

Michigan Film Office Advisory Council
July 30, 2010

- I. Call to order
 - a. Meeting was called to order by Chairman Emery King (12:08 p.m.) at the Park Place Hotel in Traverse City, Michigan.
 - b. A quorum was present with the following members: Jim Burnstein, Xenia Castillo-Hunter, Hopwood DePree, Marcia Fishman, Emery King, Cory Jacobson, Tim Magee and Michael Moore. Also present was Carrie Jones, Director of the Michigan Film Office.
 - c. Unable to attend was: Bill Black, Bob Brown, Danialle Karmanos, Sue Marx, Cory Jacobson, Marc Prey and William O'Reilly.

- II. Introduction of Members
 - a. Chairman Emery King thanked everyone for attending the meeting and also thanked the Park Place Hotel and Michael Moore with the Traverse City Film Festival for hosting the meeting. Chairman King asked members of the Council to introduce themselves.
 - b. Members of the Michigan Film Office Advisory Council introduced themselves.

- III. Adoption of Agenda
 - a. Motion made and duly supported to adopt the agenda of July 30, 2010. Passed unanimously.

- IV. Approval of Minutes
 - a. Motion made and duly supported to approve the minutes of the June 11, 2010 meeting.

- V. Director's Report – Carrie Jones
 - a. Incentives
 - i. Applications
 1. Since January 1, 2010 we have received 83 applications. Of those, 40 have been approved, 18 have been sent back due to an incomplete application, change in location or other reason. 16 projects have been denied, and the other applications are in various stage of review. We have stated on our website that it takes approximately 4 weeks once we have all the materials but in recent months we have been able to process complete applications in 2 to 3 weeks.
 2. Since July 1, we have approved the following projects SCAR 23, WE THE PEOPLE, WAR FLOWERS, SILENT MEMOIRS, CABLES, PLAYBACK, FAMILY WEEEEKEND, DEVIL IN MY SHOES, and NIGHT OF THE LIVING.
 - ii. Post Production Certificates
 1. Since Treasury began doing audits in June of 2009, we have received 42 audits. Of those 37 audits have been approved with post production certificates signed. The remaining 5 are working with Treasury towards completion.
 - iii. MBT Film Credit Refunds
 1. 2008 projects: We have received 30 MBT film credit refund returns. Of the 30 returns received, we have issued 27 refunds for a total of \$41,520,226. We expect 2 more refunds to be issued within the next 2

weeks or so. We are still waiting for additional information on 1 that was filed late 2009.

2. 2009 projects: We have received 19 MBT film credit refund returns (representing 20 projects). Of the 19 returns received, we have issued 15 refunds for a total of \$9,506,576. We expect the remaining 4 refunds to be issued within the next 2 weeks or so.

b. Production

- i. Currently we have 12 projects in production in the state: Real Steel, Scream 4, 30 Minutes or Less, Auteur Theory, Street Kings 2, The Double, Harold and Kumar 3, Machine Gun Preacher, Return to the Hiding Place, and LOL. TV series currently shooting are Detroit 187 and Ariel & Zoey.
- ii. Projects in pre-production are Vamps, Transformers 3, Detroit Unleaded, Touchback, and Home Run Derby

c. Film Office Updates

- i. Locations and Production Directory
 1. Our Locations team reports that since July 1, we have taken in 15 new projects, sent 17 location packages and led 7 scouts.
 2. We now have 4,404 total locations in our database and 63,106 in total photos. This is 300 additional locations from our last meeting.
 3. We now have 1297 Crew listings and 1137 listings for Support Services (vendors)

d. Media

- i. Numerous press stories with the highlights being:
 1. Creative Film Alliance
 2. Raleigh Studios groundbreaking
 3. Positive workforce development pieces
 4. Productions positive experiences in Michigan
- ii. In your packets you will find copies of a recent article about a teamster who was laid off and has found work in the film industry, an interview with David Arquette on why he loves Michigan, and a great story on the Creative Film Alliance.
- iii. Upcoming stories of note:
 1. The CBS Early Show wants to come in to do a story on filming in Michigan
 2. Variety will do a "Michigan" edition at the end of August
 3. The Detroit Free Press will do an article on catering companies

e. Infrastructure

- i. Raleigh Michigan had their groundbreaking on Tuesday, June 27. This was a remarkable day as the construction and completion of Raleigh Michigan will provide the infrastructure needed to make more permanent this industry in Michigan.

f. Director's Activities

- i. Set visits: REEL STEEL, DETROIT 187, HAROLD AND KUMAR 3, and 30 MINUTES OR LESS.
- ii. Attended: Kick off meeting of Creative Film Alliance, Raleigh Ground Breaking.
- iii. Met with various video gaming companies, producers, infrastructure projects, key industry people, and municipalities.

- g. Marcia Fishman offered to assist in the strategic planning process.
 - h. Jim Burnstein commented that he was in Los Angeles last week and all of the studios he visited either had a movie or were planning to have a movie in Michigan.
 - i. Chairman King asked Carrie if there were any critical comments received from productions while on set.
 - i. Carrie Jones said the productions wish they could be able to hire more local crew and also the clarity of the application and audit process.
 - j. Tim Magee commented that the union is taking on average ten new members a month. He also discussed the fact that it took Chicago ten years to be in the position that people don't bring in their key crew members from out of state and that we need to be patient.
 - i. Michael Moore asked him to discuss rates of the unions.
 - ii. Tim said that on a tier one film the lowest paid person is making \$17 per hour while one of the larger productions the minimum wage for the lowest paid position is \$27 per hour as well as \$101 per day in benefits.
- VI. Workforce Development Report - Richard Jewell
- a. Richard Jewell reviewed the mission of Workforce Development for the Film Office. He discussed the current grant program's progress with Wayne Community College as well as the progress made with the Creative Film Alliance. He discussed the Digital Media Consortium, Doing Business with the Business Seminars and the FAQ's he is developing for the website.
- VII. Creative Film Alliance Report – Jim Burnstein
- a. Chairman King noted that the CFA kicked off since the last Council meeting and that it will start shooting on August 6th. He asked Jim Burnstein to elaborate more on the progress.
 - b. Jim Burnstein discussed that the University of Michigan showed two shorts this year for the second year in a row and thanked Michael Moore, Deb Lake and the Traverse City Film Festival for allowing them to do that. He also thanked Miller Canfield for supporting the training of these young people. He discussed the CFA retreat at Gull Lake and that the script that was selected for the project is titled *Appleville*. He reiterated that the point of this project is to help build an indigenous self sustaining film community. He encouraged the Council members to visit the set.
 - c. Chairman King discussed that this is a step forward by breaking down the boundaries between the three universities and working together to further this industry within our state. He asked the Council to think of ways to fund and move this program forward in the future.
- VIII. Traverse City Film Festival Report – Michael Moore
- a. Chairman King thanked the Traverse City Film Festival and the city for hosting the Council. He stated that we are fortunate to have the festival's founder, Michael Moore on the Council and would like him to say a few words.
 - b. Michael Moore discussed that the festival was in its 6th year and reached the quarter million dollar mark in sponsorship and venues. He also stated that it's estimated that the festival puts \$10 million into the local economy. He discussed the State Theatre and the success and benefit it brings to the city of Traverse City. He announced the project Statewide State Theatre Projects which would involve one hundred percent of the funds

received from the Michigan Film Tax Credit going towards a fund to help restore and reopen old downtown theatres. He went over the criteria outlines of what they needed in the order to qualify.

- c. Cory Jacobson stated his support and that he thought this was a fabulous idea.

IX. Old Business

- a. Chairman King stated that there would be a gathering on September 8th at 5:00 PM at 121 W Allegan Street for the National Association of Theatre Owners. It is a legislative reception and he stressed the importance of the Council being there to educate the legislators on what we do. Chairman King asked the council if there was any old business to attend to. There was none.

X. New Business

- a. Chairman King asked the council if there was any new business to attend to.
- b. Chairman King invited Joe Voss to discuss his ideas on how to streamline the post production certificate process.
 - i. Joe Voss discussed that the unpredictability of the rules changing during the administration of the credit, inefficiencies in regards to the redundancy in the administration of the program and uncertainty of what funds being spent in Michigan will qualify.
 - ii. Carrie Jones discussed that we have hired two new auditors to speed up the process and that we are also looking to have a seminar for the public to get everyone on the same page.
 - iii. Michael Moore discussed that he would like to sit down with the Film Office and discuss his experiences. He also stated that we should look at possibly make an agenda item to discuss why we incentive ATL and talking points about how to address this with people.
 - iv. Chairman King asked Joe Voss to put something in writing for the Council.
- c. Chairman King introduced Xenia Castillo-Hunter from Film Detroit.
 - i. Xenia thanked Chairman King and introduced Chris Baum from Film Detroit. Chris discussed the two new hires at Film Detroit and the new advertising campaign they are rolling out.

XI. Public Comment

- a. Marguerite Cotto and Tom O'Brien with Northwestern Community College thanked the Council for being there. They discussed the possible grants and community college collaboration that is currently going on and also thanked Michael Moore for his comments at the meeting.
- b. Deborah Osment stated her concerns with Hangar42.
- c. Alexander Janco had incentive questions from a music composer's perspective.
- d. Paul Fitzpatrick conveyed the positive feedback he is receiving from Los Angeles and his experiences with producers.
- e. Kim Stump discussed the cap of \$2 million for ATL and possibly lowering the cap or raising the percentage for resident ATL.

XII. Adjournment

- a. Chairman King thanked everyone for coming and stated that the next meeting would be in late September or early October at Michigan State University's campus in East Lansing, Michigan.

Respectfully submitted,

Emery King, Chairman

Prepared by:

Jackie Wressell