

Committee on Economic Development

**Friday, February 8, 2008
10:30 AM – 12:30 PM
Reed Hall**

**Marco Rubio
Speaker**

**Don Davis
Chair**

The Florida House of Representatives

Economic Expansion & Infrastructure Council

Committee on Economic Development

Marco Rubio
Speaker

Mike Davis
Chair

AGENDA

Committee on Economic Development

Friday, February 8, 2008

10:30 AM – 12:30 PM

102 House Office Building

I. Meeting Called to Order

II. Opening Remarks by Chairman

III. Presentations:

Governor's Blueprint for Florida's Innovation Economy
Dale Brill, Director, OTTED

Update on Film in Florida
Paul Sirmons, Florida Film Commissioner

Overview of the Agency for Workforce Innovation
Cynthia Lorenzo, Deputy Director

IV. Meeting Adjourned

Governor Charlie Crist

Lt. Governor Jeff Kottkamp

The People's Governor



The People's Budget

Policy and Budget Recommendations

Fiscal Year 2008-09

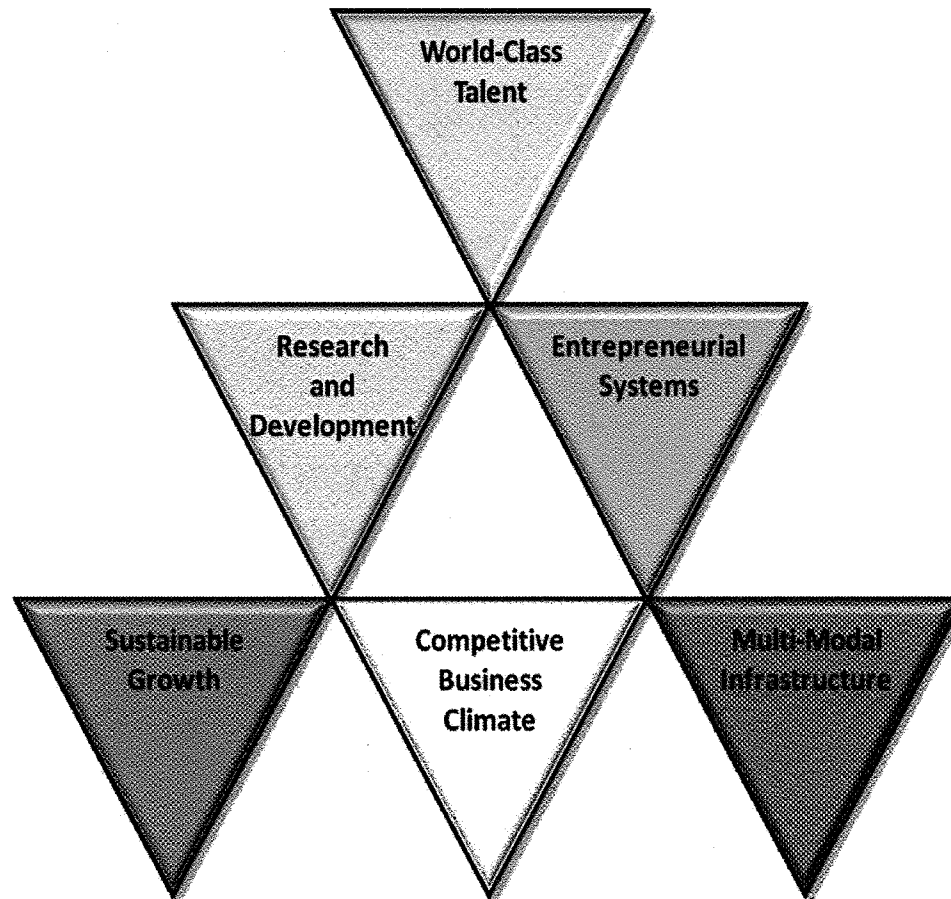
Governor Crist's Budget Recommendations
for
The Office of Tourism, Trade and
Economic Development

Fiscal Year 2008-09

Office of Tourism, Trade & Economic Development

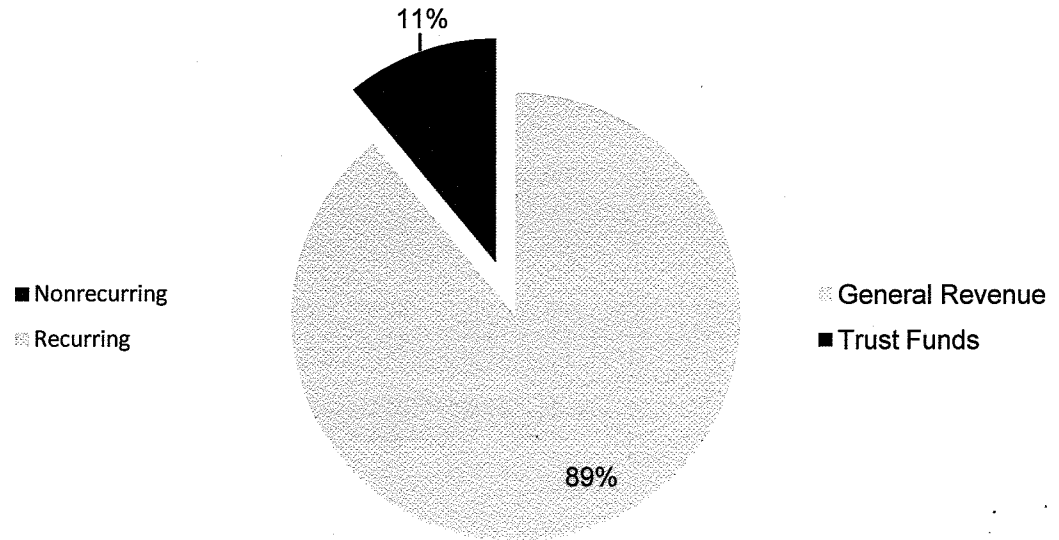
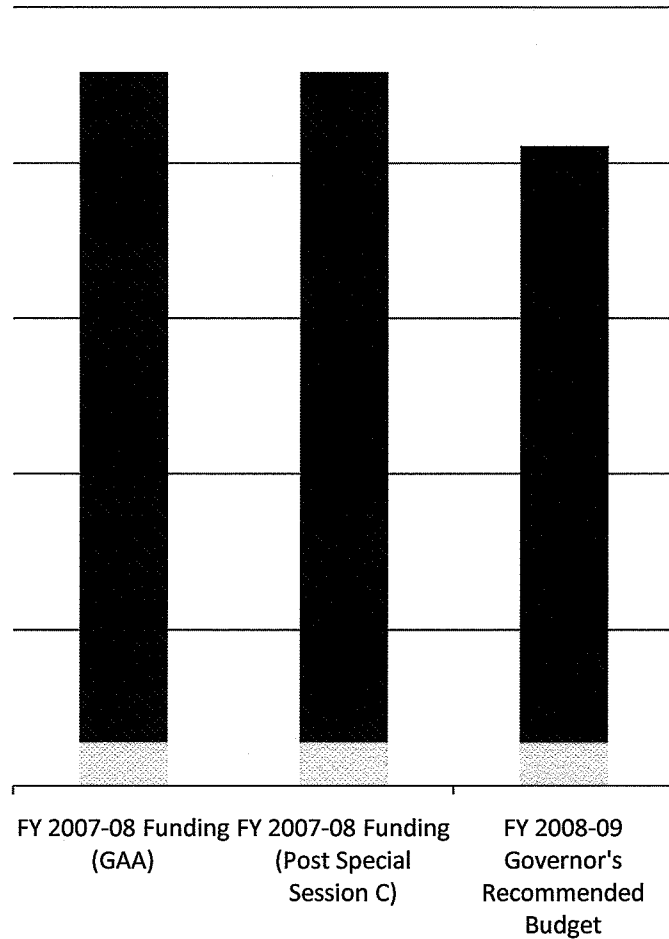
Helping to Stimulate Florida's Economic Recovery

Florida's Innovation Economy Drivers



Office of Tourism, Trade & Economic Development

Helping to Stimulate Florida's Economic Recovery



Office of Tourism, Trade & Economic Development

Helping to Stimulate Florida's Economic Recovery

Incentives help to foster a strong business environment

- \$200 million – Funding for the *Innovation Incentive Program* to continue the state's success in attracting high-value, high-impact businesses and research and development projects. Seek to use up to \$100 million to encourage alternative and renewable energy innovations.
- \$45 million – Funding for the *Quick Action Closing Fund* to allow the state to continue to compete for unique wealth-creating opportunities.
- \$40 million – Funding for the for *Film and Entertainment Incentives* to attract, maintain, and grow Florida's film and entertainment industry.
- \$23.5 million – Funding for the *Qualified Target Industry* and *Qualified Defense Contractor Tax Refund Incentives* and the *High-Impact Performance Incentive* to induce businesses to create high-wage, high-quality jobs within the state.

Office of Tourism, Trade & Economic Development *Helping to Stimulate Florida's Economic Recovery*

Strategic partnerships strengthen the state's economic future

- \$43.3 million - Funding to support *VISIT FLORIDA* and its efforts to promote the state as a premier tourist destination
- \$15.5 million - Funding to support *Enterprise Florida* to assist in the retention and expansion of existing businesses and market the state as a pro-business location
- \$10.0 million - Funding for *Space Florida* to promote the growth of the aerospace industry and develop innovative math and science programs and workforce development strategies
- \$ 3.0 million - Funding for the *Florida Sports Foundation* to promote the state's sports industry and support the Sunshine State Games

Office of Tourism, Trade & Economic Development

Helping to Stimulate Florida's Economic Recovery

Additional investment in Florida's economic growth

- \$14.2 million – Funding to support military, rural development, and transportation capital outlay projects.
- \$2.9 million – Funding to support the state's commitment to advocating international relationships and promoting the state's unique geographic and cultural characteristics.
- \$7.2 million – Funding to improve the development of rural communities and brownfield areas and protect Florida's valuable military bases
- \$3.1 million – Funding to enhance the entrepreneurial climate for minority businesses through support of the Black Business Investment Board, the Black Business Loan Program, and the Hispanic Business Initiative Fund

Florida's Film, TV & Digital Media Incentive

The Don Davis Entertainment Industry Economic Development Act

- *What It Is*
- *How It's Performing*
- *How It Builds Florida's Economy...*
Twice

What It Is

- Started as HB 1325...
- 2007's bill re-structured the entire program.
- Cash rebate of a production's actual qualified expenditures – *paid to Florida resident workers or Florida businesses only.*
- Offers a cash rebate of 10-22% of qualified expenditures, dependent on Queue.
- Funded by \$25,000,000 appropriation

How It Works

■ Created Four Queues:

- “A” – Films and Television (85% of funding)
- “B” – Commercials and Music Videos (shares with “A”)
- “C” – Independent Florida Filmmaker Queue (5%)
- “D” – Digital Media Projects (10% of funding)

How It Works

- Rebates on Qualified Expenditures:
 - 15% -- Basic Rebate
 - 5% -- 'Off-Season Bonus' -- *if 75% of production days occur between June 1 – November 30th.*
 - 2% -- Family-Friendly Bonus -- *if final scripted program meets strict statutory definition.*
 - 10% -- Digital Media Projects -- *on labor only.*

Film, TV & Digital Media Incentive 07-08

Year By Year

	<u># Prods</u>	<u>Amount Rebated</u>	<u>FL Expenditures Created</u>
FY 04/05	4	\$ 2,405,316	\$ 16,400,000
FY 05/06	15	\$ 5,648,898	\$ 39,419,261
FY 06/07	22	\$ 8,055,516	\$ 58,823,460
<u>FY 07/08*</u>	<u>43</u>	<u>\$23,780,932*</u>	<u>\$ 154,146,615*</u>

(* Estimated – Through Feb. 5, 2008)

Film, TV & Digital Media Incentive 07-08

By the Numbers

Queue	Certified Productions	Anticipated Rebate	FL Expenditures Created
A/B	29	\$ 21,250,000	\$ 130,198,622
C	9	\$ 408,398	\$ 2,722,655
D	5	\$ 2,122,534	\$ 21,225,338
Total:	43	\$ 23,780,932*	\$154,146,615*

(*If all qualified expenditures are made; rebates are only issued on actual expenditures)

Film, TV & Digital Media Incentive 07-08

Geographically

Of the 43 Certified Productions:

- 19 – South Florida
- 20 – Central Florida
- 2 – North Florida
- 2 -- Various Florida Locales

Including these Counties:

Miami/Dade, Broward, Orange, Osceola, Lake, Seminole, Hillsborough, Pinellas, Manatee, Leon, Duval, Polk, Escambia, Palm Beach, and many more...

Film, TV & Digital Media Incentive 07-08

Type of Production

Of the 43 Certified Productions:

- 20 – Theatrical Feature Films
- 5 – Digital Media Projects
- 4 – Reality TV Series
- 4 – Dramatic TV Series
- 3 – Telenovelas (Spanish Language)
- 2 – Made for TV Movies
- 2 – Documentaries
- 1 – Direct to Video Movie
- 1 – Commercial
- 1 – Children's TV Series

Film, TV & Digital Media Incentive 07-08

43

Productions

\$154,146,615

Spending in Florida

6.48 : 1

ROI to the people of Florida

(As of Feb. 5, 2008)

Film, TV & Digital Media Incentive 07-08

Productions Waiting on Funds:

9

Productions

\$5,472,534

Expected Rebate

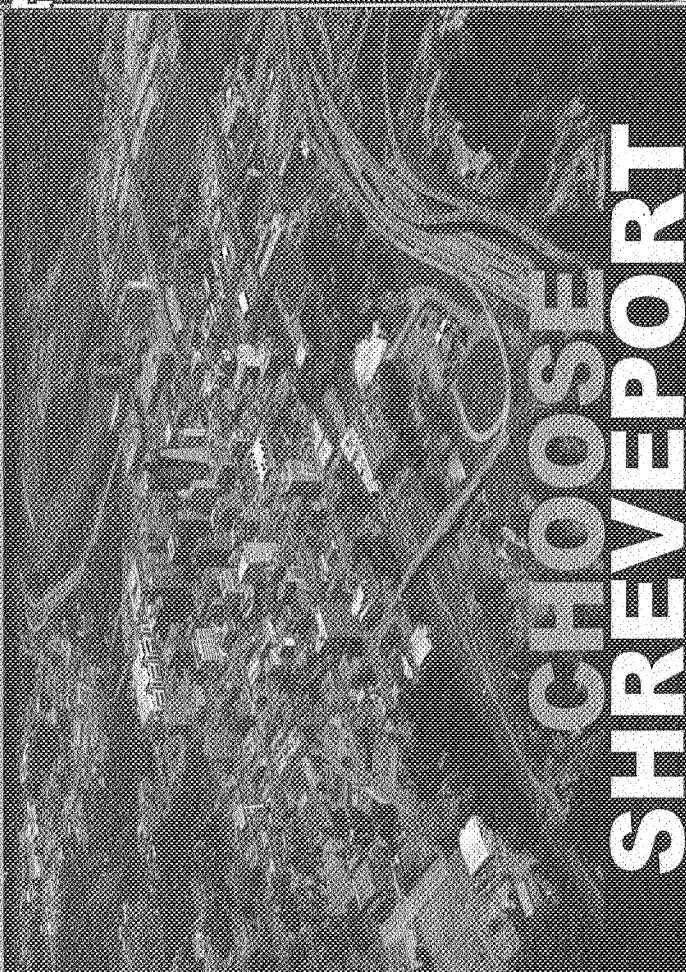
\$34,730,888

Expected Additional Spending
in Florida

State Incentive Comparison

STATE	CASH OR TAX CREDIT	%	TOTAL FUNDING
FLORIDA	Cash Rebate	15% - 22%	\$25,000,000
NEW YORK*	Refundable Tax Credit	15%	\$90,000,000
N. CAROLINA	Refundable Tax Credit	15%	UNLIMITED
NEW MEXICO	Refundable Tax Credit; & No-interest Prod. Loans	25%	UNLIMITED
CONNECTICUT	Transferable Tax Credit	30%	UNLIMITED
LOUISIANA	Transferable Tax Credit Transferable Income & Investment Tax Credit Infrastructure Tax Credit	25% 35% 25% 40%	UNLIMITED

*NY State and City incentives combined

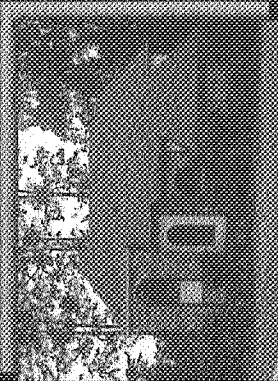


CHOOSE SHREVEPORT

SHREVEPORT IS SEEKING EXPERIENCED PRODUCTION CREWS
THE HIGH LIFE AT A LOW PRICE

What is important to you?

- Shreveport's cost of living index is 92.7, compared to 159.0 in Los Angeles.
- Cost of housing in Los Angeles is more than 3 times higher than Shreveport.
- Named the South's Best Downtown
- Ranked Business 10 Development Magazine, and ranked among the top 100 cities in the South.
- Strong established arts community including resident symphony, opera & ballet along with traveling shows, live music and visual arts.
- Sports events abound—pro teams in arena football, baseball and hockey.
- Active season of festivals, state and regional events of note.
- Sportsman's Paradise—great chances for hunting, fishing, golf, youth sports and other outdoor activities.
- Five casinos and horse racing track.



\$249,000 home for sale in Shreveport. The house is 3000 sq. ft. and has 4 bedrooms and 3.5 baths.

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318-673-7515

January 3, 2008

Michigan woos \$60B U.S. film industry

“Michigan is poised to open its checkbook in a big-time effort to convince film-makers to use the state as a backdrop for their movies.”

January 1, 2008

Region's movie industry attracts 24 projects in 2007

In 2007, northwest Louisiana attracted 24 movie and TV projects worth an estimated \$181.5 million in total budget dollars, according to Arlena Acree, Shreveport's director of film, media and entertainment.

Dec. 24, 2007

Filmmakers have committed to \$68M in Philada. area projects since July

Pennsylvania Gov. Ed Rendell said filmmakers have committed to spend \$68 million on Philadelphia-area projects since the state's new film tax credit took effect in July.

State tax credits for films almost double over '07

New Mexico's film incentive program has triggered millions of dollars of media industry activity in the state, from movie to TV productions to Sony Imageworks relocating some of its animation work to Albuquerque.

Filmmakers have more than a feeling about Boston

Nine major features were shot in Massachusetts this year, pouring more than \$125 million in direct expenditure into the local economy, up 150% from 2006.

Hollywood comes to Connecticut

In the last year and half, 26 films have been created in Connecticut. The "Constitution State" is quickly becoming a Hollywood hot spot with many people dubbing it "Hollywood East."

The Big Picture

- Motion Picture and TV programs in 2005:
 - Created over 1.3 million U.S. jobs
 - Paid \$30 billion in U.S. wages
 - Paid \$30 billion in revenue to U.S. vendors
 - Created \$10 billion in income & sales taxes
 - Created \$9.5 billion in U.S. trade surplus

Source: The Economic Impact of the Motion Picture & Television Production Industry on the United States, 2006

Florida's Film & Entertainment Industry

- \$3.9 billion industry
- 34,000 Floridians employed
- 5,500 businesses in Florida
- \$53,000 average wage
- #3 in U.S. for cast, crew & infrastructure
- #3 in the U.S. for film schools

Florida's Film & Entertainment Industry

Provides A Big Economic Impact –

Twice!

Production Dollars

Tourism Dollars

Name That Movie...

- A baseball field is carved into a field of corn in Iowa...

Name That Movie...

- A park bench in Savannah becomes the spot a likeable fellow shares stories and a box of chocolates...

Name That Movie...

- A young nun dances and sings her way across an Austrian mountaintop...

Film Induced Tourism

- Study Result:
 - 12 successful films that prominently identified tourist destinations found the number of visitors increased 77% -- 5 years after the films were released!
- Study Result:
 - A location featured in a successful movie could expect to see visitors increase by an average of 54% over the next 4 years.

What About Impact on Florida?

- Flipper
- Creature From the Black Lagoon
- Tarzan (*at Silver Springs*)
- Miami Vice
- Transporter 2
- Birdcage
- Burn Notice
- Edward Scissorhands
- Cocoon
- The Truman Show
- Real World: Key West

Film-Induced Tourism

VISIT FLORIDA
has recognized
the synergy
& tourism boost of
FILM IN FLORIDA!

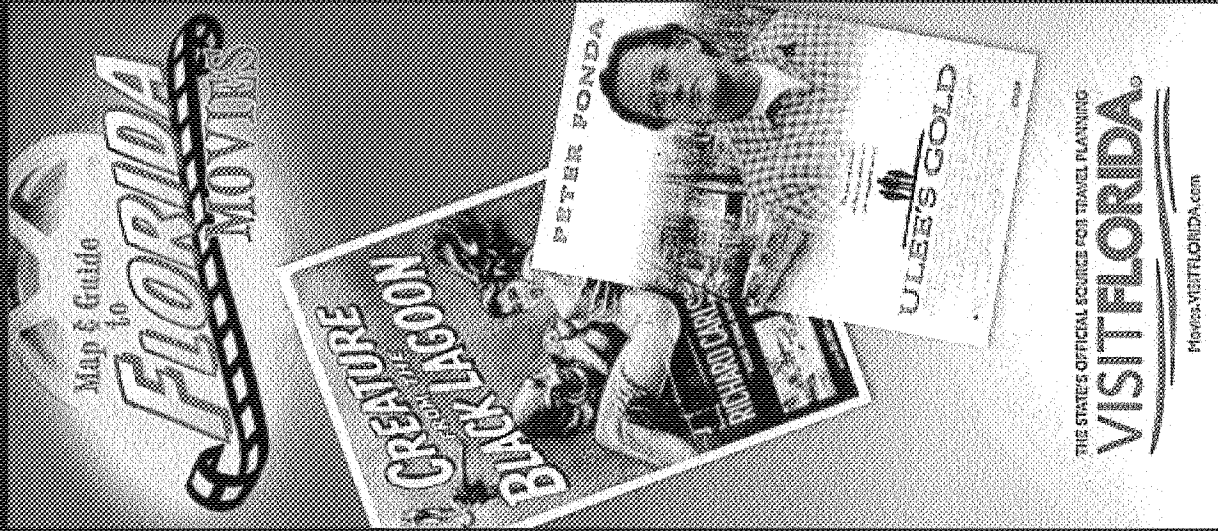
VISIT FLORIDA

The Official Tourism Marketing Corporation for the State

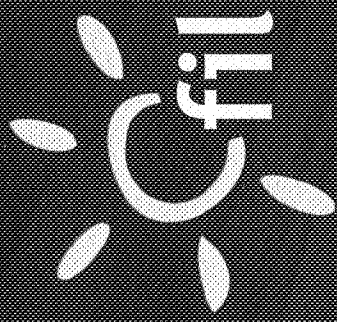
August 2007 - Debuted New Brochure & Website:

Map & Guide to Florida Movies

- 85,000 brochures produced for distribution!
- Created a new website:
visitflorida.com/movies



Governor's Office of Film &
Entertainment

 filmoflorida.com



