



## City Council Agenda Item

**City Council Meeting Date:** September 1, 2020

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Jim Throop, City Manager  
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**SUBJECT:** Discussion of Agreement with the Lompoc Valley Chamber of Commerce for Economic Development and Business Assistance Services

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### **Recommendation:**

Staff recommends the City Council review and discuss the proposed agreement between the City and the Lompoc Valley Chamber of Commerce (LVCC) for economic development and business assistance service for a term of July 1, 2020, to June 30, 2022, for a consideration of \$108,000/year, or \$216,000 in total, for the two-year agreement period.

### **Background and Discussion:**

The City has had an agreement with the LVCC since October 1928 for advertising the City. The initial contract amount in 1928 was approximately \$525. Since that time, the City has contracted with the LVCC annually to supply business assistance and visitor information. The most recent contract was for \$108,000 per year, prior to its elimination in the current budget.

During the budget discussions for the Biennial Budget Fiscal Years 2019-2021, staff advised the City Council that budget reductions would be necessary, and one of the items that was approved for elimination was the agreement between the City and LVCC.

Also during the budget deliberation, a potential ballot initiative for a sales tax measure was discussed. The City Council, at their August 22, 2019, meeting, did approve a ballot measure to be placed on the March 3, 2020, ballot. The voters of Lompoc passed the ballot measure with a 69.4% voter approval.

During the discussion on how to appropriate this new General Fund revenue stream, a motion was made by the City Council to again fund three police officers, 1.75 positions in Parks, and to once again fund the agreement with the LVCC for business assistance

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services, which was to also include a new service of economic development. (The Economic Development Division was defunded during the FY 2019-2021 budget deliberation.)

The LVCC was requested to submit a new agreement to the City, which would entail the previous services, but to also include what the LVCC would do to provide economic development services.

The additional services include: attract new businesses, work with real estate professionals to identify properties for development/redevelopment, support retention/expansion of existing businesses, work with educational institutions regarding workforce needs, and represent the City at business attraction events and relevant economic development industry/professional events.

### **Conclusion**

The LVCC has submitted a proposed agreement with the City, in which the LVCC would supply economic development services, tourism promotion services, and business assistance services at an annual cost of \$108,000, or \$216,000 for the two-year agreement. For purposes of budgeting, staff recommends such agreement, if pursued, should have a term of one year to correspond with the City's budget timeframe.

Respectfully submitted,

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Jim Throop, City Manager

Attachment: Agreement for Economic Development and Business Assistance Services