

# Michigan Film Advisory Commission

## Minutes

October 21, 2003

The Chairperson, Richard McLellan, called the meeting to order at 4:05 p.m.

Members present: Mary Kay Barbieau, Bill Black, Bob Brown, Jim Burnstein, Nancy Hagan, Kurt Luedtke, Sue Marx, and Tom Shields.

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

1. Introduction of the Members: Each member introduced himself or herself.
2. Agenda: The Commission unanimously adopted the agenda, which is attached to these minutes.
3. Previous Minutes: The Commission unanimously adopted the minutes for the meeting of September 15, 2003.
4. Update on Michigan Film Office: Ms. Lockwood reported that she is proofing the Michigan Production Guide and working with a commercial shoot. Her salary has been cut by \$4,725 and there may be further budget cuts for the office. The film Upside of Anger by Mike Binder filmed for two days, but the majority of the filming was done in London. She is also working with student and independent films in the state.
5. Appointment of Internet Presence Committee: The chairperson called for volunteers for the ad hoc committee discussed at the last meeting. The committee's charge is to request a formal meeting with State Officials in order to present a program to increase the Film Office's presence on the internet, and to allow for outside web hosting to get the Production Guide on the Internet.
  - The volunteers were:
    - The Chairperson,
    - Mr. Shields, and
    - Sean Quashnie (Mr. Quashnie is with the West Michigan Group, and has offered to provide web hosting. Ms. Lockwood suggested his name for the committee).
6. Committee Reports:
  - Research Committee

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- Mr. Brown reported that he, Ms. Marx, and Mr. Carlson met to investigate tax incentives in other states. They determined that New Mexico, Louisiana, and Missouri had the most competitive programs. Each committee member was assigned a state to research. They will present their findings at the November meeting, including suggestions for Michigan. It was suggested that the Commission invite someone from Senator Allen and Senator Cassis’s offices to hear the presentations.
  - Ms. Marx brought up a study commissioned by Governor Engler that Mr. Pero created. Ms. Lockwood offered to make a copy available. It was suggested that Mr. Pero and the Planning Committee could look into the study and whether it would be of assistance to the Commission.
8. Private Support for the Film Office: The Chairperson made a motion to draft a letter to the Attorney General for HAL, Nick Bozen, to ask for advice on the issue of whether donations to lessen the burden of government would be tax deductible. Ms. Lockwood is to draft a memo explaining the structure HAL has in place to receive such donations. The motion was seconded and carried unanimously.
9. Request for photographs and Biographies of Commissioners: The Commissioners were asked to have biographies and photographs sent to Ms. Lockwood. These will be helpful for the Commission, especially when the web presence is increased.
- Ms. Lockwood still need biographies from:
    - Mr. Burnstein
    - Mr. Black
    - Mr. Shields
    - Mr. Luedtke
    - Mr. Jacobson
    - Mr. Kelly

The Chairperson asked that these be in by the next meeting.

10. Discussion of Meeting at Lansing Community College: The meeting will be on November 19<sup>th</sup> at 3 p.m., confirmation of the room and parking will be forthcoming. The plan is for a two hour meeting followed by a reception. The President of the College will be there and there is a program planned.
11. Schedule of Meetings for 2004: The Chairperson noted that the Commission is required to meet three times a year by law. He suggested that planning the meetings

early would be beneficial. Mr. Brown asked about committee meetings. The Chairperson suggested that they should also schedule their meetings well in advance. Mr. Black suggested that the Commission ought to meet quarterly.

- The Chairperson suggested having a meeting at a film-related event during the year.
  - Ms. Hagan suggested meeting at a theater and screening a Michigan film.
  - Mackinac Island was also suggested as a meeting place. It was mentioned that the Michigan Chamber has a meeting there, and that the commission may want to have its meeting at the same time.
  - Mr. Burnstein suggested meeting at the University of Michigan’s Donald Hall, which houses the screenwriting library.
  - Ms. Lockwood said that Mr. Jacobson had offered the use of his company’s screening room for a meeting and the showing of a film.

The Chairperson suggested bringing a list of possible venues and dates to the next meeting to determine a schedule for 2004.

12. Discussion of the Commissioners: The Commission discussed the implementation and importance of tax incentives in the state of Michigan as a way to improve the film industry.

- Mr. Black suggested that tax incentive legislation should be a primary aim of the Commission. He also stated that the legislative protocol would need to be followed to pass any tax incentives. Mr. Brown stated that the Commission needed to find out as much as possible about these incentives to insure that the Michigan program would be successful.
- Mr. Luedtke said that the state must have incentives in order to attract film business. And that such incentives were a “no brainer” because revenue from film business would only come to Michigan if there are tax incentives. He also suggested that it is imperative that the Commission follow through with its efforts and get the tax incentives in place.
- The Chairperson explained the lengthy process involved in seeing a bill enacted by the legislature, and some pitfalls that the Commission could avoid in its efforts to pass tax incentives. He and Ms. Lockwood agreed that it would be important to involve the administration, as well as officials from the Treasury Department.
- Mr. Shields said that the Commission would need to develop a plan that has detail, in order to move the legislation through. He also mentioned that there may be resistance to tax incentives, in that other industries might expect

similar benefits. He discussed the possibility of a film museum, as an example he spoke of the museum in Moab, Utah.

- Mr. Brown mentioned that there is a lack of depth in the industry. He also informed the Commission that foreign countries, like Canada, Australia, and European nations, had better incentives than any of the States. He brought up the problem of the perception of the film industry, and the importance of establishing a lobbying relationship with the legislature.
- Ms. Marx thought it is important that the Commission put all of its efforts behind the tax incentive plan. The Commission agreed generally, but members believed it was also important to help the Film Office secure more funds.

13. Public Comment: The Commission invited the audience to make comments.

- Mr. Mark Adler of the MPA stated that the Commission had made a valid point about the lack of depth in the Michigan film industry; however, programs like the tax incentive will help the industry to evolve. And that encouraging filming in Michigan will help keep the equipment and skilled professionals in Michigan to help the industry grow. He also stressed the importance of having a comprehensive plan to develop the industry, and mentioned that he had secured a letter from Governor Granholm promoting the State for film.
- Mr. Eldon Hancock, film financier, stated that the legislature could be influenced even without money. He believes it is important to use the legislature and a coalition from the industry to help Ms. Lockwood and the Film Office with all the great work she is doing for the industry.
- Mr. Gaylen Chandler of the MPA wanted clarification as to why the Commission chose New Mexico, Louisiana, and Missouri as the States to study.
- Mr. John DeMonaco, President of IATSE Local 812 Studio Mechanics, said that the Michigan Alliance had formed a Political Action Committee to support candidates who support the film/commercial industry.

The Meeting was adjourned at 5:45 p.m.

Respectfully Submitted,

Hon. Alice L. Gilbert

Secretary

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