



Executive Director's
Report to the
Board of Harbor Commissioners

DATE: APRIL 25, 2012

FROM: PLANNING & ECONOMIC DEVELOPMENT

**SUBJECT: RESOLUTION NO. _____ - APPROVAL OF AGREEMENT
BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT
AND VOX ENTERTAINMENT, INC.**

SUMMARY:

Staff is recommending that the Board of Harbor Commissioners (Board) approve the proposed agreement between the City of Los Angeles Harbor Department (Harbor Department) and VOX Entertainment, Inc. (VOX), Los Angeles, California to provide professional services as a promoter/organizer to produce entertainment, cultural, and sporting events at sites along the San Pedro and Wilmington waterfronts. VOX will be responsible for outlining a Special Events Program plan, staging quality special events attracting local and regional visitors, and coordinating and promoting events proposed to the Harbor Department by third party event promoters.

The proposed agreement has a one-year term with two additional one-year renewal options with a total cost of \$0. VOX will be compensated through revenues generated from their events and by third party event promoters for event coordination efforts as per the rates specified in Exhibit B of the agreement.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners:

1. Approve the subject agreement with VOX Entertainment, Inc. for a term of one year with two additional one-year renewal options with a total cost of \$0;
2. Authorize the Executive Director to approve the two additional one-year renewal options on behalf of the Board, subject to VOX Entertainment, Inc. meeting the terms of the agreement; and
3. Adopt Resolution No. _____.

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DISCUSSION:

Background – Both the San Pedro and Wilmington Waterfront projects include a variety of public infrastructure improvements, such as waterfront promenades, public open spaces and plazas, parking and road improvements. In addition to providing the public infrastructure, the programming of special events is integral to the waterfront revitalization strategy. The goal of the waterfront revitalization strategy is to enhance the viability of redeveloping Ports O' Call Village as well as add to the development of a critical mass of visitors along the San Pedro waterfront. Special event programming is important for making the waterfront a destination for both local residents and regional visitors and will enhance economic benefits generated from waterfront activities.

On December 7, 2010, the Harbor Department released a Request For Interest (RFI) for a Special Events Promoter/Organizer to produce entertainment, cultural and sporting events at sites along the San Pedro and Wilmington waterfronts. The five potential sites listed in the RFI were:

- Berth 87 parking lot site adjacent to the existing Cruise Terminal
- 22nd Street parking lot site
- Cabrillo Marina future building pads
- Berths 45 - 47 in the Outer Harbor
- Wilmington Waterfront Park

After the release of the RFI, the berthing of the USS Iowa was identified at Berth 87. Therefore, the Berth 87 parking lot site has been removed as a potential site for special events. During the proposal process, the RFI was amended to include efforts for a Special Events Promoter/Organizer to coordinate special events proposed by third party event promoters. Five responses were received from interested proposers by the submittal deadline of January 28, 2011. Proposals were received from candidates with varying levels of event coordination experience and types of proposed events. The proposals were evaluated by a multi-discipline team of Harbor Department staff and a Public Relations Executive Assistant from the Los Angeles World Airports. Selection criteria focused on relevant special events promotion/coordination experience, public agency partnerships, event vision for Port of Los Angeles (Port) sites, and rates charged for event coordination assistance. As the evaluation process progressed, one proposer withdrew as a candidate for the promoter/organizer. The matrix below presents the scoring results.

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	VOX Entertainment, Inc.	Proposer 1	Proposer 2	Proposer 3
Rater A	75.5	66.5	69.5	44
Rater B	100	78	83	50
Rater C	93	76	68	45
Rater D	85	65	76	39
Rater E	79	66	70	52
Rater F	91	78	80	70
Average	87.3	71.6	74.4	50

VOX was selected based on their interview, experience, and proposed statement of interest all of which were consistent with the Harbor Department's goal of securing well-attended special events with major sponsors in an effort to make the Los Angeles Waterfront a destination for both residents and visitors.

VOX will develop a Special Events Program plan, due sixty days upon commencement of the agreement, identifying recruitment efforts for third party event producers, sponsors and vendors to use the Port as a venue for special events. The purpose of the Special Events Program plan is to establish a strategy with goals to be accomplished during the term of the agreement. VOX will stage special events at the Port and may not include existing Harbor Department-sponsored events as part of this requirement. VOX will work with third party producers to ensure appropriate coordination of event planning details, necessary logistics and permits. As required, VOX will plan and execute a targeted, effective media plan as well as a state-of-the-art, user-friendly website to promote the special events, provide information to event producers and vendors, and accommodate event ticket sales.

The contract term is one year with two additional one-year renewal options, to be exercised at the discretion of the Executive Director. There will be no funds expended by the Harbor Department for this agreement. VOX will receive revenues generated through the special events they produce (ticket sales, concession sales) and through event coordination services charged to third party event promoters interested in staging events on the waterfront. Third party event promoters are not required to utilize VOX's services but may find benefits in using VOX, particularly as a permit expeditor for securing all necessary Harbor Department and City of Los Angeles entitlements.

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Standard Harbor Department contract language provides the Board the right to terminate or cancel all or part of an agreement for any reason upon giving a Consultant a ten (10) day written notice. Due to the extensive event planning requirements and pre-event costs associated with coordinating special events, the agreement has been modified for the Board to provide the Consultant with a thirty (30) day written termination notice. In the instance of a previously scheduled special event, the longer termination period will provide the Consultant with appropriate time to acquire a new venue and permits, coordinate third party producers and vendors, notify event attendees, produce and distribute new marketing/media materials, and make all other required event changes.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of an agreement with VOX for special events planning services for the San Pedro and Wilmington waterfronts. Any special events resulting from this agreement would be subject to independent environmental review. As an administrative activity, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.

ECONOMIC BENEFITS:

Approval of the proposed agreement will have positive economic impacts for the five-county region. At this time, it is premature to estimate employment impacts without any knowledge of associated project costs borne by event promoters.

FINANCIAL IMPACT:

There will be no funds directly expended by the Harbor Department to VOX under this agreement. Third party event promoters will pay VOX directly for all event coordination services. A Temporary Entry and Use of Port Property (TEUP) permit is required for all special events held at the Port of Los Angeles. Land use fees and anticipated Port incurred costs (i.e. Port Police, Construction and Maintenance) associated with each special event is charged to the event promoter as part of the issuance of a TEUP permit.

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CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved the subject agreement as to form and legality.

TRANSMITTAL:

1. Agreement

FIS Approval ecj (initials)
CA Approval gpc (initials)



DAVID L. MATHEWSON
Director of Planning & Economic Development



KATHRYN McDERMOTT
Deputy Executive Director

APPROVED:



GERALDINE KNATZ, Ph.D.
Executive Director

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DM:lj