



**CITY COUNCIL AGENDA REPORT**  
**MEETING DATE:** 6/20/2023  
**DEPARTMENT:** Economic Development

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**SUBJECT:**

CONSIDERATION OF CONTRACTUAL SERVICES AGREEMENTS WITH THE LAKE FOREST CHAMBER OF COMMERCE

**RECOMMENDED ACTION(S):**

1. Approve a Contractual Services Agreement between the City of Lake Forest and Lake Forest Chamber of Commerce for Business Development and Attraction services in the amount of \$27,000 for Fiscal Year 2023-24.
  2. Authorize the Mayor to sign, and the City Clerk to attest, the Contractual Services Agreement between the City and the Lake Forest Chamber of Commerce.
  3. Provide direction for a potential Pilot Agreement between the City of Lake Forest and the Lake Forest Chamber of Commerce for specific events and services for Fiscal Year 2023-24.
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**EXECUTIVE SUMMARY:**

The City's Contractual Services Agreement ("Current Agreement") with the Lake Forest Chamber of Commerce ("Chamber") expires on June 30, 2023. The Current Agreement requires the Chamber to implement specific programs and events to assist with the City's business development and attraction goals. The Lake Forest Chamber of Commerce Ad-Hoc Committee ("Ad-Hoc Committee") met to analyze and provide a recommendation for Fiscal Year ("FY") 2023-24 events and services.

To replace the Current Agreement, which is set to expire at the end of this month, staff is recommending the City Council approve the proposed Contractual Services Agreement covering FY 2023-24 ("New Agreement"). The New Agreement includes \$27,000 in compensation to cover the costs of providing the events and services outlined in the Scope of Services. This compensation amount is intended to cover expenses associated with business events and seminars. Staff recommends the City Council approve the New Agreement between the City of Lake Forest and the Chamber for Business Development and Attraction Services in the amount of \$27,000 for FY 2023-24.

The Ad-Hoc Committee also recommends the formation of a separate Pilot Services Agreement (“Pilot Agreement”). The Pilot Agreement would be a new contract between the City and Chamber that includes new events and services to be implemented. The Pilot Agreement would allow for the City to test and evaluate the feasibility, effectiveness, and impact of the new services before implementing them on a larger scale. The Pilot Agreement would run concurrently with the New Agreement and would expire June 30, 2024. The Pilot Agreement could include the following three services: Beer and Wine Gardens at Concerts in the Park, Business Appreciation Luncheon, and a new event. Staff recommends that upon providing feedback about the proposed Pilot Agreement to staff, the City Council exercise discretion in authorizing the City Manager to enter into the Pilot Agreement pursuant to the City Manager’s signing authority outlined in the City’s Purchasing and Contracting Guidelines (“Purchasing Guidelines”).

The 2023-2025 Operating Budget includes sufficient funding to cover the costs of the recommended actions.

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## **BACKGROUND:**

Since January 2010, the City, on an annual basis, has entered into an agreement with the Chamber for business services. The arrangement has proven effective in reinforcing the City’s business development and attraction goals and providing a wider range of business events and services. As part of its contractual relationship with the City, the Chamber plans and implements cosponsored business events, and actively promotes Lake Forest businesses. Additionally, the Chamber promotes the City’s business resources on its website via e-mails to members and in business packets distributed to new and prospective members throughout the year.

### Ad-Hoc Committee:

On June 1, 2021, the City Council voted to form Ad-Hoc Committee (Attachment 1). The Ad-Hoc Committee was formed to serve as a liaison to the Chamber of Commerce Board of Directors as well as to review the contractual performance indicators on a periodic basis.

### Current Partnership and FY 2022-23 Achievements:

Over the past thirteen years, the City and Chamber have collaborated on business seminars, enhanced marketing and promotional tools, as well as strategies to address the growth and expansion needs of Lake Forest businesses. The City Council awarded the Chamber \$20,000 for FY 2022-23 to

assist the City in its efforts to attract and retain business enterprises and promote the City’s positive business environment.

*Table 1: FY 2022-2023 Agreement Performance Summary*

<b>Event/Service</b>	<b>Date</b>	<b>Approximate # of Attendees</b>
Legislative Luncheon	July 8, 2022	175
Business Mixer (October)	October 20, 2022	65
New Business Reception	January 18, 2023	70
Social Media Workshop	February 23, 2023	80
State of the City	March 22, 2023	185
Business Mixer (May)	May 17, 2023	50
Job Fair	June 2, 2023	50
Signature Business Event	June 9, 2023	70
Promotion of Online Seminars & Events	Ongoing	N/A

In addition to the events listed in Table 1, the Chamber also hosted its annual Elf Yourself Charity 5k, promoted the City's Shop & Dine Community Gift Card Program, continued its Lunch and Learn series, hosted in-person and virtual business networking mixers, and assisted the business community with answering questions related to loan/grant applications, personal protection equipment (COVID-19 mitigation), and more. The Chamber provided staff with the entire list of completed programs and accomplishments, which is attached for the City Council’s review (Attachment 2).

**DISCUSSION:**

The Chamber assists Economic Development staff with event programming efforts and helps advance the goals of the City’s Business Development and Attraction Program. Starting in 2010, the City’s annual contracts with the Chamber have included event planning, marketing the City’s positive business climate, and business networking opportunities.

Chamber Proposal for FY 2023-24:

The Chamber desires to continue providing business services to the City in FY 2023-24. Consequently, and consistent with past practice, the Chamber prepared a Business Proposal (“Proposal”) for consideration (Attachment 3). The Proposal identifies the Chamber’s priorities and goals for the upcoming fiscal year. The Chamber’s goals include fundraising, augmenting tools and resources that help Lake Forest businesses grow their operations (e.g., leadership and mentorship

programs), expanding business education programs, and undertaking activities that contribute to overall economic prosperity in Lake Forest.

The Ad-Hoc Committee met on Friday, May 12, 2023 to discuss the FY 2023-24 Proposal. It concluded the Chamber met or exceeded its obligations in the Current Agreement and provided excellent service to the City and the business community in support of economic development efforts. Additionally, the Ad Hoc Committee recommended dividing events and services into two separate agreements.

Proposed Contractual Services Agreement:

The Scope of Services in the New Agreement outlines the roles and responsibilities of the Chamber and City in fulfillment of these efforts. The terms are generally the same as those contained in the Current Agreement with some adjustments. The proposed FY 2023-24 Agreement Scope of Services and allocations of City funds per event are outlined in Table 2 below:

*Table 2: FY 2023-24 Proposed Scope of Services*

<b>Event/Service</b>	<b>City Contribution</b>
Tri Chamber Business Mixer	\$2,100
State of the City	\$8,500
Legislative Luncheon	\$3,800
Business Seminar & Exp	\$4,500
New Business Reception	\$1,700
Social Media Workshop	\$1,700
Lake Forest Career Workshop	\$3,700
Elf Yourself 5K Charity Run	Use of Sports Park, barricades, & ad in Leaflet
Chamber Board Meetings	Quarterly Use of Hickory Conference Room
Facebook Lives	\$500
Promotion of Online Seminars & Events	\$500
<b>Total:</b>	<b>\$27,000</b>

The Ad-Hoc Committee also agreed to provide the Chamber with Community Center rooms for the events listed in Table 2 at no charge. The costs of rooms represent an in-kind donation valued at approximately \$16,000. The Scope of Services and the New Agreement are attached for the City Council's consideration (Attachment 4).

### Career Workshop:

In its proposal, the Chamber included hosting a Career Workshop. The Career Workshop would be an interactive event designed to provide individuals with guidance, information, and practical skills related to their career development and employment prospects. It aims to help participants explore career options, acquire job search strategies, develop professional skills, and make informed decisions about their career paths. This Career Workshop may feature career counselors, human resources professionals, industry experts, or organizations specializing in career development. The City/Chamber anticipates alternating between a career workshops and job fair in future annual service contracts.

### Proposed Pilot Agreement:

The Ad-Hoc Committee discussed initiating a Pilot Agreement for FY 2023-24 to augment the City's business recognition services and allow the Chamber the opportunity to fundraise. At their meeting on May 12, 2023, the Ad-Hoc Committee was in favor of enlisting the Chamber to provide the Business Appreciation Luncheon and Beer and Wine Gardens at Concerts in the Park. The tasks for the Chamber regarding the Business Appreciation Luncheon would include providing catered food, decoration, table centerpieces, tablecloths, plates, silverware, etc. The City would remain responsible for securing a keynote speaker and producing all invitations for the event. Tasks for the Chamber in regard to the Beer and Wine Gardens would include securing a canopy, rentals for inside the garden, and beverages. The proposed Scope of Services in the Pilot Agreement and related costs are described in Table 3 below.

*Table 3: FY 2023-24 Proposed Pilot Services Agreement*

<b>Event/Service</b>	<b>City Contribution</b>
Beer & Wine Gardens	\$6,000 (\$2,000 per Concert in the Park)
Business Appreciation Luncheon	\$15,000

The Pilot Agreement is attached for the City Council's consideration (Attachment 5).

After the Ad Hoc Committee meeting, staff presented the results of the meeting to the Chamber and engaged in discussions about event planning. The Chamber respectfully requests the City Council authorize adding funding for a new event in the proposed Pilot Agreement that was not discussed in detail at that May 12, 2023, meeting of the Ad-Hoc Committee. This funding request, in addition to the Business Appreciation Luncheon and the Beer and Wine Gardens at Concerts in the Park, includes \$1,250 plus the use of the Civic Center ballrooms and atrium,

or the Sports Park and Recreation Center. Staff is requesting the City Council provide direction on whether to include this stipulation in the Pilot Agreement. If the City Council authorizes the additional event, staff recommends the City Council exercise discretion in authorizing the City Manager to enter into the Pilot Agreement pursuant to the City Manager's signing authority outlined in the City's Purchasing Guidelines.

Conclusion:

The City's partnership with the Lake Forest Chamber of Commerce provides enhanced promotion of the City's Business Development and Attraction Program and allows the City to reach a greater number of Lake Forest businesses. The collaborative partnership provides the Lake Forest business community with greater access to seminars, events, and resources to facilitate growth and expansion. If approved, staff would actively engage with Chamber leadership to ensure the successful implementation of the New Agreement and Pilot Agreement. Staff worked with the City Attorney's office to prepare the proposed New Agreement for FY 2023-24. At this time, staff recommends the City Council approve the New Agreement with the Chamber.

Staff also recommends the City Council provide direction regarding the proposed Pilot Agreement.

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**FISCAL IMPACT:**

The proposed New Agreement with the Chamber includes a one-year term with a not-to-exceed compensation amount of \$27,000. The proposed Pilot Agreement includes two events with a total cost of \$21,000. The proposed 2023-2025 Operating Budget includes sufficient funds to cover the cost of the recommended actions.

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**ATTACHMENTS:**

1. Meeting Minute Excerpt - June 1, 2021, City Council Meeting
2. Lake Forest Chamber of Commerce Annual Report
3. Lake Forest Chamber of Commerce Business Development Proposal
4. Lake Forest Chamber of Commerce Contractual Services Agreement FY 2023-24
5. Draft Scope of Services - Pilot Services Agreement FY 2023-24

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Submitted By: Keith Neves, Assistant City Manager

Approved By: Debra Rose, City Manager