#### SOUTHERN CALIFORNIA



# ASSOCIATION of GOVERNMENTS

### **Main Office**

818 West Seventh Street
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Los Angeles, California
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www.scag.ca.gov

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President Glen Becerra, Simi Valley

First Vice President Greg Pettis, Cathedral City

Second Vice President Carl Morehouse, San Buenaventura

Immediate Past President Pam O'Connor, Santa Monica

### Executive/Administration Committee Chair

Glen Becerra, Simi Valley

## **Policy Committee Chairs**

Community, Economic and Human Development Paula Lantz, Pomona

Energy & Environment Cheryl Viegas-Walker, El Centro

Transportation Keith Millhouse, Ventura County Transportation Commission July 25, 2012

## Dear Mayor/Chair:

The entertainment industry is one of the most important economic drivers of Southern California's economy. It accounts for 176,700 jobs and \$30 billion in spending in the Southern California region.

There are over 40 states and numerous countries around the world that are competing aggressively for this business. As a result, the percentage of films shot in California has decreased from over 66% to less than 40% in a few years. This loss has had a real economic impact. According to a 2005 report commissioned by the California Film Commission, 10 "feature films" (budgets greater than \$70 million) that leave the state is equivalent to a loss of \$106 million in state revenues, not to mention all the high value jobs and the trickle-down impact on small businesses such as hotels, restaurants, and dry cleaners that may be lost as well. With the region's economy still in a fragile recovery and California's unemployment rate above 10%, we must look for every opportunity to retain this unique and valuable asset.

The Southern California Association of Governments (SCAG), California Film Commission (CFC), FilmL.A., and the Los Angeles County Economic Development Corporation (LAEDC) have joined together to help protect California's film, television, and commercial production industry, and the hundreds of thousands of jobs supported by the entertainment industry throughout the state. On Thursday, July 5, 2012, SCAG's Regional Council voted unanimously to encourage its 184 member cities and six counties to adopt a version of the Model Film Ordinance and Best Practices (MFO/BP) that fits their particular needs.

The purpose of a standardized statewide ordinance is to provide the entertainment industry with a uniform set of policies and procedures to secure on-location production. By adopting local filming ordinances based upon the state's ordinance is to streamline the permitting process and to send a clear signal that this is a coveted industry California intends to retain.

But this isn't just about Southern California's economy, it is about bringing jobs to your community. Economic data shows that for every direct job in the entertainment industry, 2.7 additional jobs are created, supporting more than 6,600 businesses throughout Southern California.

The Model Film Ordinance is the first in a series of best practices measures that the Southern California Association of Governments plans to offer to its member cities and counties as a means for local governments to encourage local economic activity. It builds on the "Business Friendly Resolutions" passed by 171 cities and counties last year and is a key initiative of the Southern California

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Transportation Keith Millhouse, Ventura County Transportation Commission Economic Recovery and Job Creation Strategy approved by SCAG's Regional Council. Visit www.scag.ca.gov/EconomicStrategy for the most updated information.

I have attached a copy of the MFO/BP and I encourage you to bring this to your City Council for consideration and adoption. Although Southern California is recognized as the capital of the motion picture industry, we must take additional steps to retain film and television production. Together, we can send a clear and loud message that film production is welcome and will always have a home in Southern California.

Sincerely,

Glen T. Becerra SCAG President

City of Simi Valley

CC: City Manager/County CEO

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