

RESOLUTION NO. 2023-04-020R

**A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF AN
ARPA SUBRECIPIENT AGREEMENT
(RED HERRING VEGETARIAN RESTAURANT)**

WHEREAS, the City of Urbana, classified as a metropolitan city with a population below 250,000, was awarded \$12.97 million in funds as part of the State and Local Fiscal Recovery Funds (SLFRF) under the American Rescue Plan Act (ARPA) in March 2021; and

WHEREAS, the City of Urbana entered into a Project and Fiscal Management Agreement with the Champaign County Regional Planning Commission (RPC) in order to solicit meaningful public input, draft a concept plan outlining desired outcomes, and monitor and report on uses of ARPA funds in a fiscally responsible, outcome-oriented manner; and

WHEREAS, the City of Urbana allocated \$2.5 million of ARPA SLFRF funds under the Standard Allowance provision of the U.S. Treasury's *Final Rule* for the purpose of replacing lost public sector revenue to be spent on governmental services; and

WHEREAS, the City of Urbana has adopted the Concept Plan, which contains eight Funding Goals for the remaining ARPA funds; and

WHEREAS, the City of Urbana adopted the ARPA Concept Plan Project List on February 27, 2023, allocating \$9,949,343 in funds to 25 projects; and

WHEREAS, each subrecipient of ARPA funds is required to enter into a contract with the City of Urbana that details the project dates, funding distribution timeline, performance standards, and additional terms and conditions applicable to the individual project; and

WHEREAS, all subrecipients shall complete all reporting requirements set forth by ARPA regulations and the City of Urbana; and

WHEREAS, the project *Handmade Harvest: Health Meals for Families Facing Food Insecurity* by Red Herring Vegetarian Restaurant was allocated \$10,000 as part of the ARPA Concept Plan Project List.

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

Section 1. That an Agreement providing \$10,000 in ARPA SLFRF funds, for the purpose of *Handmade Harvest; Health Meals for Families Facing Food Insecurity*, performed by Red Herring Vegetarian Restaurant, 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.

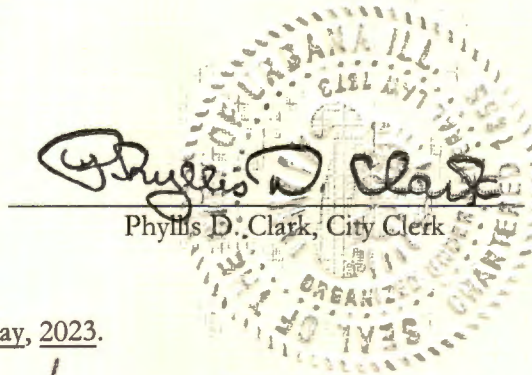
Section 2. That the Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver said Agreement on behalf of the City of Urbana, Illinois.

PASSED BY THE CITY COUNCIL this 24th day of April, 2023.

AYES: Wu, Evans, Hursey, Kolisetty, Bishop, Wilken

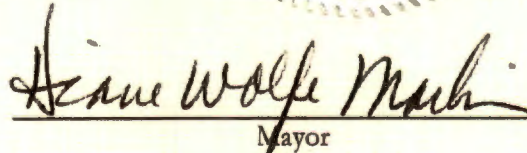
NAYS: None

ABSTENTIONS: None



Phyllis D. Clark, City Clerk

APPROVED BY THE MAYOR this 2nd day of May, 2023.



Mayor

**SUBRECIPIENT AGREEMENT BETWEEN
THE CITY OF URBANA AND RED HERRING VEGETARIAN RESTAURANT
FOR HANDMADE HARVEST: HEALTHY MEALS FOR FAMILIES FACING
FOOD INSECURITY**

This Subrecipient Agreement (“Agreement”) is entered as of April 24, 2023, by and between the Red Herring Vegetarian Restaurant, with an address of 1209 W. Oregon Street, Urbana, IL 61801, and the City of Urbana, Illinois (“City”), with an address of 400 S. Vine Street, Urbana, IL 61801, collectively “the Parties.”

WHEREAS, the City is in receipt of funds pursuant to the American Rescue Plan Act of 2021, P.L. 117-2 (“ARPA Funds”); and

WHEREAS, the City is authorized by Section 603(c)(1)(A) of the Social Security Act and the United States Department of Treasury Interim and Final Rule 31 CFR Part 35 to respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19) or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality; and

WHEREAS, Red Herring Vegetarian Restaurant is a 501(c)3 Non-Profit Organization providing fresh, locally grown food to food insecure families;

WHEREAS, the Parties desire to enter into this Agreement to recognize the roles and responsibilities for each Party in expanding existing programs to provide prepared meals to food-insecure residents.

NOW, THEREFORE, the Parties agree as follows:

1. **Purpose and Scope.** The Parties intend for this Agreement to provide the foundation and structure for Handmade Harvest: Healthy Meals for Families Facing Food Insecurity costs through the following understanding:
 - a. **Handmade Harvest: Healthy Meals for Families Facing Food Insecurity:** This program will focus on increasing the availability of food in Urbana. With these funds, Red Herring would grow its existing program, the Bucket Brigade, a delivery food pantry (which currently delivers shelf staples and hygiene supplies to extremely low-income residents), by adding a ready-to-eat healthy meal to every person served. Beyond expanding its own food pantry effort, Red Herring plans to partner with the Mobile Market (CU City Farms) and the Little Free Market (Sola Gratia Farm) to add prepared meals alongside their free produce at their weekly distributions..
 - b. **Project Scope:** Red Herring Vegetarian Restaurant shall perform the Scope of Services as defined in Attachment A.
 - c. **Funding:** The City will transfer ARPA Funds to Red Herring Vegetarian Restaurant in an amount up to \$10,000 in support of this Scope of Services beginning in City fiscal year 2023, according to the projected budget in Attachment A. The transfer of funds shall be made in the form of quarterly reimbursements, unless otherwise noted. In order for funds to be released, Red Herring Vegetarian Restaurant must submit a Risk Assessment Form as provided by the City alongside this signed contract. Each release of funds must be preceded by Red Herring Vegetarian Restaurant’s submission of a

quarterly Reporting Form, along with any required documentation, as provided by the City. The Risk Assessment Form and Reporting Form shall be made available by the City to Red Herring Vegetarian Restaurant in a fillable format.

2. Roles and Responsibilities of Red Herring Vegetarian Restaurant.

- a. Red Herring Vegetarian Restaurant agrees to cooperate with meetings conducted by Urbana City Council members and/or City staff, as requested, to review programs in progress.
- b. Red Herring Vegetarian Restaurant shall adhere to the ARPA Funds fiscal, accounting, and audit procedures that conform to Generally Accepted Accounting Principles (GAAP) and the requirements of Federal Uniform Guidance (2 CFR Part 200).
- c. Red Herring Vegetarian Restaurant shall be required to repay the City in the amount of ARPA Funds that are not spent in accordance with the regulations and requirements specified in Federal regulations and this Agreement.
- d. Red Herring Vegetarian Restaurant shall submit reporting information to the City as required by the Department of Treasury, upon request of the City. Information will include, but is not limited to: quarterly updates on program details, program timeline and status, program impact, and expenditure information and status. Additional reporting that may be required as applicable to Handmade Harvest: Healthy Meals for Families Facing Food Insecurity may also include: ARPA Funds spent and obligated (along with documentation of expenses), project status, number of households served, and Impacted or Disproportionately Impacted Populations (as defined by the Coronavirus State and Local Fiscal Recovery Funds Final Rule) served by the project. Reporting requirements will be specified by the City.
- e. Red Herring Vegetarian Restaurant shall provide to the City, upon reasonable notice, access to and the right to examine such books and records of Red Herring Vegetarian Restaurant and will make such reports to the City as the City may reasonably require so that the City may determine whether there has been compliance with this Agreement and the Federal regulations and requirements for the expenditure of ARPA Funds. All reports and records related to the project must be maintained for the required period of time, according to applicable Federal and State laws, rules, or regulations (typically 5 years). If any litigation, claim, negotiation, audit, monitoring, inspection, or other action has been started before the expiration of the required record retention period, records must be retained until completion of the action and resolution of all issues that arise from it, or until the end of the required period, whichever is later.
- f. No person shall be excluded from participation in programs the City is funding, be denied the benefits of such program, or be subjected to discrimination under any program or activity funded in whole or in part with the funds provided under this Agreement on the ground of race, ethnicity, color, national origin, sex, sexual orientation, gender identity or expression, religion, disability, or on any other ground upon which such discrimination is prohibited by law. Red Herring Vegetarian Restaurant understands that Executive Order 13985, Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, applies to the use of ARPA Funds.

- g. Red Herring Vegetarian Restaurant shall comply with all applicable Federal, State or local statutes, ordinances, and regulations.
- h. Red Herring Vegetarian Restaurant shall not use any of these ARPA Funds for lobbying purposes. ARPA Funds shall not be used to influence an officer or employee of any agency, including the City, in connection with any Federal, State, or local contract, grant, loan, or cooperative agreement. If it is determined by the City that any expenditure made with the ARPA Funds provided under this Agreement is prohibited by law, Red Herring Vegetarian Restaurant shall reimburse the City any amount that is determined to have been spent in violation of the law.
- i. Red Herring Vegetarian Restaurant shall enforce all applicable terms and requirements of this Agreement with any subgrantees or partners of this program and is liable for all subgrantee and partner activity related to this the expenditure of ARPA Funds and this Agreement.
- j. Red Herring Vegetarian Restaurant shall establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.

3. Handmade Harvest: Healthy Meals for Families Facing Food Insecurity.

- a. Services: Red Herring Vegetarian Restaurant shall undertake activities toward Handmade Harvest; Healthy Meals for Families Facing Food Insecurity under the following requirements:
 - i. Red Herring Vegetarian Restaurant shall undertake costs in accordance with the proposed budget and details provided in Attachment A.
 - ii. Handmade Harvest: Healthy Meals for Families Facing Food Insecurity shall start on project start date provided in Attachment A.
 - iii. Handmade Harvest: Healthy Meals for Families Facing Food Insecurity shall comply with all additional terms and conditions provided in Attachment A.
 - iv. Red Herring Vegetarian Restaurant shall work towards and report on all *Key Objectives and Measurable Outcomes* provided in Attachment A.
- b. Governance: The Handmade Harvest; Healthy Meals for Families Facing Food Insecurity activities shall be overseen by the Executive Director of the Channing Murray Foundation *and include the following responsibilities*:
 - i. Duly adopt or pass as an official act a resolution, motion, or similar action authorizing execution of this Agreement, including all understandings and assurances contained herein, and direct and designate the authorized representative of Red Herring Vegetarian Restaurant to act in connection with this Agreement and to provide such additional information as may be required.
 - ii. Review reports and program adherence.
 - iii. Review significant changes in programs and discuss with the City prior to request for approval and implementation.

4. Roles and Responsibilities of the City.

- a. The City shall provide ARPA Funds to Red Herring Vegetarian Restaurant in the amount up to \$10,000, in the form of quarterly reimbursements, available beginning in 2023. Funds shall be made available in a reasonable period of time after required reports, forms, and receipts are submitted and reviewed by the City.
- b. The City shall provide oversight as described in this Agreement for the purpose of ensuring that ARPA Funds are spent in compliance with Federal law, and in compliance with the intended purpose and outcomes of the funds and project as set forth in this Agreement.
- c. The City is not responsible in any way for the operations of Red Herring Vegetarian Restaurant.

5. Primary Contacts.

- a. The City has contracted with the Champaign County Regional Planning Commission (RPC), who shall supervise and monitor compliance with ARPA reports and regulations. The RPC shall also serve as the City's primary contact with Red Herring Vegetarian Restaurant unless the City directs otherwise in a writing.

Name: J.D. McClanahan

Title: Planner II, Champaign County Regional Planning Commission

Telephone: 217-328-3313, ext. 196

Email: jmccclanahan@ccrpc.org

- b. The following individual shall serve as the Subrecipient's primary contact with the City unless that individual directs otherwise in writing:

Name: Megan Herakovich

Title: Red Herring Operations Manager

Telephone: 217-493-4904

Email: redherringrestaurant@gmail.com

- 6. **Term.** This Agreement shall commence upon its execution between the Parties and shall remain in effect until December 31, 2026. Upon the expiration of this Agreement, or earlier termination as provided in Paragraph 8, Red Herring Vegetarian Restaurant shall maintain all records and documents related to this Agreement for such period as may be required by ARPA rules and regulations and any other applicable federal or state law (typically 5 years).
- 7. **Timeliness.** Time is essential to the performance of this project. Funds not spent during the anticipated period, as shown in Attachment A, due to a delay in the project, or component thereof, inclusive of unavoidable delays, may be subject to forfeiture.

Any and all discrepancies between anticipated timeline of expenditures and actual expenses shall be explained in submitted quarterly report materials. A variance of more than +/- 25 percent between estimated and actual eligible expenditures to date shall mandate an amended timeline, agreed upon by both the City and Red Herring Vegetarian Restaurant. Beginning with the 2nd quarterly report in 2026, any variance greater than 5% shall mandate an amended timeline. The City shall not provide any reimbursement until the timeline is amended. Notwithstanding anything herein to the contrary, all expenditures and completion of the

terms of this Agreement shall be on or before December 31, 2026, and such deadline shall not be subject to amendment.

8. **Termination.** The Agreement may be terminated by either party upon a 30-day notice in writing to the other Party. Upon termination, Red Herring Vegetarian Restaurant shall provide to the City an accounting of the ARPA Funds and shall remit unspent ARPA Funds to the City. Additionally, if Red Herring Vegetarian Restaurant does not spend the ARPA Funds in accordance with the Federal regulations and requirements concerning ARPA Funds as well as the requirements specified in this Agreement, Red Herring Vegetarian Restaurant will be required to repay the City in the amount of ARPA Funds that were utilized incorrectly. The requirement to repay misused funds shall remain in effect for the entire original term, even after the early termination by either Party.
9. **Amendments.** This Agreement may be amended only by an agreement of the Parties executed in the same manner in which this Agreement is executed.
10. **Representations and Warranties.** Both Parties represent that they are fully authorized to enter into this Agreement. The performance and obligations of either Party will not violate or infringe upon the rights of any third-party or violate any other agreement between the Parties, individually, and any other person, organization, or business or any law or governmental regulation.
11. **Indemnity.** Red Herring Vegetarian Restaurant agrees to indemnify and hold harmless the City, its respective affiliates, officers, agents, employees, and permitted successors and assigns against any and all claims, losses, damages, liabilities, penalties, punitive damages, expenses, reasonable legal fees and costs of any kind or amount whatsoever, which result from the negligence of or breach of this Agreement by Red Herring Vegetarian Restaurant, its respective successors and assigns that occurs in connection with this Agreement. This includes, but is not limited to:
 - a. The loss of any monies paid to Red Herring Vegetarian Restaurant.
 - b. Fraud, defalcation, or dishonesty on the part of any person representing, employed by, contracted, or subtracted by Red Herring Vegetarian Restaurant.
 - c. Any act, omission, wrongdoing, misconduct, want of care or skill, negligence, or default on the part of Red Herring Vegetarian Restaurant or any of its contractors, subcontractors, suppliers, and laborers etc. in the execution or performance of this Agreement.

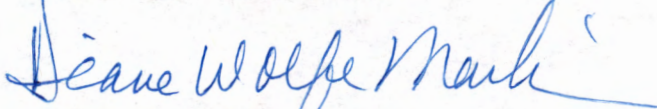
This section remains in full force and effect even after termination of the Agreement by its natural termination or the early termination by either Party. In the event that any actions, suit, or proceeding is brought against the City upon any liability arising out of the Agreement, or any other matter indemnified against, the City at once shall give notice in writing thereof to Red Herring Vegetarian Restaurant by registered or certified mail. Upon receipt of such notice, Red Herring Vegetarian Restaurant, at its own expense, shall defend against such action and take all such steps as may be necessary or proper to prevent the obtaining of a judgment against the City.

12. **Limitation of Liability.** Under no circumstances shall either Party be liable to the other Party or any third party for any damages resulting from any part of this Agreement such as, but not limited to, loss of revenue or anticipated profit or lost business, costs of delay or failure of delivery that are not related to or the direct result of a Party's negligence or breach.

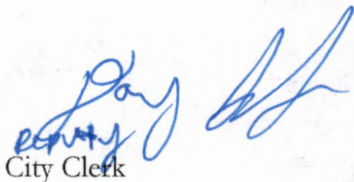
13. **Severability.** In the event any provision of this Agreement is deemed invalid or unenforceable, in whole or in part, that part shall be severed from the remainder of the Agreement and all other provisions shall continue in full force and effect as valid and enforceable.
14. **Waiver.** The failure by either Party to exercise any right, power, or privilege under the terms of this Agreement will not be construed as a waiver of any subsequent or further exercise of that right, power, or privilege or the exercise of any other right, power, or privilege.
15. **Conflicts.** In the event of an unresolvable dispute, both Parties agree to participate in a mediation process and to split equally any costs associated with such. Any outcomes of mediation shall be in writing and binding on the Parties.
16. **Assignment:** Red Herring Vegetarian Restaurant shall not assign this Agreement, nor any part thereof, without the prior written approval of the City.
17. **Legal and Binding Agreement.** This Agreement is legal and binding between the Parties as stated above. The Parties each represent that they have the authority to enter into this Agreement.
18. **Entire Agreement.** The Parties acknowledge and agree that this Agreement represents the entire agreement between the Parties. In the event that the Parties desire to change, add, or otherwise modify any terms, they shall do so only by an agreement of the Parties executed in the same manner in which this Agreement is executed.

The Parties agree to the terms and conditions set forth above as demonstrated by their signatures as follows:

THE CITY OF URBANA



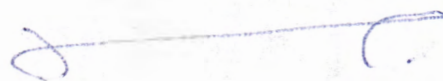
Diane Wolfe Marlin, Mayor



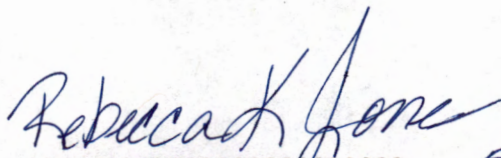
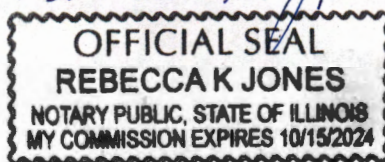
City Clerk

Red Herring Vegetarian Restaurant

Megan Herakovich
Operations Manager



Attest

5-26-23