

ORDINANCE NO. _____

AN ORDINANCE NOMINATING THE REAL PROPERTY AT 2601 SPIRIT DRIVE, FORT WORTH, TEXAS, FOR DESIGNATION AS A QUALIFIED MEDIA PRODUCTION LOCATION PURSUANT TO CHAPTER 485A, TEXAS GOVERNMENT CODE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Chapter 485A, Texas Government Code (the “**Act**”) allows for the designation of media production development zones and locations in the State of Texas to maintain, strengthen, and promote the media production industry in Texas; and

WHEREAS, the Act provides that persons certified by the Office of the Governor may receive two-year exemptions from sales and use taxes on items used for the construction, maintenance, expansion, improvement or renovation of a media production facility at a qualified media production location and the building improvements housing that facility, as well as on items used to equip such a media production facility; and

WHEREAS, the Act authorizes the governing body of a municipality to nominate to the Office of the Governor a location within its jurisdiction for designation as a qualified media production location, provided that the location is situated in a media production development zone that has been recognized by the City and under other conditions outlined in the Act, as more specifically set forth in this Ordinance; and

WHEREAS, in accordance with the Act, the City Council has adopted Ordinance No. 27374-12-2024 recognizing and designating the area within the municipal, or corporate, boundaries, of the City of Fort Worth as a media production development zone known as “Media Production Development Zone Number One”; and

WHEREAS, the real property at 2601 Spirit Drive, Fort Worth, is located within the boundaries of Media Production Development Zone Number One; and

WHEREAS, the City Council wishes to encourage the development of media production businesses in the City by nominating the real property at 2601 Spirit Drive, Fort Worth, as a qualified media production location in accordance with the Act.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FORT WORTH, TEXAS THAT:

**Section 1.
FINDINGS.**

Considering all information known to it, the City Council hereby makes the following findings of fact:

A. The real property at 2601 Spirit Drive, Fort Worth, Texas (the “**Location**”), is located within the boundaries of Media Production Development Zone Number One, recognized and designated pursuant to Ordinance No. 27374-12-2024. A specific legal description of the Location, and a corresponding site plan, is attached hereto as **Exhibit “A”**, which is made a part of this Ordinance for all purposes.

B. The Location is owned by Alliance Center East No. 2 Ltd. (the “**Requestor**”) who intends to renovate the Location exclusively to convert that space solely for use as one or more media production facilities. The Location will accommodate both large-scale film productions and long-term television tenants, offering state-of-the-art infrastructure and services for the media industry and cater to a wide range of production needs, from feature films to television series. The Location features over 224,000 square feet, including two (2) 80,000-plus square feet of sound stages. These stages can also be subdivided into smaller stages, providing flexible configurations for productions of various sizes. The Requestor has submitted written requests to the City that the City Council nominate the Location for designation as a qualified media production location. In addition to the soundstages, the facility will offer mill workspaces for set construction, office spaces for production teams, storage facilities, and dedicated wardrobe areas to support every aspect of production. Therefore, the proposed redevelopment and use of the Location meet the criteria of Section 485A.102 of the Act.

C. The Requestor has supplied the City with an economic impact analysis of the proposed project prepared by TXP, Inc., an independent economic analysis and public policy consulting firm founded in 1987 in Austin, Texas. This economic impact analysis is attached hereto as **Exhibit “B”** and made a part of this Ordinance for all purposes (the “**Economic Impact Analysis**”).

D. The Requestor anticipates that the renovation project proposed for the Location will cost approximately \$6.5 million in order to redevelop the Location for use as media production facilities. A specific description and depiction of the project is set forth in the attached Economic Impact Analysis.

E. By nominating the Location for designation as a qualified media production location, the City Council understands that persons certified by the Office of the Governor may receive a two-year exemption from sales and use taxes on items used for the construction, maintenance, expansion, improvement, or renovation of the Location for use as media production facilities. The Requestor estimates that the amount of tax-exempt renovation materials and equipment costs attributable to the space at the Location will be \$6,099,887. Accordingly, the City anticipates that the local sales tax exemptions generated for qualified persons, as that term is defined in Section 485A.201 of the Act, resulting from designation of the Location as a qualified media production location will amount to approximately \$60,999, in the aggregate. In return, according to the Economic Impact Analysis, this project over the next five years is anticipated to (i) generate at least 82 new full-time jobs, and (ii) produce an additional \$14.2 million in regional economic activity; an additional \$4.6 million in labor income; an additional \$1,034,502 in tax revenue for the State of Texas; and an additional \$182,909 in tax revenue for the City.

F. As a result of the new capital investment and the economic benefits that are likely to accrue, both directly and indirectly, from redevelopment of the Location for use as media production facilities and the job creation resulting therefrom, the City Council wishes to nominate the Location for designation as a qualified media production location and hereby finds that designation as such by the Office of the Governor is in the best interest of the City and the State of Texas.

G. Taking into consideration all of the foregoing, the City Council finds that the Location meets all requirements of the Act for designation as a qualified media production location.

Section 2.
NOMINATION OF LOCATION FOR DESIGNATION
AS A QUALIFIED MEDIA PRODUCTION LOCATION.

On the basis of the findings set forth in Section 1, and otherwise in accordance with the Act, the City Council hereby nominates 2601 Spirit Drive, Fort Worth, Texas, for designation as a qualified media production location.

Section 3.
DESIGNATION OF CITY REPRESENTATIVE.

In accordance with Title 13, Part 8, Section 123.4(d)(1)(D), Texas Administrative Code, the City Council designates Kevin Gunn, Acting Director of the City's Economic Development Department, or his designee, to execute and submit an Application for Exemption (as specified in Section 485A.106 of the Act) to the Music, Film, Television, and Multimedia Office within the Office of the Governor requesting designation of the Location as a qualified media production location under the Act and to serve as the City's representative to the Texas Film Commission in connection with this project.

Section 4.
SEVERABILITY.

If any portion, section or part of a section of this Ordinance is subsequently declared invalid, inoperative or void for any reason by a court of competent jurisdiction, the remaining portions, sections or parts of sections of this Ordinance shall be and remain in full force and effect and shall not in any way be impaired or affected by such decision, opinion or judgment.

Section 5.
IMMEDIATE EFFECT.

This Ordinance shall take effect and be in full force and effect from and after its adoption.

APPROVED AS TO FORM AND LEGALITY:

ATTEST:

Larry Collister, Senior Assistant City Attorney

Jannette Goodall, City Secretary

ADOPTED AND EFFECTIVE: _____

M&C: _____