



MEMORANDUM

To: Mayor and Members of the City Council

From: Reginald Goodson, Interim City Manager

Date: January 10, 2025

Re: Consideration – TDA Application for Coast Guard Marathon

BACKGROUND:

The inaugural in-person Coast Guard Marathon was held in Elizabeth City March 3 through March 5, 2022, which included a full marathon, half marathon and 5K. Numerous local entities partnered together to bring this one-of-a-kind event to our community. As the City of Elizabeth City is a designated Coast Guard City and home to one of the largest Coast Bases in the nation, it was only fitting that the first ever sanctioned road race for the USCG was held here.

The Coast Guard Marathon participation commonly includes registrants from at least forty-three states, US Armed Forces Europe, US Virgin Islands, Guam and Canada, all of whom Elizabeth City will welcome as participants, spectators, and volunteers for this momentous occasion. This year's marathon will be held March 7th through March 9th, 2025.

ANALYSIS:

In mid-December, the City was forwarded a request to help fund the Coast Guard Marathon through an application for Tourism Development Authority (TDA) funds. The TDA funding that the City receives each year is provided through an occupancy tax on hotel rooms rented. The lion's share of this is received from individuals with business connections with the US Coast Guard. A similar request has also been issued to Pasquotank County and the Tourism Development Authority.

The City did submit (and was subsequently approved) for TDA funding for the Coast Guard Marathon in 2024 for \$5,000. The requested amount for 2025 is significantly higher.

STAFF RECOMMENDATION:

By motion, authorize submission of an application to TDA for funding in support of the Coast Guard Marathon in an amount to be determined by the City Council.



Elizabeth City – Pasquotank County Tourism Expenditure Restricted Funds APPLICATION

Please complete the following form and questions to submit your funding request.

Local Government Name	City of Elizabeth City, Pasquotank County, Visit Elizabeth City
Contact Person & Title	Vicky West, Race Director
Email Address	victoria.west@uscg.mil
Phone Number	(909) 528-0388
Project Name	Coast Guard Marathon
Project Address	Start/Finish Downtown Elizabeth City with route going through the City, County and Coast Guard base.
Website	https://coastguardmarathon.com
Total Cost of Project	\$500,000
Tourism Funding Requested	\$100,000

Please thoroughly answer the following questions.

1. Provide a detailed description of Project. Include goals and outline intended results.

The mission of the Coast Guard Marathon is to promote healthy lifestyles, showcase the many facets of the US Coast Guard, and offer various races and family-friendly activities that foster community goodwill. In 2024, the Coast Guard Marathon drew over 9,000 participants, with 87% having military ties to the City of Elizabeth City, a now designated Great American Defense Community, the only Coast Guard Community to win the award! The Coast Guard Marathon was ranked in the top 5 United States marathons in 2024 by the USA Today Reader's Choice 10 Best and consistently rated the top marathon in North Carolina by Race Raves. The Coast Guard Marathon is the Coast Guard's ONLY sanctioned footrace and contribution to the new Armed Forces Series Challenge! The challenge encourages individuals to complete each military branch's prestigious race (Coast Guard Marathon, Air Force Marathon, Army 10-miler, Marine Corps Marathon, and Space Force 10-miler.) The flat and fast course also serves as a Boston Marathon Qualifier. The 5th annual Coast Guard marathon will take place on **March 7th, 8th, and 9th, 2025** and is in its 2nd year under Coast Guard ownership. The theme for the upcoming marathon is **celebrating over 80 years of USCG rotary aviation.**

2. What is the anticipated Project timeline, including start and finish dates?

March 7-9, 2025

3. Provide an outline of the scope of work and anticipated costs, including an itemized budget.

Strider Events \$50,000; Mile Markers \$20,000; Videographer \$5,000; Photographer \$5,000; Custom Branded Traffic Cones \$16,000; Inflatable Start/Finish Arch \$4,000

4. Describe information about proposed firm or partnership contracted for the project, if any.

N/A

5. Does this Project have the potential to attract new overnight visitors? Explain.

Yes. So far, we have race participants coming to Elizabeth City from almost all 50 states, as well as Guam, Puerto Rico and Australia.

6. Does this Project have the ability to attract visitors on a continuing basis? Explain.

Yes. The feedback we have received from participants, their families, outside sponsors, crews etc. has all been extremely positive. They love the small-town "harbor of hospitality" vibe that we have here as well as the local art, entertainment, restaurants, shopping and natural beauty of being near the water.

7. Describe how this Project will increase the economic impact to the region.

With participants traveling here from all over the country/overseas, Elizabeth City should expect a profitable week/weekend between hotels/Airbnb's/restaurants/shopping. The latest data we received reflected over a million dollars in economic impact to the area during the Coast Guard Marathon. Since then, we have seen virtual registration numbers dwindling and more people choosing to travel to our region for in-person participation.

8. How will this Project enhance Elizabeth City and Pasquotank County as a travel destination?

One of our major goals for the Coast Guard Marathon is to showcase all the unique qualities that are specific to our area to our participants. We want the ONLY Coast Guard Marathon to continue to grow every year and work together with the City, County, Tourism, local businesses and the community to ensure that the experience of the Marathon weekend will leave tourists wanting to come back to our area as a travel destination.

The EC-PC TDA reserves the right to bring up questions, request additional or supporting information.

Submit Completed Applications to:

Visit Elizabeth City | 400 S Water St. | Elizabeth City, NC 27909

Staff2@visitelizabethcity.com

*Applications must be received at least 90 days before the date of the event in order to be placed on the upcoming committee agenda and subsequent Authority meeting agenda. [Check our website](#) or call to confirm up-to-date meeting schedules as meetings are not held every month.

LEGALITY

As adopted by State legislation HB351 in 2005, the City and the County are authorized to levy a six cent occupancy tax on lodging. The proceeds of this tax are remitted to the Elizabeth City – Pasquotank County Tourism Development Authority, which is a public authority under the Local Government Budget and Fiscal Control Act.

As it specifically pertains to the City and the County, the legislation states,

“The Authority shall use the net proceeds of the occupancy tax levied under this section as follows:

... twenty-five percent (25%) [of the First Three Cents] for tourism-related expenditures that are recommended by the Elizabeth City Council and approved by the Authority.

... twenty-five percent (25%) [of the First Three Cents] for tourism-related expenditures that are recommended by the Pasquotank County Board of Commissioners and approved by the Authority.”

Under Sec. 2.1. Definitions – the following definitions apply in this act:

Tourism-related Expenditures – *“Expenditures that, in the judgement of the Tourism Development Authority are designed to increase the use of lodging facilities, meeting facilities or convention facilities in the County, or to attract tourists or business travelers to the County. The term includes tourism-related capital expenditures.”*

The Local County Occupancy Tax was enacted into law for the purposes of creating a dedicated funding stream to promote and develop the tourism industry and stimulating economic growth within Elizabeth City and Pasquotank County. Tourism expenditure funds dispersed to the City and County must meet the intent of the tax by supporting the implementation of programs designed to promote and increase tourism in Elizabeth City and Pasquotank County, as well as initiating projects relating to capital and infrastructure investments supporting the further development of the tourism industry with a focus on increasing overnight visitation.

The Elizabeth City – Pasquotank County Tourism Development Authority (EC-PC TDA) has developed the following guidelines to assist with the facilitation of the City/County restricted funds. All requests for funding go to the Visitor Experience Committee for review and making recommendations for funding allocations. The recommendations will be forwarded to the EC-PC TDA Board of Directors for final approval of all funding allocations.

Please note these guidelines are just that – a guide. The EC-PC TDA reserves the right to bring up questions, request additional or supporting information. Our goal is to ensure a clear and direct return on any investment made with occupancy tax dollars, bringing us new and increased future tax collections.