



City of Richmond

Report to Committee

To: Parks, Recreation and Cultural Services
Committee

From: Jane Fernyhough
Director, Arts, Culture and Heritage Services

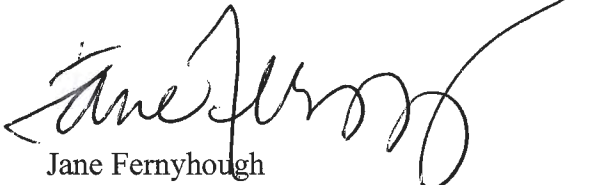
Re: 2016 Richmond Film Office Annual Report

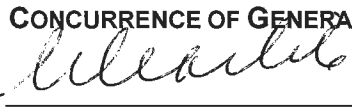
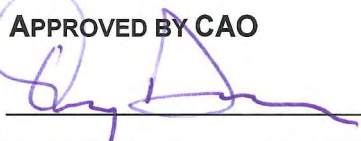
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Vol 01

Staff Recommendation

That the staff report titled, "2016 Richmond Film Office Annual Report", dated January 12, 2017 from the Director, Arts, Culture and Heritage Services, be received for information.


Jane Fernyhough
Director, Arts, Culture and Heritage Services
(604-276-4288)

REPORT CONCURRENCE		
ROUTED TO: Finance Division	CONCURRENCE <input checked="checked" type="checkbox"/>	CONCURRENCE OF GENERAL MANAGER 
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS: DW	APPROVED BY CAO 

Staff Report

Origin

In 2007, Council adopted an official City of Richmond Film Strategy, which resulted in the establishment of a dedicated film office. 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.

The purpose of this report is to provide an overview of the 2016 film activity in the City, as well as to discuss early indicators for 2017.

Background

The Major Events and Film Section oversees the production of major events and facilitates filming activities in Richmond. The Richmond Film Office is a function within that section. 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 coordinate 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 film 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.

This report supports Council’s 2014-2018 Term Goal #8 Supportive Economic Development Environment:

Review, develop and implement plans, policies, programs and practices to increase business and visitor appeal and promote local economic growth and resiliency.

8.2. Opportunities for economic growth and development are enhanced.

Analysis

2016 was the second record setting year in a row for the Richmond Film Office with both revenue and filming days hitting new levels. Television and feature films, including 2 major motion pictures, made up the majority of productions filmed.

The productions filmed in Richmond for 2016 included:

- **Major Motion Pictures:** Planet of the Apes and Power Rangers
- **Feature Films:** National Film Board, Beyond, Hot Street, Death Note, Pumpkin Pie Wars, Sea to Sky.

- **TV:** Lucifer, Impastor, Legends of Tomorrow, Once Upon a Time, The Flash, Travellers, Prison Break, Love it or List It, Supernatural, The Man in the High Castle, Rogue, and The Deep.
- **Commercials:** Dixie to Go, BC Dairy, Toyota, Benjamin Moore, Green Giant and Invokana.

Filming Revenue

Approximately \$500,000 in service and location charges was processed through the Richmond Film Office in 2016 which is an increase of \$40,000 over the previous year.

The breakdown of revenue as follows:

- \$211,400.00 in location revenues/rentals (revenue allocated to individual locations).
- \$75,550 in street use and parking fees (revenue to Transportation and Bylaws).
- \$ 93,800.65 in various cost recoveries (staff time cost recovery, fire hydrant permits, special effects permits).
- \$68,610 to the Richmond RCMP Detachment.
- \$45,945.18 to the Richmond Film Office for administration fees.

Total: \$495,305.83

As per the Community Charter, the City bills on a cost recovery basis for the majority of charges, however location rentals are billed at market rate.

The dollar amount collected in 2016 is modestly higher than 2015, however the number of film days is substantially larger. In 2015 two different productions rented out a large City owned back lot for the entire year which resulted in revenue to Real Estate Services and a high number of preparation days (the productions spent months building sets). In contrast, this year the lot was rented for only five months with more film productions choosing to film on locations. The revenue for this on location filming is also lucrative, however it requires more staff resources to coordinate.

The Canadian dollar has continued to hover in the 0.75 cent range against the US dollar which makes Canada an appealing place to American film studios. Reductions to the Provincial Tax Credit program for film productions were made in 2016, but anecdotal observations by the industry have not indicated any slow down because of this. Financial factors aside, Richmond continues to be a popular location due to its variety of locations, generally cooperative merchants and residents and the support of Richmond City Council.

Filming Days

Filming activity by total number of days:

Year	Filming Days		Comments
	Shoot Days	Prep/Wrap/ Hold Days	
2016	276	291	Included one major feature filming on location in Steveston Village, one feature filming on a closed back lot owned by the City and numerous on location film and TV productions.
2015	189	380	Included two major blockbuster films which filmed on a closed back lot owned by the City and numerous other film and TV productions.
2014	133	65	Included numerous feature films and TV productions
2013	147	52	Included one major blockbuster film which required a month of preparation.
2012	63	35	Included numerous feature films and TV productions. (Film data from YVR and Metro Vancouver are not included in the 2012 totals.)

Within Richmond there are many non-City publicly-owned jurisdictions used for filming. These include the Steveston Harbour Authority, YVR, Metro Vancouver and the Gulf of Georgia Cannery. Public jurisdictions and 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 2016, there were 210 days of filming managed by staff on City owned property, 30 days of filming on Metro Vancouver property and 36 filming days at YVR.

Economic Benefits of Filming

In 2016 The Canadian Motion Picture Association studied the economic impact of the TV show, *Once Upon a Time*. The research showed that the first five seasons of the show supported 5,585 full time equivalent jobs and \$276 million in direct production expenditures. The third season alone resulted in \$34 million being spent on local (Metro Vancouver) crew and \$21.2 million on goods and services from 880 different vendors in British Columbia.

According to Creative BC data, film production expenditures in BC were over \$2 billion dollars in the 2015/2016 fiscal year. The 2016/2017 date has not yet been compiled but it is anticipated to be an even greater amount. In Richmond, beyond the revenue generated from City and public properties, filming continues to contribute significant direct and indirect revenue to local businesses and land owners. Location fees paid directly to merchants and homeowners can be upwards of \$20,000 per day of filming depending on the scope of the production. In addition, the temporary influx of production staff and filming spectators in an area can generate additional sales revenue for merchants.

The film sector is a major employer in the City of Richmond with over \$24 million dollars in wages earned by residents employed in 2015 (last year data is available). The film production unions are predicting that this number will be higher for 2016 as there has been a Metro Vancouver wide increase in filming activity.

Film tourism continues in Richmond, particularly for fans making a pilgrimage to the filming locations of *Once Upon A Time*. The show regularly films in Steveston Village and an average of 300 fans come out each filming day to catch a glimpse of their favourite characters. Tourism Richmond has reported an 8.9% increase compared to 2015 in overall visits to their Visitor Centre in Steveston. They've also concluded that 64% of all visits were parties visiting for *Once Upon a Time*. These visitors come from around the world and plan complete vacations around visiting Storybrooke. Tourism Richmond also reports a large number of Americans visiting on repeat day trips to visit the filming locations for *Once Upon a Time*.

On February 20, 2016 the show celebrated its 100th episode with a red carpet event at the Gulf of Georgia Cannery. There were over a thousand fans outside the Cannery watching the stars of the show walk the red carpet. Media from around North America converged to document the event. The celebration is particularly notable because it is extremely rare for shows like this to have their parties in the locations they film. Typically events such as this would take place in Hollywood, but show executives indicated their strong desire to "keep it in Storybrooke."

Community Engagement

The Richmond Film Office regularly liaises with residents and merchants regarding filming matters. In busier filming areas such as Steveston, staff meet with businesses, organizations, associations and residents to ensure their needs are balanced with those of the production company.

Filming can sometimes cause disruptions to an area and therefore must be managed appropriately. Prior to issuing film permits, production companies are required to notify affected businesses and residents to ensure they are aware of the filming. This process allows productions the opportunity to address potential concerns before the filming takes place. Notification is typically done in the form of door to door canvassing which encourages direct interaction by all parties. Notification letters are also distributed in advance of filming and include a contact number for someone who will be on set during all hours of filming as well as the City's Film Liaison's direct contact number.

Site visits to locations being used for filming are conducted to ensure that guidelines are being adhered to and to gauge the overall atmosphere of the event. Staff balance the efforts to increase filming activity with the best interests of the area being filmed. There are times when filming events are not approved in order to ensure the locations are not being overused.

Forecast and Initiatives

The Canadian dollar remains low when compared to its American counterpart. The low dollar is a major incentive for American studios to film in Canada as the cost of producing becomes more cost effective. Film production in Metro Vancouver is at capacity in most areas and there is no

indication of any slowdown currently at a very high level with industry insiders indicating that the lower Canadian dollar will increase demand for 2017 as studios seek better and less expensive options for filming.

Shows such as *Once Upon a Time*, *Supernatural*, *The Flash* and *The Man in the High Castle* appear on track for renewal of additional seasons. These shows, and others, are predicted to continue to film in Richmond.

Staff are working strategically with other municipalities and film industry representatives on a variety of initiatives with a common benefit. Action items to come from this group include:

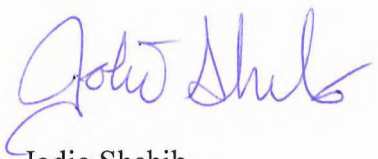
- Streamlined regulations, fees and bylaws in order to be more user friendly to productions and established industry standards for municipal film issues.
- Coordinated public outreach from the committee on “hot topics” for film.
- Education initiatives for the public and industry professionals. Staff have worked with the Directors Guild of Canada representatives to present at post-secondary courses for location managers.
- Promotional opportunities via Creative BC to market Metro Vancouver at an international level.

Financial Impact

None.

Conclusion

Filming has increased steadily over the past few years and will continue to be busy in 2017. Filming is an important economic sector in the City; the financial impact through employment and fees for locations is significant and the tourism effect continues to draw visitors to Richmond.



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