

# City of Prineville

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## OFFICE OF THE MAYOR

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Representative Mike McLane  
District 55  
900 Court St., NE, Suite H-493  
Salem, Oregon 97301

Dear Representative McLane:

Crook County has had the highest unemployment rate in the State for three years. It is currently at 15.6%. As that fact would indicate, living wage jobs are the highest priority for the City of Prineville and Crook County.

We were fortunate to have Facebook come to Crook County approximately two years ago. As reported by Cascade Business News, ECONorthwest finds that in Oregon Facebook's capital spending supported, in total, approximately \$142.7 million in economic activity, including \$51.4 million in personal income and in excess of 1000 jobs. Total capital costs associated with Facebook's Prineville Data Center Project to date are approximately \$210.4 million. They estimate that, between January 2010 and December 2011, approximately 14.5 million in capital spending has accrued in Crook Co to businesses and \$61.2 million benefited workers and businesses in other parts of the state. In total, they estimate that Oregon has captured approximately 36 percent (or \$75.7 million) of the capital spending on the Prineville Data Center Project to date. Facebook is currently working on their second building so the benefits continue.

While certain project costs are allocated to specialized labor and equipment coming from outside of Oregon spending on these has been excluded from the economic impact analysis.

Facebook's Data Center operations directly employed 55 Facebook and contract employees and had a total payroll of almost \$3.3 million. Almost all the revenues used to finance Facebook's Data Center operations are from non-Oregon sources, new money for the State of Oregon.

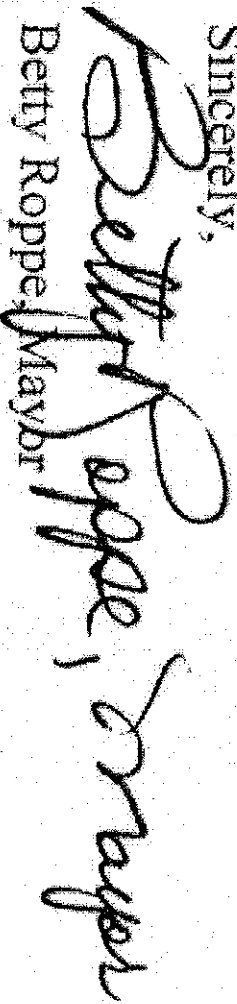
We have seen that there is a 1-2 relationship. For the one Data Center two other companies come. We anticipate that to continue with the other Data Centers that we are currently negotiating with. We hope to see a Data Center Cluster in Crook County.

We continue to negotiate with other types of businesses also. We expect HMC3, a pellet plant, to break ground this spring. We have recently added a Brew Pub, an Art gallery, and a sign refinishing company. We want a diverse economy. We felt the pain of having our Timber Companies go out of business when timber cutting was restricted. And of course, we have our farm industry.

I can not state strongly enough how much we need the ability to negotiate with these companies to bring their companies to our Community and County.

Thank you for your time.

Sincerely,

A handwritten signature in cursive script that reads "Betty Roppe". The signature is written in dark ink and is positioned above the printed name.

Betty Roppe, Mayor  
City of Prineville, Oregon