

**AGENDA
ITEM**

26



CITY COUNCIL

AGENDA STAFF REPORT

DATE: February 5, 2025

TO: Mayor and City Council

APPROVED BY: Juan Contreras, Acting City Manager *JAC*

PREPARED BY: Juan Contreras, Acting City Manager *JAC*

SUBJECT: Approval of Memorandum of Understanding (MOU) Between the City of Calexico and the Chamber of Commerce for Greater Calexico.

=====

Recommendation:

It is recommended that the City Council approve the Memorandum of Understanding (MOU) between the City of Calexico and the Chamber of Commerce for Greater Calexico (the "Chamber") to facilitate collaboration for economic development and community growth.

Background:

The City of Calexico has a vested interest in promoting economic growth and public service within the community. The Chamber of Commerce for Greater Calexico has a long-standing history of supporting local businesses and fostering economic development. To assist the Chamber in revitalizing its operations and supporting its self-sustainability, the City and Chamber propose a formal partnership outlined in the attached MOU. The MOU reflects the shared goals of fostering community development, improving public services, and revitalizing the Chamber's role in economic initiatives. As part of this partnership, the city will provide office space within City Hall to the Chamber as it re-establishes its operational presence in Calexico.

Discussion and Analysis:

The MOU outlines the terms of collaboration between the City and the Chamber. Key provisions include:

1. Collaboration and Mutual Support:
 - o Regular communication to address community needs and economic opportunities.
 - o Joint initiatives to improve the quality of life for residents and businesses.
2. Provision of Office Space:
 - o Temporary office space will be provided to the Chamber within City Hall for up to six months.

- The Chamber will use the space exclusively for business-related activities and meetings.
 - The Chamber will maintain the space in good condition and comply with City signage regulations.
3. Participation in the Design Review Committee (DRC):
 - The Chamber will appoint two representatives to the DRC to represent the interests of the central business district and contribute to design reviews.
 4. Engagement with the Business Improvement District:
 - Collaboration between the Chamber and the Business Improvement District to promote business growth and attract new enterprises.
 5. Insurance and Indemnification:
 - The Chamber will procure general liability insurance and name the City as an additional insurer.
 - The Chamber will indemnify the city against claims arising from the use of City Hall office space.
 6. Separate Entity Status:
 - The Chamber will remain a self-governing, financially independent entity.
 7. Term and Termination:
 - The MOU will be effective for six months, with either party able to terminate the agreement with 30 days' notice.

Alternatives:

1. Do not approve the MOU and provide alternative direction to staff.
2. Modify the terms of the MOU to address any concerns raised by the City Council.

Conclusion:

The proposed MOU represents an important step in fostering collaboration between the City of Calexico and the Chamber of Commerce for Greater Calexico. It provides a foundation for revitalizing the Chamber, supporting local businesses, and promoting economic growth in the community. Staff recommends approval of the MOU as presented.

Fiscal Impact:

The provision of office space within City Hall is not anticipated to incur significant costs to the City. The Chamber will maintain financial independence and assume responsibility for insurance, cleaning, and any damage beyond normal wear and tear.

Coordinated With:

BB&K
Acting City Manager Juan Contreras

Attachments:

1. Draft Memorandum of Understanding (MOU) between the City of Calexico and the Chamber of Commerce for Greater Calexico.

ATTACHMENT NO. 1

**Memorandum of Understanding
Between
The City of Calexico
and
The Chamber of Commerce for Greater Calexico**

This Memorandum of Understanding (“MOU”) is entered into by and between the City of Calexico, a general law city (“City”) and the Chamber of Commerce for Greater Calexico (“Chamber”), a California nonprofit corporation. City and Chamber are herein referred to individually as “Party” and collectively as “Parties.”

Recitals

A. The City of Calexico (“City”) is committed to fostering community development, economic growth, and public service for its residents and businesses.

B. The Chamber of Commerce for Greater Calexico (“Chamber”) has a long-standing history of serving the business community in Calexico.

C. Both the City Council and the Chamber directors are dedicated to revitalizing the Chamber as part of a larger strategy to bring businesses and revenues back to the City, ensuring the Chamber’s self-sustainability and economic prosperity.

D. In the spirit of collaboration, the City is offering office space within City Hall for the Chamber to use for its operations and meetings with potential clients and members, thereby facilitating business-related services beneficial to the community while the Chamber reestablishes itself.

E. Both parties acknowledge the importance of the Chamber to the City’s economic development and agree to work collaboratively, while maintaining the Chamber’s status as a separate entity, self-governing and financially independent from the City.

NOW, THEREFORE, in consideration of the above recitals, which are hereby made part of this MOU, the City and the Chamber agree to the terms and conditions outlined in this MOU.

Terms and Conditions

1. Collaboration and Mutual Support

1.1 Both parties agree to work collaboratively to promote community development and economic growth in Calexico.

1.2 The City and Chamber will support each other in public service endeavors and initiatives aimed at improving the quality of life for residents and businesses.

1.3 Both parties will engage in regular communication to identify and address community needs, opportunities for economic development, and public service improvements.

2. Provision of Office Space

2.1 The City agrees to provide the Chamber with access to and use of office space located within City Hall during City Hall operating hours. The Chamber agrees to adapt its meeting schedule to the City's hours and days of operation and will use the space exclusively for meetings with potential clients and members.

2.2 Chamber will be responsible for maintaining the office space in a clean manner and in substantially the same condition it is at the time of execution of this MOU. Chamber shall not install any permanent fixtures or make any structural modifications to the City Hall office space.

2.3 Chamber will not place any sign in or around City Hall without City's prior written consent. Chamber will pay for all costs of any approved signage and comply with all applicable City sign regulations.

2.4 This arrangement is intended as a temporary measure to assist the Chamber in establishing its operations. The Chamber is expected to transition to operating out of its own dedicated office location within a timeframe of up to six months from the commencement of this MOU. The City and Chamber will collaboratively monitor progress toward this goal to promote a seamless transition.

3. Participation in the Design Review Committee

3.1 In accordance with Section 17.17.110 of the City's Zoning Ordinance, the Chamber will appoint two representatives to serve on the Design Review Committee (DRC).

3.2 The Chamber representatives will represent the interests of the central business district and participate in the review of drawings and projects as prescribed by the Ordinance.

3.3 The Chamber agrees to ensure that their representatives are available for regular monthly meetings and any additional meetings called with seventy-two hour notice.

4. Separate Entity Status and Financial Independence

The City acknowledges that the Chamber will operate as a separate entity and City will not provide financial support or make operational decisions for the Chamber.

5. Engagement with Business Improvement District

5.1 Chamber will collaborate with the Calexico Business Improvement District to promote business growth in Calexico.

5.2 Efforts will include attracting new businesses, supporting existing ones, and providing resources for business development.

6. Indemnification

The Chamber agrees to indemnify, defend, and hold harmless City, its officers, agents, employees, and volunteers from and against any and all claims, demands, actions, losses, liabilities, damages, costs, and expenses (including reasonable attorney's fees and court costs) arising out of or in connection with the Chamber's use of City Hall office space or any acts, errors, or omissions of the Chamber, its officers, agents, employees, contractors, or volunteers in the performance of this MOU. This indemnification provisions shall survive termination of this MOU.

7. Insurance

7.1 General Liability Insurance

The Chamber shall procure and maintain for the duration of this MOU insurance against claims for injuries to persons or damages to property which may arise from or in connection with the Chamber's operations and use of the City's premises. The Chamber shall maintain commercial general liability insurance with coverage of not less than \$1,000,000 per occurrence and \$2,000,000 in aggregate for bodily injury, personal injury, and property damage.

7.2 Additional Insureds

The City, its officers, officials, employees, and volunteers shall be named as additional insureds on the commercial general liability policy with respect to liability arising out of activities performed by or on behalf of the Chamber, including premises usage and operations.

7.3 Proof of Insurance

Prior to the commencement of this MOU, the Chamber shall provide the City with certificates of insurance and accompanying endorsements evidencing the coverage required by this MOU.

7.4 Workers' Compensation Insurance

The Chamber shall maintain workers' compensation insurance as required by the State of California and employers' liability insurance. The Chamber shall provide the City with a certificate of workers' compensation insurance.

7.5 Notice of Cancellation or Change

Each insurance policy required by this MOU shall be endorsed to state that coverage shall not be canceled, reduced, or materially altered without thirty (30) days' prior written notice to the City.

7.6 Subcontractors

The Chamber shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

8. Compliance with Laws

The Chamber agrees to comply with all applicable federal, state, and local laws, regulations, and ordinances in the conduct of its operations and in the use of City Hall office space.

9. Relationship of Parties

Nothing in this MOU shall be construed to create a partnership, joint venture, or agency relationship between the City and Chamber. Both parties shall act as independent entities.

10. No Assignment

The Chamber shall not assign or otherwise transfer its rights or delegate any of its obligations under this MOU without the prior written consent of the City.

11. Waiver

The failure of either Party to enforce any provision of this MOU shall not constitute a waiver of that provision or any other provision of this MOU.

12. Entire Agreement

This MOU constitutes the entire agreement between the parties regarding the subject matter herein and supersedes all prior agreements, understandings, and negotiations between the Parties.

13. Amendments

Any amendments or modifications to this MOU must be made in writing and signed by both Parties.

14. Dispute Resolution

Any disputes arising under this MOU will be resolved through good faith negotiations between the City Manager and the Chamber's Executive Director.

15. Term and Termination

15.1 This MOU will become effective on the date of its signing by both Parties and will remain in effect for a period of six (6) months, unless earlier terminated in accordance with the provisions of this Section.

15.2 Either party may terminate this MOU with thirty (30) days' written notice to the other Party. In the event of such termination, the Chamber shall have seven (7) days from the date of the notice to vacate the office space.

15.3 Upon termination or expiration of this MOU, the Chamber agrees to immediately vacate the City Hall office space and return it to the City in the same condition as it was at the commencement of the MOU, accounting for reasonable wear and tear. Chamber will remove all

personal property and signage, and ensure the space is clean and free from debris. Any damages beyond normal wear and tear will be the financial responsibility of Chamber.

16. Signatures

By signing below, the Parties agree to the terms and conditions outlined in this Memorandum of Understanding.

City of Calexico

City Manager

Chamber of Commerce for Greater Calexico

Executive Director