

City of Laramie
Economic Development Investment Report
2010 to 2015

December, 2014

Overview:

This report summarizes the City of Laramie's economic investment over approximately six years. Included are investments in the Laramie Economic Development Corporation, Laramie Main Street Alliance, infrastructure improvement projects, economic enhancement projects and economic development projects.

City of Laramie resources are most often leveraged with other available funding to offer the best value to the community for dollars spent. Other sources include funding from the Wyoming Business Council, the State Loan and Investment Board, Wyoming Water Development Commission and the Wyoming Department of Transportation.

Specific Purpose Tax funding, approved in 2010, has also been a funding source for many infrastructure projects. Further, matching funds for projects has been secured through other local entities and from private sources.

Laramie Main Street Alliance:

Since its inception the Laramie Main Street Alliance (LMSA) and the City of Laramie have developed a successful working relationship for economic development in the downtown area. In the last 5 years the City has provided \$127,131 in funding to the LMSA. In 2014 the City of Laramie negotiated a fee for service agreement with the LMSA for economic development services for \$40,000 annually. In September 2014 Wyoming Main Street recognized Laramie Main Street as "Program of the Year" for "making immeasurable progress in the areas of design and organization through multiple downtown beautification projects and the diversification of funding sources." There are 252 businesses downtown, employing approximately 3,000 full and part time positions. As of September 2014, downtown space (for both business and residential) was 95% full or had a 5% vacancy rate. Funding to the LMSA contributes to creation of retail jobs and enhancement of sales tax collections in downtown Laramie.

The return on investment produced by the Main Street program is noted in the following table. In just under 6 years, 306 jobs have been gained, 183 renovation projects have occurred and 27 public improvement projects have been completed. Including volunteer hours, the downtown has seen an investment of \$12,322,898 during this period.

Laramie Main Street Alliance Reinvestment Stats 2009- Oct. 2014							
	Jan - Oct. 2014	2013	2012	2011	2010	2009	TOTAL
Renovation Projects	32	46	42	34	22	7	183
Amount	\$1,271,868	\$1,974,825	\$380,605	\$944,155	\$800,071	1,325,000	\$6,696,524
New Construction	1	0	0	0	0	0	1
Amount	\$35,500	0	0	0	0	0	\$35,500
Public Improvements	4	6	7	4	4	2	27
Amount	61,499	\$666,025	\$2,214,762	\$104,797	\$177,380	\$1,560,000	\$4,784,463
Net Business Gain	15	9	12	8	16	0	60
Net Job Gain	128	33	63	36	21.5	24.5	306
Program Income	158,640.12	\$136,362	\$93,738	\$114,867	\$123,884	\$87,133.56	\$714,625
Program Expenses	144,328.79	\$122,927	\$97,571	\$104,592	\$136,983	\$51,003.60	\$657,405
Volunteer Hours	3,645	3,040	3,151	3,470	5,316	5,999	24,621
Value of Hours	\$79,596.00	66,231	\$68,660	\$74,119	\$107,649	\$121,479.75	517,735
Total Reinvestment	\$1,607,103.02	\$2,707,081	\$2,707,027	\$1,123,071	\$1,152,565	\$3,026,051.45	\$12,322,898
Reinvestment Per Dollar Spent	\$11.14	\$22.02	\$27.74	\$10.74	\$8.41	\$59.33	\$18.74

Source: Laramie Main Street Alliance

Laramie Economic Development Corporation (Laramie Chamber Business Alliance):

The City of Laramie contributes funding to the Laramie Economic Development Corporation to assist in recruitment of primary jobs for the community. Funding is provided through a fee for service agreement negotiated between the City Council and LEDC board. In the last 6 years funding from the city has been approximately \$100,000 annually.

Investment in the LEDC has contributed to the following successes:

2014
Construction began for the new HiViz Shooting Systems facility
Assisted HiViz Shooting Systems in securing a temporary lease to begin Laramie operations while their building is under construction, 6 FTE now operating in Laramie
Lease of office space for Underwriters Laboratories in the Wyoming Technology Business Center (WTBC) for 5 FTE. Submitted grant application to the Wyoming Business Council, construction to begin on the permanent UL facility at the Cirrus Sky Technology Park summer/fall 2015
Peak RX in expand to Laramie with 3 FTE
Bright Agrotech, continued reduced cost property lease, workforce increased by 2 FTE 1 PTE
Maverick Ammunition relocation/expansion to Laramie, approximately 25 new FTE
Snowy Range Instruments expansion/relocation, new FTE's still to be determined
Ancient Elements assistance with property search and zoning regulations
Trade Show Incentive Grant for Bright Agrotech
Lagom, Inc./LCS Group Inc. securing office space for a new business venture, 5 new FTE
2013
Award of grant for HiViz, anticipated jobs at 20
Bright Agrotech, reduced cost on property lease, workforce has grown from 2 FTE to 4 FTE and 2 PTE
Workforce training grants for Centennial Woods and Environmental Intellect
2012
Award of grant for Cirrus Sky
Workforce training grants for Centennial Woods and Environmental Intellect
2011
Award of Grant for South Laramie Rail Spur
SnapIt Report was generated
Medicine Bow Technologies relocation, 15 employees in 2011, currently at 23 FTE and 2 interns
Construction of Basic Beginnings completed, estimated 30 jobs
Workforce training grant assistance
2010
Award of grant for Basic Beginnings
Happy Jack Software leased 3,650 square feet in the Laramie Technology Building, 22 FTE
2009
Award of grant for the Professional Airpark and Research Center, construction completed in 2010
Construction completed for the Trihydro expansion increasing FTE by approximately 40, award of grant was in the prior year

Source: Laramie Economic Development Corporation

In total, approximately 179 jobs have been created or retained in the community through the partnership between the City and LEDC. The City contributed to the success of Happy Jack Software through less than market lease rates tied to job creation. Considerable attention is being paid to the city of Laramie related to the Cirrus Sky Technology Park project and LEDC has been in contact with multiple businesses considering relocation to the community. Most recently Underwriters Laboratory has committed to establishing a service location in Laramie,

pending a grant award from the Wyoming Business Council, construction will start on their facility at the Cirrus Sky Technology Park. Laramie was a location candidate along with 15 other cities, Laramie stood out due to its favorable business climate, talented workforce and build ready location. The City will continue working with LEDC in a mutually beneficial relationship that enhances our community as a great place to do business.

Direct Benefit Projects (includes Infrastructure improvements)

The City of Laramie has invested aggressively for a number of years in projects to further economic development by assuring that the infrastructure is in place to encourage development, to ensure that major gateways and corridors in the community are appealing, and indirect projects provide amenities promoting development. The table below outlines projects either completed or ongoing within the last six years.

Direct Projects Summary

Project	Investment
UL Facility at Cirrus Sky (pending grant award)	~ \$3,500,000
HiViz Headquarters	\$2,959,000
Transmodal Site Development	\$1,800,000
Turner Tract:	
Water	\$84,563
Sewer	\$748,000
Street	\$1,550,313
Cirrus Sky Technology Park	\$7,012,365
Vista Drive Project	\$3,051,220
Bill Nye Project	\$355,134
So. Laramie Sewer Extension	\$3,466,500
So. Laramie Water Extension	\$3,488,227
Trihydro Project	\$1,548,000
Laramie Technology Building	\$2,586,000
Adams Street	\$3,100,000

Source: City of Laramie Adopted Budgets 2010-2016

Indirect Benefit Projects:

Investment has occurred in projects with an indirect but essential benefit to economic development. For instance, a viable business community needs a sustainable landfill. To meet the needs of a workforce, services such as daycare are vital. Enhancing the aesthetics of downtown Laramie included decorative lighting upgrades and removal of the blighted Fox

Theater. The building of Fire Station #3 in west Laramie assures consistent call response times which are considered in the City’s Insurance Services Rating (ISO). Currently the City’s ISO rating is a 3. This excellent rating factors into the cost of insurance for a business and can be a benefit when recruiting business to the community. Recent projects are listed in the table below.

Indirect Benefit Projects

Project	Investment
Cedar Street Refinery Clean Up	\$330,525
Business Plan, West Laramie Revitalization	\$27,000
15 th Street Landscaping	\$15,000
Street Reconstructions and Storm Drainage, planned through FY17	~ \$8,000,000
Downtown Electrical Upgrades	\$3,556,509
Landfill Project	\$6,700,000
Basic Beginnings Daycare	\$2,000,000
Fox Theater Removal (Downtown)	\$1,300,000
Fire Station #3 (west Laramie)	\$4,886,415
Drainage/Paving Projects (west Laramie)	\$4,120,407

Source: City of Laramie Adopted Budgets 2010-2016

City of Laramie Economic Development Fund:

The City’s Economic Development Fund is a key part of economic development success in the community. Funded through recapture agreements on various projects, the Fund has provided financial assistance for a number of projects in the last few years. Often, investment through the Economic Development Fund may be the last component to complete a funding package and a successful project. Since the completion of construction on the first building with Business Ready Community funds in 2008, the City of Laramie has received \$557,165 in lease income:

Trihydro	\$285,000
Basic Beginnings	\$138,550
Laramie Tech Building -	\$153,615
<i>*lease</i>	
Total	\$557,165

*Fourteen percent (\$24,972) of all lease income on the Laramie Tech building was paid to LEDC as the landowner.

Lease proceeds have enabled the City of Laramie to invest \$527,694 into other local economic development projects:

Cirrus Sky	\$199,863
Airport	\$100,000
Loan to LEDC	\$100,000
WBC loan for Basic	\$60,000
Beginnings, paid to date	
Earmarked for other daycare providers, to date	\$67,831
Total	\$527,694

The sale of the Laramie Tech Building recently yielded an additional \$3 million, which will be reinvested into the construction of a spec building at the Cirrus Sky Technology Park. Over the last few years, projects receiving funds include Allsop, Trihydo, LEDC, LLC (Rail Spur), Basic Beginnings Daycare, Hi-Viz, Laramie Airport Terminal Building and, most recently, the Cirrus Sky Technology Park. As borrowed funds are repaid, the balance in the Economic Development Fund grows and ensures a source of funding for future, qualified projects.

Beautification Projects:

Over a six year period, the Laramie Economic Development Corporation’s Beautification Committee has provided an average of \$32,000 to \$35,000 per year for various projects. Recent projects include the Laramie River Restoration, North Cedar Refinery, Installation of Public Art, Community Service Days, Entryway Improvements, landscaping and other community improvements projects.

The City of Laramie, through several departments, provides in kind support and cash matches to assist with completion of planned projects; the 10 year capital projects plan has the City of Laramie with current beautification expenditures of approximately \$80,000, with an additional \$1.7 million planned through 2024. Phenomenal volunteer participation by city residents, student groups and various volunteer organizations is a key component to successful events such as Community Service Days. Hundreds of residents routinely turn out exhibiting a camaraderie that showcases a tremendous a community spirit.

The City, through partnerships, is successful in locating public art in the community. One successful partnership has been with the University of Wyoming. Several interesting art pieces are located throughout the community. Laramie Main Street Alliance has been very successful

in developing a mural project which creates a public art presence in the downtown. The art presence adds an aesthetic aspect enhancing the feel and vibrancy of the downtown.

Summary:

In recent years, the City of Laramie has experienced noteworthy success in completing multiple projects that benefit economic development both directly and indirectly. Funding for most projects comes from multiple sources leveraging local dollars whenever possible to add value to the investment by the community. Through the Wyoming Business Council, Wyoming Water Development Commission, Wyoming Department of Transportation and other agencies, the State of Wyoming is a tremendous asset for project funding. A project will often have a grant, loan, possible private funding, city cash match and an in-kind component to the total project funding. In addition, there are countless hours of staff time dedicated to conceptual planning, grant writing, budget preparation and project management to see a project from beginning to completion. The value of that time, while difficult to measure, is significant in achieving economic development success.

Direct and indirect economic investment noted in this report totals over \$66M. Infrastructure investment leads to increases in property tax revenue to the State, County and City budgets through construction of buildings such as the Laramie Technology Building, Trihydro and Basic Beginnings Daycare. Further, the businesses add jobs to the community with payroll dollars spent in the community, thereby adding to sales tax collections shared by State, County and City governments. Increased economic activity during project construction from both material purchases and construction payrolls provide a boost to revenue for state and local governments as well. In 2013 for example there were 1,169 building permits issued with a valuation of \$117,187,426.

The City of Laramie works cooperatively with many partners to spur economic development activity in the community. Leveraging investment by the City with other available sources has proven to be a model for success in getting the most from each dollar spent. As we continue building our community, job opportunities and diverse amenities for residents will continue to put Laramie on the list as an excellent place to do business and call home.