



Date: June 22nd, 2020

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 2021

Castle Rock EDC respectfully submits this request to the Town of Castle Rock for the continuation of economic development services. Castle Rock EDC's 2021 request is for \$210,086. This represents a continuation of the 2020 contract with no additional increase requested for 2021. 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 2019/2020 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 (P3).

I am especially proud of Castle Rock's response to the COVID-19 Pandemic. The collaboration of Town Council and the Castle Rock Economic Partnership was impressive and demonstrated tremendous community leadership to our business community. Thanks to Town Council for taking a leadership role in the state of Colorado.

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 2021 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
- 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 2021, 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 - 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 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.

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 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 2019/2020 significant deliverables and ongoing project support -

Deliverables:

- COVID-19 Business Response
- PPP/SBA Zoom Series (225)
- KIVA 0% interest loan program
- First Tier Bank Castle Rock 0% CommUNITY Loan Program
- Castle Rock Grant Program
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Ongoing Project Support:

- COVID-19 Business Retention
- Miller's Landing
- Downtown Castle Rock – Encore & The View at Castle Rock
- Promenade at Castle Rock
- Outlets at Castle Rock
- Southwest Quadrant (infrastructure)
- CVR Interchange Coalition
- Castle Rock Adventist Health Campus

2021 FOCUS AND OBJECTIVES

- Strategic Planning/Community Vision
 - The EDC plans to spend significant time with Town Council in 2021 evaluating the economic health of the Castle Rock market and the impacts of COVID-19 by 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 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 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 (Catylist)
 - SiteConnect: 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
 - Colorado Lending Source
 - Arapahoe Community College
 - Colorado Companies to Watch
 - Innosphere Board of Directors

2021 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 2021 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 weather the 2020 COVID-19 Pandemic. Thank you for your steadfast support and investment in the economic development of Castle Rock.

Respectfully,

Frank Gray
Castle Rock EDC
President/CEO

**2021 SERVICE ORGANIZATION
FUNDING APPLICATION**

ORGANIZATION REQUESTING FUNDING:

Castle Rock Economic Development Council

I. 2021 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>	<u>\$21,110</u>
<u>Personnel</u>	<u>\$167,176</u>
<u>Technology (Website/SEO/Computers)</u>	<u>\$4,920</u>
<u>Rent/Office</u>	<u>\$16,880</u>
 TOTAL FUNDING REQUEST	 <u>\$210,086</u>

II. 2021 PROJECTED ORGANIZATION BUDGET
(Please use this form for this information and not another format.)

<u>2021 projected organizational budget</u> <i>(Including funding from the Town)</i>	<u>\$842,536</u>
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Projected sources of revenue

Private Sector Partners	<u>\$270,000</u>
Town of Castle Rock	<u>\$210,086</u>
Douglas County	<u>\$25,000</u>
DDA Reimbursement	<u>\$210,000</u>
DMA Reimbursement	<u>\$90,000</u>
In-Kind	<u>\$8,900</u>
<u>Private Sponsorships/Other</u>	<u>\$28,550</u>
 TOTAL PROJECTED REVENUE	 <u>\$842,536</u>

Projected expenditures
(By major budget category)

<u>Rent/Utilities</u>	<u>\$50,531</u>
<u>Salary/Benefits</u>	<u>\$669,000</u>
<u>Recruitment Activities</u>	<u>\$60,905</u>
<u>Operational/Office/Insurance</u>	<u>\$46,100</u>
<u>Technology</u>	<u>\$16,000</u>

TOTAL PROJECTED EXPENDITURES	<u>\$842,536</u>
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III. 2021 PROPOSED PERFORMANCE OBJECTIVES

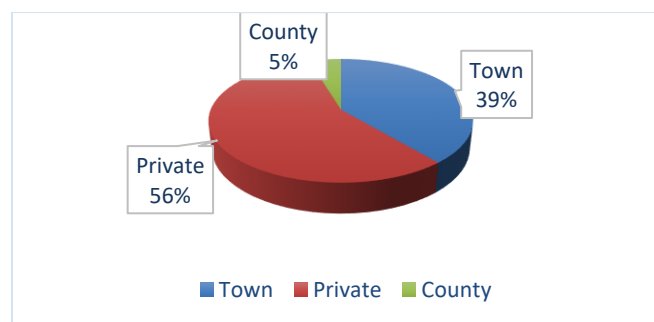
Castle Rock EDC Business Attraction and Retention Measurable:

- 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 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
- Significant Capital Investment Projects
- Employment Data
- Report on the Town's Economic Development Fund
- Other Relevant Economic Data

IV. SUPPLEMENTAL INFORMATION



Breakout of 2021 projected EDC budget*(Excluding Downtown Alliance Reimbursements)

Rent/Utilities	\$30,318
Operational/Office/Insurance	\$23,050
Salary/Benefits	\$410,000
Recruitment Activities	\$60,905
Technology	\$8,000
Total	\$532,273

V. BOARD OF DIRECTORS for Castle Rock EDC

First Name	Last Name	Company or Developer Name
Alexandra	Gish	Adolfson and Peterson Construction
Peter	Cudlip	Alberta Development Partners, LLC
Charlie	Kercheval	Alpine Bank
Michael	Shaw	ANB Bank
Dr. Diana	Doyle	Arapahoe Community College
Josh	Katzer	Armstrong Capital Development
Sebastian	Schwender	Black Hills Energy
Tom	Kooiman	Brinkmann Constructors
Charlie	Smith	Brownstein Hyatt Farber Schreck
Doug	Woody	Bryan Construction
Steven	Kitchen	Canvas
Tracy	Wilkes	Castle Meadows Company
Brandon	Nudd	Castle Rock Adventist Health Campus
Pam	Ridler	Castle Rock Chamber of Commerce
Stephanie	McCandless	Castle Rock Development Co.
Jason	Gray	Castle Rock Mayor
Mike	Wise	Clockwork Networks
Karol	Jones	Colorado Lending Source
Gary	Amella	Comcast
Tony	DeSimone	Confluence Companies
Blake	Calvert	CORE Consultants, Inc.
Gregg	Brown	Crystal Valley Ranch
Jill	Garber	CSU - Office of Engagement
Jeff	Cox	Digital Globe Services
Roger	Partridge	Douglas County Commissioner District 2
Lauren	Pulver	Douglas County Economic Development
Bob	Pasicznyuk	Douglas County Libraries
Thomas	Tucker	Douglas County School District
Greg	Boman	DTI-investments
Jeremy	Davis	Ent Credit Union
Chris	Weems	ESI
Jack	Reutzel	Fairfield & Woods, PC
Sam	Tenney	Fidelis Wealth Management
Jarrold	Lassen	FirstBank of Douglas County
Matt	Hanson	First Fidelity Bank
Aaron	Barrick	Folkestad Fazekas Barrick & Patoile, P.C
Greg	Cooper	Fransen Pittman
Laura	Rinker	GE Johnson Construction Company
Kurt	Klanderud	GH Phipps
Gregg	Miller	Greenwood Development Group
Adam	Wilkes	Haynie \$ Co

Nick	Hier	Hier and Company
Clint	Schmitz	i2 Construction, LLP
Joella	Rodarte	i2 Construction, LLP
DJ	Tedesco	Independent Financial
Daniel	Henderson	Infinity Laboratories
Jed	Kenzy	Innovative Business Solutions
Becky	Wilson	IREA
Steve	Burns	Iron Woman
Kurtis	Williams	JR Engineering
Chuck	Parson	Kaiser Permanente
Diane	Evans	Land Title Guarantee Co.
Bart	Connolly	Limelight MOB, LLC
Dave	Maxwell	Maxwell Builders, INC
Diana	Blanch	Medved Autoplex
Shawn	Temple	Miller's Landing
Matt	Call	NavPoint Real Estate Group
Eric	Tuers	NBH Bank
Mitch	Black	Norris Design
Margie	Munoz	Outlets at Castle Rock
Blake	Smith	Park Land Co./ Feiberg Properties
Nancy	Shea	PB&T Bank
John	Prestwich	PCS Group Inc.
Jeff	Samuelson	Realty One Group Premier
George	Wehner	R.E. Monks Construction Company
Tony	Sbarra	Sbarra Construction West
Linda	Watson	Sky Ridge Medical Center
Stuart	Butler	Smarter Chaos
Darrin	Eisele	SRP Companies
Craig	Campbell	Starwood Land Ventures
Mike	Earley	Sunset Stone
Glenn	McWilliams	The GarageCondos, LLC
Aaron	Fort	The Fort CPA Group
David	Corliss	Town of Castle Rock
Steve	Carr	TreanorHL
Scotton	Bustos	Turner Construction Corp.
Jennifer	Brin-Palm	Wells Fargo Bank
Wendy	Ciancio	WhippleWood CPAs
Chris	Haugen	White Construction Group
Jim	Mill	WSB and Associates, Inc.
Clark	Hammelman	
Jim	Folkestad	