



Castle Rock Downtown Alliance

A partnership between the Downtown Development Authority and Downtown Merchants Association

Downtown Development Authority

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 requests a continued partnership between the Town of Castle Rock and the **Castle Rock Downtown Development Authority**, by requesting the continuation of the Town's annual match of the Downtown Development Authority'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 \$165,000-195,000. These funds are used to support the Downtown Development Authority's operational and program budget.

Per the direction from the Town, the remainder of this letter will follow the items as outlined in the funding application:

Leverage

The funds that the Town provides to the Downtown Development Authority to match the mill levy revenue are a key piece of the success of Downtown and are leveraged in many ways. In addition to the match by the Downtown Development Authority generated through the 3 mill levy tax in Downtown, 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 Alliance aims to act much like the private sector by making investments in projects that have a return on investment to the Downtown Development Authority and to Downtown as a whole, and structured in a way that our partners (private sector and Town) have a stake in the investment and success.

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 request for funds remains the same as has been historically requested, which is a request for a match of the DDA 3 mills from the County Mill Levy. The amount from the County Mill Levy has fluctuated as high as \$151,000 since 2009. In 2017, this amount was estimated at \$150,000 but the actual amount generated was \$140,000.

For 2018, this amount is estimated to be in the range of \$165,000-195,000 however preliminary numbers from the County were not available at the time this letter was written. The DDA is optimistic that 2018 will be the first year that the DDA will exceed its pre-recession property tax levels.

The DDA would once again work with Town Staff to insert the actual number that is certified by the County Commissioners into the DDA service contract. The preliminary certification from the County is received in August with the final certification in December. Staff did meet with the County Assessor in order to prepare this June estimate and early indicators are that property values are going up.

Additional Information

The Downtown Development Authority is a quasi-governmental entity created with and by the Town to encourage private sector investment/reinvestment, increase Downtown's character and pedestrian activity as well as build Downtown sales and traffic. At the inception of the Downtown Development Authority, a Plan of Development was created by the community and Town Council which provides direction, guidance and vision to the Downtown Development Authority and 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.

In the last year, the DDA has had several significant building accomplishments, which could not be done without the support of the Town of Castle Rock, that will contribute to vibrancy in Downtown and a stronger economy for Downtown small businesses:

- The Mercantile Commons at 3rd and Jerry St. This mixed-use building received its Certificate of Occupancy in March 2017 and is providing space for restaurant and retail, office space and our first new residential space in Downtown in many years.
- The Riverwalk at 115 and 215 Wilcox St. This mixed-use, largely residential project adds unique restaurant, retail, office and residential space in Downtown. The project broke ground in the first part of 2017.
- Festival Park at 2nd Street and Wilcox St. This dynamic park project was designed as an attraction that will bring residents and visitors alike into Downtown supporting the Downtown economy. This project broke ground in February of 2017 and will be complete by the end of the year. This project continues to attract interest in redevelopment in Downtown.

In addition, we have seen building ownership change hands and/or significant investment made and proposed at various locations in Downtown Castle Rock. We have also had developer interest in additional residential space in Downtown, and additional dining and shopping options.

The Downtown Development Authority is appreciative of the Town's funding and organizational support and hopes to continue to build positive momentum in Downtown. Thank you for your consideration.

Sincerely,



Kevin Tilson
Director
Castle Rock Downtown Alliance

**2018 SERVICE ORGANIZATION
FUNDING APPLICATION**

ORGANIZATION REQUESTING FUNDING:

Castle Rock Downtown Development Authority

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>Programs - Façade Improvement Program</u>	<u>\$15,000</u>
<u>Programs - Flowerbox and Patio Program</u>	<u>\$15,000</u>
<u>Programs - Trolley Program</u>	<u>\$2,000</u>
<u>Professional Services – Accounting, Audit, Legal</u>	<u>\$15,000</u>
<u>Rink Admin., Programs, Operations, Personnel</u>	<u>\$81,000</u>
<u>Rink Equipment, Install, Utilities</u>	<u>\$42,000</u>
<u>Marketing and Public Website</u>	<u>\$10,000</u>
 TOTAL FUNDING REQUEST	 <u>\$180,000</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) \$522,000

Projected sources of revenue

<u>County Mill Levy</u>	<u>\$180,000</u>
<u>County Specific Ownership Tax</u>	<u>\$5,000</u>
<u>Town Mill Levy Match</u>	<u>\$180,000</u>
<u>Rink Sponsorships</u>	<u>\$25,000</u>
<u>Rink Sales</u>	<u>\$125,000</u>
<u>Flowerbox and Patio Rental Sales</u>	<u>\$7,000</u>
 TOTAL PROJECTED REVENUE	 <u>\$522,000</u>

Projected expenditures

(By major budget category)

<u>Programs - Façade Improvement Program</u>	<u>\$20,000</u>
<u>Programs - Flowerbox and Patio Program</u>	<u>\$15,000</u>
<u>Programs - Trolley Program</u>	<u>\$2,000</u>
<u>Professional Services – Accounting, Audit, Legal</u>	<u>\$21,000</u>
<u>Office Administration – Rent, Facilities, Technology</u>	<u>\$40,000</u>
<u>Personnel</u>	<u>\$235,000</u>
<u>Marketing and Public Website</u>	<u>\$10,000</u>
<u>Rink Admin., Programs, Operations, Personnel</u>	<u>\$115,000</u>
<u>Rink Equipment, Install, Utilities</u>	<u>\$60,000</u>
<u>Rink Marketing</u>	<u>\$4,000</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.

The Downtown Development Authority works to increase vibrancy in Downtown Castle Rock. For 2018, the goals for the Downtown Development Authority include:

- Increase economic activity in Downtown:
 - Development projects: Actively engage the private sector to bring additional positive development to Downtown Castle Rock. Drive development to the core and build redevelopment momentum in the core of Downtown, and begin to expand outside of the core. Actively participate in place making in Downtown. Prioritize projects that bring creative redevelopment and repurposing, as well as restaurant and retail space, office space and residential space 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 and façade improvements further noted in the cover letter with this application.
 - Façade Improvement Program: Support and encourage additional façade and beautification projects. Focus on the core area of Downtown.
- Increase charm and pedestrian activity:
 - Signage: Landmark and parking signage is needed in Downtown and the DDA will continue to investigate strategic investment in signage at the entry points to Downtown. To date DDA conversations have prioritized physical development projects as mentioned above over beautification and signage, however the increment generated from these projects in the next few years will provide a source of revenue that could fund beautification and signage.
 - Patio Program and Flower Boxes: Study after study has shown that by increasing pedestrian activity there is an increase in economic activity. The patio program provides a public gathering place that also facilitates commerce and enhances the environment, and improve flower boxes and beautify downtown.
- 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 help to increase Sales Tax and Property Tax Downtown. Projects that have a catalytic impact to Downtown will be actively explored and pursued and the Downtown Development Authority will report back on this activity.
 - Increase sales at the Rink at the Rock. Attendance has steadily increased at the Rink over the last four seasons. The latest season, however, has shown that sales are starting to plateau (5% increase year over year). Staff has focused on stabilizing expenses and implementing efficiencies at the Rink the last 3 seasons via the service

contract with Rink Management Services Corporation. A greater focus on activities at the Rink during the 2017-18 season is expected to generate increased sales.

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

Greg Boman, Chair
Stu Butler, Vice Chair
Mike Trede, Treasurer
John Manka
Nick Hier
Dennis Dickey
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