

1 [Modifies the cap on the amount that an individual production can receive under the Film  
2 Rebate Program, eliminates partial rebate of hotel and sales tax, and requires efforts to hire  
3 disadvantaged individuals.]

4 **Ordinance amending Administrative Code Section 57.8 by changing the cap on**  
5 **individual rebates from the total amount of taxes that the production paid to the City, to**  
6 **\$600,000, modifying the definition of "qualified production cost" by eliminating fees**  
7 **and hotel and sales taxes from that definition, and requiring good faith efforts to hire**  
8 **disadvantaged individuals as a condition of receipt of a rebate.**

9 Note: Additions are single-underline italics Times New Roman;  
10 deletions are ~~strikethrough italics Times New Roman~~.  
11 Board amendment additions are double underlined.  
12 Board amendment deletions are ~~strikethrough-normal~~.

13 Be it ordained by the People of the City and County of San Francisco:

14 Section 1. The San Francisco Administrative Code is hereby amended by amending  
15 Section 57.8, to read as follows:

16 SEC. 57.8. FILM REBATE PROGRAM

17 (a) Purpose. The purpose of the Film Rebate Program is to increase the number of  
18 qualified film productions being made in San Francisco, increase the number of City residents  
19 employed in the filmmaking industry, and encourage the resulting economic benefits to  
20 increased filmmaking in San Francisco.

21 (b) Definitions. As used in this Section, the following terms shall have the following  
22 meanings:

23 (1) "Principal photography" means the time period and phase of film production during  
24 which the main photography occurs.

25 (2) "Qualified low-budget film production" means a feature-length film, television film,  
television pilot, or each episode of a television series, regardless of the medium used to  
create or convey it, that is: (i) produced by a film company that expends at least 55 percent of

1 the total principal photography days exclusively in the City and (ii) has a total budget of no  
2 more than \$3,000,000. "Qualified low-budget film production" shall not include: (i) a  
3 documentary film, news or current affairs program, interview or talk program, instructional film  
4 or program, film or program consisting primarily of stock footage, sporting event or sporting  
5 program, game show, award ceremony, film or program intended primarily for industrial,  
6 corporate or institutional end-users, fundraising film or program, commercials, music videos,  
7 or "reality" program; or (ii) a production for which records are required under Title 18 United  
8 States Code section 2257, to be maintained with respect to any performer in such production.

9 (3) "Qualified film production" means a feature-length film, television film, television  
10 pilot, or each episode of a television series, regardless of the medium used to create or  
11 convey it, that is created by a film company that expends at least 65 percent of the total  
12 principal photography days exclusively in the City. "Qualified film production" shall not include:

13 (i) a documentary film, news or current affairs program, interview or talk program,  
14 instructional film or program, film or program consisting primarily of stock footage, sporting  
15 event or sporting program, game show, award ceremony, film or program intended primarily  
16 for industrial, corporate or institutional end-users, fundraising film or program, commercials,  
17 music videos, or "reality" program; or (ii) a production for which records are required under  
18 Title 18 United States Code section 2257, to be maintained with respect to any performer in  
19 such production.

20 (4) "Qualified production cost," means the following expenses of a qualified low-  
21 budget film production or a qualified film production:

22 (A) Any ~~fees or~~ taxes, with the exception of hotel or sales taxes, paid to the City, or any of  
23 its constituent departments, the proceeds of which are placed in the general fund;

1 (B) Any moneys paid to the City, or any of its constituent departments, for the use of  
2 City property, equipment, or employees, including, but not limited to additional police services  
3 as described in Chapter 10B of this Administrative Code; and

4 (C) Any daily use fees charged by the Film Commission, pursuant to Section 57.5 of  
5 the Administrative Code, to engage in film production in the City.

6 (c) Rebate Program.

7 (1) *Allowance of Rebate.* A qualified low-budget film production or qualified film  
8 production that pays qualified production costs shall be entitled to a rebate, to be calculated  
9 as provided herein, provided that the qualified production has entered into a first source hiring  
10 agreement with the City that demonstrates good faith efforts to hire economically  
11 disadvantaged individuals referred by the San Francisco Workforce Development System to  
12 work for the qualified production. Good faith efforts shall include, at a minimum, consulting  
13 with the FSHA for the purpose of preparing a list of positions for which individuals referred by  
14 the City might qualify, providing that list to the FSHA at least two weeks prior to the first day of  
15 shooting, and documenting efforts to contact and interview job candidates referred by the City  
16 to fill the positions listed.

17 (2) *Amount of Rebate.* The City shall pay one dollar for each dollar the qualified low  
18 budget film production or qualified film production paid in qualified production cost not to  
19 exceed \$1.8 million dollars by June 30, 2009. The rebate shall be paid from the fund into  
20 which the qualified production cost was originally deposited. In no event shall the amount of  
21 the any rebate paid after April 1, 2009 exceed \$600,000.00 the total amount of taxes that the  
22 qualified film production or qualified low budget film production paid to the City. The rebate shall  
23 not be paid from funds dedicated under bond or other legal financing covenants. Rebates  
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1 paid under this Ordinance (Ordinance no. 64-09 ) shall be paid only to those qualified film  
2 productions whose filming commenced on or after the effective date of this Ordinance.

3 (3) *Implementation.* After holding a public hearing, the Executive Director of the Film  
4 Commission, in consultation with the Controller, shall promulgate rules and regulations to  
5 establish the procedures for implementation of the Film Rebate Program. Such rules shall  
6 include provisions describing the application process, the standards used to evaluate the  
7 applications, the documentation that will be required to substantiate the amount of the rebate,  
8 the appeal process, and any such other provisions as deemed necessary and appropriate to  
9 carry out the Film Rebate Program.


10 (d) Reports. The Executive Director shall report annually to the Board of Supervisors  
11 on the implementation of the Film Rebate Program. The report shall include a list of each  
12 qualified film production, residency of employees, and the total of qualified production costs  
13 submitted and paid to each film production. Annually for the first three years after enactment  
14 of this Ordinance the Controller shall perform an assessment and review of the effect of the  
15 Film Rebate Program. Based on such assessment and review, the Controller shall prepare  
16 and submit an analysis to the Board of Supervisors. The Analysis shall be based on criteria  
17 deemed relevant by the Controller, and may include but is not limited to data contained in the  
18 annual reports to the Board of Supervisors submitted by the Director of the Film Commission.

19 (e) The Film Rebate Program shall expire on June 30, 2009, unless extended by  
20 ordinance. If the Film Rebate Program is not extended, the City Attorney shall cause this  
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Section to be removed from future editions of the San Francisco Municipal Code without further action of the Board.

APPROVED AS TO FORM:  
DENNIS J. HERRERA, City Attorney

By:   
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Mariam M. Morley  
Deputy City Attorney



# City and County of San Francisco

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

## Tails

## Ordinance

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**File Number:** 090024

**Date Passed:**

Ordinance amending Administrative Code Section 57.8 by changing the cap on individual rebates from the total amount of taxes that the production paid to the City, to \$600,000, modifying the definition of "qualified production cost" by eliminating fees and hotel and sales taxes from that definition, and requiring good faith efforts to hire disadvantaged individuals as a condition of receipt of a rebate.

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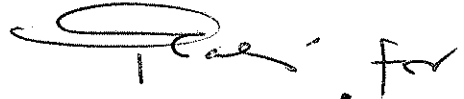
- March 24, 2009 Board of Supervisors — AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE  
Ayes: 11 - Alioto-Pier, Avalos, Campos, Chiu, Chu, Daly, Dufty, Elsbernd, Mar, Maxwell, Mirkarimi
- March 24, 2009 Board of Supervisors — PASSED ON FIRST READING AS AMENDED  
Ayes: 10 - Alioto-Pier, Avalos, Campos, Chiu, Chu, Dufty, Elsbernd, Mar, Maxwell, Mirkarimi  
Noes: 1 - Daly
- March 31, 2009 Board of Supervisors — AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE  
Ayes: 7 - Avalos, Campos, Chiu, Daly, Mar, Maxwell, Mirkarimi  
Noes: 4 - Alioto-Pier, Chu, Dufty, Elsbernd
- March 31, 2009 Board of Supervisors. — PASSED ON FIRST READING AS AMENDED  
Ayes: 10 - Alioto-Pier, Avalos, Campos, Chiu, Chu, Dufty, Elsbernd, Mar, Maxwell, Mirkarimi  
Noes: 1 - Daly
- April 14, 2009 Board of Supervisors — FINALLY PASSED  
Ayes: 10 - Alioto-Pier, Avalos, Campos, Chiu, Chu, Dufty, Elsbernd, Mar, Maxwell, Mirkarimi  
Noes: 1 - Daly

File No. 090024

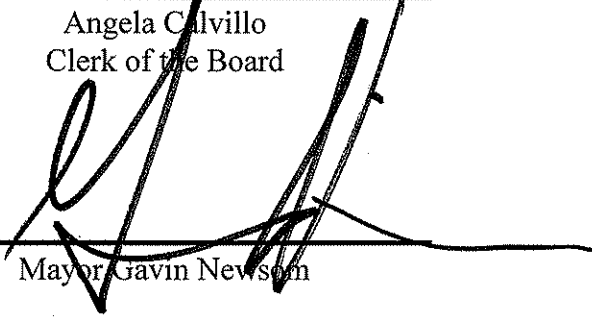
I hereby certify that the foregoing Ordinance  
was **FINALLY PASSED** on April 14, 2009 by  
the Board of Supervisors of the City and  
County of San Francisco.

4/23/09

Date Approved



Angela Calvillo  
Clerk of the Board



Mayor Gavin Newsom