

Michigan Film Office Advisory Council
May 1, 2009

- I. Call to order
 - a. Meeting was called to order by Chairman Emery King (10:06 AM) at the Radisson Hotel in Lansing, Michigan.
 - b. A quorum was present with the following members: Bill Black, Bob Brown, Jim Burnstein, Hopwood DePree, Marcia Fishman, Cory Jacobson, Emery King, Sue Marx, Tim Magee and Marc Prey. Also present was Janet Lockwood, Director of the Michigan Film Office and Lisa Dancsok of the Michigan Economic Development Corporation.
 - c. Unable to attend were: Xenia Castillo-Hunter, Danialle Karmanos, Michael Moore and William O'Reilly.
- II. Introduction of Members
 - a. Chairman Emery King thanked members of the public and members of the council for being present. Chairman King also thanked the Radisson Hotel for hosting this event.
 - 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 for May 1, 2009. Passed unanimously.
- IV. Approval of Minutes from March 19, 2009
 - a. Motion made and duly supported to adopt the minutes of March 19, 2009. Passed unanimously.
- V. Director's Report
 - a. Overview
 - i. Since our March meeting, Treasury has received 17 MBT returns with attached Certificates of Completion. Of those 17 returns, 8 refunds have been issued and one sold. Total refunds issued and/or assigned: \$9,418,965.00.

12 recipients have not yet filed their MBT returns; some have told the film office they are waiting until the end of their individual tax years.

We have now received 41 new Applications in 2009; 7 were denied but the rest are moving through the review process, 12 have been fully approved. The majority of the budgets range from \$2 million to \$25 million, with one large feature (over \$75 million) approved. We also have 5 carryovers from 2008.

Films that have completed shooting in 2009 include HOPEFUL NOTES in Grand Rapids, BETTY ANNE WATERS, which shot in Ann Arbor and other metro Detroit locations, and UP IN THE AIR which filmed at both Metro Airport terminals for 4 days in

February. Currently shooting are THE OOGIELOVES, a children's show based on the "Bed Bugs" series, filming at the hd Studios (Grace & Wild) in Farmington Hills, the HBO series HUNG, doing filming for 9 separate episodes, and THE GENESIS CODE, just gearing up to shoot in the Grand Rapids area. One film is in prep, THE IRISHMAN, shooting in the metro Detroit area.

The new Production Directory listings continue to grow and the book is now live.

Regarding the new brochure which I discussed last month, you will find a copy in your folder.

b. Staff

- i. The Locations Department continues work with new photographs for Reel Scout. We now have 17 location scouts, 44 convention bureaus and 7 city/county offices with their own passwords and access so they can download their local pix for much wider exposure. The Locations Dept has sent out 27 new photo packages since our last meeting.

Staff continues to take speaking engagements, television interviews, radio shows, and set visits. Since our last meeting, a partial list includes the Grand Rapids Press Club, the Ambassador Magazine Roundtable Event, Grand Valley State University Film/Video Classes, SE Michigan Workforce Development meeting, Writers Rally Warm-Up Panel, Michigan Movie Networking Event, Olivet College, the Entertainment section of the State Bar of Michigan, the Michigan Farm Bureau, HOM TV in Okemos, attendance at the premiere of RAISED ALONE, the first short film to receive the Michigan incentive, set visit to BETTY ANNE WATERS in Ann Arbor.

c. Locations

- i. April 15-22, Tony Garcia and I were in the Los Angeles area. The annual Locations Tradeshow was held at the Santa Monica Civic Auditorium April 16-17-18. We exhibited with the West Michigan Film Office and Film Detroit. We also had meetings with The Hollywood Reporter, Nielsen Business Media, CAA, Nu Image/Millennium, Threshold Entertainment, Warner Bros, Paramount, Fox, and Cheyenne Enterprises, as well as several preset short meetings during the tradeshow with producers. Our meeting with Raleigh Studios' Michael Moore had to be cancelled because he had to fly to Michigan. Overall, it was a good LA visit. We spent considerable time dashing the rumors that the cap had been put in place or that Michigan had already spent all their money. We did learn that some of the rumors were coming from another state film office, which was disappointing.

- d. Infrastructure
 - i. Regarding infrastructure, the approved application number has not changed yet, but Unity Studios in Allen Park has now applied, as well as received a MEGA credit. They hope to break ground in early summer.
- e. Workforce Development
 - i. Regarding the Work Force Development position, we have interviewed 2 candidates for the job, with 7 more interviews scheduled.
- f. Senate Finance Committee
 - i. Yesterday, Jim McBryde of the MEDC and I were questioned for about 90 minutes by Sen Nancy Cassis and members of her Senate Finance Committee on the MFO Annual Report, caps and the economic impact of the program. It went well and was interesting. Thanks to Mr. Magee and Mr. Depree for attending as a show of support.

I am handing out the Addendum to the Annual Report, showing expenditures by those companies who filmed in 2008 and submitted their post production paperwork. This was not included with the Annual Report, which was given to you at the last meeting.

- g. Tim Magee asked Janet Lockwood how many certificates of completion had been issued.
 - i. Janet Lockwood said thirty certificates had been issued.
- h. Marcia Fishman asked if the Director's Report was posted anywhere besides the minutes and wondered where people were getting inaccurate figures.
 - i. Janet said that the report was in the minutes and she was not sure where these inaccurate statistics were coming from.
- i. Jim Burnstein asked where the names of the projects that have been approved for the incentives were located.
 - i. Janet stated that they are on the website.
- j. Bill Black thanked the Director for her testimony yesterday with Senator Cassis. He also informed the council that he met with Senator Cassis on Tuesday. He feels there is a large misunderstanding regarding the incentives and we need to emphasize that this is the only thing really creating jobs in Michigan.
- k. Chairman King encouraged everybody to continue to send out positive messages regarding the industry.
 - i. Jim Burnstein agreed with Chairman King and said that we need to make it apparent that to cap the incentives is to kill it. He also emphasized that the public is very aware of the movies that are coming, but it's the education process of what changing the law means that needs to be focused on.

- l. Lisa Dancsok asked council members to understand that this is top of mind to the Governor and that she has made a public statement that anything that comes to her desk to cap or change the bill will be vetoed. The reason we had the REMI study completed was to have factual information regarding the programs, and that is supported across the legislature. She (Senator Cassis) is one voice and at one point we have to stop responding to her and just continue to put out the positive facts.
- m. Bob Brown asked what the general fund is a year and if any thought has been given to how the MFO will be supported once the fund runs dry.
 - i. Janet Lockwood stated that the general fund is approximately \$183,000 a year. She also stated that we are working on a plan right now but it is not yet ready to publicize.
- n. Sue Marx also stated that a potential reason for the rumors spreading so quickly in Hollywood is due to the fact that Hollywood wants the movie business to stay in California.
- o. Hopwood DePree wanted to tell Janet Lockwood that she did a great job testifying to the committee the prior day.
- p. Cory Jacobson discussed his prior meetings with Senator Cassis in relations to the theater business, he added that her general theme has been to support the small business owner.
 - i. Janet Lockwood added that we should keep in mind that she does not want to throw the incentives away, just wants to cap it.

VI. Workforce Development

- a. Janet Lockwood discussed that the process has been moving along through civil service. We received 82 applications and cut that down to nine to be interviewed. Interviews will take place in the upcoming weeks. The Film Office also worked with DELEG and removed any schools from the website that are not proprietary schools. Schools must be a proprietary school in order to receive Michigan Works and state funding for their education. Small seminars also fall under this.
- b. Jim Burnstein asked if any of the nine applicants that were going to be interviewed were from out of state and if there was a chance the job posting would be opened again.
 - i. Janet Lockwood said none were from out of state and that no one replied to the AFCI posting. Of the nine a number of them have experience in the business and/or experience with curriculum and she thinks several of them are very promising. She said that there is always the possibility that the posting would be opened again.
 - ii. Sue Marx suggested that if the posting was opened that we could email other film offices to make them aware of the opening.
 - iii. Jim Burnstein requested that the Workforce Development task force be notified when the person was in place.

VII. Speaker's Bureau PowerPoint

- a. Janet Lockwood and Jackie Wressell presented the draft of the PowerPoint.
- b. Suggestions included:

- i. Marcia Fishman suggested including the names of who to contact if you were interested in being an actor, a union member, etc.
- ii. Jim Burnstein suggested including some of the stars who have shot here.
- iii. Hopwood DePree suggested adding some good news stories and business testimonials.
- iv. Sue Marx suggested adding all the locations that the films used and the number of Michigan hires generated for each project.
- v. Chairman King suggested adding more information about the infrastructure projects including what they would specialize in.
- c. Lisa Dancsok stated that this would be a tool for us to use. The information will be posted on the website and the PowerPoint could be put on zip drives for council members.
- d. Sue Marx asked if there was a possibility of revisiting the incentives to include commercials in the future.
 - i. Janet Lockwood said there is always the possibility however she does not expect it to happen in the next twelve to eighteen months. She also added that commercials currently do not qualify due to a valid interpretation of the law.

VIII. Old Business

- a. Marc Prey asked if there was a reason we don't have the staff and their contact information listed on the website.
 - i. Lisa Dancsok stated that we are currently in beta testing with the new website and that information will be included.

IX. New Business

- a. Chairman King asked Lisa Dancsok to address the controversy in the media regarding the Attorney General's office.
 - i. Lisa Dancsok clarified that Janet is not in violation of the law and that the Film Office received the letter from the Attorney General's office today. She also emphasized that we take these allegations very seriously and that we will be filing a formal response today to the media.
 - ii. Bill Black asked what the Attorney's Office was alleging.
 - 1. Lisa Dancsok clarified that the Mackinac Center was alleging that Janet did not provide information under the law.
 - iii. Tim Magee requested the information from the Attorney General's office.
 - 1. Janet Lockwood agreed to supply that information to the council members.
- b. Chairman Emery King stated that the council has come a long way and suggested the next meeting should be in mid to late summer, perhaps the Traverse City Film Festival.
 - i. Jim Burnstein confirmed that the dates for the festival were July 28th through August 2nd. He also added that the only films we know that are booked are University of Michigan student films.

- ii. Chairman King asked if members would prefer a Thursday or Friday meeting. The majority of the council preferred a Friday meeting.
- c. Marcia Fishman asked if the state had rules in place for extras being paid minimum wage.
 - i. Janet Lockwood said she had put a call into Wage and Hour and got a return call this morning; however she had not had a chance to listen to it yet.
 - ii. Marcia requested this be a possible future agenda item.
- d. Bob Brown voiced his concerns on supporting the indigenous community and how the council could be doing more. He brainstormed a number of ideas on how the council could help the industry and the people trying to break into the industry. A discussion ensued.
 - i. Hopwood DePree offered the Waterfront Film Festival as a venue to hold a possible networking event.
 - ii. Chairman King asked Bob Brown to bring a proposal to the next meeting to be discussed as an agenda item.

X. Public Comments

- a. Doug Alchin discussed the video for Betty Ann Waters they did which was made with the purpose of providing it to new legislators. He had hoped to show the video at the meeting but due to technical problems was unable to.
- b. Jean Claude Lewis with Beneath the Underdog announced that they were bringing in Dov Simon from LA to give his two day film course in Detroit on July 25th and 26th.
- c. Mark Adler with Michigan Production Alliance listed a number of concerns with the Michigan Film Office and the Michigan Film Office Advisory Council, including issues with the Production Directory, a lack of a strategic plan and the agenda not being available early enough.
 - i. Janet Lockwood asked that anyone who has issues with the guide contact the office directly. She also said that the guide would continue to list Production Assistants with training only and that is the only category we do not require professional production credits for.
 - ii. Lisa Dancsok said that we are working on a strategic plan and will have it available to the public by fall.
- d. Michelle Cadarette had questions and suggestions from topics that were discussed during the meeting.
- e. Susan Woods from the East Lansing Film Festival suggested using film festivals as a good place to establish networking venues. She also offered to utilize her mailing list from the festival to get information out.
- f. Mary Cusack with Mott Community College stated they are currently doing training with TicTock Studios and offered her services as a council member should they have a need for representation from an educational institution.

- g. Marco Lulier stated that as an independent contractor he has heard complaints regarding application turnover time and that the state favors the approval of bigger budget movies.

XI. Adjournment (11:50 AM)

- a. Chairman King again thanked everyone for attending and those who assisted in organizing the meeting. Chairman King discussed getting out details for the next meeting, tentatively scheduled for July 31, 2009 in Traverse City.

Respectfully submitted,

Emery King, Chairman

Prepared By:

Jackie Wressell