



Castle Rock Downtown Alliance

A partnership between the Downtown Development Authority and Downtown Merchants Association

Downtown Merchants Association

18 S. Wilcox Ste. 202
Castle Rock, CO 80104

June 16, 2018

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

Dear Mayor Green and Town Council,

The Castle Rock Downtown Alliance, a partnership between the Downtown Merchants Association and the Downtown Development Authority, thanks you for this opportunity to present our request for a 2019 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 and do not duplicate revitalization or redevelopment efforts in the Downtown district. 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 the 2018 event offerings, utilizing requested funding from the Town of **\$75,000**. The events the Downtown Merchants Association produces will be in line with prior years' offerings and brings visitors to Downtown Castle Rock to support the local economy, increase economic activity and vibrancy, and showcase the community's small-town charm.

Downtown Castle Rock and the events produced by the Downtown Merchants Association are key pieces of 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 2019 Funding Application:

Leverage

The Downtown Merchants Association leverages the funds from the Town to generate economic activity which supports Downtown businesses and generates sales tax. The events have grown to not only be a draw for the local community but have become a regional draw for the surrounding communities. The increase in attendance at the events year over year has attracted additional sponsors and vendors which allows the Downtown Merchants Association to host events that cost much more to produce than the amount of funds received from the Town. This translates directly to a higher return on investment for the Town because bigger events and more sponsors and vendors increases attendance which increases exposure for the Downtown businesses and increased Sales Tax revenue.

In 2017, the Downtown Merchants Association expanded its opportunities for the Downtown businesses to participate. The DMA will continue to purchase gift cards in amounts between \$15 - \$25 to give away at each DMA event. The hope is that this will encourage additional traffic into the Downtown businesses which could translate into increased sales and expanded customer bases.

Contact

Kevin Tilson is the Director of the Alliance including both the Downtown Development Authority and Downtown Merchants Association. Following is his contact information:

Kevin Tilson

Castle Rock Downtown Alliance Director

303-688-7488

kevin@downtowncastlerock.com

Additional Funds

The Downtown Merchants Association is requesting the same amount as the 2018 application, \$75,000. As we have in prior years, the DMA would like to request a payment of half of these funds at the beginning of the year (January) and half of these funds in the middle of the year (July).

The funds being requested are matched funds from what the DMA has raised from the private sector. To date, the DMA has already raised a dollar-for-dollar match from the private sector in total sponsor and vendor dollars for 2018.

The events have become increasingly popular and have developed a following. The increased attendance at events has sparked a need for added attractions at every event. The added attractions and attendance translate to requiring additional staff (paid and volunteers) on hand to manage each event safely and appropriately. As a point of reference, event attendance during the 2017 season was nearly 36,000, with the Car Show and Oktoberfest attendance numbers making up 50% of that total.

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 free-standing community with a historic tradition. Downtown also provides a venue for events that contribute to the attraction of living in Castle Rock for all residents. The Downtown events help unify Castle Rock and increase residents' sense of community.

For fourteen years, the Downtown Merchants Association has produced and promoted a tremendously popular outdoor event series. The series offered in 2018 (current year) includes two Starlight Summer Movies, Classic Rock Cruise In Concert and Street Party, Classic Rock Cruise In Car Show, one Splash in

the Park event, a handful of “planned activities” to activate the new Festival Park, Boots and Brews, three Concert and Street Parties and Oktoberfest.

The attached funding request for 2019, reflects the DMA’s plan to produce the Downtown Events that the community has come to know and love including Starlight Movies (up to 4), Car Show Concert and Car Show, Splash in the Park/Fun in the Sun, Oktoberfest and Street Party and Concerts (up to four, including the rapidly growing Boots and Brews event).

The Downtown Merchants Association strives to develop free family friendly events that attract a diverse range of residents and visitors. The cost to produce these events continues to rise and the Downtown Merchants Association continues to maintain a strict budget which is scalable for each event based upon sponsor and vendor interest. The DMA model for producing events continues to evolve based upon current economic conditions, staff/sponsor/vendor/volunteer appetite and Town funding. The Downtown Merchants Association has historically relied on volunteer support for assistance during events but the months and weeks leading up to the event are administratively intensive. As events increase in attendance, the need for administrative or paid support at the events has increased.

In addition to the Town’s important funding, the Downtown Merchants Association relies on private-sector cash and in-kind sponsorships, as well as the income generated from sales at some of the events. The success of these events relies strongly on the Town’s financial participation to produce quality, family-friendly events for the community. The Downtown Merchants Association also strongly depends on the in-kind support the Town provides, such as public safety personnel and street closures. The events for 2017 brought almost 36,000 people into Downtown Castle Rock, early indicators for 2018 (social media analytics and sponsor dollars) point to an increase in attendance numbers.

The Downtown Merchants Association is appreciative of the Town’s funding and organizational support. Thank you for your consideration.

Sincerely,



Kevin Tilson
Director
Castle Rock Downtown Alliance

**2019 SERVICE ORGANIZATION
FUNDING APPLICATION**

ORGANIZATION REQUESTING FUNDING:

Castle Rock Downtown Merchants Association

I. 2019 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>Starlight Movie Series (up to four movies)</u>	<u>\$6,000</u>
<u>Car Show Street Party & Concert</u>	<u>\$5,000</u>
<u>Car Show</u>	<u>\$6,000</u>
<u>Street Party & Concert Series (up to four, including Boots & Brews)</u>	<u>\$16,000</u>
<u>Splash in the Park/Fun in the Sun (up to four event dates)</u>	<u>\$4,000</u>
<u>Oktoberfest</u>	<u>\$9,000</u>
<u>Staff</u>	<u>\$29,000</u>
 TOTAL FUNDING REQUEST	 <u>\$75,000</u>

II. 2019 PROJECTED ORGANIZATION BUDGET

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

2019 projected organizational budget

(Including funding from the Town) \$250,000

Projected sources of revenue

<u>Sponsorships and Vendor Booths</u>	<u>\$85,000</u>
<u>Beverage Sales</u>	<u>\$90,000</u>
<u>Town of Castle Rock</u>	<u>\$75,000</u>
 TOTAL PROJECTED REVENUE	 <u>\$250,000</u>

Projected expenditures

(By major budget category)

<u>Starlight Movie Series (up to four)</u>	<u>\$20,000</u>
<u>Car Show Street Party & Concert</u>	<u>\$9,000</u>
<u>Car Show</u>	<u>\$18,000</u>
<u>Street Party & Concert Series (up to four, including Boots & Brews)</u>	<u>\$40,000</u>
<u>Splash in the Park/Fun in the Sun (up to four event dates)</u>	<u>\$9,000</u>
<u>Oktoberfest</u>	<u>\$50,000</u>
<u>Community Marketing</u>	<u>\$9,500</u>
<u>DMA – EDC Contract</u>	<u>\$70,000</u>
<u>Contract Labor</u>	<u>\$12,000</u>
<u>Insurance – Event and D&O</u>	<u>\$5,000</u>
<u>Administrative – Accounting, Legal, Supplies, Permits, Banking</u>	<u>\$7,500</u>
 TOTAL PROJECTED EXPENDITURES	 <u>\$250,000</u>

III. 2019 PROPOSED PERFORMANCE OBJECTIVES

*Please propose up to eight measurable performance objectives that your organization will strive to accomplish in **direct relationship to any funding and contract awarded by the Town.***

In accordance with the contracts, organizations will be required to track and report on attainment of the objectives at the middle and end of the contract term.

1. In 2018 (current year), the Downtown Merchants Association is producing the Summer Event Series free to the public which includes: 2 Starlight Movies, Classic Rock Cruise In Car Show Concert & Street Party, Classic Rock Cruise In Car Show, 1 Fun in the Sun event, 2 planned activities dates in Festival Park, 4 Concert and Street Parties (including Boots & Brews and Cinco De Mayo) and Oktoberfest. This line up was 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.

The DMA has seen increased attendance at events year over year. Estimated event attendees at DMA hosted events exceeds 35,000. The projected attendance for 2019 is approximately 38,000 visitors, or a 10% increase year over year. The increase is based upon the popularity of the first event hosted this season (Cinco De Mayo) with nearly 5,000 visitors, combined with the mix of events slated for the 2019 season.

2. 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 over 34,000 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.
3. The DMA events provide a strong marketing platform for the Town and all Downtown businesses. The events bring many folks from Castle Rock, as well as regionally, into Downtown to get a glimpse of the many shops, restaurants and services offered. The events help to foster a sense of place and community for the Town which contributes significantly to the attraction of living in the Town of Castle Rock. The DMA plans to continue to encourage Downtown businesses to participate in the array of events and activities in the Downtown district. Their participation not only enhances the events, but also allows the business owner to capitalize on a crowd that is attending the event in front of their Downtown storefront.

To further that mission, the DMA has expanded its support of the Downtown business community by purchasing gift cards to Downtown retail businesses to give away at DMA events. The gift cards, ranging in value from \$15 - \$25 help get event attendees into the front door of the local businesses. In 2017, the DMA purchased a total of \$1,055 in gift cards from 50 businesses. In addition, businesses collectively donated \$650, totaling \$1,705 in giveaways at the events. Event attendees entered to win the cards by going on the Downtown Castle Rock Facebook page and posting a fun picture, emoji or comment on the event page.

4. The DMA's mission is to strengthen the Downtown business community. A stronger Downtown business community translates to increased sales tax and more local jobs. Currently, membership is free.

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

Jason Gray, President

Denise Fuller, Vice President

Lynne Hurlburt

Nick Lucey

Steve Spencer

Kathy Church

Jason Bower, Town Council Liaison

Staff and Additional Support

Kevin Tilson, Director, Castle Rock Downtown Alliance

Angie Vencill, Assistant Director, Castle Rock Downtown Alliance

Kristen Bowling, Project Manager, Castle Rock Downtown Alliance

Kaitlynn Klafka, Event Assistant, Castle Rock Downtown Alliance

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

Karah Reygers, Project Manager, Castle Rock EDC