


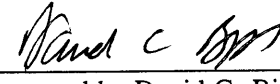


# City of Carson Report to Mayor and City Council

May 15, 2012  
New Business Discussion

**SUBJECT: CONSIDERATION OF CHANGES TO CITY FILMING REGULATIONS**

  
Submitted by Clifford W. Graves  
Economic Development General Manager

  
Approved by David C. Biggs  
City Manager

## I. SUMMARY

This report provides recommendations for updating city policy and procedures in regards to film production within the city. The requested actions relate to the city maintaining its business-friendly reputation by attracting more film activity to the city and region. Carson has been the site of many films, television shows, commercials and music videos. Unfortunately, the city's filming policies are regarded as unfriendly in the entertainment industry. With input from many affected parties, staff has developed a set of recommended policies.

## II. RECOMMENDATION

DIRECT staff to prepare an ordinance amendment and a resolution incorporating the following recommended changes:

- a. Eliminate the business license requirement for film productions.
- b. Adjust the film permit fee structure to a weekly rate, tentatively set at \$650.00 per week, and \$500.00 for each subsequent week. The final amounts will be included in the ordinance and resolution for approval.
- c. Require up to five business days of advance notice for obtaining a film permit, contingent upon a completed application.
- d. Require law enforcement presence on a case-by-case basis, at the discretion of the city and allow for the use of other types of law enforcement entities including the Highway Patrol, retired Los Angeles Police Department (LAPD) officers, and private security.
- e. Require notification to businesses and residents within a minimum radius of 300 feet of film locations.
- f. Require a minimum radius of 300 feet for surveying to obtain approval on extended filming hours.
- g. Charge a flat fee to all film productions taking place at the Home Depot Center, waiving the business license and permit requirements. This fee should mirror the city's proposed weekly permit fees.

**III. ALTERNATIVES**

1. MODIFY recommendations and APPROVE as the City Council deems appropriate.
2. TAKE another action the City Council deems appropriate.

**IV. BACKGROUND**

Los Angeles County Regional Effort - Entertainment is the third largest industry in Los Angeles County, following international trade and tourism. In addition to contributing to Los Angeles' illustrious reputation and allure, it is also a major source of revenue and employment, generating billions of dollars annually in wages and salaries in Los Angeles County. Hollywood is known to the world as the mecca of film-making, however its strong-hold on the industry is declining as other states and countries compete to bring film production to their regions.

A concerted effort between community leaders and industry stakeholders is underway in building collaboration between the 88 Los Angeles County cities in keeping film production local. The city has been working alongside the Los Angeles Economic Development Commission (LAEDC), LA County Commission on Local Governmental Services, Film LA, the California Film Commission, Warner Bros. Entertainment, in addition to many other affiliates, in creating a "Model Film Ordinance" and "Best Practices." This will serve as a framework to local municipalities in creating uniformity while streamlining the film permitting process throughout Los Angeles County. Should Carson move forward in implementing the recommendations outlined below, the city will have the opportunity to serve as a pioneering leader of this initiative.

Fiscal and Activity Background - Below are Carson's film activity and revenue statistics from the last three fiscal years. The average number of films produced in Carson each year is 13, generating in fees to the city an average of \$1,474.00 per shoot and an average of \$19,534.00 on an annual basis. While direct monetary gain in the form of permit fees or business taxes may be limited, the indirect benefits derived by local economic activity must also be considered. This may include transportation services, hotels, restaurants, gas stations, dry cleaners and other service-oriented businesses. Additional funding may be realized through the collection of rent on private and/or city-owned venues such as the Veterans SportsComplex.

<b>Year</b>	<b>Total Shoots</b>	<b>Avg. # of Employees</b>	<b>Total Permit Fees</b>	<b>Business License Fees</b>	<b>Total Application Fees</b>	<b>Avg. Revenue Per Shoot</b>	<b>Total Revenue</b>
FY 11/12 (Ongoing)	12	46	\$3,050.00	\$16,650.00	\$281.00	\$1,665.00	\$19,981.00
FY 10/11	10	31	\$2,350.00	\$6,551.00	\$200.00	\$910.00	\$9,101.00
FY 09/10	16	55	\$4,000.00	\$25,171.00	\$350.00	\$1,845.00	\$29,521.00
<b>Combined 3 Yr. Average</b>	<b>13</b>	<b>44</b>	<b>\$3,133.00</b>	<b>\$16,111.00</b>	<b>\$277.00</b>	<b>\$1,474.00</b>	<b>\$19,534.00</b>

Proposed Recommendations - The proposed recommendations are based on an analysis of Carson’s current policies, neighboring cities fee schedules, and recommendations from film industry leaders in pinpointing many of the issues that deter film-makers from coming to Carson, while also taking into consideration the needs and concerns of the Carson community.

1. Business License – This requirement is the most prominent deterrent for film-makers as most cities do not require film-makers to obtain a business license in addition to a permit. Furthermore, Carson’s fee is based on a per person charge of \$153.00 for the first five cast and crew members and \$30.60 for each additional, making it very expensive for large-scale shoots.

Recommendation: Filming should be treated as a “temporary” or “special event,” only requiring a permit in lieu of a business license. The film permit fee structure should be assessed on a weekly rate, tentatively set at \$650.00 per week, plus \$500.00 for each subsequent week. Final amounts will be included in the ordinance and resolution for approval.

2. Advance Notice Requirement – Carson currently requests two weeks advance notice to obtain a film permit, whereas two to five days’ advance notice is standard in most cities.

Recommendation: Require up to five business days of advance notice, contingent upon receipt of a completed application.

3. Law Enforcement Presence – In contrast to most cities, Carson requires that Los Angeles County Sheriff’s Deputies be present on “all” film shoots taking place on public property. In addition, the Sheriff’s fees tend to be higher than other types of law enforcement.

Recommendation: Law enforcement presence should only be required on an as-needed basis, at the discretion of the City. The City should permit the hiring of other law enforcement entities including the Highway Patrol, retired LAPD and private security.

4. Notification – Carson currently requires notification to all businesses and residents within a 500-foot radius of the filming location.

Recommendation: Require a minimum radius of 300 feet for notification of filming.

- 5. Extended Filming Hours – Carson currently requires a 500-foot radius for surveying neighborhoods in regards to approving extended filming hours.

Recommendation: Require a minimum radius of 300 feet.

- 6. City Film Permitting on State Property – California universities located on state-owned land typically handle their own filming requirements and do not obtain city permits or licenses. However, California State University, Dominguez Hills, has the unique situation of leasing state-owned land to the privately-owned Home Depot Center. The Home Depot Center typically attracts large-scale film shoots due to the huge stadiums that are able to hold many extras, therefore the per person license fee of \$153.00 for the first five cast and crew members and \$30.60 for each additional, can pose a significant deterrent to potential film productions.

Recommendation: Charge a flat fee to all film productions taking place at the Home Depot Center, as well as waiving the business license and permit requirements. This fee should mirror the permit fees as recommended for filming within the city.

The city’s Economic Development Commission has participated in several discussions on the subject and on May 3, 2012, voted to support the proposed recommendations (Exhibit No. 1).

**V. FISCAL IMPACT**

While the proposed fees are lower than current fees, it is anticipated that once the recommendations are implemented, filming within the city will increase thereby producing more revenue. Over the last three years, filming revenue from permits is about \$20,000.00 annually plus rental fees for city facilities such as Veterans SportsComplex.

**VI. EXHIBITS**

- 1. Draft Minutes, Economic Development Commission, May 3, 2012. (pgs. 6-7)

Prepared by: Angie Johnson, National Urban Fellow

TO:Rev091911

Reviewed by:

City Clerk	City Treasurer
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TO:Rev091911

Reviewed by:

City Clerk	City Treasurer
Administrative Services	Development Services
Economic Development	Public Services

<b>Action taken by City Council</b>	
Date_____	Action_____

CITY OF CARSON  
ECONOMIC DEVELOPMENT COMMISSION MEETING  
1 Civic Plaza, Suite 500  
Carson, CA 90745

MINUTES  
May 3, 2012 – 8:00 a.m.

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- CALL TO ORDER:** Meeting called to order by Chairperson Walter Neil at 8:03 a.m.
- ROLL CALL:**
- Present Members: Chairperson Walter Neil, Vice Chairperson Ray Aldridge, Commissioners Brian Raber, Tom Love, Katie Pandolfo, Pilar Hoyos, Chris Childers (8:10 a.m.)
- Non-Present Members: Commissioners Joey Cinco, Dobard, Ken Philips, and Larry Saward
- Also Present: Michael Stewart, Grumpy Old Men  
Barbara Voss, LAEDC  
Dr. Sachit Sinha, Consultant  
Michael Stewart Jr., Morgan Stanley
- Staff Members: Cliff Graves, Economic Development General Manager; Barry Waite, Business and Employment Development Manager; Boris Stzorch, Revenue Manager; Denise Marrufo, Business Development Analyst; Cecil Flournoy, Redevelopment Project Manager; LaToya Butler, Business and Employment Development Assistant; Angie Jackson, National Urban Fellow
- APPROVAL OF MINUTES:** Unanimously approved
- APPROVAL OF AGENDA:** Unanimously approved
- CHAIRMAN'S REPORT:** Walter reported bp is will announce bids for the refinery in a couple of weeks.
- UNFINISHED BUSINESS:** Annual Business Awards: Business and Employment Development Manager Barry Waite updated the commission on the event. The event will be on June 14<sup>th</sup> at the Carson DoubleTree Hotel and Billie Greer, President of the Southern California Leadership Council will MC the event.

EXHIBIT NO. 01



**NEW BUSINESS:**

**Proposed Filming Policy:** Business and Employment Development Manager Barry Waite reported on the proposed filming policy. Los Angeles Economic Development Commission is assisting.

Katie Pandolfo left the meeting during the discussion of this agenda item.

Commissioner Brian Raber moved to support the concept for the new fee structure for the City of Carson's filming policy, seconded by Chairperson Walter Neil and unanimously approved.

Katie Pandolfo rejoined the meeting.

**GENERAL MANAGER'S REPORT:  
SUBCOMMITTEE/  
COMMISSIONERS' REPORTS:**

**ORAL COMMUNICATION:**

**ADJOURNMENT:**

Meeting was adjourned at 9:45 a.m.

\_\_\_\_\_  
CHAIRMAN

ATTEST:

\_\_\_\_\_  
RECORDING SECRETARY

