

Michigan Film Office Advisory Council
June 11, 2010

- I. Call to order
 - a. Meeting was called to order by Chairman Emery King (10:00 a.m.) at the Saugatuck Center for the Arts in Saugatuck, Michigan.
 - b. A quorum was present with the following members: Bob Brown, Jim Burnstein, Hopwood DePree, Marcia Fishman, Danialle Karmanos, Emery King, Tim Magee, Sue Marx and Marc Prey. Also present were Janet Lockwood, Director of the Michigan Film Office and Carrie Jones, Deputy Director of the Michigan Film Office.
 - c. Unable to attend was: Bill Black, Xenia Castillo-Hunter, Cory Jacobson, Michael Moore and William O'Reilly.

- II. Introduction of Members
 - a. Chairman Emery King thanked everyone for attending the meeting and also thanked Hopwood DePree for hosting the meeting at the Waterfront Film Festival. Chairman King asked members of the Council to introduce themselves.
 - b. Members of the Michigan Film Office Advisory Council introduced themselves.

- III. Remarks from the Governor's Office - Nate Lake
 - a. Chairman Emery King introduced Nate Lake, the Deputy Chief of Staff, Cabinet Affairs and Management for Governor Jennifer Granholm.
 - b. Nate Lake thanked Janet Lockwood on behalf of the Governor, the legislature and everyone she has educated on the "film business". Nate stated that Janet Lockwood has worked in State government for 34 years and that she has been an advocate and voice for the industry over the last 18 years as the Director of the Michigan Film Office with the last two years have only been successful because of her leadership. He acknowledged that Janet will be retiring at the end of June and suggested giving her a hand to thank her for her efforts.
 - c. Chairman King thanked Nate Lake for his comments and asked that he pass along the Council's appreciation to the Governor. Chairman King thanked Janet Lockwood for all of her guidance and recommendations to the Council. Chairman Emery King and Vice-Chairman Jim Burnstein jointly presented Janet Lockwood with a Certificate of Recognition from the Council for her 34 years of outstanding service and her tireless efforts in building the film industry in Michigan.
 - d. Jim Burnstein discussed the many years of Janet Lockwood's career and the milestones and successes she has accomplished.
 - e. Marcia Fishman thanked Janet Lockwood for her knowledge and friendship.
 - f. Janet Lockwood thanked everyone for the kind words and asked that they embrace Carrie Jones as the new Director of the Michigan Film Office.

- IV. Adoption of Agenda
 - a. Motion made and duly supported to adopt the agenda of June 11 2010. Passed unanimously.

- V. Approval of Minutes
 - a. Motion made and duly supported to approve the minutes of the April 2, 2010 meeting.

VI. Director's Report – Janet Lockwood

a. Incentives

- i. The 2009 incentive information remains the same, except that we have signed multiple Certificates of Completion. To recapitulate, the year ended with 126 applications, 62 approved, 36 denied and the rest either filming elsewhere, pushed forward, on hold or still under review. Of those approved, 52 completed their work in 2009. The remaining 10 are still in some stage of production or plan to shoot in 2010. Of the 52 who finished, 38 submitted their post production audit paperwork by December 31, 2009, the end of their fiscal year. The remaining 14 have varying fiscal years and will be submitting as they choose. Those 14 will not be receiving incentive credits in 2010 but in 2011.
- ii. We have signed Post Production Certificates for 23 projects. Of those, Treasury has received 12 MBT film credit refund returns for 2009 film projects. They have issued 10 refunds for a total of \$9,153,960. The remaining 2 refunds should issue shortly.
- iii. The longest refund took 6 weeks to process (an IT system issue delayed this one), the shortest took 2.5 weeks. On average it is taking about 4 weeks from the time the taxpayer files their MBT return to the time we process the check, which is consistent with what we tell applicants.
- iv. So far in 2010, we have received 69 application packages. 21 have been approved, 18 denied, 6 were sent back for lack of action (we allow 90 days), 1 is shooting in London England, 1 pushed to December 2010 and will re-apply, and 22 are in various stages of review, with 8 of those new since June 1st. 8 projects have already wrapped. Point of interest: of the 18 denied, 4 re-applied and were approved. The totals include everything thus far.
- v. Regarding the infrastructure tax credit program, there is still no new studio fully open and functioning.

b. Production

- i. Currently, the television series THE WANNABES (Howell) is shooting as is ALL YOU CAN DREAM (Grand Rapids) and NOODLE AND DOODLE (Holland). In prep are REAL STEEL, 30 MINUTES OR LESS, THE DOUBLE, HAROLD AND KUMAR 3, MACHINE GUN PREACHER, LOL, TOUCHBACK and ARIEL & ZOEY(ELI TOO). Jackie will keep you updated in the bi-weekly MFOAC emails. As projects are approved, they will be posted on the website, along with any production office information.

c. MFO Updates

- i. Since our last meeting, the Location Team has handled 9 new scouts. 53 photo packages have been sent since April 1st. Scouts include THIS MUST BE THE PLACE, THE HOOD, TERMINAL, HELLO I LOVE YOU, LOL, 187 DETROIT.
- ii. The Locations Team also reports that we now have 60,057 photographs on the website, which cover 4,112 separate locations. Mike Grabemeyer, our webmaster, reports there were 56,553 web hits in April and May. Jackie Wressell reports we now have 2,207 listings in the Production Directory: 1,157 Crew, 1,050 Support Services.
- iii. Staff continues with speaking engagements and panels. Richard Jewell spoke a number of places; I will let him report on his schedule, as he will also be giving a Workforce Development report. Ken Droz has had a busy 2 month period with

the media world, including interviews with Michigan television stations, Michigan newspapers and print outlets, Medill News Service of Illinois, Hi Velocity, Toledo, Ohio, Creative Loafing of Tampa Bay, and an upcoming Time Magazine interview.

- iv. The Locations Trade Show held in Santa Monica April 15-17 was successful. The state office took 4 booth spaces, which we turned into 1 large space and invited the West Michigan Film Office, Film Detroit, Wayne County Film Initiative, the City of Detroit Film Office, the Oakland County Film Office, the Macomb County Film Office and the Ann Arbor Film Office to join us. The Michigan Film Office team of Lockwood and Jones presented a financing panel on April 16th in Santa Monica, which was well attended and received. We also had multiple lunches, dinners and meetings with multiple producers and directors, including one group interested in creating a studio in Michigan.
 - v. May 6 and 7, Lockwood and Jones flew back to Los Angeles to do a tax incentive panel, again well attended and well received. We met with producers while there.
 - vi. Two Michigan made film premieres were held and attended by MFO staff: CAUGHT IN THE CROSSFIRE in Grand Rapids – one of the stars, Fifty Cents, was present. Also a special premiere of the HBO film YOU DON'T KNOW JACK was held at the Detroit Film Theatre at the DIA. Both Jack Kevorkian and Geoff Fieger were present, as were several of the producers.
 - vii. Throughout April, May and the first week of June, we have had at least 2 dozen meetings with financiers, producers, applicants, bankers, legislators, and our partner, Treasury. Lockwood did one television show with Rep. Fred Miller and 3 or 4 media interviews; I also spoke to the NATO yesterday morning at their annual meeting.
 - viii. There is still no legislative movement so far in 2010 that affects the incentive legislation.
- d. Marcia Fishman reminded the Council that they all received invitations for NATO's event in the fall and emphasized the importance of going to the party because of the high number of legislators present.

VII. Workforce Development Report - Richard Jewell

- a. Richard Jewell reviewed the mission of Workforce Development for the Film Office. He stated that there have been over 4,000 downloads of the competencies since the Council passed them. He discussed the current grant program that is up and running right now and thanked Tim Magee and IATSE for their assistance. He also discussed that we have applied for eight million dollars in grants, five million dollars for the west side of the state which would mirror the current grant program in Detroit and three million dollars for a gaming and motion capture grant. He also reported that we did not receive the Lebanon grant we applied for this year but are hoping to reapply next year.

VIII. Creative Film Alliance Report

- a. Chairman King noted that one of the goals of the Council is to grow our own and build on our indigenous film community here in Michigan. He asked Jim Burnstein to give a brief update on the progress of the Creative Film Alliance.

- b. Jim Burnstein discussed that a lot of meetings have taken place and that the cooperation and collaboration between the institutions is amazing. He read an email from one of the talented students participating in the alliance who now plans to stay in Michigan and that this is the goal we are trying to achieve.

- IX. Waterfront Film Festival Report
 - a. Chairman King thanked the Waterfront Film Festival and the city of Saugatuck for hosting the Council. He stated that we are fortunate to have the festival's founder, Hopwood DePree on the Council and would like him to say a few words.
 - b. Hopwood DePree thanked everyone for coming to the 12th year of the festival especially the sponsors and volunteers who make it happen. He stated that the festival puts approximately \$1.6 million into the local economy and makes people more aware of independent film.

- X. Old Business
 - a. Chairman King asked the council if there was any old business to attend to. There was none.

- XI. New Business
 - a. Chairman King asked the council if there was any new business to attend to. There was none.

- XII. Public Comment
 - a. Ralph Lister suggested raising money philanthropically and sending our Michigan talent to California to meet face to face with people to make them feel comfortable coming to Michigan.
 - b. Andrew Marks asked why the taxpayers should subsidize one industry at the expense of others.
 - i. Bob Brown discussed the research that went into creating the incentives and discussed how a film coming to town benefits the town economically.
 - ii. Jim Burnstein discussed how the bill was passed bi-partisan and gave exhibits of how other states work. He also pointed out that we are trying to retain young creative minds in our state and reverse the brain drain.
 - iii. Sam Publes suggested looking at changing the above the line percentage to be different for in state and out of state talent due to the number of acting jobs going to out of state talent.
 - iv. Deb Havens discussed working with Janet in the past and the knowledge and guidance Janet has provided to help build the industry statewide. She welcomed Carrie and thanked the Council for coming to the west side of the state.
 - v. Kim Stump suggested looking at changing the legislation to not allow the same percentage for above the line for talent. She also asked if we were courting talk shows.
 - 1. Janet Lockwood said we are not courting talk shows because they are not covered under the incentive.
 - vi. Sharon Adcock suggested talking more to the guilds about the education and schools in place and to reach out to other parts of the movie community besides producers.

XIII. Adjournment

- a. Chairman King thanked everyone for coming and stated that the next meeting would be on Friday, June 30th in Traverse City during the Traverse City Film Festival.

Respectfully submitted,

Emery King, Chairman

Prepared by:

Jackie Wressell