



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 06/16/2026

ITEM NO: 23

DATE: June 16, 2026
TO: Mayor and Town Council
FROM: Chris Constantin, Town Manager
SUBJECT: **Approve 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**

RECOMMENDATION: Approve 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.

FISCAL IMPACT:

The funds for this agreement, in an amount not to exceed \$88,000, have been included in the Town's Operating Budget for FY 2026-27.

STRATEGIC PRIORITY:

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 Administrative Services Director

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

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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 extensive 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.

In 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. In June of 2025, the Town Council again approved a contract amount of \$88,000 for FY 2025-26, funded by the General Fund.

DISCUSSION:

The FY 2025-26 Agreement for Services requires the Chamber of Commerce to provide an annual report on the services rendered that provides quantitative data for services provided under the proposed agreement, illustrating 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.

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On June 3, 2026, the Chamber of Commerce provided a year-end report (Attachment 1) accounting for the services rendered throughout FY 2025-26 under the agreement for services and requesting an increase in funding for FY 2026-27 from \$88,000 to \$108,000. Staff had conversations with the Chamber of Commerce during the budget process, and at that time, the Chamber of Commerce agreed to sustaining the partnership at a status quo for the scope of services and compensation, in the amount of \$88,000 for Visit Los Gatos Destination Marketing and Town Visitors Information Center services for FY 2026-27, reflected in the Agreement for Services with Exhibit A – Scope of Services attached to this report (Attachment 2).

Following this discussion and staff building the proposed budget, in late April, the Chamber of Commerce verbally requested additional funding for FY 2026-27 in direct compensation, a reduction in event related fees, particularly related to the road closure for the Chamber's annual Taste of Los Gatos event, or a combination of these. Staff recommends that FY 2026-27 remain status quo, as budgeted, and that discussions commence with the Chamber of Commerce earlier in the budgeting cycle to refine the Scope of Services and proposed compensation for future years, if necessary.

CONCLUSION:

Staff recommends that the Town Council approve the Annual Agreement for Services with 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, for a total of \$88,000 for FY 2026-27.

Alternatively, the Town Council could consider increasing the compensation for FY 2026-27 with the Chamber of Commerce, with or without modifying the scope of services outlined in the agreement, and identify how the additional cost will be funded from the Town's budget, as \$88,000 is the amount built into the proposed budget for FY 2026-27. This option would require a budget adjustment.

COORDINATION:

This report was coordinated by Economic Vitality staff and the Town Manager's Office.

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 June 3, 2026.
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.