



## Castle Rock Downtown Alliance

*A partnership between the Downtown Development Authority and Downtown Merchants Association*

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### **Downtown Merchants Association**

18 S. Wilcox Street #202  
Castle Rock, CO 80104

June 12, 2023

Honorable Mayor Gray and Castle Rock Town Council  
Town of Castle Rock  
100 N. Wilcox St.  
Castle Rock, CO 80104

Dear Mayor Gray and Town Council,

The Castle Rock Downtown Alliance, a partnership between the Downtown Merchants Association (DMA) and the Downtown Development Authority (DDA), appreciates this opportunity to present our request for a 2024 service contract. The Alliance is made up of two entities with different organizational structures and missions, and as such, the two entities submit their proposals independently. The efforts of these two entities are complimentary, working together to create an active and vibrant Downtown. Staffing for the Downtown Alliance is provided via partnership with the Castle Rock Economic Development Council as established in 2012. This partnership ensures an integrated and focused effort towards Downtown Castle Rock, reduces personnel and overhead costs, and brings a diverse skill set to the mission.

This service contract funding application proposes that the **Downtown Merchants Association** continues to provide its Event Series in Downtown consistent with past event offerings, utilizing requested funding from the Town of **\$97,850**. The DMA proposes a line-up of events for 2024 that will improve the quality of life for Castle Rock residents and visitors, increases economic activity and vibrancy, and showcases the community's small-town charm.

Downtown Castle Rock and the events produced by the DMA are important aspects of Castle Rock's Vision 2030 Plan, specifically:

- Continuing the tradition of local community events, including arts, cultural and entertainment opportunities.
- Reinforcing the community's small-town character and promoting economic vitality.
- Maintaining a high-quality of life as a safe, family-friendly community with a variety of recreational opportunities and community events.
- Preserving and enhancing history and heritage through a vibrant Downtown.

Per the direction from the Town, the remainder of this letter will follow items as outlined in the 2024 Funding Application:

### **Leverage**

The support provided by the Town of Castle Rock for Downtown events is leveraged in several ways. In a typical year, funds are leveraged 3 to 1, for every dollar received from the Town, the DMA is able to

generate an additional 3 dollars that go directly to events and the staff needed to produce them. This allows the DMA to produce events for the community at a fraction of the cost. In addition, these events create a better quality of life for the community, and they generate commerce from residents and visitors seeking safe, quality events. Events have grown to not only be a draw for the local community but have become a regional draw for the surrounding communities, and this activity increases commerce and sales tax not just in Downtown, but to the entire Town which supports core Town services like police, fire, etc.

### **Contact**

Kevin Tilson is the Director of the Alliance including both the DDA and DMA. Following is his contact information:

Kevin Tilson  
Castle Rock Downtown Alliance Director  
303-688-7488  
kevin@downtowncastlerock.com

### **Additional Funds**

The DMA is requesting an increase of \$2,875 (3%) in the service contract for 2024 for a total of \$97,850. In 2023, at the time of submitting this request, costs for most aspects of producing events have increased including event staff, staging, talent, portable toilets, and raw materials. Some events only breakeven not including the cost of staffing to plan events and these events are produced for the benefit of the community and are only possible using the revenues of other more successful events.

### **Additional Information**

The Downtown is an important community asset. Vibrant downtowns with strong economies don't just happen, they require a focused effort from local leadership to be successful. The businesses located Downtown generate sales and property tax revenue, and distinguish Castle Rock as a distinct free-standing community with a historic tradition. Downtown provides a venue for events that contribute to the attraction of living in Castle Rock. The Downtown events help connect Castle Rock and increase residents' sense of community and quality of life.

The DMA, in collaboration with the Town of Castle Rock, strives to produce free, family friendly events that attract a diverse range of residents and visitors. After a few years of reduced events during the covid pandemic, attendance at events in 2022 was very strong. While volunteer support is still utilized to produce successful events, the increased size of events has required the DMA to increase its paid staff to assist in the planning and execution on the day of the event. Inflationary pressures have also increased these expenses. In addition, the increased attendance at events has sparked a need for added attractions at every event. This is because more people means more attractions (bounces houses, face painters, balloon artists, bigger stage to be visible) in order to keep the lines and quality of the event reasonable.

The success of DMA events relies strongly on the Town's financial participation to produce quality, family-friendly events for the community. The Town's funding helps to cover the increasing cost of professional staff, as well event expenses. These dollars are leveraged from the income produced from sponsorship sales, alcohol sales and vendor booths (as mentioned earlier - 3 to 1, for every dollar received from the Town).

Additionally, the Downtown Special Fund continues to pay \$50,000 a year to the Town to support police, fire and Town services at all Downtown events.

The DMA is appreciative of the Town's funding and organizational support. Thank you for your consideration.

Sincerely,



Kevin Tilson  
Director  
Castle Rock Downtown Alliance

**2024 SERVICE ORGANIZATION  
FUNDING APPLICATION**

**ORGANIZATION REQUESTING FUNDING:**

**Castle Rock Downtown Merchants Association**

**I. 2024 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>Spring Kick Off Concert</u>	<u>\$5,000</u>
<u>Car Show Kickoff Concert</u>	<u>\$5,000</u>
<u>Car Show</u>	<u>\$6,425</u>
<u>Boots and Brews (after Douglas County Fair Parade)</u>	<u>\$6,425</u>
<u>Concert Under the Lights</u>	<u>\$5,000</u>
<u>Oktoberfest</u>	<u>\$20,000</u>
<u>Staff</u>	<u>\$50,000</u>
 TOTAL FUNDING REQUEST	 <u>\$97,850</u>

**II. 2024 PROJECTED ORGANIZATION BUDGET**

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

2024 projected organizational budget

(Including funding from the Town)

\$417,850

Projected sources of revenue

<u>Sponsorships and Vendor Booths</u>	<u>\$100,000</u>
<u>Beverage Sales</u>	<u>\$220,000</u>
<u>Town of Castle Rock</u>	<u>\$97,850</u>

TOTAL PROJECTED REVENUE

\$417,850

Projected expenditures

(By major budget category)

<u>Spring Kickoff Concert</u>	<u>\$16,000</u>
<u>Car Show Kickoff Concert</u>	<u>\$15,000</u>
<u>Car Show</u>	<u>\$22,000</u>
<u>Boots and Brews (after Douglas County Fair Parade)</u>	<u>\$21,000</u>
<u>Concert Under the Lights</u>	<u>\$16,000</u>
<u>Oktoberfest</u>	<u>\$85,000</u>
<u>Movie in the Park*</u>	<u>\$10,000</u>
<u>Music in the Park (4-8 events)*</u>	<u>\$8,000</u>
<u>Fangtastic Festival*</u>	<u>\$4,000</u>
<u>Restaurant Week*</u>	<u>\$5,000</u>
<u>Winter Activation - Carriage Rides*</u>	<u>\$50,000</u>
<u>Personnel, Office Lease, Technology</u>	<u>\$63,000</u>
<u>Contract Labor</u>	<u>\$73,000</u>

<u>Insurance – Event and D&amp;O</u>	<u>\$7,000</u>
<u>Administrative – Accounting, Legal, Supplies, Permits, Banking</u>	<u>\$22,850</u>
TOTAL PROJECTED EXPENDITURES	<u>\$417,850</u>

**III. 2024 PROPOSED PERFORMANCE OBJECTIVES**

1. In 2024, the DMA is planning to produce a Summer Event Series that is family friendly and free to the public which includes:
  - Spring Kickoff Concert
  - Car Show Kickoff Concert
  - Car Show
  - Boots and Brews
  - Concert Under the Lights
  - Oktoberfest
  - Movie in the Park\*
  - Music in the Park (4-8 events)\*
  - Fangtastic Festival\*
  - Restaurant Week\*
  - Winter Activation - Carriage Rides\*

Each year the DMA Board meets to discuss the results of the current year’s events and evaluate the adjustments that might be needed for the future year. The board and staff consider many factors including feedback from the community, the economic impact of each event, attendance, sponsor interest, the financials of each event and other factors. Adjustments to this lineup may be made based on popularity of 2023 events, and the rising expenses of certain events, since at the time of submitting this request only 1 event in 2023 had been completed. Events with an asterisk typically lose money but are produced for the benefit of the community. It is only from the revenue of the more financially successful events that these events are possible. These events are expected to be produced but rising costs could mean scaling back these events or eliminating them all together.

2. Improved Quality of Life and Generate Commerce  
 In the Town’s community survey “downtown” and “community character” are always ranked very high by the residents. The events produced by the DMA help foster a sense of place and community for the Town and improves the quality of life for Castle Rock residents and visitors. Safe, family friendly opportunities for entertainment and fellowship with neighbors, strengthens the Town and increases happiness among residents and community visitors.

Downtown events bring many people from Castle Rock, as well as regionally, into the Town and into Downtown. Events encourage people to get out of their homes and into the community. This creates a healthier, happier community and generates commerce and in turn sales tax which supports important Town services.

3. Direct Mailer of Town-wide Events Calendar  
 The DMA serves as a partner with the Town of Castle Rock, Chamber of Commerce and Douglas County to produce a direct mail piece that goes out two times per year to Castle Rock households. The direct mail piece advertises all of the partner events in addition to outside events and has become an effective form of communication within the Castle Rock community.
4. Downtown Activation and Marketing  
 Staff will continue to work with the Chamber of Commerce and the Town of Castle Rock on unified marketing to promote Downtown. This includes light pole banners, social media campaigns, and other efforts to drive energy and activity to Downtown. In addition, in 2023 the DMA has increased notification to Downtown about street closures dues to Downtown events. The DMA closes streets twice a year for the Car Show Weekend and Oktoberfest. In 2023, a

coordinated effort was implemented to communicate street closure information with the Town and Chamber of Commerce.

5. Gift Card Giveaway Marketing Campaign

To further its mission, the DMA continues to support the Downtown business community by purchasing gift cards to Downtown retail businesses to give away at DMA events and with DMA social media campaigns. The gift cards, ranging in value from \$15 - \$25 help get event attendees and the public into the front door of the local businesses. For 2024, the DMA will continue this effort to drive traffic to Downtown businesses by offering gift cards through a variety of promotions.

**IV. SUPPLEMENTAL INFORMATION**

a) *Provide a cover letter no longer than three pages that includes:*

- a. ***A summary of how the requested funding would be leveraged with other dollars and volunteer resources to maximize the return on the Town's requested investment (What does your organization expect to generate using monies the Town might give?)***
- b. *The name of and contact information for the person within the organization responsible for administration of the requested contract*
- c. *If applicable, the amount of additional funds requested this year, and an explanation for the request*
- d. *Any further discussion about the application as deemed necessary by the requesting organization*

b) *Provide a list of the board of directors of the organization*

**Downtown Merchants Association Board Members**

KC Neel, President  
Aidan Gray, Vice President  
Jennifer Luce, Treasurer  
John Johnson  
Nick Lucey  
Lou Scileppi  
Bernie Greenberg  
Desiree LaFleur, Town Council Liaison

**Staff and Additional Support**

Kevin Tilson, Director, Castle Rock Downtown Alliance  
Karah Reygers, Assistant Director, Downtown Alliance & VP of Marketing & Operations, Castle Rock EDC  
Birgit Braehler, Office Manager, Castle Rock Downtown Alliance and Castle Rock EDC  
Frank Gray, President and CEO, Castle Rock EDC  
Marcus Notheisen, Vice President, Castle Rock EDC  
Angela Noonan, Co-Events (Event Coordinator)