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Date: 5/31/2018 8:58:23 AM
Subject: Memo - 2017 Film Data
Attachments: Memo - 2017 Film Data.pdf

Greetings Mayor and Council,

Please see the attached memo from Jerry Dobrovolny regarding 2017 Film Data. A short summary of the memo is as follows:

- Filming in 2017 second-strongest on record with over 412 productions serviced by the Film and Special Events Branch. If the 51 TV series that filmed in the city, 53% were new to Vancouver.66 feature and made-for-TV movies filmed in Vancouver, with a continued return of larger productions.
- The film and television industry provided 18,965 jobs for Vancouver residents alone with a payroll of \$467 million, which is an increase of 14.2% over 2016. New data compiled by the Vancouver Economic Commission, and as verified by PricewaterhouseCoopers, shows that film and television is a \$3.4 billion province-wide industry that pays \$1.8 billion in payroll.
- Vancouver was ranked the second best place in North America (and first in Canada!) to “Live and Work as A Movie Maker”, according to MovieMaker magazine.
- Location fatigue, lack of parking availability and cost, as well as very competitive campaigns and infrastructure investment by other jurisdictions are primary threats to industry sustainability.
- Formal engagement between City leadership and the film industry has laid groundwork for a more structured, strategic and future-focused partnership.

If you have any questions, please feel free to contact Margaret Wittgens, Director of Public Space & Street Use at 604-673-8227 or margaret.wittgens@vancouver.ca.

Best,
Sadhu

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MEMORANDUM

May 30, 2018

TO: Mayor and Council

CC: Sadhu Johnston, City Manager
Paul Mochrie, Deputy City Manager
Katrina Leckovic, City Clerk
Lynda Graves, Administration Services Manager, City Manager's Office
Rena Kendall-Craden, Communications Director
Kevin Quinlan, Chief of Staff, Mayor's Office
Naveen Girn, Community Relations Director, Mayor's Office
Margaret Wittgens, Director, Public Space and Street Use

FROM: Jerry Dobrovolny
General Manager, Engineering Services

SUBJECT: 2017 Film Data

This memo provides the Engineering Services' Film and Special Events Branch 2017 year-end data¹ related to television and film production in Vancouver.

Filming in Vancouver in 2017

Filming remained strong in Vancouver in 2017. The 412 productions supported by the Film and Special Events (FASE) branch exceeded the record year of 2016, which saw 407 productions visit the city. Actual 2017 film days, however, were down slightly, registering 2,549 filming days in comparison to 2016's record 3,301². The branch issued 5,083 film and street activity permits in 2017, a decrease of 16% from 2016's unprecedented 6,068. Activity in 2017, however, continued to outpace 2015's 4,678 permits, resulting in 2017 being the second-strongest film year on record in Vancouver. Film applications and permits generated \$809,255 in revenue. For the provision of City services, including police, the film industry was invoiced \$3.86 million³.

Production Overview

Television production remained strong and continues to be led by Warner Bros., the producers of shows such as *Supernatural*, *The Flash*, *Supergirl* and the new viral hit *Riverdale*. Added to this is a continued upswing in the number of streaming platform productions; these include the highly successful Amazon hit *Man in the High Castle* and Netflix's *A Series of Unfortunate*

¹ The data in this memo 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 removing a filming set.

³ In addition to Vancouver Police Department and Vancouver Fire and Rescue Services charges, this figure includes cost recovery and administration charges for Engineering Services as related to street closures or impacts, use of City-owned venues managed by Real Estate and Facilities Management, and lost meter revenue.

Events and the newly released *Altered Carbon*. Traditional studio productions such as ABC's Golden Globe-nominated *The Good Doctor* are also filmed in the City.

The ratio between feature films and movies of the week also continued to balance out; this was a result of both increased interest by large productions in filming here and budget pressures driving smaller productions to outlying municipalities. In 2017, Vancouver provided key locations for the upcoming blockbuster *Skyscraper*, starring Dwayne “the Rock” Johnson. Mayor Robertson, via the “Rock Proc”, declared October 19 the official “Rock Day”, in recognition of the significant charity work Dwayne Johnson does as well as his ongoing social media “love affair” with Vancouver and the region; the Rock’s Instagram of receiving the Mayor’s proclamation garnered over 2.8 million views.

Fast-paced and competitive, the production of commercials remained at the previous year’s record 207, proving Vancouver continues to be a desired destination for a large variety of commercials. It is not uncommon to see Vancouver featured in many international auto, lifestyle and product advertisements; the City’s versatile “look” is a critical asset to the film industry in general. Table 1 shows a 5-year overview of filming by production type.

Table 1. Filming by Production Type

ITEM/YEAR	2013	2014	2015	2016	2017	NOTES
Film	28	36	78	65	66	Includes feature films and made-for-TV films
TV Series	27	34	45	57	51	Includes regular studios/channels as well as online streaming such as Netflix, Amazon, etc.
Pilots	13	10	16	13	9	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	207	
Other	65	50	56	65	79	Includes short films, music videos, documentaries, student films, photo shoots, etc.
TOTAL	249	235	353	407	412	

For the first time, the Film and Special Events branch is able to provide more detailed information regarding television series. As noted below in Table 2, there was significant turnover in 2017; 53% of the 51 series filmed in Vancouver in 2017 were new productions.

Table 2. TV Series : New, Returning and Completed

Type	#	NOTES
New Series	27	First year filming in Vancouver
Returning Series	24	
Departed/Completed/Cancelled Series	33	Includes series whose run had completed. 3 series departed to film elsewhere or were cancelled in-run

Onboarding a new production is a time-consuming process; this combined with the growing size and complexity of television series productions has resulted in considerable impact on FASE staff capacity. This data will be considered when producing estimates for future FASE staffing levels.

Economic Impact and Employment Data

The film and television industry continues to be a strong employer in the City. Payroll data shows that the film and television industry employed 18,965⁴ Vancouver residents, who were paid \$467 million; this payroll figure equals an increase of \$58 million (or 14.2%) over last year's \$409 million.⁵

According to new research by the Vancouver Economic Commission, and as verified by PricewaterhouseCoopers, the film and television industry's⁶ total 2016⁷ direct spend in B.C. was \$3.4 billion; this is a considerable increase on previous estimates of \$2-2.6 billion⁸. Total province-wide payroll for the industry in 2016 was \$1.8 billion, and has grown by 113% since 2012.

With over 80% of provincial activity occurring in Metro Vancouver (and the majority of that occurring in the City of Vancouver), this new data further validates the film and television industry's size and importance to the local and provincial economy. Additional industry expenditure (e.g., hotel stays, food and beverage, etc.) results in significant indirect economic impacts beyond the \$3.4 billion direct spend total.

An example of the impact a single hit series can bring to the local economy is demonstrated by a recent MNP⁹ analysis of *Riverdale*, which films in the Strathcona neighbourhood and many local high schools. In two seasons the teen drama has created more than 1,000 jobs and spent close to \$60 million for locations, artists and technicians. <https://www.mpa-canada.org/wp-content/uploads/2017/11/Nov-29-RIVERDALE-RELEASE-EMBARGOEDTONOV29-1.pdf>. *Riverdale* filmed 16 episodes in Vancouver in 2017 and 2016 combined and has generated spin-off film tourism, not only in Vancouver, but regionally.

2017 Milestones and Initiatives

It would be impossible to beat Vancouver's 2016's first place tie with New York City as the "Best Place to Live and Work as a Movie Maker"¹⁰ in North America, but in 2017 Vancouver did the next best thing and came in second only to Atlanta, Georgia, a city that has made considerable investment into studio infrastructure and launched an aggressive production attraction

⁴ 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.

⁵ The above stats do not include crew who work in commercials or in most reality/unscripted television, documentaries and independent projects.

⁶ Includes visual effects (VFX) and animation.

⁷ 2017 data is not yet available. The VEC is continuing to work with government to improve and rollout this new methodology; previous year data is expected to be available in 2019.

⁸ Note that past data was based on provincial tax credit figures. Because productions do not always claim credits in the same year or same province the filming took place, the data does not necessarily reflect complete and/or year-over-year activity.

⁹ Meyers, Norris, Penny LLP, a chartered accountancy and business advisory firm.

¹⁰ Per *MovieMaker* magazine, a leading film industry publication.

campaign. Other notable cities ranking: Los Angeles – 3rd; New York – 5th; and Toronto – 8th.
https://www.moviemaker.com/archives/best_of/best-places-to-live-and-work-as-a-moviemaker-2018-big-cities/3/.

On April 12, 2017, FASE senior management led preparation for the “Mayor’s Roundtable on Film 2018”. Supported by the VEC’s Vancouver Film Commissioner, the BC Film Commission, and Motion Picture Production Industry Association (MPPIA), the discussion focused on the film industry’s current maturity; its contribution to Vancouver’s economy and livability; emerging threats to industry sustainability; and the industry’s request for a more involved, strategic partnership with the City regarding public space planning, infrastructure, access to City-owned and/or leased property and advocacy. A by-product of the session is found in Appendix A; this document is a convenient capture of the industry’s current status and outlook.

Film tourism, led by Tourism Vancouver with the involvement of the Vancouver Film Commission, Creative BC, MPPIA, CMPA and the City’s film and special events branch developed great tie-ins with local production. Tourism Vancouver ran several successful campaigns involving locations and businesses where productions filmed. Most significant is the current *Deadpool 2* “Visit Vancouver” campaign, which has the support of the star, Ryan Reynolds, and the studio; the end product is imbued with Reynold’s humour—he even got involved in the creative selection of copy and images.

2018 Outlook

Film production interest in Vancouver remains high—applications are up 24% over 2017—and, as in the previous two years, production type remains highly diversified. Factors such as lack of access to key downtown areas due to location fatigue and inaccessibility of surface parking, however, is affecting production levels. Anecdotal information shows more productions reporting “displacement” due to expense and unavailability of parking than ever before; productions simply cannot film as much as they want to in Vancouver and some avoid it from the very outset. While a regional approach to production accommodation may ensure continued retention and employment, access to and affordability in the city of Vancouver itself is critical to a strong B.C. film industry. FASE staff will closely monitor whether the current high number of film applications on file materializes into actual “film days” with hopes there will be a trend correction. Likewise FASE management will continue to facilitate the improved strategic alignment between the City and industry as well as research and implement remedies for emerging issues.

For inquiries and comments, please contact Margaret Wittgens, Director of Public Space and Street Use at 604-673-8227 or margaret.wittgens@vancouver.ca.



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VANCOUVER'S MOTION PICTURE INDUSTRY

APRIL 2018

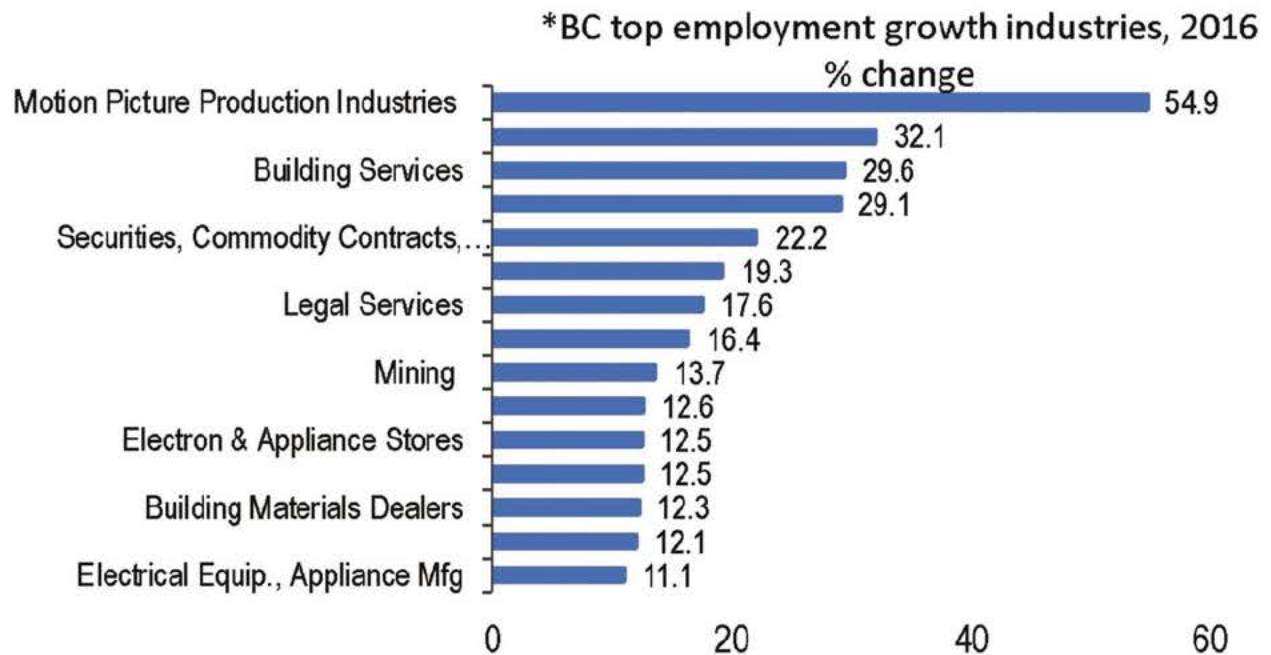
Prepared for: City of Vancouver

Prepared By: MPPIA



ECONOMY

- 2016 was a record-breaking year for motion picture production in BC, with **direct spending** topping at **\$3.4B**¹;
- **Workers** in BC received **\$1.8B** in wages (2016)²;
- Supports **40,000** jobs;
- Employment in motion picture industry **exceeds all other industries** in fastest growth in jobs as well as volume of jobs³;



1. Vancouver Economic Commission, 2017 (unreleased data; internal use only)

2. *ibid*

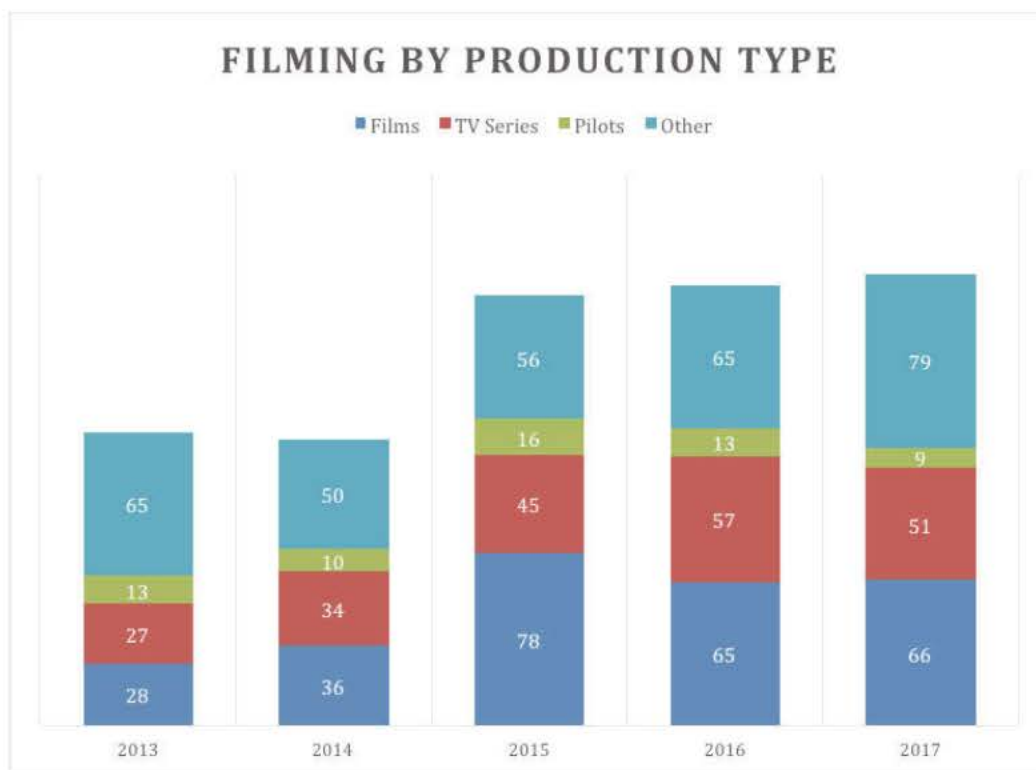
3. Business Council of British Columbia, 2016 (Ken Peacock, Chief Economist)

ECONOMY

- Province-wide, **24 post-secondary institutions** offer internationally recognized education and training for the next generation of production professionals;
- **Infrastructure** includes 2.5M square feet of stage space and extensive post-production, visual effects and animation facilities, representing **over \$1B** in BC-based **private sector investment**.

Of the 2.5M sqft of stage space available, **only 17%** is located in City of Vancouver.

- City of Vancouver has experienced **major growth in film production activity** over 5 years ⁴, as detailed below:



Notes:

- Represents volume, not budget level.
- Films includes feature films and made-for-TV films.
- TV Series: volume of episodes is variable for each title.
- Pilots: first episodes of a proposed television series. Often higher budget & high profile talent.
- Other: includes documentaries, short films, student films, music videos etc.

4. City of Vancouver Film and Special Events Office, annual street permit film data, current to 15 March 2017

HIGHLIGHTS

THE PRODUCTION OF *ARROW* IS AN ECONOMIC BLOCKBUSTER FOR BRITISH COLUMBIA

- \$360.8 MILLION** SPENT IN BC OVER 5 SEASONS
- SUPPORTED 825 BUSINESSES FROM 31 COMMUNITIES
- 7,087 BC JOBS CREATED

PHOTO: © 2011 WARNER BROS. ENTERTAINMENT INC.

PICTURE CANADIAN GROWTH

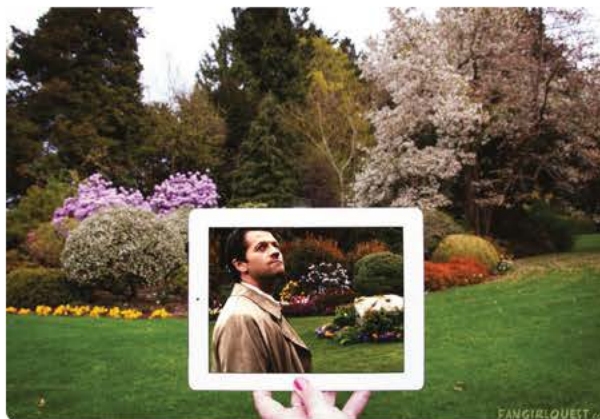


Photo credit: "Supernatural" FangirlQuest.com

SUPERNATURAL Television series ⁵

- Economic impact of 11 seasons of production in BC:
 - > \$500M in spending
 - > Created over 9,500 FTE jobs
 - > Supported over 1,000 vendors

5. The Supernatural TV series was renewed for Season 14 in April 2018

WARNER BROS. TELEVISION'S *RIVERDALE* IS A HIT FOR BRITISH COLUMBIA'S ECONOMY

**\$60.4
MILLION**

TO BE SPENT IN BC IN
THE FIRST TWO SEASONS



1,041 JOBS IN B.C.
IN SEASON ONE ALONE

773

SUPPORTED 773 VENDORS FROM
31 COMMUNITIES ACROSS B.C.



PICTURE
CANADIAN
GROWTH

PHOTO: © 2019 WARNER BROS. ENTERTAINMENT INC.

THE PRODUCTION OF *WAR FOR THE PLANET OF THE APES* WAS AN ECONOMIC BLOCKBUSTER FOR BC

**OVER
\$81
MILLION**

SPENT IN
BRITISH COLUMBIA

**OVER
\$45
MILLION**

SPENT ON LOCAL CAST,
CREW, AND EXTRAS



PICTURE
CANADIAN
GROWTH

PHOTO: © 2017 FOX ENTERTAINMENT GROUP.
*ALL VALUES CALCULATED IN CANADIAN DOLLARS

SOCIETY

- The Motion Picture Industry is committed to environmental sustainability and works under **The Reel Green Strategic Plan**, a five-year multi-party strategic action plan to reduce carbon emissions and waste;

Warner Brothers have implemented **extensive recycling and composting programs** to their productions. For the WB series *iZombie*, the “Compost Transfer” system has been implemented, diverting up to 6 yards of food waste monthly.

Fox’s *X-Files* production unit managed to **divert more than 81% of its total waste from landfill, recycle 100% of the aluminum and steel** used in set construction, use only lauan plywood certified by the Forest Stewardship Council (FSC), replace plastic water bottles with refillable ones, avoiding the use of 45,760 plastic bottles, and recycle more than 35 tons of “dirty” EPS foam used for set construction, breaking new ground for the entire industry ⁶.

- The Motion Picture Industry has strong public support: **95%** of Vancouverites feel that the production of Hollywood studio films and TV shows has a positive impact on the City’s reputation. Compared to 10 years ago, **83%** of Vancouverites feel that the benefits of film and TV production have become more important to BC’s economy ⁷;
- The vast majority (**84%**) say that film and television production has become an important part of the economy of BC. And **85%** would like to see film and TV become a bigger part of the economy of the province.
- **88%** say that the economic benefits of film and TV for BC have become more important over the last ten years. This view is consistent among younger and older people, all income groups, and is high across all regions of the province. It is a view that crosses partisan lines as well.
- When thinking about the kind of economy they would like for the future and the sorts of policy emphasis they would prefer, residents of the province would like to see film and TV production **given similar importance as forestry and natural gas**.
- Both **Canadian and foreign** (“Hollywood studio”) productions, are seen as highly beneficial for the province. There is **almost no difference in support** for increasing incentives for productions based on whether they are led by Canadian or Hollywood studios—in either case, large majorities see significant benefits for Canada.
- Three out of four British Columbians **support additional federal and provincial incentives** to stimulate production, and don’t discriminate as to whether the productions are by Canadian, Hollywood or global studios.

6. MPA-Canada, *Environmental Sustainability* (<https://www.mpa-canada.org/going-greenenvironmental-sustainability/>)

7. MPA-Canada Poll, *Abacus Data 2017*

CULTURE

- With Vancouver's Global Brand valued at \$31.5B and rated AA-⁸, film and television projects "Filmed in Vancouver" contribute significantly to our brand value;
- **Tourism contributor.** Film-induced tourism provides additional recurring revenue for cities with estimates topping \$200M annually in other jurisdictions⁹;
- **Employs artists.** Beyond the motion picture production workforce, the industry has positive spillover effects into the creative economy, with motion picture budget spends benefitting other creative workers such as craftspeople, musicians and publishers¹⁰.
- **Supports diversity.** The film industry fosters inclusivity in the workforce with an ever growing number of initiatives such as the DGC National Diversity committee, Women in Film, Asian Film Festival, Queer Film Festival, Annual Women in Entertainment Awards Gala and Fundraiser, Women in View, 2 X More, Whistler Film Festival – Women on Top. The

DGC has also earmarked funds to support diverse Directors.

- The Motion Picture Industry **gives back**, with decades of charitable support to local art, education, youth and social causes. Industry has provided more than twenty years of routine and holiday season outreach **totalling in excess of half a million dollars** in the Downtown Eastside and has supported Habitat for Humanity, A Loving Spoonful, Dream Big Youth Project, AIDS Vancouver, and the Paralympic Foundation, among others.

With years of impressive examples of charitable donation, industry is currently implementing a formal process with key studio partners to consistently measure charitable donations of cash and goods from motion picture productions in Vancouver.



8. *Brand Finance, 2015; courtesy VEC*

9. *"Quantifying Film Tourism in England", Creative England*

10. *Creative Industries Ripple Effect, Olsberg-SPI, 2017*

THE MOTION PICTURE INDUSTRY BRINGS
SIGNIFICANT ECONOMIC, SOCIAL & CULTURAL
VALUE TO VANCOUVER



