

**CITY OF LOS ANGELES**  
INTER-DEPARTMENTAL CORRESPONDENCE

0310-00219-0109

Date: May 21, 2007

To: The Council

From: Karen L. Sisson, City Administrative Officer Subject: **EXPIRING FILM PERMITTING CONTRACT****SUMMARY**

The Council directed the City Administrative Officer (CAO) and the Chief Legislative Analyst (CLA) to prepare a Request for Proposals (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). We 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 us sufficient time to complete the RFP process, we recommend 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.

At present, 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 Council no later than January 15, 2008. Additionally, we recommend the following provisions be incorporated into the amendment to Film LA's existing contract.

We recommend 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 Film LA contract can be incorporated should Film LA succeed in winning the forthcoming competition.

Other than changing the termination date of the Contract, we recommend that the new amendment clarify 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. Preliminary discussions with Film LA indicate Film LA would support such a clarification and that this is consistent with their current practices.

In addition, we recommend that the amendment modify the reporting requirements to do the following:

- 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). This will:
  - help the City understand the purpose and intent of their processes;
  - ensure that they are consistent with the expectations of the City and review City operations for opportunities to improve service; and,
- 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.

Finally, upon implementation of the 2006-07 Budget, the Council removed responsibility for processing insurance documents related to film permits from Film LA in an effort to streamline the permitting process and reduce City costs. That responsibility appropriately rests with the CAO Risk Management Unit. Film LA has indicated that there may be some minor adjustments to language in the contract, including a new indemnification clause, that would make the new insurance process operate more smoothly. Film LA has submitted proposed language and the City Attorney is currently reviewing it. It is recommended that the Council allow the CAO to negotiate these adjustments and include them in the amendment to the Film LA Contract, provided they are approved by the City Attorney and result in no incremental cost to the City General Fund.

## **RECOMMENDATIONS**

That the Council:

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;

1. Instruct the CAO to amend the existing contract with FilmLA to include the following language: "Contractor (FilmLA) 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.";
2. Instruct the CAO 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); and,
  - 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.

**FISCAL IMPACT STATEMENT**

Approval of the recommendations will extend the existing contract with FilmLA 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.

*KLS/MHD/DHH:06070234*