



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 06/03/2025

ITEM NO: 4

DATE: May 27, 2025
TO: Mayor and Town Council
FROM: Chris Constantin, Town Manager
SUBJECT: Authorize the Town Manager to Execute an Agreement for Services with the Los Gatos Chamber of Commerce to Manage the Town's Destination Marketing Services, Visit Los Gatos, and the Town's Visitors Information Center, for a Total Agreement Amount Not to Exceed \$88,000 for 2025-26

RECOMMENDATION:

Authorize the Town Manager to execute an Agreement for Services with the Los Gatos Chamber of Commerce to manage the Town's Destination Marketing Services, Visit Los Gatos, and the Town's Visitors Information Center, for a total agreement amount not to exceed \$88,000.

FISCAL IMPACT:

The funds for this agreement for services, totaling the amount not to exceed \$88,000, have been included in the Town's Operating Budget for FY 2025-26.

STRATEGIC PRIORITIES:

The services provided by the Chamber of Commerce related to Visit Los Gatos and the Town's Visitors Information Center support the Town's Community Character and Civic Engagement strategic priorities by fostering the economic vitality of businesses and ensuring that residents and visitors feel welcome in Los Gatos.

BACKGROUND:

The Chamber of Commerce has long been a valued partner with the Town of Los Gatos in supporting the business community and providing visitor information and destination marketing services, with formal agreements for service beginning in 2001.

PREPARED BY: Monica Renn
Economic Vitality Manager

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

SUBJECT: Annual Agreement for services with the Los Gatos Chamber of Commerce for
Visit Los Gatos Destination Marketing and Visitor Information Center Services
DATE: May 27, 2025

The scope and compensation for services have fluctuated over the years to meet the dynamic economic and community vitality trends of the Los Gatos business community, balanced with the capacity of the Chamber of Commerce to provide services and the availability of funding within the Town's annual budgets.

Beginning in 2019, with much discussion and collaboration with the Chamber of Commerce, this agreement for services became focused on promoting Los Gatos as a destination through online and social media platforms. As a response to the COVID-19 Pandemic, and with the assistance of funding through the American Recovery Plan Act (ARPA), the Town was able to provide additional financial resources outside of the annual agreement to the Chamber to strengthen these efforts by creating a branded and dynamic Visit Los Gatos website, and dedicate resources to grow the online and social media presence, maintaining the ultimate goal of engaging and welcoming locals and visitors alike to enjoy the vibrant shops, restaurants, hotels, community events, open space, and other vibrant experiences Los Gatos offers; and, the agreement maintains the requirement that funds used as a part of this agreement benefit Los Gatos businesses equally, regardless of their membership status with the Chamber of Commerce.

In Fiscal Year 2023-24, the agreement for services was increased from \$55,000 to \$88,000 to support the expanded destination marketing and social media efforts of the Chamber of Commerce. This increase allowed the Chamber to have more staff hours dedicated to destination marketing through a variety of in-person and online channels. It was noted at the time by the Town Council that this amount may not be sustainable in years to come as the increase was funded through the one-time ARPA dollars.

On May 7, 2024, the Town Council discussed various levels of financial support for the FY 2024-25 annual agreement for services with the Chamber of Commerce, then voted unanimously to approve the continued increase of \$88,000 for FY 2024-25, using money from the general fund, given that all ARPA funding had been allocated.

DISCUSSION:

On May 15, 2025, the Chamber of Commerce provided a year-end report accounting for the services rendered throughout FY 2024-25 under the agreement for services and requested sustained support in the amount of \$88,000 for Visit Los Gatos Destination Marketing and Town Visitors Information Center services for FY 2025-26 (Attachment 1).

There was an additional request made by the Chamber of Commerce for support with the road closure of N. Santa Cruz Avenue associated with the Chamber's annual Taste of Los Gatos event. Staff has not included funding for this request within this report or scope of services, given the 2025-26 Town Budget maintains funding at the 2024-25 level. Should the Chamber of

PAGE 3 OF 3

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Commerce still request this support, they may utilize the Town's grant process for the request as other service providers are also directed to this process.

The Agreement for Services requires the Chamber of Commerce to provide an annual report on the services rendered that provides quantitative data for at least three different time periods within the year of service to illustrate the services rendered and the impact the services have on engagement with the Visit Los Gatos platform and general visitor engagement and increased vitality. The Chamber may utilize a variety of data points, that are on trend with the most up to date engagement channels such as website traffic, social media, phone applications and widgets, influencer relationships, direct services rendered, and similar destination marketing tools.

CONCLUSION:

Staff recommends that the Town Council approves the Annual Agreement for Services with the Los Gatos Chamber of Commerce to manage the Town's Destination Marketing Services, Visit Los Gatos, and the Town's Visitors Information Center, for a total amount of \$88,000 for FY 2025-26.

COORDINATION:

This report was coordinated by Economic Vitality staff and the Town Manager's Office, and the Scope of Services was updated in coordination with the Chamber of Commerce CEO.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. Annual Report from the Los Gatos Chamber of Commerce Received May 15, 2025.
2. Draft Agreement for Services including Exhibit A - Scope of Services with the Los Gatos Chamber of Commerce to manage the Town's Destination Marketing Services, Visit Los Gatos, and the Town's Visitors Information Center.