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# MEMO

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**To:** Mayor and City Council  
**From:** Brian Phillips, Assistant City Manager  
**Date:** January 10, 2017  
**Subject:** MSCD Lighting and Outside Funding Requests

At the December 13, 2016, City Council meeting, the City Council delayed providing direction to City staff regarding the amount of funds to make available for outside funding requests in FY 2017/18. The Council requested information from the Main Street Cultural District (MSCD) regarding how much of its request was related to the downtown holiday lighting expansion. **City staff has learned that of MSCD's \$70,000 request; \$20,000 is for a second round of funding for decorative lighting along north/south streets in downtown, and another \$7,000 is for downtown beautification (banners, benches, flowers, etc.).**

**The City Council must determine the amount of funding to make available for the overall outside funding request process.** The portion of the original "Budget Issues" document pertaining to outside funding requests is attached for City Council review.

## **FUNDING REQUESTS FROM OUTSIDE ORGANIZATIONS**

City staff accepts applications from outside organizations wishing to receive Local Option Sales Tax funds for their organization's operations. The City Council has exempted the Ames Economic Development Commission's business development partnership, the Ames/ISU Sustainability Coordinator, and the Ames Human Relations Commission from this process, since those activities are conducted in an official capacity on behalf of the City government.

The total amount allocated for FY 2016/17 was \$136,900. The total FY 2017/18 request is \$178,225, which is a 30.2% increase over the 2016/17 total.

| <b>Organization/Program</b>         | <b>16/17<br/>Funding</b> | <b>17/18<br/>Request</b> | <b>% Change</b> |
|-------------------------------------|--------------------------|--------------------------|-----------------|
| Ames Historical Society             | \$ 37,000                | \$ 40,000                | 8.1%            |
| Ames Int'l Partner City Association | 5,000                    | 8,000                    | 60%             |
| Campustown Action Association       | 27,000                   | 27,000                   | 0%              |
| Hunziker Youth Sports Complex       | 28,300                   | 28,925                   | 2.2%            |
| Main Street Cultural District       | 39,600                   | 70,000                   | 77%             |
| Flying Cyclones                     | 0                        | 3,500                    | --%             |
| Colleges Against Cancer             | 0                        | 800                      | --%             |
| <b>TOTAL</b>                        | <b>\$ 136,900</b>        | <b>\$ 178,225</b>        | <b>30.2%</b>    |

It should be noted that the City Council approved a separate allocation of \$20,000 in FY 2016/17 for MSCD to install the downtown holiday lighting. That allocation is not reflected in the totals above, since it was considered a one-time request. MSCD's application for FY 2017/18 once again contains a request for funds to expand the downtown holiday lighting.

Staff has not assumed the City Council will approve these requests. The past practice has been to include the amount approved for the prior fiscal year in the recommended budget. **City staff is seeking direction from the City Council regarding a total amount available to be allocated for the coming year. The applications will be reviewed by a committee of staff and residents with that budget authority in mind, and recommendations will be made to the City Council. As with other funding processes, a variety of options are available to the City Council:**

| <b>Increase From<br/>Current</b> | <b>Dollar<br/>Increase</b> | <b>Amount<br/>Authorized</b> |
|----------------------------------|----------------------------|------------------------------|
| 2%                               | \$ 2,738                   | \$ 139,638                   |
| 4%                               | 5,476                      | 142,376                      |
| 5%                               | 6,845                      | 143,745                      |
| 6%                               | 8,214                      | 145,114                      |
| 30.2% (request)                  | 41,325                     | 178,225                      |