



AGENDA REPORT

Meeting Date: July 7, 2009.
Item Number: G-9
To: Honorable Mayor & City Council
From: Alison Maxwell, Director Economic Development and Marketing
Subject: APPROVAL OF AN AGREEMENT BY AND BETWEEN THE CITY OF BEVERLY HILLS AND RODEO DRIVE INC. FOR SPONSORSHIP OF THE RODEO DRIVE WALK OF STYLE PROGRAM AND THE CONCOURS D'ELEGANCE PROGRAM; AND

AUTHORIZATION OF A PURCHASE ORDER IN THE AMOUNT OF \$315,000.

Attachments:

1. Agreement for Service with Rodeo Drive Inc.
2. Staff Report, June 16, 2009 Study Session

RECOMMENDATION

Staff recommends that the City Council:

- 1) Approve the attached Agreement between the City of Beverly Hills and Rodeo Drive Inc. in the amount of \$315,000 to support the Rodeo Drive Walk of Style and Concours D'Elegance Programs; and
- 2) Approve issuance of related purchase orders.

INTRODUCTION

This item requests City Council to approve an agreement with Rodeo Drive Inc. (RDI) in the amount of \$315,000 to support the Rodeo Drive Walk of Style and Concours D'Elegance Programs.

DISCUSSION

On June 16, 2009, members of the RDI board of directors presented their 2009-2010 Rodeo Drive and Concours D'Elegance program and funding request to City Council.

Meeting Date: July 7, 2009

A copy of the Study Session Staff Report presented at the June 16, 2009 meeting is attached to this Agenda Report along with a copy of the Agreement between the City and RDI for their 2009-2010 program of work.

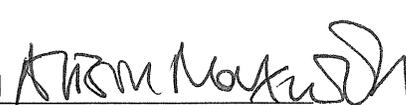
City Sponsorship for these programs was presented as follows:

Rodeo Drive Walk of Style	\$300,000
Rodeo Drive Concours D'Elegance (Father's Day Car Show)	<u>\$15,000</u>
Total 2009-2010 City Sponsorship	\$315,000

FISCAL IMPACT

\$315, 000 has been budgeted in 010311 "Tourism and Marketing Program"

Scott Miller 
Director Administrative Services/Chief
Financial Officer

Alison Maxwell 
Director Economic Development &
Marketing

Attachment 1

Agreement for Service with
Rodeo Drive, Inc.

**AGREEMENT BY AND BETWEEN THE CITY OF
BEVERLY HILLS AND RODEO DRIVE, INC. FOR
SPONSORSHIP OF THE RODEO DRIVE WALK OF
STYLE PROGRAM AND THE CONCOURS D'ELEGANCE
PROGRAM**

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 Rodeo Drive, Inc., a California corporation ("RDI"), for funding the Rodeo Drive Walk of Style Program and promotional publicity programs. City and RDI agree as follows:

RECITALS

A RDI is a business organization located in the City of Beverly Hills that has experience conducting or participating in the development of special events and promotional publicity programs for the benefit of City.

B. City desires to engage the services of RDI to conduct or participate in special events and publicity programs including the Walk of Style® Concours on Rodeo and Rodeo Drive Sunday; and

C. 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, it is agreed as follows:

Section 1. Fund Authorization/Use of Funds.

(a) Fiscal year 2009-2010 is the second year of a three-year commitment to provide base funding to RDI, if available. City agrees to provide during the 2009-2010 fiscal year an amount determined by the City Council in its 2008-2009 fiscal year budget from the marketing allocation of City's transient occupancy tax ("Marketing TOT") for expenditures in support of RDI's programs, as detailed in Exhibit A, attached hereto and incorporated herein.

(b) RDI shall use the funds from the City during the 2009-2010 fiscal year as specified in Exhibit A.

(c) City may, at its discretion, provide additional funding to RDI for additional projects for a purpose to be determined by City. The amount and purpose of such additional funding shall be as agreed upon in writing by the RDI and the City Manager in an amount not to exceed Fifty Thousand Dollars (\$50,000) per year, unless otherwise approved by the City Council.

Section 2. Payments. RDI shall submit written requests for advanced payments for expenditures based on the RDI's adopted budgets for the various projects. Written requests for advance payments shall not be made more than once every two months, unless otherwise allowed by the City's Chief Financial Officer. City shall provide payment to the RDI upon

approval of the request by the City's Chief Financial Officer. City shall use its best efforts to make payment to RDI within 45 days of receipt of request.

Section 3. 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 RDI or any third party contracted by the RDI, in the performance of this Agreement, whether or not 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. RDI shall not obtain or attempt to obtain copyright protection as to any of the Work Products.

(b) RDI 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. RDI shall take all acts requested by the City in order to enforce City's rights under this Section.

(c) RDI 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 RDI 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 RDI and that RDI shall have no such rights.

(d) From time to time the RDI will engage photographers to take photographs or will purchase images for use in RDI's marketing campaigns, collateral or other uses. As to those third party photographs or images whereby the RDI negotiates to purchase not only the photograph or image but also the copyright or other intellectual property rights, the provisions of this Section 3 will apply. As to those third party photographs or images whereby the RDI negotiates to purchase only the use of the photograph or image and the copyright is maintained with the photographer, the provisions of this Section 3 will not apply.

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

Section 4. Reports.

(a) Beginning with the second quarter of the term of the Agreement, RDI shall provide quarterly reports to City. These reports shall be submitted 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 RDI's work plan and budget as set forth in Exhibit A, including the percentage of services completed and defined measurements of goal achievement. It is the intention of City and RDI to create processes and measurements for the City-funded RDI programs.

(b) RDI shall also supply the City with an Audited Annual Financial report prepared by a Certified Public Accountant. Such report shall provide consolidated financial reporting for RDI as a whole, and separately detailed accounts for each program funded by City. The report shall be due within six months of the end of RDI's fiscal year beginning with a report of fiscal year 2009-2010. At City's sole discretion, consolidated annual accounts may be substituted for full audited accounts.

(c) With reasonable notice from City, RDI shall provide to City copies of any and all work product, documents reports, property and books produced by chamber in fulfillment of this Agreement. 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).

(d) RDI 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.

(e) RDI 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 5. Event Tickets. In consideration of the funding provided to RDI by City under this Agreement, RDI shall, from time to time, provide tickets to events sponsored by or held by the RDI to the City Manager for use by City. For each event, the parties shall determine in advance the number of tickets provided to the City.

Section 6. Assignment. This Agreement shall not be assigned by RDI without the written consent of City.

Section 7. Independent Contractor. At all times during the term of this Agreement RDI shall be an independent contractors and RDI, their officers, employees and agents shall not be employees of City.

Section 8. Term. This Agreement shall remain in full force and effect from the effective date of the Agreement until June 30, 2010, unless terminated earlier as provided in Section 8 of this Agreement. This Agreement may be extended in writing by the City Manager

for two additional one-year periods subject to the City Council's approval of the RDI's funding under this Agreement. Such extensions shall include the Visitors Bureau annual work plan, which shall include the budget for the relevant fiscal year.

Section 9. Termination of Agreement. City may terminate this Agreement at any time, with or without cause, upon forty-five (45) days written notice to RDI. In the event of such termination, City shall pay RDI for all costs and obligations reasonably incurred by RDI for Visitors Bureau activities 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 Rodeo Drive, Inc., P.O. Box 853, Beverly Hills, California 90212, 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. Indemnification. RDI 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 claim, 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 RDI or their officers, employees, agents or others employed by RDI in the conduct of the projects funded by this Agreement.

Section 12. 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 13. City Not Obligated to Third Parties. The City shall not be obligated or liable under this Agreement to any party other than RDI.

Section 14. 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 _____ 200____, at Beverly Hills, California.

CITY OF BEVERLY HILLS
A Municipal Corporation

NANCY KRASNE
Mayor of the City of Beverly Hills,
California

ATTEST:

BYRON POPE
City Clerk

RODEO DRIVE, INC.

THOMAS BLUMENTHAL
President

DONNA SNYDER
Secretary

APPROVED AS TO FORM:

LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

RODERICK J. WOOD, CCM
City Manager

ALISON MAXWELL
Director of Economic Development & Marketing

SCOTT G. MILLER
Director of Administrative Services/Chief
Financial Officer

KARL KIRKMAN
Risk Manager

EXHIBIT A

SCOPE OF WORK AND BUDGET RODEO DRIVE COMMITTEE 2009 – 2010 Events

OUTLINE AND MISSION OF RODEO DRIVE COMMITTEE

The Rodeo Drive Committee was founded in 1972 by a handful of Beverly Hills merchants to enhance Rodeo Drive's image and market the street both regionally and internationally as a world-class shopping destination. Today the Committee is comprised of more than 70 merchants, property owners and hoteliers on Rodeo Drive, who pay voluntary dues to support marketing, publicity and special event efforts.

2009-2010 RODEO DRIVE COMMITTEE GENERAL GOALS

- Promote, protect and market Rodeo Drive.
- Continue one-on-one outreach to key media to deliver a cohesive Rodeo Drive message, maintaining and elevating the shopping district's status in light of current economic challenges.
- Continue working with third party organizations and members to reinforce better business practices (e.g. American Express Fraud Prevention seminar, Sales techniques, etc.)
- Continue working with Beverly Hills Conference and Visitors Bureau to maximize on opportunities to draw tourists to Beverly Hills and hotel guests into Rodeo Drive stores.
- Continue and build special events on Rodeo Drive to draw traffic and media attention to the street.
- Conduct research to determine tactics to re-gain/maintain Rodeo Drive's market share.

2009-2010 RODEO DRIVE WALK OF STYLE[®] GOALS

- Identify potential honoree(s) for Fall plaque unveiling and awards ceremony. Induct one to two honorees annually.
- Create high profile event(s) for each honoree to garner media attention and momentum for the Program.
- Continue banner program to highlight honorees' body of work.

- Execute specialized publicity programs in conjunction with each induction/awards ceremony.
- Investigate alternate event formats, which may be appropriate for honoree categories.
- Pursue additional income streams to offset and expand program.
- Continue tourism outreach to expand media coverage to help build the Rodeo Drive Walk of Style® as a destination point.
- Research and develop potential extensions of the Rodeo Drive Walk of Style® to increase program's accessibility to the community.
- Continue outreach to potential honorees.
- Update and expand Rodeo Drive Walk of Style® website to continue building the Rodeo Drive Walk of Style® as a world-renown travel destination. Provide up to date information to visitors as well as potential sponsors and honorees. Promote the City of Beverly Hills and Rodeo Drive as the epicenter of fashion and entertainment and maximize publicity opportunities
- Continue development of marketing materials for potential sponsors and honorees. Capitalize on the momentum of the program and its highly publicized events to market the Award to potential sponsors and honorees as a highly coveted and prestigious honor within the fashion industry

2009-10 RODEO DRIVE CONCOURS D'ELEGANCE GOALS

- Continue to grow the prestige of Rodeo Drive Concours d'Elegance and institutionalize event as a Father's Day tradition.
- Expand media partners to advertise the event locally, regionally and nationally to further promote the event.
- Secure Honored Marque and luxury sponsors/partners to help underwrite costs of the event.
- Utilize Rodeo Drive Concours d'Elegance website to further promote the event and attract future sponsors and partnerships.
- Execute banner program to further promote the event.

EXHIBIT B

Rodeo Drive Walk of Style – 2009-2010		
Budget as of 6.8.09		
INCOME 09-10		
City of Beverly Hills Sponsorship	\$ 300,000.00	09-10 Sponsorship
Rodeo Drive Committee	\$ 50,000.00	
Sponsors – Estimated	\$ 175,000.00	
TOTAL INCOME 09-10		\$ 525,000.00
EXPENSES 09-10		
WOS - Administration	\$ 90,000.00	
WOS – Administration Expenses	\$ 5,000.00	
WOS – Ads – Rodeo Drive Map	\$ 5,000.00	
WOS – Banners	\$ 7,500.00	
WOS – Photography	\$ 5,000.00	
WOS – Plaques (2)	\$ 7,350.00	
WOS – Sponsor/Honor Outreach	\$ 5,000.00	
WOS – Event	\$ 400,000.00	
TOTAL WOS EXPENSES 09-10		\$ 524,850.00

Rodeo Drive Concours d'Elegance Budget – 2009-2010		
Estimated Budget as of 6.8.09		
INCOME 09-10	BUDGET	
City of Beverly Hills Sponsorship	\$ 15,000.00	
Rodeo Drive Committee Sponsorship	\$ 30,000.00	
Sponsorship – Others	\$ 60,000.00	Estimated
Registration Income	\$ 5,000.00	Estimated
TOTAL INCOME 09-10		\$ 110,000.00
EXPENSES 09-10	BUDGET	
Advertising	\$ -	In-Kind
Automobile Curation	\$ 8,000.00	
Awards	\$ 1,200.00	
Banners	\$ 5,000.00	
Collateral	\$ 520.00	
Crew Meals	\$ 200.00	
Equipment/Trucking	\$ 1,875.00	
Graphics	\$ 1,000.00	
Janitorial	\$ 975.00	
Mailing	\$ 640.00	
Meals – Exhibitor	\$ 500.00	
Media Clipping	\$ 800.00	
Out of Pocket	\$ 1,200.00	
Photography	\$ 1,000.00	
Production Fee/Event Management	\$ 12,000.00	
Production Staff	\$ 2,500.00	
Publicity Outreach	\$ 5,000.00	
Rentals	\$ 12,000.00	
Restrooms	\$ 1,757.00	
Security	\$ 1,600.00	
Signage	\$ 4,000.00	
Sound/Power	\$ 8,000.00	
Sponsorship Acquisition	\$ 8,000.00	
Street Closure/Permits	\$ 26,500.00	
Subtotal	\$ 104,267.00	
<i>Contingency</i>	<i>\$ 5,000.00</i>	
ESTIMATED EXPENSES 09-10		\$ 109,267.00

Attachment 2

Staff Report, June 16, 2009 Study Session



**CITY OF BEVERLY HILLS
STAFF REPORT**

Meeting Date: June 16, 2009

To: Honorable Mayor & City Council

From: Alison Maxwell, Director Economic Development and Marketing

Subject: 2009-2010 Sponsorship for Rodeo Drive Inc.

Attachments: A. Funding Request Letter and Report – Rodeo Drive Inc.

INTRODUCTION

This report outlines the funding requests from Rodeo Drive Inc. (also referred to as the Rodeo Drive Committee (RDC)) for its 2009-2010 programs. A funding request letter and report from RDC is attached to this staff report.

DISCUSSION

As part of its continuing efforts to market the City as a world class destination and ensure that the Beverly Hills brand remains synonymous with luxury, fashion and entertainment, the Council sponsors the programs and events managed by RDC. These include the Rodeo Drive Walk of Style program, and the Concours D'Elegance (Father's day auto show on Rodeo).

Rodeo Drive Walk of Style Program:

Now in its 6th year, the Rodeo Drive Walk of Style program was developed to create a media, branding and tourist event that focused on Rodeo Drive, one of the world's most iconic locations for style and fashion. The program honors leaders in fashion, style and design in the following categories: fashion designer, celebrity/icon, editor/media influencer, costume designer, jewelry designer, photography and accessories designer. Each honoree is nominated by a Selections Committee comprised of past recipients, celebrities, members of the media and academics from the fashion and entertainment industries.

For each honoree there is a tailored award event, and a plaque is installed in the sidewalk of Rodeo Drive. The administration and base costs of the event are sponsored by the City (including street closure/permit costs, costs of the plaque, award statue and banner program) but the ultimate size and cost of the events are determined by

sponsorship and support from the honoree – some honorees choose to sponsor more lavish events while others opt for more intimate affairs. In common, however, all award events focus on creating media and PR profile for Beverly Hills and Rodeo Drive.

The Walk of Style event and associated plaque installation is a program that helps maintain and market the Beverly Hills' brand. It also aims to create a visitor attraction on Rodeo Drive as the number of plaques increases. The Walk of Style banners provide a heightened public experience of the project and add an artistic component to streets in the Triangle. The Walk of Style program has been successful in attracting extremely broad, international media attention by honoring top level designers and artists.

Concours D'Eleganc (Father's Day Car Show):

This event is one that brings a family crowd to Beverly Hills to both shop and stroll through the exhibition. Each year the show displays the "best of the best" cars from a variety of categories. It is an event that is free and open to the public and is funded entirely from sponsorship and volunteer support. The quality for the car show marries well with the City's image of luxury and quality. Yet this fun, vibrant and free event also provides an opportunity to highlight the City as an accessible shopping district. The City's sponsorship of this event supports the hard costs associated with street closures and other fees.

Below is an outline of the 2008-2009 program achievements and a synopsis of the 2009-2010 request.

Members of RDC will make a full presentation to City Council and their report is attached to this staff report.

2008-2009 – Highlights

This year, Rodeo Drive Inc. will have implemented three successful events sponsored by the City, along with a range of marketing projects and other activities funded through its own membership.

- Walk of Style honoring shoe designer Manolo Blahnik – September 25, 2008
- 2008 Concours D'Elegance – this increasingly a popular event drawing a large crowd to Rodeo Drive. The 2008 show focused on "Haute Couture" cars.
- Walk of Style honoring Valentino – April 2, 2009

2009-2010 – Funding Request Synopsis

As outlined in the 2009-2010 Policy and Management budget presentation, the budget for Rodeo Drive programming has been reduced in line with the reduced 2% TOT budget.

Walk of Style: \$300,000 - For 2009-2010 the RDC plans one larger event in October 2009.

Concours D'Elegance – \$15,000 for the June 2010 continue the Father's day car show. Details of the focus of the 2010 car show will be reported to the City mid-year.

COMMITTEE REVIEW

Members of the Rodeo Drive/Special Events/Holiday Committee met on Monday June 8, 2009 to review the RDC request. The Committee recommended that City Council continue support of the RDC programs at the sponsorship levels of \$300,000 for Walk of Style and \$15,000 for Concours on Rodeo. The Committee requested staff to work closely with the City special event staff to review ways of keeping permit and other fees to a minimum.

FISCAL IMPACT

Review of 2004-2009 Funding:

2004-2005:	\$366,760	<ul style="list-style-type: none">• Walk of Style - \$263,760• Holiday marketing and holiday lighting ceremony - \$102, 515
2005-2006:	\$309,289	<ul style="list-style-type: none">• Walk of Style - \$200,000• Holiday marketing and lighting ceremony - \$109, 289
2006-2007	\$320,000	<ul style="list-style-type: none">• Walk of Style - \$300,000• Concours on Rodeo - \$20,000 <p>Note: in 2006-2007, holiday expenditures were consolidated under the direction of City.</p>
2007-2008	\$370,000	<ul style="list-style-type: none">• Walk of style - \$350,000• Concours on Rodeo - \$20,000
2008-2009	\$370,000	<ul style="list-style-type: none">• <i>Walk of Style - \$350,000</i>• <i>Concours on Rodeo - \$20,000</i>• <i>Also rollover of \$80K from 2007-2008 used towards additional Walk of Style Program</i>
2009-2010 (proposed)	\$315,000	<ul style="list-style-type: none">• <i>Walk of Style \$300,000</i>• <i>Concours on Rodeo \$15,000</i>

Funding for RDC Walk of Style, Councours D'Elegance and other Rodeo Drive programs is provided in the form of direct event sponsorship. Funding is allocated from the Marketing 2% of Transient Occupancy Tax which the Council has committed to tourism and marketing programs such as the CVB visitor marketing program; holiday programming; and sponsorship of Rodeo Drive Inc.

The RDC funding request for 2009-2010 reflects the budget presented to and approved by City Council as part of the Policy and Management budget presentation. The reduction in sponsorship reflects the reduction of TOT revenues anticipated in 2009-2010.

Funding for the Rodeo Drive Committee programs in the amount of \$315,000 has been budgeted in the Tourism and Marketing account funded from the 2% TOT.

RECOMMENDATION

Staff recommends that City Council



June 8, 2009

The Honorable Nancy Krasne, Mayor
The Honorable Jimmy Delshad, Vice Mayor
The Honorable Barry Brucker, Councilmember
The Honorable William W. Brien, Councilmember
The Honorable John A. Mirisch, Councilmember
City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, California 90210

Dear Mayor Krasne and Councilmembers:

On behalf of the Rodeo Drive Committee, we are pleased to present 2009-2010 plans for the following Rodeo Drive Committee programs: Rodeo Drive Walk of Style® and Rodeo Drive Concours d'Elegance. Below is an overview of each program.

RODEO DRIVE WALK OF STYLE®

Created in 2003 to elevate the status of Rodeo Drive and Beverly Hills, the Rodeo Drive Walk of Style® continued to draw worldwide media attention, earning the title of "Top Fashion Event in Los Angeles" by the leading national events publication *BizBash*. Renowned shoe designer Manolo Blahnik and legendary Italian designer Valentino Garavani joined the ranks of previous honorees Giorgio Armani, Tom Ford, Salvatore Ferragamo, Donatella Versace, Gianni Versace, James Galanos, costume designers Edith Head, James Acheson, Milena Canonero and photographers Herb Ritts and Mario Testino as the 12th and 13th inductees.

In September 2008 Manolo Blahnik was feted at an evening reception at Two Rodeo presided over by actress Lucy Liu. In Spring 2009, the Committee capitalized on a rare Los Angeles visit by Valentino and inducted the designer at a plaque unveiling ceremony with Academy Award nominee Anne Hathaway. Both recipients were also honored with banners installations.

Combined media coverage of the Blahnik and Valentino ceremonies totaled over 70 million impressions. The favorable coverage of Beverly Hills and Rodeo Drive, combined with honoree's third party endorsements -- Valentino's claim that Beverly Hills is "*a city very much responsible for me becoming a fashion designer... Today, this is the most important fashion street in the world.*" -- elevates the City's profile, keeps Rodeo Drive top of mind and provide invaluable public relations.

Since its inception in 2003, the Rodeo Drive Walk of Style® has been reported in over 700 outlets, garnering nearly 800 million media impressions.

The Fall 2009 honoree has been confirmed in the "Celebrity/Icon" category, with a fundraising event scheduled on October 22, 2009. Discussions are currently underway to induct multiple honorees simultaneously at the event. The event will require funding from the general Rodeo Drive Walk of Style® funds, the Rodeo Drive Committee, along with honoree support and/or corporate sponsorships.

Attached for your review is a preliminary budget for fiscal 2009-2010 as well as our proposed program of work.

As co-host of the Rodeo Drive Walk of Style®, we respectfully request City Council to consider a \$300,000 sponsorship to help offset program expenses.

RODEO DRIVE CONCOURS D'ELEGANCE

The Rodeo Drive Committee will once again produce the Rodeo Drive Concours d'Elegance on Sunday, June 20, 2010. This annual Father's Day event on the 300 and 400 blocks of Rodeo Drive is expected to draw 30,000 spectators to the Golden Triangle. A banner campaign to promote the event is also proposed. The event has been scaled back in 2009 due to decreased corporate sponsorships, however the Committee hope to reinstate the event elements once budgets allow.

Attached for your review is a preliminary budget for fiscal 2009-2010 as well as our program of work.

The Committee respectfully requests City Council to consider a \$15,000 sponsorship to offset street closure/permit costs, and waive the special events fee. (Of Note: 2008 Street Closure/Permit costs were \$24,842.96)

We thank you for your continued support and look forward to working closely with the City of Beverly Hills on these great programs.

Sincerely,



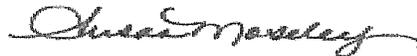
Thomas J. Blumenthal
President
Rodeo Drive Committee



James Jahant
Treasurer
Rodeo Drive Committee



Peri Ellen Berne
Co-Chair
Rodeo Drive Walk of Style®



Susan Moseley
Co-Chair
Rodeo Drive Walk of Style®

Cc: Alison Maxwell, City of Beverly Hills



**RODEO DRIVE COMMITTEE
PROGRAM OF WORK ACCOMPLISHMENTS 2008-2009**

2008-2009 RODEO DRIVE WALK OF STYLE® ACCOMPLISHMENTS

- Secured legendary shoe designer Manolo Blahnik to accept the Award on September 25, 2008. The Plaque Unveiling and Awards Ceremony reception at Two Rodeo featured a historic exhibition of important Manolo Blahnik shoes, a performance by electric violinist Lily Haydn, and was attended by 400 guests including celebrity presenters Lucy Liu, January Jones and China Chow. In addition, a two-week banner exhibition of the designer's sketches was installed on Rodeo Drive and Wilshire Boulevard. Media coverage of the event ranged from outlets in Fargo, North Dakota and Austin, Texas, to New York and Canada. From *Associated Press* to the *Los Angeles Times*, *W Magazine*, and *E! Entertainment*, worldwide media impressions totaled over 33 million.
- Worked with world-renowned Italian designer Valentino Garavani on his induction as the 14th Walk of Style honoree. Academy Award nominee Anne Hathaway presented Valentino the esteemed award on April 2, 2009 at a public unveiling at Two Rodeo. The ceremony preceded the west coast premiere of "Valentino: the Last Emperor," a film documenting the closing of the designer's celebrated career. A private reception followed at the Beverly Hills Hotel. A banner program featuring Valentino and models in his signature Red creations was installed on Rodeo Drive. Media coverage to date is nearly 26 million impressions.
- Rodeo Drive Walk of Style® coverage in 2008-2009 totals over 60 million media impressions.
- Continued Rodeo Drive Walk of Style® page in Rodeo Drive Walking Map to provide information to visiting guests, including plaque locations. Walking Map is distributed to hotels in Beverly Hills and Orange County, retail stores, parking lots, valet parking stands, and conference and visitors bureaus.
- Continued editing and updating Rodeo Drive Walk of Style® Media Book & DVD to incorporate video footage and photography from Manolo Blahnik & Valentino events. Media Book and DVD to be used for potential sponsors and honorees.
- Secured honoree for Fall 2009 induction and continuing discussions with possible additional honorees.
- Conducted meetings and customized sponsorship packages for sponsors.

2008-09 RODEO DRIVE CONCOURS D'ELEGANCE ACCOMPLISHMENTS

- Produced Rodeo Drive Concours d'Elegance on the 300 & 400 blocks N. Rodeo Drive on Sunday, June 15, 2008. Nearly 30,000 spectators attended the Father's Day event, which featured over 100 award-winning collectible automobiles inspired by the "Haute Wheels" theme. The event received rave reviews from lifestyle and automotive media, including this recap by *Motor Trend* magazine: "Those car enthusiast fathers fortunate enough to live in Southern California know that Father's Day means more than just a new necktie; it also marks the annual Rodeo Drive Concours d'Elegance in the ritzy city of Beverly Hills. With what is likely one of the highest income per capita rankings of any city in the U.S., the show consistently draws some of the world's premier classic and modern automobiles -- most of which are owned locally."
- Plans in progress for June 21, 2009 event on the 300 and 400 blocks of North Rodeo Drive. The Rodeo Drive Concours d'Elegance will highlight alternative energy vehicles. Confirmed sponsors/participants include: GEARYS Beverly Hills, David Orgell, Tag Heuer, IWC Schaffhausen, The Luxe Hotel Rodeo Drive, Brooks Brothers, Lladro, Los Angeles Auto Gallery and Ferrari Maserati of Beverly Hills, Ermenegildo Zegna. Beverly Hills Courier and Beverly Hills Design & Life are the event Media partners. Worked with the BHCVB to create special hotel Father's Days Concours packages with Luxe Hotel Rodeo Drive, L'Ermitage and Peninsula Beverly Hills.



Rodeo Drive Walk of Style - 2008-2009		
Budget as of 6.8.09		
INCOME 08-09		
City of Beverly Hills Sponsorship	\$350,000.00	08-09 Sponsorship
City of Beverly Hills Sponsorship Carryover	\$ 81,186.04	07-08 Carryover
Rodeo Drive Committee	\$ 96,000.00	
TOTAL INCOME 08-09		\$ 527,186.04
EXPENSES 08-09		
WOS - Administration	\$ 90,000.00	
WOS - Administration Expenses	\$ 5,000.00	
WOS - Ads - Rodeo Drive Map	\$ 5,000.00	
WOS - Banners	\$ 18,313.38	
WOS - Photography	\$ 5,464.86	
WOS - Plaques (2)	\$ 7,350.00	
WOS - Sponsor/Honor Outreach	\$ 4,637.31	
WOS - Event - Manolo Blahnik	\$355,327.55	
WOS - Event - Valentino	\$ 35,942.80	
TOTAL WOS EXPENSES 08-09		\$ 527,035.90



Rodeo Drive Concours d'Elegance Budget - 2008-2009		
Estimated Budget as of 6.8.09		
INCOME 08-09	BUDGET	
City of Beverly Hills Sponsorship	\$ 20,000.00	
Rodeo Drive Committee Sponsorship	\$ 34,000.00	
Sponsorship - Others	\$ 30,000.00	Estimated
Registration Income	\$ 5,000.00	Estimated
TOTAL ESTIMATED INCOME 08-09		\$ 89,000.00
EXPENSES 08-09	BUDGET	
Advertising	\$ -	BH Courier
Automobile Curation	\$ 8,000.00	
Awards	\$ 1,200.00	
Collateral	\$ 520.00	
Crew Meals	\$ 200.00	
Equipment/ Trucking	\$ 1,875.00	
Graphics	\$ 600.00	
Janitorial	\$ 975.00	
Mailing	\$ 640.00	
Meals - Exhibitor	\$ 500.00	
Media Clipping	\$ 800.00	
Out of pocket	\$ 1,200.00	
Photography	\$ 1,000.00	
Production Fee/ Event Management	\$ 10,600.00	
Production Staff	\$ 2,000.00	
Publicity Outreach	\$ 4,000.00	
Rentals	\$ 10,600.00	
Restrooms	\$ 1,757.00	
Security	\$ 1,600.00	
Signage	\$ 2,000.00	
Sound/Power	\$ 8,000.00	
Sponsorship Acquisition	\$ 2,280.00	
Street Closure/Permits	\$ 26,500.00	
Subtotal	\$ 86,847.00	
<i>Contingency</i>	\$ 2,000.00	
ESTIMATED EXPENSES 08-09		\$ 88,847.00



OUTLINE AND MISSION OF RODEO DRIVE COMMITTEE

The Rodeo Drive Committee was founded in 1972 by a handful of Beverly Hills merchants to enhance Rodeo Drive's image and market the street both regionally and internationally as a world-class shopping destination. Today the Committee is comprised of more than 70 merchants, property owners and hoteliers on Rodeo Drive, who pay voluntary dues to support marketing, publicity and special event efforts.

2009-2010 RODEO DRIVE COMMITTEE GENERAL GOALS

- Promote, protect and market Rodeo Drive.
- Continue one-on-one outreach to key media to deliver a cohesive Rodeo Drive message, maintaining and elevating the shopping district's status in light of current economic challenges.
- Continue working with third party organizations and members to reinforce better business practices (e.g. American Express Fraud Prevention seminar, Sales techniques, etc.)
- Continue working with Beverly Hills Conference and Visitors Bureau to maximize on opportunities to draw tourists to Beverly Hills and hotel guests into Rodeo Drive stores.
- Continue and build special events on Rodeo Drive to draw traffic and media attention to the street.
- Conduct research to determine tactics to re-gain/maintain Rodeo Drive's market share.

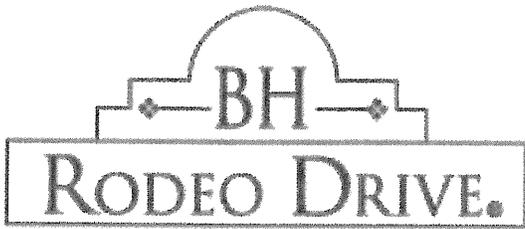
2009-2010 RODEO DRIVE WALK OF STYLE® GOALS

- Identify potential honoree(s) for Fall plaque unveiling and awards ceremony.
- Induct one to two honorees annually.
- Create high profile event(s) for each honoree to garner media attention and momentum for the Program.
- Continue banner program to highlight honorees' body of work.
- Execute specialized publicity programs in conjunction with each induction/awards ceremony.
- Investigate alternate event formats, which may be appropriate for honoree categories.
- Pursue additional income streams to offset and expand program.
- Continue tourism outreach to expand media coverage to help build the Rodeo Drive Walk of Style® as a destination point.

- Research and develop potential extensions of the Rodeo Drive Walk of Style® to increase program's accessibility to the community.
- Continue outreach to potential honorees.
- Update and expand Rodeo Drive Walk of Style® website to continue building the Rodeo Drive Walk of Style® as a world-renown travel destination. Provide up to date information to visitors as well as potential sponsors and honorees. Promote the City of Beverly Hills and Rodeo Drive as the epicenter of fashion and entertainment and maximize publicity opportunities
- Continue development of marketing materials for potential sponsors and honorees. Capitalize on the momentum of the program and its highly publicized events to market the Award to potential sponsors and honorees as a highly coveted and prestigious honor within the fashion industry.

2009-10 RODEO DRIVE CONCOURS D'ELEGANCE GOALS

- Continue to grow the prestige of Rodeo Drive Concours d'Elegance and institutionalize event as a Father's Day tradition.
- Expand media partners to advertise the event locally, regionally and nationally to further promote the event.
- Secure Honored Marque and luxury sponsors/ partners to help underwrite costs of the event.
- Utilize Rodeo Drive Concours d'Elegance website to further promote the event and attract future sponsors and partnerships.
- Execute banner program to further promote the event.



Rodeo Drive Walk of Style - 2009-2010		
Budget as of 6.8.09		
INCOME 09-10		
City of Beverly Hills Sponsorship	\$300,000.00	09-10 Sponsorship
Rodeo Drive Committee	\$ 50,000.00	
Sponsors - Estimated	\$175,000.00	
TOTAL INCOME 09-10		\$ 525,000.00
EXPENSES 09-10		
WOS - Administration	\$ 90,000.00	
WOS - Administration Expenses	\$ 5,000.00	
WOS - Ads - Rodeo Drive Map	\$ 5,000.00	
WOS - Banners	\$ 7,500.00	
WOS - Photography	\$ 5,000.00	
WOS - Plaques (2)	\$ 7,350.00	
WOS - Sponsor/Honor Outreach	\$ 5,000.00	
WOS - Event	\$400,000.00	
TOTAL WOS EXPENSES 09-10		\$ 524,850.00



Rodeo Drive Concours d'Elegance Budget - 2009-2010		
Estimated Budget as of 6.8.09		
INCOME 09-10	BUDGET	
City of Beverly Hills Sponsorship	\$ 15,000.00	
Rodeo Drive Committee Sponsorship	\$ 30,000.00	
Sponsorship - Others	\$ 60,000.00	Estimated
Registration Income	\$ 5,000.00	Estimated
TOTAL ESTIMATED INCOME 09-10		\$ 110,000.00
EXPENSES 09-10	BUDGET	
Advertising	\$ -	In-Kind
Automobile Curation	\$ 8,000.00	
Awards	\$ 1,200.00	
Banners	\$ 5,000.00	
Collateral	\$ 520.00	
Crew Meals	\$ 200.00	
Equipment/ Trucking	\$ 1,875.00	
Graphics	\$ 1,000.00	
Janitorial	\$ 975.00	
Mailing	\$ 640.00	
Meals - Exhibitor	\$ 500.00	
Media Clipping	\$ 800.00	
Out of pocket	\$ 1,200.00	
Photography	\$ 1,000.00	
Production Fee/ Event Management	\$ 12,000.00	
Production Staff	\$ 2,500.00	
Publicity Outreach	\$ 5,000.00	
Rentals	\$ 12,000.00	
Restrooms	\$ 1,757.00	
Security	\$ 1,600.00	
Signage	\$ 4,000.00	
Sound/Power	\$ 8,000.00	
Sponsorship Acquisition	\$ 8,000.00	
Street Closure/Permits	\$ 26,500.00	
Subtotal	\$ 104,267.00	
<i>Contingency</i>	\$ 5,000.00	
ESTIMATED EXPENSES 09-10		\$ 109,267.00

events to market the Award to potential sponsors and honorees as a highly coveted and prestigious honor within the fashion industry.

- Investigate alternate event formats, which may be appropriate for honoree categories.
- Investigate additional income streams to create a self-sustaining program.
- Continue tourism outreach to expand media coverage to help build the Rodeo Drive Walk of Style® as a destination point. Work with other City organizations to maximize program to increase visitor awareness.
- Research and develop potential extensions of the Rodeo Drive Walk of Style® to increase program's accessibility to the community.
- Continue outreach to potential honorees.

2008-2009 RODEO DRIVE CONCOURS D'ELEGANCE

City agrees to sponsor the Concours d'Elegance event in an amount not to exceed \$20,000 for fiscal year 2008-2009.

Rodeo Drive, Inc. shall:

- Continue to grow the prestige of Rodeo Drive Concours d'Elegance and institutionalize event as a Father's Day tradition.
- Utilize Rodeo Drive Concours d'Elegance website to further promote the event to residents and visitors as well as attract future sponsors and partnerships.
- Expand banner program geographically to further promote the event.
- Continue and expand media partners to advertise the event locally, regionally and nationally to further promote the event.
- Secure sponsors and partners to help underwrite costs of the event.

2008-2009 RODEO DRIVE SUNDAYS

Rodeo Drive, Inc. proposes to develop a new event series to be held on Sundays during the summer months. These programs have not been finalized. The City agrees to sponsor these programs in the amount of approximately \$30,000 to be paid for out of funds awarded to Rodeo Drive, Inc. in fiscal year 2007-2008 which Rodeo Drive Inc. has requested to roll over into the 2008-2009 fiscal year:

Rodeo Drive, Inc. shall:

- Develop “Rodeo Drive Sunday” programs to elevate Rodeo Drive’s profile and generate more energy on the street to attract media and shoppers.
- Possibly work with movie studio to promote release of upcoming feature film shot in Beverly Hills. Capitalize on marketing power of movie studio and film to bring attention to Rodeo Drive.
- Possibly work with third party to preview the Garden and Design Showcase annually held at Greystone Mansion in October. Preliminary event ideas include showcasing landscape artists on Rodeo Drive to bring media attention and traffic to the street, as well as highlight the annual Beverly Hills tradition and further promote the event.
- Possibly work with Beverly Hills restaurants and hotels to create a piazza-style café on Rodeo Drive. Event to create buzz and excitement on the street as well as encourage shoppers to extend visits on Rodeo Drive and enjoy the Beverly Hills ambiance.

2008-2009 HOLIDAY PROGRAM

- Continue working with City organizations to create a cohesive holiday program.

BENCHMARKS

Rodeo Drive, Inc. commits to work with City as to develop performance benchmarks to measure success of the programs funded by the City and ensure they are effective in meeting their goals.

TOTAL SPONSORSHIP

The City agrees to sponsor Rodeo Drive, Inc. events as listed above as follows:

Walk of Style \$350,000 – 2008-2009 funding

Walk of Style \$51,000 – anticipated fiscal year 2007-2008 roll-over, already paid to Rodeo Drive.

WOS Total: \$401,000.

Concours d’Elegance: \$20,000

Rodeo Drive Sundays: \$30,000 from anticipated fiscal year 2007-2008 roll-over.

Total Funding:

\$370,000 - 2008-2009 new sponsorship – amount to not to exceed Purchase Order

\$81,000 anticipated roll-over from 2007-2008 already paid to Rodeo Drive Inc.