

**Testimony of the NYC Mayor's Office of Media and Entertainment
to the NYC Council Committee on Technology**

**Oversight Hearing: Economic Impact of the Film and Television Industry
on NYC**

February 6, 2017

Good morning, Chairman Vacca and distinguished members of the City Council Committee on Technology. My name is Julie Menin, Commissioner of the Mayor's Office of Media and Entertainment (or "MOME"). Thank you for the opportunity to testify before you today on the economic impact of the film and television industry in New York City. Our office is working very hard every day to attract new television and film productions to the City, grow the number of jobs available to New Yorkers through workforce development and education initiatives, and foster a mutually beneficial experience when productions shoot on location in our neighborhoods. Furthermore, I'd like to share information on the recent expansion of our office's portfolio to support a number of important creative industries that are of vital significance to the economy of New York City. Since I assumed this role last February, we have launched a number of exciting new initiatives to support the creative industries and to foster their continued support of New York City and our residents. We are thrilled to tell you about these programs this afternoon.

I am joined here today by Deputy Commissioner Dean McCann; Chief Operating Officer and General Counsel Anne del Castillo; Director of Finance and Business Development Jacob Glickman; and Deputy Commissioner and General Manager of NYC Media, Janet Choi.

As you may know, the Mayor's Office of Media and Entertainment (MOME) serves as a one-stop shop for all television and film production in New York City, issuing permits for productions filming on location, providing police assistance and traffic coordination, and facilitating production throughout the five boroughs. Our agency also runs NYC Media, the largest municipally-owned public broadcasting entity in the country, with five television stations (including our flagship channel, NYC Life on Channel 25) and a radio station with a reach of over 18 million people.

I was appointed by Mayor de Blasio in February of last year, which coincided with a special landmark for the office – our 50th year of service to the film and television industry in New York City. Founded in 1966, our office – then known solely as the Mayor's Office of Film, Theatre and Broadcasting – was the first municipal film commission in the country. The television and film industry, I am proud to report, has seen explosive growth over the past year, contributing nearly \$9 billion and over 130,000 jobs to the City's economy. But these numbers do not fully capture the value of all of the creative industries that call New York City home. Recognizing our City's

identity as the creative capital of the world and the importance of creative industries to our economy, the Mayor expanded our portfolio. In addition to our traditional support of the film, television and theater industries, our portfolio now includes music, advertising, publishing, digital content and real estate as it relates to each of these industries. All of these creative sectors fuel economic development for our City and we are working hard to support them. I will touch on some of these efforts shortly.

ECONOMIC IMPACT OF FILMING IN NYC

A. PRODUCTION STATISTICS

As to the focus of today's hearing – New York City's film and television industry – I am happy to report that the industry has seen tremendous growth in recent years. In 2015, we had more productions shooting in New York City than ever before in the City's history. Specifically, in 2015-16, New York was home to 52 primetime episodic television series (a 13% increase from the previous year), including *The Americans*, *Orange Is the New Black*, *Madame Secretary*, and *Mr. Robot*. In that same year, we hosted 336 feature film projects (an almost 40% increase from the previous year).

A dozen years ago, four networks were filming scripted content in New York City; today, about 20 networks are shooting television series. Already this season, we have 7 new shows filming in NYC. And we expect more.

This increased filming activity has also been accompanied by private infrastructure investment and expanding studio and post-production capacity, with a particular focus on expansion in the outer boroughs.

B. HELPING SMALL BUSINESSES

When it comes to economic impact, New York's media and TV and film industry is a tremendous force. According to an independent study conducted by the Boston Consulting Group, the industry generates a direct annual spend of almost \$9 billion and \$400 million in tax revenue for New York City.

The money spent by the TV and film industry in New York City benefits New Yorkers in two important forms: jobs for New Yorkers and revenue for New York City businesses. According to a recent report by the Center for an Urban Future, employment in film and television production soared by 53 percent over the past decade. The industry currently employs over 130,000 New Yorkers annually, including jobs as location managers, script supervisors, camera operators, makeup artists, carpenters, set decorators, and production assistants, among other roles on a film set. Television production in particular is now a year-round business, allowing industry professionals in New York City to sustain full-time work.

Importantly, New York City's small businesses also benefit from the industry throughout the five boroughs. TV and film productions spend locally on everything from stage space rentals to purchasing lumber for set construction; from buying furniture and props to patronizing local dry cleaners. Casts and crews are fed by local caterers or patronize local restaurants during "walk away" lunches.

This past year, MOME utilized a new model to actively encourage TV and film productions to track and increase their local spend in New York City. During the filming of Sony's "Money Monster", our office encouraged the production to hire local labor, give cast and crew members "walk away" lunch money to use at local restaurants, and to use local hotels for wardrobe changes instead of production trailers. The "Money Monster" model resulted in \$300,000 in local spending during a 15-day 'block' of shooting principle photography in NYC.

To highlight this boon to our local businesses, our office has produced a series of PSAs aimed at highlighting the impact of local spending by TV and film productions on New York City small business owners. One of our reels features an independently-owned local business called Café Grumpy, which opened shop in 2005 as a small coffee shop adjacent to Broadway Studios in Greenpoint, Brooklyn. The owner illustrated the impact of the industry on her business (and I quote): "Some days we'd have very little business, then someone from the studio would show up at the end of day with a 75 drink order. We'd stay open a little later to get that business. It made a big difference. If it wasn't for that we couldn't have opened our 2nd location." Thanks to continued industry support over the years, including being featured in the hit HBO series "Girls", this business expanded from one small coffee shop to 6 locations citywide. Café Grumpy currently employs 65 New Yorkers.

In addition to encouraging productions to adopt the "Money Monster" local spend model, our office has continued to promote several initiatives to enhance the economic benefit of this industry to New York City.

The "Made in NY" Marketing Credit program is a unique incentive that no other city provides, and that directly speaks to our commitment to helping productions from script to screen. Any project that shoots at least 75% of its work here in the City is eligible to receive co-sponsored advertising. As a requirement for participation, productions donate to an organization of their choice through a partnership with the Department of Cultural Affairs to further advance the arts in New York City.

Through this partnership, in 2015 and 2016, film and TV productions have donated over \$200,000 to local cultural institutions including Creative Arts Workshop for Kids, El Puente de Williamsburg, and the Ghetto Film School, to name a few. We expect these numbers to increase in the coming years.

To further encourage the production industry to support the local economy, our “Made in NY” Discount Card Program connects productions to local vendors that offer discounts on their services. There are now over 1,200 participating vendors in this program, with new local vendors seeking to be listed every day.

We continue to promote New York City as a prime location for film and television production through partnerships with film festivals, including the Urbanworld Film Festival, the New York Indian Film Festival, the Asian International Film Festival, the Queens World Film Festival, the New York Film Festival, and the New York International Children’s Festival. In addition to promoting the benefits of filming in New York City, these festivals bring revenue to our communities in the form of tourism and local spending.

C. EXPANSION TO OUTER BOROUGHS

MOME is also committed to ensuring that the tremendous benefit of this industry is spread throughout all five boroughs of this City. I have personally met with Borough Presidents in the Bronx, Queens and Staten Island to focus on how to increase production in the outer boroughs. We have seen some notable success stories in recent years, including a 28% increase in the number of TV/film projects in the Bronx from 2014 to 2015. With the opening of Silvercup Studios North in the Port Morris section of the Bronx last August, we anticipate more filming activity and economic benefits to this neighborhood.

To that end, we are also working on a redesign of our office’s “Made in New York” location library for productions looking to shoot on location in New York City. This reboot would expand the number of images and improve access to the many iconic locations and breathtaking vistas throughout the five boroughs. To this end, our knowledgeable location team continues to refer location scouts to amazing locations in the outer boroughs to help filmmakers understand all the locations that the City has to offer.

MOME has supported various efforts to increase TV and Film production in the outer boroughs, including the utilization of City assets for filming and supporting expansion efforts by the large soundstages in the outer boroughs.

In April of last year, MOME facilitated the use of a Staten Island courthouse for the production of “Spano”, preventing the relocation of this production (along with potential jobs and revenue to local businesses) to Toronto. In August 2016, Silvercup Studios opened its “Silvercup North” location in the Bronx. Looking ahead, Broadway Stages (in Brooklyn) also plans to open a new facility in Staten Island. Our office is working very closely with the New York City Economic Development Corporation (EDC) and the City’s many soundstages – both large and small – to sustain and expand capacity for this growing industry throughout the five boroughs.

D. QUALITY OF LIFE CONCERNS

We also understand the day-to-day impact of this industry on the local community and residents, and we work collaboratively with local elected officials, community leaders, and production companies to respond to neighborhood concerns.

There is some very good news to report on this front. While filming in New York City is at an all-time high, the number of complaints from New Yorkers about filming is quite low. Out of 19,378,299 calls to 311 this past year, only 1,053 – or .005% - were complaints about “film or television production”. We attribute this low complaint rate to a number of factors, including a number of proactive policies that we have put into place to minimize the disruption of filming on quality of life in our communities.

Our first priority is to provide adequate notice. Our office makes every effort to notify communities in advance of local productions coming to their neighborhoods. Whenever a permit is approved for production to film and hold parking in a given neighborhood, an automated notification is sent to the local City Council Member and community board indicating the location, date and time of the shoot. These notices are intended to help local officials and community boards inform their constituents of film activity in their area. In 2015, our office expanded this notification system to include borough presidents’ offices.

We also require productions to post signage in neighborhoods to provide residents with information on how to contact the production directly with any questions they may have. We require all productions shooting on location in New York City to be good neighbors. We have revoked permits when productions have failed to adhere to our requirements. To ensure compliance with permits, we send out field representatives from our office daily to conduct set visits and inspections on parking and safety.

When problems do arise, our production and external affairs teams make every effort to resolve them. We promptly respond to every call, letter, and email we receive so that we can remedy issues immediately. Additionally, New York City is the only city that has a police unit dedicated to television and film. Our production team works very closely with the NYPD TV/film unit, which provides police assistance and traffic coordination, ensuring that film shoots prioritize public safety and minimize inconvenience to neighborhood residents. And every year, our staff invites community boards, business improvement districts, and City Council members to our office to discuss any concerns or questions they may have about filming in their communities.

WORKFORCE DIVERSITY AND INCLUSION

As I mentioned earlier in my testimony, television and film is a \$9 billion dollar industry in New York City, employing over 130,000 New Yorkers in good paying jobs. Add to that

80,000 jobs from advertising, over 11,000 from book publishing, 60,000 from the music industry and 89,000 supported by Broadway. That's 370,000 New Yorkers employed across the media and entertainment industries, compared to 334,000 jobs in finance and insurance.

So, in addition to our efforts to incentivize filming and spending in New York City, a primary focus of our office is investing in the future of our local media and entertainment industry through workforce development and education initiatives.

A. UNDERREPRESENTATION OF WOMEN

Various studies have confirmed that women and people of color, among other groups, are consistently underrepresented both on camera and behind the scenes. At MOME, we are committed to increasing workforce and training opportunities for women and people of color who pursue careers in our city's media and entertainment industry.

Last September, MOME announced a slate of five initiatives specifically targeting the underrepresentation of women in the film and television industry.

First, we announced The MOME Women's Fund for Film and Theatre, a \$5 million fund that will provide grants to support film and theater projects by, for and about women.

Second, recognizing that women filmmakers often face significant challenges in getting funding for their projects, MOME hosted a film finance lab for 50 filmmakers working on projects directed by, for or about women. Filmmakers participating in the MOME Finance Lab participated in a pitch-training workshop and were then provided with the opportunity to pitch to funders who could provide much needed access to capital.

Third, in partnership with the Feirstein Graduate School of Cinema at Brooklyn College and the Made in New York IFP Media Center, MOME is hosting a scriptwriting and film production competition, which will select two pilot scripts for an episodic series spotlighting stories by, for or about women in NYC's five boroughs. These scripts will be produced by a team of students at Feirstein under the mentorship of industry professionals.

Fourth, our office produced and broadcast two new documentary programs focused on women – "The Vanguard: Women in Media," featuring profiles of leading women in media, such as Connie Chung and Suze Orman, and "Her Big Idea", featuring NYC-based women entrepreneurs who transformed a concept into a thriving business.

Finally, we are working on a report that analyzes the gender inequity of directors in the film industry.

MOME is proud to be the first municipal entity in the country to address gender inequity in the film, television, and theater industries with such a comprehensive series of programs.

B. DEVELOPING A MORE DIVERSE INDUSTRY

Further, the Mayor's Office of Media and Entertainment recognizes that the industry in New York City must continue to invest in the aspects of our City that make us truly great – our diversity and our communities. To that end, MOME connected over 500 New Yorkers to job/internship opportunities this past fiscal year.

We partnered with the Department of Youth and Community Development and the Mayor's Fund to support "Ladders for Leaders", a program that provided almost 200 New York City high school and college students with paid summer internships in TV and film production, media, theater, and advertising, with the long-term goal of developing a more diverse pipeline into "below the line" positions in these industries.

Through partnership with the Department of Small Business Services, we continue to support the Brooklyn Tech Triangle Internship Program, which has provided almost 100 undergraduate students at City Tech with paid internships with web developers and programmers, media specialists, designers, and engineering technologists at innovative organizations located in the 'Brooklyn Tech Triangle' business district. We have also increased funding for small businesses in the media and entertainment sectors to train their employees in new technologies, granting up to 70% of such training costs. 22 employees received this training in 2016.

We are currently structuring programs in partnership with the Department of Small Business Services to create 200 new jobs in theater production, film production, and post production during the next fiscal year.

Also, in partnership with SBS and the Writers Guild of America, East, we announced the "Made in New York" Writer's Room, a mentorship program pairing aspiring television writers from diverse backgrounds with experienced New York City-based showrunners for a 6-month fellowship.

In June 2016, MOME made a \$1 million grant to the CUNY Journalism School to support training for over 200 journalists each year from community and ethnic publications. The funding allowed a major expansion of training opportunities for journalists at these publications, which have an enormous readership and are of vital importance to diverse communities across the five boroughs. The goal of the grant is to help New York City's community and ethnic media outlets stay competitive in the current media landscape and bring them further into the digital age.

We continue to sponsor the “Made in NY” Production Assistant Training Program in partnership with the non-profit Brooklyn Workforce Innovations. This program provides free hands-on training, job placement and a supportive network for individuals seeking entry level positions on film sets and in production offices. We are extremely proud to have graduated almost 700 production assistants with a 97% job placement rate. 95% of our graduates are people of color; and a majority of our grads are women. Many are currently working as Camera Assistants, Grips, Set Decorators and Technical Operators on Made in New York productions. MOME is currently working with SBS to expand this program to train underserved New Yorkers for jobs in the growing post-production industry as well. Cycle 1 of the post-production course is scheduled to begin training in March.

Our office continues to support the Feirstein Graduate School of Cinema at Brooklyn College—the nation’s first public graduate school of cinema integrated into a working film lot and the City’s first public graduate film school. Funding for the school is the result of an extensive public-private partnership among notable Brooklyn College alumni, our office, the New York City Council, the Brooklyn Borough President’s Office, the City University of New York, and Steiner Studios. Since 2014, the City has invested \$2 million towards scholarships. The inaugural class of 69 students accepted in the fall of 2015 represents the multicultural creativity of our City. I am proud to note that nearly half are women and 43% are people of color.

In addition, we support the Made in New York Media Center by IFP in Dumbo, Brooklyn, a 20,000 square foot incubator space that brings together innovators in film, video, gaming, technology, and more through education, mentorship, entrepreneurship, and content creation. The media center is the result of a partnership between our agency, the Independent Filmmaker Project, and the New York City Economic Development Corporation to bring innovation to the media, digital, and entertainment industries. We continue to sponsor the Made in NY Fellowship program, which provides expanded resources and opportunities to diverse New Yorkers working on projects in areas such as documentary and narrative filmmaking, gaming, post-production, animation and virtual reality.

MOME is strongly committed to increasing diversity in the media and entertainment industry at large. Through the initiatives just mentioned, and many others, we hope to help unlock the door of opportunity for talented and diverse men and women to obtain skills and professional experience in this industry and then put them to use right here in New York City.

EXPANDING ACCESS TO UNDERSERVED COMMUNITIES

An important priority of this Administration is to expand access to family-friendly cultural opportunities for all New Yorkers, regardless of income or borough residence. In celebration of our office’s 50th anniversary, MOME has presented 50 cultural events

throughout the five boroughs over the course of the year. These events provided New Yorkers in all five boroughs with exposure to cultural offerings such as film screenings, panel discussions and concerts – free of charge. I’m happy to share some of these initiatives with you now.

In partnership with the Parks Department, MOME expanded the “Movies Under the Stars” program, featuring hundreds of free film screenings in parks across NYC last summer and including iconic films from each decade from the 1960s to the present. Over 60 percent of the Movies Under the Stars events in 2016 took place in parks that had never before received this programming. And we were proud to expand this family-friendly initiative to 300 screenings, double the number from the previous year.

Over the course of our Anniversary year, we have partnered with local trade unions and philanthropic organizations to provide over 1,000 free tickets to Broadway shows throughout the year for residents of New York City public housing in a program called “Access Broadway.”

Last August, we worked with four of the major movie studios and movie theater companies to provide families living in New York City public housing with over 2,000 tickets to attend feature films free of charge through an initiative called “MOME Movie Matinees”.

Through our “Broadway in the Boros” initiative, last summer we brought free performances from marquee Broadway shows, including “Fiddler on the Roof” and “Phantom of the Opera” to Fort Greene Park in Brooklyn, Flushing Meadows Corona Park in Queens, St. Mary’s Park in the Bronx and the Staten Island Lighthouse. We plan to bring this highly successful program back this summer. These are just to name a few.

We also host community appreciation screenings, working closely with Council Members and community boards, so residents have the chance to see their neighborhood on screen after hosting a film crew on their street and share in the pride of the finished product. And we encourage productions to give back to the communities in which they film. We are working on new initiatives that will enable New Yorkers to better see the benefits of hosting film crews in their communities.

ADDITIONAL PROGRAMS AND INITIATIVES

In the past year, MOME has launched a number of groundbreaking new programs to address emerging concerns within the media and entertainment industry.

While our efforts have led to tremendous growth in the City’s film and television production industry, we also take very seriously the impact the industry may have on the environment. We recently announced NYC Film Green, a groundbreaking sustainability program for New York City’s film and television industry that encourages

productions to reduce waste, conserve energy and educate their crews on green production practices. NYC Film Green is the first green production designation program in the country administered by a government entity, making New York City the nationwide leader in setting environmental standards for the film and TV industry. We are proud to have secured CBS's *Madam Secretary*, Showtime's *Billions*, and HBO's *Divorce* and *Sesame Street* for our pilot program, which launched in January.

To assess the impact of our work, we are analyzing our agency's activities on an annual basis, as well as the overall economic development and growth of New York City's media and entertainment industries. We are preparing white paper reports on gender inequity of directors in the film industry, the economic impact of the music industry, and the impact of diversity on New York City's filmmaking tradition, just to name a few. We plan to release these important reports later this year.

Last December, in partnership with EDC, we announced plans for a City-supported Virtual Reality and Augmented Reality (VR/AR) lab, which will support growing VR/AR companies and entrepreneurs, with the goal of positioning New York City as a global leader in the emerging VR/AR industry. We are excited to move forward with plans for this space, which will be the first VR/AR lab on the East Coast, and the first publicly-funded VR/AR lab in the country.

In music, last June, we held our first "New York Music Industry Convening" to determine how our office might best support the music industry in New York City. Over 75 different music companies and organizations were represented, including record labels, recording studios, venue owners, publishers and musicians, for a tremendous discussion. And as you may know, I have spearheaded an effort to bring the Grammys back to New York City in 2018.

And in publishing, last week, we launched our "One Book, One New York" campaign in support of the City's important publishing industry. "One Book" is the largest community reading program in the country and the first ever One Book, One City campaign for New York City. Through our citywide public awareness campaign and celebrity advocates, we are encouraging New Yorkers to vote for their favorite of five books this month, which will be available at libraries and bookstores throughout the City.

PARTNERSHIPS

The many programs and initiatives that our office has launched are the result of tremendous partnerships with local councilmembers; our sister agencies, including SBS, DYCD, EDC and Parks; and external partnerships with organizations such as the Producers Guild of America-East, the Directors Guild of America-East, the Association of Performing Arts Professionals (APAP), the Will and Jada Smith Family Foundation, the Tribeca Film Festival and many more. Wherever possible, we look to amplify our efforts

through strategic partnerships in support of this important industry. We will continue to work with the City Council, industry stakeholders and local communities to create more opportunities for New Yorkers and to ensure that New York City remains at the forefront of the entertainment industry.

CONCLUSION

This is just a small slice of what we are doing at MOME. I thank you once again for the opportunity to speak with you today. As you can see, MOME is working very hard to make sure that the media and entertainment industry in New York City continues to thrive and contribute to the cultural and economic well-being of New Yorkers. I look forward to answering any questions you may have.