



YEARLY ACTIVITY PLAN (YAP) - FY '08

Division/Attached Agency: CREATIVE INDUSTRIES DIVISION

Program Name: FILM INDUSTRY BRANCH

Program ID: GENERAL

I. PROGRAM PLANNING

Problem, issue or opportunity statement: Describe the problem(s), issue(s) and/or opportunity(ies) your program is attempting to respond to. Identify the participants (individuals, companies, industry sectors, etc.) engaged in this problem, issue and/or opportunity.

1. Emerging independent local filmmakers have limited resources:
 - * Limited financial resources
 - * Limited understanding of film financing, production, and distribution
 - * Lack of access to expert advice/assistance due to limited film knowledge base in Hawaii
 - * Divergent interests among film community, no local organization to unify and advocate for filmmakers
 - * Nascent film and digital media education programs
2. Large, offshore productions face challenges:
 - * Expensive to shoot in Hawaii
 - * Cultural and environmental restrictions
 - * Underdeveloped infrastructure: few soundstages, limited production support services, especially on neighbor islands
 - * Limited pool of skilled labor
 - * Limited post-production services
3. Hawaii's potential to be among top 5 U.S. production locations (in terms of expenditures) not reached due to insufficient marketing:
 - * Limited marketing budget of \$100K
 - * Full diversity of Hawaii's locations and new 15-20% tax credit under-marketed
4. Renovation and Improvements are needed at the Hawaii Film Studio:
 - * Structural cracks have started at Stage 2 and the guard shack
 - * Limited financial resources

Need and partners: Specify the need for government intervention. Provide supporting evidence. Identify any partners you will be working with to address the problem, issue and/or opportunity.

Needs – How Can Government Help?

- * Unifying force for film industry advocacy
- * Provide incentives to lower cost of shooting in Hawaii and develop infrastructure
- * Serve as mediator between local filmmakers, visiting productions, crew, unions, businesses, and communities
- * Educate/inform the local film industry and increase filmmakers' access to expert advice/assistance
- * Provide Capital Improvement Project (CIP) funding for the Hawaii Film Studio

Assets:

- * Some access to film expertise
- * Staff of 6 experienced in dealing w/productions and location regulations
- * Neutral / mediator role
- * Tax credits for film: 15-20% rebate, 100% investment tax credit, royalties exemption
- * MOAs with DLNR, DOT for issuance of film permits

YEARLY ACTIVITY PLAN (YAP) - FY '08

Partners:

- * Hawaii Film & Entertainment Board
- * County film offices
- * DLNR, DOT, DAGS, other state agencies
- * Labor unions
- * DOE, UH system
- * State Legislature, government officials
- * Film festivals

Desired results (outputs, outcomes and impacts): Identify desired results, what success will look like, by describing what you expect to achieve near (0-2 years) and long-term (2-6 years).

Outputs:

1. Production Servicing – Process 650+ standard permits, 150+ annual permits, 150 tax credit applications, 10+ public schools participating in workforce development program, 30,000+ call/email/fax volume (requires additional Film Permitting staffer and EDS V to ensure increased capacity to handle servicing)
2. Sponsorships – Well-attended, better-organized events at which the local industry can come together to watch Hawaii-made films, network, and learn about filmmaking
3. Marketing – Greater volume of productions to generate more in-state jobs and spending
4. Education/Outreach – Better educated local filmmakers with greater chances of getting distribution for their films, finding production work, and making contacts
5. Statistics Tracking – Detailed reports on production expenditures, jobs, and effectiveness of the new 15-20% tax credit, and neighbor island development
6. Hawaii Film Studio – Better maintained studio, quicker repairs, renovation of Stage 2 and guard shack
7. Grant-in-Aid (GIA) Servicing – Hold public forums to discuss issues raised in “Ku’u Aina Aloha: My Beloved Country” (a feature length documentary on the musical legacy of Queen Lili’uokalani) and production of 2 documentaries
8. Local Filmmaker Fund – 5-10 local film projects with additional funding necessary to start/continue production

Outcome:

1. Exceed \$100M in annual production expenditures per year going forward
Measured by: data gathered via permits & tax credit forms
2. Better funded and equipped arts programs at Hawaii’s public schools due to involvement of productions in workforce development program
Measured by: qualitative feedback from school administrators
3. Better reputation for Hawaii as ideal production location based on our capacity to service productions in permitting, tax credit applications, etc.
Measured by: qualitative feedback from producers, greater volume of production
4. More quality local independent film projects produced
Measured by: # of grants administered by HFO (if funding present), critical public acclaim of local films
5. Steady year-over-year increase in film industry jobs until industry reaches saturation point/equilibrium/plateau
Measured by: DLIR and READ data, labor union roster #s

Within 5 years...

1. Hit \$300M in annual production expenditures
Measured by: data gathered via permits & tax credit forms
2. One to three local filmmakers to gain national recognition via national press, U.S. theatrical distribution, or acceptance at major film festival

YEARLY ACTIVITY PLAN (YAP) - FY '08

Measured by: occurrence

3. Improved infrastructure – 2 additional professional soundstages + 2 professional post-production houses (one on Oahu and one on a neighbor island)
Measured by: occurrence

Impact:

- * Hawaii will be the #1 location for tropical and natural landscapes
- * Hawaii will be among the top 5 U.S. states in production expenditures within 10 years
- * Homegrown filmmakers will be able to tell their stories and spread Hawaii's unique culture and history to audiences worldwide

Influential Factors: List the factors you believe will influence your ability to impact the problem or opportunity. (Things that support success and barriers to success.)

Supporting Factors:

- * Tax incentives: 15-20% rebate, 100% investment tax credit, royalties exemption
- * Deep involvement in and trust earned from local film community
- * DLNR, DOT memoranda of agreement
- * DOE, UH cooperation
- * State Legislature, government officials

Barriers:

- * Insufficient staffing – New tax credit with no position dedicated to managing program
- * Limited marketing and program development funds (\$100K)
- * Competition from other states: more and more have film tax incentives
- * Labor union inflexibility
- * Lack of unity among local film community
- * Lack of understanding about HFO's role and functions
- * Forecast of Hawaii's economy: tax collection revenues are down so restrictions are in place for government spending

Strategies: List the general successful strategies or "best practices" that have helped other programs achieve the kind of results your program promises.

- * Lobby Legislature for film grants for local independent filmmakers, for increased funding for the branch and for CIP funds for renovations and improvements at the Hawaii Film Studio
- * Continue to improve production servicing (permitting, answering inquiries)
- * Smoothly implement tax incentives
- * Develop labor force: Workforce Development Program
- * Education & information dissemination
- * Encourage growth of infrastructure: soundstages, production support services
- * Seek funding for HFO operations to service influx of productions (in permitting, tax credit applications, and general guidance) and to market new tax credit
- * Consider limiting scope of services to accommodate insufficient staffing situation
- * National grants (Foundations, NEA, NEH, etc.)
- * Industry Support (Studios, networks, production companies, individuals)
- * Corporate Sponsorships (Digital Industry leaders in equipment and software)

Assumptions: State the assumptions behind *how* and *why* the change strategies you have identified will work.

- * Production companies will be more likely to shoot here given the new 15-20% tax credit, resulting in a continuous production pipeline
- * Given improved pipeline, companies will respond to the increased demand for infrastructure

Note: This form was created using the *W. K. Kellogg Foundation Logic Model Development Guide, January 2004.*

YEARLY ACTIVITY PLAN (YAP) - FY '08

and build soundstages, increase equipment inventory, etc.

- * Unions and media training organizations will increase membership to meet increased work demand
- * Limiting scope of services will not place undue expectations on HFO's current capabilities

II. PROGRAM IMPLEMENTATION

Resources: Describe the resources or influential factors available to support your program.

- * Funding – \$200K in film office ops and marketing funds, \$130K in studio op funds, but insufficient to ensure target outcomes; \$400K in add'l funds needed to ensure target outcomes
- * Staff of 6 – 1 manager, 2 permitting, 1 studio, 2 admin support (one additional permitting position needed; existing EDS V position still needs to be filled)
- * Consultancy – 1 part-time tax credit consultant to assist with tax credit program
- * Partnerships – DLNR, DOT, DOE,UH, county film offices, unions, film festivals

Activities: Describe each of the activities you plan to conduct within your program.

1. Production Servicing – continue to process film permits and tax credit applications, answer inquiries, coordinate workforce development program through tax credit process, and provide resource guidance to filmmakers
2. Sponsoring Events to Promote Local Film Industry – continue to sponsor 4 local film festivals
3. Marketing Hawaii as Ideal Filming Location (w/ extra push on new 15-20% tax credit) – Locations trade show, AICP show, advertising in trades, targeted trips to NYC and L.A. – (Need additional funding to ensure effectiveness in bringing productions to Hawaii)
4. Education/Outreach – continue to publish Hawaii Production Index (annual production guide), , , and network at local events to build relationships and identify opportunities
5. Hawaii Film Studio – continue to manage and maintain Hawaii Film Studio facility (need \$130K in additional funding to ensure proper and efficient maintenance)
6. Grants-in-Aid Servicing – continue to coordinate film related GIA contracts

Outputs: For each program activity, identify what outputs you aim to produce

1. Production Servicing - Process 650+ standard permits, 150+ annual permits, 150 tax credit applications, 10+ public schools participating in workforce development program, 30,000+ call/email/fax volume (requires add'l film permitting staffer and EDS V to ensure increased capacity to handle servicing)
2. Marketing - Greater volume of productions to generate more in-state jobs and spending
3. Education/Outreach - Better educated local filmmakers with greater chances of getting distribution for their films, finding production work, and making contacts
4. Statistics Tracking - Detailed reports on production expenditures, jobs, the effectiveness of the new 15-20% tax credit, and neighbor island development
5. Hawaii Film Studio - Better maintained studio, quicker repairs
6. Grant-in-Aid Servicing - Documentary project, Hawaii-China film project, and Hawaii International Film Festival

Outcomes: Identify the short-term (0-2 years) and long-term (2-6 years) outcomes you expect to achieve.

YEARLY ACTIVITY PLAN (YAP) - FY '08

1. Exceed \$100M in annual production expenditures per year going forward
Measured by: data gathered via permits & tax credit forms.
2. Better funded and equipped media and digital arts programs at Hawaii's public schools due to involvement of productions in workforce development program.
Measured by: qualitative feedback from school administrators.
3. Better reputation for Hawaii as ideal production location based on our capacity to service productions in permitting, tax credit applications, etc.
Measured by: qualitative feedback from producers, greater volume of production.
4. More quality local independent film projects produced.
Measured by: # of grants administered by HFO (if funding present), critical public acclaim of local films securing interest of distributors.
5. Steady year-over-year increase in film industry jobs until industry reaches saturation point/equilibrium/plateau.
Measured by: DLIR and READ data, labor union roster #s.

Within 5 years...

1. Hit \$300M in annual production expenditures.
Measured by: data gathered via permits & tax credit forms.
2. One to three local filmmaker to gain national recognition via national press, U.S. theatrical distribution, or acceptance at major film festival.
Measured by: occurrence.
3. Improved infrastructure – 2 additional professional soundstages + 2 professional post- production houses (one on Oahu and one on a neighbor island).
Measured by: occurrence.

Impact: Describe the lasting impact you anticipate.

- * Hawaii will be the #1 location for tropical and natural landscapes
- * Hawaii will be among the top 5 U.S. states in production expenditures within 10 years
- * Homegrown filmmakers will be able to tell their stories and spread Hawaii's unique culture and history to audiences worldwide

III. PROGRAM EVALUATION

Focus Area: From your program logic model, list the components of the most important aspects of your program.

SEE ATTACHED GRID

Audience: Identify the key audiences for each focus area. Who has an interest in your program?

SEE ATTACHED GRID

Questions: For each focus area and audience, list the questions they may have about your program.

SEE ATTACHED GRID

YEARLY ACTIVITY PLAN (YAP) - FY '08

Information Use: For each audience and question you have identified, identify the ways you will use the evaluation information.

SEE ATTACHED GRID

Indicators: Describe what information can be collected that would convey the status of your program.

SEE ATTACHED GRID

IV. ALIGNMENT

How is your program linked to DBEDT's six strategic objectives?

1.		Workforce Housing
2.	X	Workforce Development
3.		"Energy For Tomorrow"
4.	X	"Global Links/Export of Goods and Services"
5.	X	The Creation Of An "Innovation Infrastructure"
6.	X	Improve Hawaii's Small Business Environment

If your program is not linked to any of the six objectives, explain why it is still important.