



DATE: May 23, 2012
TO: Board of Commissioners
FROM: Patrick Quinton, Executive Director
SUBJECT: Report Number 12-03
Update on the Film Industry

BOARD ACTION REQUESTED

No action is requested, information only.

SUMMARY

In 2005, Mayor Tom Potter established Portland's Film & Video Liaison (Film Liaison) as a dedicated resource to facilitate communication and coordinate city permits related to commercial filming activities in the city. Since then, the film industry in Portland has grown rapidly to become a significant economic benefit to the region. From feature films and television shows to animated commercials and award-winning documentaries, the Portland film industry is thriving and, with support from local and state agencies, will continue to grow.

Currently, the Film Liaison manages the Portland Film Office (Film Office) at the Portland Development Commission (PDC). The Film Office works in collaboration with the Mayor's Office, city bureaus, business associations, neighborhood representatives, and industry stakeholders to help direct and manage the growth of this industry, both locally and in partnership with the Governor's Office of Film & Television (State Film Office). The Film Office not only provides a concierge service for film productions, but also provides industry expertise in matters of policy, procedure and planning for the future.

At the Board meeting, the presentation will introduce Board members to film industry city partners, community stakeholders and the wide variety of film and television projects happening in Portland. It will provide an overview of the economic impacts of the industry in the Portland metro region, which is important and timely information given the record number of film, television and other commercial productions currently working in the region. These economic benefits extend to local businesses within the extensive industry supply chain and are a key component to the Film Office's alignment with the mission of the PDC.

The Film Office has been very productive in the last year, launching a new website and creating a permit tracking and mapping database. As the industry expands, bringing more revenue and jobs to the region, continued public support and assistance from the Film Office will be crucial to industry success.

BACKGROUND AND CONTEXT

Last year was Oregon's biggest year to date for film and video production. The State Film Office reports that Oregon benefited from more than \$120 million in direct spending by the industry in 2011, with the majority of those dollars spent in the Portland metro region. Supporting and growing this thriving

industry brings significant revenue to a variety of local businesses and creates jobs in the film industry and other sectors.

Regional support for the film industry is a collaborative effort. The Film Office fosters relationships with industry professionals and builds key strategic partnerships within the Mayor’s Office and city bureaus. Portland neighborhoods and business communities are key partners, as on-location filming requires their cooperation. Industry stakeholders represent public, private, and organizational entities affiliated with the industry as a whole.

Who is the Film Industry?

The “Film Industry” encompasses a wide range of productions of all types and sizes. Generally, projects are one of three types:

Large Productions – shoots can range from a few days to several weeks or months, potentially employing hundreds on production crews. Projects may include TV series, feature films, game shows, auto commercials, larger budget independent films.

* *Gone, Grimm, Portlandia, Leverage, Wheel of Fortune*, auto commercials (Chrysler, Audi)

Smaller Productions – most shoot for a few days within the city, employ smaller crews, and represent many types of work coming to Portland from all over the country. These include lower budget/independent films, documentaries, most commercial shoots, reality and other television programming, music videos, web-based video productions.

* *How to Die in Oregon* (documentary); *Blue Like Jazz* (Kickstarter grassroots feature film); Food Network and Travel Channel program episodes; Decemberists music video; and commercials for Levi’s, M&M’s, Nikon, Kawasaki

Local Production Companies – based in the Portland area; produce commercials and film, both live action and animation/digital media.

* @Large Films, sandymontana, AfterAll, Limbo Films, Juliet Zulu, Sockeye Creative, Kamp Grizzly, still photography professionals, LAIKA (film and commercial), Hive-FX

Who are the Industry’s Public Sector Partners?

The collaborative efforts of Portland’s city agencies and bureaus help streamline and expedite city permits to film productions. Generally production schedules are created and executed very quickly, sometimes within a matter of days, so it is imperative for city bureaus to respond efficiently to requests from this fast-moving industry.

The Film Office works closely with the Mayor’s Office and city bureaus (sometimes county and state offices as well) to coordinate permits, answer questions, and institute and maintain good policy and reasonable permit fees. The Film Office also presents the permit process and procedures to filmmakers in a clear and consistent way. Additionally, the office gathers and reports on data collected from permits, mainly those issued from Portland Bureau of Transportation (PBOT) and Portland Parks and Recreation (PP&R).

For example, for a single car commercial, the Film Office coordinated with Portland Bureau of Transportation, Portland Parks and Recreation, city arborists, Portland Water Bureau/Environmental Service, Portland Police Bureau, TriMet, Noise Variance Office, street lights, traffic signals, PDC (use of parking lot), and Multnomah County (bridges).

Who are Industry Stakeholders?

Stakeholders include the Film Office/PDC, Mayor’s Office, State Film Office, Oregon Media Production Association (OMPA), educational institutions (e.g., Art Institute, Portland State University), industry unions, Hollywood Theater, NW Film Center, and other industry associations.

Industry stakeholders meet monthly to identify goals and work toward continued growth of the film industry and its infrastructure.

Neighborhoods

The Film Office strives to minimize the impact of film crews on local residents and businesses and explores ways that filming in neighborhoods can benefit constituents.

The Film Office interacts with neighborhood and business associations, business owners and citizens to facilitate communication with film productions working in the city. It also stipulates advance notification of filming activities to give citizens the opportunity to engage in dialogue with the film crew before filming begins.

As the industry grows, so does the need to increase communication between Portlanders and the production crews filming in our neighborhoods. The Film Office leads this effort through personal interaction with constituents and by giving presentations to community groups and business organizations.

Why Does PDC Support Film?

The film industry is an important economic driver. It creates jobs quickly, has little environmental impact, requires minimal demand on infrastructure, and has broad impacts.

The city supports this industry as part of its larger targeted economic strategy, which includes job growth, business recruitment and branding/marketing. The film industry provides jobs and revenue not only to local film-related businesses, but also to a large and varied supply chain that includes food service, hotels, security, vehicle rental agencies and many others. As more productions choose to film in the Portland area, we enhance our reputation as a great place to do business.

Film Industry Alignment with PDC’s Mission

1. Jobs

When productions film in Portland, they create jobs in the film industry and support employment in other sectors. Film productions hire crew members and talent, and also hire for non-industry jobs such as security guards, flaggers, and caterers.

- **Grimm**, Season 1 (data for first 6 months of season, episodes 2-13)

More than 550 local hires who performed more than 260,000 hours of work

- **Leverage**, Season 5 (4th season shot in Oregon)

453 local hires who collectively worked 219,534 hours

More than 600 local vendors hired in Portland metro region

2. Revenue

When film and television productions film in Portland, they distribute revenue into many areas of the local economy. The State Film Office has provided preliminary revenue information for 2011 collected from projects qualifying for the Oregon Production Investment Fund (OPIF):

- More than \$120 million in direct spending by film industry in 2011
- **Grimm**: direct spending for season 1 (episodes 1-22) expected to be more than \$50 million, most going to local regional economy
- **Leverage**: more than \$30 million in direct spending during 2011 season

3. Business Supply Chain

Productions filming in the Portland area purchase goods and services from local retailers. Examples of area business that benefit include:

- Security, cameras, lights, other gear
- Restaurants, hotels, catering
- Lumber, props, clothing, hardware stores
- Antiques, secondhand stores
- Flower shops, jewelry stores

4. Link to cluster industries

Film and television productions have a relationship with targeted cluster industries in the Portland metro region. Cluster industries generate business for commercial production companies and they directly contribute to the supply chain. Potentially, public and private industry partnership could further develop this framework in Portland and create a regional hub where animation, editing, post-production, sound engineering and new industry technology incubators create a supply chain and structure for future growth of the industry.

- Athletic & Outdoor: Many local crews shoot for Nike, Adidas, Pendleton, Keen
- Software: Most projects are digitally filmed and viewing platforms are becoming more web-based
- Animation, Digital Media
 - Hive-FX did **Grimm** special effects
 - Bent teamed with **Portlandia** for “Zero Rats” animation
 - LAIKA/house does live action and animation for M&M’s commercials

5. Neighborhood outreach

The continuing success of the film industry depends on partnerships between film productions and the neighborhoods in which they work. The Film Office helps establish and maintain good lines of communication between industry professionals and citizens. Film crews also give back to communities, which helps foster positive, mutually beneficial relationships.

- Communication with heavily filmed areas like Central Eastside, Downtown, Pearl District to gather feedback, educate and inform

- **Grimm** giving back: “Street Roots” on-air plug, hiring Outside In kids as extras, fixing Oregon Leather Sign in Old Town
- **Gone** donation to Friends of Trees
- **Chrysler** donation to Grant High School
- **Wheel of Fortune** electronics recycling drive

6. Marketing and Branding

The film industry offers a unique opportunity to brand and market our region. The positive national press that has been generated by productions such as *Grimm* and *Portlandia* highlight the many benefits of living and working in Portland. When film crews from throughout the country come to shoot in Portland and have an excellent experience, word gets out.

- **Portlandia** got people all over the country talking about Portland
- **Wheel of Fortune** showcased our green, sustainable city attributes
- The city is onscreen every week on **Grimm** and **Leverage**
- Portland is gaining a growing reputation of friendly, great crews, a great place to live and a desirable place to do business

Recent Achievements and Future Projects

Launch of new pdc.us/film website

Newly designed site helps the Film Office respond to questions from a broad range of productions, from Hollywood films to student thesis projects, from reality TV shows to locally produced television commercials. The site will eventually be a place where constituents and stakeholders can go for information about the industry, industry events, jobs and social media.

New GIS mapping and database tool

The Portland Film Office has loaded PBOT and PP&R permit data from January 2011 to the present into a new database and mapping system. This allows the city to track and tally film permits and report on data about industry activity.

Economic Impact Study in Partnership with State Film Office

PDC has partnered with the State Film Office and Portland State University to produce an Economic Impact Study for 2011. The study will provide recent data on jobs and revenue and a clearer picture of industry activity in the region. Study will be released in November 2012.

ATTACHMENTS

None