

MINUTES  
CITY COUNCIL WORKSHOP  
December 20, 2022

The special meeting of the sixty-sixth City Council of Guthrie, Oklahoma was posted on Friday, December 16, 2022 before 5:00 p.m. and held Tuesday, December 20, 2022 at 6:30 p.m. in the City Hall Council Chambers.

Mayor Steven J. Gentling called the meeting to order at 6:30 p.m. and declared a quorum with all Councilmembers in attendance.

Members Present:     Steven J. Gentling     Jim Case     Jeff Taylor  
                              Brian Bothroyd     Don Channel     James Long  
                              Tracy Williams

Members Absent:     None

Staff Present:         Leroy Alsup             William Wheeler     Kim Biggs  
                              Don Sweger             Dan Kassik

**Preliminary discussion and possible action regarding a City of Guthrie Film Production Revolving Loan Fund Proposal to attract additional filming activity.** City Manager Alsup provided an overview of the concept of a revolving loan fund and how it would work.

- ❖ It's a competitive World! If you have something successful, everyday someone is planning on how they can do it better, or simply take it away from you. Just a simple fact of life!
  
- ❖ Christmas Celebrations
  - ✓ Chickasha- 50-foot Leg Lamp honoring 'A Christmas Story'
  - ✓ Enid- Home to America's Tallest Christmas Tree
  - ✓ Sapulpa- Route 66 Christmas Chute
  
- ❖ Oklahoma Film Industry
  - ✓ 27 Oklahoma communities have become certified "film friendly" over course of 2 years
  
  - ✓ Oklahoma Sound Stages
    - Prairie Surf Studios in Oklahoma City
    - Green Pastures Studio in Spencer
    - Cherokee Film Studios in Owasso
  
  - ✓ Oklahoma Film Incentives in addition to State Incentive
    - Oklahoma City Film Incentive
    - The Film Tulsa Fund
    - Cherokee Nation Film incentives
    - Bethany Incentive Package for Film Productions
  
- ❖ State of Oklahoma State Incentive Program

- ✓ 20-38%, Rebate depending on which available percentage uplift opportunities the project qualifies for.
- ✓ Available uplifts are outlined below:
  - 20% Base Incentive
  - 3% Rural County Uplift
  - 2% Small Municipality Uplift
  - 5% Soundstage Uplift
  - 2% / 5% TV Uplift
  - 5% Multi-Film Deal Uplift
  - 3% Post-Production Uplift
  
- ❖ Most film incentives are one time rebates per qualified film. The Film generates an economic impact, however once paid that rebate is paid out and done.
  
- ❖ City staff has explored an opportunity to create a Film Production Revolving Loan Fund to attract additional small budget filming activity in Guthrie. The concept is for the loaned funds to recycle every 12-18 months to attract additional filming in lieu of being a one and done incentive.
  - ✓ Film Productions that participate in the Guthrie Film Production Revolving Loan Fund would also be eligible to participate in the Oklahoma State Incentive Program as well.
  
- ❖ The concept of providing a means to attract additional filming activity in Guthrie is very similar in nature to incentivizing the recruitment of basic industry or large retail developments tour community.
  - ✓ Free or land at a reduced price
  - ✓ Free extension of roads and utilities
  - ✓ Tax Increment Financing
  - ✓ Sales Tax Rebates
  
- ❖ In addition to attracting additional small budget filming activity in Guthrie, this program will provide a necessary stepping stone for many of the graduates from the First Capitol Film Crew Institute at Meridian Technology Center.
  - ✓ A first year graduate of the Film Crew Institute will normally not have the experience, credits or reputation to immediately be competitive for a crew position on a large budget, major blockbuster film or TV Series.
  - ✓ Production of small budget films locally will provide internship and entry level crew positions to those first year graduates.
  - ✓ This effort will help develop the Film Crew Workforce Infrastructure to maintain the film industry in Oklahoma in the future.
  
- ❖ City staff has pitched this Film Production Revolving Loan Fund concept to more than one film producers doing filming in Guthrie over the last couple of years.
  
- ❖ Ben Richardson, president and founder of BRI Productions has negotiated an exclusive deal with executive management at Lifetime for the funding, sell, and distribution of feature films. City Staff believes this format lends itself to our concept of a Film Production Revolving Loan Fund.

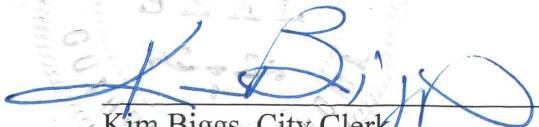
- ✓ Lifetime has 2 echelons of film distribution:
  - 1) Lifetime Movie Network (LMN)
  - 2) Lifetime Chanel

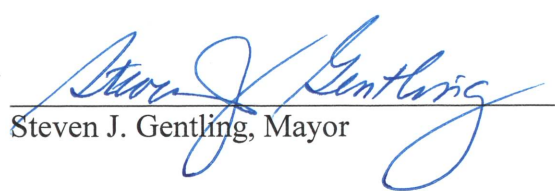
Guthrie Film Production Revolving Loan Fund Proforma					
Description	Funding Format per Movie	Lifetime Movie Network (LMN)		Lifetime Channel	
		2- Films	4- Films	2- Films	4- Films
		2	4	2	4
Lifetime Film Advance	\$150,000.00	\$300,000.00	\$600,000.00	\$300,000.00	\$600,000.00
Lifetime MG- (Minimum Guarantee)	\$65,000.00	\$130,000.00	\$260,000.00	\$130,000.00	\$260,000.00
	\$215,000.00	\$430,000.00	\$860,000.00	\$430,000.00	\$860,000.00
Target Movie Production Cost	\$300,000.00	\$600,000.00	\$1,200,000.00	\$600,000.00	\$1,200,000.00
<b>Financing Gap (Revolving Loan Fund)</b>	\$85,000.00	\$170,000.00	\$340,000.00	\$170,000.00	\$340,000.00
Lifetime Final Payment upon delivery/acceptance of edited film					
1- Lifetime Movie Network (LMN) Echelon	\$100,000.00	\$200,000.00	\$400,000.00		
2- Lifetime Channel Echelon	\$225,000.00			\$450,000.00	\$900,000.00
<b>BRI Productions' margin after payback to Loan Fund</b>		\$30,000.00	\$60,000.00	\$280,000.00	\$560,000.00

- ❖ Mr. Richardson has an extensive history with not only the film industry as a whole, but specifically with Oklahoma film and the City of Guthrie.
  - ✓ 11 years of experience working in the Oklahoma film industry as a producer and director
  - ✓ As a producer, he has completed 7 feature films, all of which have found distribution
  - ✓ 3 of those were filmed in the City of Guthrie using local lodging, office space, food vendors, and locations throughout production.
  - ✓ Several of Ben's films have received critical acclaim, the most recent being "A Little Dead" which he also wrote and directed. This film won the audience choice award this year for 'Best Short Film' at Oklahoma's own Oscar-qualifying deadCenter Film Festival.
- ❖ Each film would be shot with a target budget of \$300,000
  - ✓ No film would be above a TV-14 rating
  - ✓ Each film will be shot in 12 to 14 days over a 2-3 week period
  - ✓ Each film would generate roughly 90 to 100 jobs
  - ✓ At least 65% of each film would be shot within the City of Guthrie
  - ✓ Local lodging would be used to house cast and crew
  - ✓ Meals for cast and crew would be provided by local vendors
  - ✓ BRI Productions Office would be in Guthrie for the duration of filming

After much discussion, it was the consensus of council members to move forward and directed staff to develop a contract with specific details to be presented for consideration in late January or February.

**Adjourn.** There being no further business for the Guthrie City Council, Mayor Gentling declared the meeting adjourned at 6:57 p.m.

  
 Kim Biggs, City Clerk

  
 Steven J. Gentling, Mayor