



Date: June 13th, 2022

TO: Honorable Mayor Jason Gray and Castle Rock Town Council  
CC: Town Manager David Corliss

FROM: Castle Rock EDC, Frank Gray President and CEO

RE: Castle Rock Economic Development Town Service Contract for 2023

Castle Rock EDC respectfully submits this request to the Town of Castle Rock for the continuation of economic development services. Castle Rock EDC's 2023 request is for \$233,698. This represents an 3% increase over the 2022 contract to account for additional operating expenses over the past year. The organization's combination of efficiency, cost sharing and private sector investment continues to maximize and leverage the investment of the Town. The increase has remained modest despite significant increases in expenses (rent, utilities, insurance, and compensation), much of which have been absorbed through increased private sector investment. This funding request will highlight key accomplishments of the past year and outline the core services provided to the Town of Castle Rock essential to maintain and build the long-term economic infrastructure of the community. Castle Rock EDC provides the following services (listed below) and acts as a conduit for effective public private partnership.

The collaboration of Town Council and the Castle Rock Economic Partnership continues to be held up as a best practice model across the Front Range. Thanks to Town Council for taking a leadership role in Economic Development across the State of Colorado.

### **GENERAL OUTLINE OF CASTLE ROCK EDC SERVICES**

- **Attracting Primary Employers to Castle Rock**
  - Marketing Castle Rock opportunities to Brokers, Developers and Primary Employers
  - Serving and Tracking Prospects
  - Business Attraction Team (BAT)
- **Growing Castle Rock's Existing Businesses**
  - Business Retention and Expansion (BRE)
- **Retail Development and Recruitment**
  - Highly Targeted, Strategic Marketing to Developers and Users
- **Creating a Positive Business Environment**
  - Castle Rock Economic Partnership
  - Development Roundtable
  - CEO Roundtable
  - Town Development Liaison Program
  - Start Up and Entrepreneurial Infrastructure Support
- **Informed Economic Council**
  - Public/Private collaboration solving strategic micro and macro-economic development issues
  - Economic and Demographic Data, Analysis and Reporting
  - Customized Economic Impact Analysis

## **ATTRACTING PRIMARY EMPLOYERS TO CASTLE ROCK**

**Targeted Marketing** - Castle Rock EDC will focus on striking an appropriate balance between primary and retail employment. One of the main objectives of the EDC is to attract primary employment that is a good fit with the education and skills of the community's residents and has the potential for having a positive impact on the Town of Castle Rock's economy. In 2023 the following targeted primary industry clusters and public-use facilities will receive special attention in Castle Rock EDC's attraction and expansion efforts:

- Digital Information/Technology
- Start-up and Second Stage Companies
- High Tech Manufacturing
- National/Regional Credit/Finance Insurance
- Infill in the Greater Downtown Area
- Management Companies & Enterprises
- Professional, Medical, Scientific & Technical Services

**Business Attraction Team (BAT)** - The Castle Rock Business Attraction Team oversees one of the core services of the Castle Rock EDC, attracting new primary employers to Castle Rock. BAT meets regularly and consists of private sector volunteers with expertise in business development, real estate, construction, land planning, title work and marketing. BAT focuses on both direct and indirect marketing strategies for attracting primary employment. Additionally, BAT fosters relationships with developers to encourage office development in the Castle Rock market. BAT hosts a series of events that seek to promote, educate, and encourage the creation of primary employment opportunities in the Castle Rock market.

**Benefit to the Community** - Primary employers fuel the local economy by bringing new dollars into the community through their indirect and induced spend. The high paying jobs they create allow for more residents to live and work locally. This in turn increases the community's daytime population and allows the community to capture an expanded tax base and enhances the Town's ability to provide public safety, infrastructure, parks, and recreation to its residents.

## **GROWING CASTLE ROCK'S EXISTING BUSINESSES**

**Business Expansion and Retention Program (BRE)** - In 2023, Castle Rock EDC will continue its aggressive BRE campaign in partnership with CREP (Castle Rock Economic Partnership) to establish ongoing relationships with our existing businesses. This generally constitutes 30 plus face-to-face visits annually to:

- Thank business owners for investing in Castle Rock
- Assess company needs and challenges
- Analyze their perceived barriers to a thriving business environment
- Create impactful follow up, addressing their needs and connecting them with resources
- Partner with Town staff and community partners when appropriate to proactively address issues both real and perceived

**Retail Retention** - As part of our ongoing retail commitment to the Town, Castle Rock EDC and Town staff routinely visit with a variety of existing retail store owners and shopping center owners to ensure open lines of communication and deliver quick response times to issues that arise. Town staff are exceptional partners and have made an impressive commitment in responding to key issues.



**Business Start-up and Entrepreneurship** - Most new jobs in local economies are produced by small community-based primary employers. In Colorado, 75% percent of businesses have fewer than 10 employees. In the Town of Castle Rock, a significant number of businesses are classified as very small or home based. In cooperation with the Castle Rock Chamber of Commerce, the EDC will continue to play a role in encouraging the ongoing growth and development of entrepreneurial activity and small primary employers in Castle Rock. The launch of the 104 Initiative, an Angel Investment Platform, lead to the attraction of Innosphere, a science and technology incubator, currently operating out of the Sturm Collaboration Campus.

### **RETAIL DEVELOPMENT AND RECRUITMENT**

**Retail Recruitment** - Castle Rock EDC provides highly targeted and niche retail development recruitment for the Town of Castle Rock. This includes actively working with existing retail center businesses for redevelopment and recruitment of targeted regional draw retailers compatible with the vision of the community which also provide most of the funding through sales tax for key community services, such as fire, police, parks, and open space.

### **CREATING A POSITIVE BUSINESS ENVIRONMENT**

Creating a positive business environment for both existing and new primary employers and retailers is essential to the economic success of any community.

**Castle Rock Economic Partnership (CREP- Chamber, EDC, Town, and Downtown Alliance)** - CREP works to ensure communication and accountability to achieve its established goals, priorities, and strategies. CREP will make coordinated recommendations to its respective governing boards on economic development goals, priorities, strategies, action plans, resource allocations and contracts for service. Within its scope of expertise, CREP will guide economic development policy and foster honest and open communication between the public and private sector among the partner organizations.

**Leadership** - Influencing the Town of Castle Rock's economic health in a positive manner is a significant role of our economic development partnership. Building trust and cooperation between the Town, business and development community is one of Castle Rock EDC's primary functions. Castle Rock EDC will continue to work with Town Council and staff to promote positive dialog between primary employers, landowners, developers and brokers on essential development issues and work in partnership with Town Development Services to pursue favorable economic outcomes for the community. Castle Rock EDC will stay engaged in Town regulatory issues and keep members apprised of pertinent changes.

### **INFORMED ECONOMIC COUNCIL**

**Community Data and Research** – Research will be available to prospects, brokers, residents, and relevant businesses through the Castle Rock EDC website and Site-Connect (proprietary commercial real estate activity site). The data available includes, demographics, retail sales data, Mosaic market data, labor force information, residential development data, market land/lease rates, business profiles, available commercial land, and buildings currently on the market.

**Economic Policy Advocate** - Castle Rock EDC will continue work through CREP in partnership with the Town Council to assist in the management and effective use of the established economic performance fund.



**Negotiating Incentives** - Castle Rock EDC, in partnership with CREP, will take the lead in filtering, guiding, and acting as an advocate to potential prospects through the local, county and state incentive process.

**Economic Development Public Policy** - Castle Rock EDC, in partnership with CREP, will take the lead on keeping its investors and the Town informed on key economic development public policy issues via its involvement with Economic Development Council of Colorado (EDCC), Douglas County Business Alliance (DCBA) and our involvement in the Metro Denver Economic Development Corporation.

### **Castle Rock EDC's 2022 significant deliverables and ongoing project support -**

#### **Deliverables:**

- Recruitment of 3-5 Major Primary Employers including:  
DCI/Lakewood Electric (new)  
Keystone Engineering (new)  
OAK Construction (new)  
Limelight MOB II (new)
- Support the Expansion of Primary Employers including:  
Castle Rock Microwave (exp)  
Moore Lumber (exp)  
Colby Striping Expansion (exp)
- Significant work in Primary Employer Retention
- Dawson Trails Commercial Project
- Collaboration on attraction of Multiple major retailers at ICSC
- Library Redevelopment Project
- ACME Brickyard Redevelopment Project

#### **Ongoing Project Support:**

- Collaboration Campus Building II
- Miller's Landing
- Downtown Castle Rock – Encore & The View at Castle Rock & 221 Wilcox
- Promenade at Castle Rock
- Outlets at Castle Rock (In-Out)
- Southwest Quadrant (CVR-infrastructure)
- Castle Rock Adventist Health Campus (Cancer Research) MOB III.

### **2023 FOCUS AND OBJECTIVES**

- Strategic Planning/Community Vision
  - The EDC plans to spend significant time with Town Council in late 2022 and 2023 evaluating the economic health of the Castle Rock market, establishing strategic economic development goals and policy objectives for the maintenance and improvement of the Castle Rock economy.
- Primary Employment and Commercial Developer Recruitment
  - Supporting the creation of new office/industrial pad sites and buildings in Castle Rock with strong focus on office building development and primary employment

- Partner with brokers and developers to bring impactful primary employers to Castle Rock
- Infrastructure Network
  - Educational/Workforce
    - Sturm Collaboration Campus (continue to support new expansion)
  - Financial
    - Innosphere (continue to support)
  - Physical
    - Transportation and Infrastructure Funding Solutions
    - CVR Interchange Coalition
- Existing Business Expansion and Entrepreneurship
  - Support Local Primary Employers
- Marketing
  - Broker/Developer Outreach & Events
  - Maintain property database (Catalyst)
  - Site Connect: Cloud based Real Estate Presentation Deck
- Participate and Represent Castle Rock in Regional Economic Activities
  - Metro Denver EDC
    - Regional Site Selector Program
  - Economic Development Council of Colorado (EDCC)
  - Innosphere partnership with South Metro Economic Development Partnership
- Board Participation
  - Douglas County Business Association
  - Douglas County Partnership of Governments - Economic Development
  - Arapahoe Community College
  - Colorado Companies to Watch
  - Innosphere Board of Directors

### **2023 Funding Request**

Castle Rock EDC continually strives to reduce costs and leverage the investment of the Town using increased private sector dollars and cost sharing with the Downtown Alliance. Castle Rock EDC respectfully submits its request to Town Council for 2023 investment of \$233,698. We hope this request shows our thoughtful consideration and commitment to a strong public/private partnership. We look forward to continuing the task of creating jobs in Castle Rock for Castle Rock citizens, driving private sector investment in our community, increasing the tax base, improving retail services, and supporting our existing businesses. Thank you for your steadfast support and investment in the economic development of Castle Rock.

Respectfully,



Frank Gray  
Castle Rock EDC  
President/CEO

**2023 SERVICE ORGANIZATION  
FUNDING APPLICATION**

**ORGANIZATION REQUESTING FUNDING:**

**Castle Rock Economic Development Council**

**I. 2023 FUNDING REQUEST**

**Breakdown of funds (For what specifically would monies from the Town be used?)**

<u>National/Regional/Marketing (Events/Conferences)</u>	\$22,896
<u>Personnel</u>	\$183,678
<u>Technology (Website/SEO/Computers)</u>	\$4,707
<u>Rent/Office</u>	\$22,417
 TOTAL FUNDING REQUEST	 \$233,698

**II. 2023 PROJECTED ORGANIZATION BUDGET**

<u>2023 projected organizational budget</u> <u>(Including funding from the Town)</u>	\$860,248
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Projected sources of revenue

Private Sector Partners	\$295,000
Town of Castle Rock	\$233,698
Douglas County	\$75,000
DDA Reimbursement	\$190,000
DMA Reimbursement	\$36,500
In-Kind	\$5,400
<u>Private Sponsorships/Other</u>	<u>\$24,650</u>
 TOTAL PROJECTED REVENUE	 \$860,248

Projected expenditures  
(By major budget category)

<u>Rent/Utilities</u>	\$51,417
<u>Salary/Benefits</u>	\$666,661
<u>Recruitment Activities</u>	\$61,000
<u>Operational/Office/Insurance</u>	\$60,221
<u>Technology</u>	\$20,949
 TOTAL PROJECTED EXPENDITURES	 \$860,248

**III. 2023 PROPOSED PERFORMANCE OBJECTIVES**

Castle Rock EDC Business Attraction and Retention Measurables:

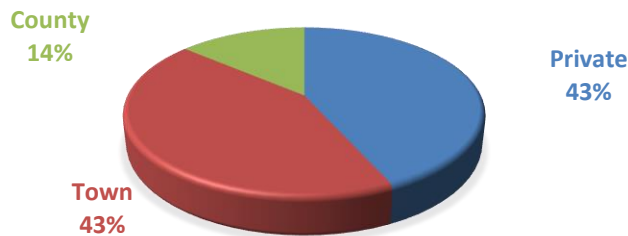
- Perform Business Retention Expansion visits to Castle Rock retail and primary businesses.
- Promote Castle Rock locally, regionally, and nationally.
- Host 3 major Broker/Developer marketing events.
- Host Quarterly Development Roundtable meetings and working group meetings
- Maintain Castle Rock Economic Development website and SiteConnect App.
- Report on, review and implement the Town’s Business and Development Incentive Program.
- Assist businesses through both the State and local application processes.
- Identify, analyze, and address macro and micro economic development challenges specific to the Castle Rock market.
- Partner with the Town Development Services department to act as a liaison between the Town and the development community.
- Update the Castle Rock EDC target markets in alignment with Town Council priorities.
- Actively support the Castle Rock Economic Partnership (CREP).

Castle Rock EDC will provide Semi-Annual Economic Indicator Updates that will include:

- Castle Rock Unemployment Rate
- Commercial/Industrial/Retail Vacancy Rate
- Primary and Retail prospect activity report by category
- Significant Capital Investment Projects
- Employment Data
- Report on the Town’s Economic Development Fund
- Other Relevant Economic Data

**IV. SUPPLEMENTAL INFORMATION**

Castle Rock EDC Funding Breakdown:



Breakout of 2023 projected EDC budget\*(Excluding Downtown Alliance Reimbursements)

Rent/Utilities	\$30,850
Operational/Office/Insurance	\$52,643
Salary/Benefits	\$459,196
Recruitment Activities	\$61,000
<u>Technology</u>	<u>\$10,460</u>
Total	\$614,149

Castle Rock EDC Board of Directors:

First Name	Last Name	Company or Developer Name
Aaron	Barrick	Folkestad Fazekas Barrick & Patoile, P.C
Aaron	Fort	The Fort CPA Group
Adam	Wilkes	Haynie & Co
Bart	Connolly	Limelight MOB, LLC
Blake	Calvert	CORE Consultants, Inc.
Bob	Pasicznyuk	Douglas County Libraries
Charlie	Kercheval	Alpine Bank
Charlie	Smith	Brownstein Hyatt Farber Schreck
Chris	Haugen	White Construction Group
Clark	Hammelman	
Clint	Schmitz	i2 Construction, LLP
Corey	Wise	Douglas County School District
Courtney	Monroe-Gregg	VCM Holding LLC
Dan	Price	Keystone Engineers
Dave	Maxwell	Maxwell Builders, INC
DJ	Tedesco	Independent Financial
Gary	Amella	Comcast
Gary	Cahill	DUNAKILLY
George	Teal	Douglas County Commissioner District 2
Glenn	Tuscan	Oasis Solutions LLC
Glenn	McWilliams	The GarageCondos, LLC
Jay	Simpson	Castle Rock Auto Storage (JTMS Investments LLC)
Jed	Kenzy	Innovative Business Solutions
Jeremy	Pittman	Fransen Pittman
Jill	Garber	CSU - Office of Engagement
Jim	Folkestad	
Jim	Mill	WSB and Associates, Inc.
Jose	Medina	Castle Rock Auto Plex
Kurtis	Williams	JR Engineering
Laura	Rinker	GE Johnson Construction Company
Lawrence	Jacobson	Westside Property Investment Group
Lenn	Haffeman	455 Alexander LLC
Luke	Davidson	Land Title Guarantee Co.
Margie	Munoz	Outlets at Castle Rock
Mark	Voss	Exit360 Business Brokers
Matt	Hanson	First Fidelity Bank
Mitch	Black	Norris Design
Nick	Hier	Hier and Company
Sam	Tenney	Fidelis Wealth Management
Sebastian	Schwender	Black Hills Energy
Shahen	Gharibian	ANB Bank
Stephanie	Fujii	Arapahoe Community College
Stephen	Giefer	Kolbe Striping
Stephen	Lehigh	The Di Salvo Engineering Group



Steven	Kitchen	Canvas
Tom	Kooiman	Brinkmann Constructors
Tom	Wiens	FirsTier Bank
Tony	Sbarra	Sbarra Construction West
Wendy	Ciancio	WhippleWood CPAs
Doug	Woody	Bryan Construction
Banks	Floodman	Castle Rock Development LLC (Sunflower)
Chris	Weems	ESI
Dan	Hudick	HEI Civil
Dari	Eisele	Pugs Holdings LLC
Darrin	Eisele	SRP Companies
Donald	Provost	Alberta Development Partners LLC
Graham	Coddington	Saunders
Gregg	Brown	Crystal Valley Ranch
Jarrold	Lassen	FirstBank of Douglas County
Jeff	Samuelson	Realty One Group Premier
John	Palizzi	Quantum
Kurt	Klanderud	GH Phipps
Mandie	Leshner	CORE Electric Coop
Matt	Call	NavPoint Real Estate Group
Nancy	Shea	PB&T Bank
Scott	Bustos	Turner Construction Corp.
Stephanie	McCandless	Castle Rock Development Co.
Steve	Burns	Iron Woman
Tim	Maloney	Kraemer North America
Tony	DeSimone	Confluence Companies
Travis	White	JHL Constructors, Inc.
Walker	Stapleton	Castle Meadows Company
CJ	Gates	Douglas County Economic Development
David	Corliss	Town of Castle Rock
Desiree	LaFleur	Castle Rock Town Council
Jason	Gray	Castle Rock Mayor
Pam	Ridler	Castle Rock Chamber of Commerce
Allison	McPike	Ent Credit Union
Jeremy	Pittman	Castle Rock Adventist Health Campus
Shawn	Temple	Miller's Landing