



AGENDA REPORT

Meeting Date: May 20, 2014
Item Number: F-3
To: Honorable Mayor & City Council
From: Megan Roach, Marketing & Economic Sustainability Manager 
Subject: RECOMMENDATION FROM THE RODEO DRIVE/SPECIAL EVENTS/HOLIDAY COMMITTEE REGARDING THE FISCAL YEAR 2014-2015 SCOPE OF WORK AND FUNDING REQUEST FROM THE RODEO DRIVE COMMITTEE
Attachments: 1. FY 2014-15 Tourism and Marketing Budget and Programs

RECOMMENDATION

It is recommended that the City Council review the recommendation from the Rodeo Drive/Special Events/Holiday Committee regarding the Fiscal Year 2014-2015 scope of work and funding request from the Rodeo Drive Committee.

INTRODUCTION

The Rodeo Drive Committee ("RDC") is comprised of approximately 70 retailers, hotels and property owners. Founded in 1972, the Committee promotes Rodeo Drive through a variety of programs which enhance the street's image as a world-wide destination.

DISCUSSION

In previous years, the RDC has received City support to conduct marketing events on behalf of its retailers, hotels and property owners to promote tourism and visitor spending on Rodeo Drive. Funding for these purposes has been provided from the City's Tourism and Marketing Budget. These include the Rodeo Drive Walk of Style®, Rodeo Drive Concours D'Elegance, holiday décor and lighting, and others.

On May 14, 2014, the Rodeo Drive/Special Events/Holiday Committee (Mayor Bosse and Councilmember Krasne) met with RDC representatives to review the proposed Fiscal Year 2014-15 scope of work and funding request of \$867,000. For Fiscal Year 2013-14, the RDC received \$663,100 in base funding plus \$264,700 in funding for Centennial-related programs for a total of \$927,800. The FY 2014-15 funding request of \$867,000 represents a 31% increase over RDC's base funding received in FY 2013-14.

The RDC is requesting funding for marketing events and initiatives and they include:

- 1) \$200,000 for the Rodeo Drive Walk of Style® event to be held in fall 2014.
- 2) \$30,000 for the Rodeo Drive Concours d'Elegance scheduled for Sunday, June 21, 2015. The \$30,000 in funding will be a combination of waived street closure fees and City services such as police, traffic control and public works.
- 3) \$168,100 for holiday décor and lighting to replicate the prior year holiday décor program for the street, which includes ice trees for the street medians, banners and other décor elements. The program establishes a framework for the Baccarat chandeliers, which will be installed in the street medians in November 2014. The \$168,100 is in addition to the \$180,000 in FY 2013-14 funding for the installation and de-installation of the Baccarat chandeliers, which was approved by the City Council and will be provided to the RDC as part of their FY 2014-15 funding agreement.
- 4) \$120,000 for a holiday lighting ceremony to occur in November 2014 to kick off the holiday season.
- 5) \$100,000 for advertising, public relations and branding for the Festival of Watches program where watch brands are invited to participate in hosting in-store events for clients and press, launch new products, feature watchmakers, and more.

New Programs

- 6) \$150,000 for an International Inbound to LAX Advertising Campaign, which may include billboards, inflight magazines, and inflight advertising to key feeder markets to bring more international visitors to Rodeo Drive.
- 7) \$98,900 to upgrade the Rodeo Drive website with enhanced search engine optimization, new website content and photos.

FISCAL IMPACT

The City's Finance Department projects \$35,500,000 in TOT revenue for the 2014-2015 Fiscal Year, which results in a Tourism and Marketing budget of \$5,167,344. This amount includes \$95,915 in budgetary carryover from Fiscal Year 2013-2014. The funding is budgeted in the Tourism and Marketing Program account 0101311. The Rodeo Drive Committee is requesting \$867,000 for events and marketing initiatives to promote the street.


Cheryl Friedling
Approved By

Attachment 1

Tourism and Marketing Budget and Programs 2014-2015 Budget & Funding Requests

TOT Base Budget (1/7 of \$35,500,000 TOT estimate)	\$5,071,429
Carryover from FY 13/14	95,915
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Available to spend in FY14/15	\$5,167,344
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Funding Requests

Annual Buffer/Reserve to Cover TOT Revenue Reductions	200,000
City Administrative Costs (Partial Costs of 2 City Staff)	0
Contingency Programs	150,000
Concerts on Canon Expansion	50,000
Intellectual Property Legal Services (trademark violations, etc)	100,000
Holiday Décor/Special Events	500,000
Conference & Visitors Bureau	3,300,000
Rodeo Drive Committee	867,000
Funds remaining to be allocated	344
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Total Funding Requests	\$5,167,344
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