

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: Mayor & Council, District 1

AGENDA DATE: April 5, 2016

CONTACT PERSON NAME AND PHONE NUMBER: Rep. Peter Svarzbein at 212-1001

DISTRICT(S) AFFECTED:

SUBJECT:

APPROVE a resolution / ordinance / lease to do what? OR AUTHORIZE the City Manager to do what? Be descriptive of what we want Council to approve. Include \$ amount if applicable.

Discussion and action resolving to add to the City's Texas Legislative Agenda and direct consulting firm to advocate for increased economic incentives for the purpose of enhancing the film industry development in El Paso, in order to compete regionally and nationally as a television and film production location.

BACKGROUND / DISCUSSION:

Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?

The City of El Paso has potential to compete with regional leaders in Film and Television productions that are supported by State incentive policies that contribute to industry and employment growth, as well as broader economic impact.

The current State of Texas Moving Image Industry Incentive Program (TMIIP) offers a base incentive rate of 5-20%, plus an additional 2.5% for Underutilized or Economically Distressed Areas Incentive for Film & Television Projects. <http://ic2.utexas.edu/pubs/texas-moving-image-incentive-program-the-economic-benefits-from-incentives/>.

New Mexico continues to offer one of the most competitive incentives package in the industry which includes a 25% or 30% Refundable Film Production Tax Credit and the Film Crew Advancement Program. Post-production services rendered in New Mexico also qualify for the 25% Refundable Tax Credit even if the project is shot elsewhere ("Stand-Alone Post"). The film and television industry engaged a wide variety of local businesses for the procurement of goods and services. It is estimated that approximately \$513.9 million was spent by film and television productions on the procurement of goods and services in New Mexico between fiscal years 2010 and 2014. Over the fiscal years 2010 through 2014, the industry supported annual employment of between 2,500 and 4,000 direct, indirect and induced full-time equivalent positions for residents of New Mexico.

<http://www.nmfilm.com/Incentives.aspx>

This measure directs the City Attorney to draft a resolution, which would be sent to representatives of the El Paso delegation of the Texas Legislature, as well as the city's official consulting group responsible to advocate on the city's behalf at the State level, advocating for higher incentive rates which cultivate the El Paso region as a film & television production location.

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?

n/a

AMOUNT AND SOURCE OF FUNDING:

How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

n/a

BOARD / COMMISSION ACTION:

Enter appropriate comments or N/A

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD:

(If Department Head Summary Form is initiated by Purchasing, client department should sign also)