FLORIDA FILM AND ENTERTAINMENT ADVISORY COUNCIL
September 23rd, 2016 (3rd Quarter Meeting)
10:00 a.m. – 12:00 p.m.

Teleconference Information
1-888-670-3525
Participant Code: 4091758923

MINUTES

CALL TO ORDER AND WELCOME

Administrative (Chair Seth Schachner)
Call to Order by Seth Schachner at 10:17

Roll Call:

Members:
Chair Seth Schachner
Vice Chair Marc Meisel
Kelly Horton
Anna Siegel
Pamela Tuscany
Michael Williams
Susanne Niedland

ExOfficio:
April Money, Career Source Florida
Paul Phipps, Visit Florida

Members of the Public:
Kelly Paige, Film Florida
Michelle Hillery, Palm Beach County Film Commission
Gail Morgan, Emerald Coast Film Commission
Todd Roobin, Jacksonville Film Commission
John Lux, Film Florida

Office of Film and Entertainment (OFE) Staff:
Traci Colson
Donyelle Marshall
Michelle Crowe
Commissioner Niki Welge
Susan Simms
WELCOME

Commissioner Welge welcomed and introduced Michael Williams who was appointed by the Speaker of the House of Representatives.

Michael Williams stated he was very excited to serve with the FFEAC. He served as the Speaker of the House’s Communications Director and is working currently with Core Message primarily with legislative and political communication.

Chair Schachner thanked Michael Williams for joining and welcomed Adam Goodman who has been reappointed by the Speaker of the House of Representatives.

Chair Schachner reminded everyone that future Meetings will be announced via email.

OLD BUSINESS

Approval of June 2016 FFEAC Meeting Minutes (distributed via email)

Chair Schachner stated quorum was not established and a vote could not be held. June 2016 Meeting Minutes are scheduled to be reviewed at the following council meeting.

NEW BUSINESS

Office of Film and Entertainment Team Report
Summary of Activities:

Office Updates (Commissioner Niki Welge)

Commissioner Welge stated Caroline Ross has left the Office of Film and Entertainment to pursue other opportunities and thanked her for her service.

Commissioner Welge introduced Michelle Crowe as the Communications Coordinator and noted the social media campaign and new website upgrade that will continue under her supervision. The new website had been reviewed by leadership and is set to be launched in October. We have received most of the FFEAC member’s headshots, but a few were still missing. The new website is expected to shift the focus to what Florida has to offer: diverse locations, experienced talent and crew, year-round sunshine, and the infrastructure to sustain
long-term industry growth.

Commissioner Welge noted that at the last meeting OFE’s performance measures were discussed for last fiscal year. This required following up with every production OFE worked with for the previous year to determine if the production resulted in business in the state. She reminded everyone that OFE works with productions ranging in type and budget. The results are as follows:

Fiscal Year 2015-2016:
Productions Assisted: 1,363
Productions Resulting in Business: 1,083 (79% Success Rate)

Commissioner Welge stated the OFE had started working on the FY15-16 Annual Report that will be due to the Governor, Speaker of the House, and Senate President on November 1st and is scheduled to be published to the OFE website. Every report requires we work with the Bureau of Labor Market Statistics at the Department of Economic Opportunity to collect employment information for the film and entertainment industry. The annual data for this report is released in June of the following year. County specific data has also been made available.

Commissioner Welge noted that according to the Bureau of Labor Market Statistics in 2015, there were 4,367 establishments in the film and entertainment industry with employment of 25,259 and an average annual wage of $74,893. The sector with the most establishments was independent artists, writers, and performers. The sector with the largest employment was television broadcasting. The sector with the highest wages was cable and other subscription programming. In 2015, the average wage for workers within the film and entertainment industry was $74,893 exceeding the state’s 2015 average annual wage by 62%. The numbers listed do not completely include individuals within the digital media industry. There has been some discussion relating to the lack of proper NAICS codes for the digital media industry. Suggestions for changes in NAICS codes can be submitted to the Federal Government every 5 years. OFE is working with the industry to research and develop NAICS codes that will be universal across the industry to assist with obtaining accurate records.

Commissioner Welge mentioned the Zika virus has had an impact on production in the state. Governor Scott authorized $25 million in state funds to support research to develop a vaccine against Zika and enhance testing methods. Any information on production companies leaving due to Zika risk factors is welcomed for data tracking.

Pamela Tuscany remarked that the numbers are pretty remarkable. Commissioner Welge stated she would send data along if requested.

Future Business Development (Susan Simms)

Susan Simms attended Toronto International Film Festival (TIFF) and noted it is always a unique opportunity that provides great connections and relationship development for the state. The first day at the festival, there were two different Florida films she was able to see. American Honey was set in Panama City, Florida and Christine was set in Sarasota, Florida. The biggest hit from
TIFF was Moonlight, directed by Barry Jenkins who graduated from the Florida State University Film School. Barry Jenkins appeared at the event and proclaimed his support for Florida and thanked the state for everything.

Susan noted an HGTV spin-off of “Fixer-Upper” is set to be filmed in Santa Rosa, Florida and is scheduled to be beach house focused. Bloodline has been cancelled after season 3 at Netflix even though Ben Mendelsohn had a film at TIFF and won an Emmy award. Not having a tax credit incentive proved to be a challenge for Bloodline and HBO’s Ballers. Ballers is searching for locations outside of Florida due to the risk factors associated with the Zika virus.

Chair Schachner asked if there was any mention of doing half the production of HBO Ballers in Florida.

Susan Simms stated they might film certain shots in Miami, but most likely not much more.

Kelly Paige asked for clarification on Bloodline returning to the Keys to finish production and wondered if Bloodline was also in jeopardy.

Susan Simms responded the risk is not as high as Ballers but Bloodline writers are working on a script to help overcome the challenges.

Chair Schachner asked if other states are also experiencing the same problems.

Susan Simms stated the risk factors associated with Zika, and productions have been advised to look elsewhere for locations. Florida appears to be shifting to more indie filmmakers coming to Florida, which would allow local film offices to continue to excel.

Film and Entertainment Industry Incentive Summary Report (Traci Colson)

- Total Number of Projects Certified: 300
- Projected Total Florida Wages: $750,025,232
- Projected Number of Florida Jobs Created: 116,212
- Estimated Room Nights: 212,797
- Qualified Florida Expenditures: $1,282,757,539
- Total Certified Tax Credits: $293,857,431
- Total Tax Credits Awarded: $250,821,783
- Total Projects Awarded Tax Credits: 278
- Remaining Projects: 20
- Tax Credits that Have Not Been Awarded: $43,045,648
- Florida Expenditures for In-House Projects Pending Award: $625,317
- Total Projects In-House Pending Award: 2
- Tax Credit Balance Not Recyclable: $2,142,569

Pamela Tuscany asked about the reduction from $296 million. Then stated the $294 million is a statement the job has been completed.
Commissioner Welge stated the majority of the $2 million reduction is from a project that was unable to be completed and the numbers are expected to increase as more projects complete.

Chair Schachner asked if there was any detail on digital media projects and if the council could examine what is happening on the digital media side of the industry.

Commissioner Welge stated all project types are noted in the database and the OFE could examine the projects more closely to see what is incoming from the digital side.

Chair Schachner stated virtual and augmented realities are creating a lot of interest and that is something that needs to be considered.

Commissioner Welge agreed.

**Sales Tax Exemption (Donelle Marshall)**

Number of Applicants Processed: 166  
Amount of Tax Exempted Based on Florida’s 6% Tax Rate: $9,150,826  
Estimated Florida Jobs: 5,796  
Estimated Florida Expenditures: $607,095,429  
ROI: 66.3:1

Pamela Tuscany asked if anyone heard information about discontinuing the Sales Tax Exemption program.

Niki stated there is no discussion about discontinuing the program, but the Sales Tax Exemption program is a very popular program, with 800-900 applicants a year.

**Marketing and Advertising (Michelle Crowe)**

Michelle Crowe stated sponsorship materials such as pens and notebooks for Produced By New York and LaFemme Film Festival have gone out. Produced By and LaFemme Film Festival are both scheduled to take place in late October. The social media campaign has been picked up and will continue.

Chair Schachner asked if the OFE was scheduled to have participation in Emerge Americas in Miami.

Commissioner Welge stated the Department of Economic Opportunity reduced travel and have shifted the focus on engaging with production companies.

Chair Schachner suggested the council be an advocate to bring awareness to the film industry situation in Florida.

Kelly Paige stated Film Florida is looking to set up a panel to educate people at Emerge
Americas.

Pamela Tuscany asked if incentives reports would remain on the website.

Commissioner Welge stated all Annual Report data would remain on the new website.

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

Kelly Paige with Film Florida thanked Seth for setting the ground work for a strong working relationship. The next Film Florida quarterly meeting will examine how we can be more impactful and what the industry will look like without incentives. This quarterly meeting will take place December 7-December 9, 2016. Pamela Tuscany and her team from Universal are scheduled to present and give a backlot tour in conjunction with WIFT’s Jingle Mingle.

Pamela Tuscany stated she will also introduce the new resorts and hotels on the tour and is looking forward to presenting.

Kelly Paige stated Film Florida is exploring options and trying to think outside of the box to try and keep productions in Florida. At the Governor’s Conference on Tourism, Sharon Gless, from Burn Notice was given the Film Florida’s Legends Tourism Ambassador Award. Sharon graciously accepted the award and talked to the 1,700 participants in attendance at the Conference. ARRI Camera House has relocated to Atlanta to continue making productions. We are saddened to see them go, but we expect to see some exodus of businesses leaving. Film Florida will try to track these businesses as best as possible.

Gail Morgan from Film Florida added that hundreds of people stopped by the Film Florida booth at the Governor’s Conference on Tourism to inquire about membership.

Chair Schachner asked if there were opportunities to present or just marketing opportunities.

Kelly Paige stated she has requested Film Florida be included in the panel at the next Governor’s Conference on Tourism.

Michelle Hillery from Film Florida stated the 2016 Governor’s Conference on Tourism was the first opportunity Film Florida was able to demonstrate the impact of the industry in front of 1,700 people, and that Visit Florida allowed them to participate at no cost.

Marc Meisel stated there are lots of opportunities in the music industry for ongoing revenue, such as: music videos, gaming, groups touring through Florida, and other opportunities for development.
Ex-Officio Updates: (Enterprise Florida, Inc., VISIT FLORIDA, and CareerSource Florida)

Paul Phipps from Visit Florida stated Wynwood, the first site of Zika in Florida, has now been declared Zika-free. There is still trouble with Miami Beach but the focus is not on out-of-state tourist safety. Visit Florida has recommended protective efforts like sunscreen, bug spray, long-sleeves, and water safety information rather than focusing on emergency situations. Despite terrorism, alligators, Zika, and hurricanes, Florida has seen record tourism numbers.

Public Comment

Kelly Paige stated Enterprise Florida is down to 5 candidates and should be selecting a new CEO in the upcoming weeks.

Commissioner Welge reminded the Council of the last vacancy in the Senate and to call the OFE if anyone was interested.

Chair Schachner moved to close.

ADJOURN 11:34 AM.