



Legislation Text

File #: ID#21-9727, **Version:** 1

SUBJECT/RECOMMENDATION:

Request approval of marketing grant to the Downtown Clearwater Merchants Association (DCMA) in an amount not to exceed \$82,000 for marketing and live music for FY2021-2022.

SUMMARY:

The purpose of this item is to request the approval of a marketing grant not to exceed \$82,000 to the Downtown Clearwater Merchants Association (DCMA) to fund personnel to complete marketing activities, to provide live music monthly on the 400 and 500 blocks of Cleveland Street and to provide matching funds as part of the DCMA's fundraising campaign.

The DCMA has worked diligently over the past three years to grow their organization's activities from a series of small events on a quarterly basis with limited membership to one that has a cohesive brand, provides a year-round calendar of events and is moving towards financial sustainability. They have leveraged the Cleveland Street closure, in partnership with the Downtown Development Board, to create an outdoor dining and entertainment destination that has resulted in positive media coverage, new patrons to downtown and positive financial returns for the restaurants on the 400 and 500 block. The attached report outlines these results in more detail. Staff has verified that the DCMA has spent past DDB grant funds in accordance with their grant agreements.

As part of their 2021-2022 operations plan, the DCMA plans to raise \$107,900 in revenue and accrue \$146,893 in expenses. There is a \$39,000 gap that they are looking for grant funding to fill. A significant portion of their projected revenue (\$66,000) will come from a "Friends of..." fundraising campaign. The expenses are primarily for marketing staff and activities with a balanced mixture of in person events, print advertising, social media advertising and direct mail. The budget reflects the lessons learned by DCMA over the past 18 months, especially the importance of building on the successful Sip N Stroll events and increasing their online presence. This budget appears achievable with the proper staff support and grant funding.

The DCMA has requested a total grant of \$52,000 including \$13,000 for live music and \$39,000 to fund marketing initiatives. The DCMA will contract with the marketing firm, Catalyst operated by Sheila Neisler, to create and execute a multi-channel marketing campaign for businesses in the Downtown Development Board, DDB, district area. The marketing campaign, at a minimum, will support businesses with advertising, public relations, direct mailers, promotional materials, events, and social media associated with marketing the district area as a whole and those businesses within it. The total annual cost for Catalyst is \$78,000. The specific marketing activities and costs can be found in the attached budget.

The DCMA will hire, schedule, and manage performances of 4 musical acts weekly on Cleveland Street at the 400 and 500 blocks for 13 weeks. The performances will run from October 1 - December 31, 2021. The total cost of live music during this 13-week period is \$13,000 or \$250 per performance. The DCMA will match the grant amount for live music performances as well. The DCMA has executed two previous grant requests to manage live music performances that reflect local merchants' interests in music for their customers.

CRA staff recommends full funding for the marketing and live music requests. In addition, CRA staff recommends that the DDB provide up to \$30,000 in matching grant funds contingent on the DCMA's ability to secure participants in the "Friends of..." fundraising campaign. The additional grant funds would be available

after proof of sponsorship and would be restricted to payment for Catalyst. Obtaining sponsorships requires dedicated staff and consistent events. For the DCMA to successfully implement their plan, they need revenue to ensure that Catalyst can grow fundraising efforts. The DDB's willingness to serve as a guaranteed "match" partner is also a powerful fundraising strategy to generate interest from other donors.

The DCMA's tagline of, "Come as a visitor and leave as friends," aligns with CRA and DDB strategy of creating a more welcoming, inclusive downtown. The Dine out for a Difference program has been particularly effective at bringing new patrons and partnerships to downtown.

This request aligns with the Downtown Development Boards 20/21 Work Plan to fund the production and marketing of various events throughout the DDB District, which works to enhance the closure of Cleveland Street and supports the retention of local businesses at the 400 and 500 blocks.

If approved, the DCMA will complete a grant agreement that outlines the required activities, budget, outcomes measures, payment schedule and reporting requirements. Selected grant requirements will include:

- Provide an updated Budget to include DDB funding and live music expenses
- Monthly summary of advertising buys and events
- Six-month report and year-end report of memberships, sponsorships and event attendance/ticket sales

Payments:

- Pay Sheila directly on a monthly basis \$3,250 per month based on invoices for 12 months
- Reimburse DCMA or pay musicians directly based on invoice or paid receipt

APPROPRIATION CODE AND AMOUNT:

Funds for this grant are available in the Marketing Category. Per the DDB's funding policy, the minimum grant request of \$52,000 request is below \$75,000, which is 30% of the DDB's \$250,000 Marketing Category. The maximum grant allowed, \$82,000 exceeds 30% of the DDB's marketing category and requires specific approval by the DDB to exceed the cap.