

FLORIDA FILM AND ENTERTAINMENT ADVISORY COUNCIL

4th Quarter Meeting

December 4, 2019

10 a.m. – 12 p.m.

107 East Madison St.

Tallahassee, FL 32399

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| MINUTES |
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CALL TO ORDER AND WELCOME

Administrative (Chair Nicholas Popp)

Call to Order by Chair Popp at 10 a.m.

Roll Call:

Committee Members:

Ana Salas Siegel

Kevin Ambler

Marc Meisel

Nicholas Popp

Pamela Tuscany

Ryan Neves

Michael Williams

Ex-Officio:

Kathleen Keenan

Members of the Public:

John Lux

Bonnie King

Gail Morgan

Chris Ranung

Office of Film and Entertainment (OFE) Staff:

Commissioner Niki Welge

Susan Simms

Donyelle Marshall

Allie Pratt

WELCOME

Chair Popp welcomed everyone.

OLD BUSINESS

Approval of September 2019 FFEAC Meeting Minutes

Chair Popp called for a motion to approve the September meeting minutes. The minutes were approved unanimously.

NEW BUSINESS

Legislative Update (Chair Nicholas Popp)

Chair Popp said the legislative session will begin in January, and committee meetings have already begun. He said leadership remains the same as last session.

Chair Popp said that Wilton Simpson will be the next Senate President and Chris Sprowls will be the next Speaker of the House. He said the council will continue to work to maintain relationships with leaders in order to fulfil our statutory purpose.

Chair Popp reviewed SB 334. He said a version of this bill was introduced last year and explained that it establishes a tourist development tax that can be used to incentivize film production. He said the bill did not pass last year.

Chair Popp reviewed HB 497/ SB 530. He said this is a targeted rebate program for the film and entertainment industry. He invited John Lux to provide a more in-depth review of the bills.

John said the industry was in a toxic state for a few years in the legislature. He said the OFE and Sales Tax Exemption program were targeted. He said Film Florida focused on playing defense and showing the value of the industry. He said the impression of the last incentive program was bad ROI.

John said the new program in HB 497/ SB 530 was created with one-to-one ROI in mind. He said it is presented as a solution to diversify Florida's economy. He said projects must have a \$1.5 million minimum spend. He said 70% filming days must occur in Florida and 60% of cast and crew must be Florida residents, excluding extras. He said there is a bonus score for utilizing underutilized area, for family friendliness, and for using college students. He said the LLC applying for rebate must be based in Florida, and veterans must be part of cast and crew. He said larger budget productions will get a higher score because they will spend and hire more. He said the FFEAC and film commissioner would score projects and make final awarding decisions.

John said the maximum rebate is \$2 million, and there is a limit of one rebate per company per fiscal year. He said the new program is based on a program put forth in the legislature in 2016 that was "pre-scored" as having a one-to-one ROI. John said additional improvements have been made to this iteration of the bill.

John said pushbacks to this bill include the argument that it is not enough and cannot compete with Georgia. John said counties with incentives are getting projects, which shows that people

want to come here and projects on the fence about Florida could be swayed for \$2 million. He said another pushback is the merit-based aspect of the bills. John said California has a system for picking projects, so a scoring system is not a new concept. He said the only true opposition is a philosophical disagreement with financial incentives.

John said there is support in the Senate. He encouraged all councilmembers to contact their representatives to cosponsor the bill. He said it may not go far in House, but they are laying groundwork for future.

Chair Popp opened the floor for questions.

Kevin Ambler asked if gaming played into the development of the bill. John said digital media is included in bill language. Kevin asked if the restriction on the number of incentives per company applied to digital media. He said his concern was EA. John said that the restriction for one rebate per company per fiscal year is in place for digital media as well.

Pamela Tuscany asked if any competitor states are using a similar system that the bill puts in place. John said there is not one comparable state, but a collection of states were used to give structure to the ideas in this bill. Pamela asked where the proposed funding would come from. John said he thinks appropriation would be set for one year if the bill passes. John said he thinks \$10 million is a realistic number to get first year off the ground. Pamela said she thinks that building support in the legislature is good.

Chair Popp said the legislature is going to probably be more receptive to limited test run with smaller appropriation for beginning of the program.

Commissioners Welge asked John to elaborate on role of FFEAC as laid out in the bills. John said there are two evaluation periods, and the FFEAC would then be led by Commissioner Welge in evaluating projects. He said the highest scoring projects would be awarded.

Chair Popp said if this bill passes the OFE would need more staff.

The council agreed to review bills and meet again regarding HB 497 and SB 530.

Chair Popp said he will keep an eye on legislative session and keep the council informed of pertinent information.

Orlando Economic Partnership/Metro Orlando Film Commission Update

Lindsey Sandrin began the Orlando film office update by saying “The Right Stuff” tentatively wraps next week. She said they have been filming a lot all over the region: in Seminole County, Osceola County and on the Space Coast. She said the office took some of the cast and crew to a Magic game. She said the cast and crew are living in Orlando and are enjoying the city. She said the show will premiere in fall and the office would love to have them back.

Lindsey said they are waiting for an update on David Makes Man season two. She said Pam may have more information on that. Pamela Tuscany said writers are working on season 2.

Pamela said Universal added 3rd sound stage for “The Right Stuff,” which kept them from going to LA to film what they needed. She said the show was a huge success and had positive economic impact on the community.

Pamela said she is working to find ways to keep these shows here without an incentive.

Chair Popp said he is glad to hear all the good things happening in Orlando and wants to reproduce this success across the state. He applauded the Orlando film office and Universal Orlando for all their hard work despite challenges.

Office of Film and Entertainment Team Report

Chair Popp invited the Office of Film and Entertainment to give their respective updates.

Office Updates (Commissioner Niki Welge)

Commissioner Welge began her update by explaining that the “mission critical” travel limits are still in place for the agency as well as other budgetary restrictions. OFE was approved to have this meeting face to face, but unfortunately due to some members being unable to participate at the last minute, we were unable to move forward with the meeting in person. Commissioner said she hopes to be able to get permission to hold a face to face meeting again sometime in the future.

Commissioner Welge said that fiscal year 2017-2018 was the year that the Financial Incentive Program wrapped up and all tax credits were awarded. Following that year, the section of statutes requiring the annual report was repealed, and our executive leadership decided we were not required to submit an annual report this year.

Commissioners Welge said, at the last FFEAC meeting, she discussed how OFE approved more than a thousand Sales Tax Exemption applications last year, which is the first time since the program’s inception. She said Donyelle is hoping to break her record again this year. She will be providing you with an update on the numbers so far this fiscal year in a few minutes.

Commissioners Welge said the legislative submission dates and the filing deadline for the first 2 bills in the house have both passed. The first day of session starts January 14th. She said she is keeping an eye on the following 7 bills:

- HB 213/ SB 362, which is the Florida Tourism Marketing bill that would extend Visit Florida to 2028;
- SB 334, which is the Tourist Development Tax;
- HB 497/ SB 530, which is an Entertainment Industry bill

- SB 922/ HB 779, which is an Economic Development bill that allows QTI business located in county affected by Hurricane Michael to submit a request to DEO for an economic recovery extension, and removes the expiration of June 30, 2020;

Commissioners Welge explained that OFE leadership set a goal of 1,600 downloads for the Film in Florida app in its first year. The office is working hard to reach this goal and needs your help. She said Allie has done a great job advertising the app on social media and the website. The office has sent out several emails to our clients, local film offices in the state and to you, the councilmembers. She asked members to download, if have not done so already, and to spread the word.

Commissioner Welge explained that OFE is no longer able to be a member of Film Florida due to a section of Florida statutes (S. 11.062) that limits the office's ability to pay for a membership of an organization that spends money on lobbying. OFE is now officially considered ex-officio members of the organization. Because of this, OFE annual membership dues won't go to Film Florida at this time, which will be a financial hardship for the organization. She said this information is important to this body because our membership in the past included Susan's participation in specific Film Florida events. The office is still able to do strategic marketing coops—specifically the office can split the costs for printing additional film maps for placement in the Visit Florida welcome centers around the state. John Lux and the office have been discussing other options for the future as well.

Chair Popp encouraged council to share the app.

Future Business Development (Susan Simms)

Chair Popp invited Susan Simms to begin her report.

Susan began by echoing what Pamela Tuscany said about the Orlando area. She said OFE will talk to anyone who will listen. She said there is an excellent crew base in Florida, which makes the office look good every day. She does not want Florida's amazing crew to get lost in the conversation.

Susan briefly emphasized the importance of commercials in the state.

Susan reviewed her attendance at the Location Managers Guild International Awards. She said an ex Film Florida president and her team were nominated for outstanding locations for their work on The Assassination of Gianni Versace. Florida got a lot of attention, there was even talk of the same team being nominated again for their work on Marvelous Mrs. Maisel shooting in Miami. Peter Weir was honored for lifetime achievement and put a spotlight on Florida. Susan said this is so important because word of mouth from happy clients is better than any paid advertisement.

Susan said AFCI membership and attendance is very expensive and local film office partners are invaluable because they are able to host events. She said many local film offices are currently at

London FOCUS showcase putting on a great event with Ernest Hemmingway's granddaughter and Florida-themed beverages.

Susan said the OFE sponsors both Produced By events. She said many local offices attended the 2019 Produced By New York event. She explained the new format this year, which changed the flow of networking. She said the president of film at Netflix opened the event, and that she considers him an ally as he has family in the panhandle. She also said there were others with Florida ties such as James Mangold.

Susan said her motto is "you must be present to win." She gave an example of this that she encountered at Produced By New York. She said she ran into woman talking about Tampa in lobby of the event space. The woman works for Disney streaming, just moved to Tampa and is looking to get involved with WIFT. She said these are the kind of wonderful things that happen when you are present.

Susan touted that she has had good conversations in the last quarter with clients and local film offices concerning local incentives. She said she could not ask for better partners than local film offices.

Susan said Sundance is projected to have one to three indie films filmed in FL this year. She said the Super Bowl is coming up, and Miami-Dade permits are double the norm in last few months. She said the 2021 Super Bowl will be in Tampa Bay, and permits are already up there as well.

Susan ended her update by saying that "David Makes Man" was nominated for a Gotham Award. "Waves" and "Laundromat" and "The Irishman" were all nominated for awards as well. Taking every opportunity to talk about Florida films.

Marketing and Advertising (Allie Pratt)

Chair Popp invited Allie Pratt to begin her report.

Allie began her report by reviewing OFE's digital marketing statistics for the month of November as of 11/26/2019:

- Marketing and Outreach Coordinator, Allie Pratt, continues to post on OFE social accounts three or more times per week.
- OFE Tweets appeared in more than 7,499 people's screens.
- OFE Facebook posts appeared in more than 20,563 people's screens.
- People liked, commented or shared our Facebook content 356 times.
- FilminFlorida.com was viewed more than 1,200 times.
- Reel-Scout database pages were viewed more than 15,707 times.
- The Film in Florida app was downloaded 11 times (329 total downloads).

Allie asked the council to spread the word about our app and reiterated goal as stated by Commissioner Welge.

Allie said the office is still pursuing a digital media buy, which would be comprised of online ads specifically marketing our app. This is currently with the Governor's Office, so the office is waiting for a response. The office plans to move forward with more digital advertising in January or February regardless of the digital media buy.

Allie said office will send out a holiday email to industry database in late December. She said the FFEAC will receive this greeting as well.

Allie said the office has ordered dishwasher safe water bottles with a built-in straw! She said the office believes these will be excellent items for crew members to actively use on set, and these items also promote the industry's increasing focus on being green. The LA Times reports, "The average cost of bottled water for 60 days of shooting is \$11,175, according to the PGA Green report. That cost could fall to about \$5,489 if productions instead used reusable tools, such as water coolers and reusable bottles."

Allie said the next FFEAC meeting will take place in March and will be decided via Doodle poll.

Allie also noted that the office updates the website home page each month with great location photos and relevant videos. She thanked everyone for calling in.

Pamela Tuscany asked about how to edit app entries. Allie explained how to edit with login and password.

Sales Tax Exemption and Latin American Report (Donyelle Marshall)

Chair Pop invited Donyelle Marshall to give her report.

Donyelle began her report by saying that she went to Miami for La Musa at end of Oct. She said she met with office key partners. New HBO Latino show, "A Tiny Audience", filmed in Doral and she hopes will return for second season.

Donyelle said she went on a Univision set visit and met with SoHo productions and convinced them to set up themselves as a Florida business.

Donyelle said she will attend NATPE Jan. 21 to 23. Donyelle encouraged everyone to attend and said several office partners will be receiving awards. She also said she is busy with Super Bowl prep, which will air on Viacom CBS.

Donyelle reviewed the STE numbers. Number of Applicants 369; Amount of Tax Exempted based on Florida's 6% Tax Rate \$13,778,449; Estimated Florida Jobs 13,559; Estimated Florida Expenditures \$814,791,022; ROI 59.1 : 1; As of 11/25/2019

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

Chair Popp invited Chris to provide update on IATSE.

Chris started his IATSE update by expressing thankfulness for the positive energy in the meeting. He said they are working to keep crew base well trained and ready to go. He said the industry is highly unionized and needs to be ready for high volume production in advance.

Chris said he deals with shortages in crew due to loss of crew to GA or retirement. He said he talks to film schools and recent grads and has a good stream of new crew from there. Chris said he is happy to speak to anyone wanting to understand the industry unions better.

Chris said there is a feature film filming in SF right now under the name “I, Morticai.” He said he thinks films like this one would benefit from SB 530.

Chris encouraged all councilmembers to visit sets and said he can be resource to set these up. He also asked councilmembers to connect any young professional looking to get into the field with him.

Chair Popp said Florida has best crew and said there needs to be momentum to keep them employed and here in the state. He thanked Chris for his dedication to training the next generation of crewmembers.

Chair Popp invited John Lux to give an update on Film Florida.

John began the Film Florida update by stating that 15 to 20 high-impact projects filmed here in the last year compared to 399 filmed in GA. He said he is excited by the current projects in the state but Film Florida is working for more because there is the potential for more.

John said Film Florida will hold quarterly meetings this Thursday and Friday at the Downtown Orlando Marriott. He said the next quarterly meeting will be the week of March 23 in Tampa.

F3, a one-day educational event, happened earlier in the fall. Money raised from that day went to Women in Film and Television and Film Florida’s scholarship funds, respectively.

John said the Film Florida podcast’s second season launched this fall. Three legislators were on podcast in the fall. He encouraged councilmembers to subscribe.

John said that social media continues to be most cost-effective marketing tool. He encouraged councilmembers to like and follow Film Florida accounts.

John said Film Florida will be present at the following events with the intent to get the message out about the industry in Florida: NATPE, RealScreen New Orleans, Florida Tax Watch, Future of Florida Conference, and the Florida Internet and Television Conference.

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

Chair Popp call for ex-officio updates. There were not ex-officio updates.

Public Comment

Chair Popp opened the floor for public comment. No members of public had comments.

Chair Popp asked the council to keep an eye out for email regarding the bills to be reviewed as well as a Doddle poll to schedule the next meeting to discuss.

ADJOURN 12 P.M.