



CITY OF BEVERLY HILLS STAFF REPORT

Meeting Date: December 21, 2010
To: Honorable Mayor & City Council
From: Cheryl Friedling, Deputy City Manager for Public Affairs
Subject: Request from the Beverly Hills Tournament of Roses Committee to Modify the Loan from the City to the Committee to Indicate a Grant in the Amount of \$40,000 and a Loan in the Amount of \$10,000.

Attachments: 1. Letter from Beverly Hills Tournament of Roses Committee

INTRODUCTION

The Beverly Hills Tournament of Roses Committee recently requested a \$50,000 bridge loan from the City to meet expenses as it continues to solicit community contributions towards the goal of entering a float in the January 1, 2011 Tournament of Roses Parade. This \$50,000 loan to the Committee was approved by the City Council on November 16, 2010. As of the date of this Staff Report, a loan agreement has not been executed and no funds have been disbursed.

In order to fulfill its financial obligations, the Committee is seeking a modification in the loan from the City. Specifically, the Committee seeks a revised loan agreement in the amount of \$10,000 with \$40,000 converted to a grant.

DISCUSSION

According to the Committee, the approximate cost to design and produce a Beverly Hills entry into the 2011 Tournament of Roses Parade is estimated to be \$270,000 (entry fees to Tournament of approximately \$10,000, float fixed cost of \$250,000 and volunteer support approximately \$10,000).

The Beverly Hills Tournament of Roses Committee has raised \$140,000 from community benefactors and local organizations, and expects another \$50,000 in pending donations to be approved. As such, the Committee has received (or expects) a total of \$190,000 to date.

FISCAL IMPACT

Should the City Council agree to this request, funds are available through the 2010-11 Tourism and Marketing Budget which is derived from the Transient Occupancy Tax.

It should be noted that this TOT-derived revenue is distinct from the City's General Fund as it is collected from the local hotels specifically for the purpose of marketing the City to visitors.

RECOMMENDATION

Staff seeks direction from the City Council regarding the request for modification of the Council's loan to The Beverly Hills Tournament of Roses Committee.

Cheryl Friedling
Approved By



Attachment 1

BEVERLY HILLS TOURNAMENT OF ROSES COMMITTEE
c/o 8840 West Olympic Boulevard
Beverly Hills, California 90211
(310) 278-1322

December 10, 2010

Ms. Cheryl Friedling
Deputy City Manager
City of Beverly Hills
455 North Rexford Drive
Beverly Hills, California 90210

Re: Beverly Hills Entry in 2011 Pasadena Tournament of Roses

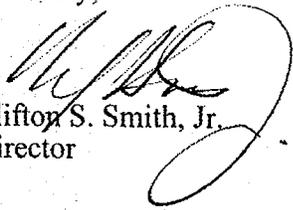
Dear Cheryl:

The City of Beverly Hills has agreed to advance to the Beverly Hills Tournament of Roses Committee, on a short-term basis, the sum of \$50,000.

This requests that the city council consider converting \$40,000 of this into a grant to the Tournament of Roses Committee with the remaining \$10,000 to be repaid as agreed. The Committee has been reasonably successful in its fund raising efforts to date but would appreciate this change in light of the progress made. We ask the council to consider the marketing, promotion and community cohesion benefits already accruing to Beverly Hills.

Thank you for considering this request.

Sincerely,


Clifton S. Smith, Jr.
Director

cc: Robert Anderson, Jr.
Fred Hayman
Brian Rosenstein