

Robert Halmi, President and CEO of Great Point Studios, is testifying in favor of the production tax credit extension as presented in the Governor's budget.

Founder of the Hallmark Channel, Emmy and Golden Globe winner and producer of over 400 film and television projects. Robert Halmi is currently the Chief Executive Officer of Great Point Studios, which was created in 2018 to build and manage film and television facilities. Great Point is building or developing large production facilities in Yonkers, New York; Buffalo, New York; Atlanta, Georgia; Los Angeles, California; Newark, New Jersey; and Wales, UK. Robert has been the Chief Executive Officer of four public companies, the first at age 25. As President and CEO of Hallmark Entertainment, Robert transformed the business from a small production company into one of the first modern studios, with production, distribution, and broadcast all under one umbrella. Under Robert's leadership, Hallmark Entertainment produced over 2,000 hours of original content. These productions received 458 Emmy nominations and have garnered 133 Emmy Awards. Robert is an active member of the Academy of Television Arts & Sciences and serves on the board of the International Emmy Committee. He also serves on the board of The Cold Water Conservation Fund.

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My company, Great Point Studios, is a media-focused development firm specializing in film and television infrastructure. Earlier this year, we opened Lionsgate Studios in Yonkers, NY and started construction on Niagara Studios in Buffalo, NY. We develop, build, own and operate our studios. Recently, we announced our expansion of Lionsgate Studios Yonkers, which when finished next year, will be the largest production campus in the northeast.

I'm here today to testify in favor of the production tax credit extension as presented in the Governor's budget. I'll try and describe the social impact our business will have for the communities surrounding our New York studios and what the tax credits mean to our business. I would also like to highlight the change that is occurring in television production and how that change will positively affect the positive economic returns of the production tax program.

First a few numbers:

- We have spent over \$200 million in Yonkers in the last 24 months
- We will spend an additional \$800 million to complete our Yonkers facilities
- We will also spend an additional \$75 million in Buffalo to complete that facility
- When we finish our Yonkers expansion and Buffalo studios, we expect to provide over 3,000 full-time jobs including 300 to 400 local jobs
- This year alone we expect our NY studios to provide 500 to 650 full-time jobs with over 60 local jobs
- Annual revenue to the cities of Yonkers and Buffalo is expected to be between \$700 million and \$900 million per year from both our studios

What's amazing about these numbers is that we are building our studios in some of the poorest communities in the state. We are creating industry and opportunity where it doesn't currently exist.

Of course, the big driver of our business is the explosive growth of high-end television production fueled by Netflix, Amazon, Disney and all the other streamers. The larger than life productions like Game of Thrones and Lord of the Rings, that make or break these channels, need giant production facilities. There is an acute shortage of these facilities, particularly in the northeast. As a result, we are building studios here as fast as possible. Which brings me to the new positive outcome of the production tax credit I mentioned earlier.

The production tax credits drive productions to the state; these massive new streaming shows need much more infrastructure than television shows have historically; this drives construction of studios. The construction of studios provides a permanent hub for full time employment of both residents and migrating crew. Opposed to a one time shot in the arm, these new studios provide constant revenue.

Right now, between our company and many like us, over \$3 billion is currently being spent on the construction of new studios and production infrastructure in the state. Similar numbers to what I have presented for our projects will occur in many communities across the state. The positive effect this will have is unprecedented.

I can assure you that this would never be happening without the production tax credit program. Productions film where tax credits exist. Studios exist where productions film. Take the tax credits away and our studios will quickly turn to dust, as has happened elsewhere.

I can confidently say that in my industry, not one of my peers would build or operate a production studio in a state without a strong production tax credit program. Many of our media clients are looking at New Jersey and Massachusetts because of the positive changes made to both of their programs. This is the time for New York to get competitive. Please make sure the Governor's proposal to extend the production tax credits is approved.

Thank you.