



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 06/16/2020

ITEM NO: 6

DATE: June 10, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Authorize the Town Manager to Execute an Agreement with the Los Gatos Chamber of Commerce to Provide a Subsidy for the Los Gatos Chamber of Commerce to Manage the Town's Visitors Information Center and Assist with Related Community Vitality Initiatives in an Amount Not to Exceed \$55,000.

RECOMMENDATION:

Authorize the Town Manager to execute an agreement with the Los Gatos Chamber of Commerce to provide a subsidy for the Los Gatos Chamber of Commerce to manage the Town's Visitors Information Center and assist with related community vitality initiatives in an amount not to exceed \$55,000.

BACKGROUND:

In 2001, an agreement for services with the Los Gatos Chamber of Commerce was first executed to include the operation and management of the Town's Information Center as well as coordination of the Town's annual Leadership Los Gatos program. Annual renewals with modifications as needed have been approved by the Council every year thereafter.

The contract amount has increased over time with the most recent increase taking place for FY 2019/20 from a not to exceed amount of \$45,000 to a not to exceed amount of \$60,000, allocated as \$55,000 for Visitor Information Center Services and \$5,000 for the assistance with the Town's Leadership Los Gatos program. The Council approved an amendment to the agreement for FY 2019/20 to extend the final payment of Leadership Los Gatos until a time in which the program may be completed, or by June 30, 2021.

PREPARED BY: Monica Renn
Economic Vitality Manager

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, and Finance Director

DISCUSSION:

In a typical year, the Chamber of Commerce provides support to the Town with the services rendered through the Visitor's Information Center as described in the Agreement for Services (Attachment 1) and the Scope of Services (Attachment 1, Exhibit A). This attachment includes the executed agreement for FY 2019/20.

Given the current dynamic situation of the COVID-19 pandemic, and the uncertain environment around visitor options and business activities, staff is recommending that the Agreement for Services be reformatted to a subsidy format to allow more flexibility in how the Chamber utilizes the funds to support the Town's visitors and businesses. The one provision that would remain in place is that the Chamber promotes all businesses, regardless of their Chamber membership, when producing maps, guides and other marketing collateral for the purpose of attracting visitors and promoting Los Gatos.

In addition, the Town will not be facilitating the Leadership Los Gatos program for the 2020-2021 session due to COVID-19 uncertainties, thus these funds and duties are not included in the subsidy or agreement.

If approved by the Town Council, staff would prepare an agreement that memorializes this approach and would include a payment schedule for distributing the subsidy evenly throughout the fiscal year. In early 2021, Town staff would evaluate the status of the environment and feasibility of reinstating Leadership Los Gatos, then make a recommendation to the Town Council for the format (subsidy versus agreement for services) for a prospective agreement with the Chamber of Commerce for FY 2021/2022.

CONCLUSION:

The Chamber of Commerce is a key community partner that attracts and informs Los Gatos visitors, and promotes and supports the businesses community through events and programs that benefit businesses beyond their membership.

Thus, staff is recommending that the Town Council authorize the Town Manager to execute an agreement with the Los Gatos Chamber of Commerce to provide a subsidy for the Chamber to manage the Town's Visitors Information Center and assist with related community vitality initiatives in the amount not to exceed \$55,000.

FISCAL IMPACT:

Funds for this contract have been included in the approved budget for FY 2020/21.

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SUBJECT: Los Gatos Chamber of Commerce Annual Agreement

DATE: June 10, 2020

ENVIRONMENTAL ASSESSMENT:

The proposed agreement is not a project under the California Environmental Quality Act and no environmental analysis is required.

Attachment:

1. Executed copy of the Los Gatos Chamber of Commerce Agreement with Exhibit A, Scope of Services for FY 2019/20