



Date: June 15th, 2018

TO: Honorable Mayor Jennifer Green 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 2019

Castle Rock EDC respectfully submits this request to the Town of Castle Rock for the continuation of economic development services. Castle Rock EDC's 2019 request is for \$210,086. This represents a continuation of the 2018 contract with no additional increase requested for 2019. The organization's combination of efficiency, cost sharing and private sector investment continues to maximize and leverage the investment of the Town in economic development. This submission will highlight key accomplishments of 2017/2018 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.

General Outline of Services:

- **Attracting Primary Employers to Castle Rock**
 - Marketing to Brokers, Developers and Primary Employers
 - Serving and Tracking Prospects
 - Business Attraction Team (BAT)
- **Growing Castle Rock's Existing Primary Employers**
 - 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 Ombudsman Program
- **Informed Economic Council**
 - Public/Private collaboration solving strategic Macro and Micro 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 are a good fit with the education and skills of the community's residents and their potential for having a positive impact on the Town of Castle Rock's economy. In 2019 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
- National/Regional Credit/Finance/Insurance
- Management Companies/Enterprises
- High Tech Manufacturing
- Infill in the Greater Downtown Area



- Professional, Scientific & Technical Services

Benefit to the Community - Primary employers fuel the local economy by bringing new dollars into the community and create high paying jobs for its residents. These residents in turn are able to purchase goods and services locally expanding the tax base for the Town. An expanded tax base 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 2019, 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 to resources
- Partner with the 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 to responding to key issues.

Business Start-up and Entrepreneurship - The majority of new jobs in local economies are produced by small community-based businesses. In Colorado, 75% percent of businesses have fewer than 10 employees. In the Town of Castle Rock, a significant amount 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 in Castle Rock. The 2016 launch of the 104 Initiative, an Angel investment platform, was an essential component in building the long-term vision of our growing entrepreneurial eco-system. This led to the attraction of Innosphere; a science and technology incubator, that in 2018 opened a Castle Rock and South Metro location to continue the services of the 104 Initiative designed to support startup and second stage companies.

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.

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 and the 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, land owners, 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 the newly developed Digital Deck. Examples of the data available are: 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 and assist with the policy and regulation creation associated with those funds for both primary and retail prospects.

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 2017/2018 significant deliverables and ongoing project support includes:

Deliverables:

- Collaborative Marketing Strategy
- Amazon Review Team
- EPS Long Term Strategy
- I-25 Gap Coalition
- Innoshpere
- Master Magnetics (Atchison Expansion)
- Murdoch's (Negotiated Economic Development Agreement)

Ongoing Project Support:

- Miller's Landing
- Castle Rock Collaboration Campus (CSU, ACC, DCSD)
- Downtown Castle Rock Investment
- Wellness Center CRHC
- Castle Rock Industrial Park

2019 Focus and Objectives

Castle Rock EDC's Primary objectives in 2018/2019 will include:

- Strategic Planning/Community Vision
 - The EDC plans to spend significant time with Town Council in 2018/2019 evaluating the Castle Rock market and establishing strategic economic development goals and policy objectives for the improvement of the community.
- Continued Primary Employment and Commercial Developer Recruitment
 - Supporting the creation of new office/industrial pad sites and buildings in Castle Rock for Primary Employment
 - Partner with brokers and developers to bring impactful primary employers to Castle Rock
- Infrastructure Network



- Educational/Workforce
 - Collaboration Campus (continue to support)
- Financial
 - Innosphere (continue to support)
- Physical
 - Transportation and Infrastructure Funding Solutions
 - I-25 Gap Coalition
- Existing Business Expansion and Entrepreneurship
 - Support Local Primary Employers
- Marketing
 - Suter Media Relations
 - Broker/Developer Outreach
 - Maintain property database function via website
 - Upgraded Digital Deck Platform
- Participate and Represent Castle Rock in Regional Economic Activities
 - Metro Denver EDC
 - Regional Site Selector Program
 - Legislative Session
 - Colorado Real Estate Journal Office Expo Sponsor
- Board Participation
 - Colorado Lending Source
 - Arapahoe Community College
 - Colorado Companies to Watch

2019 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 2019 investment of \$210,086. 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 helping our existing businesses thrive. Thank you for your steadfast support and investment in the economic development of Castle Rock.

Respectfully,

Frank Gray
Castle Rock EDC
President/CEO

**2019 SERVICE ORGANIZATION
FUNDING APPLICATION**

ORGANIZATION REQUESTING FUNDING:

Castle Rock EDC

I. 2019 FUNDING REQUEST (Please use this form for this information and not another format.)

Breakdown of funds (What would monies from the Town specifically be used for?)

<u>National/Regional/Marketing (Events/Conferences)</u>	\$21,110
<u>Personnel</u>	\$167,176
<u>Technology (Website/SEO/Computers)</u>	\$4,920
<u>Rent/Office</u>	\$16,880
 TOTAL FUNDING REQUEST	 \$210,086

**II. 2019 PROJECTED ORGANIZATION BUDGET (Organization includes DDA & DMA)
(Please use this form for this information and not another format.)**

Projected sources of revenue

Private Sector Partners	\$257,000
Town of Castle Rock	\$210,086
Douglas County	\$25,000
DDA Reimbursement	\$235,000
DMA Reimbursement	\$70,000
In-Kind	\$8,400
<u>Private Sponsorships/Other</u>	<u>\$21,500</u>
 TOTAL PROJECTED REVENUE	 \$826,986

**Projected expenditures
(By major budget category)**

<u>Rent/Utilities</u>	<u>\$44,115</u>
<u>Salary/Benefits</u>	<u>\$664,350</u>
<u>Recruitment Activities</u>	<u>\$61,800</u>
<u>Operational/Office/Insurance</u>	<u>\$39,219</u>
<u>Technology</u>	<u>\$16,800</u>
 TOTAL PROJECTED EXPENDITURES	 \$826,986

III. 2019 PROPOSED PERFORMANCE OBJECTIVES/DELIVERABLES

Castle Rock EDC Business Attraction and Retention Measurable:

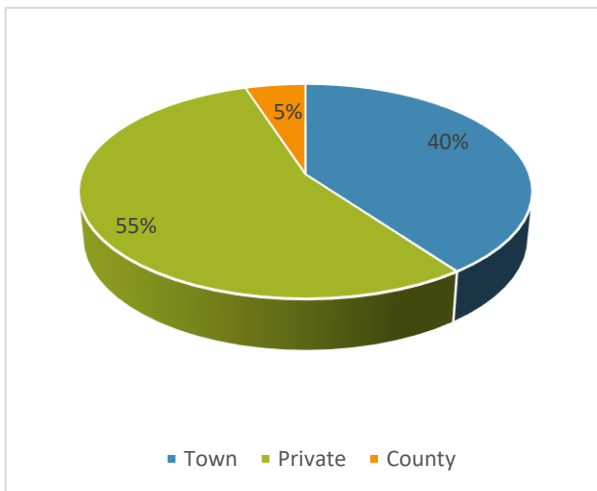
- 30 Business Retention Expansion Visits to Castle Rock Businesses
- Promote Castle Rock locally, regionally and nationally
- Host 3 major Commercial/Industrial Broker and Developer Marketing Events

- Host Quarterly Development Roundtable Events
- Host 10 Primary Employers Events
- Maintain Economic Development Website
- 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 as part of the ombudsman program in maintaining a positive business climate
- 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
- Capital Investment
- Employment Data
- Report on the Town’s Economic Development Fund
- Other Relevant Economic Data

IV. SUPPLEMENTAL INFORMATION



Breakout of 2019 projected EDC budget*(Excluding Downtown Alliance Reimbursements)

Rent/Utilities	\$26,400
Salary/Benefits	\$413,600
Recruitment Activities	\$61,800
Operational/Office/Insurance	\$26,100
Technology	\$8,400
Total	\$536,300

V. BOARD OF DIRECTORS for Castle Rock EDC

Company or Developer Name	First Name	Last Name
Alberta Development Partners, LLC	Peter	Cudlip
ANB Bank	Cindy	Valdez
Arapahoe Community College	Dr. Diana	Doyle
Armstrong Capital Development	Jarrett	Armstrong
Asarch Center for Dermatology	Richard	Asarch MD
Avison Young	Rick	Egitto
Black Hills Energy	Ron	Zuroff
Brinkmann Constructors	Tom	Kooiman
Brownstein Hyatt Farber Schreck	Charlie	Smith
Bryan Construction	Doug	Woody
Castle Meadows Company	Tracy	Wilkes
Castle Rock Adventist Health Campus	Todd	Folkenberg
Castle Rock Chamber of Commerce	Pam	Ridler
Castle Rock Development Co.	Stephanie	McCandless
Castle Rock Mayor	Jennifer	Green
Castle Rock Mayor pro tem	Renee	Valentine
Colorado Lending Source	Karol	Jones
Comcast	Gary	Amella
Community Banks of Colorado	Eric	Tuers
Confluence Companies	Tony	DeSimone
CORE Consultants, Inc.	Blake	Calvert
Crystal Valley Ranch	Gregg	Brown
CSU - Office of Engagement	Jill	Garber
Digital Globe Services	Jeff	Cox
Douglas County Commissioner District 2	Roger	Partridge
Douglas County Economic Development	Becky	Nelson
Douglas County Libraries	Bob	Pasicznyuk
Douglas County School District	Thomas	Tucker
DTI-investments	Greg	Boman
Encon United	Jack	Tubbs
Fairfield & Woods, PC	Jack	Reutzel
FirstBank of Douglas County	Jarrold	Lassen
Folkestad Fazekas Barrick & Patoile, P.C	Jim	Folkestad
Foothills Commercial Builders	John	Krol
GE Johnson Construction Company	Laura	Rinker
GH Phipps	Kurt	Klanderud
Greenwood Development Group	Gregg	Miller
Guaranty Bank	DJ	Tedesco
Haynie \$ Co	Nick	Warnick
Hier and Company	Nick	Hier
i2 Construction, LLP	Clint	Schmitz
Independent Bank	Charlie	Cartwright
Infinity Laboratories	Daniel	Henderson
Innovative Business Solutions	Jed	Kenzy
Intergroup Architects	Kris	Belter
IREA	Becky	Wilson
Iron Woman	Steve	Burns
JR Engineering	Kurtis	Williams
Kaiser Permanente	Jose	Del Toro

Land Title Guarantee Co.	Diane	Evans
Limelight MOB, LLC	Bartholomew	Connolly
Lockton Companies	John	Wescott
Maxwell Builders, INC	Dave	Maxwell
Medved Autoplex	Diana	Blanch
Miller's Landing	Shawn	Temple
Mutual of Omaha Bank	Matthew	Hanson
MVM Integration	Joey	VanHavermaat
NavPoint Real Estate Group	Matt	Call
Neenan Archistruction	Dan	Garofalo
Norris Design	Mitch	Black
Outlets at Castle Rock	Margie	Munoz
P3 Advisors LLC	Shawn	Temple
Park Land Co.	Glen	Smith
PCS Group Inc.	John	Prestwich
Plum Creek Centre LLC	Daniel	Rosenfield
Public Service Credit Union	Steven	Kitchen
PW Development LLC	Eric	Greven
Realty One Group Premier	Jeff	Samuelson
Rocky Mountain Excavating	Chris	Weems
Sbarra Construction West	Tony	Sbarra
Sky Ridge Medical Center	Linda	Watson
Smarter Chaos	Stuart	Butler
Starwood Land Ventures	Craig	Campbell
Sunset Stone	David	Webb
The GarageCondos, LLC	Glenn	McWilliams
The Fort CPA Group	Aaron	Fort
Town of Castle Rock	David	Corliss
Town of Castle Rock	Bill	Detweiler
Town of Castle Rock	Fritz	Sprague
TreanorHL	Jamie	Liller
Turner Construction Corp.	Aaron	Laird
Wells Fargo Bank	Karen	Breen
WhippleWood CPAs	Wendy	Ciancio
White Construction Group	Chris	Haugen
WSB and Associates, Inc.	Jim	Miller