



Peak TV Means Boom for Soundstages in Commuter Communities

By Carole Horst

June 6, 2019 10:45AM PT

It wasn't so long ago that the mention of "runaway productions" would send the California below-the-line community into a panic. But in this era of peak TV and the demand for more and more content, California's attractive rebates have lured producers back from other states. They have created a booking boom not only in the traditional backlots of Hollywood but also in the more far-flung studios and soundstages around Los Angeles County, as well as across the state.

The California Film Commission, which runs the Film & Television Tax Credit Program 2.0, administers \$330 million per year to qualified TV and film projects. Last year, then-Gov. Jerry Brown extended the program until 2025. Eve Honthaner, deputy director of the California Film Commission, notes that "production is occurring in areas across the state with help from the tax credit program's uplift for filming outside the L.A. 30-mile zone." Some of these series include Netflix's "13 Reasons Why," which films in the Bay Area, and HBO's "Big Little Lies," which uses the Central Coast. Even Marvel returned to the state with blockbuster "Captain Marvel," which not only filmed in Los Angeles but also brought about \$1 million of economic impact to Fresno County.

The California incentives program has also specifically targeted shows that shoot out of state with a "separate funding bucket for relocating TV series," notes Honthaner.

Showtime's "Penny Dreadful: City of Angels" is the latest TV series to relocate, with tax credits north of \$20 million (and no need for Toronto or Atlanta to stand in for L.A.). But 16 other series recently made the trip, including HBO's "Veep" and "Ballers," as well as NBC's "Good Girls" (which first shot in Atlanta) and Lifetime's "You" (whose first season took place in New York).

"Collectively, these projects are contributing more than \$1.5 billion in direct spending in California, including \$553 million in qualified wages to below-the-line workers," says Honthaner.

The tax credit certainly has helped the City of Santa Clarita, about 25 miles north of downtown Los Angeles, reap the benefits of the production boom.

Its 25 soundstages and numerous movie ranches are in the 30-mile zone, qualifying for state and county incentives, as well as Santa Clarita's own permit and hotel credit incentives. Series such as "S.W.A.T.," "Mayans M.C.," "Westworld," "Good Trouble," "NCIS" and its spinoff "NCIS: L.A." are regulars on its movie ranches, soundstages and neighborhood locations.

In “the past five years we’ve averaged over 500 permits per year and over 1,300 film hours,” says Evan Thomason, economic development associate at the Santa Clarita Film Office.

Thomason notes that Santa Clarita Studios — which has more than 10 stages, plus backlots, equipment rental services, post-production and ADR facilities, among its offerings — has expanded, adding office space, writers’ rooms and edit bays.

“The movie ranches have [also] been expanding and they’re a big attractor,” says Thomason. “We get a production to come up, and they are based in one of the soundstages and then it’s very easy and convenient for them to hop around” to ranches such as Blue Cloud Movie Ranch or Disney’s Golden Oak Ranch — or shoot in the variety of neighborhoods around the city.

“We can be anything, we can be anywhere. We have unique rural neighborhoods and a lot of different topography. So that’s a big part of why we’re successful. A production moves in and they have a lot at their fingertips without driving all over Los Angeles.”

Dylan Lewis, owner of Santa Clarita-based Blue Cloud Movie Ranch, says over the past two years his company had 300 days under contract and more than 120 days of filming — a significant increase from when he first bought the space in 2015. He partially attributes the growth to the new content platforms that have become major players in recent years. “Netflix, Amazon, Hulu — they’ve all been to the ranch,” he says.

Although “there used to be a pretty defined high season and low season” for production, usually with a “summer lull,” Lewis says that is no longer the case.

That’s led him to expand Blue Cloud by more than 150 acres in the past four years, including new standing sets and buildings, as well as services facilities, more parking and open space for productions that need a middle-of-nowhere feel.

MBS Media Campus, about 16 miles south of L.A. in Manhattan Beach, is also seeing an uptick at its facility, most notably in new entertainment technology such as virtual and augmented reality.

“We have been very lucky that over the past five-plus years we have experienced over 95% occupancy. But with that said, we have shows lining up more than ever before, and often book months in advance of another show wrapping,” says Michael Newport, MBS Media Campus EVP of business development. And the expansion shows little sign of abatement.

The latest business park in Santa Clarita — the under-construction, 135-acre, 4-million-sq.-ft. Needham Ranch — has signed its first tenant, Arri’s equipment rental company Illumination Dynamics, which caters to the entertainment industry.

“More entertainment and film-related business relocating to this new business park will be announced soon,” Thomason says. “We continue to see existing warehouse [and] industrial spaces converted into soundstages to keeps pace with the growing demands of the film industry.”

Other spaces that are growing include Quixote Studios in Pacoima, in the north San Fernando Valley, which has opened a new facility this year; while Simi Valley’s Allied Studios; Sun Valley’s Line 204; and Warner Bros. ranch facility have all added or are adding soundstages.

RSI Stages in Pomona, about 30 miles east of downtown L.A., has seen an increase in stage rentals by streamers, as well as for re-shoots of shows filmed in Georgia.

Likewise, Ventura County has seen a 12%-14% increase in activity days from 2018, while Orange County film commissioner Janice Arrington reports an increase in scouting calls lately from location managers. “Ballers,” “American Horror Story” and “The Politician” have all filmed in the O.C.

“In-state production employment and spending have grown significantly,” says Honthaner. “The latest annual data from the Teamsters and IATSE shows a 15.6% increase in hours worked compared to 2014. In addition, SAG-AFTRA reports a 22.4% increase in-state background performer jobs over the same period.”

Indeed, the Golden State is once again the center of the showbiz universe.



In addition to housing sets on soundstages, “NCIS” films in real neighborhoods in Santa Clarita. Courtesy of Santa Clarita Film Office

<https://variety.com/2019/tv/features/california-tax-incentives-film-tv-production-increase-santa-clarita-big-little-lies-1203233419/>