

# LARAMIE COUNTY CLERK BOARD OF COUNTY COMMISSIONERS AGENDA ITEM PROCESSING FORM

**1. DATE OF PROPOSED ACTION:** December 15, 2015

**2. AGENDA ITEM:**    Appointments    Bids/Purchases    Claims

**Contracts/agreements/leases**    **Grants**    Land Use: Variances/Board App/Plats

Proclamations    Public Hearings/Rules & Reg's    Reports & Public Petitions

Resolutions    Other

**3. DEPARTMENT:** Grants


**APPLICANT:** Laramie County/LEADS, Economic Development Board

**AGENT:** Sandra Newland

**4. DESCRIPTION:** Consideration of a Ratified Revenue Recapture Plan for the Pine Bluffs Distillery between Laramie County, Cheyenne LEADS and the Cheyenne Laramie County Economic Development Joint Powers Board for the successful Wyoming Malting Grant and Loan project through the Wyoming Business Council.

**5. DOCUMENTATION:** 1 original

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TO FORM ONLY BY THE  
LARAMIE COUNTY ATTORNEY

<p style="text-align: center;"><u>Clerks Use Only:</u></p> <p><u>Commissioner</u></p> <p>Ash _____</p> <p>Hasenauer _____</p> <p>Holmes _____</p> <p>Humphrey _____</p> <p>Thompson _____</p> <p>Action _____</p> <p>Postponed/Tabled _____</p>	<p style="text-align: center;"><u>Signatures</u></p> <p style="text-align: center;"></p> <p>Co Attny _____</p> <p>Assist Co Attny _____</p> <p>Grants Manager _____</p> <p>Outside Agency _____</p>
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# Revenue Recapture Plan Pine Bluffs Distillery and Wyoming Malting Company

This Revenue Recapture Plan is made and entered into by and between Laramie County, Wyoming ("County"), the Cheyenne-Laramie County Economic Development Joint Powers Board ("JPB"), and Cheyenne-Laramie County Corporation for Economic Development ("LEADS") collectively referred to as the "Parties."

**WHEREAS**, the County and LEADS are parties to that certain Contingency and Development Agreement which is part of a grant and loan application for the purpose of obtaining funds from the Wyoming Business Council for the benefit of La Grange Grocery and Hardware, LLC d.b.a. Pine Bluffs Distillery and Wyoming Malting Company (the "Company"); and

**WHEREAS**, the grant funds received from the Wyoming Business Council will be used for the construction of the facility located on 10 acres within the city limits of Pine Bluffs, WY (the "Property"); and,

**WHEREAS**, the Parties wish to set forth the revenue recapture requirement under the terms of the Contingency and Development Agreement.

**NOW THEREFORE**, for and in consideration of the mutual covenants and in furtherance of the purposes of the Contingency and Development Agreement, the Parties agree as follows:

1. LEADS will manage the Property and collect all lease payments made pursuant to the lease with the Company. LEADS will pay a portion of the lease payments it receives to the JPB and a portion to the County according to the schedule outlined in Table 2, which payments will allow the County to fulfill its Revenue Recapture payment obligations to the State of Wyoming. LEADS shall not be required to make payments to the County until LEADS receives payments pursuant to the terms and conditions of the lease with the Company and any other agreements related to the Property.
2. After LEADS completes the construction, the Company will occupy the Property and will pay rent and certain carrying costs for the Property (utilities, taxes, insurance, etc.) as agreed to in its lease with LEADS. The calculation of the rental amounts to be paid each year is set forth in Table 2 below.
3. If the total Grant and Loan proceeds received by the County are less than the Total Project Cost set forth in Table 1 below, the Revenue Recapture amounts will decrease proportionately.

**Table 1: Project Details**

Project Information	
A. Square footage	20,000
B. # of yrs at peak payment	14
C. Total Project Cost	\$ 3,417,719.50
D. Maximum Grant Amount	\$ 2,859,784.23
E. Grant subject to recapture	\$ 2,609,784.23
F. BRC Loan	\$ 557,935.27
G. Interest rate	3%
H. Interest	\$ 192,105.01
I. Total loan value	\$ 750,040.28
J. State Recapture ( $\frac{1}{2}$ *E)+I)	\$ 2,054,932.39
K. Local Recapture ( $\frac{1}{2}$ *E)	\$ 1,304,892.12
L. LEADS recapture ( $(\frac{2}{3})$ *K)	\$ 869,928.08
M. Ec Dev JPB Recapture ( $(\frac{1}{3})$ *K)	\$ 434,964.04
Total recapture (J+K)	\$ 3,359,824.51

4. According to Table 2 below, it is anticipated that LEADS will receive \$869,928.08 over 20 years through lease payments. If the Maximum Grant Amount is received by the County and LEADS receives all anticipated lease payments, then, \$1,304,892.12 will be paid to the State of Wyoming as Revenue Recapture payments and \$750,040.28 as loan payments. In the event that the total actual revenue received from the Company is less than the Grant subject to recapture (\$2,609,784.23) plus the total loan value (\$750,040.28), LEADS shall be entitled to retain 33.3% and JPB shall be entitled to retain 16.7% of the revenue actually received from the Company and LEADS shall be obligated to pay 50% of the revenue actually received from the Company to the State of Wyoming as Revenue Recapture payments. All amounts retained as recapture shall not include the amounts paid to the State of Wyoming as loan payments.

**Table 2: Lease Rates and Estimated Revenue**

Year	Loan Pmt	Recap Pmt: LEADS	Recap Pmt: ECJPB	Recap Pmt: State	Total Lease Pmt
1	\$ 16,738.06	\$ -	\$ -	\$ -	\$ 16,738.06
2	\$ 38,594.85	\$ -	\$ -	\$ -	\$ 38,594.85
3	\$ 38,594.85	\$ 7,135.05	\$ 3,567.52	\$ 10,702.57	\$ 60,000.00
4	\$ 38,594.85	\$ 20,468.38	\$ 10,234.19	\$ 30,702.57	\$ 100,000.00
5	\$ 38,594.85	\$ 33,801.72	\$ 16,900.86	\$ 50,702.57	\$ 140,000.00
6	\$ 38,594.85	\$ 47,135.05	\$ 23,567.52	\$ 70,702.57	\$ 180,000.00
7	\$ 38,594.85	\$ 54,384.85	\$ 27,192.42	\$ 81,577.27	\$ 201,749.40
8	\$ 38,594.85	\$ 54,384.85	\$ 27,192.42	\$ 81,577.27	\$ 201,749.40
9	\$ 38,594.85	\$ 54,384.85	\$ 27,192.42	\$ 81,577.27	\$ 201,749.40
10	\$ 38,594.85	\$ 54,384.85	\$ 27,192.42	\$ 81,577.27	\$ 201,749.40
11	\$ 38,594.85	\$ 54,384.85	\$ 27,192.42	\$ 81,577.27	\$ 201,749.40
12	\$ 38,594.85	\$ 54,384.85	\$ 27,192.42	\$ 81,577.27	\$ 201,749.40
13	\$ 38,594.85	\$ 54,384.85	\$ 27,192.42	\$ 81,577.27	\$ 201,749.40
14	\$ 38,594.85	\$ 54,384.85	\$ 27,192.42	\$ 81,577.27	\$ 201,749.40
15	\$ 38,594.85	\$ 54,384.85	\$ 27,192.42	\$ 81,577.27	\$ 201,749.40
16	\$ 38,594.85	\$ 54,384.85	\$ 27,192.42	\$ 81,577.27	\$ 201,749.40
17	\$ 38,594.85	\$ 54,384.85	\$ 27,192.42	\$ 81,577.27	\$ 201,749.40
18	\$ 38,594.85	\$ 54,384.85	\$ 27,192.42	\$ 81,577.27	\$ 201,749.40
19	\$ 38,594.85	\$ 54,384.85	\$ 27,192.42	\$ 81,577.27	\$ 201,749.40
20	\$ 38,594.85	\$ 54,384.85	\$ 27,192.42	\$ 81,577.27	\$ 201,749.40
<b>Total</b>	<b>\$ 750,040.28</b>	<b>\$ 869,928.08</b>	<b>\$ 434,964.04</b>	<b>\$ 1,304,892.12</b>	<b>\$ 3,359,824.51</b>

5. At any point in time after the fifth year of the lease the Company will have the option to purchase the entire property for \$ \$3,167,719.50 (Table 1: E+F, or \$2,609,784.23 + \$557,935.27), plus any and all accrued interest to date, receiving credit for all lease payments made under its lease with LEADS.

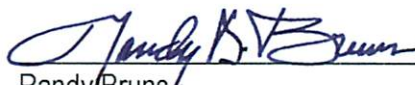

6. LEADS will commit retained Revenue Recapture funds for infrastructure necessary for economic development, including, but not limited to:

- Land acquisition for business parks
- Water, sewer, and transportation infrastructure
- Landscaping
- Planning
- Real estate acquisition for incubator buildings
- Communications or broadband infrastructure
- Power and natural gas infrastructure
- Matching funds for grants

7. JPB will commit retained Revenue Recapture funds according to its legal purpose, which is to:

- Facilitate and promote the sound economic growth of the State of Wyoming
- Development of its natural resources
- Protection of its natural environment
- Promote employment opportunities for the citizens of Wyoming by creating or encouraging the expansion of manufacturing and industrial plants, processing facilities, and all kinds of businesses which contribute payrolls and tax base to the State of Wyoming.

**IN WITNESS WHEREOF** the parties have caused this Agreement to be executed this 30 day of November, 2015.

	<u>30 Nov 2015</u>		<u>11/30/15</u>
Randy Brunst CEO Cheyenne LEADS	Date	Amber Ash Chairman Laramie County Commissioners	Date

	<u>11/24/15</u>
Larry Atwell Chairman Cheyenne-Laramie County Corporation for Economic Development	Date

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