



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

May 30, 2025

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 2026 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 **\$102,000**. The DMA proposes a line-up of events for 2026 that will improve the quality of life for Castle Rock residents and visitors, increase economic activity and vibrancy, and showcases the community's small-town charm.

Downtown Castle Rock and the events produced by the DMA are important aspects 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 requested in the 2026 Funding Application:

Leverage

For every \$1 received from the Town, the DMA generates an additional \$3 to pay for community events and activations in Downtown.

This generally comes from 3 sources:

- Sponsorship sales
- Vendor booth sales
- Alcohol sales

This leverages the funds provided by the Town of Castle Rock in a significant way. It allows the DMA to produce events for the Town of Castle Rock at a fraction of what it would cost the Town to produce them without this partnership.

The Castle Rock DMA is proud to produce events that support a high quality of life for the Castle Rock residents and visitors, and that generate commerce supporting the small businesses that call Castle Rock home. Events have expanded their reach, drawing attendees not only from the local community but also regionally. This increased activity boosts commerce and sales tax generation, benefiting both Downtown and the wider Town. Funds invested in DMA events are leveraged to generate revenue in this way to support core Town services.

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 an increase of \$4,150 for 2026. The DMA did not request an increase for 2025 despite the fact that inflation had increased the cost to produce events. Recognizing that the Town was asking for .2% sales tax increase from voters in 2025, the DMA opted to wait until 2026 to request an increase being mindful that the Town was also being impacted by inflation and was uncertain whether the 2025 ballot measure would pass.

For 2026, the events proposed for inclusion in the Service Contract are the same as in 2025, which are:

- | | |
|-------------------------------------|----------------------------------|
| • Spring Kickoff Concert | • Boots and Brews |
| • Car Show Street Party and Concert | • Oktoberfest |
| • Classic Rock Cruise In Car Show | • Music in the Park (4-8 events) |

Historically, the DMA has strived to produce events in addition to what is listed above and included in its Service Contract with the Town as a way to provide additional value. While inflation has impacted the DMA's ability to produce additional events beyond what is included in its Service Contract, events such as Restaurant Week, Fangtastic Festival, an additional 2-4 Music in the Park events, Trolley Rides in the Summer and Winter, and Carriage Rides continue to be in the plan for 2026. These events typically do not generate revenue and many of them operate at a loss; however their value lies in the benefit to the community that comes from safe, free, and family-friendly events. Rising costs and the availability of sponsorship dollars will be a key aspect of whether these additional events (above and beyond what is included in the bulleted list above) can be produced in 2026.

Additional Information

The Downtown is an important community asset. Vibrant downtowns with strong economies do not happen by chance. They require a focused effort from local leadership to be successful. The businesses located Downtown generate sales and property tax revenue and distinguish Castle Rock as a distinct free-standing community with a historic tradition. Downtown provides a venue for events that contribute to the attraction of living in Castle Rock. The Downtown events help connect Castle Rock and increase residents' sense of community and quality of life.

For these reasons and more, we believe the partnership with the Town of Castle Rock is a win-win. The DMA helps the Town to provide community events for the benefit of residents and visitors, and, in the process, these events help to generate excitement and interest in Downtown.

The events produced by the DMA through this Service Contract allow the Town to provide community events to the public without having to add government staff or government expenses to pay for the entire event. For about a quarter of the cost of community events, the Service Contract with the DMA provides professional, small town community events that incorporate local businesses, local breweries and local food trucks, and these partnerships with the private sector pay for about three quarters of the cost of these events. This model was created when the Town did not have funding for community events and has continued as a way for the Town to maximize the use of a taxpayer's dollar.

Additionally, the DDA Downtown Special Fund continues to pay over \$50,000 a year to the Town to support police, fire and Town services at all Downtown events.

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

**2026 SERVICE ORGANIZATION
FUNDING APPLICATION**

ORGANIZATION REQUESTING FUNDING:

Castle Rock Downtown Merchants Association

I. 2026 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>Spring Kick Off Concert</u>	<u>\$6,000</u>
<u>Car Show Kickoff Concert</u>	<u>\$6,000</u>
<u>Car Show</u>	<u>\$7,000</u>
<u>Boots and Brews (after Douglas County Fair Parade)</u>	<u>\$7,000</u>
<u>Music in the Park (4-8 events)</u>	<u>\$4,000</u>
<u>Oktoberfest</u>	<u>\$20,000</u>
<u>Staff</u>	<u>\$52,000</u>
 TOTAL FUNDING REQUEST	 <u>\$102,000</u>

II. 2025 PROJECTED ORGANIZATION BUDGET

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

2025 projected organizational budget

(Including funding from the Town) \$466,000

Projected sources of revenue

<u>Sponsorships and Vendor Booths</u>	<u>\$115,000</u>
<u>Beverage Sales</u>	<u>\$225,000</u>
<u>Town of Castle Rock</u>	<u>\$102,000</u>
<u>Carriage Sales</u>	<u>\$24,000</u>

TOTAL PROJECTED REVENUE \$466,000

Projected expenditures

(By major budget category)

<u>Spring Kickoff Concert</u>	<u>\$23,000</u>
<u>Car Show Kickoff Concert</u>	<u>\$19,000</u>
<u>Car Show</u>	<u>\$25,000</u>
<u>Boots and Brews (after Douglas County Fair Parade)</u>	<u>\$25,000</u>
<u>Music in the Park (4-8 events)</u>	<u>\$7,000</u>
<u>Oktoberfest</u>	<u>\$120,000</u>
<u>Activations, Enhancements and Performances*</u>	<u>\$4,000</u>
<u>Fangtastic Festival*</u>	<u>\$4,000</u>

<u>Restaurant Week – Social Activation Campaigns*</u>	<u>\$4,000</u>
<u>Winter Activation - Carriage Rides*</u>	<u>\$53,000</u>
<u>Personnel, Office Lease, Technology</u>	<u>\$62,000</u>
<u>Contract Labor</u>	<u>\$80,000</u>
<u>Insurance – Event and D&O</u>	<u>\$7,000</u>
<u>Administrative – Accounting, Legal, Supplies, Permits, Banking</u>	<u>\$42,000</u>

TOTAL PROJECTED EXPENDITURES	<u>\$476,000</u>
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III. 2026 PROPOSED PERFORMANCE OBJECTIVES

1. In 2026, the DMA is planning to produce a Summer Event Series in partnership with the Town of Castle Rock that is family-friendly and free to the public which includes:
 - Spring Kickoff Concert
 - Car Show Street Party and Concert
 - Classic Rock Cruise-In Car Show
 - Boots and Brews
 - Oktoberfest
 - Music in the Park (4-8 events in Festival Park)

The DMA Board is excited to produce the events listed above in partnership with the Town of Castle Rock for the community in 2026. These community events improve the quality of life for Castle Rock residents and visitors, and are an important aspect of a successful community!

Each year the DMA Board meets to discuss the current year's events and evaluate adjustments and improvements for the coming year. The board and staff consider many factors including feedback from the community, feedback from Town Council, the economic impact of each event, attendance, sponsor interest, the financials of each event and other factors. The DMA may request adjustments to this proposed list of events based on these factors from 2025 events that have not yet occurred, since at the time of submitting this request (May 2025) only one event in 2025 had been completed.

2. Improved Quality of Life and Generate Commerce
In the Town's community survey "downtown" and "community character" are always ranked very high by the residents. The events produced by the DMA help foster a sense of place and community for the Town. Safe, family-friendly opportunities for entertainment and fellowship with neighbors strengthens the Town and increases happiness among residents and visitors.

Downtown events bring many people from Castle Rock, as well as regionally, into the Town and into Downtown. Events encourage people to get out of their homes and into the community. This creates a healthier, happier community and generates commerce and sales tax which supports important Town services.

3. Downtown Marketing and Communication
The DMA serves as a partner with the Town of Castle Rock, Chamber of Commerce and Douglas County to produce a direct mail piece that goes out two times per year to Castle Rock households. The direct mail piece advertises all of the partner events in addition to outside events and has become an effective form of communication within the Castle Rock community. Staff will continue to work to promote Downtown and Downtown events through light pole banners, social media campaigns and other efforts to drive energy and activity to Downtown.

In addition, the DMA has a robust schedule of notifications to Downtown businesses about street closures for Downtown events, not only sharing information about DMA events, but also Town events and Chamber of Commerce events. The DMA closes streets twice a year for the Car Show Weekend and Oktoberfest. For 2026, the DMA plans to continue these coordinated efforts to communicate street closure information with the Town and Chamber of Commerce.

4. 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 through DMA social media campaigns. The gift cards, ranging in value from \$15 - \$25, help drive traffic to local businesses. For 2026, 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
Jordan Hinton, Treasurer
Morgan Brubaker, Secretary
John Johnson
Lou Scileppi
Mark Heath
Jessica Whitt
Kevin Bracken, Town Council Liaison

Staff and Additional Support

Kevin Tilson, Director, Castle Rock Downtown Alliance
Karah Reygers, Asst. Dir., Downtown Alliance & VP of Marketing & Operations, Castle Rock EDC
Taylor Sneed, Events and Project Manager
Ashley Simons, 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

From: Kevin Tilson <kevint@downtowncastlerock.com>
Sent: Tuesday, October 14, 2025 11:30 AM
To: Dave Corliss <DCorliss@crgov.com>
Subject: Service Contracts Follow Up

Dave,

I am following up on your request for narrative re: the DMA/DDA increase request just to make sure you have everything you need. There is explanation of the need for an increase in the cover letter provided with the Service Contract Application, but here are the explanations pulled out for your convenience:

DMA

The DMA is requesting an increase of \$4,150 for 2026. The DMA did not request an increase for 2025 despite the fact that inflation had increased the cost to produce events. Recognizing that the Town was asking for .2% sales tax increase from voters in 2025, the DMA opted to wait until 2026 to request an increase being mindful that the Town was also being impacted by inflation and was uncertain whether the 2025 ballot measure would pass. This increase equates to a roughly 2.1% increase per year.

DDA:

The DDA is requesting the same funding as previously requested. This request continues the historic agreement for a match of the DDA's 3 mill levy. This amount is estimated to be \$220,000-\$235,000.

I have attached the two cover letters. Please let me know of any questions.

Thanks,
Kevin

Kevin Tilson
Director
Castle Rock Downtown Alliance
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