

RESOLUTION NO. 2024-11-079R

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.

DS



PASSED BY THE CITY COUNCIL this 25th day of November, 2024.

AYES: Wu, Evans, Bishop, Wilken, Quisenberry

NAYS: None.

ABSTAINED: None.

DocuSigned by:

Darcy E. Sandefur

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Darcy E. Sandefur, City Clerk

APPROVED BY THE MAYOR this 26th day of November, 2024.

DocuSigned by:

Diane Wolfe Marlin

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Diane Wolfe Marlin, Mayor