SAN FRANCISCO FILM COMMISSION ANNUAL REPORT FY10-11

The San Francisco Film Commission works to develop and promote film activities in San Francisco. We proactively market San Francisco as a filming destination for the motion picture, television and related industries, for the purpose of stimulating economic development and creating jobs, while also working with the local film community to support local projects with significant ties to San Francisco.

The Film Commission also issues permits to productions shooting in San Francisco, working closely with other City Agencies such as SFPD, Department of Parking & Traffic, MUNI, the Port of San Francisco, and the Department of Public Works to coordinate and facilitate both the needs of the productions, the City and its residents.

FUNDING

Funding for the San Francisco Film Commission comes from the collection of permit fees and the Hotel Tax funds from Grants for the Arts. For FY10-11, Grants for the Arts provided $400,000. The Film Office collected $158,500 in permit fees, $14,260 more than was projected for the FY10-11 fiscal year.

FILMING STATISTICS FY10-11

Key findings:

In FY 10-11, production rose by 26%, with 953 shoot days, compared to 753 shoot days in FY 9-10. In FY 10-11, the number of permits rose by 79, and the money collected from permits increased by $25,000. Total permit fees collected for FY 10-11 were $158,500.

However, total estimated budgets for productions, which shot in San Francisco, decreased from $81,106,574 to $56,233,011. This is partially due to the fact that San Francisco didn't have a television series shooting here. However, a downturn in production budgets is being seen across the country, due to the difficult economy and the rising costs of all aspects of production. These factors result in tighter budgets which drive productions to prioritize financial incentives over creative needs when choosing a city or state to film or base a production.

FY10-11

Film Type	Permits	Days	Permit Fees	Estimated SF Budget
Corporate/Short	50	77	$14,500	$2,448,100
Documentary	30	52	$14,400	$483,620
Feature	16	96	$21,800	$28,690,500
Music Video	3	4	$800	$45,000
Still Photography	127	303	$28,900	$6,582,115
Student	24	73	$0	$197,750
TV Commercial	73	119	$22,400	$12,033,089
TV Series	67	182	$47,400	$4,249,000
Web	40	47	$8,300	$1,503,837
TOTAL	**430**	**953**	**$158,500**	**$56,233,011**

PRODUCTIONS

Listed below is a selection of notable productions San Francisco played host to during FY10-11.

Feature Films:

- *Caesar Rise of the Apes*, 20th Century Fox; Rupert Wyatt, Director; starring James Franco, Andy Serkis and John Lithgow
- *Big Sur*, 3311 Productions; Michael Polish, Director; starring Josh Lucas, Kate Bosworth and Henry Thomas
- *On the Road*, MK2 Productions; Walter Salles, Director; starring Kirsten Stewart, Kirsten Dunst and Viggio Mortensen
- *Hemingway & Gellhorn*, HBO Productions; Philip Kaufman, Director; starring Nicole Kidman and Clive Owens
- *Contagion*, Warner Brothers Pictures; Steven Soderbergh, Director; starring Gwyneth Paltrow, Matt Damon and Jude Law
- *Cherry*, Enderby Entertainment; Stephen Elliot, Director; starring James Franco and Heather Graham
- *Knife Fight*, Divisadero Pictures; Bill Guttentag, Director, starring Rob Lowe, Eric McCormack and Julie Bowen
- *Five Year Engagement*, Apatow Productions; Nicholas Stoller, Director; starring Emily Blunt and Jason Segel

Television Series:

- *Alcatraz*, TV pilot, created by JJ Abrams
- *Top Gear*, individual episode
- *American Idol*, individual episode
- *Good Morning America*, individual episode
- *Clean House*, individual episode
- *The Nine Lives of Chloe King*, individual episode
- *Precinct 17*, individual episode

Select Commercials

- GM OnStar
- AT&T Yellow Pages
- Kia
- Amazon Kindle
- Hyundai

International Production Activity in SF

A number of international production companies also chose San Francisco as a location, including the feature film *180* from Southern India; *Amalfi*, a Japanese television show; and *Rose Wedding*, a popular television show from China featuring 10 couples who compete to win a dream wedding in California. For this show, Supervisor Carmen Chu married the couples in the Rotunda of City Hall.

SCENE IN SAN FRANCISCO REBATE PROGRAM

The purpose of the Scene in San Francisco Rebate Program is to increase the number of qualified film productions being made in San Francisco, increase the number of City residents employed in the filmmaking industry and encourage the resulting economic benefits.

$1.8 million was appropriated to fund this program in 2006 for 3 years. Initially, the program gave productions a dollar for dollar refund of: (a) fees or taxes paid into the City's general fund; (b) moneys paid to the City for use of City property, equipment, or employees, including additional police services; and (c) use fees for film production in the City. In 2009, the program was extended 3 years, but legislation was passed to exchange the original program per production cap of taxes paid to the City to a maximum of $600,000 of fees paid to the City.

In FY10-11, the television series *Trauma* was the only production which received money from the rebate program. This covered 4 of its 18 episodes, plus its amortization costs, for a total of $164,276.99 in rebates.

TRAUMA FY 10-11

Total Final Budget (Episodes 15,16,17,18) **$12,087,816.00**
Total # Shooting Days: 35

EMPLOYEE INFORMATION
(*These numbers are **the totals** of Episodes 15,16,17,18)

Above the Line Employees	# Employees	Wages/Comp
SF Resident Employees	23	$ 33,494.00
Below the Line Employees		
SF resident production employees	411	$486,537.00
SF resident background employees	323	$61,388.00
First Source Hiring Program employee	6	$4,768.00
Total Production Employees		
Total above & below the line SF employees	729	$587,419.00
*Average amount spent per day on SF Employees		$ 16,783.00

AMORT Totals (Prep/All Series/Holiday/Hiatus/Wrap/Pilot Completion/Pilot Reshoots)

Total Budget: **$6,038,195.00**
Days: 158

Above the Line Employees	# Employees	Wages/Comp
SF Resident Employees	6	$4,801.00
Below the Line Employees		
SF resident production employees	217	$ 427,030.00
1 First Source Hiring Program employee (22 days)		$3,214.00
Total Production Employees		
Total above & below the line SF employees	223	$431,831.00

Total Above & below the line SF Wages **$1,019,250.00**
(Includes Episodes 15,16,17,18 + Amort)

TOTAL REBATE RECEIVED FY 10-11 **$164,276.99**
(Includes Episodes 15,16,17,18 + Amort)

Balance Left in Rebate Program of the original $1.8 million authority $887,311.07

PRODUCTIONS WITH PENDING REBATE APPLICATIONS FOR FY 11-12

- Hemingway & Gellhorn
- Knife Fight
- Cinderbiter
- Cherry

Active promotion of the Scene in San Francisco Rebate program and the Vendor Discount Program has been paying off with increased interest in filming in San Francisco. The Film Office anticipates a minimum of 1 to 2 more feature films during FY 11-12 that will apply for the Scene in San Francisco Rebate Program, and that number could be higher.

FILM OFFICE NEW PROGRAMS FY10-11

Vendor Discount Program:

The Vendor Discount Program was established in January 2010 in order to attract more productions by offering additional financial incentives when shooting in San Francisco. This program provides an opportunity for production companies and their crew members to receive discounts while shopping locally at participating businesses. It also benefits the local merchants, as they draw more business to their establishments by offering a discount.

More than 80 local businesses are participating in the program, including 26 hotels, 13 restaurants as well as a number of car rental agencies, entertainment venues and gift shops. The Film Office secured additional discounts for productions from Virgin America as well as production and post production services at the end of June, making the program even more attractive to productions.

A survey will be sent to participating merchants at the end of December 2011 in order to track the success of the program. Since its inception, a majority of films have chosen to use the Vendor Discount Program.

SF Film Collective:

The SF Film Collective was established by the San Francisco Film Commission in May 2011. The goal of the Film Collective is to provide low cost office space to independent filmmakers, allowing local production pioneers to advance their projects, interact and draw inspiration or knowledge from their peers, and ultimately bring more production to San Francisco. The Film Collective has the potential to help nurture the local independent and documentary film communities, to shine a light on San Francisco as a supporter of these smaller, independent productions and help build on San Francisco's reputation as a hub for independent film. This also enables homegrown films to afford to stay in San Francisco, ultimately benefitting our local economy with increased production, and support the Mid-Market redevelopment initiative.

Eligibility:

Applications were available to all who satisfy each of the following criteria:

- The applicant is actively engaged in a film, video, web television or multi-media project.
- The project has a significant connection to San Francisco.

Priority:

All were encouraged to apply. Special consideration was given to (in order of priority):

- Projects being filmed / produced primarily in San Francisco
- Projects set primarily in San Francisco.
- Projects demonstrating a likelihood to have a positive effect on the SF economy
- Residents of San Francisco
- Graduates of the FilmHouse Residency program, a joint program of the San Francisco Film Commission and San Francisco Film Society.

Located at 134A Golden Gate, the new program creates an additional effort on behalf of the Film Commission to provide office space to local filmmakers. The Film Commission began this kind of support in 2008 with the FilmHouse Residency, in partnership with the San Francisco Film Society.

"The incubator project will benefit both the San Francisco film community and the ever-growing Mid-Market Arts District," said Mayor Edwin Lee in a press release of July 18, 2011. "Establishing programs such as this helps ensure the health of the Mid-Market area as it continues to grow and become a burgeoning arts community."

Four groups of independent filmmakers are in the process of or have moved in to the Film Collective, and applications for additional tenants are still being accepted.

Nine months into the program, an independent evaluator will assess the success of the SF Film Collective to determine if the San Francisco Film Commission will offer the program in following years.

ADDITIONAL ACCOMPLISHMENTS FOR FY 10-11

- The Film Commission hired a new Executive Director, Susannah Greason Robbins in September 2010. The position had been vacant for 9 months.

- Streamlined the Film Office Permit Applications in order to provide more detailed financial information to the office and to make the application simpler for production companies.

- Created a new Economic Reporting Form to track production spending more efficiently.

- Created a reel of San Francisco locations, featuring non-iconic footage of the City in order to sell the City in a new light to productions. This reel was screened at the AFCI/Cineposium Conference in Los Angeles in November 2010. http://filmsf.org/index.aspx?page=6

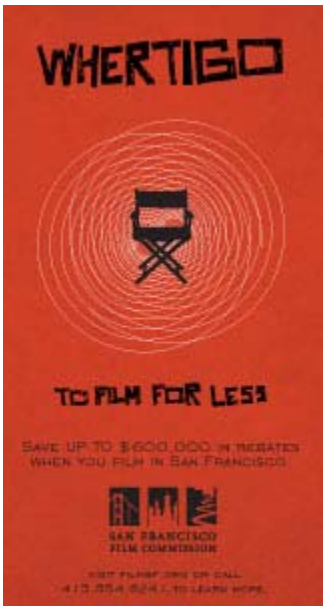
- Attended key events to promote the Scene in San Francisco Rebate Program.

    1. Variety TV Summit in Los Angeles, CA
    2. Sundance Film Festival, Park City, UT
    3. AFCI/Produced By Conference at Walt Disney Studios in Los Angeles, CA

- Expanded marketing efforts by meeting with production companies and producers in Los Angeles, to promote San Francisco as a location and emphasize the Scene in San Francisco Rebate Program and Vendor Discount Program. We continue to have ongoing conversations with some of these producers about the possibility of bringing their productions to San Francisco.

- Created a database of all of the films which have shot in San Francisco, their locations, and interesting facts about the films for DataSF.

- Created a new ad campaign with the pro-bono help of BBDO Advertising. The ad below was submitted and won 2nd place in the Print Ad category in the AFCI (Association of Film Commissioners International) Marketing Awards in June 2011.



- Expanded community outreach by giving talks to various schools, industry-related organizations and community groups. These include:
    1. Northern California Screenwriters Association
    2. Northern California Production Coalition
    3. Northern California Screen Actors' Guild
    4. San Francisco Travel Association Northern California Visitor Industry Outlook & Marketing Conference
    5. Academy of Art University
    6. Art Institute of San Francisco
    7. Art Institute of California
    8. San Francisco Travel Association's Pow Wow Media Tour
    9. Leadership SF Panel
    10. Bay Area Women in Film and Media

- Researched additional warehouse space which could be utilized as stage space for visiting productions.

- Identified short-term goals for the Film Commission to help draw new production to San Francisco and reaffirm the City's place in filmmaking

Short Term Goals:

1. Continue to simplify the permit process

2. Investigate the possibility of leasing space from City Departments to ensure production facilities
    a. Treasure Island
    b. Pier 80
    c. Other property

3. Be proactive in attracting business
    a. Research air & hotel discounts and vendor discounts
    b. List discounts on the Film Commission website
    c. Research and prepare feasibility plan for reviving / re-instituting annual Familiarization (FAM) Trip
    d. Plan a Los Angeles marketing trip, if funds are available
    e. Identify trade shows and events to attend, if budget allows
    f. Study other cities successes, best practices
    g. Develop additional partnerships

4. Ensure long-term success of Film House residencies
    a. Find a new location for the project in partnership with the San Francisco Film Society.

5. Develop marketing materials highlighting San Francisco productions that feature interviews with producers or others involved in shooting San Francisco and examples of vendor lists that have been used.
    - Emphasize key programs – rebate program, vendor discount, and personalized and efficient services.

6. Work with the Office of Economic and Workforce Development to evaluate existing programs that can benefit productions

7. Work with San Francisco Travel Association (SFTA) to leverage and share respective resources, specifically marketing resources.

GOALS FOR FY 11-12

- Increase the number of productions shooting in San Francisco
- Establish a roster of warehouse space best suited for future productions
- Propose the expansion of the Scene in San Francisco Rebate Program to include documentaries and reality television shows (or non-scripted television shows as they are called in ATAS)
- Propose lowering permit fees for low budget films with budgets less than $500,000 from $300 per day to $100 per day
- Continue outreach to Producers about the Scene in San Francisco and Vendor Discount Programs
- Support and monitor the SF Film Collective, and provide an independent evaluation of the success of the program.
- Increase strategic advertising in well-viewed publications
- Attract a television series to base in San Francisco long-term

SUMMARY

With an increase of 26% in shooting days in San Francisco, the successful financial outcome of the Scene in San Francisco Rebate program, and the creation of new programs such as the Vendor Discount Program and the SF Film Collective, the Film Commission has actively worked to attract and increase production in San Francisco for FY 10-11. We expect production numbers to continue to rise in the coming fiscal year, based on this past success and increase interest in our incentive programs.