

Castle Rock Downtown Alliance

A partnership between the Downtown Development Authority and Downtown Merchants Association

Downtown Merchants Association

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

June 13, 2022

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 2023 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 **\$95,000**. The DMA proposes a line-up of events for 2023 that will improve the quality of life for Castle Rock residents and visitors and supports the local economy, increases economic activity and vibrancy, and showcases the community's small-town charm.

Downtown Castle Rock and the events produced by the DMA are key pieces of the goals set forth in the Town 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 2023 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 Town at a fraction of the cost of events if funded only by taxpayer dollars from the Town. In addition to the direct leverage of Town funding, the events this funding helps make possible, create a better quality of life for the community and generate commerce within the community and from visitors that come seeking safe, quality community 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, 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

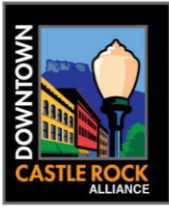
The DMA is requesting an increase in their service contract for 2023 for a total of \$95,000. The DMA has not requested an increase in service contract funding for 6 years. Rising costs across multiple categories, and 2 years operating at a loss during COVID restricted events, the DMA is requesting an increase in its service contract. Many events only breakeven not including the cost of staffing to plan events. 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. The businesses located Downtown generate sales and property tax revenue for the Town. Additionally, they 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 for all residents. 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. The events have become increasingly popular while the cost to produce these events has risen significantly in the last year. The DMA has historically relied on volunteer support for assistance during events but, as events increase in attendance, the need for administrative or paid support at the events has increased. 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 added attractions and attendance translate to requiring additional staff (paid and volunteers) on hand to manage each event safely and appropriately.

The success of these events relies strongly on the Town's financial participation to produce quality, family-friendly events for the community. The Town's funding provides the initial funding to have staff, that can then go negotiate and deliver sponsors, vendors at the events and food and beverage contracts that leverage the Town's dollar (as mentioned earlier - typically 3 to 1). Additionally, the Downtown Special Fund continues to pay \$50,000 a year to the Town to support police, fire and Town services at Downtown events.



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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

**2023 SERVICE ORGANIZATION
FUNDING APPLICATION**

ORGANIZATION REQUESTING FUNDING:

Castle Rock Downtown Merchants Association

I. 2023 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>\$5,000</u>
<u>Boots and Brews (after Douglas County Fair Parade)</u>	<u>\$5,000</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>\$95,000</u>

II. 2023 PROJECTED ORGANIZATION BUDGET

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

2023 projected organizational budget

(Including funding from the Town) \$325,000

Projected sources of revenue

<u>Sponsorships and Vendor Booths</u>	<u>\$90,000</u>
<u>Beverage Sales</u>	<u>\$140,000</u>
<u>Town of Castle Rock</u>	<u>\$95,000</u>
TOTAL PROJECTED REVENUE	<u>\$325,000</u>

Projected expenditures

(By major budget category)

<u>Spring Kickoff Concert</u>	<u>\$17,000</u>
<u>Movie in the Park*</u>	<u>\$12,000</u>
<u>Car Show Kickoff Concert</u>	<u>\$20,000</u>
<u>Car Show</u>	<u>\$24,000</u>
<u>Activities in the Park (4-8 events)*</u>	<u>\$9,000</u>
<u>Boots and Brews (after Douglas County Fair Parade)</u>	<u>\$20,000</u>
<u>Concert Under the Lights</u>	<u>\$20,000</u>
<u>Oktoberfest</u>	<u>\$95,000</u>
<u>Fangtastic Festival*</u>	<u>\$5,000</u>
<u>DMA – EDC Contract – Personnel, Office Lease, Technology</u>	<u>\$40,000</u>
<u>Contract Labor</u>	<u>\$52,000</u>
<u>Insurance – Event and D&O</u>	<u>\$6,000</u>
<u>Administrative – Accounting, Legal, Supplies, Permits, Banking</u>	<u>\$5,000</u>

III. 2023 PROPOSED PERFORMANCE OBJECTIVES

1. In 2023, the DMA is planning to produce a Summer Event Series that is family friendly and free to the public which includes:
 - Spring Kickoff Concert
 - Movie in the Park*
 - Car Show Kickoff Concert
 - Car Show
 - Activities in the Park (4-8 events)*
 - Boots and Brews
 - Concert Under the Lights
 - Oktoberfest
 - Fangtastic Festival*

This line up is based on a strategic approach to planning and executing events, evaluating the results of prior events and weighing them against events that are in popular demand with the Castle Rock community. Adjustments to this lineup may be made based on popularity of 2022 events, and the rising expenses of certain events, since at the time of submitting this request only 2 event in 2022 had been completed. Events with an asterisk typically lose money but are produced for the benefit of the community and often generate the most positive comments. These events are planned but rising costs could mean scaling back the events that lose money. It is only from the revenue of other more financially successful events that events that lose money are possible.

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 brand as a community.

Downtown events bring many people from Castle Rock, as well as regionally, into the Town and into Downtown. Event 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 and mail 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 and beloved form of advertising 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 banner programs, social media campaigns, and other efforts to drive energy and activity to Downtown.
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 2023, 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, DDA & 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)