



Castle Rock Downtown Alliance

A partnership between the Downtown Development Authority and Downtown Merchants Association

Downtown Development Authority

18 S. Wilcox Street #202
Castle Rock, CO 80104

June 12, 2023

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 2024 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 requests a continued partnership between the Town of Castle Rock and the **Downtown Development Authority**, by requesting the continued support from the Town in the form of an annual match of the DDA's mill levy revenue. The preliminary mill levy information was not available at the time of this letter however the DDA mill levy revenue matching request is estimated at a range of **\$205,000-220,000**. These funds are used to support the DDA's operational and program budget.

Per the direction from the Town, the remainder of this letter will follow the items as outlined in the 2024 Funding Application:

Leverage

The funds that the Town provides to the DDA to match the mill levy revenue are a key piece of the success of Downtown and are leveraged in many ways. The financial support provided by the Town through this service contract is matched by the businesses in the DDA District from the 3 mill levy tax. This partnership was formed at the inception of the DDA with an agreement that if the Downtown businesses voted to tax themselves an additional 3 mills for Downtown, the Town would agree to match this revenue each year. In addition, when these dollars are put into the community through façade grant programs, patios, redevelopment projects and other Downtown investments, these dollars are once again matched by the private sector through the structuring of these deals. The DDA aims to act much like the private sector by making investments in projects that have a return on investment to the

Town, DDA and to Downtown as a whole, and DDA projects are structured in a way that the private sector and Town have a stake in the investment and the success.

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 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. For 2024, this amount is estimated to be in the range of \$205,000-220,000 however preliminary numbers from the County were not available at the time this letter was written (May 2023). The DDA proposes to once again work with Town Staff to insert the actual number that is certified for the 3 mill levy into the DDA service contract, for a dollar for dollar match. The preliminary certification from the County is received in August with the final certification in December. This structure has been in place since the inception of the DDA, and was a promise made by the Town to the taxpayers when voting on whether to create a DDA and tax themselves. This structure offered that if the taxpayers voted to tax themselves an additional 3 mills on their property taxes, that the Town would match these funds each year to create the operating budget for the DDA.

Additional Information

The DDA is a governmental entity created with and by the Town and taxpayers in the Downtown district. The goal is to encourage private sector investment/reinvestment to promote and establish a vibrant Downtown. At the inception of the DDA, a Plan of Development was created by the community and Town Council which provides direction, guidance, and vision to the DDA. The following is outlined in the Guiding Principles of the Plan of Development:

- Create a welcoming, pedestrian friendly Downtown core.
- Protect and enhance the historic character of Downtown.
- Identify catalytic investment opportunities and develop a regulatory environment to support them.
- Strategically and specifically plan for public investment in infrastructure needs in order to leverage private development.
- Create a "Downtown First" policy for local and county governmental expansion, multi-modal transportation hub location, commuter rail location and Community Cultural Facilities.
- Provide direct and easy access to trails and open space.
- Ensure that public spaces in the Downtown area are family friendly, inviting, safe and well programmed.

The following projects have helped the DDA and Town pay for public infrastructure improvements including the \$7 million investment in Festival Park, the Lights over Wilcox, the roundabout at South Street and Wilcox Street, the maintenance on the 300+ public parking space garage maintenance at the Encore building, the purchase of 100 public parking spaces at The View building, \$50,000 to police, fire and Town services for Downtown events, a train horn quiet zone at 3 railroad crossings in Downtown, and in 2023 an effort to expand public parking on the north end of Downtown, as well as preserve one

of the oldest buildings in Downtown Castle Rock, the City Hotel. The list below includes projects that the DDA and Town have redevelopment agreement with, and ancillary projects that chose Castle Rock in order to be a part of the excitement and improving economy:

- The Move Tech Oriented Office Building at 6th and Jerry Street.
- Wild Blue Yonder Brewery at 6th and Wilcox Street.
- The ACME Water Tower Buildings at 6th and Perry Street.
- The Mercantile Commons Mixed Use Building at 3rd and Jerry Street.
- The Mirage Dental Building at Plum Creek Pkwy and Wilcox Street.
- The Ecclesia Food Market at 3rd and Perry Street.
- The Riverwalk Mixed Use Building at 2nd and Wilcox Street.
- Festival Park at 2nd Street and Wilcox Street.
- Encore Mixed Use Building at 1st and Wilcox Street.
- The View Mixed Use Building at 8th and Jerry Street.
- 221 Wilcox Street Mixed Use building at 3rd and Wilcox Street.
- Perry Street Social District at 4th and Perry Street.
- Expansion at Scileppi's at the Old Stone Church at 3rd and Jerry Street.

In addition, we continue to work closely with the private sector to encourage and guide proposed investment in Downtown Castle Rock. As Downtown continues to change, it will be important to maintain balance with new investment and preservation of character and history. In 2022, following direction from Town and DDA leadership, small scale development projects the Perry Street Social District and Scileppi's were supported, contributing to preservation of character and history.

The DDA is appreciative of the Town's funding and organizational support and hopes to continue to build positive momentum in Downtown, working closely with the Town Council. Thank you for your consideration.

Sincerely,



Kevin Tilson
Director
Castle Rock Downtown Alliance

**2024 SERVICE ORGANIZATION
FUNDING APPLICATION**

ORGANIZATION REQUESTING FUNDING:

Castle Rock Downtown Development Authority

I. 2024 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>Programs – Façade/Downtown Improvement Program</u>	<u>\$20,000</u>
<u>Programs - Flowerbox and Patio Program</u>	<u>\$22,000</u>
<u>Professional Services – Accounting, Audit, Legal</u>	<u>\$18,000</u>
<u>Personnel</u>	<u>\$135,000</u>
<u>Marketing and Public Website</u>	<u>\$9,000</u>
<u>Downtown Carriage Ride Program</u>	<u>\$11,000</u>

TOTAL FUNDING REQUEST \$215,000

II. 2024 PROJECTED ORGANIZATION BUDGET

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

2024 projected organizational budget

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

Projected sources of revenue

<u>County Mill Levy</u>	<u>\$215,000</u>
<u>County Specific Ownership Tax</u>	<u>\$18,000</u>
<u>Town Mill Levy Match</u>	<u>\$215,000</u>
<u>Flowerbox and Patio Rental Sales</u>	<u>\$18,000</u>

TOTAL PROJECTED REVENUE \$466,000

Projected expenditures

(By major budget category)

<u>Programs – Façade/Downtown Improvement Program</u>	<u>\$25,000</u>
<u>Programs – Downtown Carriage Ride Program</u>	<u>\$13,000</u>
<u>Programs – Flowerbox/Patio Program/Trolley</u>	<u>\$85,000</u>
<u>Professional Services – Accounting, Audit, Legal</u>	<u>\$20,000</u>
<u>Office Administration – Rent, DC Treasurer, Facilities, Technology,</u>	<u>\$70,000</u>
<u>Personnel</u>	<u>\$245,000</u>
<u>Marketing, Banners, and Public Website</u>	<u>\$8,000</u>

TOTAL PROJECTED EXPENDITURES \$466,000

III. 2024 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.

The Downtown Development Authority works to increase vibrancy in Downtown Castle Rock. For 2024, the goals for the Downtown Development Authority include:

- Increase economic activity in Downtown:
 - Façade/Downtown Improvement Program: Support and encourage additional façade and beautification investment projects especially focusing on smaller scale expansion and enhancement projects, per direction from Town Council. In addition, focus on the landscape and environment in Downtown, seeking opportunities for landscaping, streetscaping and art.
 - Development projects: Actively participate in place making in Downtown which encourages a balance of redevelopment and preservation of historical buildings. Engage the private sector to encourage positive investment in Downtown Castle Rock. Prioritize investment in the core which builds momentum for upkeep and new investment and begin to expand outside the core. Projects that bring creative redevelopment and repurposing, as well as restaurant and retail space, office space and residential space are a top priority, which are agreed upon goals by the DDA and Town Council. Build on the momentum that has been generated in Downtown from projects like, Festival Park, the Move, Mercantile Commons, Riverwalk, Encore, The View, 221 Wilcox St. and façade improvements made by property owners.
 - Encourage Small Scale Development: Based on direction from the Town Council and DDA Board in 2022, the Downtown Enhancement Grant program was approved to encourage small scale development and adaptive re-use projects that preserve character and history. This program is managed by DDA Staff and the grant is paid for out of the Downtown Special Fund (funded by taxes generated in the Downtown District.)

- Increase charm and pedestrian activity:
 - Trolley: In 2022, the DDA initiated a pilot program to run the Trolley consistently on select evenings in July, and during the holiday season, with the goal to invest in the charm of a historic downtown. This effort was wildly successful generating strong ridership in both the summer and winter months, and from the young, old and everyone in between. For 2023, the DDA has reserved the Trolley again for regular operation in July and during the holidays, however at the time of this submittal the Trolley had not yet operated and thus ridership results were not available. In 2024, the Trolley is expected to be reserved again and operated in both the summer and winter months, continuing the operation of this free attraction that Castle Rock residents and visitors have come to appreciate.
 - Patio Program and Flower Boxes: Studies have shown that by increasing pedestrian activity and creating an attractive environment, there is an increase in economic activity. The patio program provides a public gathering place that also facilitates commerce and enhances the environment, and improvements like flower boxes help to beautify downtown and makes it a desirable place to be.

- Increase sales and traffic:
 - The goals outlined above are expected to enhance the environment and increase traffic Downtown and in turn sales to Downtown businesses, the key stakeholders in Downtown.
 - Additionally, the Downtown Development Authority hopes to identify and pursue projects that increase Sales Tax and Property Tax in Downtown directly from the tenants that reside in and adjacent to new projects. Projects that have a catalytic impact to Downtown will be actively explored and pursued and the Downtown Development Authority will continue to report to and seek feedback from the DDA Board and Town Council on this activity.

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 Development Authority Board Members

Stu Butler, Chair

Andrew Wasson, Vice Chair and Treasurer

John Manka

Kim Heideman

Josie Adler

David Miles

Kevin Bracken, Town Council Liaison

Staff and Additional Support

Kevin Tilson, Director, Castle Rock Downtown Alliance

Karah Reygers, Assistant Director, Downtown Alliance & VP of Marketing & Operations, Castle Rock EDC

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