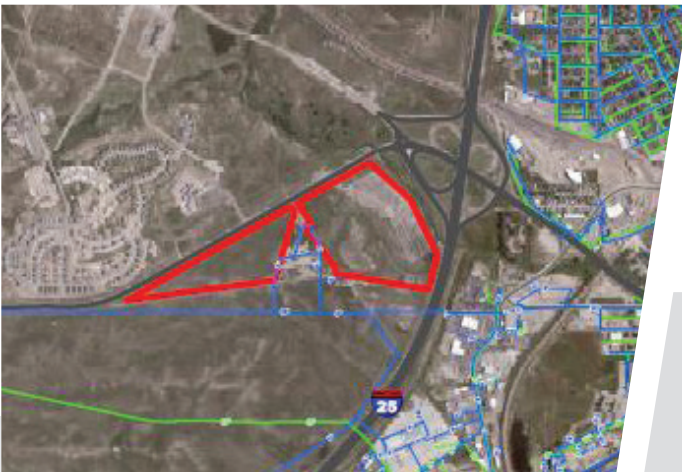
BRC Project Types	Priorities	% of Allocation	Q4 Allocation Available
Business Committed & Managed Data Ctr Cost Reduction	High	45%	\$ 2,876,687
Community Readiness	Medium	39%	\$ 3,186,656
Community Enhancement	Low	15%	\$ 1,244,685
Planning	Low	1%	\$ 57,350
			\$ 7,365,378

BRC Application and Program Summary

BRC Applications Received March 1, 2018				
Applicant	Project	Type	Request	Staff Recommendation
Cheyenne	FEW AFB Enhanced Use Lease Infrastructure Grant	Community Readiness	\$ 3,000,000	\$ 3,000,000
Cheyenne	FEW AFB Enhanced Use Lease Infrastructure Loan	Community Readiness	\$ 1,337,455	\$ 1,337,455
Riverton	Strategic Plan for Economic Development	Planning	\$ 50,000	\$ 50,000
Total Requests			\$ 4,387,455	\$ 4,387,455

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.





Business Ready Community Grant and Loan Program

CITY OF CHEYENNE— F.E. WARREN AIR FORCE BASE ENHANCED USE LAND LEASE INFRASTRUCTURE PROJECT

**\$3,000,000 BRC Community
Readiness Grant & \$1,337,455 BRC Loan**

Staff Recommendation: Fund as requested

Project Description

The city of Cheyenne requests a \$3,000,000 Business Ready Community (BRC) Community Readiness Grant and a \$1,337,455 BRC Loan for the extension of 12,000 lineal-feet of water main, 11,400 lineal-feet of sewer main, and minor road improvements to a public right-of-way. The city will own and maintain all public utility infrastructure to the site.

This infrastructure will serve approximately 50.3-acres of a total 75.3-acre site and assist in the development of the proposed Enhanced Use Lease (EUL), for a mixed-use residential and commercial site. An EUL is a program that provides opportunities for the military to partner with private developers to create mutually beneficial commercial and residential real estate projects on underutilized excess federal property. The property is owned by F.E. Warren Air Force Base (F.E. Warren) and is located outside of the restricted area allowing for public access, adjacent to Interstate 25, Happy Jack Road and the southern edge of the restricted area of F.E. Warren.

The city of Cheyenne is in the process of annexing the site. The city anticipates the annexation will be complete by July 2018.

The new infrastructure will primarily benefit the 50.3-acre eastern portion of the overall site, which will be developed in two phases. Phase I, the residential phase, will be designed to meet the housing needs of the 500 to 700 military personnel who currently live and commute from outside of the Cheyenne area each day. Phase II, the commercial phase, will provide commercial services including but not limited to restaurants, convenience stores, retail and office space to the community and serve as a gateway development outside the I-25 corridor.

The total estimated private investment for Phase I and Phase II is \$95.6 million. Phase III, which is not part of this application and project, consists of additional housing to be constructed on the remaining 25-acres west of the project area.

Project Background

The 75.3-acre site was identified by F.E. Warren as being underutilized and “excess” for the purposes of their mission.

F.E. Warren enlisted a team to conduct an economic impact study of the proposed site with the possibility of developing the property through the EUL program in mind. Coldwell Banker Commercial prepared the final Economic Impact Study report. F.E. Warren issued a Request for Qualifications (RFQ) to solicit proposals from the private sector to develop the entire 75.3-acre site through an EUL. Of particular interest to F.E. Warren is meeting the immediate housing needs of 500 to 700 military personnel who qualify for Basic Allowance Housing (BAH) and live off base. These military personnel currently live and commute from outside of Cheyenne due to the lack of housing available within their BAH in the community.

F.E. Warren has 170 open positions at this time but is unable to fill those positions due to the lack of housing in the community. There are currently 4,000 airmen stationed at F.E. Warren and there are an additional 10,000 personnel attached to F.E. Warren.

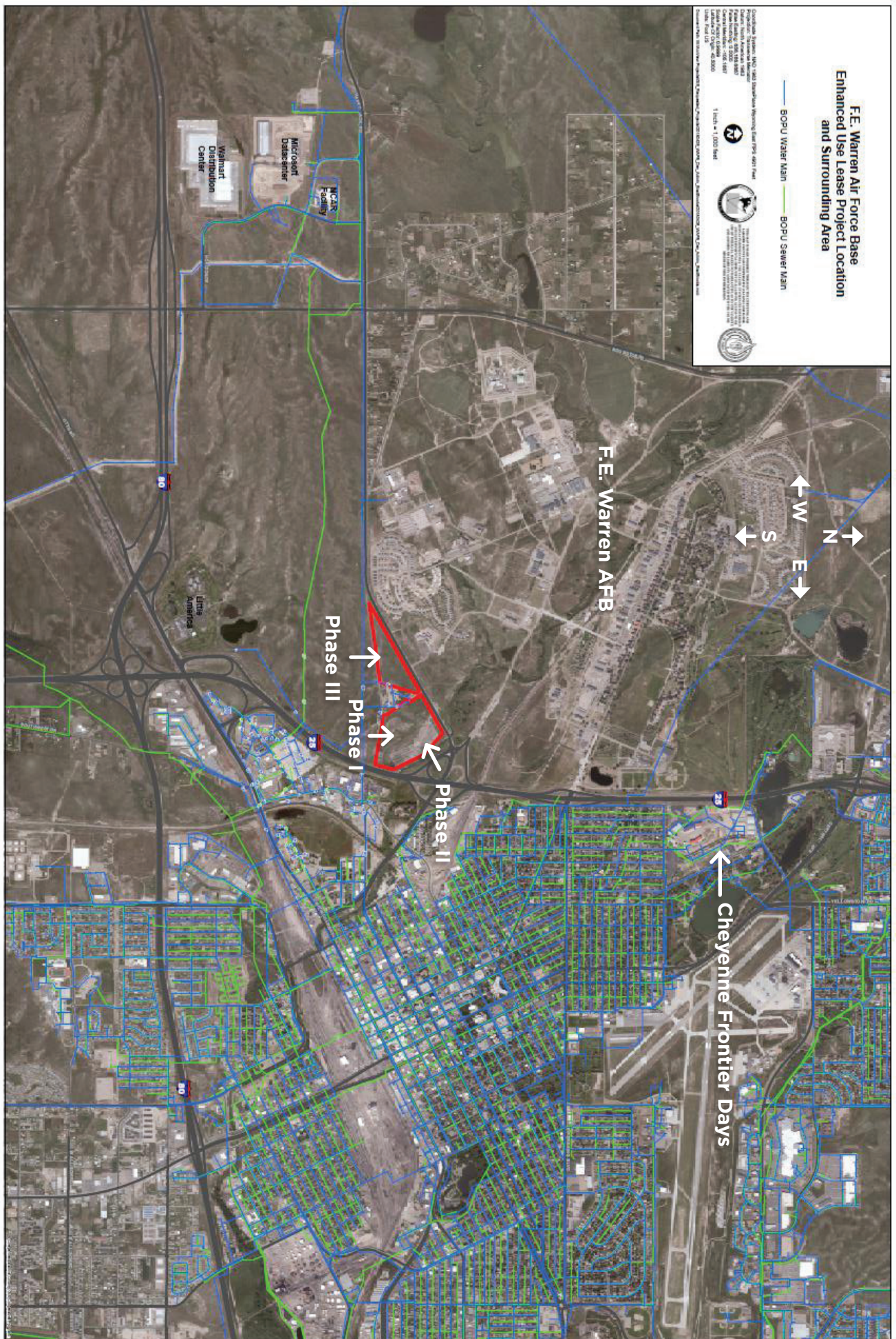
It was through the RFQ process that the city of Cheyenne was added to the conversation related to the lack of water and sewer infrastructure as a challenge to overcome in developing the property.

Balfour Beatty, PLC was selected through the RFQ process as the “Qualified Lessee” to be the master developer of the 75.3-acre site. Balfour Beatty, PLC is a leading international infrastructure group that finance, design, develop and construct, operate and maintain complex infrastructure projects worldwide. The company is structured in three components. One of them, Balfour Beatty Communities, manages and operates 55 military housing privatization projects for the Army, Navy and Air Force through the 1996 Military Housing Privatization Initiative (MHPI). In 2011, Balfour Beatty Communities was awarded a long-term contract through the MHPI to acquire, manage, and maintain the military housing on F.E. Warren, and in 2013 that award was extended to include the historic brick quarters housing.

Pending confirmation of award of this grant request, Balfour Beatty anticipates execution of the lease with F.E. Warren on October 1, 2019; with private development beginning immediately after execution of lease. Execution of the lease agreement triggers significant payments to F.E. Warren and carrying costs for the private developer. For this reason, final negotiations and execution of the lease depends on public investment.

Balfour Beatty will be responsible for the development of the housing component for Phase I and Phase III, which is not part of this project. Coldwell Banker Commercial, through sub-contract with Balfour Beatty, will develop the commercial component in Phase II of the project. The structure of this project and the cash flow analysis was based on the base housing allowance in order to insure the housing being available as intended to airmen. In the unlikely event that the housing is not fully occupied by F.E. Warren personnel, units will be made available to the public.

A Phase I Environmental Site Assessment (ESA) was performed on the property in October of 2010, and a full Environmental Assessment (EA) was performed in May of 2013. F.E. Warren is presently completing an Environmental Baseline Survey (EBS) for the project site which is expected to be completed by the fall of 2018. Upon completion of the EBS, as a normal part of their development protocol, Balfour Beatty will perform another Environmental Assessment on the property in anticipation of the execution of the lease on October 1, 2019. Since no changes have occurred on the site, and given the completeness of past environmental work, it is anticipated that the EA will be straight forward.



Public Benefits

The EUL provides unique public-private partnership opportunities for gateway development in Cheyenne, making an underutilized piece of property productive by facilitating housing and community activities.

While the provision of additional housing for F.E. Warren is an important element of this project, it provides several additional economic benefits to the Cheyenne community. These include:

- The creation of an attractive gateway development to help promote Cheyenne and capture additional dollars from outside of the community.

Much of Cheyenne's residential growth is happening on the eastern side of the city. New large-scale industrial and commercial developments have been happening on the southern and western parts of Cheyenne; i.e. North Range Business Park, Swan Ranch/Cheyenne Logistics Hub. The growth has inadvertently created a divide with a lack of commercial and residential development happening in between.

The EUL mixed-use development will diversify the area of commercial activity and increase the amount of spending from locals and outsiders because of its proximity to I-25. There is a captive market built into the development in the 500-600 new residents that will reside on the property.

- Provide important commercial services to support significant employers in the area.

The future development of this property will directly support significant employers in the area, Wal-Mart Distribution Center and Microsoft Data Center, National Center for Atmospheric Research (NCAR), and Little America, providing their workforce ancillary convenience services. Employees of these facilities must travel significant distances from the workplace in order to purchase food and other services during working hours.

- Encouraging additional private investment along Happy Jack Road and facilitating growth on the west side of Cheyenne.

Other potential benefits include:

- Total Assessed Land Value: \$6,534,000;
- Total Real Estate Tax Revenue: \$294,576 (Annual property taxes collected);
- Total Square Feet – Commercial Real Estate: 228,000;
- Total Estimated Workforce: 588 (based on employees per-square-foot for both neighborhood retail centers and office buildings);
- Total Estimated Payroll: \$28,532,112;
- Residential Construction: \$50,000,000 (estimated);
- Commercial Construction: \$46,600,000 (estimated);
- Additional Sales Tax Revenue: \$4,200,000 (calculated on 6% annual sales tax revenue).

Needs that will be addressed as a result of this project:

- F.E. Warren AFB demand for rental housing;
- Need to provide commercial support services;
- Important community gateway;
- Additional investment in community;
- Enhanced quality of life in Cheyenne.

Project Goals

The goal of this project is to support the long-term growth and stability of F.E. Warren Air Force Base and the Cheyenne community. The project will support the mission of F.E. Warren and the community at large by providing housing, ancillary services and amenities.

The project will contribute to what is poised to become the largest mixed-use development Enhanced Use Lease in the nation. This project has garnered national attention from both the public and private sectors. The result of this project will set precedent for public-private partnerships in the future.

F.E. Warren AFB is one of three strategic nuclear missile bases that are in the process of updating the nation's ground-based intercontinental ballistic missile system. The projected cost of these updates from 2017 through 2026 is \$400 billion dollars, \$80 billion of which is to update the ICBM systems at F.E. Warren. Approximately \$750 million of this is expected to be spent locally in contracting and maintenance services. Having office space and retail amenities at this site to support the businesses that will be frequenting Cheyenne as a result of the base updates is important.

Timeline

Completion of Phase I and Phase II is anticipated by December 2019.

Funding

Total project cost is \$4,337,455, of which \$3,000,000 represents the BRC grant. The grant is matched by the \$1,337,455 BRC loan.

Loan Terms

Total Project: \$4,337,455

Total Loan: \$1,337,455

Total Grant: \$3,000,000

Loan term: 30 years, with interest not to begin to compound the first five years to allow for the commercial construction to be completed and formation of special districts.

Collateral: No collateral proposed. Non-revenue generating project.

Interest Rate: 0.5%

Sources	
BRC amount	\$ 3,000,000
Cash Match (BRC Loan)	\$ 1,337,455
Total eligible project cost	\$ 4,337,455
BRC % of total eligible project costs	100%
Uses	
Land Related Costs	
Land (rights-of-way, appraisals, etc.)	\$ 18,600
Non-Construction Costs	
Architectural and Engineering fees	\$ 249,000
Other fees (surveys, tests, etc.)	\$ 78,700
Project inspection fees	\$ 64,400
Construction Costs	
<i>Site Work/Infrastructure Components:</i>	
Water Main Infrastructure	\$ 1,251,200
Sewer Main Infrastructure	\$ 1,442,800
Earthwork - Water & Sewer Infrastructure	\$ 357,000
Public Roadway Improvements	\$ 310,000
Contingencies (15%)	\$ 565,755
Total Uses	\$ 4,337,455

Fees: \$3,750 loan service fee (\$125 per year for 30 years), other fees for loan documentation, filing fees, etc. are the responsibility of the city.

Repayment of the Loan will be from the following sources:

- Tax Increment Financing from formation of Special Districts (to be formed once Phase II, the commercial component, has been completed). Tax increment financing (TIF) is a public financing method used as a subsidy for community-improvement projects. A TIF district allocates funds from property taxes to encourage investment within the district. Any increased tax revenues realized as a result of an increase in property values then go into the TIF fund and may be used by the local government to promote redevelopment;
- City of Cheyenne General Funds;
- City of Cheyenne General Fund Reserves

As a non-revenue generating infrastructure project, the city is proposing a five-year interest free grace period to allow for commercial construction to be underway and/or completed, and the formation of any special districts the city is proposing to allow for tax increment financing or other assessments to help pay back the loan. Any short-falls between special district revenue and debt service will be made up with appropriations from the city's general fund or general fund reserves.

Attorney General Opinion

Pending

Staff Recommendation

Staff recommends funding as requested contingent upon:

- Completion of the annexation (expected September 2018);
- Completion of the environmental review (expected October 2018);
- Executed lease between F.E. Warren AFB and Balfour Beatty (expected February 2019).

Project Overview

	Cheyenne F.E.Warren AFB Enhanced Use Lease Infrastructure Project		
Purpose	The city of Cheyenne requests a \$3,000,000 Community Readiness grant and a \$1,337,455 Community loan for the installation of 12,000 linear-feet of water main, and 11,400 linear-feet of sewer main to create a development ready 50.3 acre site located adjacent to F.E. Warren AFB at I-25 and Happy Jack Road.		
Project Budget	Projected Grant Expenditure Schedule		
	Description	BRC Grant	Match BRC Loan
	Land	\$ 12,865	\$ 5,735
	Non-Construction Costs	\$ 271,196	\$ 120,904
	Construction Costs	\$ 2,715,939	\$ 1,210,816
	Total Project Cost	\$ 3,000,000	\$ 1,337,455
Performance Measures	Percentage BRC of all cash:		100%
	Measure	Quantity	Notes
	Businesses Assisted	4	Minimum of four, and additional with future commercial retail development.
	Loan Repayment	\$ 1,405,720.80	Approximate sum of all payments based on 20 yr loan at .5% interest
	Increase in Real Estate Taxes per year	\$ 294,000	Estimate
	Increase in Sales Tax per year	\$ 4,200,000	Estimate
Project Infrastructure	Residential & Commercial Construction	\$ 95,000,000	Estimated investment in residential & commercial construction activities.
	Acres Developed	50.3	Total site size is 75.3, proposed development site 50.3 acres.
	Water	12,000 lf	Water main
	Sewer	11,400 lf	Sewer main
	Road	some	Additional road improvements associated with public right-of-ways on Happy Jack Road.





Business Ready Community Grant and Loan Program

CITY OF RIVERTON— STRATEGIC PLAN FOR ECONOMIC DEVELOPMENT

\$50,000 Economic Development Planning Grant

Staff Recommendation: Fund as requested

Project Description

The city of Riverton is requesting a \$50,000 Business Ready Communities (BRC) Planning grant to develop a strategic plan for economic development. This plan will update Riverton's 2009 Master plan and their 2006 Economic Development plan. The continuing goals are to efficiently address the community's infrastructure, workforce and quality of life so businesses can be retained and expanded, entrepreneurship can be increased, and new business can be recruited. IDEA, Inc, Riverton's local economic development organization, will work with the city to implement the plan.

Goals of the previous plan have been accomplished including:

- Employee training programs have been developed and implemented (welding, programming, etc.);
- City of Riverton has hired a Community Development Director;
- Fremont County Air Service Team (FAST) has been formed and actively tries to facilitate reliable air service in Fremont County;
- Started working with Wyoming Main Street to improve downtown;
- Coordinating with the Eastern Shoshone tribe developing the Honor Farm lands that were purchased by the tribe and sit within the city limits of the city of Riverton.

Successful projects via Business Ready Community grants or other funding mechanisms have helped the city achieve numerous goals including:

- Installation of benches, planters, bike racks and trash cans along Main Street;
- Infrastructure development at the Airport Industrial Park;
- Acquisition and renovation of a building for use as the Wind River Community Health Center;

- Road improvements to assist the Riverton Tribal Center;
- Construction of the “Brunton Building,” a business committed project;
- Construction of a building to house Smart Start Child Care, a business committed project;
- Infrastructure for the Wind River Job Corps Center.

Additionally, Riverton has utilized two Community Development Block Grant planning grants that redesigned and increased the attractiveness of Main Street and Federal Boulevard.

Public Benefits and Goals

The community benefits include:

- Improved infrastructure;
- Workforce;
- Quality of life.

All three public benefits are building blocks in Riverton’s plan to diversify and grow their economy.

The project goals include:

- Economic sustainability;
- Jobs;
- Community design and image;
- Neighborhoods and housing;
- Parks, recreation, and natural resources;
- Transportation;
- Community health, services, and utilities;
- Regional and tribal coordination.

Timeline

A comprehensive plan will take six to eight months to complete. If awarded, a facilitator will be selected in July and the planning process will start in August. The projected completion is the first quarter of 2019.

Funding

BRC funding represents 50% of the total eligible project costs. The BRC Planning grant funds are matched with \$40,000 from the city of Riverton and \$10,000 from IDEA Inc.

Staff Recommendation

Staff recommends funding as requested. Planning grants are beneficial to Wyoming’s communities. They are roadmaps to community and economic development.

Sources	
BRC amount	\$ 50,000
Cash Match	\$ 50,000
Total eligible project cost	\$ 100,000
BRC % of total eligible project costs	50%
Local % of total eligible project costs	50%
Uses	
Consultant Costs	
Planning/Consultant Fees	\$ 100,000
Total Uses	\$ 100,000



WYOMING HOUSE DISTRICT 41

April 4, 2018

Julie Kozlowski
Investment Ready Communities (IRC) Division, Wyoming Business Council (WBC)
214 West 15th Street
Cheyenne, WY 82002

Via Email: Julie.Kozlowski@wyo.gov

Re: Support City of Cheyenne Grant and Loan Request for F. E. Warren AFB (WAFB) Enhanced Use Lease (EUL) Infrastructure Project

Dear Julie,

Several hundreds of Air Force airmen serving at WAFB commute to/from a residence, or other off-duty events in Colorado, as Cheyenne lacks affordable housing near the base. EUL infrastructure is urgently needed to allow construction of affordable housing and bid other fitting off-duty options for our airmen. Infrastructure is key to investment readiness of our community, to progress business and economic development and to support Air Force mission accomplishment. Providing affordable housing opportunities near the base, combined with fitting off-duty options and other conveniences nearby are essential to help reassure our airmen to want to live in the community. That's why I support the City of Cheyenne grant and loan for the F. E. Warren AFB Enhanced Use Lease (EUL) Infrastructure Project.

As you know, most of my district is Cheyenne. Infrastructure is sadly deteriorating in our city competing with funding to fight city blight, to fix neglected roads and plan to fix aging infrastructure, ongoing operations, maintenance scheduling or other fiscal strains. Receiving a grant and loan for needed EUL infrastructure will be a resource multiplier and show our federal partners our real funding commitment.

An American Society of Civil Engineers (AFCE) report highlights Wyoming infrastructure deficiencies and says, "This deteriorating infrastructure impedes Wyoming's ability to compete in an increasingly global marketplace." Wyoming drinking water and wastewater needs consume more than \$500 million of our state tax revenue. If estimates are on target with rising building material costs, the total savings to taxpayers if EUL infrastructure is completed sooner rather than later makes good fiscal common sense.

I hope you and the WBC Board will agree. Thank you for your help and favorable consideration.

Best Personal Regards,

A handwritten signature in black ink that reads "Bill".

Representative Bill Henderson

HOUSE DISTRICT 41 • P.O. Box 20877 • Cheyenne, Wyoming 82003
TELEPHONE (307) 201-9898 • E-MAIL Bill.Henderson@wyoleg.gov • WEB SITE www.wyoleg.gov



Fwd: City of Cheyenne - Enhanced Use Lease Infrastructure

1 message

Julie Kozlowski <julie.kozlowski@wyo.gov>
To: karen fate <karen.fate@wyo.gov>

Mon, May 7, 2018 at 1:42 PM

----- Forwarded message -----

From: Robert Jensen <RKJensen@hollandhart.com>
Date: Mon, May 7, 2018 at 12:25 PM
Subject: City of Cheyenne - Enhanced Use Lease Infrastructure
To: "Julie.kozlowski@wyo.gov" <Julie.kozlowski@wyo.gov>

Julie,

Good to see you at Ben's retirement party! I'm glad for Ben and his new adventures, but it's always hard to lose good talent. Don't you think about going anywhere!!

I'm writing in support of the City of Cheyenne application for the infrastructure related to the Enhanced Use Lease (EUL) project adjacent to F. E. Warren Air Force Base. This project will help in the near term to alleviate the critical shortage of housing primarily for Air Force personnel working at FEW. This is particularly important as we seek to position ourselves as the best and most "ready" - both in physical infrastructure and in human infrastructure - for the work that will be done on the important Ground Based Strategic Deterrent (GBSD) project that is in the proposal phase now at the Pentagon.

This type of development at the EUL will set the stage for continued capital investment to facilitate the Multi Trillion dollar GBSD investment over the next 20 – 30 years. Cheyenne has a real opportunity to play a larger role in the GBSD missile upgrade and be a central location for coordinating the work that is done not just in the Cheyenne region, but also in the Minot and Great Falls missile bases as well. The investment we make as a community, with appropriate support from the state and private sectors, will help determine how the decision makers in the Pentagon as well as Boeing or Northrup Grumman view the strategic value of Cheyenne and Wyoming as a place they can grow in for this projects that will span several decades.

This infrastructure development on Cheyenne's west edge is important in its own right. It will have a positive return to the state in both follow on private capital investment and in keeping the workforce associated with F. E. Warren in Cheyenne and spending money in Cheyenne. But the picture it paints of our readiness and preparation for the massive capital investment opportunities in the next few years is even more important. I urge you and your staff to carefully review the application and return a positive recommendation for the WBC board decision.

Thanks for the great work you continue to do and thanks for considering my opinion on this important project.

bob

Bob Jensen

Director Wyoming Government Affairs & Public Relations

Holland & Hart LLP
2515 Warren Avenue, Suite 450, Cheyenne, WY 82001
T 307.778.4234 M 307.421.1911





Cheyenne Regional
Medical Group

May 3, 2018

Julie Kozlowski, Community Development Director
Wyoming Business Council - Investment Ready Communities
14 West 15th St.
Cheyenne, WY 82002-0240

Dear Ms. Kozlowski:

As Cheyenne Regional Medical Center's Chief Strategy Officer and VP, I am writing this letter in support of the City of Cheyenne's grant and loan request for the F.E. Warren Air Force Base Enhanced Use Lease Infrastructure Project. Completion of the project will help leverage significant private investment with the potential to generate a tremendous amount of economic activity in the community.

The project supports the quality mixed used development needed to serve residents and employment centers west of I-25. Additionally, facilitation of the Enhanced Use Lease Project will help encourage base personnel to live in the community, increasing dollars spent locally and helping to support the Air Force mission. A final but important point – it also seems prudent for the state and community to commit to an opportunity to leverage national investment in the \$90 billion modernization as part of the Ground Based Strategic Deterrent Initiative.

Cheyenne Regional stands ready to explore options to support the delivery of well-coordinated, well-communicated care to workers and residents throughout the county. If the grant and loan request is granted, we will intensify our feasibility reviews to enhance access to care west of I-25.

On behalf of our Board, senior leadership and 2000 employees, we encourage the Wyoming Business Council and State Loan Investment Board to award funding to this grant and loan application. Cheyenne has a unique window opportunity to both show commitment to our military personnel, and to open the door to all that our amazing community has to offer. Please let me know if I can answer any additional questions on behalf of Cheyenne Regional.

Sincerely,

Phyllis Simpson Sherard
CSO/VP Population Health and Governmental Affairs
Phyllis.sherard@crmcwy.org
307-633-2914

Cc: Patrick Madigan, Interim CEO
Robin Roling, COO

CHEYENNE REGIONAL MEDICAL GROUP

214 E. 23rd. St. • Cheyenne, WY 82001 • (307) 633-7601 • cheyenneregional.org



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Julie Kozlowski, Community Development Director
Wyoming Business Council - Investment Ready Communities
14 West 15th St.
Cheyenne, WY 82002-0240

Dear Ms. Kozlowski:

I am writing this letter in support of the City of Cheyenne's grant and loan request for the F.E. Warren Air Force Base Enhanced Use Lease Infrastructure Project. Completion of the project will help leverage significant private investment with the potential to generate a tremendous amount of economic activity in the community and the region.

- This project is an opportunity to support quality mixed use development that will create an attractive gateway into the capital city of Wyoming in turn drawing in travelers along the I-25 corridor and promoting Cheyenne as an attractive and quality destination.
- Cheyenne is in desperate need of commercial development to serve community residents and employment centers of the west side of I-25. The EUL project not only supports the US Air Force mission, but also provides support for existing businesses along with encouraging continued community investment on the west side of the city.
- Facilitation of the Enhanced Use Lease Project will provide much needed affordable housing to encourage base personnel to live in the community rather than northern Colorado. This in turn will increase dollars spent locally and keep our Airman in close proximity of their Air Force mission.
- State and community commitment to the project will place Cheyenne in prime position to take advantage of the national investment in the \$90 billion modernization in the Ground Based Strategic Deterrent Initiative.

I respectfully encourage the Wyoming Business Council and State Loan Investment Board to award funding to this grant and loan application. Cheyenne has a unique window of opportunity to both show commitment to our military personnel, our nation, our community and the great State of Wyoming.

Best Regards,

Max B Carre'
Branch Manager Cheyenne & Laramie
05/04/2018



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5-4-2018

Julie Kozlowski, Community Development Director
Wyoming Business Council - Investment Ready Communities
14 West 15th St.
Cheyenne, WY 82002-0240

Dear Ms. Kozlowski:

The Greater Cheyenne Chamber of Commerce is in full support of the City of Cheyenne's grant and loan request for the F.E. Warren Air Force Base Enhanced Use Lease Infrastructure Project. The project is a cornerstone for the community's effort to support housing needs of Airmen and to give more than 500 of them who are currently commuting to Colorado for housing a realistic alternative here in Cheyenne.

Ground Based Strategic Deterrent is the new missile system to be deployed at FE Warren AFB in the next few years. The EUL allows Wyoming Businesses to take full advantage of this development by providing the opportunity to locate operations in close proximity to the base. Additionally the infrastructure completion allows the community to advocate for operations centers from major contractors that desire to be located near FE Warren.

FE Warren is the largest employer in Cheyenne and could grow even larger if we can fix the housing crunch for Airmen in our community. The EUL project is a great first step to solving this problem and thus allowing growth of personnel.

Cheyenne is in need of commercial development to serve community residents and employment centers of the west side of I-25. The EUL project not only supports the Air Force mission, but also provides support for existing businesses, and encourages continued investment on the west side of the city.

The approval of this grant and loan allows Cheyenne to gain 90 million dollars of investment in to our community as well as a sizable commercial development that will pay dividends to the community for years in to the future.

I encourage the Wyoming Business Council and State Loan Investment Board to award funding to this grant and loan application. Cheyenne has a unique window opportunity to both show commitment to our military personnel, and to open the door to expanded commercial and military industrial complex opportunities.

Your consideration for approval is most graciously appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Dale G. Steenbergen".

Dale G. Steenbergen
President/CEO
Greater Cheyenne Chamber of Commerce

p. 307.638.3388

f. 307.778.1407

w. cheyennechamber.org

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May 4, 2018

Julie Kozlowski, Community Development Director
Wyoming Business Council - Investment Ready Communities
14 West 15th St.
Cheyenne, WY 82002-0240

Dear Ms. Kozlowski:

I am writing this letter in support of the City of Cheyenne's grant and loan request for the F.E. Warren Air Force Base Enhanced Use Lease Infrastructure Project. Completion of the project will help leverage significant private investment with the potential to generate a tremendous amount of economic activity in the community.

- Cheyenne is in need of commercial development to serve community residents and employment centers of the west side of I-25. The EUL project not only supports the Air Force mission, but also provides support for existing businesses, and encourages continued investment on the west side of the city.
- Facilitation of the Enhanced Use Lease Project will help encourage base personnel to live in the community, increasing dollars spent locally and helping to support the Air Force mission.
- State and community commitment to the project will set Cheyenne primed to take advantage of national investment in the \$90 billion modernization as part of the Ground Based Strategic Deterrent Initiative.

I encourage the Wyoming Business Council and State Loan Investment Board to award funding to this grant and loan application. Cheyenne has a unique window opportunity to both show commitment to our military personnel, and to open the door to additional economic development for Wyoming.

Sincerely,

HIGH WEST ENERGY, INC.

Brian Heithoff
CEO/General Manager



May 4, 2018

Julie Kozlowski, Community Development Director
Wyoming Business Council – Investment Ready Communities
14 West 15th St.
Cheyenne, WY 82002-0240

Dear Ms. Kozlowski:

I'm writing this letter in support of the City of Cheyenne's grant and loan request for the F.E. Warren Air Force Base Enhanced Use Lease (EUL) Infrastructure Project. It's difficult to imagine the magnitude of impact this project will have on the Cheyenne community and how those impacts will be felt in other areas of the State as it is certainly rare for us to have an opportunity to consider economic impact on this scale. But, I firmly believe that public and private enterprises must step forward to support the project.

What type of activity will be generated?

- Cheyenne is in need of commercial development to serve community residents and employment centers of the west side of I-25. The EUL project not only supports the Air Force mission by providing an unmet and critical housing need for Air Force employees together with services that are traditionally provided to Base personnel, but also provides support for existing businesses. The investment into the EUL will also encourage continued investment on the west side of the city.
- Facilitation of the Enhanced Use Lease Project will help encourage Base personnel to live in the community, increasing dollars spent locally and helping to support the Air Force mission. These additional dollars will potentially be very significant and will likely spur additional business formation to meet the increased demand for services and products.
- The project is an opportunity to support quality mixed use development that will create an attractive gateway into the community, helping to draw in travelers along the interstate and promoting Cheyenne as a quality destination.
- State and community commitment to this project will demonstrate our willingness to provide essential and modernized services to the most significant ICBM investment in history. Cheyenne's commitment to its partnership with the USAF has been unwavering since it came under Air Force control in 1947. The \$90 Billion investment (along with a very significant ancillary investments) to the 3 ICBM bases will provide a tremendous economic boon to our community, and Cheyenne must demonstrate that we are poised and ready to reinvest in our Base; that we are worthy of this investment.

3730 EAST SECOND STREET
CASPER, WY 82609
307.266.5662 PHONE
307.266.5663 FAX

777 WEST FIRST STREET
CASPER, WY 82601
307.237.4555 PHONE
307.237.4557 FAX

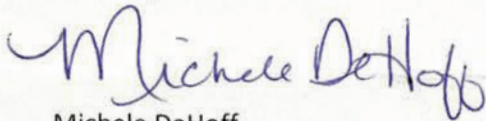
205 STOREY BLVD.
CHEYENNE, WY 82009
307.773.7800 PHONE
307.637.2894 FAX

2015 CENTRAL AVENUE
CHEYENNE, WY 82001
307.773.7850 PHONE
307.638.2554 FAX

- As with any significant develop project, bankers are allowed insight to the benefits to businesses in their communities. If anything, this project has the potential to provide economic benefit to realtors, contractors service companies throughout our community. Peripheral industries, such as insurance agencies, restaurants, hotels, attorneys, CPAs, pubs, and, yes, banks will also derive benefit.

I strongly encourage the Wyoming Business Council and State Loan Investment Board to support this grant and loan application as you undoubtedly understand the very significant return on investment that will result. Cheyenne has a unique window of opportunity to both show commitment to our military personnel, and to open the door for major new private investment in our community.

Sincerely,

A handwritten signature in blue ink that reads "Michele DeHoff". The signature is fluid and cursive, with the first name "Michele" and last name "DeHoff" clearly legible.

Michele DeHoff
Assistant Vice President
Jonah Bank of Wyoming



May 2, 2018

Julie Kozlowski, Community Development Director
Wyoming Business Council - Investment Ready Communities
14 West 15th St.
Cheyenne, WY 82002-0240

Dear Ms. Kozlowski:

Please consider this letter of support of the City of Cheyenne's grant and loan request for the F.E. Warren Air Force Base Enhanced Use Lease (EUL) Infrastructure Project. I would consider this project one that sets the stage for many avenues of growth in the community, both immediately and long term.

What type of activity will be generated?

- Cheyenne is in need of commercial development to serve community residents and employment centers of the west side of I-25. The EUL project not only supports the Air Force mission by providing an unmet and critical housing need for Air Force employees together with services that are traditionally provided to Base personnel, but also provides support for existing businesses. The investment into the EUL will also encourage continued investment on the west side of the city.
- Facilitation of the Enhanced Use Lease Project will help encourage Base personnel to live in the community, increasing dollars spent locally and helping to support the Air Force mission. These additional dollars will potentially be very significant and will likely spur additional business formation to meet the increased demand for services and products.
- The project is an opportunity to support quality mixed use development that will create an attractive gateway into the community, helping to draw in travelers along the interstate and promoting Cheyenne as a quality destination.
- State and community commitment to this project will demonstrate our willingness to provide essential and modernized services to the most significant ICBM investment in history. Cheyenne's commitment to its partnership with the USAF has been unwavering since it came under Air Force control in 1947. The \$90 Billion investment (along with a very significant ancillary investments) to the 3 ICBM bases will provide a tremendous economic boon to our community, and Cheyenne must demonstrate that we are poised and ready to reinvest in our Base; that we are worthy of this investment.
- As with any significant develop project, bankers are allowed insight to the benefits to businesses in their communities. If anything, this project has the potential to provide economic benefit to realtors, contractors service companies throughout our community. Peripheral industries, such

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307.237.4555 PHONE
307.237.4557 FAX

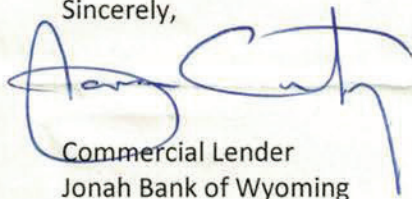
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307.637.2894 FAX

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CHEYENNE, WY 82001
307.773.7850 PHONE
307.638.2554 FAX

as insurance agencies, restaurants, hotels, attorneys, CPAs, pubs, and, yes, banks will also derive benefit.

It is my hope and, frankly, expectation that the Wyoming Business Council and State Loan Investment Board will recognize the very significant return on investment that will result from funding this grant and loan application. Cheyenne has a unique window opportunity to both show commitment to our military personnel, and to open the door for major new private investment in our community.

Sincerely,

A handwritten signature in blue ink, appearing to be "Jonah", written over a horizontal line.

Commercial Lender
Jonah Bank of Wyoming



May 1, 2018

Julie Kozlowski, Community Development Director
Wyoming Business Council - Investment Ready Communities
14 West 15th St.
Cheyenne, WY 82002-0240

Dear Ms. Kozlowski:

Please allow this letter to serve in support of the City of Cheyenne's grant and loan request for the F.E. Warren Air Force Base Enhanced Use Lease (EUL) Infrastructure Project. While it is likely all of the WBC Board has at least heard of this project, it is the kind of project that I would personally consider being a tipping point for the community of Cheyenne. Completion of the project will help leverage significant private investment with the potential (and likelihood) to generate a tremendous amount of economic activity in the community.

What type of activity will be generated?

- Cheyenne is in need of commercial development to serve community residents and employment centers of the west side of I-25. The EUL project not only supports the Air Force mission by providing an unmet and critical housing need for Air Force employees together with services that are traditionally provided to Base personnel, but also provides support for existing businesses. The investment into the EUL will also encourage continued investment on the west side of the city.
- Facilitation of the Enhanced Use Lease Project will help encourage Base personnel to live in the community, increasing dollars spent locally and helping to support the Air Force mission. These additional dollars will potentially be very significant and will likely spur additional business formation to meet the increased demand for services and products.
- The project is an opportunity to support quality mixed use development that will create an attractive gateway into the community, helping to draw in travelers along the interstate and promoting Cheyenne as a quality destination.
- State and community commitment to this project will demonstrate our willingness to provide essential and modernized services to the most significant ICBM investment in history. Cheyenne's commitment to its partnership with the USAF has been unwavering since it came under Air Force control in 1947. The \$90 Billion investment (along with a very significant ancillary investments) to the 3 ICBM bases will provide a tremendous economic boon to our community, and Cheyenne must demonstrate that we are poised and ready to reinvest in our Base; that we are worthy of this investment.

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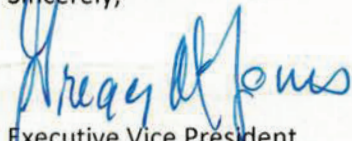
205 STOREY BLVD.
CHEYENNE, WY 82009
307.773.7800 PHONE
307.627.2804 FAX

2015 CENTRAL AVENUE
CHEYENNE, WY 82001
307.773.7850 PHONE
307.628.2554 FAX

- As with any significant develop project, bankers are allowed insight to the benefits to businesses in their communities. If anything, this project has the potential to provide economic benefit to realtors, contractors service companies throughout our community. Peripheral industries, such as insurance agencies, restaurants, hotels, attorneys, CPAs, pubs, and, yes, banks will also derive benefit.

It is my hope and, frankly, expectation that the Wyoming Business Council and State Loan Investment Board will recognize the very significant return on investment that will result from funding this grant and loan application. Cheyenne has a unique window opportunity to both show commitment to our military personnel, and to open the door for major new private investment in our community.

Sincerely,

A handwritten signature in blue ink, appearing to read "Greg Adams", is written over the typed name.

Executive Vice President
Jonah Bank of Wyoming

February 27, 2018

Julie Kozlowski
Community Development Director
Wyoming Business Council
214 West 15th Street
Cheyenne, WY 82002

Dear Ms. Kozlowski:

Cheyenne LEADS, the economic development organization for Cheyenne and Laramie County, Wyoming, is pleased to support the application by the City of Cheyenne for a Business Ready Community Grant and Loan for public infrastructure to enable commercial and residential development. The proposed development, at the intersection of Happy Jack Road and I-25, is a prime location for new, commercial development. Additionally, the site is needed for workforce housing, particularly for F. E. Warren Air Force Base, as workforce housing is in high demand in our community and has become one of the challenges for the base as it works to maintain proper personnel numbers to fulfill its military mission.

The property is ideally situated and currently is underutilized as its present use is as a parking lot for Cheyenne Frontier Days for about two weeks every year. The property is easily accessible and highly visible, making it a good location for commercial development that will draw customers off the interstate.

Also, as the property is adjacent to the base, any housing that is developed will meet the needs of maximum response times for military personnel. The economic benefit of the workforce housing is twofold. First, the addition of approximately 500 servicemen and -women living in our community will bring additional economic activity. Second, as rental housing is limited throughout the community, this additional capacity will help ease the shortage and make more housing available which will support the workforce needs for other employers.

The development of the parcel at Happy Jack Road will be a benefit to our community, help bring more economic activity, and generate local taxes. We look forward to seeing this project come to fruition.

Sincerely,



Anja Bendel
Director of Business Development
Cheyenne LEADS

leads@cheyenneleads.org

800-255-0742
307-638-6000
Fax 307-638-7728

www.cheyenneleads.org

The Board of
Laramie County
Commissioners



K.N. Buck Holmes
Chairman

Linda Heath
Vice-Chairman

Amber Ash
Commissioner

Ron Kailey
Commissioner

Troy Thompson
Commissioner

February 27, 2018

Wyoming Business Council
214 W. 15th Street
Cheyenne, WY 82002-0240

To whom it may concern:

It is my pleasure as Chairman of Laramie County Commissioners to support the F.E. Warren Air Force Base Enhanced Use Lease Infrastructure project put forth by the City of Cheyenne for a Community Readiness Grant.

This type of project is a high priority for the community, as it provides additional public infrastructure such as water, sewer, roads and improvements in the right of way. If successful, this project will allow the City to meet the immediate needs of housing on the F.E. Warren Air Force Base. This development is needed to sustain the viability of the Base and its employees.

We fully support the efforts put forth by the City of Cheyenne as they seek funding to add public infrastructure for this development. Any project that can help support housing our citizens will benefit our community as a whole. This development strives to support the long term growth of the F.E. Warren Air Force Base in Laramie County and is very important to this community for both long term success of F.E. Warren and Laramie County.

Sincerely,

K.N. Buck Holmes

K.N. Buck Holmes
Laramie County Chairman

310 West 19 Street, Suite 300
Cheyenne, WY 82001

TEL. (307) 633-4260 FAX (307) 633-4267

commissioners@laramiecounty.com * www.laramiecounty.com

BUSINESS READY COMMUNITY GRANT AND LOAN PROGRAM ALLOCATION PLAN

Background

The Wyoming Business Council established an allocation plan May 2016 to guide the disbursement of funds from the Business Ready Community (BRC) program for the 17/18 biennium. During that time, funding was preserved for the highest program priorities and was available throughout the biennium. The WBC Board believes this is a prudent way to address projects and program priorities while retaining funding for future opportunities.

Limited Available Funding

Funding for the 2019/2020 program years is limited compared to prior biennial appropriations but is on par with the previous biennium.

Business Ready Community Funding by Biennial Fiscal Years	
BFY 03/04	\$ 8,400,000
BFY 05/06	\$ 31,350,000
BFY 07/08	\$ 79,250,000
BFY 09/10	\$ 68,131,255
BFY 11/12	\$ 50,000,000
BFY 13/14 *	\$ 50,000,000
BFY 15/16 *	\$ 74,130,000
BFY 17/18	\$ 38,588,050
BFY 19/20	\$ 38,599,050
* includes funding for large infrastructure projects (\$15,000,000 in BFY 13/14 and \$10,000,000 in BFY 15/16)	

Purpose of Allocation Plan

- Ensure funds are available throughout the biennium (July 1, 2018 through June 30, 2020) for opportunities as they arise;
- Allow WBC Board to set and communicate priorities for funding specific project types.

Considerations

- Flexibility over rigidity
 - The allocation plan is used as a guideline and not a hard-and-fast rule;
 - The allocation plan is a guide and may be revisited regularly by the WBC Board.
- Priorities
 - The WBC Board recommends prioritizing funding;
 - The WBC Board recommends higher priority projects may “pull” money from lower priority allocations, but not the other way around.

- Schedules:
 - WBC Board makes allocations quarterly and adjusts funding annually.
 - The WBC Board recommends the allocation plan is developed for quarterly funding to ensure projects recommended align priorities;
 - Budgets will change annually based on actual awards, carry-over funds, de-obligations, loan repayments and revenue recapture.

Staff Recommendation

Following staff consultation with the Grant and Loan Committee the following recommendations are submitted for your consideration.

- *Staff recommends FY18 funds that remain unexpended (\$2,977,923) carry forward in the same category. This preserves the “banking” effect.*

Using the **current** guidelines and priorities/percentages, the allocation for FY19 is:

Project Type	Total Annual Funds Available at Beginning of Quarter	Percentage	Base Quarterly Allocation	Carry Forward from Previous Quarter	Total Available
Business Committed	\$ 9,547,907	45%	\$ 2,386,977	\$ 2,876,687	\$ 5,263,664
Community Readiness	\$ 8,274,852	39%	\$ 2,068,713	\$ -	\$ 2,068,713
Enhancement	\$ 3,182,636	15%	\$ 795,659	\$ 101,236	\$ 896,895
Planning	\$ 212,176	1%	\$ 53,044	\$ -	\$ 53,044
	\$ 21,217,570	100%	\$ 5,304,393	\$ 2,977,923	\$ 8,282,316

- *Staff offers the following options for FY19 funds:*
 - Option A – Leave the current percentages in place – no changes

This structure served the board well for BFY17/18. The percentages reflect program priority and give a nod to historical use.

- Option B – Combine Community Readiness and Enhancements into a “Community Development Category and combine the funding available.

- Business Committed 45%
- Community Development 54%

The Community Development project type will be comprised of readiness AND enhancement projects. They will be considered equal in terms of priority for purposes of the allocation plan but will retain grant maximums and match requirements in accordance with the rules.

- Planning 1%

Project Type	Total Annual Funds Available at Beginning of Quarter	Percentage	Base Quarterly Allocation	Carry Forward from Previous Quarter	Total Available
Business Committed	\$ 9,547,907	45%	\$ 2,386,977	\$ 2,876,687	\$ 5,263,664
Community Development	\$ 11,457,488	54%	\$ 2,864,372	\$ 101,236	\$ 2,965,608
Planning	\$ 212,176	1%	\$ 53,044	\$ -	\$ 53,044
	\$ 21,217,570	100%		\$ 2,977,923	\$ 8,282,316

This structure will allow flexibility to address projects that are not business committed but will not place limits on enhancement projects that are being limited by default via the ability to only move funding up. Given the emphasis by ENDOW on improving community amenities, recent reports of the Pedestrian and Bicycle Task Force and the Outdoor Recreation Task Force it seems an opportune time to have additional flexibility with funding for projects of the outdoor or amenity nature.

The percentages also closely parallel the demand of the last biennium. Below is a table that reflects applications received (not necessarily funded).

FY17-18 BRC Applications Received Summary					
App Date	BC Requests	CR Requests	CE Requests	Plng Requests	Total Requested
6/1/2016	\$ -	\$ 3,208,413	\$ 779,920	\$ 100,000	\$ 4,088,333
9/1/2016	\$ 5,828,355	\$ 7,250,000	\$ 500,000	\$ -	\$ 13,578,355
12/1/2016	\$ 1,748,360	\$ 6,392,834	\$ 865,000	\$ 44,000	\$ 9,050,194
3/1/2017	\$ -	\$ 1,500,000	\$ 221,550	\$ -	\$ 1,721,550
6/1/2017	\$ 4,224,496	\$ 2,694,579	\$ 1,000,000	\$ 37,500	\$ 7,956,575
9/1/2017	\$ 21,250,000	\$ 2,844,410	\$ 609,674	\$ -	\$ 24,704,084
12/1/2017	\$ -	\$ 1,332,256	\$ -	\$ 50,000	\$ 1,382,256
3/1/2018	\$ -	\$ 4,337,455	\$ -	\$ 50,000	\$ 4,387,455
% of Total	49%	44%	6%	0%	
TOTALS:	\$ 33,051,211	\$ 29,559,947	\$ 3,976,144	\$ 281,500	\$ 66,868,802

- Option C – Retain the four categories of projects but adjust the percentage of funding available. For example,

- Business Committed 43%
- Community Readiness 37%
- Community Enhancement 19%
- Planning 1%

Using these figures (sample only) available funding would be as follows:

Project Type	Total Annual Funds Available at Beginning of Quarter	Percentage	Base Quarterly Allocation	Carry Forward from Previous Quarter	Total Available
Business Committed	\$ 9,123,555	43%	\$ 2,280,889	\$ 2,876,687	\$ 5,157,576
Community Readiness	\$ 7,850,501	37%	\$ 1,962,625	\$ -	\$ 1,962,625
Enhancement	\$ 4,031,338	19%	\$ 1,007,835	\$ 101,236	\$ 1,109,071
Planning	\$ 212,176	1%	\$ 53,044	\$ -	\$ 53,044
	\$ 21,217,570	100%	\$ 5,304,393	\$ 2,977,923	\$ 8,282,316

Other options to consider are changing grant maximums or the required match. Both would require a revision of the BRC program rules. The allocation plan is not defined in rule and thus is handled administratively.

Option A

Project Type	Total Annual Funds Available at Beginning of Quarter	Percentage	Base Quarterly Allocation	Carry Forward from Previous Quarter	Total Available
Business Committed	\$ 9,547,907	45%	\$ 2,386,977	\$ 2,876,687	\$ 5,263,664
Community Readiness	\$ 8,274,852	39%	\$ 2,068,713	\$ -	\$ 2,068,713
Enhancement	\$ 3,182,636	15%	\$ 795,659	\$ 101,236	\$ 896,895
Planning	\$ 212,176	1%	\$ 53,044	\$ -	\$ 53,044
	\$ 21,217,570	100%	\$ 5,304,393	\$ 2,977,923	\$ 8,282,316

Option B

Project Type	Total Annual Funds Available at Beginning of Quarter	Percentage	Base Quarterly Allocation	Carry Forward from Previous Quarter	Total Available
Business Committed	\$ 9,547,907	45%	\$ 2,386,977	\$ 2,876,687	\$ 5,263,664
Community Development	\$ 11,457,488	54%	\$ 2,864,372	\$ 101,236	\$ 2,965,608
Planning	\$ 212,176	1%	\$ 53,044	\$ -	\$ 53,044
	\$ 21,217,570	100%		\$ 2,977,923	\$ 8,282,316

Option C

Project Type	Total Annual Funds Available at Beginning of Quarter	Percentage	Base Quarterly Allocation	Carry Forward from Previous Quarter	Total Available
Business Committed	\$ 9,123,555	43%	\$ 2,280,889	\$ 2,876,687	\$ 5,157,576
Community Readiness	\$ 7,850,501	37%	\$ 1,962,625	\$ -	\$ 1,962,625
Enhancement	\$ 4,031,338	19%	\$ 1,007,835	\$ 101,236	\$ 1,109,071
Planning	\$ 212,176	1%	\$ 53,044	\$ -	\$ 53,044
	\$ 21,217,570	100%	\$ 5,304,393	\$ 2,977,923	\$ 8,282,316