

DRAFT

MICHIGAN FILM ADVISORY COMMISSION
MEETING MINUTES FOR JUNE 28, 2004

Members' correction in bold

The Chairperson, Geoffrey N. Fieger, called the meeting to order @2:20 p.m. He introduced himself to the Board and thanked Mr. McLellan for everything he's done. He reviewed former Chairperson, Richard McLellan's report which was provided to the Governor regarding activities of the Commission's inaugural year and suggestions for future. Mr. Fieger introduced his Assistant, Tania Rock.

Members Present: John Kelly, Sue Marx, Harry Carlson, Richard McClellan, Bill Black, Mary Kay Baribeau and Tom Shields.

Janet Lockwood, Director of the Michigan Film Office, was also present.

1. Introduction of Members: Each member introduced themselves. Mr. Fieger announced that he had a telephone conversation with Governor Granholm to appoint Jack Beam to the Board.
2. Agenda: The Commission approved the Agenda which is attached hereto.
3. Previous Minutes: The Commission approved the minutes of the April 1, 2004 meeting.
4. Update on the Michigan Film Office: Ms. Lockwood reported on the trade show in Los Angeles. Michigan won best booth. She pointed out that there aren't any incentives in place for Michigan films. MFO had meetings with Sony, Londinium, Dreamworks, Paramount and Universal. She stated that the Adam Sandler movie was given to New Mexico. She attended the Waterfront Film Festival, West Michigan Film meeting. Discussed budgets of films. She attended the NATO meeting and viewed Richard Brauer's Film "Barn Red", attended a Michigan Archival Board meeting. She also discussed the web-site which should have photos by the end of the summer.

Mr. Fieger and Ms. Lockwood discussed the incentive package. She indicted that this has been in the works for a year. It passed the House and is waiting to be heard by Senator Nancy Cassis to possibly become law by the end of July, 2004.

5. Update: Financial Incentives Legislation passed in House Committee: Mr. Fieger discussed and passed out the Bills "As Passed House" Nos. 5958, 5959 and 5960 (attached hereto). Mr. Fieger discussed Bill 6031. He was contacted by State Representative Tupac Hunter's office regarding this Bill. Mr. Fieger stated that it does not appear to conflict, it adds 4% tax credit and expenses are \$175,000. It also provides credit at 7.25% for monies paid for hotel

and transient accommodations. He thinks it's a good idea. Mr. Fieger asked Ms. Lockwood to get an analysis on Bill 6031.

6. Chairperson's Report: Mr. Fieger indicated that he had a conversation with Gov. Granholm regarding improving the image of the State of Michigan and financial benefits. Gov. Granholm recognized that Michigan should be able to compete with other states for film companies to film here. Mr. Fieger also mentioned that the Governor offered her office to assist with needs such as locations, enhancing facilities and any other activities within the Board.

Mr. Fieger will suggest to the Governor to change the name of the Board to Michigan Film and Recording. This was also discussed around the table. It was agreed upon and passed. Mr. Fieger further discussed recording to bring money in also. He stated that changing the name wouldn't change the responsibilities, but it would change the perceptions. He moved for resolution requiring the Governor by Executive Order to amend the name of the Commission. Mr. Carlson supported motion, Mr. Black 2nd motion and all were in favor, passed.

Mr. Fieger announced that he would donate \$2500.00 as a prize in an essay contest. The contest is for High School Seniors to write an essay about the Michigan Film writer, Michael Moore's movie "Fahrenheit 9/11". Discussion further around the table about this contest being used through a State office. Further discussion on the rules of the contest. Mr. Fieger pointed out that this movie promotes Michigan in the film and to promote film makers to Michigan and hopefully private funding. Discussion on the issue of private funding. Funding to come from corporate contributions and individual contributions.

Mr. Fieger discussed funding and that he will assume the responsibility to contact Gov. Granholm about this issue, get her included and get her behind the bills and will check on the issue of money privately given as a tax donation for the individuals.

7. Committee Discussions:

- Harry Carlson discussed incentives. He was given the assignment of certain states to research incentives and report. A short discussion about a film being shot in New Mexico because of incentives.

- John Kelly explained legislative proposals and who introduces bills. He discussed that the funding package was O.K., but we can follow on additional funding to allow a greater marketing effort for Michigan. Mr. Fieger and Mr. Kelly discussed needing money to market incentives. He stated the Board needs to approach the Governor for monies.

- Harry Carlson commented on previous proposals to the State.

- Discussion on the Film office production book being printed.

- Mr. Fieger discussed funding and making the State more attractive to host films. Mr.

Fieger and Mr. McLellan discussed tax increases and entertainment tax. A percentage to the Film Board. Mr. McLellan discussed “selling” the incentives package if it passed.

Discussion on the Research Committee which includes Sue Marx, Harry Carlson, Nancy Hagan, John Kelly. Discussion was held on keeping this committee active.

Discussion on the Planning Committee. The Board discussed private donations to MFAC; where money came from and how to facilitate it.

- Mr. Black discussed how to entice people to want to donate. He suggested to lay out an agenda on what to do and how to get people interested. Discussion held.

- Mr. Shields suggested to go to Gov. Granholm with a budget plan.

- Mr. Fieger asked the Board and held a discussion on how to go to the State for funding. Mr. Kelly discussed to not push for more money until the Bills are pushed through and then Amend them. Mr. Carlson suggested endorsing the incentive package and that funding is needed.

- Mr. Kelly discussed terms of members. He stated that some members did not come to the meeting because they were unsure about their terms. Ms. Jessica McCall of the Appointments Division discussed terms are until replacement.

- Mr. McLellan discussed budget. He stated that the State general funding lost 30% & the cut was to start July 1, 2004. The government needs to reprogram the money. He also mentioned that the Governor needs to become available once this year to commit to attend a show/event for support.

9. Meetings 2004: A discussion was held on meetings for the remainder of the year and locations were discussed. Suggestions were in Detroit at the Center for Creative Studies, Grand Rapids at Grand Valley, **Grand Rapids at the Celebration Cinema**, Gerald Ford Museum, University of Michigan or Kalamazoo College.

Mr. Fieger read from the MCLA that the terms of office are 3 years regardless of what former Governor Engler stated in his appointments. Ms. McCall acknowledged that the Governor recognizes that the statute names Commissioners for a three year term. Ms. McCall was asked by Mr. Kelly to re-issue the appointment documents to all members who received one of less than three years and she said she would relay that request to the Governor. She further stated that the Appointments office was aware of this and had no intention of replacing anyone until the full term expired.

10. Comments from Commissioners:

Chair Fieger moved to make a recommendation to the Governor to change the name of the Commission. All members voted and it was passed.

Mr. McLellan discussed Entertainment Tax and tax increases. He stated that he accepted the proposal for the name change by Chair Fieger. He spoke on the essay which is not an official function of the state and that it was for private use. He said believes that the incentive package(s) will be very positive for Michigan and the first step should be to sell it.

Mr. Carlson proposed the House Bills as an important step forward in the State and proposed the Commission to endorse the Incentive Package and send a letter to the Sponsor. This was unanimously passed.

Mr. Kelly Thanked Richard McLellan for what he's done with the Commission. A resolution of Thanks was unanimously passed by the Board. He requested that the Governor's office to give information on terms of existing Board Members.

Mr. Shields commented on the recording industry. He stated that it was not "dead". He did not have a problem with the name change. He discussed production houses to be from Michigan and suggested promoting incentives i.e. "A day in LA w/the Governor".

Mr. Black stated he was in the process of setting up a meeting with all union people to get them involved and to get ideas for the commission.

Chair Fieger asked Janet Lockwood to provide plan, proposed budget and promoting the incentive plan for Michigan to the Board.

Ms. Marx suggested that UofM has a substantial film department. She suggested an event with the Governor in LA and another major event in her honor.

Chair Fieger held a discussion on how to effectuate advertisement in Michigan. Mr. Kelly stated that it would be best to do incentives. Mr. Carlson suggested getting support from large corporations. He advocated involving industries and remind them of producing in Michigan. He proposed an idea of an annual awards system of Michigan film/video. Chair Fieger asked him to come up with a plan on perspective Michigan film award that is workable/doable.

11. Public Comment:

Jessica McCall from Gov. Granholm's office spoke regarding terms of members. She stated that terms are good until replaced. She will check into it further and get clarification of terms.

Stan Williams, Ph.D. suggested to get volunteer judges (i.e. MFAC members) for film festival. He suggested creating a web-site which would be simple and to put images up which would peak interest and someone could donate their time to create it. He also mentioned for people to put their logos on the web-site, they could donate \$100 just to put their name on the web-site. This would get a lot of businesses to advertise and then it would

get funds for the commission.

Rick Hert of West Michigan Tourist Association offered his services to the commission. He could generate leads with the state to attract commercials which would attract feature films.

Fritz Spademen of The Money Finders introduced himself and stated they are working on several films in Michigan and obtain capital funding.

Marsha Fishman, Detroit District Executive of the Screen Actors Guild suggested that if there is a writing contest that perhaps it ought to be a script-writing contest. She brought on the idea on getting high profile stars to write letters to pass the Bills.

Deb Havens of West Michigan Group asked to be partners with the commission to do film festival. She also would like to be a part of a ceremony for film makers in Michigan (i.e. Jeff Daniels) which would kick-off their feature film.

John DeMonaco of Motion Picture Studio Mechanics Local 812 read the letter attached to the minutes.

12. Adjourn: Chair Fieger moved to adjourn the meeting at 4:40 p.m., all supported. Meeting adjourned.