



STAFF REPORT

Meeting Date: November 3, 2011
To: Honorable Mayor & City Council
From: Cheryl Friedling, Deputy City Manager for Public Affairs
Megan Roach, Marketing and Economic Sustainability Manager 
Subject: Recommendation from the Chamber of Commerce Liaison Committee for the Beverly Hills Chamber of Commerce and Civic Association's Remaining Fiscal Year 2011-2012 Work Plan
Attachments: 1. Chamber of Commerce FY 2011-2012 Portfolio of Services

INTRODUCTION

The City contracts with the Beverly Hills Chamber of Commerce to provide a range of outsourced programs. The goals of these programs are to retain existing businesses and to attract new businesses to the City.

This past year has been a transitional year for the Chamber with several staff changes including the departure of its prior Executive Director and a new Executive Director who started in June. On July 7th the City Council approved interim funding for the Chamber to organize the annual New York Business Attraction and Retention Mission. The Council also directed the Chamber to prepare a scope of work and a funding request for their remaining portfolio of business outreach and retention services for the current fiscal year (November through June).

DISCUSSION

On October 5th, the Chamber of Commerce Liaison Committee (Mayor Brucker and Vice Mayor Brien) met with Chamber of Commerce representatives to review the Chamber's submission of a remaining work plan for business outreach and retention services for Fiscal Year 2011-2012. The Liaison Committee has recommended approval of the work plan and the Chamber's corresponding request for funding. The Chamber's work plan is included as Attachment No. 1 to this staff report. The portfolio of services includes, but is not limited to, the following:

- Create a 'pitch kit' for new and prospective businesses highlighting the advantages of doing business in Beverly Hills to be used for business attraction meetings and outreach efforts;
- Arrange two broker roundtable meetings to create a venue of dialogue and information sharing by discussing available space opportunities and business development strategies;
- Conduct a study on best practices and programs for businesses provided by Chambers and other municipalities to assist the City and Chamber in determining the most effective programs and strategies utilized by other cities and chambers to promote the local economy; and
- Coordinate business retention meetings and business exit interviews.

FISCAL IMPACT

The Chamber of Commerce Liaison Committee has recommended a funding agreement with the Beverly Hills Chamber of Commerce and Civic Association for business outreach and retention services in the amount of \$180,000. Funding for the Chamber of Commerce has been budgeted in the Business Development Program account 0101313 for Fiscal Year 2011-2012.

RECOMMENDATION

It is recommended that the City Council approve the Chamber of Commerce's remaining Fiscal Year 2011-2012 work plan for business outreach and retention services. The funding agreement is included on this evening's formal agenda for City Council consideration.

Cheryl Friedling
Approved By



Attachment 1

Recommended Portfolio of Services to be provided by the Beverly Hills Chamber of Commerce to the City of Beverly Hills for FY 2011/2012 (November – June)

Description of Methodology and Services

1.) Create a “Pitch Kit” for new and prospective businesses that highlights the advantages of doing business in Beverly Hills.

Purpose: To be used for business attraction meetings and outreach efforts. Target audience: Prospective designers, retailers and professional firms that the City of Beverly Hills would like to attract to Beverly Hills

Methodology: In consultation with City staff, the Chamber shall design a binder or portfolio that may be either spiral bound, 3 ring notebook or other folder that allows documents to be interchanged as necessary. Documents to be included are outlined below. Information on available local properties shall be obtained using Loop-net or other property search service and through outreach to local brokers.

Deliverables:

50 binders or portfolios, professionally designed, which contain the following information:

- Introduction on “Why Do Business in Beverly Hills” and letter from the Mayor and Chamber of Commerce President.
- A continuously updated inventory of available office and retail properties in Beverly Hills. Each property profile should contain location, available space, pictures, and broker contact information.
- Information on opening a new business in Beverly Hills (i.e. City process, permits, signage, etc.)
- Develop template for ongoing revisions and future production uses.

Completion Date: First version to be completed by December 2011; remainder to be completed throughout the year

Estimated Cost: \$30,000

2.) Arrange two broker roundtable meetings to discuss available space opportunities and business development strategies.

Purpose: Create a venue for dialogue and information sharing between local real estate brokers, the City and the Chamber so that the Chamber may ascertain the needs of the broker community, challenges they have experienced, and ideas they have for the creation of effective business attraction and development strategies. .

Methodology: The Chamber shall utilize its developed contacts, its membership lists, internet research and other outreach and research methods to develop an invitation list for the broker roundtable discussion meetings. The Chamber will utilize email invitations, with telephone follow-up to ensure appropriate attendance and diversity at the roundtable meetings to promote successful discussion. The Chamber may identify and enlist one or more respected local brokers to “Co-Chair” the meetings along with the Chamber so there is a component of peer-to-peer



communication and outreach in the meeting invitations and dynamics of the meetings. The Chamber may also utilize the contacts and expertise of the broker Co-Chair in development of meeting agendas and topics for discussion.

Deliverables:

- Produce a fall/winter roundtable meeting and a spring roundtable meeting.
- Arrange meeting space and create agenda and topics for discussion.
- Produce a report for the City that summarizes the broker recommendations, as well as ongoing next steps.

Completion Date: January 2012 for fall/winter roundtable. May 2012 for spring roundtable.

Estimated Cost: \$25,000

3.) Conduct a study on best practices and programs for businesses provided by Chambers and other municipalities. Examples include broker commission programs, shop local programs, etc.

Purpose: To assist the City and the Chamber in determining the most effective programs and strategies utilized by other Cities and Chambers in serving City residents, local businesses, Chamber members and promoting the local economy. Utilizing this information, the Chamber will recommend to the City programs that best serve the identified constituencies and support the City in executing selected strategies.

Methodology: The Beverly Hills Chamber will utilize resources and contact information from within the Chamber and additionally will utilize resources, information and contact information available from the California Chamber of Commerce and United States Chamber of Commerce to formulate an effective survey methodology designed to obtain information from other Chambers and municipalities. In designing the survey itself, the Beverly Hills Chamber will also consult with Beverly Hills City staff, the California Chamber and the U.S. Chamber to determine effective and meaningful goal(s) and results for the survey effort. The Chamber will produce a report for the City that includes recommendations for implementation and other information as listed below.

Deliverables:

- Conduct research on programs and best practices, implementation and associated costs.
- Develop a survey to send Chambers and municipalities.
- Produce a report for the City that identifies findings, recommendations, deliverables, contacts, etc.

Completion Date: March 2011

Estimated Cost: \$25,000

4.) Create a focus group of retail representatives and property owners and coordinate a meeting to solicit recommendations for the City's Streetscape Demonstration Program in the Business Triangle.

Purpose: To provide a forum and access to group of stakeholders that can provide input, feedback, suggestions and ideas to the City as it develops a Streetscape Demonstration Program in the Business Triangle.

Methodology: After obtaining information about the City's plans to develop a Streetscape Demonstration Program and in consultation with the City regarding attendance and demographics of the desired focus group, the Chamber will identify and outreach to selected retail representatives and property owners to invite them to participate in a high-level focus group that will be briefed on the proposed Streetscape Demonstration Program. Once briefed, the group will be solicited for suggestions, ideas, input and feedback. The Chamber will summarize the group's discussion and recommendations for the City's use.

Deliverables:

- Arrange meeting space and create agenda and topics for discussion.
- Produce a report for the City that summarizes the focus group's recommendations.

Completion Date: February 2012

Estimated Cost: \$15,000

5.) Develop and produce a Chamber newsletter article on the incoming Mayor of Beverly Hills.

Purpose: The Chamber will publicize to its members and the business community the priorities and plans of the incoming Beverly Hills Mayor after his election in March 2012, and will publish electronic articles about significant business-related City legislation, policies and programs throughout the 2011-12 fiscal year.

Methodology: The Chamber will draft an article about the incoming Mayor and his plans and priorities for his term of service to be published in the Chamber's Business Review newsletter. The Chamber will also draft and publish electronically 8 – 12 brief articles and/or email blasts (Chamber eviews) about City programs, policies and/or legislation that are of interest and/or concern to the business community and Chamber members. Topics may be developed by the Chamber, by the City or jointly. If the City wishes to suggest an article topic(s), they may communicate that to the Chamber with sufficient lead time for drafting and publishing. If the City does not suggest article topics, the Chamber may use its discretion and judgment to select article topics, but the articles shall receive final approval from the City before being published. The Chamber may, as it has done historically, consult with several and various City staff and elected officials to determine topics that are of interest to its membership.

Deliverables:

- Develop interview questions, conduct interview, and publish newsletter article on the Mayor.
- Generate email blasts and 8-12 newsletter articles to Chamber members on City policies and programs that impact them throughout the year.

Completion Date: April 2012 for newsletter article on incoming Mayor.

Estimated Cost: \$10,000

6.) Conduct four business retention meetings per month (November – June) for a total of 32 business retention meetings.

Purpose: To learn more about the current thinking, status of business activity and sales and activity projections of local businesses so that the City and the Chamber can better serve and support the business community in order to promote business success and economic prosperity.

Methodology: The Chamber staff will visit businesses located throughout the City to speak with the owner or person in charge in order to gather opinions and information as requested in the survey referenced below. Completed surveys will be submitted to the City with comments and analysis by Chamber staff indicating any trends or opportunities along with monthly summary reports, and a final report submitted to the City by June 2012.

Deliverables:

- Finalize business retention and expansion survey using template provided by City.
- Meet with business owner and complete survey.
- Submit completed surveys to the City, analyze responses for trends or opportunities, and prepare a final report.

Completion Date: Monthly summary reports; final report submitted by June 2012.

Estimated Cost: \$35,000

7.) Conduct a total of 8 business exit interviews, with a goal, when possible and feasible, of one exit interview per month (November – June).

Purpose: To learn more about why a specific business is leaving Beverly Hills with the intention of learning of any trends, obstacles, challenges and reasons that businesses may not be successful after opening up a location in Beverly Hills so that the City and the Chamber may work to remediate any of the identified obstacles and challenges and may create strategies to make businesses more successful in Beverly Hills.

Methodology: After creating a survey template, the Chamber will make best efforts to personally meet with business owners that have closed their establishment in Beverly Hills in order to interview them about their reasons for leaving the City. The Chamber will utilize local brokers and other resources at its disposal to obtain contact information for business owners who have left the City and will make best efforts to engage the business owner in a interview about reasons for the businesses' departure/closure. Completed surveys will be submitted to the City with comments and analysis by Chamber staff indicating any trends or opportunities along with monthly summary reports, and a final report submitted to the City by June 2012.

Deliverables:

- Create an exit interview form template that includes questions on why the business left Beverly Hills and what (if anything) the City and Chamber could have done better to retain the business.

- Meet with local business or conduct phone interview (if out of state) and complete exit interview.
- Submit completed exit interview forms to the City, and prepare a report outlining findings.

Completion Date: Monthly summary reports; final report submitted by June 2012.

Estimated Cost: \$25,000

8.) Support the City's branded credit card program (currently under development) by promoting the card to merchants and encouraging Chamber members to provide incentives for card use.

Purpose: To encourage and promote participation by the City's merchants in the City's branded credit card program currently under development and to help promote consumer and business awareness of the City's credit card once it is in use.

Methodology: Once the details of the credit card program are finalized and made available to the Chamber, create a marketing plan utilizing the Chamber's available resources and marketing expertise to promote awareness of the credit card program to the City's merchants and consumers on the Chamber's existing data base. The Chamber may utilize electronic and media, as well as personal marketing including one-on-one visits and larger Town Hall or Focus Groups to inform the merchants of the program and to encourage support and participation.

Deliverables:

- Create a marketing plan to promote the card, which will complement the City's efforts.
- Meet with 30-50 merchants.
- Chamber will work with the City to define a mutually agreed upon merchant participation rate in the City's credit card program and/or related promotion strategy.

Completion Date: TBD based on card launch

Estimated Cost: \$15,000

New York Sales Mission Scope of Work

Purpose: To maintain and promote a rapport and dialogue between the New York based senior executives with whom the City and Chamber meet during the New York Mission. To encourage the New York executives to share their ongoing concerns, ideas and suggestions with the City and the Chamber in order that the City and Chamber may address and respond to that input and feedback.

Methodology: Using the Chamber's existing database, to be augmented with NY Sales Mission participating businesses, for contact information, draft and mail quarterly follow-up letters on the Mayor's behalf, containing information relevant to the New York based senior executives and requesting ongoing input and feedback.



1.) Produce quarterly follow up letters to CEOs of businesses from New York Sales Mission.

Deliverables:

- Produce a follow up letter from the Mayor with information on special marketing events, City programs and services of interest to the businesses and provide contact information for Chamber and City staff for any concerns or questions. Maintain a database of concerns or questions from businesses.