



Date: June 11th, 2024

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 2025

Castle Rock EDC respectfully submits this funding request to the Town of Castle Rock for economic development services. Castle Rock EDC's 2025 request is for \$247,927. This represents less than a 2.9% increase from the 2024 contract to account for inflation, increased rent and 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. This 2025 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 and continued economic vitality 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 region and the state. 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 Primary and Retail 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
 - Priority targets include unique first in market and high impact projects.
- **Creating a Positive Business Environment**
 - Castle Rock Economic Partnership
 - Development Roundtable
 - Town Development Liaison Program
 - Start Up and Entrepreneurial Infrastructure Support
 - Regional Economic Development Collaboration
- **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 2025 the following targeted primary industry clusters and public-use facilities will receive special attention in Castle Rock EDC's attraction and expansion efforts:

- **Aerospace**
- 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 2025, 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 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.

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 cooperation with the Castle Rock Economic Partnership (CREP), 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 EDC has supported the SBA on a regional office expansion on the Sturm Collaboration Campus.

RETAIL DEVELOPMENT AND RECRUITMENT

Retail Recruitment - Castle Rock EDC provides highly targeted, unique 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 high impact 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 long-term 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).

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.

2025 FOCUS AND OBJECTIVES

- Aerospace/ SCIF attraction
 - Attract new aerospace opportunities to the Castle Rock market working with regional aerospace companies (Lockheed, ULA, Raytheon, Blue Origin, Canopy etc)
- Primary Employment and Commercial Developer Recruitment
 - Support the creation of new office/industrial pad sites and buildings in Castle Rock with strong focus on 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)
 - Physical
 - Transportation and Infrastructure Funding Solutions
 - Continue to support the CVR Interchange Coalition
- Existing Business Expansion and Entrepreneurship
 - Support Local Primary Employers and expansion in Castle Rock
- Marketing
 - Broker/Developer Outreach & Events (Aerospace focused)
 - 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
 - Douglas County Economic Collaborative

2025 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 2025 investment of \$247,927. 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 to the highest and best use in our community, increasing the tax base, improving unique retail services, and supporting our existing businesses. Thank you for your steadfast support and investment in the economic development of Castle Rock.

Respectfully,

A handwritten signature in blue ink, appearing to read "Frank Gray".

Frank Gray
Castle Rock EDC

**2025 SERVICE ORGANIZATION
FUNDING APPLICATION**

ORGANIZATION REQUESTING FUNDING:

Castle Rock Economic Development Council

I. 2025 FUNDING REQUEST

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

<u>National/Regional/Marketing (Events/Conferences)</u>	<u>\$28,595</u>
<u>Personnel</u>	<u>\$188,186</u>
<u>Technology (Website/SEO/Computers)</u>	<u>\$6,051</u>
<u>Rent/Office</u>	<u>\$25,095</u>
 TOTAL FUNDING REQUEST	 <u>\$247,927</u>

II. 2025 PROJECTED ORGANIZATION BUDGET

<u>2025 projected organizational budget.</u> <u>(Including funding from the Town)</u>	<u>\$923,485</u>
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Projected sources of revenue

Private Sector Partners	<u>\$305,000</u>
Town of Castle Rock	<u>\$247,927</u>
Douglas County	<u>\$75,000</u>
DDA Reimbursement	<u>\$220,000</u>
DMA Reimbursement	<u>\$37,500</u>
In-Kind	<u>\$4,200</u>
<u>Private Sponsorships/Other</u>	<u>\$33,831</u>
 TOTAL PROJECTED REVENUE	 <u>\$923,458</u>

Projected expenditures
(By major budget category)

<u>Rent/Utilities</u>	<u>\$53,988</u>
<u>Salary/Benefits</u>	<u>\$725,000</u>
<u>Recruitment Activities</u>	<u>\$66,500</u>
<u>Operational/Office/Insurance</u>	<u>\$56,870</u>
<u>Technology</u>	<u>\$21,100</u>
 TOTAL PROJECTED EXPENDITURES	 <u>\$923,458</u>

III. 2025 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 focused on Aerospace.
- Host Quarterly Development Roundtable meetings and working group meetings
- Maintain Castle Rock Economic Development website and Site Connect 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).
- Actively collaborate and support regional economic development efforts that directly and indirectly support key strategic partnerships.

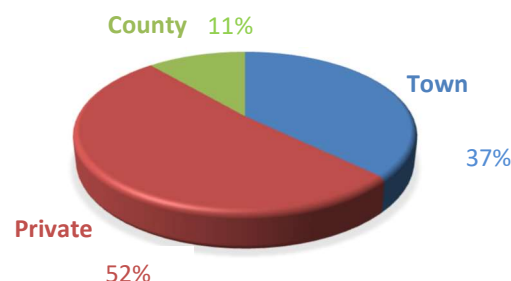
Castle Rock EDC will provide Semi-Annual Economic Indicator Updates that will include:

- 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:

2025 PROJECTED BUDGET INCOME



Breakout of 2025 projected EDC budget* (Excluding Downtown Alliance cost-sharing reimbursements)

Rent/Utilities	\$32,393
Operational/Office/Insurance	\$50,215
Salary/Benefits	\$508,613
Recruitment Activities	\$66,500
Technology	\$10,550
Total	\$670,206

Castle Rock EDC Board of Directors:

First Name	Last Name	Company or Developer Name
Lenn	Haffeman	455 Alexander LLC
Donald	Provost	Alberta Development Partners LLC
Hilleary	Everist	Aloha Fund
Charlie	Kercheval	Alpine Bank
Chelsea	Husum	American GPR * Coring
Abby	Tardiff	ANB Bank
Stephanie	Fujii	Arapahoe Community College
Tom	Henley	Black Hills Energy
Tom	Kooiman	Brinkmann Constructors
Charlie	Smith	Brownstein Hyatt Farber Schreck
Doug	Woody	Bryan Construction
Walker	Stapleton	Castle Meadows Company
Jeremy	Pittman	Castle Rock Adventist Health Campus
Jose	Medina	Castle Rock Auto Plex
Jay	Simpson	Castle Rock Auto Storage (JTMS Investments LLC)
Stacy	Garmon	Castle Rock Chamber of Commerce
Stephanie	McCandless	Castle Rock Development Co.
Banks	Floodman	Castle Rock Development LLC (Sunflower)
Desiree	LaFleur	Castle Rock Town Council
Gary	Amella	Comcast
Tony	DeSimone	Confluence Companies
Blake	Calvert	CORE Consultants, Inc.
Mandi	Leshner	Core Electric Coop
Rob	Osborn	Core Electric Coop (IREA)
Gregg	Brown	Crystal Valley Ranch
Jill	Garber	CSU - Office of Engagement
Amy	Dorsey	Dorsey
George	Teal	Douglas County Commissioner District 2
Kati	Carter	Douglas County Economic Development
Bob	Pasicznyuk	Douglas County Libraries
Erin	Kane	Douglas County School District
Gary	Cahill	DUNAKILLY
Kelly	Kline	Ent Credit Union
Chris	Weems	ESI
John	Frink	ESI (RME)
Brandon	Belk	Federal National Finance Corporation
Sam	Tenney	Fidelis Wealth Management
Matt	Hanson	First Fidelity Bank
Thuy	Aragon	FirstBank of Douglas County
Tom	Wiens	FirstTier Bank
Aaron	Barrick	Folkestad Fazekas Barrick & Patoile, P.C
Jeff	Pittman	Fransen Pittman
Laura	Rinker	GE Johnson Construction Company
Kurt	Klanderud	GH Phipps

Adam	Wilkes	Haynie \$ Co
Dan	Hudick	HEI Civil
Nick	Hier	Hier and Company
Greg	Porter	Hollis + Miller
Bailey	Newlin	i2 Construction, LLP
John	Saunders	IMI Global
DJ	Tedesco	Independent Financial
Inger	Hiller	Inger Hiller 8z Real Estate
Steve	Burns	Iron Woman
Travis	White	JHL Constructors, Inc.
Kurtis	Williams	JR Engineering
Dan	Price	Keystone Experts + Engineers
Tim	Maloney	Kraemer North America
Luke	Davidson	Land Title Guarantee Co.
Bart	Connolly	Limelight MOB, LLC
Dave	Maxwell	Maxwell Builders, INC
Shawn	Temple	Miller's Landing
Matt	Call	NavPoint Real Estate Group
Mitch	Black	Norris Design
Glen	Tuscan	Oasis Solutions LLC
Margie	Munoz	Outlets at Castle Rock
Mike	Beaudoin	Owens Ames Kimball
Nancy	Shea	PB&T Bank
Shelby	Noble	Piper Sandler
John	Palizzi	Quantum Renewable Energy
Jeff	Samuelson	Realty One Group Premier
Graham	Coddington	Saunders
Tony	Sbarra	Sbarra Construction West
Darrin	Eisele	SRP Companies
Stephen	Lehigh	The Di Salvo Engineering Group
Aaron	Fort	The Fort CPA Group
Glenn	McWilliams	The Garage Condos, LLC
David	Corliss	Town of Castle Rock
Courtney	Monroe-Gregg	VCM Holding LLC
Lawrence	Jacobson	Westside Property Investment Group / ACM Dawson Trails VIII JV LLC
Wendy	Ciancio	WhippleWood CPAs
Chris	Haugen	White Construction Group
Jim	Mill	WSB and Associates, Inc.
Clark	Hammelman	
Diane	Evans	
Jim	Folkestad	