

## **GOVERNOR CUOMO ANNOUNCES INCREASING SUPPORT TO \$11.3 MILLION FOR STEINER STUDIOS MEDIA CAMPUS AT THE BROOKLYN NAVY YARD**

*Media Campus Expansion to Further Strengthen Empire State As Leader for Film & TV Industry*

*NYS Tax Credits Are Major Driver of New Jobs, Economic Growth in Empire State*

Governor Andrew M. Cuomo today announced that Steiner Studios, the largest film studios on the east coast, is moving forward with Phase III of its transformational Media Campus project at the Brooklyn Navy Yard. The announcement was made during a tour of economic development projects supported by the New York City Regional Economic Development Council, held at Steiner Studios.

The State is increasing its support of the project by \$6.3 million, bringing total State assistance for Phase III to \$11.3 million, which is being matched dollar-for-dollar by New York City, and enabling Steiner Studios to finance the \$137 million infrastructure project that will convert the underutilized naval hospital annex at the Brooklyn Navy Yard, which has been vacant for nearly three decades, into a hub for media, technology and film related businesses. This phase of the project has the potential to create 900 full-time permanent jobs and 1,100 construction jobs. Future development of the site will involve over \$270 million of additional investment and generate nearly 2,000 full-time jobs and more than 1,800 construction jobs.

Steiner Studios' expansion will strengthen New York State's status as the place to be for production and post-production work by constructing more than 170,000 square feet of new soundstages to meet the critical demand in New York for space to shoot television shows and commercials, and an approximately three acre New York City outdoor streetscape backlot, which will support increased tourism in the area and significantly ease disruptions in city neighborhoods heavily used for film and television shoots.

“Both the State and City’s long-term vision and support has made it possible for us to receive this funding today, and we are very grateful,” said Douglas C. Steiner, Chairman of Steiner Studios. “These funds will allow us to begin the expansion of our media campus, which will enlarge our capabilities in the production of quality film and television, install an educational component for career training in these fields, and create thousands of new jobs, further establishing New York as the #1 State for 21<sup>st</sup> century media.”

The bucolic setting – noted for its historic structures and rich landscaping – offers a production environment radically different from anything available in New York City today. With buildings preserved from the Civil War and both World Wars, the open campus environment features winding drives, expansive fields and park-like grounds. The 20-acre site is adjacent to Steiner Studios existing space at the Navy Yard.

The nonprofit Brooklyn Navy Yard Development Corporation (BNYDC) is partnering with private developer Steiner to convert multiple structures and buildings at the Brooklyn Navy Yard into Steiner Studios Media Campus III. The project will include the construction of a gas, water, sewer, electric and teledata infrastructure loop on the 20-acre Naval Annex that will allow for

over 300,000 square feet of new space for media and tech companies, together with academic partners, in nine historic structures and five new buildings. Other key infrastructure investments include construction of the Kent Avenue Vehicular Entrance, a Campus Pedestrian Passage, and a Grand Stair Plaza which will connect the Naval Annex to Steiner Studios. Also included in this phase will be the renovation of the 46,000 square-foot Officers' Club and the construction of approximately 177,000 square feet of new soundstages.

“For decades, we have been preserving the hospital campus site for the best possible re-use. Steiner Studios’ continued commitment to the Navy Yard ensures the future vitality of this site and thousands of new employment opportunities,” said David Ehrenberg, President and CEO of the Brooklyn Navy Yard Development Corporation. “Thanks to the State's and City’s crucial funding, we can now begin the necessary infrastructure work and further solidify New York as a destination for film and television production.”

Under the Governor’s leadership, the State’s film and television program has taken off – bringing new business, investments and jobs to New York. Since 2011, New York State has attracted 415 film and TV projects, which has resulted in \$5.7 billion in direct spending and the hiring of nearly 360,000 New Yorkers to work on productions. Based on both the recent and overall successes of the New York State Film Tax Credit Program, Governor Cuomo extended and enhanced the State’s popular film and television tax credit through 2019, which is providing the stability necessary to allow the state to attract more long-term investments and create more jobs for New Yorkers all across the state.

Governor Cuomo’s extension of the program expands the scope of projects eligible for the credit, accommodates the rise of visual effects spending as a portion of overall budgets, and includes provisions to drive more film production and post-production upstate. There are also provisions adding transparency and accountability to increase the state’s return on investment, protect the film credit program’s integrity, and reduce program costs by adding new third party reporting and oversight provisions.

The film and TV industry response has been record breaking in the Empire State: through the first three quarters of 2013 alone, the State has received more applications for the production tax credit than ever before. To date, 148 applications have been submitted to the Governor's Office for Motion Picture and Television Development, compared to 134 applications in 2011 and 133 applications in 2012.

Additionally, in July 2012, Governor Cuomo signed a new law, which he championed, that boosted the available post-production credit from 10 to 30 percent in the New York metropolitan commuter region. And for post-production work in Upstate New York, 35 percent tax credits were made available to encourage additional investment and construction of new facilities in the region. The legislation was designed to help the State compete for post-production business and jobs, a fast-growing segment of the motion picture and television industry.

Over the 14 months since the strengthened post-production tax credit took effect:

- 74 productions have applied for post-production work in New York – almost 4 times the number of applications received during a two-year period under the previous tax credit;
- 173 new jobs have been created;
- Uptick in new post-production business will generate over \$90 million in new spending in the state;
- Nine post-production companies have established new operations, including three upstate, while at least two New York post-production companies have significantly expanded their operations;
- Revenue has increased, on average, by 31 percent for participating post-production companies in New York; and
- Post-production companies reported spending nearly \$18 million to expand and purchase new equipment to accommodate the increase in business demand.

Steiner Studios first opened at the Navy Yard in 2004 and has grown to more than 580,000 square feet on 26 acres. The studio's facilities include soundstages, editing suites, mill shops and prop storage, on-site parking, a full commissary, a screening room and lighting & grip services. Steiner Studios is the largest US film and television production studio complex on the east coast.

The 300-acre Brooklyn Navy Yard, the leading industrial park in New York City with 4.5 million square feet of leasable space – consisting of 40 rentable buildings with more than 300 tenants – is 99 percent occupied. The city-owned Navy Yard, which is managed by the not-for-profit Brooklyn Navy Yard Development Corporation, is currently undergoing an expansion – its largest since WWII – that will create more than 1.8 million square feet of new space and 2,500 jobs over the next two years. Employment in the Yard has increased from 3,600 in 2001 to nearly 7,000 today. This expansion has been driven in large measure by over \$200 million in basic infrastructure investments from the Bloomberg Administration – which has supported the development of more than two million square feet of industrial space at the Navy Yard – and increasing levels of investment from the State and federal governments, including a recent \$6 million capital commitment from New York State to build out more space for green manufacturers in the Yard. Public investments have helped leverage over \$750 million in private investment for new buildings in the Navy Yard.

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