



DEPARTMENT OF

**COMMUNITY DEVELOPMENT
SERVICES**

Economic Development Division

m e m o r a n d u m

TO: Mayor Laurel Prussing
FROM: Elizabeth H. Tyler, AICP, Director
DATE: June 6, 2007
SUBJECT: Urbana Business Association Contract

Description

For several years, the City of Urbana has provided funding support to the Urbana Business Association (UBA). The support is provided via a contract for marketing and promotion. Attached is the proposed FY 07-08 contract, adopting ordinance, UBA summary letter, budget, and Director's work plan.

Issues and Discussion

There are a few requested changes in the proposed contract, including the following:

1. Staffing payments increase from \$2,350 per month to \$3,000 per month to accurately reflect the UBA Director's current salary.
- 2D. Increase in Urbana business marketing from \$6,300 to \$9,000 for increased promotion of Urbana businesses. UBA will match up to \$3,000 from their funds as well.
- 2F. Provision of \$2,500 for purchase of additional downtown banners, such as arts related themes and general Urbana promotion. Public Works will reimburse up to \$5,000 for UBA to coordinate banner installation with a contracted company.
3. Increased coordination with the UBA for event details and contracts to ensure appropriate City services and maximize UBA's benefit from events.
7. Acknowledgement of ribbon cutting ceremony provision by UBA for Urbana businesses.

Financial Impacts

In the proposed 2007-08 City budget, the Economic Development Fund has \$52,000 available for reimbursement of UBA activities and staff. In addition, Public Works will reimburse \$5,000 for banner installation, and TIF funds can reimburse remaining items such as downtown banners and decorations, downtown business marketing, and portions of promoting downtown events. The increase in total reimbursement from \$57,000 to \$75,000 for UBA items is recommended in recognition of increased staffing and promotional costs and the expanded services that the organization is able to provide for the

benefit of Urbana businesses and the community as a whole.

Prepared By:

Kathy Larson
Economic Development Specialist/Market Director

Attachments:

Proposed 2007-08 UBA/City of Urbana Contract
Adopting Ordinance
UBA Letter
UBA Work Plan
UBA Budget
UBA/City Contract 2006-07

AN AGREEMENT FOR PROMOTION AND MARKETING SERVICES BY AND BETWEEN THE CITY OF
URBANA, A MUNICIPAL CORPORATION AND THE URBANA BUSINESS ASSOCIATION, A 501C.3 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 \$75,000.00 in restricted and unrestricted expenditures.

1. Staffing Payments: Upon the execution of this contract and employment of staff, up to \$3,000 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. 2007-08 Build Urbana Events: The UBA shall promote Build Urbana through events, as well as organize, staff, coordinate, and promote the Urbana Home Parade. Only those homes within the corporate limits of Urbana shall be promoted. Prior to the City reimbursement of funds, the City must be provided with evidence of income and sponsorship from the event equaling or exceeding the developer funding match for the Home Parade. The City will reimburse UBA up to \$3,000 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. 2007 Urbana Sweetcorn Festival: The UBA shall organize, staff, coordinate, and promote the Urbana 2007 Sweetcorn Festival. The City of Urbana shall be included as a primary sponsor on promotions. Up to \$7,000 will be reimbursed for this event for entertainment, promotional/advertising/marketing expenses.
 - C. Downtown Promotions/Events Coordination: The City will reimburse for eligible expenses for UBA Downtown events that are approved and coordinated with the City, exclusive of the Sweetcorn festival, not to exceed \$5,000. Examples might include events such as the Lincoln Square Village Holiday Market, the Beer & Chili Festival, the Urbana Free Library Race, and financial support for other events specific to the promotion of the City of Urbana, as approved by the UBA Board. Where the UBA promotes an event, UBA staff shall assure that all free promotional approaches are pursued including, but not limited to, public service announcements, web site promotion, UPTV announcements, entertainment listings publications and the like.
 - D. Urbana Business Marketing: Up to \$9,000 will be reimbursed to UBA for expenses incurred in relation to the promotion of Urbana merchants and upgrades for promotion of Urbana on UBA’s website. 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 \$2,500 will be reimbursed for the purchase of holiday decorations.

- F. Banner Decorations: UBA shall coordinate and purchase additional banners for the light poles in the Downtown area under city approval. Up to \$2,500 will be reimbursed for the purchase of banners. Banner installation shall be performed by an installation company. Up to \$5,000 will be reimbursed for installation and removal of banners and holiday decorations.
- G. Arts Promotion: UBA shall collaborate with local arts organizations such as 40 North/88 West and the Urbana Public Arts Task Force to promote arts, culture, and entertainment in Urbana. Up to \$5,000 will be reimbursed to the UBA for such 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. AM 530: UBA shall supply monthly event and promotional information to UPTV staff for programming on Urbana radio station AM 530. Script 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. 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.

9. 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.

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

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

12. 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 _____, 2007.

BY: _____
Laurel Lunt Prussing, Mayor

ATTEST:

Phyllis D. Clark, City Clerk

BY: _____
(title)

ATTEST:

(secretary)

ORDINANCE NO. _____

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

(Urbana Business Association FY 2007-2008)

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.3 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 _____,
2007.

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____, 2007.

Laurel Lunt Prussing, Mayor