



# Downtown Idea Exchange

Essential Information for Downtown Revitalization

## *Funding Resources*

### **Don't overlook fourth-quarter opportunities**

Downtown organizations may be missing out on a significant source of revenue if they don't have end-of-year donation requests in place. Charity Navigator, an organization which evaluates charities and advises philanthropists, estimates that, "up to 40 percent of an organization's donation revenue could come from these year-end gifts," says Donna Ann Harris, principal of Heritage Consulting Inc. "The other figure that blows my mind is that in 2013, Network for Good found that 24 percent of all charitable donations are given between Thanksgiving and New Year's Eve."

People are in the mood to be generous during the holidays, "so why are these downtown organizations that are 501(c)(3) nonprofits not asking for gifts at that point of the year," asked Harris. "Downtown organizations are reluctant to be asking their supporters, donors, merchants, property owners, and residents [for support in addition to annual membership dues]. But this end-of-year is when people are primed to support one of their favorite organizations, which is the downtown."

While an email campaign between Christmas and New Year's asking for a donation by the tax deadline can be productive, Harris says, "a multi-channel campaign is more effective. Organizations should also do a direct mail letter — I'm suggesting twice between Thanksgiving Day and New Year's Eve, as well as an e-newsletter. Those [e-newsletters] are an excellent way to remind people of all the activities and impacts the organization has been making over the last year, and an opportunity to brag about the organization's successes and progress.

"I encourage people to use their reinvestment statistics, note any improvements being made in the downtown, and also to focus on a couple of merchants that have been recruited in the last year, with photos of the new merchants, and of people having a great time at events and farmers' markets. One technique is to come up with 10 great stories you want to tell about the downtown, and then use these, one per email, as well as a selection of them in the two direct mail letters, to make supporters aware of the great things your organization is doing, as part of why they should support you during the holiday season."

Harris, who recently presented on this topic during a National Main Street Center webinar, has developed a calendar of tasks to complete during the weeks from late October through New Year's Eve. "This includes when organizations should send out their letters and email blasts, but it also identifies tasks they have to undertake," says Harris. "One is to clean up the mailing list, eliminate bounces, and add to the mailing list any new addresses you've gathered through raffles or surveys or whatever throughout the year. It will take three hours of your time. It's not meant to be a big deal. It is certainly something you might be able to get a volunteer to do just so it gets done."

#### **Not all potential donors should be treated the same**

Individuals, organizations, and businesses that have given a higher level of support to your organization deserve VIP treatment. "Another thing you have to do that is really important is to

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take anybody that is a major donor to your organization, say anything over \$250, for example, off your mailing list for that purpose because those people should be solicited individually by a board member for this end-of-year campaign,” says Harris.

It’s also important to find a volunteer to send thank you letters out to everyone who donates. “Everyone that contributes should get a hand-signed thank you letter,” Harris says. “Have a volunteer come in once a week. These letters should go out once a week so they are kept up to date. The last thing you want, come the first week of January, is to be sending out 100 thank you letters.”

In addition to hand-signed thank you letters, it is very effective to include a personal note. “It could just be a sticky note, or that somebody writes on the bottom of the letter, ‘Hi, Donna, would you please consider contributing to our year-end campaign? Thank you for your support.’ A note like that, from somebody the recipi-

ent knows, is most effective, but a hand signature from any volunteer is effective. Break up all of the letters at a board meeting, have everyone sign a stack, and you’re done. Studies show that hand-signed is much more effective than ‘Dear Friend.’”

And finally, don’t plan on downtime at the end of the year. “You can’t take off the week between Christmas and New Year’s,” Harris said. “You have to be in the office opening the mail and depositing those checks.” Because donations are often made as a tax consideration, checks must be cashed in the current year, she said. “You also have to be sending out those thank you letters. And send out four email blasts, on Christmas Eve, and then on the Tuesday, Wednesday, and Thursday of the following week, focusing on the urgency of getting your donation in before the end of the year and on the tax-deductibility of the contribution for that calendar year.”

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