

BILL059(23)
Testimony

MISC. COMM. 549

BUDGET (BUD)

BUDGET (BUD) Meeting

Meeting Date: Oct 17, 2023 @ 11:00 AM

Support: 36

Oppose: 0

I wish to comment: 1

Name: Gerard Elmore	Email: gerard.elmore@gmail.com	Zip: 96744
Representing: Self	Position: Support	Submitted: Oct 14, 2023 @ 10:36 AM
<p>Testimony:</p> <p>Aloha, my name is Gerard Elmore and I wanted to write in support of Bill 59.</p> <p>I'm the VP of Film at NMG network(nmgnetwork.com), Executive Director of 'Ohina (ohina.org), 2022 Sundance Producers Intensive Fellow, Writer, Director, DP, Editor, and everything in between when it comes to film.</p> <p>We have long talked about the need for a proper studio in Hawai'i. One of the key things we need to do to maintain more film business is build the infrastructure to support it. This bill provides the incentive to build that infrastructure.</p> <p>We talk a lot about diversifying the economy and the film industry has done really well for the state. It's time to double down to keep more local jobs here.</p> <p>Through 'Ohina, we do what we can to foster and nurture local talent in hopes that our stories will break through beyond Hollywood. However, we volunteer to do it and we can only do so much.</p> <p>We need to bring the money and the business to the state to help develop talent. We need to build the foundation, the pipeline, and the money to help local storytellers get to the next level. With studio facilities, it opens up possibilities and finally gives Hawai'i the opportunity to host bigger shows and films. This will help everyone. Local businesses, local workers, caterers, hardware stores, etc, etc.</p> <p>Appreciate the opportunity to submit testimony and urge your support for this bill.</p> <p>Mahalo nui,</p> <p>Gerard Elmore</p>		
Name: Joel Moffett	Email: moffett@hawaii.edu	Zip: 96822
Representing: Self	Position: Support	Submitted: Oct 14, 2023 @ 05:32 PM
Name: Daniel Lin	Email: dan.lin@rideback.com	Zip: 96816
Representing: Rideback	Position: Support	Submitted: Oct 14, 2023 @ 05:44 PM
<p>Testimony:</p> <p>Thank you for the opportunity to testify today in STRONG SUPPORT of Bill 59 (2023). My name is Dan Lin and I am the founder and CEO of Rideback, a film and television production company. My company and I have produced films that have generated over \$6 billion in global box office sales, including the SHERLOCK HOLMES, LEGO, and GODZILLA movies. We are based at our headquarters at Rideback Ranch in the Historic Filipinotown area of Los Angeles. Our work is focused on promoting diversity and inclusion in the world of entertainment and we offer numerous training programs to educate the next generation of under-represented voices. I moved to Honolulu full-time 3 years ago to raise my family here as I believe there is no better place for children to grow up than in Hawaii. I commute to the mainland for my work as I am currently in production on films and TV series in Vancouver, Atlanta, New Orleans, and Austin. The reason I film in these cities is because they have built state-of-the-art production complexes and offer economic incentives that make local productions financially viable. For example, I filmed the movie THE HAUNTED MANSION for Disney at Trilith Studios in Atlanta, GA. They not only offer top notch production stages and tax rebates for us to film there, but they have also built a local community including housing and businesses that thrive due to the productions that shoot there. However, despite those incentives, my crews and I would strongly prefer to work in Hawai'i! Hawai'i offers outdoor landscapes and a rich culture that are second to none, but we don't have adequate indoor facilities to accommodate interior filming. I am actively developing film and TV scripts that I can shoot in Hawaii to create jobs here and showcase our local talent to the rest of the world, but we lack the facilities to make the large-scale productions that I produce.</p>		

Diamond Head Studios is constantly booked by CBS and is not big enough to film a large film. I am in the middle of filming LILO AND STITCH in Honolulu and the only reason Disney is allowing us to film here is because of the subject matter. We don't have a proper soundstage to film the movie so we had to rent a warehouse that has been subpar with major sound issues. The budgets for my films and TV shows typically exceed \$100 million and require much more stage space than what Oahu currently offers. The passage of Bill 59 would allow for developers to build a film/TV studio in Oahu that would attract many more films and TV productions, thus creating hundreds of jobs and training for the next generation. Just as importantly, we would be able to share more stories that promote Hawai'i and its culture to the rest of the world. I am happy to discuss my thoughts further on this subject if it would be helpful to you and the committee. Sincerely, Dan Lin Founder and CEO

Name:
Ryan Hew

Email:
ryan@hewbordenave.com

Zip:
96701

Representing:
Self

Position:
Support

Submitted:
Oct 15, 2023 @ 12:55 PM

Testimony:

Dear Chair Codero, Vice Chair Weyer, and Members of the Budget Committee,

My name is Ryan Hew, I live in Aiea, and I submit written testimony in support of agenda item 5, Bill 59 (2023) Relating to Incentives for Film Studio Facilities. As a small business attorney, I have a number of clients that are directly supported by the production of films here or provide support services to the industry. Honolulu needs to diversify its economy, and the film industry can do that. It creates a variety of jobs that you never considered because storytelling and imagination is unlimited, but the needs create and produce that requires tangible support. Just look at what people are creating and sharing via their smartphones. Now consider if they had a film studio.

Additionally, as a traveler, I had the opportunity to visit New Zealand recently. Let me assure you that the beauty of the country remains quite intact while it is still able to support Hollywood-level productions. I visited the WETA Workshop (of Lord of the Rings fame) in Wellington. This film production company demonstrated that it can support a community of artisans making, creating, and producing not just props for movies, but art installations, creative interactive experiences, and a whole host of other products and services all while they live, work, and play in a livable city on the water. Please imagine what Honolulu could be with its own film studio.

Please support this measure.

Name:
Hannah Parkus

Email:
hparkus@hawaii.edu

Zip:
96815

Representing:
Self

Position:
Support

Submitted:
Oct 15, 2023 @ 01:16 PM

Testimony:

I am Hannah Parkus and I am in the digital cinema program at University of Hawaii at Manoa. This past summer I was lucky enough to intern for the Live Action film Lilo and Stitch. Since that internship I have finally realized what I want to do with my life. I want to work in the camera department in the entertainment industry. My goal is once I graduate college I'm going to stay here and continue learning more about the film making industry and work in camera department.

Name:
Yumi Ozaki

Email:
yumiozaki@mac.com

Zip:
96822

Representing:
Self

Position:
Support

Submitted:
Oct 15, 2023 @ 01:28 PM

Testimony:

I used to work in the film industry and would like to submit testimony supporting Bill059(23) to bolster the film industry in Hawaii. Here are some key points:

1. Economic Contribution: The film industry has played a significant role in Hawaii's economy. It has created job opportunities for local residents and has contributed to the state's economic well-being. The industry has provided jobs within the film sector and boosted businesses in related industries, such as catering, transportation, and accommodation.

2. Environmental Responsibility: The film industry is known for its commitment to preserving Hawaii's beautiful and fragile natural

environment. It adheres to strict environmental standards and practices that protect Hawaii's unique landscapes and ecosystems. This aligns with Hawaii's broader efforts to maintain its pristine natural beauty.

3. Promotional Material: The films produced in Hawaii are invaluable promotional material for the state. They showcase Hawaii's breathtaking scenery and diverse culture to audiences worldwide, inspiring countless individuals to visit and experience the islands themselves. This exposure generates interest in tourism, a significant revenue source for the state.

4. Employment Opportunities: The film industry has provided job opportunities to Hawaii's residents. From actors and crew members to administrative and support staff, a diverse range of people benefit from employment within the industry. This contributes to lower unemployment rates and higher income levels for local communities.

5. Long-term Viability: The film industry is not just a present-day asset; it's crucial for Hawaii's future. It fosters creativity, innovation, and technical skills transferable to other industries. Supporting the film industry today is an investment in the state's long-term economic sustainability.

I wholeheartedly support Bill059(23) and believe its passage will strengthen the film industry in Hawaii, further solidifying its positive impact on the state. Thank you for your consideration.

Name: Marc Porterfield	Email: porterfield.marc@gmail.com	Zip: 96815
Representing: Self	Position: Support	Submitted: Oct 15, 2023 @ 04:07 PM

Name: Paul Yonamine	Email: pyonamine@gmail.com	Zip: 96821
Representing: Self	Position: Support	Submitted: Oct 15, 2023 @ 07:10 PM

Testimony:

My name is Paul Yonamine, former CEO of Central Pacific Bank, and I have been a volunteer advisor to the state of Hawaii's effort to bring back Japanese tourists to pre-pandemic levels. We are still at a 40% of 2019 levels. There is a limitation on HTA marketing dollars for Japan despite the Japanese being the "Pono" and "Malama" tourist that the state and city and county desires. By promoting the creation of more film studios, there will be more "unpaid" media opportunities for the state to promote itself to desirable tourism targets including the Japanese. Further, through these studios, there will be more opportunities for our local youth to pursue careers in filmmaking and media. I support Bill 59 and hope that the City Council will pass this resolution. Thank you very much for you consideration.

Name: Justin Chon	Email: justinchon@gmail.com	Zip: 96814
Representing: Self	Position: Support	Submitted: Oct 15, 2023 @ 09:27 PM

Testimony:

To who it my concern,

My name is Justin Chon residing here in Oahu. I have been in the film and television industry for 23 years in multiple capacities. In the last 10 years i have been working as a tv/film director. Among my films i have made i have made 2 features and 1 television show on Oahu. The one resource i truly feel would benefit the state tremendously would be a local sound stage to support filming infrastructure here in Hawaii. In my recent production titled "Chief of War" with apple television and Jason Momoa, we told the history of Kaiana and his journey to help king Kamehameha to unite the islands. Our true wish was to shoot the entire show here in Hawaii but it was impossible because of no sound stage facilities. I believe the access to such facilities would allow local film and tv productions to be fully serviced by the island. In addition to local production it would allow for films to be able to spend more production dollars here in Hawaii rather than the main land and other places like New Zealand. It would stimulate local economies and make Hawaii a true full service destination for the film industry. Thank you all for your consideration. Lets film in Hawaii!

With love,
Justin chon

Name: Dean Des Jarlais	Email: dean@hawaiiimedia.com	Zip: 96734
Representing: Hawaii Media Inc.	Position: Support	Submitted: Oct 15, 2023 @ 10:15 PM
<p>Testimony:</p> <p>I strongly support this bill to provide tax incentives for the construction of film and television production studios in Hawaii. We have needed additional studio space ever since CBS occupied the Diamond Head Studio with the original Hawaii 5-0 series. Expansion of support for this growth sector of our economy is long overdue. We have a promising opportunity to expand a green industry that can promote Hawaii's creative industries and sustainable tourism. It will be an investment in local employment and local businesses.</p> <p>Mahalo, Dean Des Jarlais Hawaii Media Inc.</p>		
Name: Lauren Nahme	Email: lanahme@gmail.com	Zip: 96821
Representing: Self	Position: Support	Submitted: Oct 15, 2023 @ 11:30 PM
<p>Testimony:</p> <p>Aloha - My name is Lauren Nahme and I respectfully offer my support for this bill that seeks to invest in and incentivize a robust film and overall creative industry in Hawaii. Time and again we all seek to diversify our economy and with each crisis or disaster that hits us, we regret not taking more action. Action translates to capital investment in industry infrastructure and committed prioritization in favorable policies (tax incentives supporting artists and filmmakers), processes (e.g. permitting), workforce development, and resource allocation. Our state is full of incredible story-tellers, artisans, technicians and amazing landscapes and settings that can be optimized and shared globally with minimal footprint through filmmaking. We just need the supportive environment so that our talent can thrive. I fully support this bill and hope all parts of the creative industry 'ecosystem' can do what it takes to truly diversify our economy with a high sense of urgency.</p> <p>Mahalo for the opportunity to testify.</p> <p>Me ke aloha, Lauren Nahme</p>		
Name: Dennis Lee	Email: dennisjameslee@gmail.com	Zip: 96822
Representing: Self	Position: Support	Submitted: Oct 16, 2023 @ 08:19 AM
<p>Testimony:</p> <p>Dear Council and Chair,</p> <p>I fully support this Bill 59. I currently live in Manoa Valley Oahu,</p> <p>I've had a unique opportunity to work in Hollywood for many years and be a part of the early Korean media and cultural entertainment Hallyu wave that introduced K-pop and K-dramas to the world. I mention this because I believe Hawaii has the potential to become the next cultural export wave, even as a US state. Hawaii can contribute to the export of culture and media arts, just as South Korea did starting in the late 1990s, ultimately creating a profitable export industry. Currently, the Korean wave is a billion-dollar industry that began with small steps, similar to what you are doing with Bill 59.</p> <p>As a producer, I was part of that wave in the early 2000s when we created "Dragon Wars," the first major co-production between a Korean studio and US distributors. This venture resulted in a profit of approximately \$100 million worldwide. We also began producing K-pop videos in Los Angeles. In the future, I would be delighted to share more details on how we can create a structure that supports projects originating in Hawaii. However, it's essential to take steps like passing this bill to move forward and realize these opportunities.</p> <p>One of the key factors behind the Korean wave's success was governmental support, including laws that facilitated the growth of</p>		

the film and creative industries. Having incentives like the ones you are proposing in this bill is a crucial step that can bring together people and ideas, fostering innovation from major studios to private equity investors. Through governmental policies and active planning, we can work towards eventually establishing a film studio in Hawaii that offers virtual reality options to both local and international filmmakers. Ultimately it's the creatives (good stories) and timing that will help to make it worldwide but it can be done with like minds and hearts. But it takes local government support to gel everything together. Sharing the gift and spirit of Aloha is the key to success I feel and this is what the world needs so much of now.

Sharing the gift and spirit of Aloha is the key to success I feel and this is what the world needs so much of now.

Thank you for letting me share my testimony

Dennis James Lee
Vice President of Cornerstone Multimedia
96822

Name: Michael Shibata	Email: shibatam@hawaii.edu	Zip: 96822
Representing: University of Hawaii	Position: Support	Submitted: Oct 16, 2023 @ 08:46 AM

Name: Mericia Palma Elmore	Email: mericia.palmaelmore@sagaftra.org	Zip: 96813
Representing: SAG-AFTRA Hawaii Local	Position: Support	Submitted: Oct 16, 2023 @ 08:49 AM

Name: Chris Lee	Email: chris@chrisleemedia.com	Zip: 96816
Representing: Self	Position: Support	Submitted: Oct 16, 2023 @ 09:00 AM

Testimony:
Chair Cordero, Vice Chair Weyer, Members of the Committee: Mahalo for the opportunity to testify today. I stand on my continuing support for the diversification of our economy through our successful film, television, streaming and creative media industries. I am happy to answer any questions from the Committee.

Name: Sumner La Croix	Email: sumnerlacroix@me.com	Zip: 96826
Representing: Self	Position: I wish to comment	Submitted: Oct 16, 2023 @ 09:29 AM

Name: Vicki Yu	Email: msvickiyu@gmail.com	Zip: 96734
Representing: Self	Position: Support	Submitted: Oct 16, 2023 @ 10:26 AM

Testimony:
Dear Chair, Vice Chair, and members of the committee.

My name is Vicki Yu, I live in Kailua, and I am testifying today in support of "BILL059(23) RELATING TO INCENTIVES FOR FILM STUDIO FACILITIES".

Supporting the local film industry is essential for the economy of Hawaii.

I recently worked on a movie in Belize ("Blood Knot" starring Michael and Cameron Douglas, David Morse and many others) with several well-known actors and industry professionals. We often discussed how they would like to bring a movie to Hawaii.

I saw firsthand how the movie production brought money to the local economy and created jobs. The locations department

compensated local businesses and residents for using their properties as locations and staging areas. Because Belize does not have adequate film studio facilities, parts of the movie had to be filmed other countries. Almost the entire crew was based in Mexico City and a large part of the budget was allocated to their travel and lodging. Imagine all of those funds coming into Hawaii's economy. We would not need to import as much crew since we have so many experienced people here that need employment.

In addition to crew, we already have great local talent. An experienced stuntman (Clay Cullen) explained to me that although he is flown all over the world to do water work, he is not often needed in Hawaii because we have skilled local watermen and women. The stunt coordinator (Charlie Croughwell, Michael J. Fox's double in Back to the Future) expressed a strong desire to make a film on Oahu. Living in Los Angeles, Hawaii is an easy commute for much of the industry. I have friends that worked on Hawaii Five-O and LOST and rely on these projects to make a living. We already have a wealth of experience in providing services and talent to TV and film productions in Hawaii. If we had more facilities as well, it would be far more likely to be chosen as the location to bring an entire production here and not just a small segment or vacation scene.

During the COVID lockdowns, tourism was shut down, but movie and TV productions continued to work with proper safety measures. Hawaii needs economic diversification. We cannot continue to rely on tourism.

We have so much to offer. Let's make our state the go-to location for the industry.

Mahalo,
Vicki Yu
96734

Name: Daniel Rosner	Email: danny@hawaiiimedia.com	Zip: 96822
Representing: Hawaii Media Inc.	Position: Support	Submitted: Oct 16, 2023 @ 10:57 AM

Testimony:

There is a critical need for film infrastructure on Oahu, and this bill will help support the construction of a long overdue studio facility.

Name: Irish Barber	Email: alohairish@iatse665.org	Zip: 96817
Representing: IATSE Local 665	Position: Support	Submitted: Oct 16, 2023 @ 11:00 AM

Testimony:

Aloha, Honolulu City Council Members:

Mahalo for allowing me to testify in support of the intent of Bill 59 and your continued support of Hawai'i's vibrant and diverse film industry. The IATSE Local 665 represents technicians and artists in the entertainment industry across all Hawaiian Islands. I am writing in support of Bill 59 which seeks to diversify Hawai'i's economy, grow Hawai'i's film industry and provide long-term employment for Hawai'i film workers.

The film industry is notoriously sporadic, and film projects do not come to Hawai'i to film indoors. Until we had film studio space, we were just a jurisdiction that was used for our beautiful landscapes and then the companies would leave.

Television series and feature films are the closest thing we have to full-time employment. The Hawai'i Film Studio at Diamond Head has hosted successful television series such as the original Magnum P.I. (8 years). "Lost" (6 years), the original and reboot of "Hawai'i Five-O" (22 years, combined) and "NCIS - Hawai'i" (3 years).

Retrofitting vacant government buildings at Kalaeloa and Point Panic has allowed shows to stay on Oahu longer.

Please continue to support and create bills like Bill 59 that help to diversify our vibrant film economy.

Respectfully,

Irish Barber
Business Representative
IATSE Local 665

Name: Justin Habel	Email: jwhabel7@gmail.com	Zip: 96776
Representing: Self	Position: Support	Submitted: Oct 16, 2023 @ 12:02 PM

Testimony:

Dear Chair Cordero and Councilmembers,

My name is Justin Habel, and I live on Hawaii Island. Prior to moving to Hawaii, I was the owner of a talent agency in Portland, Oregon for 29 years. I was part of an industry coalition that lobbied state legislators to pass a bill known as the Oregon Production Incentive Fund, or OPIF, in 2007. I testified before the Tax Credit and Ways and Means Committees in regards to how this bill would positively affect me, my business, and the television and film industry in Oregon. OPIF passed with bipartisan support, and offered qualifying film and television productions a cash rebate on production related goods and services paid to Oregon vendors, and a cash rebate a payroll wages paid for work done in Oregon.

Prior to the passage of OPIF, there was essentially no television or film work being filmed in Oregon. The commercial market was the only production that existed. OPIF immediately drew in production from Los Angeles to Oregon. Dean Devlin, head of Electric Entertainment in Los Angeles, brought his television series LEVERAGE to Oregon for five seasons. This started a trend that continued with NBC/Universal's GRIMM for six seasons, IFC's PORTLANDIA for nine seasons, and numerous pilots and shows for streaming services, including Hulu, Netflix, and HBO. Prior to the passage of OPIF, the television and film industry was essentially dead in the water in Oregon.

When I opened my agency in 1989, I had a commercial/film/television division, a fashion division, and an athlete division. My agency was also the first SAG/AFTRA franchised agency in Oregon. We enjoyed success across all divisions until the late 90s, when television and film production shifted north to Canada, as they had passed legislation implementing production incentives. We used to joke that we would just watch the planes fly over our heads from Los Angeles to Vancouver BC. Because of this, I shut down my film/television division in 2001. It was the hardest, professional decision I've ever made. The actors I represented were like my family. They understood, economically speaking, why I was shutting it down, but it still hurt. It also signaled to them and the entire film community that our best days as an industry were over unless something shifted. That shift didn't take place until 2007 when film production incentives were instituted in Oregon. The Oregon Film Office started immediately receiving numerous inquiries from production companies in Los Angeles, and so it began. Shortly thereafter, I reopened my film and television division, and got back to the business of doing what I loved, representing actors.

Word got out in Los Angeles, and a number of successful working actors, wanting a better quality of life, relocated to the Portland area, as there was now an industry to sustain their careers. Production incentives jumpstarted our industry again, and provided numerous jobs for talent and crew, and a valuable lifeline for hotels, rental car, companies, restaurants, caterers, antique stores, and various other support services needed to finish a production. I was able to reopen my acting division, and it thrived until I sold my business in 2017.

I'm happy to say I was part of the coalition that made Oregon one of the first few states to implement production incentives. Numerous states followed suit, and the majority of states now offer some sort of production incentives to film and television crews.

My point in giving this backstory is to show how expanding the television and film industry in Oregon not only jumpstarted my business, but grew a new tax base from these productions, made Portland more visible to Los Angeles as a viable filming alternative, and showcased our beautiful state to the rest of the viewing public. Tourism expanded, as people wondered about where their favorite TV show was filmed. The IFC television series PORTLANDIA was instrumental in bringing not only tourists, but new residents to the state.

Having lived in Hawaii now for nearly 7 years, I am keenly aware of how tourism is the single dominant industry in the state. I am also keenly aware that we need economic development and expansion of existing industries, so as not to be so reliant on tourism dollars alone. The television and film industry is a perfect place to expand, I believe, as there are production incentives in place, and the industry already exists. To expand it, the state needs additional studio space to accommodate multiple productions. Therefore, I am heartily in agreement with Bill 059(23) to encourage the expansion of studio space available to television and film

production projects in the future. The television/film industry is a green industry that spends money every time they pick up the phone while in a production cycle. This will benefit Hawaii film crews, the talent base, and all of the support services they use while in the state. It is a win/win proposition.

I have long thought that Hawaii Island, given its abundance of topographically different locations, would be a great place for studio expansion, but that's for a different time. The infrastructure isn't there yet. Oahu is the perfect place to add studio space, as it's the center of Hawaii production already, is a known location, and has the necessary infrastructure and a major airport in close proximity to existing studio space.

From a very personal point of view, I will also point out that creating jobs in the television and film arena will also allow industry workers to work in their home state, to be home for dinner with their ohana, not in a hotel room in Los Angeles. I think that is something we all can relate to, the ideal situation of being able to work in your chosen field, and still maintain a healthy family life. Work life balance is an important thing for residents of our state. Yes, production hours are long, but at the end of the day, you can still say good night to your partner and children. AND, when union members work on union jobs in the industry, they are contributing to their pensions.

Half of my life was spent in the television/film industry. Should the industry be able to expand in this state, I would happily look at being part of it again. I sincerely hope this bill passes, as I think it's a step in the right direction of expanding an existing industry. Best of luck in your valuable endeavors.

Best Wishes and Mahalo,

Justin Habel
503-310-0736
jwhabel7@gmail.com

Name: Candy Suiso	Email: candysuiso@seariderproductions.com	Zip: 96792
Representing: Self	Position: Support	Submitted: Oct 16, 2023 @ 12:53 PM
Name: Aaron & Jordan Kandell	Email: twinink@gmail.com	Zip: 96822
Representing: Self	Position: Support	Submitted: Oct 16, 2023 @ 01:25 PM
Name: Tuia'ana Scanlan	Email: president@iatse665.org	Zip: 96817
Representing: IATSE 665	Position: Support	Submitted: Oct 16, 2023 @ 02:18 PM
Name: Mufi Hannemann	Email: mhannemann@hawaiilodging.org	Zip: 96815
Representing: Hawai'i Lodging & Tourism Association	Position: Support	Submitted: Oct 16, 2023 @ 07:21 PM
Name: Craig Davidson	Email: 47cstunts@gmail.com	Zip: 96792
Representing: Self	Position: Support	Submitted: Oct 16, 2023 @ 08:43 PM

Testimony:

Aloha! My name is Craig Davidson and I have been a stunt performer, Stunt Coord and Stunt Rigging Coord since 1998. I support this bill 100% !I currently work as one of the Stunt Coord for NCIS HAWAII. I have been very fortunate in my career to work all over the world and across the United States. most recently in Atlanta for almost a year working on Spiderman No Way Home at Trilith Studio in Fayetteville and Black Panther Wakanda Forever at Tyler Perry Studios . First the reason I took these jobs was because there wasn't enough work here in Hawaii for me to support my family. Work was a day here and a day there at the time

so it was tough for me to stay home. I had to make a decision and work elsewhere. It was very hard but my family and I survived. Second thing is every time I would work at these studios, all I could think about was how we can do this back home. Build a studio back home so we can stay home and work. the trickle down effect is huge! From food vendors to renting homes and locations to construction materials and more. It would create so much jobs and income for so many small business's across the islands. Productions will come and stay and film all of their movie if we had a huge film studio and not only come for the panoramic shots or the plate shots of the mountains and oceans. This would be so great for the community and the people of Hawaii. Thank You for your time.

Aloha

Craig Davidson
47C STUNTS INC.

Name: Brian Keaulana	Email: briankeaulana@me.com	Zip: 96792
Representing: International Cultural Arts Network	Position: Support	Submitted: Oct 17, 2023 @ 06:23 AM

Testimony:

I support the bill, anything that will help move our film industry forward is a major step in the right direction. We are overdue for a 2nd film studio and the lack of infrastructure restricts Hawai'i for more potential work that could come in. This is a viable industry with high paying jobs. Also it's a great opportunity to diversify our economy where we are not dependent just on tourism.

Mahalo,
Brian Keaulana
Director/Hawaiian Producer/Stunt Coordinator

Name: Kiran Polk	Email: kiranpolk@gmail.com	Zip: 96707
Representing: Kapolei Chamber of Commerce	Position: Support	Submitted: Oct 17, 2023 @ 06:33 AM

Name: Tiare Lawrence	Email: tiarelawtence@yahoo.com	Zip: 96768
Representing: Self	Position: Support	Submitted: Oct 17, 2023 @ 07:27 AM

Testimony:

Aloha. Please support the film industry. We need economic diversity in Hawaii. The film industry provides high paying jobs for local residents.

Mahalo

Name: Shawn "Alika" Leavey	Email: hawaiiprops808@gmail.com	Zip: 96785
Representing: Self	Position: Support	Submitted: Oct 17, 2023 @ 07:45 AM

Testimony:

Mahalo for supporting this film studio incentive. I am a member of IATSE 665. Hawaii has fallen behind other countries in terms of tax credits and incentives and we need the studio space. For example the last \$100m movie production by Disney, the facilities were strung out across town and we burned a lot of manhours just trying to move from one facility to the next. A production office downtown, a re-purposed 10,000sq ft warehouse as a studio, two storage warehouses and workshops, a hotel over there. And then needing a lot of parking for the work trucks. Diamond Head Studios is generally regarded as too small and has been occupied by the tv shows. Mahalo for your support.

Name: Ricardo Galindez	Email: ric@islandfilmgroup.com	Zip: 96701
Representing:	Position:	Submitted:

Island Film Group	Support	Oct 17, 2023 @ 08:15 AM
<p>Testimony:</p> <p>Incentives for Hawaii's film and television industry, especially for the development and construction of production facilities, are necessary for the continued growth of this important economic sector.</p>		
Name: Justin Chandler	Email: nagriamel@gmail.com	Zip: 96720
Representing: Self	Position: Support	Submitted: Oct 17, 2023 @ 08:27 AM
<p>Testimony:</p> <p>These incentives create jobs for native Hawaiian creators, actors, film crew, film set service providers, and many other individuals that make their living in this industry. It also creates opportunities for native Hawaiians to bring their creations forward to our community audience. We get to work and the community gets great content and entertainment. We are storytellers by nature and this helps us to imua. Mahalo.</p>		
Name: Randy Perreira	Email: cope@hawafclcio.org	Zip: 96813
Representing: Hawaii State AFL-CIO	Position: Support	Submitted: Oct 17, 2023 @ 08:39 AM
Name: Lena Suzuki	Email: lenasuzuki@msn.com	Zip: 96792
Representing: Self	Position: Support	Submitted: Oct 17, 2023 @ 08:51 AM
<p>Testimony:</p> <p>I am in support of bill 59. We need another industry in Hawaii beside tourism, and we need to get our people good jobs! We have a lot of talent in Hawaii.</p>		
Name: Henry Ian Cusick	Email: hicusick@gmail.com	Zip: 96734
Representing: SAG - AFTRA	Position: Support	Submitted: Oct 17, 2023 @ 09:30 AM
<p>Testimony:</p> <p>Aloha Chair Cordero and Members of the City Council Committee on budget,</p> <p>We support this measure. SAG-AFTRA represents over 1400 actors, recording artists, and media professionals in our state. We are professional performers working in front of the camera and behind the microphone.</p> <p>The Film and Digital Media industry employs hundreds of Hawaii Local members, sustains thousands of creative sector jobs, and provides millions of dollars in economic impact for the State. The Hawaii Department of Economic Development, Business, and Tourism, reports that in the 2021 calendar year, the industry spent \$421 million in estimated production expenditures, generated an estimated \$728 million of economic impact, \$45.5 million in estimated tax revenues, and total job impacts of 4,180 jobs. However, we have hit a plateau, partly because we do not have the infrastructure (studio space) to support substantial further growth.</p> <p>We support incentives that encourage investment in the building of and maintaining film studios on the island.</p> <p>SAG-AFTRA supports robust and fair incentive programs. Bill 59 as amended by D-719, would contribute to 1) the diversification of our local economy; 2) creating more living wage and union jobs, and 3) bringing more revenue to creative industry-focused businesses, and many other businesses that are adjacent to and/or auxiliary to the creative industries. We support the development of a studio and other infrastructure programs that support local filmmakers and the creative industries.</p> <p>Thank you for your time and consideration.</p> <p>Respectfully,</p>		

Henry Ian Cusick

National Board Member - Hawai'i SAG-AFTRA

Name: Georja Skinner	Email: georja.skinner@hawaii.gov	Zip: 96813
Representing: DBEDT, Creative Industries, State of Hawai'i	Position: Support	Submitted: Oct 17, 2023 @ 10:03 AM
Name: Angela Melody Young	Email: alohadivinedesign@gmail.com	Zip: 96817
Representing: CARES	Position: Support	Submitted: Oct 17, 2023 @ 10:54 AM
Name: Love Hodel	Email: lovehodel@gmail.com	Zip: 96712
Representing: Self	Position: Support	Submitted: Oct 17, 2023 @ 10:58 AM

Testimony:

Aloha City Council Members,

My name is Love Hodel, a current SAG-Aftra member since 2002. I support Bill 59 100%. It seems that many people in our profession here in Hawaii have to leave the state to further educate in the field of production they are involved in. This involves the possibility leaving family and loved ones, losing housing opportunity, loss of jobs and the overwhelming costs for travel and possible relocation. It would be in the best interest to update, build and establish state of the art facilities for production here in the State of Hawaii, considering Hawaii has been the alluring feature in many films and television for decades. Supporting Bill 59 will increase production education, create jobs for current and future generations, and help contribute to bringing tens of millions of tax revenue dollars to the State of Hawaii.

Mahalo for your time,

Love Hodel



UNIVERSITY
of HAWAII
MĀNOA

Academy for Creative Media

October 14, 2023

Aloha,

I am writing this testimony in strong support for Bill 059 (23) Relating to Incentives for Film Studio Facilities.

For more than 50 years Hawaii has proven itself as a reliable, consistent, and indeed prolific hub for media production. Given the strong economic activity that our local entertainment industry already generates, it is difficult to understand why Oahu has not yet invested in a stronger media infrastructure. Creating more sound stages and post-production facilities is guaranteed to nurture more economic activity, which in turn will generate more jobs and stop the outflow of qualified workers from our shores- all to the benefit of our local economy. Building a more robust media infrastructure (specifically, sound stages) will in fact make it less expensive to film in Hawaii, which will in turn attract even more productions to Oahu. And by providing more opportunity and options to film in Hawaii, producers will be less likely to film elsewhere with competing infrastructure and tax incentives (Georgia, Louisiana, etc...).

I strongly urge you to support this essential bill.

Sincerely,

Joel Moffett
Associate Professor
Academy for Creative Media
University of Hawaii, Mānoa

Testimony of Marc Porterfield, Producer

Aloha Chair Cordero and members of the committee:

I am an experienced **local-resident film professional** testifying in **SUPPORT of Bill 59**, which would incentive infrastructure development on Oahu.

Please allow me to give my remarks some context: I am an experienced film and tv Producer, Emmy-nominated member of the Television Academy, and a member of the Producer's Guild of America. I am also a member of Hawaii Teamsters, Local 996. I have spent 20+ years working in the industry on Oahu, Los Angeles, New York and throughout the United States where I have witnessed first-hand that production and revenue to the local economy flourish when stages are built and offer these examples:

I've produced 3 series at the Los Angeles Center Studios (LACS) in downtown LA, which also houses a film school program. **From 2010 to 2014 I saw the economic growth of the film industry and the surrounding community.**

In 2019 I was hired as a Production Consultant for Hulu to oversee a slate of films with budgets ranging from \$7M - \$15M, produced in Syracuse, Upstate New York. They had just finished building a state of the art soundstage which, along with the state's tax credits, attracted multiple projects to the area. Prior to the new stages, the annual film revenue did not exceed \$10M. **From 2019 - 2020 revenue growth exceeded 300%, surpassing \$30M** (even during COVID).

In 2020-2021 I worked on the Sony Studios/Amazon TV series I KNOW WHAT YOU DID LAST SUMMER that shot here on Oahu mainly because the Blaisdell was available due to COVID to be used as a sound stage. Over half the series was shot on stage or at night, thus not being the typical production in Hawaii. **Because there was a "stage" available is one of the reasons the series shot here on Oahu.**

In 2021-2022 I oversaw production of the film THE LINE starring Alex Wolfe, Halle Bailey, John Malkovich, that filmed in Oklahoma. Because Martin Scorsese had just shot FLOWERS OF THE AUGUST MOON and Hulu's tv series RESERVATION DOGS was in production, all of the facilities were booked. **Oklahoma City converted an old convention center into a production facility to fuel the growth of the industry and was able to attract a new Paramount Television series, Sylvester Stallone's TULSA KING, and all the jobs and revenue into their town a series brings.**

In this current market, due to the amount of production by the streamers, **production facilities around the world are now in high demand as there is very little supply.**

I am fully confident that if Oahu were to have a studio, the local industry would grow with both homegrown and attracted projects. The demand is there but we lack the supply. In addition, if a facility was built new supporting infrastructure would follow near the studio and in its nearby communities. The streamers, studios and networks will be around for a long time and will need to fill their slates. **Oahu has an opportunity to meet these demands, grow the Hawaii film industry and make a serious contribution to the economic diversification of the island.**

Mahalo for the opportunity to testify in support of Bill 59.



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Testimony

Hō'ike Mana'o

Testimony Presented Before the
Honolulu City Council
Committee on Budget
October 17, 2023 at 11:00 a.m.

By

Kalbert K. Young

Vice President for Budget and Finance/Chief Financial Officer
University of Hawai'i System

BILL 59 (2023) – RELATED TO INCENTIVES FOR FILM STUDIO FACILITIES

Chair Cordero, Vice Chair Weyer, and Members of the Budget Committee:

Thank you for the opportunity to present testimony on this issue. The University of Hawai'i (UH) supports Bill 59, which would provide added incentives for eligible film studio facilities.

While the UH would not benefit directly from the proposed incentives, the proposed approach in Bill 59 would create an attractive benefit to eligible private film studio developers or businesses that may eventually develop on or around UH properties.

We welcome the opportunity to support economic development and business sustainability of film studio facilities in the State. Thank you for your consideration of our testimony in support of Bill 59.



October 13, 2023

City and County of Honolulu - Committee on Budget
Radiant Cordero, Chair

RE: Bill 59
DATE: Tuesday, October 17, 2023
TIME: 11:00 AM
PLACE: CITY COUNCIL CHAMBER
City and County of Honolulu, 96813-3077

Aloha Chair Cordero and Members of the City Council Committee on budget,

We **support** this measure. [SAG-AFTRA](#) represents over 1400 actors, recording artists, and media professionals in our state. We are professional performers working in front of the camera and behind the microphone.

The Film and Digital Media industry employs hundreds of Hawaii Local members, sustains thousands of creative sector jobs, and provides millions of dollars in economic impact for the State. The Hawaii Department of Economic Development, Business, and Tourism, reports that in the 2021 calendar year, the industry spent \$421 million in estimated production expenditures, generated an estimated \$728 million of economic impact, \$45.5 million in estimated tax revenues, and total job impacts of 4,180 jobs.¹ However, we have hit a plateau, partly because we do not have the infrastructure (studio space) to support substantial further growth.

We support incentives that encourage investment in the building of and maintaining film studios on the island.

SAG-AFTRA supports robust and fair incentive programs. Bill 59 as amended by D-719, would contribute to 1) the diversification of our local economy; 2) creating more living wage and union jobs, and 3) bringing more revenue to creative industry-focused businesses, and many other businesses that are adjacent to and/or auxiliary to the creative industries. We support the development of a studio and other infrastructure programs that support local filmmakers and the creative industries.

Thank you for your time and consideration.

Respectfully,

Mericia Palma Elmore

Mericia Palma Elmore, Executive Director SAG-AFTRA Hawaii Local

¹ https://files.hawaii.gov/dbedt/economic/data_reports/hawaii-creative-report/HI_Creative_Ind_2022.pdf

Testimony Presented Before the City Council
October 17, 2023 at 11:00 a.m.

By

Sumner La Croix, Ph.D. Economics

BILL 59 – RELATED TO INCENTIVES FOR FILM STUDIO FACILITIES

Budget Committee Chair Cordero and Members of the Committee:

My name is Sumner La Croix, and I am Professor Emeritus in the UH-Mānoa Economics Dept and a Senior Research Fellow at the University of Hawai‘i Economic Research Organization (UHERO). I am testifying today in a private capacity and my views do not necessarily reflect those of UH-Mānoa or UHERO.

Professor Emeritus James Mak and I have previously written on the role of the Hawai‘i TV/film/digital production tax credit in diversifying the Hawai‘i economy. See <https://uhero.hawaii.edu/understanding-the-role-of-the-hawaii-film-tv-digital-production-tax-credit-in-diversifying-the-hawaii-economy/>. The State of Hawai‘i is one of more than 30 states to offer a tax credit to film, TV, and digital productions (hereafter “film credit”). Since the passage of the film credit in 2006, spending in Hawaii on TV/film productions has soared, with inflation-adjusted spending increasing by 116 percent between 2007 (\$164.5 million) and 2019 (\$355.6 million). This is much larger than the overall increase in Hawaii real gross domestic product over the same period, a modest 17 percent.

Why does a production company choose Hawaii as the location to film its project when costs of labor and rented capital are lower in many other locations? The main reason is the access the company gains to natural and cultural capital—Hawai‘i’s diverse natural landscapes, near perfect weather, the unique urban landscapes of the tropical city of Honolulu, and the many cultures intermingling in the islands. A production company will also consider the net of tax credit cost of filming a project in Hawaii vis-à-vis the net of tax credit cost of filming in another location.

There is more to building a robust film industry in Hawai‘i than just having a competitive film credit. Two other factors that attract film/TV productions to Hawai‘i are availability of workers with skills valued by the industry and availability of state-of-the-art production studios.

Expanded undergraduate education programs and facilities dedicated to film/TV/digital production at UH campuses are providing college students with skills and overall knowledge valued by film/TV/digital production companies. The new UH-West Oahu facilities have the potential to make UH’s Academy for Creative Media one of the leading schools for content production in the United States. The Academy’s expansion will make it easier for content production companies filming in Hawaii to staff jobs in their productions with local talent (when production resumes again when the actor strike settles), while other UH program graduates will be encouraged to start their own companies. Learning-by-doing for the many workers involved in the long-running *Hawaii 5-0* and *Magnum PI* TV series has made them more skilled, more experienced, and more valuable employees. The combination of skilled, experienced local talent and fresh graduates from the Academy for Creative Media will serve as a magnet for production companies to choose Hawai‘i for future ventures.

Private investment in a film studio(s) for use by Hawai‘i and overseas production companies has potential to attract more film/TV projects to Hawaii. In general, U.S. states with thriving film industries are ones where substantial public and private capital investments in production studios and ancillary facilities have taken place. Private investors have, however, not made substantial investments in facilities for the film/TV industry in Hawai‘i. Both existing studios are fully occupied with ongoing productions filming in Hawai‘i. However, an adjacent site on Farrington Highway near the new UH-West Oahu facilities has been identified as a potential site for a private production studio to be developed with private funding on UH land. UH has solicited bids from film studio companies to develop the property, and will be evaluating them over the next few months.

A new privately-built and privately-operated film studio would bring economic benefits to Hawai‘i and, more specifically, to Honolulu residents.

- **New Jobs.** A new studio would create new construction jobs while it is being built; create new professional jobs in West Oahu when it begins operating; and create “spillover” jobs in the surrounding community via the spending by studio employees and the studio enterprise at Honolulu and Hawai‘i businesses.
- **Additional Enrollment at UH-West Oahu Campus.** The presence of a film studio adjacent to the Academy for Creative Media’s new facilities would raise the value to students of attending the Academy as well as the Academy’s reputation. This would attract new out-of-state and in-state tuition-paying students to UH-West Oahu and allow the campus both to increase its tuition revenues and to operate more efficiently.
- **New State Tax Revenues.** The new economic activity generated by a new film studio would yield additional GET and state income tax revenues.

Property Tax Waiver. Is it necessary for the City and County of Honolulu to waive property taxes on the land used by the new film studio to attract it to locate in Honolulu? **The bottom line is that no large production facility of this magnitude is built in the United States today without significant tax credits being awarded by a state or local government.** While there are significant natural and cultural benefits to a studio from locating in Honolulu, other USA and international cities can also offer substantial natural and cultural benefits to a studio locating in those cities. A waiver of property taxes by the City and County of Honolulu would help to attract a new studio to Honolulu which would, in turn generate new economic activity benefitting Honolulu residents.

The UH land surrounding UH West Oahu does not currently generate property tax revenue and there are no other businesses currently willing to invest in the neighborhood of \$100 million in this property. Thus, awarding a waiver of property taxes to a large new studio development would not entail a loss of tax revenue for the City and County of Honolulu. Housing is a potential alternative use of this parcel, but there is considerable UH acreage near the UH West Oahu campus and the Skyline transit station (Keone‘ae) that could be utilized for new housing.

Candy Suiso
84-370 Makaha Valley Road
Waiʻanae, Hawaii 96792

Dear Honorable City Council members

I am writing to express my strong support for the Honolulu City and County Bill 59, which seeks to provide greater real property incentives for eligible film studio facilities in our beautiful state. This forward-thinking legislation is not only a potential boom for our local economy but also a significant step towards nurturing the creative industries that have the potential to transform Honolulu into a vibrant hub for film and media production.

I remain a strong passionate advocate for nurturing creative industries especially on our Leeward Coast of Oahu. I've had the pleasure of witnessing the incredible talent and potential of our students at Waiʻanae High School in the field of creative media since 1993, as a dedicated teacher and Founder of Searider Productions, a program that integrates video production, graphic arts, photography, journalism, and 2D/3D animation.

Over the years, I've seen countless students who possess an innate creativity and passion for their craft. They pour their hearts into their work, constantly pushing boundaries and exploring new horizons. Their storytelling abilities are amazing....and endless. Pure raw talent. Stories come alive once they are given a tool to create. However, it saddens me to share that many of these talented individuals feel compelled to leave our beautiful islands in search of better job opportunities and better pay on the mainland.

This exodus of creative minds not only deprives Hawaii of their immense potential but also hampers the growth and development of our local creative industries. We must take action to reverse this trend and create an environment that encourages and supports our talented individuals to remain in Hawaii.

This is why I wholeheartedly support Bill 59, which aims to nurture creative industries in our state. By providing incentives and resources to support the growth of creative businesses, this bill will not only retain our local talent but also attract new opportunities and investments to our islands.

Furthermore, nurturing our creative industries will have a ripple effect on our economy as a whole. It will create job opportunities, promote creativity and innovation, and contribute to the overall cultural richness of our communities. By investing in our creative industries, we are investing in a brighter future for Hawaii.

Please, esteemed members of our City Council, I urge you to stand with the creative community and support Bill 59. By doing so, we can ensure that our talented students have the opportunities they need to thrive and succeed right here in our beautiful state, so rich with culture, history and stories. Let's continue to create the environment that fosters creativity, innovation, and growth, allowing Hawaii to become a hub for creative industries. The timing is right.

Mahalo Nui for your time and consideration. I have faith in your wisdom and dedication to making the best decisions for the future of Hawaii and its people. Together, we can nurture our creative industries and build a prosperous and vibrant future for the next generation.

L. Candy Suiso
Co-Founder Searider Productions
Executive Director, Searider Productions Foundation

October 16, 2023

Committee on Budget
Honolulu City Council
530 S. King Street
Honolulu, Hawaii 96813

Dear Chair Cordero and members of the Honolulu City Council:

Our names are Aaron and Jordan Kandell, and we are Oahu born, raised, and still based professional screenwriters and producers of films that include “Adrift” and Disney’s “Moana”.

We also work actively with local organizations and schools who share our mission and commitment to help nurture, support, and expand opportunities and access for emerging talent in the Hawaiian film and tv industry. These include serving as mentors and judges for Ohina Labs and the Hawaii International Film Festival (Jordan just joined their board); and as guest teachers at public schools in the DOE, private high schools, and The School of Cinematic Arts @ UH Manoa (where we also serve on the advisory board).

We are writing in support of the proposed CD1 of Bill 59 (2023).

We grew up with dreams of pursuing a career as storytellers and filmmakers in a time when there was little to no opportunities in Hawaii for mentorship, education, or on-set experience. Like every other aspirant of our generation (and those that proceeded us), we had to leave the islands for film school, internships, and early career networking and job opportunities. That historic brain-drain of our creative community has reversed in the last 15 years with the creation of the ACM system and successful tax incentive programs. All of which have boosted local production and job opportunities for film students and professionals at every level.

Bill 59, CD1 will further boost this burgeoning branch of the Hawaiian economy and community.

By paving the way for the construction of physical production stages and facilities, this bill will build the resource Hawaii most lacks and thus limits future film/TV industry growth. Other testimony to this bill directly address the significant, positive and widespread economic impact film/tv productions bring to our islands. We will focus ours instead on personal experiences where lack of a film facility lost us chances to bring big budget productions to our island home.

1. In 2018 we hard-fought to film our \$30 million movie “Adrift” on Oahu and neighboring islands. Locations, experienced crews, and tax incentives were ultimately not enough for our production’s needs, which required a single soundstage that wasn’t available here. For this reason alone, we were forced to take our production to New Zealand and Fiji.

2. Similarly in 2019, we were gearing up to produce a \$50 million film about the Massie Affair to be directed by Clint Eastwood and distributed by Warner Brothers. A true story, we championed, should be filmed in full on the island it historically occurred. Again, due to lack of available stages/facilities, our production plan was forced to pivot to filming half on a stage on the mainland, with exteriors only on Oahu (before covid indefinitely paused this project).
3. In 2020, M. Night Shymalan's producing partner reached out to us during prep on the film "Old" (\$18 million budget), hoping to film completely in Hawaii. But due to lack of a suitable soundstage and production facilities, they relocated to the Dominican Republic.
4. For 2024 – we are hoping once again to film an empowering Hawaii set story 100% in Hawaii, with Hawaiian talent and Hawaiian crews. Again we find ourselves faced with the same hurdle: the lack of available production facilities for our mid to high-budget film.

These are just four personal examples in the last 5 years from local born and based producers. We have heard from a host of other producer-friends in the industry who have faced the same issue in their desire and efforts to bring more productions to the islands.

Bill 59, CD1 is a solution to this bottleneck. A state of the art film facility, with stages and post production offices, will exponentially increase our ability to meet growing demand. To bring, we hope, not just big hollywood and international productions to the islands, but also to help support important, diverse stories and storytellers.

One testimony in opposition has cited Atlanta as a cautionary tale of the extractive potential of Hollywood. We urge this committee to consider the success of places like New Zealand: where government supported film industry and infrastructure have helped advance a renaissance in Maori culture/community through vibrant, ever expanding local productions.

This is what we most support in Bill 59, CD1: that a film facility must support our local industry through paid internships, workforce development, access, and incentives for local filmmakers. If anything we encourage clearer, more specific language around these requirements, which must be met in order to ensure a film studio will become an additive vs extractive resource. To quote *Field of Dreams*: "If you build it, they will come." This bill goes further, ensuring "they" includes diverse storytellers who call Hawaii home. It has the potential to be a lighthouse for other cities, counties, states, and nations for how to support an industry in ways that sustain and uplift opportunities for all involved.

With gratitude,
Aaron and Jordan Kandell

Twin Ink, Inc
3210 Melemele Pl,
Honolulu, HI 96822
twinink@gmail.com

IATSE LOCAL 665

FILM, TELEVISION, STAGE, PROJECTION AND TRADESHOWS

Since 1937

INTERNATIONAL ALLIANCE OF THEATRICAL STAGE EMPLOYEES, MOVING PICTURE TECHNICIANS, ARTISTS AND ALLIED CRAFTS
OF THE UNITED STATES, ITS TERRITORIES AND CANADA, AFL-CIO, CLC

Honolulu City Council
Committee on Budget
City Council Chamber
Tuesday, October 17th, 2023
11:00 a.m.

**Re: Bill 59 (2023) - RELATING TO INCENTIVES FOR FILM STUDIO FACILITIES
SUBMITTED BY: Tuia'ana Scanlan, President, IATSE Local 665**

Aloha Chair Cordero and Members of the Committee,

My name is Tuia'ana Scanlan, President of IATSE Local 665, representing nearly 800 technicians, artisans, and behind the scenes workers in Hawai'i's entertainment industry. IATSE Local 665 **supports Bill 59** as amended by D-719.

The Film and Digital Media industry employs hundreds of Hawai'i Local members, sustains thousands of creative sector jobs, and provides millions of dollars in economic impact for the state. The Hawai'i Department of Economic Development, Business, and Tourism reports that, in the 2021 calendar year, the industry spent \$421 million in estimated production expenditures, generated an estimated \$728 million of economic impact, \$45.5 million in estimated tax revenues, and total job impacts of 4180 jobs. However, we have hit a plateau, partly because we do not have the infrastructure (studio space) to support substantial further growth. We support incentives that encourage investment in the building and maintenance of film studios in the islands. Bill 59, as amended by D-719, would contribute to the diversification of our local economy, create more thriving wage union jobs, and bring more revenue to the creative industry businesses as well as the many small businesses that the industry relies upon.

We support the development of studios and other infrastructure programs that support local filmmakers and the creative industries. We urge the Council to **support Bill 59**. Thank you for the opportunity to testify.

In Solidarity,



Tuia'ana Scanlan
President, IATSE 665
he/him/his



**Testimony of Mufi Hannemann, President & CEO
Hawai'i Lodging & Tourism Association**

Honolulu City Council, Committee on Budget

Bill 59 (2023)

October 17, 2023

Position: SUPPORT

Chair Radiant Cordero and members of the Committee on Budget:

I offer this testimony **in support of Bill 59 (2023)**, which proposes to offer property tax incentives for privately developed film studio facilities.

Film and television production has been a cornerstone of our island economy for decades. Moreover, it has enjoyed a synergistic relationship with our largest industry: tourism.

Before assuming my role as the Director of the Department of Business, Economic Development & Tourism (DBEDT), I had already recognized the robust appeal of film production as a clean and dynamic industry for a multitude of reasons. It not only generates employment opportunities for a wide range of professions, including local directors, actors, film crew, and caterers, but also serves as a catalyst for luring people to the islands and driving revenue for local businesses over extended periods. During my tenure at DBEDT, we dedicated substantial efforts to attract television series such as "One West Waikiki" and "Byrds of Paradise" to the state.

Upon assuming the role of councilmember and later as the Mayor of the City and County of Honolulu, my commitment to local productions grew stronger. Local productions offer our residents the chance to showcase their talents and creativity while bolstering the industry's development. During that period, the Teamsters Union reached out to me to work with the State of Hawai'i to bring "Baywatch" to our islands. Throughout my tenure as both councilmember and Mayor, the city's film office actively supported the production of the longstanding hit series, "LOST." In essence, film and television productions not only highlight the timeless beauty and natural allure of our islands but also do so with minimal or no cost to the public. Simultaneously, they encourage other productions, including those from Asia, to consider Hawai'i as a captivating backdrop for their projects.

We have always been noted for having talent of the highest caliber in Hawai'i which includes local born filmmakers such as Chris Lee, Edgy Lee, and others. In 2022, Chris noted that the economic benefits related to film production in Hawai'i amounted to approximately \$482 million, with roughly 70% of that money spent on Oahu. Consider the substantial growth potential of the industry if we were to establish more than a single film studio.

The State of Hawai'i has a single film studio near Diamond Head but the limitations of that facility can hinder productions wanting to work in the state. The availability of financial incentives to encourage



HAWAI'I LODGING & TOURISM
A S S O C I A T I O N

private developers to build film facilities would expand our production infrastructure and enable more filmmakers and TV productions to shoot here.

The passage of Bill 59 (2023) would be a significant step forward in letting the film and media world know that we welcome them to the Hawaiian Islands. For these reasons, we urge you to pass this measure through committee.

Mahalo for the opportunity to offer this testimony.

October 17, 2023

Honolulu City Council
830 S. King Street
Honolulu, Hawaii 96813



Working together for Kapolei

Dear Chair Cordeiro, Vice Chair Weyer and members of the Budget Committee:

RE: Bill 59 (2023)

My name is Kiran Polk, and I am the Executive Director of the Kapolei Chamber of Commerce. The Kapolei Chamber is an advocate for businesses in the Kapolei region which includes Waipahu to Ka'ena Point. The Chamber works on behalf of its members and the entire business community to improve the regional and state economic climate and help Kapolei businesses thrive. We are a member- driven, member-supported organization representing the interests of all types of business: small, medium or large, for profit or non-profit businesses or sole proprietorship.

The Kapolei Chamber is in **support** of Bill 59 (2023) which would provide real property tax incentives for the dedication of real property for eligible film studio facilities.

The Kapolei Chamber of Commerce has prioritized the effort to support the establishment of a film studio in West O'ahu. One of the priorities of the Business Revitalization Task Force is to "*Advocate for job growth in digital media, film production and technology industries in West O'ahu.*"

This measure will provide the needed incentives to grow a billion-dollar industry here in Hawai'i.

According to the Motion Picture Association, the film and television industry is directly responsible for more than 3,630 jobs in the Islands, which includes more than \$192 million in wages statewide. Hawai'i's Motion Picture, Digital Media and Film Production Income Tax Credit production reports data indicates that local hires are at 80% on average, if not higher.

A film studio would only bring revenue into O'ahu county, it will provide an opportunity for our students to stay here in Hawai'i making a living wage and provide an opportunity for Hawai'i residents to return home. **There are opportunities to employ Hawai'i people across a range of sectors, from construction, catering, costuming, camera, post-production, and beyond.** We also believe that West O'ahu provides the ideal location for a film studio, with the University of Hawai'i – West O'ahu's Academy of Creative Media establishing just a couple of years ago. The measure also supports providing internships for our future workforce which is also essential to grow this industry.

1001 Kamokila Boulevard, Campbell Building Suite 250, Kapolei, Hawaii 96707

More jobs, specifically living wage, professional jobs are needed on the west side to keep pace with the population growth in West O`ahu. Decades ago, the City and County of Honolulu adopted a goal of creating a “Second City” and moving residential and economic growth toward West O`ahu. West O`ahu’s growing population of almost 200,000 includes the Wai`anae Coast, `Ewa, and Waipahu. In Kapolei and `Ewa alone households are expected to exceed 56,000 by the year 2035 and over the next 30 years the population in Kapolei and `Ewa will increase by 40 percent and housing by 52 percent.

We believe the incentives for job growth, especially in West O`ahu are warranted and needed. We also specifically support job growth in film production on the west side including the incentives so greatly needed to support the effort.

Thank you for your consideration of this measure.

Respectfully,

A handwritten signature in dark ink, appearing to read "K. Polk", is centered within a light gray rectangular box.

Kiran Polk
Executive Director



Randy Perreira
President

HAWAII STATE AFL-CIO

888 Mililani Street, Suite 501 • Honolulu, Hawaii 96813

Telephone: (808) 597-1441
Fax: (808) 593-2149

City & County of Honolulu
Honolulu City Council
Committee on Budget

Testimony by
Hawaii State AFL-CIO

October 17, 2023

BILL NO. 59 – RELATING TO INCENTIVES FOR FILM STUDIO FACILITIES

Dear Chair Cordero and Members of the City Council Committee on Budget,

On behalf of the Hawaii State AFL-CIO, we express our support for Bill 59. Our organization represents a broad spectrum of labor unions and their members in Hawaii. We see the value in economic initiatives that pave the way for a more diversified local economy and offer quality jobs within our community.

The potential of the Film and Digital Media sector as a viable industry in Hawaii is substantial but currently underutilized. Limitations in local infrastructure, such as the lack of expansive studio spaces, hinder its further expansion. By addressing these infrastructural gaps, we not only enrich the creative sector but also contribute to the well-being of Hawaii's economy at large.

We endorse Bill 59's initiatives to broaden the scope of Hawaii's economy, create additional stable and union-backed employment opportunities, and spur increased revenue streams for businesses, both within the creative sector and those related to it.

We appreciate your time and consideration of our perspective and look forward to seeing the positive impacts that this bill could bring to our community.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Randy Perreira", is written over a faint, larger signature.

Randy Perreira
President



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
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Statement of
JAMES KUNANE TOKIOKA
Director
Department of Business, Economic Development, and Tourism
before the

**CITY AND COUNTY OF HONOLULU
COUNTY COUNCIL MEETING**

Tuesday, October 17, 2023
11:00 AM
City and County Council Chambers

In consideration of
Bill 59 (23) CD 1 Proposed
A BILL RELATING TO INCENTIVES FOR FILM STUDIO FACILITIES.

Honorable Chair Cordero and members of the Honolulu City Council Committee on Budget.

The Department of Business, Economic Development & Tourism (DBEDT) and its Creative Industries Division (CID) supports Bill 59 (23) CD1, which seeks to establish economic incentives for purpose-built facilities for film production within the City and County of Honolulu.

DBEDT is committed accelerating the framework necessary to see the Hawai'i film and media sectors become the billion-dollar industry which is key to expanding the state's economic diversification vision. The ongoing collaboration between the state, county and private industry will ensure we future-proof facilities and expand the workforce programs necessary to keep our residents skilled and ready to work, while remaining here at home.

To build and increase our facilities, infrastructure, and broadband capacity to support this growth vision, CD1 as proposed, amends in Section 2, language to provide a real property tax incentive exemption. This is an essential tool to advance infrastructure and facilities growth. When layered with the HRS 235-17 Motion Picture, Digital Media and Film Production Income Tax Incentive and other state initiatives such as Enterprise Zones, this builds a foundation for increasing production activity,

supporting workforce training and development, and provides the business certainty necessary to attract investors for facilities development.

In Section 3, CD1 provides the requirement to promote local workforce development in various areas of production. Concurrent with agreement of productions and labor unions, the proposed on-set training, mentorship and apprenticeship can result in a larger, thriving local creative workforce. This also enhances the current DBEDT efforts leading creative industry skills training through the federally funded UH Good Jobs Hawai'i and supports the City Good Jobs Honolulu. Combined, these efforts can weave the connective tissue to build a sustainable pipeline of skills development for our residents.

We pledge our support to work with Mayor Blangiardi, his team, the Council, and industry partners to be a resource to advance Bill 59 (23), which would incentivize the development of new infrastructure to achieve the mutual goal of expanding our media and film ecosystem.

Thank you for the opportunity to testify.

Bill 59 - Studio Tax Breaks And Incentives For Film Facilities

Dear City Council,

CARES testifies wishing to comment on Bill 59.

Introduction

Film from the arts & culture industry is a good form of economic diversification. Film as an industry to invest in is good for the people of Hawaii, the City & the State because the film industry does not cause overcrowding, it doesn't cause environmental damage by crowds of people destroying nature, destroying plants, destroying marine life. The negative impacts of tourism include deforestation. Tourism enables construction to destroy sacred ecosystems & habitats of various species that are diverse to the environment.

The Tourism Industry

According to the Hawaii Tourism Authority,

“Tourism accounted for over 21% of the state’s total GDP in 2019, generating \$17.75 billion in visitor spending. This industry directly employs a significant portion of the local workforce and supports numerous businesses, including hotels, restaurants, and tour operators.”

In the [2021 HTA Annual Report to the Hawaii State Legislature](#), the team adopted a new strategic plan called DMAP, Destination Management Action Plans, to realign Hawaii’s values to support natural resources, Hawaiian culture, community & brand marketing. Sustainable tourism has become a goal for the State of Hawaii. It is important to assess how the film industry can benefit the State as a sustainable industry with less negative impacts than tourism.

According to the [Honolulu Film Office, an agency of the City & County of Honolulu](#), “the film industry respects and appreciates the natural beauty of our island allowing economic development without physical development, film is unlike tourism, it does not cause environmental damage from overcrowding, tourism brings in people, films bring in projects.” And it is a worthy industry to invest in.

The Film Industry

[Cost-Benefit and Fiscal Impact Analysis of Hawaii’s Film Tax Credit in 2020](#) published in July 2022 is information about the film industry, the film credit and what the State of Hawaii provides. The research is provided by economists. Financial support from the State through tax

credits is to encourage the growth of the film industry through the “Motion Picture, Digital Media, and Film Production Income Tax Credit (“film tax credit”). In 2020, the Hawaii film tax credit program allocated \$50 million to qualifying productions. 17 film productions in 2020 made \$104.9 million in gross domestic product (GDP), claimed \$24.7 million in film credit and qualified film expenditures amounted to \$128.1 million.

Production expenditures by category in 2020

(in millions of dollars)

1. Wages & salaries to local workers	\$36.6
2. Wages & salaries to out-of-state workers	\$45.4
3. Spending on goods & services in Hawai‘i	\$43.3
Construction	\$1.3
Equipment rentals	\$12.4
Purchase of materials	\$3.6
Warehouse/storage	\$0.2
Business/professional service	\$10.2
F&B catering	\$2.7
Hotel/accommodation	\$9.8
Others	\$3.2
4. Spending on out-of-state goods & services	\$2.8
Total qualified production expenditures	\$128.1

In 2018, the film & TV productions brought in \$419 million to the State. In the 2019 report of [Cost-Benefit & Fiscal Impact Analysis of Hawaii’s Film Tax Credit](#), 39 film/TV productions incurred \$311.2 million in production-related expenditures that were eligible for \$65.4 million in Hawaii film tax credits.

Production expenditures by category in 2019
(in millions of dollars)

1. Wages & salaries to local workers	\$99.2
2. Wages & salaries to out-of-state workers	\$107.0
3. Spending on goods & services in Hawai‘i	\$95.0
Construction	\$1.85
Equipment rentals	\$36.32
Purchase of materials	\$7.49
Warehouse/storage	\$2.2
Business/professional service	\$13.63
F&B catering	\$5.84
Hotel/accommodation	\$14.70
Others	\$12.97
4. Spending on out-of-state goods & services	\$10.0
Total qualified production expenditures	\$311.2

To compare the film & tourism industry, how much more does the film industry need to make to beat out tourism industry as the #1 most lucrative industry in Hawaii? In 2018, the best year for film & TV, when the Hawaii industry made \$419 million dollars based on DBEDT's annual report to the State Legislature , if Hawaii produced 42 times more films & tv shows that was produced in 2018, than film would be the best & leading industry in Hawaii.

[State Film Office](#)

The State Film Office is located at the Hawaii State Art Museum in downtown. This is the office to help producers & directors process their film permits and to process financial support credits through film credits.

The State Film Office also manages the State Film Studio and develops the local film & television industry. Hawaii Film Studio located on 18th avenue near Diamond Head. it is located on a gated 7.5 acre lot and provides a soundproof 16,500 square feet soundstage with 29 feet clear span interior height. It has 4 production offices, 2 office trailers, utility hookups for dressing

& costume trailers, storage facilities, parking and space for caterers. The Hawaii Film Studio is the only state owned and operated film studio in the country. The studio was home to 2 of television's longest running hits, Hawaii Five-0 & Magnum, P.I.. It has also served as the headquarters for other series including The Byrds of Paradise, Baywatch, ER, The Rundown and Tears of the Sun.

County Film Office

The State Film Office serves the whole state. Each county has its own film office & commissioner. Together, the state and county film offices comprise the Film Offices of the Hawaiian Islands.

[Here is a list of the different county film offices for more information.](#)

Conclusion

How practical is it to build a few film studios? Should there be limits to exploitation of the film industry here in Hawaii as overcrowding & environmental damage is already a concern?

There should be a study conducted by the State & County film offices to research this subject matter. How sustainable is Hawaii as a tourist destination if they build 5 film studios? Will it turn into Universal studios? Los Angeles is a city built upon film, music & television studios. The tourism is generated by the studio facilities. People want to see how the films are made. They want to see the props & the costumes and the facilities. Will building film studios result in overtourism?

Why force something instead of working with something that already exists? UH West Oahu has a creative media school which supports the students and training them for the workforce. Kualoa Ranch is a nature reserve; it supports Hawaiian culture, schools, education, nature & biodiversity. The State & City Film Offices should consider to be more supportive of Kualoa Ranch & the schools and develop these institutions & facilities to work with major production companies & students.

Thank you for your consideration.

Blessings,

CARE