

**MICHAEL N. FEUER**  
CITY ATTORNEY

REPORT NO. R 21 - 0 3 7 9

DEC 17 2021

REPORT RE:

**DRAFT ORDINANCE AMENDING ARTICLE 5.5 AND ADDING ARTICLE 5.6 TO  
CHAPTER 5 OF THE LOS ANGELES ADMINISTRATIVE CODE TO SPECIFY HOW  
DIGITAL VIDEO FRANCHISE FEE RECEIPTS AND PUBLIC, EDUCATIONAL, AND  
GOVERNMENT FEE RECEIPTS SHALL BE DISTRIBUTED AND TO RENAME  
CERTAIN RELATED FUNDS AND ACCOUNTS**

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

Council File No. 21-0600

Honorable Members:

Pursuant to the City Council's request in the adopted 2021-2022 City budget, this Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality. The draft ordinance amends Article 5.5 of Chapter 5 of the Los Angeles Administrative Code (LAAC) to remove the requirement to deposit 40 percent of digital video franchise fee receipts into the existing Telecommunications Development Account. With this amendment, 100 percent of all franchise fee monies received from digital video franchise holders will be deposited in the General Fund.

In addition, to better facilitate the tracking and expenditure of public, educational, and government (PEG) fees received from digital video franchise holders, the draft ordinance renames the Telecommunications Fund, Liquidated Damages and Lost Franchise Fees Special Fund, adds a new Article 5.6 to Chapter 5 of the LAAC for the

receipt of specified PEG fees; and sets forth the authorization for making expenditures of said funds.

Council Rule 38 Referral

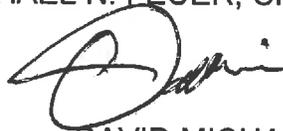
A copy of the draft ordinance has been sent to the Information Technology Agency and the City Administrative Officer with a request that all comments, if any, be presented directly to the City Council when this matter is considered.

If you have any questions regarding this matter, please contact Assistant City Attorney Michael Dundas at (213) 978-8130. He or another member of this Office will be available when you consider this matter to answer questions you may have.

Sincerely,

MICHAEL N. FEUER, City Attorney

By



DAVID MICHAELSON  
Chief Assistant City Attorney

DM:MD:ac  
Transmittal