



Lompoc City Council Agenda Item
City Council Meeting Date: June 15, 2005

TO: Gary P. Keefe, City Administrator

FROM: Kathleen A. Griffith, Economic Development Coordinator
E-mail address: k_griffith@ci.lompoc.ca.us

SUBJECT: Agreement With Chamber of Commerce For Tourism Promotion And Business Assistance Services

RECOMMENDATION:

Staff recommends that the City Council authorize the Mayor to execute a one-year Agreement for Tourism Promotion and Business Assistance Services in the amount of \$105,000 for Tourism Promotion and Business Services and \$37,500 for reimbursable Tourism Advertising expenses, for a contract to the amount of \$142,500.

BACKGROUND:

For many years, the City of Lompoc has contracted with the Lompoc Valley Chamber of Commerce to perform services in support of tourism and business promotion. Following the precedent set in 2003, this Agreement for Tourism Promotion and Business Assistance Services is for a period of one year.

A budget of costs to be incurred through the Agreement is attached to the back of the Agreement. While the scope of services has remained relatively constant over the past few years, the Chamber is proactive in the management of promotional events that improve the Lompoc economy and quality of life. The Chamber traditionally manages events, such as the Olde Towne Market, which focus attention on the Downtown and are vital to the revitalization of Downtown. Now the Chamber will also host Friends of Vandenberg, a regional organization to support the missions at VAFB.

The \$37,500 to be used this year for Tourism Advertising is distributed to the Chamber on a reimbursement basis. Any funds not expended at the end of the one-year period return to the General Fund for budgeting purposes. While the advertising budget portion of the Agreement for promotional services has remained the same since 1989, the advertising mix has changed in recent years. The change reflects increases in advertising rates and adjustments to the Chamber advertising program to maximize frequency and exposure while reducing advertising costs. The tourism advertising placements for the year are outlined on Page 2 of the Agreement.

Section 6, Termination of Agreement, allows the City early termination of Agreement at any time upon giving advance written notice of such termination should the City so desire, with or without cause. The City may experience significant budget constraints during the FY 2005-06 budget period, which may require reductions in General Fund expenses.



CITY OF LOMPOC
 LompoC Valley Chamber of Commerce & Visitors Bureau
 CONTRACT FOR PROMOTIONAL SERVICES BUDGET
 2005/2006 Contract Period

Business Assistance Services		\$2,500
Brochure Production & Printing		8,450
Postage		8,500
Salaries/Taxes/Benefits		63,000
Operations		<u>22,550</u>
	Total	\$105,000
 Advertising		 \$37,500

SUMMARY:

Reporting requirements included in this Agreement require that the Chamber provide the City's Economic Development Coordinator with two reports documenting the activities performed by the Chamber during the reporting period. The Chamber Agreement thus will be monitored for compliance twice during the term of this contract.

Kathleen A. Griffith
Economic Development Coordinator

Approved for submittal to Lompoc City Council:

Gary P. Keefe
City Administrator