



CITY OF BEVERLY HILLS STAFF REPORT

Meeting Date: May 20, 2008
To: Honorable Mayor & City Council
From: Dr. Scott G. Miller, Chief Financial Officer
Subject: City Co-Sponsorship and Funding Assistance of the Rotary International Conference Dinner at Greystone Park, June 16, 2008
Attachments: Rotary Request

INTRODUCTION

Attached is a request from the Beverly Hills Rotary Club Chapter for the City to co-sponsor and fund \$35,000 for the Rotary International Conference Reception being held June 16, 2008 at Greystone Park.

DISCUSSION

Over the last several months, a City Council Ad-Hoc Subcommittee has been meeting with a Beverly Hills Rotary Chapter Committee regarding this international reception event to be held at Greystone Park on June 16, 2008.

The attached report from the Beverly Hills Chapter of the Rotary details the request and the event.

FISCAL IMPACT

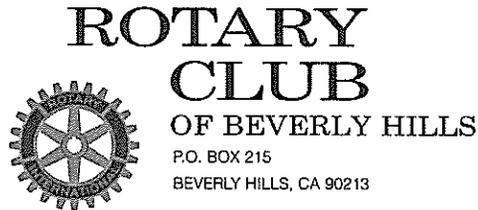
If the City Council gives staff direction to Co-Sponsor and help fund the event at the requested \$35,000, funds are budgeted and available in the City's Tourism and Marketing Program Account.

RECOMMENDATION

The Council Sub-Committee recommends approval of this request.



Scott G. Miller
Reviewed By



May 12, 2008

Scott G. Miller
Director of Administrative Services
Chief Financial Officer
City of Beverly Hills
455 N. Rexford Drive, Room 250
Beverly Hills, CA 90210

Re: Request for Funding

Dear Scott,

As per your request, enclosed please find Beverly Hills Rotary's formal request to the City of Beverly Hills regarding assisting in the funding of the June 16th dinner to take place at Greystone Park during Rotary International's 2008 Convention.

Sincerely,



Michael Blumenfeld
President

Enclosure

**REQUEST OF THE BEVERLY HILLS CHAPTER OF ROTARY
INTERNATIONAL FOR THE CITY OF BEVERLY HILLS TO CO-SPONSOR
AND ASSIST IN FUNDING THE ROTARY INTERNATIONAL 2008
CONVENTION DINNER AT GREYSTONE PARK JUNE 16, 2008**

INTRODUCTION and REQUEST

The Beverly Hill's Chapter of Rotary International requests the City of Beverly Hills, as a way to market and promote the City to a host of international dignitaries, co-sponsor and assist in funding \$35,000 for the Rotary International 2008 Convention Dinner to be held at Greystone Park June 16, 2008.

BACKGROUND ABOUT THE EVENT

During the weekend of June 13, 2008, Rotary International, the world's largest service organization, will be conducting its annual convention here in Los Angeles for the first time in over 40 years.

The Beverly Hills Rotary Club, recognizing the unique marketing opportunity to showcase our City to many of the expected 25,000 visiting international Rotarians as part of the "Home Hospitality" portion of this weekend in Los Angeles, has planned a sunset reception at Greystone Park for several hundred visiting national and international Rotarians on Monday evening, June 16. The event is intended to provide all in attendance with an unforgettable Beverly Hills experience – one intended to create an indelible impression of our City, and foster promotion of our City and a desire to return.

FUNDING THE EVENT

The objective from the onset was to provide a memorable experience while spending as little as possible. We felt this could only be accomplished by creating an event that could be funded with a bare bones budget; yet reflect the high quality and elegance of Beverly Hills. The total budget is \$62,000. Because of the obvious marketing benefits to the City, and promotion of the City by the very elite national and international Rotarians that will be attending this world-wide convention, the Beverly Hills Club began initiating discussions with the City about possibly co-sponsoring and contributing towards the costs of the reception. Beverly Hills Club members have been meeting with a City Council ad-hoc sub-committee over the last several months to keep a two-way dialog between the City Council and the local club regarding this event. We have incorporated many of the suggestions of the ad hoc sub-committee into the final plans for the event. The elements of the event and their attendant costs have been provided for from a variety of sources including:

- (1) The Beverly Hills Club will contribute \$15,000 in cash;
- (2) Various individual club members have agreed to donate approximately \$10,400 of the cost;
- (3) City contribution of \$35,000

We also plan to continue to market the event for contributions, but must secure the basic funding at this point.

WHY SHOULD THE CITY BE A CO-SPONSOR AND HOW DOES THE CITY BENEFIT?

There are many reasons why the City should co-sponsor and assist in funding this event. Without going into the many reasons, we wanted to highlight just a few. Information has been obtained from various sources, (i.e., Bruce Baltan of PKF Consulting, LA, Inc., the Beverly Hills Convention and Visitors Bureau and Rotary International) indicates:

- 1) It's conservatively estimated that a combination of: (a) the two Beverly Hills hotels - the Hilton and the Beverly Wilshire - have contracted with Rotary International to provide rooms, plus (b) non-contracting hotels, both within and outside Beverly Hills, are expected to aggregate to approximately 2,900 rooms (1,600 within Beverly Hills and its immediately surrounding area, i.e., Four Seasons, Century Plaza, etc. plus 1,800 West Hollywood, West LA/Westside hotel rooms) and is expected to generate \$1,000,000 in direct spending.*
- 2) A combination of: (a) the 5 tours of Rodeo Drive offered as part of the official sightseeing package, plus (b) those staying in hotels downtown but potentially eating and shopping in Beverly Hills, plus (c) spouses and significant others accompanying delegates who won't be attending events downtown but rather eating and shopping in Beverly Hills during the day, are anticipated to provide an upward spike in revenue for Beverly Hills retailers and restaurants, and
- 3) The event planned at Greystone Park will provide an unforgettable evening for approximately two hundred Rotarians visiting our City from around the world. The hospitality provided, the breathtaking sunset views from the mansion's terrace; the photos taken in front of our Beverly Hills sign on Santa Monica Boulevard, and the gift bags containing Beverly Hills mementos, should stimulate not only fond remembrances of our City but also generate a desire to return on subsequent occasions.

Thus, for these reasons and many more, we request the City Council to officially Co-Sponsor this event and assist in funding the event to the amount of \$35,000.

* Note: 1,600 ROOMS @ \$550/night = \$880,000 in spending for the Beverly Hills portion, and approximately 1,300 rooms @ \$137.50 (25% of Beverly Hills rates) for outlying areas = \$178,750. In total, approximately \$1,000,000. LA, Inc. is anticipating the event to generate \$16.5 million in total spending. Our portion - \$1,000,000 = 6% of total spending.