



## STAFF REPORT

**Meeting Date:** August 23, 2012  
**To:** Honorable Mayor & City Council  
**From:** Megan Roach, Marketing & Economic Sustainability Manager (MR)  
**Subject:** Recommendation from the Special Events/Holiday Liaison Committee Regarding the City's 2012 Holiday Décor Program  
**Attachments:** 1. Rodeo Drive Committee Holiday Décor Proposal and Budget  
2. Utopia Entertainment Décor and Program Management Budget  
3. FY 2012-13 Tourism and Marketing Budget Spreadsheet

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### **INTRODUCTION**

This item transmits a recommendation from the Special Events/Holiday Liaison Committee for the overall design theme and specific decor components for the City's 2012 Holiday Décor Program.

### **DISCUSSION**

The Holiday/Special Events Liaison Committee (Councilmember Bosse and Councilmember Brucker) have met over the past several months to discuss creative direction for the City's 2012 holiday décor program.

The Committee began their discussions by evaluating last year's décor program and the partnership with Swarovski Elements for Rodeo Drive. The overall feedback indicated the Swarovski crystal helix sculptures were too contemporary and not festive enough for the holidays. This feedback was taken into consideration to develop overarching considerations for this year's décor program, as well as specific considerations for Rodeo Drive décor.

#### **Principal Considerations for 2012 Holiday Décor Program:**

- Focus on traditional holiday décor elements
- Infuse more color into the décor program
- Install warm, white lights in City's key commercial areas to achieve a winter wonderland effect

### **Specific Considerations for Rodeo Drive:**

- Create a stunning holiday décor display that is traditional, yet sophisticated
- Décor should be visible during the day and night
- Rodeo Drive, Two Rodeo and the Beverly Wilshire Hotel should coordinate design theme for overall effect and impact
- Incorporate music into this year's program

The Liaison Committee asked staff to contact Baccarat to assess their interest in bringing back the sparkling crystal chandeliers to Rodeo Drive that were installed from 2004 to 2009. Baccarat is very interested in partnering with the City again; however they were unable to develop a proposal for this year's program due to timing and budgetary constraints. They are working on a proposal for the City's 2013 holiday décor program that can be built upon for the City's Centennial in 2014. Baccarat will celebrate its 250<sup>th</sup> Anniversary in 2014 and they are planning major celebrations in New York and Paris. They see tremendous potential for a significant décor installation and celebration in Beverly Hills in 2014 to commemorate both anniversaries.

The Liaison Committee asked the Rodeo Drive Committee ("RDC") to develop a comprehensive holiday décor program for Rodeo Drive that could lay a foundation for a partnership with Baccarat in future years. The City Council agreed to earmark \$110,000 from the tourism and marketing budget for Rodeo Drive holiday décor. The RDC Holiday Subcommittee met to review several thematic décor options and ultimately recommended the red branch theme included as Attachment No. 1 to this report. As proposed, the décor package totals approximately \$163,105 and the RDC has prioritized the décor components as indicated below.

### **Rodeo Drive Holiday Décor Program Components:**

1. Nineteen silver-painted trees wrapped with twinkle lights in weighted bases
2. New, red branch theme street pole banners
3. Moravian stars to hang from building rooftops and across Rodeo Drive
4. Red twinkle lights and up lighting for median palm trees (*twinkle lights included in City's décor budget*)
5. Up lighting of Torso sculpture in red accent color
6. Red poinsettias for ends of median strips and urns (*to be provided by City*)
7. Warm, white twinkle lights for sidewalk palms (*included in City's décor budget*)
8. Lit tree for roof of Beverly Wilshire Hotel (*to be provided by hotel*)

In July staff initiated discussions with Utopia Entertainment, Inc. for a proposal of décor elements to be installed throughout the city that would achieve the principal program considerations as directed by the Liaison Committee, as well as complement the décor proposed for Rodeo Drive. Utopia Entertainment is a full service design and production company that specializes in themed entertainment and special events through a turn-key approach, which includes conceptual design services, technical design services and overall project management.

Last year the City Council approved an agreement of \$333,276 with Utopia Entertainment, Inc. for holiday décor and program management. The Liaison Committee recommended staff pursue a similar scope of work for this year's program to ensure décor coverage in each of the City's key commercial areas. The Committee also asked

staff to obtain budget estimates for several program enhancements including music for specific commercial areas, up lighting for banners, and a budget for ice skating rink décor. The proposal from Utopia Entertainment is included as Attachment No. 2 to this report.

For the 2010 holiday décor program, the City undertook a Request for Proposals (“RFP”) process to seek proposals from companies to provide program and contract management services for all aspects of the holiday program. The purpose of the RFP process was to ensure that the City would be utilizing not only a qualified company for the program, but also one that provided the most competitive fee structure.

In response to the RFP, the City received two proposals: one from Utopia Entertainment and a proposal from Russell Harris Event Group. Both companies met the minimum qualifications required to proceed to an oral interview with the City’s Selection Committee, which was comprised of staff from the Policy & Management and Community Services Departments as well as two outside panelists.

The Committee was unanimous in its recommendation that Utopia was the most qualified company to provide décor and program management services for the City’s holiday program. Furthermore, Utopia Entertainment offered the most competitive management fee structure. Utopia’s 2012 proposal includes a management fee of 5%. This is considerably less than other event management companies which can charge anywhere from 10% to 20% depending on the budget and type of events.

It should be noted that the City does not have the resources necessary to bid and manage individual contracts for the décor program components. Therefore, the Agreement with Utopia includes a range of services aimed at providing seamless management of the City’s holiday décor program. Principal services include competitive bidding for service vendors, oversight and management of vendors, responsibility for coordination between a variety of City departments and vendors, response and correction of technical and maintenance issues during the display period, and oversight of storage of the décor.

#### **Utopia Scope of Work Key Deliverables:**

1. Incandescent warm, white twinkle lights on trees in key commercial areas
2. New warm, white LED lights for Rodeo Drive and N. Canon Drive
3. Six decorative arch spans with lights for across Wilshire Blvd
4. Décor for Canon Drive including garland and bows for the light poles from South Santa Monica to Wilshire Blvd, which will provide thematic consistency with the Rodeo Drive program
5. Fabrication, installation and storage of new banners for street poles in key commercial areas. Includes up lighting of banners in prioritized areas (*‘Joy to the Hills’ banner design provided by Beverly Hills Conference & Visitors Bureau*)
6. Refurbishment and installation of Santa at Wilshire Blvd. and Beverly Drive
7. Multi-colored spheres and lights for ficus trees on S. Beverly Drive
8. Décor for ficus trees outside of the Peninsula Hotel
9. Refurbishment and installation of wireless audio system for N. Rodeo Drive, N. Beverly Drive and N. Canon Drive
10. An allowance of \$25,000 for ice skating rink holiday décor

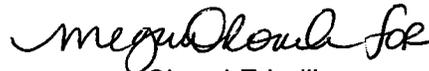
**FISCAL IMPACT**

The City's Finance Department projects \$28,942,900 in TOT revenue for the 2012-13 Fiscal Year, which results in a Tourism and Marketing budget of \$4,817,984. The City Council has designated \$500,000 of this funding for holiday décor plus \$25,000 in contingency funding for ice skating rink décor for a total budget of \$525,000. The agreement with Utopia Entertainment, Inc. is for a total of \$525,152.

The proposal from the Rodeo Drive Committee in the amount of \$163,105 is not included in the holiday décor budget. However, the tourism and marketing budget contains \$112,984 in unallocated TOT revenue and \$113,000 in remaining contingency program funding (for a total of \$225,984), which the Council may direct all or some of this funding to the Rodeo Drive Committee for holiday décor. The total proposed budget for the citywide 2012 holiday décor program is \$688,257.

**RECOMMENDATION**

It is recommended that the City Council approve the 2012 holiday program décor scope of service and budget estimates as outlined in this staff report. The Agreement with Utopia Entertainment, Inc. is included on this evening's formal agenda for City Council consideration. Pending direction from the City Council, the agreement with the Rodeo Drive Committee for holiday décor will be placed on the September 11<sup>th</sup> agenda for consideration.



Cheryl Friedling

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Approved By

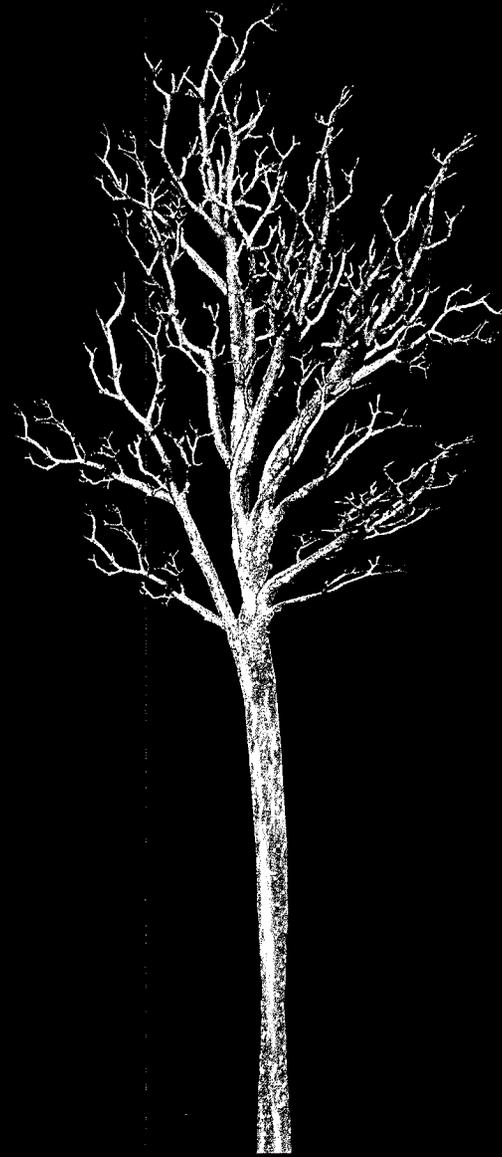
# **Attachment 1**



# RODEO DRIVE HOLIDAY 2012

RED BRANCH THEME

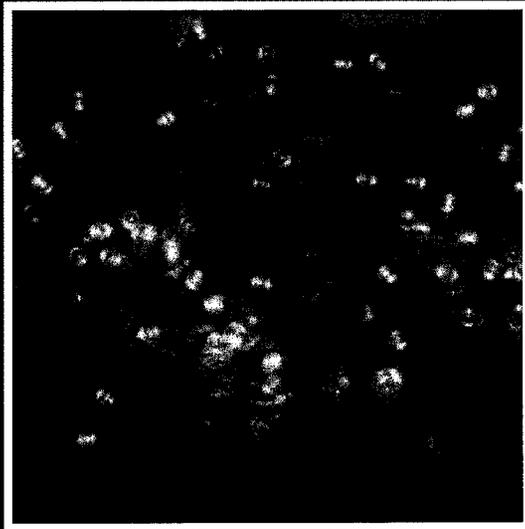
As of August 2, 2012



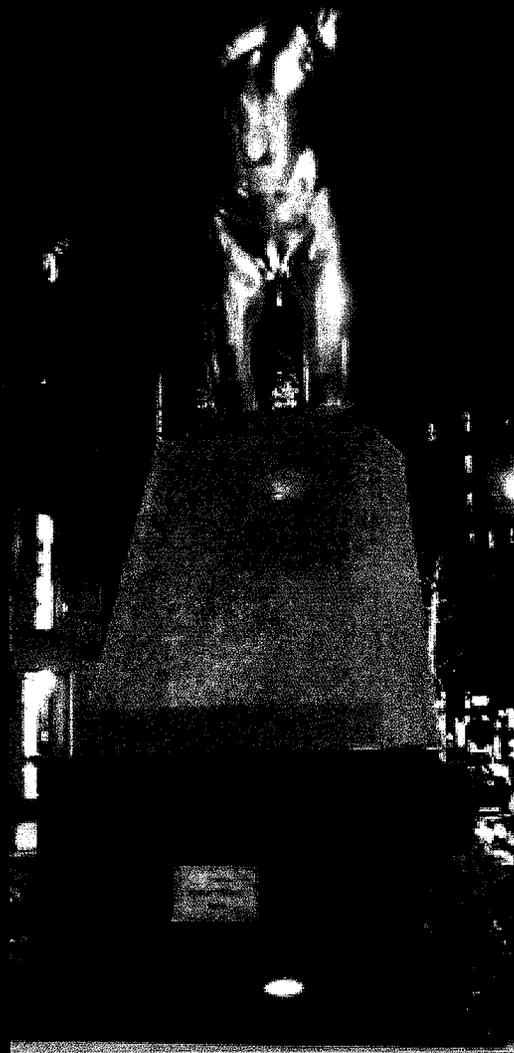
**ICE FOREST:** Approximately nineteen deciduous trees 14' high x 8' in diameter at the top would be painted silver and covered with 1,000 lights each from the trunk to the top to create the effect.



**POINSETTIAS:** Red poinsettias planted at the end of each median strip for approximately 8-12' and in the four large planters at crosswalks.



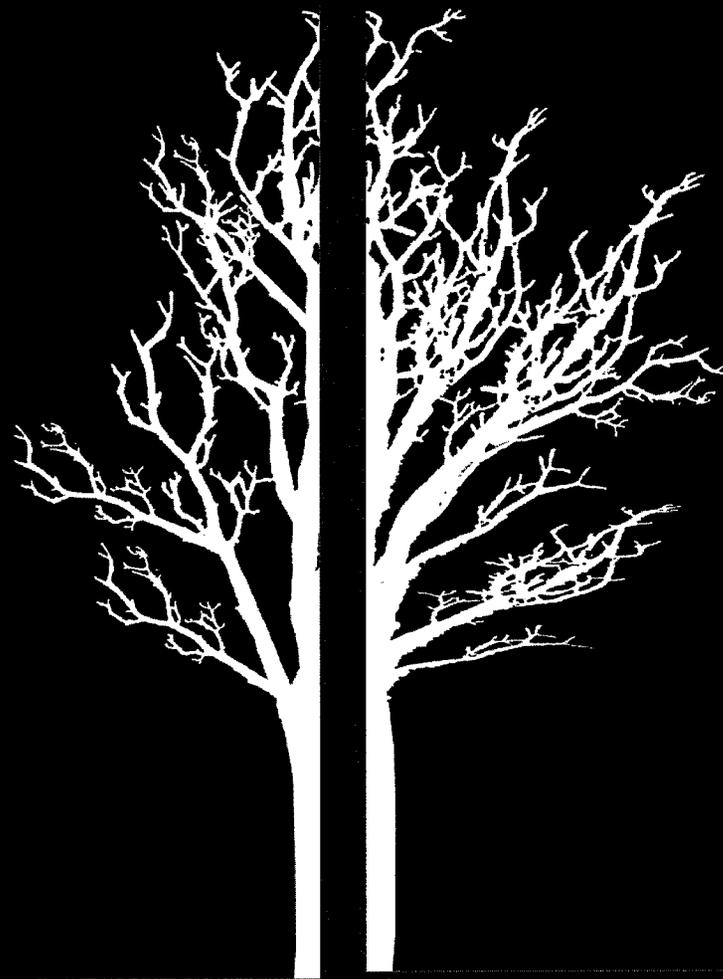
**RED TWINKLE LIGHTS & UPLIGHTING:** Approximately 8' of the base of each palm in the media strip would feature red twinkle lights and uplighting of the palm fronds in the accent color to offset the white of the "ice forest" trees and coordinate with the red banners.



**TORSO:** As a centerpiece for the street, uplight Robert Graham's "Torso" in the red accent color for the Holiday décor.



Sidewalk



Median Strip



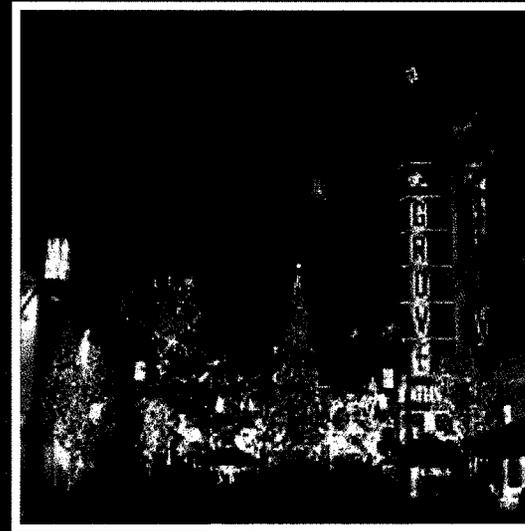
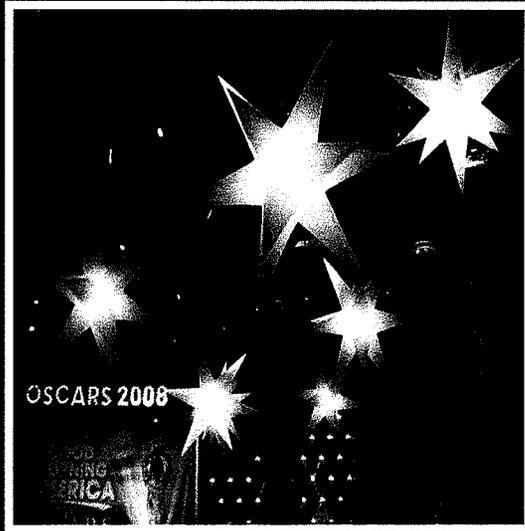
Sidewalk

**BANNERS:** Approximately 28 banners would be hung in the median strip and sidewalks. The white tree and words would be printed in a new reflective surface that “glistens” when hit by headlights or ambient light similar to street signs giving the illusion they are lit from within.



**ARTIST'S RENDERING:** Incorporating ice forest; banners; tree of lights or other décor at Beverly Wilshire, red twinkle lights and uplighting on palms, moravian lights and rooftop levels and red poinsettias.

# **Attachment 2**



**MORAVIAN STARS:** Depending on building ownership approvals and power, wires would be hung from the highest levels of the rooftops to secure 4 wires on the 400 block, 4 wires on the 300 block and 3 wire on the 200 block to hang 44 randomly placed stars above Rodeo Drive sidewalks and the street. In a variety of sizes from 18" to 24", they would be visible during the day and lit all white or in various color changing options at night.

2012 RODEO DRIVE  
HOLIDAY DECOR

presented by TDG with Production Elements, ShowPro, Icarus, MBE Digital and Brand ID by Design

HOLIDAY DECOR RODEO DRIVE 2012 (Budget Estimate as of 8.2.12)		Snowflake or Red Branch Concepts			
DESCRIPTION	AMOUNT	NOTES:			
Banners/Permits	\$7,705.68	28 Reflective Banners installed on Rodeo Dr (200, 300 and 400 blks) center and median	\$4,889.36	18 banners only median	
Ice Forest Trees	\$ 110,932.00	19 Silver Painted 14' by 8' diameter trees wrapped with twinkle lights (powered by power in medians) includes weighted bases, installation and removal with lights at 3" space distance and 1000 lights each. Cost would go up slightly to cover in 2,000 lights each at 1.5" or 3,000 lights each at 1". Rather than prop trees, trees from Tree People could be used and not painted and then be donated to the city for use in one of the parks. To reduce costs, smaller trees could be used and less of them. There is room for 34 trees between palms and banners.	25 trees \$136,600.00	34 trees \$169,152	19 trees \$110,932.00
Banner Graphics Design Snowflake or Branch	\$2,500.00	Includes design, ownership of graphics for all uses and oversee printing.			
Lighting/Moravian Stars overhead	\$15,050.00	Installation of 48-21" plastic Moravian Stars with solar LED's inside (3 lines in 200 blk, 4 lines each of 300 and 400 blks) \$18,400 if using incandescent bulbs in lieu of solar and assumes power would be supplied by bldg owners			
Colored Uplights on Median Palms	\$9,090.00	provides color on trunks of trees and palm fronds			
Colored Uplights on Torso	\$1,000.00	(this can be static or color changing)			
Production Manager & Assistant	\$ 2,000.00	Prod Mgr and assistant 40 hrs @\$50			
Subtotal	\$148,277.68				
Service Charge 10%	\$ 14,827.77	Oversee and manage installation, design, vendors. Denotes 33% discount from usual 15%.			
<b>TOTAL</b>	<b>\$163,105.45</b>				
<b>CITY DECOR &amp; MUSIC EXPENSE</b>					
Twinkle Lights-Palms	NC	Assumes City will re-use and/or purchase and install twinkle lights on large palms in median and sidewalk palms, Utopia would install.			
Poinsettias in media and crosswalk planters	NC	Megan checking with parks & recreation on costs.			
Music	NC	City owns wireless speakers, Utopia would install.			
<b>BEVERLY WILSHIRE EXPENSE</b>					
Lighting/Projection	\$18,000.00	Rotating Snowflakes on Face of Beverly Wilshire (includes installation, maintenance and removal) *Note: Assumes use of lighting system already installed on exterior of Beverly Wilshire Hotel. Paid for by hotel.			
<b>MORAVIAN STAR BREAKDOWN</b>					
48 Moravian Stars (plastic white)	\$2,040.00	\$42.50 each approx. = \$2040 (\$34.98 plus shipping and tax)			
48 Battery Operated LED's	\$1,200.00	Color changing (\$25 each) = \$1200			
Installation Rigging	\$7,850.00	Estimated \$7,850 for installation and removal (includes 65ft boom)			
Pre-Production	\$3,000.00	Estimate 60 hrs - securing approvals for cabling into buildings, power and insurance			
2 PA's to assist Riggers	\$960.00	Estimate 2 nights x 8hrs per night = 32hrs x \$30= \$960			
Cabling Costs (in lieu of solar option)	\$3,350.00	Cabling \$3K Show Pro plus 1-60ft boom			
Moravian Stars Estimated Total	\$15,050-\$18,400				
<b>STORAGE &amp; RE-USE</b>					
Banner Storage and reuse 2013	\$2,400.00	28 banners			
Banner Storage and reuse 2014	\$2,400.00	28 banners			
Banner Storage and reuse 2013	\$1,200.00	18 banners			
Banner Storage and reuse 2014	\$1,200.00	18 banners			
Tree Re-Installation 2013	\$34,550-43,600	Depends on # of trees reinstalled (19, 25 or 34)	\$34,550 (19)	\$40,550 (25)	\$43,600 (34)
Tree Re-Installation 2014	\$34,550-43,600	Depends on # of trees reinstalled (19, 25 or 34)	\$34,550 (19)	\$40,550 (25)	\$43,600 (34)
		Could city store trees and banners?			
NOTE: UNICEF sponsored lighting ceremony and Snow 90210 in 2010 and 11 for \$50,000 in conjunction with UNICEF SNOWFLAKE. Assumes UNICEF covers cost of hanging snowflake at Beverly Wilshire.					

**Scope of Service and Budget - Beverly Hills Holiday**

7-Aug-12

**2012 Holiday Décor Estimate**

Created by: Norman Kahn - Utopia Entertainment Inc.

Item Description	2012 Estimate
<p><b>Twinkle Lights on Trees (incandescent):</b> procure, install, maintain, replace broken, removal and storage of twinkle lights. Streets include: Rodeo Palms, Wilshire, Brighton, Dayton, No Bev, N Canon, Little Santa Monica (Moreno - Canon). Includes 7 Ficus Trees at Wilshire/LSM w/temp power and 7 Palm Trees at Crescent/LSM w/temp power. Final locations shall be determined upon review of complete bid from vendors. Unless noted, all twinkle lights are incandescent. See below for LED premium</p>	<p style="text-align: right;"><b>\$ 110,394</b></p>
<p><b>LED Upgrade:</b> Purchase new Warm White LED twinkle lights for tree trunk wrap. Rodeo Dr small palms &amp; large (median) palms &amp; Canon Dr. palms. Installation / Removal costs are included in line above. Storage not included and is TBD pending final decision.</p>	<p style="text-align: right;"><b>\$ 21,173</b></p>
<p><b>Wilshire Spans:</b> Maintain, install, remove, storage of decorative spans along Wilshire.</p>	<p style="text-align: right;"><b>\$ 24,668</b></p>
<p><b>Canon Drive Décor -</b> Garlands (qty 53 poles) &amp; Bows. Includes Storage (costs shown replicate 2011 installation). Also includes allowance for temp power runs to light additional poles.</p>	<p style="text-align: right;"><b>\$ 32,723</b></p>
<p><b>Banners w/new Design &amp; Banner Lights -</b> Banner Fabrication w/velcro (qty. 468 - 450 sidewalk banners and 18 Rodeo Median double banners).</p> <p>Four (4) banners designs (Design by others - camera ready artwork due by Oct 1, 2012).</p> <p>Includes Banner installation/ removal (qty 451 - 435 sidewalk banners &amp; 16 Rodeo Median banners), Storage of new banners &amp; DTH banners for one season.</p> <p>Disposal of 2011 Swarovski banners is not included - costs TBD.</p>	<p style="text-align: right;"><b>\$ 64,052</b></p>
<p><b>Banner Lights -</b> new bulb allowance/install/remove/maintain/store (Qty 487). Qty. 2 banner lights per pole for approximately 240 poles w/ some spares.</p>	<p style="text-align: right;"><b>\$ 38,688</b></p>
<p><b>Santa at Wilshire/Beverly -</b> refurbishment, painting, installation, removal and storage. Includes side lighting. This year Santa &amp; Reindeers will require extensive repaint due to weathering.</p>	<p style="text-align: right;"><b>\$ 22,736</b></p>

**Scope of Service and Budget - Beverly Hills Holiday  
2012 Holiday Décor Estimate  
Created by: Norman Kahn - Utopia Entertainment Inc.**

7-Aug-12

<b>Item Description</b>	<b>2012 Estimate</b>
<b>South Beverly Ficus Trees</b> - Multi-colored Spheres hung on outer branches for qty 20 trees. Multi-colored LEDs wrapped on larger interior branches for qty 50 trees. Must have sufficiently trimmed tree branches. Coordinate with City departments. Includes Production Support for daily inspection.	\$ 50,798
<b>Peninsula Hotel Décor</b> - Décor on Ficus trees (qty 15) similar to yr 2011/2010. Includes refurb/install/remove/maintain/storage.	\$ 15,836
<b>Audio System - Pre-existing system:</b> Speaker on Trees: Rodeo Drive (qty 16), N. Beverly Drive (qty. 14), N. Canon Drive (qty. 14). Includes inspection/refurb/install/remove/maintain/storage. Two audio sources located on ReMax bldg roof & nearby trees (request assistance from City to coordinate with bldg owners). Final quantity of installed equipment dependant on equipment inspection.	\$ 75,325
<b>Rink Décor</b> - based on a 6 week period - allowance to purchase/install/remove/maintain/store. Includes power rental & diesel fuel. Does not include Security Service for overnight watch.	\$ 25,000
<b>Storage Additional</b> - old pre-existing Rodeo Drive décor & S. Beverly Décor.	\$ 3,960
<i>Subtotal</i>	<b>\$485,352</b>
Sales tax allowance, reimbursables, shipping	\$ 10,000
Liability Insurance	\$ 2,300
Project Management, Technical Direction, Maintenance Coordinator	\$ 27,500
<b>GRAND TOTAL</b>	<b>\$ 525,152</b>

# **Attachment 3**

## 2012-13 Tourism and Marketing Budget and Programs (as of August 14, 2012)

**\$28,942,900**

**Projected TOT**

**Fiscal Year 2012-13**

Program	2010-2011 Budget	2011-2012 Budget	2011-2012 Actuals	2012-2013 Projected Budget
TOT Base Budget	\$3,385,712	\$3,725,000 +\$420,000 in carryovers (FY 2010-11) = \$4,145,000	\$4,148,877 +\$420,000 in carryovers (FY 2010-11) = \$4,568,877	\$4,134,700 +\$683,284 in carryovers (FY 2011-12) = \$4,817,984
Annual Buffer/Reserve to Cover TOT Revenue Reductions	\$320,000	\$320,000	\$148,714 - CVB for addtl Visitor Center Funding	\$320,000
City Administrative Costs (Covers Partial Costs of 2 City Staff)	\$186,000	\$200,000	\$200,000	\$220,000
Contingency Programs	\$100,000	\$150,000	\$70,000 - CVB for Sparkle 90210	\$150,000 (\$113k balance after \$37k redirected for ice rink décor and sod replacement)
Re-Allocation to Other City Programs	\$50,000 - Library \$170,700 - Community Grants	\$250,000 - Anniversary Fund \$220,000 - Community Programs via HRC Liaison \$470,000 - TOTAL	\$120,000 - The Argus Group, LLC for 100th Anniversary (\$130k remaining) \$220,000 - Community Grant Programs \$340,000 - TOTAL	\$250,000 - Anniversary Fund (plus FY 2011-12 balance of \$130k = \$380k TOTAL) \$220,000 - Community Grant Programs \$50,000 - Concerts on Canon Expansion \$75,000 - Intellectual Property Legal Services (trademark violations, etc) \$595,000 - TOTAL
CVB	\$2,050,100 - 5% Reduction	\$2,050,100 - Operating Budget \$100,000 - Visitor Center	\$2,150,100	\$2,335,000 - Operating Budget (includes \$200k for ice skating rink) \$330,000 - Visitor Center Operations \$2,665,000 - TOTAL
Holiday Décor/Special Events	\$400,000 (\$250,000 for décor and \$150,000 for events)	\$450,000	\$572,779	\$500,000
Rodeo Drive Committee	\$110,000 - Walk of Style Matching Funding from City \$20,000 - Father's Day Concours \$20,000 - Fashion's Night Out \$150,000 - TOTAL	\$110,000 - Walk of Style \$20,000 - Father's Day Concours \$20,000 - Fashion's Night Out \$20,000 - Snow 90210 \$25,000 - Addtl RDC Event \$55,000 - Addtl Funding for RDC Event \$250,000 - TOTAL	\$110,000 - Walk of Style \$24,000 - Father's Day Concours \$25,000 - Fashion's Night Out \$55,000 - Addtl Walk of Style \$214,000 - TOTAL	\$200,000 - Walk of Style \$25,000 - Father's Day Concours \$30,000 - Ice Cream Sundays \$255,000 - TOTAL
Rose Float Arrears	N/A	\$0	\$60,000	N/A
<b>TOTAL</b>	<b>\$3,399,712 (\$420,000 remaining)</b>	<b>\$3,990,100 (\$154,900 remaining)</b>	<b>\$3,755,593 (\$683,284 remaining*)</b>	<b>\$4,705,000 = subtotal of projected expenditures</b>
			<i>*Does not include \$130k remaining for 100th Anniversary</i>	<b>\$112,984 = remaining balance for allocation</b>