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07-1586

# CITY OF LOS ANGELES CALIFORNIA



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CLAUDIA M. DUNN  
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June 28, 2007

City Administrative Officer  
Chief Legislative Analyst

RE: AN EXTENSION AND AMENDMENT OF AN EXISTING CONTRACT WITH FILM LA FOR FILM  
PERMITTING SERVICES

At the meeting of the Council held JUNE 22, 2007, the following action was taken:

Attached report adopted .....	X
Attached motion (-) adopted .....	_____
Attached resolution adopted .....	_____
FORTHWITH .....	_____
Mayor concurred .....	_____
Motion adopted to approve communication recommendation(s) .....	_____
Motion adopted to approve committee report recommendation(s) .....	_____
Ordinance adopted .....	_____
Ordinance number .....	_____
Publication date .....	_____
Effective date .....	_____
Mayor approved .....	_____
Findings adopted .....	_____

City Clerk  
vcw



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TO THE COUNCIL OF THE  
CITY OF LOS ANGELES

Your **BUDGET AND FINANCE Committee**

reports as follows:

BUDGET AND FINANCE COMMITTEE REPORT relative to an extension and amendment of an existing contract with Film LA for film permitting services.

Recommendations for Council action:

1. INSTRUCT the City Administrative Officer (CAO), with the assistance of the Chief Legislative Analyst to negotiate, and AUTHORIZE the CAO to execute, an extension of the existing contract between Film LA and the City for one year.
2. INSTRUCT the CAO to amend the existing contract with Film LA as follows:
  - a. to include the following language: "Contractor (Film LA) is expected to provide equal treatment to all persons or organizations seeking a permit to film motion pictures, television shows, music videos, still photos or other purposes."
  - b. to include a cancellation clause to be exercised by either party for any reason upon 30 day notice.
  - c. to modify the reporting requirements to do the following:
    - i. Require that Film LA provide the City a written copy of their policies and procedures for all aspects of the process of obtaining a film permit (financial, procedural and otherwise) by June 30, 2007;
    - ii. Change the due date on the submission of the Comment Log to the City to a time that is more practical (requested by Film LA). The new due date will be negotiated between the CAO and Film LA.
3. AUTHORIZE the CAO to negotiate and execute minor adjustments to language in the contract, including a new indemnification clause, making the new insurance process operate more smoothly, provided they are approved by the City Attorney and result in no incremental cost to the City General Fund.
4. INSTRUCT the CAO to issue a Request for Information (RFI) within 30 days.

Fiscal Impact Statement: The CAO reports that approval of the recommendations will extend the existing contract with Film LA for one year, resulting in a total annual cost not to exceed \$572,000. Funds are provided in the 2007-08 General City Purposes Budget.

SUMMARY

At its meeting of June 4, 2007, the Budget and Finance Committee considered a CAO report relative to an extension and amendment of an existing contract with Film LA for film permitting services. The

Council directed the CAO and Chief Legislative Analyst (CLA) to prepare a Request for Proposal (RFP) for a contractor to provide exclusive film permit coordination services to the City and report to the Council with the results (CF 02-2144-S1). The CAO and CLA are currently in the process of constructing the RFP and expect that the RFP will be available for release during the summer of 2007. However, in order to allow sufficient time to complete the RFP process, the CAO is recommending that the existing contract with Film LA be extended one year. The existing contract expires on June 30, 2007 and an extension would set the expiration date to June 30, 2008.

The CAO reports that a preliminary RFP has been drafted. The CAO and CLA anticipate releasing the RFP no later than September 30, 2007, having responses submitted by November 30, 2007, and making a recommendation to the Council no later than January 15, 2008. Additionally, the CAO recommends that any changes to the Film LA contract, other than the expiration date, be extremely limited due to the time remaining to process the amendment to the Film LA contract and due to the imminent release of the RFP. Any significant changes to the contract can be incorporated should Film LA succeed in winning the forthcoming competition. In addition to changing the expiration date of the contract, the CAO recommends that the new amendment clarify that Film LA be expected to provide equal treatment to all persons and organizations. This will clarify the City's existing expectation that Film LA provide equal treatment of all persons and organizations who seek to film for motion picture, television, still photo or other purposes. The CAO reports that preliminary discussions with Film LA indicate that Film LA would support such a clarification and that this is consistent with their current practices. The CAO report includes additional recommendations for the contract amendment which are reflected in the recommendations contained in this Committee report.

During the Committee discussion, the Committee considered a communication from Councilmember Perry, Councilmember for Council District Nine. In the communication, Councilmember Perry requests that the Film LA contract be extended until February 15, 2008 not July 30, 2008 as recommended by the CAO. Councilmember Perry states that downtown Los Angeles is the most heavily filmed area in the City and the relatively new residential population presents new challenges for filming in the area. Councilmember Perry raises the issue of having to juggle between film production, which continues to bring economic benefits to the area, and the rights of residents who have made downtown their home. During the public comment period, there were several speakers who spoke to the difficulties of working with Film LA relative to notifications to residents, parking problems resulting from filming, multiple companies filming in the same general area, etc. In her communication, Councilmember Perry states that it is the City's responsibility to ensure that the best agency for the job is granted this contract.

After a lengthy discussion, the Committee recommended approval of the CAO recommendations relative to extending the Film LA contract to July 30, 2008. The following additional amendments were recommended: (1) that the contract amendment include a cancellation clause to be exercised by either party for any reason upon 30 day notice; (2) that the CAO release a Request for Information within 30 days as a way of obtaining additional information from Neighborhood Councils, community groups, etc., as to what is required and/or should be included in a new contract, as well to determine if there are other businesses capable of providing film permitting services in Los Angeles as required in the proposed RFP. The CAO was additionally asked to present to the Council when this matter is heard, a timeline for the RFI and RFP process as well as a recommendation as to which Council Committee would best oversee policy issues relative to filming in Los Angeles. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
PARKS:	YES
GREUEL:	YES
SMITH:	YES
ROSENDAHL:	YES
HUIZAR:	ABSENT

LB  
#071586  
6/14/07

*Alvin C. Parker*  
*Gary*  
*Ben*  
*Greuel*

*REPT.*  
**ADOPTED**

JUN 22 2007

**LOS ANGELES CITY COUNCIL**