



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 24, 2016

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

Dear Mayor Donahue and Town Council,

The Castle Rock Downtown Alliance, a partnership between the Downtown Merchants Association and Downtown Development Authority, thank you for this opportunity to present our request for a 2017 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 combined 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 2016 event offerings, utilizing requested funding from the Town of **\$75,000**. The events the Downtown Merchants Association produces will be in line with prior year's 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 2017 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 are not only a draw for the local community but have become a regional draw for the surrounding communities. The increase in

attendance at the events attracts additional sponsors and vendors which allows the Downtown Merchants Association to put on 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.

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 a slight increase over the 2016 request. In 2016, Town Council approved \$61,600, the DMA is asking for an increase of \$13,400, or \$75,000 for 2017. The DMA would like to request a payment of half of these funds at the beginning of the year and half of these funds in the middle of the year. 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 additional 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 needing additional staff (paid and volunteers) on hand to safely and appropriately manage each 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 twelve years, the Downtown Merchants Association has produced and promoted a tremendously popular outdoor event series. The series offered in 2016 (current year) includes two Starlight Summer Movies, Classic Rock Cruise In Concert and Street Party, Classic Rock Cruise In Car Show, 4 Splash in the Park events, Slide the City, Boots and Brews, Date Night Movie, Concert and Street Party, Oktoberfest, and Trick or Treat Street.

The event offerings for 2017 will change due to the Festival Park renovation. The DMA staff, however, is prepared to be creative and continue on with the standard events the community has come to know and love (Starlight Movies, Car Show, Oktoberfest and Concerts). Splash in the Park will not be an option for the 2017 because there is not another appropriate venue available in the Downtown district to host this event safely.

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 volunteer support wanes, 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 are anticipated to bring more than 30,000 people into Downtown Castle Rock.

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

Sincerely,



Kevin Tilson
Director
Castle Rock Downtown Alliance

**2017 SERVICE ORGANIZATION
FUNDING APPLICATION**

ORGANIZATION REQUESTING FUNDING:

Castle Rock Downtown Merchants Association

I. 2017 FUNDING REQUEST *(Please use this form for this information and not another format.)*

Breakdown of funds *(What would monies from the Town specifically be used for?)*

<u>Movie 1</u>	<u>\$3,500</u>
<u>Movie 2</u>	<u>\$3,500</u>
<u>Movie 3</u>	<u>\$3,500</u>
<u>Movie 4</u>	<u>\$3,500</u>
<u>Car Show Concert (Concert 1)</u>	<u>\$5,000</u>
<u>Car Show</u>	<u>\$6,000</u>
<u>Concert 2</u>	<u>\$5,000</u>
<u>Concert 3</u>	<u>\$5,000</u>
<u>Concert 4</u>	<u>\$5,000</u>
<u>Oktoberfest</u>	<u>\$6,000</u>
<u>Trick or Treat Street</u>	<u>\$1,000</u>
<u>Staff</u>	<u>\$28,000</u>
 TOTAL FUNDING REQUEST	 <u>\$75,000</u>

II. 2017 PROJECTED ORGANIZATION BUDGET

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

2017 projected organizational budget

(Including funding from the Town) \$231,870

Projected sources of revenue

<u>Sponsorships and Vendors</u>	<u>\$75,000</u>
<u>In Kind</u>	<u>\$25,000</u>
<u>Beverage Sales</u>	<u>\$56,870</u>
<u>Town of Castle Rock</u>	<u>\$75,000</u>

TOTAL PROJECTED REVENUE \$231,870

Projected expenditures

(By major budget category)

<u>Movie Series (4 movies)</u>	<u>\$21,600</u>
<u>Car Show & Car Show Concert</u>	<u>\$17,000</u>
<u>Oktoberfest</u>	<u>\$36,848</u>
<u>Concert Series (4 concerts)</u>	<u>\$40,000</u>
<u>Trick or Treat Street</u>	<u>\$4,550</u>
<u>Community Marketing</u>	<u>\$6,500</u>
<u>In Kind Sponsor Benefits</u>	<u>\$30,000</u>

<u>DMA – EDC Contract</u>	<u>\$55,872</u>
<u>Contract Labor</u>	<u>\$7,500</u>
<u>Insurance – Event, D&O</u>	<u>\$8,000</u>
<u>Bookkeeping, legal, supplies</u>	<u>\$4,000</u>
 TOTAL PROJECTED EXPENDITURES	 <u>\$231,870</u>

III. 2017 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. (Not quarterly, as previously required.)

1. In 2016 (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, Slide the City, 4 Splash in the Park events, Boots & Brews, Concert and Street Party, Date Night Movie, Oktoberfest and, in partnership with the Town of Castle Rock, Trick or Treat Street. 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.

For 2017, the event offerings for will change due to the Festival Park renovation. The DMA staff, however, is prepared to be creative and continue on with the standard events the community has come to know and love, which include 4 Starlight Movies, Car Show Concert, Car Show, Oktoberfest and 3 Concerts, in addition to partnering with the Town to produce Trick or Treat Street. Splash in the Park will not be an option for the 2017 because there is not another appropriate venue available in the Downtown district to host this event safely. The projected attendance is approximately 30,000 visitors.

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 20,000 households.
3. The DMA is the voice of the Downtown business community and its communication network helps facilitate and support the work of the Town and Downtown Development Authority. To date, in 2016, two Stakeholders Public Meetings have been conducted. Invitations to this meeting are extended to the Town, EDC, Chamber and Downtown business community.
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.
5. 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.

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

John Manka, Vice President

Nicole Sanders, Treasurer

Denise Fuller

Nick Lucey

Steve Spencer

Kathy Church

Mark Heath, 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

Terri Goudy, Event Coordinator, Castle Rock Downtown Alliance

Frank Gray, President and CEO, Castle Rock EDC

Marcus Notheisen, Vice President, Castle Rock EDC

Karah Reygers, Project Manager, Castle Rock EDC and Downtown Alliance

Birgit Braehler, Office Manager, Castle Rock EDC and Downtown Alliance