

Los Angeles City Council, **Journal/Council Proceedings**

Friday, **September 19, 2008**

John Ferraro Council Chamber, Room 340, City Hall - 10:30 am

- - - SPECIAL COUNCIL MEETING - - -

10:30 A.M. OR AS SOON THEREAFTER
AS COUNCIL RECESSES ITS REGULAR MEETING

ROLL CALL - Members present: Alarcon, Cardenas, Greuel, Hahn, Huizar, LaBonge, Parks, Perry, Reyes, Rosendahl, Smith, Weiss, Wesson, Zine and President Garcetti (15)

ROLL CALL NUMBER (#) - INDICATES THE ORDER IN WHICH THE ITEMS WERE ACTED
UPON DURING THE COUNCIL MEETING

Item for Which Public Hearing Has Been Held - Item 46

ITEM NO. (46) - ADOPTED AS AMENDED - SEE FOLLOWING - FORTHWITH

Roll Call #2 - Motion (Parks - Smith) adopted, Ayes (15)

[08-2402](#)

BUDGET AND FINANCE COMMITTEE REPORT relative to the Los Angeles Marathon.

Recommendations for Council action, as initiated by Motion (Parks - Reyes):

1. APPROVE the following deal points to be included in an agreement with Going the Distance, LLC, or its assign, provided that such assign is LA Marathon LLC, an affiliate of the McCourt Company, Inc., successor contractor to Devine Racing Los Angeles, LLC, for the production of the Los Angeles Marathon, including exclusive use of the City's trademark name and logo, inasmuch as the City has received executed release agreements from William Burke and Marie Patrick, employees of Devine Racing LA, LLC:
 - a. The City will waive the following provision contained in the current agreement (Contract No. C-93753, as amended) with Devine Racing Los Angeles, LLC: "Immediately following the first Marathon and the Transfer, and for 90 days thereafter, the Council may, at its sole discretion, terminate this Agreement (Contract No. C-93753) or give notice of intent to renegotiate the terms of this Agreement. If the City gives notice of intent to renegotiate and a new Agreement is not reached, the Council may, at its sole discretion, terminate or maintain this Agreement." Furthermore, any future transfer, assignment, pledge or sale involving the City contract will require City approval.

- b. The City will review the results of the 2010 LA Marathon, as determined by an Ad Hoc Committee (described in recommendation No. 3, below) taking into consideration the following Quality Control Goals and Guidelines, for consideration of an extension of the contract:
 - 1) Pre-race reporting, including detail on: athlete financial incentives (e.g. course record bonuses, cash prizes), promotions, and advertising plans, etc.
 - 2) Annual race statistics, including the number of registered participants and related detail.
 - 3) Annual sponsorship statistics, including the names of sponsors and the length of commitment.
 - c. Going the Distance shall reimburse the City for the City's permit fees and incremental staff costs above the average field and supervisory field deployment on LA Marathon Day, as compared to the average cost of field and supervisory field deployment for the same day of the week, for the three weeks immediately preceding the LA Marathon ("Marathon Model").
 - d. Going the Distance shall exclusively conduct the LA Marathon on a Monday holiday throughout the term of the agreement, beginning with the 2009 LA Marathon.
 - e. Going the Distance shall pay the City 7.5 percent of the adjusted gross income, as provided in Agreement No. C-93753, not to exceed \$189,000 annually, to be adjusted annually by CPI-U.
 - f. Devine will pay the City \$537,391.34 for outstanding payments due from the 2006-08 LA Marathons, upon closing of the sale/assignment transaction with Going the Distance; further, if Devine does not pay the City upon closing, Going the Distance will withhold the amount due from its payment to Devine and will make the payment to the City.
 - g. Going the Distance shall organize, manage and conduct a 5K (3.1 miles) run in conjunction with the LA Marathon, and allow non-profit organizations, through the existing Official Charities program, to continue to utilize this event to fundraise for charitable purposes.
2. REQUEST the City Attorney to draft a contract amendment incorporating the above deal points for submission to the Council, or review any legal documents submitted by Going the Distance.
 3. ESTABLISH an Ad Hoc Committee including representatives of the following departments/bureaus, to be jointly chaired by the City Administrative Officer (CAO) and Chief Legislative Analyst (CLA), with the Mayor as an ex officio member: Transportation, Street Services, Police, Fire, Convention Center and all other departments as needed. The Ad Hoc Committee shall additionally include a representative of the Marathon's Official Charities. The purpose of this Committee is to meet, no less than every calendar quarter, with Going the

Distance or successor entity to discuss issues and resolve potential problems concerning upcoming Marathon events. Further, the Committee shall submit a report to the Budget and Finance Committee annually, within 90 days following Los Angeles Marathon Day, which provides an assessment of the success of the event and areas needing improvement and correctional plans, as necessary, utilizing the goals and guidelines delineated in Recommendation 1b, specified above, to develop the Los Angeles Marathon into a world-class event.

4. INSTRUCT the Ad Hoc Committee to annually submit a “pre-race” progress report to the Council 90 days in advance of the LA Marathon event relative to implementation of the race, to ensure a successful event.

Fiscal Impact Statement: The CAO and CLA report that adoption of these recommendations will increase the General fund by \$537,391.34, the amount outstanding from the 2006, 2007 and 2008 Marathon payments. In addition, City permit and staff costs will be fully reimbursed, in accordance with the “Marathon Model,” and annual intellectual property royalty payments will be paid in an amount up to \$189,000 annually (CPI-U adjusted) and deposited into the Intellectual Property Trust Fund. These recommendations are in compliance with the City’s Financial Policies.

Community Impact Statement: None submitted.

ADOPTED

AMENDING MOTION (PARKS - SMITH)

Recommendations for Council action:

1. **APPROVE** the following deal points to be included in an agreement with Going the Distance, LLC, or its assign, provided that such assign is LA Marathon LLC, an affiliate of the McCourt Company, Inc. successor contractor to Devine Racing Los Angeles, LLC, for the production of the Los Angeles Marathon, including exclusive use of the City’s trademark name and logo, inasmuch as the City has received executed release agreements from William Burke and Marie Patrick, employees of Devine Racing LA, LLC; further adoption of the recommendations contained in the report of the Budget and Finance Committee are contingent upon the closing of the sale/assignment of Contract No. C-93753, as amended, from Devine Racing LA, LLC to Going the Distance, LLC or its assign, as described above, and the payment of outstanding City fees, which is scheduled to occur at closing.
2. **APPROVE** the Third Amendment to Contract No. C-93753 between the City and Going the Distance, to be assigned to Los Angeles Marathon, and the First Amending to the Settlement Agreement between the City and LA Marathon LLC, which incorporates the terms and conditions specified in recommendations 1 a-g, 3 and 4 of the Budget and Finance Committee report, to produce and manage the Los Angeles Marathon; and authorize the Mayor to execute the contract amendments on behalf of the City, subject to City Attorney approval as to form and legality.

3. **REQUEST the City Administrative Officer (CAO) and Chief Legislative Analyst (CLA) to work the appropriate departments, the Mayor's Office and the contractor to discuss issues and resolve potential problems concerning upcoming Marathon events. Further, request the CAO and CLA to report to the Budget and Finance Committee annually, within 90 days following the Los Angeles Marathon Day, which provides an assessment of the success of the event and areas needing improvement and correctional plans, as necessary, utilizing the goals and guidelines delineated in Recommendation 1b, specified above, to develop the Los Angeles Marathon into a world-class event.**
4. **REQUEST the CAO and CLA, beginning with the 2010 Marathon, to annually submit a "pre-race" progress report to the Council 45 days in advance of the LA Marathon event relative to implementation of the race, to ensure a successful event. This is not intended to preclude interim reports to notify the Council and the Mayor of urgent issues which must be addressed.**

Items for Which Public Hearings Have Not Been Held - Items 47-48

(10 Votes Required for Consideration)

**Roll Call #1 - Motion (Garcetti - Greuel) adopted, Ayes (15)
(Item Nos. 47-48)**

ITEM NO. (47) - ADOPTED - TO THE MAYOR FORTHWITH

[08-0002-S140](#)

CONSIDERATION OF RESOLUTION (GARCETTI - GREUEL - SMITH - ZINE - PARKS) relative to the City's position on the Federal Railroad Safety Improvement Act.

Recommendation for Council action, SUBJECT TO THE CONCURRENCE OF THE MAYOR:

ADOPT the accompanying RESOLUTION to include in the City's 2007-08 Federal Legislative Program SUPPORT for the Federal Railroad Improvement Act; and URGE Congress to grandfather in the victims of last Friday's Metrolink Rail-Union Pacific crash in Chatsworth, and shorten the timetable for implementing positive train control systems and to consider additional rail safety measures.

Community Impact Statement: None submitted.

(Rules and Government Committee waived consideration of the above matter)

ITEM NO. (48) - ADOPTED - TO THE MAYOR FORTHWITH

[08-2483](#)

CONSIDERATION OF RESOLUTION (GARCETTI - GREUEL) relative to the City's position on the Rail Collision Prevention Act.

Recommendation for Council action, SUBJECT TO THE CONCURRENCE OF THE MAYOR:

ADOPT the accompanying RESOLUTION to include in the City's 2007-08 Federal Legislative Program SUPPORT for the Rail Collision Prevention Act.

Community Impact Statement: None submitted.

(Rules and Government Committee waived consideration of the above matter)

Councilmember Huizar moved, seconded by Councilmember Rosendahl, that the Special Council meeting adjourn.

Ayes, Alarcon, Cardenas, Greuel, Hahn, Huizar, LaBonge, Parks, Perry, Reyes, Rosendahl, Smith, Weiss, Wesson, Zine and President Garcetti (15)

Whereupon the Special Council meeting did adjourn.

ATTEST: Karen E. Kalfayan, CITY CLERK

By

Council Clerk

PRESIDENT OF THE CITY COUNCIL