



AGENDA REPORT

Meeting Date: July 19, 2016
Item Number: E-8
To: Honorable Mayor & City Council
From: Megan Roach, Marketing and Economic Sustainability Manager
Subject: APPROVAL OF A FUNDING AGREEMENT BY AND BETWEEN THE CITY OF BEVERLY HILLS AND THE BEVERLY HILLS CHAMBER OF COMMERCE AND CIVIC ASSOCIATION FOR BUSINESS ATTRACTION AND RETENTION SERVICES FOR FISCAL YEAR 2016-2017; AND
APPROVAL OF A PURCHASE ORDER IN A NOT-TO-EXCEED AMOUNT OF \$210,560 TO THE BEVERLY HILLS CHAMBER OF COMMERCE AND CIVIC ASSOCIATION FOR THESE SERVICES

Attachments: 1. Agreement

RECOMMENDATION

It is recommended that the City Council approve the funding agreement by and between the City of Beverly Hills and the Beverly Hills Chamber of Commerce and Civic Association for business attraction and retention services for Fiscal Year 2016-2017 and approve a purchase order in a not-to-exceed amount of \$210,560 for these services.

INTRODUCTION

The City contracts with the Beverly Hills Chamber of Commerce to provide a range of outsourced programs to retain existing businesses and attract new businesses to the City. Additionally, the Chamber is contracted to assist with outreach initiatives and to promote strategic policies developed by the City to the business community.

DISCUSSION

On June 16, 2016, the Chamber of Commerce Liaison Committee (Councilmembers Bosse and Gold) met with Chamber representatives to review their submission of a work plan for business attraction and retention services for Fiscal Year 2016-2017. The work plan includes the annual New York Business Attraction and Retention Mission, support for the continuation of existing initiatives that have proven successful in prior years and new initiatives designed to attract and retain businesses in Beverly Hills. The new initiatives include a 'Get To Know Your City' Program and support for the City's outreach

efforts for the Santa Monica Boulevard Reconstruction Project and new five-year Economic Sustainability Strategic Plan.

The Liaison Committee has recommended approval of the Chamber's work plan and corresponding funding request of \$210,560, which represents a 39% decrease to the Chamber's funding agreement from the prior fiscal year. This decrease is due to previous initiatives that will be discontinued as the Chamber strategically repositions its efforts towards initiatives with a successful track record and new initiatives that align with the City's priorities. The Chamber's work plan includes the following services:

Recurring Initiatives:

- **New York Business Attraction and Retention Mission** – oversee planning, preparation, execution and post-trip follow up activities. Unlike prior missions, this year's mission will be focused exclusively on business attraction with a smaller delegation, shorter duration and overall reduced budget. The Chamber will continue to coordinate local business retention meetings.
- **Management of Mayoral Business Retention Meetings** – schedule and manage twelve retention meetings with businesses from various sectors to include the Mayor and key Chamber and City staff in an effort to better understand the concerns of the business community and programs that may help meet their concerns and needs.
- **Small Business Saturday Marketing Campaign** – build on the success of the annual campaign by encouraging small businesses in Beverly Hills to participate in the Small Business Saturday Program. Includes a morning breakfast event with the Mayor and partnering with small businesses on marketing collateral and incentives for store patrons on Saturday, November 26, 2016.
- **Business Education with Small Business Development Center (SBDC)** – the Chamber will once again partner with the SBDC to offer relevant business counseling and educational seminars at the Chamber's offices.
- **Sponsorship of Beverly Hills Tomorrow Event** – the City will sponsor the Chamber's annual signature event *Beverly Hills Tomorrow*, a symposium designed to inspire ideas, spark collaboration and engage attendees.
- **Commercial Broker Roundtable Meetings** – continue the success of this program by arranging two broker roundtable meetings to discuss available space opportunities, business leads and to provide recommendations to the City and Chamber on ways to spearhead business growth in Beverly Hills.

Total Funding Request for Recurring Initiatives = \$175,420

New Initiatives:

- **'Get To Know Your City' Program** – a new program in partnership with the City to help businesses navigate permitting and other requirements to ensure a successful operation. As proposed this program would include an open house held twice a year where businesses can interact with City departments and

obtain critical information. The program will also include a comprehensive manual with guidelines for doing business in Beverly Hills.

- **Santa Monica Boulevard Reconstruction Project Outreach Plan** – the Chamber will work in conjunction with the City and host up to four outreach meetings with the business community to provide critical project updates and share information about mitigation programs for impacted businesses.
- **Economic Sustainability Strategic Plan** – one of the Fiscal Year 2016-17 City Council priorities is a work plan to develop a new five-year Economic Sustainability Strategic Plan. The Chamber will support this effort by hosting a minimum of three focus groups with the business community to obtain feedback on critical elements for the Plan.

Total Funding Request for New Initiatives = \$35,140

FISCAL IMPACT

The agreement with the Beverly Hills Chamber of Commerce and Civic Association for the above-mentioned portfolio of services in the amount of \$210,560 will be funded from the General Fund Business Development account 0101313.

Cheryl Friedling
Approved By



Attachment 1

FUNDING AGREEMENT BY AND BETWEEN THE
CITY OF BEVERLY HILLS AND THE BEVERLY HILLS
CHAMBER OF COMMERCE AND CIVIC
ASSOCIATION FOR BUSINESS ATTRACTION AND
RETENTION SERVICES FOR FISCAL YEAR 2016-2017

THIS AGREEMENT is made and entered into in the City of Beverly Hills by and between the City of Beverly Hills, a municipal corporation (“City”) and the Beverly Hills Chamber of Commerce and Civic Association (“Chamber”), a non-profit corporation.

RECITALS

A. Chamber is located in the City of Beverly Hills and has special knowledge and experience to conduct or participate in business attraction and retention programs for the benefit of City.

B. City and Chamber entered into an agreement for Fiscal Year 2015-2016 for the New York Business Attraction and Retention Mission and other business outreach services.

C. City desires to continue to engage the services of the Chamber to conduct services for Fiscal Year 2016-2017.

D. Section 37110 of the State Government Code authorizes the expenditure of monies for promotion;

NOW, THEREFORE, in consideration of the mutual covenants of the parties hereto, the parties hereby agree as follows:

Section 1. Fund Authorization/Use of Funds.

(a) For the Fiscal Year 2016-2017 (July 19, 2016 – June 30, 2017) (“Period”), City shall provide the Chamber from the City’s General Fund for expenditures not to exceed \$210,560, for business attraction and retention programs for the benefit of City as detailed in Exhibit A, attached hereto and incorporated herein.

(b) Chamber shall use the funds from the City during the Period as specified in Exhibit A.

(c) In connection with Chamber’s programs and activities, Chamber may, on behalf of and at the sole discretion of City, use the funds to produce, purchase, install and de-install light pole banners or other displays in the public-right-of-way. All such light pole banners shall comply with the City’s adopted Banner Policy, copies of which are available from the Office of Communications and Marketing, and shall be approved in writing in advance by City prior to installation. City shall have sole discretion over the design, placement, and duration of display.

Section 2. Payments. Chamber shall submit written requests for advanced payments for expenditures based on the Chamber's adopted budgets under the Scope of Services and in the time-frame and amount set forth in Exhibit B. The City's Deputy City Manager, Public Information, is the delegated authority to revise the payment schedule in Exhibit B as long as the payment amount for July 19, 2016 through June 30, 2017 does not exceed \$210,560. City shall provide payment to the Chamber upon approval of the request by the City's Chief Financial Officer. City shall use its best efforts to make payment to Chamber within 15-days of receipt of request. Any monies not expended in Fiscal Year 2016-2017 shall be returned to the City.

Section 3. Reports.

(a) Prior to the conclusion of the Period, the Chamber shall submit a report to City and shall be in a form and content acceptable to the City Manager or his designee. The reports shall include, without limitation, information on overall project management and achievement of goals in relation to Chamber's work plan and budget as set forth in Exhibit A, including the percentage of services completed and defined measurements of goal achievement for the Period.

(b) With reasonable notice from City, Chamber shall provide to City copies of any and all work product, documents reports, property and books produced by chamber in fulfillment of this Agreement ("Documents"). This shall be solely for the purpose of confirming and evaluating the execution of the programs described in this Agreement and shall not include records and documents unrelated to the execution of such programs (e.g., personnel records). Chamber's obligation to maintain such Documents shall continue for three years after the termination of this Agreement. This provision shall survive termination of this Agreement.

(c) Chamber shall establish and maintain an accounting system in accordance with generally accepted accounting principles and standards. The system shall detail all costs chargeable to City under this Agreement and shall substantiate all such costs, and comply with any applicable State and Federal standards.

(d) Chamber shall endeavor to develop, in consultation with City, a program-based budget for all City-funded programs. Implementation of a program-based budget is not intended to affect the requirements outlined in paragraph (d) of this Section relating to generally accepted accounting principles.

Section 4. Ownership of Work Product.

(a) Unless otherwise agreed upon in writing, all reports, documents, or other written or visual material or any other material in any media, including any images, taglines, logos, or other media created or developed by Chamber or any third party contracted by the Chamber, in the performance of this Agreement, if paid in whole or in part by the funding provided by this Agreement ("Work Product") shall be and remain the property of City without restriction or limitation upon its use or dissemination by City. All Work Product shall be considered to be "works made for hire", and all such Work Product and any and all intellectual property rights arising from their creation, including, but not limited to, all copyrights and other

proprietary rights, shall be and remain the property of City without restriction or limitation upon their use, duplication or dissemination by City. Chamber shall not obtain or attempt to obtain copyright protection as to any of the Work Products.

(b) Chamber hereby irrevocably assigns exclusively to City, all right, title and interest in such trademarks and/or copyrights or other intellectual property rights in the Work Products. Chamber shall take all acts requested by the City in order to enforce City's rights under this Section.

(c) Chamber shall not retain ownership of or any right, title or interest in any of the Work Products, including, but not limited to, in any related trademarks, copyrights, or other proprietary rights. The City and Chamber agree that the Work Product and all such rights, title and interest in or to the Work Products belong to and are being sold and assigned in their entirety to City for whatever use it desires, and that City does and shall at all times own, solely and exclusively, complete and unencumbered, all right, title and interest in and to all of the Work Product worldwide, any modifications thereto and any derivative works based thereon (including, but not limited to, all patent, copyright, trademark, service mark and trade secret rights). Nothing contained herein shall be deemed to constitute a mere license or franchise in City. The parties further agree that City will be free to use, modify, distribute, sell, license or otherwise exploit all such Work Products and any modifications to or derivative works based thereon without any restrictions or limitations or any obligations or payments to Chamber and that Chamber shall have no such rights.

(d) From time to time the Chamber will engage photographers to take photographs or will purchase images for use in Chamber's marketing campaigns, collateral or other uses. As to those third party photographs or images whereby the Chamber negotiates to purchase not only the photograph or image but also the copyright or other intellectual property rights, the provisions of this Section 4 will apply. As to those third party photographs or images whereby the Chamber negotiates to purchase only the use of the photograph or image and the copyright is maintained with the photographer, the provisions of this Section 4 will not apply.

(e) This section shall survive termination of this Agreement.

Section 5. Assignment. This Agreement shall not be assigned by Chamber without the written consent of City.

Section 6. Independent Contractor. At all times during the term of this Agreement Chamber shall be independent contractors and Chamber, their officers, employees and agents shall not be employees of City.

Section 7. Personnel. Chamber represents that it has, or will secure at its own expense, all personnel required to perform the services under this Agreement. All personnel engaged in the work shall be qualified to perform such services. City shall approve all subcontractors used in the provision of services under this Agreement within five (5) business days of Chamber's submission and prior to their engagement by Chamber. Such approval shall not be unreasonably

withheld by City. Chamber, however, shall be solely responsible for the work performed by those third party contractors, including timely performance and payment

Section 8. Term. This Agreement shall remain in full force and effect from July 19, 2016 until June 30, 2017, unless terminated earlier as provided in Section 9 of this Agreement.

Section 9. Termination of Agreement. City may terminate this Agreement at any time, with or without cause, upon fifteen days (15) written notice to Chamber. In the event of such termination, City shall pay Chamber for all costs and obligations reasonably incurred by Chamber in performing its services under this Agreement prior to the date of termination and such payment shall be in full satisfaction of City's obligations hereunder. City shall not be obligated to pay additional funds after issuance or receipt of such notice.

Section 10. Notice. Whenever it shall be necessary for any party to serve notice on another respecting this Agreement, such notice shall be served by certified mail addressed to the City Clerk of the City of Beverly Hills, 455 North Rexford Drive, Beverly Hills, California 90210; or to Beverly Hills Chamber of Commerce and Civic Association, 9400 Santa Monica Boulevard, Beverly Hills, California 90210, unless and until a different address may be furnished in writing by any party, and such notice shall be deemed to have been served within seventy-two (72) hours after the same has been deposited in the United States Post Office by certified mail. This shall be valid and sufficient service of notice for all purposes.

Section 11. Insurance

(a) Chamber shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, a policy or policies of Comprehensive General Liability Insurance with minimum limits of Two Million Dollars (\$2,000,000) for each occurrence, combined single limit, against any personal injury, death, loss or damage resulting from the wrongful or negligent acts by Chamber.

(b) Chamber shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, a policy or policies of Comprehensive Vehicle Liability insurance covering personal injury and property damage, with minimum limits of One Million Dollars (\$1,000,000) per occurrence combined single limit, covering any vehicle utilized by Contractor in performing the services required by this Agreement.

(c) Chamber agrees to maintain in force at all times during the performance of work under this Agreement workers' compensation and employer's liability insurance as required by law.

(d) Chamber shall require each of its sub-consultants or sub-contractors to maintain insurance coverage, which meets all of the requirements of this Agreement unless otherwise determined by the City's Risk Manager.

(e) The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least a B+;VII in the latest edition of Best's Insurance Guide.

(f) If Chamber fails to keep the aforesaid insurance in full force and effect, City shall notify Chamber that it is in breach of the Agreement and Chamber has three (3) days to cure such breach. If such breach is not cured by Chamber as required in this paragraph, City may terminate the Agreement or, if insurance is available at a reasonable cost, City may take out the necessary insurance and pay, at Chamber's expense, the premium thereon.

(g) At all times during the term of this Agreement, Chamber shall maintain on file with the City Clerk a certificate or certificates of insurance on the form required by the City, showing that the aforesaid policies are in effect in the required amounts. Chamber shall, prior to commencement of work under this Agreement, file with the City Clerk such certificate or certificates. The policies of insurance required by this Agreement shall contain an endorsement naming the City as an additional insured. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days prior written notice to City, and specifically stating that the coverage contained in the policies affords insurance pursuant to the terms and conditions as set forth in this Agreement.

(h) The insurance provided by Chamber shall be primary to any coverage available to City. The policies of insurance required by this Agreement shall include provisions for waiver of subrogation.

(i) Any deductibles or self-insured retentions must be declared to and approved by City prior to commencing work under this Agreement.

Section 12. Indemnification. Chamber agree to indemnify, hold harmless and defend City, its City Council and each member thereof and every officer and employee of City from any and all claims, liability or financial loss resulting from any suits, claims, losses or actions, and from all cost and expenses of litigation, brought against City, its City Council and each member thereof and any officer or employee of City which results directly or indirectly from the actions or omissions of Chamber or their officers, employees, agents or others employed by Chamber in the conduct of the projects funded by this Agreement.

Section 13. Extent of Agreement. This Agreement represents the entire and integrated Agreement between the parties on the matters included herein and supersedes any and all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by all parties to the Agreement.

Section 14. City Not Obligated to Third Parties. The City shall not be obligated or liable under this Agreement to any party other than Chamber.

Section 15. Severability. Invalidation of any provision contained herein or the application thereof to any person or entity by judgment or court order shall in no way affect any of the other covenants, conditions, restrictions, or provisions hereof, or the application thereof to any other person or entity, and the same shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the ____ day of July 2016, at Beverly Hills, California.

CITY OF BEVERLY HILLS,
a municipal corporation

JOHN A. MIRISCH,
Mayor of the City of Beverly Hills,
California

ATTEST:

(SEAL)
BYRON POPE
City Clerk

BEVERLY HILLS CHAMBER OF COMMERCE
AND CIVIC ASSOCIATION

TODD JOHNSON
Chief Executive Officer

DAVID HAIMOVITZ
Board Chairman

APPROVED AS TO FORM:

LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

MAHDI ALUZRI
City Manager

CHERYL FRIEDLING
Deputy City Manager for Public Affairs

per _____
SHARON L'HEUREUX DRESSEL
Interim Risk Manager

Exhibit A

City shall provide funding to the Chamber of Commerce for the period of July 19, 2016 through June 30, 2017 for business attraction and retention program services in the amount of \$210,560. The services to be provided by the Chamber to the City are set forth below.

Work Plan Component	Time Frame	Cost
I. New York Business Mission	Work occurs year-round (Mission is Oct. 24-27, 2016)	\$85,180
II. Monthly Mayoral Business Retention Meetings	Year-round	\$15,300
III. Get To Know Your City Program	Year-round	\$16,480
IV. Sponsorship of Beverly Hills Tomorrow	April 2017	\$30,000
V. Business Education with Small Business Development Center (SBDC)	Year-round	\$20,000
VI. Small Business Saturday Program	Nov. 26, 2016	\$14,710
VII. Commercial Broker Roundtable Meetings	Dec. 2016 and June 2017	\$10,230
VIII. Santa Monica Blvd. Reconstruction Project Outreach Plan	Year-round	\$8,575
IX. Economic Sustainability Strategic Plan Outreach	Year-round	\$10,085
TOTAL		\$210,560

- I. **New York Business Mission** – oversee planning, preparation, execution and post-trip follow up activities. Unlike prior missions, this year’s mission will be focused exclusively on business attraction and be shorter in duration with an overall reduced budget. The Chamber will continue to coordinate local business retention meetings.
- II. **Monthly Mayoral Business Retention Meetings** – schedule and manage twelve retention meetings with businesses from various sectors to include the Mayor and key Chamber and City staff in an effort to better understand the concerns of the business community and programs that may help meet their concerns and needs.
- III. **Get To Know Your City Program** – a new program in partnership with the City to help businesses navigate permitting and other requirements to ensure a successful operation. As proposed this program would include a bi-yearly open house where businesses can interact with City departments and obtain critical information. The program will also

include a comprehensive guide to doing business in Beverly Hills with information and tips on navigating City requirements and processes.

- IV. **Sponsorship of *Beverly Hills Tomorrow*** – the City will sponsor the Chamber’s annual signature event *Beverly Hills Tomorrow*, a symposium designed to inspire ideas, spark collaboration and engage attendees.
- V. **Business Education with Small Business Development Center (SBDC)** – the Chamber will once again partner with the SBDC to offer relevant business counseling and educational seminars at the Chamber’s offices.
- VI. **Small Business Saturday Program** – build on the success of the annual campaign and event by encouraging small businesses in Beverly Hills to participate in the Small Business Saturday Program. Includes a morning breakfast event with the Mayor and partnering with small businesses on marketing collateral and incentives for store patrons on Saturday, November 26, 2016.
- VII. **Commercial Broker Roundtable Meetings** – continue the success of this program by arranging two broker roundtable meetings to discuss available space opportunities, business leads and to provide recommendations to the City and Chamber on ways to spearhead business growth in Beverly Hills.
- VIII. **Santa Monica Boulevard Reconstruction Project Outreach Plan** – the Chamber will work in conjunction with the City and host up to four outreach meetings with the business community to provide critical project updates and share information about mitigation programs for impacted businesses.
- IX. **Economic Sustainability Strategic Plan Outreach** – the City will develop a new five-year Economic Sustainability Strategic Plan and the Chamber will support this effort by hosting a minimum of three focus groups with the business community to obtain feedback on critical elements and areas of focus for the Plan.

Attachment 1 to Exhibit A

Beverly Hills Chamber of Commerce - Additional Initiatives Requested by City, FY 2016-17

Attachment B

	Director		CEO		Manager		Program Coordinator		Total Cost
	(hours)	(costs)	(hours)	(costs)	(hours)	(costs)	(hours)	(costs)	
Timeline: July 2016 - June 2017									
Management of Mayor Business Retention Meetings									
Coordination of 12 business meetings with businessses including creation of printed materials, scheduling, researching attendees, etc.									
Printing costs/light hospitality	50	\$8,000	24	\$5,400	15	\$1,500			\$14,900
Total		\$400							\$400
		\$400		\$5,400		\$1,500			\$15,300
Timeline: Winter 2016 & Summer 2017									
Broker's Roundtable									
Winter 2016 Roundtable									
Meeting set-up and coordination	24	\$3,840	5	\$1,125					\$4,965
Minutes/supplies/refreshments		\$150							\$150
Summer 2017 Roundtable									
Meeting set-up and coordination	24	\$3,840	5	\$1,125					\$4,965
Minutes/supplies/refreshments		\$150							\$150
Total		\$300	48	\$7,680	10	\$2,250			\$10,230
Timeline: Fall 2016 & Spring 2017									
Get to Know Your City Program									
Fall 2016 Open House									
Set-up and coordination	24	\$3,840	2	\$450	5	\$500			\$4,790
Minutes/supplies/refreshments		\$150							\$150
Spring 2017 Open House									
Set-up and coordination	24	\$3,840	2	\$450	5	\$500			\$4,790
Minutes/supplies/refreshments		\$150							\$150
Preparation of digital pamphlet on "Doing Business in the City of Beverly Hills"	35	\$5,600			10	\$1,000			\$6,600
Total	83	\$13,280	4	\$900	20	\$2,000			\$16,480
		\$300							
Timeline: July 2016-June 2017									
Small Business Development Center									

12	\$1,920			12	\$1,200	10	\$500	\$3,620
36	\$5,760	5	\$1,125	12	\$1,200	10	\$500	\$10,085

Prepare materials in consultation with City of Beverly Hills for use at focus group								
Total								
Executive Summary (Additional Initiatives)								
Management of Mayor Merchant Meetings	\$15,300							
Broker's Roundtable	\$10,230							
Get to Know Your City Program	\$16,480							
Small Business Development Center	\$20,000							
Small Business Saturday	\$14,710							
Beverly Hills Tomorrow Sponsorship	\$30,000							
Santa Monica Blvd. Resconstruction Outreach	\$8,575							
Economic Sustainability Plan	\$10,085							
Grand Total	\$125,380							

Legend (Hourly rate of Chamber staff)	
Chamber Board President	\$0
Chamber CEO	\$225
Chamber CFO	\$185
Chamber Director	\$160
Chamber Manager	\$100
Chamber Program Coordinator	\$50

Exhibit B

PAYMENT SCHEDULE

Unless otherwise agreed to by the City's Deputy City Manager, Public Information, invoices and payments shall be governed by the schedule below.

Funding Period (July 19, 2016 – June 30, 2017)				
	Chamber Remits Invoice to City	City Issues Payment to Chamber	Period Covered	Payment Amount
First Payment Installment - New York Mission (100%) - Get To Know Your City Program (50%) - Monthly Business Retention Meetings (33%) - Small Business Development Center (33%) - Small Business Saturday (100%)	August 2	August 16	July 19 – October, 2016	\$119,779
Second Payment Installment - Monthly Business Retention Meetings (33%) - 1 st Broker Roundtable Meeting - Small Business Development Center (33%) - Santa Monica Blvd. Outreach (50%) - Economic Sustainability Plan Outreach (50%)	October 4	October 18	November 2016 – February, 2017	\$26,094
Third Payment Installment - Get To Know Your City Program (50%) - Monthly Business Retention Meetings (34%) - 2 nd Broker Roundtable Meeting - Beverly Hills Tomorrow Sponsorship - Small Business Development Center (34%) - Santa Monica Blvd. Outreach (50%) - Economic Sustainability Plan Outreach (50%)	February 7	February 21	March – June, 2017	\$64,687
TOTAL				\$210,560