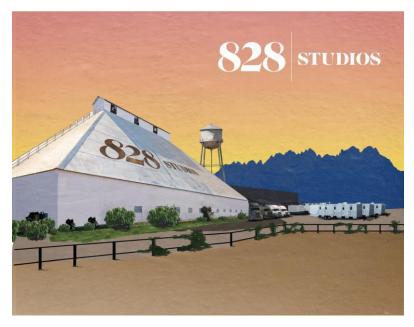
## Third New Mexico film partner to be based in Las Cruces

## **BY <u>ADRIAN GOMEZ / JOURNAL ARTS AND ENTERTAINMENT EDITOR</u> PUBLISHED: WEDNESDAY, AUGUST 17TH, 2022 AT 12:22PM**



828 Productions announced that it will move its headquarters to Las Cruces, where it will open 828 Studios. (Courtesy of 828 Productions) Copyright © 2022 Albuquerque Journal

The state's goal was to have a trio of film partners to invest long-term into the New Mexico community.

The trifecta is complete.

On Wednesday, Gov. Michelle Lujan Grisham announced that California-based 828 Productions will relocate its headquarters to Las Cruces.

With the move, 828 Productions joins Netflix and NBCUniversal as film partners with the state.

According to the deal, 828 Productions plans to invest \$75 million to build a 300,000-square-foot studio and 20-acre back lot over the next six years, creating at least 100 high-paying jobs in Las Cruces.

The firm began ramping up its production efforts in May, filling key positions and purchasing a 7,500-square-foot office building in downtown Las Cruces for training, post-production and visual effects work.

The state will give \$3 million to the project from the Local Economic Development Act (LEDA) job creation fund when the company meets its job target of at least 100 full-time year-round employees.

The city of Las Cruces is considering an additional \$897,000 in local LEDA funding through capital appropriations, and up to \$2.8 million set aside by Las Cruces City Council specifically for cinematic infrastructure. These funds are pending City Council approval and finalization of a project participation agreement. If approved, the city of Las Cruces would be the fiscal agent for the economic assistance.

"New Mexico is seeing a record number of productions from the film and television industry and all-time high spending, and it's no accident," Lujan Grisham said. "Not only are we investing in studios like 828 Productions, we are expanding industry workforce training with a new film school in Albuquerque and Las Cruces."

With the LEDA agreement and other guarantees from the company to invest in workforce training, 828 Productions will be part of the partnership model from 2019's Senate Bill 2, which revised the New Mexico film tax credits to catalyze permanent investments from the film and television industry in the state to create jobs and diversify the economy.

"828 Studios chose Las Cruces because of Gov. Lujan Grisham's commitment to film and television job growth," said Alicia J. Keyes, Economic Development Department secretary. "This is an industry that is highly mobile and can locate anywhere. They are coming to Las Cruces to create jobs here because we have put in place forward-thinking investments that are helping this industry thrive."

The state's tax incentives include a 25% to 35% production tax credit for film, TV, commercials, documentaries, music videos, video games, animation, post-production and more.

Rural communities in the state saw a 660% increase in direct spending from the industry – up from \$6.5 million in fiscal year 2021 to nearly \$50 million in fiscal year 2022.

The game changer in the increase is the rural uplift credit, which gives a production a 5% incentive to film at least 60 miles outside of the Bernalillo and Santa Fe county corridor. This went into effect in 2019.

Las Cruces has seen a major bump in productions due to the rural uplift credit. From July 2021 through May 2022, the area had 23 projects with a total of \$7.9 million that went back into the local economy. In the previous fiscal year, there were nine productions. The number of productions matches the number of fiscal year 2019 for the Las Cruces area.

828 Productions is a full-service film finance and production company that is known for backing the SXSW Grand Jury Prize winner "The Fallout."

"We were looking for a home for 828 Studios and fell in love with Las Cruces," said Todd Lundbohm, founder and CEO of 828 Productions. "This is a town on the rise, with a wealth of opportunity just waiting to be tapped into. At 828, we're passionate about story and film as an art form, but we're equally passionate about creating a studio environment that inspires positivity behind the scenes as well. For us, it's about putting down roots, and New Mexico, specifically Las Cruces, gives us the ideal place to do that."

828 has finalized negotiations on an additional 35 acres of land in downtown Las Cruces, with existing structures that will provide soundstage and set construction space.

The film company intends to shoot its first production in the new Las Cruces Studio before the end of 2022 and plans to spend \$350 million on productions over the next decade.

Jeff Steinborn, a state senator and Film Las Cruces co-founder and president, said the announcement changes the game for Las Cruces and Doña Ana County.

"We're thrilled to have 828 Productions making this investment in our community to create a full-service film production studio and backlot," Steinborn said. "828 Studios will help elevate Las Cruces as one of the top film production hotspots in New Mexico and the United States, and showcase our excellent film incentives, diverse locations, talented crew, and rich Southwestern culture."