SUSAN COMBS

TEXAS COMPTROLLER *of* PUBLIC ACCOUNTS

P.O. Box 13528 • Austin, TX 78711-3528

August 12, 2012

Mr. Marc Ott
City Manager
City of Austin
P.O. Box 1088
Austin, Texas 78767

Dear Mr. Ott:

You recently submitted a request to establish a Major Events Trust Fund. Based on your certification that the statutory requirements for the establishment of a Major Event Trust Fund, we have completed our analysis.

Based on our analysis, the State of Texas will realize an incremental increase in tax revenue due to this event. As per statute, a Major Events Trust Fund will be established. However, please note that this letter does not constitute an approval for reimbursement. Reimbursement is subject to meeting all statutory requirements and providing any other documentation required by the Office of the Comptroller.

- **Event – 2012 - Formula 1 United States Grand Prix**
- Location / Venue – City of Austin / Circuit of the Americas Race Track
- Dates – November 16 – 18, 2012
- Estimated incremental increase in tax revenue to the State of Texas – $25,284,468
- Local match required – $4,045,516
- **Total contribution to the Major Event Trust Fund established for this event – $29,329,984**

On behalf of the people of the State of Texas, I applaud your work to bring this event to the state and know all the out-of-state visitors will enjoy your hospitality and come back to Texas again soon. If you have any further questions, please contact Robert Wood, director of the Economic Development and Analysis Division, by email at robert.wood@cpa.state.tx.us or by phone at 800-531-5441, ext. 3-3973.

Sincerely,

Martin A. Hubert
Deputy Comptroller

cc: Robert Wood
Leela Fireside, City of Austin
Wayne Hollingsworth, CELOC

City of Austin

City Manager's Office
P.O. Box 1088, Austin, TX 78767
(512) 974-2200, Fax (512) 974-2832

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

July 5, 2012

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 Major Events Trust Fund (METF) program under TEX. REV. CIV. STAT. ART. 5190.14 Section 5A (Act) as authorized by the Austin City Council action on June 29, 2011, in support of the Formula 1 United States Grand Prix. This action satisfies the requirements found at 34 TAC Section 2.102(a)(1) and documents that Austin is the endorsing municipality in accordance with the Act.

Enclosed is correspondence from Formula One Management Ltd. (FOML) confirming the selection of Austin, Texas, as the location for the annual Formula 1 United States Grand Prix from 2012 - 2021. The dates for the 2012 event will be November 16-18, 2012. The correspondence from FOML satisfies the requirements found at 34 TAC Section 2.102(a)(2).

The correspondence from FOML states that the selection of Austin as the location for the race was completed after presentations from many groups representing locations around the world. It is my understanding that Tavo Hellmund pursued this application to bring this event to the Austin area. We believe this supports a finding that Austin was selected as the sole site for the event through a highly competitive selection process in compliance with Section 5A(a-1) of the Act.

We understand from the Circuit of the Americas and the Circuit Events Local Organizing Committee (the City's designee to submit the METF economic analysis, to fund the City's contribution to the METF, and to receive funds for eligible expenses from the METF) that there have been some changes in business dealings among the parties involved in the race. Austin is still the site for the event and we are working hard to make this a success.

Sincerely,

Marc Ott
City Manager

The City of Austin is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request.