



CITY OF MENIFEE

SUBJECT: Agreement with Inland Empire Film Services, Inc. for Assistance on Attracting and Permitting Filming in the City

MEETING DATE: October 19, 2022

TO: Mayor and City Council

PREPARED BY: Gina Gonzalez, Economic Development Director

REVIEWED BY: Gina Gonzalez, Economic Development Director

APPROVED BY: Armando G. Villa, City Manager

RECOMMENDED ACTION

1. Approve and authorize the City Manager to execute a three-year Memorandum of Understanding (MOU) with Inland Empire Film Services, Inc. for the preparation of film permit packages for the City.

DISCUSSION

Over the last several years Meniffee has experienced large development growth, both in residential and commercial development. With the growing demand and population change, Meniffee has created a robust economic development strategy to plan for strong commercial growth that assists in meeting existing and incoming demand. In addition, the economic development strategy helps to develop job creation in the area with the most recent adoption of a Comprehensive Economic Development Strategy (CEDS) and Jobs Blueprint Plan. Meniffee is the first city in Southwest Riverside County to complete both.

Based on the CEDS, developing tourism is a key strategic objective to diversifying Meniffee's local economy. Traditionally, once a city has a hotel, the local bureau of tourism, chamber of commerce, or city department would develop tourism programming and partner with outside organizations to draw people into the city, to shop, stay, or play. A corner of tourism also includes welcoming outside partners, entrepreneurs, solopreneurs, and companies to highlight Meniffee from its vistas, businesses, culinary scene, hotels, parks, and unique notable locations through still photography, video, motion picture, or television.

For example, the film and television industry supports/creates 2.2 million jobs, paying over \$192 billion in wages annually and paying over \$27 billion per year to over 359,000 businesses in cities and small towns (89% of which employee 10 or fewer people). When a movie or television show shoots on a local location like Meniffee, it brings jobs, revenue and related infrastructure

development, providing an immediate boost to the local economy. On average, when a popular film, or show comes to a city, it can on average around \$250,000 to a local city.

According to the California Film Commission, in California motion picture and television industries were directly responsible for 186,720 jobs, over \$30.02 billion in wages, 115,900 construction jobs, 70,820 jobs related to distributing movies, television and video content to consumers, 569,540 indirect jobs, and over 242 films and 428 TV series in 2021.

For cities looking to boost movies or filming production in their city, some of the key indicators that producers and agents look for are:

1. The cost for services to pull a permit - If it is too expensive, competition is so tough that agents will film in more competitive cities and towns. Included in the proposed update to the City's user fees, staff is recommending to subsidize the film permit fee to encourage economic development in the City, create jobs, assist local businesses, and hotels with activity, including diversification locally.
2. Assistance with a film service organization that could lead the force to facilitate the production of film projects within the city.
3. Allowance of temporary signage for filming – Approval through the Community Development Department to allow for temporary signage without an additional cost or fee aside from the film permit. The City would have to update the current code to amend the temporary signage fees as they relate to film permits.

Rather than working with film service companies outside of the region, who may not understand the Inland Empire and attributes the region has, staff is recommending a MOU with Inland Empire Film Services, Inc. (IEFS).

IEFS has over 40 years of experience with 50 plus cities, towns, and special land-use districts when film crews are deciding where to film. IEFS created a one-stop shop for the film industry and for local cities to work alongside city departments on required community notifications, lane and street closures, posting relevant street and road signs, barricades, safety gear, law enforcement needs, and processing permits, to name a few. IEFS has handled films such as Iron Man, Pirates of the Caribbean: At World's End, The Changeling, and Valkyrie. In addition they have assisted with top television shows such as 24, Marvel's Agents of S.H.I.E.L.D., Veep, Top Gear and The Grand Tour. They currently only operate in San Bernadino County and Riverside County, including cities such as Temecula, Palm Springs, La Quinta, Ontario, Riverside, San Bernardino, and most recently Wildomar.

The proposed MOU would permit IEFS to act on behalf of the City to assist in attracting filming and partake in discussion on the permitting processes, reviewing incoming applications, and work with Community Development and Economic Development to process film permits in the City. Menifee's Economic Development Department would partner with IEFS on co-marketing opportunities such as scout panels, magazine ads, creative listings, and awards. Additionally, the City could partner on additional services such as comprehensive annual economic reports, additional traffic control needs, and additional notification services.

As a part of the MOU with IEFS, services would be monitored and reported to the City, including, but not limited to, an annual report submitted in March every calendar year that would include economic impacts, number of projects and number of production days. Pursuant to the terms of the proposed MOU, IEFS would be allowed to charge an administrative fee per permit charge to be paid by the film production company. Additionally, IEFS as part of the MOU, agreed to indemnify the City, and IEFS would work with the City's procurement division in Finance to obtain insurance coverage per the City's insurance guidelines.

Additionally, within the MOU staff could partner for on-call services for the City for marketing opportunities with Inland Empire Film Services (IEFS) to attract movie, and tv series production in Menifee.

STRATEGIC PLAN OBJECTIVE

Livable and Economically Prosperous Community

FISCAL IMPACT

There is no cost associated with the MOU with Inland Empire Film Services.

ATTACHMENTS

1. MOU with Inland Empire Film Services (IEFS)