

FLORIDA FILM AND ENTERTAINMENT ADVISORY COUNCIL

2nd Quarter Meeting

June 29, 2021

10 a.m. – 12 p.m.

107 East Madison St.

Tallahassee, FL 32399

MINUTES

CALL TO ORDER AND WELCOME

Administrative (Interim Chair Ana Siegel)

Call to Order by Interim Chair Siegel at 10:02 a.m.

Roll Call:

Councilmembers:

Interim Chair Ana Siegel

Aaron Bellamy

Kevin Ambler

Lisa Scott Founds

Pamela Tuscany

Ryan Neves

Sandy Lighterman

Durand Adams

Jaqui McCray

Ex-Officio Members

Jake Felder, Enterprise FL, Inc.

Members of the Public:

Meagan Happel, Space Coast Film Commission

Gail Morgan, Film Florida

Nicholas Popp, Former FFEAC Chair

Todd Roobin, Jacksonville Film Commissioner

M. Denise Simmons, MD Simmons Productions

Michael Viera, SAG-AFTRA

Office of Film and Entertainment (OFE) Staff:

Commissioner Niki Welge

Susan Simms

Donyelle Marshall

WELCOME

Interim Chair Anna Siegel welcomed everyone and stated future meetings would be scheduled via email. She welcomed the newest member of the FFEAC and asked her to introduce themselves.

New councilmember Jacqui McCray introduced herself and said she is excited to be on the council. She is a music studio owner in Pasco County, a musician, and teacher and that music is her passion/second job. She will eventually be opening a recording studio as well and that her day job is an IT recruiter for the top five global companies in the country.

OLD BUSINESS

2021 1st Quarter Meeting Minutes

Councilmember Sandy Lighterman made a motion to approve the minutes as written.

Councilmember Lisa Scott Founds seconded the motion.

The minutes were adopted unanimously.

NEW BUSINESS

Legislative Update (Commissioner Welge)

Commissioner Welge stated that none of the industry related legislation passed during legislative session, including Film Florida's Targeted Rebate bills, the CITC bill or the QTI revival bill. No legislation was passed that negatively impacted the office, this council or our programs either, but that DEO's budget was reupped as was our number of full-time employees. She said she was unsure how that will affect our travel and marketing budget for this fiscal year starting July 1.

She thanked John and Gail and the rest of Film Florida and other industry members who spoke to their legislators, wrote letters, etc. to advocate for the industry this past session.

Next legislative session takes place January 11th through March 11th and the first interim committee week will start on September 20th. Film Florida is prepping their strategy now for how to best support the industry advocacy efforts in advance of this upcoming session.

Commissioner Welge asked Representative Ambler for his take on legislative session.

Councilmember Ambler said a sticking point may have been a group of people with a philosophical perspective shared by former Speaker Corcoran that all incentives are corporate welfare. Corcoran's beliefs aligned with AFP's goal to undermine these programs nationwide and they carry a lot of cache in an election year and can influence decisions. Leadership

cultivates a small inner circle, and that small group of people combined with staff, control the direction and philosophy of the House. When a Speaker picks his lieutenants, they share similar views, that transcends from one term to the next. The legislative process is a marathon not a sprint and is a matter of timing.

When he came into the legislature in 2002, he was Vice Chairman of the Tourism Committee and with Don Davis' leadership, they put together the first successful film bill in 2003. They convinced Governor Bush to put some money into the program, which was gone very quickly, but got the foot in the door. In the right climate coming into the 2010 session a major bill to transform the program into a tax credit was passed. Those monies were gone right away, but it was very successful.

Blaise Ingoglia is a Chairman of a key committee in the House that has not allowed the bill to get on his committee agenda. This may not be his fault, as leadership in the House may share his opinion, but that is a stopping point. The other issue is the rivalry between Ingoglia and the current sponsor in the Senate who is the Republican Chairman. These are things he observed as issues and we must figure out how to circumvent them.

We can change minds if we sound the bells coming out of COVID that this program is an economic recovery engine to reenergize the economy. People want to get back to work and this could be labeled a jobs bill like in 2010. He suggested meeting with the Speaker Designate because in the second year of a term the Speaker Designate has the most power. He controls the House races and the money. If you convince him this is worth the long-term investment, it could be the most robust industry in the state.

He encouraged everyone on the call to reach out to leadership and say, "if you aren't for this bill, you are against job creation." Do not underestimate the power in the legislative staff, because they have been around for many years and can be very influential because they bring forward knowledge. He suggested focusing on the House, due to the previous barriers there.

Nicholas Popp said from his conversations that Speaker Sprowls is more open to listen to a job creation argument than Speaker Designate Renner is at this point. Renner is smart but seems instinctually opposed to film incentives and may be more difficult to convince.

Office of Film and Entertainment Team Report

Office Updates (Commissioner Niki Welge)

Commissioner Welge started by recognizing the OFE's Marketing and Outreach Intern Mercedes Jackson for her hard work. During her time with the office she created all our social media posts, campaigns and graphics as well as managed our website over the past nine weeks. We are still trying to get permission to hire someone full-time in this position.

OFE staff have been diligently working on our annual performance measures that get reported to the Executive Office of the Governor in conjunction with our legislative budget request. We

report on the number of projects we work on that result in business and employment in Florida. This requires our staff to reach out to every single project we touch in some way to see whether they actually shot here in the state. As you can imagine, this is a heavy lift and takes some time to accomplish. We will be reporting on the results of this effort at our next meeting.

OFE is working with leadership to determine what our marketing and travel budget will be for this upcoming fiscal year starting July 1. A lot of this will depend on whether events are happening in person.

Commissioner Welge represented OFE and the State of Florida on a Women in Film and Television Film Commissioner panel, along with several other film commissioners in late April. On June 23rd she was the guest speaker at a Film Florida Friday, which are free interactive conversations about current topics, initiatives and relationship building in the industry. The webinar is available to watch on their social channels. Commissioner thanked both organizations for asking her to participate.

She pointed out the growth in the Sales Tax Exemption program this year in comparison to last year by stating that the OFE approved 949 applications this year versus 868 in fiscal year 2019/2020.

Commissioner Welge provided updated Labor Market Statistics data for the film and entertainment industry in Florida for calendar year 2020:

- In 2020, there were 5,130 establishments in the film and entertainment industry with employment of 23,505 and an average annual wage of \$89,390.
- In 2020, the total wages paid to workers in the film and entertainment industry was \$2,101,128,326.
- In 2020, the average annual wage for workers in the film and entertainment industry was \$89,390 exceeding the state's 2020 average annual wage for all industries of \$55,845 by 60.1 percent.

Commissioner Welge turned the floor over to Councilmember Lisa Scott Founds to give an update on the search for a new Film Commissioner in Broward County.

Councilmember Scott Founds said that there is a new County Administrator who has been selected to take over next year when the existing Administrator retires. The Administrator in Broward is charged with hiring a Film Commissioner, a permitting person, and location and administrative person for the office. They are looking at applications and plan to expedite the process to put something in place as soon as possible as they realize the value of the film office. She met with the Mayor of City of Ft. Lauderdale and they are in full support of the county and want to work together. It was a unanimous vote to conduct the Film Commissioner search and Mayor Gellar has been visiting studios and is very supportive.

Future Business Development (Susan Simms)

Susan stated that Governor Newsom released new COVID rules that went into effect on the 15th that resemble Florida's. Guilds and unions are negotiating new requirements as we speak, as they expire tomorrow. Crews are wearing masks 12 hours a day in 90-degree heat outside, but everyone wants to be safe. Production costs are going through the roof as a result of COVID. Some studios are now finally heading back to work in the office, but part time. People are still adapting in many ways in LA, but the traffic is still terrible. Governor Newsome, who is in the middle of a recall fight, proposed an additional \$30M for California's incentive program for the next two years to get TV projects back from Georgia. The legislature is asking for \$90M a year for the next two years to compete with New York.

We were waiting to find out about season 2 of "The Right Stuff," which shot season 1 entirely in Florida. We lost season 2 to California because a TV project can automatically qualify for their incentive if you relocate from a competing state. The show was going to get \$13.6M from California, but the series was not picked up for a second season. At the end of the year it's a loss for us in our report, but for them too. We are busy, which is good. We just participated in the Film Florida annual meetings last week when all the film offices get together to talk about what they are working on. Commercials continue to keep our crews busy, along with the return of the low budget indie. We are getting bits and pieces of reality shows and a few high-profile TV series. "David Makes Man" season 2, just premiered on Own this week. The show is critically acclaimed but was on the bubble for viewership. They won the Peabody Award and then were picked up and put us on the map again. Own has stepped up the promotion of the show, which was created and produced by Academy Award winner Tarell McCraney. It's a great example of a project that came to the state because of the creator, the partnership with Universal Studios Production Group, and the line producer who continues to be a magnet for work in central Florida.

We are waiting on a greenlight right now for a major series, and we are hoping contracts should be signed any minute. They are coming without an incentive and without a stage they like, but sometimes they come anyway. The writer is from Florida and it is set in Florida, and they are coming because of the show runner. He wants to film here and has the influence to make it happen. We are very grateful for the local film offices, who make things happen with their services and their local incentives, which give us something to talk about. Our biggest competitor is Georgia and specifically Savannah because of their local incentive, which they are negotiating right now. We have some challenges, but local incentives are helpful this time of year. Streamers are spending big right now on reality content and are very interested in Florida.

Susan virtually attended the Realscreen Summit where clients will answer any question and talk about what they are looking for. All the reality shows are looking for new ideas, and Florida came up repeatedly. The biggest success is shark week with 45 hours of new programming this year. Discovery Science's "Space Watch Live" was the #1 non-prime time telecast in history and

just won an Emmy award. HGTV is everywhere filming in the state, Netflix has a real estate show that's filming in three markets currently, and Fox has a new show in Florida. These shows are not big in terms of crew or labor, but it is a lot of business. "House Hunters" just finished filming their 23rd and 24th episodes in Panama City. Oxygen's "True Crime" is shooting in three markets and three different teams are filming shows for Discovery and are showcasing our beautiful natural resources and our quirky people. 40 other states don't have the work we have and many of them have incentives. Our goal is to get them here and show them what we have, and that Florida is special.

Sales Tax Exemption (Donyelle Marshall)

Donyelle reported that as of June 24, 2021, OFE has approved 949 applications for the Entertainment Industry Sales Tax Exemption program for the fiscal year starting July 1, 2020. Those applicants have an estimated Florida spend of \$1,178,628,333 (\$19,656,641 of which is tax exempt) and are employing 35,777 Floridians. The Department of Revenue's generated return on investment (ROI) for the program this year so far is 60.0 : 1.

She has been spending a lot of time lately with the big five studios working on corporate tax issues. She will be traveling to Miami soon to connect with our Spanish language clients. She hasn't been providing LATAM updates in the recent meetings but have been including relevant news in the weekly clips. Everyone is engaging in streaming wars and she hopes to have a report at the next meeting.

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

Commissioner Welge invited Gail Morgan to give an update on Film Florida's activities.

Gail Morgan, President of Film Florida provided an update from their organization. The Florida Emerging Filmmakers Fund offers grants between \$500 and \$1,000 for projects being filmed in the state by Floridians. They evaluated 10 submissions and gave grants to two projects. The program includes mentorship as well, and they are offering mentorship to an additional three filmmakers. They will be accepting more submissions in September and hope to make additional awards by the end of the year.

Film Florida is starting a series of monthly virtual coffee talks, and have hosted three of them so far, including one with Commissioner Welge. They also hosted a virtual Actors Forum and discussed a wide range of topics for the actor's community. The forums are available on social channels and on their YouTube channel. They recently wrapped up the Film Florida podcast season 3 and have 76 episodes so far after three seasons. Season 4 will be starting in September.

They will continue their efforts to advocate for the industry during this upcoming legislative session. The strategy will include successes and will implement new elements to address shortfalls from last session. They will continue to urge people to reach out to local legislators to

share personal stories to support the industry. They held their annual meetings last week via Zoom, which will hopefully be the last virtual annual meeting. The new board of directors was elected, and she will be president again. She said the first in-person meetings will be held in Orlando in December.

Commissioner Welge introduced Michael Viera from SAG/AFTRA and asked him to provide an update.

Michael Viera, Executive Director of the Miami SAG-AFTRA Local said his team is still working remotely. He is a former attorney and came on board a few weeks ago. He is excited to talk to everyone to get more business for the state.

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

Commissioner Welge asked if any Ex-Officio members had an update.

Jake Felder with Enterprise Florida, Inc. had no official update. He appreciates our hard work and asked to let them know if they could assist in future business development.

Commissioner Welge mentioned that Enterprise Florida has started doing international travel again and hopes that is good news for everyone.

Public Comment

Commissioner Welge opened the floor to public comment.

Councilmember Kevin Ambler mentioned that Hillsborough County just put out a Request for Proposal to build a film studio in Tampa, with \$2M from the BP Oil settlement funds. They also put in a film school component for job purposes. A study conducted found a lack of studio space in Hillsborough. More studio space combined with other programs would be helpful to attract business.

Councilmember Pamela Tuscany asked for the Labor Market Statistics from the past 5 years. It's a tough time for USFG but they are continuing to do stage improvements and have two contracted projects that are slated to begin in July. They are hoping those will sustain them until the end of the year. They were disappointed with how session ended but are continuing to push out messaging and marketing what they have to offer. They got Wayne Morris on camera to talk about business in Florida and hope to push that video out and have it on their website. She encouraged everyone to keep up the good work and keep fighting for more business and loved that we have substantial data to use as talking points to educate legislators. She said the parks are doing awesome and that they are filling up hotel rooms with production crew and using them as locations for lower budget films and using that as a sales tool.

The newest Councilmember, Jaqui McCray, said it was a pleasure to be here and was happy to absorb and learn.

ADJOURN 11:44 A.M.