

ORDINANCE NO. 170736

Amending Chapter 2, Code of Ordinances, by repealing Sections 2-2153, Film Development Program, and 2-2154, Final Certification and Accounting Requirements, and enacting in lieu thereof two new sections of like number and subject matter that increases the percentage amount for rebates, decreases the minimum amount spent in the City for various film productions and disqualifies film productions with deferred payment contracts with Kansas City Crew or cast.

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That Chapter 2, Code of Ordinances of the City of Kansas City, Missouri, is hereby amended by repealing Sections 2-2153, Film Development Program, and 2-2154, Final Certification and Accounting Requirements, and enacting in lieu thereof two new sections of like number and subject matter, to read as follows:

Sec. 2-2153. Film Development Program.

(a) The rebate amount will be based on the project's actual local qualified expenditures, and must not deviate more than twenty percent (20%), without written consent from the City, below the estimated expenditures provided to the City on the application form. In no case will the rebate paid be more than one hundred percent (100%) of the estimated spend.

(b) Rebates are performance-based, where payments will not be issued until after the production company has provided all the required documentation by a set deadline and the City has confirmed compliance and verified all qualified expenses. Qualified productions will be considered in the order in which they are received and as funding is available.

(c) If a production fails to meet any one of the requirements as set forth in Section 2-2152 (b), the City shall withdraw the rebate offer with no further obligation by the City.

(d) Productions may qualify for one of the following tiers of rebate:

(1) **TIER 1:** 4% Rebate on qualified City expenditures if:

a. Minimum amount spent in the City in one of the following categories:

1. \$100,000 Feature Film; or
2. \$50,000 TV Show Pilot or Episode; or
3. \$100,000 TV Series or Commercial Bundle; or

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4. \$50,000 National Commercial; or
 5. \$25,000 Regional commercial, corporate video; or
 6. \$10,000 Short film or music video.
- (2) **TIER 2:** 9% Rebate on qualified City expenditures if:
- a. Minimum amount spent in the City in one of the following categories:
 1. \$100,000 Feature Film; or
 2. \$50,000 TV Show Pilot or Episode; or
 3. \$100,000 TV Series or Commercial Bundle; or
 4. \$50,000 National Commercial; or
 5. \$25,000 Regional commercial, corporate video; or
 6. \$10,000 Short film or music video.
 - b. Additional requirements:
 1. 250+ City room nights; or
 2. Film for four or more consecutive weeks in the City; or
 3. 25 or more local regional crew or expatriate crew and/or local principal cast and a minimum of one quarter (1/4) of hires must be local.
 - c. Community Benefit Requirement. The principal cast, director, head of department, and/or producer must provide a learning opportunity such as a panel discussion or seminar for outreach to emerging artists and young people who are interested in the industry.
- (3) **MARKETING BONUS:** In addition to meeting the eligibility requirements and qualifying for either a Tier I or Tier 2 rebate, a production company must meet the following requirements to receive additional rebates on qualified expenditures:
- a. Receive .5% bonus rebate for a video or multiple videos of testimony content from a minimum of two (2) above-the-line

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production members and may include below-the-line testimonials in addition on two (2) or more of these subjects:

1. City of Kansas City; or
 2. Ease of doing production in Kansas City; or
 3. Locations used on the project and what works for you; or
 4. Capability of the crew in Kansas City; or
 5. Capability of the actors in Kansas City; or
 6. Enjoyable amenities in Kansas City including hotel, restaurants, nightlife, museums, etc.
- b. Receive .5% bonus rebate if:
1. Project is set entirely in the City; or
 2. Project is filmed entirely in the City; or
 3. Project features or utilizes services or products from arts professionals including but not limited to poet, choreographer, composer, visual artist, or dancer.

Sec. 2-2154. Final Certification and Accounting Requirements.

(a) The following documents need to be received by the Kansas City Film Office within forty-five business (45) days of the last day of filming in order to receive the rebate. The Director has authority to extend this 45 day deadline if an extension is requested by the film production company prior to the deadline with justification of hardship.

- (1) Final Expenditure Report in a format provided by the City along with the following attachments:
 - a. Detailed documentation of final City qualified expenditures along with proof of purchase demonstrating expenditures were bought and paid to companies, organizations or individuals located within the city limits.
 - b. Call sheet(s) showing number of people who worked on the film project and a report on the number of days individuals worked including the rate at which they were paid and the hours per day they worked.

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c. Greater Kansas City Expenditure Report.

- (2) All expenditures must be verified by the City and are subject to approval or denial by the City.
- (3) Film productions with deferred payment contracts with Kansas City Crew or cast are disqualified from the program.

Approved as to form and legality:

Lana K. Torczon
Assistant City Attorney