



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Economic Development Division

m e m o r a n d u m

TO: Mayor Laurel Lunt Prussing

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

DATE: December 8, 2011

SUBJECT: Urbana Business Association Annual Agreement

Description

For several years, the City of Urbana has provided funding support to the Urbana Business Association (UBA). Over this time, the UBA has engaged in a variety of marketing, promotional, and special event activities benefiting the businesses and residents of Urbana. The UBA also continues to function as an effective conduit between the City of Urbana and business interests in the City. For these reasons, the City of Urbana provides support for the UBA via an agreement for marketing and promotion. Attached are the proposed FY 11-12 agreement, adopting ordinance, and the UBA budget.

This agreement would normally be approved in June or July each year. However, staff turnover at the UBA prompted a delay in the review and approval of the agreement. While existing staff at the UBA worked additional hours and took on additional duties to cover for the absence of an Executive Director, both representatives of the UBA and the City felt that a new Executive Director should be hired prior to considering the current agreement. The UBA has recently hired Cynthia Johnson as their new Executive Director. Cynthia formerly worked for the Champaign County Chamber of Commerce, Sage Technologies, PersonalCare, and has a degree in marketing. With this hire, the UBA has requested that City Council consider the annual agreement at this time. This agreement covers activities from July 1, 2011 to June 30, 2012.

Issues and Discussion

While the amount of the proposed FY 11-12 agreement is the same as last year's agreement at **\$95,000**, the City and representatives of the UBA have discussed reallocation of some of those funds, the consolidation of certain provisions, and the addition of a provision related to tourism marketing and promotion. The requested changes are reflected in the attached agreement.

One change identified by representatives of the UBA is a broadening of eligible expenses in Section 2. A. 2011-12 Build Urbana Events. That change has been prompted by the fact that the Build Urbana program will likely be transitioning from a tax rebate program to a community marketing program in the coming years.

Another requested change has been to consolidate the “Downtown Promotions/Events Coordination” item (formerly funded at \$1,500) and the “Arts Promotion” item (formerly funded at \$2,000) from the previous contract into the new Section 2. C. Downtown Promotions/Events/Arts Coordination. This new item is proposed to be funded at a combined \$3,500, resulting in no change in total funding for these activities.

Representatives of the UBA have also requested a consolidation of the “Holiday Downtown Decorations” item (formerly funded at \$1,300) and the “Banner Decorations” item (formerly funded at \$7,500) from the previous contract into the new Section 2. E. Downtown Banners and Holiday Decorations. In addition, UBA has asked that the combined funding for the new item be reduced by \$2,500 to a combined \$6,300. This would allow the \$2,500 to be reallocated to the Business Marketing item.

Another request is to increase funding for 2. D. Urbana Business Marketing by \$2,500 reallocated from the newly created 2. E. Downtown Banners and Holiday Decorations. The Business Marketing item would be increased to a total of \$16,000 to help pay for additional marketing efforts, including efforts related to tourism marketing and promotion.

The final major change is the addition of a provision related to tourism marketing and promotion. This tourism provision will replace a provision related to activities consistent with the goals and programs of the National and Illinois Main Street Association. The funding for Main Street activities was valuable in that it funded the Director of Marketing and Events position and led to the creation of marketing materials and events such as the Cherry Jam. However, representatives of the UBA and the City feel that more attention to tourism marketing and promotion is appropriate at this time. The tourism provision outlines activities that include, but are not limited to, marketing, promotion, working with hotels/motels, working with event venues, and working with event promoters. To support this effort, the draft agreement includes 2. F. Tourism Marketing and Promotion Activities, which is a reimbursement item of \$20,000 to help fund a staff member to engage in tourism related activities. It is important to note that this provision will result in a change in focus for UBA, but does not necessitate any changes in staffing.

In addition to the changes outlined above, there are several provisions in the draft agreement that are unchanged from previous years. These include the City continuing to help fund the Urbana Sweetcorn Festival, the City continuing to provide office space at no charge, the City continuing to have at least one seat on the UBA Board, the UBA continuing to fund the Business Backs the Arts program at \$5,000 per year, and other minor provisions.

It is important to note that, while it was decided that the agreement should not be considered until a new Executive Director was hired, the UBA has been incurring expenses with the intent to submit those expenses for reimbursement once the agreement is approved.

Fiscal Impacts

The agreement amount for FY 11-12 is consistent with the FY 10-11 amount at **\$95,000**. The approved FY 11-12 budget includes approximately \$28,000 of the proposed contract to be funded by the General Fund, through the Community Development Services budget, with the remaining \$67,000 of the contract funded by TIF funds. The total City commitment for FY 11-12 from both the General Fund and TIF districts is \$95,000. The \$95,000 is currently budgeted as part of the approved FY11-12 City budget.

Options

The City Council has the following options with respect to this agreement:

1. The City Council may approve the agreement as presented.
2. The City Council may approve the agreement with changes, understanding that any changes must be agreed to by the UBA.
3. The City Council may deny the agreement.

Recommendation

Staff recommends that the City Council approve the attached ordinance.

Prepared By:

Tom Carrino
Economic Development Manager

Attachments:

Adopting Ordinance with attached Proposed 2011-2012 UBA/City of Urbana Agreement
UBA Budget
2010-2011 UBA/City of Urbana Contract

ORDINANCE NO. 2011-12-136

**AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF AN AGREEMENT
FOR PROMOTION AND MARKETING SERVICES**

(Urbana Business Association FY 2011-2012)

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

Section 1. That An Agreement for Promotion and Marketing Services by
and Between the City of Urbana, a Municipal Corporation and The Urbana
Business Association, a 501C.6 Not-For-Profit Corporation, in substantially
the form of the copy of 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 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 D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____, 2011.

Laurel Lunt Prussing, Mayor

AN AGREEMENT FOR PROMOTION AND MARKETING SERVICES BY AND BETWEEN THE CITY OF URBANA, A MUNICIPAL CORPORATION AND THE URBANA BUSINESS ASSOCIATION, A 501C.6 NOT-FOR-PROFIT CORPORATION

WHEREAS, promotion of public events and programs in and around the City of Urbana is in the best interests of the City; and

WHEREAS, an efficient method of promoting such events is by a “partnership arrangement” with the Urbana Business Association (hereinafter known as UBA).

NOW THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL PROMISES THEREIN MADE, the parties agree as follows:

Total payments under this contract shall not exceed \$95,000.00 in restricted and unrestricted expenditures.

1. Staffing Payments: Upon the execution of this contract and employment of staff, up to \$3,100 per month shall be paid to the UBA as a reimbursable for verified employee salary expenses.
2. Restricted Funds: Since the nature and extent of the costs likely to be incurred for the events contemplated below are difficult to ascertain in advance, it is agreed that those expenses and costs that are eligible for reimbursement hereunder are those actual “out-of-pocket” costs paid by the UBA. Restricted Funds will be paid only on a reimbursable basis upon documentation of the incurred UBA expense and UBA payment.
 - A. 2011-12 Build Urbana Events: The UBA shall promote the Build Urbana Program through Build Urbana related events. Only those homes within the corporate limits of Urbana shall be promoted. The City will reimburse UBA up to \$2,000 for advertising and promotion of events specific to the Build Urbana program. Expenditures for Build Urbana may include advertising, promotions, print ads, Realtor events and/or efforts related to promoting home ownership in Urbana.
 - B. 2011 Urbana Sweetcorn Festival: The UBA shall organize, staff, coordinate, and promote the Urbana 2011 Sweetcorn Festival. The City of Urbana shall be included as a primary sponsor on promotions. Up to \$10,000 will be reimbursed for this event for entertainment, promotional/advertising/marketing expenses. In addition to up to \$10,000 available in direct support, any police and/or security services provided by the City for the Sweetcorn Festival will be charged to the UBA at 75% of actual cost.
 - C. Downtown Promotions/Events/Arts Coordination: The City will reimburse eligible expenses up to \$3,500 related to downtown events and promotion of the arts. Eligible expenses include the Lincoln Square Village Holiday Market and promotion of the arts culture, and entertainment in Urbana in collaboration with 40 North/88 West and/or the Urbana Public Arts Commission. Other events seeking financial assistance from the UBA may apply to the Urbana Arts Grant program, which the UBA will support through the Business Backs the Arts program as outlined in Section 8 of this agreement.
 - D. Urbana Business Marketing: Up to \$16,000 will be reimbursed to UBA for expenses incurred in relation to marketing and promotion of Urbana businesses. UBA shall match up to \$3,000 in this category from UBA income and continue the promotional campaigns of Urbana businesses and services.
 - E. Downtown Banners and Holiday Decorations: UBA shall coordinate the Urbana Banner Program. Eligible expenses include the purchase, installation, and removal of banners and/or holiday decorations. Additionally, UBA shall coordinate holiday decorations for the downtown under city approval. Examples may include light pole garland, holiday light pole

banners, or the like. UBA shall coordinate installation and removal of holiday decorations and banners. Up to \$6,300 will be reimbursed for the above expenses.

F. **Tourism Marketing and Promotion Activities:** Up to \$20,000 will be reimbursed for activities related to tourism marketing and promotion. Such activities may include but are not limited to production and distribution of marketing materials, promoting Urbana through the use of the internet and social media, researching new and innovative methods of marketing and promotion, coordinating with hotel/motel properties, working with event venues, and coordinating with special event promoters. These funds may be used for staffing payments for staff supporting tourism marketing and promotion activities.

3. **Event Permits/Contracts:** All UBA events requiring event permits shall have the appropriate forms filed and approved with the City of Urbana within the time frame required in advance. Prior to UBA signing a contract with another agency to partner on an event, UBA shall inform Public Works staff and Community Development staff of the proposed contract and obtain City Staff input. UBA should ensure that a profit from each event is planned to benefit UBA prior to signing an event contract.

4. **Board Representation:** The City of Urbana shall have at least one seat on the UBA Board for City Staff in order to assure coordination.

5. **Office Space:** For the term of this contract, office space shall be provided in the downtown parking deck by the City of Urbana without charge. It is expressly understood that in the event the City designates or hires a downtown coordinator pursuant to the Downtown Plan, the City may choose to share said space with the UBA. The city of Urbana agrees to provide a parking space for the UBA office on the top level of the parking deck.

6. **Monthly Event and Promotional Information:** UBA shall supply monthly event and promotional information to City and UPTV staff for programming, marketing and outreach efforts. Information shall promote events occurring in Urbana as well as events occurring in the surrounding community.

7. **Ribbon Cuttings:** UBA shall continue to coordinate ribbon cuttings for businesses in Urbana, free of charge to the businesses. UBA shall work with City staff to ensure coordination and promotion of these events.

8. **Business Backs the Arts Program:** UBA shall provide \$5,000 through the Business Backs the Arts Program to the Urbana Public Arts Program for grants related to artistic endeavors consistent with the program.

9. **Payment Procedure for Reimbursable Expenses:** Requests for reimbursement shall be made in writing to Economic Development Manager, 400 South Vine Street, Urbana, Illinois, and shall include such documentation as deemed appropriate by the Economic Development Manager.

10. **Funds:** Neither restricted nor unrestricted funds shall be utilized for membership promotion, political activities or in any other manner that is not a direct service to the City of Urbana.

11. **Budget Work Plan:** The UBA board shall submit an annual budget work plan to the City of Urbana with the proposed contract each year.

12. **Termination/Default:** Either party may terminate this contract for cause by giving thirty (30) days written notice as provided herein.

13. **Notices:** All notices hereunder shall be in writing and shall be served personally, by registered mail or certified mail to the parties listed below at the addresses set after their names, or to other such addresses as shall be agreed upon.

DATED at Urbana, Illinois, this _____ day of _____, 2011.

CITY OF URBANA, ILLINOIS

URBANA BUSINESS ASSOCIATION

BY: _____
Laurel Lunt Prussing, Mayor

BY: _____
(title)

ATTEST:

ATTEST:

Phyllis D. Clark, City Clerk

2011 Budget (Jan 1 - Dec 31) Urbana Business Association

City of Urbana Related Income or Expense
Net Income or Expense
New Income or Expense for 2011

Income

<u>GL</u>	<u>Detail</u>	<u>Amount</u>	<u>Comments</u>
6009	Membership Dues (enter all in-kinds at face value)	\$20,500	Total income potential is \$39,000 based on current (2010) membership Quickbooks shows \$17,850 for 2010 and \$15,287 for 2009
6170	Staff Reimbursement - City of Urbana	\$37,200	Per agreement with City
6011	Build Urbana		
6011.1	Build Urbana - City of Urbana	\$2,000	Per agreement with City
6011.4	Build Urbana - Sponsors	\$0	New for 2011 - For any contributions from developers for the Build Urbana Campaign
	Total Build Urbana	\$2,000	
6013	Holiday / Indoor Market - Vendor Fees	\$12,500	69 Vendors for 6 weeks less various discounts for paying early and/or weeks taken
6013.2	Downtown Promotions - City of Urbana	\$1,500	Per agreement with City for Holiday Market
6014	Downtown Promotions		
6014.2	Downtown Promotions - Other Income	\$0	Any contributions from Downtown businesses for special projects
6014.3	Downtown Promotions -Banners - City of Urbana	\$7,500	Includes banners and labor to change out
6014.4	Downtown Promotions - Holiday Decorations - City	\$1,300	Per agreement with City
	Total Downtown Promotions	\$10,300	
6016	Arts Promotion - City of Urbana	\$2,000	Per agreement with City
6021	Main Street Activities - City of Urbana	\$20,000	Funds may be used for staff supporting Main Street activities
6017	Sweetcorn Festival		
6017.1	Sweetcorn Festival - Sponsors	\$33,036	2010 was \$32,355 and 2009 was \$30,970 (Average, after reconciliations)
6017.5	Sweetcorn Festival - Ticket Sales	\$215,500	2010 was \$213,000 and 2009 was \$188,425 (Average, adding back processing fees)
6017.6	Sweetcorn Festival - Vendors	\$12,935	2010 was \$13,790 and 2009 was \$12,080 (Average)
6017.4	Sweetcorn Festival - Merchandise Sales	\$0	New for 2011 - New for any merchandise sales (should the committee decide to do)
6017.8	Sweetcorn Festival - City of Urbana	\$10,000	Per Agreement with City
	Total Sweetcorn Festival	\$271,471	

2011 Budget (Jan 1 - Dec 31) Urbana Business Association

Income

<u>GL</u>	<u>Detail</u>	<u>Amount</u>	<u>Comments</u>
6019	Urbana Marketing - General	\$13,500	Per agreement with City
6025	Co-op Advertising - Advertisers	\$3,000	Contributions from businesses for special marketing / advertising campaigns
6023	Cherry Jam - Sponsors	\$0	New for 2011 - For any contributions from businesses for Cherry Jam
6040	Interest Income - Sweep Account	\$600	2010 was \$600
	(Total City Funding is \$95,000)		
	<u>Total Income</u>	<u>\$393,071</u>	

2011 Budget (Jan 1 - Dec 31) Urbana Business Association

Expense

<u>GL</u>	<u>Detail</u>	<u>Amount</u>	<u>Comments</u>
8009	Membership Expense		
8009.1	Membership Expense - Mailings	(\$110)	250 mailings at \$.44 each
8009.2	Membership Expense - Meetings	(\$500)	Estimated \$250 per meeting less In-kind agreement with caterer
8009.3	Membership Expense - Misc. (change to in-kind)	\$0	New expense account designed to document cost of in-kind memberships
8009.4	Membership Expense - Brochures	(\$500)	Annual cost of printing 500 brochures
8009.5	Membership Expense - Business District Events	\$0	Cost should be the responsibility of the Business District with UBA promoting
8009.7	Membership Expense - Member Hosted Events	\$0	Cost should be the responsibility of the Member with UBA using Top Ten to promote
8009.8	Membership Expense - Main Street	\$0	
	Total Membership Expense	(\$1,110)	
8011	Build Urbana		
8011.1	Build Urbana - Home Parade Advertising	\$0	
8011.3	Build Urbana - Home Parade Signs	\$0	
8011.4	Build Urbana - Realtor Breakfast	(\$750)	Estimated cost of hosting / feeding 100 people at \$5 each
8011.5	Build Urbana - Home Parade Kickoff Party	\$0	
8011.6	Build Urbana - Expo	(\$750)	
8011.7	Build Urbana - Bus Tour	\$0	
8011.8	Build Urbana - Misc	\$0	
8011.9	Build Urbana - Mailings	\$0	
	Total Build Urbana	(\$1,500)	
8013	Holiday / Indoor Market		
8013.2	Holiday / Indoor Market - Advertising	(\$3,500)	Estimated budget for promotion of event (Radio, printing costs, etc)
8013.4	Holiday / Indoor Market - Rent	\$0	Given as in-kind by Lincoln Square in exchange for Business Leader membership ???
8013.6	Holiday / Indoor Market - Assistant	\$0	
8013.7	Holiday / Indoor Market - Vendor Goodwill	(\$200)	Refunds of vendor fees (estimated at 5 or less at \$40 each) location, other issues
	Total Holiday / Indoor Market	(\$3,700)	

2011 Budget (Jan 1 - Dec 31) Urbana Business Association

Expense

<u>GL</u>	<u>Detail</u>	<u>Amount</u>	<u>Comments</u>
8014	Downtown Promotions		
8014.5	Downtown Promotions - Advertising	\$0	Per City agreement
8014.2	Downtown Promotions - Banners	(\$7,500)	Per City agreement
8014.6	Downtown Promotions - Holiday Decorations	(\$1,300)	Per City agreement
8014.7	Downtown Promotions - Misc	\$0	
	Total Downtown Promotions	(\$8,800)	
8017	Sweetcorn Festival		
8017.1	Sweetcorn Festival - Advertising	(\$9,026)	2010 was \$8,082 and 2009 was \$9,971 (Average)
8017.2	Sweetcorn Festival - Interns	\$0	2010 was \$0 and 2009 was \$2,150 (try to use volunteers to staff all)
8017.3	Sweetcorn Festival - Tents	(\$8,330)	2010 was \$8,330 and 2009 was 5,149 (leave at updated cost)
8017.4	Sweetcorn Festival - Entertainment	(\$30,000)	2010 was 31,900 and 2009 was 36,763 (try to book early to save money)
8017.6	Sweetcorn Festival - Insurance	(\$2,660)	2010 was \$2,660 and 2009 was 1,474 (leave at updated cost)
8017.7	Sweetcorn Festival - Merchandise Cost of Goods Sold	\$0	New for 2011 - Need to populate and make sure Sales cover 100% + profit
8017.8	Sweetcorn Festival - Postage	\$0	2010 was \$0 and 2009 was \$34
8017.9	Sweetcorn Festival - Misc	(\$558)	2010 was \$823 and 2009 was \$1,792 (took out a few items and try to avoid)
8017.10	Sweetcorn Festival - Printing	\$0	2010 was \$0 and 2009 was \$166 (leave at updated cost and try to use in-kind)
8017.11	Sweetcorn Festival - Security	(\$13,709)	2010 - Services through City of Urbana provided at 75% of actual cost (leave @ 2010)
8017.12	Sweetcorn Festival - Supplies	(\$960)	2010 was \$1,622 and 2009 was \$868 (leave at updated cost less reallocated expense)
8017.13	Sweetcorn Festival - License, Fees, Etc.	(\$981)	2010 was \$981 and 2009 was \$903 (leave at updated cost)
8017.14	Sweetcorn Festival - Vendors	(\$111,142)	2010 was \$112,502 and 2009 was \$109,782 (Average)
8017.15	Sweetcorn Festival - Golf Carts	(\$720)	2010 was \$717 and 2009 was \$720 (determine need going forward)
8017.16	Sweetcorn Festival - Beer	(\$10,601)	2010 was \$10,912 and 2009 was \$10,290 (Average)
8017.17	Sweetcorn Festival - Corn (engine, shucker, etc)	(\$2,878)	2010 was \$3,050 and 2009 was \$2,705 (Average)
8017.18	Sweetcorn Festival - Soda	(\$3,006)	2010 was \$3,171 and 2009 was \$2,840 (Average)
8017.19	Sweetcorn Festival - Garbage Hauling & Bags	(\$3,600)	2010 was \$3,100 and 2009 was \$3,053 (Average after reallocated expenses)
8017.20	Sweetcorn Festival - Toilets	(\$2,392)	2010 was \$2,392 and 2009 was \$2,797 (leave at updated - very close)
8017.21	Sweetcorn Festival - Stage & Lights	(\$14,700)	2010 was \$14,700 and 2009 was \$15,000 (leave at updated - very close)
8017.22	Sweetcorn Festival - Ice	(\$1,938)	2010 was \$1,938 and 2009 was \$1,323 (leave at updated)

2011 Budget (Jan 1 - Dec 31) Urbana Business Association

Expense

<u>GL</u>	<u>Detail</u>	<u>Amount</u>	<u>Comments</u>
8017.23	Sweetcorn Festival - Power	(\$4,375)	2010 was \$4,375 and 2009 was \$3,717 (leave at updated)
8017.24	Sweetcorn Festival - Motor Muster	(\$970)	2010 was \$970 and 2009 was \$842 (leave at updated)
8017.26	Sweetcorn Festival - Tickets	(\$1,113)	2010 was \$1,182 and 2009 was 1,043 (Average)
8017.28	Sweetcorn Festival - Volunteer T-shirts	(\$3,209)	2010 was \$3,209 and 2009 was \$3,392 (leave at updated and try to manage)
8017.29	Sweetcorn Festival - Consulting & Professional Fees	(\$1,500)	2010 was \$3,561 and 2009 was \$0 (Will not have previous ED pay in 2011)
8017.30	Sweetcorn Festival - Credit Card Processing	(\$1,000)	2010 was \$174 and 2009 was \$0 (Should have included \$800 from ticket sales)
8017.31	Sweetcorn Festival - Lanyards	(\$450)	Removed from miscellaneous
	Total Sweetcorn Festival	(\$229,818)	\$41,653
			Net Income / Loss from Sweetcorn Festival
8019	Urbana Marketing		
8019.1	Urbana Marketing - Radio	(\$2,500)	Estimated budget for Radio ads beyond Sweetcorn and Holiday Market
8019.2	Urbana Marketing - Website	(\$1,000)	Cost of site for 2011
8019.3	Urbana Marketing - Television	(\$2,500)	Estimated budget for TV ads beyond Holiday promotion
8019.4	Urbana Marketing - Billboards	\$0	
8019.5	Urbana Marketing - Print	(\$5,500)	Estimated budget for Print advertisements beyond Sweetcorn and Holiday Market
8019.6	Urbana Marketing - Business Backs The Arts	(\$5,000)	Per Agreement with City
8019.7	Urbana Marketing - Arts	(\$2,000)	\$1,000 for 40N Boneyard event sponsorship, Other misc. activities that are Art related
8019.8	Urbana Marketing - Misc	(\$1,800)	High Heels and Ties monthly events to promote UBA and Member Businesses
8019.9	Urbana Marketing - Giveaways	(\$1,200)	Promotional Items
8019.1	Urbana Marketing - Communications	(\$480)	Basecamp (not using going forward) and Constant Contact e-marketing pieces
	Total Urbana Marketing	(\$21,980)	
8025	Co-op Advertising	\$0	
8040	Bank Charges		
8040.1	Bank Charges - Loan Interest	\$0	
8040.2	Bank Charges - Fees	(\$20)	2010 was \$20 and 2009 was \$672 (leave at updated but investigate)
	Total Bank Charges	(\$20)	

2011 Budget (Jan 1 - Dec 31) Urbana Business Association

Expense

<u>GL</u>	<u>Detail</u>	<u>Amount</u>	<u>Comments</u>
	Administrative & Office		
8070	Dues & Subscriptions	(\$650)	Main Street Trust, Association of Fundraising Professionals
8075	Employee Benefit Programs	(\$5,930)	2010 was \$5,221 and 2009 was \$5,930 (Estimated Payroll Taxes for 2011)
8120	Insurance	(\$2,540)	2010 was \$2,540 and 2009 was \$3,290 (leave at updated, but investigate)
8125	Insurance - Errors and Omissions	\$0	Not used in 2010 or 2009
8130	Insurance - Workers Compensation	(\$732)	2010 was \$732 and 2009 was \$778 (leave at updated, but investigate)
8135	Legal & Professional Fees	\$0	2010 was \$10 and 2009 was \$6,172 (investigate along with Sweetcorn L&P fees)
8140	Meals & Entertainment	(\$1,300)	\$25/wk for Membership solicitation and goodwill
8143	Mileage Reimbursement	(\$500)	2010 at \$531
8150	Postage	(\$513)	2010 was \$513 and 2009 was \$1,081 (leave at updated, focus on email, etc to save)
8153	Printing	\$0	2010 was \$7 and 2009 was \$105 (leave at \$0 - covered in other categories)
8170	Salaries & Wages	(\$107,000)	2FT, 2PT Employees
8180	Supplies	(\$2,487)	2010 was \$2,487 and 2009 was \$3,506 (leave at updated and manage)
8225	Taxes on Payroll	\$0	Not used in 2010 or 2009
8245	Telephone	(\$1,500)	2010 was \$2,004 and 2009 was \$1,772 (we are in process of reducing our plan)
8263	Internet Service	(\$540)	2010 was \$453 and 2009 was \$868 (budget \$45/month)
8264	Computer	(\$540)	2010 was \$504 and 2009 was \$893 (Quickbooks, Norton Antivirus, etc.)
8265	Misc	(\$500)	2010 was -\$501 and 2009 was \$430 (plaques for board officers, etc)
8266	Interns	\$0	2010 was \$191 and 2009 was \$100 (try to avoid using)
8267	Assistant Expenses	\$0	Included in payroll
8268	Technology	\$0	2010 was \$0 and 2009 was \$332 (try to avoid using, or include in computer GL)
8269	Repairs & Maintenance	\$0	
8275	Convention / Conference	(\$1,300)	Budgeted for 2011 (1 convention, may add another depending on Sweetcorn profits)
8500	Bad Debts	\$0	
	Total Administration & Office	(\$126,032)	
	<u>Total Expenses</u>	<u>(\$392,960)</u>	

2011 Budget (Jan 1 - Dec 31) Urbana Business Association

	Total Income	\$393,071	
	Total Expenses	(\$392,960)	
2011	Net Income / Retained Earnings	<u>\$111</u>	

Impact of Earnings on Capital

	Cash And Receivables as of 12-31-10	\$93,000	Receivables from City of Urbana and Co-op Advertisers was \$16,473
	Net Income / Loss from 2011 Operations	\$111	
	Projected Reserves as of 12-31-11	<u>\$93,111</u>	

Urbana Business Association

BUSINESS PLAN

2011-2012

MISSION

Overview: This Business Plan is intended to outline current and future initiatives, and guide our staff and board in planning marketing campaigns, events, and other activities that back our mission.

The mission of the Urbana Business Association (UBA) is to promote Urbana as a dynamic place to live, work, and do business. The UBA focuses on the recruitment, development, and retention of local businesses; the marketing, public relations, and networking of member businesses; as well as special events designed to attract consumers to certain areas. Our existence allows many businesses the opportunity to participate in marketing and advertising they would otherwise not be able to afford. The UBA is a 501C6 nonprofit member-based organization guided by a Board of Directors with two full-time employees, and three part-time employees/interns.

MEMBERSHIP

Overview: Business membership and involvement is central to what we do. The UBA generates a substantial portion of its annual operating income through recruiting and retaining local businesses for membership at various levels of financial support. This allows the organization to host and support multiple events, develop marketing campaigns that promote Urbana businesses, and provide several other services for its members and the community as a whole.

Recent Work: Executive Director driven focus on membership with efforts to package benefits at various levels, and reinvest the revenue in local marketing campaigns.

Personal calling efforts have resulted in the retention and expansion of our membership base. The number of members has remained stable at about 130 businesses, and we continue to add new businesses at a rate of 2-3 per month. In addition, we have been successful in increasing membership revenue from 2010 to 2011, which has been used to help fund our shop local marketing campaign. The UBA has also worked on expanding its geographical footprint in Urbana, and recruited 2 new board members from East and Southeast Urbana.

We have created a membership brochure (attached) that outlines benefits at various levels of financial participation. This allows owners and managers of local businesses to easily see what they receive in exchange for their contribution, and also helps the UBA maintain current records for each business.

Future Plans: The organization will continue to retain its membership base, and recruit new businesses through personal calling efforts. Sustainability will be achieved through the successful implementation of marketing campaigns like shop/experience/know local that provide value to our business community. As a non-profit organization, we will continue to expand our advertising budget along with increases in membership revenue.

Regularly scheduled membership meetings and other events like merchant meetings will continue to provide our businesses an opportunity to network and collaborate. The opportunity to work together and discuss trends and initiatives is a critical part of a cohesive business community.

EVENTS

Overview: The UBA acts as an events manager and facilitator for both recurring and unique event programs. The organization will run Sweetcorn Festival, Holiday Market, Cherry Jam, as well as other events designed to promote Downtown Urbana, or other business districts. The UBA will also prepare business networking events designed to attract members and potential members.

Recent Work: We are well on our way with planning the 36th annual Sweetcorn Festival. Our footprint, goals, and objectives remain the same as in years past. We continue to promote community, diversity, and collaboration with various organizations, volunteer groups, and entities such as the City of Urbana and University of Illinois through the event. Our financial goal is to maintain a 15% profit margin on the event, of which the proceeds are used to fund organizational overhead, marketing campaigns, and other events throughout the year.

The UBA will continue Cherry Jam, but has moved the day and time to Fridays at 4pm June through August. This change was made to compliment the downtown business community expanding their hours on Fridays until 8pm. We hope to attract a crowd to the Library for our event that can then be moved downtown for shopping and dining. We are working with the downtown merchants to cross promote our event with theirs.

Future Plans: We intend to continue our event work, and expand where able. The UBA has partnered with The Atkins Group to promote “Celebrate Summer at The Pines” which is a family oriented Saturday event each June. In addition, we will begin exploratory work with the business community and University on the possibility of a spring Human Resource Expo. This event would provide our Urbana businesses with an opportunity to showcase their career options to seniors of various Colleges at The University of Illinois in hopes of retaining much of that talent in our community.

MAIN STREET PROGRAM

Overview: The UBA will remain an active proponent of Main Street Programs and Initiatives in partnership with the City of Urbana, as well as Downtown Property Owners and Merchants. The organization will remain a member of the “Main Street National Trust For Historic Preservation”, as well as any other organization deemed to be consistent with the goals of the Board of Directors and/or City. The organization will be mindful of the critical need to promote Downtown Urbana as it recruits members, organizes events, and focuses resources.

Recent Work: The UBA continues to actively communicate with the downtown business owners. We have a very high penetration rate of these businesses as members, and look to them frequently for guidance in our work. We formed a “Shop Local” committee consisting of Lisa Bralts from the City of Urbana, Carolyn Baxley from Cinema Gallery, Paula Blakley from Illini FS Farmtown, and Lisa Busey Cook from Frogs and Fairies. This group did research, and helped to formulate a comprehensive and targeted marketing campaign that was designed to encourage consumers to consider our local businesses before spending their money out of market. The campaign launched the week of May 23rd, and we hope that when combined with the extended hours on Fridays, the downtown area should see more foot traffic.

Future Plans: Our goal is to maintain the Shop Local campaign for an extended period of time. We also intend to try other creative ideas to help bring traffic to the downtown area, and partner with other groups who host events in the area to increase attendance and participation. The way-finding, and other streetscape work that will be done by the City in the coming months/years will help to make downtown increasingly attractive and vibrant.

BUILD URBANA

Overview: The UBA will be an advocate for both residential and commercial development in Urbana, understanding that a stable or growing residential base is critical to attract and retain business and industry.

Recent Work: The UBA hosted its annual Build Urbana Bus Tour with the City, Schools, Library, and various developers in April. The tour is designed to show Realtors the new developments and construction activity going on in town, as well as to share some additional information about our schools, and public services. We also purchased 50 Build Urbana signs for the various residential developments.

Future Plans: Given the slowdown in housing over the last couple of years, we will work to be more comprehensive in our Build Urbana program. Not only will we promote new construction and development, but we will look to support the real estate industry as a whole here in Urbana. The UBA maintains an affiliate membership with the Champaign County Association of Realtors, and will work with them to track sales in Urbana, and develop recognition programs for agents consistently doing business in our community. We will also stay in close contact with the developers, and meet as a committee later in the year to brainstorm ideas on how to market Urbana for new construction.

HUMAN RESOURCES

Overview: The UBA will maintain a level of staffing that allows for adequate administration of the organization's mission and goals, but that is also fiscally responsible and within the annual operating budget. A combination of full and part-time employees and interns will be used to accomplish these goals noting that a certain level of consistency and expertise must be maintained. All human resource activity will be overseen by the board to assure policies and procedures are within federal and state laws. Said Board shall also operate within the boundaries of its bylaws, assuring an appropriate level of involvement and controls for the organization.

Update: Two paid interns graduated from the University in May. We will replace one position with another paid intern (accounting) in the fall, and the other position with a non-paid intern (marketing).

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AN AGREEMENT FOR PROMOTION AND MARKETING SERVICES BY AND BETWEEN THE CITY OF URBANA, A MUNICIPAL CORPORATION AND THE URBANA BUSINESS ASSOCIATION, A 501C.6 NOT-FOR-PROFIT CORPORATION

WHEREAS, promotion of public events and programs in and around the City of Urbana is in the best interests of the City; and

WHEREAS, an efficient method of promoting such events is by a "partnership arrangement" with the Urbana Business Association (hereinafter known as UBA).

NOW THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL PROMISES THEREIN MADE, the parties agree as follows:

Total payments under this contract shall not exceed \$95,000.00 in restricted and unrestricted expenditures.

1. Staffing Payments: Upon the execution of this contract and employment of staff, up to \$3,100 per month shall be paid to the UBA as a reimbursable for verified employee salary expenses.

2. Restricted Funds: Since the nature and extent of the costs likely to be incurred for the events contemplated below are difficult to ascertain in advance, it is agreed that those expenses and costs that are eligible for reimbursement hereunder are those actual "out-of-pocket" costs paid by the UBA. Restricted Funds will be paid only on a reimbursable basis upon documentation of the incurred UBA expense and UBA payment.

- A. 2010-11 Build Urbana Events: The UBA shall promote the Build Urbana Program through Build Urbana related events. Only those homes within the corporate limits of Urbana shall be promoted. The City will reimburse UBA up to \$2,000 for advertising and promotion of events specific to the Build Urbana program. Expenditures for Build Urbana may include advertising, promotions, print ads, Realtor bus tour and the annual Realtor meeting.
- B. 2010 Urbana Sweetcorn Festival: The UBA shall organize, staff, coordinate, and promote the Urbana 2009 Sweetcorn Festival. The City of Urbana shall be included as a primary sponsor on promotions. Up to \$10,000 will be reimbursed for this event for entertainment, promotional/advertising/marketing expenses. In addition to up to \$10,000 available in direct support, any police and/or security services provided by the City for the Sweetcorn Festival will be charged to the UBA at 75% of actual cost.
- C. Downtown Promotions/Events Coordination: The City will reimburse eligible expenses up to \$1,500 related to the Lincoln Square Village Holiday Market. Events seeking financial assistance from the UBA may apply to the Urbana Arts Grant program, which the UBA will support through the Business Backs the Arts program as outlined in Section 8 of this agreement.
- D. Urbana Business Marketing: Up to \$13,500 will be reimbursed to UBA for expenses incurred in relation to marketing and promotion of Urbana businesses. UBA shall match up to \$3,000 in this category from UBA income and continue the promotional campaigns of Urbana businesses and services.
- E. Holiday Downtown Decorations: UBA shall purchase and coordinate holiday decorations for the downtown under city approval. Examples may include light pole garland, holiday light pole banners, or the like. UBA shall coordinate installation and removal of holiday decorations and banners. Up to \$1,300 will be reimbursed for the purchase of holiday decorations.

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- F. Banner Decorations: UBA shall coordinate the Urbana Banner Program. Up to \$7,500 will be reimbursed for the purchase, installation, and removal of banners and/or holiday decorations.
- G. Arts Promotion: UBA shall collaborate with local arts organizations such as 40 North/88 West and the Urbana Public Arts Commission to promote arts, culture, and entertainment in Urbana. Up to \$2,000 will be reimbursed to the UBA for such activities.
- H. "Main Street" Activities: Up to \$20,000 will be reimbursed for activities consistent with the goals and programs of the National and State Main Street Association to promote downtown Urbana. These funds may be used for staffing payments for staff supporting Main Street Association type activities.
3. Event Permits/Contracts: All UBA events requiring event permits shall have the appropriate forms filed and approved with the City of Urbana within the time frame required in advance. Prior to UBA signing a contract with another agency to partner on an event, UBA shall inform Public Works staff and Community Development staff of the proposed contract and obtain City Staff input. UBA should ensure that a profit from each event is planned to benefit UBA prior to signing an event contract.
4. Board Representation: The City of Urbana shall have at least one seat on the UBA Board for City Staff in order to assure coordination.
5. Office Space: For the term of this contract, office space shall be provided in the downtown parking deck by the City of Urbana without charge. It is expressly understood that in the event the City designates or hires a downtown coordinator pursuant to the Downtown Plan, the City may choose to share said space with the UBA. The city of Urbana agrees to provide a parking space for the UBA office on the top level of the parking deck.
6. Monthly Event and Promotional Information: UBA shall supply monthly event and promotional information to City and UPTV staff for programming, marketing and outreach efforts. Information shall promote events occurring in Urbana as well as events occurring in the surrounding community.
7. Ribbon Cuttings: UBA shall continue to coordinate ribbon cuttings for businesses in Urbana, free of charge to the businesses. UBA shall work with City staff to ensure coordination and promotion of these events.
8. Business Backs the Arts Program: UBA shall provide \$5,000 through the Business Backs the Arts Program to the Urbana Public Arts Program for grants related to artistic endeavors consistent with the program.
9. Payment Procedure for Reimbursable Expenses: Requests for reimbursement shall be made in writing to Economic Development Manager, 400 South Vine Street, Urbana, Illinois, and shall include such documentation as deemed appropriate by the Economic Development Manager.
10. Funds: Neither restricted nor unrestricted funds shall be utilized for membership promotion, political activities or in any other manner that is not a direct service to the City of Urbana.
11. Budget Work Plan: The UBA board shall submit an annual budget work plan to the City of Urbana with the proposed contract each year.
12. Termination/Default: Either party may terminate this contract for cause by giving thirty (30) days written notice as provided herein.
13. Notices: All notices hereunder shall be in writing and shall be served personally, by registered mail or certified mail to the parties listed below at the addresses set after their names, or to other such addresses as shall be agreed upon.

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DATED at Urbana, Illinois, this _____ day of _____, 2010.

CITY OF URBANA, ILLINOIS

URBANA BUSINESS ASSOCIATION

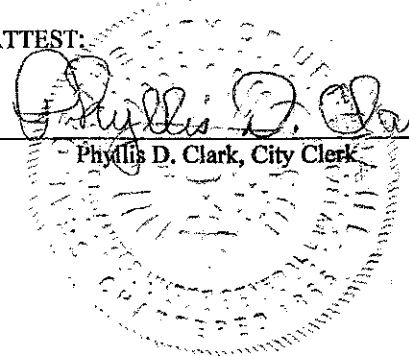
BY: *Laurel Lunt Prussing*
Laurel Lunt Prussing, Mayor

BY: Board Chair
(title)

ATTEST:

ATTEST:

Phyllis D. Clark
Phyllis D. Clark, City Clerk



[Signature]
[Signature], Executive Director