

CIRCUIT EVENTS LOCAL ORGANIZING COMMITTEE,
a Texas non-profit corporation

**100 Congress Avenue, Suite 1300
Austin, Texas 78701-2744**

May 19, 2014

Deputy Comptroller
Comptroller of Public Accounts
111 E. 17th Street
Austin, Texas 78774

via hand delivery

RE: Application for Participation in the Texas Events Trust Fund – TUDOR United SportsCar Championship (formerly named the “American Le Mans Series”)

Dear Deputy Comptroller:

Circuit Events Local Organizing Committee, is organized as a Texas non-profit corporation (the “**Committee**”), with the purpose to help facilitate and support a motor race with American Le Mans Series as the site selection organization commonly known as “TUDOR United SportsCar Championship” (the “**Race Events**”) that is tentatively set to be held in Austin, Texas during the Fall of 2014 and 2015 with the next event scheduled for September 19-20, 2014. The upcoming event in Austin, Texas is marketed and advertised as the “2014 TUDOR United SportsCar Championship” (the “**Event**”), but was previously named the “American Le Mans Series”. As background, the “site selection organization” for the TUDOR United SportsCar Championship remains the same as for the American Le Mans Series. The name change for the racing series resulted from a public contest to rename and update the racing series.

Further, as an integral part of this application, the City of Austin, as approved by City Council resolution of December 13, 2012, entered into an “Agreement” with the Committee, dated May 16, 2014, whereby the City of Austin agreed to be the “endorsing municipality” for the Race Events, and in the capacity of endorsing municipality (i) authorized the Committee to act as the “local organizing committee” for purposes of securing and promoting the Race Events for the Austin area, as well as preparing and submitting the application for the 2014 Event as an “event” under TEX. REV. CIV. STAT. ART. 5190.14 (the “**Act**”) and Section 5.C. thereof, the Texas Events Trust Fund (the “**Trust Fund**”) and (ii) authorized and appointed the Committee as the City of Austin’s sole and exclusive designee to submit, pursuant to TAC Title 34, Part 1 Chapter 2 Subchapter B, Rule 2.202, a request to the Texas Comptroller of Public Accounts for participation in the Trust Fund program and to request the Texas Comptroller to determine the incremental increase in the receipts of various taxes (e.g. sales and use taxes, mixed beverage taxes, hotel occupancy taxes), by the City of Austin, as the endorsing municipality, for a 30 day period that ends at the end of the day after the day of the Event, (scheduled for the weekend of September 19-20, 2014), in accordance with the Comptroller’s procedures and in accordance with the Act, and the rules promulgated thereunder (the “**Rules**”).

It is my honor and great pleasure to submit this application from the Committee, as the City of Austin’s duly appointed and authorized designee for and on behalf of and binding upon the City of Austin, as the formal request, pursuant to Rule 2.202, for participation in the Trust Fund

May 19, 2014

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program and a request to the Texas Comptroller to determine the incremental increase in the applicable taxes for the City of Austin for the September 19-20, 2014 Event.

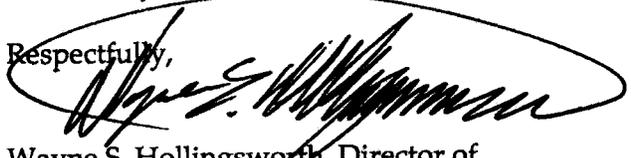
Note that the enclosed Economic Study (defined below) applies to activities and events at the Circuit of the Americas race facilities in Austin, Texas, scheduled to occur on the weekend of September 19-20, 2014 and includes both the "Race Events" of FIA World Endurance Championships and the "Race Events" of TUDOR United SportsCar Championships. For purposes of the Economic Study and after careful consideration, the Committee has allocated the economic benefits and incremental increase in the applicable taxes indicated in the Economic Study in the proportion of forty-four percent (44%) to the Race Events of the FIA World Endurance Championships and fifty six percent (56%) to the TUDOR United SportsCar Championships Events. This allocation is based upon a number of factors including the respective events, event timing, expected attendance draw and scheduling for each such Race Event.

Further, as required by Rule 2.201(a)-(d), enclosed with this letter are (i) as Attachment 1, a letter, dated May 12, 2014 from the site selection committee for the Race Events confirming selection of the Circuit of the Americas' facilities in Austin, Texas; (ii) as Attachment 2, the economic impact study and other data with detailed information on the direct expenditures and direct impact data for the endorsing municipality hosting the Event and for the requested market area (the "*Economic Study*"); (iii) as Attachment 3, a description of the requested market area; and information to support the requested market area, which is included in the Economic Study, (iv) as Attachment 4, a list of all related events and activities proposed to be included in the trust fund estimate, with data for each such activity including projected attendance figures, ticket sales and relevant production and expenditure information related to the activity, included in the Economic Study, (v) as Attachments 5A and 5B, affidavits from Don Hoyte, Ph.D. and CELOC, as required under Rule §2.202(a)(5), as to the accuracy of the Economic Study; and (vi) , as Attachment 6, a completed and signed Comptroller Request Worksheet to Establish an Event Trust Fund for the 2014 Event. Also included as Attachment 7, is a letter from Mr. Marc Ott, City Manager for the City of Austin to the Comptroller's Office requesting participation in the Trust Fund for the 2014 Race Event.

If you have any questions or comments on or need any additional information or clarification on the above request, please to not hesitate to contact me or any member of the Board of Directors of the Committee.

Thank for your time and consideration of this request.

Respectfully,



Wayne S. Hollingsworth, Director of
Circuit Events Local Organizing Committee

Ms. Leela Fireside, Assistant City Attorney, City of Austin

Mr. Sam Bryant, Director

Mr. Ford Smith, Director

Mr. Rodney Gonzalez, Director

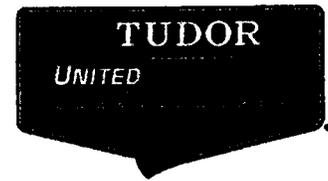
Mr. Jason Dial, CEO of COTA

Ms. Anna Panossian, COTA

ATTACHMENT 1

Site Selection Committee Designation Letter

Scott Atherton
President & COO



May 12, 2014

Mr. Marc Ott
City Manager
City of Austin
Austin, Texas 78701

via email: marc.ott@austintexas.gov

Dear Mr. Ott:

We have received and appreciate the confirmation of application, dated May 5, 2014, from Circuit Events Local Organizing Committee ("CELOC"), as designee and on behalf of the City of Austin, to host an event of the TUDOR United SportsCar Championship (formerly named "American Le Mans Series") in Austin for 2014 and 2015 at the raceway facilities in Austin, Texas, USA, known as Circuit of the Americas. And, as background, the change in the name of this racing series from American Le Mans Series to TUDOR United SportsCar Championship is merely a name change. The site selection organization for the American Le Mans Series remains the same for the newly renamed TUDOR United SportsCar Championship.

As we emphasized in our previous letters to you, there was substantial competition in our process of reviewing a number of venues interested in hosting our series. Our prior selection of Austin, Texas as the site for the 2014 and 2015 TUDOR United SportsCar Championship Events is hereby made and confirmed. Congratulations!

The TUDOR United SportsCar Championship Event ("TUDOR USC") presented by TUDOR watches is the premier sportscar racing series in North America and partners with such automotive giants as BMW, Chevrolet, Dodge, Mazda and Porsche, among others, to present the world's top sportscar racing events. The TUDOR USC attracts large spectator audiences at each event and all races are broadcast on network and cable television and via the web in 70+ countries around the world. The Championship Series is also followed in the United States and internationally on a wide variety of racing related news websites and publications. Our events have a record of attracting significant economic impact to the regions where we race.

The TUDOR United SportsCar Championship Series is the only major race series in the world in which all race cars compete using alternative fuels or powertrains such as ultra-low sulfur clean diesel, cellulosic E85, E10 and E10/gas-electric hybrid. We work with leading automobile manufacturers to develop sustainable solutions and technical innovations that are introduced and developed in racing, then transferred to consumer vehicles. At the same time we are educating consumers about these new alternatives and the role they will have with their future mobility.

We look forward to receiving and working with CELOC to finalize an Event Support Contract related to the local and State support available for the events.

Yours sincerely,

A handwritten signature in black ink, appearing to be "SA/jb", written over a horizontal line.

SA/jb

Scott Atherton
President & COO



May 12, 2014

Circuit Events Local Organizing Committee
Attention: Mr. Wayne S. Hollingsworth
100 Congress Avenue, Suite 1300
Austin Texas 78701-2744

via email: whollingsworth@abaustin.com

Dear Mr. Hollingsworth:

We appreciate the confirmation of the application by Circuit Events Local Organizing Committee, dated May 5, 2014 submitted as designee on behalf of the City of Austin, to host an event of the TUDOR United SportsCar Championship (formerly named "American Le Mans Series") for 2014 and 2015 in Austin, Texas at the raceway facilities known as Circuit of the Americas. And, as background, the change in the name of this racing series from American Le Mans Series to TUDOR United SportsCar Championship is merely a name change. The site selection organization for the series for the newly renamed TUDOR United SportsCar Championship is the same as in 2013. We understand that your application is submitted in confirmation of and supplemental to your prior application to us dated January 22, 2013.

As we emphasized in our previous letters to you and City officials, there has been and remains substantial competition in our process of reviewing a number of venues interested in hosting our series. Please consider this letter as confirmation of our selection of Austin, Texas, and the Circuit of the Americas to host the TUDOR United SportsCar Championship event each year of the upcoming series for 2014 and 2015. Congratulations!

TUDOR United SportsCar Championship does not anticipate sanctioning or holding any other similar TUDOR United SportsCar Championship Event in Texas or its contiguous states during 2014. The TUDOR United SportsCar Championship Event ("TUDOR USC") presented by TUDOR Watches is the premier sportscar racing Series in North America and partners with such automotive giants as BMW, Chevrolet, Dodge, Mazda and Porsche, among others, to present the world's top sportscar racing events. The TUDOR USC attracts large spectator audiences at each event and all races are broadcast on network and cable television and via the web in 70+ countries around the world. The Series is also followed in the United States and internationally on a wide variety of racing related news websites and publications. Our events have a record of attracting significant economic impact to the regions where we race.

The TUDOR USC is the only major race series in the world in which all race cars compete using alternative fuels or powertrains such as ultra-low sulfur clean diesel, cellulosic E85, E10 and E10/gas-electric hybrid. We work with leading automobile manufactures to develop sustainable solutions and technical innovations that are introduced and developed in racing, then transferred to consumer vehicles. At the same time we are educating consumers about these new alternatives and the role they will have with their future mobility.

We look forward to receiving and working with you to finalize and Event Support Contract related to the local and State support available through CELOC and the Circuit of the Americas.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Scott Atherton", written over a horizontal line.

SA/jb

ATTACHMENT 2

Economic Study

**Economic Impact Study
of the
2014 TUDOR Sports Car Challenge and World Endurance Cup
Race Weekend
at Circuit of The Americas
Austin, Texas
September 19 - 20, 2014**

Submitted for consideration under the Events Trust Fund by:

Don Hoyte, Ph.D.
TexasTrustFunds.com
10704 Scotland Well Drive
Austin, Texas 78750

On behalf of

**The City of Austin
and the Circuit Events Local Organizing Committee**
100 Congress Avenue, Suite 1300
Austin, Texas 78701-2744

May 13, 2014



Event Background

In September 2013, Austin hosted its first race weekend featuring sports car racing under the **American Le Mans Series presented by Tequila Patrón (ALMS)** and the **first Texas race of the FIA World Endurance Championship series** with both events held at the new Circuit of The Americas race facility. In total 33,591 ticketed fans attended the three-day event.

Through a concerted effort by COTA and the City of Austin, an enhanced championship event will be returning to the Austin Area for 2014, but this time attendance should be considerably higher than in 2013 for three reasons.

First, as was noted by one leading auto racing publication on September 1, 2012, "the biggest news in motorsports this weekend (Sept 1, 2012) is not the Formula One Belgian Grand Prix or NASCAR, but reports that the American Le Mans Series and the Grand-Am Rolex Sports Car Series will merge shortly, combining both series under a single race banner."¹

Indeed, the rumors proved true and on September 5, 2012 "the most significant development in the history of sports car racing in North America was announced today" as the landmark combination of GRAND-AM Road Racing and the American Le Mans Series (ALMS) was unveiled at Daytona International Speedway.²

Under terms of the 2012 combination, GRAND-AM Road Racing, the American Le Mans Series and the International Motor Sports Association, which sanctions ALMS events, will combine along with several race track properties owned by the previously separate organizations. The new championship racing format was renamed The Tudor United Sports car Championship.

In presenting the new organization Tudor United Sports car Championship, GRAND-AM's President and CEO Ed Bennett noted that "today's announcement will transform sports car racing on this continent, along with having world-wide industry implications. Aside from the organizations involved, everybody wins: drivers, teams, manufacturers, sponsors, tracks – and most all, the fans."³

Although the race sanctioning bodies operated separate schedules in 2013, in 2014 it operated combined events beginning with North America's premier sports car race, the 52nd annual Rolex 24 at Daytona. A board of directors was formed to operate the new combined organization with GRAND-AM founder Jim France as chairman and ALMS founder Don Panoz as vice chairman. Other members include NASCAR Vice Chair/Executive Vice President Lesa France Kennedy, GRAND-AM President/CEO Ed Bennett, ALMS President/CEO Scott Atherton and NASCAR Vice President/Deputy General Counsel Karen Leetzow.

Apparently the merger is having the desired effects. The latest example is seen in the fact that nearly 200 cars are expected to participate in the May 2 - 4, 2014 event at Laguna Seca. Two days before the race is set to begin paddock and pit road space is at a premium at Mazda Raceway Laguna Seca. At mid-week, the entry list indicated the packed-house situation, with a total number of 193 cars – 165 for the IMSA-sanctioned events and another 28 cars for the Mazda MX-5 Cup.

In reviewing the field Scot Elkins IMSA Vice-President of Competition and Technical Regulations said, "We anticipated and planned for this kind of turnout, but to have almost 200 cars in the paddock is a welcomed reality for IMSA and exceeded our original positive expectations."⁴

Yet the ALMS-Grand Am combination is only the most recent forging of strong ties between racing organizations. The 9th of June, 2011 will be remembered as one of the most important dates in the recent history of endurance racing. That day, at the 2011 24 Heures du Mans, Jean Todt and Jean-Claude Plassart, respectively Presidents of the International Automobile Federation (FIA) and the Automobile Club de l'Ouest (ACO), announced the creation of the FIA World Endurance Championship.

In March 2012 the FIA World Endurance Championship held its first race in the United States at the 12 Hours of Sebring and in September 2013 its second event at COTA. In 2014, new rules come into force with more emphasis on renewable technologies making the WEC and among the most relevant form of motorsport racing in the world today. 2014 also sees the return of Porsche to the top ranks to compete with Audi and Toyota for the ultimate accolade of becoming world endurance champions.

The second factor that should push attendance at the 2014 WEC-Tudor race weekend significantly above the recorded fan figures from 2013 is the hope that the inclement weather encountered on Friday of 2013 will not return in 2014. This no-doubt depressed the ticketed figures recorded for 2013, but it should be remembered that the weather probably does not depress travel by out-of-area fans to Austin since they would need to make and confirm any travel and hotel reservations long before the event. Bad weather would affect the willingness of those fans to travel from their hotels to the track, but has much less of an impact on the number of out-of-area fans staying (and spending) in Austin.

The third major change in 2014 affecting attendance at the TUDOR-WEC weekend race is a major change in the scheduling of the race itself. In 2013, the ALMS final was held on Saturday with the WEC event on Sunday. In 2014, both events will conclude on Saturday.

In 2014, there will be a new name for the event held at the Circuit of The Americas, which will be known as the **Lone Star Le Mans** weekend, reflecting the spirit of Le Mans in the Lone Star State of Texas. Both the TUDOR Championship and FIA WEC races will take place on Saturday,



September 20 providing two separate races and 8 hours and 45 minutes of high-action racing in one day.

The TUDOR Championship will start five minutes after high noon and will last 2 hours and 45 minutes. Starting at 3:00 p.m. the pit lane will be transformed to prepare for the start of the 6 Hours of Circuit of The Americas. The race will start at 5 p.m. and will run into the night under the lights, with the checkered flag being waved at 11 p.m.

In addition there will be a full day of entertainment with live music, the fan village and an autograph session on Saturday morning with all the drivers from both championships. Saturday evening will include a spectacular fireworks display.

Gerard Neveu, CEO of the FIA WEC, said: "The 6 Hours of Circuit of The Americas will be the first of five races outside of Europe and the partnership with the TUDOR Championship will provide the fans with a full day of family entertainment, including a tribute to the sportscar, which will end under the floodlights in true Le Mans style. The new name of the event reflects the European-American style of the event - the spirit of Le Mans in Texas."

Since the new event combines the best of the new WEC organization with the newly-augmented TUDOR Championship, a reasonable starting point to estimate attendance at this event is to consider similar events in 2013. As noted previously, the WEC-dominated weekend in September 2013 attracted 33,591 fans whereas the Grand Am in March 2013 attracted 26,648 fans.⁵ Given that fans of both racing sports probably constitute about a 20 percent overlapping group, this implies a likely total attendance in 2014 at the TUDOR-WEC Lone Star Le Mans of about 50,000 with daily attendance as presented in Table 1:

Table 1
**Estimated Ticketed Fan Attendance at
2014 Lone Star Le Mans Race**

	<u>Friday</u>	<u>Saturday</u>	<u>TOTAL</u>
TUDOR	10,000	15,000	25,000
WEC	10,000	15,000	25,000
TOTAL	20,000	30,000	50,000

But fans are not the only attendees at the race. The drivers, teams, sponsors, tire companies, media, manufacturers and others directly involved in the production of a weekend of racing add significantly to these totals. Based on the level of interest at Laguna Seca in the new Grand Am racing, most of the 47 teams and 126 drivers listed in the IMSA-TUDOR directory should be at COTA in September. Including some teams fielding multiple cars a field of 80 to 95 cars is expected for the September race representing a total of 800 crew members and drivers. In addition the tire companies providing products for the race teams add another 150 people.

The 2013 WEC at COTA saw a total of 30 teams participate which included 77 drivers and a total of 670 permanent personnel on the teams or affiliated with support organizations such as Dunlop and Michelin.⁶

Media covering the races typically number about 200 with corporate sponsors and manufacturer executives also usually add another 400 personnel. International Motor Sports Association (IMSA) staff is expected to number 110 with another 1,000 friends/family of race-related staff personnel attending all three days of the event. Another 91 FIA personnel are expected to attend the event as support for the WEC race.⁷

EVENT TRUST FUND ESTIMATE

Based on the preceding discussion of teams, riders, crew, other participants, racing organizations, sponsors, media and fans, it is possible to develop a reasonable estimate of the likely tax gain from hosting the 2014 TUDOR- WEC race weekend in Austin. However, since there is some distinction drawn between the two sponsoring organizations and inasmuch as their site selection process is under the control of each sponsoring entity, for the purposes of developing a request under the Texas Event Trust Fund, two estimates will be presented for the two components of the *Lone Star Le Mans* weekend.⁸ In each case it is assumed that 56.7 percent of the fans not tied to one of the event participants are from outside Texas.⁹ In addition, ninety percent of friends and family of participants are from outside Texas and are counted as ticketed fans.

Table 2 presents the likely pattern of attendance at the Circuit of The Americas of the TUDOR portion of the Lone Star Le Mans weekend.

Table 2

Estimated Out of State Teams, Sponsors, Support, Media, Racing Organizations and Fan Attendance 2014 TUDOR Championship at Lone Star Le Mans Weekend

September 19 - 20, 2014 in Austin, Texas

<u>Date</u>	<u>Schedule</u>	<u>Teams, Drivers & Support</u>	<u>Sponsors</u>	<u>Media</u>	<u>IMSA</u>	<u>Friends & Family</u>	<u>Total Fans*</u>	<u>Out of State Family, Friends & Fans*</u>
15-Sep	Crew Arrive	600	0	0	25	200	0	180
16-Sep	Drivers Arrive	750	175	0	50	350	0	315
17-Sep	On track Testing	800	250	0	110	400	500	425
18-Sep	On track Testing	800	375	100	110	500	2,000	1,425
19-Sep	Qualifying	800	375	100	110	500	10,000	6,625
20-Sep	TUDOR-WEC Races	800	375	100	110	500	15,000	8,505
21-Sep	Teardown	800	375	100	110	500	15,000	8,505
22-Sep	Depart	400	100	0	110	250	3,000	2,013

*includes Friends and Family of participants

Similarly, Table 3 presents the likely pattern of attendance at the Circuit of The Americas of the WEC portion of the Lone Star Le Mans weekend.

Table 3
Estimated Out of State Team, Sponsors, Support, Media, Racing Organizations and Fan Attendance
2014 WEC Race at Lone Star Le Mans Weekend

September 19 - 20, 2014 in Austin, Texas

<u>Date</u>	<u>Schedule</u>	<u>Teams, Drivers & Support</u>	<u>Sponsors</u>	<u>Media</u>	<u>FIA</u>	<u>Friends & Family</u>	<u>Total Fans*</u>	<u>Out of State Family, Friends & Fans*</u>
15-Sep	Crew Arrive	375	0	0	50	200	0	180
16-Sep	Crew & Drivers Arrive	450	100	0	91	350	0	315
17-Sep	Crew & Drivers Arrive	670	200	0	91	400	500	425
18-Sep	On track Testing	670	200	100	91	500	2,000	1,425
19-Sep	Qualifying	670	200	100	91	500	10,000	6,625
20-Sep	TUDOR-WEC Races	670	200	100	91	500	15,000	8,505
21-Sep	Teardown	670	200	100	91	500	15,000	8,505
22-Sep	Depart	335	100	0	91	250	3,000	2,013

*includes Friends and Family of participants

Economic Gain under Texas Event Trust Fund

The economic gains from events such as the 2014 TUDOR-WEC Lone Star Le Mans race weekend are significant for the state and for the local economy. When calculated correctly, these “gains” are not merely the dollars that Texans might have otherwise spent in the state, but it represents a true addition to the local and state economy by: (1) keeping expenditures in Texas that likely would have otherwise left the state, and (2) bringing in expenditures from outside the state.

Based on the attendance pattern detailed in Table 3, the 2014 TUDOR Championship portion of the race weekend should fill nearly 11,000 hotel room nights and generate estimated total direct spending by fans, riders, teams, sponsors, media and racing organizations of \$7.3 million.¹⁰ This gain is composed of \$2.5 million in lodging expenditures, \$1.4 million in food and beverage expenditures and nearly \$1.9 million in entertainment and shopping expenditures.

Table 4
2014 TUDOR Championship at Lone Star Le Mans Weekend
September 19 - 20, 2014 in Austin, Texas

Total Room nights	10,831
Hotel Expenditure	\$2,468,145
Food and Beverage	\$1,422,935
Entertainment & Shopping	\$1,863,333
Other Expenditures and Tips	\$1,582,399
Total Economic Impact	\$7,336,812

Based on the attendance pattern detailed in Table 3, Table 5 indicates that the 2014 WEC portion of the race weekend should fill nearly 9,700 hotel room nights and generate estimated total direct spending by fans, riders, teams, sponsors, media and racing organizations of \$6.6 million. This gain is composed of \$2.0 million in lodging expenditures, \$1.3 million in food and beverage expenditures and \$1.7 million in entertainment and shopping expenditures.

Table 5
2014 WEC Race at Lone Star Le Mans Weekend
September 19 - 20, 2014 in Austin, Texas

Total Room nights	9,690
Hotel Expenditure	\$2,022,382
Food and Beverage	\$1,327,280
Entertainment & Shopping	\$1,738,072
Other Expenditures and Tips	\$1,494,622
Total Economic Impact	\$6,582,356

Event Trust Fund Tax Gain

In 2009 the Texas legislature established the Events Trust Fund to assist in attracting to Texas or retaining in Texas sporting and other events that could well be moved outside the state. The provisions of this law allow the Comptroller to deposit into a trust fund established for a qualifying event the amount of state hotel, sales and use, motor vehicle rental and alcohol taxes

that can be attributed to the incremental gain in economic activity to the state from hosting the event. To qualify for reimbursement from the Trust Fund, the local sponsoring municipality or county must contribute matching tax revenues received from hosting the event at the rate of \$1 local tax dollar for every \$6.25 in state tax contributions.

Based on the attendance and schedule of events presented in Table 3, Table 7 estimates the incremental tax gain to the state and to the City of Austin from hosting the 2014 TUDOR Championship portion of Lone Star Le Mans race weekend.¹¹ This portion of the event is estimated to generate a total of \$446,996 in state tax revenues which could be deposited into a trust fund for supporting the TUDOR Championship. However, since the 2014 TUDOR Championship is a continuation of the ALMS event awarded to Austin in 2013, the 2014 event represents the second occurrence of this event in Texas in the last five years and would therefore incur a repeat event reduction lowering the state's economic gain to \$382,048. Table 7 also notes that the total local tax gain is estimated to reach \$202,342 of which \$61,128 would need to be deposited by or on behalf of the City of Austin into the trust fund to fully match state contributions.

Table 6
**State Tax and Expenditure Summary for the
 2014 TUDOR Championship at Lone Star Le Mans Weekend**
 September 19 - 20, 2014 in Austin, Texas

Hotel Expenditures

		Teams, Drivers	Friends & Family	Sponsors & Support	Media	IMSA	Out of State Fans*	State Tax	City Tax
Persons/ hotel room			1.45	1.33	1.4	1.67	2.68		
% Staying in hotel			90%	90%	90%	90%	70%		
Hotel Cost rm/night ¹²			\$245.82	\$200.38	\$151.00	\$245.82	\$151.00		
Mon	9/15		\$121,680	\$0	\$0	\$3,319	\$0	\$7,500	\$10,687
Tue	9/16		\$167,310	\$23,670	\$0	\$6,637	\$0	\$11,857	\$16,896
Wed	9/17		\$182,520	\$33,814	\$0	\$14,602	\$2,565	\$14,010	\$19,964
Thu	9/18		\$197,730	\$50,721	\$9,513	\$14,602	\$38,475	\$18,662	\$22,395
Fri	9/19		\$197,730	\$50,721	\$9,513	\$14,602	\$243,674	\$30,974	\$37,169
Sat	9/20		\$197,730	\$50,721	\$9,513	\$14,602	\$317,861	\$35,426	\$42,511
Sun	9/21		\$98,865	\$13,526	\$0	\$14,602	\$70,537	\$11,852	\$16,889
							Total Tax	\$130,281	\$166,512

Food & Bev. Expenditures:

		Teams & Drivers	Sponsors & Support	Media	IMSA	Family, Friends & Out of State Fans	State Tax	City Tax
Mon	15-Sep	\$14,685	\$0	\$0	\$612	\$4,406	\$1,231	\$187
Tue	16-Sep	\$18,356	\$4,283	\$0	\$1,224	\$12,115	\$2,249	\$342
Wed	17-Sep	\$39,160	\$8,566	\$0	\$4,038	\$18,112	\$4,367	\$664
Thu	18-Sep	\$39,160	\$18,356	\$2,448	\$5,385	\$45,279	\$6,914	\$885
Fri	19-Sep	\$39,160	\$18,356	\$4,895	\$5,385	\$197,024	\$16,551	\$2,119
Sat	20-Sep	\$39,160	\$18,356	\$4,895	\$5,385	\$370,307	\$27,381	\$3,505
Sun	21-Sep	\$39,160	\$18,356	\$4,895	\$5,385	\$257,416	\$20,326	\$3,090
Mon	22-Sep	\$9,790	\$2,448	\$0	\$2,692	\$49,256	\$4,012	\$610
						Total Tax	\$83,031	\$11,400

Entertainment & Shopping:

		Teams & Drivers	Sponsors & Support	Media	IMSA	Family, Friends & Out of State Fans	State Tax	City Tax
Mon	15-Sep	\$19,230	\$0	\$0	\$801	\$5,769	\$1,613	\$245
Tue	16-Sep	\$24,038	\$5,609	\$0	\$1,603	\$15,865	\$2,945	\$448
Wed	17-Sep	\$51,280	\$11,218	\$0	\$5,288	\$23,717	\$5,719	\$869
Thu	18-Sep	\$51,280	\$24,038	\$3,205	\$7,051	\$59,293	\$9,054	\$1,159
Fri	19-Sep	\$51,280	\$24,038	\$6,410	\$7,051	\$258,003	\$21,674	\$2,774
Sat	20-Sep	\$51,280	\$24,038	\$6,410	\$7,051	\$484,917	\$35,856	\$4,590
Sun	21-Sep	\$51,280	\$24,038	\$6,410	\$7,051	\$337,086	\$26,617	\$4,046
Mon	22-Sep	\$12,820	\$3,205	\$0	\$3,526	\$64,501	\$5,253	\$798
						Total Tax	\$108,730	\$14,929

Table 6, continued
**State and Local Tax and Expenditure Summary for the
 2014 TUDOR Championship at Lone Star Le Mans Weekend**
 September 19 - 20, 2014 in Austin, Texas

State Mixed Beverage Tax:		Teams & Drivers	Sponsors & Support	Media	IMSA	Family, Friends & Out of State Fans	State Tax	City Tax
Mon	15-Sep	\$5,149	\$0	\$0	\$215	\$1,545	\$484	\$46
Tue	16-Sep	\$6,437	\$1,502	\$0	\$429	\$4,248	\$884	\$83
Wed	17-Sep	\$13,732	\$3,004	\$0	\$1,416	\$6,351	\$1,716	\$162
Thu	18-Sep	\$13,732	\$6,437	\$858	\$1,888	\$15,877	\$2,717	\$216
Fri	19-Sep	\$13,732	\$6,437	\$1,716	\$1,888	\$69,088	\$6,504	\$517
Sat	20-Sep	\$13,732	\$6,437	\$1,716	\$1,888	\$129,852	\$10,761	\$855
Sun	21-Sep	\$13,732	\$6,437	\$1,716	\$1,888	\$90,266	\$7,988	\$754
Mon	22-Sep	\$3,433	\$858	\$0	\$944	\$17,272	\$1,577	\$149
						Total Tax	\$32,630	\$2,782
Title 5 ABC State Tax¹³		Teams & Drivers	Sponsors & Support	Media	IMSA	Family, Friends & Out of State Fans	State Tax	City Tax
Mon	15-Sep	\$5,149	\$0	\$0	\$215	\$1,545	\$195	\$ -
Tue	16-Sep	\$6,437	\$1,502	\$0	\$429	\$4,248	\$355	\$ -
Wed	17-Sep	\$13,732	\$3,004	\$0	\$1,416	\$6,351	\$690	\$ -
Thu	18-Sep	\$13,732	\$6,437	\$858	\$1,888	\$15,877	\$1,093	\$ -
Fri	19-Sep	\$13,732	\$6,437	\$1,716	\$1,888	\$69,088	\$2,617	\$ -
Sat	20-Sep	\$13,732	\$6,437	\$1,716	\$1,888	\$129,852	\$4,329	\$ -
Sun	21-Sep	\$13,732	\$6,437	\$1,716	\$1,888	\$90,266	\$3,213	\$ -
Mon	22-Sep	\$3,433	\$858	\$0	\$944	\$17,272	\$634	\$ -
						Total Tax	\$13,127	\$0
Vehicle Rental Tax:		Teams, Drivers Friends & Family	Sponsors & Support	Media	IMSA	Out of State Fans*	State Tax	City Tax
Percent Renting		40%	40%	67%	50%	25%		
Cost per Day		\$69.84	\$69.84	\$69.84	\$69.84	\$69.84		
Mon	15-Sep	\$16,761	\$0	\$0	\$6,984	\$0	\$2,374	\$0
Tue	16-Sep	\$20,951	\$4,889	\$0	\$12,222	\$0	\$3,806	\$0
Wed	17-Sep	\$22,348	\$6,984	\$0	\$13,967	\$303	\$4,360	\$0
Thu	18-Sep	\$22,348	\$10,476	\$4,656	\$17,459	\$4,539	\$5,948	\$0
Fri	19-Sep	\$22,348	\$10,476	\$4,656	\$17,459	\$28,750	\$8,369	\$0
Sat	20-Sep	\$22,348	\$10,476	\$4,656	\$17,459	\$37,503	\$9,244	\$0
Sun	21-Sep	\$11,174	\$2,793	\$0	\$8,730	\$8,322	\$3,102	\$0
						Total Tax	\$37,203	\$0
Other Expend:								
Out-of State Ticket Sales			\$671,895			Tax	\$41,993	\$6,719
Total Taxes							\$446,996	\$202,342
Repeat Event Reduction							\$382,048	
Required Local Tax match							\$61,128	
Total Event Trust Fund							\$443,175	

Based on the attendance and schedule of events presented in Table 3, Table 7 estimates the incremental tax gain to the state and to the City of Austin from hosting the 2014 WEC portion of Lone Star Le Mans race weekend. This portion of the event is estimated to generate a total of \$410,478 in state tax revenues which could be deposited into a trust fund for supporting the WEC Championship. However, since this would be the second year for Texas to host the WEC race, a repeat event reduction is incurred under the Event Trust Fund statute and the most the state could deposit to an Event Trust Fund for the WEC portion would be \$350,836. Table 7 also notes that the total local tax gain is estimated to reach \$179,939 of which \$56,134 would need to be deposited by or on behalf of the City of Austin into the trust fund to fully match the maximum state contribution to the fund.

Table 7
State Tax and Expenditure Summary for the
2014 WEC Race at Lone Star Le Mans Weekend
September 19 - 20, 2014 in Austin, Texas

Hotel Expenditures

		Teams, Drivers Friends & Family	Sponsors & Support	Media	FIA	Out of State Fans		
Persons/ hotel room		1.45	1.33	1.4	1.67	2.68		
Percent Staying in hotel		90%	90%	90%	90%	70%		
Hotel Cost rm/night		\$245.82	\$200.38	\$151.00	\$245.82	\$151.00		
							State Tax	City Tax
Mon	9/15	\$87,458	\$0	\$0	\$6,637	\$0	\$5,646	\$8,045
Tue	9/16	\$121,680	\$13,526	\$0	\$12,080	\$0	\$8,837	\$12,593
Wed	9/17	\$162,747	\$27,051	\$0	\$12,080	\$2,565	\$12,267	\$17,480
Thu	9/18	\$177,957	\$27,051	\$9,513	\$12,080	\$38,475	\$15,905	\$19,085
Fri	9/19	\$177,957	\$27,051	\$9,513	\$12,080	\$243,674	\$28,216	\$33,860
Sat	9/20	\$177,957	\$27,051	\$9,513	\$12,080	\$317,861	\$32,668	\$39,201
Sun	9/21	\$88,979	\$13,526	\$0	\$12,080	\$70,537	\$11,107	\$15,828
						Total Tax	\$114,645	\$146,092

**Food & Bev.
Expenditures:**

		Teams, Drivers & Support	Sponsors & Support	Media	FIA	OOS Family, Friends & Fans	State Tax	City Tax
Mon	15-Sep	\$9,178	\$0	\$0	\$1,224	\$4,406	\$925	\$141
Tue	16-Sep	\$11,014	\$2,448	\$0	\$2,227	\$12,115	\$1,738	\$264
Wed	17-Sep	\$32,797	\$4,895	\$0	\$3,341	\$18,112	\$3,696	\$562
Thu	18-Sep	\$32,797	\$9,790	\$2,448	\$4,454	\$45,279	\$5,923	\$758
Fri	19-Sep	\$32,797	\$9,790	\$4,895	\$4,454	\$197,024	\$15,560	\$1,992
Sat	20-Sep	\$32,797	\$9,790	\$4,895	\$4,454	\$370,307	\$26,390	\$3,378
Sun	21-Sep	\$32,797	\$9,790	\$4,895	\$4,454	\$257,416	\$19,334	\$2,939
Mon	22-Sep	\$8,199	\$2,448	\$0	\$2,227	\$49,256	\$3,883	\$590
						Total Tax	\$77,450	\$10,624

**Entertainment &
Shopping:**

		Teams, Drivers & Support	Sponsors & Support	Media	FIA	OOS Family, Friends & Fans	State Tax	City Tax
Mon	15-Sep	\$12,019	\$0	\$0	\$1,603	\$5,769	\$1,212	\$184
Tue	16-Sep	\$14,423	\$3,205	\$0	\$2,917	\$15,865	\$2,276	\$346
Wed	17-Sep	\$42,947	\$6,410	\$0	\$4,375	\$23,717	\$4,841	\$736
Thu	18-Sep	\$42,947	\$12,820	\$3,205	\$5,833	\$59,293	\$7,756	\$993
Fri	19-Sep	\$42,947	\$12,820	\$6,410	\$5,833	\$258,003	\$20,376	\$2,608
Sat	20-Sep	\$42,947	\$12,820	\$6,410	\$5,833	\$484,917	\$34,558	\$4,423
Sun	21-Sep	\$42,947	\$12,820	\$6,410	\$5,833	\$337,086	\$25,318	\$3,848
Mon	22-Sep	\$10,737	\$3,205	\$0	\$2,917	\$64,501	\$5,085	\$773
						Total Tax	\$101,421	\$13,911

Table 7, continued
**State and Local Tax and Expenditure Summary for the
 2014 WEC Race at Lone Star Le Mans Weekend**
 September 19 - 20, 2014 in Austin, Texas

State Mixed Beverage Tax:		Teams, Drivers & Support	Sponsors & Support	Media	FIA	OOS Family, Friends & Fans	State Tax	City Tax
Mon	15-Sep	\$3,218	\$0	\$0	\$429	\$1,545	\$364	\$34
Tue	16-Sep	\$3,862	\$858	\$0	\$781	\$4,248	\$683	\$64
Wed	17-Sep	\$11,500	\$1,716	\$0	\$1,171	\$6,351	\$1,453	\$137
Thu	18-Sep	\$11,500	\$3,433	\$858	\$1,562	\$15,877	\$2,328	\$185
Fri	19-Sep	\$11,500	\$3,433	\$1,716	\$1,562	\$69,088	\$6,115	\$486
Sat	20-Sep	\$11,500	\$3,433	\$1,716	\$1,562	\$129,852	\$10,371	\$824
Sun	21-Sep	\$11,500	\$3,433	\$1,716	\$1,562	\$90,266	\$7,598	\$717
Mon	22-Sep	\$2,875	\$858	\$0	\$781	\$17,272	\$1,526	\$144
Total Tax							\$30,437	\$2,593
Title 5 ABC State Tax		Teams, Drivers & Support	Sponsors & Support	Media	FIA	OOS Family, Friends & Fans	State Tax	City Tax
Mon	15-Sep	\$3,218	\$0	\$0	\$429	\$1,545	\$146	\$ -
Tue	16-Sep	\$3,862	\$858	\$0	\$781	\$4,248	\$275	\$ -
Wed	17-Sep	\$11,500	\$1,716	\$0	\$1,171	\$6,351	\$584	\$ -
Thu	18-Sep	\$11,500	\$3,433	\$858	\$1,562	\$15,877	\$936	\$ -
Fri	19-Sep	\$11,500	\$3,433	\$1,716	\$1,562	\$69,088	\$2,460	\$ -
Sat	20-Sep	\$11,500	\$3,433	\$1,716	\$1,562	\$129,852	\$4,172	\$ -
Sun	21-Sep	\$11,500	\$3,433	\$1,716	\$1,562	\$90,266	\$3,057	\$ -
Mon	22-Sep	\$2,875	\$858	\$0	\$781	\$17,272	\$614	\$ -
Total Tax							\$12,244	\$0
Vehicle Rental Tax:		Teams, Drivers Friends & Family	Sponsors & Support	Media	FIA	Out of State Fans	State Tax	City Tax
Percent Renting		40%	40%	67%	50%	25%		
Cost per Day		\$69.84	\$69.84	\$69.84	\$69.84	\$69.84		
Mon	15-Sep	\$10,476	\$0	\$0	\$6,984	\$0	\$1,746	\$0
Tue	16-Sep	\$12,571	\$2,793	\$0	\$12,222	\$0	\$2,759	\$0
Wed	17-Sep	\$18,716	\$5,587	\$0	\$13,967	\$303	\$3,857	\$0
Thu	18-Sep	\$18,716	\$5,587	\$4,656	\$17,459	\$4,539	\$5,096	\$0
Fri	19-Sep	\$18,716	\$5,587	\$4,656	\$17,459	\$28,750	\$7,517	\$0
Sat	20-Sep	\$18,716	\$5,587	\$4,656	\$17,459	\$37,503	\$8,392	\$0
Sun	21-Sep	\$9,358	\$2,793	\$0	\$8,730	\$8,322	\$2,920	\$0
Total Tax							\$32,287	\$0
Other Expend:								
Out-of State Ticket Sales			\$671,895			Tax	\$41,993	\$6,719
Total Taxes							\$410,478	\$179,939
Repeat Event Reduction							\$350,836	
Required Local Tax match							\$56,134	
Total Event Trust Fund							\$406,970	

At this time the expenditures incurred for which CELOC will seek reimbursement under the Event Trust Fund in order to bring the TUDOR Championship and the WEC race to Austin are not yet finalized, but will undoubtedly greatly exceed the tax gains in Tables 6 and 7. Accordingly, pending verification of those expenses, this report requests that the Comptroller of Public Accounts approve creating trust funds for the two events comprising Lone Star Le Mans weekend event under Section 5C of Article 5190.14 Vernon's Texas Civil Statutes to receive \$382,048 in state tax contributions when matched by \$61,128 in contributions by or on behalf of the City of Austin for the TUDOR Championship and \$350,836 in state contributions when matched by \$56,134 in contributions by or on behalf of the City of Austin for the WEC race.

Appendix A:
Event Award Letters

via email: marc.ott@austintexas.gov

Mr. Marc Ott
City Manager
City of Austin
Austin, Texas 78701

Paris, May 13, 2014

Dear Mr. Ott:

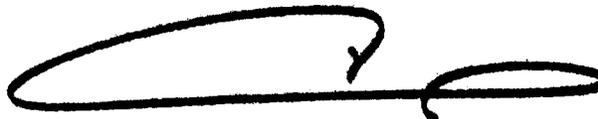
We have received and appreciate the confirmation of application, dated May 8, 2014, from Circuit Events Local Organizing Committee ("CELOC"), as designee and on behalf of the City of Austin, to host an event of the World Endurance Championship in Austin from 2014 to 2015 at the new raceway facilities in Austin, Texas, USA, known as Circuit of the Americas.

As we emphasized in our previous letters to you, there was substantial competition in our process of reviewing a number of venues interested in hosting our series. Our prior selection of Austin, Texas as the site for the 2014 and 2015 World Endurance Championship Events is hereby made and confirmed. Congratulations!

The FIA World Endurance Championship is a unique event that appeals to an attractive fan demographic, with touring cars competing at prestigious venues around the world including Silverstone in England, Circuit de-Spa-Francorchamps in Belgium, and Shanghai International Circuit in China. A race in Austin will be the only North American race in 2014 and 2015 so we anticipate strong interest and a significant economic benefit to the community and region.

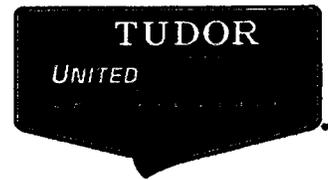
We look forward to receiving and working with CELOC to finalize an Event Support Contract related to the local and State support available for the events.

Yours sincerely,

A handwritten signature in black ink, consisting of a large, sweeping loop followed by a smaller, more intricate flourish.

Gérard Neveu
C.E.O.

Scott Atherton
President & COO



May 12, 2014

Mr. Marc Ott
City Manager
City of Austin
Austin, Texas 78701

via email: marc.ott@austintexas.gov

Dear Mr. Ott:

We have received and appreciate the confirmation of application, dated May 5, 2014, from Circuit Events Local Organizing Committee ("CELOC"), as designee and on behalf of the City of Austin, to host an event of the TUDOR United SportsCar Championship (formerly named "American Le Mans Series") in Austin for 2014 and 2015 at the raceway facilities in Austin, Texas, USA, known as Circuit of the Americas. And, as background, the change in the name of this racing series from American Le Mans Series to TUDOR United SportsCar Championship is merely a name change. The site selection organization for the American Le Mans Series remains the same for the newly renamed TUDOR United SportsCar Championship.

As we emphasized in our previous letters to you, there was substantial competition in our process of reviewing a number of venues interested in hosting our series. Our prior selection of Austin, Texas as the site for the 2014 and 2015 TUDOR United SportsCar Championship Events is hereby made and confirmed. Congratulations!

The TUDOR United SportsCar Championship Event ("TUDOR USC") presented by TUDOR watches is the premier sportscar racing series in North America and partners with such automotive giants as BMW, Chevrolet, Dodge, Mazda and Porsche, among others, to present the world's top sportscar racing events. The TUDOR USC attracts large spectator audiences at each event and all races are broadcast on network and cable television and via the web in 70+ countries around the world. The Championship Series is also followed in the United States and internationally on a wide variety of racing related news websites and publications. Our events have a record of attracting significant economic impact to the regions where we race.

The TUDOR United SportsCar Championship Series is the only major race series in the world in which all race cars compete using alternative fuels or powertrains such as ultra-low sulfur clean diesel, cellulosic E85, E10 and E10/gas-electric hybrid. We work with leading automobile manufactures to develop sustainable solutions and technical innovations that are introduced and developed in racing, then transferred to consumer vehicles. At the same time we are educating consumers about these new alternatives and the role they will have with their future mobility.

We look forward to receiving and working with CELOC to finalize an Event Support Contract related to the local and State support available for the events.

Yours sincerely,

A handwritten signature in black ink, appearing to be "Scott Atherton", written over a horizontal line.

SA/jb

via email: marc.ott@austintexas.gov

Mr. Marc Ott
City Manager
City of Austin
Austin, Texas 78701

Paris, May 13, 2014

Dear Mr. Ott:

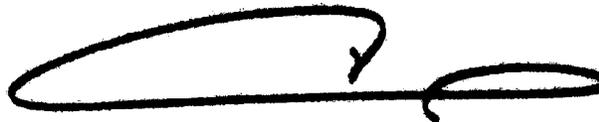
We have received and appreciate the confirmation of application, dated May 8, 2014, from Circuit Events Local Organizing Committee ("CELOC"), as designee and on behalf of the City of Austin, to host an event of the World Endurance Championship in Austin from 2014 to 2015 at the new raceway facilities in Austin, Texas, USA, known as Circuit of the Americas.

As we emphasized in our previous letters to you, there was substantial competition in our process of reviewing a number of venues interested in hosting our series. Our prior selection of Austin, Texas as the site for the 2014 and 2015 World Endurance Championship Events is hereby made and confirmed. Congratulations!

The FIA World Endurance Championship is a unique event that appeals to an attractive fan demographic, with touring cars competing at prestigious venues around the world including Silverstone in England, Circuit de Spa-Francorchamps in Belgium, and Shanghai International Circuit in China. A race in Austin will be the only North American race in 2014 and 2015 so we anticipate strong interest and a significant economic benefit to the community and region.

We look forward to receiving and working with CELOC to finalize an Event Support Contract related to the local and State support available for the events.

Yours sincerely,

A handwritten signature in black ink, consisting of a large, sweeping loop followed by a smaller, more intricate flourish.

Gérard Neveu
C.E.O.

Endnotes

¹ <http://www.autoguide.com/auto-news/2012/09/alms-grand-am-to-merge-for-2014-season.html>

² <http://www.imsa.com/articles/grand-am-road-racing-american-le-mans-series-announce-historic-merger>

³ <http://www.imsa.com/articles/grand-am-road-racing-american-le-mans-series-announce-historic-merger>

⁴ <http://www.imsa.com/articles/nine-races-nearly-200-cars-mazda-raceway>

⁵ John Maher, "Audi hits Century Mark," *Austin American Statesman*, September 23, 2013, page D1.

⁶ Email from Cédric Vilatte, FIA-WEC to Chuck Aksland, Circuit of The Americas, May 5, 2014.

⁷ E-mail from Scott Atherton to Don Hoyte, TexasTrustFunds.com on 4/16/2013 and 5/8/2013. Available upon request from don.hoyte@teaxastrustfunds.com.

⁸ Since all fan tickets are sold jointly, it really is not possible to separate out those fans attending the event solely or even primarily for one race or another. Accordingly, fan attendance and spending is split evenly between the TUDOR race and the WEC race. For some other groups, such as media and sponsors an even split between the two events is also assumed.

⁹ This percentage is based on a fan survey of attendees at the 2014 MotoGP event cited in an e-mail by Anna Panossian, Corporate Comptroller at COTA to Don Hoyte, May 1, 2014. However, this percentage is applied to the race-day attendance to be consistent with the survey question. A somewhat higher percentage of out-of-state fans are used for Friday since it is assumed that those traveling to the event from longer distance will be more inclined to attend at least some of the race qualifying and practice events on Friday. Moreover, since the race will conclude so late on Saturday evening, it is assumed that all out-of-state fans would remain in the Austin area until Sunday.

¹⁰ Note the figures in both Table 4 and 5 focus on expenditures for which a state tax gain under the Event Trust Funds is expected. As such those figures include drivers, teams, sponsors, media, racing organizations (and their friends and family that accompany them) plus the out-of state fans attending the event. Expenditures by Texas fans attending the event are not included.

¹¹ Note that at peak attendance; fewer than 6,300 hotel rooms will be required for all participants and out-of-state fans for ALMS- FIA WEC. The number of hotel rooms in the Austin area total roughly 28,000 so this level of demand by race attendees, while significant, should not overly tax the availability of hotel rooms--- although it is at a level at which prices could firm above average rates during the race weekend, particularly if one or more other large events are held in Austin that weekend. Since facilities in the City of Austin account for more than 80 percent of all hotel rooms in the region, during the three peak days of the TUDOR-WEC race weekend it is estimated that the City of Austin should host about 80 percent of participant and out-of-state fan spending. Earlier in the week when room demand is considerable lower, proximity of Austin hotels to COTA will probably result in the City of Austin hosting 95 percent of event activity. Hotel tax gains to the city as well as sales and alcoholic beverage tax gains to the city are adjusted accordingly.

¹² These room costs for the teams, drivers, sponsors and officials represent the average hotel rate charged by hotels in the upper 50 percentile of area hotel prices. For media and general fans, they are the average hotel prices. Base data from <http://www.i-maps.com/hotel-locator/usa/hotels/tx/austin.html>.

¹³ In general, Tables 6 and 7 apply statutory tax rates to relevant expenditures in order to derive tax gains under the event trust fund. However since the Alcoholic Beverage Tax is a complex tax levied on the basis of the alcohol content of various beverages by volume, the estimate of that tax in Tables 6 and 7 is based on a derived value-based percentage linking revenue from the Alcoholic Beverage Tax to mixed beverage tax sales. Specifically, in the January 2013 Biennial Revenue Estimate prepared by the Comptroller of Public Accounts, the estimated tax gain during the next biennium for the Mixed beverage tax is \$1,624 million (see page 17). The estimated gain from the other Alcoholic Beverage taxes is estimated at \$416 million or roughly a quarter of the tax raised by the state under the Mixed Beverage Tax. Accordingly, Table 6 applies the statutory tax rate of 11 percent to the value of mixed beverages as described in law and approximates the alcoholic beverage tax gains as being 2.56 percent of the value of mixed beverages which raises about a quarter of mixed tax raised by the state under the mixed beverage tax for this event. Since there is no local tax component to the alcoholic beverage tax, no estimate for this is included in Tables 6 or 7.

ATTACHMENT 3

Requested Economic Impact Study Market Area

The requested basic economic impact region for the World Endurance Championship race event scheduled for the weekend of September 19-20, 2014 is the five-county Austin Metropolitan area, including Travis, Williamson, Hays, Bastrop, and Caldwell Counties (collectively, the "*Economic Impact Region*"). This designated Economic Impact Region has been used for the Economic Study.

ATTACHMENT 4

Events & Activities Schedule

TUDOR United SportsCar Championship Race Event of the Circuit of the Americas – Austin, TX -- Schedule of Events*

Feature Races:

TUDOR United SportsCar Championship

Support Races:

Continental Tire Sportscar Challenge and Porsche GT3 Cup Challenge USA by Yokohama

Friday, September 19, 2014:

8:00 am – 8:45 am RACE #1 - GT3 CUP
9:00 am – 10:00 am Practice #1 – TUDOR Championship (All Classes)
11:35 am – 12:05 pm Pre-race Free Fan Pit Lane Walk - CTSC
12:20 pm – 2:50 pm RACE - CTSC
3:20 pm – 4:20 pm Practice #2 - TUDOR Championship (All Classes)
4:30 pm – 4:45 pm Qualifying - TUDOR Championship (GTD)
4:50 pm – 5:05 pm Qualifying - TUDOR Championship (GTLM)
5:15 pm – 5:30 pm Qualifying - TUDOR Championship (PC)
5:35 pm – 5:50 pm Qualifying - TUDOR Championship (P)

Saturday, September 20, 2014:

8:40 – 9:00 am Warm up – TUDOR (All Classes)
9:45 – 10:30 am Driver Autograph Sessions - Paddock
10:00 – 10:45 am RACE #2 - GT3 CUP
11:00 – 11:45 am Pre-race Free Fan Pit Lane Walk - TUDOR
12:05 – 2:50 pm Race - TUDOR United SportsCar Championship (Round 12)
3:00 – 4:30 pm Concert in the Austin 360 Amphitheater
11:08 pm Post-race Fan Track Invasion

* Anticipated additional events will be added to schedule. See more details in the Economic Impact Study.

ATTACHMENT 5A

Affidavit of Don Hoyte Ph.D. Under Rule §2.212(a)(5)



Susan Combs Texas Comptroller of Public Accounts

Affidavit to be COMPLETED by any party(ies) providing economic data to support a request for a Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund
AFFIDAVIT

[Affidavit to be signed and sworn (notarized) by anyone providing information to be used in the estimate of the incremental tax increase]

I, DON HOYTE, Ph.D., am providing information to be used by a city, county or local organizing committee for the purposes of receiving funding through the Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund ("the Act"), and hereby swear and affirm that, to the best of my knowledge, any data provided is true and accurate, and any projections made are based on reasonable assumptions documented in the information provided. I further swear and affirm that I have reviewed the information being submitted, and that all of the statements made and information provided herein, including statements made and information provided in any attachments are true, complete, and correct, to the best of my knowledge. Information provided includes but is not limited to an economic impact study or other data sufficient for the Comptroller's office to make the determination of the incremental increase in tax revenue associated with hosting the event in Texas, including a listing of any data for any related activities;

I understand that the city, county or local organizing committee is receiving funding under the Act for the purposes of facilitating this event: TUDOR UNITED SPORTSCAR CHAMPIONSHIP on these dates: SEPTEMBER 19-20, 2014 and that the information will be provided by the city, county or local organizing committee as a government document

I understand that it is a felony offense under Section 37.10, Texas Penal Code, to knowingly make a false entry in, or false alteration of, a governmental record, or to make, present, or use a governmental record with knowledge of its falsity, when the actor has the intent to harm or defraud another.

I understand that the offense of perjury, under Section 37.02, Texas Penal Code, is committed when a person, with intent to deceive and with knowledge of the statement's meaning, makes a false statement under oath or swears to the truth of a false statement previously made and the statement is required or authorized by law to be made under oath.

I understand my obligation to provide information about event expectations, performance, and expenses that are true and accurate to the best of my knowledge and ability. I also understand my obligation to immediately report any known or suspected waste, fraud, and abuse of funds received under the Act to the Texas State Auditor's Office at 1-800-892-8348. I hereby swear and affirm that I have read the entire affidavit, and I understand its contents.

[Signature]
Affiant Signature

DON HOYTE, Ph.D.
Printed Name

Texas Trust Funds.com
Title and Name of Organization

May 10, 2014
Date

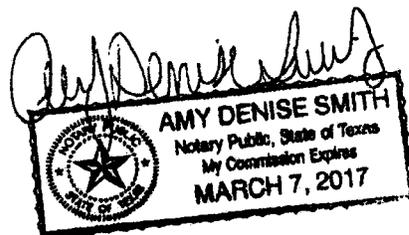
Sworn and subscribed before me by the said

DON HOYTE, Ph.D.
(Printed Name of Recipient's Authorized Representative)

this 10th day of May, 2014

Notary Public, State of Texas

Notary's printed name: Amy Denise Smith My commission expires: March 7, 2017 (Seal)



ATTACHMENT 5B

Affidavit of CELOC Under Rule §2.212(a)(5)



Affidavit to be COMPLETED by any party(ies) providing economic data to support a request for a Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund
AFFIDAVIT

[Affidavit to be signed and sworn (notarized) by anyone providing information to be used in the estimate of the incremental tax increase]

I, WAYNE S. HOLLINGSWORTH, SECRETARY, am providing information to be used by a city, county or local organizing committee for the purposes of receiving funding through the Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund ("the Act"), and hereby swear and affirm that, to the best of my knowledge, any data provided is true and accurate, and any projections made are based on reasonable assumptions documented in the information provided. I further swear and affirm that I have reviewed the information being submitted, and that all of the statements made and information provided herein, including statements made and information provided in any attachments are true, complete, and correct, to the best of my knowledge. Information provided includes but is not limited to an economic impact study or other data sufficient for the Comptroller's office to make the determination of the incremental increase in tax revenue associated with hosting the event in Texas, including a listing of any data for any related activities;

I understand that the city, county or local organizing committee is receiving funding under the Act for the purposes of facilitating this event: TUDOR UNITED SPORTSCAR CHAMPIONSHIP on these dates: SEPTEMBER 19-20, 2014 and that the information will be provided by the city, county or local organizing committee as a government document

I understand that it is a felony offense under Section 37.10, Texas Penal Code, to knowingly make a false entry in, or false alteration of, a governmental record, or to make, present, or use a governmental record with knowledge of its falsity, when the actor has the intent to harm or defraud another.

I understand that the offense of perjury, under Section 37.02, Texas Penal Code, is committed when a person, with intent to deceive and with knowledge of the statement's meaning, makes a false statement under oath or swears to the truth of a false statement previously made and the statement is required or authorized by law to be made under oath.

I understand my obligation to provide information about event expectations, performance, and expenses that are true and accurate to the best of my knowledge and ability. I also understand my obligation to immediately report any known or suspected waste, fraud, and abuse of funds received under the Act to the Texas State Auditor's Office at 1-800-892-8348. I hereby swear and affirm that I have read the entire affidavit, and I understand its contents.

[Handwritten Signature]
Affiant Signature

WAYNE S. HOLLINGSWORTH
Printed Name
5-19-14

WAYNE S. HOLLINGSWORTH, Secretary of Circuit
Title and Name of Organization Events Local Organizing Committee, on Date
behalf of such non-profit corporation

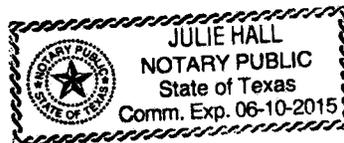
Sworn and subscribed before me by the said

WAYNE S. HOLLINGSWORTH
(Printed Name of Recipient's Authorized Representative)

this 19th day of May, 20 14

Notary Public, State of Texas

Notary's printed name: JULIE HALL



My commission expires: 6-10-15 (Seal)

ATTACHMENT 6

Comptroller Request Worksheet to Establish an Event Trust Fund



The following is a step by step guide to the request process of the Event Trust Funds program.

STEP 1:

Review the ETF Administrative Code.

STEP 2:

Complete and submit the attached "Request Worksheet" along with the statutorily required documents outlined in Section 5 to request that the Comptroller determine the incremental tax increase of an event. Must be received by the agency not less than 120 days prior to the event. Please submit to:

Deputy Comptroller
Comptroller of Public Accounts
111 E. 17th Street
Austin, TX 78774

STEP 3:

Submit the Event Support Contract to the Comptroller for review. This document should be sent to the Comptroller at the address above not later than the event date.

- **Event Support Contract** is a contract executed by a local organizing committee, an endorsing municipality, or an endorsing county and a site selection organization that outlines the responsibilities of each party. For more information on what an Event Support Contract should include, you may refer to our *Event Support Contract Guidelines* on the website (http://www.texasahead.org/tax_programs/event_fund/).

You will be notified following the agency review of Event Support Contract. Please do not submit any local match funds or any expense reimbursement requests until you have been notified that the Event Support Contract has been accepted.

It is not necessary to submit the Event Support Contract in order to receive an estimate of the Incremental Tax Increase, however, agency review and acceptance of the Event Support Contract is required prior to submission of local match funds and expense reimbursement requests.

STEP 4:

Submit Local Funds. Must be submitted no later than 90 days following the event.

STEP 5:

Submit reimbursement requests.

Review the About Trust Fund Payments section on the website and submit any questions to our Event Trust Fund Accounting team at etf.accounting@cpa.state.tx.us.



Request Worksheet to Establish an Events Trust Fund

Please submit this informational worksheet with your official request to establish an events trust fund.

This worksheet is STEP 2 in the process to establish an Event Trust Fund – Requesting that the Comptroller determine the incremental tax increase of an event. Must be received by the agency not less than 120 days prior to the event. Please submit to:

Deputy Comptroller
Comptroller of Public Accounts
111 E. 17th Street
Austin, TX 78774

SECTION 1: Endorsing Municipality or County

CITY OF AUSTIN

Endorsing City or County

LEELA FIRESIDE (Legal) and RODNEY GONZALES

City or County Contact (officer or employee available to answer any/all follow-up questions)

Leela.Fireside@austintexas.gov

Contact email

(512) 974-2163 / (512) 974-2313

Contact phone (area code and phone number)

Has the Endorsing City or County reviewed the event and found that it meets all eligibility requirements, as listed in VCTS 5190.14?

Yes No

Has the Endorsing City or County determined that it will contribute local funding ("local match") to the Events Trust Fund, if established?

Yes No

SECTION 2: Local Organizing Committee

Has the City or County authorized a Nonprofit Local Organizing Committee to enter into an agreement with the Site Selection Organization to host the event on behalf of the City or County?

Yes No

If "YES," provide the following information for the LOCAL ORGANIZING COMMITTEE:

CIRCUIT EVENTS LOCAL ORGANIZING COMMITTEE

Local Organizing Committee (LOC) designated in the official request letter

Is the LOC a registered non-profit corporation?

Yes No

45-2727397

LOC Tax Payer ID#

CIRCUIT EVENTS LOCAL ORGANIZING COMMITTEE

Complete Business Name

SECTION 2: Local Organizing Committee (continued)

WAYNE S. HOLLINGSWORTH

LOC Contact Name

whollingsworth@abaustini.com

Contact email

(512) 435-2306

Contact phone (area code and phone number)

If "NO," The City or County must directly enter into the event hosting agreement with the site selection organization.

NOTE: If your ETF request is approved, the Event Support / Event Hosting AGREEMENT will be required for submittal to receive reimbursement.

SECTION 3: Site Selection Organization

Premium Sports Car Racing, LLC, a Florida limited liability company, as owner and operator of the Tudor United SportsCar Championship

Site Selection Organization

SCOTT ATHERTON

City or County Contact (officer or employee available to answer follow-up questions – if different from above listed contacts)

satherton@alms.com

Contact email

(706) 658-2819

Contact phone (area code and phone number)

The Comptroller's office reserves the right to contact the Site Selection Organization or any other organization directly related to this event.

SECTION 4: Event Information

TUDOR United SportsCar Championship

Official Event Name

AT THE CIRCUIT OF THE AMERICAS

Venue

www.circuitoftheamericas.com

Event Website

Location of this event the previous five years:

1 See Attached Event Calendar

2 _____

3 _____

4 _____

5 _____

Source of information: _____

SECTION 4: Event Information (continued)

September 19, 2014

First Day of Activities

September 20, 2014

Last Day of Activities

September 20, 2014

Date of the PRIMARY Event

16,885

Anticipated TOTAL attendance at the PRIMARY event

10,340

Anticipated Out of State Attendance at the PRIMARY Event

The Comptroller is required by statute to collect from the requestor and then evaluate the actual attendance figures for an ETF event. After this event has concluded you will need to offer final attendance figures. How do you plan on calculating these figures?

Post event certification of attendance estimates will be based on ticket sales, out of state ticket purchases, post-

event survey data, driver and team registration, press passes issued, passes issued by event sponsor.

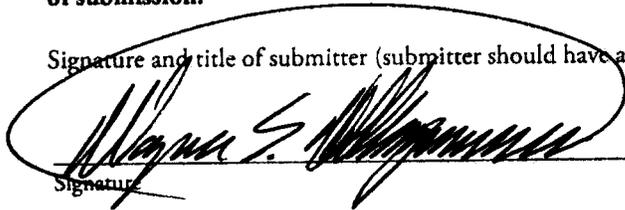
SECTION 5: Checklist

ETF Checklist of documents required to issue an Estimate of Incremental Taxes.

- ETF Request Worksheet.
- SELECTION Letter CLEARLY indicating a highly competitive selection process, and that the selection was based on an application by the endorsing city, county or local organizing committee. This selection letter should clearly indicate the selected LOC, the selected municipality, and the event date. The date must match the requested event date.
- REQUEST Letter CLEARLY indicating the municipality or county's endorsement of the event; names the LOC and the municipality or county's contact; and matches up with the Selection Letter.
- Economic information allowing the Comptroller to make a determination as to the incremental tax increase to the State of Texas.
- Affidavit signed by each endorsing city, county and/or LOC.
- Affidavit signed by party(ies) providing economic data to support this request.

You will be notified of the Estimate of Incremental Taxes following the completion of the agency's review, typically within 30 days of submission.

Signature and title of submitter (submitter should have authority to represent the Endorsing City or County as it regards this request)


Signature

Director
Title

Events & Activities Schedule

TUDOR United SportsCar Championship Race Event of the Circuit of the Americas – Austin, TX -- Schedule of Events*

Feature Races:

TUDOR United SportsCar Championship

Support Races:

Continental Tire Sportscar Challenge and Porsche GT3 Cup Challenge USA by Yokohama

Friday, September 19, 2014:

8:00 am – 8:45 am RACE #1 - GT3 CUP
9:00 am – 10:00 am Practice #1 – TUDOR Championship (All Classes)
11:35 am – 12:05 pm Pre-race Free Fan Pit Lane Walk - CTSC
12:20 pm – 2:50 pm RACE - CTSC
3:20 pm – 4:20 pm Practice #2 - TUDOR Championship (All Classes)
4:30 pm – 4:45 pm Qualifying - TUDOR Championship (GTD)
4:50 pm – 5:05 pm Qualifying - TUDOR Championship (GTLM)
5:15 pm – 5:30 pm Qualifying - TUDOR Championship (PC)
5:35 pm – 5:50 pm Qualifying - TUDOR Championship (P)

Saturday, September 20, 2014:

8:40 – 9:00 am Warm up – TUDOR (All Classes)
9:45 – 10:30 am Driver Autograph Sessions - Paddock
10:00 – 10:45 am RACE #2 - GT3 CUP
11:00 – 11:45 am Pre-race Free Fan Pit Lane Walk - TUDOR
12:05 – 2:50 pm Race - TUDOR United SportsCar Championship (Round 12)
3:00 – 4:30 pm Concert in the Austin 360 Amphitheater
11:08 pm Post-race Fan Track Invasion

* Anticipated additional events will be added to schedule. See more details in the Economic Impact Study.

ATTACHMENT 7

City of Austin Letter to Comptroller re Participation



City of Austin

City Manager's Office

P. O. Box 1088, Austin, TX 78767
(512) 974-2200, Fax (512) 974-2833

Marc A. Ott, *City Manager*
Marc.Ott@ci.austin.tx.us

May 16, 2014

The Honorable Susan Combs
Texas Comptroller of Public Accounts
Post Office Box 13528, Capitol Station
Austin, Texas 78711-3528

Comptroller Combs:

The City of Austin requests participation in the Event Trust Fund (ETF) program pursuant to TEX. REV. CIV. STAT. ART. 5190.14 Section 5C (Act) as authorized by Austin City Council action on December 13th, 2012 in support of the TUDOR United SportsCar Championship and for the September 19-20, 2014 event marketed as the "2014 TUDOR United SportsCar Championship", an automobile road racing championship (the "Event"). This action satisfies the requirements of 34 TAC Section 2.202(a)(1) and documents that Austin is the endorsing municipality in accordance with the Act.

Enclosed is correspondence from TUDOR United SportsCar Championship (TUDOR USC) confirming the selection of Austin, Texas as the location for this event in September of 2014 as well as for 2015. The correspondence from TUDOR USC satisfies the requirements found at 34 TAC Section 2.202(a)(2).

The correspondence from TUDOR USC states that the selection of Austin as the location for the Event was completed after substantial competition in their process of reviewing a number of venues interested in hosting their series. Further, TUDOR USC does not anticipate holding any other similar Event in Texas or its contiguous states during any year that the Event is held at the Circuit of the Americas in Austin. We believe that this supports a finding that Austin was selected as the site for this event consistent with the requirements of 34 TAC Section 2.201.

The Circuit Events Local Organizing Committee is the City's designee to make application to the Comptroller for participation of the Event in the ETF under the Act, to submit the ETF economic analysis, to fund the City's contribution to the ETF, and to receive funds for eligible expenses from the ETF.

Sincerely,

Marc A. Ott, City Manager
City of Austin, Texas

Scott Atherton
President & COO



May 12, 2014

Mr. Marc Ott
City Manager
City of Austin
Austin, Texas 78701

via email: marc.ott@austintexas.gov

Dear Mr. Ott:

We have received and appreciate the confirmation of application, dated May 5, 2014, from Circuit Events Local Organizing Committee ("CELOC"), as designee and on behalf of the City of Austin, to host an event of the TUDOR United SportsCar Championship (formerly named "American Le Mans Series") in Austin for 2014 and 2015 at the raceway facilities in Austin, Texas, USA, known as Circuit of the Americas. And, as background, the change in the name of this racing series from American Le Mans Series to TUDOR United SportsCar Championship is merely a name change. The site selection organization for the American Le Mans Series remains the same for the newly renamed TUDOR United SportsCar Championship.

As we emphasized in our previous letters to you, there was substantial competition in our process of reviewing a number of venues interested in hosting our series. Our prior selection of Austin, Texas as the site for the 2014 and 2015 TUDOR United SportsCar Championship Events is hereby made and confirmed. Congratulations!

The TUDOR United SportsCar Championship Event ("TUDOR USC") presented by TUDOR watches is the premier sportscar racing series in North America and partners with such automotive giants as BMW, Chevrolet, Dodge, Mazda and Porsche, among others, to present the world's top sportscar racing events. The TUDOR USC attracts large spectator audiences at each event and all races are broadcast on network and cable television and via the web in 70+ countries around the world. The Championship Series is also followed in the United States and internationally on a wide variety of racing related news websites and publications. Our events have a record of attracting significant economic impact to the regions where we race.

The TUDOR United SportsCar Championship Series is the only major race series in the world in which all race cars compete using alternative fuels or powertrains such as ultra-low sulfur clean diesel, cellulosic E85, E10 and E10/gas-electric hybrid. We work with leading automobile manufactures to develop sustainable solutions and technical innovations that are introduced and developed in racing, then transferred to consumer vehicles. At the same time we are educating consumers about these new alternatives and the role they will have with their future mobility.

We look forward to receiving and working with CELOC to finalize an Event Support Contract related to the local and State support available for the events.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Scott Atherton", written over a horizontal line.

SA/jb