



December 6, 2021

The Honorable Steve Adler
Mayor
Honorable Members of the City Council
City of Austin
City Hall
301 W. 2nd Street
Austin, Texas 78701

RE: 2021 Formula One, U.S. Grand Prix

Dear Mayor Adler & Members of the City Council:

On behalf of the Austin & Texas Hotel & Lodging Association and their collective 3,700 members, we would like to congratulate the City of Austin for the largest and most successful 2021 Formula One, U.S. Grand Prix event in the State of Texas and indeed the USA. Circuit of the Americas (COTA) attracted almost 400,000 people throughout the Formula One weekend – a record number which shows the level of interest for keeping Formula One in the U.S. Austin market.

The fact that even during a pandemic year, COTA knocked it out of the park, speaks volumes for the contribution and vitality that both COTA and Formula One bring to Texas. One of the crown jewels of Austin, the Austin Bergstrom International Airport, which is owned by the City, experienced its highest volume of air travel on that very same weekend, documenting 35,289 passengers on October 25, 2021. The Formula One participants in turn produced an estimated economic impact to our region of almost \$1 billion (including hotel, restaurant, and mixed beverage expenditures, car rentals, and the applicable local and state taxes on these expenditures such as increased sales & use tax, alcoholic beverage taxes, hotel occupancy taxes, car rental taxes, and increased property tax receipts for businesses such as hotels that are valued on the income approach).

The tourism industry couldn't be more pleased with the event's tremendous economic impact to the entire hospitality and tourism sector including a record-high citywide hotel room sell-out with an average hotel rate of \$560 per night.

As Formula One comes to the completion of its 10th Year Anniversary, our lodging industry stakeholders encourage the City of Austin to continue its status as the "endorsing municipality" under the State Major Event Reimbursement Program and partner with the event organizers to maintain Formula One, USGP in Austin, Texas. Our industry and related service sector businesses all depend on Circuit of the Americas continuing to be the flagship destination for hosting the Formula One, U.S. Grand Prix race.

We applaud the City of Austin in advance for its leadership and favorable consideration of renewing the Formula One, USGP contract and continuing as the "endorsing municipality." We understand and are supportive of this negotiation including consideration of how the City of Austin can provide a sharing of a portion of the state rebates from the State of Texas that are incident to this event under the Major Event Reimbursement Program. Through this partnership, Austin could help Circuit of the Americas cover some of their costs for hosting this event in our community, similar to the support provided by every other Formula One event location.

As always, thank you for your leadership and your support of events that make Austin one of the best places to visit in the world.

Best,



Scott Joslove
President & CEO
Texas Hotel & Lodging Association



Denise Eisman
President
Austin Hotel & Lodging Association

cc: Spencer Cronk, City Manager
Rodney Gonzales, Assistant City Manager