### **ORDINANCE NO.** <u>20230601-005</u>

#### AN ORDINANCE NOMINATING THE REAL PROPERTY AT 12301 RESEARCH BOULEVARD, AUSTIN, TEXAS 78759 AS A QUALIFIED MEDIA PRODUCTION LOCATION.

### **BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

#### PART 1. Findings

- (A) Chapter 485A of the Texas Government Code (Act) allows for the creation of a media production development zone (Zone);
- (B) The City Council, by Ordinance No. 20230601-006, approved the recognition of a qualified media production zone for approval by the Music, Film, Television and Multimedia Office, within the office of the governor;
- (C) Activision Publishing, Inc. has submitted an application to the City requesting nomination of a qualified media production location for the property located at 12301 Research Boulevard, Austin, Texas 78759 (Location);
- (D) The Location meets the requirements of the Act and Zone in which the Location is to be included has been recognized as a Zone by Ordinance No. 20230601-006;
- (E) The Act offers exemptions to the limited sales, excise, and use taxes to qualified persons who build, construct, renovate, improve, or expand a media production facility within the state.
- (F) The Act was enacted to maintain and strengthen the media production industry in Texas in the face of strong competition from other states.
- (G) Activision Publishing, Inc. is qualified under the Act and its activities will enhance economic development in the City;
- (H) Pursuant to Section 485A.102 of the Act, the Location meets the criteria for a qualified media production location designation as it is land or other real property that is in a qualified media production zone and the real property is a building to be renovated and/or expanded solely for the purpose of being converted into one or more media production facilities; or

(I) Granting the tax exemption is in the best interest of the City and this state.

# PART 2. Project Description.

Activision Publishing, Inc. is one of Austin's premiere video-game developers. The Location is the site of Activision Publishing, Inc.'s wholly owned subsidiary Infinity Ward, Inc., which developed the video game Call of Duty, along with seven other installments in the Call of Duty series. (Infinity Ward) best known for its work on the Halo and Call of Duty franchises. Activision Publishing, Inc. has applied for designation as a Location for a pending expansion of Infinity Ward Inc.'s Austin operations. Over the next two years, Activision Publishing Inc. anticipates investing a total of approximately \$2.25 million in facility improvements and machinery and equipment for the Infinity Ward Inc. expansion. Acquisition of equipment along with the renovation and modernization of the lease space will allow the company to expand its Austin-based operation. The expansion aids in the creation of 74 new full-time jobs over five years, with an associated increase to annual payroll of approximately \$18.0 million annually at full production. The project's anticipated property improvements are expected to commence in June of this year and are expected to be completed in October 2023.

**PART 3.** This ordinance takes effect on June 12, 2023.

§ 8 2023 June 1 Kirk Watson Mayor **ATTEST: APPROVED:** Anne L. Morgan Mvrna Rios City Attorney City Clerk

# PASSED AND APPROVED