

### DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Economic Development Division

## memorandum

**TO:** Laurel Lunt Prussing, Mayor

**FROM:** Elizabeth H. Tyler, FAICP, Director, Community Development Services

**DATE:** January 7, 2010

**SUBJECT:** An Ordinance Approving and Authorizing the Execution of an Agreement

with the State of Illinois Department of Agriculture (Illinois Farmers'

Market Grant FY 2009-2010/\$15,000)

An Ordinance Revising the Annual Budget Ordinance (Farmers' Market

**Promotion Grant**)

## **Introduction and Background**

In Summer 2009, the City of Urbana/Market at the Square received a notice from the Illinois Department of Agriculture regarding funding availability for farmers' markets in Illinois in fiscal year 2010 via a program called the 2010 Illinois Specialty Crop Grant Program/2010 Illinois Farmers Market Advertising Program.

The Illinois Department of Agriculture received over \$435,000 in specialty crop block grant funds from the U.S. Department of Agriculture for the Illinois Specialty Crop Block Grant Program. Through this program, all Illinois farmers' markets were eligible to apply for grant funds to help offset the cost of advertising their markets - and the specialty crops offered at their markets - for the 2010 farmers' market season. The Illinois Department of Agriculture encouraged all markets to submit a proposal for consideration.

In August 2009, the City of Urbana submitted its proposal, requesting \$10,000, the maximum dollar amount allowed under the guidelines of the Request For Proposal. The City's proposal specifically requested grant funds to promote "Eat Here", educational programming at the Market geared toward educating all food consumers about the health, financial, and community benefits of adding the Market to their roster of food shopping destinations during the Market season. Promotional efforts would include television advertising similar to that undertaken by the City in the past for the Market, radio advertising in previously-untapped markets, and print advertising, including banners and a brochure. These more traditional marketing efforts would be enhanced with use of social media (Facebook, etc) to promote "Eat Here" activities.

During the proposal review process, the Market Director was contacted and asked to amend the City's original proposal to include a description of additional promotional activities that could be undertaken if the funding amount were to be increased. The amended proposal, which doubled the original amount requested to \$20,000, included the addition of two full-page ads in the *News-Gazette* and a merchandising piece.

On October 23, 2009, the City received notice from the Illinois Department of Agriculture that Market at the Square would be the recipient of a \$15,000 grant. The \$10,000 awarded from the original proposal will be used for advertising activities as stated in that proposal, while the additional \$5,000 awarded will be used to create a modified version of the amended proposal. In the City's original grant application, \$6,000 was earmarked for network and cable airtime costs, \$2,500 for radio advertisements, and \$1,500 for print materials. The additional \$5,000 awarded to the Market will likely be used for an appropriately-timed newspaper advertisement and possibly some merchandising.

Market at the Square will work with UPTV staff to produce the television advertisements. All other advertisements/materials will be designed in-house and will be produced in conjunction with assorted vendors.

In order for the funds to be released, the City must enter into a grant agreement with the Illinois Department of Agriculture. As this agreement requires that the City indemnify and hold harmless the State of Illinois related to this grant, it is the opinion of the Legal Division that City Council should approve and authorize the Mayor to sign this agreement. An ordinance authorizing the Mayor to enter into this agreement is attached for Council review and approval.

## **Fiscal Impact**

As the grant funds will be budgeted as part of the FY 2009-2010 budget, a budget amendment for \$15,000 will be necessary to fund the purchase of marketing materials and air time ahead of the 2010 Market season, which is scheduled to begin May 1, 2010. An ordinance approving a budget amendment is attached for Council review and approval.

# **Options**

- 1. Forward the ordinances to City Council with a recommendation for approval.
- 2. Do not forward the ordinances to City Council.

# Recommendation

Staff recommends that the City Council approve the attached ordinance and accompanying budget amendment ordinance.

Prepared by:

Lisa Bralts, Economic Development Specialist Market at the Square Director

Attachments: Exhibit A: Grant award notice

Exhibit B: Draft ordinance with attached agreement

Exhibit C: Budget amendment ordinance

#### ORDINANCE NO. 2010-01-002

# AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH THE STATE OF ILLINOIS DEPARTMENT OF AGRICULTURE (Illinois Farmers' Market Advertising Grant FY 2009-2010/\$15,000)

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

<u>Section 1</u>. That an Agreement Between the City of Urbana and The State of Illinois Department of Agriculture in substantially the form of the copy of said Agreement attached hereto, be and the same is hereby approved.

<u>Section 2</u>. 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 as so authorized and approved for and on behalf of the City of Urbana, Illinois.

PASSED by the City Council this day of	, 2010
AYES:	
NAYS:	
ABSTAINS:	
	Phyllis Clark, City Clerk
APPROVED by the Mayor this day of	, 2010
	Laurel Lunt Prussing, Mayor