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Cinelease Picks New Mexico for Major Expansion Company plans to invest \$95 million in Albuquerque facility, add 5 soundstages

ALBUQUERQUE, N.M. – Gov. Michelle Lujan Grisham and executives at Cinelease, Inc. and Cinelease Studios announced today that the entertainment service company has chosen its Albuquerque site for a new investment and significant expansion.

"Cinelease is yet another major company to recognize that New Mexico's strong workforce and competitive business climate makes our state the place to be," Gov. Lujan Grisham said. "This partnership will bring hundreds of productions to the state, supporting jobs in construction and film while bolstering economic activity to help New Mexico communities and families."

"As Cinelease expands in Albuquerque, the message is clear—New Mexico is the go-to destination for the film industry. This collaboration underscores our commitment to fostering a dynamic film community and creating more economic opportunities for our families," Albuquerque Mayor Tim Keller said.

Pending permitting approvals and incentive agreements, Cinelease in Albuquerque will invest \$95 million into New Mexico, adding five soundstages and two ancillary buildings, essentially doubling its current space at 9201 Pan American Freeway NE, Albuquerque, 87113.

Cinelease Studios, an innovative pioneer in the film production industry, has established itself as a premier studio model, offering top-quality production spaces and services coupled with expert support in film-friendly cities throughout North America. Created as a division of Cinelease, Inc., renowned for its excellence in lighting and grip equipment for over four decades, Cinelease Studios now boasts a portfolio of 42 soundstages, encompassing nearly two million square feet of studio space across six states. This expansion not only brings Cinelease's extensive expertise in the industry but also solidifies its commitment to New Mexico's film community, where Cinelease has provided dedicated service for nearly 15 years.

"New Mexico is an outstanding state for the entertainment business and is operating over current capacity. By expanding Cinelease Studios – Albuquerque, we are in a position to provide a home for future film and television in the state," Gannon Murphy, Cinelease Studios, said. "We'll be working closely with the community and various programs to help empower and train the growing workforce."

If agreements are finalized as expected, the company also plans to add 12 full-time employees in Albuquerque by 2033 and guarantee a production spend within the facility of at least \$80 million a year, an amount sufficient to qualify as a New Mexico Film Partner, as defined by the Legislature under Senate Bill 2, a 2019 law that amended the New Mexico film tax credits.

Cinelease's spending in the state, along with the expansion that would capture productions now leaving the state, would create a direct economic impact of \$227 million over the coming decade, according to a New Mexico Economic Development Department (EDD) analysis.

Max Gruner, the economic development director for the City of Albuquerque, stated that Albuquerque was recognized by MovieMaker Magazine as one of the top cities in the United States for filmmakers to live and work in, coming in second in North America. This recognition is due to the city's vibrant film industry. "Cinelease's substantial investment in Albuquerque will only contribute further to the success of that industry. This project not only secures jobs and economic growth but also cements Albuquerque's status as a premier location for film production," Gruner said.

"Expanding sound stages in Albuquerque is not just about creating space; it's about cultivating a thriving film industry," Albuquerque's Film Liaison Cyndy McCrossen added. "Attracting more productions to our area is absolutely dependent on the presence of more independent, purpose-built sound stages. This initiative is poised to draw in an even greater number of filmmakers."

Pending final agreement, the State of New Mexico has pledged \$6.7 million from EDD's LEDA jobcreation fund to support the expansion. The City of Albuquerque has pledged an additional \$1 million from its municipal LEDA funding as well as support with the issuance of Industrial Revenue Bonds. The LEDA (Local Economic Development Act) assistance will be paid out in installments as the business meets certain economic development benchmarks. The planned expansion will be completed in two phases over five years.

"Every year, productions are eager to film in New Mexico's unique landscapes, and sometimes that is not possible due to limited stage space," New Mexico Film Office Director Amber Dodson stated. "This obstacle can translate to lost opportunities for our booming film industry. The Cinelease expansion changes that equation. It's an investment that ensures New Mexico can capture these productions, create thousands of good jobs, and continue growing the thriving cinematic infrastructure in New Mexico."

The Albuquerque Regional Economic Alliance is providing Cinelease with technical assistance for the business expansion project.

"This decision by Cinelease is a great confirmation that the Albuquerque region is indeed a premier location for continued film industry expansion," Danielle Casey, president & CEO of the Albuquerque Regional Economic Alliance, said. "Cinelease is committed to investing in New Mexico's workforce and building career pathways so we can secure the future of this industry in our state. It was a pleasure to offer support to their consulting team during their decision-making process."

Cinelease has also demonstrated a strong commitment to volunteer work in the communities it serves and, if the expansion goes forward, anticipates an agreement with the New Mexico Media Arts Collective, assisting with student workforce training and equipment donations, in addition to continuing its work with local nonprofits supporting local filmmakers.





Photos courtesy of Cinelease Studios. <u>Higher resolution images available upon request.</u>

EDD's mission is to improve the lives of New Mexico families by increasing economic opportunities and providing a place for businesses to thrive. EDD's programs contribute directly to this mission by training our workforce, providing infrastructure that supports business growth, and helping every community create a thriving economy.

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