



MEMORANDUM

To: Mayor and Members of the City Council

From: Rich Olson, City Manager

Date: November 8, 2019

Subj: Consideration – Hold a Public Hearing – One-Time TDA Funding for YMCA at the Pines

BACKGROUND:

During the October 14, 2019 City Council meeting, the City Council authorized staff to submit a request to the Tourism Development Authority (TDA) to fund the \$25,000 requested by the YMCA. Staff worked with the YMCA to submit a request for restricted funds; see attached. During today's TDA meeting, the Authority voted not to approve the request because it does not fit within the recently approved guidelines; however, the TDA authorized \$5,000 of their funding to help the YMCA market their facility. On Monday night, the Board of County Commissioners voted to approve funding to the YMCA under the following conditions:

- Use Fiscal Year 2019-20 Contingency Funds to fund the \$25,000 request for 2019, contingent on City funding.
- Do not approve the \$25,000 allocation as a recurring annual commitment
- Require the following from the YMCA of South Hamptons Roads for consideration during the Fiscal Year 2020-21 budget process:
 - Detailed financial information (revenues and expenditures) for the YMCA at the Pines for 2019;
 - 2020 Budget for the YMCA at the Pines;
 - A plan for reducing the operating deficit;
 - A plan for potentially working with Visit Elizabeth City to develop and promote new tourism-focused events at the YMCA at the Pines to appropriately leverage possible use of tourism funds and generate more economic impact; and
 - Consideration of the marketing / branding efforts to clearly identify the purpose of the YMCA at the Pines to increase revenue.
- Any discounts associated with the partnership should be given to all citizens

ANALYSIS:

In an email distributed to City staff, YMCA claims that if they do not receive the \$25,000 from both the County and the City, their doors will be closing effective December 31, 2019. Staff recommends that if the Council agrees to the one-time funding, stipulations such as those the County required should also be listed as contingencies.

FINANCIAL:

The Finance Committee discussed this matter during their November 7, 2019 meeting. Upon motion made by Councilwoman Young, seconded by Councilman Caudle, the Committee unanimously recommended approval by the City Council.

AT THE CONCLUSION OF THE PUBLIC HEARING:

STAFF RECOMMENDATION:

By motion, award YMCA at The Pines a one-time \$25,000 allocation from a still undetermined source of funding, contingent on County funding, and under the the following terms and conditions:

- Do not approve the \$25,000 allocation as a recurring annual commitment
- Require the following from the YMCA of South Hamptons Roads for consideration during the Fiscal Year 2020-21 budget process:
 - Detailed financial information (revenues and expenditures) for the YMCA at the Pines for 2019;
 - 2020 Budget for the YMCA at the Pines;
 - A plan for reducing the operating deficit;
 - A plan for potentially working with Visit Elizabeth City to develop and promote new tourism-focused events at the YMCA at the Pines to appropriately leverage possible use of tourism funds and generate more economic impact; and
 - Consideration of the marketing / branding efforts to clearly identify the purpose of the YMCA at the Pines to increase revenue.
- Any discounts associated with the partnership should be given to all citizens