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## *On Location:* New Santa Fe Studios beckons filmmakers

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A longstanding artists community and celebrity vacation destination, Santa Fe has a new rising star – one it hopes will help the state regain its footing as a leading production destination for filmmakers.

This week, **Santa Fe Studios**, a nearly \$30-million production facility in the southeast part of the mountain town, will open for business. Built in line with the city's traditional pueblo architectural style, the 65-acre studio includes two 19,275-square-foot soundstages with lush offices and dressing

rooms, access to electric cars and ultra-high-speed broadband technology.

Financed partly by a \$10-million economic development grant from the state, the facility will be New Mexico's fifth studio and the second largest after Albuquerque Studios, which has eight soundstages and has been home to dozens of feature film and television productions including Marvel Studios' "The Avengers" and four seasons of AMC's "Breaking Bad."



While the investment in a new studio less than 80 miles from the Albuquerque appears to be a gamble, its owners -- longtime producing and directing brothers Lance and Conrad Hool, along with Lance's son Jason -- tout the smaller-city facility as the boutique alternative for filmmakers looking to shoot in the state.

"New Mexico now has a first-class studio," said Lance Hool, producer of such movies as *"Man on Fire"* and *"Flipper."* "This will help stabilize the industry and with the backing of the administration will result in more activity."

One of the pioneers of state-implemented film incentives, New Mexico's 25% tax rebate, combined with its proximity to Los Angeles, mild weather, experienced crew and aggressive state film office, proved to be a gold mine for the state, resulting in \$275 million in annual direct film spending at its peak in fiscal year 2008. Films shot in New Mexico include *"Transformers," "Terminator Salvation"* and, most recently, *"The Last Stand"* starring Arnold Schwarzenegger.

The future of the state's film industry was thrown into question earlier this year when New Mexico became the latest of several states, including Michigan, to consider cutting its film subsidies. Gov. Susana Martinez had attempted to reduce rebates to 15% but lawmakers ultimately reached a compromise to keep the incentive but implemented a rolling annual cap of \$50 million.

Although the cap is well below the tax credits approved in the last two years -- \$65.9 million in 2010 and \$76.4 million in 2009 -- New Mexico Film Office Director Nick Maniatis said the new limit should not hinder the state's ability to attract future productions, as applications for qualifying projects filed after the limit was reached would fall into queue for payment the next year.

"We saw a fallback when the incentive was in question, but we're hoping that by the spring we'll be back to where we were," Maniatis said.

The total value of approved tax credits has been on the decline for the last two years, with \$54.6 million in the fiscal year that ended June 30, compared with \$65.9 million in the same period a year prior and \$76.4 million in fiscal 2009, according to the New Mexico Film Office.

Despite this decline, Hool is confident about the future of the movie industry in the state after meeting with Martinez earlier this week. "She's 100% behind the film business," Hool said.

Hool says **Santa Fe Studios** has received substantial interest from filmmakers considering shooting at the new facility. "We have several features and television shows booked."

Although Hool would not confirm which productions were heading toward the studio, he said Disney's much-publicized *"The Lone Ranger,"* starring Johnny Depp, was among the possibilities. Albuquerque Studios is expected to be the main base for *"The Lone Ranger"* but Santa Fe is negotiating to have some of the film shot at its new studio, said one person familiar with the matter. Production of *"The Lone Ranger"* halted in August in a dispute over the film's budget, which is more than \$200 million, but is scheduled to resume early next year.

Jon Hendry, business agent for Local 480 of the International Alliance of Theatrical Stage Employees, which represents crewmembers in New Mexico, is optimistic about the state's ability to bounce back from the uncertainty of the last few months and says **Santa Fe Studios** will play into that recovery.

"Albuquerque Studios was transformative for New Mexico," Hendry said. "I have no reason to believe **Santa Fe Studios** won't be able to accomplish the same thing."

