

ITEM #:	<u>14</u>
DATE:	<u>05-26-26</u>
DEPT:	<u>CMO</u>

COUNCIL ACTION FORM

SUBJECT: FY 2026/27 OUTSIDE FUNDING CONTRACTS

BACKGROUND:

During adoption of the FY 2026/27 Budget, the City Council reviewed requests from local organizations. The City Council allocated funds for these organizations to provide facilities and services to the public. In total \$365,000 was allocated from the Local Option Sales Tax Fund. An additional \$15,000 was allocated from the Hotel/Motel Tax Fund for Ames Regional Economic Alliance (AREA) Workforce Programming.

Additionally, a total of \$16,500 was allocated in the Hotel/Motel Tax Fund for parking waiver reimbursements. FY 2024/25 was the first year in which parking waiver funds were allocated from this source rather than the Local Option Sales Tax Fund. At the time an event occurs where parking fees area waived, the Council may approve a transfer of these funds from the Hotel/Motel Tax Fund to the Parking Fund. Parking waiver funds are not authorized in any of the individual organization contracts.

Contracts with each organization have been prepared by City staff and contain specific deliverables to be completed. A summary of the deliverables to be accomplished through each contract is attached. Once each task is complete, the organization may request drawdown from the City on a reimbursement basis. The draft contracts have been signed by organization representatives, returned to City staff, and are now presented to the City Council for approval.

ALTERNATIVES:

1. Approve Outside Funding Contracts for FY 2026/27.
2. Modify the authorized amount or scope of services for one or more organizations.
3. Do not approve these funding contracts.

CITY MANAGER'S RECOMMENDED ACTION:

Funding for these activities was included in the City's adopted FY 2026/27 Budget. These scopes of services have been developed to ensure that the City's funding is used for the benefit of the public. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.

ATTACHMENT(S):

[26-27 Outside Funding Recommendations.pdf](#)
[2026-27 SUMMARY OF CONTRACT SCOPES.docx](#)