

REPORT

Parks and Recreation

To: Mayor Cote and Members of Council **Date:** February 14, 2022

From: Dean Gibson **File:** 2015409
Director of Parks and Recreation

Item #: 2022-105

Subject: Filming Activity in 2021 and Proposed Filming Fees for 2022

RECOMMENDATION

THAT this report be received for information; and

THAT staff be directed to bring forward amendments to Parks and Recreation Fees and Charges Bylaw No. 6673, 2001 as outlined in this report.

PURPOSE

The purpose of this report is to provide the annual overview of the prior year's filming activity and accomplishments and to propose new and revised filming fees for 2022.

SUMMARY

COVID-19 combined with the downtown construction activity has limited filming activity in 2021 and reduced film permit revenues to \$593,494 (\$137,000 less than 2020) by means of 60 film permits with 76 filming days. The average film permit generated \$7,809 per day of filming.

BACKGROUND

In 1998, New Westminster started actively managing filming activity in the City by means of a Film Coordinator charged with the responsibilities to coordinate municipal services, manage neighbourhood impacts through communication and mitigation efforts and apply filming policies and fees. It is customary for the Film Coordinator to provide Council with an annual update that highlights the prior year's filming activity.

EXISTING POLICY

Film Permit Bylaw No. 7793, 2016, regulates filming activity in New Westminster and Council approved policies, fees. Creative BC's Filming Code of Conduct, applicable law and industry standards also governing filming across the province. All filming within New Westminster is managed through the Parks and Recreation Department's Filming Coordinator.

DISCUSSION – 2021 FILM ACTIVITY

Following are a series of filming updates by topic:

A. 2021 Filming Activity and Revenue

The Filming office issued 60 film permits that included 76 film days. This resulted in gross Film Permit revenues of \$593,494 with an estimated net City film permit revenue of \$400,000. While the total number of permits issued has increased over 2020, the actual number of filming days has held steady. The overall intensity and complexity of filming activity for each permit also decreased in 2021 as reflected in the reduction in average permit gross revenue. The following table summarizes the most recent five year period of filming activity.

| Year | Permits | Film Days | Gross Revenue | Gross Revenue per Permit Average |
|------------------------|----------------|------------------|----------------------|---|
| 2021 | 60 | 76 | \$593,494 | \$9,891 |
| 2020 | 54 | 76 | \$730,886 | \$13,535 |
| 2019 | 95 | 140 | \$795,151 | \$8,370 |
| 2018 | 107 | 128 | \$823,009 | \$7,692 |
| 2017 | 135 | 155 | \$1,000,831 | \$7,414 |
| 5 Year Averages | 90 | 575 | \$788,674 | \$9,380 |

Key Film Permit revenue sources include civic location fees, administration charges, license fees, inspection fees and 'purchased' civic services (i.e. Police Services). Filming fees are established through the Parks and Recreation Fees Bylaw No. 6673, 2001.

The 2021 filming activity was disrupted and limited by three key factors: a) COVID-19, b) downtown construction activity, and c) limited off-street parking locations large enough to accommodate filming trucks, catering, actor trailers, equipment, etc.

Attachment "A" summarizes New Westminster's filming activity in 2021.

B. Filming Good News Stories

Good news stories, related to filming, are frequent but mostly unrecognized by the general public. Examples of unique filming stories that benefitted local residents and organizations in 2021 included:

- The New Westminster School District, through filming activity in the old high school, generated \$169,667 in extra revenue;
- The Netflix production *Mixtape* made a donation to the Lower Mainland Purpose Society that included cash as well as 5 ton truck full of clothing, furniture and housewares. In addition, *Mixtape* reported direct spending with Columbia and Front Street merchants of \$160,609;
- The TV series *Batwoman* donated \$1,500 to the Downtown BIA;
- The TV series *A Million Little Things* donated \$1,000 to the Queen's Park Residents Association; and
- The film office does conduct filming surveys with productions to help staff understand production company non-film permit spending in New Westminster. In 2021, 25 of 60 production companies completed the wrap survey which indicated a direct spend to residents and merchants was \$658,782. If all production companies submitted the survey, staff believe the full filming economic benefit to residents and merchants in 2021 would be in the order of \$1.3 million.

DISCUSSION – PROPOSED 2022 FILM FEES INCREASES

The filming office conducts an extensive fee analysis every few years. It has been over five years since the filming office has proposed meaningful film fee changes (modest fee changes have been accommodated in the annual fees and charges bylaw amendment process). Based on a fall 2021 municipal film fee review, staff is proposing fee increases and new fees as indicated in the table below. The proposed fees align to industry standards and rates that will generate additional filming permit revenues for the City.

| # | Fee Description | Existing Fee \$ | Proposed Fee \$ | New Fee | Existing Fee |
|-----|--|-----------------|-----------------|---------|--------------|
| 1. | Filming License Fee | \$275 | \$300 | | ✓ |
| 2. | Street Occupancy Fee | \$200 | \$225 | | ✓ |
| 3. | Parking Meter Daily Fee | \$10 | \$15 | | ✓ |
| 4. | City Hall Prep & Wrap Fee | \$1,000 | \$1,500 | | ✓ |
| 5. | City Hall Parking Lot Daily Fee | \$500 | \$750 | | ✓ |
| 6. | Temporary No Parking Signage | \$100 | \$125 | | ✓ |
| 7. | Cemetery Pre & Wrap - Day Fee* | \$750 | \$1,000 | | ✓ |
| 8. | Cemetery Film – Day Fee* | \$1,500 | \$2,000 | | ✓ |
| 9. | Administration Fee | 15% | 20% | | ✓ |
| 10. | Multiple Location Fee (per additional location) | \$50 | \$75 | | ✓ |
| 11. | Location Hold Fee (non-refundable) | n/a | \$1,000 | ✓ | |

| # | Fee Description | Existing Fee \$ | Proposed Fee \$ | New Fee | Existing Fee |
|-----|---|-----------------|-----------------|---------|--------------|
| 12. | Re-occurring Location Fee | n/a | \$250 | ✓ | |
| 13. | Lunch Tent Day Fee (on civic property) | n/a | \$300 | ✓ | |
| 14. | Moving Picture Car Admin Fee | n/a | \$100 | ✓ | |
| 15. | FX or Gun Review Fee | n/a | \$175 | ✓ | |
| 16. | Curfew Extension Fee (per hour outside of curfew) | n/a | \$250 | ✓ | |
| 17. | Drone Use Admin Fee | n/a | \$500 | ✓ | |
| 18. | Multiday Film Permit Fee (per each additional day) | n/a | \$100 | ✓ | |

* Cemetery fees are directed to the cemetery perpetual care fund, not general city revenues.

FINANCIAL IMPACTS

2021 Filming Activity

Filming in 2021 produced gross permit revenues of \$593,494 through 60 film permits with 76 filming days. The average film permit generated \$7,809 per film day. The estimated net film permit revenue of \$400,000 supports City operations. In addition, filming creates a meaningful economic spin-off (non-film permit revenues) including:

- ➔ One day of TV Series filming results in direct spending between \$10,000 - \$20,000 to residents and merchants.
- ➔ 76 days of filming in 2021 generated an estimated \$1.3M of supplemental income to residents and merchants (see the Good News Section for additional detail).
- ➔ Creative BC estimates 925 New Westminster residents work in the film sector with a combined payroll value of \$47M that is partly re-invested in New Westminster.

Proposed 2022 Film Fees

The proposed updated and new filming fees, if adopted, will increase the City's 2022 film permit revenues. The new revenue impact potential is difficult to forecast as film permit fees are allocated based on the number and scope of filming requests.

OPTIONS

1. Receive this report for information; AND
2. Directed staff to bring forward amendments to Parks and Recreation Fees and Charges Bylaw No. 6673, 2001 as outlined in this report ; OR
3. Receive this report for information and provide Staff with alternative film fee direction.

Options #1 & #2 are recommended.

CONCLUSION

The result of careful management and the coordination of City film permits creates a sustainable economic benefit to the City, its residents and its merchants.

ATTACHMENTS

Attachment “A” – 2021 Filming Activity Overview

This report was prepared by:
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This report was approved by:
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Lisa Spitale, Chief Administrative Officer