



Date: June 14th, 2019

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 2020

Castle Rock EDC respectfully submits this request to the Town of Castle Rock for the continuation of economic development services. Castle Rock EDC's 2020 request is for \$210,086. This represents a continuation of the 2019 contract with no additional increase requested for 2020. 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 2018/2019 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 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 Ombudsman 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 the potential for having a positive impact on the Town of Castle Rock's economy. In 2020 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
- High Tech Manufacturing
- Infill in the Greater Downtown Area
- Management Companies/Enterprises
- Professional, 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 monthly 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 2020, 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 vast 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 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 in Castle Rock. The 2016 launch of the 104 Initiative, an Angel Investment Platform, ultimately lead to attracting Innosphere, a science and technology incubator, to the South Metro market. The Innosphere will office out of the Sturm Collaboration Campus in 2019.



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, 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 SiteConnect. 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 2018/2019 significant deliverables and ongoing project support -

Deliverables:

- EPS Long Term Strategy
- I-25 Gap Coalition
- Innoshpere
- Sturm Collaboration Campus
- Riverwalk
- Castle Rock Industrial Park
- SRP Expansion
- Launch of SiteConnect
- Office Loan & Lease Program

Ongoing Project Support:

- Miller's Landing
- Downtown Castle Rock – Encore
- Southwest Quadrant
- CVR Interchange Coalition
- Wellness Center CRHC

2020 FOCUS AND OBJECTIVES

- Strategic Planning/Community Vision
 - The EDC plans to spend significant time with Town Council in 2019/2020 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
 - Sturm Collaboration Campus (continue to support)
 - Financial
 - Innosphere (continue to support)
 - Physical
 - Transportation and Infrastructure Funding Solutions
 - I-25 GAP Coalition
 - CVR Interchange
- Existing Business Expansion and Entrepreneurship
 - Support Local Primary Employers
- Marketing
 - Broker/Developer Outreach
 - Maintain property database (Catylist)
 - SiteConnect
- Participate and Represent Castle Rock in Regional Economic Activities
 - Metro Denver EDC
 - Regional Site Selector Program
 - Economic Development Council of Colorado (EDCC)
 - Legislative Session
 - Innosphere partnership with South Metro Economic Development Partnership
- Board Participation
 - Colorado Lending Source
 - Arapahoe Community College
 - Colorado Companies to Watch
 - Mutual of Omaha Bank Advisory Board
 - Innosphere Board



2020 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 2020 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,

A handwritten signature in black ink, appearing to read 'Frank Gray', is positioned above the typed name.

Frank Gray
Castle Rock EDC
President/CEO

**2020 SERVICE ORGANIZATION
FUNDING APPLICATION**

ORGANIZATION REQUESTING FUNDING:

Castle Rock Economic Development Council

I. 2020 FUNDING REQUEST (Please use this form for this information and not another format.)

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

<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. 2020 PROJECTED ORGANIZATION BUDGET

(Please use this form for this information and not another format.)

2020 projected organizational budget

(Including funding from the Town) \$819,386

Projected sources of revenue

Private Sector Partners	\$269,000
Town of Castle Rock	\$210,086
Douglas County	\$25,000
DDA Reimbursement	\$198,000
DMA Reimbursement	\$80,000
In-Kind	\$8,900
<u>Private Sponsorships/Other</u>	<u>\$28,400</u>
 TOTAL PROJECTED REVENUE	 <u>\$819,386</u>

Projected expenditures

(By major budget category)

<u>Rent/Utilities</u>	\$45,507
<u>Salary/Benefits</u>	\$650,320
<u>Recruitment Activities</u>	\$65,909
<u>Operational/Office/Insurance</u>	\$40,250
<u>Technology</u>	\$17,400

TOTAL PROJECTED EXPENDITURES \$819,386

III. 2020 PROPOSED PERFORMANCE OBJECTIVES

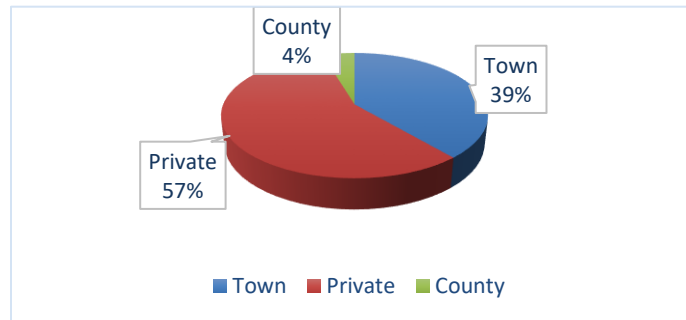
Castle Rock EDC Business Attraction and Retention Measurable:

- 30 Business Retention Expansion visits to Castle Rock businesses.
- Promote Castle Rock locally, regionally and nationally.
- Host 3 major Broker/Developer marketing events.
- Host Quarterly Development Roundtable meetings.
- Host 10 Primary Employer meetings.
- Maintain Castle Rock Economic Development website.
- Maintain Castle Rock SiteConnect.
- 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	\$27,000
Operational/Office/Insurance	\$21,700
Salary/Benefits	\$407,330
Recruitment Activities	\$58,000
Technology	\$8,700
Total	\$495,730

V. BOARD OF DIRECTORS for Castle Rock EDC

Company Name	First Name	Last Name
Alberta Development Partners, LLC	Peter	Cudlip
Alpine Bank	Charlie	Kercheval
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	Jason	Gray
Castle Rock Mayor pro tem	Jason	Bower
Colorado Lending Source	Karol	Jones
Comcast	Gary	Amella
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
Fidelis Wealth Advisors	Samuel	Tenney
FirstBank of Douglas County	Jarrod	Lassen
Folkestad Fazekas Barrick & Patoile, P.C	Jim	Folkestad
Foothills Commercial Builders	Rocky	Hollingsworth
GE Johnson Construction Company	Laura	Rinker
GH Phipps	Kurt	Klanderud
Greenwood Development Group	Gregg	Miller
Haynie & Co	Nick	Warnick
Hier and Company	Nick	Hier
i2 Construction, LLP	Clint	Schmitz
Independent Bank	DJ	Tedesco
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	Samantha	Peck
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
NavPoint Real Estate Group	Matt	Call
NBH Bank	Eric	Tuers
Neenan Archistruction	Dan	Garofalo
Norris Design	Mitch	Black
Outlets at Castle Rock	Margie	Munoz
Park Land Co.	Glen	Smith
PCS Group Inc.	John	Prestwich
Plum Creek Centre LLC	Daniel	Rosenfield
Pugs Holdings, LLC	Darren	Eisele
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 Fort CPA Group	Aaron	Fort
The GarageCondos, LLC	Glenn	McWilliams
Town of Castle Rock	David	Corliss
Town of Castle Rock	Bill	Detweiler
Town of Castle Rock	Kristin	Zagurski
TreanorHL	Jamie	Liller
Turner Construction Corp.	Aaron	Laird
Wells Fargo Bank	Jennifer	Brin-Palm
WhippleWood CPAs	Wendy	Ciancio
White Construction Group	Chris	Haugen
WSB and Associates, Inc.	Jim	Mill