



ERIC GARCETTI
 COUNCILMEMBER
 PRESIDENT, LOS ANGELES CITY COUNCIL

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 Item No.: 1
 Deputy: ERIC VUONOVA

March 24, 2009

The Honorable Members of the Jobs, Business Growth & Tax Reform Committee
 c/o City Clerk
 200 N. Spring Street, Room 395
 Los Angeles, CA 90012

Re: Letter from Council President Eric Garcetti in Support of Incentives to Keep Filming in Los Angeles

Dear Chairman Smith and Honorable Members:

The film industry is one of the most vital economic drivers in the City of Los Angeles. The entertainment industry has been leaving the state of California for locales around the country and throughout the world, as other cities and states have offered tax credits to incentivize production in their jurisdictions, bringing the tax revenue and job creation benefits with it.

I asked for this report when I witnessed hundreds of middle class jobs move to New York as a result of the loss of one television production. The report before the committee takes a comprehensive look at the factors affecting the film industry. While reality television and hour-long television show productions have risen in the city, 2008 witnessed the lowest total feature film production numbers since Film LA began tracking the statistic in 1993. In the last quarter of 2008, commercial filming dropped more than 20 percent and is lower than during the work stoppage of 2000. During these tough economic times, we need to pursue every incentive available to help keep the film industry in Los Angeles.

In the longer term, we need to look at tax incentives and tax and fee reform to encourage film production to remain in Los Angeles. These incentives would build upon the recently approved \$500 million, 5-year filming tax breaks included as part of the state budget agreement last month. In the shorter term there are specific measures that we can address such as access to low cost parking that will help save middle class jobs. The specific recommendation to develop a Parking Task Force to identify available lots and land for film related parking and staging in Downtown Los Angeles will serve as a much needed incentive to offset the high parking costs and lack of availability. I urge you to ask for a report back within 60 days on possible parking lots and parcels available. Similarly, the installation of utility nodes in areas with a high volume of filming activity will help reduce the cost and pollution of on-site generators, a common feature on any production set.

Los Angeles is known as the entertainment capital of the world. This report demonstrates that behind that title are thousands of middle class jobs that are worth fighting for. I urge you to support and build upon the CLA report recommendations.

Sincerely,

ERIC GARCETTI
 President, Los Angeles City Council
 Councilmember, 13th District

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