

SECTION I COVER SHEET

1. PROJECT TITLE: Cirrus Sky Technology Park

2. APPLICANT INFORMATION

Applicant (City, Town, County, JPB, Tribe): City of Laramie
Responsible Elected Official: Scott Mullner, Mayor
Mailing Address: PO Box C
 Laramie, WY 82073

Local Contact: Jodi Guerin
Position: Grant Analyst
Mailing Address: PO Box C
 Laramie, WY 82073
Phone: 307-721-5201
Email: jguerin@cityoflaramie.org

3. PROJECT ADMINISTRATION CONTACT

Organization Name: City of Laramie
Contact Person: Rich Elliott
Mailing Address: PO Box C
 Laramie, WY 82073
Phone: 307-721-5241
Email: RElliott@cityoflaramie.org

4. TYPE OF PROJECT *Briefly describe applicable project type.*

<u>Infrastructure Type</u>	<u>Brief Description</u>
<input checked="" type="checkbox"/> Transportation	This project would extend 22nd St. and 30th St. north of town to the site and develop "Asphalt" Lane between the two.
<input type="checkbox"/> Building	
<input checked="" type="checkbox"/> Water or Sewer	Water and sewer infrastructure would be installed to create shovel ready lots.
<input type="checkbox"/> Educational Development	
<input checked="" type="checkbox"/> Other	Data fiber conduit would be installed with underground utilities to accommodate installation for business use.

5. PROJECT COSTS Indicate minimum necessary total public project infrastructure costs.

a. Amount of loan requested:	
b. Amount of grant requested:	\$5,466,330.70
c. Total local contribution (match and ineligible project costs):	\$1,963,800.71
TOTAL Project Cost (a+b+c):	\$7,415,901.41

DECLARATION: I HERBY CERTIFY THAT THE INFORMATION GIVEN IN THIS APPLICATION TO THE WYOMING BUSINESS COUNCIL IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

Responsible (Elected) Official's Signature and Date:  8/31/12
 Print or Type Name and Title: Scott Mullner, Mayor

SECTION II: PRELIMINARY REGIONAL COMMENTS AND CONCERNS

The Regional Director must provide an overview of the project and address any concerns he or she may have. If there are concerns, the applicant is urged to address those as soon as possible, before submitting the application. (Note, these comments are preliminary, and the Regional Director will have an opportunity to revise during the recommendation process.)

This grant represents more than a year of tireless work by the City of Laramie, The University of Wyoming (UW), and the Laramie Economic Development Corporation (LEDC). During this time, I have watched these three entities come together like never before to form a partnership that is unprecedented in Laramie's economic development history. The reasons for such a partnership represent a convergence of two primary concerns: the lost opportunities in data center recruiting and the continued cluster of technology-related companies that continue to emerge from and around technology at the University of Wyoming.

Laramie continues and will continue to be the technology center of Wyoming thanks to the success of the University of Wyoming. Thus, leveraging the University's world-class research with the economic development goals of the City of Laramie and LEDC (and the state) makes as much sense as any project the WBC has considered in its entire history; further, the project levels the playing field for the recruiting efforts of the LEDC with places like Cheyenne, Colorado Springs, and a variety of technology parks in Nebraska and Oregon, which have seen tens of millions of dollars in infrastructure in the last decade alone.

It goes without saying this grant is well written. In fact, it's one of the best grants I've seen during my time with the WBC. The City, LEDC, and UW have met weekly for months leading up to the grant deadline in order to ensure all concerns have been addressed.

The project's true complication lies in the dollar figure being requested--around \$5.4 million. I have wrestled with this figure for the last year and have encouraged the City of Laramie and LEDC to refine the number. In my opinion, they have done a good job of cutting the figure back as far as they can and still have a marketable product. The reality is that Laramie has been severely restricted in its ability to grow in most directions. So growing north (the location of this project) is one of the only viable solutions. Unfortunately, the costs in infrastructure related to this growth are significant, and although the City of Laramie is putting up \$500,000 in cash for this project and donating another three-hundred thousand in related services, the ability for a community like Laramie, which has little in the way of natural resources, is quite limited.

There's just no other way of saying it: Laramie can't do this on it's own. It requires BRC assistance as much as any project ever has. The question really becomes not if this is a good project in which to put BRC dollars. That's hardly debatable. The question becomes does the State of Wyoming believe that the return to the taxpayers (in jobs, recruitment, diversification of the tax base, property tax and sales tax benefits, technology advancement, and growth of the University's ability to spin out tech-related companies) is worth the investment?

The preliminary numbers seem to indicate would. In my analysis of such benefits--namely, the tax benefits, lot sales, and recapture funds--the project would indicated a 21% internal rate of return over ten years to the taxpayers (local and state). After discussions with a national data center site selector, it appears as if this park would be fully absorbed in about 10-11 years and would results in a Net Present Value of benefits over \$5 million. This conclusion is based on many assumptions (like lot sales and the continued pace of technology at the University of Wyoming), but it appears as if the benefits would be strong.

The removal of caps on the BRC is as much a philosophical question as a economic one. I leave the philosophical question to The Board of Directors. However, the economic question shouldn't give pause. The opportunities this project creates (some of which Laramie has already missed) are real, legitimate, and will be something The State of Wyoming can look back upon with great pride.

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Regional Director Signature

8/30/12
Date

SECTION III: PROJECT INFORMATION**1. PROJECT DESCRIPTION. Provide a description of the proposed project.**

This project is part of a major economic development effort in Laramie and recognition that with more than 60 technology companies, Laramie has established a sizable and growing technology cluster. A strong regional synergy is developing between Laramie and Cheyenne –with the NCAR- Wyoming Supercomputing Center and the Microsoft data center placement in the Front Range Business Park –creating an attractive environment for data centers, technology businesses and research and development entities. This activity is energizing efforts in Laramie to capitalize on the assets stemming from the university community, including the Wyoming Technology Business Center and the growing number of patents being issued to University-developed technologies which are being placed through license into technology-related businesses. This provides a natural economic development focus on technology, including data centers, in a willing community. Together the communities of Laramie and Cheyenne are establishing a technology hub in southeastern Wyoming that is receiving growing attention from a growing number of businesses with technology and data management at their core.

At a larger scale, development of an important technology hub in southeastern Wyoming is reshaping the economic mosaic of the state. Just looking at major economic drivers we see that fossil energy development is paramount in northeastern Wyoming; northwestern Wyoming is dominated by tourism related to two major national parks –Yellowstone and Grand Teton; the central and western part of the state have major oil, natural gas and mineral extraction; and of course, the entire state has important agricultural components. This mosaic is robust and helps support the argument that economic diversification is occurring. Ten years ago, an impacting technology sector (including data centers) was only a dream – now it is a reality. This application will further that diversification effort.

Approximately ten years ago, the Laramie Economic Development Corporation (LEDC) identified technology businesses as a primary focus of business development in Laramie. According to research performed by William Gern, Vice President for Research and Economic Development at the University of Wyoming, this sector had already begun to develop a “cluster” growing from nine (9) tech businesses in 1994 to more than 60 in 2012 with a current total of 469 employees in this sector. These businesses act like a cluster in terms of employees, information sharing, and some business to business contracting. (See the attached “SNAPIT” report)

Concurrent with this growing cluster has been an evolution in computing infrastructure that has focused on “cloud computing”. This industry-wide change has

enabled the industry to lower operational costs and increase efficiency while providing higher service volume to their clients. Additionally, this virtualization allows for datacenters to locate away from a company's primary headquarters, and because of security and reliability, many companies actually prefer to be in remote locations.

In 2010 Verizon identified the area just slightly north of the Phase I site proposed by this grant for development. Company officials had identified this site as an ideal location due to the cool climate, relative land stability (from tectonic movement), access to an extremely robust electrical substation and the large amount of undeveloped land. At that time Verizon procured an option to purchase land in this area and the attached letter from the property owner's legal representative indicates continued willingness to support these efforts. The subsequent public announcement generated a high level of interest and as a result LEDC has fielded 38 separate inquiries from companies looking at Laramie as a relocation, expansion or start up location in the past four years. Most of these companies have not disclosed the amount of land required, but at least five require over 100 acres of land. More details about the outcome of these contacts is listed in the attached Technology Prospects Report.

Many of the inquiries Laramie has fielded from companies in this sector have indicated that the town has numerous desirable traits that make Laramie an appealing location, but our lack of shovel ready sites has been a hindrance. Most recently, the City of Laramie was in the running for the Microsoft data center that ultimately went

to Cheyenne LEADS North Range Business Park, although in their communication with LEDC the company indicated that Laramie was the preferred site. Again, the lack of a shovel ready site in Laramie caused them to consider Cheyenne which further promoted southeastern Wyoming as a technology hub, but eliminated the Laramie site from consideration (see attached response from

Shovel Ready Sites

"The recent announcement of Microsoft's plan to build a \$112 million Data Center in Cheyenne brings with it two unmistakable messages for residents of Laramie. The first message is that Wyoming is irrefutably a highly-rated and alluring State in which to locate data centers. The second message is that Cheyenne was able to give Microsoft what has become an increasingly sought after inducement for site selectors; namely a "turn-key" site, complete with ready-to-connect infrastructure (water, sewer, power, fiber)."

Gary Crum, LEDC Board Chair


Microsoft

In response to announcement Microsoft will build a data center in Cheyenne
 "I believe that this announcement, once again, illustrates how important it is to have property available and ready for economic development."

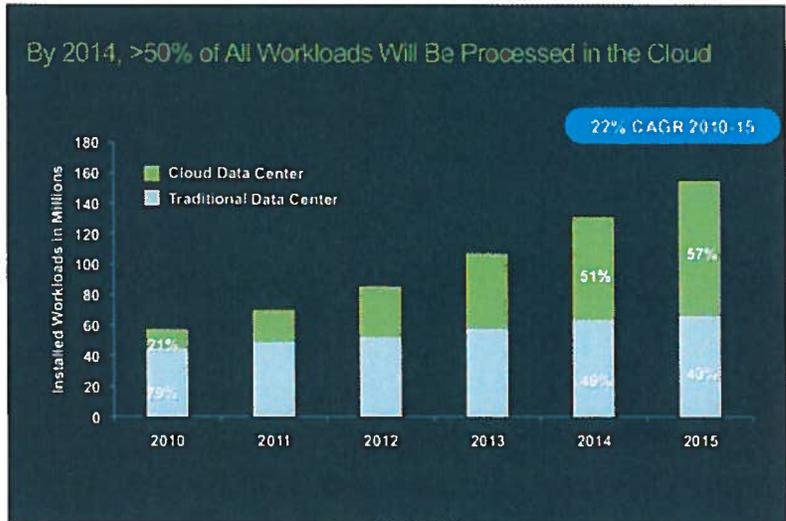
Randy Bruns, CEO, Cheyenne LEADS




Microsoft regarding siting).

In March 2012, a study was contracted by the State of Wyoming Business Council with Joe Sharkey, (Vice President and Principal of TMNG Global) a telecommunications and data center industry expert, to identify the growth opportunity this sector presents for Wyoming. His findings were presented recently in a webinar where he discussed the potential growth in this industry in the upcoming 3-5 year time period. According to Sharkey, only 4% of companies are not planning for expansion, and of the 96% that are planning for growth, 38% are expecting to develop three or more cloud computing sites and 54% are 15,000 square ft. or more in size. In fact, by 2014, more than 50% of all work-load

is anticipated to be processed in the Cloud. This explosive level of growth (see chart) also has required companies to look at where they can develop quickly and inexpensively to accommodate their needs. Data centers no longer need to locate near urban centers, and in fact are specifically looking for more rural and



secure locations where land and power are inexpensive. This message is confirmed by other industry data regarding emerging trends (see attached articles on Datacenter trends).

Laramie fits these needs in a number of ways; first, there are large tracts of land located adjacent to a brand new Western Area Power Authority (WAPA) switchyard with four separate sources of power (see attached WAPA Diagram). This significantly reduces risk of power failure due to transmission line vulnerability. It also provides redundant power sources should a line fail or should more power be required. Laramie also is home to ten long haul and two regional fiber lines, the most of any location in Wyoming and perhaps the highest number west of the Mississippi according to Sharkey's analysis. Lack of tectonic movement in the area, cool temperatures and availability of educated University of Wyoming graduates also are enticing. Finally, the University of Wyoming and now the business climate in Laramie are producing technology businesses that impact the local economy.

Identification of Laramie as a highly desirable location for a data centers such as Verizon has created a high profile and "buzz" upon which the community intends to capitalize. Not unlike a company that finds itself in the middle of a marketing

opportunity, Laramie has a window of time to strike while there is attention and interest in the area as well as industry need. This grant will help fund an overall vision to create a major technology hub in southeastern Wyoming and will provide the resources to sufficiently prepare to accommodate a company that will be a game changer for the local economy. The proposed efforts follow well the recommendations laid out by Mr. Sharkey in his presentations (see Comments and Recommendations from the study below). This project will create shovel ready sites with development plans, power studies, and fiber plans as per his recommendations. So in Laramie specifically and southeastern Wyoming more generally, one can witness the WBC's goal of both organic growth of existing business and the attraction of new business.

Comments

- **Most social networks & cloud computing companies need to build new because they don't have existing facilities**
- **Established computing service companies find it more cost effective & quicker to build new than to upgrade older design buildings**
- **Data Centers Cluster in a State or Community**
- **Quincy, Moses Lake, Ephrata, Wenatchee, Yakima – Washington**
- **The Dallas, Bend, Prineville Oregon**
- **Indeed Cheyenne's competition on Microsoft was Prineville with 4 DCs**
- **NCAR, Verizon and now Microsoft selections will cause the data center industry to take a hard look at Wyoming**

Recommendations

- **Focus on attracting more common name data center builders – this will substantially increase visibility and interest**
- **Initially focus on high profile/high potential locations/communities for "shovel ready" site development**
- **Assist communities identify high probability sites**
- **Initial development plans**
- **Request (fund) power studies (ESAs)**
- **Develop Power construction time frame**
- **Develop infrastructure plans, costs & timing**
- **Develop local multi-path fiber network plans to interconnect to long haul routes**

The City of Laramie has made development of the technology sector a high priority and has contracted for a Concept and Development Plan of an area on the northern boundary of the City from the Laramie River to 45th Street, stretching north approximately 1.5 miles. This development plan will guide execution of the vision and combined with the marketing and revenue recapture plan will fuel growth in this area. The first phase of this project is contained in this grant with future phases to follow as detailed later in this grant.

To prepare for this development, staff have undertaken design work and easement acquisition to enable the installation of the infrastructure and the current property owner has moved forward on annexation of the property. Electrical studies planned for as part of this effort (and paid for by City match) will determine power availability so companies can accurately assess the infrastructure compatibility for their needs but because of the assessment done by Verizon it is acknowledged that there is enough

power available to accommodate construction and at least one “mega” data center. The City of Laramie has entered into a Memorandum of Understanding with the University of Wyoming for the purchase of a parcel of land in the first phase for a Research and Development Park and it appears that Western Research Institute is also preparing to move forward on new development plans soon.

With all of this in mind, the grant for Phase I of the Cirrus Sky Technology Park would fund the purchase of a parcel of land approximately 149 acres in size on the northern edge of the city limits between 15th and 30th Streets; develop the water, sewer and street infrastructure up both 22nd and 30th Streets; connected by “Asphalt Lane” (naming to follow annexation) on the north (see area map). It would also install the fiber conduit in the new rights of way to accommodate fiber lines required by any company locating in the area, and install power service for construction and initial use. The City is providing matching funds to assess the fiber routes and perform the required Rocky Mountain Power and WAPA power studies.

Budget Overview—Phase I

\$2.3 Million—Land Costs
 \$3.43 Million—Construction Costs
 \$670,000—Architectural/Surveying
 \$1.03 Million—General/Management & Planning costs (part in-kind City contribution)

Total Project Cost \$7,430,131.41
Total Combined Match \$1,963,800.71
Total Grant Request \$5,466,330.70

This configuration provides the “shovel ready” sites appropriate for small to medium sized data centers and technology-based organizations and sets up larger parcels

of land to the north for a shortened development time due to the proximity to these improvements. This will allow for maximum flexibility when marketing the area and provides the infrastructure and information required by companies looking to build.

Future phases are identified in the attached land use and area maps and are intended to roll forward according to business demand. Phase IB would develop Asphalt Lane and 30th Streets to full city standards and would also include future land use changes and most likely, annexation and zoning. Phase II and III would extend water, sewer, surface water (storm), fiber conduit and road infrastructure along the corridors identified in the development plan. These phases could occur non-sequentially to accommodate business demand. Current costs are identified in the attached Phasing Maps but market forces will impact these estimates over time. The Recapture Plan funds are intended to help fund future phases and the City and LEDC are contemplating other taxing options that could provide funding.

Phase I also incorporates green space and a trail network that is part of the City's overall recreation master-plan design and the larger plan identifies areas for housing to create another live-work-play type of environment. The City has seen success with this model on the Turner Tract with new housing and recreation integrated into the office park area. Initially the City developed the Turner Tract Area Plan (see attached), which detailed the concept, development guidelines, financing and phases. After procuring a grant to fund the initial infrastructure, the area began to attract companies, housing developers and other synergistic entities, developing into a distinctly unique business park. This process is the model for Cirrus Sky Technology Park, with similar documents, but a different business focus.

Additionally, the Laramie Rivers Business Park is home to a number of businesses, two of which reside in Business Council grant funded buildings. The Laramie Greenbelt is connected into this business park specifically because Trihydro found that this amenity offered significant benefit to their employees and they worked to ensure the connection. Jack Bedessem, CEO of Trihydro said, *"When our company was looking for a new Laramie headquarters location, our number one criteria was finding a site that employees would be proud of and matched their lifestyle. The green belt and common area were the deciding factors in selecting our new location. Incorporating similar attributes and building-ready sites into the Cirrus Sky Technology Park will not only be an attraction for prospects, but will also enhance a business' ability to attract and retain the right employees. Hiring is generally easy, but attracting and retaining the right employees is critical to the success of every business. If done right, the Cirrus Sky Technology Park will be a strategic long term investment that will differentiate Laramie and Albany County, and greatly support diversification of Wyoming's economy. The best employees get the job done, and employees who are proud of their work environment help a company succeed. Following a similar model for this Technology Park area will fit nicely with overall community plans as the town expands."*

Laramie has a history of making good use of State and Federal resources and has systematically pursued funds to develop the infrastructure necessary to build a strong economy and upgrade infrastructure to support business investment. A brief recap of projects include: the Basic Beginnings Daycare, the water/sewer line for the UW Convention Center, infrastructure at the Turner Tract, the Trihydro Building, and the Laramie Technology Building. The University has also pursued investment in the technology industry and the partnership that built the Wyoming Technology Business Center has provided a significant boost to this industry in the Laramie economy, turning out four technology businesses to date according to WTBC staff. Each of these projects is a building block in the foundation of a strong economy and this project will capitalize on these prior projects to improve the economy in Laramie.

Should this grant be awarded, the City will exercise the option to purchase the property that was entered into with the current property owner (see attached agreement). Then, according to the Contingency and Development agreement between the City and LEDC, the property will be developed and conveyed to Laramie Economic Development Corporation a Certified Economic Development Organization for implementation of the development plan, management and marketing.

The infrastructure for this first phase is a stand-alone plan that can facilitate the development of small, medium and large technology and data businesses. Infrastructure is sized and designed to integrate into the long-term plan for the area (see Phasing Maps and Detail). Future phases will move forward according to the needs and locations of the companies and will be funded by recapture money, grants and private investment. These future phases may not move forward in numerically sequential order. For instance, WRI is currently contemplating the development of a new facility that might require water, sewer and fiber lines. If they plan to develop on their existing site at the western edge of the Development Plan Area, efforts would focus on developing infrastructure to Phase III. If a Mega Data Center located on the land north of Phase I, infrastructure for Phase IB (full build out of "Asphalt Lane" and 30th Street) would become the priority. The Development Plan provides the design and cost estimation as the infrastructure integrates into existing City infrastructure. Additionally, future phases could be broken down into slightly smaller "sub" phases to accommodate business demand and funding constraints if necessary.

As the City and LEDC undertook this planning effort, the University of Wyoming revealed an interest in one of the parcels of land in the initial phase of the project which has resulted in the attached "MOU" between the University and the City. If the grant is awarded, the University plans to purchase a parcel of land approximately 23 acres in size in the Phase I area on which to develop a research and development technology campus for companies spinning out of the Wyoming Technology Business Center. This initial purchase is contemplated in the recapture agreement and would provide the first portion of revenue to leverage future development.

2. PUBLIC BENEFIT. Describe the public benefits of the proposed project including the importance of the project to the community and how it promotes economic development. (Please consult the WBC Regional Director for information on conducting an economic impact study for this project.)

Public benefit from this project is multi-faceted. The property acquisition was negotiated at a price that is 71% of the appraised value, providing an initial public value to the project of \$596,000 (see attached Option to Purchase and Appraisal).

The project also creates four "build ready" sites ranging in size between 23 and 63 acres in this first phase, with one of these sites to be occupied shortly by the University Research and Development Park. The University site will provide the opportunity for technology businesses to purchase property in a condominium type environment and build the assets of their businesses as well as to provide property taxes back to the community.

Adjacent land owners are contributing a total value of \$242,414 in donated rights of way and easements to allow for the installation of required infrastructure to the property (see attached ROW estimates). These easements and rights of way also will enable the extension of infrastructure to the north of town which will support the development of businesses in the tech park, and also will improve water pressure and flow to the neighborhood on the northwest part of town, which has been a major impediment to development in this area. The high cost of bringing wet infrastructure to this elevated bench has precluded development of this area by the private sector and virtually requires that this area can only be developed with public investment.

Future development of the fiber loops assessed as part of this project (paid for by City match) will provide feasibility and timeline information on three long-haul data lines running through the area. Assessments would be performed on Routes 1, 3 and 4 as prioritized with the feedback and assistance of Joe Sharkey and recommended in the Development Plan. This will position Laramie attractively by providing the information required by most data companies looking to locate in the area. The longer-term impact on local businesses will be the availability of these fiber loops to other local technology businesses as they are developed.

This project also will help improve the Laramie economy in several ways. The first is by continuing to grow a business sector that provides higher than average incomes, thereby increasing median incomes overall. The Adjusted Median Household Income Report currently ranks Laramie 18th from the bottom among 99 Wyoming communities. Albany County is third from the bottom among the 23 Counties, which is improved from the 2000 Census when Albany County was at the very bottom (see attached Wyoming AMHI Report).

The SNAPIT report estimates that the technology sector will add an additional 165 jobs over the next five years with an average salary of \$65,000/year. In addition, according to RIMS II data (as evaluated in the attached Development Plan), Microsoft's decision to locate in another town results in a lost opportunity to Laramie that totals \$5 million. This project would have generated property taxes to Albany County of \$440,000 with an annual payroll of \$2.2 million for the 58 jobs, and construction of the facility would have generated \$1,053,000 in local sales taxes. This

business is considered a "medium" sized data center meaning that the range of economic impact for a company the size of the Verizon "mega" data center would be significantly larger.

Luckily, because Microsoft elected to locate in Cheyenne, Laramie can capitalize on the local synergy created by regional co-location and it is likely that other companies will continue to look at this area as a promising business location. This creates a very unique opportunity for Laramie to learn what companies like Microsoft require, evaluate the impact and incentivize other companies.

Diversifying the local economy to include new, growing businesses creates additional revenue to support community services provided by the City and County through sales and property taxes. The Wyoming Association of Municipalities conducted a survey to determine the cost of municipal services on a per person basis. The average across the communities surveyed was \$2,252 and included all sources of revenue (Local, State and Federal) as well as expenses (enterprise and general fund). Laramie currently is at 64% of this State average, with only \$1,453 available to provide services to the citizens.

Again, using Microsoft as a case study, the annual impact of a facility of this size in sales and property taxes is approximately \$500,000 annually. This is reiterated by the Wyoming Business Council Sample Data Center Impact Report which estimates the potential tax impact of a 20 MW data center on State and Local Taxes. (See attached) In this example, the total tax return is estimated to be \$19,716,243 over ten years (for construction and annual operations), making the case that the investment of State funded incentives can provide significant return to the taxpayers. A business of this type provides a significant positive impact in a community like Laramie with lower than average wages, sales, and property taxes which is why the community is willing to invest \$500,000 of cash match in a project of this nature. The funds set aside for this purpose come from general fund revenues, which during a time of lean budgets is an indicator of local support.

Also, the adjoining property owners will be bound by a reimbursement agreement as their properties are developed. This agreement allows the City to recapture the cost of the portion of infrastructure that each adjoining property owner utilizes as they proceed with development and utilize it as part of the recapture funds to fuel additional phases of this project (this is detailed in the attached Chapter 15 of the City Unified Development Code). This also supports the expansion of infrastructure for local residential development in the planning area.

As this project provides additional diversity in the economy adding new types of businesses to widen our sales and property tax collections, it adds diversity to the job market and assists the University of Wyoming with recruitment. The University often finds it difficult to recruit quality faculty because there are few work opportunities for the highly skilled trailing spouses that often accompany them (see Wages in the SNAPIT report). Job creation diversity enhances recruiting ability for UW and this sector supports higher wages which are reinvested into the local economy.

3. PROJECT GOALS AND OBJECTIVES. Describe the goals of the project and identify indicators or measures to be used to determine at the conclusion of the project if goals were achieved and if the project is a success. The performance measures should focus on solid, measurable actions related to the project. Examples of indicators may be the amount of money leveraged (from other public or private sources), number of self-sufficient jobs created, number of business-ready lots created, etc.

The primary goal of this project is to provide Laramie a competitive advantage in growing and recruiting technology businesses by providing companies with the information and infrastructure required to select Laramie as a development site. The initial phase of this project will create "build ready" sites for two to six technology and data center businesses and install infrastructure to support additional ancillary technology businesses, residential neighborhoods and add open space connections to our bike trail network.

Additionally, Laramie seeks to create an environment supportive of the technology industry, one that makes a statement about community intent to recruit and support this sector. The project provides space and an attractive environment for the University to create a technology campus for businesses further enhancing the "cluster" that has naturally begun to form in Laramie. The simple declaration that this project makes about the type of environment Laramie can offer to tech businesses will help recruitment at the University, in existing tech businesses as well as for companies new to town. As previously stated by Jack Bedessem of Trihydro, creating an environment that supports active lifestyles is key to the success of technology businesses.

Phase I of this project is also just a part of a much larger vision. The ultimate goal is to create a technology park on this northern flank of town with Western Research Institute as an anchor on the west, a University Research and Development facility on the east, room for ancillary technology and supply companies, data centers, housing and a trail network that will create a live/work/play environment. This combination provides synergy to the businesses as they co-locate, quality of life to the employees,

opportunity to the University of Wyoming and WRI and it improves the overall economy of Laramie. This truly is a game-changing opportunity for the community.

The Wyoming Technology Business Center and LEDC worked to support this project by conducting a case study of a community with correlating successes. Specifically, they looked at our region to find a community that was once a small town with one or two dominant industries that experienced a "game changing" turn of events. Then they looked at the community to determine what caused the change and how we might emulate it.

Looking at Loveland and Fort Collins, which share our history of being a small rural community dominated by the university and agriculture, we see many correlations. In the 60's Hewlett-Packard chose Loveland as a new headquarters. As detailed in the attached history of Hewlett-Packard, the spin off businesses and resulting growth in the local economy have created a technology hub that we can use to guide our efforts in this industry.

This project will diversify the local economy, while taking advantage of the strengths of our existing economic base (education). The experience on the Front Range causes us to believe that the enhancement of this sector will support the University in attracting faculty as well as students into the technology division, which will in turn support the businesses in the sector with graduates who can stay in Wyoming and be gainfully employed. This is a "win" on all fronts, increasing economic diversity, revenue generation, reducing the "brain-drain" of students and creating support for UW.

When a private company commits to locating on this site, we anticipate a significant company investment. Using calculations from the Development Plan and from State information about the Verizon project (both attached), the range of physical investment could be anywhere from \$15 million for a small technology or data center up to \$4 billion for a company the size of Verizon. As the State Tax Impact Analysis (attached) shows, this increase in business property significantly increases property taxes returned to the County and supports increased sales tax revenues.

Additionally, as exemplified by the Hewlett-Packard experience along the Front Range, the data center businesses will attract other ancillary businesses to support their activities resulting in additional jobs and revenues flowing in the community. This will also benefit existing businesses in the technology sector, bringing supplies and services closer and creating a deeper pool of technology employees in the area.

4. PROJECT NEED. Describe in sufficient detail the need for the project and why BRC funds are necessary. Include any other funding options which have been pursued for this project. Evidence of project need is demonstrated through a well-developed justification for public financing. The discussion should also address why other financing options could not be obtained or are not feasible and repercussions if funding is denied.

First and foremost, the trend with data centers is on a sharp upward trajectory. Most companies anticipate identifying and building multiple sites in the next 2-4 years. While companies in this industry will continue to grow and expand, the large growth currently underway began in about 2009 and the window of opportunity to participate in this industry requires that we respond quickly.

Joe Sharkey, Vice President of TMNG Global provided this assessment of opportunity in the data center industry when we inquired about his estimation of the "window of opportunity".

"Due to several recent significant factors and changes in mobile communications, computing systems designs, corporate computing strategies and cloud computing in general the data center industry has been experiencing an unprecedented shift from building upgrades or refitting to building new sites.

Starting in 2009 several social media companies and emerging, but extremely fast growing, cloud computing companies and many corporate or enterprise data center operators realized that using new technologies and building new facilities to better maintain the environment of the new technologies was less costly and usually quicker to accomplish than upgrading existing data center facilities. By mid 2010, companies like IBM, Amazon, Yahoo, Google, Facebook, Microsoft, Twitter, Dell, Cisco, HP and others were all looking at building between 3 and 8 new 20MW to 30MW data centers in a 3 to 5 year period. At one point we knew of about 25 large to very large data centers from this few companies that were in the initial and site planning stages. Most of these companies are now about half way through these building cycles with only a few now looking past 2014 or 2015 at possibly needing more sites. So we are currently about midway or "at the apex" of the currently know growth spurt.

As has been noted before site selection for these companies and many enterprise operators is a one shot opportunity. If power, fiber and infrastructure cannot be "guaranteed" in a given timeframe the opportunity is lost. Microsoft, for example, when looking in Wyoming indicated they had 5 sites to select and build in a 2+ year period and the site selection team did not have time to revisit a site or location if it was not shovel ready. They indicated that there were so many ready sites to choose from that a not yet ready site would not be considered for any of the pending facilities let alone for their next site. Even if a company is planning multiple sites a missed

opportunity for their most pressing site will often cause the location to be "off their list" for any of their sites. The ability to have a build ready location today is critically important the first time a site selection process occurs. Often even if improvements are made at a location the site selectors on a missed opportunity will not be going back."

This reality also coincides with the experience in Laramie with Microsoft and reinforces the need to move this project forward most expeditiously, while Laramie has the residual "buzz" from the Verizon selection and while there is still sufficient need in the industry.

From a local standpoint, Laramie has good reason to work hard to improve the economy. The State of Wyoming has over the years developed methods of funding local government that rely heavily on mineral generated revenue. Albany County is without any significant mineral resources and this is reflected in local government funding, with Albany County ranked third from the bottom (see attached 2011 Cost of Maintaining County Government). Laramie median incomes ranked 18th from the bottom, in the lowest 20% in the State (see attached AMHI Report). This places the burden for municipal services more heavily on the shoulders of our local citizens than in other counties but without the salaries required to do so.

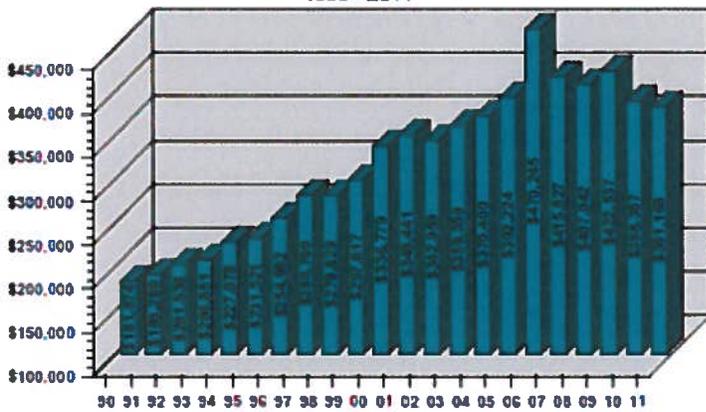
Despite low incomes, Albany County residents have consistently taxed themselves to provide quality of life amenities and public services. The leadership of LEDC has been instrumental in helping the community understand that quality of life is a critical factor for companies interested in locating or relocating to a community and the citizens have taken that to heart.



Specific Purpose Tax Funded Recreation Center in Laramie

Tax revenues have generally declined since their high point in 2007 as indicated in the chart from the Laramie Area Economic Indicators (below) report in part because of the national recession, and this has further intensified the need to improve our local economic opportunities.

GRAPH 2
1% OPTIONAL SALES AND USE TAX DISTRIBUTIONS
ALBANY COUNTY
MONTHLY AVERAGE
1990 - 2011



It is important to note that despite these challenging economic times the City has elected to set aside money (over two budget cycles) from the General Fund Budget to provide a portion of the match on this grant. This \$500,000 is not from another grant, it is money that could be used for any other budgetary purpose and makes a strong

statement about how high this project ranks on the City's list of priorities.

A large data center or technology company would provide much needed property tax base and new jobs to help increase our median wage and local government funding. Both of these are critical to our local ability to reinvest in economic development as well as to provide an appropriate level of community maintenance and services for our citizens and the University of Wyoming.

A reaffirming indicator of the level of local need can be found on the Small Business Administration website located at <http://www.sba.gov/content/understanding-hubzone-program>. This page describes a nationally identified "HUBZone" for the purposes of directing support to areas that are economically distressed. The website describes the program as "Historically Underutilized Business Zones". In the attached "HUBZone" map you can see that most of Laramie qualifies as a HUBZone, with about half listed as a primary or secondary distressed area. Although this project does not seek benefits from this program, it is useful information to confirm the need for this project.

The City and LEDC also have evaluated the land in and around the community for this and other projects, and the Development Plan further evaluated the requirements of technology and data oriented companies to identify other potentially available sites. This is really the only site with appropriate electrical infrastructure and acreage located together. The Snowy Range Substation, located on site, is a very desirable asset because it eliminates the need for distribution lines of significant length and vulnerability. It also has four separate electrical supply sources, for maximum redundancy during power outages.

Few sites in the area have large acreage; the Airport Park and the Turner Tract are two currently available locations. The Airport Park is not desirable because of company buffer requirements and the restrictions of an "airport influence zone" on building height to accommodate the air service. The Turner Tract was designed and zoned as a live/work office environment and the requirements for building design and the proximity to residential property are not desirable for the industry. Other sites around town are primarily smaller, more isolated lots that would require infill development, which is also a departure from the goal of creating a campus to facilitate the synergy created by co-location.

The Laramie Economic Development Corporation maintains records of contacts by companies in the technology sector, their requirements and the ultimate outcome of their inquiry. We know that Microsoft eliminated Laramie from location possibilities because sites weren't sufficiently prepared with infrastructure. Also, through the work of Joe Sharkey, who conducted the power and telecommunications assessment for the State of Wyoming, we know that companies require certain infrastructure be available and ready for the site to be considered. While it is always possible that a company could chose Laramie without the investment on this site, we know that this becomes a serious handicap when trying to attract businesses and we don't believe we can wait if we are serious about our pursuit of this industry.

The University of Wyoming and the Wyoming Technology Business Center also have been supporters and partners in this endeavor for a number of reasons. According to Jo Chytka at UW Career Services, the University graduates approximately 25 students each year in computer sciences and about 60% leave town to find a job. Interestingly, most of the graduates prefer to stay in Wyoming or the region and additional opportunities should help with retention. Additionally, some technology employers in Laramie provide summer jobs and internships for UW students that often lead to full-time employment. With the need for more qualified employees in this industry, increased local job opportunities and the impact of a large data center coming to town will significantly impact the economics of Laramie and most likely the University.

According to Jon Benson, CEO of the Wyoming Technology Business Center, their facility is supporting 36 companies. In addition, there are twelve technology companies in residence in the Wyoming Technology Business Center. Four graduates of the Wyoming Technology Business Center reside in Laramie and employ approximately 95 people with an average salary of \$65,000 per year resulting in significant economic impact in Laramie from these companies. As mentioned earlier, it is estimated that Laramie houses more than 60 technology-related businesses many of which have some association with the University of Wyoming and the University continues to spin out businesses carrying significant licensed UW technology. This

growth has caused technology companies outside of Wyoming to express interest in coming to Laramie to be part of the growing technology enterprise. In addition, as the University expresses itself as a major entity in Energy Sciences and Research, some companies are developing interest in locating near UW because of faculty with significant expertise in energy science. For these reasons, the University listed in its latest planning document a plan to develop a research park. As a state entity, UW has initiated the required Level I planning (part of the state-required three level process). As part of the Level I plan, UW is carefully considering the Cirrus Sky Technology Park as the site for this research park. Such a park will be very beneficial in meeting the economic goals of UW and providing a site for technology businesses which have benefited from the incubation services provided by WTBC as the company expands from its initial roots. It is a very logical and necessary, next step.

Additionally, because of the current lack of industry diversity in Laramie, many of the spouses of faculty and staff have difficulty finding adequate employment. This leads to difficulty in recruiting faculty at the University. A larger, more diverse economic base will help develop more opportunity for "trailing spouses" as well as qualified graduates. This same diversity also provides new opportunities for the entirety of our highly skilled and educated citizens as it supports recruiting for the University.

The Development Plan identifies potential sources of additional funding such as the federal EDA grant, and the WBC State Planning Grant. The City will continue to pursue these funds to develop phases beyond Phase I. If this grant through the Wyoming Business Council is approved, the Federal grant would allow for the use of BRC funds as part of the match to increase the size of the award, but it is most important that we are able to move quickly to complete this initial phase of the project.

5. REHABILITATION. Will the requested grant or loan fund the rehabilitation or expansion of existing infrastructure or facilities?

Yes **No**

If "yes," explain.

This project will be an expansion of existing City infrastructure and has been designed to minimize cost and maximize impact. Water and sewer infrastructure in this area of town requires significant changes to provide adequate pressure on this up-gradient site. Once the ridge is crested, adequate water pressure can be provided to create fire-flow and supply business and residential needs. According to development plans for this area of town, the waterline will also be built to an "over-sized" capacity to accommodate the planned future growth of the area rather than just this 149 acre

site. The design also creates a necessary loop for the data fiber network by placing a conduit alongside the water and sewer pipe that allows for threading data lines according to business needs as they become evident, allowing for connection to numerous long-haul fiber lines.

The roads will also be extensions of 22nd and 30th Streets, connected with a new road currently called "Asphalt Lane" along the northern boundary. The electrical infrastructure has been designed to be located along this same corridor and will also accommodate the coaxial cable line from the local provider. Relocation of the electrical lines will move forward as companies purchase land in Phase I and will accommodate the required lot configuration.

Rights of way are being negotiated for the extension of water and sewer service with landowners adjacent to the project to create the most appropriate alignment for service. Additionally, as part of a greenway and open space initiative, land has been identified through the site that will connect with existing trails and current plans. (see attached map)

6. OWNERSHIP. Will the applicant own the improvements funded by this program?

Yes No

If "no," then who will own the improvements?

The grant request includes funds required to purchase the initial parcel of land (estimated at approximately 149 acres) to be developed. This will enable the City and LEDC to most appropriately utilize the land as an economic development incentive and create opportunity for future expansion as detailed in the business plan and revenue recapture plan.

All water, sewer, streets and fiber conduit will be owned as part of the project and governed under the contingency and development agreement between LEDC and the City of Laramie. This also provides opportunity for the project to recapture the cost of infrastructure installation as non-participating land owners adjacent to the project develop their parcels as outlined in City codes potentially generating revenue for the use of the fiber conduit.

7. TIMELINE. Describe a realistic project timeline. Include the number of months the project will take, and any other authorizations, permits, funding, or activities necessary prior to the commencement of the project. If the project is to be phased, provide a separate timeline for future phases.

BUSINESS READY COMMUNITY GRANT AND LOAN PROGRAM

Recognizing that the development of Phase I will provide companies the shovel ready sites and information they require to commit to locating in Laramie, the community is moving forward on an aggressive timeline.

Cirrus Sky Grant Timeline													
	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13
Grant Application Submitted	█												
Electrical Studies		█	█	█									
Infrastructure Design		█	█	█									
Bid Documents Prepared					█								
WBC Board Review				█									
SLIB Review					█								
Annexation Study & Comp Plan amended		█	█	█									
Grant Funds Authorized					█								
Annexation Complete					█								
Land Purchase Option Exercised					█								
Construction bidding						█	█						
Construction								█	█	█	█	█	
Phase I Completion													█

The City set aside funds to provide match for this grant and in conjunction with LEDC has developed the overall development plan, a business plan, negotiated an option to purchase the land and is obtaining agreements for infrastructure easements supporting the project.

The City has worked with the landowner to proceed with annexation so that the process will conclude in January shortly after a SLIB decision and studies will be underway shortly with Rocky Mountain Power and Western Area Power Administration to plan for the power required by a data center.

Although the City does not have the resources to fund the construction of the infrastructure on this project without grant support, the City is fully committed to moving this project along as quickly as possible to provide the best possible opportunity to recruit a data center. Design work is being done in-house and is due to be complete in spring 2013 with bidding and construction in spring/summer of 2013. This is an aggressive timeframe which is the result of the urgency the community feels is required to attract a data center. This would allow for a company to have a shovel ready site available in fall 2013 within the proposed project site or a larger site to the north within a short time frame (estimated at 6 months from fall 2013).

8. SIMILAR SITES. Are there similar sites or facilities within the community that are un-utilized or under-utilized?

Yes No

If "yes" please detail what makes this project unique or necessary.

As detailed above, the City and LEDC have evaluated the land in and around the community to determine if there are existing sites that could provide the required acreage and infrastructure. This is the only site in the area with the robust electrical service and transmission capacity required by businesses of this type. The Snowy Range Substation, located on site is a very desirable asset because it eliminates the need for distribution lines of significant length and vulnerability. It also has four separate sources of electricity providing supply, which provides maximum redundancy during power outages.

Few sites in the area have large acreage; the Airport Park and the Turner Tract are two currently available locations. The Airport Park is not desirable because of company buffer requirements, and the restrictions of an "airport influence zone" on building height to accommodate the air service. The Turner Tract was designed and zoned as a live/work office environment and the requirements for building design and the proximity to residential property are not desirable for the industry. Other sites around town are primarily smaller, more isolated lots that would require infill development, which is also a departure from the goal of creating a campus to facilitate the synergy created by co-location.

The Trans-Modal Site to the south of town is a site dedicated to another type of business entirely and not appropriate for this use and it does not have the required water and sewer amenities. Other sites around town are primarily smaller, more isolated lots that would require infill development, which is also a departure from the goal of creating a campus to facilitate the synergy created by co-location.

9. SOCIAL SERVICES, IF APPLICABLE. If the project will expand social services, explain whether demand for those services is outpacing the existing supply of services. Attach any relevant documentation. What is the net effect on the local economy? Attach any relevant documentation.

N/A

10. REVENUE. Will the project funded by BRC generate revenue?

Yes No

The Cirrus Sky Data Park anticipates generating revenue from the sale of property, utilization of fiber conduit/right of way and reimbursement agreements for the development of adjacent property. The use of this revenue is contemplated in detail in the Recapture Plan (please see attachment) and also in the business plan, but generally it is anticipated that the revenue will help support economic development operations, provide matching funds for future grants and also develop a pool of funds to help facilitate future expansion of the park.

If "yes," how will revenue be used? Attach a specific plan that anticipates revenue streams and prioritize economic development initiatives to be paid for with the revenue. (See Section VII)

Please see Recapture Plan in the Attachments section (incorporated as part of the Contingency and Development agreement).

SECTION IV: SITE INFORMATION

1. What is the location/address of the project?

As indicated in the area map, the site is north of Laramie between the extensions of 15th and 30th Streets, approximately 149 acres in size on the current northern boundary of Laramie. (see attached map)

2. Is the project site publicly owned?

Yes No

If "no," identify current property owners with contact information.

The property owner of the Phase I site is currently Chuck Coughlin, with whom the City has an option to purchase should this grant be successful. (see attached purchase agreement) According to the development agreement between LEDC and the City, the property will be conveyed from the City to LEDC, a Certified Economic Development Organization for management upon the success of the grant.

Charles E Coughlin, Jr.
PO Box 5022
Riverside, CA 92517

3. Describe the site including total acres or square footage, size of developable area, and number of parcels for development. Also, describe any structures on the site, including useable square footage.

The site for Phase I is approximately 149 acres in size (see attached map), with future phases totaling approximately 2500 acres.

4. Does the project involve land or building acquisition?

Yes **No**

If "yes," then who owns the site and what steps are being taken, and by whom, to acquire the property?

The property is currently under an option to purchase with the City of Laramie and is undergoing annexation in preparation for a successful grant application. Should the grant be successful in January, it will be finalized later that month and the option to purchase will be exercised.

5. How is the site currently used?

The site is currently an undeveloped field.

6. What is the proposed future land use of the site? Is it based on a community development plan? Reference the plan and describe how this project is consistent with that land use plan.

This area had originally been contemplated by both the City of Laramie and Albany County as an extension of residential land use because of proximity to residential neighborhoods and growth patterns, which tend to be smaller subdivisions. However, the interest from Verizon caused a short but intense public discussion about the area and the potential future use.

In preparation for a technology park, the City is creating a new Technology Zoning district which will be applied upon completion of annexation. The Comprehensive Plan and Future Land Use Map are being amended to accommodate this usage as well (see attached Land Use Maps).

This area, as desired by industry, would be buffered from the residential areas by some lower impact business areas for ancillary businesses (see the attached Data Center Concept Plan). This still leaves some distance between existing residential use and businesses for open space or more housing.

The City is using the same model that was used in the development of the Turner Tract with new housing and recreation integrated into the office park area. Initially the City developed the Turner Tract Area Plan (see attached), which detailed the concept, development guidelines, financing and phases. After procuring a grant to fund the initial infrastructure, the area began to attract companies, housing developers and other synergistic entities, developing into a distinctly unique business park. This process is the model for Cirrus Sky Technology Park, with similar documents, but a different business focus.

7. Is the site zoned?

Yes **No**

If "yes," then what is the current zoning designation and is the proposed use consistent with that designation?

The site currently sits in the county, but as explained above, it is included in the City's Land Use Plan due to the close proximity to the incorporated boundary. Upon success of this grant, annexation will move forward and the new Technology Zone will become applicable. Additionally, completion of the amendment to the Comprehensive Plan and Future Land Use Maps will occur prior to January 2013.

Will a zone change be required for intended use? Explain.

The Technology Zone will become applicable when the property is annexed upon success of this grant.

8. Are there any known environmental concerns at the site, especially asbestos, wetlands, floodplains, or sage grouse area?

Yes **No**

If yes, explain:

9. What infrastructure is necessary to serve the proposed site (i.e., water, sewer, electricity, natural gas, transportation facilities, and telecommunications) and what are the current coverage, quality, and capacity of the existing infrastructure? If there are deficiencies within any of the infrastructure systems, explain how the deficiencies will be improved.

The infrastructure proposed in this grant is required to create buildable lots in the technology park area. Infrastructure includes an electrical line for construction, water-

line, sewer-line, fiber conduit and roads. These are all extensions of existing city infrastructure and will be sized to meet the contemplated use for existing and future business and residential land. (see Development Plan)

The Development Plan and the City engineering department have developed preliminary designs for the infrastructure and calculations for the linear footage of the various infrastructure, including recent cost evaluations and these are attached in the construction documents for reference. Generally, there will be approximately 9,800 linear feet of water, sewer and fiber infrastructure in the first phase and another 12,600 linear feet in future phases.

SECTION V: COMMUNITY INFORMATION

***** Attach portions of any relevant plans, studies, assessments, or reports. Reference the attachment in your answer.**

1. Does the community have an economic development plan or other study of the local economy?

Yes **No**

If "Yes," then provide the names and dates of relevant plan(s) and describe how does the proposed project fits into overall economic development strategy of the community.

The *Laramie Comprehensive Plan*, Chapter 9: Economic Development, adopted May 2007 (attached) identifies several areas of need that this project addresses. Specifically, the need for incomes to increase to keep up with housing costs, ease the site selection process and improve the infrastructure capacity.

The addition of primary jobs will help to improve our median household income and help improve the ratio of income that goes towards housing to a more reasonable level. It will also help Laramie retain more graduates from the University because of the enhanced opportunities that come with increased job creation for trailing spouses.

Developing the infrastructure necessary to accommodate a data center in advance of their commitment will help decrease the amount of time it takes for a company to relocate, thereby improving competitiveness in site selection. As mentioned above, having this infrastructure already developed is a key criteria for many companies and has already eliminated Laramie for at least one company and we hope that will be the last.

The Plan identifies goals for infrastructure management that detail the support of new technologies in data and communications. This goal supports a recognized technology oriented focus for economic development activities, even though when it was adopted in 2007 the community didn't have a full understanding of what lay ahead in the rapidly evolving technology sector.

The City adopts goals annually and included in these goals for 2010, 2011 and 2012 as a first priority for economic development to *"Provide advocacy and adequate support to ensure a Mega-Data Center locates in Laramie"*. The City has taken several steps to support this effort including the creation of a development plan, business plan and design work for Phase I of this plan.

The *Comprehensive Economic Development Strategy* (High Plains Economic Development District of Wyoming, October 2010) as attached details a number of goals and strategies that LEDC and the City have been pursuing to strengthen our economy. Specifically, a project listed under Goal #1 is locating a data center in our region. Contacts from data center businesses indicate that if we are successful in installing the infrastructure to develop "build-ready" lots we will be able to support the relocation of a data center.

2. What are the community's strengths, weaknesses, opportunities and threats? Explain.

Chapter 9 of our Laramie Comprehensive Plan (attached) details a Strengths, Weaknesses, Opportunities, and Threats Analysis (SWOT) which was conducted for Laramie based on a review of economic and demographic characteristics, discussions with area residents and representatives of local organizations, input of the Citizen Project Advisory Team (CPAT) and LEDC, and the consultant's experience working with communities across the country. The table of this analysis listed below reinforces other indicators about the quality of our workforce, and you can also see that the community is making progress in addressing our weaknesses and threats.

CHAPTER 9: ECONOMIC DEVELOPMENT

Table 9.1. Laramie SWOT

Strengths	Opportunities
<p>Population/Workforce</p> <ul style="list-style-type: none"> - Stable population growth - Educated population - UW, WyoTech, and LCCC <p>Economy</p> <ul style="list-style-type: none"> - Retail growth - Engineering/technology companies - UW Business Incubator - Downtown businesses/restaurants <p>Infrastructure</p> <ul style="list-style-type: none"> - Airport - Interstate 80 - Rail - Available/quality water supply - Good Aquifer protection <p>Livability</p> <ul style="list-style-type: none"> - UW education, events, and activities - Accessibility to public lands - Ridge and rangeland views - Tree area - Quality of healthcare - Quality of K-12 education - Small-town values 	<p>Downtown</p> <ul style="list-style-type: none"> - Expansion and revitalization - Mixed use, including residential living - University leveraging <p>Economy</p> <ul style="list-style-type: none"> - Partners in Progress Initiative - Airport related businesses - Healthcare/medical expansion - Educational Opportunities (Hathaway Scholarship) - Tourism <p>New Development</p> <ul style="list-style-type: none"> - New conference center - Turner Tract/Grandview Heights - Reynolds Crossing - Coughlin Pole Mountain - South Gait property <p>Redevelopment</p> <ul style="list-style-type: none"> - North of Downtown - "Tired" neighborhoods <p>Livability</p> <ul style="list-style-type: none"> - Trail expansion - Recreation Center - Resource and view/ridge protection
<p>Weaknesses</p> <p>Housing</p> <ul style="list-style-type: none"> - Affordability - Availability - Rental vs. owner occupancy <p>Infrastructure</p> <ul style="list-style-type: none"> - Water transmission and distribution - Aging conditions of wastewater mains - Storm drainage <p>Economy</p> <ul style="list-style-type: none"> - Low wage levels - Lack of employee benefits - Tax exempt properties - Timeliness of development review/approval - Shortage of trade labor <p>Appearance and Image</p> <ul style="list-style-type: none"> - Lack of identity and gateways - Corridor aesthetics 	<p>Threats</p> <p>Housing/Neighborhoods</p> <ul style="list-style-type: none"> - Integrity of well established neighborhoods - Declining housing conditions <p>Infrastructure</p> <ul style="list-style-type: none"> - West Laramie's Standards - Aquifer vulnerability - Requisite funding for reconstruction <p>Economy</p> <ul style="list-style-type: none"> - Continued rising energy prices - Recruitment/Retention of physicians - Lack of quality office space - Workforce shortage <p>Transportation</p> <ul style="list-style-type: none"> - Loss of air service - Increased congestion

Additionally, the Wyoming Infrastructure Report (attached) outlined strengths and weaknesses of the southeast quadrant of the state of Wyoming, which includes Albany County. (see below)

Strengths	Weaknesses
<ul style="list-style-type: none"> • Population –Open Space • The three largest population cities – staffing needs for multiple centers • Multiple power plant with dual 230 KVA looped distribution mostly along I-25 and I-80 • Power costs • Fiber along I-80 and I-25 as well as SR211 to Horse Creek and then west • Climate • Proximity to Denver International Airport • University of Wyoming 	<ul style="list-style-type: none"> • Generally the rest of the quadrant • Water & sewer except in municipal areas • No major airport within 1.5 hrs • Only one shovel ready site with power, fiber, water and sewer • Power conditions and/or rates in some areas • Torrington should be a good location but the fiber is weak

The study evaluated different regions of Wyoming as well as specific communities and identified Laramie as a very competitive location for a potential data center site based on community assets. As the report states;

-Laramie—very good power including a brand new WAPA switchyard, ten long haul national and two regional fiber routes and at least three designated commercial development locations including the “Verizon” site.

All of these items give the community good reason to believe that the location of a data center in Laramie is likely if barriers can be removed and the right incentives are in place.

3. What steps are being taken to promote economic development in the community by the applicant or other groups within the community? (For example, business recruitment and retention programs, workforce development, future public investments, marketing campaigns, amenities, etc.)

The City has a contractual relationship with LEDC whereby LEDC provides economic development services for the community at large. LEDC provides marketing services for commercial and business property, works with site selectors and companies for recruitment and coordinates economic development efforts with the City. Recently LEDC has led an effort to enhance the technology sector in Laramie through a

partnership grant with the Workforce Development Council resulting in the "SNAPIT" report. Additionally, after identifying that a lack of rail transportation services is a barrier to a number of companies looking to relocate in Laramie, LEDC was successful in efforts to develop a Trans-modal site in the southern part of the community.

LEDC markets commercial property on the Turner Tract and surrounding areas for the City. As a result, property continues to develop in the area with Inter-tech E&E, Wyoming Workforce Services, Basic Beginnings, Farm Bureau, the City Recreation Center, Laramie County Community College and a residential development. The Laramie Technology Building is also now the home of a technology business, which is located next to the Trihydro campus, which has one building that was funded through the Wyoming Business Council.

Additionally, LEDC has developed a website specifically tailored to the technology industry with information required by data center site selectors. This has yielded many inquiries in addition to the ones referred by the State of Wyoming Business Council.

These efforts in conjunction with \$27 million of investments through the sixth penny tax to improve the condition of local infrastructure improve the capacity of the community to support new business development. This project would be a major step for the community in pursuit of the technology industry, which is identified as a growing cluster by the University and LEDC.

4. Is there a community or economic development group or committee that is proactively working or implementing an economic development strategy?

Yes **No**

Explain.

The Laramie Economic Development Corporation is a local nonprofit with 27 years of history and business leaders from throughout the community. The City of Laramie has a strong and contractual relationship with the organization for economic development services in the community. They are the "front door" for companies interested in locating in Laramie and have developed a comprehensive and web-accessible property inventory that includes demographic, community and workforce information.

Their proactive efforts have resulted in the identification of various "gaps" in our economic development that they have aggressively worked to fill. In their early years, they helped spur the development of business park facilities for small manufacturers and service companies at the Laramie Rivers Business Park. They have also spear-

headed quality of life projects such as the Recreation Center and gateway beautification and support other community organizations that work to improve our economy such as the Laramie Main Street Alliance and the Laramie Area Chamber of Commerce.

LEDC uses the CEDS report (attached) in conjunction with other industry trends to stay abreast of changes in the local and national economic development landscape. The board also has an annual planning retreat where priorities for the year are identified for work efforts each year (see attached Annual Report). This has resulted most recently in the Trans-modal site development, the SNAPIT report and now the Technology Park.

5. Is there a list of current commercial and industrial vacancies available to prospective business?

Yes No

Explain.

The Laramie Economic Development Corporation website has a comprehensive list of business property for sale or lease on their *ZoomProspector* site. This site also provides a host of community demographic information typically only available for larger urban areas. This site can be viewed at <http://laramie.zoomprospector.com/>. Additionally, the Laramie Main Street Alliance manages a Downtown Property inventory and coordinates commercial listings with LEDC.

Recently, LEDC had occasion to identify tracts of land for specific projects such as the GE facility, the rail spur, and Verizon. Each project required in-depth analysis of available property which has assisted in the identification of assets specific to each location. The assessments revealed that properties in town as they currently exist do not serve the data center industry as the Wyoming Infrastructure Report reports their needs. The community has other available sites to accommodate ancillary technology businesses and anticipate that these locations will be utilized as such.

6. Has the community identified targeted industries?

Yes No

Explain.

The Laramie Economic Development Corporation through their partnership with High Plains Economic Development District collaborated on the *Comprehensive Economic Development Strategy* (attached) and has identified goals and strategies to improve the economy.

Goal #1 includes Project 1. Encourage a data center to relocate to southeast Wyoming, which is specifically what this project would accomplish. Additional goals include *establishing strong public-private partnerships and improving public infrastructure*, which are important components of this project as well.

Additionally, the State of Wyoming commissioned the Wyoming Infrastructure Report which identified specific reasons that the Laramie Area would be a site of interest for data centers. This information is in line with local experience and information regarding the growing technology cluster. This project is a public declaration that Laramie intends to become the Technology Capitol of Wyoming.

7. Are there any studies or surveys summarizing labor force characteristics, skills, supply or demand?

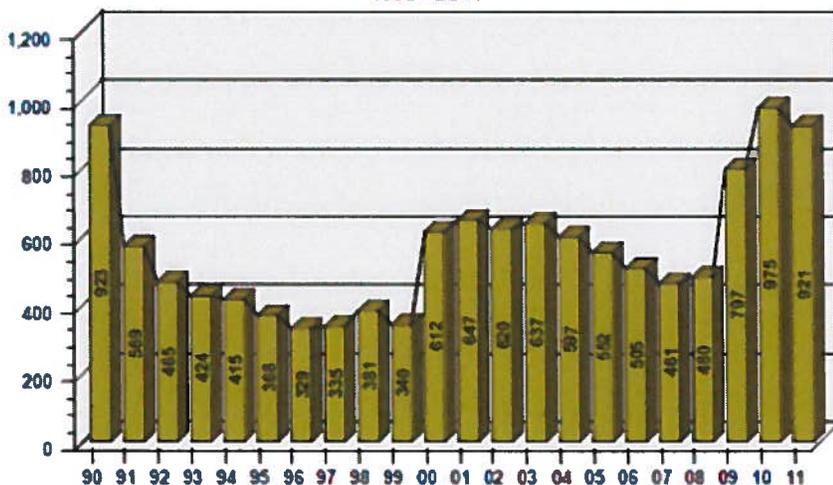
Yes No

Explain.

The Census data that the City of Laramie hosts on its website and the *ZoomProspector* program on the LEDC website provide a host of information about the workforce in Laramie-great resources for prospective employers unique for a town of such small size.

As you see in the unemployment chart below like many areas of the country, we have citizens who are looking for employment and many others are under-employed. Our census data indicates that Laramie residents are above average in many ways, especially in their pursuit of education, making high tech industry a good target for new businesses in our community.

**GRAPH 6
UNEMPLOYMENT, ALBANY COUNTY
MONTHLY AVERAGE
1990 - 2011**



Almost 50% of Laramie residents over 25 years of age hold at least a four-year college degree. This has resulted in a long history of "under-employment" in Albany County and finds many college graduates working under capacity in the service sector. The University of Wyoming, Laramie County Community College – Albany County Campus, and WyoTech all have a strong presence in the

community, ensuring the continued education and development of Laramie's citizens and an educated workforce.

Additionally, the University of Wyoming seeks to develop a Research and Development Park to further enhance opportunities for technology businesses and create additional synergy in the sector. This has the ability to help recruit students and faculty for the University as well as create new economic opportunity for residents.

8. How does the availability of the local labor force compare to the demand for labor should this Business Ready project be successful? If necessary reference any applicable labor statistics.

As seen in the unemployment chart from the Laramie Area Economic Indicators report (above), unemployment has increased since 2008 significantly when compared to previous years. Under-employment has persisted for decades, leading our highly skilled and educated workers to dominate the service industry. With a high proportion of college educated citizens, Laramie is well positioned to provide employees to the technology sector.

Additionally, according to the most recent census, Laramie grew at a rate of just over 13%, making us one of the fastest growing towns in the country. This is good news for companies interested in locating in Laramie because of the increase in potential workforce.

9. How does the availability of the housing compare to the demand for housing should this Business Ready project be successful? If necessary reference any applicable local housing statistics.

According to the Laramie Area Economic Indicators report, residential housing development is improving with continued construction and renovation of homes and apartments. (chart below)

BUILDING PERMITS
City of Laramie
2001 - 2011

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	TOTAL
New Residences	31	44	75	104	97	74	113	86	72	90	82	868
New Apartments/Duplex	14	3	12	32	47	30	17	6	3	3	31	198
Remodels (includes re-roofing)	275	288	256	262	278	255	268	1,258	1,197	450	266	5,063
Mobile Homes/Constr. Trailers	28	37	40	26	12	3	1	0	0	0	0	147
Demolish	5	6	6	2	9	7	11	7	14	21	17	105

*Note: New Residences may include Single-family homes, Townhouses, or Condos.
Source: City of Laramie Building and Engineering Department Annual Report.*

Additionally, the community has identified in the Comprehensive Plan those areas where additional housing would be appropriate and several are in the areas adjacent to the proposed data center park. (see attached land use map)

In 2012, the City has also seen a number of active plats for single family and multi-family housing, many in this area. The University is constructing new housing complexes that were taken off line in the past few years and this should also add to available housing stock, freeing up rental housing in other areas of town. These combined conditions should easily allow for Laramie to absorb the people filling positions at a new data center business.

SECTION VI: BUDGET INFORMATION

The project budget pages need to show how all eligible costs will be covered by both cash and in-kind contributions. Construction costs represented here must be supported by estimates from a qualified engineer or architect.

Part A: Eligible Project Costs

Eligible Project Costs	
1. Land, structures, rights-of-way, appraisals, etc.	\$2,306,914.20
2. Architectural and engineering fees	\$385,251.30
3. Other fees (surveys, tests, etc.)	\$285,612.15
4. Project inspection fees (incl. in #2.)	\$
5. Site work	\$
6. Demolition and removal	\$
7. Construction	\$3,435,442.95
8. Miscellaneous/Other (Please explain in detail below)	\$314,462.21
9. Subtotal (sum of lines 1 through 8)	\$6,727,682.81
10. Contingencies (contingency and general mobilization)	\$702,448.60
Total Eligible Project Costs	
11. Total Eligible Project Costs <i>Use this amount for Part B, Number 1 and as the Total Eligible Project Costs as listed on the cover sheet.</i>	\$7,430,131.41

Further explanations:

8. Misc. Other—Signage, Development Plan, Planning team

Part B: Funding Sources

1. Total Eligible Project Cost <i>This amount will be the same as Part A, Number 11 and will be reflected on the Cover Sheet as the Total Project Cost.</i>	\$7,430,131.41	1a		
2. Local Match				
a. Cash Match. List cash match funding source(s) and amount. Identify whether the amount has been provided or is being requested. Provide the status and the date funds were approved or the date that funds are expected to be approved.				
Cash Match Source	Status (approved or pending)	Date of Approval	Cash Amount	
City of Laramie	Approved	June 2011/12	\$500,000	
			\$	
Total Cash Match			\$500,000	2a
b. In-kind Match. List in-kind contribution types, descriptions, sources and values. These amounts should also be reflected in Part A: Project Costs.				
Description	Source	Value		
Planning Team/Development Plan	City/Community Members	\$237,662.21		
Right of Way Acquisition	Adjacent land owners	\$242,414.20		
Appraisal, survey and Construction Admin.		\$387,724.30		
Land Value purchase price vs value		\$596,000		
Total In-kind Match			\$1,463,800.71	2b
c. Total Local Match (Sum 2a and 2b)			\$1,963,800.71	2c
Match Percentage (2c divided by 1a) A BRC grant and/or loan request in up to \$250,000 requires a minimum match of 5% of the Total Eligible Project Costs. A BRC grant and/or request over \$250,000 requires a minimum match of 15% of the Total Eligible Project Costs.			26%	
4. Business Ready Community (BRC) Request (Subtract 1 - 2c) <i>This is the amount of money you need to complete the project.</i>			\$5,466,330.70	

Part C: Ineligible Costs

Ineligible project costs include fixtures, appliances, equipment or other features of a facility not physically attached.

1. Ineligible Project Costs (if applicable)	
Ineligible Items	Amount
	\$
	\$
TOTAL Ineligible project costs	\$
2.. Local Contribution Toward <i>Ineligible</i> Project Costs (if applicable)	
Source of Funding	Amount
	\$
TOTAL Source of Funding for Ineligible Project Costs	\$

Part D: Total Project Costs

Total Eligible Project Costs	\$7,430,131.41
Total Ineligible Project Costs	\$
Total Project Cost	\$7,430,131.41

SECTION VII: REVENUE RECAPTURE PLAN

Revenue generated by the applicant or a private developer through publicly funded infrastructure projects must be recaptured by the applicant at a rate negotiated between the applicant and other partners and commensurate with the public investment. A plan must be designed demonstrating how the recaptured funds will be managed and utilized for the purpose of economic development. The viability and thoroughness of the recapture plan for revenue generating projects will anticipate revenue streams and prioritize economic development initiatives to be paid for with the revenue while allowing the community flexibility to respond to opportunities.

The intent of the revenue recapture plan is to ensure that the BRC funding allocated to a project will continue to remain in the community fostering community and economic development activities. The following are some examples of eligible uses for recaptured funds: revolving loan fund, façade improvements, downtown development, beautification, marketing, matching funds for future grants or loans, public infrastructure improvements encouraging economic development, trainings and seminars, economic development studies and plans, and entrepreneurship initiatives. Revenue recaptured funds may not be used for operations and management costs.

The plan must:

- identify projected revenue streams from the project and state the amount of revenue anticipated to be recaptured
- discuss how these recaptured funds will be managed
- state specifically how the recaptured funds will be utilized
- state goals and objectives that are consistent with existing community and economic development plans
- identify any additional funding and partnerships that may be involved
- details of the revenue recapture plan must be noted in the resolution of support

SECTION VIII: ADDITIONAL INFORMATION FOR LOAN REQUESTS

Skip this section if you are applying only for a grant.

A general BRC loan may be made to fund the entire funding request or fund a portion of the project in conjunction with a BRC grant request. A Special Assistance Loan may be used to loan additional funding in excess to the maximum BRC award amount and/or the full or partial funding of the required match.

The WBC Council will recommend an interest at either no or low interest and a term for repayment. The State Loan and Investment Board will have final approval.

In addition to completing the application and providing all necessary documents, the following must be submitted:

- Proposed security for the loan
- Method of repayment for the loan
- An additional resolution passed by the applicant stating the method of repayment and proposed security for the loan
- A summary of the applicant's total investments and cash balances for the two preceding years (Complete chart on the following page)

Should an applicant be awarded a BRC, the applicant will have to enter into a loan agreement with the WBC.

BUSINESS READY COMMUNITY GRANT AND LOAN PROGRAM

1. Identify the revenue source(s) that will be used to service loan debt for total public project costs.

2. List all sources of proposed security for the loan.

3. Complete following General Financial Information Form.

General Financial Information Form for BRC Loan Requests			
Financials prepared by: Mader, Tschacher, Peterson & Co., LLC			
Date: 6/30/2011			
Entity: City of Laramie			
Tax ID Number 836000072			
<i>GENERAL FUND ANALYSIS</i>	Current FY	Previous Two FY's	
	FY : 2011	FY : 2010	FY : 2009
REVENUES			
Taxes			
Local Property Taxes	\$1,671,868	\$1,671,138	\$1,563,275
Local Sales Tax	\$8,552,115	\$9,386,250	\$9,500,038
Other Local	\$2,565,636	\$2,541,009	\$2,447,474
Intergovernmental Revenues	\$7,792,049	\$9,523,509	\$9,910,599
Other	\$3,130,290	\$2,877,116	\$3,161,109
EXPENDITURES			
General Gov't.	\$5,969,255	\$5,763,060	\$6,016,598
Physical Security	\$11,915,939	\$12,544,674	\$12,457,295
Other	\$6,018,296	\$5,094,148	\$6,888,500
ASSESSED VALUATION	\$203,440,680	\$198,021,160	\$196,444,119
TOTAL MILLS LEVIED	8	8	8
Provide Breakdown of the mill levy distribution for this FY	The full 8 mills are distributed to the city.		
TOTAL INVESTMENTS	\$37,982,702	\$25,287,384	\$24,037,476
TOTAL CASH BALANCES	\$59,285,212	\$45,430,860	\$45,078,718

BUSINESS READY COMMUNITY GRANT AND LOAN PROGRAM

	<i>Current FY 2011</i>
TOTAL BONDED AND NON-BONDED INDEBTEDNESS	
Principal Balance	**\$36,815,175(see note below)
Interest Rate	Rates range between 0%-6.6%, most in the 2.5%-4% range (see note in grant attachments)
Remaining Term	Terms up to 2042 (see notes)
SALES AND USE TAX LEVY	5 th and 6 th penny are imposed

**Of this total;

\$10,000,000 is for the Territorial Prison and off-set by a 0 coupon bond.

\$22,300,000 is from the 2010 SPT election and paid for by SPT Revenue.

\$3,501,965 is from the 2001 SPT election, is fully collected and will be paid when mature.

This leaves the actual indebtedness of the General Fund at;

\$1,013,210