



City of Richmond

Report to Committee

To: Parks, Recreation and Cultural Services
Committee

From: Marie Fenwick
Director, Arts, Culture and Heritage Services

Re: 2021 Richmond Film Office Year in Review

Date: June 15, 2022

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Vol 01

Staff Recommendation

That the staff report titled, "2021 Richmond Film Office Year in Review," dated June 15, 2022, from the Director, Arts, Culture and Heritage Services, be received for information and circulated to motion picture industry stakeholders for their information.

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REPORT CONCURRENCE		
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Economic Development Finance Department	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	<i>Severance</i>
SENIOR STAFF REPORT REVIEW	INITIALS: <i>MF</i>	APPROVED BY CAO <i>Severance</i>

Staff Report

Origin

The City of Richmond has had a dedicated Film Office since 2007. One of the key mandates of the Richmond Film Office is to provide a “one-stop shop” resource for film productions, as well as provide centralized services to Richmond businesses and residents affected by filming. In 2018, Council adopted Policy 1000–Filming on Location in Richmond which formally acknowledges the economic and social benefits of filming.

The purpose of this report is to provide an overview of the 2021 film activity in the City, as well as to advise of early indicators for 2022.

This report supports Council’s Strategic Plan 2018-2022 Strategy #7 A Supported Economic Sector:

Facilitate diversified economic growth through innovative and sustainable policies, practices and partnerships.

7.1 Demonstrate leadership through strategic partnerships, collaborations and exploring innovative and emerging economic practices and technical advancements.

7.2 Encourage a strong, diversified economic base while preserving agricultural land and maximizing the use of industrial land.

7.3 Attract businesses to locate in Richmond and support employment and training opportunities in Richmond as we grow.

This report supports Council’s endorsed 2019-2024 Richmond Arts Strategy Objective 3.3:

Broaden the economic potential and contribution of the arts.

3.3.3 Continue to create favorable conditions for the filming industry in Richmond.

This report supports Council’s endorsed Resilient Economy Strategy Actions 5.6.2.2:

Continue to support film and television work in Richmond.

Background

The Richmond Film Office oversees the production of and facilitates filming activities in Richmond. The office processes filming applications, provides permits for filming activity on City-owned properties, and assists with location scouting within the City. Staff facilitate all City services required for filming and coordinates invoicing for those services. The most common services include policing, staff liaisons, location rentals and use of city streets.

A core initiative of the Richmond Film Office is to liaise with motion picture industry and community stakeholders on film-related matters in order to promote the growth of Richmond’s film sector. The key objective of these efforts is to attract production crews to shoot on location

in Richmond on both public and private property. In recent years, the film office has also worked to help attract and facilitate the opening of film studio facilities in Richmond.

COVID-19 Update

The motion picture industry, like many sectors in British Columbia, continues to pivot as provincial, federal, and international guidelines regarding COVID-19 shift. The key priority being the safety and well being of cast, crew, and the communities in which filming activity takes place. Despite the challenges of the pandemic, the Provincial Film Commission reported that 2021 saw an increased number of higher value productions choosing British Columbia for filming. Creative B.C. attributes this success to British Columbia being one of the safest jurisdictions in which to film during the pandemic due to the professionalism and experience of local crews and industry stakeholders.

2021 Filming Activity

2021 was a notable year for filming activity in Richmond, with a significant increase in revenue and an increase in film days and number of permits issued by the Film Office from previous years.

2021 Filming Revenue

Table 1: Richmond Film Office Total Service and Location Charges 2017-2021

Year	2017	2018	2019	2020	2021
Total Service and Location Charges Processed	\$391,725	\$239,101	\$492,342	\$573,956	\$635,202

The Richmond Film Office processed \$635,202 in service and location charges in 2021, an increase of 11% per cent from 2020. The breakdown of revenue was as follows:

- \$356,807 in location rental fees;
- \$47,108 in street use and parking fees;
- \$132,908 in various cost recoveries (e.g., staff time cost recovery, fire hydrant permits, special effects permits);
- \$32,005 to the Richmond RCMP Detachment; and
- \$66,374 for administration fees.

As per Provincial guidelines, the City charges on a cost recovery basis for the majority of services, however location rentals are billed at market rate.

Film revenue collected by the City in 2021 is higher than other years for a variety of reasons including:

- Productions that have leased local film studio facilities generally prefer to film in locations in Richmond;
- Productions such as “*Pachinko*” Season 1, conducted extensive filming at the City’s heritage sites during the duration of their season;
- A high value production under the working title “*Bonfire*” rented out a section of a large City owned back lot for a period of six months which resulted in revenue to Real Estate Services and a high number of prep/wrap days; and
- Productions are requesting larger footprints for longer durations, in order to be able to abide by COVID-19 motion picture industry guidelines.

Along with ongoing filming activity, staff focused on strategic initiatives in 2021 which will benefit the film industry in the future. These include:

- Working with MBS Equipment Company Canada to facilitate the processes required to gain final occupancy of a building for use as a film studio facility;
- Participating in Creative B.C.’s Municipal Film Advisory Committee, and working closely with industry stakeholders to develop plans, implement processes, and provide feedback on the motion picture industry’s COVID-19 return to work materials; and
- Participating in the Community Affairs Committee, a group of municipal, provincial, union and studio executives who meet regularly to address issues and best practices regarding the motion picture industry.

2021 Film Days

Table 2: Richmond Film Activity 2017-2021

Year	2017	2018	2019	2020	2021
Shoot Days	205	211	238	128	140
Prep/Wrap/Hold Days	253	209	256	377	373
Total Days of Filming Activity	458	420	494	505	513

Within Richmond, there are many non-City owned locations used for filming, including Steveston Harbour Authority, Metro Vancouver, Vancouver International Airport, and the Gulf of Georgia Cannery. These locations and other private property owners are not obligated to report revenue or filming days to the City. As a courtesy, film production companies generally alert the Richmond Film Office regarding filming to ensure compliance with bylaws, to avoid any traffic or other conflicts in the area and so that the filming can be included in City records. In 2021, there were 453 days of filming activity managed by staff on City-owned property, five days of filming activity on Metro Vancouver property, five days of filming activity at the Gulf of

Georgia Cannery, 24 days of filming activity at Vancouver International Airport, and 26 days of filming activity at Steveston Harbour Authority.

Despite having a comparable number of shoot days to previous years, the industry is seeing a trend in a higher number of prep/wrap days. This increase can be attributed to a number of factors including:

- Productions following strict COVID-19 guidelines which require additional time and larger footprints in order to ensure a safe working environment;
- Productions no longer being able to film in close proximity with each other or film at the same location(s) back to back, requiring the need to work with Film Offices to spread out filming activity throughout various locations within the municipality; and
- With the increase in higher value productions choosing to film in British Columbia, prep/wrap periods are more extensive due to the intricate sets and the scope of work required.

2021 Film Studio Facilities

Richmond is currently home to six film studio facilities. The stability of the motion picture industry in Richmond throughout the COVID-19 pandemic is partially attributed to the development of these facilities. Demand for film studio facilities has been increasing for a number of years in the region. This demand has been further amplified with productions preferring to film at a studio facility when possible in order to ensure a safe and controlled work environment.

In 2021, MBS Equipment Company Canada (MBS) converted a leased warehouse in the South Arm area into a film studio facility. MBS Equipment Company Canada is part of the MBS Group, the largest studio based production services equipment and support company in the world. In North America, MBS Group owns eight studios, manages 12 leased properties, and provides production services to an additional 31 properties. It is projected that the production that is currently occupying the facilities will provide regular employment for an average of 250 cast and crew.

2021 Filming History

The productions that filmed in Richmond for 2021 included:

- **Motion Pictures:** *Bonfire*, *Fresh*, *Chien Blanc*, and *The Mother*;
- **Documentaries:** *Crowned Athletes*;
- **Short Films:** *It Came to Pass in the Town of Oswiecim*, *Flying*, and *Dragon Fruit*;
- **Television Movies:** *Heatwave*, and *Zoey's Extraordinary Christmas*;
- **Television Series:** *Home Before Dark*-Season 2; *Zoey's Extraordinary Playlist*-Season 2; *Superman & Lois*-Season 1 & 2; *Big Trick Energy*-Season 1; *Pachinko*-Season 1; *The Great Canadian Baking Show*-Season 5; *Yellowjackets*-Season 1; *DC Legends of*

Tomorrow-Season 7; *Nancy Drew*-Season 3; *Seeing Canada*-Season 3; and *The Good Doctor*-Season 5;

- **Television Pilots:** *Dead Boy Detectives*;
- **Commercials:** *Coast Capital*, and *Shaw TV*; and
- **Marketing Campaigns & Commercial Photoshoots:** *MPPIA Thank You Public Service Announcement*, *Tourism Richmond*, *FORM Swim*, and *Worksafe BC Courier Industry Videos*.

Early Indicators for 2022

Due to a resurgence in COVID-19 case numbers in late 2021 and restrictions as a result of the Omicron variant, there was a dip in filming activity in British Columbia during the first quarter of 2022. This decrease in activity was fleeting, and while projections for 2022 remain cautious, it is expected that filming activity in the region will remain steady. As of May 2022 the Film Office has issued 30 film location agreements. In order to accommodate as many productions as possible, with the least amount of impact to residents and other industries, staff consider film applications very carefully and work closely with productions to consider a variety of locations within the City.

As the international, federal, and provincial responses to the COVID-19 pandemic shift, the motion picture industry continues to pivot, with productions choosing to film in regions that are safe, stable, and cost effective. It is expected that filming activity in British Columbia will remain steady in 2022. Staff will monitor the situation and continue to liaise closely with the industry.

Economic Benefits of Filming

Each year the Motion Picture Association – Canada (MPA-Canada) releases economic impact studies for at least one production filmed in British Columbia. A report on the impact of the Metro Vancouver filmed production “*Superman & Lois*” Season 1, which filmed between 2020-2021 was recently released. The report highlights that the production:

- Contributed a total of \$137 million to British Columbia’s GDP;
- Spent \$95 million in British Columbia
 - 42 per cent spent on local goods and services (such as costumes, catering, automobile rentals & more);
 - 58 per cent spent on local crew & other labour;
- Stimulated 1,220 full-time equivalent jobs through production in the province; and
- Supported 1,280 community businesses.

These reports provide a good example of the impact one production can have on the local economy. This particular report is especially fitting, as “*Superman & Lois*” Season 1, not only filmed on location in Richmond (and other municipalities) but also worked out of two film studio facilities located within the City.

MPA-Canada also collects local spending data from all of their global studio members, highlighting the impact of the motion picture industry on communities across Canada. In 2020,

MPA Studios spent more than \$1.14 billion on goods and services, and supported 27,350 businesses in British Columbia. In the Richmond community alone, MPA Studios supported more than 1,000 businesses with over \$13 million in spending on production-related goods and services (such as costumes, catering, automobile rentals and more). While MPA Studio data for 2021 has not yet been released, it is expected that the impacts the motion picture industry has on the local economy will continue to remain positive and strong. The MPA member studios include Disney, Warner Bros., Sony Pictures, Paramount, Netflix, and NBCUniversal.

According to Creative B.C.'s 2020-2021 Impact Report, British Columbia continues to be the largest motion picture hub in Canada and third largest in North America, with an estimated 350 productions in the region. Despite the five month pause due to the global pandemic in 2020, these productions contributed \$1.83 billion Total Gross Domestic Product (GDP) in value added to British Columbia's economy. Total GDP includes pay and profits resulting from the industry's activities and is now included as part of Creative B.C.'s new measurement mechanism for government and industry. Furthermore, insights from the Impact Report show that there are between 60,000 to 70,000 British Columbian "workers" in the motion picture industry. As the industry is largely comprised of gig or freelance workers, this type of work remains difficult to measure however, Creative B.C. data indicates that this equates to 28,018 total full-time equivalent jobs when traditional approaches to "hours worked" are used as a measurement tool. In Richmond, beyond the revenue generated by the City and public properties, filming continues to contribute significant direct and indirect revenue to local businesses and land owners.

British Columbia has over 120 sound stages representing over 2.8 million square feet of purpose built stages and warehouse conversions. Productions are actively seeking warehouse spaces and converting them into film studio facilities. As of 2021, there are six film studio facilities in Richmond, four are operated by stage management companies and two are operated by studio production companies.

The film sector continues to be a major employer in British Columbia and in Richmond. A media release published by the Vancouver Economic Commission in October 2021 reported that "since 2012, the motion picture industry has collectively invested \$26 billion into the provincial economy, \$14.4 billion of which have been paid directly as wages to British Columbians". The release further states that the film "industry acted as an economic lifeline during the pandemic". In Richmond, it is estimated that there were over \$17 million in wages earned by residents employed in 2020. The 2021 wage totals are yet to be released, however film production unions are anticipating that 2021 wage totals will be higher as a result of increased filming activity as the industry recovers from the temporary setback presented by the COVID-19 pandemic.

Industry Initiatives

As filming activity continues to increase in Richmond, staff are working closely with stakeholders at Creative B.C., motion picture industry representatives, and neighbouring municipalities on a variety of initiatives.

In early 2021, staff were approached by the Motion Picture Community Initiative of British Columbia (MPCI B.C.) regarding a marketing proposal to acknowledge and thank various sector partners and the community for their support towards the film industry's return during the

COVID-19 pandemic. The initiative encompassed a public service announcement video titled “*A Very BC Production*”, which featured Honourable Melanie Mark – Minister of Tourism, Art, Culture and Sport and highlighted the support the film industry has received from frontline workers, small business owners, residents, local governments, and production cast and crews. As a popular film location with a high number of small businesses, MPCIB.C. worked with staff to feature Steveston Village in the section of the video that acknowledges the support received from small business owners who have opened their doors to film crews. The video was very well received by film industry partners and the community, and includes a shot of the iconic Hepworth Block.

The City of Richmond was also invited by the Motion Picture Production Industry Association of British Columbia to participate in a town hall at the sixth annual Creative Industries Week. The virtual session comprised of representatives from production, business, and local government to discuss the local impacts of the global pandemic on the motion picture industry. As one of two film offices invited to speak at the session, staff were able to share how the City of Richmond was able to mobilize and adjust internal processes in order to support the film sector’s safe return to work in 2020.

Financial Impact

None.

Conclusion

The Richmond Film Office brought in more revenue and cost recoveries in 2021 than in any previous year. This increase in service and location fees processed can be attributed to multiple factors, including the establishment of additional film studio facilities in Richmond and a trend of higher value productions choosing British Columbia for their filming. Staff are committed to working with stakeholders to establish and execute strategic initiatives and adjust existing services in order to enable the motion picture industry’s recovery and growth during and beyond COVID-19. The film sector continues to be an important economic industry in the City. The financial impact through employment and fees for locations is significant and beneficial to the City, local businesses and its residents.



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