Agenda Item: 6



CITY OF SANTA CLARITA AGENDA REPORT

CONSENT CALENDAR

CITY MANAGER APPROVAL:

Ken Striplus

DATE: March 22, 2022

SUBJECT: STATE LEGISLATION: SENATE BILL 485

DEPARTMENT: City Manager's Office

PRESENTER: Masis Hagobian

RECOMMENDED ACTION

City Council support Senate Bill 485 (Portantino) and transmit position statements to Senator Portantino, Santa Clarita's state legislative delegation, appropriate legislative committees, Governor Newsom, the League of California Cities, and other stakeholder organizations.

BACKGROUND

Authored by Senator Anthony Portantino (D-25-La Cañada Flintridge), Senate Bill 485 extends the California Film and Television Tax Credit Program for five additional fiscal years.

In 2009, the state legislature passed the California Film and Television Tax Credit Program in an effort to promote film production and create and retain jobs in California. The California Film and Television Tax Credit Program (tax credit program) is scheduled to sunset on July 1, 2025. This bill would extend the tax credit through July 1, 2030.

The tax credit program has played a significant role in incentivizing and retaining film and television production companies in California. At the local level, the City of Santa Clarita (City) has approved 191 tax credit approved featured films and television shows since the implementation of the tax credit program. Additionally, nearly 22 different tax credit approved feature films and television shows have or are currently based at sound stages in the City. To date, on-location filming from tax credit approved projects that have filmed in the City has resulted in an estimated \$81,600,000 in economic benefit to the community.

The tax credit program has also created many jobs in the film and production industry in the City. One example of this is the television show "Star Trek Picard," which was based at Santa Clarita Studios for three seasons and filmed on location all around Santa Clarita Valley. According to the California Film Commission, production of tax credit approved shows, like "Star Trek Picard," resulted in creation of over 161,000 jobs throughout California, as result of

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the program to date.

Moreover, many motion picture and television production companies make decisions regarding the location of their film project a year or more in advance. This bill would establish the certainty of the tax credit program for an additional five fiscal years and allow for film and television production companies to remain in California.

The recommendation to support Senate Bill 485 is consistent with the City of Santa Clarita 2022 Executive and Legislative Platform. Specifically, Component 37 under the "State" section of the Legislative Platform advises that the City Council, "Support legislation that will preserve or enhance the tools, incentives, and programs utilized by local governments and the state that will keep filming in California."

Senate Bill 485 was introduced on February 17, 2021, and passed the Senate Floor (36-0-4) and referred to the Assembly on January 24, 2022. Senator Scott Wilk (R-21-Santa Clarita) and Senator Henry Stern (D-27-Los Angeles) voted in support of Senate Bill 485 on the Senate Floor. A hearing has not been scheduled in the Assembly at the time this report was developed.

The City Council Legislative Committee met on March 8, 2022, and recommends that the City Council adopt a "support" position on Senate Bill 485.

ALTERNATIVE ACTION

Other direction, as provided by the City Council.

FISCAL IMPACT

The resources required to implement the recommended action are contained within the City of Santa Clarita's adopted FY 2021-22 budget.

ATTACHMENTS

Senate Bill 485 - Bill Text

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