

PROJECT DEVELOPMENT FUND / GUIDELINES 2018-2019

WHAT IS THE PROJECT DEVELOPMENT FUND?

Creative BC will provide funding for the development of independent film and television productions, on a project-by-project basis, in the form of a non-recoupable development advance. Funding is based on a commitment from an eligible triggering agent (the “Triggering Agent”) to advance funds for the development of a specific project.

Applications will be evaluated on a first come, first served basis until the budget has been fully committed for the fiscal year.

ELIGIBLE APPLICATIONS

The applicant must meet the following minimum eligibility criteria in order to be considered an “eligible applicant”:

- The applicant must be a company incorporated in British Columbia or Canada with its head office in British Columbia. A majority of the issued common voting shares must be held by BC residents (Canadian citizens or Permanent Residents who have resided in BC for at least 200 of the 365 days preceding the date of application and who have filed income tax returns in BC in the taxation year prior to the date of application);
- The applicant company may own 10% or less of the shares of a broadcaster and may have 10% or less of its shares owned by a broadcaster or by a distributor;
- The principals, directors, officers and shareholders of the applicant company are in good standing (i.e. not in default) with Creative BC; and
- 100% of the copyright of the project being developed must be owned, optioned, or controlled by the applicant.

Exceptions may be granted for inter-provincial or international treaty co-productions. In these cases, the BC applicant must retain at least 51% of the copyright interest if interprovincial, and 15% to 30%, as per the terms of the applicable treaty for international treaty co-productions; and demonstrate that the copyright ownership is equal to the BC applicant’s financial, technical and creative contribution and control as specified in the co-production agreement entered into between the parties.

ELIGIBLE FILM AND TELEVISION PROJECTS

Eligible projects may include British Columbia owned and/or controlled:

- Feature films destined for theatrical release (live action or animated);
- Television movies, pilots, television series and mini-series (live action, animation, variety, human interest, lifestyle and performing arts and entertainment);
- Short films and webseries (live action or animated);
- Documentaries and docudramas for television broadcast or theatrical release.

The applicant must obtain the prior written consent of Creative BC if they plan to sell, assign, transfer, option or otherwise dispose of or encumber any right, interest or property of the applicant in the project, in any materials created during the development of the project or in the underlying rights agreements.

If the eligible project is produced, the production must be produced in British Columbia by the applicant unless the applicant has entered into an interprovincial co-production or international treaty co-production as specified under eligible applications.

A production that contains any elements of serious or gratuitous sexual violence or exploitation, obscene, indecent or pornographic content within the meaning of the Criminal Code, or elements which are libelous or in any other way unlawful, are ineligible.

FINANCIAL PARTICIPATION

Eligible applicants may apply to Creative BC for a total non-recoupable development advance of up to 50% of the committed cash amount from one or more of the following Triggering Agents for the development of an eligible project:

- An arm's length bona fide distribution entity (Canadian and international distributors);
- National Film Board of Canada (NFB co-productions only; 100% owned and controlled NFB productions are not eligible);
- A licensed public or private broadcaster (Canadian and international broadcasters);
- Over the top (OTT) subscription based services (Netflix, CraveTV, Amazon, Hulu, Youtube Red originals, Vimeo-On-Demand originals);
- The Harold Greenberg Fund;
- Telus Originals; and
- Telefilm Canada Feature Film Fund (CFFF) Development Program *

NOTE: Creative BC will no longer participate in funding the television component of projects receiving support through the convergent stream of the Canada Media Fund. The total development funding available to an eligible project for the fiscal year 2018/19 is capped at \$10,000, except for television series, which include dramatic, animated, lifestyle or documentary, which are capped at \$20,000; the cap for Telefilm is different and is further detailed in the Appendix. The total development funding available to each eligible applicant (including affiliated and related companies) may not exceed \$50,000 in the fiscal year 2018/19. The maximum cumulative funding an eligible project can receive throughout its development history is \$30,000 except for television series which are capped at \$50,000.

Eligible applicants must have a written agreement with one or more of the Triggering Agents confirming their commitment to provide a development advance for the eligible project. Applications must be submitted to Creative BC no later than 30 days after the date that the BC applicant receives the letter of commitment or agreement with the Triggering Agent. Exceptions to the 30 days may be given. Development advances by the Triggering Agent must be relevant to the current phase of development.

* Through a special joint initiative with Telefilm (the Telefilm Development Top-Up), the Telefilm Canada Feature Film Fund Development Program, will trigger \$5,000-\$15,000 of funding through the Project Development Fund. See Appendix A for further details.

APPLICATION PROCEDURES

Applications are evaluated on a first come, first served basis until budgeted funds are committed for the current fiscal year. The processing time for a complete application is 4-6 weeks.

Applicants must submit an application through the submission form online:

<https://www.creativebc.com/programs/development-funding/project-development-fund>

A non-refundable \$105 application fee (includes GST) is payable via cheque (mailed separately), to Creative BC with each submission. Incomplete applications will not be processed.

PROGRAM EVALUATION

The review and analysis of each application is based on program eligibility and does not include a creative evaluation. Successful applicants are notified in writing of the amount of the non-recoupable development advance awarded and will subsequently be forwarded a Non-recoupable Development Advance Agreement (the “Agreement”) that, upon execution, shall be binding upon the eligible applicant and Creative BC.

Following analysis, if a project or applicant is deemed ineligible, the applicant will be notified via telephone or email of the reasons.

ELIGIBLE COSTS

The following eligible costs must be bona fide third party costs directly related to the film or television project in development:

- Acquisitions of rights including option payments and license fees for platforms or formats;
- Research including the creation of a report, bible, outline and/or treatment;
- Writing of a script stage including editing and various breakdowns (i.e.: outline, treatment, first draft, second draft, final draft and polish and applicable fringes);
- Production of a demotape including, but not limited to, creation of a sizzle reel, presentation pilot, webisode or storyboards;
- Creation of a character model pack (for animated projects);
- Polishing, packaging, and a casting phase including creation of a casting reel;
- Travel costs necessary for creative work (i.e. interviewing, demotaping and travel by/to/from the director); and
- Creation and implementation of a crowdfunding campaign.

Producer fees and corporate overhead can be calculated as a combined maximum 40% of the above approved direct development costs (the base budget).

Inflated, excessive, and/or unreasonable allocation of expenditures may be deemed ineligible and deducted from the proposed development budget.

ADVANCE OF FUNDS

The advance of funds (the “Advance”) is non recoupable (except as noted below under Forfeiture and Default and within the Agreement) and will be released over two drawdowns (75% and 25% of the Advance, respectively) according to the conditions laid out in the Agreement.

FORFEITURE AND DEFAULT

A completion date is noted on the Agreement by which all deliverables will be submitted. Should all materials not be provided by the completion date, the eligible applicant forfeits any outstanding drawdown amounts and the commitment will be reduced by this amount.

Should an eligible applicant be placed in default- according to the terms of the Agreement, this limits the applicant, its principals and any parent or subsidiary companies from accessing further funding from Creative BC. In addition, Creative BC reserves the right to request immediate repayment of any funds advanced.

FOR MORE INFORMATION

Please contact Christine Chiu, Business Analyst, Development, at (604) 730-2235 or cchiu@creativebc.com

APPENDIX A / TELEFILM DEVELOPMENT TOP-UP

WHAT IS THE TELEFILM DEVELOPMENT TOP-UP?

Creative BC will provide funding to British Columbia producers who receive less than \$30,000 of funding from Telefilm's Canada Feature Film Fund (CFFF) Development Program, through the Project Development Fund. The amount of funding available will be a \$5,000-\$15,000 non-recoupable advance (the "Advance"), which is a "top-up" amount to reach \$30,000 in total funding for the producer. For example, if a producer receives \$25,000 from Telefilm's CFFF Development Program, they are eligible to apply for \$5,000 as a "top-up" from Creative BC; for a total funding commitment from Creative BC and Telefilm of \$30,000. Funding is available on a first come/first served basis until the budget for the program is expended.

For clarity, the Advance is to be used for the same project that the producer received funding for from Telefilm's CFFF Development Program. If a producer should receive funding from Telefilm's CFFF Development Program above the \$30,000 threshold for one project, or are receiving funding from Telefilm's CFFF Development Program for two or more projects, they are not eligible to apply for the Telefilm Development Top-Up.

Applicants are subject to the same requirements as general applicants to the Project Development Fund, as further detailed in the main guidelines.

WHAT IS TELEFILM'S CANADA FEATURE FILM FUND (CFFF) DEVELOPMENT PROGRAM?

Telefilm's CFFF Development Program supports Canadian production companies looking to finance the development stage of their feature film project. The program is for the development of eligible Canadian feature films and is intended for Canadian production companies involved in the production of feature films in Canada as well as for new talent working in association with these production companies.

APPLICATION PROCEDURES

Applicants are invited to submit applications to the Project Development Fund after confirmation that their application to Telefilm's CFFF Development Program has been successful. In no event will Telefilm contracts dated prior to January 1, 2018 be accepted to trigger funding commitments. If the longform Telefilm contract is not available at the time of application, the confirmation from Telefilm can serve as the Letter of Commitment to be submitted as part of the application. The fully executed longform agreement with Telefilm can be forwarded separately, but will be necessary before the Advance can be made. Applicants can submit applications from as early as receiving their confirmation from Telefilm's CFFF Development Program, to the latest thirty (30) days after the date of the longform agreement with Telefilm. Under no circumstances will applications be accepted after the project has been completed.

The budget and financing to be submitted with the application must contain the amounts from Telefilm, Creative BC and, if applicable, other sources. For example, if the budget is \$30,000, the financing should indicate that \$15,000 is from Telefilm, and \$15,000 is requested from Creative BC. The budget and financing submitted with the application should also match the documents in the longform agreement with Telefilm.

FOR MORE INFORMATION

Please contact Christine Chiu, Business Analyst, Development, at (604) 730-2235 or cchiu@creativebc.com

Information on Telefilm's CFFF Development Program: <https://telefilm.ca/en/financing/development>