



# Staff Report

## City Council

Item No. {{section.number}}.C

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**Meeting Date:** July 24, 2024

**From:** Anne V. Ambrose, Assistant City Manager

**Title:** Greater Coachella Valley Chamber of Commerce Service Provider Agreement for Fiscal Year 2024/2025

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### **RECOMMENDATION:**

To approve a service provider agreement between the City of Cathedral City and the Greater Coachella Valley Chamber of Commerce for FY 2024/2025 and to authorize the City Manager to execute the agreement.

### **BACKGROUND:**

The City of Cathedral City has had a chamber of commerce since 1981. This City/Chamber partnership has served and supported Cathedral City businesses through economic expansion and retractions over the last 43 years. In 2017, due to a history of financial and managerial struggles, Cathedral City's standalone chamber of commerce merged with the Greater Coachella Valley Chamber of Commerce ("GCVCC" or "Chamber"). This new partnership provided Cathedral City businesses with previously unavailable resources, a broader network of prospective customers and business partners, and a staff of experienced chamber professionals.

Founded in 2017, GCVCC has become the Coachella Valley's largest business advocacy, marketing, and networking organization. Since its inception, GCVCC has won multiple awards from the Western United States Association of Chamber Executives. Currently, five of the nine Coachella Valley cities contract with GCVCC to provide chamber services. In addition to advocacy, these services include networking events, achievement awards, art shows, car shows, Gem of the Desert magazine, educational classes, email and social media marketing, and basic business engagement. Indian Wells, Palm Desert, Palm Springs and Rancho Mirage maintain stand-alone chambers of Commerce providing services similar to the services provided by GCVCC.

### **DISCUSSION:**

GCVCC provides vital support to the City's economic development efforts. GCVCC has been engaged to, "improve the financial health and resilience of Cathedral City businesses by (i) improving access to resources and best practices, (ii) improving the connections between and among Cathedral City businesses and the broader Coachella Valley business

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community, and (iii) improving Cathedral City businesses' visibility and ability to attract new and repeat customers.

The service provider agreement focuses Chamber efforts on the following four areas:

1. **Business Support and Engagement Services** - Administration cost: \$30,000  
Objective: The Chamber will host and produce resources to support entrepreneurial interests; professional, business, and workforce development; and industry.
2. **City Marketing** - Administration cost: \$12,000  
The Chamber of Commerce will proactively market city assets, events, and businesses. The goal of these marketing efforts is to (i) increase economic activity within the City, (ii) improve the positive public perception of Cathedral City, (iii) raise property values and (iv) add to the City's tax base.
3. **Event Services** – \$25,100  
The Chamber and City will collaborate on the production of business and community-oriented events within the city. The city commits to sponsoring a variety of Chamber special events throughout the year. The event services/sponsorships activities will include the production of the State of the City event, city sponsorship of the Annual All-Valley Mayor's event, sponsorship at other city State of the City events, and the Annual Business Awards and Installation.
4. **Volunteer Services** – No Charge  
The Chamber of Commerce will commit to hosting a promotional chamber booth at the following special events in Cathedral City: The Cathedral City Hot Air Balloon Festival, LGBTQ Days, and the Taste of Jalisco in 2024. Additionally, the Chamber will staff its booth with volunteers for the duration of the event.

There are two changes in the proposed service agreement for FY 2024/2025. First, there is a projected 15% increase in the cost of producing the State of the City event for the coming year, based on continuing cost increases for catering and facility rentals. Additionally, the current proposal also includes a reduction for the maintenance of the Shop Local website. With the City restructuring Economic Development with the hiring of the new Economic Development Manager and analyst, staff are going to internally review and re-evaluate the best way to promote shopping local.

#### **FISCAL IMPACT:**

The total fiscal impact of the proposed FY 2024/2025 agreement is \$67,100, less than the original \$73,436 budgeted in its professional services budget for 2024/2025, resulting in a savings of \$6,336.

1. Economic Development and Business Support	\$30,000
2. City Marketing	\$12,000
3. Special Events/Sponsorships (State of the City, Other Events & Volunteering)	\$25,100
<b>2024/2025 Fiscal Year Contract</b> (Full year of Chamber services plus 2025 State of the City)	<b>\$67,100</b>

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	DESCRIPTION	GENERAL LEDGER ACCOUNT CODES	PROJECT CODE	AMOUNT	ONE TIME or ONGOING
2024-2025	Annual Agreement with GCVCC	100-100-130-135-8600-8601	N/A	\$67,100	Annual
<b>2024-2025</b>	<b>Total</b>			<b>\$67,100</b>	

## **FIVE-YEAR STRATEGIC PLAN:**

### **GOAL C: FISCAL STABILITY AND SUSTAINABILITY**

Objective: Cathedral City has economically prospered by facilitating the investment of private dollars in high quality development which benefits the community. We remain financially solvent by instituting prudent fiscal policies and transparent financial practices.

### **GOAL F: EMBRACING, INCLUSIVE CITY**

Objective: Cathedral City is valued and respected as a community that welcomes and embraces diversity, has an abundance of high quality and affordable housing options, and vibrant businesses. Our neighborhoods are attractive and well-maintained and issues surrounding homelessness have been compassionately addressed with thoughtful, coordinated, and collaborative programs.

Action F-6 Promote additional community events and celebrations.

Action F-12 Continue to facilitate the attraction and promotion of community events which celebrate our diversity, builds a cohesive community, and supports local business.

## **ATTACHMENTS:**

1. Agreement