



ANNUAL REPORT 2021

SURVIVE. DRIVE. THRIVE.



Photo courtesy of Shawn Parker



Old Stoney, Sundance, Wyoming

The Wyoming Business Council's mission is

to create new opportunities for current and future generations of Wyomingites, no matter the economic climate or status of a particular industry. Over the past two years, we have had some great opportunities to connect with members of the Legislature and Governor Gordon's office as well as business owners, community leaders, and other partners and stakeholders throughout the state. These visits have allowed us the chance to personally share our vision, goals and strategy to help our state, its people and its businesses thrive. It's an exciting – albeit challenging – time for leaders across the state. We see a huge opportunity to create Wyoming's future.

Our team is thinking big to focus on long-term economic resiliency and working with industries and markets to achieve that. We're also acting boldly and making the changes within our organization necessary to support that bigger thinking.

As we embark on the changes needed to address the challenges Wyoming faces, many factors must be considered. These challenges are real and difficult and now more than ever, require a hard look at whether we rely on heroics or systems.

Heroics tend to help us in the moment when urgent needs arise, but once that crisis has passed there's little to no lasting impact. Of course, heroics tend to be more exciting and headline-grabbing, and let's face it, systems development is boring and confusing to most. But strong systems are what create resiliency – and heroes.

In the past two years, we've worked hard to hone our existing systems and develop new ones to improve results and increase efficiency. Examples of this can be seen in our Business Ready Communities program (BRC). We have developed a project evaluation tool that allows us to dive deep into a project quickly and ask the hard questions. This has resulted in more project scrutiny but improved results. We've also worked to strengthen relationships across agencies, academia, and business sectors to create the alignment the state needs to move forward faster.

This time in Wyoming's history calls for us to strengthen relationships, focus on economic resilience, and have the courage to develop systems that create lasting change. As we at the Business Council look at our part in helping Wyoming Survive, Drive, and Thrive, we are identifying ways to develop the right systems that will create that strong Wyoming.

We are here to support our state leaders as you have the courage to think big and bold, and have the courage to develop the foundational systems that will help Wyoming turn the corner and stay strong for generations to come. Our team looks forward to the many ways we can work together to create positive change in our state's economy.



Josh Dorrell, CEO



SURVIVE

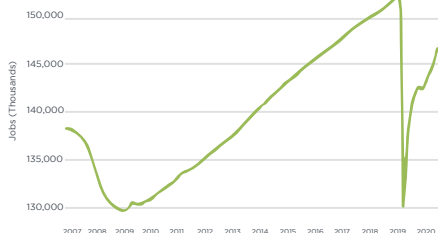
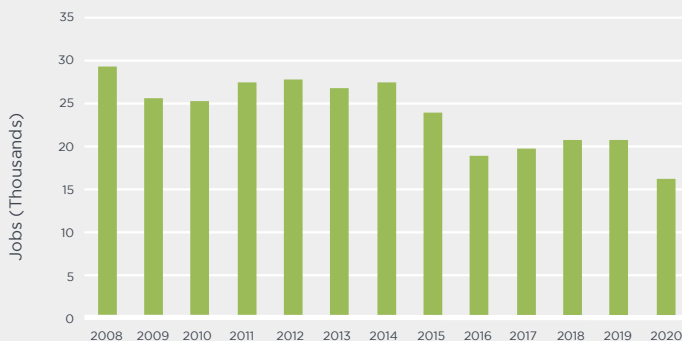


COVID-19 Accelerated Underlying Trends in Wyoming

Between the national decline in coal markets and the COVID-19 pandemic, Wyoming's economy has been in survival mode.

- Since 2008, Wyoming has lost about 27,000 jobs- 13,000 of these jobs, with earnings of about \$94,000, have been in the energy sector alone
- Ripple Effect: for every coal job lost, two more jobs are lost within the service and supply sectors in these communities

Total Employment: Energy Sector



United States

4% decrease since 2019-2021

6% increase since 2014-2021



Wyoming

6% decrease since 2019-2020

10% decrease since 2014-2020

The Challenge: Creating More Quality Jobs

	Annual Average 2016-2020	Annual Average 2017-2021	% Change
New jobs enabled by the WBC	224	194	-9%
Average wage of jobs enabled by the WBC	\$18/hour	\$22/hour	+22%

To keep up with the losses in employment we’ve been experiencing over the last 13 years, we need to start adding more quality jobs than we are losing.

Just to make up for past job losses by 2030, we need to add about 1,660 jobs/year with annual earnings of \$90,000.

However, if we keep losing jobs at the same rate, we will need to add 3,098 jobs per year with annual earnings of about \$90,000.

That means we need to increase the jobs we create by 8x - 15x and the earnings of those jobs by almost 2x. It is imperative we start now, time is of the essence.

Building Resilient Communities

In 2020, the Business Council team distributed more than \$500 million to Wyoming businesses, agricultural producers and nonprofits through the COVID-19 Business Relief Program. In addition to providing this pandemic assistance, we've restructured our teams to better address the state's challenges, and we've built processes in 2021 to help us scale the effort of our team.

Foundational Projects

Unity – Establish a consistent framework to effectively communicate a unified message both internally and externally.

Platform – Develop a methodology for ensuring WBC investments are optimized to execute Wyoming's economic development strategy.

Services – Develop programs and services that help businesses and communities identify their hurdles and achieve long-term success and self-sustainability.

Increased Rigor and Scrutiny:

In 2018-2019 the board and/or SLIB funded 100% of the Business Ready Community projects that came before them. In 2020-2021, projects totaling \$41 million were presented, but our board only recommended \$20 million, demonstrating that we are focused on making sure the funding goes further to reach the targets we have set.

Focus on Financial Sustainability:

More loans mean more sustainable BRC funding:

\$7 million of that \$20 million was in BRC Loans. This is something the Legislature has been pushing for and we're delivering.

Better opportunities for Wyomingites:

Over the past 5 years, BRC projects created 87 jobs a year at an average of \$15 an hour. The projects we funded over the last two years, however, are projected to create 28 jobs at an average of \$33 an hour. **This means that we are providing jobs with wages 65% above our average.**

DRIVE





Wyoming's Roadmap to Thrive

Short-term solutions have helped, but the solutions we have been using are not a silver bullet to the problem of how to create a resilient economy – not just for right now, but for generations to come.

A fundamental paradigm shift is required: moving from working with businesses one-at-a-time toward developing systems that will generate large-scale industry-wide interest in Wyoming.

We can polish the programs and services we already have to get better results, but we also need to look at what new tools we need to create the markets, help fund industry growth, and impact multiple communities to really make a difference.

1 **Add Value to Core Industries:** Create more quality jobs

2 **Activate New Economic Sectors:** Develop markets that entice development in Wyoming

3 **Leverage Partnerships, Local Economic Development, Investments and Services, and Expertise:** Support infrastructure that helps businesses thrive

Create More Jobs: Programs and Recruitment



The Business Council has current and in-development programs that support small-scale job growth. We are exploring ways we can leverage the funding and resource opportunities available right now to spur the creation of jobs at thriving wages.



Business Ready
Community
(BRC) Grant and
Loan Program



Broadband
Enhancement



Interaction
Guides



Small Business
Innovation
Research (SBIR)
Matching Grants



Targeted
Industry
Studies



State Small
Business
Credit Initiative
(SSBCI)



Economic
Development
Agency (EDA)
State Planning



Capacity
Building/
Training



Kickstart
(Currently
Paused)



Community
Development/
Main Street

An Increase in Interest:

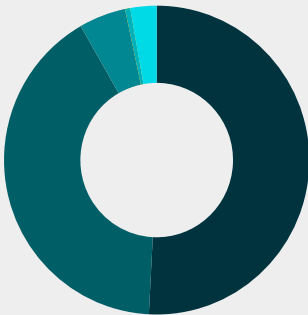
People and businesses alike are interested in learning more about Wyoming's business-friendly tax climate and wide-open spaces. For some, this has meant moving their small tech company out of an urban area and setting up shop in a smaller community's downtown. For others, it's just the start of the decision-making process about where their \$800 million dollar project should land. But for all of them, it's an opportunity for Wyoming to activate new sectors of its economy.

Community Readiness

The Business Ready Communities program finances publicly owned infrastructure that serves the needs of businesses and promotes economic development within Wyoming.

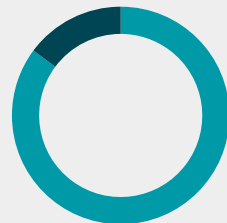
Business Ready Community Program (2017 - 2021)

BRC Project Type
(grants + loans):
\$81 Million



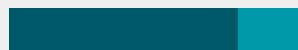
- Business Committed: \$41 Million
- Business Readiness: \$31 Million
- Community Enhancement/Project: \$4 Million
- Planning: \$434,000
- Managed Data Center Cost Reduction: \$2.25 Million

BRC Grants VS Loans



- Grants: \$69 Million
- Loans: \$12 Million

**\$3.70 of private capital
investment leveraged for every
\$1 of BRC funds invested**



- \$3.70 Private Capital
- \$1 BRC Funds

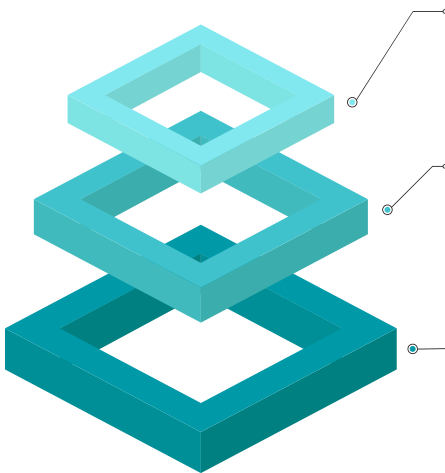
Add Value to Core Industries: Natural Resources (Carbon Capture Utilization and Storage - CCUS)



“Wyoming can help lead in developing and supporting advances that boost our coal industry and reduce carbon emissions. The Department of Energy is also providing key leadership... Partnership moves Wyoming and the nation ahead.”

- **Governor Mark Gordon**

A Statewide Effort



State Economic Development Activities:

- Legislative & Governor Support
- Wyoming Business Council Investment: BRC, Large Loan Fund
- Federal Funding: Department of Energy, EDA

Resources, Education, Collaboration, Funding & Other Tools:

- University of Wyoming School of Energy Resources
- Tax Incentives
- Private Sector Partnership Funding

Local Economic Development Execution:

- City of Gillette
- Campbell County
- Energy Capital Economic Development

An Example of Scalable Development – Adding Value to Industry



Wyoming Integrated Test Center, *Gillette, Wyoming*

One of the only such facilities in the world and the largest in the U.S., the ITC provides space for researchers to test CCUS technologies using 20 MW of actual coal-based flue gas at Basin Electric facility. To date, the ITC has received more than \$100 million in research and development funding.

Wyoming Innovation Center, *Gillette, Wyoming*

Research facility focused on high-value, non-fuel, coal-based processes and products. \$1.5 million grant from Wyoming Business Council, \$1.46 million grant from the Economic Development Administration. Local city and county contributions for operational funds, matched by the Governor's office.

CarbonSAFE Project,

Gillette, Wyoming

A project by the University of Wyoming School of Energy Resources focused

on investigating the feasibility of practical, secure, permanent, geologic storage of carbon dioxide (CO₂) emissions from coal-based electricity generation facilities.

ExxonMobil,

Lincoln County, Wyoming

Expanding existing carbon capture and storage operations at its LaBarge, Wyoming facility, which has already captured more CO₂ than any other facility in the world. The expansion project will capture up to 1 million metric tons of CO₂, in addition to the 6-7 million metric tons already captured each year.

Atlas Carbon,

Gillette, Wyoming

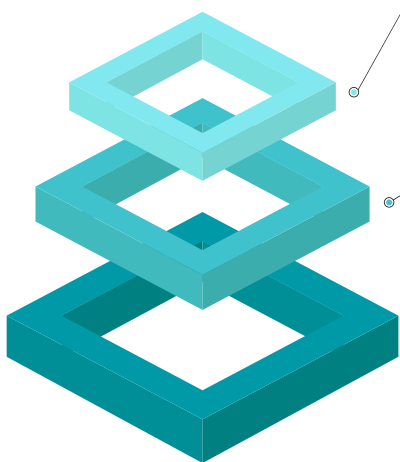
Atlas Carbon is committed to making the world a cleaner and healthier place for generations to come by producing activated carbon products for air and water treatment systems. The WBC and State of Wyoming provided a \$15 million Large Loan in 2018.

Activate New Sectors: Digital & Technology (Blockchain)



Since 2018, Wyoming has been passing a series of laws to develop a favorable environment for digital innovation, including blockchain.

A Statewide Effort



State Economic Development Activities:

- Legislative & Governor's Support
- Legal framework, including development of Special Purpose Depository Institutions (SPDI)
- Data Center Sales Tax Exemption
- WBC Investments: Managed Data Center Cost Reduction Grant, SBIR Matching Grant

Resources, Education, Collaboration, Funding & Other Tools:

- University of Wyoming Center for Blockchain and Digital Innovation
- Manufacturing Works
- Department of Workforce Services
- Wyoming-based Utility Companies' Blockchain Solutions

Local Economic Development Execution:

- Cheyenne LEADS
- Array Apprenticeship Program
- City of Cheyenne
- Local Utility Companies

An Example of Scalable Development – Companies That Thrive



Elite Mining

In September 2021, Elite Mining Inc (EMI) moved its headquarters to Cheyenne, Wyoming from Washington state. Recently named one of the top five blockchain startups that are reducing energy requirements, EMI will use its new facilities to expand the manufacturing of its Elite Mobile Units.

“

The opportunity presented by the state of Wyoming, and in part in partnership with the University of Wyoming, made this transition seamless and effortless. We are honored to call Wyoming home and are excited to be a part of the community.”

– *Justin Podhola*
CEO Elite Mining

Leverage Partnerships, Local Economic Development, Investments and Services, and Expertise: Data Centers

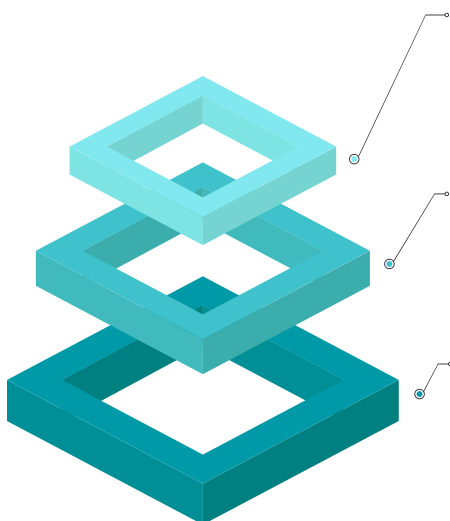
Over a decade ago, Wyoming State Leadership began paving the road to create an environment for private sector companies building data centers.

“

The incentives that set this train in motion are working. This is a sector of our growing economy that continues to pick up steam.”

– Governor Mark Gordon

A Statewide Effort



State Economic Development Activities:

- Legislative & Governor Support - Data Center Sales Tax Exemption
- Wyoming Business Council - Managed Data Center Cost Reduction Grant Program

Resources, Education, Collaboration, Funding & Other Tools:

- Infrastructure: Available land and appropriate utilities
- Supportive Regulatory Environment
- Workforce Support

Local Economic Development Execution:

Cheyenne LEADS - This non-profit provides free land as an economic development incentive to facilitate job creation and spur economic growth and has been instrumental in the development of new data centers. **Their current return on investment for projects is 5.6%. Data Centers have brought in \$1.5 billion of capital investment to Laramie County.**

An Example of Scalable Development - Leveraging Opportunities



Microsoft:

Expanding their presence in Wyoming to build two new state-of-the-art data centers in Cheyenne – one in the Cheyenne Business Parkway and one in the Bison Business Park. The company has been a great partner locally and statewide by giving back to their community, establishing the gBeta startup accelerator program, and generating millions in sales and property taxes.

Lunavi (formerly Green House Data)

Headquartered in Cheyenne in a 45,000 square foot campus, the company now operates over 10 data center sites across the nation.

NCAR-Wyoming Supercomputing Center

More than 2,200 scientists from 300 universities have used the facility's processing power plant for complex research into climate, air quality, solar energy, streamflow and severe weather since the center opened in 2012. The agency has invested more than \$83 million and created 20 jobs.

THRIVE





New Opportunities

The emerging opportunities of yesterday – CCUS and Data Centers – have become today's successes. The work we are doing today is setting up the right ecosystems for the new crop of emerging opportunities to help Wyoming thrive in the future.

Known Opportunities

- Nuclear Industry
- Hydrogen Economy
- Advanced Manufacturing

Unknown Opportunities

• Economic Growth Diagnostics

We're focusing on sound economic principles and utilizing world-class economic development methodologies to build systems that will help us determine what Wyoming can and should focus on into the future to ensure a more resilient economy. We can never stop working to discover **what's next for our great state.**

ANNUAL REPORT DATA



Supporting Startups

Wyoming's entrepreneurial ecosystem has some good momentum, starting with excellent educational opportunities for all entrepreneurs through the local library system, community colleges, and the University of Wyoming. More high-growth startups can engage with incubators in the state like IMPACT 307 and Silicon Couloir where they compete in regional pitch challenges that can provide non-dilutive funding to start moving from idea to concept. WBC programs focus further on high-growth startups and provide additional non-dilutive grant funding to help with commercialization and preparing for an accelerator or raising first-round equity funding. The next step is the eight-week gBETA statewide accelerator which helps startups refine their pitch, meet others in the entrepreneurial community, and finish with investor pitches preparing them to raise equity.

SBIR (Small Business Innovation Research)

Since October 2018, the Business Council has funded 27 SBIR Matching Grants for a total of \$3.5 million; 15 of these applications have been funded since April 2020. This investment leveraged \$11.15 million in federal research and development funding and assisted these early stage businesses in creating 78 jobs with a very high annual wage in comparison to other WBC programs.

Kickstart

Since October 2018, we have funded 18 Kickstart Startup Grants for a total of \$886,000. One year following this funding, these grants helped create 29 jobs with the highest annual wage of any of our programs (*currently paused*).

47
NEW
BUSINESSES




\$10,736,992
PUBLIC INVESTMENT

125
JOBS
CREATED



MAIN STREET



74,744
VOLUNTEER
HOURS

\$9,807,123
PRIVATE FUNDS FOR BUILDING
STRUCTURE IMPROVEMENTS



Loan Portfolio

The Challenge Loan Program has made or participated in 267 loans since 1998.

Total loans amount was
\$74,069,391

The Challenge Loan/WBC
Loan participation amount was
\$36,518,398.

Total interest income/earned
over the last 21 fiscal years is
\$5,675,000.

16 loans totaling \$1,060,582 have
been charged off (2.9% of loan
amount)

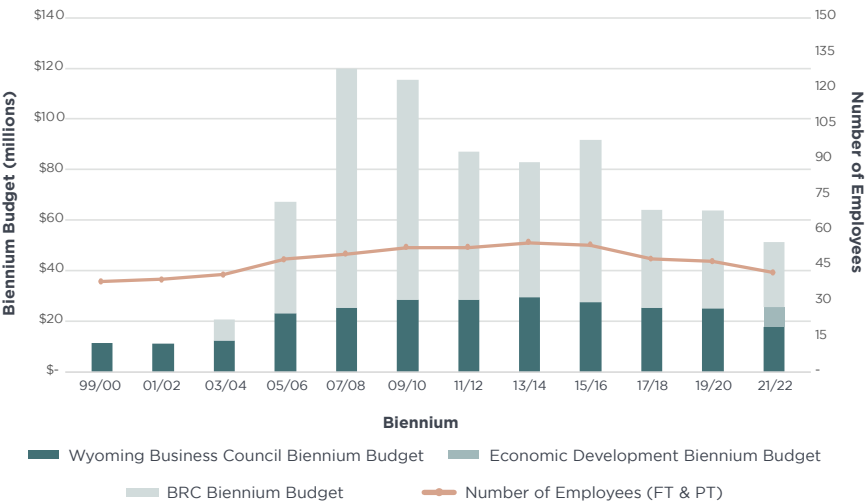
Notable Success Stories:

- WyoTech, Laramie, WY
- Gluten Free Oats, Powell, WY
- Cottonwood Creek Memory Care Facility, Cheyenne, WY
- Beet Grower Economic Disaster Loans, Big Horn Basin, WY
- Goshen County Irrigation Canal Collapse Loans, Torrington, WY

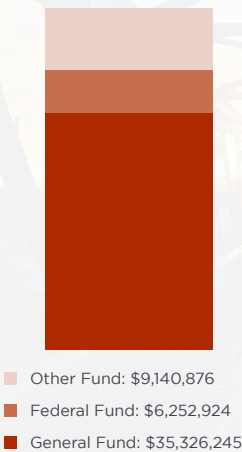
WBC Budgets and Team

The Wyoming Business Council's budget is funded on a biennium and includes state appropriation, federal funds, and special revenue funds. The fiscal year ends June 30. The budget includes 42 full-time positions and three budget units: Wyoming Business Council, Economic Diversification, and Business Ready Communities (BRC). The Economic Diversification budget unit was created for the 2021/2022 biennium to be more transparent about the budget the Business Council has available to deliver programs and services to the State of Wyoming. The Economic Diversification budget includes the budgets for the Services and Investments divisions, and the Wyoming Business Council budget includes the budgets for the Operations, Regional Directors, and Strategy divisions.

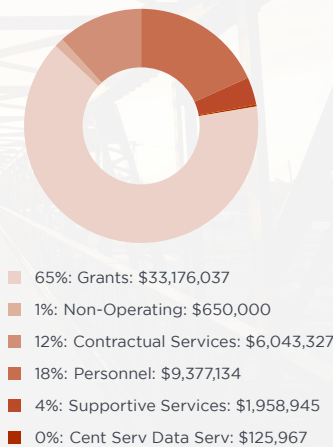
Wyoming Business Council
Biennium Budgets vs. Staffing Levels
(Excludes one-time Appropriations through Other Legislation)



21/22 Budget by Funding Source



21/22 Budget by Series





BOARD OF DIRECTORS

Governor Mark Gordon - Co-Chair
Kim DeVore, Casper - Co-Chair
Erin Moore, Cheyenne - Vice Chair
Kathy Tomassi, Kemmerer - Secretary/Treasurer
Erick Arens, Laramie
Chuck Brown III, Wheatland
John Coyne III, Greybull
Mike Easley, Sundance
Cindy Johnson, Green River
Chuck Kenyon, Torrington
Jason Kintzler, Dubois
Alex Klein, Moran
Mark Law, Sheridan
Pam Thayer, Rawlins

214 W 15th St
Cheyenne, WY 82002
wyomingbusiness.org