

ORDINANCE NO. 160093

Amending Chapter 2, Code of Ordinances, by enacting a new Article 17 to implement a film development program to encourage film production in the City of Kansas City, Missouri (City).

WHEREAS, the film production industry represents a remarkable opportunity for economic growth in the City of Kansas City, Missouri, and developing a program that attracts this creative industry will give the City a national competitive edge; and

WHEREAS, Kansas City has been dubbed a 'Tech City' and the film production field is a tech industry that harnesses market assets in digital technology and fiber bandwidth, and in the business ecosystem increasing film production grows the tech sector; and

WHEREAS, a creative economy benefits jobs, neighborhoods and businesses such as hotels, restaurants, production companies, advertising agencies, equipment rental houses, talent agencies, casting agencies, caterers, support vendors, and traffic control vendors; and

WHEREAS, a program for Kansas City curbs 'leakage' of our talented industry residents and graduates, who move to other states and cities to work and live, and encourages more quality projects that offer more work opportunities for our specialized and talented workforce; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That Chapter 2, Article 17, Code of Ordinances of the City of Kansas City, Missouri, is hereby enacted to add a new Article titled Film Development Program to read as follows:

**ARTICLE 17.  
FILM DEVELOPMENT PROGRAM**

**Sec. 2-2150. Purpose of Article.**

The purpose of the City's film development program is to increase the number of film productions in the City, increase and sustain the number of local jobs in the industry, to strengthen the City's national reputation as a place for creative businesses, and to promote the unique features, characteristics and assets within Kansas City neighborhoods. The program provides a rebate to qualifying production companies that meet the requirements outlined in this Article.

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**Sec. 2-2151. Definitions.**

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context indicates a different meaning:

*Above the Line* means individuals including screenwriter, producer, director and principal actors who influence and add to the creative direction of a project.

*As funding is available* means that there is a finite amount of funds available for the film program and the available funding is subject to the City's annual budget process.

*Call sheet* is a form that documents cast and crew who worked on the film project, the number of days those individuals worked, the rate at which they were paid and the hours worked daily.

*City* means City of Kansas City, Missouri.

*Commercial Bundle* means multiple commercial spots filmed during the same principal photography period.

*Expatriate Crew* means any crew person returning to the Kansas City area to work on a project who once held residence in the Greater Kansas City Metropolitan Area.

*Family Video* means the filming or recording of motion media solely for private use.

*Filming* means activity for staging and shooting motion pictures, television shows or programs, commercials, videos, including setup, strike and the time of photography.

*Final Expenditure Report* is a form provided by the City that reports the qualified expenditures within the city limits of Kansas City, Missouri.

*Greater Kansas City Expenditure Report* is a form provided by the City that reports the total area expenditures in the Greater Kansas City Metropolitan Area.

*Greater Kansas City Metropolitan Area* is defined by the City and the five (5) surrounding counties including Jackson, Platte, Clay Counties in Missouri and Wyandotte, and Johnson Counties in Kansas.

*Kansas City Film + Media Office* is an office of the Convention & Visitors Bureau of Greater Kansas City (d/b/a Visit KC).

*Local crew* means a group of people hired by a production company for the purpose of producing a film or motion picture and who reside in Kansas City, Missouri.

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*Local principal cast* means a paid actor residing in Kansas City, Missouri who has a lead, day player, featured or speaking role.

*Regional crew* means crewmembers who are residents of the Greater Kansas City Metropolitan Area.

*Proof of Purchase* means receipts or other documents showing purchase of goods and services, location and cost.

*Principal filming date* means the time period and phase of production during which the main filming occurs.

*Production* means a feature-length film, documentary film, television movie, television pilot, reality program or each episode of a television series or web series. It may also mean corporate media, industrial media, music video, short subject or web video.

*Qualified expenditure* is an expense for a product or service that is a necessary cost for the production of a qualifying production for which remuneration is received by a business entity, organization or individual located in the City. Such expenditures may include, but are not limited to, costs for labor, services, materials, equipment rental, lodging, food, location fees and property rental.

*Rebate* means an amount paid by way of return or refund on what has already been paid or contributed by the production company.

*Short film/short form* means a film less than thirty (30) minutes in length.

*TV Show/Series* means any television episode or television series including web-streamed episodes and series.

**Sec. 2-2152. Eligibility Requirements of the film development program.**

(a) The Kansas City Film + Media Office will provide the initial review of the applications and make a recommendation of the qualified applications that meet program requirements to the Office of Culture and Creative Services for final determination of eligibility.

(b) In making the determination of whether the production meets the requirements for a rebate, an application form must be submitted that demonstrates that the applicant will meet the following criteria:

(1) *City Residence, Production Headquarters or Hotel Stays.* Applicant must meet one or more of the following requirements:

a. Minimum number of hotel room nights:

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1. Two hundred hotel room nights required for a feature film;  
or
  2. One hundred hotel room nights required for a TV show; or
  3. Fifty hotel room nights for a commercial or corporate video; or
  4. Five hotel room nights for a short film or music video; or
- b. Executive Producer/Director has proof of residence in the City; or
  - c. Production office address/headquarters are within the City.
- (2) *Fees:*
- a. An application processing fee of fifty dollars (\$50.00) shall be submitted before the application is considered complete; and
  - b. Fees for City permits needed for production purposes shall not be waived for applicants who qualify and are approved for the Film Development Program.
- (3) Sign a Kansas City Film Code of Conduct compliance form.
- (4) Twenty-five percent (25%) of the principal photography days must be filmed in the City as clearly outlined in the production schedule.
- (5) Hire a minimum of five (5) local crew and/or local principal cast employees. A maximum of one Production Assistant may be applied toward the minimum hire.
- (6) Any film or television production receiving a rebate under this ordinance shall place a credit on each film or television episode providing: "Thank you to the City of Kansas City, Missouri for its generous support of this production", "Filmed on location in Kansas City, Missouri", or other similar type statement as approved by the City.
- (7) Procure and maintain proof of insurance coverage, not less than the types and amounts as required by the City.
- (8) Production companies shall comply with all federal, state and local laws, ordinances and regulations and must be current on all City taxes, licenses and fees.

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(c) Applicant will be required to submit all required final reports pursuant to *Section 2-2154 Final Certification and Accounting Requirements*. The production company shall provide documentation of detailed expenditures along with proof of purchases and payments prior to issuance of rebate pursuant to Section 2-2154.

(d) If the application is approved and the production is determined to be eligible by the City, then the City will execute a contract with the production company under the authority of the City Manager. The production company must comply with all City contracting requirements.

(e) A production company may not receive more than two (2) contracts within the City's current fiscal year.

**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:** 3.5% Rebate on qualified City expenditures if:

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

1. \$300,000 Feature Film with a budget of \$1 million or higher; or
2. \$100,000 Feature Film with a budget under \$1 million; or
3. \$50,000 TV Show Pilot or Episode; or
4. \$200,000 TV Series or Commercial Bundle; or

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5. \$75,000 National Commercial; or
6. \$25,000 Regional commercial, corporate video; or
7. \$10,000 Short film or music video.

(2) **TIER 2:** 7% Rebate on qualified City expenditures if:

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

1. \$300,000 Feature Film with a budget of \$1 million or higher;  
or
2. \$100,000 Feature Film with a budget under \$1 million; or
3. \$50,000 TV Show Pilot or Episode; or
4. \$200,000 TV Series or Commercial Bundle; or
5. \$75,000 National Commercial; or
6. \$25,000 Regional commercial, corporate video; or
7. \$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:

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- a. Receive .25% bonus rebate for a video or multiple videos of testimony content from a minimum of two (2) above-the-line 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 .25% 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 + Media Office within thirty business (30) days of the last day of filming in order to receive the rebate:

- (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

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including the rate at which they were paid and the hours per day they worked.

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.

**Sec. 2-2155. Projects not qualified for film development program.**

a. A qualified film production shall not include:

- 1. News or current events programming.
- 2. Sporting event or sports programs.
- 3. Gala presentation or award shows.
- 4. Infomercials or any productions that directly solicit funds.
- 5. Family videos.
- 6. Political Ads.
- 7. Productions that are considered obscene.

**Sec. 2-2156. Appeals Process.**

An applicant who has been denied approval of financial support through the Film Development Program may appeal the director's decision to the city manager or his or her designee within ten calendar days of receiving the denial. The city manager or his or her designee shall convene an administrative hearing. At the conclusion of the administrative hearing, the city manager or his or her designee shall issue a decision within thirty days and serve it on the applicant.

**Secs. 2-2157---2-2169. Reserved.**



Authenticated as Passed

*[Signature]*  
 \_\_\_\_\_  
 City James, Mayor

*[Signature]*  
 \_\_\_\_\_  
 Marilyn Sanders, City Clerk

**FEB 25 2016**

Approved as to form and legality:

*[Signature]* for  
 \_\_\_\_\_  
 Lana K. Torczon  
 Assistant City Attorney

\_\_\_\_\_  
Date Passed