



# City of Las Cruces®

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## COUNCIL WORK SESSION SUMMARY ROUTING SLIP

Meeting Date April 13, 2015

TITLE: Film Issues

- Are there attachments to the Council Work Session Summary? Yes  No
- Will there be a Video Presentation for this item? Yes  No
- Will there be a PowerPoint Presentation for this item? Yes  No   
 If "yes", will a copy of the PowerPoint Presentation be included on the Council Work Session Agenda? Yes  No

DEPARTMENT / ORGANIZATION	SIGNATURE	PHONE NO.	DATE
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City Manager			



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## Council Work Session Summary

**Meeting Date** April 13, 2015

**TITLE:** FILM ISSUES

**PURPOSE(S) OF DISCUSSION:**

- Inform/Update
- Direction/Guidance
- Legislative Development/Policy

**BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:**

On January 20, 2015, City Council via Resolution 15-136 directed the Convention and Visitors Bureau (CVB) to assess the feasibility for the CVB to take over the now defunct White Sands International Film Festival (WSIFF) and perhaps change its name to the Las Cruces Film Festival. The assessment has been completed and the findings will be presented with various options for City Council consideration. The assessment included a review of practices from other film festivals, interviews with past participants of the WSIFF Board and staff, as well as members of the Las Cruces film industry. The full report is included as Attachment "A".

The City's Economic Development Office (EDO) will provide an overview of established industry cluster development initiatives to improve the competitiveness of Las Cruces' emerging film industry cluster. More specifically, cluster initiatives are organizations or projects that are organized as collaborations between a diverse number of public and private sector actors, such as firms, government agencies, and academic institutions. Industry cluster development initiatives generally are involved in a broad range of activities, e.g., supply-chain development, market intelligence, incubator services, attraction of foreign direct investment, workforce development, management training, joint research and development projects, marketing of the region, and setting technical standards. The EDO's overview will a) briefly describe industry cluster initiatives and how they would apply to the Las Cruces film industry cluster; b) describe the standard functions of a Film Liaison; c) review activities of the City's Film Liaison to date; d) review possible next steps. A PowerPoint presentation will be provided.

**SUPPORT INFORMATION:**

1. Attachment "A", Film Festival Assessment and Options.

(Continue on additional sheets as required)

## **Film Festival Assessment and Options**

### **I. Introduction**

The White Sands International Film Festival (WSIFF) started in Alamogordo, New Mexico in 2005 and moved to Las Cruces in 2009 due to the organizer's inability to attract sponsors and secure the required funding to ensure success. After moving to Las Cruces, the WSIFF did have several years of success which many attribute to the assistance of local filmmakers Mark Medoff and Ross Marks. Their combined contacts allowed the WSIFF to have several years where they were able to draw celebrities such as Val Kilmer, Jeffrey Tambour and Lou Diamond Phillips.

In 2013, Mr. Medoff and Mr. Marks disassociated themselves from the WSIFF. At this point, the WSIFF struggled to draw a top name. From all accounts from those involved, the inability of bringing in a known celebrity diminished the WSIFF ability to attract sponsors and attendees. In 2014, the WSIFF attempted to focus more on local films but attendance and sponsorships dropped substantially. Although the WSIFF stayed within its budget; attendance and interest continued to wane. After the 2014 WSIFF, many of the board members resigned, leaving the few remaining to decide to retire the event which was announced on January 10, 2015 as reported in the Las Cruces Sun-News.

### **II. Request by City Council**

On January 20, 2015; City Council, via Resolution 15-136 directed the Convention and Visitors Bureau (CVB) to assess if it were feasible for the CVB to take over the WSIFF and perhaps change its name to the Las Cruces Film Festival. A committee consisting of Cruz Ramos and Gary Camarano from the Economic Development Office and Jennifer Bales, Chris Faivre and Phil San Filippo from the CVB set out to look at various options and prospective solutions. In the process of the staff analysis, the committee interviewed the following people:

Rob Sharpe, former WSIFF President  
Bill Connor, former WSIFF Board Member  
Dawn Starostka, former WSIFF Administrator  
Ross Marks, former Creative Director  
David Salcedo, former Creative Director succeeding Ross Marks

In addition to the individual interviews, the committee also met with Dave Witt and Julian Alexander; two representatives of Film Las Cruces.

### **III. Structure of Other Film Festivals**

There are hundreds of film festivals in the US but few are self-sustaining. As part of the committee's research, they looked into how other film festivals were structured. As far as the committee could determine there are no film festivals run and managed by a municipality. Although many film festivals receive city funding, they are usually organized

by private, non-profit organizations. Most film festivals appear to be organized by the local film industry or arts organizations with the support of private donors, foundations and sponsorships from public and private resources.

#### **IV. Reasons Why the Festival Did Not Succeed**

As the committee met with individuals who were involved with the WSIFF, contributing causes for the collapse became apparent.

- A. The success of any film festival seems to be largely dependent on bringing a recognized name to the event. WSIFF did best when Val Kilmer, Jeffrey Tambour and Lou Diamond Phillips were honored at the festival. Since WSIFF never paid for talent, confirmation of the celebrity usually came too close to the actual event leaving insufficient time for a strong marketing effort.
- B. Due to limited funds, WSIFF rarely paid screening fees. As a result, this did not attract the higher caliber films that create buzz and excitement for the festival.
- C. WSIFF received little sponsorship support and screenings were not well attended. Based on the information derived from the interviews conducted with those previously involved with the WSIFF, the committee concluded that in order for a film festival to receive sponsorship support there needs to be a strong name confirmed at least four to six months prior to the event. There also needs to be several major films booked that will build interest in the festival.

#### **V. Inaccurate Perceptions**

As the committee reviewed past WSIFF events, it soon became apparent that several perceptions about the festival were inaccurate.

- A. **Perception:** *It is generally perceived that the WSIFF was operated solely by volunteers.*

**Reality:** The WSIFF was never completely a volunteer organization. From as far as the committee was able to trace; the WSIFF always had at least one person who was paid to do the majority of the coordination. In the earlier days, the festival had one paid person who had the responsibility for all of the administration, execution, film selection and creative direction. After the WSIFF moved to Las Cruces, their Board chose to separate the administrative duties from the creative responsibilities. An events management company was contracted to manage all administrative functions. The creative director worked on film selection and identifying a celebrity willing to come in and participate in the event. After reviewing the workflow required to effectively run and operate a festival, it is the opinion of the committee that there needs to be at least one full-time or two part-time people employed to effectively manage the event.

B. **Perception:** *A festival featuring only local films will draw an audience.*

**Reality:** After meeting with former participants and others from the Las Cruces film community; the general consensus is that a film festival needs to feature a combination of local films and films that are receiving regional and national attention. In addition, the importance of having a celebrity at the festival is a critical element that everyone seems to feel is essential to attract visitors and locals to attend.

## VI. What Would Make a Successful Film Festival For Las Cruces?

In order for a film festival in Las Cruces to be successful, it must achieve the following:

- A. Showcase Las Cruces as a prospective location for future films.
- B. Bring in a well-known and accomplished celebrity from the film industry who can attract visitor and local participation.
- C. Highlight the talent and skills of filmmakers in our area.
- D. Have a strong program in place four to six months prior to the event to ensure adequate time for an intensive marketing and promotion campaign.
- E. Engage the community to secure sponsorships.

## VII. Options:

A. The City Council may choose not to take action. Since the film festival was run by a private, not-for-profit organization that is now inactive the City Council may decide that the event was not viable enough to be sustained.

**TOTAL ESTIMATED COST** - There is no cost associated with this action.

B. The City Council may choose to move forward with the City Manager's proposal to create a regional film agency modeled after the Downtown Las Cruces Partnership (DLCP) where a newly formed non-profit group would be organized to take over the coordination of film-related activities. The group would deliver services back to the City such as film liaison responsibilities and possibly re-establishing a film festival in Las Cruces. In exchange for deliverable services, the City could grant the newly formed organization up to \$70,000. The City Manager's proposal provides the film community more input and control over its destiny.

**TOTAL ESTIMATED COST - \$70,000**

C. The City Council may choose that the City, through the CVB, take over the responsibility of planning, managing and executing a film festival. There are two ways in which this can be achieved.

1. The City Council commits approximately \$104,000 to organize and oversee the film festival. The CVB does not have the staff or available funds to make such a commitment without adversely affecting other programs. As a result, the CVB would need to request funds from the City's General Fund. Funds would be used to contract with a creative director who would be responsible for soliciting films, bringing in talent and ensuring the event has the appropriate films necessary to ensure success. In addition, staff would need to contract with an outside service provider to serve as fiscal agent to develop sponsorships, contract with talent, set-up ticketing and monitor all fiscal aspects of the event. Since the solicitation and screening of films are usually done six to eight months prior to the festival, the first year event would be limited in scope. The estimated breakdown would be as follows:

<b>Option C. 1 Budget</b>	
Creative Director	\$10,000.00
Fiscal Agent	\$10,000.00
Talent Fee	\$30,000.00
Screening Fees	\$1,000.00
Travel Expenses	\$10,000.00
Entertainment	\$5,000.00
Promotion & Advertising	\$35,000.00
Miscellaneous	\$3,000.00
<b>TOTAL ESTIMATED COST*</b>	<b><u>\$104,000.00</u></b>

This option works in the same manner as how the CVB manages the Las Cruces Country Music Festival, yet with its own funds.

2. The City Council directs the CVB to organize, manage and conduct the day-to-day operations of the film festival in its entirety. The CVB does not currently have the required funds or staff to take on this project, therefore it would need to request an allocation from the General Fund for implementation. Because of the complexities of the procurement code and the technical skills required to produce a successful film festival, the CVB would need to add an additional staff member working full time on this project. The estimated cost for this project is as follows:

<b>Option C. 2 Budget</b>	
CVB Staff (Film Festival Coordinator)	\$40,000.00
Employee Benefits, Taxes, etc.	\$10,800.00
Talent Fee	\$30,000.00
Screening Fees	\$1,000.00
Travel Fees	\$10,000.00
Entertainment	\$5,000.00
Promotion & Advertising	\$35,000.00
Miscellaneous	\$3,000.00

**TOTAL ESTIMATED COST\***

**\$134,800.00**

- \* All budget estimates were established by the committee after reviewing past film festival budgets and after receiving input from all those who were interviewed.

D. The committee has been in contact with Dr. Christa Slaton, Dean of the College of Arts and Sciences at NMSU. Last year, Ross Marks founded the Mark Medoff Lecture Series in cooperation with the College of Arts and Sciences. The lecture series was established to bring in top filmmakers to Las Cruces who will speak to local filmmakers and the community at large about their craft. The committee discussed the possibility of a collaborative effort where the CVB and the College of Arts and Sciences could join forces and add the film festival element to its existing lecture series. The CVB would propose to commit a sponsorship of \$10,000 that would be matched by the College of Arts and Sciences. The combined \$20,000 would be used as seed money to bring in other sponsors and establish an exciting weekend featuring a combined Mark Medoff Lecture Series / Las Cruces Film Festival. The proposed sponsorship by the CVB would be in alignment with sponsorships for other major events that have a strong propensity to bring overnight visitors to Las Cruces and are matched by other sources.

The first guest lecturer scheduled for the Mark Medoff Lecture Series is Aaron Sorkin. Mr. Sorkin has been involved with some of today's leading television and films dramas including "A Few Good Men," "Social Network," "Money Ball," "The American President," "The West Wing" and "The Newsroom". The weekend would include a gala honoring Mr. Sorkin with funds from the gala going to the Mark Medoff Lecture Series. The remainder of the weekend would include selected independent films and some of Mr. Sorkin's body of work. In addition, several workshops would be held for members of the film industry. The event would be run by Ross Marks with representatives of the local film community and the College of Arts and Sciences. The CVB would play an active role working with the group to effectively market the combined lecture series/film festival as a major Las Cruces event.\

**TOTAL ESTIMATED COST: \$10,000**

**VIII. Recommendation**

The committee believes Options B and D are the most viable alternatives. Option B allows the local film industry to become better organized and take control over its own destiny, allowing those who know and understand the industry best to make the decisions. Option D provides seed money to build a great event. Under Option D, rather than managing the event, the City is engaging the local film community in a meaningful way where they can be involved in growing their industry. The committee learned there is already a group of filmmakers who have come forward and are working to revive the film festival. They all support the idea of building the film festival as an integral part of the lecture series.

In order for a film festival to be successful, there needs to be a commitment from the local film and arts community. Although the committee believes that the City should support such an event; it cannot be the sole force to make it happen. The CVB does not have the funds required to spearhead this undertaking; however it can commit to be an active sponsor and build a strong marketing effort in support of this collaborative effort.

CVB funding is based solely on Lodger's Tax collections. The sales activities and events must be focused on bringing overnight visitors to Las Cruces. The number of requests for funding support have increased substantially over the past several years. As much as the CVB would like to help and support all of these worthwhile programs and events, the CVB must be selective to support only those events that can bring in overnight guests and reflect positively on our community. The CVB has a fraction of the budget of our competitors in El Paso, Albuquerque, Santa Fe, Tucson and Phoenix. Yet, this is the field we must compete with for attracting conventions and visitors. The CVB would support any of the above options that would yield an event that is strategically organized, provides sufficient time for promotion, has the propensity to bring in overnight visitors and will result in an outstanding experience for visitors.