



MILLAGE PEAKS
FIRE CHIEF

BOARD OF FIRE COMMISSIONERS
FILE NO. **10-151**

TO: Board of Fire Commissioners

FROM: Millage Peaks, Fire Chief

SUBJECT: COST RECOVERY – SPECIAL EVENTS

FOR YOUR INFORMATION:	<input type="checkbox"/> Approved	<input type="checkbox"/> Approved w/Corrections	<input type="checkbox"/> Withdrawn
	<input type="checkbox"/> Denied	<input type="checkbox"/> Received & Filed	<input type="checkbox"/> Other

For Information Only

Summary

Historically, full cost recovery for special events has been problematic for the Los Angeles Fire Department (LAFD). The Department continues to deploy resources to provide safety at planned events throughout the City without realizing full reimbursement for the expenses associated therein. The existing Bureau of Street Services Ordinance (BOSS) is currently in place and activated by street closures (partial and full) and therefore does not account for some events held on private property where a street closure is not required.

The Public Works Department is attempting to reconcile all City Departments into one ordinance by adding language to the existing BOSS ordinance. This “one-stop shop” idea will hopefully eliminate confusion and redundancy in the permitting process and make it easier for event coordinators to navigate through the complicated application process. Additionally, the recommended language will allow the permit process to be triggered by special circumstances, other than street closures. The Department of Public Works has recommended adding a category entitled “Major Special Event” which is defined by several criteria.

The LAFD has looked at these criteria, and the Department has some concerns. Specifically, the definition of “Major Special Event,” as recommended, does not take into account events due to their nature or other mitigating factors that may have significant impact on LAFD resource deployment.

The LAFD will work with the City Attorney to identify the appropriate language and supply recommendations that would allow the Fire Department to clearly establish commitment levels as well as the costs associated with these events. The LAFD would recommend adding specific language to the Ordinance in an attempt to more clearly define the criteria for "Major Special Event."

Fiscal Impact Statement

The LAFD expects to recover costs associated with deploying resources up to and possibly including full cost recovery.

Conclusion

It is anticipated that the Department of Public Works will work with the Fire Department to add additional language to the BOSS Ordinance and therefore support the needs of the Fire Department. The Los Angeles Fire Department is sensitive to the current economic climate and would proceed with careful thought and due diligence.

Board Report prepared by Trevor Richmond, Battalion Chief, Planning Section.

Attachment - Department of Public Works, Bureau of Street Services,
Report No. 1 (FY 09-10)

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BUREAU OF STREET SERVICES
REPORT NO # 5 (FY 09-10)
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Date: November 29, 2010

CD: ALL

Honorable Board of Public Works
of the City of Los Angeles

Commissioners:

SPECIAL EVENTS "ONE STOP SHOP" PROGRAM ANNUAL REPORT – FY 2009-10

RECOMMENDATION:

That the Board of Public Works adopt this report and transmit a copy of this report to the City Council.

TRANSMITTAL:

Attachment A: Special Events Financial Summary

Summary of Recommendations contained herein:

Recommendation 1: The Council request that the Managed Hiring Committee prioritize and expedite the unfreeze of the two remaining, critical special event positions.

Recommendation 2: The Council approve modifying the Special Events Permit Procedure Ordinance to amend the LAMC Section 41.20 title from "Closure of Streets" to "Special Events".

Recommendation 3: The Council approve modifying the Special Events Permit Procedure Ordinance to define a "Major" Special Event. This can be done using factors including anticipated event attendance, number of street closures required, the number of City departments affected, whether the event is an entertainment or sports awards show, and if BOSS determines that the impact to the area is will negatively affect public convenience and necessity.

Recommendation 4: The Council approve modifying the Special Events Permit Procedure Ordinance to outline appropriate application time frames for both Special Events and Major Special Events. The Bureau recommends that the minimum time required to submit an application for a Major Special Event be designated as ninety (90) days prior to the expected day of the event.

Recommendation 5: The Council approve modifying the Special Events Permit Procedure Ordinance to increase the late application fee as follows:

1. For Special Events, there shall be a non-refundable administrative late fee of \$500 for all Special Event applications submitted within twenty-one (21) days of the date of the proposed event.
2. For Major Special Events, there shall be a non-refundable administrative late fee of \$1,000 for all Major Special Event applications submitted within forty-five (45) days of the date of the proposed event.

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Recommendation 6: The Council approve modifying the Special Events Permit Procedure Ordinance to add a provision for "Untimely Applications" as follows:

1. For Special Events, applications submitted within fourteen (14) days of the date of the proposed event will be deemed Untimely Applications. Untimely Applications will not be processed for approval.
2. For Major Special Events, applications submitted within thirty (30) days of the proposed event will not be processed for approval.

Recommendation 7: The Council approve modifying the Special Events Permit Procedure Ordinance to authorize the Board of Public Works to enter into alternative payment agreements, on behalf of the City, to allow for a maximum thirty (30) day deferral of payment for the City's Special Event fees under the following conditions:

1. The event is Non-Commercial,
2. Event sponsor is a non-profit organization,
3. Event sponsor submit to the Board of Public Works a written request for payment deferral,
4. The event sponsor agrees to deposit, prior to the issuance of the permit, at least 10% of the City's estimated costs for services,
5. The total estimated costs for services must exceed \$10,000; and,
6. The affected Council office submits to the Board of Public Works a letter of support for the payment deferral request.

Recommendation 8: The Council approve modifying the Special Events Permit Procedure Ordinance to authorize the Bureau of Street Services to account for subsidy credits prior to issuance of a Special Event permit.

Recommendation 9: The Council authorize the Chief Legislative Analyst to develop an expedited subsidy review process for subsidies not to exceed one thousand dollars.

Recommendation 10: The Bureau of Street Services make it a standard permit condition that every Special Event sponsor, in addition to the petition notification, distribute a leave behind document with the event's logistical and street closure information. The document shall be subject to Bureau of Street Services approval.

Recommendation 11: The Bureau of Street Services develop a Special Event Notification District (SEND) Program whereby additional notification measures will be employed within the boundaries of a specified district. For example, a Business Improvement District (BID) could, by Board of Directors' action, elect to participate in the SEND program. Additional notification measures could include:

- Use of electronic message boards that provide notice of Special Event related street closures
- Use of non-electric signage that provides notice of Special Event related street closures
- Development of street detour plans for one-way commercial routes

Recommendation 12: The Bureau of Street Services exempt entertainment and film premieres from notification measures beyond the standard petition requirement.

Recommendation 13: The Council approve modifying the Special Events Permit Procedure Ordinance to expressly indicate whether planning costs shall be incorporated into all City departments' Special Event cost estimates.

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Recommendation 14: The Council authorize the City Attorney to develop penalty and enforcement guidelines for failure to obtain a Special Event permit which will subsequently be incorporated into the Special Events Permit Procedure Ordinance.

DISCUSSION

In October 2009, the City enacted a Special Events Ordinance ("Ordinance") which created a Special Events permitting "One Stop Shop" within the Bureau of Street Services, Los Angeles Municipal Code Section 41.20. The primary intent of the ordinance was to recover costs for all City resources expended to support Special Events. The ordinance also established a program for the provision of subsidy resources to off-set City permit fees and charges.

Fiscal Year Statistics

During its first fiscal year of operation (October 2009 - June 2010), the Bureau of Street Services' Special Events Permitting Office processed a total of 693 special event applications. Of those applications, the Bureau issued permits 459 permits while the remaining 234 applications were cancelled. Summary:

- 693 Total Applications Received
- 459 Special Event Permits Issued (66%)
- 234 Event Applications Cancelled (34%)

In total, the Bureau recovered approximately \$1.6 million in costs for City services rendered for Special Events.

Financial Summary

Funding transfers to various departments providing support for the Special Events Program occur periodically in a Financial Status Report (FSR) prepared by the City Administrative Officer. In FY 2009-10, funding received from event organizers totaled approximately \$1.6 million. Of this amount, \$0.3 million was transferred in the 2009-10 Year-End FSR to various departments after receipt of reports confirming actual costs for the period of October 2009 through March 2010. Of the remaining 2009-10 balance of \$1.3 million, an additional \$1.1 million was transferred to various departments in the first FSR for 2010-11 covering the period of April 2010 through June 2010. The remaining balance of \$0.2 million from 2009-10 receipts will be transferred or refunded to event organizers when a closeout and final analysis of costs for the entire fiscal year is completed.

The receipts for Special Events for Fiscal Year 2010-11 Year-to-Date total approximately \$0.6 million. No transfers have occurred relative to 2010-11 receipts. The cumulative balance of funds for the program is approximately \$0.8 million. Attachment A summarizes the receipts and transfers by department that have occurred since the inception of the program.

Fiscal Impact

Prior to the adoption of the Special Events Ordinance, permit fees, salary costs and other City costs associated with Special Events could be waived pursuant to City Council action. Thus, by ensuring total cost recovery, the Ordinance has resulted in the reduction of the impact to the General Fund for Special Events. The General Fund reduction is a direct correlation to the amounts collected. Thus, because BOSS has collected approximately \$1.6 million for Special Events purposes in FY 09-10, the impact to the General Fund was reduced by approximately \$1.6 million. There is no State or Federal fiscal impact related to this proposal.

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Overview of the Permitting Process

The BOSS currently accepts Special Event applications on-line via a Special Events website where both permit applications can be submitted and other related information is made available to the public. Once applications are submitted, BOSS reviews the application to determine the type of event, its scope, and to verify the availability of the location utilizing the Bureau of Engineering Public Way Reservation System (PWRS). In the same way that construction projects are input into PWRS, Special Event locations are manually geo-coded and displayed graphically on the PWRS. This ensures that conflicts do not arise between Special Events and various filming, construction and other development projects.

After the Bureau's initial assessment, the application is disseminated to all affected City departments, namely LAPD, LAFD, DOT and Building and Safety. Each department is then responsible for determining their respective deployment level and corresponding cost estimate for services. Once BOSS has received responses and estimated costs from all affected departments those cost estimates are then compiled by BOSS into one total permit cost. The sponsor of the event is then notified of the total cost and is required to pay those fees before being issued a permit.

In addition to the payment of City fees, the sponsor is also required to submit three additional pieces of information. First, the sponsor must submit proof of insurance coverage to protect the event sponsor and the City of Los Angeles from third party liability for any personal injury or property damage sustained or alleged to result from the issuance of the event permit. Second, the sponsors are required to execute an Indemnification and Hold Harmless Agreement whereby the permittee agrees to defend, indemnify and hold harmless the City from and against all suits and causes of actions, claims losses, demands, and expenses. Finally, the event sponsor must submit a signed community notification petition whereby 51% of the residences and/or businesses within the closure areas sign to affirm that they were notified of the proposed closure.

After the event occurs, final costs are submitted by each department to BOSS and are then reconciled with the initial cost estimates within approximately 90 days of the event. If the event sponsor has concerns about the total permit costs or the permitting process, an appeal can be made to the Board of Public Works.

BOSS' Special Events vs. LAPD's Parades and Assemblies

The BOSS One-Stop Special Events Permitting Office is responsible for permitting all Special Events, including Athletic Events. However, the Police Department has been and currently remains the permitting entity for Parades and Assemblies (defined as follows):

- "Assembly" means any stationary formation, assembly, or gathering for the purpose of Expressive Activity upon any public street, sidewalk, alley, or other public place which does not comply with normal or usual traffic regulations or controls. This term does not include block parties, street festivals, carnivals or other Street Closures, as that term is defined in the LAMC.
- "Expressive Activity" includes conduct, the sole or principal object of which is the expression, dissemination or communication by verbal, visual, literary or auditory means of opinions, views, or ideas. It includes public oratory and the distribution of literature.
- "Parade" means any march or procession, other than an Athletic Event, consisting of persons, animals or vehicles, or combination thereof, upon any public street, sidewalk, alley or other public place, which does not comply with normal or usual traffic regulations or controls. This term does not include Street Closures, as that term is defined in the LAMC, funeral processions, or official governmental motorcades.

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These types of events, which fall under the LAPD's jurisdiction, are sometimes referred to as "First Amendment" events because they are protected expressions of speech. Unlike Special Events, the City Attorney has opined that the City should not charge for services rendered to support First Amendment events. Accordingly, the City does not charge event sponsors of parades and assemblies for any necessary City services.

Staffing the "One-Stop" Shop

Part of the Council's goal in creating a "One Stop Shop" was to centralize the permitting process to make it more efficient and easy to navigate by the general public. However, staffing challenges have frustrated that intent and have caused unintended delays in the permitting process.

When the Council enacted the Special Events Ordinance, it also authorized five position authorities to staff the "One-Stop Shop". However, immediately upon enactment, all of those five position authorities were frozen. This left the Bureau of Street Services (BOSS) with the responsibility of administering a Citywide permitting process without any personnel with which to do it. As a result, for the past year, BOSS has been permitting Special Events utilizing investigators whom are primarily designated for other revenue-generating enforcement activities.

At the time the Special Events "One Stop Shop" was established, the following five position authorities were approved:

- 1 Clerk Typist
- 1 Senior Clerk Typist
- 1 Programmer Analyst V
- 1 Street Services Investigator
- 1 Senior Street Services Investigator III

Of the five originally authorized position authorities, to date, only one position has been filled – a Senior Clerk Typist filled in June 2010. More recently, in October 2010, the Managed Hiring Committee approved the unfreeze of one more position: a Programmer Analyst III. This leaves three positions: the Clerk Typist, the Street Services Investigator and the Senior Street Services Investigator III. The Clerk Typist position was eliminated in the 2010-11 budget and both Investigator positions remain frozen.

These staffing obstacles have made it extremely difficult for BOSS to administer the Special Event permitting process effectively and efficiently.

Recommendation 1: The Council request that the Managed Hiring Committee prioritize and expedite the unfreeze of the two remaining, critical Special Event positions.

Code Title Section

Los Angeles Municipal Code section 41.20 exclusively pertains to the administration of the Special Events Permitting Office. This code section is currently entitled "Closure of Streets", however, a "Special Event" as defined in this section does not necessarily require the closure of a street. This creates the misconception that a Special Event requires a full or partial street closure.

A Special Event is defined as an event that is held wholly or partially on public property, an event that is held on private property and requires a partial or complete street closure, or is an event "that involves the use of... a higher level of public safety services or other municipal services than that normally provided by the City."

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The latter part of this definition, therefore, suggests that a Special Event includes events that, may not require a street closure, but do demand the use of City resources above normal deployment.

Therefore, since the code section pertains to Special Events and the definition of a Special Event does not necessarily require the closure of the street, for consistency purposes, the code section is more appropriately entitled "Special Events." This will help to clarify the common misconception that a Special Event requires a street closure.

Recommendation 2: The Council approve modifying the Special Events Permit Procedure Ordinance to amend the LAMC Section 41.20 title from "Closure of Streets" to "Special Events".

Types of Events

A Special Event, as defined in the code, can include a wide variety of events. The current definition, for example, would include a block party, a farmer's market, a red carpet event, a cultural street festival, 5/10k runs, marathons and a wide-range of other events. There is currently no distinction made between small and large events. This has proven problematic.

Events that are smaller in nature require the services of fewer City departments to effectuate the event. In fact, in some cases, the services of a single City department is required. As a direct consequence of the limited pre-planning that is required, permits for these smaller sized events can be processed in a relatively short period of time.

However, the same is not true for larger, major Special Events. In the case of a larger event, additional City services and intensive planning are required to ensure the event's success. Accordingly, permits for larger or major events take significantly longer periods of time to process. Therefore, BOSS recommends that a distinction be made between a Special Event and a "Major" Special Event. This would enable different processing timelines to be set for these varying types of events.

Recommendation 3: The Council approve modifying the Special Events Permit Procedure Ordinance to define a "Major" Special Event. This can be done using factors including anticipated event attendance, number of street closures required, the number of City departments affected, whether the event is an entertainment or sports awards show, and if BOSS determines that the impact to the area is will negatively affect public convenience and necessity.

For example, a Major Special Event could be defined as one in which any one or combination thereof of the following factors applies:

1. An entertainment or sports awards show
2. Attendance of 5,000 or more
3. Requires the closure of 4 or more streets
4. Requires the services of 4 or more City departments (LAPD, LAFD, DOT, BSS, etc.)
5. The Director of the Bureau of Street Services determines that the impact to the area is significant and will negatively affect public convenience and necessity.

Application Process

The Special Events code section currently requires that applications for Special Events be filed at least forty-five (45) days prior to the expected day of the Special Event. However, in some instances, event sponsors are submitting their applications less than 45 days prior to their event. This becomes particularly problematic with larger or "Major" Special Events because, as noted above, they require more intensive and collaborative planning from various City departments.

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Therefore, if a distinction is adopted to define a Major Special Event, the application time frames should also be amended accordingly.

Recommendation 4: The Council approve modifying the Special Events Permit Procedure Ordinance to outline appropriate application time frames for both Special Events and Major Special Events. The Bureau recommends that the minimum time required to submit an application for a Major Special Event be designated as ninety (90) days prior to the expected day of the event.

Late Applications

If an event sponsor submits an application within twenty-one (21) days of the event, an administrative late fee of \$312 is assessed. This late fee was intended to serve as a deterrent for late submittal, however, because the fee amount is relatively low, BOSS has not witnessed its intended deterrent effect. In fact, BOSS has been forced to process Special Event permits, even for large scale events, within extremely short timeframes because the event sponsor is willing to incur the nominal late fee. This places an added burden on the already heavy workloads of the BOSS investigators and other affected City departments. Therefore, the BOSS recommends that the late application fee be increased for Special Events and that Council set an escalated rate for Major Special Events.

Recommendation 5: The Council approve modifying the Special Events Permit Procedure Ordinance to increase the late application fee as follows:

- 3. For Special Events, there shall be a non-refundable administrative late fee of \$500 for all Special Event applications submitted within twenty-one (21) days of the date of the proposed event.**
- 4. For Major Special Events, there shall be a non-refundable administrative late fee of \$1,000 for all Major Special Event applications submitted within forty-five (45) days of the date of the proposed event.**

Untimely Applications

The current language of the Ordinance does not provide a definitive point in time when a Special Event application will not be processed for approval. This presents a challenge to BOSS and all affected City departments because Special Event applications, particularly for larger events, submitted in close time proximity to the date of the proposed event are virtually impossible to process. In some cases, all available City staff have been deployed for previously permitted Special Events, and, in other cases, departmental staff simply do not have ample time to properly assess the event. Therefore, BOSS recommends inclusion of a provision for "Untimely Applications."

Recommendation 6: The Council approve modifying the Special Events Permit Procedure Ordinance to add a provision for "Untimely Applications" as follows:

- 3. For Special Events, applications submitted within fourteen (14) days of the date of the proposed event will be deemed Untimely Applications. Untimely Applications will not be processed for approval.**
- 4. For Major Special Events, applications submitted within thirty (30) days of the proposed event will not be processed for approval.**

Payment of Fees

Prior to the adoption of the Special Events Ordinance, permit fees, salary costs and other City costs associated with Special Events could be waived pursuant to City Council action.

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However, given the severity of the City's financial crisis, in October 2009, the City enacted the Special Events Ordinance with the primary intent of recovering costs for all City resources expended to support Special Events. Accordingly, the Special Events Ordinance currently provides that the "issuance of all Special Event Permits shall be subject to payment in advance or at the time the permit is issued of all applicable fees and charges, including salary costs, for required City services, equipment and materials." The Ordinance also expressly prohibits the waiving of any Special Event fees and charges.

Over the course of the first year of the administration of these new payment terms, it has become evident that the requirement for the payment of City fees prior to the issuance of an event permit is a significant and unexpected burden for some non-profit Special Event sponsors. As a result, it is the Department's position that there is a clear need for less restrictive payment alternatives.

Letters of Agreement – Pilot Program

In an effort to mitigate the City's restrictive Special Event payment requirements, the Board of Public Works collaborated with the Chief Legislative Analyst's office to develop a pilot program using Letters of Agreement as a tool by which non-profit event sponsors were given more flexible payment terms. The Ordinance authorizes the Board of Public Works to grant Special Event permits with conditions. The payment terms of these Letters of Agreement were conditions of these Special Event permits and allowed for the events to proceed while reasonably deferring the payment of Special Event fees for City services.

The Letters of Agreement were executed by three parties: a member of the Board of Public Works, the affected Council office and the non-profit event sponsor. Although the specifics of each Agreement may have minor variations, these Agreements typically allowed for the payment of permit fees within ten (10) days of the event's completion. In total, Letters of Agreement were developed and executed for the following five Special Events:

- **The Israel Independence Day Festival** (Council District 6). Under that Agreement, the event sponsor agreed to pay the total cost of the permit within ten (10) calendar days of completion of the event. The total actual City costs for the Israel Independence Day Festival were \$36,750.34. In accordance with the provisions of their payment agreement, the event sponsor submitted all of its fees after the event.
- **The Silver Lake Jubilee** (Council District 13). Under that Agreement, the event sponsor agreed to a portion of the fees prior to issuance of the special event permit in addition to payment of the balance within ten (10) calendar days of completion of the event. The total actual City costs for the Silver Lake Jubilee were \$26,553.17. In accordance with the provisions of their payment agreement, the event sponsor submitted all of its fees after the event.
- **The Will Rogers 5k/10k Run and Kids Fun Run** (Council District 11). Under that Agreement, the event sponsor agreed to pay the total cost of the permit within ten (10) calendar days of completion of the event. The total actual City costs for the Will Rogers 5k/10k Run and Kids Fun Run were \$8,975.17. To date, the event sponsor has submitted all of its fees.
- **The Sunset Junction Street Fair** (Council District 13). Under that Agreement, the event sponsor agreed to pay the total cost of the permit within ten (10) calendar days of completion of the event. The total actual City costs for the Sunset Junction Street Fair were \$259,878.00. Here, the event sponsor failed to submit its fees after the event. A letter and an invoice demanding payment in full has been issued to the event sponsor. To date, no payment has been received. Collection efforts are being pursued against the event sponsor.
- **The El Dia de los Muertos** (Council District 15). Under that Agreement, the event sponsor agreed to pay the total cost of the permit within ten (10) calendar days of completion of the event.

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The total estimated City costs for the El Dia de los Muertos event were \$2,911. To date, partial payment has been received by the event sponsor.

In sum, four of the five Letters of Agreement that were executed under this pilot program had positive outcomes. The event sponsors for these events complied with the terms of their respective Agreements and submitted payment accordingly. While this program has had mixed success, there remains a need for an alternative payment process. The requirement that City permit fees must be paid prior to issuance of a permit deters some resident and community organizations from sponsoring Special Events because they do not have the immediate financial resources to cover the costs of City services. A process to defer Special Event payments, provides under-resourced non-profit event sponsors with the necessary flexibility to successfully undertake important community activities while ensuring timely receipt of payment for City services. A properly structured payment process could provide the necessary flexibility for event sponsors while simultaneously upholding the Council's intent to recover all City costs for Special Events.

Recommendation 7: The Council approve modifying the Special Events Permit Procedure Ordinance to authorize the Board of Public Works to enter into alternative payment agreements, on behalf of the City, to allow for a maximum thirty (30) day deferral of payment for the City's Special Event fees under the following conditions:

- 1. The event is Non-Commercial,**
- 2. Event sponsor is a non-profit organization,**
- 3. Event sponsor submit to the Board of Public Works a written request for payment deferral,**
- 4. The event sponsor agrees to deposit, prior to the issuance of the permit, at least 10% of the City's estimated costs for services,**
- 5. The total estimated costs for services must exceed \$10,000; and,**
- 6. The affected Council office submits to the Board of Public Works a letter of support for the payment deferral request.**

Subsidy Credit

The Ordinance provides that Special Event Fee subsidies may be provided "only for non-commercial Special Events that promote a public purpose and provide a public benefit." All subsidies are limited to an amount up to 50 percent of the total eligible fees and charges. Despite being eligible for a subsidy, organizations are required to pay 100 percent of their fees prior to being issued their Special Event permit. Once the subsidy is processed and approved, the event sponsor will receive a refund for the amount subsidized. These subsidy approvals are managed by the Chief Legislative Analyst's office and can take several months to process because it requires the event sponsor's submission of numerous documents and various levels of City approval. This presents a cash flow challenge for some event sponsors that may qualify for a 50 percent subsidy, but do not have the organizational cash flow to advance 100 percent of the event fees. Thus, in an effort to alleviate this front-funding challenge, we recommend that BOSS be provided with the authority to work with the CLA's office to develop a tentative approval and credit process, whereby, the CLA will tentatively approve the subsidy and BOSS will reflect a subsidy credit on the Special Event permit invoice.

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Recommendation 8: The Council approve modifying the Special Events Permit Procedure Ordinance to authorize the Bureau of Street Services to account for subsidy credits prior to issuance of a Special Event permit.

Expedited Subsidy Review

In order to receive a City subsidy for costs related to Special Events, several pieces of the event sponsor's organizational information must be submitted to the Chief Legislative Analysts office for review and processing. These documents include the following:

1. Non-profit event sponsor's subsidy request letter to Council Office, which includes the estimated City costs from BoSS and the requested subsidy amount, either:
 - Up to 50% of BoSS estimated costs for Special Events and Citywide Special Events
 - Up to 100% of BoSS estimated costs for Block Parties and Farmers' Markets
2. Special Event Subsidy Request Form from Council Office to City Clerk/CLA;
3. Non-profit's IRS determination letter;
4. Non-profit organizational operating budget (budget cannot exceed \$5M) and
5. General City Purposes (GCP) Application from the non-profit event sponsor.

Although each of these pieces of information is important, they may not be necessary in all situations. This is particularly the case as applied to small subsidy requests of amounts under one thousand dollars. Events where the costs for City services do not exceed two thousand dollars tend to be smaller in nature and oftentimes the event sponsor is a small non-profit or grassroots community organization. In these circumstances, the organizational need for the subsidy is great, however, the subsidy application process requires sophistication, is burdensome and takes approximately two to three months to complete. Therefore, BOSS recommends that a less time-intensive, expedited process be developed for subsidy requests under one thousand dollars.

Recommendation 9: The Council authorize the Chief Legislative Analyst to develop an expedited subsidy review process for subsidies not to exceed one thousand dollars.

Notification / Petition Process

The Special Events Ordinance, as enacted, did not specify requirements for notification of the residents and/or businesses in the area to be affected by the proposed event. Nonetheless, the Bureau has implemented a Petition Notification process whereby 51% of the residences and/or businesses within the closure areas must sign a petition to affirm that they were notified of the proposed street closure. Petitions must be signed by an authorized person within the affected residence or business. If it is a business, the petition can be signed by either its owner, manager, assistant manager or other supervisor or, if it is a residence, by either the head of household or lessee of the residence.

While this process serves its basic notification purpose, it can be improved to ensure that residents and businesses alike are better informed of the event's logistics and the potential impacts upon their property. For example, petitions are at times signed by people in non-supervisory positions, thus, the event information may not get relayed to the proper person in a household or business. Additionally, those that are presented with a petition for signature are not given a leave-behind document/flyer with the event's detailed logistical information, i.e. date, time, and streets subject to closure. As a result, affected property owners are sometimes surprised and unprepared when the event actually occurs.

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Therefore, in an effort to enhance its notification process, BOSS will require an informative flyer/door hanger with detailed event information to be distributed to those presented with a petition, all other property owners within the impacted area as well as property owners in a two (2) block perimeter outside of the impacted area. The flyer or door hanger used for event notification must be approved by the Bureau of Street Services and provide information on how to voice concern and/or file opposition to an event with the Bureau of Street Services.

Additionally, BOSS will continue to work with DOT to identify ways of improving sign posting notifications. Currently sign postings are installed to inform the public of parking restrictions to be enforced at the time of the event. However, there is no indication on those signs that a full street closure will be in effect. Thus, we intend to work collaboratively with DOT, Business Improvement Districts, neighborhood councils and other stakeholders to address this concern.

Recommendation 10: The Bureau of Street Services make it a standard permit condition that every Special Event sponsor, in addition to the petition notification, distribute a leave behind document with the event's logistical and street closure information. The document shall be subject to Bureau of Street Services approval.

Recommendation 11: The Bureau of Street Services develop a Special Event Notification District (SEND) Program whereby additional notification measures will be employed within the boundaries of a specified district. For example, a Business Improvement District (BID) could, by Board of Directors' action, elect to participate in the SEND program. Additional notification measures could include:

- Use of electronic message boards that provide notice of Special Event related street closures
- Use of non-electric signage that provides notice of Special Event related street closures
- Development of street detour plans for one-way commercial routes

As the Entertainment Capital of the World, the City of Los Angeles hosts numerous red-carpet, premiere events throughout the year. These premiere events, which signal the launch of new motion picture releases and other ventures, are critical to the entertainment and film related industries. These types of events occur regularly and oftentimes are held within the same geographic areas of the City. To date, BOSS has not received any concern from residents, businesses or the entertainment industries with the current standard petition notification requirement which would substantiate a recommendation for heightened notification as applied to these specific types of events. Therefore, the Bureau recommends that these events be exempted from any such measures.

Recommendation 12: The Bureau of Street Services exempt entertainment and film premieres from notification measures beyond the standard petition requirement.

Planning Costs

The Ordinance specifically states that costs associated with "the preparation of the traffic management plan" can be included in the costs recovered under the Special Event permitting process. Following this directive, the Department of Transportation includes planning costs in its total special event cost estimates. However, it remains unclear whether other City departments can or should do the same.

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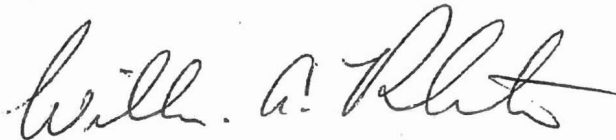
Recommendation 13: The Council approve modifying the Special Events Permit Procedure Ordinance to expressly indicate whether planning costs shall be incorporated into all City departments' Special Event cost estimates.

Special Events Without Permits

The current Ordinance provides that, "no person shall conduct, manage or Sponsor any Special Event without a written permit." It adds that the event sponsor, "shall be responsible for obtaining all required permits and for payment of the costs." However, there are no other provisions that expressly provide direction on the enforcement of and penalties for violation of this section. While there are general enforcement provisions that apply to the entire Los Angeles Municipal Code, language that expressly provides a specific penalty for failure to obtain a Special Event permit will aid City departments in recovering their costs for events that transpire without a permit.

Recommendation 14: The Council authorize the City Attorney to develop penalty and enforcement guidelines for failure to obtain a Special Event permit which will subsequently be incorporated into the Special Events Permit Procedure Ordinance.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "William A. Robertson", is written over a light gray rectangular background.

**WILLIAM A. ROBERTSON, Director
Bureau of Street Services**