



City Council Agenda Item

City Council Meeting Date: October 21, 2025

TO: Honorable Mayor and Members of the City Council

FROM: Dean Albro, City Manager
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Jeff Malawy, City Attorney
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SUBJECT: Approval of Agreement with the Lompoc Valley Chamber of Commerce for Business Assistance Services

Recommendation:

Staff recommends the City Council:

- 1) Provide direction on the remaining open items to complete the agreement between the City and the Lompoc Valley Chamber of Commerce (Chamber) for business assistance services through June 30, 2027 (Chamber Agreement); and
- 2) Approve the Chamber Agreement in the amount of \$108,000 per year, plus \$3,500 per year for financial auditing expenses, and authorize the City Manager to sign the agreement (Attachment 1).

Background:

On July 15, 2025, the City Council (i) requested that the Chamber submit all past-due audits, and (ii) directed staff to negotiate for certain changes to an agreement under negotiation with the Chamber to supply business assistance (Chamber Agreement).

The Chamber has submitted all past-due audits. Subsequently, the City and Chamber negotiated the changes and language as directed by the City Council, and the Chamber Agreement has been predominantly finalized, with only a few items remaining open for resolution.

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Discussion:

The attached contract is the result of the negotiations between the City and the Chamber since the July 15, 2025, City Council meeting (Attachment 1). The redlined version shows the changes from the agreement the City Council proposed on July 15, 2025 (Attachment 2).

The following items remain open and require City Council direction:

1. Section III(C)(3) of the Chamber Agreement contemplates office hours where Chamber representatives are available to the public. The Chamber has agreed to commit volunteers to greet and be generally available to the public at 111 S. "I" Street from Monday through Friday from 10:00 a.m. to 2:00 p.m. and is requesting that Saturdays from 10:00 a.m. to 2:00 p.m. be optional depending on whether volunteers are available.
2. Section IV(A)(1) of the Chamber Agreement contemplates a financial audit due every two years with the first being due on October 31, 2025. The Chamber requests a short extension to December 31, 2025, for the first audit to reflect the extended negotiations on the Chamber Agreement, as funds due under the agreement often cover the costs of such audit.
3. The Old Town Trick or Treat Event will not be held this year due to the ongoing contract negotiations. Without the funds available, the Chamber was not able to proceed with this event and now would not have sufficient time to produce such a large event. The Chamber agrees to reintegrate this event in 2026.
4. Section III(C)(6) sets forth that the Chamber shall collaborate with the City to identify and secure at least one larger venue opportunity annually. The Chamber is hoping to receive clarification from the City Council on the expectations associated with securing this larger venue, what type of event is expected, and what would qualify as a larger venue that meets the requirements of this section.

Fiscal Impact:

The fiscal impact annually for FY 2025-27 to the General Fund for the chamber contract would be \$111,500.

That amount was included in the Biennial Budget FYs 2025-27.

The agreement also waives City fees for Chamber events held at City facilities since those events are for the benefit of the City. Those fees are estimated at \$27,000 per fiscal year broken down as street closures for six Old Town Markets, one Old Town Small Business Saturday, and one Old Town Trick or Treat, the total cost of those events are approximately \$25,000, based on the actual costs from 2023. Such fees may be slightly lower for 2025 to reflect cancellation of the Old Town Trick or Treat Event.

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Conclusion

The Chamber wishes to continue to supply tourism promotion services, and business assistance services at an annual cost of \$111,500.

Respectfully submitted,

Dean Albro, City Manager

Jeff Malawy, City Attorney

- Attachments:
- 1) Proposed Agreement for Economic Development and Business Assistance Services for Fiscal Year 2025-2027
 - 2) Redlined Showing Changes from Version Presented by Council Member Bridge on July 15, 2025