CITY OF STANWOOD
FINANCE COMMITTEE
AGENDA STAFF REPORT

ITEM NUMBER:	**3**
DATE:	March 23, 2014
SUBJECT:	YMCA – Contribution
CONTACT PERSON:	Ryan C. Larsen, Community Development Director
ATTACHMENTS:	A. None

ISSUE

The issue before the Committee is to review and discuss the City of Stanwood contributing towards the construction of the new YMCA facility.

RECOMMENDATION

1. Review and discuss YMCA request for the City to contribute financially for the new YMCA facility.

SUMMARY STATEMENT

The local YMCA has approached the City of Stanwood to discuss the city financially contributing towards the construction of a new facility. The YMCA would like for the City contribute $50,000.00. The contribution could be in the form of actual dollars or as an in-kind contribution or a combination of the two.

DISCUSSION

The YMCA would like for the City to financially contribute towards the construction of the new YMCA facility located at the old Resilience Fitness building (7213 267th St.) NW. However, in order for the City to contribute, the contribution cannot be seen a gifting of public funds. One way in avoiding the gifting aspect is for the YMCA to provide an exchange in service. The YMCA is recommending that they would offer free swim Saturday's and would coordinate adult league use at Heritage Park.

If we consider the payback for the YMCA over a 5 year period it would be $10,000.00 a years for them to provide these services. Of that $10,000 a year, $7,500 could be considered for the coordination of the adult leagues at Heritage Park and $2,500 for the free swim Saturday's. If the average cost of a swim is $10 then that would account for 250 free swims for a year or approximately five free swims every Saturday. The $7,500

could account for staff time coordinating the league and other ancillary costs associated with this program.

The Committee may want to consider other aspect for the YMCA to consider in providing as an off-set for the City contributions. Also, the Committee may even want to consider a different funding mechanism for contributing. Staff feels by waiving a portion of the building permit fee that it would have minimal impact on the over-all budget for Community Development. Based on projected revenues for 2015, Community Development feels that they will still exceed revenues. The City did not account for any new single family residential permits in 2015 and we are already anticipating 15 to 20 for this year. If we receive these permits as anticipated, the Department would expect $52,000 to $70,000. This would be more than enough to off-set the cost of waiving a portion of the building permit fee for the YMCA.

FINANCIAL IMPACT

The $50,000.00 contribution potentially made by the City for the future YMCA site would not impact any existing accounts. The proposed funding would be a waiver of up to $50,000.00 towards the submittal of the building permit. It is anticipated that the building permit would cost approximately $60,000.00 - $80,000.00 and would leave enough for the City to pay our plans reviewer to review the plans and inspect the building during construction.

COMMITTEE RECOMMENDATIONS

1. Support the City of Stanwood financially contributing $50,000 towards the future YMCA site by waiving a portion of the building permit fee by $50,000.
2. Suggest an alternative method and/or amount for contributing towards the future YMCA site.
3. Do not support any financial contribution towards the YMCA for their future site.

RECOMMENDED MOTION

"Move to support the City of Stanwood financially contributing $50,000 towards the future YMCA site by waiving a portion of the building permit fee by $50,000."