

From: "Johnston, Sadhu" <Sadhu.Johnston@vancouver.ca>

To: "Direct to Mayor and Council - DL" <CCDTMACDL@vancouver.ca>

Date: 8/17/2017 3:49:24 PM

Subject: Memo on 2016 Year End Film Data

Attachments: Memo to Mayor & Council - 2016 Film Data.pdf

Dear Mayor and Council,

Please see the attached memo from Jerry Dobrovolny on the 2016 Year-End Film Data. Below are key points:

- The number of productions filming in Vancouver increased over 15% over 2015 and 63% over 2013.
- 6068 film and street activity permits were issued, up from 4678 in 2015, an increase of 30% and of 85% over 2013.
- Permit revenue intake was \$940K, an increase of 32% over 2015's \$710K
- Vancouver hosted 3301 film days more than doubling 1518 film days in 2015.
- Based on Vancouver postal code data, the film industry paid over \$409M in wages to Vancouver residents.
- Warner Bros. continues to be the City's largest TV client. The studio's hit, Arrow, has direct spent \$360M and has created the equivalent of 7,087 full time jobs over four seasons.
- Based on a 2016 award submission, Vancouver was voted as the "Best Place to Live and Work as a Movie Maker", tying with New York City.
- The film industry has become increasingly engaged with community stakeholders and continues to be an excellent corporate citizen, donating over \$200K in donations and cash to Vancouver charities and social organizations.
- Various pressures created a soft 1st quarter, but 2017 forecasts to be a strong remainder of year.

Should you have any questions, please contact Sandi Swanigan, Senior Manager, Film and Special Events at 604-257-8441 or sandi.swanigan@vancouver.ca.

Best,
Sadhu

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ENGINEERING SERVICES
Jerry Dobrovolny, P.Eng.
City Engineer/General Manager

MEMORANDUM

August 16, 2017

TO: Mayor and Council

CC: Sadhu Johnston, City Manager
Paul Mochrie, Deputy City Manager
Janice MacKenzie, City Clerk
Lynda Graves, Manager, Administration Services, City Manager's Office
Rena Kendall-Craden, Director, Communications
Kevin Quinlan, Chief of Staff, Mayor's Office
Katie Robb, Director, Communications, Mayor's Office
Naveen Girn, Director, Community Relations, Mayor's Office
Margaret Wittgens, Director, Public Space and Street Use
Sandi Swanigan, Senior Manager, Film and Special Events

FROM: Jerry Dobrovolny, General Manager of Engineering Services

SUBJECT: 2016 Film Data

This memo provides the 2016 year-end data¹ related to TV and film production in Vancouver.

Filming in Vancouver 2016

In 2016, the Film and Special Events Office facilitated a second consecutive record year with the number of productions filming in Vancouver in 2016 rising 15% over 2015 and 63% over 2013. The City of Vancouver hosted 3301 filming days² in 2016 more than doubling 2015's total of 1518. The branch issued 6068 film and street activity permits exceeding 2015's 4,678 permits by 30% and 2013's 3284 by 85%. City film and street activity permit³ revenue increased from \$710,000 in 2015 to approximately \$940,000 in 2016. The City of Vancouver generated \$3 million in services and cost recovery charges⁴. As directly reported to the Film

¹ The data enclosed does not include Vancouver Parks Board film data.

² A "film day" is a day where a production is actively filming as opposed to preparing and/or tearing down a location or set.

³ A "street activity permit" is a permit that allows up to 3 contiguous or connected blocks using the same closures times (e.g. 300, 400 and 500 Block Keefer for closure from 7:00 pm March 12 to 7:00 am March 13). It is critical to note that a street activity permit is not synonymous with film permit; each production will have many street use permits issued over their run. Prior to the issuance of a street activity permit, each on-street location is checked for frequency of use; previous issues or complaints; traffic restrictions; scheduling conflicts with City or development construction and/or utility work; and other filming or special events.

⁴ Charges include VPD charges: \$2.15M; Lost Meter Revenue: \$440K; Engineering and Location Charges: \$456K (approximate).

and Special Events branch by the BC Film Commission, over \$409 million in payroll specifically for city residents was generated by filming in Vancouver.

TV series continued to be the mainstay of the regional industry. Warner Bros. remained Vancouver's biggest location filming client with 13 series and 3 pilots filming in 2016, up from 2015's seven; these include perennial favourites such as Supernatural and Arrow as well as newcomers Riverdale and Lucifer. Per a report produced by MNP LLP in early 2017, the five filming seasons⁵ of Arrow, which shot primarily in Vancouver Film Studios and on Vancouver streets, contributed over \$360 million in direct spend to the province and created the equivalent of 7,087 full time jobs. TV pilots were down slightly in 2016, with a growing trend of eschewing pilots by the non-traditional producers such as Netflix and Amazon.

The number of films, in both feature and movie-of-the-week formats, fell slightly from a record 78 in 2015 to 65 in 2016, a number, however, that is double the number filmed in 2013 and 2014. Deadpool, whose filming impacted the Georgia viaducts in 2015, went on to be one of the biggest blockbusters and best reviewed motion pictures of 2016; the viaducts, stadia, Chinatown and the Vancouver skyline featured prominently in the film.

The commercial industry boasted another record year, filming over 207 commercials in 2016 up from a record 158 projects in 2015. The commercial industry is a fast-paced and highly competitive one; local production firms work hard to out-bid other destinations in North America and internationally. Responsive service and quick availability of on-street locations, particularly downtown locations, were and are critical to their continued success.

Below is a 4-year overview of filming by production type.

	2013	2014	2015	2016	Notes
Films	28	36	78	65	Includes feature films and made-for-TV films
TV Series	27	34	45	57	
Pilots	13	10	16	13	The first episode(s) of proposed series. Often higher-budget than regular series and can feature high-profile directors and/or producers.
Commercials	116	105	158	207	
Other	65	50	56	65	Includes short films, music videos, documentaries, student films, photo shoots, etc.
TOTAL	249	235	353	407	

Employment Data

The film and television industry continues to be a significant employer and contributor to the City's economy. Payroll data collection analysis was conducted by the BC Film Commission and improved coordination with the industry's payroll services providers provided the most

⁵ It should be noted that TV "seasons" typically bridge calendar years, therefore some data will begin in 2015 or carry on into 2017.

accurate Vancouver-specific data to-date. Based on payment by Vancouver postal codes, the film and television industry employed 18,883⁶ people and paid \$409 million in payroll.⁷

2016 Milestones and Initiatives

Vancouver received recognition as the “Best Place to Live and Work as a Movie Maker” by Movie Maker Magazine. City film branch staff worked in partnership with the BC Film Commission to produce the award submission to Movie Maker Magazine, an industry magazine award that included Canadian cities for the first time in some years. Announced at the Sundance Film Festival, Vancouver tied with New York as number 1 in the “Big Cities” category. Touting diverse looks, trained crews, competitive financial incentives, welcoming regional residents, superior innovators, and excellent production and post facilities, Vancouver placed first over Los Angeles (3rd), Toronto (7th), and Montreal (11th).

(Link: [https://www.moviemaker.com/archives/best_of/best-places-to-live-and-work-as-a-moviemaker-2017/3/.](https://www.moviemaker.com/archives/best_of/best-places-to-live-and-work-as-a-moviemaker-2017/3/))

Coordinated Branch-to-Industry Communication

Senior management from the City’s film and special events branch continued to work closely with the industry, an approach critical in a peak demand year. Working primarily with the BC Film Commission’s community affairs team, the Motion Picture Production Industry Association (MMPPIA) Board of Directors and the Directors Guild of Canada’s Location Caucus, branch management and the industry together resolved numerous issues related to servicing a record-level industry. The sheer volume of 2016 filming demonstrated the need for a coordinated approach to on-the-ground issues such as intake, capacity, and scheduling, communication alignment as well as resolution of regional issues.

The results of such coordinated work included an increase in structured community and municipal staff recognition and support; targeted campaigns encouraging professional crew conduct on City and the region’s streets; the transitioning of industry air cooling and electrical practices to align with emerging municipal and federal regulations; a successful negotiation of the provincial tax incentive; and a continued focus on “greening” the industry featuring a re-invigoration of Reel Green, the industry’s green program and a sustainability forum at the Vancouver International Film Festival presented by Creative BC and co-sponsored by the Film and Special Events branch and the Vancouver Economic Commission.

Integrated Issue Mitigation and Resolution

When a film or TV production says it is “filmed in Vancouver”, it most likely means filmed in multiple municipalities and as far away as Abbotsford or Squamish. While Vancouver benefits greatly from being the “brand”, it is the region that delivers. Arrow, for example was serviced by 825 businesses from 31 communities, including 15 from Metro Vancouver. See report here: <http://www.mpa-canada.org/wp-content/uploads/2017/02/MPA-Canada-Arrow-Final-Report.pdf>. The City of Vancouver’s Film and Special Event Branch management continues to represent the concerns and opportunities of other municipalities while at the MMPPIA Board of Directors Table and meets regularly with other municipalities and stakeholders to arrive at regional issue resolution.

⁶ As a crew member can work on multiple projects throughout the year, this figure should not be taken to indicate the number of people working in the industry.

⁷ The above stats do not include crew who work in commercials or in most reality/unscripted television, documentaries and independent projects.

2017 Outlook

Political changes in the US, a potential writers' strike and ongoing unknowns regarding the new provincial tax incentives all led to an erratic and lower trending first quarter, but one still ahead of 2015 numbers. News outlets focused on items such as the move of more than 3 shows to California, which re-introduced tax incentives via a national lottery, or to other locations. Those departures have been quickly replaced in Vancouver by new series. Warner Bros., Netflix and Amazon are all bringing a considerable number of series back.

Based on the number of applications on file and discussion with the Directors Guild of Canada BC and local film studios, location filming levels are expected to reach close to 2016 levels for the remainder of the year. Should that situation materialize, the City and its industry partners will need to assess resourcing and carefully manage capacity and fatigue while providing the excellent service on which the City has built its reputation.

If you have any questions, please feel free to contact Sandi Swanigan, Senior Manager, Film and Special Events at 604-257-8441 or sandi.swanigan@vancouver.ca.

A handwritten signature in blue ink, appearing to read 'J. Dobrowolny', with a stylized flourish at the end.

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