



# City of Richmond

## Report to Committee

**To:** General Purposes Committee

**Date:** March 12, 2019

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



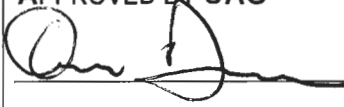
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**Re:** 2018 Richmond Film Office Annual Report

### Staff Recommendations

That the staff report titled "2018 Richmond Film Office Annual Report", dated March 12, 2019, 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:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Finance Division Economic Development	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS: 	APPROVED BY CAO 

## Staff Report

### Origin

In 2007, Council adopted an official 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. 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 2018 film activity in the City, as well as to advise of early indicators for 2019.

### Background

The Richmond Film Office section 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 facilitates 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 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.

### Analysis

2018 was a transition year for filming in Richmond with a strong focus on strategic initiatives that are expected to benefit the local industry in 2019.

In 2018, the first purpose-built film studio opened its doors in Richmond. The studio is located in East Richmond and features four sound stages and over 119,000 sq. ft. of production space. This has resulted in a large amount of filming activity in late 2018 and early 2019, as the studio is fully leased and productions make efforts to keep location filming nearby the studio. The studio directly employs over 300 mostly local (Metro Vancouver) residents.

The productions filmed in Richmond for 2018 included:

- **Feature Film:** The Kaslan Project (part of the “Chucky” series);
- **Television Movies:** Smalltown Christmas, Hope for Christmas;
- **TV:** Project Blue Book, Salvation Season 2, The Mission, The Flash, Take Two, Magicians Season 4, Sirens Season 2, Twilight Zone, Ink, Supernatural, The Detour, Grape Hemlock and The Terror; and
- **Commercials:** Hulu, Xfinity, Best Buy, Allstate, Mitsubishi, Johnny Walker Black, Hyundai and Philips Dreamwear.

### 2018 Filming Revenue

In 2018, \$239,101 in service and location charges were processed through the Richmond Film Office. The breakdown of revenue was as follows:

- \$83,521 in location rental fees (e.g., parks, heritage buildings);
- \$31,558 in street use and parking fees (revenue to Transportation and Bylaws);
- \$46,303 in various cost recoveries (e.g., staff time cost recovery, fire hydrant permits, special effects permits);
- \$32,547 to the Richmond RCMP Detachment; and
- \$45,171 to the Richmond Film Office for administration fees.

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.

Film revenue collected by the City in 2018 is lower than in 2017 for a variety of reasons including less major features in town, the “look” of the City not matching the production’s needs and a slowdown in filming activity in other similar sized municipalities in the region. The Film Office was able to focus on strategic initiatives which are paying off in the first quarter of 2019.

Examples of strategic initiatives included:

- Staff worked closely with the Fraserwood Studio group to navigate through the municipal processes required to gain final occupancy of the building.
- Staff are active in the Community Affairs Committee, a group of municipal, provincial, union and studio executives who meet regularly to address issues regarding the film industry.
- Staff participate in regular outreach such as guest instruction at Location Management courses at BCIT, Vancouver Film School and via the Directors Guild of Canada.

### Early Indicators for 2019

January and February 2019 were the most profitable on record with over \$160,000 in cost recoveries and revenue collected. Filming in the first two months of 2019 included 28 film days and 36 preparation/wrap up days. Popular locations such as Steveston are at capacity with the Film Office being forced to deny more than half of the film applications requesting the area.

While staff are reluctant to make predictions regarding the remainder of the year, the current level of activity is showing no signs of slowing down. The low Canadian dollar, the addition of Richmond based studios, and record levels of pilots filming regionally indicate that 2019 is potentially on track for a record breaking year.

Filming Days

Below is a summary of the total filming days from 2013–2018:

Year	Filming Days		Comments
	Shoot Days	Prep/Wrap/ Hold Days	
2018	211	209	High volume of filming activity within the City, however lower revenues due to scale of film shoots.
2017	205	253	Included several major features filming for short periods of time in the City and numerous TV productions.
2016	276	291	Included one major feature filming on location in Steveston Village, one feature filming on a property owned by the City and numerous on-location film and TV productions.
2015	189	380	Included two major blockbuster films which filmed on a property 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.

Within Richmond, there are many non-City owned locations used for filming including Steveston Harbour Authority, YVR, Metro Vancouver 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 2018, there were 173 days of filming managed by staff on City-owned property, nine days of filming on Metro Vancouver property and 29 days of filming at YVR for a grand total of 211 shoot days.

Economic Benefits of Filming

Each year the Canadian Motion Picture Association releases economic impact studies for at least one production filmed in BC. In 2018, a report on the impact of the Metro Vancouver filmed production “Deadpool 2” was released. Highlights from that report include:

- Over \$2 million on construction supplies;
- Over \$2 million on transportation and car rentals;
- Over \$1.4 million on hotels;
- \$900,000 on wardrobe and dry-cleaning;
- 3,700 local jobs created; and
- Over \$500,000 on gasoline.

While *Deadpool 2* did not film in Richmond, portions of the local crew employed on the show are Richmond residents. The report is a good example of the impact one local show can have on our economy.

According to Creative BC data, film production expenditures in BC were over \$3.4 billion in 2017–2018, an increase of over \$700 million from 2016–2017. 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. The industry also supports 60,870 full-time jobs in the Province.

Metro Vancouver has 2.5 million sq. ft. of studio space and in 2018, nearly all of it was rented out to film productions. Productions are actively seeking warehouse space and converting them into temporary and permanent studios for filming. In 2018, at least two temporary warehouse conversions and one permanent warehouse studio conversion were constructed in Richmond. An additional warehouse studio conversion is anticipated to be completed in early summer 2019, doubling the amount of studio space within the City.

The film sector is a major employer in the City with over \$18 million in wages earned by residents employed in 2017 (2018 data is unavailable). Film production unions are predicting higher numbers for 2019 as a result of increased filming activity in Metro Vancouver.

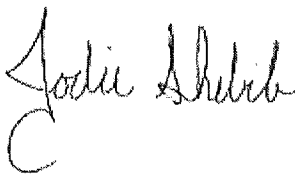
Film productions have a long history of donating to local not for profit groups in the areas they are impacting; however, they have also been historically reluctant to announce their donations. New for 2019, the Richmond Film Office is requesting more data on the amount of money being donated by each production filming in Richmond. In the first two months of 2019 local film productions donated over \$18,000 to local charities or causes. Gravity Productions Inc. (*Twilight Zone*) donated \$5,000 to the Richmond Maritime Festival and \$5,000 to the Steveston Community Society. Canadian Expedition Productions II Ltd. (*The Terror*) donated \$3,000 to the Richmond Animal Protection Society and \$2,000 to the Richmond Hospital Foundation. Marathon Park Productions (*Ink*) donated \$3,000 to the Richmond Girls Softball Association. City staff encourage shows with higher impact to make donations into the community whenever funds allow. This practice is promoted at the regional level in the Community Affairs group.

### **Financial Impact**

None.

### **Conclusion**

Filming is an important economic industry in the City. The financial impact through employment and fees for locations is significant and beneficial to the City.



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