



MINUTES

**California Film Commission Board Meeting
January 31, 2014
1:30 p.m. – 3:00 p.m.
SAGAFTRA Conference Room
Los Angeles, California**

COMMISSIONERS IN ATTENDANCE

Fred Baron
Bob Blumenfield
Lindy DeKoven
Mike Gatto (via conference call)
Morrie Goldman
Wendy Greuel
Milton Jacobs
Janet Knutsen
Megan McGuinness
Mike Miller
Anthony Portantino

EX-OFFICIOS/DESIGNEES IN ATTENDANCE

Eve Honthaner, Deputy Director, California Film Commission
Amy Lemisch, Director, California Film Commission
Ali, Zaghari, Deputy District Director, Caltrans

GUESTS

Janice Arrington, Orange County Film Commission
Paul Audley, FilmL.A.
Dylan Chouinard, CFC
Sheri Davis, Inland Empire Film Commission
Erik Deutsch, Excel PR Group
Ed Duffy, Teamsters Local 399
Pauline East, Antelope Valley Film Commission
Andrew Gardiner, Location Manager
Kathy Garmezy, DGA
Ben Golombek, Office of Asm. Raul Bocanegra (via conference call)
Tony Hoffman, CA State Parks
Karen Kelly, Ventura County Film Commission
Mike Richwine, State Fire Marshal's Office
Ramiro Rodriguez, State Fire Marshal's Office
Marco Sanchez, Office of Asm. Raul Bocanegra
Craig Sap, CA State Parks
Carlin Sarados, MPAA
Philip Sokoloski, FilmL.A.
Nancy Stone, CFC

I. CALL TO ORDER and WELCOME; INTRODUCTION OF MEMBERS/GUESTS - Steve Dayan, Chair

Chairman Dayan welcomed board members and guests followed by self introductions.

II. APPROVAL OF MINUTES - Steve Dayan, Chair

Motion to approve the Minutes from November 8, 2013 was made and unanimously approved.

III. DIRECTOR'S REPORT - Amy Lemisch

CFC Staffing / Operations

Due to previous State mandated furloughs, most State offices are now facing excessive leave balances. Director Lemisch is working with GO-Biz on CFC staff leave balance reductions for this fiscal year and next. As a consequence, staff shortages should be expected over this time.

Introduction of Ramiro Rodriguez, the State Fire Marshal's new Motion Picture and Entertainment Safety Program Coordinator. Deputy Rodriguez began his new job on January 15th, replacing Deputy Cindy Moore, who was promoted to a supervisory position with CAL FIRE's Fire & Life Safety Division.

Deputy Rodriguez has 22 years of experience with the California fire service and has been with CAL FIRE/Office of the State Fire Marshal for thirteen years. He previously served as a registered fire training instructor, certified firefighter/fire prevention officer and reserve firefighter with the Porterville Fire Department.

Location California Magazine

The CFC released a new annual publication highlighting the very best production talent, infrastructure and locations our state has to offer.

Distribution began this month at the Sundance Film Festival, and will continue at major industry events worldwide including the Berlin International Film Festival (February 6-15), AFCI Locations Show (March 27-29), Cannes International Film Festival (May 14-25) and California Locations Conference (June 28).

Outreach – Public Engagements Attended by Director Lemisch:

AFM – Film LA invited the CFC to participate in their exhibit space at AFM.

Hollywood Chamber's Entertainment Industry Conference - Director Lemisch was a panelist.

SAVING MR. BANKS screening – CFC co-hosted with Disney; screening was attended by GO-Biz Director Kish Rajan, MPAA Chairman Chris Dodd and Disney President Sean Bailey.

AICP - Ms. Lemisch attended board meeting and Streetlights benefit honoring Matt Miller. Streetlights is a nonprofit job training, job placement program which provides entry-level employment in the entertainment industry for economically disadvantaged young minority men and women.

Beverly Hills Bar Association – Ms. Lemisch was on a panel with Councilmember Fuentes about the CA Film & TV Tax Credit Program.

Tom Sherak meeting – Ms. Lemisch attended along with Bob Pisano and union representatives.

Film L.A. – hosted a meeting with representatives from the L.A. delegation of state representatives. Ms. Lemisch provided an update on the tax credit program.

PGA Film USA committee – Ms. Lemisch briefed their organization on the CA Film Tax Incentive.

Upcoming/ Marketing Events:

AFCI Locations Trade Show - March 27, 28, & 29 at Hyatt Regency Century City. CFC will be sharing a booth with San Mateo, Tulare, Santa Clarita and Berkeley. There is a big reduction of individual CA booths at this show. CFC and FLICS are focusing marketing efforts on the CFC/FLICS CA Locations Conference.

CFC VIP Breakfast – April 24, 2014 at the W Hotel

Produced By Conference – potential for distribution of Location California Magazine

CA Locations Conference – June 28, 2014 – Hollywood Museum

Century City Chamber - March 16 – Panel discussion on the tax credit program.

Media:

A summary of news articles on film production and the CA Film & TV Tax Credit Program were highlighted. Of note: L.A. Daily News series on runaway production. This was followed by FilmL.A.'s release of a new report which looked at production trends over a 20 year period.

Legislation:

AB 286 – Nazarian
AB 1189 – Nazarian
AB 1435 – Gatto (introduced Jan. 6)

AICP is working with Senator Ted Lieu on SB370 – Commercial production incentive. Director Lemisch will continue to provide technical expertise to stakeholders as needed.

IV. OPERATIONS REPORT – Eve Honthaner, Deputy Director

Film Offices:

San Diego is still without a new film commission. A group of stakeholders will be meeting soon to discuss how to create and fund a new film commission. This effort is being coordinated by one of the County Board of Supervisors.

The CFC's REGIONAL FILM PARTNERSHIP application is being revised to be more in line with FLICS membership guidelines. Once a public entity applies and designates a film liaison, the CFC interviews the designee before the application can be approved. Once a Regional Film Partnership is granted, the public entity is encouraged to apply for membership in FLICS.

Ordinances:

CFC reviewed draft ordinances for Compton and Humboldt County. CFC was asked to comment on fee increase in San Luis Obispo and a new film permit application for the city of Arcata (in Humboldt County).

Filming Issues:

L.A. Superior Court - productions will be allowed to shoot the exteriors of working courthouses after business hours and closed courthouses – interiors and exteriors – are accessible. Photos of the closed courthouses in West Los Angeles, Whittier and Long Beach have been posted on CinemaScout. Once a few companies film at the closed courthouses, the CFC will be able to create more precise procedures.

For any requested freeway closure, meetings are held with Caltrans, CHP, Cal Fire, key representatives from the production and others including permit service and barricade company representatives and staff from FilmL.A. The last meeting was held to discuss a closure on the 105 Freeway on January 25th for a feature called "The Zone".

Next up is a meeting with a French production company for the feature film *Taken 3*. They have requested a closure on the 710 to create an action scene that involves a chase and crash.

CFC collaborated with Caltrans and the CHP to better clarify guidelines pertaining to Caltrans permits. Those guidelines have been posted to the website.

The Riverside County Courthouse, which falls outside of the new filming protocol for L.A. Superior courts, is available for filming.

The Seal Beach Police Department's city jail is now hosting filming and is displayed in CinemaScout.

Outreach – Public Engagements:

On Nov. 21st, Deputy Director Honthaner attended a community meeting / workshop in La Canada Flintridge. The city has rather strict guidelines for filming. Waiting to hear back from the city as to what they're going to propose.

On January 15th, Ms. Honthaner attended a County / Film Industry Coordination Meeting held at the newly renovated Bob Hope Patriotic Hall (downtown).

Ms. Honthaner attends quarterly LA County Fire/Entertainment Industry meetings, and last year there were several discussions about the importance of having one or two people representing Reality TV attend the meetings. With the help of Megan McGuinness, Ms. Honthaner has identified John Dorsey, Executive in Charge of Production at Shed Media U.S. as the Reality TV representative.

Upcoming/ Marketing Events:

CA Locations Conference - This is the annual event hosted by the CFC and FLICS. Deputy Director Honthaner is on the committee planning this year's event.

V. Tax Credit Program Report – Nancy Stone, Tax Credit Program Director

CFC will wait to proceed with any revisions to the regulations until the results of the new legislation.

Ms. Stone provided updated program statistics as of the end of the calendar year. Statistics included an analysis of waitlisted projects from the last three years of the program. Data show that while some of these projects filmed in California without tax credits, the majority left the state causing a loss of approximately \$935 million in spending and jobs. Looking at the total dollars spent, the majority of larger budgeted projects left for locales with guaranteed incentives. The projects that remained had lower budgets, and thus had a much lower economic benefit to the state.

The **CFC Tax Credit Reel** was shown highlighting projects that received the tax credit.

VI. Briefing On Tax Credit Legislation – Raul Bocanegra, Assemblymember

Assemblymember Raul Bocanegra will introduce legislation to expand and restructure the state's film incentive program. That program will run out of funding in mid 2015. The goal is to have a program that is larger and more robust that will help make California more competitive. Bocanegra hopes to ultimately combine his bill with similar legislation by Assemblymember Mike Gatto.

Since the program was created in 2009, it has saved or created as many as 51,000 well-paying jobs from leaving the state, and generated \$4.5 billion in economic activity statewide. The tax revenue generated from filming helps to pay for teachers, police officers and infrastructure throughout our state. California's program is currently one of the smaller programs nationally. Expanding it will allow more jobs and tax revenue to be created. This expanded and improved program will go a long way towards making California more competitive with other state's programs. Every economic analysis of the program shows that it's a net economic generator for the State.

The bill includes the following changes:

- Lifting the budget cap on feature films eligible to apply for the program. However, only qualified expenditures of up to \$100 million will be qualified for the credit.
- Allowing all new 1-hour television series, regardless of where they air – broadcast, cable, Netflix etc. – to be eligible to apply for the program. Allowing television pilots to be eligible to apply for the program.
- Extending the Program for five additional years.
- Offering a 5% increase in the tax credit for filming done outside of the Los Angeles Zone.

VII. Update On CA Production Alliance and Legislative Efforts – Kathy Garmezy, Assoc. Exec. Director Gov't Affairs, DGA

The California Film and Television Production Alliance is a coalition of guilds, unions, producers, small businesses and associations that work together to promote, improve and enhance film and television production in the State of California by securing an incentive that will allow California to compete for the films and television shows that generate thousands of jobs and millions in revenue.

The members of the Alliance include: Directors Guild of America; FLICS – Film Liaisons in California Statewide; IATSE - International Alliance of Theatrical Stage Employees; Teamsters - Local 399; MPAA - Motion Picture Association of America; Producers Guild of America; SAG-AFTRA and FilmL.A.

The industry has been increasingly threatened by film and television productions fleeing the state in search of better financial conditions. As other states have ramped up their incentive programs, California has lost

nearly all big budget feature film production and most television production to other locations. Without the current limited California production credit these figures would be even worse.

Ms. Garmezzy thanked Assemblymembers Raul Bocanegra and Mike Gatto for their leadership and their support of this critically-important legislation.

VIII. REGIONAL FILM OFFICE REPORT – Ventura County – Karen Kelly, Film Commissioner

Karen Kelley gave a presentation on filming in Ventura County.

IX. NEW BUSINESS – Steve Dayan, Chair

None

X. PUBLIC COMMENT

None

XI. BOARD MEETING SCHEDULE FOR 2014:

April 22, 2014 (SAC) – subject to change

July 25, 2014 (L.A.)

November 7, 2014 (L.A.)

XII. ADJOURNMENT – Steve Dayan, Chair

The meeting was adjourned at 2:50 p.m.