



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, 2019

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), 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, 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 the 2019 event offerings, utilizing requested funding from the Town of **\$75,000**. The DMA proposes a line-up of events for 2020 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 2020 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 increased Sales Tax revenue.

In an effort to generate commerce, the DMA expanded its opportunities for the Downtown businesses to participate in events. The DMA works with Downtown Businesses 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 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 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 2019.

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 DMA has produced and promoted a tremendously popular outdoor event series. The series offered in 2019 (current year) includes:

- Spring Kickoff Concert
- Starlight Movie
- Car Show Concert
- Car Show
- Fun in the Sun
- Planned Activities in Festival Park
- Boots and Brews
- Street Party and Concert
- Sunday Dinner
- Oktoberfest

The attached funding request for 2020, 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) similar to 2019.

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 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. 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.

In addition to the Town's important funding, the DMA relies on private-sector paid 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 DMA also strongly depends on the in-kind support the Town provides, such as public safety personnel and street closures. The events for 2018 brought an estimated 37,000 people into Downtown Castle Rock, early indicators for 2019 (social media analytics and sponsor dollars) point to strong attendance numbers.

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

**2020 SERVICE ORGANIZATION
FUNDING APPLICATION**

ORGANIZATION REQUESTING FUNDING:

Castle Rock Downtown Merchants Association

I. 2020 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. 2020 PROJECTED ORGANIZATION BUDGET

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

2020 projected organizational budget

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

Projected sources of revenue

<u>Sponsorships and Vendor Booths</u>	<u>\$109,000</u>
<u>Beverage Sales</u>	<u>\$116,000</u>
<u>Town of Castle Rock</u>	<u>\$75,000</u>
 TOTAL PROJECTED REVENUE	 <u>\$300,000</u>

Projected expenditures

(By major budget category)

<u>Starlight Movie Series (up to four)</u>	<u>\$25,000</u>
<u>Car Show Street Party & Concert</u>	<u>\$10,000</u>
<u>Car Show</u>	<u>\$20,000</u>
<u>Street Party & Concert Series (up to four, including Boots & Brews)</u>	<u>\$60,000</u>
<u>Splash in the Park/Fun in the Sun (up to four event dates)</u>	<u>\$10,000</u>
<u>Oktoberfest</u>	<u>\$60,000</u>
<u>Community Marketing</u>	<u>\$9,000</u>
<u>DMA – EDC Contract</u>	<u>\$80,000</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>\$9,000</u>
 TOTAL PROJECTED EXPENDITURES	 <u>\$300,000</u>

III. 2020 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 2019 (current year), the Downtown Merchants Association will produce the Summer Event Series free to the public which includes:

- Spring Kickoff Concert
- Starlight Movie
- Car Show Concert
- Car Show
- Fun in the Sun
- Planned Activities in Festival Park
- Boots and Brews
- Street Party and Concert
- Sunday Dinner
- 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 in 2018 exceeds 37,000. The projected attendance for 2019 is approximately 38,000 visitors.

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, and in turn generate Sales Tax.

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 2018, the DMA purchased a total of \$1,100 in gift cards from 31 businesses. In addition, businesses collectively donated \$695, totaling \$1,795 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

Denise Fuller, President

Hayley Monteferrante, Treasurer

Nick Lucey

Steve Spencer

Kathy Church

Lou Scileppi

Kevin Bracken, Town Council Liaison

Staff and Additional Support

Kevin Tilson, Director, Castle Rock Downtown Alliance

Kristen Bowling, Manager, Castle Rock Downtown Alliance

Audrey Spencer, 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, Project Manager, Castle Rock EDC