

FLORIDA FILM AND ENTERTAINMENT ADVISORY COUNCIL

December 5, 2018 (4th Quarter In-Person Meeting)

2:00 p.m. – 5:00 p.m.

**The Venetian III Conference Room – Loews
Bay Portofino Hotel, Orlando, FL**

MINUTES

CALL TO ORDER AND WELCOME

Administrative (Chair Nicholas Popp)

Call to Order by Chair Nicolas at 2:00 p.m.

Roll Call:

Members:

Chair Nicholas Popp

Vice Chair Ana Siegel

Seth Schachner

Yvonne Boice

Ryan Neves

Pamela Tuscany

Suzanne Niedland

Cynthia Angelos

Dick Kravitz

Michael Williams

Members of the Public:

Dani DeStafney, VISIT FLORIDA

Alexa Sheehan

Chris Ranung, IATSE

Bonnie King, Film Florida

John Lux, Film Florida

Clarence Rolle, Bahamas Film Commission

Gail Morgan, Emerald Coast Film Commission

Herb Miller, Univision

Andrew Kunkel, Film Florida

Sheena Fowler, Orlando Film Commissioner / Orlando Economic Partnership

Jennelle Jordan, MJJ Entertainment

Michael Jordan, MJJ Entertainment

Rick Alexander, Maveric

Lisa Dozois, Film SPC

Jesse Brock, Film Tampa Bay

Tyler Martinolich, Film Tampa Bay

Ann Hirsch, Phat Planet Studios

Dennis Blanchard, Art Directors

Ed Krout, Phat Planet Studios
Susan Albershardt, Albershardt & Associates
Dana Pellerin, Universal Studios Production Group
Christy Andreoni, Palm Beach County Film Commission
Todd Roobin, Jacksonville Office of Film & Television
Michelle Hillery, Palm Beach County Film Commission

Office of Film and Entertainment (OFE) Staff:

Commissioner Niki Welge

Susan Simms

Donyelle Marshall

Emily Fisher

WELCOME

Chair, Seth Schachner opened the meeting with a warm welcome and apologized for not making it in person. He thanked the council for a great term as Chairman and that it was an honor to serve the State of Florida.

OLD BUSINESS

Approval of September 2018 FFEAC Meeting Minutes

Chair Schachner motioned to approve the minutes as presented.

Pamela Tuscany seconded the motion.

Minutes adopted.

NEW BUSINESS

Elections

Chair Schachner started by introducing member, Nicholas Popp, as a very enthusiastic individual. He nominated Nicholas to be his successor as the new Chairman of the FFEAC.

Cynthia Angelos seconded the nomination.

Commissioner Welge asked for any other nominations; and with no other nominations she took a voice vote.

Nicholas Popp was unanimously approved as the new Chair.

We moved to nominations for a Vice Chair.

Nicholas Popp nominated Ana Siegel.

Suzanne Niedland seconded the nomination.

Commissioner Welge asked for any other nominations; and with no other nominations she took a voice vote.

Ana Siegel was unanimously approved as the new Vice Chair.

Commissioner Welge thanked both Seth Schachner and Marc Meisel for their leadership and willingness to serve on the council.

Chair Popp echoed those remarks to Seth and thanked him for his leadership. He looks forward to continuing the work Seth has started and working closely with other council members.

Legislative Update (Chair Nicholas Popp)

Chair Popp began with our recent election cycle: Florida, once again, having a little drama and several recounts, but understanding that it would not be Florida without this happening. As most know, Governor Ron DeSantis won the State of Florida in the Gubernatorial election. Governor elect DeSantis has been actively working with his transition team. Film Florida and VISIT FLORIDA have been dynamically bringing the team up-to-speed on what the offices do. This is a critical role that our offices have played.

Chair Popp met with Governor DeSantis briefly in August to discuss the film and entertainment industry. As expected with his political leanings, Governor DeSantis is a little skeptical of incentive discussions, but is not necessarily opposed to them. Chair Popp believes this is a good opportunity to work with the Governor in the future as we continue to develop our industry in the state. In addition to in-person meetings, Chair Popp plans to write a letter to the Governor to reintroduce himself as Chairman of the council and mention the work the council and Film Commissioner does. On the Governor's cabinet, our Attorney General is Ashley Moody. Most of these cabinet positions will not have a huge impact on the film industry. Our Chief Financial Officer is Jimmy Patronis. The Agriculture Commissioner was the only democrat in the cabinet, Nikki Fried, who heavily lobbies for the medical marijuana industry.

A general overview of the legislative front has both the House and Senate as majority republican, as expected. On the Senate side, we have incoming President Bill Galvano, who is open to conversations about the industry. We also have a few key allies of our industry, including Senator Annette Taddeo in south Florida, who introduced one of our key bills and Senator Joe Gruters from Sarasota. The committee list was recently released and committees are where most of the legislative work gets done. The Commerce and Tourism Committee is one that is key to our industry, and will be led by Senator Joe Gruters. We also have the Innovation and Technology Committee and Transportation, Tourism, and Economic Development Subcommittee that may be in our favor. Chair Popp encouraged every member to reach out to these committee members and all elected officials.

On the House side, we have Speaker Jose Oliva. He is very much in the vein of previous Speaker Richard Corcoran. We still have opportunity to speak with the House; however, relationships will be the key focus here. Chair Popp believes that incentives will not be an option for discussion this year; but, we can continue to move the needle in that direction. Also, Florida Tax Watch put out an article about the film and entertainment industry that Chair Popp will add to his letter to the Governor. He highly encourages engagement as a council and will help any member reach out to their officials in their areas.

Lastly, Chair Popp opened the floor for legislative chair nominations. He welcomed the council members to think over the position in leadership and mentioned it will be an action item for next meeting's agenda.

Office of Film and Entertainment Team Report Summary of Activities:

Commissioner Welge began by sincerely thanking Nicholas Popp and Ana Siegel for taking leadership positions as Chair and Vice Chair of the FFEAC. She looks forward to working with each of them in the future. She also continued to thank Seth Schachner and Mark Meisel for their service to the FFEAC the past few years. She truly appreciates the leadership shown by Seth and wished him the best of luck in his future. Commissioner Welge also thanked the Orlando Film Commission and Universal Studios Production Group for helping plan this meeting at the fabulous Loews Portofino hotel in conjunction with Film Florida.

Office Updates (Commissioner Niki Welge)

Commissioner Welge moved to discuss the transition. At this time, the Office of Film & Entertainment (OFE) is still in a holding pattern regarding transition. Agency leadership changes have not yet been made, but we expect Governor Elect DeSantis' transition team to start that process very soon. The former House Speaker, Will Weatherford was appointed to help shape economic policy and we anticipate his participation in the process. This is an opportunity for us, and we are prepared to tell our story - how valuable we are as an office – including FFEAC to our mission. As a part of that process, there may come a time when the council will be called upon to participate – letter writing, meetings, etc., but we will keep everyone updated.

Commissioner Welge divulged that we are almost to the finish line with our strategic planning. This plan is due at the end of the calendar year, so quickly approaching. Currently, our plan is being reviewed by our Communications team and DEO leadership. We hope to be able to share that with the council very soon. Our plan includes measurable goals for continued growth and collaboration with our agency and industry partners; including a goal to continue to have at least one face to face FFEAC meeting each fiscal year (if not more), moving forward. Commissioner Welge gave another thanks to those of you who participated in the survey. We received 100 responses out of 524, which is nearly a 20% response rate.

As many know, even though the strategic plan is not finalized, we are focused on what we can do to move the needle right now. Much of the feedback we received through the survey was regarding additional marketing and outreach. We announced at the last meeting that we were

hiring a full-time marketing person, and have been through several rounds of interviews looking for the right person. We hope to have a new person on board before the end of the year. With that said, we have already implemented a few things and we have a lot of ideas, even though our marketing budget has grown somewhat this year, we do not have all the resources needed to accomplish these goals. We will go through the legislative budget process again in January, and hope to continue to increase our marketing budget for next fiscal year. We are still working to make sure industry members are familiar with the services we provide – continuing to push the Sales Tax Exemption (STE) program and make sure everyone is taking advantage of this program if they are eligible. Film Florida has done an incredible job pushing the information out across all platforms, and our office truly appreciates that. Also, we are continuing to expand our marketing footprint as much as possible in inexpensive ways through things like social media and our website. Thanks to John Lux at Film Florida, we have a large number of location videos that we are rotating on our homepage monthly. The month of December is showcasing the beautiful locations in Brevard County.

Moving off the strategic plan, we talked briefly before on the movement of our Reel Scout App development. We are in the preliminary stages of app development for Apple devices. This will give us reel crew, support, location library, etc. with lots of other capabilities. Several other states have this with an average of about 17,000 downloads (as many as 40K times), and it allows easy access to our resources from a mobile device.

Commissioner Welge moved to discuss Hurricane Michael. As we have seen, this disaster had a very large and devastating effect on the panhandle and the state of Florida. Commissioner Welge was asked to sit on the Hurricane Michael Morale Task Force. She collected items from DEO staff as well as asked our partners at MPAA to help spread the word regarding the need for long-term shelter needs, including items to help lift morale. ESA and Microsoft made a generous donation of family friendly video games to the shelters. Universal Studios also made a generous donation of items for the shelters. She thanked them for their efforts on behalf of the citizens of Florida – to help them on the path to recovery, which she then directed her thanks to Pamela Tuscany. She thanked Pamela and Universal Studios Orlando for hosting the FFEAC members tonight for a tour of *David Makes Man* and discussion with the producer, and for the special screening of *Deal or No Deal*, filmed right here in Orlando last summer. Commissioner Welge encouraged participation in the Film Florida meetings the remainder of the week and the Jingle Mingle event tomorrow (Dec 6th). She encouraged participation in the committee meetings tomorrow (which are normally only open to Film Florida members, but they are making an exception for members of FFEAC) and the board meeting on Friday morning.

Annual Report FY17-18 (Commissioner Welge)

Commissioner Welge started with highlighting that every November 1, the Office of Film & Entertainment turns in the Annual report to the Governor and Legislature. Three things that are widely covered in the report include the Sales Tax Exemption Program, Financial Incentive Program and travel for the year. Beginning with Labor Market Statistics for calendar year 2017, there were 4,457 established brick and mortar businesses in the state. Those businesses employ almost 27,000 Floridians. Those 27,000 individuals were paid more than \$2 billion dollars in wages. The average wage in this industry was more than \$81,000 annually, beating the average

state wage across all industries of \$48,460. The largest sector is television broadcasting, employing almost 9,000 of the 27,000 individuals in the state. This is hard data straight from the Federal Government, and these numbers are hard to ignore and great for our industry, which is an important piece of Florida's economic development puzzle. Moving into the Financial Incentive Program portion, as many know this program sunset in 2016, but before the end of the fiscal year we were able to finalize all audits. The following numbers are the aggregate outcome: 299 productions received tax credits: 53 motion pictures, 53 digital media productions, 141 television and 52 commercials. They spent more than \$1.25 billion in the state over the course of the program (including \$780 million in wages). These productions created more than 109,000 jobs for Floridians and to fulfill the requirement of counting the number of full time jobs created; 7/8 projects gave us hourly employment information – equaling 7,040 hours, which leads to 406 full time employees. Our Sales Tax Exemption Program (STE) is next on the list; through Donyelle's hard work and goal creation in our office, we were able to get nearly 100 more applications than last year. There was a total of 954 applicants that spent an estimated \$1 billion on production expenditures and employed more than 32,000 Floridians. The STE has been in statute since 2001, and we will continue to administer this program. Continuing with our travel report: last fiscal year, 2017-2018, our office spent about \$12,700 on travel. This is not a high number; however, we plan to continue to attend marketing events and engagement activities. Our agency will be going through the legislative budget process in January, and this is where we will make our pitch for additional dollars for travel. The additional budget would go towards meetings like this face-to-face FFEAC meeting, more engagements in Florida and outside the state.

Chair Popp concluded by thanking the entire Office of Film & Entertainment: Commissioner Niki Welge, Susan Simms, Donyelle Marshall and Emily Fisher on their incredibly hard work in a very tough marketplace that we are facing right now. The loss of the incentive program was an enormous hurdle and he is in awe of our work moving forward. He appreciates the office's key role in moving the needle forward, and recognizes Susan's position in Los Angeles as one of the best values we have.

Sales Tax Exemption (Donyelle Marshall)

Number of Applications Approved: 425

Amount of Tax Exempted Based on Florida's 6% Tax Rate: \$11,543,249

Estimated Florida Jobs: 14,479

Estimated Florida Expenditures: \$764,113,305

ROI: 66.2: 1

Spanish Language Production Report (Donyelle Marshall)

Donyelle Marshall started by reminding everyone that Super Bowl 2020 will be hosted in Miami, FL. There is a lot of content produced around major sporting events in general; also, parties, special events and commercials generated in Florida.

Cynthia Angelos chimed in to mention that FSU has one of the finest film schools in the country, and it blows her mind how many of these graduates are still looking for work in the industry. She mentioned that she was appointed by Senate President Negron, who has strong relations with

President Thrasher, thinking they would work in accordance to help this. She asked if there is something being done with the FSU College of Motion Picture Arts. She would gladly talk to legislators; however, does not know how best to articulate the talking points.

Commissioner Welge answered that the Office of Film & Entertainment (OFE) has had good relationships with FSU professors and their administrators over the years. As an office, we try to make sure that they understand the services we provide and drive home the importance of graduates staying in Florida. There is a large amount of people here, in the industry, that need to be trained and educated. Commissioner Welge referenced her strategic plan, acknowledging that building new and existing relationships with FSU and Florida's workforce is top of mind. She also mentioned that Film Florida has an education council that fosters these ideas as well. She suggested reaching out to Bonnie King and John Lux from Film Florida to make those connections.

Chair Popp mentioned that there may be opportunities to even have the OFE go into college classes and talk about the opportunities that currently exist in Florida and discuss the practical ins and outs of production.

Chair Popp then moved to close this discussion and begin the Spanish Language Production Report.

Donyelle started with speaking about her attendance at the Latin Songwriters Hall of Fame in Miami. She believes this type of event should be televised in the future – something in comparison to the Rock & Roll Hall of Fame on HBO. While down in Miami, Donyelle was introduced to Jose Abdul, Director of Digital Strategies at Sony Latin America. They have an in-house production company that will start shooting a special event in January or February 2019. This event will be connecting young performers. Donyelle hopes to connect with the team and discuss Sales Tax Exemption with them. Donyelle also visited Viacom International Studios. They were gracious enough to donate to the Hurricane Michael Morale Committee. Their studios are booked out completely and they are also shooting in five countries right now, in three different languages. She mentioned that Telemundo is filming MasterChef, the second season amongst other continuing shows like La Voz. Donyelle mentioned the need for more engagement; she included in the packet, an article on the 2018 Latin Power Players List. Out of all the corporations listed, roughly 80% are based in Miami. So, this is a huge opportunity for business outreach from our industry. Donyelle noted that she plans to target South American and Central American business owners who are looking to establish residency in Florida. Donyelle has established a tag line to guide these businesses to Miami: "Miami has all the warmth of Latin America and the efficiency and professionalism of the United States, if you want to project yourself to the world, Miami is strategic."

Marketing and Advertising (Emily Fisher)

Emily started by thanking the council for their participation, coordination and planning. She gave a special thank you to Film Florida for letting the OFE hold their meetings in conjunction with theirs and Pamela Tuscani with Universal Studios. She then discussed the excitement OFE has

about the full-time marketing position they are interviewing for. We are currently in our second-round process and have someone in mind to hire. This position will allow us to expand on our current marketing campaign and continue to gather more engagement. We have four Facebook advertisements currently running, the statistics are as follows: 31,346 People Reached, 648 Post Engagements, 445 Link Clicks in the last 60 days. Also, we are working on our holiday card and creating the new graphic for that to send out to everyone. Our next FFEAC meeting will be held in March, with date to come.

Future Business Development (Susan Simms)

Susan began with discussing the continuation of our great services through this transition year with the Gubernatorial election. We are so lucky to have a great network of local film offices throughout the state that are not only seeing the fruition of their own local incentives, but are also going after certain parts of the business with each film commission tackling a different valuable entity of the industry. We also have the benefit of being able to participate in co-marketing, branding and piggybacking off of each other. Part of what we focus on with use of our very limited budget and resources, is to identify who are our clients and what are they thinking. We are able to work with the local film offices and work together to join resources. The other tricky thing that we are still trying to figure out is that there are some parts of the industry that are going like a house on fire and booming with business, and then we have some areas that are dying for work.

The last events Susan attended were Produced By: New York (PBNY) and the American Film Market. OFE sponsored PBNY and provided notebooks in the conference bags. Sandy Lighterman and a few producers from Miami went and the president of Paramount Pictures was there. There was a great FSU family moment because Barry Jenkins and Adele Romanski were in attendance. Adele was one of the keynote speakers, and they discussed FSU Film School stories and they had their Film Florida chargers and hats. The previous Dean of FSU College of Motion Picture Arts at FSU is now the President of Pinewood Studios in Atlanta, GA. An Associate Dean directed a film, which won an independent spirit award this past year for indie budgets under \$500,000. There are always eyes on FSU and it is right up there with Northwestern for schools that travel in packs and hire within. We try to partner with them whenever we can. The next event was the Finance Seminar at the American Film Market. This seminar is attended by 400-600 individuals and Susan sat next to a producer from Miami, now residing in LA, who spoke of a new project set in the criminal Miami underworld. The person sitting behind them couldn't help but overhear their discussion and it turned out that he was a film consultant for the City of Miami Police Department. This story echoed Susan's mantra that "you must be present to win." She then moved to discuss what is upcoming, like Sundance in January.

Orlando Production Activity (Pamela Tuscany, Vice President of Production at Universal)

Pamela began with the importance of having in-person meetings. She appreciated that the FFEAC could come together and treated the meeting as an educational opportunity for both the new and old FFEAC members. This opportunity spins off into the after-meeting event because it shows the work that has been executed to put this meeting in place. Pamela reached out to the

theme park and hotel to help by negotiating reduced rate and production rate for the members. She also took the time to prepare tonight's event, which is a big opportunity for members to talk with the producer working on the *David Makes Man* series. Pamela also spoke about the *Deal or No Deal* premiere screening. *Deal or No Deal* originally planned to film in Georgia or Vegas; however, Universal Studios spoke with the theme park and they were able to save on the cost to bring the show to Orlando. Pamela detailed that it was a great show to bring to the State of Florida with a lot of job opportunities and economic impact. She also discussed her excitement regarding the new marketing position in the OFE. The market is getting tougher and this year is very important to become good educators. Also, she suggested that FFEAC create a communication tool that can really help get the word out and support the OFE. She believes it is an educational year and we can pull a lot together. On another note, Film Florida launched their podcasts in October, there are 10 episodes available. They sent a positive message about the industry in Florida and those episodes leak every Tuesday. Universal is taking part in NATPE in Miami in January, followed by Real Screen Summit and SXSW in March.

Association Updates: (Film Florida, SAG, IATSE, etc.)

Bonnie King, Film Florida, announced that they have launched a podcast with the intent of promoting a positive message about the film industry in Florida. The podcast features Film Florida members, and new episodes are released on Tuesdays. (The podcast can be found on the website, iTunes and Google Play.) She explained that they are preparing for NATPE in January in Miami as well as Realscreen and SXSW. Packages are available for Film Florida members and non-members; reach out for more information. Bonnie said that John presented at the annual Florida TaxWatch meeting. The main takeaway from the TaxWatch report is that Florida must create a sound and fiscally responsible incentive program to help the film industry to continue to thrive and to grow Florida's economy. TaxWatch did not advise that Florida enter the national film incentive race with the intent to outdo the competition. Film Florida is working with legislators on concepts that follow the advice of TaxWatch. Thus far, they have seen strong support from both Republicans and Democrats in the Senate and House. Bonnie reminded the group that the Film Florida meetings will occur the following Thursday and Friday, and she said all are welcome to attend. She encouraged FFEAC members to join Film Florida.

Chris Ranung, IATSE, started by saying the energy is magnificent today. Chris noted that he represents the workforce and echoed what Pamela said that we have a workforce in Florida, and will expand in his presentation at Film Florida about what we do to keep crew and equipment here and have them ready and available.

Ex-Officio Updates: (Enterprise Florida, Inc., VISIT FLORIDA, and CareerSource Florida)

Dani DeStafney, Director of Content Marketing at VISIT FLORIDA, started by thanking the council for their participation in executing similar goals. She mentioned that it has been a great

year for tourism in the State of Florida. She mentioned with red tide hitting the coast of Florida and Hurricane Michael that we have had to spend money on crisis recovery. Currently, there is \$9 million dollars in budget that will go towards marketing tactics and content creation to revitalize the state. She encouraged Floridians to shoot video for VISIT and send content to content@visitflorida.org. Nobody tells Florida's story better than those living here.

Public Comment

Herb Miller from Univision, asked if there was a timeframe in mind for when vacancies on the council will be filled and asked if we are committed to try to get the council together to be more aggressive to bring some form of incentive back to the state.

Commissioner Welge answered that there are 17 seats and right now we have three vacancies. We do not have control over who we gets appointed or the timeframe; however, those who would like to apply can go through all three bodies: The Governor's office, House and Senate.

Chair Popp answered about the aggressiveness of getting an incentive. He urged that we are in a challenging politic climate in the House right now and the critical importance is developing relationships with those legislators and policymakers. He encourages the council to continue making those relationships as our initial tactic.

ADJOURN 5:00 PM.