



WHEELHOUSE ENTERTAINMENT

To: Senator Osten and Representative Walker, Co-Chairs – Appropriations Committee
Senator Fonfara and Representative Rojas, Co-Chairs – Finance, Revenue and Bonding Committee
Senator Hartley and Representative Simmons, Co-Chairs – Commerce Committee
Distinguished Members of the Appropriations Committee; Finance, Revenue and Bonding Committee; and Commerce Committee

From: Robert Lia, President, Wheelhouse Group LLC

Date: February 28, 2020

Re: Department of Economic and Community Development – 2019 Annual Report

Thank you for the opportunity to provide comments on the Department of Economic and Community Development (DECD) 2019 Annual Report. We are concerned that the Report does not fully consider all of the economic factors and other residual benefits that the Film, Television and Digital Media Production and Infrastructure Tax Credit (Tax Credit) brings to the economy in the State of Connecticut. Thus, we respectfully request that you consider the story of our company, Wheelhouse Entertainment LLC (WHE), with respect to the Tax Credits.

WHE is a content and television production company originally located in the Borough of Manhattan, New York. Shortly following the formation of our company, we were approached by a group of other production companies with the opportunity to relocate from Manhattan to the Borough of Queens, New York, in order to take advantage of certain potential tax credits. During such process, and in an attempt to weigh all of our options, we were put in touch with several members of the DECD who suggested we instead consider Connecticut for our new home. Although such a move would present many challenges, we thoughtfully considered the opportunity. After a long due diligence and courting process, which included many productive meetings with the former Commissioner of the DECD and the former Governor, we were convinced to relocate our operational headquarters to Stamford. Ultimately, the tax credit programs and incentives were the sole reason we made the monumental decision to relocate to Connecticut.

In addition to committing to make Connecticut our operational home, we have made substantial capital investments in Connecticut. First, we purchased a \$7,000,000.00, historically preserved, vacant property to repurpose and build out our headquarters. Second, we are halfway through a \$50,000,000.00 capital renovation of the property located at 860 Canal Street, Stamford, Connecticut. This building is named “Stamford Media Village” and has been specifically designed as a home for our business and the businesses of other originally New York-based production companies for many years to come. Upon completion, Stamford Media Village will be a state-of-the-art, high-tech, vibrant building with “triple A” environmental distinctions and will include a restaurant, rooftop bar, event space and gym facility. It embodies our long-term commitment to the State of Connecticut.

Our construction projects and decision to relocate to Connecticut have already resulted in millions of dollars invested in the community. We have hired local construction teams, subcontractors and architects and

utilized local building supplies, thereby increasing local sales tax revenue. Furthermore, our company represents a long-term guarantee of revenue and taxes for the State of Connecticut for many years to come. In addition to our capital investment for the construction of our headquarters, WHE is highly focused on job creation, with a target of 150 jobs over the next five years, at an average salary of over \$115,000. Stamford Media Village is expected to create over 600 jobs across a variety of sectors, from the construction stage (architecture, development, design, installation) through completion of the office space (building facilities, security, management, entertainment, production, media, technology, business, accounting, law) and the opening of the event and nightlife areas (food and beverage, music, health and fitness). In addition to impacting revenue from income taxes and sales taxes, the creation of over 600 additional jobs will also have a considerable financial impact on the sales and rental housing markets and the transportation infrastructure in the surrounding Connecticut area. Boosting transportation services and the housing market will only aid us in attracting the best and the brightest talent to Connecticut. All of the foregoing resulting from the impact of the Tax Credits.

In addition to the financial commitment and job creation, we will have a material impact on the local schools and universities. Unlike other industries, it is common place for production companies to harness young, talented students for internships, scholarships and other employment opportunities. We plan to aggressively pursue such programs.

We are extremely committed to the growth of an exciting, prosperous and successful production and business community in the State of Connecticut and must do so with a reliable tax credit program. Many thanks for your consideration.

Sincerely,

Robert Lia
President and General Counsel, Wheelhouse Group LLC
484 Pacific Street, Stamford, Connecticut 06902