

# CITY OF LOS ANGELES

CALIFORNIA



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MAYOR

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HOLLY L. WOLCOTT  
Interim City Clerk

When making inquiries relative to  
this matter, please refer to the  
Council File No.

April 11, 2014

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council File No. 14-0002-S18, at its meeting held April 8, 2014.



City Clerk  
wrq

Mayor's Time Stamp  
OFFICE OF THE MAYOR  
RECEPTION  
2014 APR -9 PM 1:08  
CITY OF LOS ANGELES

RECEIVED  
City Clerk's Time Stamp  
CITY CLERK'S OFFICE  
2014 APR -9 PM 1:02  
CITY CLERK  
BY \_\_\_\_\_ DEPUTY

SUBJECT TO THE CONCURRENCE OF THE MAYOR

COUNCIL FILE NO. 14-0002-S18

COUNCIL DISTRICT \_\_\_\_\_

COUNCIL APPROVAL DATE April 8, 2014

RE: CITY'S POSITION TO SUPPORT AB 1839 REGARDING THE EXTENSION AND EXPANSION OF FILM TAX CREDITS

LAST DAY FOR MAYOR TO ACT APR 21 2014  
[10 Day Charter requirement as per Charter Section 231(h)]

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DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY

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APPROVED

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\*DISAPPROVED

\_\_\_\_\_  
\*Transmit objections in writing  
pursuant to Charter Section 231 (h)

DATE OF MAYOR APPROVAL OR DISAPPROVAL 4/11/14

E.G.  
MAYOR

14

RULES, ELECTIONS AND INTERGOVERNMENTAL RELATIONS COMMITTEE REPORT and RESOLUTION relative to the City's position to support AB 1839 regarding the extension and expansion of film tax credits.

Recommendation for Council action, as initiated by Resolution (Fuentes - Krekorian - Price - O'Farrell), SUBJECT TO THE CONCURRENCE OF THE MAYOR:

ADOPT the accompanying revised RESOLUTION to include in the City's 2013-14 State Legislative Program SUPPORT of AB 1839 and any legislative or administrative action that would result in extension of the California State Film Tax Credit program through the 2020-2021 fiscal year, expansion of the amount of tax credits available to match or exceed competitive tax credit programs, expansion of the definition of productions that are eligible, and other amendments that allow more types of productions to qualify for the program and remain in California.

Fiscal Impact Statement: None submitted by the Chief Legislative Analyst (CLA). The City Administrative Officer has not completed a financial analysis of this report.

Community Impact Statement: None submitted.

Summary:

At its regular meeting of March 21, 2014, the Rules, Elections and Intergovernmental Relations Committee considered a CLA report and Resolution relative to the City's position to support AB 1839 regarding the extension and expansion of film tax credits. The CLA report, attached to the Council file, provides a summary and background information on the matter. Further, the CLA report includes a revised Resolution to ensure that a higher tax credit amount is included in the City's legislative position. After consideration and having provided an opportunity for public comment, the Committee recommended that Council approve the CLA report and adopt the accompanying revised Resolution. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

RULES, ELECTIONS AND INTERGOVERNMENTAL RELATIONS COMMITTEE

APR 0 1 2014 - CONTINUED TO April 8, 2014

MEMBER VOTE  
WESSON: YES  
HUIZAR: ABSENT  
LABONGE: YES

**ADOPTED**

APR 0 8 2014

**LOS ANGELES CITY COUNCIL**



## RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations, or policies proposed to or pending before a local, state, or federal governmental body or agency must first have been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, for nearly a century, Los Angeles has been the center of the film industry, home to studios, post-production facilities, a myriad of outdoor locations and the most talented and well-trained creative and technical workers in the field; and

WHEREAS, since the late 1990s, many countries and 44 states have created film and television production incentives to draw film and television production activity away from California, including a \$430 million incentive program in New York and a \$229 million incentive program in Louisiana, and handing out more than \$1.5 billion in film and television tax incentives in 2012; and

WHEREAS, according to the Milken Institute, in a reported dated February 2014, California entertainment production employment has declined by 16,137 jobs between 2004 and 2012, while New York added over 10,000 jobs in the same period; and

WHEREAS, in recent years, an increased number of television productions have also been able to take advantage of these incentives, resulting in a loss of television pilots and one-hour TV Drama series to other states, notably New York; and

WHEREAS, since the State legislature passed legislation to establish the California film tax credit program, film production has actually increased in the State, reversing four years of decline, and is estimated to have saved or created as many as 51,000 jobs; and

WHEREAS, although helpful, the current State tax credit is not adequate to ensure that California competes for film and television production and more must be done to retain and attract new entertainment industry jobs to the region, nor does it provide long-term certainty to the entertainment industry that California is serious about retaining this industry; and

WHEREAS, AB 1839 (Gatto) would significantly expand the State's tax credit program to include incentives for one-hour television series, allow film productions with larger budgets to qualify, and extend the program through 2021, among other incentives designed to ensure that film and television productions remain in California; and

WHEREAS, AB 1839 must provide tax credits to a broader range of productions in film and television, including big budget live action films, and must expand the amount of tax credits to meet or exceed the incentives offered in other states.

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2013-2014 State Legislative Program SUPPORT for AB 1839 (Gatto) and any legislative or administrative action that would result in extension of the California State Film Tax Credit program through the 2020-2021 fiscal year, expansion of the amount of tax credits available to match or exceed competitive tax credit programs, expansion of the definition of productions that are eligible, and other amendments that allow more types of productions to qualify for the program and remain in California.

I CERTIFY THAT THE FOREGOING  
RESOLUTION WAS ADOPTED BY THE  
COUNCIL OF THE CITY OF LOS ANGELES  
AT ITS MEETING OF APR 08 2014  
BY A MAJORITY OF ALL ITS MEMBERS.



HOLLY L. WOLCOTT  
INTERIM CITY CLERK

BY   
DEPUTY