

May 31, 2019

MEMORANDUM

To: Mayor Pam Hemminger, Town Council Members, Town Manager Maurice Jones

From: Karen Dunn and Rosemary Waldorf, for Club Nova

Re: Use of Old Town Hall as interim space during construction period

On behalf of the Club Nova members, Board of Directors and Capital Campaign Cabinet, we are writing to make a request that is very important to Club Nova and to the success of our capital campaign. We ask that the Council authorize Club Nova to use the Old Town Hall as interim space during the period when we are constructing our new clubhouse. We propose to use the Old Town Hall for all of our programming and administrative functions, including social events for members, storage and use of the kitchen to operate our culinary program.

Specifically, we request that the Mayor and Council pass a resolution authorizing the Town Manager to sign a letter of intent allowing us to use this space.

Regarding timing, we believe that we will be prepared to move in around the time that the Inter-Faith Council moves from the Old Town Hall to its newly constructed headquarters in Carrboro, which is right across the street from Club Nova. IFC expects to leave the premises at some point in the summer of 2020. At that time, we would be prepared to move in and use the entire building.

To date, our capital campaign has raised \$2.2 million. We have a pledge of \$500,000 from Cardinal Health Innovations (the managed care organization through which state Medicaid funds pass to support services to our members), but we need to raise another \$440,000 before Cardinal will actually give us this money. We estimate that we need to raise approximately another \$1.1 million in order to start the building in the fall of 2020. Of course, the reason we need interim space is that our new building will be constructed on the site of our existing facilities.

We cannot overemphasize what a critical in-kind contribution the use of this space would be for Club Nova. We estimate its value at \$441,000, for use of the space for 18 months at \$32/square foot. If the Council authorizes our interim use of the space for 18 months, we can list this \$441,000 in-kind contribution as an achievement of our capital campaign. This will get us to the threshold Cardinal has established, and therefore will help us receive that \$500,000 pledge sooner. In addition, this will strengthen our grant applications. Many foundations want to be “the last money in”; they prefer to contribute after about 75 or 80 percent of a campaign goal has been reached.

We respectfully request that the Mayor and Town Council approve a resolution of intent, stating the Club Nova may use the Old Town Hall for up to 18 months, conferring an in-kind donation of \$441,000. We also request that the Council consider granting Club Nova two other provisions included in the IFC space use agreement, specifically, paying utilities during our stay there and allowing us a similar number of parking spaces.

Thank you so much for considering this request. We could not do our very important work without the support of our local governments.