

ENTERTAINMENT AND FACILITIES COMMITTEE REPORT relative to the extension of the existing contract with FilmL.A., Inc. to June 30, 2016 to provide the City and FilmL.A. with sufficient time to further discuss the technical issues and proposed revisions.

Recommendations for Council action:

1. APPROVE the extension of the existing contract with FilmL.A., Inc. to June 30, 2016 to provide the City and FilmL.A. with sufficient time to further discuss the technical issues and proposed revisions.
2. AUTHORIZE the City Attorney, with assistance from the Economic Workforce Development Department, to extend the existing contract with FilmL.A., Inc. (C-117206) to June 30, 2016.
3. INSTRUCT the Chief Legislative Analyst (CLA), with the assistance of the City Administrative Officer, City Attorney, Economic Workforce Development Department, and FilmL.A., Inc. to negotiate and execute a contract renewal for a five-year term in accordance with the existing contract agreement.
4. INSTRUCT the CLA to consider the following provisions in the contract with FilmL.A.:
  - a. A resolution of how to utilize unclaimed refunds of deposits for city services.
  - b. A method to best notify customers of the existence of the unclaimed deposits before they are utilized with adequate time for producers to respond and claim these refunds.
  - c. An annual plan for the spending of the unclaimed refunds that would be subject to audit by the Controller.
  - d. An accurate recording of complaints.
5. INSTRUCT the CLA to report on the steps the city will need to take in order to replace FilmL.A. services in the event that a contract is not approved.

Fiscal Impact Statement: The CLA reports that there is no impact to the General Fund.

Community Impact Statement: None submitted.

#### SUMMARY

At the meeting held on April 12, 2016, your Entertainment and Facilities Committee considered a CLA report relative to the extension of the existing contract with FilmL.A., Inc. to June 30, 2016 to provide the City and FilmL.A. with sufficient time to further discuss the technical issues and proposed revisions. The CLA reports that FilmL.A. is a private 501(c)(4) not-for-profit community benefit organization charged with coordinating permits for on-location motion picture, television and commercial production on behalf of the City. The City negotiated and executed a contract with FilmL.A. on March 23, 2010 for a five-year term with three options to extend the contract for

five years. The initial five-year term expired on June 30, 2015, but the option to extend was not exercised because the City and FilmL.A. identified issues with certain provisions within the contract that needed to be resolved, in addition to some technical amendments. FilmL.A. and the Economic Workforce Development Department (EWDD), the Contract Administrator, agreed to extend the existing contract to September 29, 2015 via a letter of agreement to resolve these issues. Due to ongoing negotiations, EWDD and FilmL.A. signed a second letter of agreement to extend the contract to October 30, 2015. On October 30, 2015, the City and FilmL.A. recognized the need for additional time to discuss the proposed revisions to the contract. On November 18, 2015, Council approved Motion (Martinez-Krekorian) (Council file No. 07-1586-S2) to extend the existing contract for an additional six months to April 30, 2016 to provide City staff and FilmL.A. with additional time to discuss the proposed revisions to the contract. At this time, the City staff and FilmL.A. require additional time to review and negotiate the terms of the contract. In order to ensure that FilmL.A. can continue to provide permitting services to the City during the negotiations, the proposed recommendations above will provide for a contract extension of two months to June 30, 2016. FilmL.A. and CLA staff provided an overview of the matter. During the discussion of the matter, Councilmember Krekorian proposed additional provisions to the contract as detailed above. After an opportunity for public comment was held, the Committee moved to approve the recommendations presented in the CLA transmittal as modified, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

ENTERTAINMENT AND FACILITIES COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
MARTINEZ:	YES
KREKORIAN:	YES
BUSCAINO:	ABSENT
O'FARRELL:	YES
RYU:	YES

ME

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**