



# Memo

**To:** Joint Committee on Government and Finance  
WV Governor's Office  
WV Board of Treasury Investments

**From:** Executive Director, Kris Warner

**Date:** June 30, 2024

**Re:** Broadband Loan Insurance report for the quarter and fiscal year ending June 30, 2024

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In accordance with West Virginia Code § 31-15-8a(g), the West Virginia Economic Development Authority (the "WVEDA") is required to submit quarterly reports on the 30<sup>th</sup> day of each January, April, July and October to the Joint Committee on Government and Finance, the Governor and the Board of Treasury Investments, and an annual report as of the end of the fiscal year, containing information about the WVEDA's Broadband Loan Insurance Program, as defined in West Virginia Code § 31-15-8a(a)(2) ("BLINS"). This quarterly and annual report is being provided pursuant to West Virginia Code § 31-15-8a(g).

The WVEDA executed an Amended Broadband Loan Insurance Promissory Note in July of 2021 increasing the principal amount from \$50 million to \$80 million. The WVEDA has committed \$48,425,439.16 for traditional BLINS and \$32,016,421.26 for RDOF BLINS. The WVEDA has \$62,904.81 available to commit to eligible broadband projects, of which \$49,693.64 has been approved by the WVEDA Board of Directors to complete a request of \$10,000,000 to Citynet West Virginia, LLC which has not yet been executed. The result will be a net remaining amount of \$13,211.17 to commit to future eligible broadband projects.

To date, the WVEDA has received \$391,653.15 in application and origination fees. The WVEDA charges a one-time \$1,000 application fee and a one-time origination fee (one-half of one percent) to cover the costs associated with administering the program. There are no ongoing revenue streams for this program.

The WVEDA has earned \$2,327,243.72 in interest on disbursed BTI funds and has paid the WV Board of Treasury Investments ("BTI") \$674,065.06 in interest on disbursed loan funds.

Listed below are the outstanding and active Broadband Loan Insurance commitments:

- 1. Provider Name:** Digital Connections, Inc.  
**Service Area:** North Central WV  
**WVEDA approval:** February 15, 2018  
**Financial Institution:** Clear Mountain Bank  
**Total Loan Value:** \$1,219,043.46  
**Loan Amount Insured:** \$ 975,234.77  
**BLINS Loan O/S Principal:** \$ 963,664.05  
**Loan Maturity Date:** March 26, 2030  
**Loan Status:** Current/Amortizing loan  
**Broadband Service Levels:** Up to one gigabit  
**Geographic Area Served:** Preston County  
**No. of Households Served:** 2,088  
**Note:** BLINS Loan O/S Principal exceeds Total Loan Value due to amortization. WVEDA has requested a net draw of \$11,570.72 in surplus funds from BTI.
- 2. Provider Name:** CityNet, LLC  
**Service Area:** Harrison County  
**WVEDA approval:** February 21, 2019  
**Financial Institution:** MVB Bank  
**Total Loan Value:** \$6,396,459.00  
**Loan Amount Insured:** \$5,116,553.01  
**BLINS Loan O/S Principal:** \$5,116,553.01  
**Loan Maturity Date:** April 29, 2040  
**Loan Status:** Current/Not fully funded.  
**Broadband Service Levels:** Up to one gigabit  
**Geographic Area Served:** Randolph, Upshur, Braxton, Clay, Fayette, Raleigh, and Greenbrier counties  
**No. of Households Served:** 5,100  
**Note:** Current, no action required.

3. **Provider Name:** Roane County Economic Development Authority  
**Service Area:** Roane County, WV  
**WVEDA approval:** March 17, 2022  
**Financial Institution:** Wesbanco Bank  
**Total Loan Value:** \$5,685,957.00  
**Loan Amount Insured:** \$4,548,765.00  
**BLINS Loan O/S Principal:** \$4,493,226.74  
**Loan Maturity Date:** June 15, 2043  
**Loan Status:** Current/Not fully funded.  
**Broadband Service Levels:** Up to one gigabit  
**Geographic Area Served:** Braxton, Calhoun, Clay, Gilmer, Jackson, Roane, and Webster counties  
**No. of Households Served:** 7,449 within four years  
**Note:** BLINS Loan O/S Principal is less than Total Loan Value due to bank advances. WVEDA has requested a draw of \$55,538.26 from BTI.
4. **Provider Name:** Micrologic, Inc.  
**Service Area:** Randolph County  
**WVEDA approval:** October 31, 2022  
**Total Loan Value:** \$8,500,000.00  
**Loan Amount Insured:** \$4,662,966.80  
**BLINS Loan O/S Principal:** \$4,662,966.80  
**Loan Maturity Date:** October 31, 2042  
**Loan Status:** Current/Not fully funded.  
**Broadband Service Levels:** Up to one gigabit  
**Geographic Area Served:** Randolph County  
**No. of Households Served:** 3,991 households  
**Note:** Current, no action required.
5. **Provider Name:** Digital Connections, Inc.  
**Service Area:** North Central WV  
**WVEDA approval:** September 21, 2023  
**Total Loan Value:** \$661,500.00  
**Loan Amount Insured:** \$515,361.29  
**BLINS Loan O/S Principal:** \$529,200.00  
**Loan Maturity Date:** October 17, 2043  
**Loan Status:** Current/Not fully funded.  
**Broadband Service Levels:** Up to one gigabit  
**Geographic Area Served:** Eastern Monongalia and Eastern Preston Counties  
**No. of Households Served:** 4,771  
**Note:** BLINS Loan O/S Principal is more than Loan Amount Insured due to bank loan amortization. WVEDA will request a return of surplus funds to BTI.

Listed below are the Broadband Loan Insurance commitment allocations that are not yet active:

- 1. Provider Name:** CityNet West Virginia, LLC  
**Service Area:** Harrison County  
**WVEDA approval:** December 21, 2023  
**Financial Institution:** MVB Bank  
**Total Loan Value:** \$20,000,000.00  
**Loan Amount Insured:** \$-0-  
**BLINS Loan O/S Principal:** \$-0-  
**Loan Maturity Date:** Unknown, not yet closed.  
**Loan Status:** Not yet funded.  
**Broadband Service Levels:** Up to one gigabit  
**Geographic Area Served:** Barbour, Calhoun, Doddridge, Gilmer, Harrison, Marion, Marshall, Monongalia, Pocahontas, Randolph, Roane, Taylor, Tucker, Tyler, Webster, Wetzel, Wirt, and Wood counties  
  
**No. of Households Served:** 13,460  
**Note:** WVEDA is awaiting confirmation of acceptance of terms and conditions by the Provider.
- 2. Provider Name:** CityNet West Virginia, LLC  
**Service Area:** Harrison County  
**WVEDA approval:** January 18, 2024  
**Financial Institution:** MVB Bank  
**Total Loan Value:** \$9,950,306.36  
**Loan Amount Insured:** \$-0-  
**BLINS Loan O/S Principal:** \$-0-  
**Loan Maturity Date:** Unknown, not yet closed.  
**Loan Status:** Not yet funded.  
**Broadband Service Levels:** Up to one gigabit  
**Geographic Area Served:** Barbour, Calhoun, Doddridge, Gilmer, Harrison, Marion, Marshall, Monongalia, Pocahontas, Randolph, Roane, Taylor, Tucker, Tyler, Webster, Wetzel, Wirt, and Wood counties  
  
**No. of Households Served:** 13,460  
**Note:** WVEDA is awaiting confirmation of acceptance of terms and conditions by the Provider.

Listed below are the outstanding and active RDOF Broadband Loan Insurance commitments for a Letter of Credit (LOC):

- 1. Provider Name:** CityNet West Virginia, LLC  
**Service Area:** Harrison County, WV  
**WVEDA approval:** February 2, 2021  
**Financial Institution:** MVB Bank  
**Commitment Amount:** \$16,055,057.49  
**LOC Amount:** \$10,697,329.92  
**LOC Amount Insured:** \$10,697,329.92  
**LOC Outstanding balance:** \$-0-  
**BLINS Loan O/S Principal:** \$10,697,329.92  
**LOC Maturity Date:** October 15, 2028  
**LOC Status:** Current. LOC can increase to the commitment amount.  
**Broadband Service Levels:** Up to one gigabit  
**Geographic Area Served:** Barbour, Calhoun, Doddridge, Gilmer, Harrison, Marion, Marshall, Monongalia, Pocahontas, Randolph, Roane, Taylor, Tucker, Tyler, Webster, Wetzel, Wirt, and Wood counties  
**No. of Households Served:** 13,460
- 2. Provider Name:** CityNet West Virginia, LLC  
**Service Area:** Harrison County, WV  
**WVEDA approval:** July 21, 2022  
**Financial Institution:** MVB Bank  
**Commitment Amount:** \$652,312.28  
**LOC Amount:** \$652,312.28  
**LOC Amount Insured:** \$652,312.28  
**LOC Outstanding balance:** \$0  
**BLINS Loan O/S Principal:** \$652,312.28  
**LOC Maturity Date:** July 29, 2027  
**LOC Status:** Current. LOC can increase to the commitment amount.  
**Broadband Service Levels:** Up to one gigabit  
**Geographic Area Served:** Barbour, Calhoun, Doddridge, Gilmer, Harrison, Marion, Marshall, Monongalia, Pocahontas, Randolph, Roane, Taylor, Tucker, Tyler, Webster, Wetzel, Wirt, and Wood counties  
**No. of Households Served:** 13,460

3. **Provider Name:** CityNet West Virginia, LLC  
**Service Area:** Harrison County, WV  
**WVEDA approval:** May 19, 2022  
**Financial Institution:** MVB Bank  
**Commitment Amount:** \$1,303,000.00  
**LOC Amount:** \$1,303,000.00  
**LOC Amount Insured:** \$1,303,000.00  
**LOC Outstanding balance:** \$0  
**BLINS Loan O/S Principal:** \$1,303,000.00  
**LOC Maturity Date:** July 29, 2027  
**LOC Status:** Current. LOC can increase to the commitment among.  
  
**Broadband Service Levels:** Up to one gigabit  
**Geographic Area Served:** Greenbrier, Nicholas, Pocahontas, Taylor, Webster counties Middle-Mile Project  
  
**No. of Households Served:** 4,300
  
4. **Provider Name:** MicroLogic, Inc.  
**Service Area:** Upshur County, WV  
**WVEDA approval:** January 21, 2021  
**Financial Institution:** Pioneer Community Bank  
**Commitment Amount:** \$3,010,814.31  
**LOC Amount:** \$1,505,407.14  
**LOC Amount Insured:** \$1,505,407.14  
**LOC Outstanding balance:** \$-0-  
**BLINS Loan O/S Principal:** \$1,505,407.14  
**LOC Maturity Date:** January 4, 2029  
**LOC Status:** Current. LOC can increase to the commitment amount.  
  
**Broadband Service Levels:** Up to one gigabit  
**Geographic Area Served:** Randolph and Braxton counties  
  
**No. of Households Served:** 483
  
5. **Provider Name:** Digital Connections, Inc.  
**Service Area:** North Central WV  
**WVEDA approval:** February 2, 2021  
**Financial Institution:** Clear Mountain Bank  
**Commitment Amount:** \$2,574,900.42  
**LOC Amount:** \$1,287,450.18  
**LOC Amount Insured:** \$1,287,450.18  
**LOC Outstanding balance:** \$-0-  
**BLINS Loan O/S Principal:** \$1,287,450.18  
**LOC Maturity Date:** November 24, 2028  
**LOC Status:** Current. LOC can increase to the commitment amount.  
  
**Broadband Service Levels:** Up to one gigabit

**Geographic Area Served:** Preston County  
**No. of Households Served:** 4,771 residents

6. **Provider Name:** Gigabeam Networks, LLC  
**Service Area:** Upshur County  
**WVEDA approval:** February 2, 2021  
**Financial Institution:** Pioneer Community Bank  
**Commitment Amount:** \$8,420,336.76  
**LOC Amount:** \$4,195,940.76  
**LOC Amount Insured:** \$4,195,940.76  
**LOC Outstanding balance:** \$-0-  
**BLINS Loan O/S Principal:** \$2,806,788.12  
**LOC Maturity Date:** December 12, 2032  
**LOC Status:** Current. LOC can increase to the commitment amount.  
**Broadband Service Levels:** Up to one gigabit  
**Geographic Area Served:** Upshur county  
**No. of Households Served:** 9,071

None of the loans or letters of credit insured under the BLINS Program are in a default status.

I have also attached the WVEDA's internal report from June 30, 2024, which is provided monthly to the WVEDA Board members for review and discussion at the monthly Board meeting.



West Virginia Economic Development Authority  
June 30, 2024  
Broadband Loan Insurance Report


WVBTI Nonrecourse Revolving Loan	\$50,000,000.00
WVBTI Nonrecourse Revolving Loan (Executed July 2021)	\$30,000,000.00
Total WVBTI Nonrecourse Revolving Loan	\$80,000,000.00
Less:	
Committed Traditional BLINS to date	\$47,920,673.93
Committed RDOF BLINS to date	\$32,016,421.26
Remaining funds available to commit	\$62,904.81
WVEDA loan disbursements required by WVBTI	\$35,407,050.88
WVEDA exposure for loans funded by financial institutions	\$16,101,640.86
WVEDA exposure for unfunded loans	\$31,819,033.06
Letters of Credit funded by financial institutions	\$0.00
* Interest Paid to WVBTI	\$674,065.06
* Interest Earned on invested Loan Disbursements	\$2,327,243.72
Application and Origination Fees Collected	\$391,653.15

Traditional BLINS Insured Projects: Borrower	Service Area	Bank	Commitment Date	Closing Date	Required Exposure Bank Amount Commitment	Insured %	WVEDA Exposure	Bank Outstanding Balance	WVEDA Estimated Exposure	BTI Amount transferred to WVEDA	Loan Status	Insurance Expiration
Digital Connections, Inc.	North Central WV	A	2/15/2018	3/26/2018	\$1,850,000.00	0.80	1,480,000.00	1,219,043.46	975,234.77	963,664.05	Current	3/26/2030
*CityNet, LLC	Harrison County, WV	B	2/21/2019	4/29/2020	\$6,396,459.00	0.80	5,117,167.20	6,395,691.26	5,116,553.01	5,116,553.01	Current	4/29/2040
*Roane County, WV	Roane County, WV	C	3/17/2022	6/15/2023	\$5,685,957.00	0.80	4,548,765.60	5,685,956.25	4,548,765.00	4,493,226.74	Current	6/15/2043
*MicroLogic, Inc.	Randolph County, WV	G	10/20/2022	10/31/2022	\$8,500,000.00	0.80	6,800,000.00	5,828,708.50	4,662,966.80	4,662,966.80	Current	10/31/2042
*Digital Connections, Inc.	North Central WV	A	9/21/2023	10/17/2023	\$661,500.00	0.80	\$29,200.00	644,201.61	\$15,361.29	\$29,200.00	Current	10/17/2043
*CityNet West Virginia, LLC	Harrison County, WV	B	12/21/2023	Not yet closed	\$20,000,000.00	1.00	20,000,000.00	282,760.00	282,760.00	0.00	Current	Not yet closed
*CityNet West Virginia, LLC	Harrison County, WV	B	1/18/2024	Not yet closed	\$10,000,000.00	1.00	9,950,306.36	0.00	0.00	0.00	Current	Not yet closed
TOTAL Traditional BLINS					\$53,093,916.00		\$48,425,439.16	\$20,056,361.08	\$16,101,640.86	\$15,765,610.60		
BLINS Letters of Credit Insured Projects:												
*CityNet West Virginia, LLC	Harrison County, WV	F	2/2/2021	10/15/2021	\$16,055,057.49	100.00	10,697,329.92	0.00	0.00	10,697,329.92	Current	10/15/2028
*CityNet West Virginia, LLC	Harrison County, WV	F	7/21/2022	7/29/2022	\$652,312.28	100.00	652,312.28	0.00	0.00	652,312.28	Current	7/29/2027
*CityNet West Virginia, LLC	Harrison County, WV	F	5/19/2022	7/29/2022	\$1,303,000.00	100.00	1,303,000.00	0.00	0.00	1,303,000.00	Current	7/29/2027
*MicroLogic, Inc.	Upshur County, WV	D	1/21/2021	1/4/2022	\$3,010,814.31	100.00	1,505,407.14	0.00	0.00	1,505,407.14	Current	1/4/2027
*Digital Connections, Inc.	North Central WV	E	2/2/2021	11/24/2021	\$2,574,900.42	100.00	1,287,450.18	0.00	0.00	1,287,450.18	Current	11/24/2028
*Gigbeam Networks, LLC	Upshur County, WV	D	2/2/2021	12/12/2022	\$8,420,336.76	100.00	4,195,940.76	0.00	0.00	4,195,940.76	Current	12/12/2032
TOTAL BLINS Letters of Credit					\$32,016,421.26		\$19,641,440.28	\$0.00	\$0.00	\$19,641,440.28		
COMBINED TOTAL Traditional BLINS & RDOF BLINS							\$68,066,879.44	\$20,056,361.08	\$16,101,640.86	\$35,407,050.88		

\* NOTE: Loan is not fully funded, Letter of Credit has not been issued or Letter of Credit is issued but not presented and has a \$0 balance.  
NOTE - Digital Connections, Inc. \$1,480,000 Exposure is in amortization.

BANK CODE	BANK NAME
A	Clear Mountain Bank
B	WVB Bank
C	Webanco Bank, Parkersburg
D	Letter of Credit with Pioneer Community Bank, there will be a zero balance until drawn upon.
E	Letter of Credit with Clear Mountain Bank, there will be a zero balance until drawn upon.
F	Letter of Credit with WVB Bank of Bridgeport, there will be a zero balance until drawn upon.
G	Citizens Bank of WV

I hereby certify the required WVBTI exposure as of June 30, 2024.

  
J. Steven Webb, Associate Director  
WV Economic Development Authority