



STAFF REPORT

Meeting Date: October 14, 2008
To: Honorable Mayor & City Council
From: Alison Maxwell, Director Economic Development and Marketing
Subject: APPROVAL OF SCOPE OF SERVICE FOR AN AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND BEVERLY HILLS GLOBAL PARTNERS IN THE AMOUNT OF \$37,500 FOR SISTER CITY PROGRAM DEVELOPMENT
Attachments: 1. Agreement

INTRODUCTION

This item is in follow-up to Council direction of September 23, 2008 to develop a funding agreement with Beverly Hills Global Partners in the amount of \$35,000 for the development of Sister City programs in China. In addition, Council approved up to \$2,500 for the City of Beverly Hills to host a business lunch, or similar, during the October 2008 Sister City mission to Shanghai, China. Both these amounts are reflected in the total contract amount of \$37,500.

DISCUSSION

On September 23, 2008, the City Council approved funding for Beverly Hills Global Partners, a Sister City organization, in the amount of \$35,000 for the organization to develop its programming with the Pudong district of Shanghai.

In addition, the City Council authorized City direct expenditures of \$2,500 for the City to host a business brunch to thank the Chinese hosts. In consultation with BHGP and the City Attorney's office, \$2,500 is being added to BHGP contract. The actual cost of the event will be reimbursed to BHGP upon receipt of an itemized bill from the hosting establishment, minus the costs for any City Council and BHGP members present, and their spouses.

Attached to this staff report is a copy of the Scope of Services and budget. As directed by City Council the Scope of Service reflects broad support for the overall mission and program of BHGP as it relates to its China, Pudong program without a specific line item budget.

The City Manager has authority to sign agreements for service up to \$50,000. However, Council indicated its desire to review the scope prior to final execution of the agreement. For this reason staff has placed this item on the afternoon study session for Council approval before executing the agreement.

FISCAL IMPACT

\$37,500 was approved for this program at the September 23, 2008 Council Meeting to be supported from the 2% for Marketing TOT budget

RECOMMENDATION

It is recommended that City Council:

1. Approve the attached scope of service for an agreement to be signed by the City Manager between the City of Beverly Hills and Beverly Global Partners in the amount of \$37,500.

Alison Maxwell 
Director Economic Development &
Marketing

Exhibit A
Beverly Hills Global Partners (BHGP)
A Sister City Organization

Scope of Service

A. Background

Beverly Hills Global Partners ("BHGP) goals can be generally described as follows: Through strategic partnerships with specific international cities develop and promote cooperative business relationships (e.g. tourism, high end retail, and entertainment office); promote art and cultural exchange both as an economic development vehicle and as a mechanism for developing dialogue between communities; promote educational opportunities and exchanges through development of relationships with the high school systems; foster inter-governmental dialogue to provide leadership and develop best practices amongst partner cities.

Funding from this agreement will be utilized to develop BHGP's program development and relationships with the Pudong district of Shanghai, China. More specifically, funding will be used to establish an office in Pudong and hire a consultant or contract employee to achieve its goals outlined above.

The proposed consultant or employee in Pudong will be responsible for coordination of delegations in furtherance of the sister city relationship, follow-up and implement BHGP objectives in promoting friendship, tourism, retail, establishment of corporate headquarters, and further cultural and educational exchanges. BHGP has already initiated sister city discussions with the Pudong government foreign affairs office, enterprises for program sponsorship and other organizations for cultural and educational exchange and the initial funding of \$35,000 is crucial to immediately staff a full time representative in order to move these programs forward.

B. Funding for BHGP Representative

The monies provided by this Agreement will be used towards the funding of a BHGP representative in Pudong as described above. This person will provide the following services:

- Set up local operation and implement strategies to promote Beverly Hills
- Establish and maintain good relations with local governments, businesses, cultural and educational organizations
- Develop partnerships with local entities to attract enterprises to Beverly Hills
- Access market opportunities to develop additional Beverly Hills sister city programs
- Facilitate marketing and promotion of the City of Beverly Hills
- Research and assess business information relevant to sister cities programs

Proposed Budget for First Year

C. Additional Funding for Reimbursable Expenses for City Sponsored Business Event

In addition to funding set forth in Section B above, the City shall provide BHGP an amount not to exceed \$2,500 in United States currency to be used towards a City sponsored business lunch or other similar event or reception during BHGP's October 2008 mission to Shanghai.

City will reimburse BHGP upon receipt of itemized invoice including invoice from the hotel or restaurant providing services for the event, including the cost of the event in United States currency. The BHGP invoice should identify the total number of guests in attendance. BHGP shall also provide the City with a guest roster. In no event shall the City's contribution towards this event exceed \$2,500 in United States currency.

City Council has directed that elected officials, BHGP board members and their spouses shall be responsible for the costs of their own attendance at such a hosted event and the BHGP request for reimbursement should reflect this.

D. Payments and Invoicing

Upon execution of this agreement and receipt of a written invoice from BHGP, City shall provide BHGP \$35,000 in funding for the purposes set forth in this Scope of Services.

E. Reporting

On or before January 31, 2009, BHGP shall provide City with a full written report of its program activities and expenditures in relation to this agreement. The report shall detail the activities and related expenditures.

Payment for the City sponsored event shall be made upon receipt of invoice and actual receipt for the event that reflects the cost in both the Chinese currency and the actual cost as converted into United States currency.