



CITY OF BEVERLY HILLS
STAFF REPORT

Meeting Date: August 21, 2007
To: Honorable Mayor & City Council
From: Alison Maxwell, Director Economic Development & Marketing
Subject: 2007 Holiday Lighting Ceremony

INTRODUCTION

This report provides a conceptual outline of the 2007 Holiday Lighting Ceremony and seeks Council guidance on budgetary considerations.

DISCUSSION

For the last three years, Baccarat has sponsored, managed and implemented the Beverly Hills' holiday lighting ceremony on Rodeo Drive. In June 2007, Baccarat contacted the City to indicate that it was pulling out of this element of the holiday program. The reasons cited were Baccarat's inability to find corporate partners to help bear the \$250,000 plus cost of the lighting ceremony, and its own management's reluctance to continue to fund the event without other corporate support. Further, Baccarat mentioned that the level of PR garnered for the event no longer merited the level of investment.

Baccarat will continue to install the chandeliers on Rodeo Drive and the UNICEF Snowflake on the Beverly Wilshire hotel, in accordance with their sponsorship agreement with the City.

This news has left the City with very little time to coordinate an alternate lighting ceremony; moreover, the news came after the City's budget had been approved.

Nonetheless, the Council Subcommittee (Mayor Delshad & Council Member Briskman), and staff immediately met with the City's holiday contractor Utopia Entertainment to task them to begin development of a holiday lighting ceremony for 2007. The Subcommittee expressed the importance of the event as the traditional kick-off to the Beverly Hills holiday season; and directed that the lighting ceremony this year should be community-oriented and appealing to families.

Over the last six weeks, Utopia Entertainment has been working to create a number of differently priced scenarios for the ceremony, and has been working with staff to liaise

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with UNICEF to coordinate their partnership. In addition, a best selling Harper Collins children's author and production team has approached the City to incorporate a twenty minute children's musical show (proposed for Broadway) as part of the holiday kick off event. The event would be fully funded by the author's backers and would include book signings in addition to the fully produced musical section.

On August 16th, the Subcommittee was presented with several budget and show scenarios. The Subcommittee will comment on their recommendations at the August 21, 2007 Council meeting.

Lighting Ceremony General Concept: The overall concept for the lighting ceremony is to provide a community and family-oriented event that is nonetheless worthy of PR. It will include a combination of some or all of the following: a taste of the many holiday entertainments that will be provided throughout the holiday shopping season – such as the caricature artist; musicians etc. that were so successful in 2006; some type of on-stage musical act(s); some form of pyrotechnics (subject to Fire Department approval); and, the ceremonial turning on of the snowflake, chandeliers, and other holiday lights by the Mayor and other personage (staff with UNICEF are working to secure celebrity involvement).

The extent of the program and type of musical acts will depend very much on the level of funding approved.

The overall holiday program was approved by Council in February 2007, subject to some modest improvements to be overseen by the Subcommittee. The budget for the holiday program of \$785,250 was approved as part of the City's 2007-2008 budget; funded from the 2% TOT fund. This is the same as 2006 funding.

This holiday budget did not include the cost of producing the lighting ceremony event; since, at the time, Baccarat was expected to continue this part of its sponsorship.

The Subcommittee has indicated its strong support for the City to develop and fund a holiday lighting event, which is now part of City tradition.

A complete presentation of the entire holiday program will be scheduled as a City Council information item on September 18, 2007.

However, because of the very tight timetable involved, and the need for Utopia Entertainment to begin securing contracts for providers and talent, staff requests Council action at this meeting on the holiday lighting ceremony budget.

The maximum all-inclusive cost of the holiday lighting ceremony – including A-list musical talent and all the elements listed above could be \$260,000. However, if staff is successful in securing cash partnership with UNICEF that amount could be reduced by up to \$50,000. Equally, if the sponsored, children's musical show is secured, that would reduce the cost still further by eliminating some of the need to pay for talent.

The Subcommittee will have developed a more specific budget proposal for discussion by the August 21, 2007 meeting; which is likely to range from \$150,000 to \$260,000.

FISCAL IMPACT

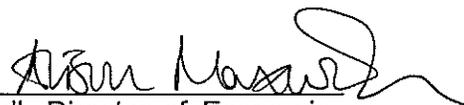
The maximum cost of the lighting ceremony would be \$260,000 that would be funded from 2% TOT. Sufficient 2% TOT funds are available to support this and the Smoking Marketing item (also on the August 21, 2007 agenda) because of the cancellation of the Bon Appetite 2007 & 2008 events.

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RECOMMENDATION

The Council Subcommittee and staff recommend that the City Council move forward with finalizing a holiday lighting ceremony for November 17, 2007 that includes entertainment and music, and which is community and family oriented; that Council approves a maximum expenditure not to exceed \$260,000; and, that final modifications to the holiday program and ceremony be managed under the guidance of the Subcommittee.

Approved By



Alison Maxwell, Director of Economic
Development & Marketing