



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, 2017

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 2018 service contract. The Alliance is made up of two entities with different organizational structures and missions, and as such, the two entities will be submitting 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 2017 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 2020 Plan, specifically:

- Providing outstanding cultural and entertainment opportunities;
- Sustaining a high quality of life as a safe, family-friendly community;
- Maintaining a vibrant downtown; and
- Maintaining a strong sense of community and small-town character.

Per the direction from the Town, the remainder of this letter will follow items as outlined in the 2018 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 has expanded its opportunities for the Downtown businesses to participate. Specifically, the DMA is sponsoring balloons for businesses to hang at their front door to welcome folks into their shop during events. Also, the DMA is purchasing gift cards in amounts between \$15 - \$25 to give away at DMA events. The hope is that both efforts will encourage additional traffic into the Downtown businesses which could translate into increased sales and expanded customer bases. Both of these efforts will be continued into the 2018 event season.

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 2017 application, \$75,000. 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). As events have grown, there is a greater need to put money down to reserve bands, stages and attractions in advance of the event.

The funds being requested are matched funds from what the DMA has raised from the private sector. The DMA has already raised \$75,000 from the private sector in total sponsor and vendor dollars providing a dollar-for-dollar match of the fund being requested.

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 safely and appropriately manage each event. As a point of reference, event attendance during the 2016 season was nearly 36,000, with the Car Show and Oktoberfest attendance numbers making up 50% of that total. The Street Party & Concert has grown to be the third largest event.

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 thirteen years, the Downtown Merchants Association has produced and promoted a tremendously popular outdoor event series. The series offered in 2017 (current year) includes three Starlight Summer

Movies, Classic Rock Cruise In Concert and Street Party, Classic Rock Cruise In Car Show, four Splash in the Park events, Boots and Brews, three Concert and Street Parties and Oktoberfest.

The events produced by the DMA for 2018 are expected to bring a new level of excitement as the DMA sets up in a new enhanced Festival Park. The DMA plans 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, Oktoberfest and Street Party and Concerts (up to four, including the rapidly growing Boots and Brews event). Splash in the Park will return to Festival Park, taking advantage of the many great new features of the new park. The DMA is planning for up to 4 Splash in the Park events.

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 2016 brought almost 36,000 people into Downtown Castle Rock, early indicators for 2017 (two events, social media analytics and sponsor dollars) point to an increase in attendance numbers. The 2018 season projections anticipate another increase in attendance due to the renovated Festival Park and an increased social media and event following.

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

**2018 SERVICE ORGANIZATION
FUNDING APPLICATION**

ORGANIZATION REQUESTING FUNDING:

Castle Rock Downtown Merchants Association

I. 2018 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>\$12,000</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 (up to four event dates)</u>	<u>\$1,000</u>
<u>Oktoberfest</u>	<u>\$6,000</u>
<u>Staff</u>	<u>\$29,000</u>
 TOTAL FUNDING REQUEST	 <u>\$75,000</u>

II. 2018 PROJECTED ORGANIZATION BUDGET

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

2018 projected organizational budget

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

Projected sources of revenue

<u>Sponsorships and Vendor Booths</u>	<u>\$75,000</u>
<u>In Kind Services</u>	<u>\$25,000</u>
<u>Beverage Sales</u>	<u>\$75,000</u>
<u>Town of Castle Rock</u>	<u>\$75,000</u>

TOTAL PROJECTED REVENUE \$250,000

Projected expenditures

(By major budget category)

<u>Starlight Movie Series (up to four)</u>	<u>\$24,000</u>
<u>Car Show Street Party & Concert</u>	<u>\$5,000</u>
<u>Car Show</u>	<u>\$15,000</u>
<u>Street Party & Concert Series (up to four, including Boots & Brews)</u>	<u>\$40,000</u>
<u>Splash in the Park (up to four event dates)</u>	<u>\$6,000</u>
<u>Oktoberfest</u>	<u>\$35,000</u>
<u>Community Marketing</u>	<u>\$10,000</u>
<u>In Kind Sponsor Benefits</u>	<u>\$25,000</u>
<u>DMA – EDC Contract</u>	<u>\$65,000</u>
<u>Contract Labor</u>	<u>\$10,000</u>
<u>Insurance – Event and D&O</u>	<u>\$5,000</u>
<u>Administrative – Accounting, Legal, Supplies, Permits, Banking</u>	<u>\$10,000</u>

III. 2018 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 2017 (current year), the Downtown Merchants Association is producing the Summer Event Series free to the public which includes: 3 Starlight Movies, Classic Rock Cruise In Car Show Concert & Street Party, Classic Rock Cruise In Car Show, 4 Splash in the Park events, 3 Concert and Street Parties (including Boots & Brews) 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 2018 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 4,000 visitors, combined with the mix of events slated for the 2018 season.

2. The DMA also 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 30,000 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 a large number of 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 is expanding 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, will help get event attendees into the front door of the local businesses. Additionally, the DMA is sponsoring balloons for any business that would like to hang them at their front door during events.

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. The goal for 2017 is to continue to add new members and develop new membership levels and offerings that are at a low cost but add benefit; the free membership will still be offered. The plan is to roll out a new membership program at the beginning of 2018.

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

Nicole Sanders, Treasurer

Lynne Hurlburt

Nick Lucey

Steve Spencer

Kathy Church

Jason Bower, Town Council Liaison

Renee Valentine, 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

Terri Goudy, Event Coordinator, 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