

**LETTER OF UNDERSTANDING  
BETWEEN  
THE 50<sup>TH</sup> DISTRICT AGRICULTURAL ASSOCIATION  
AND  
THE CITY OF LANCASTER**

This Letter of Understanding (“LOU”) is entered into between the 50<sup>th</sup> District Agricultural Association (“50<sup>th</sup> DAA”) and the City of Lancaster (“City”).

**I. SCOPE OF SERVICES:**

**1.1 Term.** July 1, 2009 through June 30, 2010.

**1.2 Services.** The 50<sup>th</sup> DAA shall manage the operations of the Visitors Bureau of Lancaster (“VBL”), a California non-profit corporation, according to the bylaws and policies of the VBL. Services supplied by the 50<sup>th</sup> DAA to the VBL shall include, but not limited to, the following:

- Supplying the personnel to manage the affairs of the VBL.
- Supplying office space located at 2551 West Ave H, Lancaster, for the VBL.

**II. ORGANIZATIONAL MATTERS**

**2.1 Name of the VBL.** The name of the visitors bureau shall be the “Visitors Bureau of Lancaster.”

**2.2 Principal Place of Business.** The VBL’s principal office shall be located at 2551 West Ave H, Lancaster, California 93536

**III. FUNDING**

**3.1 City Support.** The City shall pay to the 50<sup>th</sup> DAA the sum of One Hundred Thousand Dollars (\$100,000.00) (the “City Support”) for the 2009/2010 fiscal year, which begins on July 1, 2009. The 50<sup>th</sup> DAA’s use of the City Support shall be limited exclusively to costs and/or expenses directly attributable to the operation and/or maintenance of the VBL.

**3.2 50<sup>th</sup> DAA Support.** The 50<sup>th</sup> DAA shall support and fund the operation of the VBL in the amount of Thirty Thousand Dollars (\$30,000.00). Such funding shall be in the form of assistance that may include, without limitation, any of the following: (i) office space; (ii) phone systems; (iii) computers; (iv) marketing; (v) graphic design; and/or (vi) management support.

#### **IV. DUTIES AND RESPONSIBILITIES**

##### **4.1 50th DAA's Duties and Responsibilities.** The 50<sup>th</sup> DDA shall:

- a. Manage the operations and personnel of the VBL in an effective and efficient manner, subject to the authority of the VBL's Board of Directors. The following shall be part of such management:
  - Establish goals, objectives and priorities for the VBL on an annual basis;
  - Create an annual budget; and
  - Create an annual business plan
- b. Supply office space, equipment and support for the operations of the VBL.
- c. Supply two (2) individuals to serve on the Board of Directors of the VBL, of which one (1) shall be a member of the Antelope Valley Fair Board of Directors and one (1) shall be the General Manager of the Antelope Valley Fair.
- d. Review the operations of the VBL by March of 2010 as they pertain to the goals and objectives of the 50<sup>th</sup> DAA to determine participation for fiscal year 2010/2011.

##### **4.2 City's Duties and Responsibilities.** The City shall:

- a. Designate an employee of the City as a project manager to work with the VBL on projects that are consistent with the goals and objectives of the VBL and the City.
- b. Supply three (3) individuals to serve on the Board of Directors of the VBL, of which one (1) shall be a member of the City Council, one (1) shall be the Director of the City's Redevelopment/Economic Development Department and one (1) shall be a community member representative of the hospitality industry.
- c. Review the operations of the VBL by March of 2010 as they pertain to the goals and objectives of the City to determine funding for fiscal year 2010/2011.

**4.3 Shared Responsibilities.** The parties hereto further agree and understand that the following responsibilities shall be shared between the 50<sup>th</sup> DAA and the City:

- a. To direct the VBL in establishing a first year plan of operations.
- b. Once the VBL is established, to meet quarterly to discuss program status and direction of the VBL.
- c. To ensure full accountability and transparency of the VBL along with program funding and operational support.
- d. To develop a communication plan to ensure open and consistent communication between both parties.
- e. To evaluate and review the VBL on an annual basis to determine program progress and viability.

**V. ACCOUNTING AND RECORDS**

**5.1 Records.** The 50<sup>th</sup> DAA shall cause the VBL to keep correct and complete books of account which shall show a true and accurate record of all costs and expenses incurred, all charges made, all credits made and received, and all income derived in connection therewith and the operation thereof in accordance with this LOU.

**5.2 Inspection of Books.** After giving reasonable advance written notice to the 50<sup>th</sup> DAA and/or the VBL, the City may inspect and review all records kept by, maintained by, associated with or concerning the VBL.

**VI. TERMINATION:**

Either party not in default under the terms of this LOU may terminate this LOU at any time by giving the other party ninety (90) days prior written notice.

CITY:

50th DDA:

\_\_\_\_\_  
Mark Bozigian      Date  
City Manager  
City of Lancaster

\_\_\_\_\_  
Dan Jacobs      Date  
General Manager  
50<sup>th</sup> DAA