



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 22, 2020

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 2021 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 continuation of the Town's 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 **\$175,000-195,000**. 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 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 dollars provided by the Town are matched by the DDA, specifically using the funds generated by the Downtown businesses from the 3 mill levy tax in Downtown. 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 Alliance 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 our projects are structured in a way that our partners (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 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. For 2021, this amount is estimated to be in the range of \$175,000-195,000 however preliminary numbers from the County were not available at the time this letter was written (June 2020). 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, so that a dollar for dollar match is achieved. The preliminary certification from the County is received in August with the final certification in December.

Additional Information

The DDA is a 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 DDA, a Plan of Development was created by the community and Town Council which provides direction, guidance, and vision to the DDA 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.

The following projects have helped the DDA and Town pay for public infrastructure improvements including the \$7 million investment in Festival Park and the Lights over Wilcox. The list below includes projects that the DDA and Town negotiated redevelopment agreements with, and ancillary projects that chose Castle Rock in order to be a part of the excitement and strengthening 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.

In addition, we continue to the private sector propose investment in Downtown Castle Rock. As Downtown continues to change, it will be important to maintain balance with new investment and preservation of our 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

**2021 SERVICE ORGANIZATION
FUNDING APPLICATION**

ORGANIZATION REQUESTING FUNDING:

Castle Rock Downtown Development Authority

I. 2021 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>\$18,000</u>
<u>Programs - Flowerbox and Patio Program</u>	<u>\$16,000</u>
<u>Programs - Trolley Program</u>	<u>\$1,000</u>
<u>Professional Services – Accounting, Audit, Legal</u>	<u>\$15,000</u>
<u>Personnel</u>	<u>\$85,000</u>
<u>Rink Admin., Programs, Operations, Personnel</u>	<u>\$30,000</u>
<u>Rink Equipment, Install, Utilities</u>	<u>\$10,000</u>
<u>Marketing and Public Website</u>	<u>\$10,000</u>
 TOTAL FUNDING REQUEST	 <u>\$185,000</u>

II. 2021 PROJECTED ORGANIZATION BUDGET

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

2021 projected organizational budget

(Including funding from the Town) \$540,000

Projected sources of revenue

<u>County Mill Levy</u>	<u>\$185,000</u>
<u>County Specific Ownership Tax</u>	<u>\$5,000</u>
<u>Town Mill Levy Match</u>	<u>\$185,000</u>
<u>Rink Sponsorships</u>	<u>\$25,000</u>
<u>Rink Sales</u>	<u>\$115,000</u>
<u>Flowerbox and Patio Rental Sales</u>	<u>\$10,000</u>
<u>Rink Capital Contribution – TIF</u>	<u>\$15,000</u>
 TOTAL PROJECTED REVENUE	 <u>\$540,000</u>

Projected expenditures

(By major budget category)

<u>Programs - Façade Improvement Program</u>	<u>\$30,000</u>
<u>Programs – Flowerbox/Patio Program</u>	<u>\$21,000</u>
<u>Programs - Trolley Program</u>	<u>\$1,000</u>
<u>Professional Services – Accounting, Audit, Legal</u>	<u>\$30,000</u>
<u>Office Administration – Rent, Facilities, Technology</u>	<u>\$33,000</u>
<u>Personnel</u>	<u>\$235,000</u>
<u>Marketing and Public Website</u>	<u>\$10,000</u>
<u>Rink Admin., Equip., Programs, Operations, Personnel</u>	<u>\$175,000</u>

Rink Marketing

\$5,000

TOTAL PROJECTED EXPENDITURES

\$540,000

III. 2021 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 2021, 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 which encourages a balance of redevelopment and preservation of historical buildings. 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, Encore and façade improvements made by property owners.
 - Façade/Downtown Improvement Program: Support and encourage additional façade and beautification investment projects. Focus on the core area of Downtown. In addition, focus on the landscape and environment in Downtown, seeking opportunities for landscaping, streetscaping and art.
- Increase charm and pedestrian activity:
 - Signage: Landmark and parking signage continues to be a needed addition to 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 projects now being built, will provide a source of revenue that could fund beautification and signage. Signage design should be done in conjunction with the design of other major projects including investment from Public Works, for projects such as roundabouts, and investment from the private sector. A design plan in coordination with the Town is desired to guide decisions on streetscape and signage.
 - 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 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 continue report to the DDA Board and Town Council on this activity.
 - The management of the Rink at the Rock increase sales and traffic in Downtown during the winter months. Sales have started to plateau as perhaps the newness factor of this operation has worn, however expenses have also stabilized, and initial investments paid down. Staff continues to focus on having the Rink be a lean operation, with great customer service. The 2020-2021 season is the last season under the current lease for the land where the rink is currently operated. Staff will explore new locations and concepts to continue to activate Downtown during the winter months, and hopes to identify opportunities to keep the Rink and its customers in Downtown.

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

Vacant, Vice Chair

Andrew Wasson, Treasurer

John Manka

Nick Hier

Kim Heideman

Jason Bower, 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, Vice President, Castle Rock EDC