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**CARMEN A. TRUTANICH**  
City Attorney

REPORT NO. R 0 9 - 0 2 9 1  
AUG 1 4 2009

**REPORT RE:**

**SECOND REVISED DRAFT ORDINANCE TO AMEND, REPEAL AND ADOPT  
VARIOUS PROVISIONS OF THE LOS ANGELES MUNICIPAL CODE TO  
ESTABLISH A SPECIAL EVENTS PERMIT PROCEDURE AND THE  
ADMINISTRATIVE CODE FOR A SPECIAL EVENTS FEE SUBSIDY POLICY**

The Honorable City Council  
of the City of Los Angeles  
Room 395, City Hall  
200 N. Spring Street  
Los Angeles, California 90012

Council File No. 09-0600-S46


Honorable Members:

Pursuant to your request, this office previously transmitted a draft ordinance to amend, repeal and adopt various provisions of the Los Angeles Municipal Code to establish a Special Events Permit Procedure and Fee Subsidy Program consistent with the policy previously adopted by your Honorable Body. (City Attorney Report No. 09-0207.) At the request of the Chairman of your Honorable Budget and Finance Committee, we have revised the prior draft ordinance in a number of ways consistent with the Report of the Chief Legislative Analyst dated August 7, 2009, on this subject. We transmit herewith a revised draft ordinance, approved as to form and legality, incorporating those various changes.

If you have any questions regarding this matter, please contact Chief Assistant City Attorney Pedro B. Echeverria at (213) 978-8748. He or another member of this office will be available when you consider this matter to answer any questions you may have.

Sincerely,

CARMEN A. TRUTANICH, City Attorney

By 

PEDRO B. ECHEVERRIA  
Chief Assistant City Attorney

PBE:lee  
Transmittal

**ORDINANCE NO. \_\_\_\_\_**

An Ordinance amending Section 41.20 of, adding Section 41.20.1 to, repealing Section 62.203 of, and amending Subsection (e) of Section 80.08.7 of the Los Angeles Municipal Code to establish a Special Events Permit Procedure and adding Article 4 to Chapter 4 of Division 5 of the Los Angeles Administrative Code to establish a mechanism to provide limited funding for some Special Events that promote a public purpose and provide a public benefit to City residents.

**WHEREAS**, the Los Angeles City Council recognizes that many special events further good public policy, especially those events open to the general public for their benefit; and

**WHEREAS**, special events occur periodically, and provide unique social, cultural, economic, and educational benefits to the residents of the City, and provide visibility for charities and charitable causes; and

**WHEREAS**, special events help to promote goodwill and a sense of pride in the community and the City; and

**WHEREAS**, the Los Angeles City Council finds that there is a need to streamline the existing special events process through centralization, improved interagency communication and coordination of special events and a uniform system for obtaining permits for special events; and

**WHEREAS**, the City receives numerous requests for financial assistance from sponsors of Special Events and, because of extremely limited financial resources is not able to provide assistance to many of those events, but must exercise discretion and control over the allocation of the limited resources available for that purpose in order to insure that those funds are utilized in the most prudent and equitable manner to most effectively serve the public interest; and

**WHEREAS**, the most effective way to accomplish these purposes is to establish a program to ensure that the fees and charges, including salary costs, for required City services, equipment and materials provided for Special Events are accurately determined and fully recovered, and a mechanism that insures that the limited funds and resources available to support special events that promote a public purpose are utilized in the most prudent and equitable manner through the City budget, over which the Mayor and Council have control;

**NOW, THEREFORE,**

**THE PEOPLE OF THE CITY OF LOS ANGELES  
DO ORDAIN AS FOLLOWS:**

Section 1. Subsection (a) of Section 41.20 of the Los Angeles Municipal Code is amended to read as follows:

**(a) Street Closures, Special Events Permits, and One-Stop Special Events Permit Office.** The Director of the Bureau of Street Services has the authority to temporarily close any local street, including collector streets, or major or secondary highway, or lane(s) thereof, after receiving a recommendation from the Department of Transportation, when such closing is necessary for the safety and protection of persons who are to use that portion of the street or highway during the temporary closing. No person shall conduct, manage or Sponsor any Special Event without a written permit that has been approved as required by this Section or any other applicable Section of this Code. No person shall participate in any Special Event with the knowledge that its Sponsor has not been issued the required permit. No person shall knowingly conduct, join or participate in any Special Event conducted under permit in violation of any of the terms of the permit, or knowingly join or participate in any permitted Special Event without the consent, and over the objection, of the permittee. No person shall in any manner interfere with the progress or orderly conduct of a permitted Special Event. The Sponsor of any event that involves the use of, or has a direct or indirect impact on, public property or facilities, or that can reasonably be foreseen to have such an impact on or to require a higher level of public safety services or other municipal services, including advance planning services, than that normally provided by the City, shall be responsible for obtaining all required permits and for payment of the costs, including all fees, charges and salary costs, for all such services. The Board of Public Works shall establish a One-Stop Special Events Permit Office in the Bureau of Street Services for the issuance of all Special Event Permits, other than permits for Parades and Assemblies as defined in Section 103.111 (b) of this Code, which are to be issued by the Los Angeles Police Department, and other than as provided for entertainment industry-related Special Events such as motion picture filming, television filming and photography in Section 41.20.1, subsection (d). Except as expressly provided herein, the Bureau of Street Services, through the One-Stop Special Events Permit Office, shall be the permitting office for all Special Events, including Athletic Events. The Police Department shall remain the permitting entity for Parades and Assemblies, as defined in Section 103.111 (b) of this Code. The provisions of this Section and of Section 41.20.1 shall not eliminate or affect the requirements for, or related to, permits, fees or charges for events on property controlled by the departments of Recreation and Parks, Library, Water and Power, Harbor and Airports, nor shall they negate any requirements to obtain permits, as applicable, from the City's regulatory departments (e.g., Fire Department, Police Department, Building and Safety Department), and to pay the applicable fees and charges.

Sec. 2. Subsection (b) of Section 41.20 of the Los Angeles Municipal Code is hereby amended to read as follows:

(b) **Application for Permit.** Applications for Special Events, including those requiring street closures of local streets, including collector streets, and of major and secondary highways, or lane(s) thereof, shall be filed with the One-Stop Special Events Permit Office in the Bureau of Street Services at least forty-five (45) days prior to the expected first day of the Special Event. Beginning on January 1, 2010, and thereafter, there shall be a non-refundable administrative late fee of \$312 for all applications submitted twenty-one days or less before an event. The Bureau of Street Services shall establish notification procedures to immediately notify the respective Council office as well as all affected City departments and offices and affected non-City government agencies, if known, the Los Angeles Police Department, the appropriate Neighborhood Council, if any, and the Business Improvement District, if any, in which a proposed event is to be held, whenever a Special Event Permit application is submitted to the Bureau for processing. The respective Council office and all affected City departments and offices shall be provided a copy of the permit application for their review and comment. The Council office and every other office and department shall be responsible for notifying the Bureau of Street Services in writing or electronically of any objection to, or condition required for, the issuance of the permit for the Special Event. Upon issuance of a Special Event Permit, each of those City departments and offices shall be provided a copy of the permit issued and shall be responsible for enforcement of the terms and conditions of the permit that are within the subject matter jurisdiction of that department or office. Special Event Permits shall be issued for the dates of the event and necessary days for setup and take-down. Special Event Permits issued for recurring Certified Farmers' Markets sponsored by a nonprofit organization or a local government agency (state, county or district) may be issued for all events on the days specified for up to one year. Applications for Special Event Permits may be filed directly at the One-Stop Special Events Permit Office or may be completed and submitted on-line through the City's web-based Special Events Permit Application. Any changes made by the applicant to the initial Special Event Permit Application or Site Plans for the event will require payment of a \$100, non-refundable, processing fee. Decisions to deny or to condition the issuance of a Special Event Permit which are contested by the applicant shall be reviewed as set forth in Section 41.20.1.

The Bureau of Street Services shall develop a "How to Obtain a Special Event Permit Application" informational brochure with updates, as appropriate, and make the information available on the City's web site, at public counters, and through Neighborhood Councils.

If the Special Event is designed to be held by, on behalf of, or for any organization other than the applicant, the applicant for the permit shall file a communication in writing from the organization authorizing the applicant to apply for the permit on its behalf. The Bureau of Street Services shall take reasonable steps to verify that information.

Sec. 3. Subsection (c) of Section 41.20 of the Los Angeles Municipal Code is hereby amended to read as follows:

(c) **Permit Fees and Charges.** Issuance of all Special Event Permits shall be subject to payment in advance or at the time the permit is issued of all applicable fees and charges, including salary costs, for required City services, equipment and materials. Except as expressly provided by ordinance, no subsidy or waiver of any fees or charges shall be provided by the City for City permits, equipment, materials or services for any Special Event. If the actual fees and charges for the event are less than the estimated amount paid by the permittee, the permittee shall be refunded the difference. If the actual fees and charges for the event are greater than the estimated amount paid by the permittee, the permittee shall be billed for and required to pay the difference within fifteen (15) calendar days of receipt of an invoice therefor.

Sec. 4. Subsection (d) of Section 41.20 of the Los Angeles Municipal Code is amended to read as follows:

(d) **Conditions for Granting Permits.**

1. The Board of Public Works shall approve the forms to be used by the Bureau of Street Services for Special Event Permit applications and Special Event Permits and shall adopt written procedures and requirements to be applied by the Bureau of Street Services for the granting of permits, including but not limited to the requirement of adequate barricades, lights and warning devices to be provided and maintained during a street closure, other traffic control measures, cleaning deposit, charges for sanitary units and barricades, insurance and other fees and charges. In addition to any other information determined to be required by the Board, the Special Event Permit application shall require, as applicable, the following information:

- A. The date(s) and time(s) of the event;
- B. The assembly area, or event area, as applicable;
- C. The start time(s);
- D. The minimum and maximum speed(s) for the event, if applicable;
- E. The exact route of the event, if applicable;
- F. The portions of streets to be traversed by the event, if applicable;
- G. The disbanding area and disbanding time, or ending time, as applicable;

H. The number of persons required to officiate or monitor the event;

I. The number and types of vehicles, if any;

J. The material and maximum size and dimensions of all signs, banners, placards, or carrying device(s) therefore;

K. The number, type, dimensions and locations of booths, stages, structures of any kind, and equipment to be used for the event, if applicable; and

L. The type(s) and capacity of sound amplification equipment and systems to be used for the event, if applicable.

2. The following criteria shall be included among all the relevant criteria used in reviewing applications for Special Event Permits:

A. Location and surrounding area at which the event is to take place;

B. Dates, number of hours, time(s) of day, the number of days an event will be held and the impact on the public and the community;

C. Inclusion of information on the Special Events Permit Application as to whether the event provides a social, economic, cultural, or educational benefit to the community;

D. Consideration of traffic in the area where, and on the days and times when, the proposed event will be held, and the impact of the event on residential and business access in the area;

E. Anticipated impacts of the event on activity and noise levels in residential and business areas;

F. Availability of personnel and other resources needed from the Police, Building and Safety, Fire, Transportation, General Services, and Cultural Affairs departments and from the Bureaus of Street Services, Street Lighting and Sanitation;

G. Number of participants expected to attend the event;

H. The number and nature of other events occurring at approximately the same time, and in the same area of the proposed event;

I. Conditions existing within the surrounding area that when occurring in conjunction with the event or with a proposed street closure, may create a severe hardship or an unnecessary inconvenience to the community and the general public;

J. The history and experience of the applicant and organizer in conducting special events of the type proposed;

K. The results of petitions, required or otherwise, circulated in residential and commercial areas impacted by the event;

L. Construction activities in the proposed area of the event;

M. Comments and other input from Neighborhood Councils and BIDs in the areas impacted by the event.

3. The Sponsor of a Special Event, including a Certified Farmers' Market, shall obtain a Business Tax Registration Certificate, as required by applicable law, and shall ensure that a City Business Tax Registration Certificate is obtained by every event participant, as required by applicable law.

4. Any unresolved issues regarding the issuance of a permit shall be resolved as set forth in Section 41.20.1.

5. Upon the request of the Bureau of Street Services with respect to an application for a Special Event Permit, the Department of Transportation and each of the other affected City departments shall provide to the Bureau of Street Services a statement of the estimated fees and charges, including salary costs, for providing traffic control services (traffic control costs) or other services, as applicable, for the event. The Bureau of Street Services shall provide to the permittee a statement of the estimated fees and charges, including salary costs, for all City services, equipment and materials required for the event, including traffic control costs. Traffic control services consist of the preparation of the traffic management plan as well as clearing the event route or area of unauthorized vehicles, posting any parking restrictions necessary for the event, diverting traffic around the event, and directing pedestrian and vehicular traffic along the route of the event. The traffic control costs shall be computed by determining the number of City personnel that will be required for traffic control beyond that which would otherwise be required at that time, multiplied by the number of hours for which those additional services are to be rendered at the rate of the City's full cost of providing personnel at the respective classifications on an hourly basis. At the conclusion of the event, the actual costs for traffic control and for other services, as applicable, for the event shall be determined by the Department of Transportation and each of the other affected City departments. If the actual costs for services for the event are less than the estimated costs paid, the permittee shall be refunded the difference. If the



actual costs for traffic control for the event are greater than the estimated costs paid, the permittee shall be billed for and required to pay the additional costs within fifteen (15) calendar days of receipt of an invoice therefor. Unless otherwise required to insure public safety as determined by the Department of Transportation, the permittee for a block party Special Event shall be allowed to pick up, place and return traffic control devices required for the event from the Bureau of Street Services at the nearest convenient location. The permittee for a block party shall make a refundable deposit of an amount determined by the Bureau of Street Services to be reasonable to insure return, and payment for any damage to, all traffic control devices provided for the event.

6. Following approval of a Special Event Permit, but ten days prior to the start date for the event, the permittee shall provide a cleanup deposit in an amount established in a cleanup fee schedule adopted by the Board of Public Works. The cleanup deposit shall be returned to the permittee after the event if the area used for the event has been cleaned and restored to the same condition as existed prior to the event, as determined by a representative of the Bureau of Street Services. If the property used for the event has not been cleaned and restored to the condition that existed prior to the event, the permittee shall be billed for and required to pay the actual cost of the cleanup and restoration, and the cleanup deposit shall be applied toward the total amount of those costs. If there is a balance remaining in the cleanup deposit after the cleanup and restoration costs are paid, the balance shall be refunded to, or credited to the account of, the permittee. If the permittee disputes the amount of the charges for cleanup and restoration, the applicant may appeal to the Board of Public Works within five days after receipt of the bill. The decision of the Board on such appeals shall be final.

Sec. 5. Subsection (e) of Section 41.20 of the Los Angeles Municipal Code is amended to read as follows:

(e) **Special Events Permit Application Evaluation.** Each application for a Special Events Permit shall be reviewed and evaluated by the One-Stop Special Event Permit Office, which shall make a determination to grant the permit, to impose conditions on the permit that may be granted, or to deny the permit all in accordance with this Section and Section 41.20.1. Upon a determination that a Special Event Permit will be approved and General Liability Insurance requirements being met, a permit shall be issued by the Bureau of Street Services within one business day. Upon the issuance of a permit for a Special Event, the Bureau of Street Services shall cause the posting of the date(s), time and location of the Special Event on the internet accessible Citywide GIS map to avoid conflicting events at the same location. No insurance form or certificate other than those approved by the City Risk Manager shall be acceptable, and the evaluation of an application may be delayed until such documentation is submitted. General Liability insurance is required and shall not be waived. If a determination is made to condition or to deny the permit and that determination

is contested by the applicant, the One-Stop Special Event Permit Office shall consult, as necessary and appropriate, with the affected Council District office, representatives of the Department of Public Works, Bureaus of Street Services, Street Lighting, Engineering, and Sanitation, the Police and Fire Departments, and the Departments of Building and Safety, Transportation, General Services, and Recreation and Parks as well as the Mayor's Office, the Chief Legislative Analyst, and the City Administrative Officer, in an effort to resolve the matter. The One Stop Special Event Permit Office shall conclude its consultation with those other departments and offices and make a determination regarding the application within ten City business days. If after such consultation the matter is not resolved, the Director of the Bureau of Street Services, within two business days, shall report on the matter in writing to the Board of Public Works and recommend a course of action. Copies of the Director's report shall be provided to the applicant and to the respective Council office. The Board shall agendize the matter of the Special Event Permit Application at the earliest possible time, but not more than five regular meetings following the referral by the Director, consistent with applicable notice requirements for public meetings. After considering the matter and all information that it deems necessary at that meeting, or at some subsequent meeting as determined by the Board, the Board of Public Works shall take action to grant the permit, grant the permit with conditions, or deny the permit. Any such action by the Board shall be subject to the provisions of Charter Section 245.

Sec. 6. Section 41.20.1 is added to the Los Angeles Municipal Code to read as follows:

**Sec. 41.20.1. SPECIAL EVENT APPLICATION PROCESS AND DEFINITIONS.**

(a) **Definitions.** For purposes of Sections 41.20 and 41.20.1 the following terms and phrases shall have the meanings set forth herein:

1. **Athletic Event** means an event, not involving as a primary component, Expressive Activity, as that term is defined in Section 103.111 (b), in which a group of people collectively engage in a sport or form of physical exercise including, but not limited to, jogging, bicycling, walking, roller skating, or running, upon any public street, sidewalk, alley or other public place, that does not comply with normal and usual traffic regulations and controls.

2. **Certified Farmers' Market** shall have the same meaning as set forth in California Code of Regulations (Title III, Division 3, Chapter 1, Subchapter 4, Article 6.5, Direct Marketing) Section 1392.2 (a) as a location approved by the County Agricultural Commissioner of that county where agricultural products are sold by producers or certified producers directly to consumers. A Certified Farmers' Market may be operated by one or more certified producers, a nonprofit organization, or a local government agency (state, county or district). For purposes of this Code, a Certified Farmers' Market shall mean the direct

marketing, as that term is used in the California Code of Regulations, of agricultural products by certified producers to consumers in accordance with the applicable provisions of the California Code of Regulations.

3. **Charitable Event** means an event, or a series of related events, involving a subject matter of interest to a significant portion of the residents of the City of Los Angeles all net proceeds of which, if any, will directly benefit a charitable organization that maintains its charitable status pursuant to Internal Revenue Code Section 501(C)(3).

4. **City of Los Angeles Special Event** means an event, or series of related events, involving a subject matter of interest to a significant portion of the residents of the City of Los Angeles, that is also an event officially sponsored and produced or managed using City employees and resources by the City of Los Angeles, its operating departments, boards, commissions or bureaus, and which is a Special Event and a Non-Commercial Event.

5. **Citywide Special Event** means a Special Event involving a subject matter determined to be of interest to a significant number of City residents from three or more Council Districts, as evidenced from the active support or past attendance at the event of residents from those Council Districts. The Chief Legislative Analyst shall prepare a list of Citywide Special Events anticipated to occur during the ensuing fiscal year and submit it to the City Council for approval. The City Council may add or remove events from the list in its discretion. Events included on the list of Citywide Special Events do not thereby automatically qualify for issuance of a permit for the event. In each instance, a Special Event Permit Application, if applicable, must be filed with the Bureau of Street Services.

6. **Commercial Event** means an event that does not qualify as a “non-commercial” event as defined herein.

7. **Community Event** means an event, or a series of related events involving a subject matter of interest to a significant portion of the residents of the City of Los Angeles that promotes civic pride in the City or in a local community within the City, that is not a commercial event, all net proceeds of which, if any, will directly benefit either a charitable or non-profit organization. Community Events include Block Parties that meet these requirements.

8. **Non-Commercial Event** means a Special Event that is open to the public, or in the case of block parties to all residents living within the block party area, free of charge and without restriction, sponsored and produced by a charitable or non-profit organization, and from which no individual or other entity receives any proceeds, or benefits from those proceeds either directly or indirectly, other than as compensation for goods, equipment or services provided. At such events, advertising, sponsorship, and food and merchandise

sales shall be permitted, provided all net proceeds, if any, from such activities are used for the benefit of a non-profit or charitable organization or of the charitable or non-profit sponsoring organization. The Sponsor(s) of Non-commercial events must comply with all legal requirements, including all applicable requirements regarding registering with the Police Commission for charitable solicitations. Non-Commercial Events include, but are not limited to, Charitable Events, Community Events and City of Los Angeles Special Events.

9. **Special Event** means an event, or series of related events, of cultural, civic, economic, social, recreational or educational nature, including Athletic Events, sponsored by an individual or individuals, a non-profit organization or community group, charitable organization or for-profit organization or group, that is: (1) held wholly or partially on property owned or maintained by the City; or (2) held on any other property, and that requires for its successful execution, the partial or complete closure of streets or sidewalks or the provision and coordination of municipal services to a degree over and above the level that the City normally provides. Special Events also include any other organized activity that involves the use of, or has a direct or indirect impact on, public property or facilities or that can reasonably be foreseen to have such an impact on, or to require a higher level of, public safety services or other municipal services, including advance planning services, than that normally provided by the City. The Police Department shall remain the permitting entity for Parades and Assemblies, as defined in Section 103.111 (b) of this Code. The City may contract for permit application coordination services for City-issued permits for entertainment industry-related Special Events, such as motion picture filming, television filming and photography. The City's contractor, and not the One-Stop Special Events Permit Office, will coordinate the processing of permit applications for permits the City issues for those types of events. In addition, the receipt, evaluation, processing and approval of City permits for those types of events shall be the responsibility of the City Council or of the City department or office to which the Council, by order, resolution or ordinance has delegated, or in the future may delegate, such authority, as provided in Sections 22.350, and following, of the Los Angeles Administrative Code and in Section 12.22 A 13 of this Code.

10. **Sponsor** means the person(s) or entity that assumes or is charged with the responsibility for, as well as the act of, producing or managing a Special Event. The Sponsor may or may not be financially responsible for the event and may or may not be responsible for conducting or carrying out the activities of the event. For purposes of this definition, a person or entity that provides only financial or in-kind support for a Special Event and has no responsibility for producing or managing the event is not a Sponsor. The terms "sponsors", "sponsored" and similar variations shall be given a meaning consistent with this definition.

**(b) Special Events Coordination.**

1. All Parade and Assembly Permit Applications shall be submitted to the Los Angeles Police Department in accordance with applicable provisions of this Code. The Police Department shall coordinate evaluation and review of those applications, including any requests for Special Event Fee Subsidies, with the One-Stop Special Events Permit Office as necessary.

2. The City may contract for permit application coordination services for City-issued permits for entertainment industry-related Special Events, such as motion picture filming, television filming and photography. The City's contractor, and not the One-Stop Special Events Permit Office, will coordinate the processing of permit applications for permits the City issues for those types of events. In addition, the receipt, evaluation, processing and approval of City permits for those types of events shall be the responsibility of the City Council or of the City department or office to which the Council, by order, resolution or ordinance has delegated, or in the future may delegate, such authority, as provided in Sections 22.350, and following, of the Los Angeles Administrative Code and in Section 12.22 A 13 of this Code.

**(c) Events at Major Sports and Entertainment Venues.** The types and levels of municipal services provided for events at major venues, including but not limited to, the Staples Center, Coliseum, Dodger Stadium, Sports Arena, Hollywood Bowl, Greek Theatre and Kodak Theatre, and for major awards shows and other similar events, shall be determined and provided solely within the discretion of the City. Applicable fees and charges, including salary costs, for all such services, equipment and materials shall not be subsidized or waived unless otherwise provided by contract. If the City determines, in its own discretion, that traffic control measures or other services are not needed at particular venues or for specific events, the City will not provide those services. Should a venue or event Sponsor wish to ensure that certain types and levels of services will be provided for purposes of an event, the venue or event Sponsor will be required to negotiate a contract with the City to clearly define the types and levels of services requested, and to provide for payment for all services beyond the normal level of services which the City in its sole discretion would have provided to meet public safety and welfare needs. The Sponsor of any event that involves the use of, or has a direct or indirect impact on, public property or facilities, or that can reasonably be foreseen to have such an impact on or to require a higher level of public safety services or other municipal services, including advance planning services, than that normally provided by the City, shall be responsible for obtaining all required permits and for payment of the costs, including all fees, charges and salary costs, for all such services.

**(d) Tracking Special Event Expenditures.** The Bureau of Street Services shall track all funds expended for Special Events by all City departments by Special Event. All City departments that incur costs and expenses for Special Events shall report on those costs and expenses on a quarterly basis to the Bureau of Street Services. The Bureau of Street Services shall report to the Board of Public Works and

the City Council regarding all such expenditures within forty-five (45) days after the end of each calendar quarter.

(e) **City Equipment Cost Recovery.** In all instances, Special Event permittees shall pay the City for the repair or replacement costs, as determined by the Bureau of Street Services, for traffic control devices or equipment provided for an event and not returned within 24 hours of the event, or returned in a damaged condition, excluding reasonable wear and tear. All payments for damaged or lost equipment shall be made in a manner as determined by the Bureau of Street Services, which may, and in the case of block parties shall, include a requirement for a refundable deposit.

Sec. 7. Section 62.203 of the Los Angeles Municipal Code is repealed.

Sec. 8. Subsection (e) of Section 80.08.7 of the Los Angeles Municipal Code is amended to read:

(e) Department charges shall not apply upon a determination by the General Manager, Department of Transportation, that charges are less than \$1,000 and that the action involved is required as a result of an emergency situation, to alleviate a dangerous condition, to provide police security, to alleviate traffic congestion, or to effect a street closure initiated by the City. Such determination shall be in writing and affirmed by the responsible official as follows:

1. **Emergency** – General Manager or Assistant General Manager, Department of Transportation.
2. **Dangerous Condition** – District Transportation Engineer.
3. **Traffic Congestion** – District Transportation Engineer.
4. **Police Security** – Division Captain, Los Angeles Police Department.

Sec. 9. Article 4 is added to Chapter 4 of Division 5 of the Los Angeles Administrative Code to read:

#### **ARTICLE 4**

#### **SPECIAL EVENT SUBSIDY POLICY**

##### **Sec. 5.66.5. Special Event Subsidy Policy.**

(a) The City Council may provide funding for Special Event Subsidies in the General City Purposes Fund No. 100/56, Council Fee Subsidy Account, with a sub-account for each Council District and a sub-account for Citywide Special Events, or in another fund and accounts and sub-accounts as it deems appropriate. The amount of

funding, if any, to be appropriated in the City budget for Special Event Fee subsidies shall be in the sole discretion of the City Council and Mayor. Special Event Fee subsidies may be provided only for Non-Commercial Special Events that promote a public purpose and provide a public benefit, and shall be limited to 50 percent of the total eligible fees and charges, including salary costs, for services, equipment and materials required for the event. Further, subsidies shall be limited to two Non-Commercial Special Events per Sponsor per fiscal year. Provided, however, that this two event limitation shall not apply to recurring Certified Farmers' Markets Sponsored by a non-profit organization or a local government entity (state, county or district). Provided, further, that block parties shall be eligible for a subsidy of 100 percent of fees and charges, including salary costs, and that recurring Certified Farmers' Markets Sponsored by a non-profit organization or a local government entity (state, county or district) shall be eligible for a subsidy of up to 100 percent of fees and charges, including salary costs. No Special Event Fee subsidy shall be approved or provided for any Special Event unless it is confirmed that sufficient funding authorized for the subsidy exists in the fund and account or sub-account designated for that purpose in the City Budget.

(b) Requests for Special Event Subsidies shall be made in writing and presented to the affected Council office. Upon request made in writing and supported by the necessary information and documentation, including proof of nonprofit or charitable status, as applicable, a subsidy may be provided by the affected Council office. As proof of their non-profit status, all non-profit organizations requesting Special Event Fee subsidies must provide a letter of determination by the IRS that the organization is exempt from federal income taxes under the Internal Revenue Code as an organization described in Section 501(c)(3) or other similar provision of the Internal Revenue Code.

(c) If the affected Council office determines that the event qualifies for a fee subsidy and that there exists sufficient funding authorized for that purpose, the Council Member shall notify the City Clerk in writing of that determination, the public purpose promoted and public benefit provided by the event, the total amount of the subsidy approved to be provided for the event, and the City fund and account from which the subsidy is to be provided. The subsidy shall be documented and provided in accordance with the procedures approved by the Council for expenditure of Council District Community Services appropriations and the requirements set forth in this Code. The City Administrative Officer shall report each quarter of the fiscal year or more frequently to the Council on the amounts of the subsidies provided since the last report.

(d) The group or organization receiving the benefit of the Special Event Fee subsidy must provide written assurances to the City's satisfaction that the event will provide the stated public purpose and public benefit.

(e) Requests for Special Event Fee subsidies shall be referred to the Chief Legislative Analyst (CLA) for review and recommendation prior to a determination by the affected Council office. The CLA shall review the request for compliance with the requirements set forth in this Article and include a determination of the ability of the

organization to fund the total cost of the event. Requests for Special Event Fee subsidies from non-profit organizations with an operating budget of less than \$5 million will qualify for consideration by the affected Council office if all applicable requirements of this Article are met. A non-profit organization may be disqualified for consideration for a Special Event Fee subsidy depending on the organization's operating budget, or its refusal to provide sufficient financial information to the CLA to make a determination of its financial capability.

(f) Each action by an affected Council office to approve a Special Event Fee subsidy request must include a finding that there are sufficient funds available in the amount approved from the appropriate sub-account in the General City Purposes Fund No. 100/56, Special Fund Fee Subsidy Account.

(g) The City Clerk shall track the number and amount of Development Fee subsidies approved by the Council and forward that information to the CAO for inclusion in financial status reports.

(h) The CAO and the Chief Legislative Analyst shall review the Special Event Fee Subsidy Policy set forth in this Article annually, in conjunction with the annual budget deliberations, and report to the City Council on the fiscal impact on the General Fund.

(i) Special Event Fees shall not be waived except as expressly authorized by applicable law. Subsidies of Special Event Fees shall be provided only in accordance with this Article.

(j) The City Clerk is authorized to prepare and execute, subject to the prior approval of the City Attorney as to form, all contracts required to accomplish the authorized subsidies of Special Events, including Citywide Special Events.

**Sec. 5.66.6. Citywide Special Events Sub-account.** The City Clerk shall administer the Citywide Special Events Sub-account on behalf of the City Council and process the subsidies for events designated as Citywide Special Events by the City Council in the same manner and subject to the same requirements and limitations as set forth in this Article for subsidies to other Special Events. Citywide Special Event subsidies shall be limited to 50 percent of the total eligible fees and charges, including salary costs, for services, equipment and materials required for the event. The prior written approval of the President of the City Council shall be obtained before processing any payment for a Citywide Special Event.

**Sec. 5.66.7. Definition of "Public Purpose", Minimum Requirement for Provision of "Public Benefit".**

(a) For purposes of this Article, a Special Event will be deemed to promote a public purpose if it enhances the activities and services routinely provided by governmental entities and if it will be open to the public without charge. In order to



approve a Special Event Fee subsidy request, the affected Council office must make a written finding, that the project will promote a public purpose for the City and provide a public benefit.

**Sec. 5.66.8. Definitions.** For purposes of this Article, the following terms and phrases shall have the meanings set forth herein:

(a) **Athletic Event** means an event, not involving as a primary component, Expressive Activity, as that term is defined in Los Angeles Municipal Code Section 103.111 (b), in which a group of people collectively engage in a sport or form of physical exercise including, but not limited to, jogging, bicycling, walking, roller skating, or running, upon any public street, sidewalk, alley or other public place, that does not comply with normal and usual traffic regulations and controls.

(b) **Certified Farmers' Market** shall have the same meaning as set forth in California Code of Regulations (Title III, Division 3, Chapter 1, Subchapter 4, Article 6.5, Direct Marketing) Section 1392.2 (a) as a location approved by the County Agricultural Commissioner of that county where agricultural products are sold by producers or certified producers directly to consumers. A Certified Farmers' Market may be operated by one or more certified producers, a nonprofit organization, or a local government agency (state, county or district). For purposes of this Code, a Certified Farmers' Market shall mean the direct marketing, as that term is used in the California Code of Regulations, of agricultural products by certified producers to consumers in accordance with the applicable provisions of the California Code of Regulations.

(c) **Charitable Event** means an event, or a series of related events, involving a subject matter of interest to a significant portion of the residents of the City of Los Angeles all net proceeds of which, if any, will directly benefit a charitable organization that maintains its charitable status pursuant to Internal Revenue Code Section 501(C)(3).

(d) **City of Los Angeles Special Event** means an event, or series of related events, involving a subject matter of interest to a significant portion of the residents of the City of Los Angeles, that is also an event officially sponsored and produced or managed using City employees and resources by the City of Los Angeles, its operating departments, boards, commissions or bureaus, and which is a Special Event and a Non-Commercial Event.

(e) **Citywide Special Event** means a Special Event involving a subject matter determined to be of interest to a significant number of City residents from three or more Council Districts, as evidenced from the active support or past attendance at the event of residents from those Council Districts. The Chief Legislative Analyst shall prepare a list of Citywide Special Events anticipated to occur during the ensuing fiscal year and submit it to the City Council for approval. The City Council may add or remove events from the list in its discretion. Events included on the list of Citywide Special Events do not thereby automatically qualify for issuance of a permit for the event. In each

instance, a Special Event Permit Application, if applicable, must be filed with the Bureau of Street Services.

(f) **Commercial Event** means an event that does not qualify as a “non-commercial” event as defined herein.

(g) **Community Event** means an event, or a series of related events involving a subject matter of interest to a significant portion of the residents of the City of Los Angeles that promotes civic pride in the City or in a local community within the City, that is not a commercial event, all net proceeds of which, if any, will directly benefit either a charitable or non-profit organization. Community Events include Block Parties that meet these requirements.

(h) **Non-Commercial Event** means a Special Event that is open to the public, or in the case of block parties to all residents living within the block party area, free of charge and without restriction, sponsored and produced by a charitable or non-profit organization, and from which no individual or other entity receives any proceeds, or benefits from those proceeds either directly or indirectly, other than as compensation for goods, equipment or services provided. At such events, advertising, sponsorship, and food and merchandise sales shall be permitted, provided all net proceeds, if any, from such activities are used for the benefit of a non-profit or charitable organization or of the charitable or non-profit sponsoring organization. The Sponsor(s) of Non-commercial events must comply with all legal requirements, including all applicable requirements regarding registering with the Police Commission for charitable solicitations. Non-Commercial Events include, but are not limited to, Charitable Events, Community Events and City of Los Angeles Special Events.

(i) **Special Event** means an event, or series of related events, of cultural, civic, economic, social, recreational or educational nature, including Athletic Events, Sponsored by an individual or individuals, a non-profit organization or community group, charitable organization or for-profit organization or group, that is: (1) held wholly or partially on property owned or maintained by the City; or (2) held on any other property, and that requires for its successful execution, the partial or complete closure of streets or sidewalks or the provision and coordination of municipal services to a degree over and above the level that the City normally provides. Special Events also include any other organized activity that involves the use of, or has an impact on, public property or facilities or that can reasonably be foreseen to have an impact on, or to require a higher level of, public safety services or other municipal services, including advance planning services, than that normally provided by the City.

(j) **Sponsor** means the person(s) or entity that assumes or is charged with the responsibility for, as well as the act of, producing or managing a Special Event. The Sponsor may or may not be financially responsible for the event and may or may not be responsible for conducting or carrying out the activities of the event. For purposes of this definition, a person or entity that provides only financial or in-kind support for a Special Event and has no responsibility for producing or managing the event is not a

Sponsor. The terms “sponsors”, “sponsored” and similar variations shall be given a meaning consistent with this definition.

Sec. 10. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting of \_\_\_\_\_.

JUNE LAGMAY, City Clerk

By \_\_\_\_\_  
Deputy

Approved \_\_\_\_\_

\_\_\_\_\_  
Mayor

Approved as to Form and Legality

CARMEN A. TRUTANICH, City Attorney

By   
PEDRO B. ECHEVERRIA  
Chief Assistant City Attorney

Date Aug. 14, 2009

File No. 09-0600-S46