

**Deschutes County
Board of County Commissioners
Discretionary Grant Program**

Board Meeting Date: February 24, 2016

Organization: Central Oregon Film Office

Project Name: COFO Production Outreach

Project Period: Ongoing

Amount of Request: \$5,000

Previous Grants: None recorded.

Approved: _____

Declined: _____



Deschutes County Board of Commissioners
PO Box 6005, Bend, OR 97701-6005
1300 NW Wall Street, Suite 200, Bend, OR
Telephone: 541-388-6571 Fax: 541-385-3202
Website: www.deschutes.org

**DESCHUTES COUNTY
DISCRETIONARY GRANT PROGRAM APPLICATION**

Today's Date:	2/15/2016	Project Name:	COFO PRODUCTION OUTREACH
Project Beginning Date:	ONGOING	Project End Date:	ONGOING
Amount Requested:	\$5,000	Date Funds Needed:	ON DELIVERY
Name of Applicant Organization:	CENTRAL OREGON FILM OFFICE		
Address:	19838 GALILEO AVENUE,		
City & Zip Code:	BEND, OR 97702	Tax ID #:	47-5101722
Contact Name(s):	SANDY HENDERSON	Telephone #:	310 848 3967
Fax #:	NONE	Email Address:	SANDY@CENTRALOREGONFILMOFFICE.COM

On a separate sheet(s), please briefly answer the following questions:

1. Describe the applicant organization, including its purpose, leadership structure, and activities.
2. Describe the proposed project or activity.
3. Provide a timeline for completing the proposed project or activity.
4. Explain how the proposed project or activity will positively impact the community.
5. Identify the specific communities or groups that will benefit.
6. Describe how grant funds will be used and include the source and amounts of matching funds or in-kind contributions, if any. Itemize anticipated expenditures*.
7. If the grant will support an ongoing activity, explain how it will be funded in the future.

Attach:

Proof of the applicant organization's non-profit status.

* Applicant may be contacted during the review process and asked to provide a complete line item budget.

1. Describe the applicant organization, including its purpose, leadership structure, and activities.

The Central Oregon Film Office was founded by Sandy Henderson in 2015 after discovering a need to promote the region and our talented citizenry to out of area film and television production companies. New and diverse locales are constantly required for branded content, television series and film productions; and our Executive Director believes Deschutes County is an untapped source of stunning locations. However, a professional and dedicated office is required to market these locations to such companies. Henderson founded the Central Oregon Film Office as a 501(c)(3) organization with a mission to promote our region, partner with other local organizations and produce media that would highlight our stunning locales in the best possible light. As a non-profit, we also have a mission of creating partnerships with the Central Oregon Community College to increase film education to their students. Henderson has established a Board for the organization that includes Tammy Baney, Deschutes County Commissioner; Alana Hughson of the Central Oregon Visitors Association, and John McLeod, CFO of Mt. Bachelor.

As the Executive Director and sole working team member, Henderson is actively promoting Central Oregon to her extensive contacts made following 20 years working in the film industry, and as the former Executive Director of BendFilm. She is also currently writing grant applications to foundations, and researching other forms of funding.

Once funding has been completed, Patric Douglas, an award-winning TV commercial producer, will work with Henderson to scout locations, collaborate with community interests, obtain permits and optimize tax and local incentives to create a mutually beneficial production environment.

2. Describe the proposed project or activity.

Henderson has been working on a pro-bono level to establish the organization; and to promote Central Oregon as a production destination to out of area filmmakers. Henderson is currently working to attract new branded content, film and television productions to Bend through existing working relationships with key advertising agencies, industry professionals and both the major and independent studios. In February she worked with two production companies (Reebok and Oregon Lottery) from Portland to shoot commercials in our county (Bend and Sisters); and is currently working with a production company out of Los Angeles to film a real estate development commercial (MonteVista Homes) in Bend on March 18 & 19. She has also created a beta level website and Facebook page for the organization to establish a presence online (www.centraloregonfilmoffice.com).

Henderson is also currently working with Delve Films to establish Deschutes County as a production location for an independent film they have in development (budget: \$5M); and a series with HULU (five year budget of \$60M per year). Shooting would take place in the Fall, thus bringing diverse, off season revenue to Central Oregon.

Without an established film office that speaks the correct terminology, and is on the ground to support these productions; they most likely will be shot in Vancouver due to their exchange rate and production support. Henderson is also currently working with Tim Williams of Oregon Film to create a Regional Production Investment Fund that will establish a pool of financial support to out of area filmmakers bringing their productions to our region (cash rebates).

To date, all investment in COFO has been utilized with personal funding and on a pro-bono level to establish the organization as an entity committed to increasing economic development in our region. Grant support from Deschutes County will allow Henderson to continue the momentum of establishing this region as a viable alternative to Southern California and Portland.

3. Provide a timeline for completing the proposed project or activity.

Establishing Central Oregon and our Counties as a production destination is an ongoing activity.

4. Explain how the proposed project or activity will positively impact the community.

When a TV or film decides to bring their production to a region, a minimum of 50% of the budget will be spent in that area. Productions require large numbers of skilled and unskilled employees. From the production assistants that transport crew to and from set in vans, to the caterers and security guards, to the lighting contractors, riggers and sound and video technicians, there are many jobs that need to be filled locally.

Hotel accommodation is also required, in addition to retail purchases that send funds into small businesses.

When as much as 50% (and usually up to 65%) of typical on-location production are comprised of local hires this ensures jobs for citizens. Salaries commence at \$25/hour and increase to upwards of \$75/hour, not including overtime. These are jobs outside of our usual recreational and seasonal positions.

Please also see the attached graphs for a breakdown of revenue productions bring to the community.

5. Identify the specific communities or groups that will benefit.

Deschutes County is benefiting currently from three commercial productions taking place in Bend and Sisters. Our citizens are given an opportunity to work in a field that is outside of recreation, beer or real estate.

Hotels receive increased business from off season and out of town visitors.

Restaurants receive increased business from visiting production staff.

Retail outlets and small businesses receive increased business (catering, construction, costumes, hair and makeup, electrical equipment, car rental companies and businesses used as sets).

6. Describe how grant funds will be used and include the source and amounts of matching funds or in-kind contributions, if any. Itemize anticipated expenditures.

Grant funds will be used for the continued promotional out-reach of our region to out of area production companies, who would otherwise film in Portland, Eugene, Salem or Southern California.

7. If the grant will support an ongoing activity, explain how it will be funded in the future.

COFO has previously presented to the Bend Economic Development Advisory Board (BEDAB); and received unanimous approval of their business plan. The next step is to present to City Council. We anticipate they may fund the organization to approximately \$200K.

Additionally, we are working on grant applications from entities such as Travel Oregon (between \$50- \$100K) for operational funding and other foundations for support. Alana Hughson (COVA) has committed to support the Travel Oregon application with matching funds.



LEGENDARY

Project: Life is Strange (Film, Legendary)

Budget: \$5 Million

Budget % in Oregon: 80%

Shooting days: 30-40

Location: Western Slope of the Cascades, Oregon Coast, City of Bend.

Dates: Prepro -- Spring/Summer

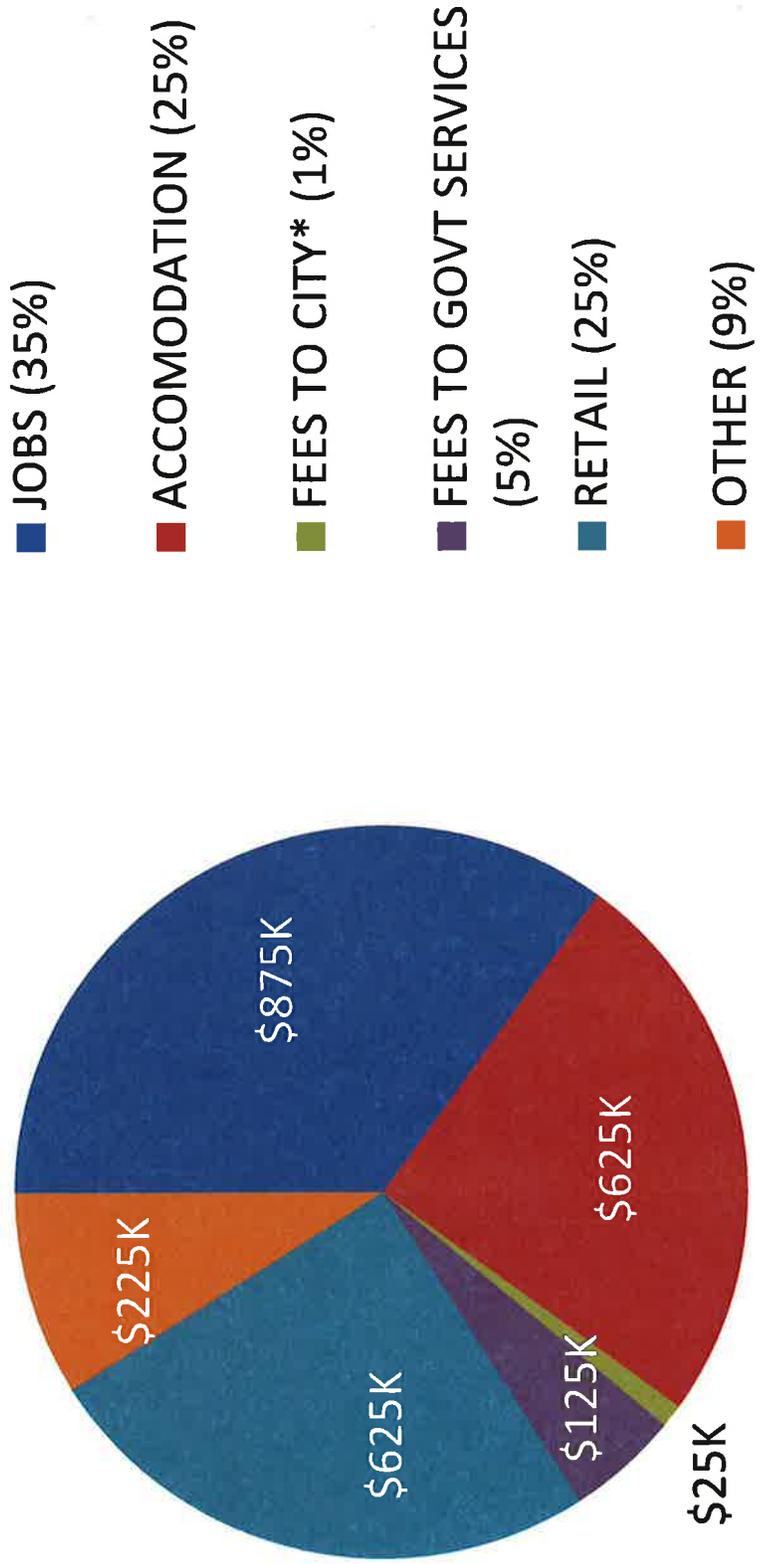
Production -- Summer/Fall

Post -- Winter

Local hires: We plan to hire all below the line talent in Oregon, and as many on screen talent as possible. Our goal would be to train local workers to compile a full crew if needed. Local hiring wages would begin at \$25 per hour and go to \$60+ per hour.

LIFE IS STRANGE BUDGET: \$5M
80% SHOT IN OREGON / 50% SHOT IN CENTRAL OREGON
WAGES: \$25/HR - \$60+/HR

LIFE IS STRANGE (FILM)



NUMBERS ARE APPROXIMATE



LEGENDARY

Hulu

Project: *Myst* (TV, Hulu, Legendary)

Budget: \$60 million

Budget % in Oregon: 45%

Shooting days: 100-120

Locations: Central Oregon High Desert, Cascade Mountains, Christmas Valley Sand Dunes, Lava Fields, Pacific Coast, Smith Rock, Old Growth Forest on Western slope of Cascades. (This is a TV show about traveling to multiple worlds so variety of locations is imperative.)

Dates: Prepro -- Spring/Summer

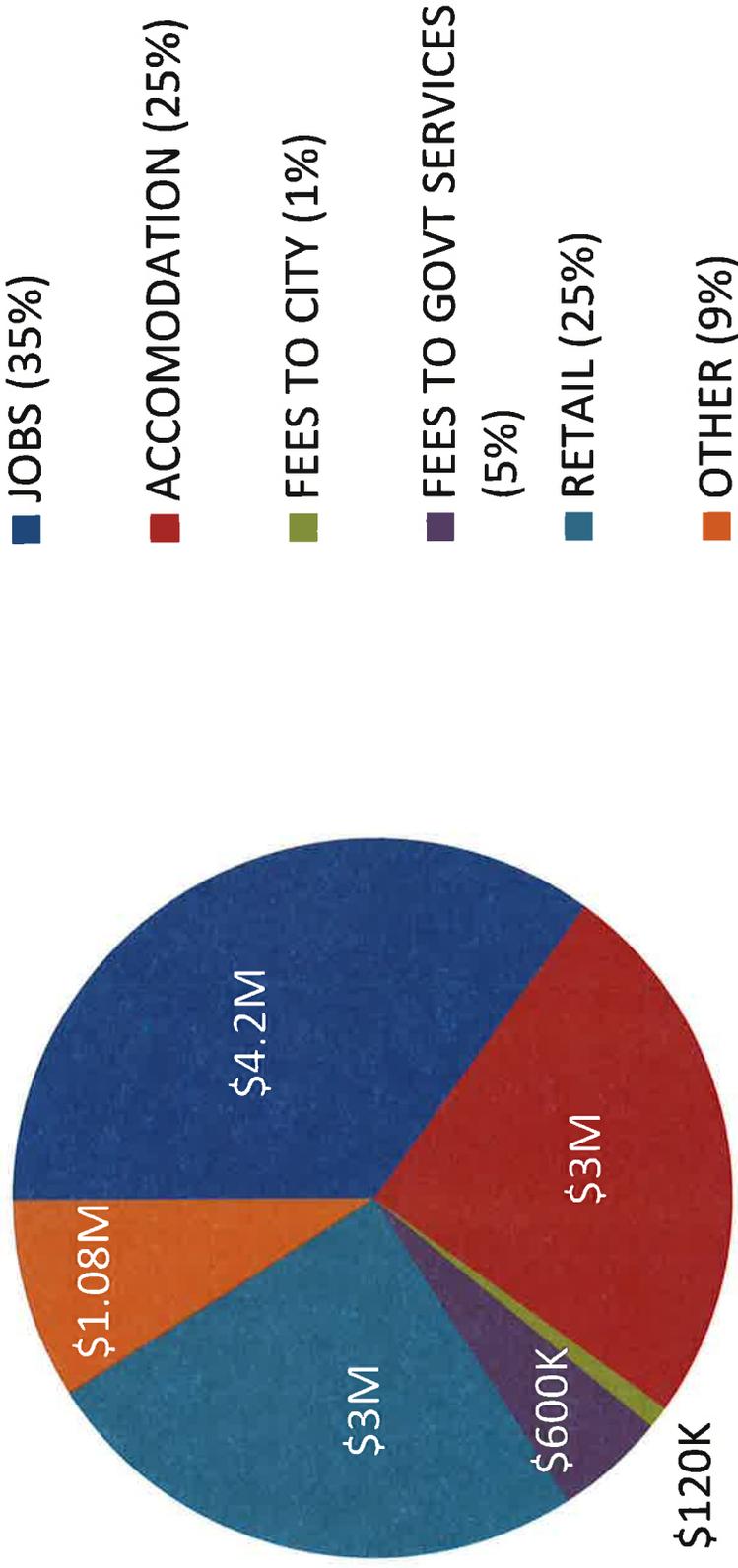
Production -- Summer/Fall

Post -- Winter

Local hires: We plan to hire all below the line talent in Oregon, and as many on screen talent as possible. Depending on availability of key positions with Portland crews, we may bring Key's up from LA to train local workers to compile a full crew. Local hiring wages would begin at \$25 per hour and go to \$60+ per hour.

MYST: BUDGET \$60M 20% SHOT IN CENTRAL OREGON: \$12M (LOW BALL)
PRODUCTION: LATE SUMMER / FALL
WAGES: \$25/HR - \$60+/HR

MYST: YEAR ONE OF FIVE YEAR STREAMING SERIES



NUMBERS ARE APPROXIMATE

JOBS CREATED BY FILM PRODUCTION:

ACTORS
CARPENTERS
CATERING
CONSTRUCTION WORKERS
CONTINUITY ASSISTANT
COSTUME/DRESSMAKERS
DRIVERS
ELECTRICIANS
EXTRAS (ACTORS NON SPEAKING)
HAIR STYLISTS
LIGHTING TECHNICIANS
MAKEUP ARTISTS
PHOTOGRAPHER (ON-SET)
PRODUCTION ASSISTANTS
SCRIPT SUPERVISORS
TALENT ASSISTANTS

**LOCAL RETAIL PURCHASES CREATED
BY FILM PRODUCTION:**

A/V EQUIPMENT
CAR AND TRUCK RENTAL
ELECTRICAL EQUIPMENT
FOOD AND BEVERAGES
GAS (FOR VEHICLES)
HARDWARE
HAIR AND MAKEUP PRODUCTS
LUMBER / CONSTRUCTION MATERIALS
MATERIAL FOR COSTUMES
PRODUCTION EQUIPMENT
SPECIALTY COSTUME REQUIREMENTS

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **DEC 03 2015**

CENTRAL OREGON FILM OFFICE
C/O KARNOPP PETERSON LLP
JON J NAPIER
360 SW BOND ST STE 400
BEND, OR 97702

Employer Identification Number:
47-5101722
DLN:
17053322352005
Contact Person:
RENEE RAILEY NORTON ID# 31172
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Public Charity Status:
170(b)(1)(A)(vi)
Form 990/990-EZ/990-N Required:
Yes
Effective Date of Exemption:
September 21, 2015
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Letter 947

CENTRAL OREGON FILM OFFICE

We sent a copy of this letter to your representative as indicated in your power of attorney.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey I. Cooper". The signature is stylized and written in a cursive-like font.

Jeffrey I. Cooper
Director, Exempt Organizations
Rulings and Agreements