

# Memorandum



DATE September 12, 2017

TO The Honorable Members of the Economic Development & Housing Committee:  
Tennell Atkins, Chair, Rickey D. Callahan, Vice-Chair, Lee M. Kleinman,  
Scott Griggs, Casey Thomas, II, B. Adam McGough, Mark Clayton, Kevin Felder,  
Omar Narvaez

SUBJECT **TVM Productions, Inc., *Queen of the South* Season 3 – Chapter 380 Grant Proposal**

On Monday, September 18, 2017, you will be briefed on a proposal to provide a Chapter 380 grant in the amount of \$200,000 to TVM Productions, Inc. to incentivize *Queen of the South* Season 3 to remain in the City of Dallas. The briefing materials are attached for your review.

## Summary

TVM Productions, Inc. is proposing returning to Dallas to film season 3 of the award-winning television series *Queen of the South*. The production's local spending is estimated to exceed \$21 million and filming is expected to occur between January and June 2018.

## Background

*Queen of the South* is an American television crime drama-thriller series on the USA Network. It is an adaptation of the successful Telemundo telenovela *La Reina del Sur*, which is based on a novel of the same name by Spanish author Arturo Pérez-Reverte.

The show is produced by TVM Productions, Inc. for Fox 21 Television Studios, a subsidiary of 21st Century Fox's Fox Entertainment Group and a division of 20th Century Fox Television.

The second season premiered June 8, 2017 and concluded airing August 31, 2017, averaging 1.158 million viewers per episode. Season 1 is currently available domestically and internationally on Netflix. On August 10, 2017, USA Network renewed the series for a third season.

## Issue

It is important that *Queen of the South* remains in Dallas for the filming of Season 3, not only to retain our production infrastructure but also to enjoy the economic benefit that a production the size of *Queen of the South* provides. It is not

uncommon for successful productions to be lured away. We understand that another Texas city has extended an offer to *Queen of the South* to relocate for Season 3.

### Alternatives

If we offer no incentive, we risk losing not only Season 3 of *Queen of the South*, but also any future seasons and their associated local spending.

### Fiscal Impact

Local spending for Season 3 of *Queen of the South* is estimated at \$21,310,490. This includes cast and crew salaries, an estimated 2000 hotel room nights, spending at local vendors for catering, costumes, set and props, and myriad other production needs, filming permits, hiring of off-duty police officers for traffic control and security, and other production costs.

### Departments/Committee Coordination

The Dallas Film Commission, a division of the Office of Economic Development, coordinates with the Texas Film Commission, which incentive the first two seasons of *Queen of the South* and may do the same for Season 3. It also coordinates with the City of Dallas Office of Special Events, which issues filming permits.

### Staff Recommendation

Staff recommends that the City of Dallas enter a Chapter 380 grant agreement with TVM Productions, Inc. in the amount of \$200,000 to be funded from Public Private Partnership Funds. With Committee approval, an item will be placed on the City Council agenda for October 11, 2017.

Should you have any questions, please contact me at (214) 671-5257.



**Raquel Favela**  
Chief of Economic Development & Neighborhood Services

- |  |  |
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| c: The Honorable Mayor and the Members of City Council     | Jon Fortune, Assistant City Manager                          |
| T.C. Broadnax, City Manager                                | Jo M. (Jody) Puckett, P.E., Assistant City Manager (Interim) |
| Larry Casto, City Attorney                                 | Joey Zapata, Assistant City Manager                          |
| Craig D. Kinton, City Auditor                              | M. Elizabeth Reich, Chief Financial Officer                  |
| Biliera Johnson, City Secretary (Interim)                  | Nadia Chandler Hardy, Chief of Community Services            |
| Daniel F. Solis, Administrative Judge                      | Theresa O'Donnell, Chief of Resilience                       |
| Kimberly Bizor Tolbert, Chief of Staff to the City Manager | Directors and Assistant Directors                            |
| Majed A. Al-Ghafry, Assistant City Manager                 |  |

***TVM Productions Inc, Queen of  
the South Season 3 - Chapter 380***  
**Grant Proposal**

**Economic Development and  
Housing Committee  
September 18, 2017**

**Robin Bentley, Interim Director  
Office of Economic Development  
City of Dallas**



# Presentation Overview

- Background/History
- Purpose
- *Queen of the South* – Season 3 retention
- Proposed Action



# Background/History

*Queen of the South* is an American television crime drama-thriller series on the USA Network. It is an adaptation of the successful Telemundo telenovela *La Reina del Sur*, which is based on a novel of the same name by Spanish author Arturo Pérez-Reverte.

Seasons 1 and 2 were filmed in Dallas, Texas.

In August, the USA Network renewed the show for a 3rd season.



# Background/History

- *Queen of the South* premiered June 23, 2016, on USA Network.
- The show is produced by TVM Productions, Inc. for Fox 21 Television Studios, a subsidiary of 21st Century Fox's Fox Entertainment Group and a division of 20th Century Fox Television.
- In its second season, the show averaged 1.158 million viewers per episode.

fox21  
television  
studios.

usa<sup>TM</sup>  
network

# Background/History

Production operations for Seasons 1 and 2 were based at South Side Studios on Lamar in Dallas, Texas.



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# Background/History

At the 2017 Imagen Awards, *Queen of the South* was named Best Primetime Television Program.

The Imagen Awards celebrate inclusion and diversity in the entertainment industry and honor the positive portrayal and creative excellence of Latinos and Latino culture on screen.





# Background/History

- In 2015, the City approved a Chapter 380 grant of \$150,000 for Season 1. Twelve episodes were filmed in Dallas (pilot in Mexico).
- Season 1 resulted in an estimated \$19M in local spending:
  - 2,000 hotel room nights
  - 450 local crew members with average salaries of \$29/hour
  - 160 local actors hired (est. \$800,000 total salaries)
  - 1,100 extras hired (est. \$450,000 total salaries)
  - Expenditures at 256 different Dallas vendors
  - \$130,000 in off-duty officers for traffic control and security
- In 2016, the City approved a grant of \$200,000 for Season 2, with 13 episodes. Resulted in estimated \$21M in local spending.

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# Purpose

- For Season 3 of *Queen of the South*, staff is recommending a Chapter 380 economic development grant in the amount of \$200,000 with TVM Productions, Inc.
- Obtain Economic Development and Housing Committee approval for consideration of this item by City Council on October 11, 2017.

# “Queen of the South” Season 3

- **Timing & length of project:**
  - Pre-production start: 11/20/17
  - Principle photography start: 1/24/18
  - 13 episodes, 129 production days
  - Estimated completion: 6/1/18
- **Estimated Local Spending**
  - \$21,310,490 (\$1.6M per episode)
- **Estimated Hotel Stays:**
  - 2,000 room nights



# TVM Productions, Inc. – Proposed Terms

- Shoot a minimum of 13, one-hour episodes of *Queen of the South* Season 3 for the USA Network, with a majority of the project shot within the City of Dallas proper.
- Locate the primary production offices and any other studio/production related facilities within the City of Dallas.
- All out of town cast, crew, and studio personnel will stay in hotels or other types of temporary housing in the City of Dallas.

# TVM Productions, Inc. – Proposed Terms

- Work cooperatively and in good faith with the City of Dallas on press and public relations efforts announcing the project, and on subsequent marketing and public relations opportunities.
- Include “Shot on location in Dallas, Texas” in the show’s end credits.
- Payment of the \$200,000 grant will be made after 13-episode season filming concludes.

# Proposed Action

Recommend Committee approval to forward the item for full Council consideration on October 11, 2017.



***TVM Productions Inc, Queen of  
the South Season 3 - Chapter 380***  
**Grant Proposal**

**Economic Development and  
Housing Committee  
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**Robin Bentley, Interim Director  
Office of Economic Development  
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