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Netflix Expansion One Step Closer to Final as Albuquerque Becomes Entertainment Industry Hub, Destination

City Council Unanimously Approves Funding for Netflix Expansion at Mesa del Sol

ALBUQUERQUE – Netflix’s major expansion in Albuquerque is one step closer to final after the Albuquerque City Council today approved two ordinances related to City funding. The legislation will go next to the Mayor, whose signature will make the deal final. The global internet entertainment service provider requested \$7 million in Local Economic Development Act (LEDA) grant funding, including \$6 million in infrastructure in-kind, and an Industrial Revenue Bond (IRB) of \$500 million to support the highly-anticipated project from the City. Council unanimously approved both. The State of New Mexico also will provide up to \$17 million in State LEDA funding and Netflix will lease 130 acres from the State Land Office.

The project, which has already set business and entertainment media buzzing nationwide, will make Albuquerque one of the largest high-tech and sustainable film production facilities in North America.

Mayor Tim Keller said, “Our team worked hard to put this deal together and tonight we can say Netflix’s double-down on Albuquerque is one step closer to being official. We’re building a transformative ‘new economy’ that will redefine our workforce and further establish Albuquerque as a global film hub. This deal will bring thousands of jobs for Burqueños and \$2 billion dollars into our economy.”

California-based Netflix plans to add 170 acres to its existing footprint and increase its capacity for local TV and film production services, investing more than \$500 million in capital and another \$1 billion in production spending over the next 10 years. About 30 percent of production spending will go into goods and services, of which 70 percent, or \$210 million, will be spent with Albuquerque’s small businesses.

The expansion will also mean 1,000 new local production jobs and 1,500 construction jobs. Construction will include updates to the existing facility, a special effects warehouse, 10 sound stages, post-production facilities, office space, mill buildings, a backlot area, a training facility, and wardrobe suites. The additions will bolster the area’s development as a significant employment center and increase the property’s value.

Synthia Jaramillo, director of the City’s Economic Development Department, said, “The global marketing exposure and interest in Albuquerque from outside companies and individuals that’s inevitable as a result cannot be measured or predicted; but we are confident it will be significant.”

An independent fiscal impact analysis shows that the LEDA and IRB transactions will result in more than \$11 million in net positive tax revenues and that the City will recoup the value of its investment within 10 years.

Netflix entered Albuquerque in 2018. With the support of LEDA funding at that time, it purchased the ABQ Studios production complex, composed of eight sound stages totaling 132,000 square feet; 100,000 square feet of production offices and support space; and a large backlot at 5650 University Blvd. SE, about 10 miles southeast of downtown.

The new agreement was made possible by collaboration among the City of Albuquerque Economic Development Department, the State of New Mexico and Albuquerque Economic Development (AED).

Funding will be disbursed according to benchmarks set out in a Public Participation Agreement.

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