



STAFF REPORT

Meeting Date: February 17, 2009

To: Honorable Mayor & City Council

From: Alison Maxwell, Director Economic Development and Marketing

Subject: Report and Presentation from Beverly Hills Global Partners in Relation to their 2008-2009 Funding Agreement

Attachments:

1. Scope of Services
2. BHGP Report "Representative Office of Beverly Hills in China"
3. BHGP Profit and Loss Statement
4. BHGP Funding Request "Proposal for Full Time Representative in Pudong"

INTRODUCTION

This item provides City Council with a report from Beverly Hills Global Partners (BHGP) on its activities and expenditures in relation to their funding agreement with the City; and, outlines a funding request for additional support in the amount of \$100,000.

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 reimbursement of expenditures in the amount of \$2,500 for the City to host a business brunch to thank the Chinese hosts during the October 2008 visit to Shanghai.

On October 14, 2008, the City Council approved the attached Scope of Service as part of a funding agreement with BHGP to support the overall mission and program of BHGP as it related to the China, Pudong program.

The funding agreement required BHGP to submit a full report of its programs and expenditures to the City by January 31, 2009. February 17, 2009 is the closest City Council available to that date for BHGP to make the report.

Staff requested BHGP to submit a variety of payment and expense information showing the use of City funds such as: contracts, invoices and payment ledgers/cancelled checks

and other supporting documentation. In addition, staff requested a full report on the activities and accomplishments of the organization under the scope of services.

Attached to this staff report is the BHGP progress report and a copy of the BHGP profit and loss statement. As of February 12, supporting documentation for the profit and loss statement had not been received.

BHGP has also submitted a request for additional funding to continue operations of the Pudong office and hire a full-time staff person. This request was submitted after the Sister Council Committee met on February 11, 2009. Consequently, the request is being included as an attachment to the staff report but without a recommendation from the Committee. The Sister City Council Committee is comprised of Mayor Brucker and Council Member Delshad.

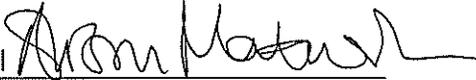
FISCAL IMPACT

\$37,500 was approved for this program at the September 23, 2008 Council Meeting to be supported from the 2% for Marketing TOT budget. \$35,000 has been paid to BHGP.

BHGP is requesting \$100,000. This amount is not included in the City 2008-2009 budget. Staff has not had sufficient time to discuss the budgetary implications of the new funding request with the City's Chief Financial Officer to determine where funds for this program might be available.

RECOMMENDATION

It is recommended that City Council receive the report from BHGP and discuss the BHGP funding request.

Alison Maxwell 
Director Economic Development &
Marketing

Attachment

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.

Representative Office of Beverly Hills Global Partners in China

(Working Plan)

Summary

Preface

Beverly Hills Global Partners (referred to as 'BGHP') is non-profit organization, to promote the Beverly Hills high-end brands, industry led economic development. The Sister Cities Committee and the friends of BHGP are relying on increased cooperation between the developments of the city, involving; tourism, education, investment, exhibition, financing, investment, tourism and cultural packaging business, tourism planning and in the other fields. We are facing with the entire Chinese market. We focus on all of Chinese market, established and enhance the Brand awareness of Beverly Hills, thereby, promoting economic development

Beverly Hills Global Partner's Working results in China

As Beverly Hills Global Partners has developed work in China for four months, the results as below:

1. 31/10/2008, the Mayor of Beverly Hills, Barry Brucker and Co-Chairman of Beverly Hills Global Partners, Bruce Cole, led a delegation to China to meet with the officials in Shanghai. To discuss cultural and educational exchanges, look forward to having further the cooperation between or two cities. Wu Pei, Chief Representative of Beverly Hills Global Partners had the opportunity to be responsible for organizing the events, coordinating all the activities, and inviting the important Chinese guests. Follow is detail description of Beverly Hills Delegation meetings.

	Time	Meeting unit	Remark	Additional Information
1	9:00 A.M	Shanghai Chinese Overseas Friendship Association (SCOFA)	Chairman of association (SCOFA), he is also act as the minister of United Front Work Department of Shanghai Municipal Committee of The Communist Party of China	The objective of SCOFA is strengthening Shanghai and friends both China and abroad to contact the cooperation, that has responsible to promote Shanghai development of social undertakings. The SCOFA has organized many times for exchanger of finance, real estate, medicine, law, accounting, literature, art, photography, toys, etc. And many investment fairs
2	11:00 A.M	Shanghai Pudong New Area People's Government	After meeting, Pudong New Area Government hosted Luncheon.	Foreign Affairs Office of Pudong and representative of Shanghai Pudong New Area International Exchange Center have attended meeting.
3	13:30 P.M	China Council For The Promotion Of International Trade Shanghai Sub-Council (CPI Shanghai)	He is also China Chamber of International Commerce Shanghai Chamber Of Commerce.	CPIT Shanghai provides service in the field of international relations, conventions and exhibitions, legal service, arbitration, economic and trade information, etc. It also undertakes business entrusted by relevant departments of the local government and plays a unique role of a "Non-governmental Economic Ambassador". It is making efforts to build Shanghai into an international economic, financial, trade and shipping center.

				more information please the website: www.cpitsh.org
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2. On November 3, 2008 , we hosted an event at the Grand Hyatt called "Introduction to Beverly Hills" and had more than 80 Chinese attendees who represented large travel companies, government officials who are decision makers in travel planning. The exclusive Beverly Hills event has grabbed many of media attention, including; more than 30 network media, 35 newspapers and several magazines for media to report on the event. (Please refer to "Introduction to Beverly Hills Shanghai 2008.11.3" the list located at first and second pages).

3. After the Mayor of Beverly Hills and Co-Chairman of Beverly Hills Global Partners visited Shanghai, Wu Pei, Chief Representative of Beverly Hills Global Partners , was honored on behalf of the City of Beverly Hills to invite the Chinese guests to visit Beverly Hills in December and continue our dialogue and exchange, on-the-spot investigation and further cooperation. The Office of the Mayor of Beverly Hills had issued a letter of invitation to the Chinese delegation. After many contact, promotion, propaganda , there were 16 people of the Chinese delegation (due to the travel dates so close to the New Year, the Chinese government and various units prepared for the summarization of work. The Chinese delegation arrived at Beverly Hills and received a most gracious welcome. During their four days itinerary , the guests had the opportunity to enjoy and share in Beverly Hills as a top charming city. This activity also received Korean Air support ,and had a special preferential price, which was approves by their leadership. Below is the statistical information of December Chinese delegation

Account Name	Title	Company Name
Outbound Travel Center America & Canada Dept. Shanghai CYTS Tours Corporation	Manager	Shanghai CYTS Tours Corporation
	Operation consultant	Shanghai CYTS Tours Corporation
Outbound Tours Center Shanghai China Travel International Ltd.,	Manager of America, Oceania & Africa Dept.	Shanghai China Travel International Ltd.
Shanghai Eastern Air International Travel & Transport Corp., Ltd.	Manager of Outbound Dept.	Shanghai Eastern Air International Travel & Transport Corp., Ltd.
China Mechants Group Shanghai International Travel Service Co., Ltd.	Business Department. of America Manager	China Mechants Group Shanghai International Travel Service Co., Ltd.
Galaxy Tour INC.	Sales Manager	Galaxy Tour INC.
Galaxy Tour INC.	General Manager of LA office	Galaxy Tour INC.
International Hotels & Resorts	Associate Director of Sales	International Hotels & Resorts

China Jin Mao Group Co., Ltd.	Assistant President, Business Administration Doctor	China Jin Mao Group Co.,Ltd.
China Minmetals Co.LTD	Deputy General Manager , Human Resource Dept	China Minmetals Co.LTD
Shanghai SinoFly Business information Consultation Co., Ltd	General Manager	Shanghai SinoFly Business information Consultation Co., Ltd
Shanghai SinoFly Business information Consultation Co., Ltd	OP DEPT Supervisor	Shanghai SinoFly Business information Consultation Co., Ltd
South Media Group	Director of South Media Group , Shanghai Office	South Media Corporation, Shanghai Office
Guangdong TV Station	Director of Guangdong TV	Guangdong TV

4. At the beginning of 2009, as Chief Representative of Beverly Hills Global Partners & Beverly Hills Sister City Committee, with promotion development step by step, and have achieved remarkable results. Firstly, after many visits, face-to-face promotion, continually communicate. Finally, SCITS agreed to let one group to having lunch at Xian restaurant in Beverly Hills, even it was being much higher of cost than the original arrangement. It was \$20/per person for the meal, plus the shopping in Beverly Hills, each visitor on the trip spent about \$10,000 per person (total is \$130,000 dollars for shopping in Beverly Hills).

Date	Detail	Remark	Number of people
17/01/2009	Luncheon at Xian Restaurant, Shopping in Beverly Hills	\$20/per person for Meal, Everyone in Beverly Hills shopping consumption to 10000 dollars (total is \$130,000dollars for Shopping)	13 people

5. After many promotion, discussion and integration,2009/02/16 will have a business tour to Beverly Hills.(LOCAL TIME),which is from Jing'an region of Shanghai. Looking forward to discussing the future in urban planning and architectural features both of Beverly Hills and Shanghai , even for the future cooperation (Beverly Hills Global Partners issued the letter of Invitation to them, below is more information)

POSITION	ORGANIZATION
Vice Manager	Shanghai Jingan District Construction Co.
The Chief of Finance Department	Shanghai Jingan District Construction Co.
Vice Manager of Real Estate Dept	Shanghai Shencheng Real Estate Development Corporation

Director of Technical & Quality Supervisor Department	Shanghai Jingan District Construction Co.
Vice Manager	Shanghai Jiayi Architectural Decoration Engineering Co.
Staff of Finance Department	Shanghai Jingan District Construction and Communication Committee

6. 2009/03/16, a Film museum visit tour want to have opportunity to Beverly Hills. They come from Chinese Film Museum and Beijing foreign cultural exchange association. They hoped to communicate with Beverly Hills related department, to exchange the management experience of management and to know the local movie development situation, further discuss the possibility of future cooperation. They hope that Beverly Hills Global Partners would to recommend the related departments to them and help them to have a successful trip in Beverly Hills.

7. A new tourism projects had launched out in the end of January , which was drafted by the outbound Travel Center America and Canada Departments of SCYTS and Wu Pei. It put Beverly Hills into the current tour plan , as the new destination visit place, which will have 25 person to join the tour. It will be depart in the end of April.

8. Partial Works in Progress:

- A. working with a company in China that is bringing over 300 wealthy Chinese private business leaders to the US who intend to spend one week in Los Angeles and reside in Beverly Hills. I have been advised that these people spend in shopping for gifts over US\$100,000 per person;
- B. working with the leader of a Provincial Chamber of Commerce who oversees over 10,000 companies, both private and state owned to offer luxury trips to Beverly Hills;
- C. working with a number of government groups who are sponsored by private businesses for educational trips to Los Angeles where the lodging will be in Beverly Hills;
- D. working to arrange art exhibitions, childrens' art exchanges and visiting installations in Beverly Hills;

Chief Representative working performance

1. Established close contact with departments of Shanghai government, maintain the smooth communication channel. Work to obtain government recognition, obtained the support of Foreign Affairs Office of Shanghai Pudong New Area People's Government. Then, they help us to connect with Director of Economic Committee of Shanghai Pudong New Area Investment Promotion Division.

2. I have contacted with Council for the Promotion of International Trade Shanghai (CPIT SH) & with Chamber Of International Commerce Shanghai (COIC SH). We are looking forward to entrust subordinate organizations of CPIT to handle the BGHP's Registration formalities in China. It will be the guarantee for the further working development

3. I have contacted with several Shanghai Office Synthesize of Provinces the people's Government. And will doing more communications for promotion. We hope that they could be assist to us to know some strong enterprises with approved by province's government.

4. I have contacted with several Chamber of Commerce, Chinese provinces Chamber of Commerce's Shanghai office, they have numerous enterprise resources, it to be looked as the bridge for enterprise to develop their work in Shanghai. to established a relationship with them ,which would be help for our work in China and bring the good results.

5. I have contacted with several colleges , which located in Shanghai and have good reputation overseas.

To exchanged the information with the Principals regarding in education , to explored the possibility of future co-operate.

6. I have contacted with some successfully business people to mutual communication, cooperation and build future co-operate.

7. I have established good communication with more than 15 travel agencies, to regular visit, to promote the future cooperation.

8. I have remained the good relationship with Media , to promote for cooperation in need.

The Preparatory office

At present, when promotion works developing, the registration also needs to wait per Law. We especially to select a preparatory office for Beverly Hills Global Partners in Shanghai city center, flourishing high-end zone, the most important is to ensure that the location is fit for the high-end brand of Beverly Hills,it would be push the work run smoothly.

Shanghai Conservatory Of Music International Club, Located in the prosperous commercial huaihai road in Shanghai. Itself has nearly 100 years history of German Renaissance type Buliding even it is one of protected buildings in Shanghai. In the east of this ,it will be designed to construct Shanghai National Grand theatre. They adopt to the Strict screening system for Members, there chock-full of history, art and culture, brings together world-wide culture and arts resources, face to the elite in China and overseas For China and overseas musicians, artists and entrepreneurs to create international music culture communication platform. The Founder, he is not only the outstanding entrepreneur, but also has numerous good social reputation, is a successful personage, Based on known for many years and mutual understanding, For support myself, and after communication, Finally he break rule to assisted me to set up preparatory office for inside.

Economic guidance

In order to promote economic growth , recently , Chinese government decided to investment about RMB 4,000,000,000,000 Yuan before the end of 2010, and in the same time, to launched 10 measures. To support the Comfortable Housing Project, medical education and rural infrastructure construction, to railroad, highway traffic engineering construction, the post-disaster reconstruction, and high-tech industries and services. Chinese government indicated that will perfecting the policy planning as soon as possible, to approve the project as soon as possible, and to arrange finance capital. Shanghai also has corresponding economic support, and stimulates the economy, to remain the steady development of economy. Until 2010, Shanghai will invest in RMB 160,000,000,000 Yuan government funds for the projects of policy, which is to expect to bring over RMB 1,100,000,000,000 Yuan of the social investment. In Pudong New Area, stimulate economic growth is the main means to expand investment. Shanghai, Jiangsu and Zhejiang of more than 50 cities will be to create an international shipping center and international financial centre. To construct of the Asia-pacific region into an important international portal, an important global advanced manufacturing industry base and strong international competitive world cities. Yangtze River delta and Pearl River delta is China's important center of economy

Tourism status

Based on the Chinese tourists to go to the United States to the smooth implementation, in 2009 Chinese tourists to visit California would reach 300,000. In 2007, there were 227,000 Chinese mainland tourists visit California, and the consumption of \$327,000,000 U.S. dollars. An average is 12.2 during the night of the stay. The daily per capita consumption of \$118U.S. dollars per capita consumption of the total \$1440U.S. dollars, For California, the mainland China has become the seventh for the largest source of overseas . These digits are much higher than the average of the world visitor's to staying time and expense in California.

According to the World Travel organization expects China's future will be, the world's largest tourism reception, fourth tourism resource and the world's largest of domestic tourism market. Domestic and international tourism income amounted to \$ 15,000,000,000 dollars. Tourism is comprehensive industry , it is economic, social, environmental and cultural functions of the emerging economies. In 2008, China promulgated by the enterprise worker system of annual paid vacation, promote the development of tourism, the state has adopted a series of positive fiscal policy and moderate looser monetary policy will effectively improve tourism. 2009 will further assurance and increase invest in the tourism infrastructure, so as to give full play to the government investment, guide social transformation and upgrading of funds to support tourism

According to the China Outbound Travel Trade Organizing Committee , The latest statistics show that in the first three quarters of 2008, the rapid growth in the global decline in tourism, outbound travel of Chinese citizens to maintain about 15% of high growth trend. 2007 Chinese citizens outbound tourism 40,950,000 , which is more than grew nearly 7,000,000 in 2006. China continues to keep stay at the first position of the outbound tourist country in Asia. Chinese outbound for shopping spend an average of \$987 per person , which is the world first. The Chinese tourists flocked to the global community, to accumulate,

intensive, strategic, use cash purchase of locals are rarely lack of rare gem, brand clothing

The Single consumption per capita for outbound tourists of China , which including the payment of traveling packages before, ticket, hotel, etc. Among them, the most expensive for the tourist destination is in Europe, Outbound per capita consumption \$5253 dollars. In January 2009, "Chinese Volvo brand tend to survey 2009" , the survey aimed on the 348 Chinese plute people, whose assets had above of RMB 10,000,000 Yuan. More and More of them tend to be changed asset from stock to the Real estate. In 2008, their holiday has 65% more over the 2007. At the same time, U.S replace France became the most favorite international tourist destination for them in the investigation. Average annual spent of those interviewees is RMB 2,000,000 Yuan. Cartier、 Rolex are still their favorite of the Luxury Brands.

More and more countries and regions as signing an agreement with the Chinese government, therefore, it would to be the destination of the overseas tourism for Chinese citizens' travel. They are doing in leave no stone unturned to attract Chinese tourists -- the world's fastest growing tourism consumption group. Because the per capita income growth and the exchange rate of RMB continued high, more and more Chinese middle class looking forward to traveling abroad. According to the analysis, the key for successful, which should to be understand the Chinese culture and customs, It should to be based on the diversity requirements of the Chinese tourists, to create a comfortable tourism environment, China is been famous for the diversity of cultural and difference of humanities characteristics. The Chinese tourist's focus of difference attention across different regions, meanwhile according to different incomes will have the diverse preference. Therefore, should to understand Chinese culture , specialist for the tourists to design the difference plans, who comes from all over China

Overseas education status

China attaches great important to the education development , the teaching thought and environmental is constantly improvement. As people have increasingly strong educational needs , the market has developing rapidly. According to the United Nations statistics, the number of Chinese student studying abroad is the biggest in the world , they mainly concentrated in the United States, Britain, Australia and other countries. Nearly a decade, each year there are 2 to 3 million Chinese students to go abroad at one's own expenses. About half of the total, is under the age of 18 students, which is include kindergarten students. For example, a good reputation private school in the U.S., an overseas student study fee will be RMB 200,000-300,000 Yuan, and add the living consumption , an oversea student , the total expense will be RMB30-40 million Yuan.

Through more contact with various departments and work together, in China to carry out the work of the integration of resources and the promotion of specific plans are as follows:

1. Set up the preparatory office, to support the work, set up working funds, to ensure that the work carried

out in an orderly manner. In accordance with the procedures stipulated of the Chinese government, From CPITSH¹, all the application letter for establishing the foreign permanent representative office shall be addressed respectively to Shanghai Municipal Commission of Commerce and Shanghai Administrative Bureau for Industry & Commerce (shorter form : SAIC). To equipped with corresponding office resource.

2、 According to the progress of work now , Apply for select assistant, to assist chief representative work, responsible for daily statistical information and office related issues.

3、 Design and printing the promotional materials. Set up website of BHGP in Chinese and add a link to www.beverlyhills.org, to extend the promotion of the city .and including the office mail box, use the web site to the initials for the personnel office mailbox last fall, to makes our e-mail mail address to be more official. The website would be a promotion window for Beverly Hills.

Beverly Hills brochure including in

Overview of Beverly Hills

Famous scenic spots in Beverly Hills

The first-class hotel and outstanding services of the hotel in Beverly Hills

The Urban economic management concept of Beverly Hills

The urban infrastructure of Beverly Hills

The urban commercial situations of Beverly Hills

The urban culture and education of Beverly Hills

The high technology of Beverly Hills

City entertainment resources

Etc.

Beverly Hills Global Partners Brochure:

What is the Beverly Hills Global Partners?

The background,

Member profile

What is the working goal?

What can we offer?

Etc.

Above content could be making in the brochure and CDS. At China's major festivals and special events, can select appropriate to product characteristics of gifts: For example , with twelve Beverly Hills scenery pictures of small calendars, the Portable notebook , inside with Beverly Hills significant events and small pictures, Many-side form etc.

¹ Council for the promotion of International Trade Shanghai

Above will be the basic resources for held regularly visit customers, for promotion.

4. To strengthen contacts with government departments of the city that the representative office located , With CCPIT, the chamber of commerce and industry association, With the economic strength and powerful unit is closely communication, to establish and expand the Beverly Hills brand awareness in the governmental level.

5. Organize 2 or 3 Family tours in order to promote Beverly Hills to be the destination , not only for public tourist route, also will aim has the special customer , unifies with own characteristic, designs and plans the special line specially. Union with several well-known city of U.S. to design the novel tours. Do more promotion activity according to the need to another city or provinces. In view of different client base, conformity resources

6. Strengthens the educational exchange, profits from the present Chinese existing international communication student to cooperate the pattern, the conformity educational resources, formerly take organized the student summer training camp as the beginning, may also for the domestic student summer hiring out for working practice creation certain opportunity

7. Assists by the travel agency, to strengthen the Beverly Hill village economical trade department and Chinese various provinces and cities related department relation clasp, may according to the concrete need arrangement, the provinces and cities finance class inspection group visit the Beverly Hill village period coordinated conference

8. Participate in cultural activities, entertainment publicity Beverly resources for different groups of audiences, according to the needs accordingly.

9. Maintain daily contact with the media and, if important groups, to collect statistics in a timely manner, increased media exposure

10. Report timely to BHSCC at Los Angeles , establishes the good communication system.

4:53 PM
02/10/09
Accrual Basis

BHGP
Profit & Loss
All Transactions

	<u>Feb 10, 09</u>
Ordinary Income/Expense	
Income	
Board Assessment	5,000.00
Grants	35,000.00
Total Income	<u>40,000.00</u>
Expense	
Automobile Expense	1,326.39
Bank Service Charges	80.00
Fees	
Filing	138.50
Total Fees	<u>138.50</u>
Lodging	913.25
Meals and Entertainment	1,533.57
Miscellaneous	99.14
parking and tolls	18.38
Postage and Delivery	18.24
Printing and Reproduction	148.54
Professional Fees	
Consulting	12,799.51
Total Professional Fees	<u>12,799.51</u>
Program Expense	6,208.24
Telephone	235.29
Travel	1,369.11
Total Expense	<u>24,888.16</u>
Net Ordinary Income	<u>15,111.84</u>
Net Income	<u><u>15,111.84</u></u>

BEVERLY HILLS SISTER CITY COMMITTEE
(Beverly Hills Global Partner Inc.)

Proposal for Full-time BHSCC Representative in Pudong, February 15, 2009-February 14 2010

International Sister City - Pudong New Area, Shanghai, China

Position Overview

The proposed full-time employee in Pudong will be responsible for coordination of delegations for BHSCC, follow-up and implement our objectives in promoting friendship, tourism, retail, establishment of corporate headquarters, and further cultural and educational exchanges. We have already initiated sister city discussions with the Pudong government foreign affairs office, enterprises for program sponsorship and other organizations for cultural and educational exchange. The initial funding of US\$100,000 is crucial to immediately staff a full time employee in order to move these programs forward. According to the time line in the business plan, BHSCC will be able to achieve self-funding status from merchandising in the second operation year (see business plan for more details).

Responsibilities of the BHSCC Representative

- 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 BHSCC programs
- Facilitate marketing and promotion of the City of Beverly Hills
- Research and assess business information relevant to sister cities programs

To achieve our self-funding financial status, BHSCC is also to hire a full-time employee specialized in licensing management at a long-term perspective.

Proposed Budget for First Year

Items	Amount
Salary for full-time representative	\$60,000
Traveling	\$10,000
Office Space	\$10,000
Miscellaneous Marketing Expenses	\$20,000
Total	\$100,000

Self-funding in Second Year

In the second year, when the merchandising plan for BHSCC has been implemented, BHSCC will recruit a second staff member responsible for the distribution and licensing of Beverly Hills Merchandise.

Since BHGP is established as a 501(c-3) non profit organization with the sole purpose to promote the City of Beverly Hills, proceeds from the sale of Beverly Hills merchandise would be committed to the establishment and operation of a full tourism and trade office. This would also cover second year's cost and expenses of the full time representative for the City of Beverly Hills.