RESOLUTION NO. 10-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, DECLARING ITS INTENTION TO LEVY AN ANNUAL ASSESSMENT FOR FISCAL YEAR 2010-2011 FOR A BUSINESS IMPROVEMENT AREA COVERING CERTAIN COSTA MESA HOTELS AND MOTELS AND SETTING THE TIME AND PLACE FOR A PUBLIC HEARING ON PROPOSAL.

THE CITY COUNCIL OF THE CITY OF COSTA MESA DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, the California Legislature in adopting the Parking and Business Improvement Area Law of 1989 (Streets & Highways Code § 36500 *et*. *seq*.) authorized cities to levy assessments on businesses in order to promote economic revitalization and tourism, to create jobs, attract new businesses, and prevent erosion of business districts; and

WHEREAS, on July 5, 1995, by Ordinance No. 95-9, the City Council adopted a business improvement area, commonly known as the Costa Mesa Tourism & Promotion Business Improvement Area, the purpose of which is to promote tourism to the City and to fund programs that benefit the hotel and motel businesses within the City of Costa Mesa; and

WHEREAS, the City Council has voted to continue the special assessment for the Costa Mesa Tourism & Promotion Council Business Improvement Area each year since its inception, including the adoption in June, 2009, of Resolution No. 09-33 authorizing the assessment for fiscal year 2009-2010; and

WHEREAS, in January 2000, the City Council approved an increase in the assessment, raising the assessment from one percent (1%) to two percent (2%). The two percent (2%) assessment is based on the sale of overnight room stays; and

WHEREAS, this Resolution of Intention will commence proceedings under the Parking and Business Improvement Area Law of 1989 (Streets & Highways Code § 36541) to levy the annual assessment of the Costa Mesa Tourism & Promotion Council Business Improvement Area for the 2010-2011 fiscal year;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Costa Mesa as follows:

Section 1. Assessment. An annual assessment for the Costa Mesa Tourism & Promotion Council Business Improvement Area is proposed to be levied pursuant to Streets & Highways Code § 36500 *et seq.* The proposed boundaries of the territory are the ten motels and hotels listed in Exhibit A, attached hereto and incorporated herein by this reference. The proposed amount of the annual assessment is two percent (2%). The two percent (2%) assessment is based on the sale of overnight room stays. New hotel and motel businesses commenced after the effective date of the ordinance levying the assessment will be exempt from the levy of assessment, pursuant to Streets & Highways Code § 36531 and § 36535.

Section 2. Annual Report. An annual report on the Business Improvement Area has been prepared by the Costa Mesa Conference & Visitor Bureau, acting as the advisory board as required by Streets & Highways Code § 36533 and § 36534. Said report is on file in the City Clerk's Office.

Section 3. Types of Activities To Be Funded. The proposed type or types of activities to be funded by and through the annual levy of assessments on businesses within the Costa Mesa Tourism & Promotion Council Business Improvement Area are specified in the referenced annual report.

Section 4. Method and Basis of Levy. The proposed method and basis of levying the assessment to allow each business owner to estimate the amount of the assessment to be levied against his or her business is set forth in the Costa Mesa Conference & Visitor Bureau's annual report relative to the Business Improvement Area.

Section 5. Time and Place of Public Hearing. The time and place of the public hearing on the business improvement area and the annual levy of assessments shall be at 7:00 p.m., June 15, 2010, at the Costa Mesa City Hall, City Council Chambers, 77 Fair Drive, Costa Mesa, California. At the public hearing set forth above, the testimony of all interested persons for or against the annual levy of assessment for the business improvement area, the extent of the area, or the furnishing of specific types of improvements or activities will be heard by the City Council.

Section 6. Protests. The following rules shall apply to all protests:

(a) A protest may be made orally or in writing by any interested person. Any protest pertaining to the regularity or sufficiency of the proceedings shall be in writing and shall clearly set forth the irregularity or defect to which the objection is made.

(b) Every written protest shall be filed with the City Clerk's office, Costa Mesa City Hall, Room 101, 77 Fair Drive, Post Office Box 1200, Costa Mesa, California 92626-1200, at or before the time fixed for the public hearing as set forth above.

(c) The City Council may waive any irregularity in the form or content of any written protest, and at the public hearing, may correct minor defects in the proceedings.

(d) If written protests are received from the owners of businesses in the proposed business improvement area which will pay fifty percent (50%) or more of the assessments to be levied and protests are not withdrawn so as to reduce the protests to less than the fifty percent (50%), no further proceedings on the proposal to continue the business improvement area assessment, as specified by this resolution of intention, shall be taken by the City Council for a period of one year from the date of the filing of a majority protest.

BE IT FURTHER RESOLVED THAT the City Council of the City of Costa Mesa, California, does hereby adopt the annual report by the Costa Mesa Conference & Visitor Bureau acting as the advisory board on the business improvement area (referenced report on file in the City Clerk's Office), and this Resolution of Intention as set forth herein, and Exhibit "A" which is attached hereto and incorporated by this reference.

PASSED, APPROVED, AND ADOPTED this 4th day of May, 2010.

_____
Allan R. Mansoor, Mayor

ATTEST:

_____
Julie Folcik, City Clerk

APPROVED AS TO FORM:

_____
Kimberly Hall Barlow, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss

CITY OF COSTA MESA)

I, JULIE FOLCIK, City Clerk of the City of Costa Mesa, DO HEREBY CERTIFY that the above and foregoing is the original of Resolution No. 09-____ and was duly passed and adopted by the City Council of the City of Costa Mesa at a regular meeting held on the 4th day of May, 2010, by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Costa Mesa this ___ day of May, 2010.

_____
JULIE FOLCIK, CITY CLERK

(SEAL)

EXHIBIT A

The Business Improvement Area ("BIA") benefit zone encompasses the entire City of Costa Mesa boundaries. It is anticipated that the entire City, including businesses and residents, will benefit from increased revenues generated by the activities financed by the BIA assessment.

The following businesses will be included in the BIA that is established pursuant to Streets & Highways Code § 36500 *et seq.,* the businesses commonly known as:

Ayres Hotel & Suites

Property Address: 325 and 345 Bristol Street, Costa Mesa

Business Owner: Bruce Ayres
1817 Westminster Avenue
Newport Beach, CA 92660

Donald Ayres, Jr.
506 Via Lido Nord
Newport Beach, CA 92663

Property Owner: Homes by Ayres
355 Bristol Street, Suite A
Costa Mesa, CA 92626

Best Western Newport Mesa Inn

Property Address: 2642 Newport Boulevard, Costa Mesa

Business Owner: Somes Hsuen
Shang-Pu Lee
2642 Newport Boulevard
Costa Mesa, CA 92627

Hilton Orange County/Costa Mesa

Property Address: 3050 Bristol Street, Costa Mesa

Business Owner: Ashford Hospitality Trust
14185 Dallas Parkway, Suite 1100
Dallas, TX 75254

Hotel Hanford

Property Address: 3131 Bristol Street, Costa Mesa

Business Owner: Hanford Hotels

Property Owner: Hanford Hotels
4 Corporate Drive, Suite 102
Newport Beach, CA 92660

Holiday Inn Express Hotel and Suites, Costa Mesa

Property Address: 2070 Newport Boulevard, Costa Mesa

Business Owner: Narendra B. Patel
2070 Newport Boulevard
Costa Mesa, CA 92667

Costa Mesa Marriott

Property Address: 500 Anton Boulevard, Costa Mesa

Business Owner: Host Hotels

Property Owner: Marriott Suites, Ltd.
1 Marriott Way
Washington, D.C. 02258

Ramada Limited & Suites Costa Mesa

Property Address: 1680 Superior Avenue, Costa Mesa

Business Owner: B.D. Inns Inc./Ramada Ltd.
1680 Superior Avenue
Costa Mesa, CA 92627

Residence Inn by Marriott, Costa Mesa

Property Address: 881 Baker Street, Costa Mesa

Business Owner: Residence Inn by Marriott
1 Marriott Way
Washington, D.C. 02258

Property Owner: Marriott Residence Inn Ltd., Partnership
10400 Fernwood Road
Bethesda, MD 20817

The Westin South Coast Plaza

Property Address: 686 Anton Boulevard, Costa Mesa

Business Owner: Host Hotels & Resorts
6903 Rockledge Drive, Suite 1500
Bethesda, MD 20817

Property Owner: CJ Segerstrom & Sons
c/o South Coast Plaza
686 Anton Boulevard
Costa Mesa, CA 92626

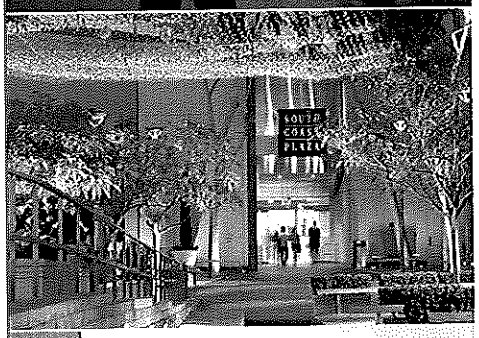
Wyndham Orange County

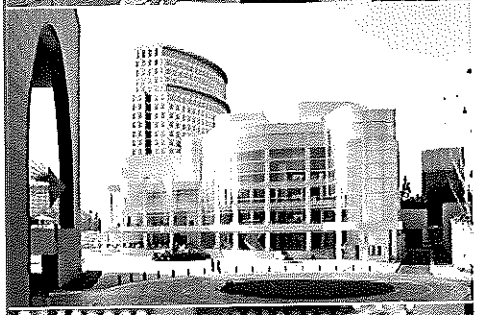
Property Address: 3350 Avenue of the Arts, Costa Mesa

Business Owner: Rosanna Inc.
4100 MacArthur Boulevard, Suite 200
Newport Beach, CA 92660

EXHIBIT B

Costa Mesa





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The Best Of Southern California.

2010/2011

Annual

Report

Submitted By: The Costa Mesa Conference & Visitor Bureau April 2010

Costa Mesa
The Best Of Southern California

April 16, 2010

City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92628-1200

Dear Council Members:

In accordance with the provisions of the Business Improvement Area (BIA) the Costa Mesa Conference & Visitor Bureau (CVB) submits the Annual Report for your review and approval.

The Costa Mesa CVB increases awareness of Costa Mesa as a visitor destination with the goal of increasing hotel occupancy, travel related spending, bed tax revenues and further contributing to the economic growth of the city.

The required contents of the Annual Report are as detailed in Section 36533 of the Streets and Highway Code. The format is:

> The Board of Directors recommends that the entire city continue to be included in the benefit zone. If additional properties wish to participate, they are invited to attend meetings the year before assessment, be in good standing with the City of Costa Mesa and meet certain AAA quality standards.
>
> An annual two-percent (2%) assessment is levied on each of the ten hotels included in the city's Business Improvement Area. The two percent (2%) assessment is based on the sale of overnight room stays and shall be transmitted to the City pursuant to the Professional Services Agreement entered into by and between the City of Costa Mesa and the Costa Mesa CVB.
>
> The Board of Directors recommends that the **2% assessment continue** to be used to fund tourism activities.
>
> The Bureau "team" includes: Three employees managing the day-to-day operations. The Board of Directors includes ten General Managers, Council Member Gary Monahan and Allan Roeder, City Manager who meet regularly, without compensation.

Costa Mesa Conference & Visitor Bureau • P.O. Box 5071, Costa Mesa, California 92628-5071
714.435.8530 • 800.399.5499 • fax 714.435.8522 www.costamesa-ca.com

The CVB marketing program includes:

Marketing Committee includes the hotel marketing directors and a representative from South Coast Plaza who meet regularly reviewing short and long-term strategic marketing, advertising and special promotions.

Online marketing/sales
With the majority of travel planning and purchases done online, TravelCostaMesa.com is heavily marketed through Search Engines (Google, Yahoo, etc.), Visit California, OC portals, AOL Travel and dozens of major consumer travel websites and social networks.

Hotel Niche Marketing: Ten hotels are allocated marketing dollars based on $50 per room per hotel per year. They must justify "putting heads in beds" and use the CVB logo.

Marketing Materials are distributed by mail, hand delivered, downloaded from the website and in brochure racks in high traffic California Welcome Centers, i.e. Pier 39 in San Francisco and at John Wayne Orange County Airport.

Gift From Us To You includes over 22 special restaurants, retail and theatre offers reinforcing the City's amenities, adding value for the guest and generating additional business for certificate participants.

Sponsorships/Community Relations includes "sponsorship" dollars as well as hotel packages donated to community charities for fund-raising events.

Barrett-Jackson Classic Car Auction	**$10,000**
First annual on Orange County	
Lodging and tourism related revenue	Estimating over $1m
UPG Sports Sponsorship:	**$4,500**
Room Revenue generated:	**$54,529**
(Six out of ten hotels participated)	
Classic Jazz Festival Sponsorship:	**$15,000**
Room/Food & Beverage Revenue generated:	**$243,874**
Costa Mesa Community Run	**$2,500**

Advertising
The print and online campaign specifically promotes Drive/Fly & Dine "pushing" business into "soft" periods such as holidays, weekends and November through February.

Public Relations reach prospective regional, national and international visitors, meeting planners, tour operators via print and broadcast media.

Financial Summary

Revenues	**2009/10**	**Projected 2010/11**
July 2009	$96,028	$96,000
August	$98,375	$98,000
September	$116,313	$116,000
October	$127,205	$127,000
November	$87,372	$87,000
December	$104,704	$105,000
January 2010	$82,449	$87,000
*February	$70,401	$87,000
*March	$82,766	$87,000
*April	$86,689	$88,000
*May	$96,000	$100,000
*June	$98,000	$103,000
Total	**$1,146,302**	**$1,181,000**

Note: The actual revenue total does not include the 2009/10 carryover, interest and Contingency Fund.
*Actual May and June 2010 revenues are based on projected room revenue.
Projected 2010/11 revenues take into account the uncertain economy, lower rates and occupancy.

Expense Projections Fiscal 2010/11 (For details see the Marketing Plan)

Advertising (print): Estimated expense: $50,000
Online marketing/sales: $250,000
Marketing materials: $20,000
Hotel Niche Marketing: $117,100
Sponsorships/Community Relations: $60,000
Administrative & General:
- **Rent: $31,000**
- **Employee Expenses:**
  - Salaries: $215,000
  - Payroll taxes: $20,000
  - Employee Benefits: $19,300 (insurance/401k/flexible spending)
  - Payroll Service: $4,000
  - Business Entertainment: $10,000
  - Community Relations: $28,000
- **Vendors:**
  - Accounting Fees: $10,000
  - Public Relations: $18,000
  - Advertising/Brochure Production/Design: $16,000
  - Postage: $5,000
  - Insurance Liability: $4,000
  - City Collection Fee: $11,810
  - Audit Costs: $5,500

Administrative Expenses:

Bank Charges: $520
Dues/Subscriptions: $3,000
Filing Fees: $20
Office Supplies: $5,000
Annual Report: $1,000

Total: **$904,250**
Revenues minus expenses: **$276,750**

Contingency Fund: $213,500

This fund is to be used in case of another event such as September 11 that severely impacts business and leisure travel. This reserve would enable the CVB to operate two – four months while reassessing contingency plans. The Board of Directors must approve any expenditure.

The Board of Directors supports and enthusiastically works as a team toward the success of the Costa Mesa Conference & Visitor Bureau. We appreciate the opportunity provided by the Costa Mesa City Council for the continued support of the CVB.

Respectfully,

Shaun Robinson, General Manager, Hilton
President, Costa Mesa Conference & Visitor Bureau

cc: Board of Directors

Costa Mesa
The Best Of Southern California

April 12, 2010

Mayer Hoffman McCann, P.C.
2301 Dupont Drive Suite 200
Irvine, California 92612

We are providing this letter in connection with your audit of the cash basis financial statements of the Costa Mesa Conference and Visitor Bureau ("Bureau") as of June 30, 2009 and the related statements of income for the period then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position and changes in equity of the Bureau in conformity with U.S. generally accepted accounting principles. We confirm that we are responsible for the fair presentation in the financial statements of financial position, changes in net assets, and cash flows in conformity with generally accepted accounting principles. We are also responsible for adopting sound accounting policies, establishing and maintaining effective internal control over financial reporting, and preventing and detecting fraud.

We confirm, to the best of our knowledge and belief, as of April 12, 2010, the following representations made to you during your audit.

a. The financial statements referred to above are fairly presented in conformity with U.S. generally accepted accounting principles and include all assets and liabilities under the Organization's control.

b. We have made available to you all—

   a) Financial records and related data.

   b) Minutes of the meetings of Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.

c. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

d. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.

e. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.

f. We have no knowledge of any fraud or suspected fraud affecting the Organization involving—

   a) Management,

   b) Employees who have significant roles in internal control, or

   c) Others where the fraud could have a material effect on the financial statements.

g. We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization received in communications from employees, former employees, grantors, regulators, or others.

h. The Organization has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or net asset balances.

i. The following, if any, have been properly recorded or disclosed in the financial statements:

   a) Related party transactions, including revenues, expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.

   b) Guarantees, whether written or oral, under which the Organization is contingently liable.

   c) All accounting estimates that could be material to the financial statements, including the key factors and significant assumptions underlying those estimates, and we believe the estimates are reasonable in the circumstances.

j. There are no estimates that may be subject to a material change in the near term that have not been properly disclosed in the financial statements. We understand that *near term* means the period within one year of the date of the financial statements. In addition, we have no knowledge of concentrations existing at the date of the financial statements that make the organization vulnerable to the risk of severe impact that have not been properly disclosed in the financial statements.

k. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.

l. The Bureau is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Organization's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.

m. There are no—

   a) Violations or possible violations of laws and regulations and provisions of contracts and grant agreements whose effects should be considered for disclosure in the financial statements, as a basis for recording a loss contingency, or for reporting on noncompliance.

   b) Unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with *Statement of Financial Accounting Standards No. 5, Accounting for Contingencies.*

   c) Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by Statement of Financial Accounting Standards No. 5.

   d) Designations of net assets disclosed to you that were not properly authorized and approved, or reclassifications of net assets that have not been properly reflected in the financial statements.

n. The Organization has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged.

o. We have complied with all restrictions on resources (including donor restrictions) and all aspects of contractual and grant agreements that would have a material effect on the financial statements in the event of noncompliance. This includes complying with donor requirements to maintain a specific asset composition necessary to satisfy their restrictions.

No events have occurred subsequent to the statement of financial position date and through the date of this letter that would require adjustment to, or disclosure in, the financial statements.

Signed: Dave Ritchett

Title: Executive Director

EXHIBIT B

COSTA MESA CONFERENCE AND VISITOR BUREAU

Financial Statements
(Cash Basis)

Years ended June 30, 2009 and 2008
(With Independent Auditors' Report Thereon)

COSTA MESA CONFERENCE AND VISITOR BUREAU

Financial Statements (Cash Basis)

Years ended June 30, 2009 and 2008

TABLE OF CONTENTS

	Page
Independent Auditors' Report	1
Financial Statements:	
Balance Sheets (Cash Basis)	2
Income Statements (Cash Basis)	3
Notes to Financial Statements (Cash Basis)	4

Mayer Hoffman McCann P.C.
An Independent CPA Firm

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Irvine, California 92612
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Board of Directors
Costa Mesa Conference and Visitor Bureau
Costa Mesa, California

INDEPENDENT AUDITORS' REPORT

We have audited the cash basis financial statements of the Costa Mesa Conference and Visitor Bureau (a nonprofit organization) listed in the accompanying table of contents as of and for the years ended June 30, 2009 and 2008. These cash basis financial statements are the responsibility of the management of the Costa Mesa Conference and Visitor Bureau. Our responsibility is to express an opinion on these cash basis financial statements based on our audits

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the cash basis financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the cash basis financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 1, these cash basis financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the cash basis financial statements referred to above present fairly, in all material respects, the assets and liabilities arising from cash transactions of the Costa Mesa Conference and Visitor Bureau as of June 30, 2009 and 2008, and its revenues collected and expenses paid during the years then ended, on the basis of accounting described in Note 1.

Mayer Hoffman McCann P.C.

Irvine, California
April 12, 2010

COSTA MESA CONFERENCE AND VISITOR BUREAU

Balance Sheets (Cash Basis)

June 30, 2009 and 2008

Assets	2009	2008
Cash (note 2)	$ 235,379	278,474
Total assets	$ 235,379	278,474
Equity		
Equity (cash basis)	$ 235,379	278,474
Total equity (cash basis)	$ 235,379	278,474

See accompanying notes to financial statements.

COSTA MESA CONFERENCE AND VISITOR BUREAU

Income Statements (Cash Basis)

Years ended June 30, 2009 and 2008

	2009	2008
Revenues received:		
Business Improvement Area tax revenue (note 1)	$ 1,346,729	1,572,546
Special Promotion income	19,304	21,320
Interest income	1,496	5,296
Total revenues received	1,367,529	1,599,162
Expenses paid:		
Administrative, general and other	183,509	222,669
Salaries	201,039	240,441
Benefits	19,739	18,035
Hotel and special promotions (note 3)	270,597	463,925
Marketing (note 4)	735,740	861,914
Total expenses	1,410,624	1,806,984
Increase (decrease) in cash balances	(43,095)	(207,822)
Cash balances at beginning of year	278,474	486,296
Cash balances at end of year	$ 235,379	278,474

See accompanying notes to financial statements.

COSTA MESA CONFERENCE AND VISITOR BUREAU

Notes to Cash Basis Financial Statements

Years ended June 30, 2009 and 2008

(1) Summary of Significant Accounting Policies

(a) Organization and Background

The Costa Mesa Conference and Visitor Bureau (Bureau), a non-profit corporation, was incorporated in 1994 and was formed under the laws of the State of California. The Bureau's mission is to market Costa Mesa as a leisure and group/meeting travel destination, thereby increasing awareness, hotel occupancy, travel spending, and tax revenues, and sustaining and expanding travel/tourism related employment further contributing to the growth of the local economy.

(b) Basis of Accounting

The Bureau utilizes the cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Under this basis, revenue is recognized when collected, rather than when earned, and expenses are recognized when paid, rather than when incurred. Consequently, accounts receivable, accounts payable and accrued liabilities are not included in the accompanying cash basis financial statements. The financial statements also exclude any bartered transactions, if any.

(c) Income Tax Status

The Bureau is a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code. Accordingly, the Bureau is exempt from federal and state income taxes.

(d) Business Improvement Area Revenues

On behalf of the City of Costa Mesa, the ten (10) hotels in the business improvement area (BIA) collect a 2% levy on the sale of overnight guest room stays. This 2% levy is transmitted by the hotels to the City of Costa Mesa and is then remitted to the Bureau pursuant to a Professional Services Agreement entered into by and between the City and the Bureau. These ten hotels include the Costa Mesa Marriott, Hilton Costa Mesa, The Holiday Inn Express Hotel & Suites, Holiday Inn, Residence Inn by Marriott, Wyndham Hotel, Ayres Hotel & Suites, The Westin South Coast Plaza, the Ramada Limited Suites, and the Best Western Newport Mesa.

(e) Use of BIA Revenues

State law provides that assessments are to be used for the purposes specified in the authorizing resolution that established the assessment. The City of Costa Mesa's resolution establishing the Bureau's assessment references the uses specified in the Bureau's annual plan.

COSTA MESA CONFERENCE AND VISITOR BUREAU

Notes to Cash Basis Financial Statements

(Continued)

(2) Cash

Cash consists of the following as of June 30, 2009 and 2008:

	2009	2008
Demand deposits	$235,379	278,474
Total	$235,379	278,474

Total bank balances carried with American Security Bank at June 30, 2009 was $102,021. Total bank balances carried with Irwin Union Bank at June 30, 2009 was $212,358.

(3) Hotel and Special Promotions Expenses

Each of the ten (10) hotels in the BIA is allocated $100 per room for specific marketing purposes. Marketing Expense allocations are done quarterly and are based on approximately 2,000 rooms at $100 per room. All advertising must include the Bureau's logo and must have the objective of increasing the room utilization of the hotel. All vendor invoices are paid initially by the hotels. The hotels then request reimbursement from the Bureau by including the original vendor invoice and a sample of the marketing ad. At June 30, 2009 and 2008, the Bureau paid $184,320 and $154,312, respectively in hotel promotions expense, which was approximately $42,000 and $87,000 less, respectively, than their total allocation for this program. If the hotels do not use all of what is allocated to them, the funds revert to the Bureau.

This advertising is hotel specific, rather than for the Costa Mesa area in general. The only reference to the Bureau is by use of the Bureau's logo in the advertisement/marketing collateral and the message must include a copy that promotes "putting a body in a bed". This program essentially reimburses the ten hotels for advertising expenses that promote that specific hotel (special rates on room pricing, hotel amenities, etc.). It is the opinion of the Bureau that reimbursing the hotels for advertising costs provides a public benefit to the City of Costa Mesa by promoting tourism, increasing retail sales, etc.

COSTA MESA CONFERENCE AND VISITOR BUREAU

Notes to Cash Basis Financial Statements

(Continued)

(4) Marketing Expenses

The Bureau incurs marketing expenses by producing brochures, calendars, and advertisements through various media outlets including newspapers, periodicals, radio advertisements, and broadcasts, distributing promotional items, attending various trade shows, maintaining a website, and maintaining an "800 number" which provides information and directly connects callers to hotel reservation departments of the ten hotels within the Bureau. The Bureau also utilizes the services of advertising agencies for creative design and production. These expenses promote tourism for the community of Costa Mesa. Total marketing expense for the years ending June 30, 2009 and 2008 was $735,740 and $861,914, respectively.

The largest of the Bureau's marketing expenses was for the media campaign. Media campaign expenses represent payments made to magazines and newspapers to promote tourism in the Costa Mesa area. Total media campaign expense for the years ending June 30, 2009 and 2008 was $209,270 and $305,074, respectively.

(5) Commitments and Contingencies

In August 2006, the Bureau agreed to commit $10,000 per year over four years to the Orange County Classic Jazz Festival Corporation as the sole sponsor of a Summer Jazz Festival. The Bureau agreed to provide its personnel and resources to assist in promoting the festival via print and broadcast media. The agreement is discussed and renewed annually by the Board of the Bureau.

Costa Mesa
The Best Of Southern California

Costa Mesa Conference & Visitor Bureau
2010 and 2011 Marketing and Business Plan Highlights

Mission Statement

The Costa Mesa Conference & Visitor Bureau (CMCVB) markets Costa Mesa as a leisure and meeting travel destination, thereby **increasing awareness, hotel occupancy, travel spending, tax revenues and sustaining and expanding travel tourism-related employment, further contributing to the growth of the local economy.**

Funding is provided through the Business Improvement Area with ten (10) hotels assisting a 2% levy on the sale of overnight guest room stays. The CMCVB consists of ten (10) hotels and two (2) representatives from the City of Costa Mesa.

Objectives:

1. To proactively increase Internet exposure to drive direct sales and develop strong community outreach
2. To increase occupancy in leisure travel on weekends, summer months and holidays
3. To increase visibility and awareness of Costa Mesa as a preferred world-class destination for both individual and group/meeting travelers
4. To develop sponsorship opportunities for events that could come to Costa Mesa and make a significant economic impact

Costa Mesa Conference & Visitor Bureau • P.O. Box 5071, Costa Mesa, California 92628-5071
714.435.8530 • 800.399.5499 • fax 714.435.8522 www.costamesa-ca.com

2010/2011 Direction

- The CVB Board voted unanimously to fully implement the recommendations provided through Professional Marketing and Branding studies over the last year and a half.

- Recruit full time CVB President to address effects of the recession and the needs of its members.

  Requirement for CVB President:

  1. Outstanding marketing and internet skills to build a comprehensive internet based visitor marketing program.
  2. Excellent communication and diplomacy skills to create reciprocal partnerships with our key value drivers.
  3. Versatility to provide programs and initiatives to fully engage all ten CVB hotels.
  4. The passion and drive to position Costa Mesa as a major Orange County tourism destination.

- Relocate CVB office to prime location in Costa Mesa.

- The Website has been enhanced in partnership with Travelocity to enable visitors to make direct reservations to our hotels. Future revenue opportunities exist with our neighboring retail, transportation, arts and cultural partnerships.

- Expansion of the CVB Board to include South Coast Plaza, Performing Arts, Lab/Camp and OC Fair and Exposition Center.

- Continue to pursue major events to enhance the image of Costa Mesa while increasing revenues and helping support the entire community through tourism job creation.

Costa Mesa

2010/2011 Annual Report

Online Marketing/Website

www.TravelCostaMesa.com

Costa Mesa

Title: 2009-10 Annual Report

Date: April 2010

Project: eMarketing for Costa Mesa

hyperdisk marketing

2009-10 ANNUAL REPORT - EMARKETING FOR TRAVELCOSTAMESA.COM

Summary:

In 2009, traffic via TravelCostaMesa.com increased by 9.24%, averaging over 21,700 visits and a click to booking rate of over 5%. Our website drives over 3,000 visitors to the 10 Costa Mesa hotels and substantively drives leads and destination awareness. Our online visibility has increased by over 50% since 2007 – and we look to increase our direct web bookings in 2010 through a new partnership with Travelocity.com

Objectives:

Drive online bookings through proactive online marketing, search engine placement, portal advertising and email campaigns. Implement an aggressive online positioning plan to increase conversion, look-to-book and overall lead generation

Strategy:

Overall reservations requests and hotel visitor traffic increased by nearly 8% in 2009. Our goal is to continue this growth and provide the hotels with 2,500 to 3,500 new reservation inquiries per month. We must continue to press the online portals that continue to drive substantial new visitor traffic to TravelCostaMesa.com. To that end, our focus will be on driving direct bookings via a new partnership with Travelocity.com in 2010

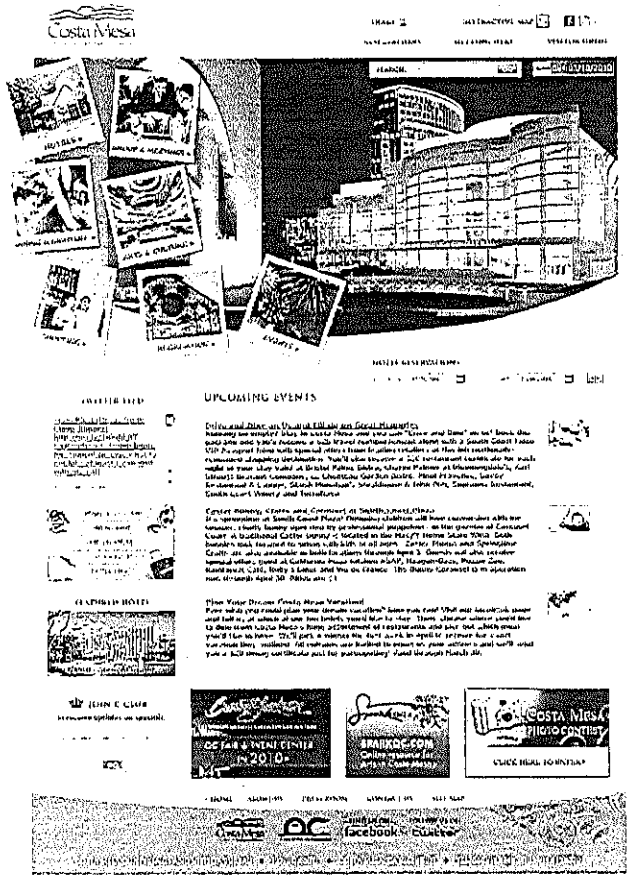


EXHIBIT B

eMarketing Activity:

New Initiatives & Successes:

- Website home page and interior pages were refreshed and updated to increase bookings
- New partnership established with Travelocity.com to increase web bookings, dynamic packages and overall reach
- Barrett Jackson promotional landing page help to increase direct leads and bookings
- Barrett Jackson email campaign promotions
- Social media – extended Twitter & Facebook pushes (over 3,000 followers)
- Facebook Advertising to LA, San Diego, Inland Empire Drive Market – focus on D&D
- Pay per click ads via Google, Yahoo, CitySearch producing 2,500 new visitors per month
- Local ad efforts: OCRegister, LAtimes, HotelPlanner, Hotel-Rates & So-Cal Travel pushing nearly 300 guests per month to hotels
- Email campaign – newsletter push to our 25,000 local audient / 18% open / 5% CTR

Search Engine Traffic & Optimization

- Search engine traffic account for over 75% of total incoming traffic
- Review, update and optimize website for all Orange County hotel, travel and destination searches – provide benchmarking and analytics
  - o Update meta-tags and xml feed to ensure strong pickup of target keywords
- Constantly reviewing industry best practices and update website as necessary- Google Site Maps, Web Master Usage, and meta-content updates.
- Setup and launch Search Marketing / PPC campaigns – buyout all destination keywords and optimize placements to ensure highest conversion to booking
- Establish Pay Per Click (PPC) ad-groups
  - o Setup 2-3 ad-grouping for all PPC efforts – focus on Google network and Orange County, Anaheim and overall drive market in So-Cal
  - o Automatically optimize placements monthly
  - o Update ad-copy to focus on De-Stress / Drive & Dine and Hotel Promotions

Travel Portal Marketing

- Update media action plan Quarterly via CMCVB and steering committee
- Setup banner ad and network linking with all major local and national travel portals – optimize placements for ONLY those that provide the highest conversion to hotel booking inquiries- AOL campaign in Q1 generated over 3000 relevant incremental visitors per month through the AOL network (AOL Travel Guide, MapQuest, etc.)

Email Marketing

- Distribute monthly enewsletter to Leisure & Group focused database of 20K+
- Launched a special email marketing effort to San Diego and LA markets plus extended campaigns to Barrett Jackson audience

EXHIBIT B

EMARKETING STRATEGY – SUMMARY BY TACTIC

I. **Monthly eMarketing Strategy:** ***Full Engagement Service Plan***

a. Website Enhancements & Promotions: provide ongoing housekeeping updates, support and ensure that all aspects of website content are up-to-date and consistent with the latest promotions

- Update home page call-outs and promotions
- Edit and update calendar of events & packages
- Create new design callouts and banners
- Launch new design or technology initiative (TBD)

b. Search engine optimization (SEO & Link Building): provide ongoing updates to meta-tag content, indexed micro formats (images, links and alt-tags), XML site map, website copy and inbound/outbound links. Build inbound links through directory listings and ongoing link building opportunities.

- Gold level SEO service – approximately 25 hours of updates (addendum on request)
- Submit annual directory lists, local listing updates and increase inbound links
- Refresh XML site map with new embedded keywords, meta-content, microformats and style to increase keyword saturation
- Update keywords and inbound links on social outlets (twitter, facebook, knoll, wetpaint, local, etc.)

c. Search engine marketing (PPC): review and update purchased keywords (Pay Per Click: PPC), ad-word copy, images and promotional offers to ensure the highest click-to-book ratio is achieved

- Use keyword tracker, google data and SEMRush to update and benchmark keywords
- Use both automated conversion optimization and manual review to drive high quality traffic
- Update ad copy and keywords as needed to improve conversion
- Track flow through to booking engine and conversion

d. Social Media Management: manage or coordinate ongoing efforts, directly influence and increase fan-base and provide tracking reports illustrating base growth and overall profile

- Develop ongoing outreach strategy for all outlets, especially Twitter, Facebook, YouTube & Twine
- Proactively build fanbase through direct outreach to core customer profile, media and locals
- Create new social media outlets to improve networking and inbound links
- Track, monitor and distill ongoing communication

EXHIBIT B

EMARKETING ACTION PLAN – QUARTERLY GOALS

On quarterly basis, HyperDisk will coordinate with the Costa Mesa CVB to develop a detailed monthly action plan. The below grid will serve as a guideline for big picture strategy objectives and milestones.

SEASON / QUARTER	STRATEGY – ACTION PLAN	TARGET - OBJECTIVES
Q1 - WINTER	o Website & SEO refreshment o Seasonal Promotions: o Happy New Year, Martin Luther King – 3-day weekend promotions, President's Weekend o PPC & Portal advertising o Social media growth o Email blasts	o Improve website design and content o Increase traffic and bookings o Substantially increase social network o Launch new email creative
Q2 – SPRING	o Updated Home Page Flash o Seasonal Promotions: o Fools day, Eater Campaign, Mother & Father's Day o PPC & Portal advertising o Social media growth o Email blasts	o Update promotional callouts o Refresh all keywords o Increase SEO & PPC traffic o Launch new portal campaign o Acquire new email list for segment push o Mid-year strategic review
Q3 – SUMMER	o Summer Push & new flash campaign o Seasonal Promotions: o Summer kickoff, Fourth of July, Labor Day o PPC & Portal advertising o Social media growth o Email blasts	o Cross-promotion campaign with PR agency o Push leisure heavy o Update flash content o Benchmark SEO growth o Social media fanbase should be significantly large
Q4 – FALL	o Holiday push and gift certificates campaign o Seasonal Promotions: o Halloween, T-Day holiday, Christmas, NYE o PPC & Portal advertising o Social media growth o Email blasts	o Drive business during holidays with strong packages o Update all callouts to focus on gift certificate sales o Update keywords to focus on family o Leverage local market and events

EXHIBIT B

Website Conversion
- Increase promos
- Drive booking
- Increase SEO

Driving Traffic
- PPC
- Portal PPC
- Branding

Social & Viral
- New posts
- Engage new outlets
- Build fanbase

Email & DB
- Launch campaigns
- Compelling creative
- New lists

Success Measurement
- Ongoing tracking
- Database marketing
- Targeted exposure

EXHIBIT B

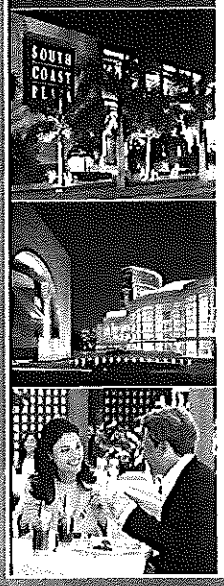
Costa Mesa

2010/2011 Annual Report

Print Advertising

MAKE COSTA MESA YOUR SHOPPING AND ENTERTAINMENT HEADQUARTERS

Costa Mesa
The Best Of Southern California



Receive a travel reimbursement up to $50*

"Drive And Dine On Us" in Costa Mesa.
$25 nightly dining certificates
$25 travel reimbursement
VIP Passport from South Coast Plaza filled with valuable special offers
Visit us at www.TravelCostaMesa.com for details and reservations.

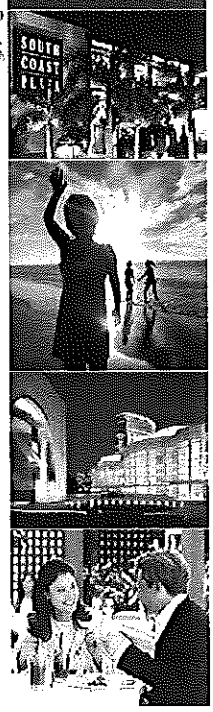
AYRES HOTEL & SUITES · Best Western · COSTA MESA Marriott · Hilton · THE HOTEL HANFORD · Residence Inn · THE WESTIN SOUTH COAST PLAZA Costa Mesa

*Stay 3 nights or more and receive a $50 travel reimb
Total gas reimbursement not to exceed $50. *One restaurant certificate per night. Subject to availability. Restrictions Apply. Not Valid With Other Offers. Offer Valid th

TAKE CENTER STAGE IN COSTA MESA

The Standing Ovation Capital of the O.C.

Costa Mesa
The Best Of Southern California



Orange County welcomes
Barrett-Jackson June 25 - 27, 2010

Ten first-class and deluxe hotels
101,100 square feet of meeting space
Minutes to Freeways & Airports
250 culinary delights
330 days of sunshine
2,225 sleeping rooms
One Ultimate Shopping Experience: South Coast Plaza
Miles of Beaches & Dozens of Attractions nearby
And one million and one standing ovations in our fabulous Theater & Arts District

Costa Mesa
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Visit www.TravelCostaMesa.com for details and reservations.

AYRES HOTEL & SUITES · Best Western · Marriott · Hilton · THE HOTEL HANFORD · Holiday Inn Express · RAMADA Costa Mesa/Newport Beach · Residence Inn · THE WESTIN · WYNDHAM

EXHIBIT B

2010/2011 Annual Report

Newspapers

Los Angeles Times
Travel Section
Press Enterprise
Union Tribune
Arizona Republic
Desert Sun
OC Business Journal

Los Angeles Times

THE PRESS-ENTERPRISE PE.com

The San Diego Union-Tribune.

THE ARIZONA REPUBLIC

The Desert Sun

ORANGE COUNTY BUSINESS JOURNAL

Magazines

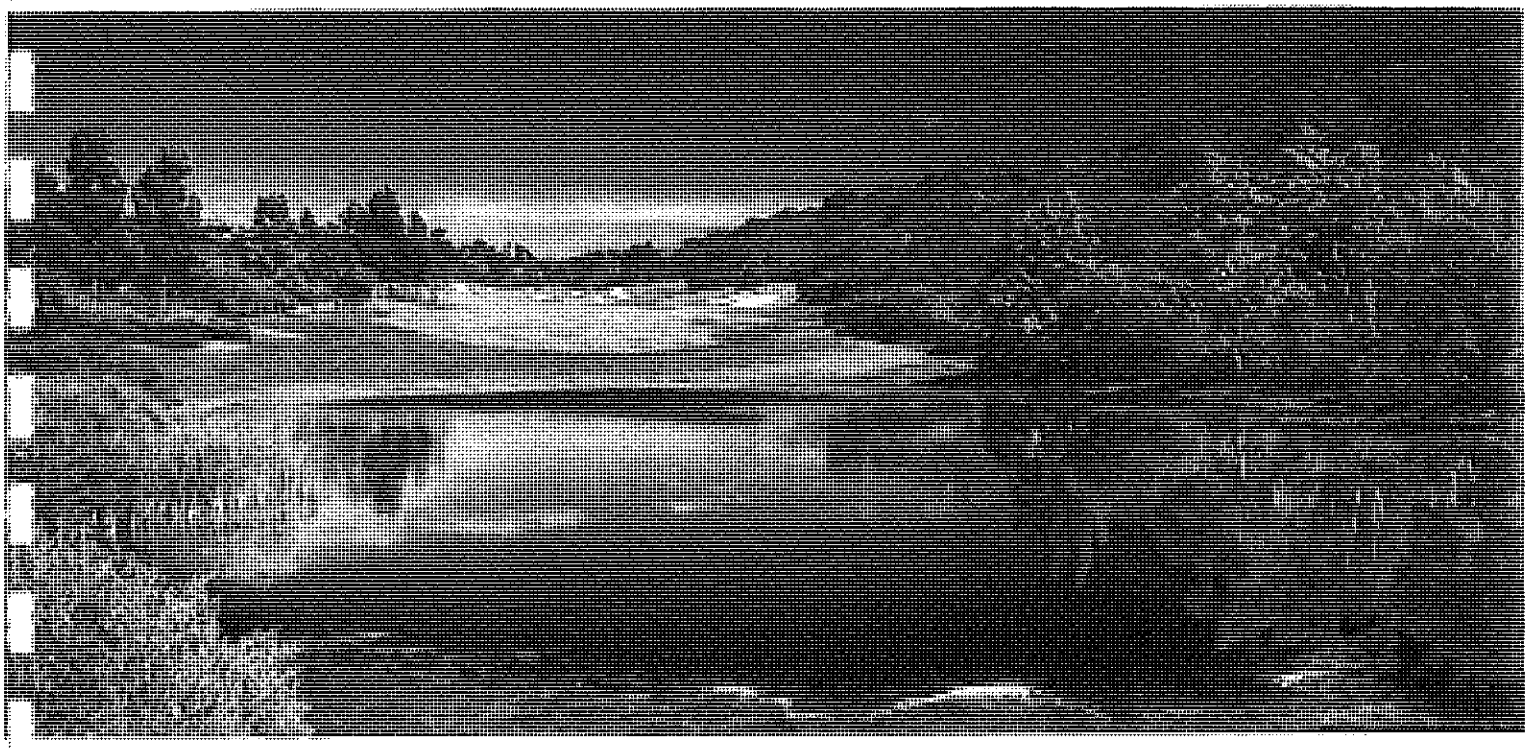
Westways
OC/LA The Place
Los Angeles Magazine
Meetings West
Smart Meetings
California Travel Guide

Westways

Los Angeles

Smartmeetings
The Intelligent Way to Plan in the Western Region

EXHIBIT B



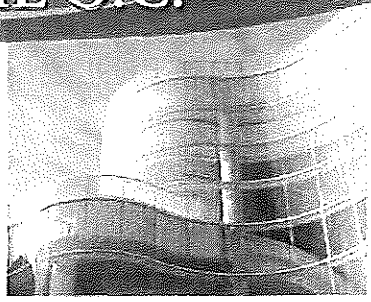
The Grand Del Mar golf course, San Diego.

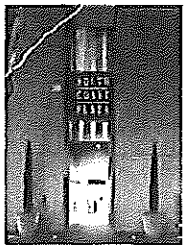
Take Center Stage in Costa Mesa

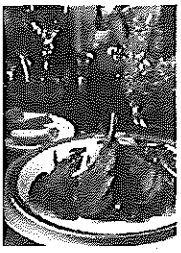
THE STANDING OVATION CAPITAL OF THE O.C.

Nine first-class and deluxe hotels
250 culinary delights
330 days of sunshine
2,225 sleeping rooms
101,100 square feet of meeting space
One Ultimate Shopping Experience: South Coast Plaza.
Minutes to Freeways & Airports
Miles of Beaches & Dozens of Attractions nearby
And one million and one standing ovations in our fabulous Theater & Arts District

Contact us at mcaswell@travelcostamesa.com or 866.918.4749.







Costa Mesa
www.TravelCostaMesa.com

AYRES HOTEL & SUITES
BEST WESTERN NEWPORT MESA
COSTA MESA MARRIOTT
HILTON ORANGE COUNTY/COSTA MESA
HOLIDAY INN COSTA MESA
HOLIDAY INN EXPRESS HOTEL & SUITES
RAMADA LIMITED & SUITES COSTA MESA
RESIDENCE INN BY MARRIOTT
THE WESTIN SOUTH COAST PLAZA
WYNDHAM ORANGE COUNTY

of things, from a starry stroll to local restaurants to a cruise through the arts and nightlife scene of cities large and small.

Of course, meetings are the focal point for any group, and the facilities in Southern California are many and varied, from some of the largest convention centers in the country, to urban, boutique hotels and Five-Star, secluded resorts. The area is served by two major airports—Los Angeles and San Diego International—as well as several smaller ones, including John Wayne Airport in Orange County, Palm Springs International Airport and LA/Ontario International Airport in the Inland Empire. And getting from point A to B is a snap on Southern California's famed freeways, as well as on miles of light rail and metro systems in Los Angeles and San Diego counties.

But while the types of groups that assemble in Southern California are as diverse as the attendees who fill their rolls, once there they all share the common experience of great weather, superb attractions and fun activities. And with all the area has to offer, any attendee will find something to enjoy, especially in the summertime when the sun shines brightest.

"Even though they shouldn't have, a lot of people went to the beach," half-jokes Deidre Irwin Ross, CMP, director of conference services for the American Library Association in Chicago, who held their annual event in Anaheim in June 2008.

EXHIBIT B

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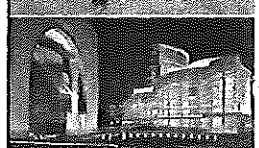

Costa Mesa
The Best Of Southern California

THE OC
A Part of THE OC Experience

up to $50* travel reimbursement

Drive/Fly and Dine on us and fill up on great memories

Running on empty? Stay in Costa Mesa and you can "Drive And Dine On Us". A $25 restaurant certificate every night of your stay, as well as a $25 travel reimbursement, will propel you nicely from internationally renowned South Coast Plaza to our world-class Theater & Arts District. You will also receive a South Coast Plaza VIP Passport filled with special offers from leading retailers.

Visit us at **www.TravelCostaMesa.com** for reservations.

AYRES HOTEL & SUITES · Best Western · Costa Mesa Marriott · Hilton · Holiday Inn Hotels & Resorts Costa Mesa · Holiday Inn Express Hotels & Suites · RAMADA Costa Mesa/Newport Beach · Residence Inn Marriott · THE WESTIN South Coast Plaza Costa Mesa · WYNDHAM

***Stay 3 nights or more and receive a $50 travel reimbursement.**

Total gas reimbursement not to exceed $50. *One restaurant certificate per night, per reservation. Subject to availability. Restrictions Apply. Not Valid With Other Offers. Offer Valid 4/04/09 – 9/30/09.

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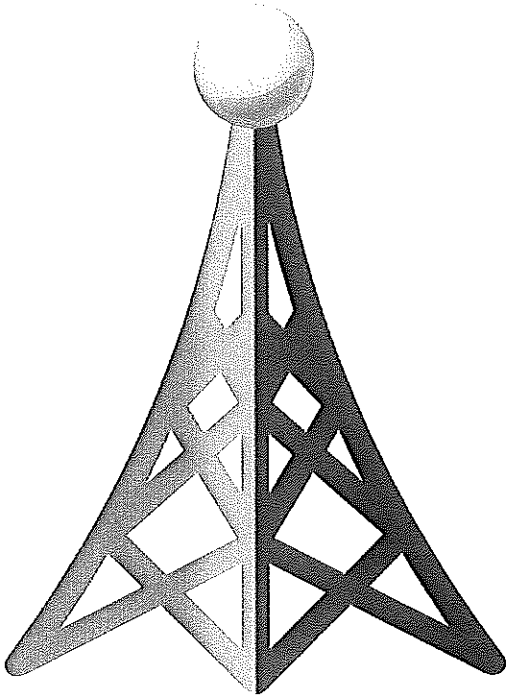
EXHIBIT B

Costa Mesa

2010/2011 Annual Report

Radio Campaign



MUTUAL ADVANTAGE BARTER ADVERTISING SERVICES
2009 Radio Campaigns & On-Air Promotions

Date	Media	Campaign	Market	Value
01/02 - 02/28	Radio	Destress Drive & Dine	Los Angeles Palm Springs	$101,626
03/24 - 08/31	Radio	Spring/Summer Drive & Dine Standing Ovation Campaign	Los Angeles Bakersfield Palm Springs Inland Empire Fresno San Diego	$178,598
10/27 - 12/19	Radio	Holiday Drive & Dine	Los Angeles	$53,415
			Total Radio Acquired:	**$333,639**
02/02 - 02/06	Radio	KOST-FM Radio Couple of the Week	Los Angeles	$ 33,750
02/02 - 02/13	Radio	KLOS-FM Radio Mark & Brian Show	Los Angeles	$ 50,000
02/16 - 02/20	Radio	KOST-FM Radio Lovesongs on the KOST	Los Angeles	$ 20,000
09/21 - 10/18	Radio	KOST-FM Radio Ditch Friday	Los Angeles	$ 68,000
			Total Promotions Acquired: ...	**$171,750**

Total Advertising for 2009: ... $505,389

Mutual Advantage 127 Rodeo Drive, Azle, Texas 76020 Off: 714-470-2726 Fax: 817-448-9097

EXHIBIT B

Costa Mesa

2010/2011 Annual Report

Public Relations

Public Relations Report

Submitted by Dan Pittman, Pittman & Associates, Inc.

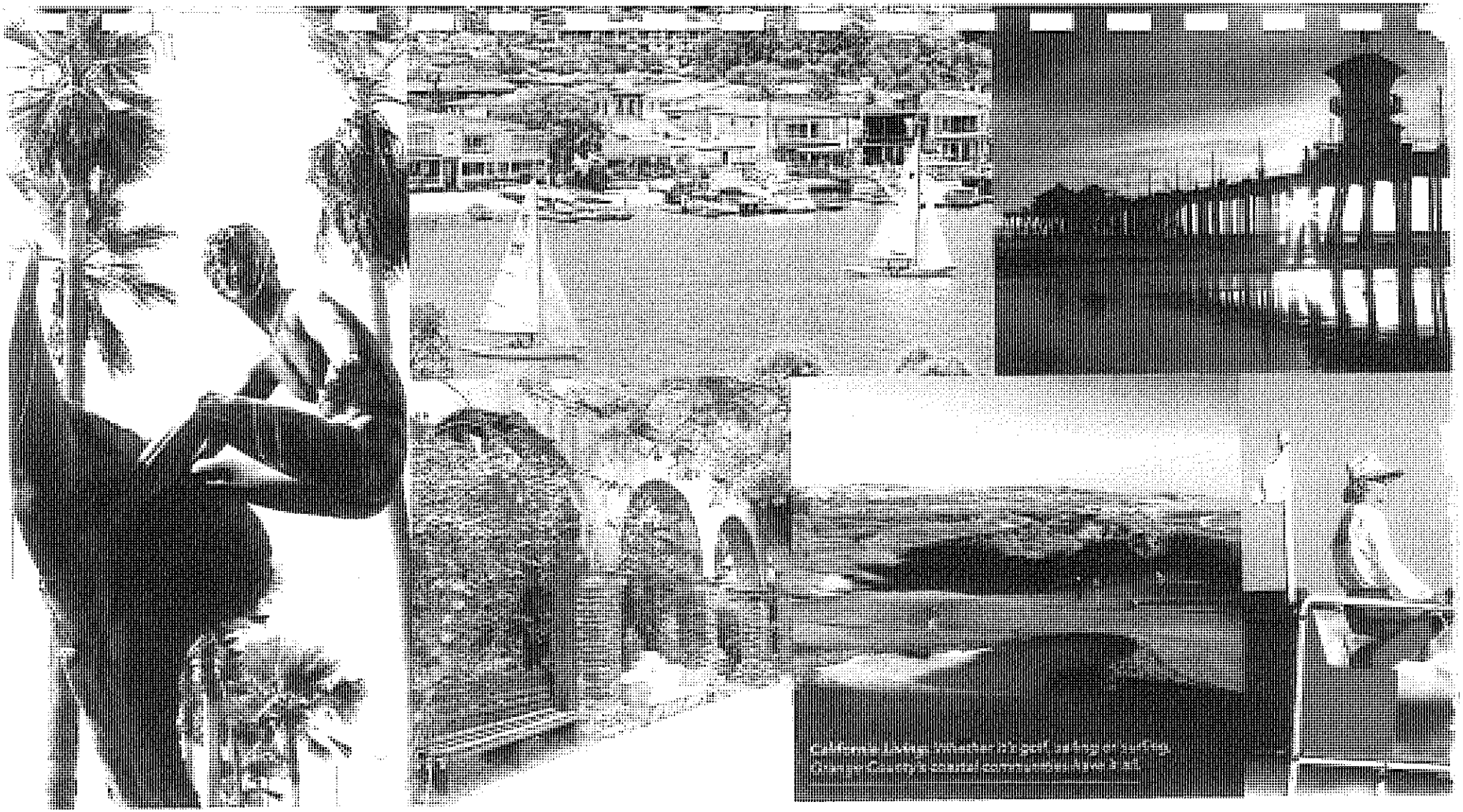
The primary thrust of public relations activities again for the year included building upon strategic relationships, such as with the California Tourism and Travel Commission and the Travel Industry Association of America, along with writing compelling press materials, and continuing frequent contact with key members of the travel, business and meetings media in leading newspapers, magazines, broadcast, online, and travel-related trade publications.

Again this year, publicity efforts extended the reach of advertising by obtaining earned media coverage on a local, regional and national basis for Costa Mesa. The Best of Southern California. Activities included writing and distributing news releases; making on-going and routine contact with the travel/leisure and business meeting media; conducting a media fam trip and arranging for individual stays for travel writers, and working with sales representatives of paid media to secure editorial placement accompanying ads.

Major public relations campaigns supported the highly successful "Fly/Drive and Dine" promotion, the Orange County Costa Mesa Classic Jazz Festival and the Chinese Festival, which earned significant publicity exposure.

Through public relations, Costa Mesa was introduced to thousands more first-time visitors and many more former visitors were welcomed back through an effective media relations program worth approximately $500,000 in publicity coverage value and reaching more than 6,000,000 TV viewers, plus newspaper, magazine and online readers.

Highlights included regional exposure in the *Arizona Republic*, *American Saver, Daily Pilot, Los Angeles Times, North County Times, Orange County Business Journal, Entrée, Palm Springs Desert Sun, Palm Springs Life, EXPLORE magazine, the in-flight magazine of TACA Airlines (the biggest Central American airline),* among others.



Back to the Beach

EXHIBIT B

Coastal Orange County is the quintessential SoCal destination

Coastal Orange County continued from page 13

Laguna Beach, Dana Point

One of the OC coasts' most scenic spots, Laguna Beach, is spread over seven miles of coastline interspersed with deep coves and tide pools rich with marine life. With a long history as an art colony, Laguna Beach is filled with arts-related activities for visitors, including art workshops and the renowned Pageant of the Masters, where local residents portray famous works of art every summer at an amphitheater in Laguna Canyon.

Laguna Beach's two main resort properties are Montage Resort and Spa and the Surf and Sand Resort, which completed a $9 million renovation two years ago. Laguna Beach also offers several boutique properties, including Seven4One, which opened recently with 10 guest rooms, two suites and a boardroom and outdoor courtyard available for meetings.

Just to the south of Laguna Beach, Dana Point offers some of the region's most esteemed coastal resorts, including The Ritz-Carlton, Laguna Niguel; St. Regis Monarch Beach Resort; and the Laguna Cliffs Marriott.

The focal point of the community is Dana Point Harbor, where visitors can enjoy dozens of shops and restaurants that ring the harbor or embark on whale-watching or sport-fishing excursions, or trips to Catalina Island.

To the south of Dana Point, the quaint communities of San Clemente and Seal Beach provide a tranquil landscape of sea cliffs and pristine beaches, while San Juan Capistrano is home to the adobe remains of California's most romantic Spanish mission settlement.

Close to the Coast

Not far inland, the communities of Irvine and Costa Mesa are also popular meetings destinations. When it comes to convenience, it's hard to beat Irvine, which is located in the exact center of Orange County and is also home to John Wayne Airport.

"We're a destination and we're also a hub," says Jennifer McLaughlin, director of tourism for the Irvine Chamber Visitors Bureau. "We're just a few minutes from the beach or to Disney, but we also offer a lot of places for hiking and other outdoor activities that are free, which is an important consideration to meeting planners these days."

Currently under development in Irvine is the Great Park, which will be the largest city park in the U.S. when it opens in 2011.

Meetings-friendly hotels in Irvine include the Hyatt Regency Irvine, Hilton Irvine/Orange County Airport and the recently renovated Irvine Airport Residence Inn by Marriott. Expected to open in December, the 132-unit Spring Hill Suites by Marriott will be the city's first green hotel.

Nearby Costa Mesa is home to Orange County's premier shopping experience, South Coast Plaza, and the recently expanded Orange County Performing Arts Center, which offers an events plaza and two theaters available for groups.

Meetings-friendly hotels in the city include the Hilton Orange County/Costa Mesa, Westin South Coast Plaza, Wyndham Orange County and Costa Mesa Marriott. The Westin recently completed a property-wide, $20 million renovation.

Search for detailed information about CVBs, hotels and meeting facilities in Coastal Orange County by visiting our website at www.meetingsfocus.com. Enter your preferred destination in the search box.

NORTH COUNTY TIMES | THE CALIFORNIAN

Chinese cultural festival kicks off in Costa Mesa

PAM KRAGEN - pkragen@nctimes.com | Posted: Wednesday, October 21, 2009 9:45 am

For six weeks this fall, Costa Mesa will become the center of cultural exchange between China and the West as host to the first "Ancient Paths, Modern Voices" festival in and around the Orange County Performing Arts Center.

The festival, which kicked off last week with exhibits of Chinese photography, video and film, a ping-pong tournament and a rare performance of Chinese marionette theater, will continue through Nov. 24 with a mix of art, music, film screenings, theater and lectures. Upcoming highlights include concerts by La Jolla-based pipa player Wu Man on Tuesday, the Colburn Orchestra with Cho-Liang Lin (artistic director of La Jolla's SummerFest concert series) on Oct. 29, famed pianist Lang Lang on Nov. 3 and the Shanghai Symphony on Nov. 24.

The festival is a bicoastal collaboration between New York's Carnegie Hall and the Philharmonic Society of Orange County. It marks the first time Carnegie Hall has ever collaborated with an arts organization outside New York (Orange County being a logical place for this partnership, since it is home to one of the largest populations of Chinese-Americans in the United States).

The idea of bringing the festival to the Orange County arts center was conceived two years ago, when Henry Segerstrom (developer of South Coast Plaza, the nation's top-grossing shopping center, and major underwriter for the Orange County Performing Arts Center) met in New York with Carnegie Hall officials to discuss bringing some of its programs to the West Coast. As a result, many of the same artists featured in Costa Mesa this month will also perform at Carnegie Hall, which launched its own 20-day "Ancient Paths, Modern Voices" festival on Wednesday.

Many of the groups performing in the Costa Mesa festival are doing so outside China for the very first time. One example is the Quanzhou Marionette Troupe, which performed to packed houses last weekend at the art center's new Samueli Theatre. The 57-year-old ensemble has visited the United States only twice before (and then only for educational programs or performances at the United Nations in New York).

Like many of the other performers booked for "Ancient Paths," the Quanzou Marionette Troupe's mission on this tour is to show the American public the revered, 2,000-year-old art form of Chinese puppetry and tell some of the traditional folk stories that illuminate Chinese culture. All but two of the eight puppeteers who performed Saturday had more than 30 years of experience as puppeteers, a craft that apprentices begin training for at the age of 12.

The master puppeteers not only sing, dance and tell the stories of their mute puppet characters, they also must manipulate up to 40 marionette strings for the 20- to 30-inch figures, which are so finely detailed, a string can move their wrists, fingers and even eyelids. Accompanied by a six-member orchestra (performing on Chinese folk instruments) the 90-minute show included short stories (with projected English supertitles on a screen behind the performers) about a timid monk frightened by loud noises on his walk to town; a drunken warrior's boastings about battle fed by copious amounts of wine; a traditional lucky lion dance; a folk story about a skeleton enchantress who haunts travelers on the road; and a child-friendly bit with a monkey riding and performing tricks on a bicycle. The puppeteers enthralled the crowd by drawing incredibly lifelike behavior from the wooden marionettes.

Also opening this past week was the U.S. premiere of a fascinating photography exhibit by Beijing-based fashion photographer Quentin Shih. Christian Dior and South Coast Plaza are co-sponsoring the exhibit, on display through Nov. 7 in the Jewel Court at South Coast Plaza. Shih's 20 photographs show the clash of cultures between the East and West. In each of the collage images, Chinese people (from Olympic athletes to school children) are seen looking in curious fascination at tall, hyperslim Western fashion models, clad in Dior creations, and encased like mannequins in glass boxes. The Chinese people in the photos have rouged cheeks to imply their healthy lifestyle, and the glass box represents the barrier that still exists between the two cultures. The glass implies a visual connection, but its solidity represents the very real division that remains between East and West.

In association with the festival, nearby restaurants, hotels and shops (particularly the Westin South Coast Plaza) are creating themed menus and programming to welcome the Chinese visitors as well as ticket-buyers drawn to the area for the events. Below is a

schedule of the remaining festival events. For details and prices, visit www.philharmonicsociety.org/chinafestival.

Chinese Cultural Showcase

2 to 4 p.m. Saturday, South Coast Plaza Carousel Court

Irvine Chinese School and South Coast Chinese Cultural Association present performances of ribbon dancing, music on traditional Chinese folk instruments, martial arts demonstrations and cultural craft displays.

Musical Journeys Through China with Wu Man

8 p.m. Tuesday, Samueli Theater, Orange County Performing Arts Center

Pipa virtuoso Wu Man hosts this introduction to the music, instruments and shadow puppetry of China, featuring the Li Family Daoist Band and Zhang Family Band.

Documenting the Global City: Beijing

8 p.m. Wednesday, Regency South Coast Village Theater

Exhibit of films on Chinese life hosted by the USD/US China Institute and Orange County Film Society in collaboration with Beijing's Communication University of China.

Photographs by Quentin Shih

Ongoing through Nov. 7, South Coast Plaza Jewel Court

U.S. premiere of this 20-image exhibit featuring Chinese scenes and Dior-clad fashion models.

Video Work by Gao Shiqiang and Chen Qiulin

Ongoing through Jan. 10, Orange County Museum of Art

Exhibition of videos by two Chinese contemporary filmmakers, including "Butterfly Lovers" and "Color Line."

Huntington Library and Gardens Chinese Garden Model Display

Ongoing through Nov. 7, South Coast Plaza

Scale model display of Huntington Gardens' new 12-acre classical Chinese garden, including a still-to-come second phase.

The Colburn Orchestra with violinist Cho-Liang Lin

8 p.m. Oct. 29, Segerstrom Concert Hall, Orange County Performing Arts Center

Program includes Tan Dun's "Out of Peking Opera" violin concerto, Mozart's Violin Concerto No. 4 in D and Shostakovich's Symphony No. 5.

Lang Lang and Friends

7 p.m. Nov. 3, Segerstrom Concert Hall

The pianist performs with tenor GeQun Wang and Chinese musicians.

Designing China Panel Discussion

6 p.m. Nov. 5, Orange County Museum of Art

EXHIBIT B

Results from the University of California Humanities Research Institute's recent seminar on experimental critical theory in China.

"Falling Leaves" Play Reading

7:30 p.m. Nov. 17, Argyros Stage, South Coast Repertory Theatre

South Coast Repertory Theatre presents a staged reading of a new play based on Adeline Yen Mah's autobiographical best-selling book "Falling Leaves: The Memoir of an Unwanted Chinese Daughter."

"From Mao to Mozart: Isaac Stern in China"

2 p.m. Nov. 19, Bowers Museum

Screening of the Oscar-winning film documenting the famed violinist's groundbreaking visit to China in 1979.

"Silver Spear" Screening

1:30 p.m. Nov. 22, Bowers Museum

Screening of Peking Opera performer Yuan Huiqin's digital opera film that combines the traditional art form of Chinese opera with contemporary filmmaking techniques.

The Shanghai Symphony with Pianist Yuja Wang

8 p.m. Nov. 24, Segerstrom Concert Hall

Program includes Chen Qigang's "Iris Devoilee," Rachmaninov's Piano Concerto No. 2 and Mussorgsky's "Khovantchina" introduction.

Celebrate Chinese culture in City of the Arts

Costa Mesa offers shopping, museums plus unique festival

Often referred to as the "City of the Arts," Costa Mesa and its various locales offer a unique festival this month brimming with activities celebrating the diverse and vibrant Chinese culture.

Costa Mesa is in Orange County, just 25 miles south of Los Angeles and an hour and a half from Palm Springs. It may not be the first destination that comes to mind, but give this some thought: It is the home of the shopping mecca of South Coast Plaza and the Orange County Performing Arts Center.

Plus it is just a few miles from beaches, Disneyland, Knott's Berry Farm and a multitude of museums and art galleries.

One-of-a-kind festival

"Ancient Paths, Modern Voices" stands as the first festival presented under a partnership between Carnegie Hall and the Philharmonic Society and the first time Carnegie Hall's festival programming has been offered to audiences outside of New York. The festival couples the old and new traditions of Chinese culture.

Performances include the talented Quanzhou Marionette Troupe spinning ancient tales at the Segerstrom Center for the Arts, Western symphonic and chamber music influenced by Chinese culture, traditional folk music, as well as film screenings, and art exhibitions.

Art, fashion combine

As part of the festivities, the U.S. premiere of an exhibition featuring the work of Beijing-based fashion photographer Quentin Shih is currently on view through Nov. 7 at adjacent South Coast Plaza. "Christian Dior Presents Photographs by Quentin Shih" comes direct from the exhibition in Beijing last year and features 20 of the original 22 works.

With its ongoing appreciation for art and fashion, South Coast Plaza has a reputation of attracting visitors from around the world with its collection of nearly 300 boutiques and department stores.

Give a standing ovation

The Westin South Coast Plaza, which enviably sits walking distance between the Performing Arts Center and South Coast Plaza, offers special stays for overnight theatergoers and shoppers.

The newly redesigned luxury resort offering two great packages.

The "Standing Ovation Theater Package," with stays from $149 per night, includes a $25 travel reimbursement, $25 theater ticket reimbursement, plus a $25 dining certificate for each night of stay.

The "Shopping Package" includes a $199 per night stay with the added bonuses of a $100 South Coast Plaza gift certificate, a South Coast Plaza discount coupon book, complimentary access to the shopping resort's VIP Lounge and complimentary valet parking.

If you go

"Ancient Paths, Modern Voices," www.philharmonicsociety.org/chinafestival

South Coast Plaza, 3333 Bristol St., Costa Mesa; (800) 782-8888, www.southcoastplaza.com

The Westin South Coast Plaza, 686 Anton Blvd. Costa Mesa, (714) 540-2500; www.westin.com/southcoastplaza

The Costa Mesa Conference & Visitors Bureau, (714) 435-8530 or (866) 918-4749; www.travelcostamesa.com

Celebrate Chinese culture in Costa Mesa

Often referred to as the "City of the Arts," various locales in Costa Mesa, including its revered Orange County Performing Arts Center's Segerstrom Center for the Arts, are offering a unique festival this month brimming over in activities celebrating the vibrant Chinese culture.

Costa Mesa is located in Orange County, 25 miles south of Los Angeles and 1½ hours from Palm Springs. It may not be the first vacation trip destination that comes to mind, but give this some thought: It is the home of the shopping Mecca of South Coast Plaza and the Orange County Performing Arts Center, plus it is just a few miles from beaches, Disneyland, Knott's Berry Farm and museums and art galleries

■ **One-of-a-kind festival**

"Ancient Paths, Modern Voices," stands as the first festival presented under a partnership between Carnegie Hall and the Philharmonic Society, and the first time Carnegie Hall's festival programming has been offered to audiences outside of New York. The festival, being celebrated simultaneously at New York's Carnegie Hall, couples the old and new traditions of the Chinese culture.

Performances include the talented Quanzhou Marionette Troupe spinning ancient tales at the Segerstrom Center for the Arts, Western symphonic and chamber music influenced by Chinese culture, traditional folk music, as well as film screenings, art exhibitions and more.

■ **Art and fashion combine at South Coast Plaza**

As part of the festivities, the U.S. premiere of an exhibition featuring

Please see GOING MY WAY, E7

If you go

"Ancient Paths, Modern Voices" www.philharmonicsociety.org/chinafestival

South Coast Plaza
3333 Bristol St., Costa Mesa 92626
800-782-8888
www.southcoastplaza.com

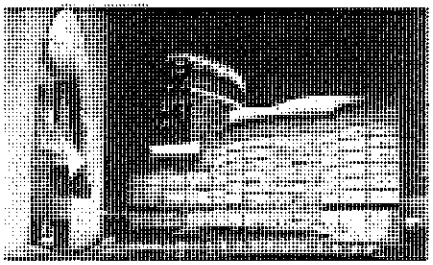
The Westin South Coast Plaza
686 Anton Blvd. Costa Mesa 92626
714-540-2500,
www.westin.com/southcoastplaza

The Costa Mesa Conference & Visitors Bureau, (714) 435-8530 or (866) 918-4749
www.TravelCostaMesa.com

continued on page A-37

Reap the Rewards of Meeting or Staying in Costa Mesa

Costa Mesa is the OC's meeting and vacation headquarters. On behalf of the city's 10 luxury hotels, the Costa Mesa Conference & Visitor Bureau can assist meeting and event planners with everything from site selection to the promotion of their meetings or events. Here they will find an unbeatable combination of convenience, meeting space and services in an exciting, amenity-packed destination for meetings or events for from 10 to thousands of participants.



Costa Mesa is home to the Orange County Performing Artscenter, including the magnificent Renée & Henry Segerstrom Concert Hall.

More than 100,000 square feet of meeting space are available in the hotels and in other exceptional and unique meeting venues, such as the Renée & Henry Segerstrom Concert Hall, Orchestra Lobby, Box Tower, Samueli Theatre and the grand plaza outside of the performance venues.

Costa Mesa is a great place to stay, too. The 2009 Spring/Summer Fly/Drive & Dine On Us package requires guests to book a stay in one of 10 Costa Mesa hotels between April 4 and September 30, 2009. Hotel rates start at $107 per night. Upon check-in, guests will receive $25 per night dining certificates good at many participating Costa Mesa restaurants. Via mail, they will also receive a check for $25 per reservation as a travel reimbursement. That reimbursement increases to $50 for a stay of three consecutive days or more. Guests also receive a VIP Passport from internationally renowned South Coast Plaza filled with valuable offers from leading retail establishments.

Hotels include Ayres Hotel & Suites, Best Western, Costa Mesa Marriott, Hilton Orange County/Costa Mesa, Holiday Inn Costa Mesa, Holiday Inn Express Hotel & Suites, Ramada Limited & Suites, Residence Inn by Marriott, The Westin South Coast Plaza, and the Wyndham Hotel/Orange County. Rooms and rates are subject to availability. Some restrictions apply.

For information about booking a meeting or staying in Costa Mesa, call 714.435.8530 or 866.918.4749. Visit Costa Mesa online at www.TravelCostaMesa.com.

EXHIBIT B

Special Promotional Section

Costa Mesa Conference & Visitor Bureau

Costa Mesa, California

Meeting Space

.c .ted in the heart of The O.C., Costa Mesa offers an ıt eatable combination of guest rooms and meeting ıpace in 10 deluxe hotels that can accommodate neetings from ten to thousands of attendees.

Activities

Costa Mesa is home to upscale shopping at the inter- ıa onally renowned South Coast Plaza where visitors w find more than 280 top retailers, including major stores and fine boutiques, plus restaurants and more.

menities

.ocated in Costa Mesa, the Orange County Theater & Arts District comprises several world-class ɔ orming arts venues—the original Orange County P..orming Arts Center, plus The Center's dazzling Renée and Henry Segerstrom Concert Hall and ɔ ueli Theatre and South Coast Repertory Theater, w :h are located in the Segerstrom Center for the Arts and designed by internationally acclaimed architect Cesar Pelli.

SMART FACTS

Costa Mesa Conference & Visitor Bureau
Costa Mesa, CA
714-435-8530
travelcostamesa.com

- Costa Mesa is the O.C.'s premier shopping, dining and cultural destination.
- Situated in the heart of Southern California between Los Angles and San Diego, Costa Mesa is near the beach and easily accessible by car and plane.
- Costa Mesa is home to the Theater & Arts District, featuring world-class performing arts venues like the magnificent Renée and Henry Segerstrom Concert Hall, plus Tony Award-winning South Coast Repertory and exceptional outdoor artworks.
- The bureau represents ten luxury Costa Mesa hotels including Ayres, Best Western, Marriott, Hilton, Holiday Inn, Holiday Inn Express, Ramada, Residence Inn by Marriott, The Westin South Coast Plaza and the Wyndham.

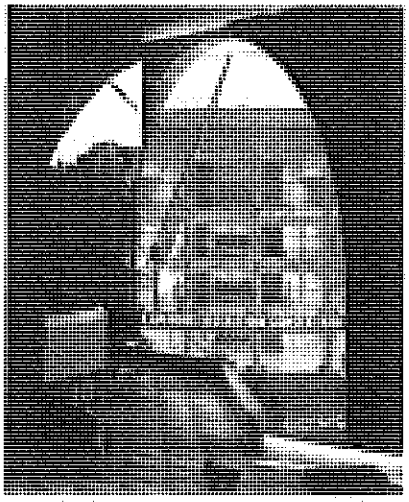
GETTING THERE Costa Mesa is located conveniently near John Wayne Airport, and is accessible from the San Diego Freeway (405), Costa Mesa Freeway (55) and Santa Ana Freeway (5), as well as the San Joaquin Hills (73) and Foothill/Eastern (241/261/133) toll roads (thetollroads.com). Additionally, LAX is one hour away by car, and Long Beach Airport is 30 minutes away by car.

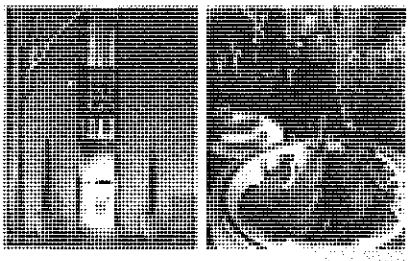
Take Center Stage in Costa Mesa

THE STANDING OVATION CAPITAL OF THE O.C.

Nine first-class and deluxe hotels
250 restaurants
330 days of sunshine
2,225 sleeping rooms
101,100 square feet of meeting space
One Ultimate Shopping Experience: South Coast Plaza.
Minutes to Freeways & Airports
Miles of Beaches & Dozens of Attractions nearby
And one million and one standing ovations in our fabulous Theater & Arts District

Contact us at **groupsales@costamesacvb.com** or **714.840.9500.**





Costa Mesa
The Best Of Southern California
www.costamesa-ca.com

AYRES HOTEL & SUITES
COSTA MESA MARRIOTT
HILTON ORANGE COUNTY/COSTA MESA
HOLIDAY INN COSTA MESA
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RAMADA LIMITED & SUITES COSTA MESA
RESIDENCE INN BY MARRIOTT
THE WESTIN SOUTH COAST PLAZA
WYNDHAM ORANGE COUNTY

Costa Mesa

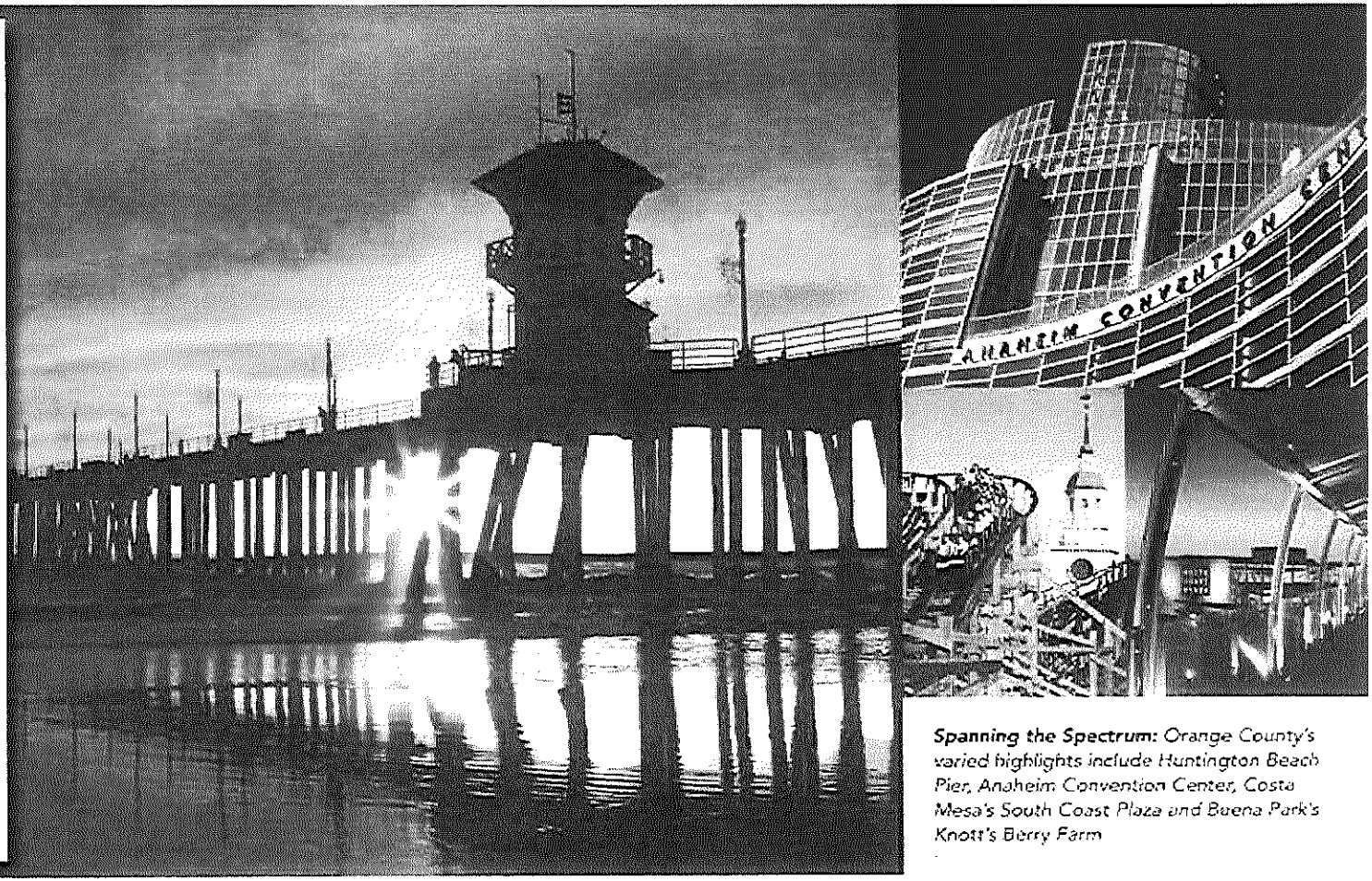
With a healthy portfolio of luxury hotels and meeting space for groups as large as 1,350, Costa Mesa is a destination to consider when you want to impress.

Topping the list for meeting space are Wyndham Orange County and Westin South Coast Plaza, which recently finished $20 million in upgrades. Nearby, South Coast Plaza entertains attendees with dozens of restaurants and more than 300 stores.

Pacific Amphitheatre, located adjacent to the Orange County Fairgrounds, can seat as many as 8,500 people.

The ultramodern Orange County Performing Arts Center comprises a number of concert venues and theaters capable of seating from 250 to 3,000 people.

Team-building opportunities in Costa Mesa are many and varied, ranging from paintball battles for 20 or more at Giant Paintball to soapbox derbies and beach challenges with Corporate Diversions.



Spanning the Spectrum: *Orange County's varied highlights include Huntington Beach Pier, Anaheim Convention Center, Costa Mesa's South Coast Plaza and Buena Park's Knott's Berry Farm*

Endless Summer

EXHIBIT B

4,100-acre Los Penasquitos Canyon Preserve, with 37 miles of trails for hiking, biking and horseback riding.

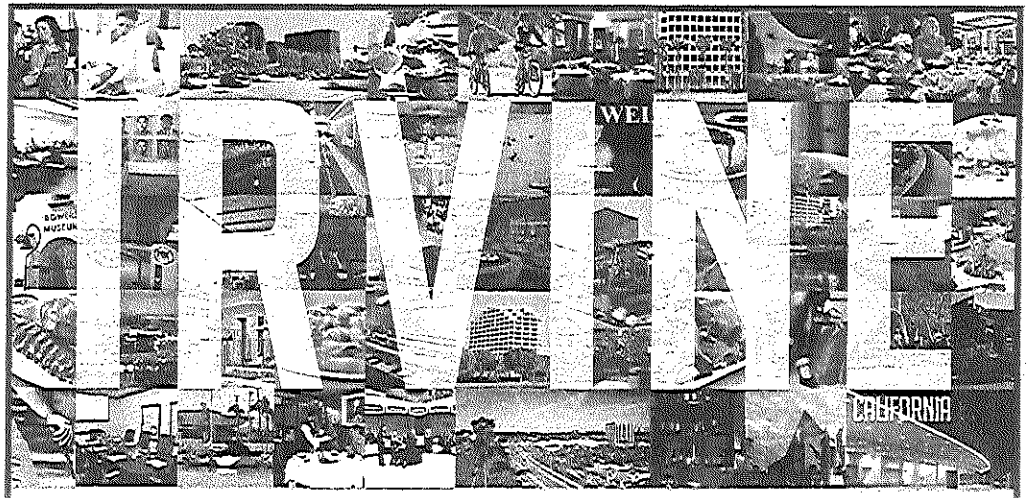
SURFING IN THE O.C.

Some destinations are forever fated to be tagged with an unofficial brand (e.g., Seattle: coffee on a rainy day; Phoenix: but it's a dry heat!). Mention Orange County, and an image comes to mind of surfing along beautiful beaches (and all other manner of seaside activities) under sunny skies and warm breezes. The coastal cities and towns that make up the more than 40 miles of coastline in The O.C. have been attracting surfers and beach-goers since the sport first landed on our western shores, and standing tallest among those locales is Huntington Beach.

Officially dubbed "Surf City USA," the evidence is found in the city's **International Surfing Museum** (surfingmuseum.org) with exhibits of some of the legends, as well as its hosting of the U.S. Open of Surfing and Surf City USA Marathon. Your group can even learn to surf like the pros at **Corky Carroll's Surf School** (surfschool.net), enjoy a sand-castle building competition (with professional guidance) or sit by a bonfire after dark. Other O.C. coastal communities include Newport Beach, Laguna Beach and Costa Mesa, the latter represented by the **Costa Mesa Conference and Visitors Bureau** (travelcostamesa.com).

But The O.C. has a lot more going for it than just surfing. "I think [attendees] are surprised because the terrain is so diverse," says Cali, from the Anaheim/Orange County VCB. "I think they're not sure what to expect if they haven't been here before, that the **Anaheim Convention Center** (anaheimconventioncenter.com) is so close and walkable [from the hotels] and close to Disney, and there's so much variety accessible to them." The center is the largest in the area with 813,000 sq. ft. of event space.

You're never far from the happiest place on earth in The O.C., with **Disneyland Resort** (disney-



Where business and pleasure fit perfectly together

Irvine is your ideal meeting destination with:

- John Wayne Airport (SNA) just minutes away from

EXHIBIT B

EXHIBIT B

Event Planners Expect Slight, Not Severe Drop in Business

TOURISM: Company events fall; association, medical set to shine

By SANDI CAIN

Orange County event planners may not have a trio of witches around a bubbling cauldron to foretell how the recession will hit their business this year, but they do have a trio of shows they think will be an accurate oracle.

Three of the county's largest conventions and trade shows are held in the first quarter: The NAMM Show, which ended Sunday; Medical Design & Manufacturing, an umbrella show that features seven different groups; and Natural Products Expo West, which has benefited in recent years from a renewed focus on environmental issues and natural foods.

Together, the three accounted for more than 170,000 of the 1.25 million people who visited OC conventions last year.

In all, first-quarter shows account for about a third of Anaheim's annual convention business.

How they do this year may be a harbinger of things to come.

Convention planners and hotels are bracing for a pullback in company spending, but see certain groups—association, healthcare and religious groups—maintaining and even growing their meeting business this year.

The major local conventions come at a time when the economic downturn is widespread. Employment data released Jan. 9 by the Department of Labor counted 2.6 million jobs lost nationwide last year—the worst decline since 1945. The unemployment rate hit a 16-year high of 7.2% in December.

NAMM draws heavily from the regional market. Organizers expected attendance to be similar to last year, but final numbers were not available.

The Medical Design & Manufacturing group, staged by Los Angeles-based Canon Communications LLC, hopes to see a 3% increase in exhibitors. Attendee registration is "holding up compared to last year," said Dan Cutrone, Canon's director of marketing.

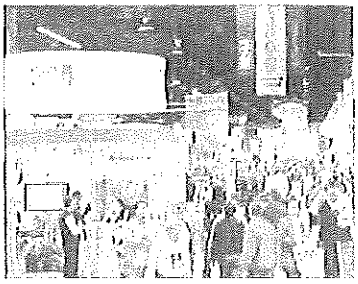
The show is weathering the downturn well because attendees view it as a necessity to keep up with changing technology, according to Cutrone.

The nationwide drop in meetings started last fall when companies began scaling back on their meetings and conferences.

San Jose-based Cisco Systems Inc. was one of the first, canceling its 2009 sales conference to hold a virtual meeting instead.

Fifty-eight percent of more than 600 meeting planners surveyed during a fall Webinar said they expected business to worsen this year.

The things that will hit conventions the hardest this year are likely to be corporate mergers and acquisitions, reduced marketing budgets, restrictions on travel expenses and fewer people working at exhibit booths, according to market watchers.



Medical Design & Manufacturing conference: expects growth in 2009

The hotel and convention industry survived a downturn after the terrorist attacks of 2001, but Charles Ahlers, President of the Anaheim/Orange County Visitor & Convention Bureau, said this downturn is different.

"It's broader and longer-reaching than 2001," he said. "And consumer confidence is destroyed."

The December forecast for trade shows from Trade Show Executive's Exposition Forecasting Board estimated the number of exhibiting companies will fall 8.5% this quarter and 10.6% for the year while attendance is likely to drop 14% this quarter and 12.5% this year nationwide.

Even Las Vegas—the largest convention market in the U.S.—saw its convention attendance fall by 4% through October. Visitor volume that month plummeted by 10.2%, the worst drop since 2001, according to Las Vegas Convention and Visitors Authority. And attendance is expected to continue dropping this year.

Some convention centers are offering discounted or free space and other perks to lure groups, while some expansions and new construction projects have been put on hold or pushed back.

Hotel Reaction

Some hotels also are offering perks such as free parking or Internet service at no extra cost at the request of conference organizers.

Hotels also are bracing for a downturn in convention business—Starwood Hotels & Resorts Worldwide Inc., Marriott International Inc. and Wyndham Worldwide Corp. all announced cost-cutting measures before year's end—and have seen some, but not too many booking cancellations.

The Hilton Anaheim, OC's largest hotel and a frequent convention headquarters, is ahead of the booking pace for the same period a year ago. Yet some groups have asked to reduce the number of rooms reserved.

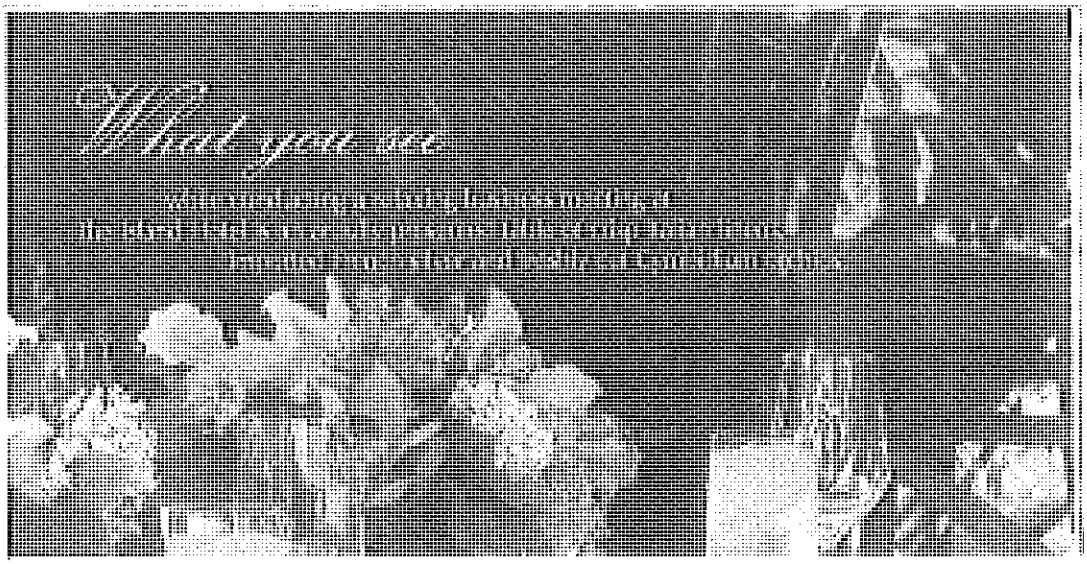
"We're trying to be as flexible as possible," said Brad Logsdon, director of sales and marketing for the hotel.

It's harder than ever to predict a group's room usage, Logsdon said.

"Some look like they'll be short of target and end up OK; others look to be OK and end up short," he said.

Ahlers of the Anaheim/Orange County Visitor & Convention Bureau said he's hopeful that the convention business will remain strong, if not stellar.

"We have more (large convention) business



use of teleconferencing and 57% reported using more videoconferencing since the economy turned sour. Only 14% reported an increase in the use of the more expensive telepresence technology, which is more detailed than videoconferencing and allows users to make virtual eye contact and zoom in on almost life-sized objects.

Despite the flap over AIG, incentive programs haven't gone away, said Nancy Trevithick, director of group and incentive sales at Resort at Pelican Hill, because companies need to reward top performers.

Such programs are likely to be scaled back. Jorgensen said it's important to take a second look at where adjustments might be needed instead of canceling meetings.

"This is the time they can't let it go," she said. "We're just back where we were in the late '80s and early '90s where perception is huge and spending has to look smart."

Hotels that fill their space with corporate meetings have had a harder time getting people to sign contracts. In addition, they're seeing shorter and less costly programs, shorter lead times, lower attendance and requests for free services to control costs. A few have moved meetings set for the first quarter to later in the year.

Instead of offering sheet-from-room rate cuts, hotels are getting creative with meetings packages and promotions that include free coffee breaks or boxed receptions, free parking and other amenities.

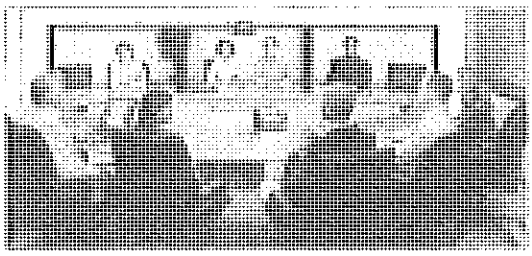
"You have to be careful not to compromise your product," said George Lysek, director of sales and marketing at the Balboa Bay Club & Resort.

Hotel programs that donate a portion of the meeting proceeds to a charity of the group's choice help silence critics of upper-end hotels.

There's even some blurring between leisure and business markets as hoteliers add leisure-oriented amenities and perks to meetings packages.

"The demand for packages has increased," said Leah Harrison, director of sales at the Hilton Irvine.

Thomas Smalley, general manager of the Wyndham Orange County at the Performing Arts Center in Costa Mesa, said being creative with packages is one way to make sure area hotels are still attractive for local meetings.



Cisco's telepresence technology: companies exploring expensive virtual communication options

"As business leaders, we need to do something significantly different than we did last year to stimulate the local economy," he said.

High-end properties are going after groups they haven't targeted before to make up for lost corporate business. Conversely, some non-corporate groups are testing the waters at resorts they might not have approached before as an attendance-building tool.

"We're getting calls from clients we never thought would call us," said George Munz, director of sales and marketing at the Ritz-Carlton Laguna Niguel in Dana Point.

Other OC companies haven't abandoned business meetings, but are moving ahead with caution.

Marcia Willett, senior director of corporate events for Santa Ana-based Ingram Micro Inc., said caution for meetings' budgets and travel is standard procedure at Ingram.

"We always want to make sure there's good return on investment," Willett said.

HaloesRaytheonSystems Co. in Fullerton, a joint venture of Mass.-based Raytheon Co. and France's Halcs Group, hasn't instituted any cutbacks because defense companies so far have been spared the worst of the recession fallout. As a result, all systems are go for the company's quarterly and semi-annual meetings, said Ree Taylor, manager of customer relations, including one that will bring 28 people here from the Middle East in March.

"As an international company, we love face-to-face meetings," Taylor said. "They've improved communication, efficiency, trust and productivity on both sides of the Atlantic."

The company evaluates all meetings twice a year and is seeking more ways to leverage companywide buying power with suppliers.

But the defense industry is a bit of an anomaly.

Gary Sherwin, president and chief executive officer of the Newport Beach Conference & Visitors Bureau, said the number of meetings in the city began to decline last fall. Now even companies that need to have meetings and have the budgets are holding off because they are uncertain about the future.

"They don't want to be obligated financially," Sherwin said. As a result, "thousands of room nights in tentative bookings are in limbo," he said. ■

Cost Controls

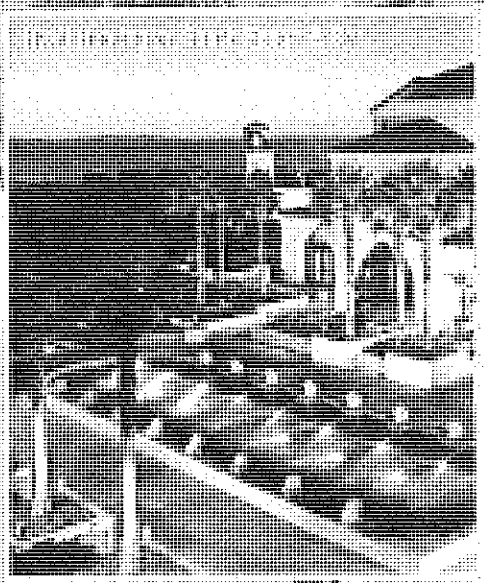
Top five ways companies can cut down on meeting, travel expenses

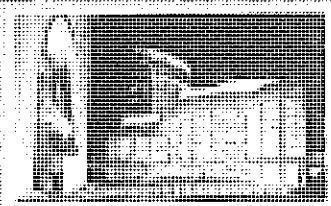
- Require advance-purchase airline tickets
- Reduce the amount of air travel
- Send fewer employees to meetings, conventions and trade shows
- Enforce or improve travel policies
- Pursue alternatives to in-person meetings

Source: National Business Travel Association, October 2008

EXHIBIT B

HOTELS



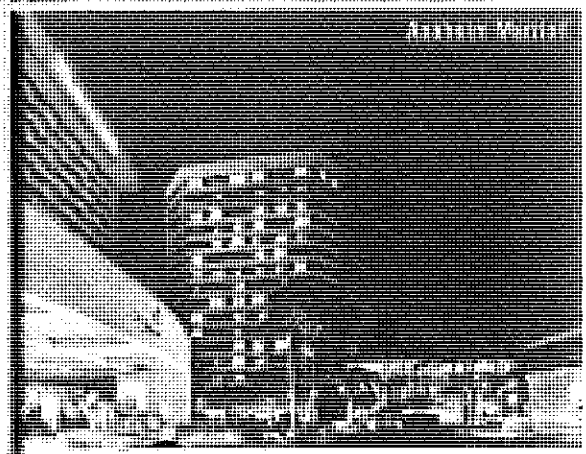


Costa Mesa is home to the Orange County Performing Arts Center, including the nearby Pacific Amphitheatre and Segerstrom Concert Hall.

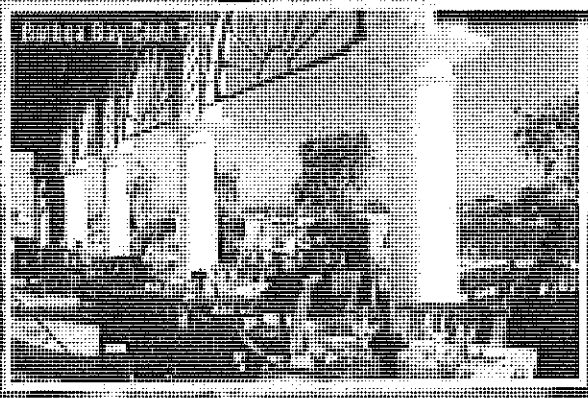
Reap the Rewards of Staying or Meeting in Costa Mesa

Located in the heart of The OC, Costa Mesa offers an unfamiliar combination of guarantees and meeting space in 10 deluxe hotels, shopping at entertaining renowned South Coast Plaza, stores of coastal and fine-dining restaurants, and much more. Expert in culinary arts and superior service, the hotels of Costa Mesa ensure that this is an ideal destination for discriminating business, tourism or meeting participants. The city is home to the Theater & Arts District.

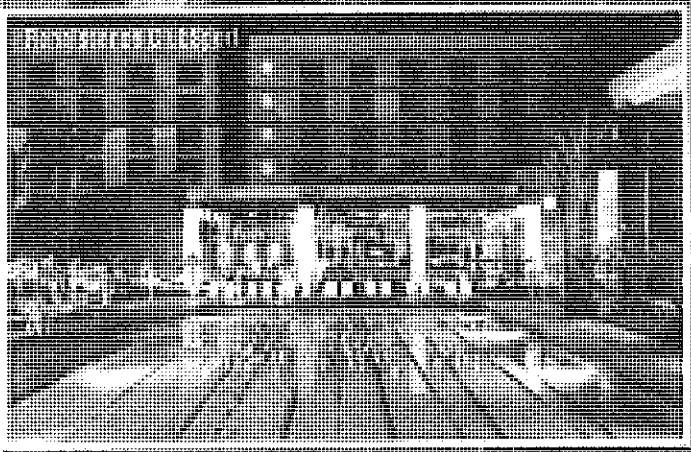
For information about meeting or staying in Costa Mesa, call (714) 436-4550 or (800) 854-6788. Visit Costa Mesa online at www.thecoastalmesa.com.

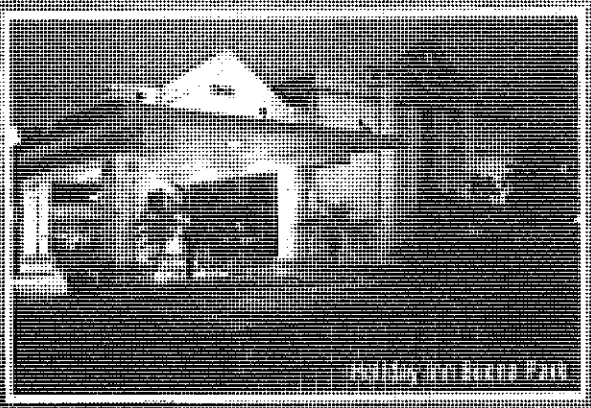


Anthony Marriott



Surf & Sand Resort





Holiday Inn Hotel Park

ORANGE COUNTY

'it provides information on 42 miles of O.C. astline and the communities located there.

ENTRAL AND CONVENIENT: COSTA MESA AND IRVINE

Sec 7 miles inland from Huntington Beach, Costa 'sa boasts some 101,000 sq. ft. of event space and ore than 2,225 guest rooms concentrated in 10 convention hotels. Shaun Robinson, president of the **Costa Mesa Conference and Visitor Bureau** (travelcostamesa.com) and **Hilton Orange County/Costa Mesa** (costamesa.hilton.com) general manager, says the short distance between those hotels and John Wayne Airport makes meeting more affordable. Costa Mesa's proximity to the Pacific Ocean also helps.

"We're not right on the beach, so we can provide a great package for meeting planners who can't pay those beach prices," he says, adding that bigger deals are dished up during the slower summer months. "The quieter times for meetings here are definitely in the summer, but we feel we've got a great price point throughout the year. It's a buyer's market."

With 50,000 sq. ft. for meetings, including the 12,160-square-foot Pacific Ballroom and the 240-seat, floor-to-ceiling, windowed Fountain Terrace room, the Hilton holds the largest groups in Costa Mesa. Next in line is **The Westin South Coast Plaza** (westin.com/southcoastplaza), a 393-room property that recently finished a $20-million renovation, followed by Marriott, Best Western and other big-brand properties.

Shopping is central to the Costa Mesa experience. **South Coast Plaza**'s (southcoastplaza.com) 280 retailers and 30 restaurants often grab the spotlight, but Robinson lists the "earthy, organic, urban and hip" **LAB** (thelab.com) and **CAMP** (thecampsite.com) centers among the city's must-see destinations. (Think lots of artsy goods, outdoor gear, indie clothing and organic fare.)

Costa Mesa's theater and arts district is another major draw, with the **South Coast Repertory** (scr.org) and **Orange County Performing Arts Center** (ocpac.org) campus clustered off Bristol Avenue. Groups can hold private events in the center's lobby and terrace spaces, plazas and concert halls. Several restaurants surround the arts center, shopping venues and hotel districts, making the community a pedestrian-friendly option for groups.

Three miles away, the **OC Fair & Event Center** (ocfair.com) offers expansive exhibition halls, an amphitheater and grandstand, lawn space, an on-site campground and catering services.

Just east of the John Wayne Airport, the city of Irvine sits along Interstates 405 and 5. Linksys, Toshiba and Mazda are among corporations maintaining offices here, in a city that's big on business and convenient for conventions. "We are very budget friendly on the weekends. That definitely sets us apart from the surrounding cities," says Jennifer McLaughlin, director of tourism for the **Irvine Chamber Visitors Bureau** (irvinecvb.org). She cites weekend rates under $100 per night as a draw for attendees who bring their families along to visit Disneyland, Knott's Berry Farm and local beaches.

These days, Irvine is abuzz about the 1,300-acre **Orange County Great Park** (ocgp.org), a $63.5-million project opening in stages throughout 2011. Carved out of the former El Toro Marine Corps Air Station, the park eventually will include recreation trails, sports fields, an organic orchard, exhibition space and a military museum. Open now is the 27-acre Preview Park; it includes

DON'T MISS

- Schedule the **OC Body Scrub**, an invigorating Mandarin orange body treatment, at the Balboa Bay Club & Resort's spa in Newport Beach
- Zip around hairpin turns and banked curves on the **go-cart track at Boomers!** in Irvine
- Take in a **stage production or dance performance** at the Orange County Performing Arts Center in Costa Mesa
- Browse creations at one of **Laguna Beach's annual art festivals**, including the Festival of Arts/Pageant of the Masters and the Sawdust Art Festival
- Spend an afternoon learning to craft unbelievable sand structures with lessons from the pros at **Dig It! Sand Castles** in Huntington Beach
- Catch the hottest blues artists, tribute bands and musical guests at **House of Blues Anaheim**

the Great Park Balloon, which carries visitors 500 feet up above the park for free, and a 75,000-square-foot picnic lawn available for events.

An eight-story I-MAX theater, antique carousel and 108-foot Ferris wheel entertain visitors at the **Irvine Spectrum Center** (shopirvinespectrumcenter.com), a vast shopping and dining complex near the I-405/I-5 junction. **Dave & Busters** (daveandbusters.com) provides a playful venue for off-site functions. And, in nearby Tustin, another entertainment possibility is **Strike** (bowlmor.com) bowling lanes, offering team-building opportunities and meeting space as well as glow-in-the-dark lanes.

In December 2009, Marriott opened a 133-suite **SpringHill Suites** (marriott.com) in Irvine, close to the airport and the Irvine Business Complex. Amenities include an indoor pool, Zen garden, putting green and outdoor patio with a fire pit. The **Atrium Hotel** (atriumhotel.com) accommodates 850 for receptions in its Garden Ballroom, while the **Embassy Suites Irvine** (irvineorangecountyairport.embassysuites.com) serves smaller groups with four boardrooms that seat 10 to 70 people.

SERIOUS FUN: ANAHEIM AND SANTA ANA

Anaheim packs a lot of action into 50 square miles, starting with the **Anaheim Convention Center** (anaheimconventioncenter.com). The West Coast's largest, it tops 800,000 sq. ft. with a 15,000-capacity theater, 28,000-square-foot arena, naturally-lit lobby and a 190-foot space, making it the go-to venue for conferences, trade shows and events of all sizes. The center sits adjacent to **Disneyland**, **Disney's California Adventure** and the **Downtown Disney** (disneyland.disney.go.com) shopping, dining and entertainment district, providing seemingly limitless options for off-site functions, including **ESPN Zone** (espnzone.com), a mega-sports bar and restaurant with fun opportunities for groups. Also nearby is **Anaheim GardenWalk** (anaheimgardenwalk.com), a palm tree-lined promenade with boutiques, bowling, dining, nightclubs and an I-MAX theater.

Elaine Cali, vice president of communications for the **Anaheim/Orange County Visitor & Convention Bureau** (anaheimoc.org) recommends the region's lesser-known gems, as well. The **Grove of Anaheim** (thegroveofanaheim.com) theater accommodates 50–4,000 attendees. Nearby **Angel Stadium of Anaheim** (losangeles.angels.mlb.com) will host Major League Baseball's 2010 All-Star Game in July, and it welcomes private parties on nongame days.

Downtown Anaheim's **Muzeo** (muzeo.org) celebrates local culture and the area's natural heritage. Six miles south in Santa Ana, the **Bowers Museum** (bowers.org) charms guests with art exhibits and 15,000 sq. ft. of indoor facilities and outdoor courtyards. Also in Santa Ana is the **Discovery Science Center** (discoverycube.org) where hands-on exhibits and live demonstrations create exciting team-building and after-hours alternatives.

Cali touts the walkability of Anaheim's 20,000 hotel rooms, including the 1,572-room **Hilton Anaheim** (hilton.com) and 1,030-room **Anaheim Marriott** (marriottanaheimhotel.com), which are just a "stone's throw from the convention center."

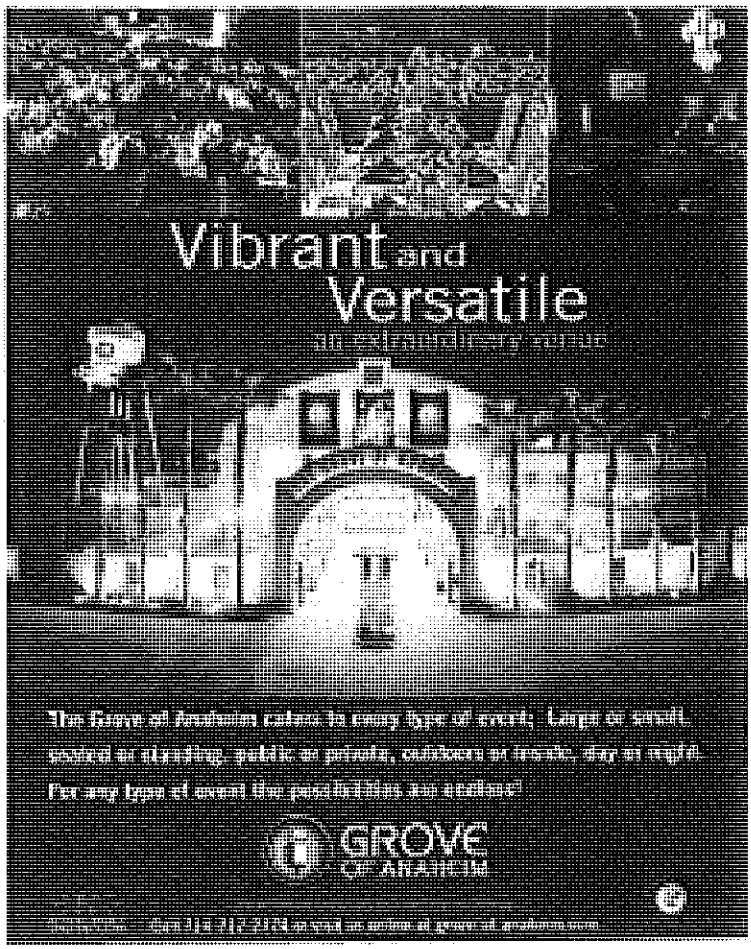
Plus, she says, "There are a variety of other hotels and different price points, so we meet the needs of many different groups."

The **Disneyland Hotel** (disneylandmeetings.com) features 52 meeting rooms. Its guest rooms and exterior are undergoing a facelift with phased completion dates scheduled between this June and 2012. A 203-room and 50-villa addition recently wrapped up at **Disney's Grand Californian Hotel & Spa** (disneylandmeetings.com), as well. At the **Hyatt Regency Orange County** (hyattregencyorangecounty.com), a $25-million renovation is slated for completion this spring. The project includes updates to the property's 65,000 sq. ft. of meeting space, along with improvements to the guest rooms, restaurant and lounge areas, fitness facilities and lobby.

Renee Brincks is a freelance journalist who covers travel, culinary and lifestyle topics.

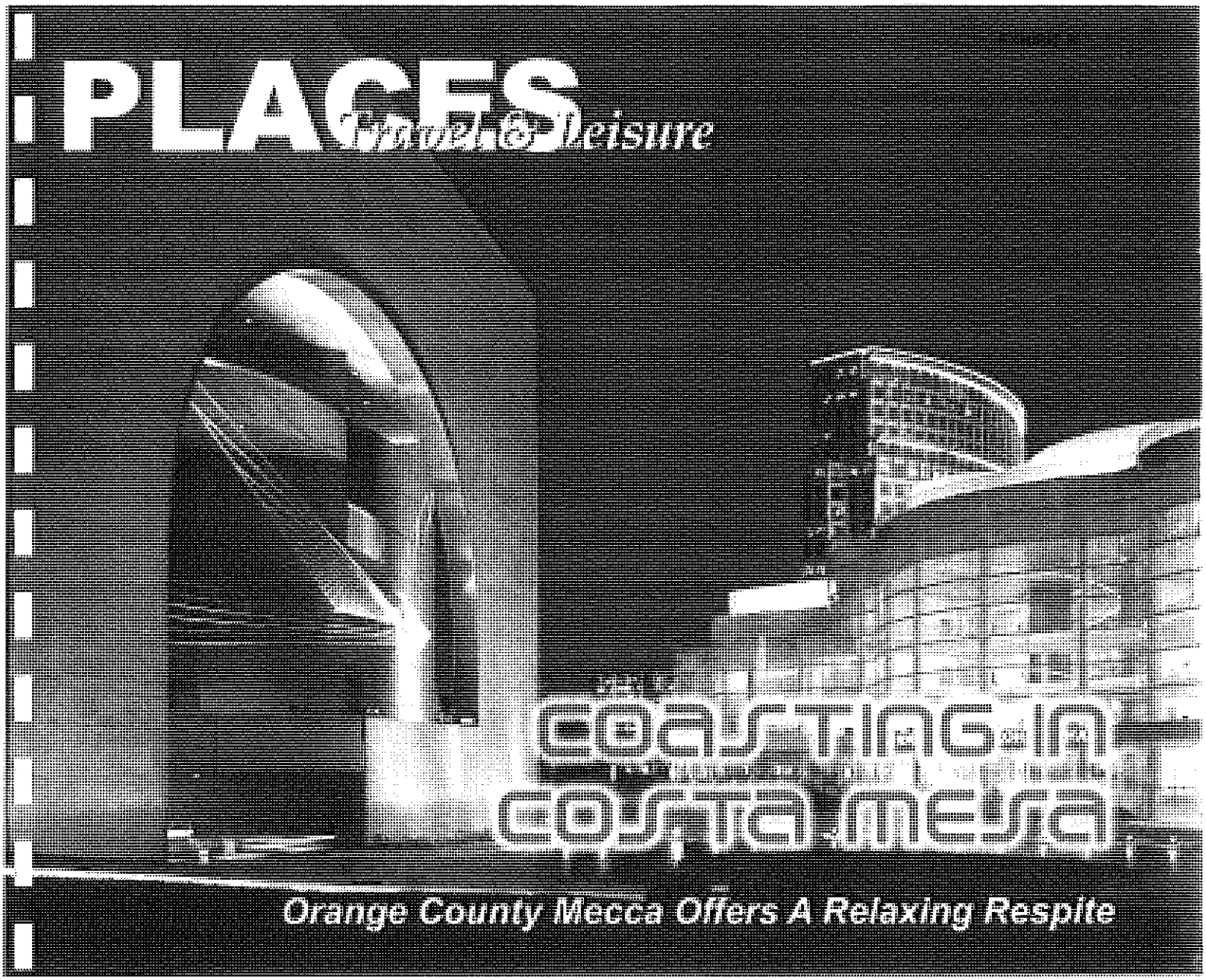
For more information about properties, venues and attractions in Orange County, visit smartmeetings.com/showcases/anaheim-orange-county.

Anaheim packs a lot of action into 50 square miles, starting with the Anaheim Convention Center.



ORANGE COUNTY

NEWPORT BEACH	ROOMS/MEETING SPACE	WHAT'S DISTINCTIVE
he Balboa Bay Club & Resort balboabayclub.com	160 rms/23,000 sq. ft.	Guest rooms have private verandas, refrigerators and laptop safes. Some meeting rooms with adjoining outdoor space and Pacific views.
airmont Newport Beach airmont.com/newportbeach	440 rms/17,000 sq. ft.	Two ballrooms, 3 boardrooms and 7 meeting rooms. On-site Bambu Restaurant. Pool, fitness center and 8,000-square-foot spa.
The Island Hotel Newport Beach heislandhotel.com	295 rms/30,000 sq. ft.	Newly renovated, Five-Diamond property; Palm Garden Ballroom has 300-square-foot stage. Fax/copier/printer in each suite.
he Resort at Pelican Hill pelicanhill.com	204 bungalows, 128 villas/20,000 sq. ft.	Full-service resort on 504 oceanfront acres. 36-hole golf course and a 23,000-square-foot spa.
AGUNA BEACH		
Montage Laguna Beach montagelagunabeach.com	250 rms/14,500 sq. ft.	Set on 30 coastal acres; 60 suites and 37 beach bungalows; Grand Ballroom seats 800, theater style. Four outdoor function lawns.
urf and Sand Resort surfandsandresort.com	167 rms/15,200 sq. ft.	Venues accommodate 10–400 attendees. Ocean-view guest rooms and suites with flat screen TVs; wireless Internet. On-site spa.
UNTINGTON BEACH		
ilton Waterfront Beach Resort hilton.com	290 rms/21,800 sq. ft.	Convenient coastal location. Expansive pool deck for outdoor events. 24 ocean-view suites with wrap-around balconies.
yatt Regency Huntington Beach Resort & Spa untingtonbeach.hyatt.com	517 rms/100,000 sq. ft.	Conference center with event venues accommodating up to 2,000. Spa, tennis, pool and fitness facility. Direct beach access.
Shorebreak Hotel horebreakhotel.com	157 rms/8,000 sq. ft.	Downtown Huntington Beach. Ocean views from many rooms. Private courtyard with fire pits. Fitness center with yoga studio.
COSTA MESA		
he Hotel Hanford hehotelhanford.com	292 rms/23,000 sq. ft.	Located in the heart of Irvine, near John Wayne Airport. Complimentary shuttle service to airport and several Orange County attractions.
Hilton Orange County/Costa Mesa ostamesa.hilton.com	486 rms/50,000 sq. ft.	Lobby bar in 7-story atrium; 24-hour business center; 2 blocks from South Coast Plaza. Undergoing $8-million renovation.
he Westin South Coast Plaza westin.com/southcoastplaza	393 rms/55,000 sq. ft.	7,500-square-foot Plaza Ballroom is largest of 26 function rooms. Suites available. On-site dining. Tennis, pool and jogging paths.
RVINE		
Hilton Irvine/Orange County Airport hilton.com	252 rms/4,200 sq. ft.	Business center. On-site Meritage Restaurant & Wine Bar. Outdoor pool and sundeck. Complimentary airport shuttle.
yatt Regency Irvine irvine.hyatt.com	536 rms/36,000 sq. ft.	Dedicated meetings concierge. Theater seats 120. Complimentary airport transportation. Free bicycles and outdoor pool.
NAHEIM		
Anaheim Marriott marriottanaheimhotel.com	1,030 rms/80,000 sq. ft.	Near Anaheim Garden Walk shopping and dining. Platinum Ballroom seats 3,200. Free Wi-Fi in some concierge level rooms.
Disney's Grand Californian Hotel & Spa Disneyland.disney.go.com	745 rms/20,000 sq. ft.	Can accommodate 1,700 guests for an event. Within walking distance of both Disney theme parks and the Downtown Disney District.
Disneyland Hotel disneylandmeetings.com	969 rms/136,000 sq. ft.	A 1,200-square-foot-hydraulic stage; 3,400-square-foot presidential suite. Heated pool with water slide. Walking distance to Disneyland.
Hilton Anaheim hilton.com	1,572 rms/107,000 sq. ft.	Suite rooms; 6 dining options; 25,000-square-foot health club. One block from Disneyland and adjacent to the Anaheim Convention Center.
yatt Regency Orange County orangecounty.hyatt.com	654 rms/65,000 sq. ft.	17-story atrium lobby; 17,000-square-foot Grand Ballroom. Basketball court and 2 pools.



Orange County Mecca Offers A Relaxing Respite

It may still be early in the New Year but not too early to plan a getaway to recharge your batteries. After all, a mental and physical tune-up is a perfect way to reward yourself for getting through another frenzied holiday season.

Here's some good news: your reward is but a short drive away in the tony Orange County town of Costa Mesa.

A creative coalition of hospitality and tourism businesses in Costa Mesa has joined forces to offer a tempting promotion – "2009 De-Stress for Less Drive & Dine." It's a clever all-inclusive promotion that gives you a choice of hotel, dining vouchers, shopping gift certificates and, just to sweeten the deal, you'll receive a $25 travel reimbursement. Orchestrated and implemented by the Costa Mesa Conference & Visitor Bureau, this smart promotion doesn't just provide you with a fun way to decompress, it also provides a welcome relief to your pocketbook during these troubled economic times.

Here's how it works: when you book a stay in one of the ten participating luxury hotels any time through the end of February 2009, you'll receive $25 dining vouchers for each day of your stay which are redeemable at many of the fabulous local restaurants, plus a $25 gift certificate from the world-class shopping mecca – South Coast Plaza. In addition, you will receive a $25 travel reimbursement that will be mailed to you. The reimbursement increases to $50 for a stay of three nights or more. With the hotel rates starting as low as $105, this promotion is the right kind of pay-to-play scheme.

This deal was just too much for me to resist so I headed to Costa Mesa for a quick getaway to experience some of their famous de-stressing. While the range of hotels participating in this promotion makes it a tough choice, I checked into The Westin South Coast Plaza just in time for lunch. Using the handy footbridge just steps away from The Westin's lobby, I effortlessly traversed the busy boulevard across the

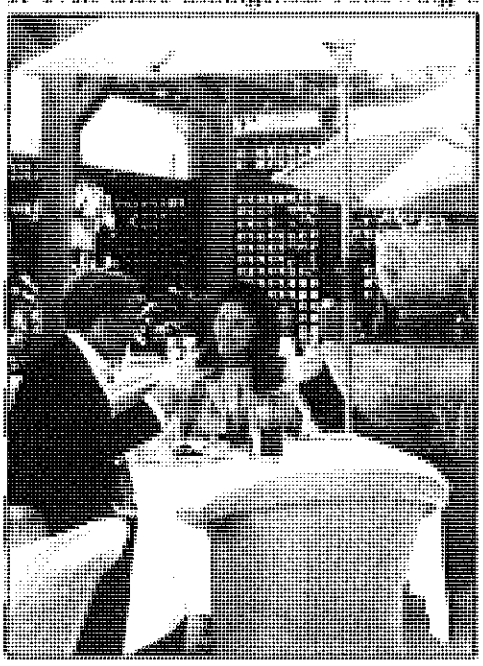
"This deal was just too much for me to resist so I headed to Costa Mesa..."

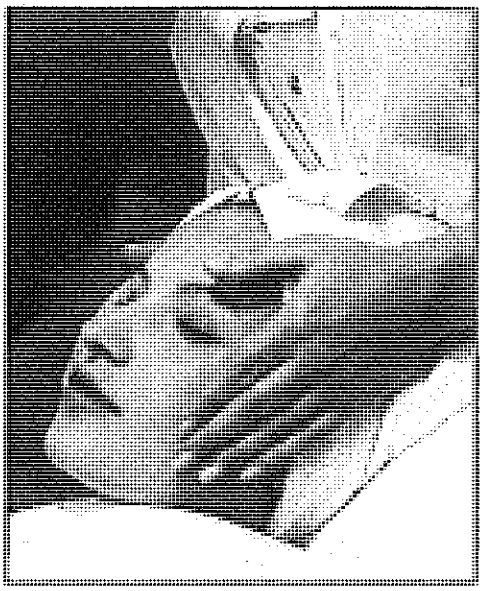
street to South Coast Plaza and made a beeline to Z' Tejas, a popular eatery with a Southwest-inspired menu. After a terrific lunch and a brief chat with chef Danny Stevens, a part-time surfer, I was ready to practice my own favorite sport – shopping.

South Coast Plaza is ground zero for shopping nirvana in Orange County. It's one of the most successful shopping centers in the country with annual sales of approximately $1.5 billion. Anchored by Bloomingdale's, Saks 5th Avenue, Nordstrom and Macy's, South Coast Plaza houses more than 280 stores including practically every luxury brand known to shopaholics, such as Hermes, Chanel, Jimmy Choo, De Beers, Louis Vuitton as well as numerous great restaurants.

After my patriotic contribution to the global economy, I scooted back to The Westin for a little pampering at The Spa & Fitness Club, a full-service spa with a lap pool and fitness center. As this is a key component of the "De-Stress for Less," you won't want to miss the opportunity to luxuriate in some of The Spa's wonderful treatments. You'll receive 25% off any service plus a complimentary treatment upgrade and a complimentary gift bag with the purchase of any service.

After that, I was in for an evening of even more indulgence. Following a





great dinner in the fine dining restaurant Pinot Provence, located in The Westin and part of the Patina family of restaurants, I strolled over to the Orange Country Theater & Arts District to catch a performance. The Wyndham and The Westin are both located within this glamorous complex so once you check in you don't have to get in your car again, everything is walking distance (and you get the added benefits of walking off your meals!)

The Orange County Theater & Arts District comprises several world-class performing arts venues -- the original Orange County Performing Arts Center, plus The Center's dazzling Renée and Henry Segerstrom Concert Hall/ Samueli Theatre, and the South Coast Repertory Theater, which are located in the Segerstrom Center for the Arts and designed by internationally acclaimed architect Cesar Pelli.

The next morning after an early power walk through the complex's sculpture gardens, I headed over to the Wyndham for their excellent breakfast buffet. Their dining room is transformed on weekends for their long-running and hugely popular Murder Mystery Dinner Show. I made a mental note to fit that in on my next visit. While I packed in a full schedule of pampering and fun on my short visit, I barely made a dent in all the offerings in Costa Mesa. I'll be back.

Destress For Less Drive & Dine Participating Hotels:

Ayres Hotel & Suites
800.322.9992

Best Western
800.554.2378
Code CMBW

Costa Mesa Marriott
800.228.9290
Code DTPG

Hilton Costa Mesa
800.HILTONS
Code P2

Holiday Inn Costa Mesa
800.221.7220
Code IKOTHDD

Holiday Inn Express Hotel & Suites
800.HOLIDAY
Code ILCORDAD

Ramada Limited & Suites
866.493.0070
Code DD

Costa Mesa Residence Inn by Marriott
800.331.3131
Code DTPG

The Westin South Coast Plaza
800.WESTIN1
weekends CODE DRIVEWK,
weekday CODE DRIVE

Wyndham Hotel Orange County
800.WYNDHAM
Code PK18

Costa Mesa Conference & Visitor Bureau
Phone: 866.918-4749

TravelCostaMesa.com

ORANGE COUNTY'S SECRET INGREDIENT

Sunshine, sparkling waves and spectacular value are a recipe for success

By Renee Brincks

EXHIBIT B

EXHIBIT B

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Tickets
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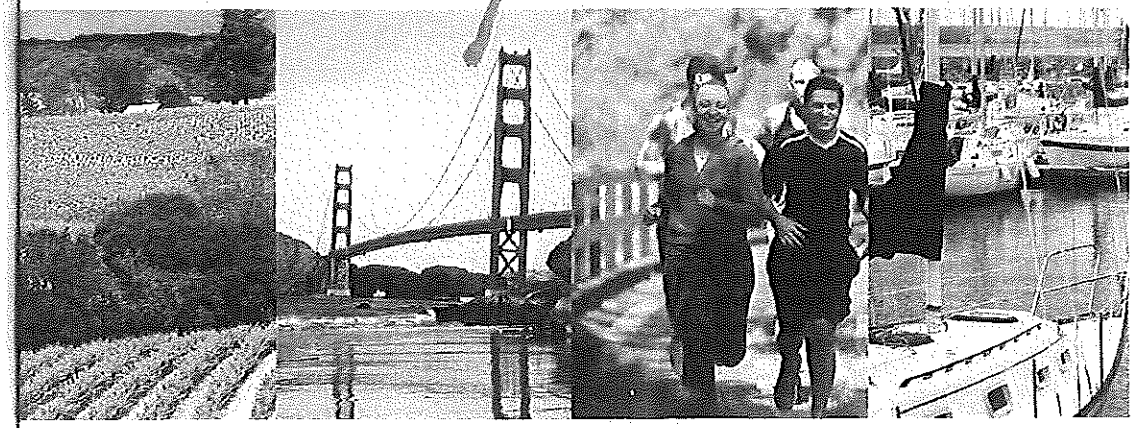
The Spirit of California



More than just another pretty place, the Golden State is a magnet for productive meetings, relaxing time-outs, and in some cases, a second spot to call home.

By Marc Boisclair

South Coast Plaza The Ultimate Shopping Experience

Even though many travel websites describe South Coast Plaza as "the ultimate shopping resort," visitors are saying South Coast Plaza is truly all about the "Experience."

That experience combines "the élan of New York's Fifth Avenue, the bling of Beverly Hills and the aura of Paris' Champs Elysees."

The highest concentration of designer/fashion brands in the world and Zagat-honored restaurants stretch along a streetscape that includes 200 stores of world renown. Adding to the dining delights one encounters is the opening of famed Charlie Palmer later this spring. On the retail side, Piaget, Rolex, Canali and Harry Winston open later this year. Oscar de la Renta, arguably the most famous designer in the world, recently opened.

All in all, South Coast Plaza enjoys the reputation of showcasing the highest concentration of brand fashion and couture in the world. There are stores that make it possible to visit 17 countries in a matter of hours, stores that make you look good, feel good, with restaurants that more than satisfy the appetite, stores that annually attract upwards of 23 million people, and stores that produced the highest gross sales ($1.5 billion last year) of any retail center in the United States.

South Coast Plaza opened 18 new stores in 2007, including Bloomingdale's, Movado, Molton Brown, two H&M stores, Michael Kors and Versace, among others.

Boutiques, that opened in 2007, that are exclusive to Orange County include Calypso Christiane Celle, expanding beyond its roots on the island of St. Barth, Pioneer Electronics opening its first retail store in the United States, and Simon Pearce's first West Coast store.

For more information about South Coast Plaza in Costa Mesa, call 800-782-8888 or visit **www.southcoastplaza.com.**

EXHIBIT B

COSTA MESA IS THE OC'S VACATION DESTINATION

Discover why Costa Mesa is The OC's family-friendly base camp for shopping, dining, surfing, golf, Disneyland, and more by taking advantage of the "2009 Fly/Drive & Dine" promotion that offers valuable travel and dining incentives and runs from April 4 through September 30, 2009. Guests also receive a VIP Passport from internationally renowned South Coast Plaza filled with special offers from leading merchants.

To participate, book a stay in one of 10 participating Costa Mesa hotels during the promotional period and receive a $25 per night dining certificate per reservation for each night redeemable at many fine Costa Mesa area restaurants. Additionally a $25 reimbursement on airfare or purchase of gasoline will be mailed to guests within a few weeks of their stay in Costa Mesa. No minimum stays are required. Some restrictions apply.

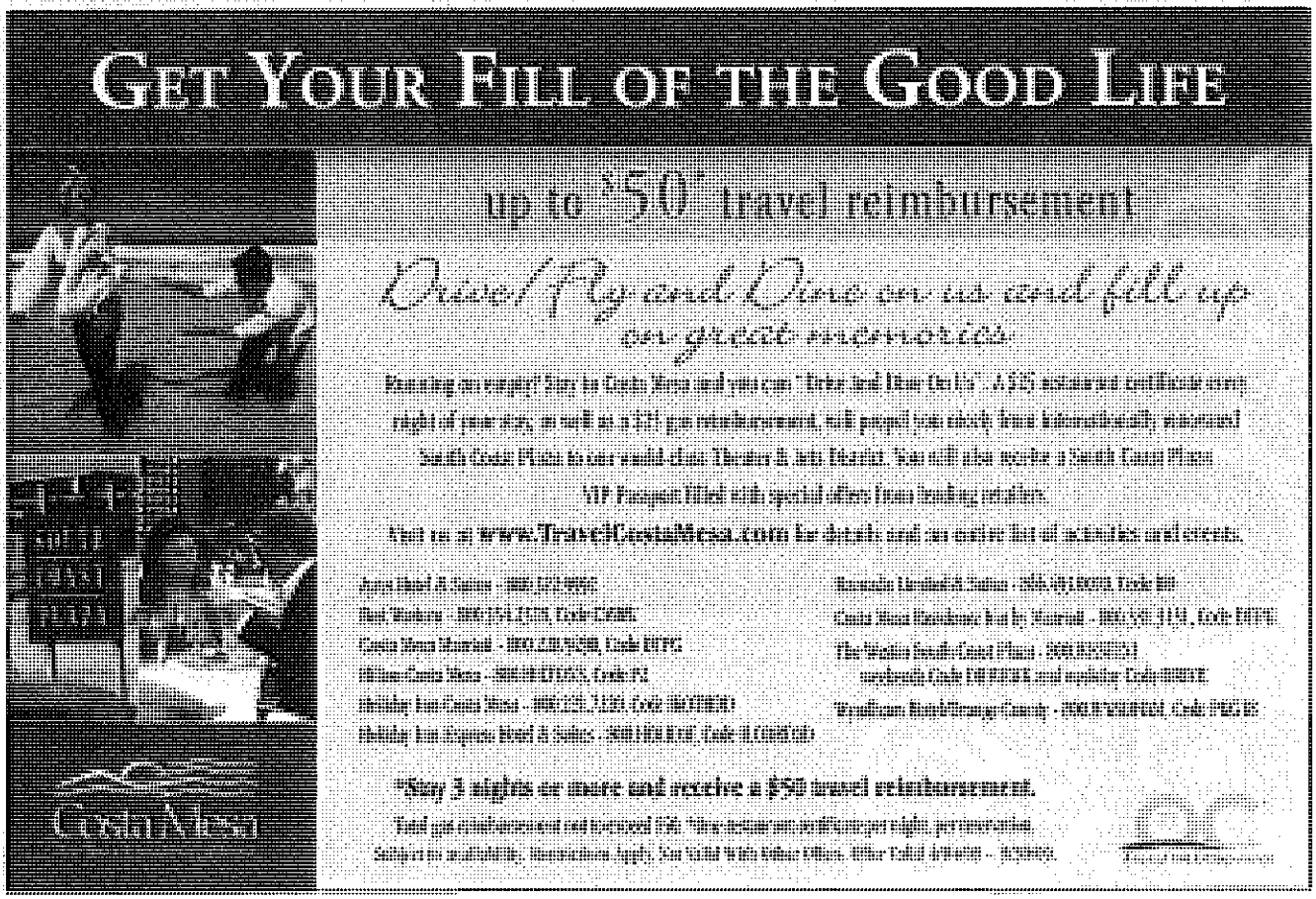
Participating hotels include Ayres Hotel & Suites, 800.322.9992; Best Western, 800.554.2378, Code CMBW; Costa Mesa Marriott, 800.228.9290, Code DTPG; Hilton Costa Mesa, 800.HILTONS, Code P2; Holiday Inn Costa Mesa, 800.221.7220, Code IKOTHDD; Holiday Inn Express Hotel & Suites, 800.HOLIDAY, Code ILCORDAD; Ramada Limited & Suites, 866.493.0070, Code DD; Costa Mesa Residence Inn by Marriott, 800.331.3131, Code DTPG; The Westin South Coast Plaza, 800.WESTIN1, weekends Code DRIVEWK and weekday Code DRIVE; and the Wyndham Hotel/Orange County, 800.WYNDHAM, Code PKG18.

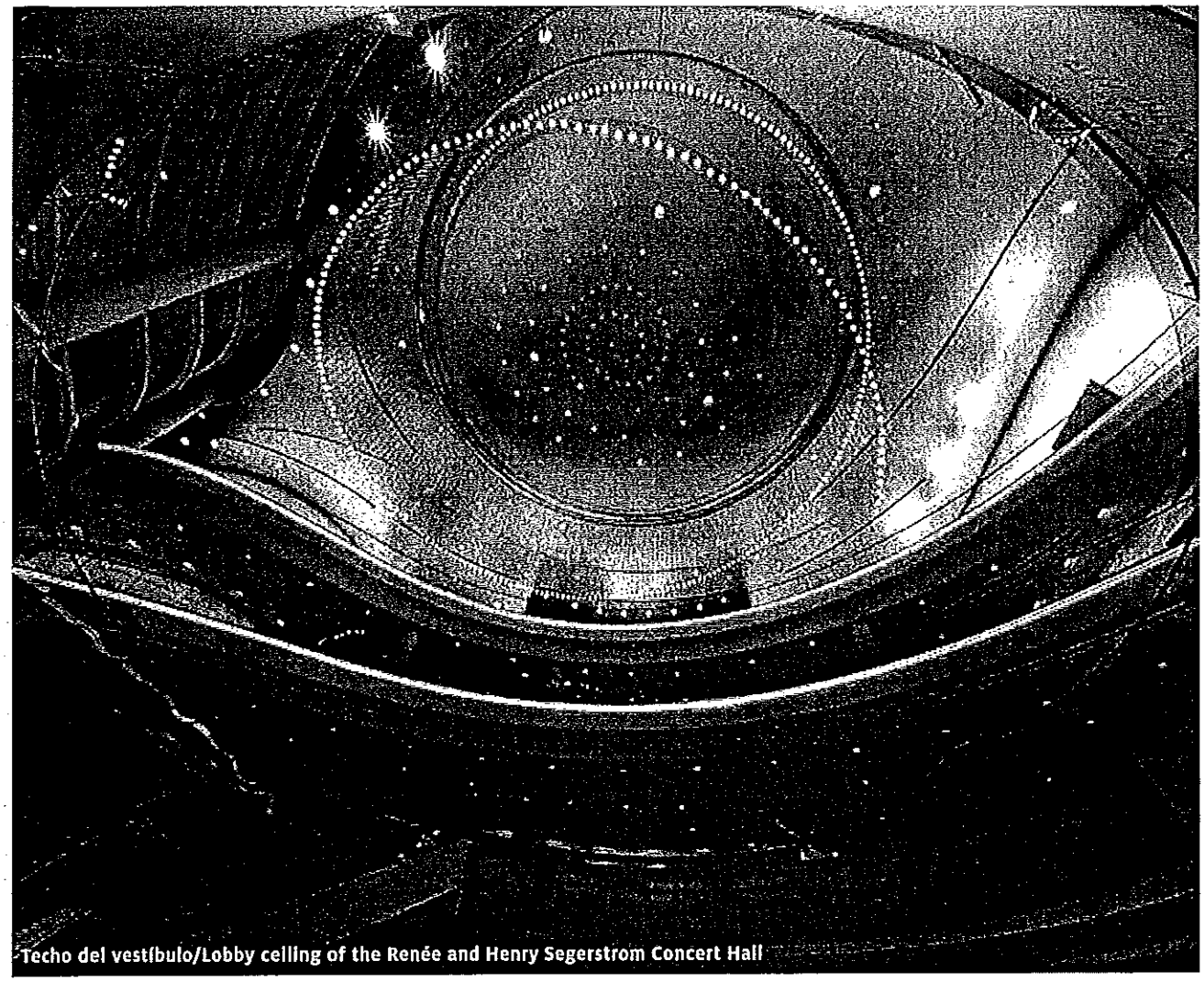
Costa Mesa also has a worldwide reputation for internationally acclaimed visual and performing arts at South Coast Repertory Theatre, the Orange County Performing Arts Center, and the Renée and Henry Segerstrom Concert Hall.

Costa Mesa is located conveniently near

John Wayne Airport, and is accessible from the San Diego Freeway (405), Costa Mesa Freeway (55) and Santa Ana Freeway (5), as well as the San Joaquin Hills (73) and Foothill/Eastern (241/261/133) toll roads (www.thetollroads.com).

For information, call **714.435.8530** or **866.918.4749**. Visit Costa Mesa online at www.TravelCostaMesa.com.





Techo del vestíbulo/Lobby ceiling of the Renée and Henry Segerstrom Concert Hall

Cortesía de Costa Mesa Conference and Visitor Bureau

una visita simplemente ineludible, pues no por gusto se le llama "joya de las misiones". Fundada en 1776, aún conserva algunas de sus estructuras originales, aunque muchas otras fueron destruidas a lo largo de los años por terremotos. Aún en pie, siguen mostrando su sin igual encanto el campanario, fuentes, jardines y un impresionante altar de oro. Hay una pequeña capilla de la cual se dice que es la única edificación que todavía existe en la que el padre Junípero Serra, fundador de la cadena de misiones de California, ofició misa.

La misión ofrece tours guiados por docentes (previa cita) y tours con audio en varios idiomas, entre ellos español. San Juan Capistrano realiza todos los años una ceremonia de iluminación de un árbol navideño y diversas actividades alrededor de la ciudad. Todo ello se lleva a cabo dentro de Los Rios Historic District, donde se encuentran varias edificaciones notables, entre ellas casas de adobe que datan del siglo XVIII.

En el condado Orange abundan las atracciones y es un sitio ideal para pasar una Navidad absolutamente californiana.

A pocos minutos en auto está Dana Point, enclave de uno de los resorts más espléndidos de la zona: St. Regis Monarch Beach Resort & Spa. Aunque este resort celebra la Navidad por todo lo alto con el encendido de luces del árbol navideño, además de eventos como Gingerbread House Academy, el emporio del lujo guarda encantos y sorpresa todo el año, como Pure Seduction Thursdays (jueves de pura seducción), cuando los residentes más glamorosos de OC van a bailar y tomarse unos tragos.

« Vuela con nosotros »

LOS ANGELES | TACA te lleva en vuelo directo a la ciudad de Los Angeles desde San Salvador, San José y Ciudad de Guatemala. Para mayor información te invitamos a visitar www.taca.com, cualquiera de nuestros TACA Center o llamar al TACA Call Center (consulta nuestros números telefónicos en el interior de tu portaboleto).

Southern California's Orange County—the OC, as you may have heard it referred to on TV—is a world of its own, where glitzy people take their dogs on shopping excursions and wet suits are as prevalent as flip-flops. With around 46 miles of shoreline, a wealth of attractions for young and old and the best winter weather anywhere in the United States, this is an idyllic location in which to have a holly, jolly Christmas: captivating, naturally beautiful and uniquely Californian.

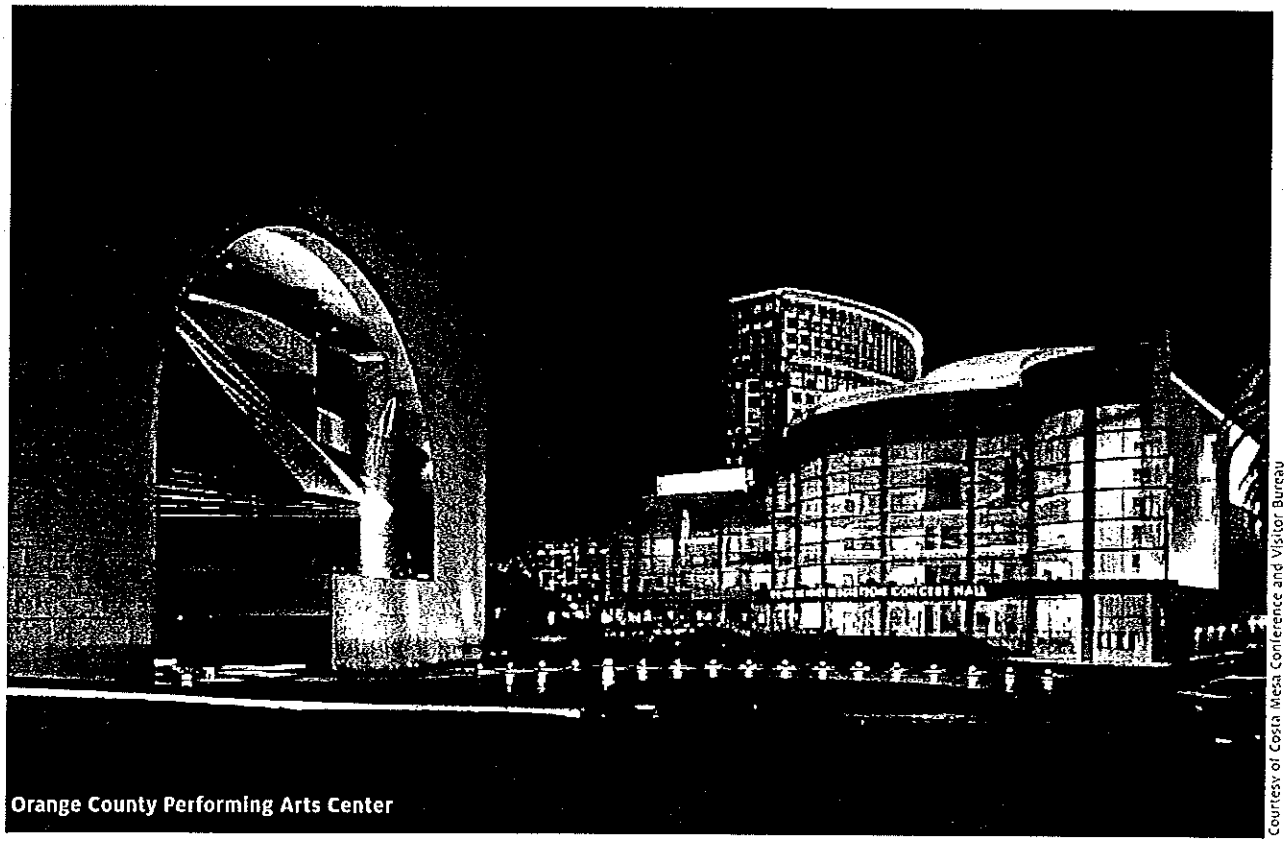
Surf, Arts & Culture

Huntington Beach is the largest city in Orange County and pretty much *the* surf capital of California; its nickname is Surf City. If you're really into the sport, you'll want to stop by the Huntington Beach Surfing Walk of Fame, which pays homage to those who have best conquered the waves, and by its wide beaches. A walk down Main Street will give you a clear idea of the surf culture of the city; during "Surf City Nights" on Tuesdays, you'll witness live music sessions, street acts, sidewalk sales from different shops and activities for children. The holiday season brings an annual Cruise of Lights, where boat tours glide along Huntington Harbour offering narratives as thousands of Christmas lights decorate homes, boats and docks (this year the boat tours will be offered Dec. 17–23).

Forget New York City—the cultural hub of the region is Costa Mesa, home of the Orange County Performing Arts Center, which offers stellar presentations throughout the year but especially during Christmas; think dance recitals, concerts, Broadway shows and *Nutcracker* performances. Just a quick walk away is South Coast Repertory, which each year offers the bilingual *La Posada Mágica*—a heartfelt, present-day spin on the spirit of the holidays.

What to Know Before You Go

- Remember that what constitutes the holiday season in the U.S. is over and done with on January 1st; if you are a big shopper, anytime after that is when you want to hit the stores.
- Orange County is also home to Disneyland—"The Happiest Place on Earth." If you are traveling with children, you will want to spend a day here during this season. The park begins its annual holiday celebration in mid-November, when its usual merriment transforms into a winter fantasy with *A Christmas Fantasy Parade* with some of Disney's most popular characters; real reindeer at Santa's Reindeer Roundup in Frontierland; and a dazzling *Believe... in Holiday Magic Fireworks Spectacular* with Sleeping Beauty's Winter Castle as the backdrop.
- It might be sunny in Southern California, but you should still pack a sweater and a jacket for cold evenings.



Orange County Performing Arts Center

Courtesy of Costa Mesa Conference and Visitor Bureau

EXHIBIT B

Classic jazz to be performed at 10th annual OC festival

Happenings | A8

South Bay Kids rock out with a variety of tunes at the fair

Cityscapes | A4

Today's Weather

75 | 65

FRIDAY AUGUST 7, 2009 | www.dailypilot.com

DAILY PILOT

SERVING NEWPORT-MESA SINCE 1907

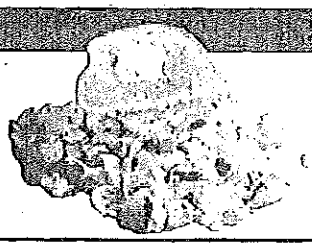
EXHIBIT B

HAPPENINGS

DAILY PILOT FRIDAY, AUGUST 7, 2009 A

Prepare for some good times at Hi-Time Wine Cellars

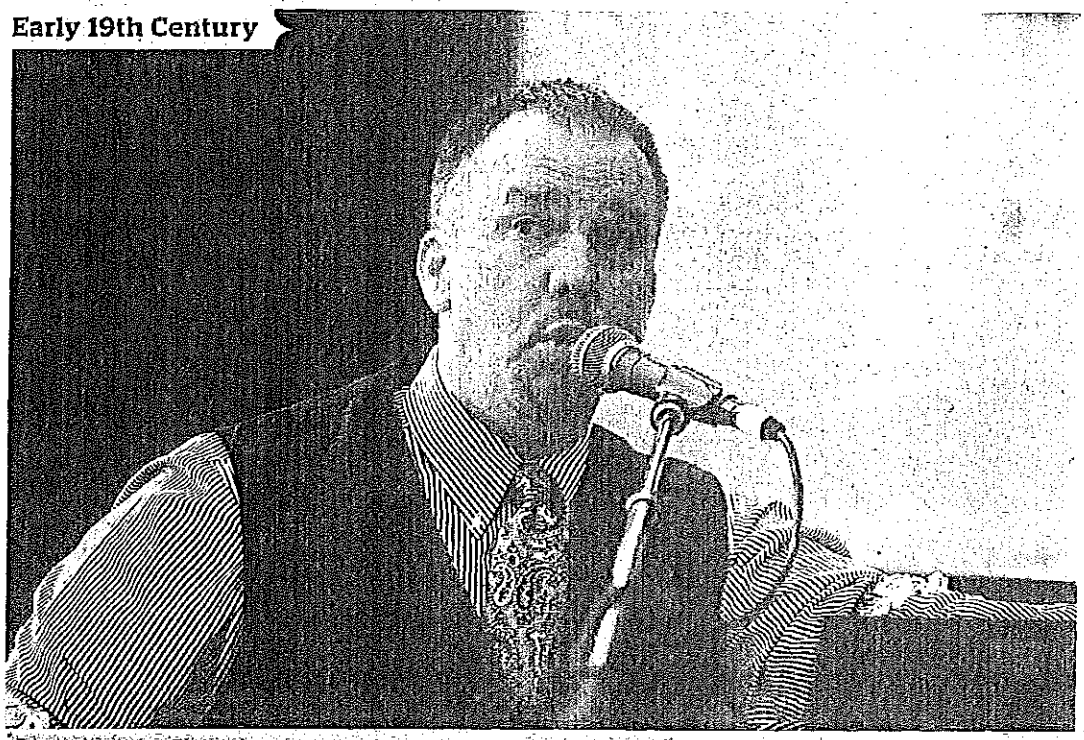
Talking Shop | A10



Try a hearty breakfast at Corner Bakery Café

Dining | A9

Early 19th Century



KENT TREPTOW | kent.treptow@latimes.com

GOOD: Dave Majchrzak plays ragtime piano during the opening day of the Orange County Classic Jazz Festival at the Hilton Costa Mesa on Thursday.

True meaning of classic

Jazz festival's crowd considers 60-year-olds youngsters, relishes in music from before the 1940s. Musicians and audience travel thousands of miles to hear ragtime, Dixieland and swing.

BY ALAN BLANK
alan.blank@latimes.com

Don't go to the Orange County Classic Jazz Festival expecting to hear your favorite Miles Davis or John Coltrane hits.

The word "classic" in the title might look harmless to those who aren't in tune with jazz history, but for those who are it means that the festival is devoted exclusively to a much older style of jazz — ragtime, Dixieland, swing and other styles from the turn of the century through the 1930s.

The crowd the music attracts has an addiction to the genre that could easily seem excessive to those on the outside.

The festival, which is in its 10th year in Orange County, goes through the weekend at the Hilton Costa Mesa with 20 bands and solo performers playing from the early morning to the late night each day.

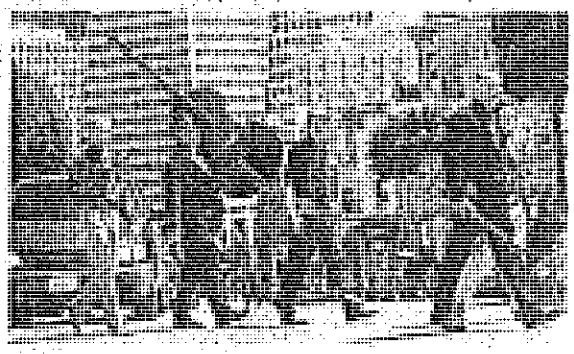
Ticket holders wander through the hotel to a handful of conference rooms that host a variety of bands.

Many in the crowd it draws are old enough to have first-hand memories of the time when the twangy, New Orleans rags and boisterous big band dance numbers came out.

In most of the halls, a 65-year-old would be at risk of being patronizingly called "youngster" by the white-haired stalwarts who travel from around the country and abroad to see the shows.

Don Behnar, of Florida, flew with his wife from their farm in Ohio just for the festival and

See CLASSIC, page A9



FROM THE CITY: Le Jazz Hot of San Francisco, a gypsy guitar quintet recalling the unique Django Reinhardt. They will perform Friday and Saturday.

If You Go

WHAT: Orange County Classic Jazz Festival
WHERE: Hilton Costa Mesa Hotel, 3050 Bristol St., Costa Mesa
WHEN: 9:30 a.m. to 11 p.m. today and Saturday; 9:30 a.m. to 6 p.m. Sunday
COST: All events pass $90; individual day passes from $45 to $55

Tom Tit

Theat

Young talent to set stages

Kids will be both seen and heard, musically, this weekend and next at two local performing venues — South Coast Repertory and the Newport Theater Arts Center — where two summer shows are calculated to entertain the young and the young heart.

At South Coast, "The Secret Garden" — a popular show that has been presented twice locally at the Orange County Performing Arts Center and the Costa Mesa Playhouse — will be presented as a performance project for the theater's Summer Players.

"While our actors are chosen through auditions after completing at least one year of training, many of them have been with the program for several years. They have learned how to act a song and sing a scene."

Hisa Taka
d

Meanwhile, the center has a familiar children's story with a twist. "The Big Bad Musical" depicts the trial of the Big Bad Wolf, with other characters from various story books on hand.

"The Secret Garden" is a musical version of the classic story written especially for young actors, according to director Hisa Takakuwa, who is the repertory's theater conservatory.

"This is the third season that we have chosen a musical for our summer players, and the experience has been rewarding," she said.

"While our actors are chosen through auditions after completing at least one year of training, most

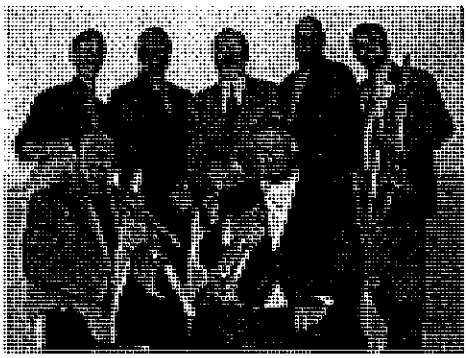
See THEATER, page A9

EXHIBIT B

THE ORANGE COUNTY BETA
REGISTER

Classic Jazz Festival brings the swing to Costa Mesa

By SARAH COLE
2009-08-06 03:00:00



Every year, Costa Mesa hosts the definitive Classic Jazz Festival, filled with shining trumpets, crooning singers and flying swing dancers. But for its ten year anniversary, this year's four-day festival (from Thursday through Sunday) is louder, brighter and more exuberant than ever.

"We focus in on music that is approximately 1920s and 1955," said Connie Baker, co-producer of the festival. "This is America's original art form. Because of the nature of the music, we have a lot of singers and we have a lot of people who are swing dancers. Then we have performers like Rob Rio and his group, which is reminiscent of Louis Armstrong of the '50s."

This year's lineup features 20 acts from around the world, ranging from the High Sierra Jazz Band, featuring West Coast Jazz, to Neville Dickie, an entertainer from England who specializes in the style of Fats Waller and has become one of the world's top Stride pianists.

But what makes this festival such an exciting rendezvous for vintage music buffs is that it encourages audience participation. Many festival-goers dress in period clothes and get carried away with the music.

"You look at people who come every year who are serious dancers who've got dance shoes, and people who come in costume of the '30s and '40s," said Baker. "But then we have other people who come in shorts and tennis shoes all weekend."

It is this diversity that draws so many people from around the world to this event. The festival has become "the biggest event in Costa Mesa every year," Baker said.Visitors come from everywhere from Arizona to Europe, and locals are sure not to miss out as well; the event sees between 12,000 and 13,000 people over the weekend, roughly 3,600 a day.

"It's dance music; it's toe-tapping music; and it's a lot of fun. It's common for us to have grandma and grandpa and mom and dad and the kids," said Baker. "It's very mixed in every sense of the term."

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EXHIBIT B

FRANK MICKADEIT

Top car auction coming to O.C.

Barrett-Jackson. This hyphenated amalgam either means nothing to you – or signals a concept of such enormity it is impossible to capture it in a single breath.

For the pitifully ignorant, suffice to say that if your husband/lover/boyfriend is a car guy, any plans you had to take an out-of-town vacation together next summer are now on hold. The OC Fair Board, with little fanfare, last week secured the world's greatest automobile auction. The three-day event will be in late June or early July.

A car deal between two men, Tom Barrett and Russ Jackson, in Arizona nearly 50 years ago has morphed into an internationally known spectacle of no-holds-barred, no-minimum-price bidding on some of the best metal Detroit ever produced. Most of it is muscle-car stuff. This isn't the place to find a Duesenberg.

The annual Scottsdale auction got so big, the operators expanded to West Palm Beach, Las Vegas and, now, O.C. Scottsdale is still the biggie, bringing in more than 200,000 spectators, but even in its first year, Vegas had 50,000 – 80 percent of whom came to town specifically for the auction. Most don't bid – they just watch. Speed channel televises it.

The Fair Board's "conservative" estimate is that Barrett-Jackson O.C. will net the board $75,000, but that's really not the point. The impact on the local economy should be significant. Prerecession, auction visitors to Scottsdale spent $96 million *beyond what they spent on cars.*

The recession has brought down the collector car market, but maybe not as much as you'd think. Sales from this year's auction included a '55 T-bird, the very first Ford built, for $660,000; and a 1970 Plymouth Superbird for $551,000. But you could have also picked up a '68 Cougar for $6,600. Or picked up – and thrown over the side of a boat on the end of an anchor chain – an '89 Geo for $3,300.

Contact: 714-796-4994 or fmickadeit@ocregister.com

Thursday, November 5, 2009

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BARRETT-JACKSON TO BRING RENOWNED COLLECTOR CAR AUCTION TO OC FAIR & EVENT CENTER IN 2010

By Dan Pittman

Updated: Tuesday, November 3, 2009 4:47 PM PST

There are No comments posted. View Comments

Hotels in Costa Mesa and neighboring Newport Beach, along with shopping centers, restaurants and other businesses catering to overnight guests, anticipate they will be very busy when the Barrett-Jackson Auction Company LLC, host of "The World's Greatest Collector Car Auctions™, comes to the OC Fair & Event Center in Costa Mesa, June 25-27, 2010.

"We are delighted to welcome Barrett-Jackson to Orange County. This incredible signature event has the potential to be a serious economic engine for the county, and will certainly put us on the map from a national awareness perspective," said Shaun Robinson, president of the Costa Mesa Conference & Visitor Bureau, at a recent reception held at the Hilton Orange County/Costa Mesa where he is the general manager.

Robinson said the auction was a natural fit for Southern California and its famed car culture and will represent a considerable financial boost with millions of dollars in revenue to the county's tourism industry that has been negatively affected by the economic downturn.

Shaun Robinson, president of the Costa Mesa Conference & Visitor Bureau addressing guests at the reception formally announcing the auction. Group photo in/near red car: Standing, left, Patrick van den Bossche, COO, Barrett-Jackson Auction Company LLC; an

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"We plan to work very closely with the county's other hospitality professionals to build a strong partnership and a united front that we hope will benefit everyone involved," said Robinson.

The Orange County edition of the auction will become the fourth annual Barrett-Jackson event, joining auctions in Scottsdale, Arizona; Palm Beach, Florida; and Las Vegas, Nevada. Annually, the auctions combined draw more than 300,000 attendees, sell more than 2,000 vehicles for a total of more than $112 million, and provide more than $6.5 million to local charities.

"We're thrilled about the opportunity to work with the OC Fair & Event Center to launch a fourth Barrett-Jackson auction event," noted Craig Jackson, Chairman and CEO of Barrett-Jackson. "The West Coast is packed with auto enthusiasts who follow Barrett-Jackson and are valuable and committed constituents of the collector car hobby." Approximately 400 cars are expected to be sold during the inaugural year.

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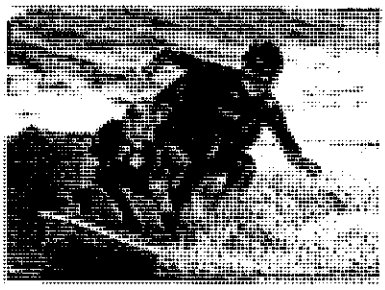

Costa Mesa

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EXHIBIT B

Costa Mesa

2010/2011 Annual Report

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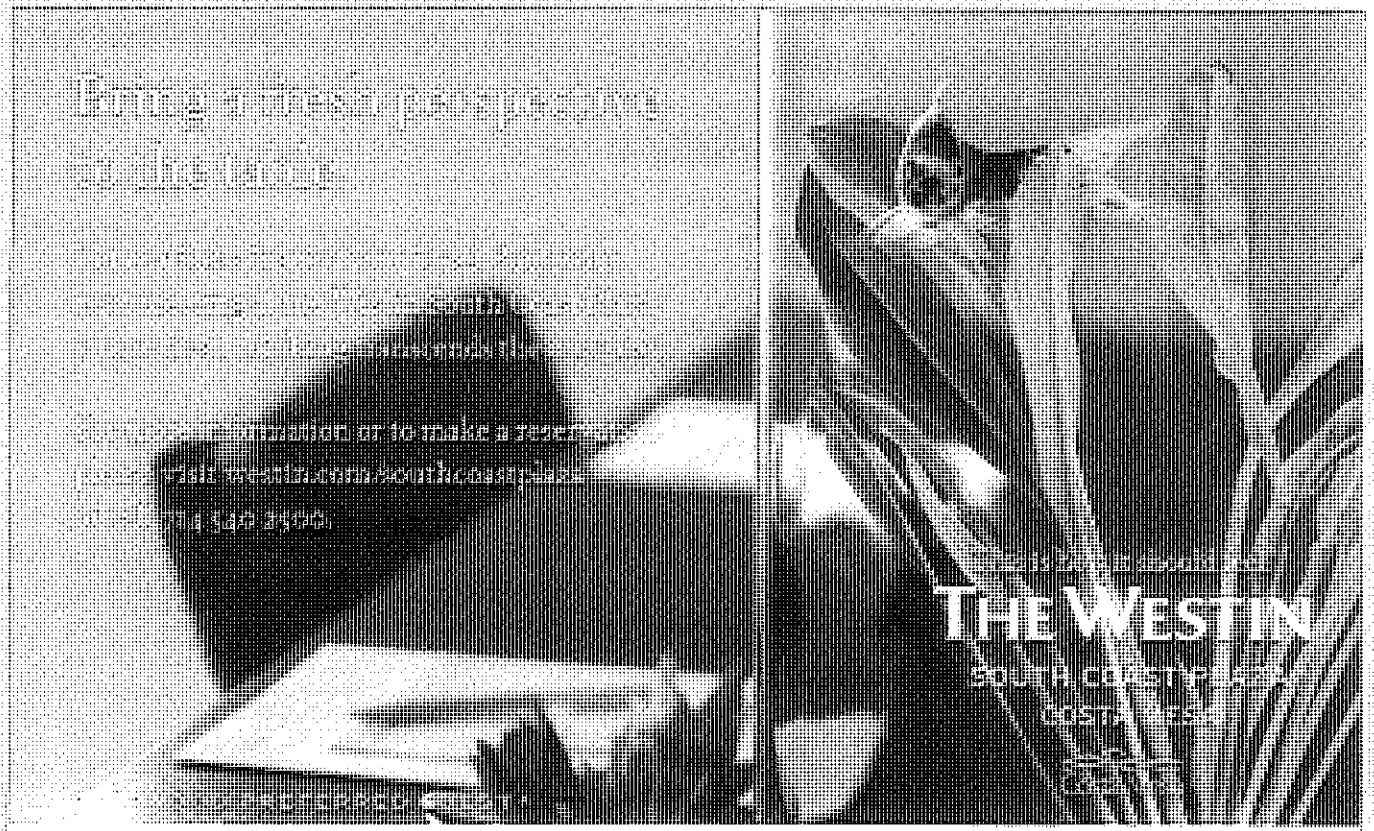

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EXHIBIT B

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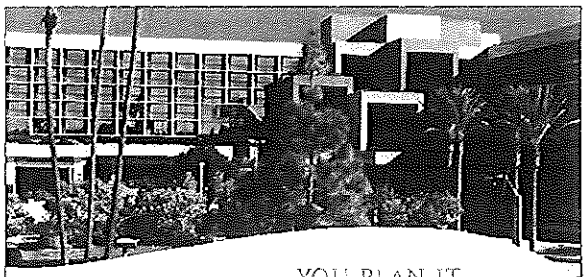

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Costa Mesa

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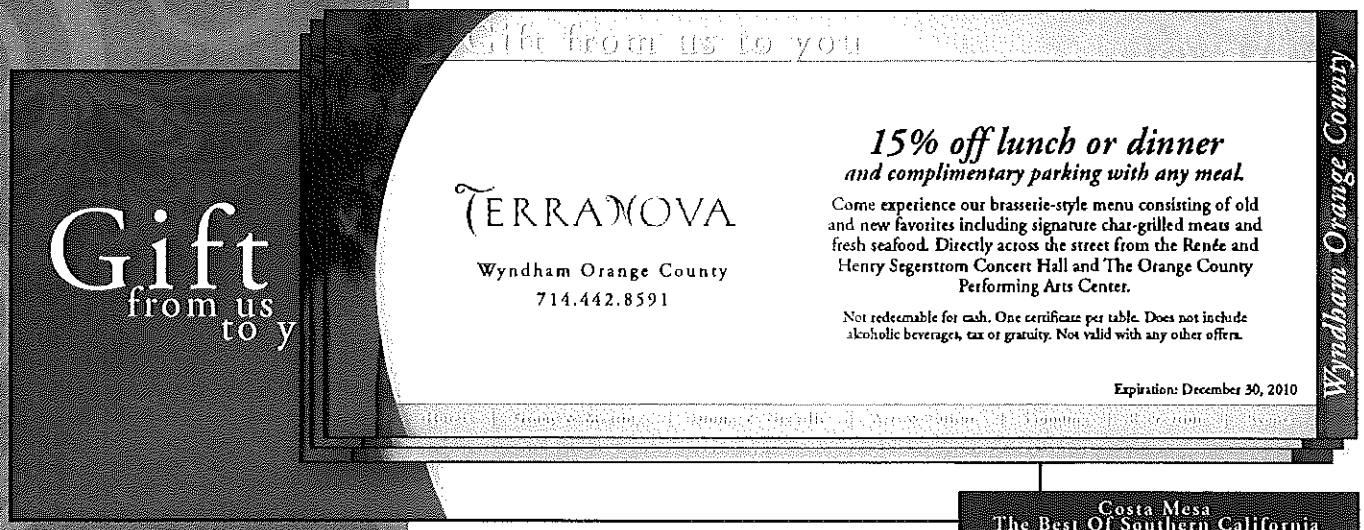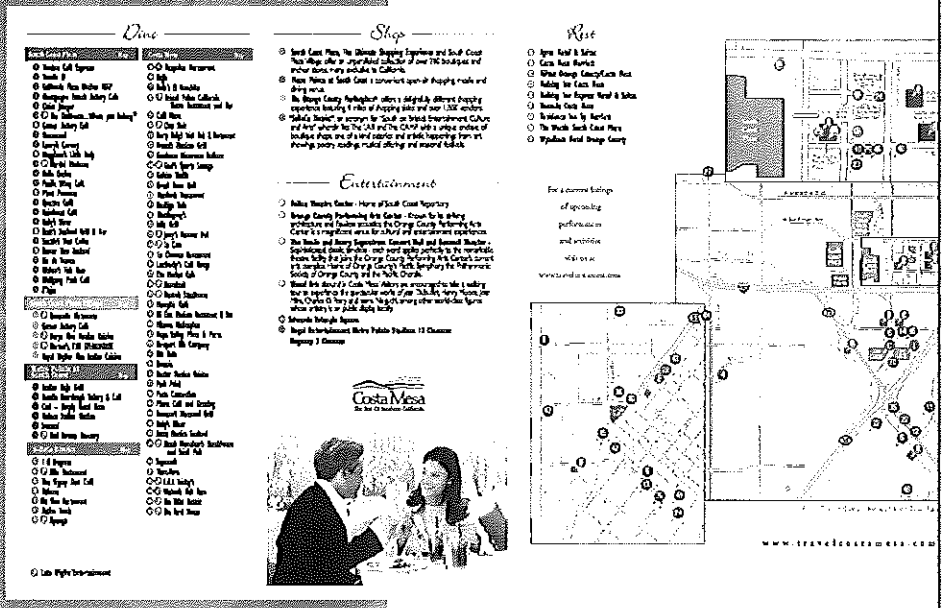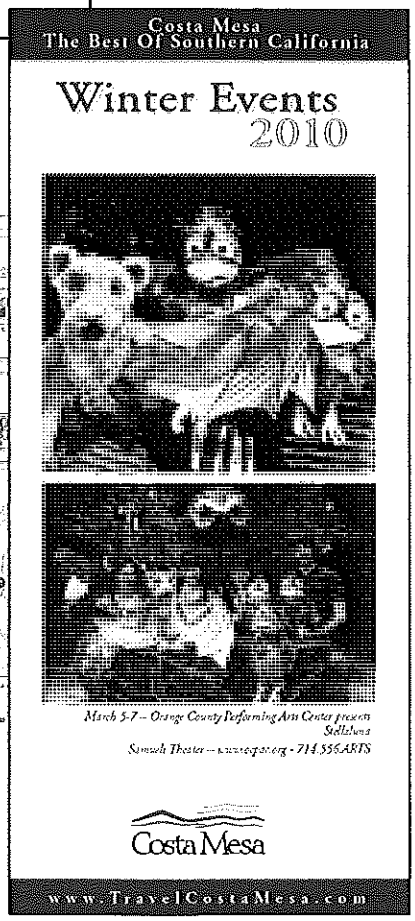
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