



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 14, 2021

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 2022 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 **\$75,000**. The DMA proposes a line-up of events for 2022 that bring 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 DMA 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 2022 Funding Application:

Leverage

The DMA 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 DMA 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 increases Sales Tax revenue. The larger events provide great family friendly attractions helping to improve the quality of life for Castle Rock residents.

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 the same amount of funding as the prior year's application, \$75,000. The funds being requested are matched funds from what the DMA has raised from the private sector. The DMA would like to request payment of these funds at the beginning of the year (January 2022).

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.

The DMA strives to produce free, family friendly events that attract a diverse range of residents and visitors. The events have become increasingly popular and the cost to produce these events continues to rise. The DMA model is to maintain a strict budget which is scalable for each event based upon sponsor and vendor interest. This allows the DMA to evolve based upon current economic conditions and sponsor and vendor interest. 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. 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. In addition, a key aspect of the Town's support comes from the in-kind support that the DMA receives from the Town providing world class public safety personnel and assistance from staff with street closures and traffic barriers for events.

This funding request reflects an event lineup of free, family friendly events including a Movie in the Park, Pre-Car Show Concert and Car Show, Activities in the Park including events like Fun in the Sun, Yoga in the Park, Chalk in the Park and Music in the Park, Street Party and Concert Series, Oktoberfest, Fangtastic Festival and Downtown activation and marketing efforts.

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Kevin Tilson". The signature is fluid and cursive, with the first name "Kevin" and last name "Tilson" clearly distinguishable.

Kevin Tilson
Director
Castle Rock Downtown Alliance

**2022 SERVICE ORGANIZATION
FUNDING APPLICATION**

ORGANIZATION REQUESTING FUNDING:

Castle Rock Downtown Merchants Association

I. 2022 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>Movie in the Park (up to two)</u>	<u>\$6,000</u>
<u>Pre-Car Show Concert</u>	<u>\$5,000</u>
<u>Car Show</u>	<u>\$6,000</u>
<u>Street Party & Concert Series (up to four)</u>	<u>\$15,000</u>
<u>Activities in the Park</u>	<u>\$4,000</u>
<u>Oktoberfest</u>	<u>\$10,000</u>
<u>Staff</u>	<u>\$29,000</u>
 TOTAL FUNDING REQUEST	 <u>\$75,000</u>

II. 2022 PROJECTED ORGANIZATION BUDGET

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

2022 projected organizational budget

(Including funding from the Town) \$300,000

Projected sources of revenue

<u>Sponsorships and Vendor Booths</u>	<u>\$105,000</u>
<u>Beverage Sales</u>	<u>\$120,000</u>
<u>Town of Castle Rock</u>	<u>\$75,000</u>

TOTAL PROJECTED REVENUE \$300,000

Projected expenditures

(By major budget category)

<u>Movie in the Park (up to two)</u>	<u>\$12,000</u>
<u>Pre-Car Show Concert</u>	<u>\$10,000</u>
<u>Car Show</u>	<u>\$20,000</u>
<u>Street Party & Concert Series (up to four)</u>	<u>\$50,000</u>
<u>Activities in the Park</u>	<u>\$8,000</u>
<u>Oktoberfest</u>	<u>\$70,000</u>
<u>Downtown Activation & Marketing</u>	<u>\$8,000</u>
<u>DMA – EDC Contract – Personnel, Office Lease, Technology</u>	<u>\$90,000</u>
<u>Contract Labor</u>	<u>\$22,000</u>
<u>Insurance – Event and D&O</u>	<u>\$5,000</u>
<u>Administrative – Accounting, Legal, Supplies, Permits, Banking</u>	<u>\$5,000</u>

TOTAL PROJECTED EXPENDITURES \$300,000

III. 2022 PROPOSED PERFORMANCE OBJECTIVES

1. In 2022, the DMA is planning a Summer Event Series that is family friendly and free to the public which includes:
 - Spring Kickoff Concert
 - Starlight Movie Night
 - Pre-Car Show Concert
 - Classic Rock Cruise In Car Show
 - Boots and Brews
 - Concert Under the Lights
 - Activities in the Park including events like: Fun in the Sun, Yoga in the Park, Chalk in the Park, Music in the Park, Fangtastic Festival.
 - Oktoberfest
 - As well as continuing with commerce generating marketing campaigns

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. Adjustments to this lineup may be made based on popularity of 2021 events.

2. Increase Sales Tax

The DMA events provide a strong marketing platform for the Town and all Downtown businesses. The events bring many people 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, and in turn generates Sales Tax.

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 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. For 2022, the DMA proposes to continue to organize town-wide events on one calendar.

4. Online Presence Reviews

With COVID-19, there are more people online than ever and the Downtown Merchants Association wants to help local merchants make a good first impression online. As such, staff created a free, online presence review program to analyze business' websites, Google+ accounts, Yelp and social media platforms, including Instagram and Facebook. When needed staff will setup these accounts for business owners.

5. 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, business highlights and other efforts to drive energy and activity to Downtown.

6. 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 2022, 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
Denise Fuller
Nick Lucey
Lou Scileppi
Bernie Greenberg
Kevin Bracken, Town Council Liaison

Staff and Additional Support

Kevin Tilson, Director, Castle Rock Downtown Alliance
Katelyn Cuff, Project Manager, 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, Vice President, Castle Rock EDC