

JH

## FILM/TELEVISION PRODUCTION IN AUSTIN, 1996 - 2003

Over the past few years, Austin has become a nationally recognized center for film and television production. Among Austin's attractions to filmmakers:

- a wide variety of locations, all within 30 miles (Hill Country; blackland prairie; pine forest; farms and ranches; rivers; small "All-American" towns, etc.);
- an established labor force of experienced technicians and actors, and a wide range of support services (housing; specialized equipment, etc.);
- two nationally-known film festivals, which attract a great deal of industry attention: South by Southwest, in March, and the Austin Film Festival, in October;
- Austin Studios, a soundstage facility offering short-term rental of unused hangars, ideal for filmmakers' needs for large interior spaces;
- resident high-profile filmmakers, including Robert Rodriguez, Elizabeth Avellán, Richard Linklater and Mike Judge;
- a long track record of "satisfied customers": producers who have filmed in Austin, gone home happy and spread the word;
- a moderate climate; and
- Austin's renowned reputation in the film industry as a great place to do business, and a great place to spend time.

Another plus: filmmakers working in Austin (and everywhere else in Texas) are exempt from paying sales taxes on most of what they buy, lease or rent for direct use in their film project. Considering that even a low-budget film may have a budget of \$3 million, a savings of 8.25% represents a considerable savings.

What's happened in Austin lately? Listed below are total production budgets for film and TV projects made in the Austin area over the past eight years.

2003: \$192.6 million                      84% of 2003 total film dollars for state of Texas  
highlights: THE ALAMO; SPY KIDS 3D: GAME OVER; CHEER UP; THE RINGER    18 projects in Austin

2002: \$ 52.1 million                      64% of 2002 total film dollars for state of Texas                      27 projects in Austin  
highlights: SECONDHAND LIONS; SCREEN DOOR JESUS; TEXAS: THE BIG PICTURE

2001: \$ 117.4 million                      52% of 2001 total film dollars for state of Texas                      24 projects in Austin  
highlights: THE ROOKIE; SPY KIDS 2: THE ISLAND OF LOST DREAMS; THE LIFE OF DAVID GALE

2000: \$ 126.1 million                      54% of 2000 total film dollars for state of Texas                      16 projects in Austin  
highlights: SPY KIDS; MISS CONGENIALITY; AMERICAN OUTLAWS; THE NEW GUY

1999: \$ 25.1 million                      18% of 1999 total film dollars for state of Texas                      12 projects in Austin  
highlights: WHERE THE HEART IS; THE SOUL COLLECTOR; AUSTIN CITY LIMITS

1998: \$ 59.9 million                      29% of 1998 total film dollars for state of Texas                      15 projects in Austin  
highlights: VARSITY BLUES; THE FACULTY; OFFICE SPACE; A SLIPPING-DOWN LIFE

1997: \$ 62.8 million                      36% of 1997 total film dollars for state of Texas                      11 projects in Austin  
highlights: THE NEWTON BOYS; HOPE FLOATS; AUSTIN STORIES; TWO FOR TEXAS

1996: \$ 101.9 million                      45% of 1996 total film dollars for state of Texas                      25 projects in Austin  
highlights: MICHAEL; TRUE WOMEN; HOME FRIES; TORNADO!

**TOTAL \$737.9 million, 1996 - 2003**

Typically, 50% of a project's production budget is spent locally, so these figures show more than \$368 million spent in Austin over the past eight years. On-location film production is a low-impact, non-polluting industry that brings a great deal of money to its host communities, while using very few public-supported services, such as schools, health care, etc. And its economic benefits reach far beyond the people that are hired directly by the production company. Filmmakers working on location depend upon a wide array of suppliers and services, including hotels, restaurants, grocery stores, gas stations, rental car agencies, fabric stores, dry cleaners, office supply stores, furniture rental companies, pager/cellular phone suppliers, limousine services, lumberyards, utility companies and many others.

In short, motion picture production is great business for Austin. For further information, please contact the Texas Film Commission, 512/463-9200.

Revised 12-17-03

# TEXAS FILM AND TELEVISION PRODUCTION TEN-YEAR MAJOR CITY BREAKDOWN CHART 1995 - 2004

Year	Region	Total Budgets (in millions)	Number of Projects
2004	Austin	\$42.1	2
	Dallas/Ft. Worth	\$2.0	2
	El Paso	\$0.0	0
	Houston	\$5.8	4
	San Antonio	\$0.0	0
2003	Austin	\$192.6	18
	Dallas/Ft. Worth	\$15.6	7
	El Paso	\$6.5	4
	Houston	\$11.9	9
	San Antonio	\$1.4	3
2002	Austin	\$52.1	28
	Dallas/Ft. Worth	\$11.6	9
	El Paso	\$0.2	2
	Houston	\$11.5	11
	San Antonio	\$2.4	12
2001	Austin	\$117.4	24
	Dallas/Ft. Worth	\$80.1	16
	El Paso	\$0.0	0
	Houston	\$19.6	10
	San Antonio	\$0.5	2
2000	Austin	\$126.1	16
	Dallas/Ft. Worth	\$87.2	18
	El Paso	\$1.5	1
	Houston	\$4.3	6
	San Antonio	\$1.7	5

Year	Region	Total Budgets (in millions)	Number of Projects
1999	Austin	\$25.1	12
	Dallas/Ft. Worth	\$79.3	13
	El Paso	\$0.0	0
	Houston	\$10.8	4
	San Antonio	\$25.2	3
1998	Austin	\$59.9	15
	Dallas/Ft. Worth	\$97.5	20
	El Paso	\$4.0	1
	Houston	\$36.2	6
	San Antonio	\$0.1	4
1997	Austin	\$62.8	11
	Dallas/Ft. Worth	\$73.2	21
	El Paso	\$3.0	1
	Houston	\$23.4	10
	San Antonio	\$7.4	9
1996	Austin	\$101.9	25
	Dallas/Ft. Worth	\$59.5	16
	El Paso	\$0.01	1
	Houston	\$42.5	11
	San Antonio	\$31.7	5
1995	Austin	\$57.6	18
	Dallas/Ft. Worth	\$52.7	20
	El Paso	\$37.2	4
	Houston	\$63.0	10
	San Antonio	\$26.9	4

Shaded area indicates the region with the highest film revenues for the year.

Figures include total budgets of feature films and television projects (movies, miniseries, series and episodes/segments of series). Television commercials, corporate films/videos and sports production are not included. Accurate budget figures are not available for projects prior to 1990.

Source: Texas Film Commission (512) 463-9200  
Revised 3-10-04

# Memorandum



CITY OF DALLAS

DATE December 16, 2003

TO The Honorable Mayor Laura Miller and  
Members of the Dallas City Council

SUBJECT Television Pilot Opportunity

As you will recall, Council was recently briefed on a Film Policy for the City of Dallas, which was developed in conjunction with the Dallas Film Commission. The Commission, created by the Dallas Convention and Visitors Bureau in collaboration with the City of Dallas, serves as a liaison between filmmakers scouting sites for television and feature films, documentaries, commercials and videos. Since its establishment in 2002, the Commission has been aggressively pursuing such opportunities, one of which I am pleased to bring to your attention.

NBC is considering Dallas as the site location for a pilot, and possible series, entitled "HUB". The show is intended to be a modern-day, sophisticated drama chronicling the inner workings of an airport terminal. The Film Commission has been in communication with the Vice President of Production at NBC Studios to indicate the City's interest in working with his office to identify suitable space for production offices and for film locations. In our efforts to attract this project to our city, we are offering the following financial considerations in order to compete with other cities and countries for this lucrative business. This would include the waiving of certain permit fees, as well as fees for use of City-controlled properties that are either not being utilized (e.g. the vacant terminal at Love Field), or that has underutilized capacity (e.g. the Dallas Convention Center).

In return, NBC is expected to provide security services, pay for City employee overtime costs, and pay for non-fee expenses related to the use of City facilities and locations. In addition, the estimated budget for the pilot, alone, is \$4 million, half of which is expected to remain in Dallas as the result of direct spending. Of course, a sustained series would result in a much larger financial impact for the City. For instance, "Walker, Texas Ranger" maintained a budget of approximately \$1.5 million per episode, and the show spent a total of \$54 million in the last season. It was also seen by over 1 billion viewers worldwide giving us much needed media exposure.

I am very excited about the potential for us to host a new television series in Dallas, and I hope you share my enthusiasm. Please feel free to contact me if you have any questions.

Mary K. Suhm  
First Assistant City Manager

eig

December 15, 2003

Mr. Jim McGee  
Vice President of Production  
NBC Studios  
330 Bob Hope Drive  
Room C227  
Burbank, CA 91523

Dear Mr. McGee:

On behalf of the City of Dallas and the Dallas Film Commission, I enthusiastically extend this invitation to you and NBC to film the pilot and series entitled "HUB" in Dallas.

We have the locations. We have the moderate weather, which will minimize any down time on production. Our Dallas Film Commission will continue to give you its utmost support and assistance. And our new permitting policy through the Special Events Office at the City will streamline your permitting needs.

In short, we're ready to roll, and hope you are as well!

*For the pilot and series, we offer the following incentives:*

- Waive location fees for city-controlled portions of the vacant terminal at Love Field Airport (as long as availability is feasible).
- Waive all location fees for properties that are under City of Dallas control (pending availability).
- Waive location fees for use of the Dallas Convention Center (as long as availability is feasible).
- Waive all City of Dallas permit fees
- Assist in locating suitable space for HUB's production offices on City of Dallas property; if space is available, the City would provide the space lease free to NBC.

We would ask in return NBC would contribute:

- Security when needed
- Cover personnel overtime for City of Dallas employees when necessary
- Cover other expenses related to use of facilities & locations

We are excited about your consideration of Dallas, look forward to working with you and are convinced that the good experience you encountered working with us on the "Saving Jessica Lynch" movie will continue throughout the life of "HUB".

Included with this letter you will also find a number of additional incentives offered by the local community and industry. Please know that we are all pulling our support and efforts into one united effort to make you an offer we hope you can't afford to refuse!

Please feel free to contact me with any questions or concerns. I look forward to hearing from you.

Sincerely,

Laura Miller

# Overview of Incentives

## LOCATIONS:

- City of Dallas will waive all location fees for city-controlled locations
  - o Vacant portions of Love Field Airport as available
  - o Dallas Convention Center as available
  - o Other locations that may come up in future scripts as available
  - o Waive all filming permit fees
- Alliance Airport waives location fee for pilot
- American Airlines leased areas at Love Field Airport
  - o Fee waived for use of vacant terminal (pending final letter of approval)

## INDUSTRY:

- Reel Fx Creative Studios
  - o Free post production, visual effects and audio mix services on pilot
- Juniper Music & Sound Design
  - o Original music/sound design and thematic work of pilot for free
- Panavision (camera)
  - o 50% discount on the pilot and at least 35% discount on series
- TFN Lighting (division of Panavision)
  - o 70% discount on lighting and grip equipment
- Mobile Production Services
  - o 50% discount on equipment rental
  - o Willing to negotiate to fit your budget for studio space
- Texas Studio Rentals, Inc. (Trucks & rolling stock)
  - o 40% discount on equipment rentals for pilot
  - o 20% discount on equipment rentals for series
- The Studios at Las Colinas/Muller Entertainment
  - o Willing to negotiate to fit your budget for studio & office space
- Video Post & Transfer, Inc.
  - o Numerous discounts on processing & post services

## HOTELS:

- Hotel ZaZa
  - o Up to 5 rooms at \$99/night room rate
  - o 5 additional rooms at \$119/night room rate
  - o 5 additional rooms at \$139/night room rate
- Marriott Hotels & Resorts
  - o Up to 50-75% off corporate or published rates dependant on availability and choice of properties
- Melrose Hotel
  - o 50-75% off their corporate rates dependant on availability and rooms needed
- Bradford Homesuites
  - o 10 Executive Suites at \$43.00/night on the pilot
  - o 15 Executive Suites at \$43.00/night on the series
- Candlewood Suites Market Center
  - o \$39/night for one bedrooms on the pilot
  - o \$45/night for one bedrooms on the series

## ADDITIONAL:

- Air Center Helicopters
  - o Free usage of their aircraft on camera in the pilot
  - o 50% discount of aircraft usage off camera
- City of Dallas
  - o Free usage of office/production space if suitable facilities are available
- American Airlines
  - o Fees waived on use of office space at Love Field Terminal for production offices (pending final letter of approval, have received verbal.)

**Please see enclosed materials for additional information on many of these offers!**