Austin Film Society/Austin Studios
AE/AWU Contribution Agreement Information Sheet

Overview

- Austin Studios is a local public/private partnership between the City of Austin and the Austin Film Society (AFS), which opened in the year 2000.

- This 20 acre film/video production facility is housed in City of Austin-owned buildings, which are leased from Austin and operated by AFS. The studios are on City property located on East 51st Street adjacent to the former Mueller Airport site.

- In the 2006 bond election $5 million was approved by voters to provide for renovation of Austin Studios to allow the film studios to continue to operate and service film projects in Austin and continue to be a public resource for the local film industry. A contribution agreement for that amount was approved by City Council in June 2007.

- In March 2007, AFS’s estimated costs for the full studio renovation project approached $9 million. AFS recognized that additional funding would be needed so AFS approached the City of Austin to see if additional contributions could be made to complete the project.

- Austin Energy (AE), Austin Water Utility (AWU), and Communications and Technology Management Office (CTM) all identified places where they might be able to contribute:

  - CTM offered staff time to help with digital infrastructure planning.
  - AE identified a potential contribution of $682,156 for purchasing and installing air conditioning equipment, pending Council approval.
  - AWU identified a potential contribution of up to $330,000 for on-site fire line and related improvements, pending Council approval.

- Value engineering and scope reduction has to date reduced the estimated project budget from $9 million to $6 million, significantly reducing the funding gap between the approved bond funds and the March 2007 estimated project budget.

Proposed Contribution Agreement

- A contribution agreement for the AE/AWU scope of work is on the March 20, 2008 City Council Agenda

- Austin Water Utility’s potential contribution of up to $330,000 is for on-site fire system improvements. The planned on-site fire system improvements include:

  - 8” on-site fire line
  - Three fire hydrants
  - 8” backflow preventer in 5’x7’ vault w/ access hatch
  - 6”x8” water tap to existing 6” for fire line
  - Three gate valves
Note that the final determination of the on-site fire system improvements (not including internal building sprinkler system improvements) are to be determined in the preliminary engineering phase.

- All improvements to Austin Studios become the property of the City of Austin upon completion.

- Economic development is enhanced by the AFS project. This contribution agreement is consistent with other types of economic participation that the City has in Austin Studios/AFS.
  
  - A municipality may grant public money to promote state or local economic development and to stimulate business and commercial activity in the municipality. Local Government Code (LGC) 380.001

  - The Austin Studios project contributes to Austin’s economy by:
    - Providing a unique resource for the film industry including studio/stage space, equipment, and a wide variety of film services
    - Attracting film projects to Austin thereby contributing to the economy
    - Providing job opportunities (studios and associated support functions)

  - Austin Studios has brought $800 million in direct expenditure to Austin from more than 40 feature films and has hosted dozens of commercials, music videos, industrials and still shoots.

  - AFS supports independent filmmakers and creative filmmaking by giving grants, advice, referrals and discounted lease space at Austin Studios and provides outreach and education through after-school classes and youth summer film camps, guest lectures, workshops, studio tours, ticket donations, and volunteer and membership programs.