

THIS PRINT COVERS CALENDAR ITEM NO.: 10.8

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Finance and Information Technology

BRIEF DESCRIPTION:

Amend Transportation Code, Division II, Section 318 to revise the license fee schedule to be charged in conjunction with every Use Agreement issued by the Film Commission for filming that includes the use of San Francisco Municipal Transportation Agency trademarks, service marks, or other intellectual property.

SUMMARY:

- Section 318 of the San Francisco Transportation Code provides that a license fee shall be charged for use of SFMTA trademarks or service marks by the San Francisco Film Commission.
- After discussions between the SFMTA and the Film Commission, an agreement has been reached to revise the current license fee schedule for use of San Francisco Municipal Transportation Agency trademarks, service marks, or other intellectual property.
- The proposed Transportation Code legislation reflects the revised license fee schedule.

ENCLOSURES:

1. SFMTAB Resolution
2. Transportation Code Division II

APPROVALS:

DATE

DIRECTOR _____

July 8, 2014

SECRETARY _____

July 8, 2014

ASSIGNED SFMTAB CALENDAR DATE: July 15, 2014

PAGE 2

PURPOSE

Amend Transportation Code, Division II, Section 318 to revise the license fee schedule to be charged in conjunction with every Use Agreement issued by the Film Commission for filming that includes the use of San Francisco Municipal Transportation Agency trademarks, service marks, or other intellectual property.

GOAL

This item will meet the following goal and objective of the SFMTA Strategic Plan:

- Goal 3: Improve the environment and quality of life in San Francisco
- Objective 3.5: Reduce capital and operating structural deficits

DESCRIPTION

The Transportation Code currently provides that a license fee shall be charged for use of SFMTA trademarks or service marks by the San Francisco Film Commission as follows:

Transportation Code Section 318, Intellectual Property License Fee (Film Permits)

A license fee shall be charged in conjunction with every Use Agreement issued by the Film Commission for filming that may include visual images of SFMTA trademarks or service marks. The fee shall be \$1,500.00 effective July 1, 2014, and \$2,000.00 effective July 1, 2015. The Director of Transportation or his or her designee shall have the discretion to waive or reduce this license fee for student filming, filming by government agencies, or filming by non-profit agencies if requested by the Film Commission.

After discussions between the SFMTA and the Film Commission, an agreement has been reached to revise the current license fee schedule for use of San Francisco Municipal Transportation Agency trademarks, service marks, or other intellectual property as follows:

Transportation Code Section 318, Intellectual Property License Fees (Film Permits)

License fees shall be charged in conjunction with every Use Agreement issued by the Film Commission for filming that may include visual images of SFMTA trademarks, service marks, or intellectual property. The license fees shall be as follows:

Description	License Fee
Television Series/Movie/Pilot/ Documentary based on the project's budget (in excess of \$500,000) submitted to the Film Commission	\$1,200 per permit issued by Film Commission
Television Series/Movie/Pilot/Documentary based on the project's budget (between \$100,000 and \$500,000) submitted to the Film Commission	\$600 per permit issued by Film Commission
Television Series/Movie/Pilot/ Documentary based the project's budget (less than \$100,000) submitted to the Film Commission	\$300 per permit issued by Film Commission
Commercials Corporate/Music Video/Industrial/Web Content/Short (40 minutes or less)	\$600 per permit issued by Film Commission
Still Photography	\$300 per permit issued by Film Commission
Television Series/Movie/Pilot/ Documentary by a qualified non-profit agency as determined by the Film Commission	\$300 per permit issued by Film Commission
Television Series/Movie/Pilot/Documentary by a qualified government agency as determined by the Film Commission	\$50 per permit issued by Film Commission
By qualified students when (i) the Film Commission permit is accompanied by a letter from a college or university professor confirming that the film is a student project, and (ii) insurance coverage from the college or university is provided as determined by the Film Commission	Waived
By qualified students other than as described above as determined by the Film Commission	\$50 per permit issued by Film Commission

The Director of Transportation or his designee shall have the discretion to waive or reduce any of the license fees for student filming, filming by government agencies, or filming by non-profit agencies if requested by the Film Commission.

ALTERNATIVES CONSIDERED

The alternative to the proposed fee schedule would be to continue with the current fees described in Section 318 of the Transportation Code or to propose a different fee schedule.

FUNDING IMPACT

The funding impact of this proposed change to the Transportation Code and new fee schedule would be minimal.

PAGE 4

PUBLISHED NOTICE

Charter Section 16.112 requires published notice and hearing before the SFMTA may institute or change any fare, fee, schedule of rates or charges which affect the public. The Board's Rules of Order require that the advertisement run for at least five days and not less than fifteen days prior to the public hearing. In compliance with both Charter Section 16.112 and the Board's Rules of Order, advertisements were placed in the City's official newspaper, the San Francisco Chronicle, to provide published notice for the July 15, 2014 public hearing. The advertisements ran in the San Francisco Chronicle for five consecutive days, starting on June 21, 2014.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

The California Environmental Quality Act (CEQA) applies to "projects" that have the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. SFMTA staff, under authority delegated by the Planning Department, determined that the proposed modifications to the license fee schedule for use of San Francisco Municipal Transportation Agency trademarks, service marks, or intellectual property, as itemized above, are not a "project" for purposes of CEQA and, therefore, do not require environmental review pursuant to Article 5 and Article 13 of the CEQA implementing guidelines (Sections 15060(c)(2) and 15378, respectively).

The City Attorney's Office has reviewed the item.

RECOMMENDATION

That the SFMTA Board of Directors amend Transportation Code, Division II, Section 318 to revise the license fee schedule to be charged in conjunction with every Use Agreement issued by the Film Commission for filming that includes the use of San Francisco Municipal Transportation Agency trademarks, service marks, or other intellectual property.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS
RESOLUTION No. _____

WHEREAS, Section 318 of the San Francisco Transportation Code provides that a license fee shall be charged for use of SFMTA trademarks or service marks by the San Francisco Film Commission; and

WHEREAS, After discussions between the SFMTA and the Film Commission, an agreement has been reached to revise the current license fee schedule for use of SFMTA trademarks, service marks, or intellectual property; and

WHEREAS, Pursuant to Charter Section 16.112 and the SFMTA Board's Rules of Order, advertisements were placed in the City's official newspaper, the San Francisco Chronicle, to provide published notice of the July 15 public hearing which ran starting on June 21, 2014, for five consecutive days; and

WHEREAS, The California Environmental Quality Act (CEQA) applies to "projects" that have the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment; and

WHEREAS, SFMTA staff, under authority delegated by the Planning Department, determined that the proposed modifications to the license fee schedule for use of San Francisco Municipal Transportation Agency trademarks, service marks, or intellectual property, as itemized above, are not a "project" for purposes of CEQA and, therefore, do not require environmental review pursuant to Article 5 and Article 13 of the CEQA implementing guidelines (Sections 15060(c)(2) and 15378, respectively); and

WHEREAS, The SFMTA Board must amend Transportation Code, Division II, Section 318 to revise the license fee schedule to be charged in conjunction with every Use Agreement issued by the Film Commission for filming that includes the use of San Francisco Municipal Transportation Agency trademarks, service marks, or other intellectual property; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors amends Transportation Code, Division II, Section 318 to revise the license fee schedule to be charged in conjunction with every Use Agreement issued by the Film Commission for filming that includes the use of San Francisco Municipal Transportation Agency trademarks, service marks, or other intellectual property.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of July 15, 2014.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

RESOLUTION #

[Transportation Code – SFMTA Intellectual Property License Fee for Film Permits.]

Resolution amending Division II of the Transportation Code to revise the license fee schedule to be charged in conjunction with every Use Agreement issued by the Film Commission for filming that includes the use of San Francisco Municipal Transportation Agency trademarks, service marks, or other intellectual property.

NOTE: Additions are single-underline Times New Roman; deletions are ~~strike-through Times New Roman~~.

The Municipal Transportation Agency Board of Directors of the City and County of San Francisco enacts the following regulations:

Section 1. Article 300 of Division II of the Transportation Code is hereby amended by revising Section 318, to read as follows:

SEC. 318. INTELLECTUAL PROPERTY LICENSE FEE (FILM PERMITS).

A license fee shall be charged in conjunction with every Use Agreement issued by the Film Commission for filming that may include visual images of SFMTA trademarks, ~~or~~ service marks, or other intellectual property. ~~The fee shall be \$1,500.00 effective July 1, 2014, and \$2,000.00 effective July 1, 2015.~~

The license fees shall be as follows:

Description	License Fee
Television Series/Movie/Pilot/Documentary based on the project's budget (in excess of \$500,000) submitted to the Film Commission	\$1,200 per permit issued by Film Commission
Television Series/Movie/Pilot/Documentary based on the project's budget (between \$100,000 and \$500,000) submitted to the Film Commission	\$600 per permit issued by Film Commission
Television Series/Movie/Pilot/Documentary based on the project's budget (less than \$100,000) submitted to the Film	\$300 per permit issued by Film Commission

Commission	
Commercials Corporate/Music Video/Industrial/Web Content/Short (40 minutes or less)	\$600 per permit issued by Film Commission
Still Photography	\$300 per permit issued by Film Commission
Television Series/Movie/Pilot/Documentary by a qualified non-profit agency as determined by the Film Commission	\$300 per permit issued by Film Commission
Television Series/Movie/Pilot/Documentary by a qualified government agency as determined by the Film Commission	\$50 per permit issued by Film Commission
By qualified students when (i) the Film Commission permit is accompanied by a letter from a college or university professor confirming that the film is a student project, and (ii) insurance coverage from the college or university is provided as determined by the Film Commission	Waived
By qualified college or university students other than as described above as determined by the Film Commission	\$50 per permit issued by Film Commission

The Director of Transportation or his or her designee shall have the discretion to waive or reduce any of the license fees for student filming, filming by government agencies, or filming by non-profit agencies if requested by the Film Commission.

Section 2. Effective Date. This ordinance shall become effective 31 days after enactment. Enactment occurs when the San Francisco Municipal Transportation Agency Board of Directors approves this ordinance.

Section 3. Scope of Ordinance. In enacting this ordinance, the San Francisco Municipal Transportation Agency Board of Directors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, letters, punctuation marks, charts, diagrams, or any other constituent parts of the Transportation Code that are explicitly shown in this ordinance as additions or deletions in accordance with the "Note" that appears under the official title of the ordinance.

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: _____
JOHN I. KENNEDY
Deputy City Attorney

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of July 15, 2014.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency