



# CITY OF URBANA CITY COUNCIL REGULAR MEETING

**DATE:** Monday, November 25, 2024  
**TIME:** 7:00 PM  
**PLACE:** 400 South Vine Street, Urbana, IL 61801

## AGENDA

- A. Call to Order and Roll Call**
- B. Approval of Minutes of Previous Meeting**
  - 1. 11-12-2024 Committee of the Whole Minutes
- C. Additions to the Agenda**
- D. Presentation and Public Input**
  - 1. Fire Department Swearing-In and Promotions
  - 2. Annual Presentation from Champaign County Economic Development Corporation
  - 3. Human Relations Commission Report Pursuant to City Code Chapter 12 Section 12-22 (g)
- E. Council Input and Communications**
- F. Reports of Standing Committees**
- G. Committee of the Whole** (*Council Member Maryalice Wu, Ward 1*)
  - 1. **Consent Agenda**
    - a. **Resolution No. 2024-11-074R:** A Resolution Authorizing Acceptance of a DCEO Community Development Block – Coronavirus Grant (CDBG-CV) – CD
    - b. **Resolution No. 2024-11-075R:** A Resolution Approving a CDBG-CV Subrecipient Grant Agreement with Hope Village Inc. – CD
    - c. **Resolution No. 2024-11-076R:** A Resolution Authorizing Acceptance of a DCEO Grant (Hope Village) – CD
    - d. **Resolution No. 2024-11-077R:** A Resolution Approving a Subrecipient Grant Agreement with Hope Village, Inc. – CD
    - e. **Resolution No. 2024-11-078R:** A Resolution Authorizing Acceptance of a DCEO Grant (Urbana Pilot Fleet Electrification Program) – CD

All City meetings are broadcast on Urbana Public Television and live-streamed on the web. Details on how to watch are found on the UPTV webpage located at <https://urbanaininois.us/uptv>

## 2. Regular Agenda

- [a.](#) **Ordinance No. 2024-11-036:** An Ordinance Revising the Annual Budget Ordinance (Budget Amendment #2 – Omnibus) – HRF

### H. Reports of Special Committees

### I. Reports of Officers

### J. New Business

- [1.](#) **Resolution No. 2024-11-079R:** A Resolution Approving Matching Funds for the Illinois Grocery Initiative (Heartstrong Meals, LLC) – Exec

### K. Mayoral Appointments

- [1.](#) **Mayoral Appointments to Boards and Commissions**

#### *Urbana Tree Commission*

– Justin Vozzo (term ending June 30, 2027)

### L. Adjournment

## **PUBLIC INPUT**

The City of Urbana welcomes Public Input during open meetings of the City Council, the City Council's Committee of the Whole, City Boards and Commissions, and other City-sponsored meetings. Our goal is to foster respect for the meeting process, and respect for all people participating as members of the public body, city staff, and the general public. The City is required to conduct all business during public meetings. The presiding officer is responsible for conducting those meetings in an orderly and efficient manner. Public Input will be taken in the following ways:

### **Email Input**

Public comments must be received prior to the closing of the meeting record (at the time of adjournment unless otherwise noted) at the following: [citycouncil@urbanailinois.us](mailto:citycouncil@urbanailinois.us). The subject line of the email must include the words "PUBLIC INPUT" and the meeting date. Your email will be sent to all City Council members, the Mayor, City Administrator, and City Clerk. Emailed public comments labeled as such will be incorporated into the public meeting record, with personal identifying information redacted. Copies of emails will be posted after the meeting minutes have been approved.

### **Written Input**

Any member of the public may submit their comments addressed to the members of the public body in writing. If a person wishes their written comments to be included in the record of Public Input for the meeting, the writing should so state. Written comments must be received prior to the closing of the meeting record (at the time of adjournment unless otherwise noted).

### **Verbal Input**

Protocol for Public Input is one of respect for the process of addressing the business of the City. Obscene or profane language, or other conduct that threatens to impede the orderly progress of the business conducted at the meeting is unacceptable.

Public comment shall be limited to no more than five (5) minutes per person. The Public Input portion of the meeting shall total no more than two (2) hours, unless otherwise shortened or extended by majority vote of the public body members present. The presiding officer or the city clerk or their designee, shall monitor each speaker's use of time and shall notify the speaker when the allotted time has expired. A person may participate and provide Public Input once during a meeting and may not cede time to another person, or split their time if Public Input is held at two (2) or more different times during a meeting. The presiding officer may give priority to those persons who indicate they wish to speak on an agenda item upon which a vote will be taken.

The presiding officer or public body members shall not enter into a dialogue with citizens. Questions from the public body members shall be for clarification purposes only. Public Input shall not be used as a time for problem solving or reacting to comments made but, rather, for hearing citizens for informational purposes only.

In order to maintain the efficient and orderly conduct and progress of the public meeting, the presiding officer of the meeting shall have the authority to raise a point of order and provide a verbal warning to a

speaker who engages in the conduct or behavior proscribed under “Verbal Input”. Any member of the public body participating in the meeting may also raise a point of order with the presiding officer and request that they provide a verbal warning to a speaker. If the speaker refuses to cease such conduct or behavior after being warned by the presiding officer, the presiding officer shall have the authority to mute the speaker’s microphone and/or video presence at the meeting. The presiding officer will inform the speaker that they may send the remainder of their remarks via e-mail to the public body for inclusion in the meeting record.

### **Accommodation**

If an accommodation is needed to participate in a City meeting, please contact the City Clerk’s Office at least 48 hours in advance so that special arrangements can be made using one of the following methods:

- Phone: 217.384.2366
- Email: [CityClerk@urbanillinois.us](mailto:CityClerk@urbanillinois.us)



**City of Urbana**  
 400 S. Vine Street, Urbana, IL 61801  
[www.urbanailinois.us](http://www.urbanailinois.us)

## MEMORANDUM TO THE MAYOR AND CITY COUNCIL

**Meeting:** November 18, 2024 Committee of the Whole

**Subject:** A Resolution Authorizing Acceptance of a DCEO Community Development Block – Coronavirus Grant (CDBG-CV)  
 A Resolution Approving a CDBG-CV Subrecipient Grant Agreement with Hope Village Inc.

### Summary

#### *Action Requested*

City Council is being asked to approve the two attached resolutions. The first Resolution authorizes the City to accept a \$1.2 million grant from the Department of Commerce and Economic Opportunity (DCEO) for the Hope Village Tiny Homes Project. The second Resolution approves a subrecipient grant agreement between the City and Hope Village Inc.

#### *Brief Background*

In February 2024, DCEO made a total of \$15 million in Community Development Block – Coronavirus Grant (CDBG-CV) funds available for construction, reconstruction, rehabilitation, or acquisition of properties for homeless<sup>1</sup> shelters dedicated to the provision of stable, safe and adequate housing, and with a goal of increasing capacity to pre-COVID levels.

City staff held a public hearing regarding the application prior to submittal on July 8, 2024. Leading up to the public hearing, there was a 15 day public comment period, during which time the draft application materials were made available to the public for review. On July 31, 2024, the City of Urbana, in partnership with Hope Village Inc., an Illinois not-for-profit organization, submitted an application to DCEO for \$1.2 million in CDBG-CV funding to aid in the construction of Hope Village. On September 17, 2024, staff was notified that the City's application was selected for award. Urbana is one of only 12 communities in Illinois to receive this grant.

### Relationship to City Services and Priorities

#### *Strategic Goals & Plans*

The completion of Hope Village will further Mayor/Council Strategic Goal 2.1.A *Coordinate with housing and social service providers to reduce homelessness* as well as the goals and strategies outlined in the

<sup>1</sup> HUD's definition of homelessness is contained in 24 CFR 578.3, and includes a number of subcategories, including literally homeless, at imminent risk of homelessness, homeless under other federal statutes, and fleeing/attempting to flee domestic violence.

[City of Urbana and Urbana HOME Consortium Consolidated Plan for FY 2020 – 2024 and Annual Action Plan for FY 2024 – 2025.](#)

*Previous Council Actions*

On April 24, 2023 City Council passed Resolution [2023-04-023R](#) approving and authorizing the execution of a subrecipient agreement with Carle Foundation hospital to provide \$850,000 in funding for the construction of Hope Village. On January 2, 2024, City Council passed Ordinance [2023-12-051](#) approving a preliminary/final subdivision plat for Hope Village (Plan Case 2479-S-23). On July 8, 2024, City Council approved Resolution [2024-07-048R](#), A Resolution of Support for a State of Illinois Community Development Block – Coronavirus Grant (CDBG-CV).

**Discussion**

*Additional Background Information*

Activities that will be undertaken with CDBG-CV grant funding will include construction of tiny homes for medically-fragile individuals who have experienced homelessness. One hundred percent of the grant funds proposed in this application will benefit very low-income individuals.

*Fiscal and Budget Impact*

There will be no fiscal impact on the City General Fund, as the funding comes from DCEO. The grant funds will reimburse a portion of the construction and pre-construction costs associated with this project.

*Recommendation*

Staff recommend that Council approve the attached Resolutions authorizing acceptance of a DCEO Community Development Block – Coronavirus Grant (CDBG-CV) and approving the execution of a subrecipient agreement with Hope Village.

*Next Steps*

If Council approves the Resolutions, staff will execute the subrecipient agreement, and will also enter into a grant agreement with DCEO.

**Attachments**

- 1) A Resolution Authorizing Acceptance of a DCEO CDBG-CV Grant
- 2) A Resolution Approving a CDBG-CV Subrecipient Grant Agreement with Hope Village Inc.
- 3) CDBG-CV Subrecipient Grant Agreement with Hope Village Inc.

Originated by: Breaden Belcher, Grants Division Manager

Reviewed: William Kolschowsky, Senior Management Analyst/Assistant to the City Administrator

Approved: Carol Mitten, City Administrator

**RESOLUTION NO. 2024-XX-XXXX****Resolution Authorizing Acceptance of a DCEO  
Community Development Block – Coronavirus Grant (CDBG-CV)**

**WHEREAS**, the City of Urbana (the “City”) is a home rule unit of local government pursuant to Article VII, Section 6, of the Illinois Constitution, 1970, and may exercise any power and perform any function pertaining to its government and affairs, and the passage of this Resolution constitutes an exercise of the City’s home rule powers; and

**WHEREAS**, the City has in one or more years accepted funds from the Illinois Department of Commerce and Economic Opportunity (DCEO) in order to fund community projects; and

**WHEREAS**, DCEO has awarded a CDBG-CV grant (“Grant”) in the amount of \$1,200,000 for the construction of tiny homes for medically-fragile individuals experiencing homelessness undertaken by Hope Village, Inc.; and

**WHEREAS**, the City is willing to accept the Grant on the terms and conditions provided by DCEO as described in the exhibit appended hereto and made a part hereof.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Urbana, Illinois, as follows:

Section 1. That the DCEO’s CDBG-CV Grant to reimburse for the construction of tiny homes for medically-fragile individuals experiencing homelessness undertaken by Hope Village, Inc shall be and hereby is accepted by the City and that the City shall abide by the terms and conditions provided in the exhibit attached hereto and made a part hereof.

Section 2. That the Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to undertake such additional steps as may be necessary for the City to receive the Grant and to arrange for the City’s compliance with the terms and conditions contained in the exhibit appended hereto and made a part hereof without further actions by the City Council.

**PASSED BY THE CITY COUNCIL** this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

AYES:

NAYS:

ABSTAINED:

\_\_\_\_\_

Darcy E. Sandefur, City Clerk

**APPROVED BY THE MAYOR** this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_

Diane Wolfe Marlin, Mayor



## RESOLUTION NO. \_\_\_\_\_

**RESOLUTION APPROVING A CDBG-CV SUBRECIPIENT  
GRANT AGREEMENT WITH HOPE VILLAGE, INC.**

**WHEREAS**, the City of Urbana (the “City”) is a home rule unit of local government pursuant to Article VII, Section 6, of the Illinois Constitution, 1970, and may exercise any power and perform any function pertaining to its government and affairs, and the passage of this Resolution constitutes an exercise of the City’s home rule powers; and

**WHEREAS**, the State of Illinois has awarded a grant (“Grant”) in the amount of \$1,200,000 for the construction of tiny homes for medically-fragile individuals experiencing homelessness undertaken by Hope Village, Inc. and allow the City to act as the fiduciary agent; and

**WHEREAS**, the City is willing to accept the Grant on the terms and conditions provided by the State of Illinois as described in the exhibit appended hereto and made a part hereof.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Urbana, Illinois, as follows:

**Section 1.** That an Agreement providing \$1,200,000 in State of Illinois DCEO funds to Hope Village, Inc. so as to construct tiny homes for medically-fragile individuals experiencing homelessness in substantially the same form of the said Agreement attached hereto and hereby incorporated by reference, be and the same is hereby authorized and approved.

**Section 2.** That the Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver and the City Clerk of the City of Urbana, Illinois, be and the same is authorized to attest to said execution of said Agreement in substantially the form appended hereto as an exhibit as so authorized and approved for and on behalf of the City of Urbana, Illinois.

**PASSED BY THE CITY COUNCIL** this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

AYES:

NAYS:

ABSTAINED:

\_\_\_\_\_

Darcy E. Sandefur, City Clerk

**APPROVED BY THE MAYOR** this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_

Diane Wolfe Marlin, Mayor

## CDBG-CV SUBRECIPIENT AGREEMENT WITH HOPE VILLAGE, INC.

**State Awarding Agency:** Illinois Department of Commerce and Economic Opportunity

### Background

This CDBG-CV Subrecipient Agreement is made between the City of Urbana, an Illinois Municipal Corporation (the "City") and Hope Village, Inc., an Illinois not-for-profit entity (hereinafter the "Subrecipient") for costs associated with the construction of 30 tiny homes for medically-fragile individuals experiencing homelessness.

In February 2024, DCEO made a total of \$15 million in Community Development Block – Coronavirus Grant (CDBG-CV) funds available for construction, reconstruction, rehabilitation, or acquisition of properties for Homeless (as defined by the U.S. Department of Housing and Urban Development (HUD) Shelters dedicated to the provision of stable, safe and adequate housing; with a goal of increasing capacity to pre-COVID levels.

City staff held a public hearing regarding the application prior to submittal on July 8, 2024. Leading up to the public hearing, there was a 15-day public comment period during which time the draft application materials were made available to the public for review. On July 31, 2024, the City of Urbana, in partnership with Hope Village Inc., an Illinois not-for-profit organization, submitted an application to DCEO for \$1.2 million in CDBG-CV funding to aid in the construction of Hope Village. On September 17, 2024, staff was notified that the City's application was selected for award. Urbana is one of only 12 communities in Illinois to receive this grant. On to the City of Urbana to cover a portion of the construction and pre-construction costs associated with the development of Hope Village.

NOW, THEREFORE, in consideration of the matters set forth above and below, the parties agree as follows.

1. **Definitions.** Whenever used in this Subrecipient Agreement:

- A. "City" is defined as the City of Urbana.
- B. "DCEO" is defined as the Department of Commerce and Economic Opportunity.
- C. "Grant Agreement" means the agreement between the City and Hope Village, Inc., as executed by the City.
- D. "Grant Funds" means the assistance provided under this Subrecipient Agreement.
- E. "Participating Organizations" is defined as the City of Urbana and Hope Village, Inc.

- F. “State” means the State of Illinois.
- G. “Subrecipient” is defined in the Background section of this Subrecipient Agreement.

## 2. Grant Award.

- A. Subject to the terms of the Grant Agreement and this Subrecipient Agreement, the City shall provide up to **\$1,200,000** in Grant Funds to the Subrecipient for activities identified as the responsibility of the Subrecipient in the Grant Application. The Subrecipient agrees to use funds granted to it by the City pursuant to this Subrecipient Agreement to undertake those activities in the Application identified as the Responsibility of the Subrecipient in the manner identified in the Application. The Subrecipient agrees that funds awarded are pursuant to this Subrecipient Agreement and shall be used for the following purposes:

Construction of Hope Village: \$ 1,200,000

- 3. **Allowable Costs – Construction.** Hard construction costs associated with the development of tiny homes for medically-fragile individuals who are experiencing homelessness are eligible under the terms of the Agreement.
- 4. **Ineligible Costs.** The following costs are specifically identified as ineligible:
  - a. All Engineering costs associated with the planning, design or management of construction activities.
  - b. Construction of buildings, or portions thereof, used predominantly for the general conduct of government (e.g., city halls, courthouses, jails, police stations).
  - c. General government expenses. Costs of operating and maintaining public infrastructure and services (e.g., mowing parks, replacing street light bulbs).
  - d. Servicing or refinancing of existing debt.
  - e. Activity delivery costs
- 5. **Disbursement.** If and to the extent the City receives CDBG-CV funds from DCEO, the City shall reimburse the Subrecipient in accordance with the terms of this Subrecipient Agreement. Funding in the full amount of this Subrecipient Agreement is contingent upon the City receiving Grant Funds. If the Grant Funds are discontinued or reduced for any reason, the City’s payments to the Subrecipients may cease or be reduced without advance notice, and the City will not be liable for any damages as a result of such discontinuance or reduction of Grant Funds.
- 6. **Disallowance.** The Subrecipient shall reimburse the City for any payments it receives under this Subrecipient Agreement that are for ineligible or disallowed costs. If the City determines that a cost for which the City has made payment is disallowed, the City shall notify the Subrecipient of the disallowance and the required course of action, which, at the City’s option, will be to adjust

any future claim submitted by the Subrecipient by the amount of the disallowance or to require the Subrecipient immediately to repay the disallowed amount by issuing a check payable to the City.

## 7. Subrecipient's Duties.

### A. The Subrecipient shall:

- (1) Maintain detailed financial records that show the eligible essential services costs.
- (2) Submit quarterly reports to the City no later than 15 days after the end of the quarter. Failure to submit reports to the City may result in the withholding or suspension of Grant Funds until the City receives and approves such reports.
- (3) Maintain files and records as required which relate to the overall administration of the DCEO grant.
- (4) Submit quarterly Financial Status Reports to the City outlining project expenses.
- (5) Allow representatives of the City or DCEO to inspect facilities used in connection with this Subrecipient Agreement or which implement programs funded under this Subrecipient Agreement.
- (6) Comply with Davis Bacon Act (40 U.S. C. 3141-3148), Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and other applicable federal requirements.
- (7) Comply with the "Buy American Preference" (BAP) imposed by the Build American, Buy American Act (BABA) enacted under Division G, Title IX of the Infrastructure Investment and Jobs Act (IIJA, Pub. L. No. 117-58) signed into law on November 15, 2021.
- (8) Comply, to the greatest extent feasible, with requirements of Section 3 of the Housing and Community Development Act of 1968. Pursuant to Section 3, the Subrecipient must award contracts for work to be performed to eligible businesses located in or owned by residents of the distribution area to ensure that employment and other economic opportunities generated by federal financial assistance for housing and community development programs shall, to the greatest extent feasible, be directed toward low- and very-low-income persons, particularly those who are recipients of government assistance for housing.
- (9) Ensure procurement policies comply with 2 CFR Part 200.

### B. City's Duties:

- (1) Review the HUD-required project eligibility.

- (2) Complete Environmental Review Record.
  - (3) Review project statement of work, budget, and procurement processes for compliance with CDBG regulations.
  - (4) Determine Davis-Bacon applicability, list labor classifications used for the project, obtain wage determination, review wage decision, ensure bid documents include labor standard provisions and appropriate wage decision and verify prime and subcontractor's eligibility.
  - (5) Provide technical assistance as requested by Subrecipient related to meeting CDBG-CV requirements.
  - (6) Evaluate the project's progress at regular meetings with Hope Village personnel.
  - (7) Monitor project implementation once per quarter to ensure compliance with Davis-Bacon Act, Section 3 reporting requirements, 2 CFR Part 200 financial management requirements, and other applicable federal requirements. Project monitoring will include: on-site interviews with all trades, review of weekly certified payroll reports, underpayments, misclassification of labor categories, and any investigations.
- C. With respect to all matters covered by this Subrecipient Agreement, the Subrecipient shall make records available for examination, audit, inspection, or copying at any time during normal business hours and as often as the City or State request. The Subrecipient shall permit excerpts or transcriptions to be made or duplicated from such records, and audits made of all invoices, materials, records of prevailing wage and other data relating to all matters covered by this Subrecipient Agreement. The City's right of inspection and audit shall obtain likewise with reference to any audits made by any other agency, whether local or State.
8. **Agreement Term.** This Subrecipient Agreement is effective on the last date signed by a party hereto and will terminate on December 31, 2026, unless otherwise cancelled or amended according to its terms.
9. **Subrecipient's representations.** The Subrecipient represents the following to the City:
- A. The Subrecipient is qualified to participate in the construction project, has the requisite expertise and experience in the provision of project management, and is willing to use Grant Funds as outlined in the grant agreement.
  - B. The Subrecipient will provide services under this Subrecipient Agreement in a competent, professional, and satisfactory manner in accordance with DCEO award number SD250153.

10. **Default.**

- A. Any breach of representation or other provision of this Subrecipient Agreement will constitute a default. A default by a Subrecipient also will consist of any of the following:
- (1) Use of Grant Funds for a purpose other than as authorized herein;
  - (2) Failure to maintain detailed financial and prevailing wage records concerning the use of the Grant Funds.
- B. A party claiming a default shall give written notice of such default to the defaulting party, which notice will describe the nature of the default and the Section of this Subrecipient Agreement, which the non-defaulting party believes was breached. The defaulting party will have fourteen (14) calendar days from the date notice was given to cure or remedy the default. During any such period following the giving of notice, the non-defaulting party may suspend performance under this Subrecipient Agreement until the defaulting party gives written assurances to the non-defaulting party, deemed reasonably adequate by the non-defaulting party, that the defaulting party will cure or remedy the default and remain in compliance with its duties under this Subrecipient Agreement.
- C. If the defaulting party is the City, and it fails to cure or remedy the default as provided herein, the non-defaulting party may exercise any right, power, or remedy granted to it pursuant to this Subrecipient Agreement or applicable law.
- D. If the defaulting party is a Subrecipient, and it fails to cure or remedy the default as provided herein, the City may take one or more of the following actions:
- (1) Direct the Subrecipient to submit progress schedules for completing approved activities;
  - (2) Direct the Subrecipient to establish and maintain a management plan that assigns responsibilities for carrying out remedial actions;
  - (3) Direct the Subrecipient to suspend, discontinue, or not incur costs for the affected activity;
  - (4) Reduce or recapture the Grant Funds authorized herein;
  - (5) Direct the Subrecipient to reimburse the City for costs inappropriately charged to the City;
  - (6) Exercise other appropriate action including, but not limited to, any remedial action legally available.
- E. A Subrecipient shall make any reimbursement required by this Section no more than thirty (30) days after the City directs such reimbursement.

11. **Indemnification.** Each Subrecipient shall indemnify and defend the City, its agents, employees, officers, and elected officials against all claims or liability whatsoever, including attorney's fees and costs, resulting from the Subrecipient's activities under this Subrecipient Agreement, except for those resulting from the willful misconduct or negligence of the City or its agents, employees, officers, or elected officials. This section will survive the termination of this Subrecipient Agreement.
12. **Third Party Beneficiaries.** This Subrecipient Agreement does not and is not intended to confer any enforceable rights or remedies upon any person other than the parties.
13. **Assignment.** The Subrecipient shall not assign, convey or otherwise transfer any of their rights, duties, or obligations under this Subrecipient Agreement, to another person or entity without the express written consent of the City and authorization of DCEO. In the event that the Subrecipient seeks to assign, convey or otherwise transfer any of its rights, duties, or obligations under this Subrecipient Agreement, the Subrecipient shall demonstrate that it will use an open, impartial, and competitive selection process in making any such assignment, conveyance, or transfer of its rights, duties, or obligations.
14. **Entire Agreement; Amendments in Writing.** This Subrecipient Agreement constitutes the entire agreement between the parties, supersedes all other agreements or understandings between them pertaining to the matter of this Subrecipient Agreement, and may not be amended except by a writing signed by all parties. All attachments to this Subrecipient Agreement are incorporated herein by this reference thereto.
15. **Dispute Resolution and Governing Law.** In the event of a dispute between the parties to this Subrecipient Agreement, the parties, before filing any court action, jointly shall select a mediator and shall make a good faith effort in such mediation to resolve their differences. The parties shall share equally in the cost of such mediation service. In the event mediation fails to resolve the dispute between the parties, any party may file and maintain an action in the Circuit Court for the Sixth Judicial Circuit, Champaign, Illinois. The laws of the State of Illinois will govern any and all actions to enforce, construe, or interpret this Subrecipient Agreement.
16. **Notices.** The parties shall give all notices required or permitted by this Subrecipient Agreement in writing, addressed as set forth below, unless another address is provided in writing. Notices will be deemed given when personally delivered; deposited in the U.S. mail, postage prepaid, first class; or delivered to a commercial courier.

TO THE CITY:

Breaden Belcher  
 Manager, Grants Division  
 400 South Vine Street  
 Urbana, IL 61801

TO HOPE VILLAGE:

Marty Smith  
 Chair, Hope Village, Inc.  
[Marty.Smith@carle.com](mailto:Marty.Smith@carle.com)



**Waiver.** Any party's failure to enforce provisions of this Subrecipient Agreement will not be deemed a waiver of future enforcement of that or any other provision. A waiver of any provision of this Subrecipient Agreement is valid only if in writing and signed by the parties.

**17. Compliance with Laws and Regulations.**

- A. The Subrecipient shall comply with all applicable federal, State, and local laws, ordinances, rules, and regulations, as amended from time to time, including without limitation the Prevailing Wage Act/.
- B. The Subrecipient shall comply with the State's required certifications, provided for in the Grant Agreement. The Subrecipients' execution of this Subrecipient Agreement will serve as their attestation that the certifications made herein are true and correct.

**18. Interpretation.** The parties shall construe this Subrecipient Agreement according to its fair meaning and not strictly for or against any party.

**19. Counterparts.** The parties may sign this Subrecipient Agreement in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Signatures delivered by email in Adobe Portable Document Format (PDF) or by facsimile will be deemed original signatures for all purposes.

The parties are signing this agreement on the dates indicated below their signatures.

CITY OF URBANA, ILLINOIS

By: \_\_\_\_\_  
Diane Wolfe Marlin, Mayor

Date: \_\_\_\_\_, 2024

Attest: \_\_\_\_\_  
Darcy E. Sandefur, City Clerk

HOPE VILLAGE, INC., URBANA, ILLINOIS

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_, 2024



**City of Urbana**  
 400 S Vine Street, Urbana, IL 61801  
[www.urbanainillinois.us](http://www.urbanainillinois.us)

## MEMORANDUM TO THE MAYOR AND CITY COUNCIL

**Meeting:** November 18, 2024 Committee of the Whole  
**Subject:** A Resolution Authorizing Acceptance of a DCEO grant (Hope Village)  
 A Resolution Approving a Subrecipient Grant Agreement with Hope Village Inc.

### Summary

#### *Action Requested*

City Council is being asked to approve the two attached resolutions. The first Resolution authorizes the City to accept a \$250,000 grant from the Department of Commerce and Economic Opportunity (DCEO) for the Hope Village Tiny Homes project. The second Resolution approves a subrecipient grant agreement between the City and Hope Village, Inc.

#### *Brief Background*

The grant is a line-item appropriation from the State of Illinois General Revenue Fund and can only be used to reimburse the City for eligible construction and procurement costs relating to the Hope Village Tiny Homes Project undertaken by Hope Village, Inc., an Illinois non-profit entity. Per the State appropriation bill, these grant funds cannot be committed to any other project. City staff will administer the grant funds on behalf of Hope Village, Inc. pursuant to the terms of the attached subrecipient agreement.

### Relationship to City Services and Priorities

#### *Impact on Core Services*

There will be no impact on core services as a result of approving the attached Resolutions.

#### *Strategic Goals & Plans*

The completion of Hope Village will further Mayor/Council Strategic Goals 2.1.A. *Coordinate with housing and social service providers to reduce homelessness*, 2.2.B. *Partner with developers to generate affordable rental and homeowner housing*, as well as the goals and strategies outlined in the [City of Urbana and Urbana HOME Consortium Consolidated Plan for FY 2020 – 2024, and Annual Action Plan for FY 2024 – 2025](#).

#### *Previous Commission Actions*

On April 24, 2023 City Council passed Resolution [2023-04-023R](#) approving and authorizing the execution of a subrecipient agreement with Carle Foundation hospital to provide \$850,000 in funding for the construction of Hope Village. On January 2, 2024, City Council passed Ordinance [2023-12-051](#) approving a preliminary/final subdivision plat for Hope Village (Plan Case 2479-S-23).

City Council is also concurrently considering accepting a separate \$1.2 million grant and subsequent grant recipient agreement at the November 18, 2024 Committee of the Whole.

## **Discussion**

### *Additional Background Information*

Activities that will be undertaken with the DCEO grant funding will include pre-construction activities such as design, A/E, as well as other direct costs associated with the construction of 30 tiny homes for medically-fragile individuals who have experienced homelessness.

This Subrecipient Agreement will take effect on the last date signed by a party. The agreement term will be two years, and will terminate on December 31, 2026, unless otherwise cancelled or amended by the City or DCEO.

### *Fiscal and Budget Impact*

There will be no fiscal impact on the City General Fund, as the funding comes from DCEO. The grant funds will reimburse a portion of the costs associated with this project.

### *Recommendation*

Staff recommends accepting the DCEO grant funds and approving the subrecipient agreement with Hope Village, Inc.

### *Next Steps*

If Council approves the Resolutions to accept the grant funds and approve the attached subrecipient agreement with Hope Village, staff will execute the subrecipient agreement, and will also enter into a grant agreement with DCEO.

## **Attachments**

- 1) A Resolution Authorizing Acceptance of a DCEO grant (Hope Village)
- 2) A Resolution Approving a Subrecipient Grant Agreement with Hope Village, Inc.
- 3) Subrecipient Grant Agreement with Hope Village Inc.

Originated by: Breaden Belcher, Grants Division Manager

Reviewed: William Kolschowsky, Senior Management Analyst/Assistant to the City  
Administrator

Approved: Carol Mitten, City Administrator

## RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION AUTHORIZING ACCEPTANCE OF A DCEO GRANT  
(Hope Village)**

**WHEREAS**, the City of Urbana (the “City”) is a home rule unit of local government pursuant to Article VII, Section 6, of the Illinois Constitution, 1970, and may exercise any power and perform any function pertaining to its government and affairs, and the passage of this Resolution constitutes an exercise of the City’s home rule powers; and

**WHEREAS**, the City has in one or more years accepted funds from the Illinois Department of Commerce and Economic Opportunity (“DCEO”) in order to fund community projects; and

**WHEREAS**, DCEO has awarded a grant (“Grant”) in the amount of \$250,000 to the City for the Hope Village Tiny Homes Project; and

**WHEREAS**, the City is willing to accept the Grant on the terms and conditions provided by DCEO.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Urbana, Illinois, as follows:

**Section 1.** That DCEO’s Grant to reimburse for construction costs is accepted by the City and that the City shall abide by the terms and conditions provided by DCEO.

**Section 2.** That the Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to undertake such additional steps as may be necessary for the City to receive the Grant and to arrange for the City’s compliance with the terms and conditions contained in the exhibit appended hereto and made a part hereof without further actions by the City Council.

PASSED by the City Council this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ .

AYES:

NAYS:

ABSTENTIONS:

\_\_\_\_\_  
Darcy E. Sandefur, City Clerk

APPROVED by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_ , \_\_\_\_\_ .

\_\_\_\_\_  
Diane Wolfe Marlin, Mayor

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION APPROVING A SUBRECIPIENT GRANT AGREEMENT  
WITH HOPE VILLAGE INC.**

**WHEREAS**, the City of Urbana (the “City”) is a home rule unit of local government pursuant to Article VII, Section 6, of the Illinois Constitution, 1970, and may exercise any power and perform any function pertaining to its government and affairs, and the passage of this Resolution constitutes an exercise of the City’s home rule powers and functions as granted in the Illinois Constitution, 1970; and

**WHEREAS**, the State of Illinois has awarded a grant (“Grant”) in the amount of \$250,000 to allow the City to act as the fiduciary agent; and

**WHEREAS**, the City is willing to accept the Grant on the terms and conditions provided by the State of Illinois as described in the exhibit appended hereto and made a part hereof.

**NOW, THEREFORE, BE IT RESOLVED** BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

**Section 1.** That an Agreement providing \$250,000 in State of Illinois DCEO funds to Hope Village Inc., so as to continue their construction project of 30 tiny homes for medically fragile individuals who are experiencing homelessness in substantially the same form of the said Agreement attached hereto and hereby incorporated by reference, be and the same is hereby authorized and approved.

**Section 2.** That the Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver and the City Clerk of the City of Urbana, Illinois, be and the same is authorized to attest to said execution of said Agreement in substantially the form appended hereto as so authorized and approved for and on behalf of the City of

Urbana, Illinois.

PASSED by the City Council this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ .

AYES:

NAYS:

ABSTENTIONS:

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Darcy E. Sandefur, City Clerk

APPROVED by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_ , \_\_\_\_\_ .

---

Diane Wolfe Marlin, Mayor



## SUBRECIPIENT AGREEMENT WITH HOPE VILLAGE INC.

**State Awarding Agency:** Illinois Department of Commerce and Economic Opportunity

### Background

This Subrecipient Agreement is made between the City of Urbana, Illinois (the "City") and Hope Village Inc. (hereinafter the "Subrecipient") for costs associated with the construction of 30 tiny homes for medically fragile individuals experiencing homelessness.

On September 24, 2024, the City received notice from the Illinois Department of Commerce and Economic Opportunity (ILDCEO) that an award of \$250,000 was appropriated to DCEO from the general revenue fund for a grant to the City of Urbana to cover a portion of the construction and pre-construction costs associated with the development of Hope Village.

NOW, THEREFORE, in consideration of the matters set forth above and below, the parties agree as follows.

**1. Definitions.** Whenever used in this Subrecipient Agreement:

- A. "City" is defined as the City of Urbana.
- B. "DCEO" is defined as the Department of Commerce and Economic Opportunity.
- C. "Grant Agreement" means the agreement between the City and DCEO executed by the City, in connection with the general fund award number SD250153.
- D. "Grant Funds" means the assistance provided under this Subrecipient Agreement.
- E. "Participating Organizations" is defined as the City of Urbana and Hope Village Inc.
- F. "State" means the State of Illinois.
- G. "Subrecipient" is defined in the Background section of this Subrecipient Agreement.

**2. Grant Award.**

- A. Subject to the terms of the Grant Agreement and this Subrecipient Agreement, the City shall provide up to **\$250,000** in Grant Funds to the Subrecipient for activities identified as the responsibility of the Subrecipient in the Grant Application. The Subrecipient agrees to use funds granted to it by the City pursuant to this Subrecipient Agreement to

undertake those activities in the Application identified as the Responsibility of the Subrecipient in the manner identified in the Application. The Subrecipient agrees that funds awarded are pursuant to this Subrecipient Agreement and shall be used for the following purposes:

Construction of Hope Village: \$ 250,000

3. **Allowable Costs – Construction/Rehabilitation Project.** Planning, architectural, engineering, material, and construction costs associated with the construction of tiny homes for medically fragile individuals who are experiencing homelessness as outlined in the grant application.
4. **Disbursement.** If and to the extent the City receives funds under the Act, the City shall reimburse the Subrecipients in accordance with the terms of this Subrecipient Agreement. Funding in the full amount of this Subrecipient Agreement is contingent upon the City receiving Grant Funds. If the Grant Funds are discontinued or reduced for any reason, the City's payments to the Subrecipients may cease or be reduced without advance notice, and the City will not be liable for any damages as a result of such discontinuance or reduction of Grant Funds.
5. **Disallowance.** A Subrecipient shall reimburse the City for any payments it receives under this Subrecipient Agreement that are disallowed under the DCEO grant award number SD250153. If the City determines that a cost for which the City has made payment is disallowed, the City shall notify the Subrecipient of the disallowance and the required course of action, which, at the City's option, will be to adjust any future claim submitted by the Subrecipient by the amount of the disallowance or to require the Subrecipient immediately to repay the disallowed amount by issuing a check payable to the City.
6. **Subrecipients' Duties.**
  - A. The Subrecipients shall:
    - (1) Maintain detailed financial records that show the eligible essential services costs;
    - (2) Submit quarterly reports to the City no later than 15 days after the end of the quarter. Failure to submit reports to the City may result in the withholding or suspension of Grant Funds until the City receives and approves such reports;
    - (3) Maintain files and records as required which relate to the overall administration of the DCEO grant; and
    - (4) Submit quarterly Financial Status Reports to the City outlining project expenses; and
    - (5) Allow representatives of the City or DCEO to inspect facilities used in connection with this Subrecipient Agreement or which implement programs funded under this Subrecipient Agreement.

- B. With respect to all matters covered by this Subrecipient Agreement, the Subrecipients shall make records available for examination, audit, inspection, or copying at any time during normal business hours and as often as the City or State request. The Subrecipients shall permit excerpts or transcriptions to be made or duplicated from such records, and audits made of all invoices, materials, records of prevailing wage and other data relating to all matters covered by this Subrecipient Agreement. The City's right of inspection and audit shall obtain likewise with reference to any audits made by any other agency, whether local or State.
7. **Agreement Term.** This Subrecipient Agreement is effective on the last date signed by a party hereto and will terminate on June 30, 2025, unless otherwise cancelled or amended according to its terms.
8. **Subrecipients' representations.** Each Subrecipient represents the following to the City:
- A. The Subrecipient is qualified to participate in the rehabilitation project, has the requisite expertise and experience in the provision of project management, and is willing to use Grant Funds as outlined in the grant agreement.
- B. The Subrecipient will provide services under this Subrecipient Agreement in a competent, professional, and satisfactory manner in accordance with DCEO award number SD250153.
9. **Default.**
- A. Any breach of representation or other provision of this Subrecipient Agreement will constitute a default. A default by a Subrecipient also will consist of any of the following:
- (1) Use of Grant Funds for a purpose other than as authorized herein;
  - (2) Failure to maintain detailed financial and prevailing wage records concerning the use of the Grant Funds.
- B. A party claiming a default shall give written notice of such default to the defaulting party, which notice will describe the nature of the default and the Section of this Subrecipient Agreement, which the non-defaulting party believes was breached. The defaulting party will have fourteen (14) calendar days from the date notice was given to cure or remedy the default. During any such period following the giving of notice, the non-defaulting party may suspend performance under this Subrecipient Agreement until the defaulting party gives written assurances to the non-defaulting party, deemed reasonably adequate by the non-defaulting party, that the defaulting party will cure or remedy the default and remain in compliance with its duties under this Subrecipient Agreement.

- C. If the defaulting party is the City, and it fails to cure or remedy the default as provided herein, the non-defaulting party may exercise any right, power, or remedy granted to it pursuant to this Subrecipient Agreement or applicable law.
  - D. If the defaulting party is a Subrecipient, and it fails to cure or remedy the default as provided herein, the City may take one or more of the following actions:
    - (1) Direct the Subrecipient to submit progress schedules for completing approved activities;
    - (2) Direct the Subrecipient to establish and maintain a management plan that assigns responsibilities for carrying out remedial actions;
    - (3) Direct the Subrecipient to suspend, discontinue, or not incur costs for the affected activity;
    - (4) Reduce or recapture the Grant Funds authorized herein;
    - (5) Direct the Subrecipient to reimburse the City for costs inappropriately charged to the City;
    - (6) Exercise other appropriate action including, but not limited to, any remedial action legally available.
  - E. A Subrecipient shall make any reimbursement required by this Section no more than thirty (30) days after the City directs such reimbursement.
10. **Indemnification.** Each Subrecipient shall indemnify and defend the City, its agents, employees, officers, and elected officials against all claims or liability whatsoever, including attorney's fees and costs, resulting from the Subrecipient's activities under this Subrecipient Agreement, except for those resulting from the willful misconduct or negligence of the City or its agents, employees, officers, or elected officials. This section will survive the termination of this Subrecipient Agreement.
11. **Third Party Beneficiaries.** This Subrecipient Agreement does not and is not intended to confer any enforceable rights or remedies upon any person other than the parties.
12. **Assignment.** The Subrecipients shall not assign, convey or otherwise transfer any of their rights, duties, or obligations under this Subrecipient Agreement, to another person or entity without the express written consent of the City and authorization of DCEO. In the event that any Subrecipient seeks to assign, convey or otherwise transfer any of its rights, duties, or obligations under this Subrecipient Agreement, the Subrecipient shall demonstrate that it will use an open, impartial, and competitive selection process in making any such assignment, conveyance, or transfer of its rights, duties, or obligations.

13. **Entire Agreement; Amendments in Writing.** This Subrecipient Agreement constitutes the entire agreement between the parties, supersedes all other agreements or understandings between them pertaining to the matter of this Subrecipient Agreement, and may not be amended except by a writing signed by all parties. All attachments to this Subrecipient Agreement are incorporated herein by this reference thereto.
14. **Dispute Resolution and Governing Law.** In the event of a dispute between the parties to this Subrecipient Agreement, the parties, before filing any court action, jointly shall select a mediator and shall make a good faith effort in such mediation to resolve their differences. The parties shall share equally in the cost of such mediation service. In the event mediation fails to resolve the dispute between the parties, any party may file and maintain an action in the Circuit Court for the Sixth Judicial Circuit, Champaign, Illinois. The laws of the State of Illinois will govern any and all actions to enforce, construe, or interpret this Subrecipient Agreement.
15. **Notices.** The parties shall give all notices required or permitted by this Subrecipient Agreement in writing, addressed as set forth below, unless another address is provided in writing. Notices will be deemed given when personally delivered; deposited in the U.S. mail, postage prepaid, first class; or delivered to a commercial courier.

TO THE CITY:

Breaden Belcher  
Manager, Grants Division  
400 South Vine Street  
Urbana, IL 61801

TO HOPE VILLAGE:

Claudia Lennhoff  
Executive Director  
Champaign County Health Care Consumers  
44 E. Main Street - Suite 208  
Champaign, IL 61820

**Waiver.** Any party's failure to enforce provisions of this Subrecipient Agreement will not be deemed a waiver of future enforcement of that or any other provision. A waiver of any provision of this Subrecipient Agreement is valid only if in writing and signed by the parties.

16. **Compliance with Laws and Regulations.**

- A. The Subrecipients shall comply with all applicable federal, State, and local laws, ordinances, rules, and regulations, as amended from time to time, including without limitation the Prevailing Wage Act/.

- B. The Subrecipients shall comply with the State's required certifications, provided for in the Grant Agreement. The Subrecipients' execution of this Subrecipient Agreement will serve as their attestation that the certifications made herein are true and correct.

17. **Interpretation.** The parties shall construe this Subrecipient Agreement according to its fair meaning and not strictly for or against any party.

18. **Counterparts.** The parties may sign this Subrecipient Agreement in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Signatures delivered by email in Adobe Portable Document Format (PDF) or by facsimile will be deemed original signatures for all purposes.

The parties are signing this agreement on the dates indicated below their signatures.

CITY OF URBANA, ILLINOIS

By: \_\_\_\_\_  
Diane Wolfe Marlin, Mayor

Date: \_\_\_\_\_, 2024

Attest: \_\_\_\_\_  
Darcy E. Sandefur, City Clerk

HOPE VILLAGE INC., URBANA, ILLINOIS

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_, 2024



**City of Urbana**  
 400 S Vine Street, Urbana, IL 61801  
[www.urbanailinois.us](http://www.urbanailinois.us)

## MEMORANDUM TO THE MAYOR AND CITY COUNCIL

**Meeting:** November 18, 2024 Committee of the Whole  
**Subject:** A Resolution Authorizing Acceptance of a DCEO Grant  
 (Urbana Pilot Fleet Electrification Project)

### Summary

#### *Action Requested*

City Council is being asked to approve the attached Resolution. The Resolution authorizes the City to accept a \$250,000 grant from the Illinois Department of Commerce and Economic Opportunity (DCEO) for the Pilot Fleet Electrification Project to be undertaken by Public Works.

#### *Brief Background*

This grant is a line-item appropriation from the State of Illinois General Revenue Fund and can only be used to reimburse the City for eligible construction and procurement costs relating to the Pilot Fleet Electrification Project to be undertaken by the Public Works Department. Per the State appropriation bill, these grant funds cannot be committed to any other project. Grants Division staff will oversee the management of the grant funds, as outlined in the attached Memorandum of Understanding (MOU) between the Community Development Services Department and Public Works.

### Relationship to City Services and Priorities

#### *Impact on Core Services*

There will be no impact on core services as a result of approving the attached Resolution.

#### *Strategic Goals & Plans*

This project will further Mayor/Council Strategic Goals for infrastructure including strategies 3.1 *Improve quality of infrastructure assets* and 3.3 *Expand sustainable infrastructure within the community*.

#### *Previous Council Actions*

Council has previously accepted grants from DCEO to support infrastructure improvement projects in Urbana including [Resolution 2022-03-026R](#) for the Nevada Street Lighting Project and [Resolution 2023-10-081R](#) for the Vine and Washington Resurfacing Project.

## Discussion

### *Additional Background Information*

If the grant funds are accepted, an MOU will be entered into between Community Development Services and Public Works. This MOU will outline the responsibilities of each party in managing and expending the grant funds. The draft MOU is enclosed with this packet.

### *Fiscal and Budget Impact*

There will be no fiscal impact on the City General Fund, as the funding comes from DCEO. The grant funds will reimburse a portion of the costs associated with this project.

### *Recommendation*

Staff recommend accepting the DCEO grant funds.

### *Next Steps*

If Council approves the Resolution to accept the grant funds, staff will finalize and execute the enclosed MOU with Public Works, and will also enter into a grant agreement with DCEO.

## Attachment

A Resolution Authorizing Acceptance of a DCEO Grant (Urbana Pilot Fleet Electrification Project)

Originated by: Breaden Belcher, Grants Division Manager

Reviewed: Tim Cowan, Public Works Director

William Kolschowsky, Senior Management Analyst / Assistant to the City Administrator

Approved: Carol Mitten, City Administrator



**RESOLUTION NO. 2024-XX-XXXX****A RESOLUTION AUTHORIZING ACCEPTANCE OF  
A DCEO GRANT  
(Urbana Pilot Fleet Electrification Project)**

**WHEREAS**, the City of Urbana (the “City”) is a home rule unit of local government pursuant to Article VII, Section 6, of the Illinois Constitution, 1970, and may exercise any power and perform any function pertaining to its government and affairs, and the passage of this Resolution constitutes an exercise of the City’s home rule powers; and

**WHEREAS**, the Department of Commerce and Economic Opportunity (DCEO) has awarded a grant (“Grant”) in the amount of \$250,000 to reimburse the City for the Pilot Fleet Electrification Project undertaken by the Public Works Department; and

**WHEREAS**, the City is willing to accept the Grant on the terms and conditions provided by DCEO as described in the exhibit appended hereto and made a part hereof.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Urbana, Illinois, as follows:

Section 1. That DCEO’s Grant to reimburse for the Pilot Fleet Electrification Project shall be and hereby is accepted by the City and that the City shall abide by the terms and conditions provided in the exhibit attached hereto and made a part hereof.

Section 2. That the Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to undertake such additional steps as may be necessary for the City to receive the Grant and to arrange for the City’s compliance with the terms and conditions contained in the exhibit appended hereto and made a part hereof without further actions by the City Council.

**PASSED BY THE CITY COUNCIL** this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

AYES:

NAYS:

ABSTAINED:

\_\_\_\_\_  
Darcy E. Sandefur, City Clerk

**APPROVED BY THE MAYOR** this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Diane Wolfe Marlin, Mayor

**MEMORANDUM OF UNDERSTANDING (MOU)  
BETWEEN**

**CITY OF URBANA  
Community Development Services Department**

**AND**

**CITY OF URBANA  
Public Works Department**

**1. Purpose**

This MOU is entered into between the City of Urbana Community Development Services Department (CDS) and the City of Urbana Public Works Department (PW) for the Urbana Pilot Fleet Electrification Project. This MOU covers grant funding from the Illinois Department of Commerce and Economic Opportunity (DCEO) in the amount of **\$250,000**. The MOU will take effect on the last date signed by a party and will terminate when the funds are expended, or June 30, 2025, whichever comes first.

**2. Responsibilities**

Public Works will:

- a) Implement the Urbana Pilot Fleet Electrification Project as outlined in the MOU and in the attached statement of work (Exhibit A);
- b) Ensure that all purchasing and bidding activities undertaken are in compliance with the City of Urbana's procurement policy;
- c) Assure that DCEO costs will not exceed **\$250,000** and that project costs are reasonable and consistent with local and federal policies and regulations. Expenses will be substantiated through quarterly reports in accordance with Exhibit B;
- d) Submit proper invoices provided that services and work performed have been satisfactory, and that any and all project documentation has been submitted to the Community Development Services Department to ensure reimbursement of DCEO eligible project costs.

Community Development Services will:

- a) Review project statement of work, budget, and procurement processes for compliance with State of Illinois regulations;
- b) Monitor project implementation once per quarter to ensure compliance with

reporting requirements, 2 CFR Part 200 financial management requirements, and other applicable state and federal requirements;

- c) Submit quarterly Periodic Performance Report (PPR) and Period Fiscal Report (PFR) to the State of Illinois DCEO for review and approval.

### 3. **Monitoring and Reporting**

The Public Works Department shall submit throughout the term of this MOU:

- a) Documentation of any public hearings or notifications regarding the project;
- b) Documentation of the procurement process, including the selection of the contractor and bidding documents for construction;
- c) Original copies of the legal agreements with the contractor;
- d) Invoices on a monthly basis to be approved through MUNIS workflow.

### 4. **Project Completion and Closeout**

Upon project completion, Public Works shall submit all grant close-out documents, including but not limited to requests for final payments/retainage and release of liens from contractors, within forty-five (45) days after the end of the term of this MOU. The failure of Public Works Department to provide a full accounting of all funds expended, including program income, under this MOU within ninety (90) days shall be sufficient reason for CDS to deny or terminate any future agreements with Public Works Department.

This MOU and all records above and otherwise pertaining to such MOU shall be maintained by both Public Works Department and CDS for a period of **five (5) years** after project completion final payment is made and all other pending matters are finalized.

Public Works Department shall furnish all records with respect to any matters covered by this MOU for inspection by CDS, or DCEO officials at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data.

If Public Works fails to submit, in a timely and satisfactory manner, any report or response required by this MOU, including responses to monitoring reports, CDS may withhold payments otherwise due to Public Works. If CDS withholds such payments, it shall notify Public Works in writing of its decision and the reasons therefore. Payments may be withheld by CDS until such time as the delinquent obligations for which funds are withheld are fulfilled by Public Works. If the delinquent report or response is not received within forty-five (45) days of its due date, CDS may suspend or terminate this MOU.

1. Reprogramming and Reversion of Assets – Public Works shall refund to CDS any sum of money that has been paid to Public Works by CDS that CDS determines has resulted in an overpayment, or which CDS determines has not been spent strictly in accordance with the terms of this MOU and/or DCEO requirements. Such refund shall be made by Public Works within fifteen (15) days after request by CDS.

Within ninety (90) days after expiration of this MOU, Public Works shall transfer to CDS any grant funds allocated by the City of Urbana for this program which have not been invoiced by Public Works within sixty (60) calendar days after the ending date of this MOU and any accounts receivable attributable to the use of DCEO funds. Such funds shall revert to the DCEO Program to be allocated for other activities.

2. Non-Performance and Termination - In accordance with 2 CFR 200.338, CDS may suspend or terminate this MOU by notice in writing to Public Works if Public Works materially fails to comply with any term of the award. Additionally, this MOU may be terminated in whole or in part for convenience by either Public Works or CDS in accordance with 2 CFR Part 200.339 by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated.
3. Amendments – Public Works may request minor budget revisions to this MOU at any time prior to the last quarter of the term of the agreement provided that such amendments do not result in an increase the amount of DCEO funds. CDS may, in its discretion, amend this MOU to conform with federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this MOU, such modifications will be incorporated only by written amendment signed by both CDS and Public Works.
4. Conformance with Federal Regulations – Public Works shall comply with all applicable federal, state, and local laws. In addition, Public Works agrees to comply with applicable provisions of Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (also known as the Super Circular) codified at 2 CFR, Part 200.

These principles shall be applied for all costs incurred whether charged on a direct or indirect basis. Public Works further agrees that no funds provided, nor personnel employed under this agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V, United States Code.

## 2. **Timeframe for Memorandum of Understanding**

This MOU will be in effect from November 25, 2024 through June 30, 2026 or until project close out.

**3. Authorized Signatures and Department Contacts**

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<b>Tim Cowan, Public Works Director</b>	<b>Date</b>
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<b>Carol Mitten, Interim Community Development Services Director</b>	<b>Date</b>
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DRAFT

**EXHIBIT A****STATEMENT OF WORK**

The scope of work includes construction/renovation activities as well as purchase of new equipment. Construction/renovation activities include building out infrastructure including conduit, wiring, charging pedestals/ports, and basic restoration to accommodate additional future electric vehicle (EV) fleet conversions. The funds used for equipment will cover the unbudgeted difference in vehicle replacements to go to electric from gas vehicles. Funds secured for this project will also include replacing four (4) gas-powered Public Works vehicles at the end of their useful life with EVs at an estimated rate of an extra \$10,000 per vehicle.

The construction/renovation activities will include electrical network expansion to accommodate EV charging onsite at the City's Public Works facility for advancing conversion from gas-powered vehicles to EVs.

Equipment purchase expenses are planned to be used for the purchase cost difference between gas-powered vehicles (which the City has already budgeted for) and EVs for up to four (4) vehicles that are due for replacement and have been identified by the City as suitable for conversion to EV. Make and model of vehicles have not yet been determined. Public Works fleet vehicles are used for a variety of purposes on a daily basis, including responding to resident and business requests and complaints, tree removal or trimming services, as well as other projects that benefit Urbana residents.

## **EXHIBIT B**

### **Quarterly Reporting Schedule**

Quarterly expense reports shall be due on the 15<sup>th</sup> day of the month following the end of each quarter. Start and end dates of each quarter are as follows:

Quarter 1: July 1—September 30

Quarter 2: October 1—December 31

Quarter 3: January 1—March 31

Quarter 4: April 1—June 30

DRAFT





City of Urbana  
400 S. Vine Street, Urbana, IL 61801  
[www.urbanailinois.us](http://www.urbanailinois.us)

## MEMORANDUM TO THE MAYOR AND CITY COUNCIL

**Meeting:** November 18, 2024 Committee of the Whole

**Subject:** FY2025 Budget Amendment #2 - Omnibus

### Summary

#### *Action Requested*

Forward the budget amendment authorizing these adjustments for approval at the November 25, 2024 City Council meeting. This budget amendment requires six affirmative votes, including the Mayor, in order to pass.

#### *Brief Background*

This Ordinance seeks Council action to amend the FY2025 Annual Budget. Changes include providing additional funding for the City's recycling programs, reallocating some funds for the Community Engagement Team Pilot Program, allocating grant funds for Hope Village, and funding for a study on fire protection services in the campus area. Specific adjustments are described below.

### Relationship to City Services and Priorities

#### *Impact on Core Services*

The requested items are intended to allow City staff to better serve Urbana residents.

#### *Strategic Goals & Plans*

The proposed changes to the Community Engagement Team (CET) and fire protection consultation services directly support the Mayor and Council's goal of enhancing public safety and well-being, as outlined in **Strategic Area #1: Public Safety and Well-being**.

The changes related to the state and federal grant for Hope Village Tiny Homes align with the Mayor and Council's goal of fostering housing security and equity while improving housing quality, identified in **Strategic Area #2: Housing**.

Additionally, proposed changes to capital projects and the Pilot Fleet Electrification Grant align with the Mayor and Council's objectives to improve the quality of current infrastructure assets and advance sustainability and climate resiliency on City-owned property and facilities, under **Strategic Area #3: Infrastructure**.

#### *Previous Council Actions*

The City Council approved the City's FY2025 Annual Budget on June 24, 2024 and Budget Amendment #1 on September 30, 2024.

## Discussion

### *Additional Background Information*

In the FY2025 Budget, the City Council allocated funding for a 3-year pilot program to establish a Community Engagement Team (CET) in the Philo Road area. A suitable location has been identified, and lease negotiations are underway. Funding for the lease was incorrectly included in the HR budget and will be moved to the Police budget. Expenses for equipment were budgeted as a transfer to the Vehicle and Equipment Replacement Fund (VERF), but should have been included as expenditures in the Police Department budget. These changes are corrections to the budget entries and do not affect the budget for this program.

An additional \$56,100 is requested in the Executive Department to support fire protection consultation services under an existing Intergovernmental Agreement involving the University of Illinois and the City of Champaign. As the lead agency, Urbana will equally share costs with the other entities. This funding includes \$51,000 for the proposal and a 10% contingency for potential scope expansions, with approximately \$34,000 to be reimbursed. Assigning this to the Executive Department, rather than the Fire Department, is recommended to account for the intergovernmental nature of the project and to manage any associated ancillary costs effectively.

Due to timing issues, funds for two items in the Capital Improvement Fund City Facility Improvements Project – Security Access Control and Fire Station 1 Sprinkler Installation – were not encumbered before the end of last fiscal year. These projects will be rebudgeted so they can be completed in FY2025. A \$250,000 state grant will fund the Public Works EV Pilot Conversion Program, including \$210,000 for EV charging infrastructure, which is reflected in the Capital Improvement Fund. The remaining \$40,000 to replace up to four gas-powered vehicles with EVs is included in the VERF.

The City anticipates a revenue shortfall of approximately \$200,000 in the Local Motor Fuel Tax Fund compared to projections in the CIP, related to the planned phased increases in the tax. Despite this adjustment, the City intends to proceed with the allocated spending plan, as all planned projects remain priorities for completion this fiscal year. The reduced revenue will result in an end-of-year fund balance approximately \$200,000 lower than originally projected.

Two items in the VERF that were not purchased in FY2024 will be deferred to FY2025. Additionally, discrepancies between the VERF budget and the internal project accounting system budget have been identified. This budget amendment aims to address these discrepancies, ensuring proper accounting and allocation of funds. Also, in this fund, the remaining \$40,000 from the Public Works EV Pilot Conversion Program, which is for replacement of gas-powered vehicles with EVs, is reflected in both revenues and expenses.

In the Home Recycling Fund, an expense adjustment of \$300,000 is needed to address the transition to a new contractor while maintaining weekly service from April through the end of FY2025, following the current contractor's completion of their curbside contract in March. The lowest bid

for the new contract is considerably higher than the previous contract. If Council wishes to consider bi-weekly collection as an alternative, this could be reduced to \$200,000. This adjustment will lower the fund balance in FY2025, and staff will discuss revenue options to support this program in a separate agenda item.

In the CD Grants Fund, the City has received \$250,000 in a state grant and a \$1,200,000 federal grant to support key initiatives. The \$250,000 state grant, combined with the \$1,200,000 federal CDBG-CV grant, will support the Hope Village project.

#### *Operations Impact*

Adjustments to the Home Recycling Fund will maintain weekly recycling services during the transition to a new contractor, ensuring uninterrupted operations and program consistency. Amending the budget will allow staff to start working on the Security Access Control and Fire Station 1 Sprinkler Installation projects, advancing critical facility upgrades that enhance operational readiness and security. It will also support the launch of the Urbana Fleet Electrification Program.

#### *Fiscal and Budget Impact*

The new estimated ending fund balance in the General Operating Fund, not including amounts reserved for future expenditures, would be reduced by \$22,100 to \$11,831,544, which is 26.34% of recurring expenditures. This leaves \$600,535 available above the 25% fund balance policy limit. This does not include \$5,016,294 reserved for planned transfers for capital improvements in future years and funding for the second and third years of the Community Engagement Team pilot program. None of the new General Fund expenditures are recurring, so there is no impact on funds available for new, recurring expenses. This will be reevaluated in the Financial Forecast, which will be provided to Council within the next few months.

#### *Community Impact*

All of these requests are designed to better serve Urbana residents either directly or indirectly.

#### *Recommendation*

Forward the budget amendment authorizing these adjustments to the FY2025 budget with a recommendation for approval at the November 25, 2024 City Council meeting.

#### *Next Steps*

If the proposed adjustments mentioned above are approved, the revisions included in the exhibit will be made to the FY2025 Annual Budget.

#### **Attachments**

1. An Ordinance Revising the Annual Budget Ordinance

Originated: Don Ho, Senior Financial Analyst / Budget Coordinator  
 Reviewed: Elizabeth Hannan, HR & Finance Director / CFO  
 Approved: Carol Mitten, City Administrator

**ORDINANCE NO. \_\_\_\_\_****AN ORDINANCE REVISING THE ANNUAL BUDGET ORDINANCE****(Budget Amendment #2 –Omnibus)**

**WHEREAS**, the City of Urbana (“City”) is a home rule unit of local government pursuant to Article VII, Section 6, of the Illinois Constitution of 1970, and may exercise any power and perform any function pertaining to its governmental business and affairs, and the passage of this Ordinance constitutes an exercise of the City’s home rule powers and functions as granted by the Illinois Constitution of 1970; and

**WHEREAS**, the corporate authorities of the City heretofore did approve the annual budget ordinance of and for the City of Urbana for the fiscal year beginning July 1, 2024 and ending June 30, 2025; and

**WHEREAS**, the said corporate authorities find that revising the annual budget ordinance by deleting, adding to, changing, or creating sub-classes within object classes and object classes themselves is in the best interests of the residents of the City and is desirable for the welfare of the City’s government and affairs; and

**WHEREAS**, funds are available to effectuate the purpose of such revision; and

**WHEREAS**, the Budget Director may not make such revision under the authority so delegated to the Budget Director pursuant to 65 ILCS 5/8-2-9.6 or Urbana City Code Section 2-133.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL AND THE MAYOR, BEING THE CORPORATE AUTHORITIES OF THE CITY OF URBANA, ILLINOIS**, as follows:

**Section 1.**

The annual budget ordinance shall be and the same is hereby revised as set forth in the exhibit appended hereto and made a part hereof as is fully set forth herein.

**Section 2.**

This Ordinance shall be in full force and effect from and after its passage and publication in accordance with Section 1-2-4 of the Illinois Municipal Code (65 ILCS 5/1-2-4).

This Ordinance is hereby passed by the affirmative vote, the “ayes” and “nays” being called, of two-thirds of the corporate authorities then holding office (6 of 8 votes) of the City of Urbana, Illinois, at a duly noticed and convened meeting of the said corporate authorities.

**PASSED BY THE CORPORATE AUTHORITIES** this \_\_ Day of \_\_\_\_\_, 20\_\_.

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSTENTIONS: \_\_\_\_\_

\_\_\_\_\_  
Darcy E. Sandefur, City Clerk

**APPROVED BY THE MAYOR** this \_\_ Day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Diane Wolfe Marlin, Mayor

## Budget Amendment 2024/25 - 02 - Exhibit A

General Ledger Code	Project String	Description	Current Budget	Revised Budget	Difference	Reason
<b>GENERAL OPERATING FUND (100)</b>						
<u>Revenues</u>						
100-41699		GENERAL FUND: OTHER INTERGOV PAYMENTS	13,400	47,400	34,000	FIRE CONSULTATION SERVICES - INTERGOV. AGREEMENT
<b>Total Revenues</b>			<b>47,231,812</b>	<b>47,265,812</b>	<b>34,000</b>	
<u>Expenditures</u>						
10010101-52999		MAYOR/CITY ADMIN: OTHER CONTRACTUAL SERVICES	59,606	115,706	56,100	FIRE CONSULTATION SERVICES - INTERGOV. AGREEMENT
10015155-52930		HUMAN RESOURCES: OFFICE LEASING	120,000	90,000	(30,000)	COMMUNITY ENGAGEMENT TEAM BUDGET ENTRY CORRECTION
10020201-51900		POLICE PATROL: OTHER SUPPLIES	21,523	66,523	45,000	COMMUNITY ENGAGEMENT TEAM BUDGET ENTRY CORRECTION
10020201-52930		POLICE PATROL: OFFICE LEASING	-	30,000	30,000	COMMUNITY ENGAGEMENT TEAM BUDGET ENTRY CORRECTION
10020201-59300		POLICE PATROL: TFR TO VERF FUND	299,570	254,570	(45,000)	COMMUNITY ENGAGEMENT TEAM BUDGET ENTRY CORRECTION
<b>Total Expenditures</b>			<b>57,017,069</b>	<b>57,073,169</b>	<b>56,100</b>	
<b>Ending Fund Balance (estimated)</b>			<b>16,914,938</b>	<b>16,892,838</b>	<b>(22,100)</b>	
<b>CAPITAL REPLACEMENT &amp; IMPROV FUND (200)</b>						
<u>Revenues</u>						
200-41160	50310-DCEO-CIP	CIP: OTHER STATE GRANTS	-	210,000	210,000	URBANA PILOT FLEET ELECTRICIFICATION GRANT
<b>Total Revenues</b>			<b>17,469,619</b>	<b>17,679,619</b>	<b>210,000</b>	
<u>Expenditures</u>						
20040470-52204	50310-GRANT-CIP	CIP: INFRASTRUCTURE MAINT	188,120	398,120	210,000	URBANA PILOT FLEET ELECTRICIFICATION GRANT
20040470-53200-40800	40800-CONST-REHAB	CITY FACILITY IMPROVEMENTS: BUILDING	4,170,075	4,311,075	141,000	REBUDGET - SECURITY ACCESS CONTROL
20040470-53200-40800	40800-CONST-SECURITY	CITY FACILITY IMPROVEMENTS: BUILDING	4,311,075	4,448,075	137,000	REBUDGET - STATION 1 SPRINKLER SYSTEM
<b>Total Expenditures</b>			<b>22,683,980</b>	<b>23,171,980</b>	<b>488,000</b>	
<b>Ending Fund Balance (estimated)</b>			<b>666,502</b>	<b>666,502</b>	<b>-</b>	
<b>LOCAL MOTOR FUEL TAX FUND (202)</b>						
<u>Revenues</u>						
202-40204		LMFT: LOCAL MOTOR FUEL TAX	1,002,698	802,698	(200,000)	LMFT - REDUCED REVENUE
<b>Total Revenue</b>			<b>1,159,698</b>	<b>959,698</b>	<b>(200,000)</b>	
<b>Ending Fund Balance (estimated)</b>			<b>3,248,308</b>	<b>3,048,308</b>	<b>(200,000)</b>	
<b>VEHICLE &amp; EQUIPM REPLCMNT FUND (300)</b>						
<u>Revenues</u>						
300-41160	50310-DCEO-VERF	VERF: OTHER STATE GRANTS	-	40,000	40,000	URBANA PILOT FLEET ELECTRICIFICATION
300-46100		VERF: SALE OF PROPERTY	-	30,000	30,000	VERF CORRECTIONS
300-49100		VERF: TFR FROM GENERAL FUND	4,055,687	4,010,687	(45,000)	COMMUNITY ENGAGEMENT TEAM BUDGET ENTRY CORRECTION
<b>Total Revenues</b>			<b>4,477,046</b>	<b>4,502,046</b>	<b>25,000</b>	
<u>Expenditures</u>						
30060600-53410		VERF: MACHINERY	608,030	1,230,057	622,027	VERF RECONCILIATION
30060600-53420		VERF: VEHICLES	1,510,753	1,249,405	(261,348)	VERF RECONCILIATION
30060600-53420		VERF: VEHICLES	1,249,405	1,289,405	40,000	URBANA PILOT FLEET ELECTRICIFICATION
30060600-53420	VERF-PW-048	VERF: VEHICLES	1,289,405	1,293,205	3,800	REBUDGET - PW70 & VERF RECONCILIATION
30060600-53440		VERF: OTHER EQUIPMENT	459,842	640,636	180,795	VERF RECONCILIATION
30060600-53440	VERF-PD-123	VERF: OTHER EQUIPMENT	640,636	661,636	21,000	REBUDGET - MOBILE DIGITAL COMPUTERS & DOCKS
30060600-54100		VERF: PRINCIPAL	19,321	21,790	2,469	VERF RECONCILIATION
<b>Total Expenditures</b>			<b>2,604,583</b>	<b>3,213,326</b>	<b>608,743</b>	
<b>Ending Fund Balance (estimated)</b>			<b>7,842,447</b>	<b>7,253,504</b>	<b>(588,943)</b>	
<b>HOME RECYCLING FUND (302)</b>						
<u>Expenses</u>						
30240452-52104		RECYCLING: DISPOSAL & RECYCLING SERVICES	460,403	760,403	300,000	UCYCLE - INCREASE IN CONTRACTUAL SERVICES
<b>Total Expenses</b>			<b>818,554</b>	<b>1,118,554</b>	<b>300,000</b>	
<b>Ending Fund Balance (estimated)</b>			<b>462,987</b>	<b>162,987</b>	<b>(300,000)</b>	
<b>COMMUNITY DEV GRANTS FUND (331)</b>						
<u>Revenues</u>						
33150537-41160	50311-DCEO-GRANT	DCEO GRANT: OTHER STATE GRANTS	3,500,000	3,750,000	250,000	STATE GRANT: HOPE VILLAGE
33150531-46900	50202-FED-GRANT	CDBG: OTHER MISCELLANEOUS REVENUES	290,000	1,490,000	1,200,000	CDBG-CV GRANT: HOPE VILLAGE
<b>Total Revenues</b>			<b>10,522,328</b>	<b>11,972,328</b>	<b>1,450,000</b>	
<u>Expenditures</u>						
33150537-52800	50311-GRANT-HOPE	DCEO GRANT: GRANT MISC CONTRACTUAL SERVICE	992,493	1,242,493	250,000	STATE GRANT: HOPE VILLAGE
33150531-52800	50202-GRANT-HOPE	CDBG: GRANT MISC CONTRACTUAL SERVICE	362,708	1,562,708	1,200,000	CDBG-CV GRANT: HOPE VILLAGE
<b>Total Expenditures</b>			<b>8,788,062</b>	<b>10,238,062</b>	<b>1,450,000</b>	
<b>Ending Fund Balance (estimated)</b>			<b>(452,964)</b>	<b>(452,964)</b>	<b>-</b>	



**City of Urbana**  
 400 S. Vine Street, Urbana, IL 61801  
[www.urbanailinois.us](http://www.urbanailinois.us)

## MEMORANDUM TO THE MAYOR AND CITY COUNCIL

**Meeting:** November 25, 2024 City Council Meeting  
**Subject:** A Resolution Approving Matching Funds for the Illinois Grocery Initiative  
 (Heartstrong Meals, LLC)

### Summary

#### *Action Requested*

City Council has requested a Resolution for consideration to provide up to \$800,000 of matching funds as part of an application by Heartstrong Meals, LLC to the Illinois Department of Commerce and Economic Opportunity (DCEO) Notice of Funding Opportunity (NOFO) concerning new grocery stores in food deserts. The Resolution also commits the City to make available its property located 1407 North Lincoln Avenue for the project.

#### *Brief Background*

Angela Bradley, of Heartstrong Meals, LLC, intends to apply for the Illinois Grocery Initiative grant to construct a new, full-service grocery store of approximately 10,000 square feet in Urbana Ward 3.

Ms. Bradley presented a request for matching funds for this grant at the November 12 Committee of the Whole. A budget amendment was proposed by Councilmember Evans at the November 18 City Council meeting. The budget amendment was withdrawn in favor of a Resolution of support. With Council direction, staff prepared the attached draft Resolution for Council consideration.

### Relationship to City Services and Priorities

#### *Impact on Core Services*

N/A

#### *Strategic Goals & Plans*

Strategy 4.3.A. of the Mayor/Council Strategic Goals is *Create an incentive package and recruit a grocery store in NW Urbana.*

#### *Previous Council Actions*

N/A

## Discussion

### *Additional Background Information*

On October 3, 2024, DCEO issued [NOFO 3295-2911](#) to improve access to fresh food within food deserts by providing incentives to establish new grocery stores. Awards are expected to range from \$150,000 to \$2,400,000 and require a 25%, or 1:3, funding match from non-state sources.

Applications in response to the NOFO are due by December 2, 2024.

At the time of the funding request, Heartstrong did not have control of a suitable site in Northwest Urbana. Given the timeline of the new Fire Station 3 construction completion, the City anticipates being able to also contribute the site for this project. The City would demolish the old fire station.

Whenever the City provides financial support for economic development projects, either through grants or other financial means, the City enters into a funding agreement with the developer. As indicated in the draft Resolution, this agreement will be negotiated later given the time constraints. Some important parameters of the future funding agreement are outlined in the draft Resolution and would include:

- The City's match is contingent on Heartstrong being named as an awardee of the DCEO grant by June 30, 2025.
- The match will be an amount up to \$800,000, depending on the grant award amount.
- The City will offer its properties at 1407 North Lincoln Avenue (PINs 91-21-07-226-009 and -021) for lease at a nominal rate for the development of the full-service grocery store.
- The City intends to request authorization from the Council to waive the building permit and other construction-related fees for this project.
- Heartstrong will be required to hire a general contractor acceptable to the City to manage the construction of the full-service grocery store.

### *Fiscal and Budget Impact*

Passage of this Resolution would obligate the City to provide up to \$800,000 for the project. Funding for this project may potentially come from a variety of sources including: CBDG funds, ARPA funds, the General Fund, and/or the investment income earned off the ARPA funds. At the November 18 City Council meeting, Council indicated a desire to further consider the funding source before a final determination. Regarding alternative funding sources, briefly:

- Use of CDBG funds would require identification of economic development as an approved activity in the relevant Annual Action Plan.
- Use of General Fund reserves for the full amount of the match would violate the City's financial policies regarding minimum fund balance.
- Reallocated ARPA funds could be used in lieu of the other uses discussed during the October 14, 2024 City Council Meeting.



- ARPA investment income is unrestricted and would be available in the full amount of the match. However, if restricted funds are available and appropriate, consideration should be given to preserving unrestricted funds to the maximum extent possible.

The cost of demolishing old Fire Station 3 on Lincoln Avenue and related environmental testing/abatement will be requested in the next omnibus budget amendment to be presented to Council (tentatively scheduled for December 2, 2024).

### *Community Impact*

Northwest Urbana has long been considered a food desert. The Mayor/Council Action Item for supporting development of a grocery store was also evident in previous iterations of Mayor/Council Goals and other City initiatives.

For the purposes of the Illinois Grocery Initiative grant, DCEO describes food deserts as follows:

*Food deserts are census tracts meeting specific criteria related to poverty standards, population density, and limited fresh food accessibility. This program aims to combat food insecurity by offering competitive grants to support the establishment of new grocery stores in these areas.*

If the application, and subsequent development, are successful, opening a full-service grocery store in Northwest Urbana would meet a longstanding community need.

### *Recommendation*

Staff requests that City Council consider the attached Resolution. This proposal represents the most substantial progress made towards a grocery store in Northwest Urbana in recent memory. However, the timeline imposed by the application deadline precludes the typical development agreement or grant award process. The significant parameters of a future funding agreement have been included in the draft Resolution.

### *Next Steps*

If this Resolution is adopted, Heartstrong would submit an application to DCEO by December 2, 2024. Heartstrong and the City would then work to develop a funding agreement, or series of agreements, that further clarify each party's responsibilities and obligations.

### **Attachment**

A Resolution Approving Matching Funds for the Illinois Grocery Initiative (Heartstrong Meals, LLC)

Originated by: Will Kolschowsky, Senior Management Analyst/Assistant to the City Administrator

Reviewed: Andrea Ruedi, Senior Advisor for Integrated Strategy Development

Approved: Carol Mitten, City Administrator

**RESOLUTION NO. 2024-XX-XXXX****A RESOLUTION APPROVING MATCHING FUNDS FOR THE ILLINOIS GROCERY INITIATIVE (Heartstrong Meals, LLC)**

**WHEREAS**, the City of Urbana (the “City”) is a home rule unit of local government pursuant to Article VII, Section 6, of the Illinois Constitution, 1970, and may exercise any power and perform any function pertaining to its government and affairs, and the passage of this Resolution constitutes an exercise of the City’s home rule powers; and

**WHEREAS**, the Urbana City Council passed Resolution No. 2024-02-13 that adopted the strategic goal and action item to “Create an incentive package and recruit a grocery store in NW Urbana”; and

**WHEREAS**, Imagine Urbana, as a result of community feedback, supports both a plan to address food deserts and the recruitment of a grocery store to NW Urbana; and

**WHEREAS**, the Illinois Grocery Initiative, authorized by Public Act 103-0561, is intended to address inadequate access to fresh foods, especially in “food deserts” and the Illinois Department of Commerce and Economic Activity (“DCEO”) has issued a notice of funding opportunity (“NOFO”) to improve access to fresh food within food deserts by providing incentives to establish grocery stores ([NOFO ID: 3295-2911](#)); and

**WHEREAS**, Angela Bradley, on behalf of Heartstrong Meals, LLC (“Heartstrong”), intends to submit an application seeking \$2.4 million in grant funds to assist in the development of a grocery store in Northwest Urbana and the NOFO states that applications require matching funds of 25% of total projects costs, representing a 1:3 match; and

**WHEREAS**, Heartstrong has requested that the City provide the matching funds for this application and project.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Urbana, Illinois, as follows:

Section 1. The City of Urbana will provide up to \$800,000 in matching funds at a 1:3 ratio to the grant award.

Section 2. The City of Urbana will make available for a long-term ground lease its property at 1407 North Lincoln Avenue (PINs 91-21-07-226-009 and 91-21-07-226-021) at a nominal rate, sufficient to allow the project to proceed. The use of the property will be limited to the construction and operation of a full-service grocery store.

Section 3. Any funds, lease, agreements or other terms authorized by this Resolution or otherwise agreed upon between the City and Heartstrong shall be contingent on an application being submitted before December 2, 2024 and upon receiving a grant award for NOFO 3295-2911 no later than June 30, 2025. Failure to submit an application or failure to receive an award shall result in immediate rescindment of the City's funding and property commitment.

Section 4. Through a subsequent ordinance, the City will request authority from the City Council to waive building permit and other construction-related fees associated with the full-service grocery store mentioned herein. The grocery store project shall be required to comply with all City Codes.

Section 5. Prior to the issuance of matching funds or taking possession of any real property, Heartstrong shall enter into an agreement, or series of agreements, with the City that specifies additional terms, conditions, lease provisions, and restrictions satisfactory to the City. Failure to enter into satisfactory agreements by the award date shall result in immediate rescindment of the City's funding and property commitment.

Section 6. As part of the above-referenced funding agreement, the City shall require Heartstrong to hire a general contractor acceptable to the City to manage the construction of the full-service grocery store.

Section 7. The Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver said Agreement(s) on behalf of the City of Urbana, Illinois.

**PASSED BY THE CITY COUNCIL** this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

AYES:

NAYS:

ABSTAINED:

\_\_\_\_\_

Darcy E. Sandefur, City Clerk

**APPROVED BY THE MAYOR** this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_

Diane Wolfe Marlin, Mayor



City of Urbana  
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## MEMORANDUM FROM THE OFFICE OF THE MAYOR TO THE URBANA CITY COUNCIL

**Meeting:** November 25, 2024, Council Meeting  
**Subject:** Appointment of Justin Vozzo to the Urbana Tree Commission

### Summary

#### *Action Requested*

City Council is asked to approve the appointment of Justin Vozzo to the Urbana Tree Commission for a term ending June 30, 2027.

#### *Brief Background*

Justin Vozzo has been a resident of Urbana for over nine years, is a Certified Arborist, and works as an Extension Forester at the University of Illinois teaching an annual undergraduate course in dendrology or other forestry-related fields.

Justin holds a Master's Degree in Natural Resources and Environmental Sciences, and currently serves on the Illinois Tree Farm Committee and the University of Illinois' iCAP Land & Water Committee.

***"We all benefit from Urbana's diverse and dense urban forest canopy, so I wish to serve on the tree commission to contribute to management decisions and maximize those benefits for all. I hope to apply my forestry and arboricultural experience and research to make informed decisions that will result in the best outcomes for Urbana's citizens and trees."***

### Relationship to City Services and Priorities

#### *Impact on Core Services*

City of Urbana Board and Commission members play a crucial role in helping City leaders address specific issues, offering professional expertise, involving the community in decision-making, and connecting residents, City staff, and Council.

The Tree Commission is charged with providing advice and consultation to the City Arborist on policies concerning selection, planting maintenance and removal of trees, plants and shrubs, the establishment of educational and informational programs concerning vegetation, development of policies and procedures regarding the duties of the Arborist, and issuance of necessary permits.

*Strategic Goals & Plans* N/A

*Previous Council Actions* N/A

## **Discussion**

### *Recommendation*

City Council is asked to approve the appointment of Justin Vozzo to the Tree Commission for a term ending June 30, 2027.

### *Next Steps*

If approved, the Office of the Mayor will notify Justin Vozzo of his appointment as a Commission member and of Open Meetings Act requirements.

Originated by: Kate Levy, Executive Coordinator

Reviewed: Diane Wolfe Marlin, Mayor

Approved: Carol J. Mitten, City Administrator