



Municipality of Port Hope

Staff Report

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Report Title: Briefing on Fairview Production 2024

Report to: Committee of the Whole

Date of meeting: November 12, 2024

Report Author:

Meg Ronson, Economic Development Coordinator

Department responsible:

Development Services

Report Number: DS-27-24

Recommended Action:

1. That Council receive Report DS-27-24 for information.

Highlights:

- While it is the mandate of the Economic Development division to encourage and support filming in Port Hope as an economic driver, attracting major revenue-generators like Fairview represents substantial disruptions and challenges for staff, residents, and businesses. Fairview's filming in the first half of 2024 amounted to 17 total filming dates, 28 road occupancy permits, and 10 filming permits. This was the most substantial and impactful production that Port Hope has ever experienced.
- Hosting filming in Port Hope is generally perceived positively by residents and businesses, but the large strain that Fairview placed on an already strained infrastructure (due to the upcoming Walton Street reconstruction and ongoing remediation work) was difficult to negotiate for numerous residents and businesses. It also created several challenges for numerous Municipal divisions.
- Fairview attracted nearly \$1.5M to Port Hope and is expected to positively influence tourism in the years to come once the *Welcome to Derry* TV series airs in the fall of 2025.

Background:

One of Port Hope's many claims to fame is that it is the "real life Derry, Maine," the fictional setting for the popular contemporary *It* horror movie and soon television franchise based on the book of the same name by Stephen King. The productions of *It* (2017) and *It: Chapter 2* (2019) as well as the upcoming *Welcome to Derry* HBO series set to release in 2025 filmed many of its iconic scenes throughout Port Hope, cementing our downtown as both a horror fan tourist destination and a desirable filming location for

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major productions. Furthermore, the implications of this strong relationship with *It* as an ongoing, internationally recognized cultural product—as well as the impacts on Port Hope residents, businesses, and staff—are many. This report will present the most relevant and pressing implications and impacts as they currently stand post-wrap of Fairview's (the production name for *Welcome to Derry* Season 1) location shooting in Port Hope in 2024.

Political considerations

The Province of Ontario has a mandate to encourage and grow filming in Ontario through its agency Ontario Creates. Due to their marketing efforts as well as other market factors, Ontario's film production industry (which includes the production of both domestic and foreign feature films, television shows and series, commercials, and other audio-visual projects) has been growing rapidly over the last decade. Port Hope has many attributes that make it a desirable filming location, and Port Hope's performance as an attractive and welcoming environment for filming contributes positively to the Province's own performance. This is why the Ontario Film Commission delivers a suite of services to Municipal Film offices, including hosting professional development, networking, and production attraction opportunities, and convening a recurring bi-weekly meeting to liaise on upcoming productions and scouts.

Economic and organizational considerations

The Economic Development Division is responsible for overseeing filming-related matters in Port Hope, including issuing film permits, enforcing the Filming Policy, overseeing internal processes for hosting productions, and offering advocacy, consultation, and support for residents and businesses impacted by filming. Handling film productions is the mandate of Economic Development in large part because participating in the industry delivers many economic benefits to the community. Productions are like temporary business or cultural ventures that can require substantial assistance from staff with things like sourcing set locations, renting Municipal facilities, requesting road occupancy permits, navigating by-laws, and finding parking, to name a few.

The productions that present the greatest economic opportunity are those with large budgets and likely complex and intensive needs. Therefore, while Economic Development might be encouraged to attract large film productions, Port Hope's ability to adequately accommodate these productions is limited; large productions can place exceptional strain on everything from Municipal and police staffing and resourcing to our road and sidewalk traffic to our emergency preparedness and fire response. They are also likely to be more disruptive to residents and businesses, who can over time demonstrate a diminishing tolerance to filming-related disruption—especially when compounded with other forms of disruption (i.e.: construction, remediation, etc.).

Community impact considerations

Filming activities that take place in highly visible, high traffic areas can prove disruptive to residents and businesses, and sometimes for long periods of time—from scouting to surveying to dressing all the way to undressing and wrap. Incidentally, it is these visible, high traffic areas within Port Hope which are the most popular filming locations. Disruptions can include limiting or even entirely preventing access to large public

spaces like facilities, parks, roads, paths, and sidewalks, as well as businesses and private residences and properties; generating disruptive localized noise or light; rerouting or delaying transit and traffic; and decreasing localized or overall parking availability. The severity of the impact of these disruptions will vary depending on the situation and the individual (for example, an elderly person with limited or no internet access may rely entirely on their ability to easily access their brick-and-mortar financial institution for making essential financial transactions; while someone younger with a smartphone may prefer to use their phone and experience no disruption).

Cultural considerations

The Tourism Strategy resident survey from March 2024 which received 341 completed entries, found that a significant majority of residents (80%) are supportive of filming and would like to see more in Port Hope. Port Hope residents appear to enjoy the cultural and economic opportunities that filming offers to the community and would like to see those benefits continue.

Cultural exchange, community engagement and tourist visits to the community are all cultural impacts on the community. The presence of a film crew and cast introduces and fosters dynamic cultural exchange, enriching local culture and inspiring new local initiatives (such as the *It* Walking Tour, collaborations with businesses and organizations). Filming can create a sense of community excitement and pride among residents and provide unique experiences. Featured locations become tourist attractions which can lead to sustained increased in tourism and related economic benefits.

Discussion:

Fairview was issued 10 permits representing 17 filming dates in Port Hope—which is a substantial number of days compared to its other non-studio locations in Durham and Hamilton, which reportedly sustained no more than a few total production days. The impact of this production on staff, residents, and businesses was intense and far-reaching.

Organizational impact

Economic Development hosted two **internal** staff townhall meetings focused on the film permitting process, one in December 2023 in anticipation of Fairview's first shoots in February 2024, and one in July 2024 after production had wrapped in Port Hope. Alongside these townhalls they conducted intensive internal consultation both before and after the meetings to properly map the Municipality's work—and information--flows related to filming. The results from both townhalls revealed that effective and successful film permitting and management of major productions like Fairview require strong, sustained, and dynamic interdepartmental collaboration and necessitate a substantial amount of staff time across departments. While Economic Development is the most significantly disrupted division (seeing filming take upwards of seven entire work weeks away from pursuing other priority objectives), the Roads division struggles to be able to accommodate numerous, late, and constantly changing road occupancy permit applications, while the Environmental Remediation division has expressed numerous concerns related to the way filming activities can interfere with an already challenging

remediation project schedule. Other divisions like Communications and Tax and Revenue can also find it challenging to accommodate the needs of filming when they are experiencing higher than normal workloads (such as during an election or during tax season).

Organizational performance

The Fairview location team answered a detailed survey to report on their financial impact and provide the Municipality with feedback on our performance as a filming location services provider. We received an average rating of 3.9 out of 5, with Fairview citing overall positive experiences working with Port Hope residents, businesses, and staff alike. We scored highest in the availability and desirability of filming locations: Fairview praised our many picturesque privately and publicly owned locations. We scored lowest in affordability and in our permitting process: Fairview cited the requirement that a full and complete application be submitted three weeks prior to a filming date, and the requirements surrounding road occupancy permits, as opportunities for improvement. Fairview also noted several challenging conditions that had to be navigated, such as the disruption caused by the Writers' and Actors' strikes and navigating Walton Street reconstruction timelines. Fairview commended Municipal staff's efforts in helping them overcome those conditions.

A frequent piece of feedback collected from a variety of different local stakeholders and community members was that the Municipality was perceived as not communicating within a timeframe that was satisfactory to impacted residents and businesses about upcoming shooting dates and the expected impacts of those activities. Communicating openly, frequently, accurately, and in a timely fashion proved very challenging with this production because Fairview's operations were particularly complex and their needs and timelines were constantly changing. Residents and businesses are eager to receive timely and accurate details well in advance, details that this production was unable to provide until very late in the permitting process. Meanwhile, Port Hope's permitting process requires numerous interdepartmental discussions before a permit can be issued. There is opportunity to improve the way we process and communicate filming information internally and to the public in order approach industry standards while remaining communicative and transparent with businesses and residents.

Economic impact

There is substantial evidence that Fairview represented a substantial revenue generator for Port Hope residents and businesses. Several businesses have stated that the revenue they received during filming sustained them through a downturn during construction on Walton Street. The Heritage Business Improvement Area was able to reinvest their substantial earnings from permitting fees into vital business continuity and shop local programming.

The Fairview production self-reported an estimated ~\$1.5 million in expenditures within the Municipality. This figure includes

- \$317,316.10 on accommodation services,
- \$1,152,399.00 on location costs, and
- ~\$15,000 on technical survey lunches at local restaurants.

This figure does not include cast and crew spending their substantial per diems on local food and beverage during prep, filming, and wrap.

This figure also does not capture the substantial tourism revenue generated during dressing and filming, nor anticipated film tourism revenue after the TV show airs. Our most popular tourism asset is the “*It Walking Tour*” booklet and online map, which is the most visited webpage on our tourism site after the home page, while the digital booklet is the most viewed hosted digital PDF asset we have. On social media, two Facebook posts were among the top five highest performing posts from our Municipal channel between January and July of this year – with the same being true for our Tourism Facebook channel for posts highlighting Port Hope as a filming destination as well as a destination for *It* franchise fans. On Instagram, one of the top five posts on our Municipal channel was about our downtown being dressed for filming, earning over double the interactions of the more far-reaching posts. In short, filming continues to be among the most engaging topics to Port Hope’s audiences.

Community and cultural impact

Because *Welcome to Derry* is set in the 1950’s, it is a period production that required substantial set dressing, as well as a high degree of pedestrian and vehicle traffic control to avoid non-period visuals from entering a scene. Meanwhile, the timing of the Fairview production’s activities meant that it overlapped with numerous other initiatives (Port Hope Area Initiative and Walton Street Reconstruction) that were already straining the Municipality’s road system. Numerous residents and business owners expressed their disapproval of the Municipality issuing filming permits under these already difficult conditions.

At the same time, many businesses expressed strong satisfaction and support for the production, both due to the opportunity to increase revenue and due to the overall positive experience working with the crew.

Financial Considerations:

The total amount that Port Hope invoiced Fairview in 2024 was \$142,128.44. Of that amount ~\$60,000 or ~40% represented net filming revenue (i.e. not charges associated with cost recovery) to the Municipality. The rest of that amount is accounted for in:

- Heritage Business Improvement Area permitting fees
- Road occupancy permit fees
- Park and facility rental fees
- Parking fees
- Cost recovery charges for the Works & Engineering department such as administration fees; labour, equipment, and fuel costs
- Cost recovery charges for the Parks, Recreation & Culture department such as damage repairs and replacements)
- Cost recovery charges for the Development Services department such film liaison fees
- Cost recovery charges for the Port Hope Police Service such as Paid Duty Officer wages

Communication and Public Engagement:

Port Hope's Film Liaison (a role held by the Economic Development Coordinator) is actively and regularly engaged with the public on all matters related to filming, with the crucial, ongoing support of Port Hope's Directors, frontline staff who field general inquiries from the public, and the Communications Division assisting with public releases, social media updates, and general communications guidance.

Port Hope released 8 public notices about Fairview in 2024, often with accompanying social media posts. Engagement on the posts is fair. Generally the posts are shared by the public on popular community groups which then increases their reach. On average, comments were neutral to positive in tone.

The Film Liaison also works closely and shares key business impact information with a Heritage Business Improvement Area appointee to secure approval on film permits that fall within the HBIA boundary.

Conclusion:

The *It* film and TV franchise is a cultural phenomenon that Port Hope is bound to, and conversations about filming will inevitably lead to conversations about *It* products past and future. Our experiences with Fairview should inform but not dictate how we choose to address future filming ventures in Port Hope. The more we understand and learn from our successes and failures in filming, the more agency we will be able to take in future filming opportunities. If the HBO *Welcome to Derry* series proves successful in 2025, there is a strong indication that the production will seek to return to Port Hope for future filming in 2026 and/or beyond, and we should be very clear on the opportunities and the risks that this would present.

To prepare for future filming, the Economic Development Division recommends that Port Hope produce a new Filming Policy to replace the one that was created in 2009 and updated periodically over the last 15 years. This would enable staff to fulfill the Economic Development Strategic Plan's Goal 5, Action 9: Review and update Port Hope's film policy in consultation with key partners to maximize economic impact and community development. Building a new Film Policy requires Council to commit staff and financial resources as well as the volunteer time of community leaders, residents and business owners invited to consult. Council should expect a forthcoming staff report that will further elaborate on this issue once the new Director of Development Services has been onboarded.

Attachments:

None.