Wyoming™
BUSINESS COUNCIL

Business Ready Community Program Overview 2003-June 2015

www.wyomingbusiness.org

INCREASING WYOMING'S PROSPERITY

Abbreviations

- **WBC:** Wyoming Business Council
- **BRC:** Business Ready Communities Program
- **CDO:** Community Development Organization
- **ROI:** Return on Investment

Definitions

- **Business Ready Acres:** Acres developed by BRC projects
- **Business Park Acres:** Development in a designated commercial/industrial area
  - **Established**: Partially developed area. Improvements increased capacity for existing businesses and future tenants
  - **New**: Land was previously undeveloped or under developed
- **Business Ready Building Space:** Square-foot measure of all building space constructed by BRC projects
- **Spec Buildings Space:** Building construction specifically for new business attraction

BRC Project Types

- **Business Committed Projects** – Infrastructure to facilitate the start-up, retention, expansion, or location of a specific committed business. Maximum award is $3 million with a 10% or 30% match (cash and/or in-kind).
- **Managed Data Center Projects** – Reduction of the utility cost for electrical and/or broadband for the recruitment or expansion of managed data centers of sufficient redundancy. Maximum award is $2,250,000.
- **Community Readiness Projects** – No specific business is committed to expand or locate in the community. Infrastructure to prepare a community for future business development under a specific community plan. Maximum award is $3 million with a 10% or 30% match (cash and/or in-kind).
- **Downtown Development Projects** – Community Readiness project located in a downtown or Main Street Program area. Maximum award is $2 million with a 15% or 30% match (cash and/or in-kind).
- **Community Enhancement Projects** – Infrastructure to improve aesthetics or quality of life to make a community attractive for business development. No specific business is committed to expand or locate in the applicant's community. Maximum award is $500,000 with a 50% match.
- **Child Care/Senior Care Projects** – Infrastructure to facilitate the start up or expansion of a child care or senior care facility. Maximum award is $1 million with a 15% match.
- **BRC Planning Projects** – Document that creates or further develops a community's economic development strategy. Projects require a 25% cash match
  - **Economic Development Plans.** Maximum award of $50,000.
  - **Feasibility Studies.** Maximum award of $25,000.
  - **Promotional Plans.** Maximum award of $25,000.
  - **Tourism Plans.** Maximum award of $25,000.
  - **Regional Targeted Industry Plans.** Maximum award of $50,000.
- **Large Infrastructure Projects** – Funding for large scale infrastructure projects to encourage business development. Funding is determined on a case by case basis. Established as budget footnote in 2013.

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Governor's Data Center Funds

Definition: Legislature appropriated funding for the infrastructure assisting in the recruitment of data centers. Data Center construction costs must be greater than $50M. Funds may be awarded as grants or loans.

- **2012: Project Summit**
  - $5M award to Laramie County
  - Funds were used for construction of infrastructure to assist in the recruitment of Microsoft Corporation
  - Microsoft will invest more than $112M in the facility of ten years and create at least 17 new jobs with a median wage of $39.32
- **2015: Project Nephogram**
  - $5M award to Laramie County
  - Funds were used for construction of two water towers, water/sewer lines and other infrastructure necessary for the expansion of Microsoft Corporation
  - Microsoft will invest $208M over the next three years and create 25 new jobs; 18 above the county's median wage of $17.38

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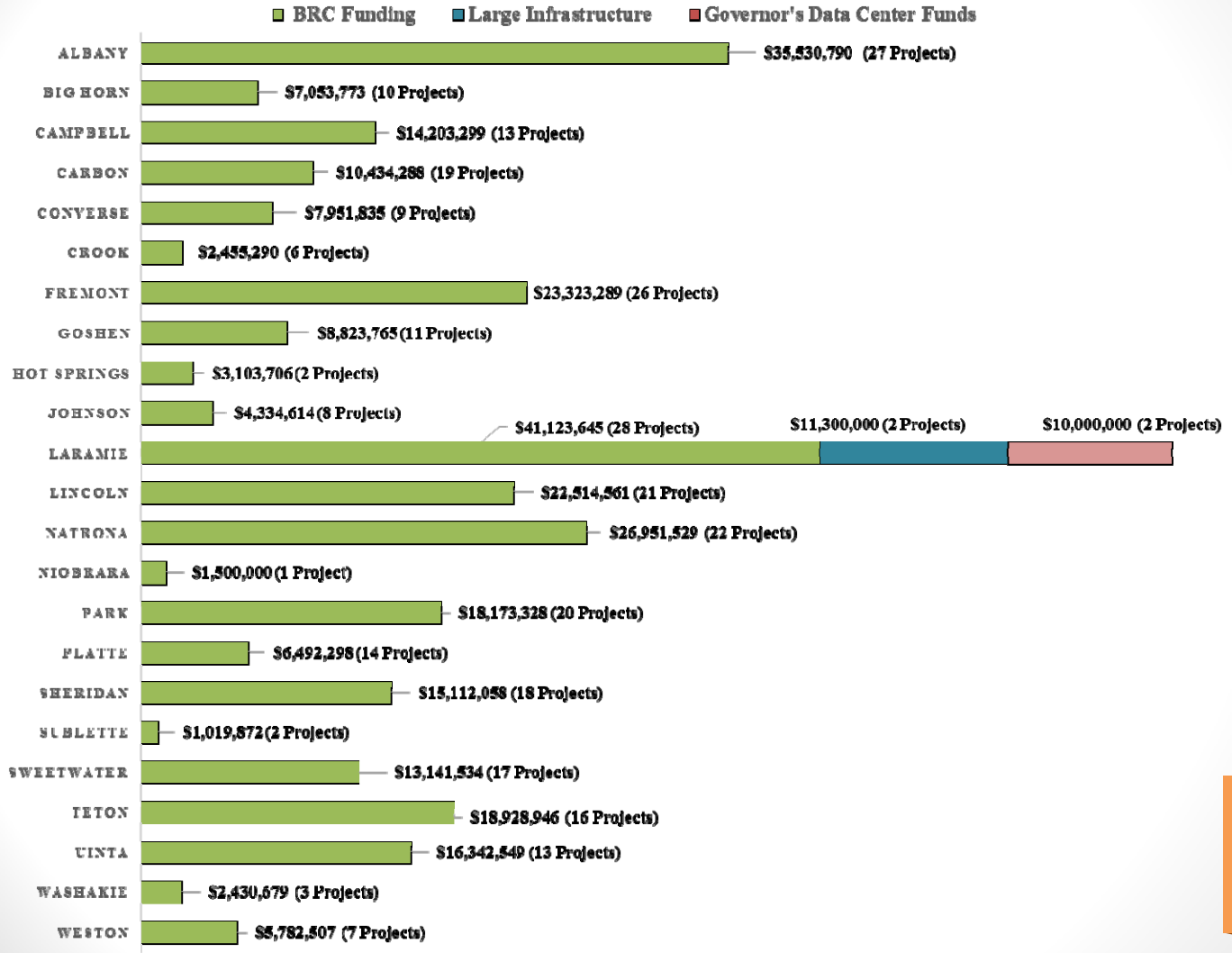
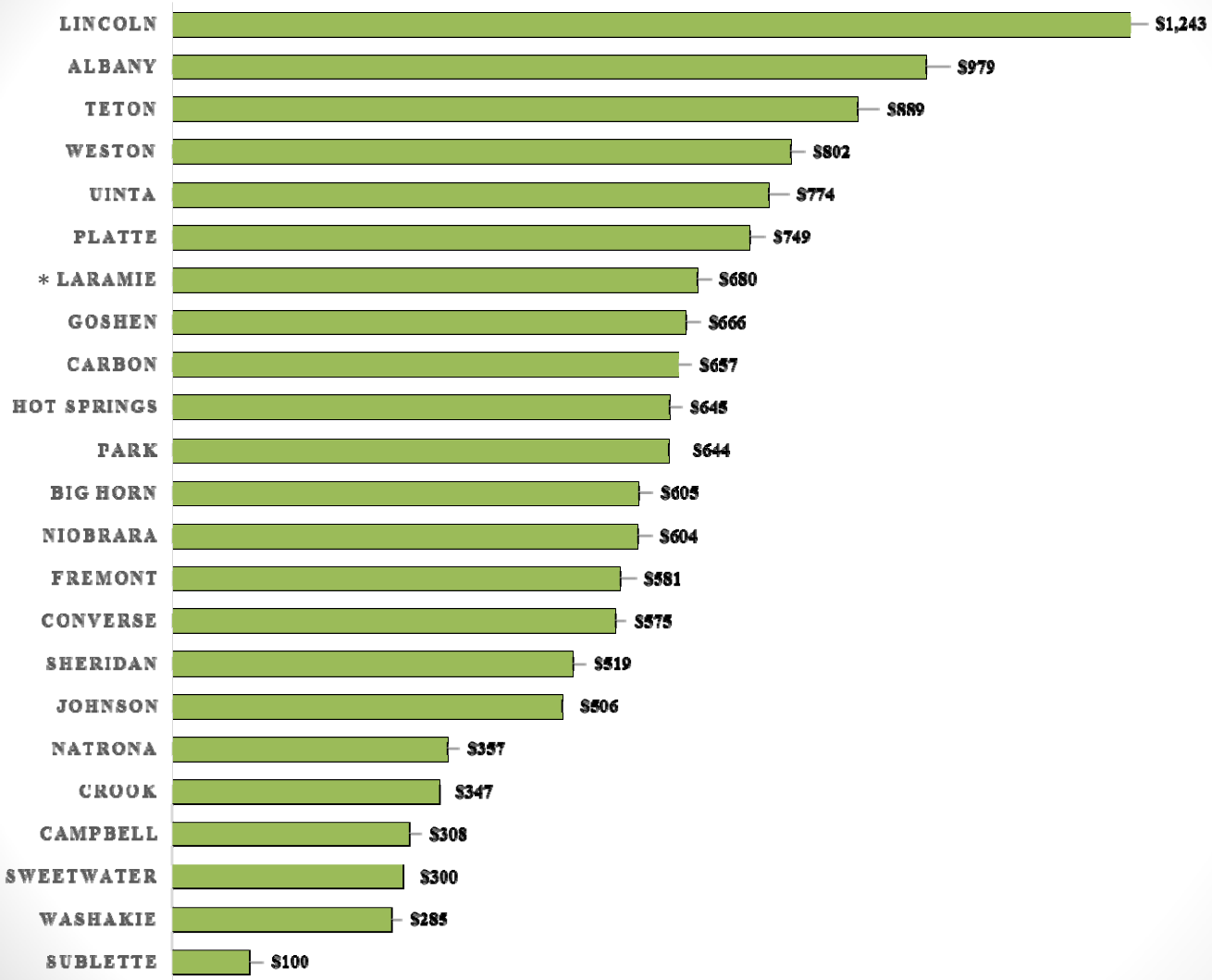
A Note about Data Limitations

- Data is current as of June 30, 2015
- Data used in this report is not always consistent
  - Reporting requirements have changed over time
  - Information is self reported by grantees
- Data used in this report is not always a current snapshot of actual conditions
  - Projects are in different stages of reporting
  - Some projects have been closed out and are not reporting at all
  - Projected numbers are used until final numbers are reported

Funding by County



Funding Per Capita



*Includes large infrastructure and Governor's data center funds

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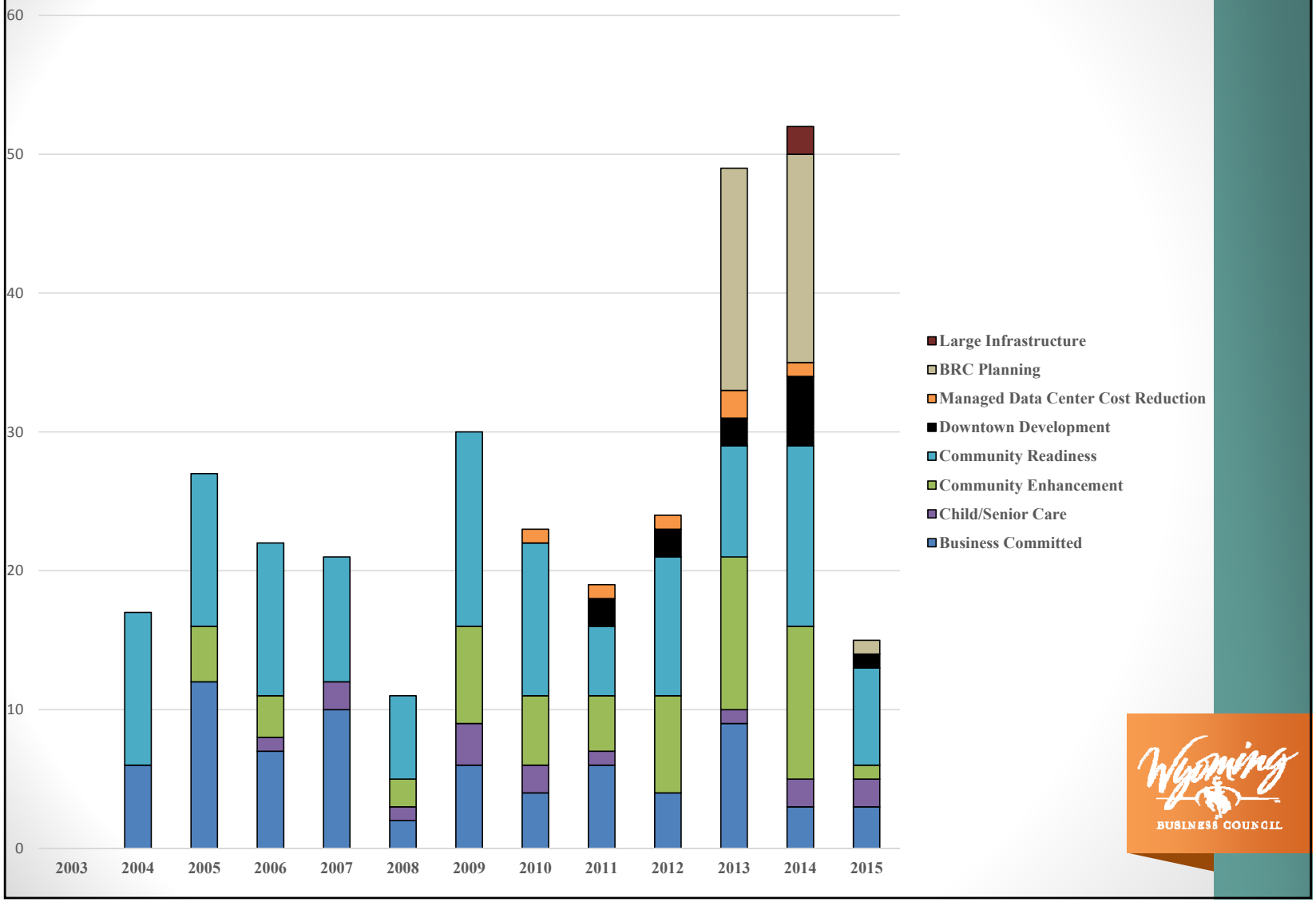
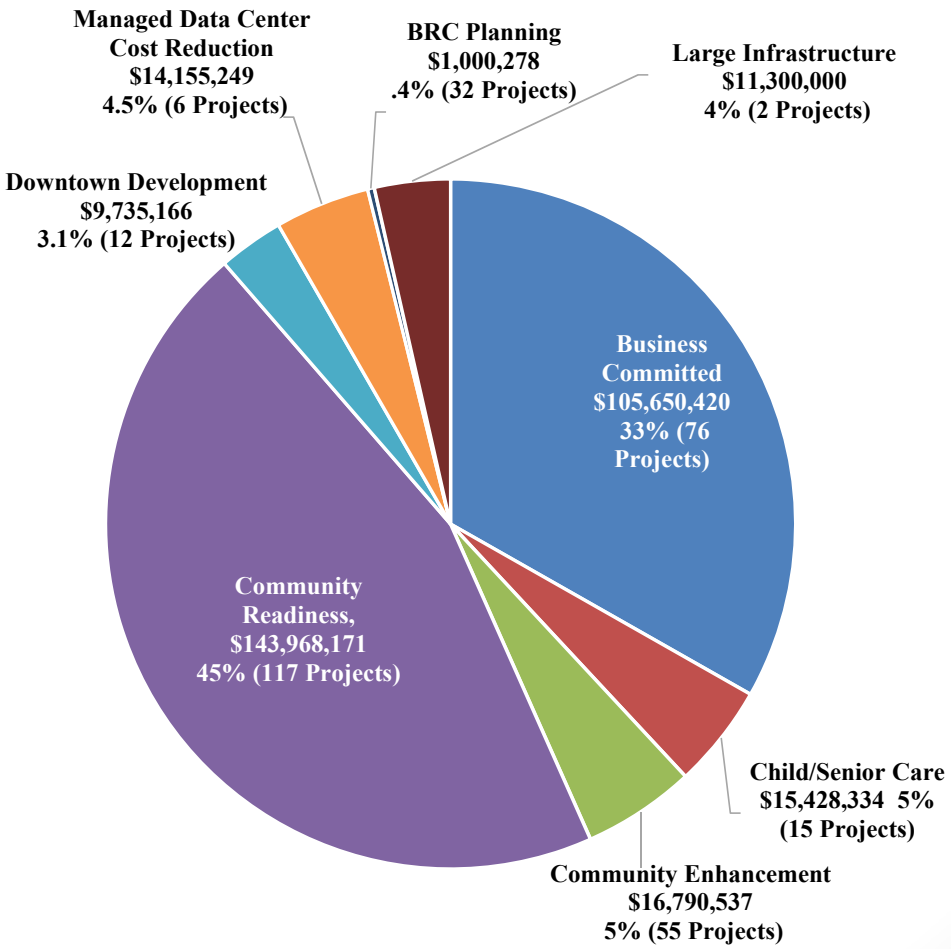
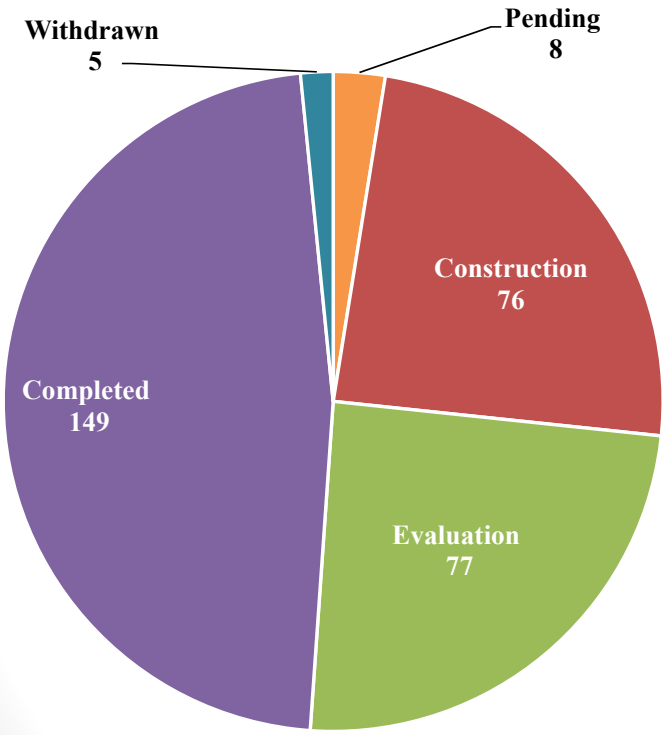
Number of Projects Awarded by Year



Project Types and Funding Since Inception
(315 Projects, total awards of $318,028,155)



BRC Projects by Status



Pending: Project has been awarded, but project has contingencies or no grant agreement has been signed

Construction: Grant agreement has been signed, and project may move forward

Evaluation: Project construction has been completed, and grantee is required to submit performance reports for three years

Completed: 3 years after the project has passed, no additional reporting is required

Withdrawn: Project initiated, some funds were expended

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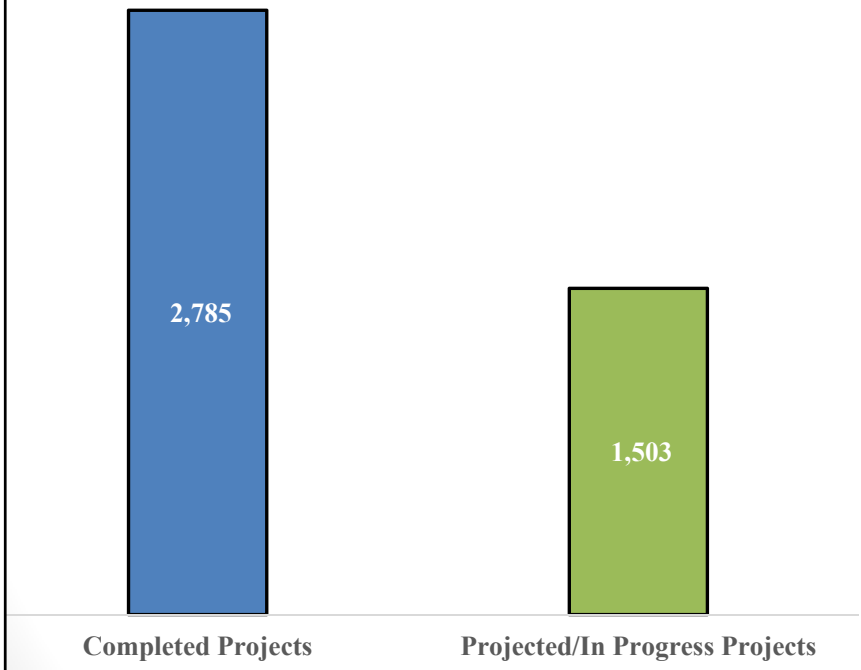
Businesses Assisted

Businesses Assisted Since Program Inception		
County	**2014**	**2015**
Albany	12	13
Big Horn	2	2
Campbell	3	24
Carbon	16	21
Converse	7	7
Crook	3	3
Fremont	21	21
Goshen	2	5
Hot Springs	1	1
Johnson	2	21
Laramie	20	45
Lincoln	6	9
Natrona	32	44
Niobrara	4	6
Park	9	12
Platte	9	12
Sheridan	10	13
Sublette	0	0
Sweetwater	6	5
Teton	6	5
Uinta	18	20
Washakie	6	8
Weston	6	6
Total	**201**	**303**

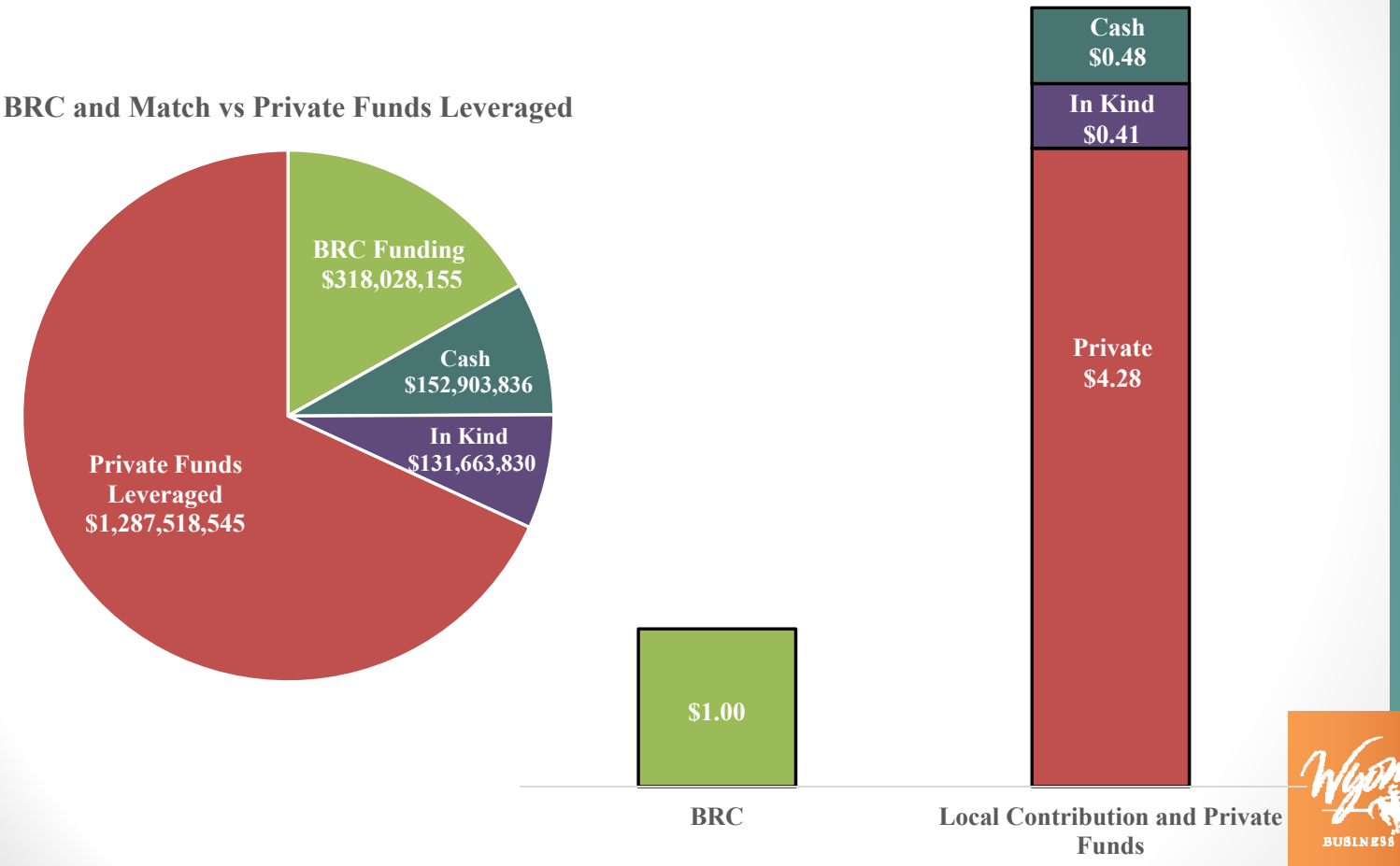
Note: Does not include early stage start-up businesses assisted at BRC funded incubators

Direct Jobs Created



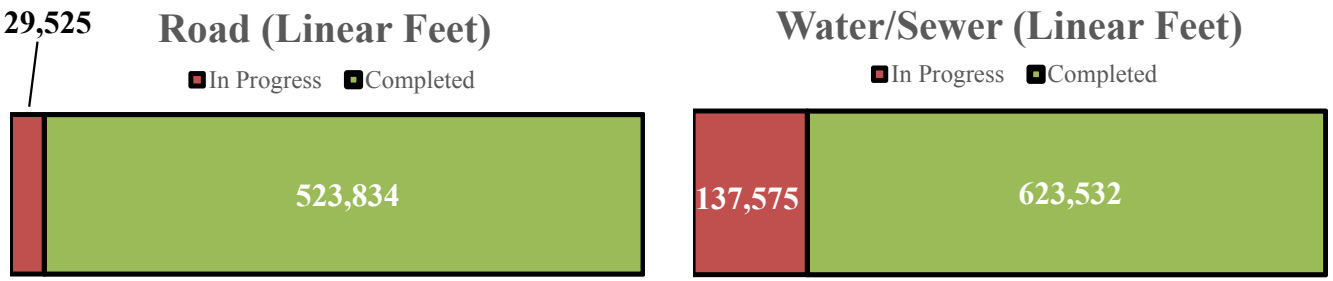
Status/Type	Jobs
Completed	**2,785**
Business Committed	1,783
Community Readiness	922
Other	81
Projected/In Progress	**1,503**
Business Committed	1,007
Community Readiness	305
Data Center	85
Other	107
Total Jobs	**4,288**

Match and Private Investment



Note: Private Funds Leveraged are funds anticipated at the time of application.

Public Infrastructure by the Numbers



68 Projects
$92.3M
104.8 Miles

88 Projects
$113.7M
144.1 Miles

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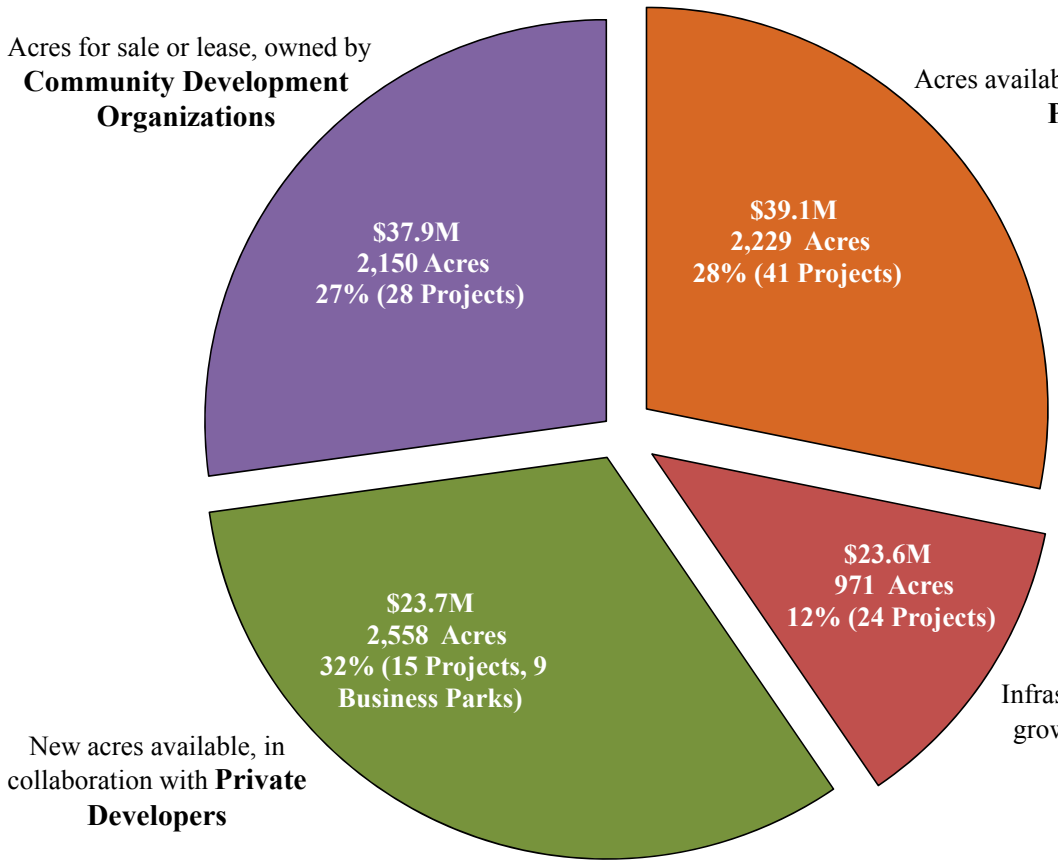
Ownership of Business Ready Acres



Note 1: Approximately 1,300 acres have been improved with multiple BRC investments
Note 2: Ownership determined at the time of project closeout

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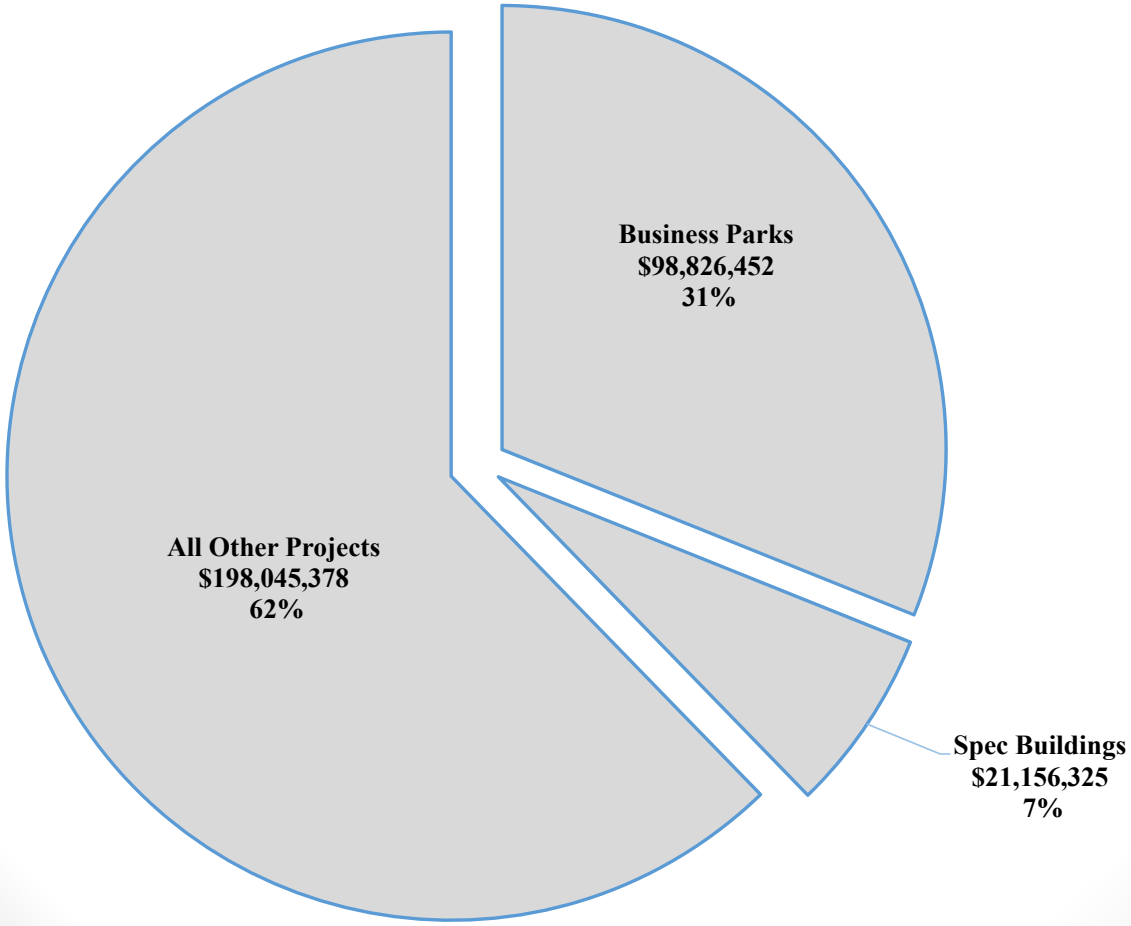
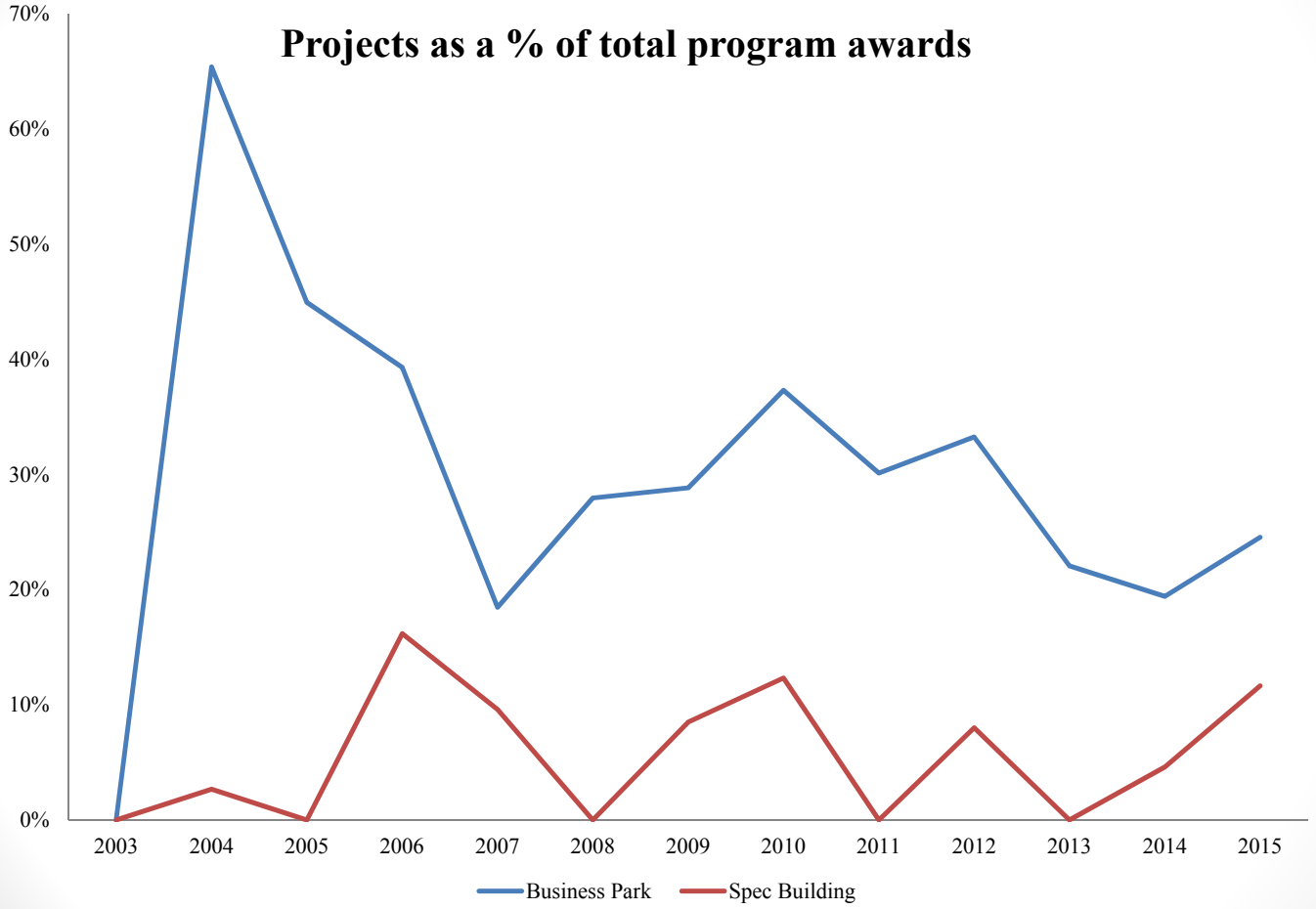
Business Parks, Spec Buildings and Other Investments



Business Park/Spec Building Trends



Business Park Occupancy (Acres)

County	Occupied	Available	Pending	Total Acres	BRC Funds Expended
Albany	236	106	0	342	$ 9,909,320
Big Horn	73	14	0	87	$ 1,496,822
Campbell	349	64	0	413	$ 7,310,976
Carbon	95	46	0	140	$ 1,734,885
Converse	17	75	0	92	$ 3,408,484
Crook	0	7	0	7	$ 302,000
Fremont	40	48	302	390	$ 3,709,857
Goshen	36	57	0	92	$ 3,716,979
Hot Springs	0	22	0	22	$ 2,689,706
Johnson	3	0	0	3	$ 196,103
Laramie	1,501	188	0	1,688	$ 16,434,569
Lincoln	0	22	6	28	$ 2,037,536
Natrona	834	373	0	1,206	$ 10,621,083
Niobrara	4	39	0	43	$ 1,500,000
Park	105	40	0	146	$ 7,526,524
Platte	59	61	0	120	$ 4,209,411
Sheridan	55	56	0	110	$ 6,852,025
Sublette	18	0	0	18	$ 250,000
Sweetwater	33	235	0	269	$ 4,000,000
Uinta	7	11	0	18	$ 4,263,796
Washakie	0	6	0	6	$ 1,417,619
Weston	110	470	0	580	$ 5,238,757
Total	**3,574**	**1,940**	**308**	**5,822**	**$ 98,826,452**

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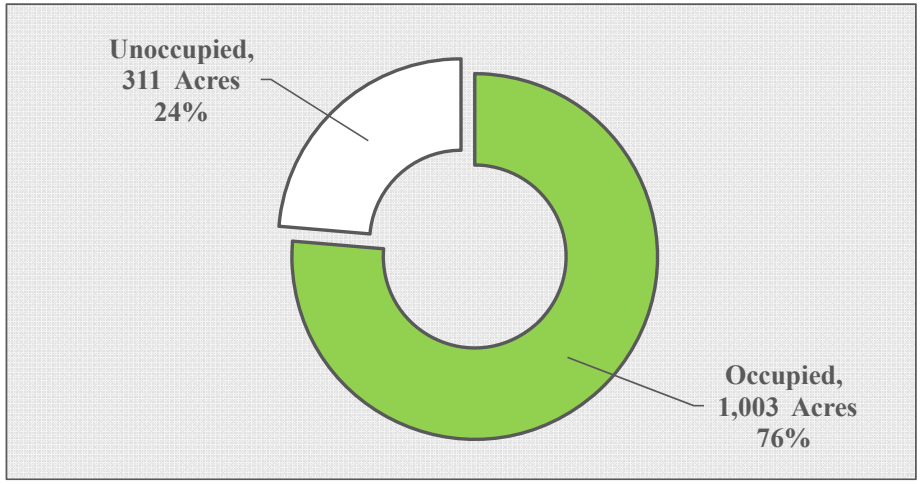
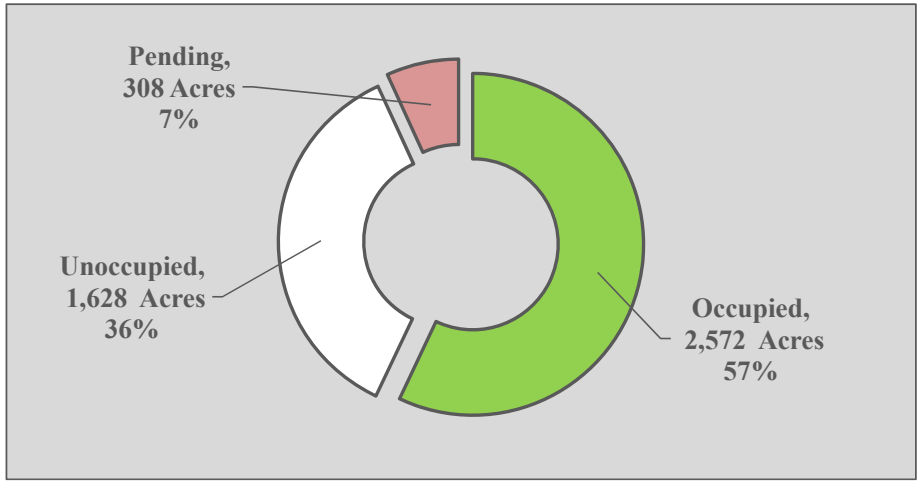
Aiding Established Business Parks



New Parks



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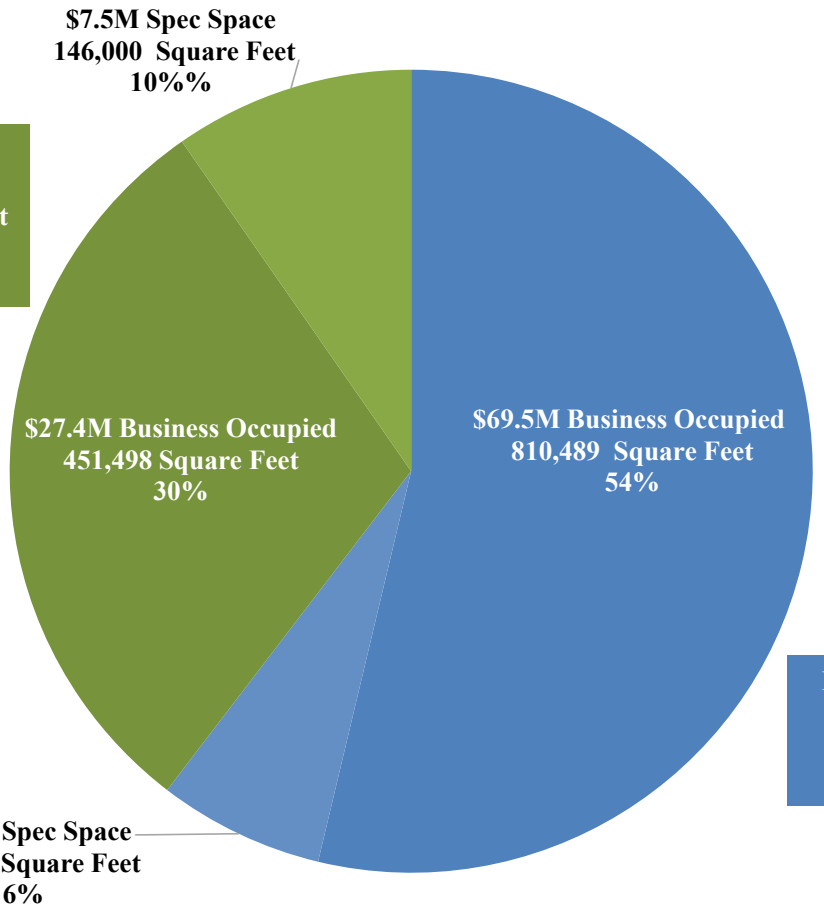
Building Ownership



Building Square Feet for Sale or Lease, owned by **Community Development Organizations (26 Projects)**

Building Square Feet Available for Businesses, Owned by **Public Entities (70 Projects)**

Note: Ownership determined at the time of project closeout

Business Ready Spec Building Space (Square Feet)

County	Occupied	Available	Under Construction	Total SQFT	BRC Funds Expended
Albany	12,000	-	-	12,000	$ 1,867,500
Converse	12,857	2,143	-	15,000	$ 1,500,000
Fremont	33,000	11,000	-	44,000	$ 1,500,000
Laramie	50,143	8,357	-	58,500	$ 4,500,000
Lincoln	6,429	2,571	-	9,000	$ 1,000,000
Natrona	-	-	42,000	42,000	$ 3,577,953
Park	12,000	-	-	12,000	$ 727,778
Platte	13,667	2,733	-	16,400	$ 1,076,690
Sheridan	-	-	5,400	5,400	$ 977,500
Sweetwater	-	6,993	-	6,993	$ 1,327,500
Uinta	17,730	-	-	17,730	$ 2,482,897
Washakie	7,600	-	-	7,600	$ 618,507
Total	**165,425**	**33,798**	**47,400**	**246,623**	**$ 21,156,325**
	67%	14%	19%		

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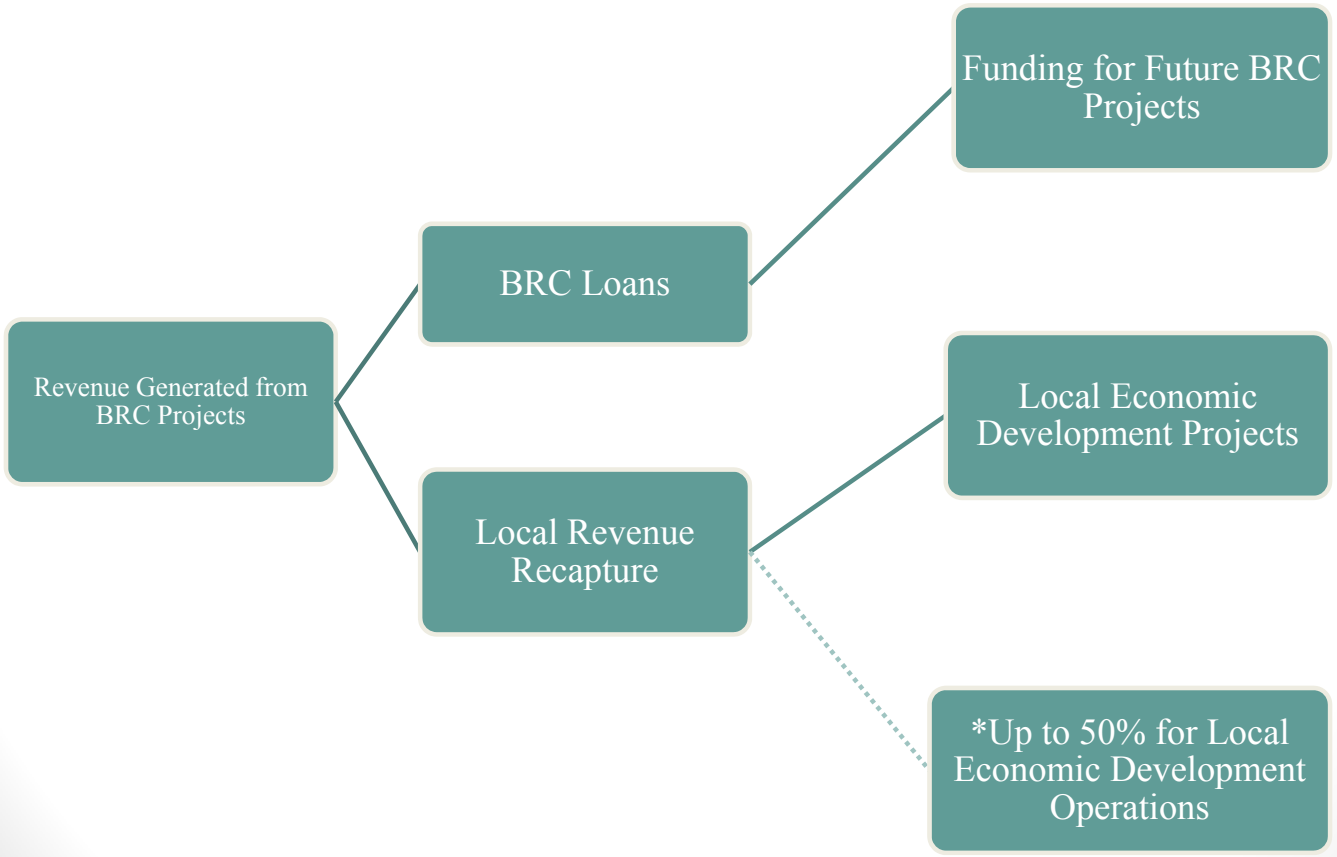
What is Revenue Recapture?

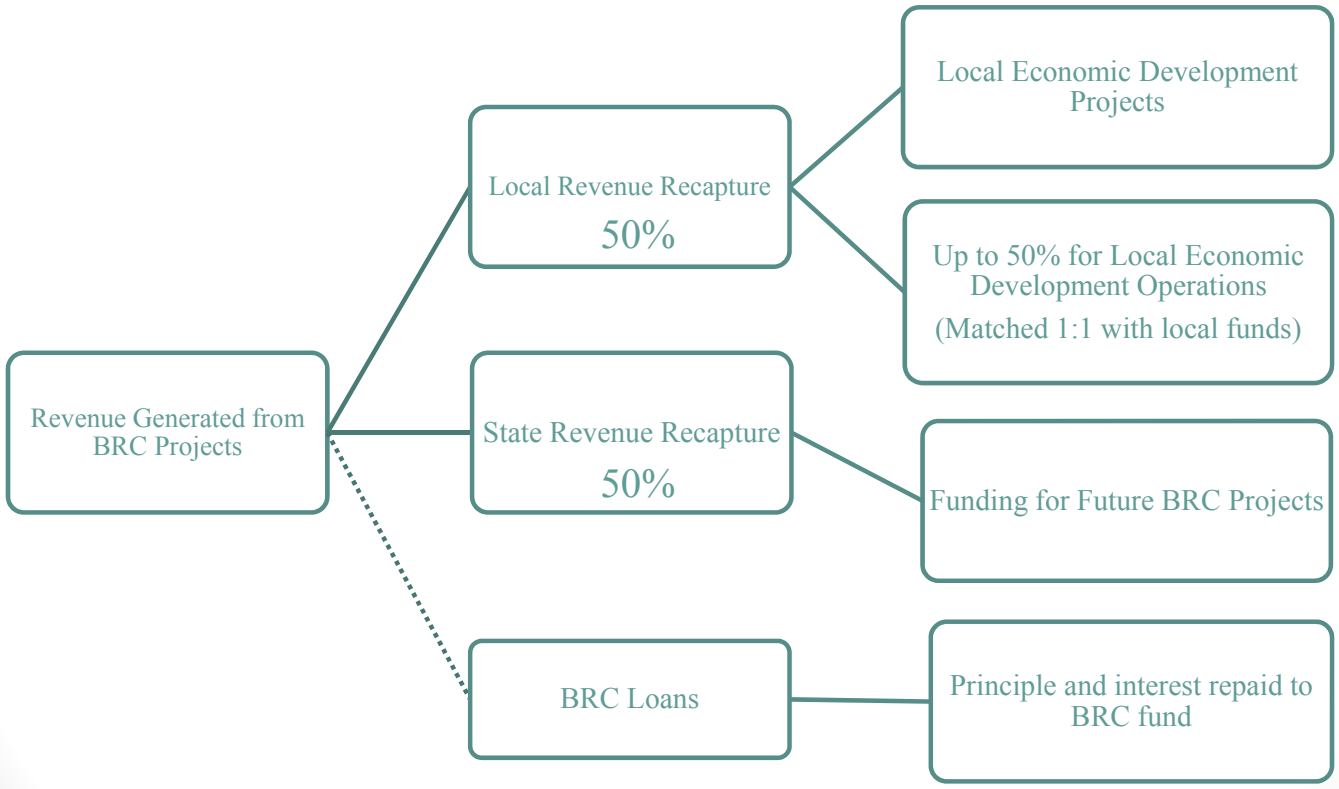
- Revenue (lease payments, lot sales) generated by a BRC project be recaptured by the applicant and used for local community and economic development activities
  - **Local Revenue Recapture:** Income to the recipient or community development organization. An approved plan must be in place for how recaptured funds will be managed and used for economic development. Revenue recaptured funds may be used for up to 50 percent of economic development operations and management costs, if matched 1:1 with other funds
  - **WBC Revenue Recapture:** Income to the recipient which must be remitted to the BRC program, under terms stated in the project grant agreement.
  - **Revenue from BRC Loans:** Income to the recipient which must be used to make annual loan payments to the BRC program. Loans are secured by the asset funded by the WBC and are non-recourse against the applicant's other assets

Current Revenue Recapture Process



*General policy, not in BRC rules

Proposed Revenue Recapture Process



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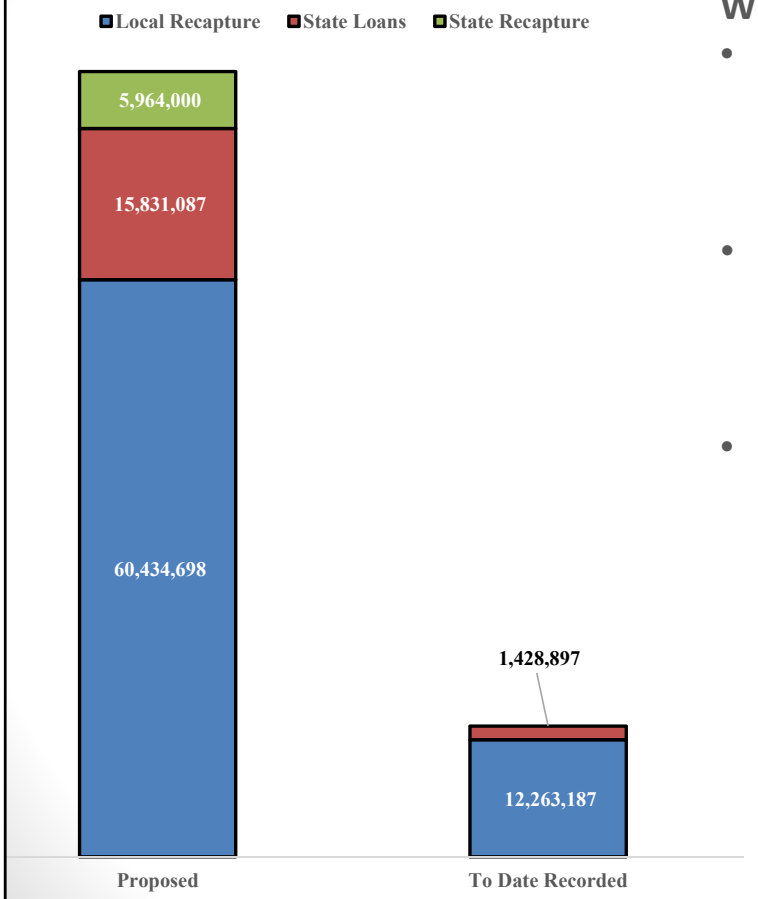
BRC State Revenue Recapture Projects

BRC State Recapture Grants Overview				
Award Date	**Grantee**	**Project**	**Grant Amount**	**Total Estimated BRC Recapture**
2014	Cheyenne, City of	Swan Ranch Rail Connection Grant	2,000,000	2,000,000
2014	Laramie County	Magpul Recruitment - Building Purchase and Retrofit	8,300,000	3,700,000
2015	Albany County	Pete Lien Phase 2: Well Quarry	1,459,807	215,000
2015	Goshen Care Center JPB	Goshen Care Center Grant	1,000,000	49,000
		Total	**12,759,807**	**5,964,000**

BRC Loans

BRC Loan Award Overview						
Award Date	**Borrower**	**Project**	**Loan**	**Interest Rate**	**Loan Term (Years)**	**Total Estimated BRC Recapture**
2008	Teton County	Teton Village Association Guest Services & Parking Lot Improvements ($1.5m Loan)	1,500,000	1.0%	10	1,583,731
2009	Jackson Hole Airport Board	Jackson Hole Airport Terminal Loan	1,500,000	1.0%	10	1,583,731
2012	Laramie, City of	Downtown Lighting Loan Project	3,531	2.0%	1	3,571
2013	Jackson, Town of	Snow King Mountain Resort - Loan	1,000,000	0.5%	20	1,053,329
2013	Lander, City of	Lander Community Center Construction Loan	150,000	2.5%	5	161,435
2013	Jackson Hole Airport Board	JHA Terminal Expansion Phase I-II CR Loan	3,000,000	1.5%	10	3,253,025
2013	Laramie, City of	HiViz Shooting Solutions Corp Loan	519,477	1.0%	20	575,740
2014	Cheyenne, City of	Elevated Walkway Loan	187,500	0.5%	20	197,499
2014	Cheyenne, City of	Swan Ranch Rail Connection Loan	3,000,000	0.5%	10	3,083,117
2015	Laramie, City of	Underwriters Laboratories Technology Center (Loan)	433,161	0.5%	7	441,867
2015	Gillette, City of	Southern Industrial Addition (Loan)	2,645,046	1.0%	20	2,931,521
2015	Goshen Care Center JPB	Goshen Care Center (Loan)	894,340	2.5%	5	962,519
		Total	**14,833,055**			**15,831,087**

Revenue Recapture



Why is actual amount lower than proposed?

- *Inconsistent time horizons*: Grantees report performance information for 3 years, but revenue recapture plans can take 10 or more years to execute.
- *Data is primarily from the last four years:* Recent staff policy has been to track revenue recapture and ask require a revenue recapture plan
- *Local project contacts:* Local government staff required to complete annual reports are often not the same people involved with the project. This creates a disconnect that can affect the quality of information

Revenue Recapture by County

Revenue Recapture by County							
	Proposed				To Date Recorded		
County	Local	Loan	State	Total	Local	Loan	Total
Albany	19,694,315	1,021,178	215,000	20,930,493	3,990,756	3,531	3,994,287
Big Horn	78,000	-	-	78,000	5,480	-	5,480
Campbell	-	2,931,521	-	2,931,521	-	-	-
Carbon	1,661,443	-	-	1,661,443	87,358	-	87,358
Converse	135,000	-	-	135,000	67,533	-	67,533
Crook	300,000	-	-	300,000	-	-	-
Fremont	148,000	161,435	-	309,435	2,349,834	-	2,349,834
Goshen	669,360	962,519	49,000	1,680,879	42,553	-	42,553
Hot Springs	54,000	-	-	54,000	54,000	-	54,000
Laramie	9,156,519	3,280,616	5,700,000	18,137,135	232,048	-	232,048
Lincoln	3,920,951	-	-	3,920,951	114,261	-	114,261
Natrona	5,401,178	-	-	5,401,178	4,277,385	-	4,277,385
Park	6,137,875	-	-	6,137,875	303,736	-	303,736
Platte	1,158,725	-	-	1,158,725	55,406	-	55,406
Sheridan	2,623,564	-	-	2,623,564	98,000	-	98,000
Sweetwater	1,153,600	-	-	1,153,600	-	-	-
Teton	1,184,871	7,473,816	-	8,658,687	18,037	1,425,366	1,443,403
Uinta	6,339,297	-	-	6,339,297	566,800	-	566,800
Washakie	618,000	-	-	618,000	-	-	-
Totals	**60,434,698**	**15,831,085**	**5,964,000**	**82,229,783**	**12,263,187**	**1,428,897**	**13,692,084**

Note: Not all revenue generating projects are reflected in this chart.