



AGENDA REPORT

Meeting Date: July 7, 2011
Item Number: E-2
To: Honorable Mayor & City Council
From: Cheryl Friedling, Deputy City Manager for Public Affairs
Subject: AUTHORIZATION TO PAY EXPENSES RELATED TO THE 2011 TOURNAMENT OF ROSES PARADE FLOAT AND TO EXECUTE APPROPRIATE DOCUMENTS IN AN AMOUNT NOT TO EXCEED \$70,000

Attachments: 1. None

RECOMMENDATION

Staff recommends that the City Council authorize payment of expenses related to the 2011 Tournament of Roses Parade Float and authorize the City Manager to execute appropriate agreements or other documents (in a form approved by the City Attorney) in an amount not to exceed \$70,000.

INTRODUCTION

This item requests that the City Council authorize funding for the payment of expenses related to the 2011 Tournament of Roses Parade Float sponsored by the Beverly Hills Tournament of Roses Committee.

DISCUSSION

The community-based Beverly Hills Tournament of Roses Committee ("Committee") was established in 2010 to enter a float in the 2011 Tournament of Roses Parade to represent the community of Beverly Hills. The Committee entered and executed a contract with Fiesta Parade Floats ("Fiesta") for the building of the Beverly Hills float.

In order to fund the costs associated with the float, the Committee sought contributions from community benefactors. Notwithstanding the Committee's efforts, a shortfall occurred and the Committee sought City Council approval on two occasions for 'bridge funding' in the amount of \$50,000.

On November 16, 2010, the City Council approved a "bridge loan" to the Committee in the amount of \$50,000. Subsequently, the Committee requested the City Council to modify the \$50,000 bridge loan, and convert it into a grant in the amount of \$40,000 and a loan in the amount of \$10,000, utilizing Transient Occupancy Tax (i.e. marketing) funds for this purpose. The City Council approved that request on December 21, 2010. The \$10,000 loan, however, has not yet been repaid to the City. In addition, we understand that there are monies owed to Fiesta in the amount of \$60,000.

If the City Council desires to provide further funding for the 2011 Rose Parade Float, Staff recommends that the Council authorize such funding from Tourism and Marketing budget. As the City Council is aware, monies in the Tourism and Marketing budget are derived from the Transient Occupancy Tax collected by hotels in the City. Such funding should not exceed \$70,000.

Second, Staff anticipates that any payment to Fiesta will be accompanied by a writing (whether an agreement or other legal record) that documents that Fiesta has been paid in full for its services. In order to facilitate this transaction, Staff recommends that the City Council provide the City Manager with the flexibility to execute an agreement or other document related to payment of the 2011 Rose Parade Float expenses, in a form approved by the City Attorney. In addition, Staff recommends that the City Council authorize the City Manager to approve any purchase order(s) related to 2011 Rose Parade Float expenses in an amount not to exceed \$70,000.

FISCAL IMPACT

Funding to discharge the \$70,000 of debt associated with the 2011 Beverly Hills Tournament of Roses float could be budgeted from the Tourism and Marketing budget derived from the Transient Occupancy Tax collected by hotels in the city.



Scott G. Miller
Finance Approval

Cheryl Friedling
Approved By 