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# New York's studio boom turns the city into Hollywood East

EDDIE SMALL

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Wildflower Studios in Astoria, Queens

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Although Los Angeles has been synonymous with the film industry for generations, a recent and still increasing boom in New York studio space is giving the City of Angels a run for its money.

New York currently has more than 50 state-qualified production facilities, according to Empire State Development, the state's economic development arm. There are at least six major studio projects in the works, and according to the Mayor's Office of Media and Entertainment, in the past five years alone, developers have built or renovated at least four: Panorama Brooklyn in Dumbo, Cine Magic in Long Island City, Cinelease Studios in East Williamsburg and Broadway Stages on Staten Island.

The six projects in development are split between three in Queens, two in Brooklyn and one in Manhattan. And two of them just broke ground last year: [Sunset Pier 94 Studios](#) along the Hudson River and [East End Studios](#) in Sunnyside.

These projects have made the city competitive with Los Angeles and Atlanta, also a major filming destination, and are poised to generate "billions of dollars in economic impact" in the next few decades, Andrew Kimball, CEO of the New York City Economic Development Corp., said in a statement.

As a result, the wealth of studio space, in addition to the city's iconic skyline and the state's generous film tax credit, is turning the Big Apple into Hollywood East, even as the industry may face headwinds from the lingering impact of the recent writers and actors strikes and a potential decline in content demand from the major streaming platforms.

## **Flipping the script**

Formerly relegated to relative backwaters like Long Island City back when it was still industrial, the newer studio wave has few geographic boundaries.

Sunset Pier 94, for instance, a public-private partnership involving Vornado Realty Trust, Blackstone and Hudson Pacific Properties, is set to open next year along the Hudson River waterfront near West 54th Street. The \$350 million, 266,000-square-foot facility—the first built specifically for film production in Manhattan (cameras have been rolling at Chelsea Piers' Silver Screen Studios for years, for instance)—represents a [major and controversial pivot](#) for Vornado, which has leased Pier 94 and next-door Pier 92 from the city since 2008 and was supposed to redevelop the sites with a convention center.

Other developers, such as CIM Group, have turned what might have been office space in a stronger pre-Covid market into places to make movies. The Los Angeles-based developer's year-old Panorama Brooklyn Studios commandeers 90,000 square feet across five interconnected buildings near Brooklyn Heights that formerly belonged to the Jehovah's Witnesses organization.

Wildflower Ltd., a Chelsea-based industrial real estate firm, has partnered with actor Robert De Niro to build a studio in Astoria that is expected to open this summer. Adam Gordon, managing partner at the firm, cited three main reasons New York has become such an attractive destination for film and television production: It offers the opportunity to shoot both in studios and on location; the tax credit is strong and dependable; and creative people like living in New York, making it a fun and convenient place for them to work.

"That explains why studios opening in random places with temporarily aggressive tax benefits largely sink," he said, citing Louisiana and Georgia as examples. "It is an expense flying in actors for a shoot. But then flying in, feeding and housing large crews, who choose where they work, becomes cost-prohibitive and difficult."

Insiders say recent improvements to New York's tax credit system in particular, including faster reimbursements, are driving the recent boom.

Overall New York gave out about \$472 million worth of tax benefits in 2022 under its Empire State Film Production credit, according to a report the state commissioned from the financial advisory firm PFM Group. The state gave out roughly \$558 million worth of benefits on average from 2013 to 2022, the report says.

But the report, completed at the tail end of 2023, was [highly critical of the program overall](#), calling it a "net negative" for taxpayers that does not give them a return on their investment. State politicians had just expanded the tax credit in the 2023 budget, and the governor's office has pushed back on the report's conclusions.



Cinelease Studios in East Williamsburg

Buck Ennis

## Streams of demand

The newer production facilities seem designed to meet the demand for streaming content. And as manufacturing buildings shed their historic uses, a new type of business is appreciating their architecture and layouts.

Cinelease Studios, for instance, opened a 27,600-square-foot, three-soundstage facility, in 2019 in a former beer warehouse in East Williamsburg. The site, which has churned out Netflix productions such as *Russian Doll*, *Tick, Tick ... Boom!* and *Partner Track*, has such large spaces, a recent production was able to roll in an actual subway car. The Newtown Creek-adjacent facility also offers a huge parking lot as a set for outdoor scenes, a city rarity, said Shane Sibert, the facility's manager.

In New York the "crew base is great, production tax credits are industry leading, there's great public transportation and infrastructure, the list goes on and on," Sibert said.

The roster of made-in-New York shows is long and varied, from classic kids programs to award-winning modern-day hits. It includes *Succession*, *American Horror Story* and *Sesame Street*, which filmed at Kaufman Astoria, and *Only Murders in the Building*, *Gossip Girl* and *Mr. and Mrs. Smith*, which filmed at Silvercup Studios.

At the same time, there are signs that the streamers' seemingly bottomless appetite for new shows is waning. Netflix recently announced it will no longer share quarterly subscriber numbers, starting next year, a move critics say is to mask a decline in growth. And if there is a slowdown, it is coming as the city appears saturated with studios.

Still, demand for Hollywood East appears strong for now. Although there is no single authority keeping track of all the productions in New York, the number of shoots on public property may offer a rough guide to general activity, because some shows, like the *Law & Order* franchises, utilize both city streets and studio space.

In the first four months of this year, officials permitted 559 projects, including movies, music videos and TV ads, versus 502 in the same period in 2023, according to the mayor's office. (The Hollywood writers' strike happened over the summer and did not impact either number.)

Pat Swinney Kaufman, commissioner of the Mayor's Office of Media and Entertainment, said the city is well-positioned to build on its studio infrastructure improvements going forward.

"We are doing our part to set the stage for film and TV production," she said, "and we will continue to ensure New York City stays on both small and big screens across the globe."