



AGENDA REPORT

Meeting Date: January 21, 2014
Item Number: D-8
To: Honorable Mayor & City Council
From: Megan Roach, Marketing and Economic Sustainability Manager 
Subject: AMENDMENT NO. 1 TO THE AGREEMENT BY AND BETWEEN THE CITY OF BEVERLY HILLS AND RODEO DRIVE, INC. FOR 2013-2014 SPECIAL EVENTS; AND APPROVAL OF A CHANGE PURCHASE ORDER IN THE AMOUNT OF \$214,200 TO RODEO DRIVE, INC. FOR THESE SERVICES

Attachments: 1. Amendment No. 1

RECOMMENDATION

It is recommended that the City Council approve Amendment No. 1 to the agreement by and between the City of Beverly Hills and Rodeo Drive, Inc. for 2013-2014 special events and approve a change purchase order in the amount of \$214,200 for these services.

INTRODUCTION

This item requests the City Council approve Amendment No. 1 to the agreement with Rodeo Drive, Inc. to provide funding for the Centennial Block Party on April 27, 2014.

DISCUSSION

On October 15, 2013, the Rodeo Drive Committee ("RDC") on behalf of the Luxe Hotel Rodeo Drive and Guittard Chocolate Company, asked for City Council consideration of a partial street closure on the 300 block of North Rodeo Drive for a birthday cake event commemorating the City's Centennial. The Council approved the partial street closure and asked the RDC to work with the Centennial Committee (Mayor Mirisch, Vice Mayor Bosse and Dick Rosenzweig) to expand the event into a block party.

On November 14, 2013, the Centennial Committee met with RDC representatives to discuss the event, including the possibility of moving it to April 27, 2014 to tie in with

Beverly Hills Independence Day, the day in 1923 when several film stars led the effort to keep the City independent from Los Angeles.

On January 7, 2014, the RDC presented the City Council with a proposal for the BH100 Centennial Block Party Event on Rodeo Drive. The block party will celebrate the City's Centennial and Beverly Hills Independence Day. The community will be invited to attend a party on all three blocks of Rodeo Drive featuring carnival activities and a giant birthday cake by the Luxe Hotel to resemble Beverly Hills City Hall and Rodeo Drive. The City Council approved the RDC's event proposal and this item is an amendment to the City's agreement with Rodeo Drive, Inc. for the event funding.

FISCAL IMPACT

On November 8, 2013, the City Council approved the Centennial events and initiatives totaling \$969,000 (\$950,000 of this amount is funded through the City's Tourism and Marketing Budget and the remaining \$19,000 is funded through sponsor revenue).

The \$969,000 includes \$150,000 for a Centennial Block Party event. The Rodeo Drive Committee requested an additional \$64,200 for the BH100 Centennial Block Party on Rodeo Drive. At the January 7th meeting, the City Council directed staff to charge \$44,000 of this amount to the Centennial budget fund balance and the remaining \$20,200 to contingency program funding in the Tourism and Marketing Budget.

Don Rhoads 
Finance Approval

Cheryl Friedling 
Approved By

Attachment 1

AMENDMENT NO. 1 TO THE AGREEMENT BY AND BETWEEN THE
CITY OF BEVERLY HILLS AND RODEO DRIVE, INC. FOR 2013-2014
SPECIAL EVENTS

NAME OF CONTRACTOR: Rodeo Drive Inc. ("RDI")

RESPONSIBLE PRINCIPAL OF CONTRACTOR: Jim Jahant, President

CONTRACTOR'S ADDRESS: Rodeo Drive Inc., c/o The Donahue Group
1463 Tamarind Avenue, Los Angeles, CA 90028
Attention: Craig Donahue, Chief Executive Officer

CITY'S ADDRESS: City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
Attention: Cheryl Friedling, Deputy City Manager

COMMENCEMENT DATE: January 21, 2014

TERMINATION DATE: June 30, 2014

CONSIDERATION: Original Agreement Not-to-Exceed: \$638,000
This Amendment No. 1: \$214,200
Total Not-to-Exceed: \$852,200

AMENDMENT NO. 1 TO THE AGREEMENT BY AND BETWEEN THE
CITY OF BEVERLY HILLS AND RODEO DRIVE, INC. FOR 2013-2014
SPECIAL EVENTS

This Amendment No. 1 (this "Amendment") is to that certain Agreement between the City of Beverly Hills, a municipal corporation ("City"), and Rodeo Drive, Inc. ("Contractor") dated August 20, 2013 and identified as Contract No. 317-13 ("Agreement").

RECITALS

A. City entered into the Agreement with Contractor in order for Contractor to conduct or participate in the development of special events and promotional publicity programs for the City.

B. City and Contractor desire to amend the Agreement to include a centennial block party on Rodeo Drive on April 27, 2014 and to provide additional funding for such program.

NOW, THEREFORE, the parties agree as follows:

1) CONSIDERATION shall be amended as set forth on the cover page of this Amendment.

2) Section 1 of the Agreement shall be hereby amended and restated in its entirety as follows:

"Section 1. Scope of Work and Authorization of Funding. RDI shall provide the services (both personnel and deliverables) necessary to produce the Rodeo Drive Walk of Style®, Rodeo Drive Concours d'Elegance, Holiday Décor and Lighting Ceremony, Town and Country Lights Up Rodeo Drive, and Centennial Block Party events for the promotion of the City and Rodeo Drive as set forth in Scope of Work attached hereto as Exhibit A (collectively, the "Fiscal Year 2013-14 Events"). The funds shall be utilized and serve as compensation (including but not limited to overhead, third party costs, etc.) for RDI's implementation of the Scope of Work. In no case shall the RDI request that City Staff undertake any of the activities set forth in Exhibit A."

3) Section 2 of the Agreement shall be hereby amended and restated in its entirety as follows:

"Section 2. Payments.

- (a) In support of the Fiscal Year 2013-14 Events, City shall provide funding in the amount of \$852,200 to be used by RDI for these events to be held during Fiscal Year 2013-2014 (August 20, 2013 through June 30, 2014). Any monies provided to RDI not expended by RDI for the Fiscal Year 2013-14 Events shall be returned to the City within 10 days of the City's request. "Promotion" as used therein means the expenditure of monies for and directly towards events that cause visitor traffic on Rodeo Drive such as but not limited to the Fiscal Year 2013-14 Events. Upon request by the Deputy City Manager, RDI will produce documentation (e.g., invoices) to establish that it has fulfilled its foregoing commitment to the City's satisfaction.
- (b) In support of the Rodeo Drive Walk of Style® event and the services provided in Exhibit A, the City shall provide funding in the amount of \$200,000 to be used by RDI for the Rodeo Drive Walk of Style® event to be held during Fiscal Year 2013-2014 (August 20, 2013 through June 30, 2014).
- (c) In support of the Rodeo Drive Concours d'Elegance event and the services provided in Exhibit A, the City shall provide funding in the amount of \$25,000 to be used by RDI for the Rodeo Drive Concours d'Elegance event to be held during Fiscal Year 2013-2014 (August 20, 2013 through June 30, 2014).
- (d) The City shall also provide RDI funding in the amount of \$75,000 for Rolex and Gearys sponsorship of the 2014 Rodeo Drive Concours d'Elegance to fulfill the City's contractual obligation to Rolex and Gearys for their Centennial Sponsorship. RDI shall work with Rolex and Gearys to develop a mutually agreeable sponsorship activation plan for their \$75,000 sponsorship.
- (e) In support of the Rodeo Drive Holiday Décor Program and the services provided in Exhibit A, the City shall provide funding in the amount of \$168,000 to be used by RDI for the Holiday Décor Program to be held during Fiscal Year 2013-2014 (August 20, 2013 through June 30, 2014).
- (f) In support of the Rodeo Drive Lighting Ceremony event and the services provided in Exhibit A, the City shall provide funding in the amount of \$120,000 to be used by RDI for the Lighting Ceremony event to be held during Fiscal Year 2013-2014 (August 20, 2013 through June 30, 2014).
- (g) In support of the Town and Country Lights Up Rodeo Drive event and the services provided in Exhibit A, the City shall provide funding in the amount of \$50,000 to be used by RDI for the Town and Country Lights Up Rodeo Drive event to be held during Fiscal Year 2013-2014 (August 20, 2013 through June 30, 2014).

(h) In support of the Centennial Block Party event and the services provided in Exhibit A, the City shall provide funding in the amount of \$214,200 to be used by RDI for the Centennial Block Party event to be held on April 27, 2014.

(i) RDI may submit a written invoice for the funding described above in paragraphs (a) through (h) at least 30 days prior to the date of each Fiscal Year 2013-14 Event, as the case may be, to the Deputy City Manager. Upon approval of invoice by City, payment shall be made to RDI within 30 to 45 days of receipt of said invoice. If the requirements for funding set forth in Exhibit A with respect to the Fiscal Year 2013-14 Events are not achieved by RDI to the City's reasonable satisfaction then within a reasonable period following RDI's receipt of City's written notice of such dissatisfaction, RDI shall reimburse the City any monies provided to RDI for RDI's production of such Fiscal Year 2013-14 Event. This provision shall survive termination of this Agreement and/or distribution of all funding hereunder."

4) Exhibit A (Scope of Work) of the Agreement shall be amended to add to the Scope of Work as attached hereto as Exhibit A and incorporated herein.

5) Except as specifically amended by this Amendment, the remaining provisions of the Agreement shall remain in full force and effect.

EXECUTED the _____ day of January 2014, at Beverly Hills, California.

CITY OF BEVERLY HILLS
A Municipal Corporation

JOHN A. MIRISCH
Mayor of the City of Beverly Hills,
California

ATTEST:

BYRON POPE
City Clerk

(SEAL)

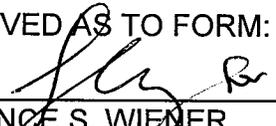
RODEO DRIVE, INC


JIM JAHANT
President

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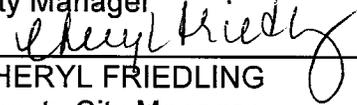
MARK TRONSTEIN
Vice President

APPROVED AS TO FORM:


LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

JEFFREY C. KOLIN
City Manager



CHERYL FRIEDLING
Deputy City Manager



KARL KIRKMAN
Risk Manager

EXHIBIT A

SCOPE OF WORK

- What:** Community Block Party Celebrating the City's 100th Anniversary and Celebrating Beverly Hills Independence Day (April 24), when celebrities led efforts to keep Beverly Hills separate from Los Angeles over water rights.
- Where:** Rodeo Drive 200, 300, 400 blocks
- When:** Sunday, April 27, 2014 (4 pm to 8 pm)
- Why:** Create an opportunity for the city's residents and businesses to come together to celebrate the City's Centennial and to attract attention to the City during the 100th Anniversary; Possibly raise dollars to help restore Beverly Drive Independence Memorial through minimal taste sales from restaurants in Centennial Cookbook and/or branded product sales from T-Shirts, etc.

EVENT

- Work with Luxe Hotel Rodeo Drive on giant Birthday Cake centerpiece display.
- Develop Entertainment plan including key performer along with local performance groups (Beverly Hills High School).
- Develop Event Design & Layout and Elements including carnival games and rides.
- Involve other centennial groups such as Centennial Cookbook, Historical elements
- Investigate Taste of Beverly Hills Element with Centennial Cookbook Participants (need sponsorship or partnerships for this element to happen).
- Investigate other celebrity involvement/attendance.
- Investigate Grand Finale with Fireworks, Confetti and/or Light Show Element.
- Look for cost-sharing elements with Concours, i.e. re-use of historical photo elements.
- Investigate additional partnerships and support from local businesses.
- Work with City on street closures and various city permits.

MARKETING

- Design Advertising and Outreach Program to maximize awareness to residents and businesses to attend and participate.
- Design Graphics and develop necessary signage.
- Draft Press Releases and Media Advisories, secure approvals, distribute accordingly to local, regional, national and international media.
- Coordinate outreach between City, CVB, Chamber and BH School District communication vehicles for maximum promotion and attendance.
- Coordinate Photography, Video and Online elements.

CENTENNIAL BLOCK PARTY	Description	Estimated Budget
Birthday Cake	Luxe Hotel Rodeo Drive	sponsored
Carnival Rides	2 ferris wheels or one FW and two other rides	\$10,000
Carnival Games	Carnival games	5000
Centennial Branded Prizes	For Carnival Games	3000
Fireworks/Confetti/Light Show Finale	May include one or all elements.	32,500
Entertainment	Celebrity performer	20,000
Rentals	Bicycle Barricades, carpet, tenting, tables, chairs	9,000
Celebrity Booking	Outreach to celebrities to participate	10,000
Pre&On-Site&Strike Production Staffing	Staffing needed to coordinate event	10,000
Staging/Lighting/Sound	For entertainment	7,500
T-Shirts	Branded T-Shirt and perhaps other merchandise	sponsored
Restrooms	Need restrooms	4000
Décor	Décor elements such as balloons, historical blow-ups	9,000
Production Fee	To oversee and organize entire event and concept	22500
Contingency (5% of budget)	For unforeseen costs not known now	7,500
Centennial Cookbook Food Fest	Request restaurants in Centennial Cookbook to do samples to raise money for Beverly Dr Monument	sponsored
	Estimated Total	<u>\$150,000</u>

MARKETING	Description	Estimated Budget
Local Advertising	Ads targeted to community residents	\$14,000
Local, Regional, National & International PR	Publicity	12,000
Printed Materials	Collateral, graphic design	2500
Photography	Photography	750
Video	Video	750
Banner	Design, manufacture, install 22 double sided banners	9200
	Estimated Total	<u>\$39,200</u>

STREET CLOSURE COSTS & PERMIT FEES	Closure of 200, 300 and 400 blocks of Rodeo Drive & Brighton Way from Beverly To Camden	<u>\$25,000</u>
	TOTAL	\$214,200