



THE CITY OF SAN DIEGO
REPORT TO THE CITY COUNCIL

DATE ISSUED: November 29, 2006 REPORT NO. 06-181

ATTENTION: Council President and City Council
Council Docket of Dec. 5, 2006

SUBJECT: Agreement with Evolution Film & Tape, Inc.

REQUESTED ACTIONS:

1. Authorize the Mayor to enter into a Partnership Agreement with Evolution Film & Tape, Inc. which includes \$240,500 in cash to be deposited into Fund 10365, Account 78901 and \$304,000 in in-kind resources to the City for the term of the Agreement (See Executive Summary for details). The Agreement is based upon three one-year terms.
2. Authorize the expenditure of \$24,050 from Fund 100, Dept 601, Org 3305, Obj Acct 4151 for commission payment to The Pathfinder Group (Document No. C-13038).

STAFF RECOMMENDATIONS:

1. Approve the Resolution.

SUMMARY:

Background

On June 8, 1999, the City Council approved a strategic marketing plan for corporate partnerships with the City of San Diego called the Municipal Marketing Partnership Program (MMPP). On January 18, 2000, the City Council approved a Marketing Partnership Policy to provide guidelines for the Program. A copy of the policy is attached.

The MMPP, now called the Corporate Partnership Program (CPP), seeks opportunities for the City to generate cash and in-kind resources from partnerships with the corporate community in order to enhance municipal services and facilities in the City. To date, the CPP has generated over \$9,000,000 in new resources for the City through official marketing partnerships with the Pepsi Bottling Group, Verizon Wireless, General Motors, Cardiac Science, McCune Chrysler-Jeep and Sunroad Community Foundation.

In May, 2005, the City entered into an Agreement with Evolution Film & Tape, Inc. (Evolution) to produce a COURT TV documentary series entitled "BEACH PATROL". The series chronicled the dramatic rescues and the personal struggles and triumphs of the City of San Diego Lifeguards. The series portrayed the Lifeguards in an exemplary way and created a positive image for the City in general. The series was deemed successful by all parties involved.

In February, 2006, Evolution expressed an interest in working with the City of San Diego Lifeguards to produce another season of the "BEACH PATROL" documentary series. The City, through the Corporate Partnership Program, met with key representatives at Evolution and COURT TV to discuss a mutually beneficial business arrangement.

An Agreement has been negotiated between the City of San Diego (City) and Evolution to document the dramatic rescues and the personal struggles and triumphs of the City of San Diego Lifeguards. Included, as an Attachment, is the Agreement between the City and Evolution. The Agreement is based upon three one-year terms.

The benefits to the City under this Agreement are as follows:

1. In Year 1, Evolution will be responsible for directly purchasing a surf rescue vessel, valued at \$104,000, and transferring the title to the City. Evolution will approach surf rescue vessel companies, designated by the City, to obtain a discount on a surf rescue vessel for the City in exchange for marketing benefits, such as an opportunity to be featured in the show.
2. In Year 2, Evolution will pay the City \$110,500. In addition, Evolution will produce a public service announcement on beach safety (\$30,000 in-kind value) and lifeguard training videos (\$70,000 in-kind value).
3. In Year 3, Evolution will pay the City \$130,000. In addition, Evolution will produce a public service announcement on beach safety (\$30,000 in-kind value) and lifeguard training videos (\$70,000 in-kind value).

The Agreement ensures that the City has no financial responsibilities or commitment to provide any funds whatsoever to the "BEACH PATROL" series and the City has the right to creative consultation concerning any possible story issues and character situations.

FISCAL CONSIDERATIONS:

The partnership with Evolution Film & Tape, Inc. will provide the City with \$544,500 in cash and in-kind resources for the term of the Agreement.

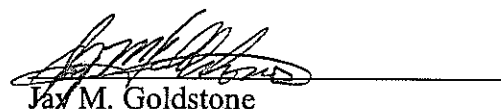
A transaction fee of \$24,050 will be paid to The Pathfinder Group, the City's consultant, as per the Marketing Consultant Agreement. (Document No. C-13038)

PREVIOUS COUNCIL and/or COMMITTEE ACTION: None

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: None

KEY STAKEHOLDERS AND PROJECTED IMPACTS: Evolution Film & Tape,
Inc., The Pathfinder Group


Jennifer Wolff
Director, Corporate Partnership Program


Jay M. Goldstone
Chief Financial Officer

Attachments: 1. Marketing Partnership Policy
2. Agreement with Evolution Film & Tape, Inc.