

EVENTS TRUST FUND

Application

Office of the Governor
Economic Development and Tourism (EDT)

APPLICANT NAME: Circuit Events Local Organizing Committee

**APPLICANT MAILING ADDRESS: 9201 Circuit of The Americas Blvd., Austin, Texas
78617**

EVENT NAME: 2018 Red Bull Grand Prix of The Americas

DATE(S) OF EVENT: April 20-22, 2018

**EVENT LOCATION (CITY): Circuit of The Americas, 9201 Circuit of The Americas
Blvd., Austin, TX 78617**

DATE APPLICATION SUBMITTED: TBD

Events Trust Fund Application
Event Trust Fund (ETF), Major Events Reimbursement Program (MERP)
or Motor Sports Racing Trust Fund (MSRTF)

Please review the Events Trust Fund Guidelines document and applicable statutes and rules before submitting this application. Links can be found at <https://texaswideopenforbusiness.com/services/event-trust-funds>.

An application is not complete until all required documents are submitted, with the exception of the Event Support Contract. See checklist in Section 6 of the application for required documents.

Deadlines for submission are as follows:

MERP: 45 days prior to the event, but no more than 1 year before the event.

ETF & MSRTF: at least 120 days prior to the event.

Please submit all documents to eventsfund@gov.texas.gov.

SECTION 1: ENDORSING MUNICIPALITY OR COUNTY

Name of Endorsing Municipality or County:	City of Austin
Municipality or County Contact Name:	Leela Fireside
Contact Title:	Assistant City Attorney
Contact Email:	Leela.Fireside@austintexas.gov
Contact Phone Number:	(512) 974-2163

- Has the endorsing municipality or county reviewed the event and found that it meets all eligibility requirements as listed in Vernon’s Texas Revised Civil Statutes (VTCS) Section 5190.14?
 Yes No
- Has the endorsing municipality or county determined that it will contribute local funding (“local match”) to the Event Trust Fund, if established?
 Yes No

SECTION 2: LOCAL ORGANIZING COMMITTEE

- Has the municipality or county authorized a nonprofit Local Organizing Committee (LOC) to enter into an agreement with the Site Selection Organization to host the event on behalf of the municipality or county?
 Yes No
- If Question 1 is selected as “No,” the municipality or county must directly enter into an Event Hosting Agreement with the Site Selection Organization.

If “Yes,” provide the following information for the LOC:

Complete Business Name of LOC:	Circuit Events Local Organizing Committee
LOC Contact Name:	Anna Panossian
LOC Contact Title:	Board Member, Director
Contact Email:	anna@thecircuit.com
Contact Phone Number:	(512) 655-6280

Is the LOC designated in the official request letter submitted with the application?

Yes No

SECTION 3: SITE SELECTION ORGANIZATION

Full Name of Site Selection Organization:	Dorna Sports S.L.
Site Selection Contact Name:	Enrique Aldama
Site Selection Contact Title:	Chief Operating Officer & Chief Financial Officer
Site Selection Contact Email:	enriquealdama@dorna.com
Contact Phone Number:	34-91-782-02-20

*EDT reserves the right to contact the Site Selection Organization or any other organization directly related to this event.

SECTION 4: FUND REQUEST AMOUNT

Total Fund Amount Requested:	\$4,629,031
State Share:	\$3,990,544
Local Share:	\$638,487

*In accordance with statute, the State Share must be no more than 6.25x the Local Share. To calculate the Local Share, divide the State Share by 6.25.

For MERP Applications only:

Estimated Direct Impact Total:	n/a
Estimated Secondary Impact Total:	n/a

*The Direct Impact and the Secondary Impact will equal the Total Fund Amount Requested. These amounts include the state and local estimates.

SECTION 5: EVENT INFORMATION

Official Event Name:	2018 Red Bull Grand Prix of The Americas
Event Fund/Program being applied for: (ETF, MERP, MSRTF)	ETF
Venue(s) of Event:	Circuit of The Americas

Event Website:	http://www.circuitoftheamericas.com
Date(s) of the Primary Event:	April 20- 22, 2018
Day set-up/load-in for the event will begin:	April 9, 2018
Day strike/load-out of the event will end:	April 30, 2018
Location of Event for the Previous 5 Years: (List most recent year first)	<ol style="list-style-type: none"> 1. See Attached 2. 3. 4. 5.
Source of Information for Previous Events:	Dorna Press Releases
Other locations outside of Texas considered to host the event:	Spain, Australia, France, Italy, England, Germany, and several other locations
Was the site selected as a part of a multi-year agreement? If yes, what years (past and future)?	2014 through 2027
Anticipated Total Attendance at Primary Event:	40,768
Anticipated Out of State Attendance at Primary Event:	27,681
Desired Market Area (Area that is affected by the economic impact of the event):	Travis and contiguous counties
Will there be a host fee, sanction fee, participation fee, bid fee or other similar expense for the event?	Yes
If yes, what is the total amount of the above referenced fee(s)?*	\$3,600,000
Additional Information:	Circuit of The Americas ("COTA") tracks tickets distributed, media credentials and team & sponsor attendees to tabulate figures during each day of the event. COTA also conducts various surveys both during and after the event with the intent to determine accurate calculation of out-of-state attendees.

*Reimbursement will not be made for such a fee in excess of the amount listed. See TAC Rule § 184.45(18).

In accordance with TAC Rule § 184.13(d), 184.23(d) and 184.30, no later than 45 days after the event, the total actual attendance and the estimated number of attendees that are not residents of Texas at the event must be provided to EDT. Supporting documentation must be submitted for verification. The following methods will be accepted: ticket sales count, turnstile count, ticket scan count, convention registration check-in count, or participant totals (must be accompanied by ticket or turnstile count for MERP & MSRTF). Other methods may be approved by the OOG in its sole discretion prior to the first day of the event.

Please explain which of these methods or another method, subject to approval, that will be used:

See **additional information box**

SECTION 6: CHECKLIST

EDT must receive the following documents (except the Event Support Contract) before it can issue an estimate of incremental taxes.

EDT is statutorily required to make a determination within 30 days after receiving a complete application. If an application is incomplete, it will not be processed until all required information is submitted. Early submission is encouraged.

- Events Trust Fund Application** completed and signed by someone the applying entity has determined is eligible to bind the applying entity.
- Endorsement Documentation** from the endorsing municipality or endorsing county requesting participation in the trust fund program and signed by a person authorized to bind the municipality or county. The documentation should clearly indicate the municipality or county's endorsement of the event and the name of the LOC, if applicable. The information in the document should coincide with the Selection Letter.
- Selection Letter** A signed letter from the Site Selection Organization selecting the site in Texas that clearly indicates and describes a highly competitive selection process by which site selection occurred, and that the selection was based on an application by the endorsing municipality, county or LOC. This selection letter must clearly indicate the selected LOC, the selected municipality or county, and the event date. The event date indicated in the letter must match the requested event date.
- Economic Impact Study** or other data sufficient for EDT to make the determination of the estimated incremental increase in tax revenue directly attributable to the preparation or presentation of the event, including data for any related activities. The Study should contain detailed information on the direct expenditures for the event in the requested market area relating to the economic activity of attendees and other persons associated with the event. The study may also include information on event expenditures if available. For MERP's only, secondary impacts must be included, and stated separately from the direct impact in order for these impacts to be considered in development of the EDT estimate.
- Affidavit for Economic Impact** signed by the person(s) who prepared the Study for the application.
- Affidavit of Endorsing Entity** signed by each endorsing municipality, county and/or LOC.
- Event Support Contract** is a contract by and between a Site Selection Organization and a local organizing committee, an endorsing municipality, or an endorsing county setting out the representations and assurances of the parties with respect to the selection of a site in this state for the location of an event, and the requirements and costs necessary for the preparation or presentation of an event. Due before the first day of the event, early submission will provide EDT with the opportunity to review the contract and address any issues prior to the event.

Note: Disclosure of Information under the Public Information Act. All documents submitted to the Office of the Governor (OOG) may be subject to disclosure under the Texas Public Information Act, Chapter 552 of the Texas Government Code ("the Act"), including, but not limited to, the application, event support contract, economic impact analysis, and all disbursement documentation submitted after the event, whether created or produced by the applicant or by any third-party. If it is necessary to include proprietary or otherwise confidential information in the documents

submitted, that particular information should be clearly identified as such. **Merely making a blanket claim that the all documents are protected from disclosure because they may contain some proprietary or confidential information is not acceptable, and will not render the information confidential.** Any information that is not clearly identified as proprietary or confidential will be released in accordance with the Act.

I, the authorized representative of the applicant, certify that the representations made, the facts stated in this application and all supplemental documents are true and correct, and that no relevant facts have been intentionally omitted, as evidenced by my signature below. I hereby agree, on behalf of the applicant, to comply with the reporting requirements and will provide other documentation as requested.



Signature

Anna Panossian

Name (Printed)

Secretary, CELOC

Title

12/19/17

Date



FÉDÉRATION INTERNATIONALE
DE MOTOCYCLISME

PRESS RELEASE

MIES, 23/01/2017

FOR MORE INFORMATION:

ISABELLE LARIVIÈRE
COMMUNICATIONS MANAGER
isabelle.lariviere@fim.ch
TEL +41 22 950 95 68

FIM Grand Prix World Championship

2017 final Calendar, 23 January

Date	Grand Prix	Venue
26 March	Qatar*	Losail International Circuit
09 April	República Argentina	Termas de Río Hondo
23 April	Americas	Circuit of The Americas
07 May	Spain	Circuito de Jerez
21 May	France	Le Mans
04 June	Italy	Autodromo del Mugello
11 June	Catalunya	Barcelona - Catalunya
25 June	Netherlands	TT Circuit Assen
02 July	Germany	Sachsenring
06 August	Czech Republic	Automotodrom Brno
13 August	Austria	Red Bull Ring - Spielberg
27 August	Great Britain	Silverstone Circuit
10 September	San Marino e della Riviera di Rimini	Misano World Circuit Marco Simoncelli
24 September	Aragón	MotorLand Aragón
15 October	Japan	Twin Ring Motegi
22 October	Australia	Phillip Island
29 October	Malaysia	Sepang International Circuit
12 November	Comunitat Valenciana	Comunitat Valenciana - Ricardo Tormo

* Evening Race

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About the FIM (www.fim-live.com)

The FIM (Fédération Internationale de Motocyclisme) founded in 1904, is the governing body for motorcycle sport and the global advocate for motorcycling. The FIM is an independent association formed by 113 National Federations throughout the world. It is recognised as the sole competent authority in motorcycle sport by the International Olympic Committee (IOC). Among its 50 FIM World Championships the main events are MotoGP, Superbike, Endurance, Motocross, Supercross, Trial, Enduro, Cross-Country Rallies and Speedway. Furthermore, the FIM is also active and involved in the following areas: public affairs, road safety, touring and protection of the environment. The FIM was the first international sports federation to impose an Environmental Code in 1994.

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FOUNDED 1904

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WWW.FIM-LIVE.COM



FÉDÉRATION INTERNATIONALE
DE MOTOCYCLISME

PRESS RELEASE

MIES, 02/11/2015

FOR MORE INFORMATION:

ISABELLE LARIVIÈRE
COMMUNICATIONS MANAGER
isabelle.lariviere@fim.ch
TEL +41 22 950 95 68

FIM Road Racing World Championship Grand Prix 2016 provisional Calendar, updated 02 November (Changes in bold)

Date	Grand Prix	Venue
20 March	Qatar*	Losail International Circuit
03 April	República Argentina	Termas de Río Hondo
10 April	Americas	Circuit of The Americas
24 April	Spain	Circuito de Jerez**
08 May	France	Le Mans
22 May	Italy	Autodromo del Mugello
05 June	Catalunya	Barcelona - Catalunya
26 June	Netherlands	TT Circuit Assen
17 July	Germany	Sachsenring
14 August	Austria	Red Bull Ring - Spielberg
21 August	Czech Republic	Automotodrom Brno**
04 September	Great Britain	Silverstone Circuit
11 September	San Marino e della Riviera di Rimini	Misano World Circuit Marco Simoncelli
25 September	Aragón	MotorLand Aragón
16 October	Japan	Twin Ring Motegi
23 October	Australia	Phillip Island
30 October	Malaysia	Sepang International Circuit
13 November	Comunitat Valenciana	Comunitat Valenciana - Ricardo Tormo

* Evening Race

** Subject to contract

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FÉDÉRATION INTERNATIONALE
DE MOTOCYCLISME

EXHIBIT A TO 2016 MOTOGP ETF APPLICATION

PRESS RELEASE

MIES, 11/02/2015

FOR MORE INFORMATION:

ISABELLE LARIVIÈRE
COMMUNICATIONS MANAGER
isabelle.lariviere@fim.ch
TEL +41 22 950 95 68

FIM Road Racing World Championship Grand Prix

2015 provisional calendar, updated 11 February

The British Grand Prix, initially scheduled to take place on 30 August at Donington Park Circuit shall be finally hosted on same dates at the Silverstone Circuit.

The 2015 FIM Road Racing World Championship Grand Prix calendar has been amended as follows (change in bold).

Date	Grand Prix	Venue
29 March	Qatar*	Losail International Circuit
12 April	Americas	Circuit of The Americas
19 April	República Argentina	Termas de Río Hondo
03 May	Spain	Circuito de Jerez
17 May	France	Le Mans
31 May	Italy	Autodromo del Mugello
14 June	Catalunya	Barcelona - Catalunya
27 June	TT-Assen**	TT Circuit Assen
12 July	Germany	Sachsenring
09 August	Indianapolis	Indianapolis Motor Speedway
16 August	Czech Republic	Automotodrom Brno
30 August	Great Britain	Silverstone Circuit
13 September	San Marino e della Riviera di Rimini	Misano World Circuit Marco Simoncelli
27 September	Aragón	MotorLand Aragón
11 October	Japan	Twin Ring Motegi
18 October	Australia	Phillip Island
25 October	Malaysia	Sepang International Circuit
08 November	Comunitat Valenciana	Comunitat Valenciana - Ricardo Tormo

* Evening Race

** Saturday Race

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EXHIBIT A TO 2016 MOTOGP ETF APPLICATION



FÉDÉRATION INTERNATIONALE
DE MOTOCYCLISME

PRESS RELEASE

MIES, 24/02/2014
FOR MORE INFORMATION:

ISABELLE LARIVIÈRE
PRESS OFFICER
isabelle.lariviere@fim.ch
TEL +41 22 950 95 68

FIM MotoGP™ World Championship

2014 final Calendar, 24 February (Change in bold)

Date	Grand Prix	Circuit
23 March	Qatar*	Doha/Losail
13 April	Americas	Austin
27 April	Argentina	Termas de Rio Hondo
04 May	Spain	Jerez de la Frontera
18 May	France	Le Mans
1 June	Italy	Mugello
15 June	Catalunya	Barcelona- Catalunya
28 June	Netherlands**	TT Assen
13 July	Germany	Sachsenring
10 August	Indianapolis GP	Indianapolis
17 August	Czech Republic	Brno
31 August	Great Britain	Silverstone
14 September	San Marino & Riviera di Rimini	Marco Simoncelli Misano
28 September	Aragon	MotorLand Aragon
12 October	Japan	Motegi
19 October	Australia	Phillip Island
26 October	Malaysia	Sepang
09 November	Valencia	Ricardo Tormo-Valencia

* Evening Race

** Saturday Race

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EXHIBIT A TO 2016 MOTOGP ETF APPLICATION



FÉDÉRATION INTERNATIONALE
DE MOTOCYCLISME

PRESS RELEASE
MIES, 11/12/2012
FOR MORE INFORMATION:

ISABELLE LARIVIÈRE
PRESS OFFICER
isabelle.lariviere@fim.ch
TEL +41 22 950 95 68

FIM Road Racing World Championship Grand Prix
2013 calendar, update 11 December (Changes in bold)

Date	Grand Prix	Location
07 April	Qatar*	Doha/Losail
21 April	Americas	Austin
05 May	Spain	Jerez de la Frontera
19 May	France	Le Mans
2 June	Italy	Mugello
16 June	Catalunya	Circuit de Catalunya
29 June	Netherlands**	TT Assen
14 July	Germany	Sachsenring
21 July	United States***	Laguna Seca
18 August	Indianapolis	Indianapolis
25 August	Czech Republic	Brno
01 September	Great Britain	Silverstone
15 September	San Marino & Riviera di Rimini	Marco Simoncelli Misano
29 September	Aragón	MotorLand Aragón
13 October	Malaysia	Sepang
20 October	Australia	Phillip Island
27 October	Japan	Motegi
10 November	Valencia	Ricardo Tormo-Valencia

- * Evening Race
- ** Saturday Race
- *** Only MotoGP class

.....

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The FIM (Fédération Internationale de Motocyclisme) founded in 1904, is the governing body for motorcycle sport and the global advocate for motorcycling. The FIM is an independent association formed by 103 National Federations throughout the world. It is recognised as the sole competent authority in motorcycle sport by the International Olympic Committee (IOC). Among its 50 FIM World Championships the main events are MotoGP, Superbike, Endurance, Motocross, Supercross, Trial, Enduro, Cross-Country Rallies and Speedway. Furthermore, the FIM is also active and involved in the following areas: public affairs, road safety, touring and protection of the environment. The FIM was the first international sports federation to impose an Environmental Code in 1994.

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TIME SCHEDULE

PROVISIONAL SCHEDULE

MotoGP™
INFORMATION

*schedule subject to change

07:30			Public Parking Opens
08:30-18:00			Gates Open/Close
09:00-09:40	40 min.	Moto3™	Free Practice 1
09:55-10:40	45 min.	MotoGP™	Free Practice 1
10:55-11:40	45 min.	Moto2™	Free Practice 1
11:55-12:25	30 min.	Superbike	Qualifying
13:10-13:50	40 min.	Moto3™	Free Practice 2
14:05-14:50	45 min.	MotoGP™	Free Practice 2
15:05-15:50	45 min.	Moto2™	Free Practice 2
16:05-16:45	40 min.	Supersport	Qualifying
17:00-17:25	25 min.	Superbike	Top 12 Qualifying Shoot-Out

06:00			Public Parking Opens
07:00-18:00			Gates Open/Close
07:30-07:50	20 min.	Supersport	Warm Up
08:00-08:20	20 min.	Superbike	Warm Up
09:00-09:40	40 min.	Moto3™	Free Practice 3
09:55-10:40	45 min.	MotoGP™	Free Practice 3
10:55-11:40	45 min.	Moto2™	Free Practice 3
12:35-13:15	40 min.	Moto3™	Qualifying
13:30-14:00	30 min.	MotoGP™	Free Practice 4
14:10-14:25	15 min.	MotoGP™	Qualifying 1
14:35-14:50	15 min.	MotoGP™	Qualifying 2
15:05-15:50	45 min.	Moto2™	Qualifying
16:15		Supersport	Race (12 laps)
17:00		Superbike	Race 1 (15 laps)

06:00			Public Parking Opens
07:00-19:00			Gates Open/Close
07:30-07:50	20 min.	Superbike	Warm Up
08:40-09:00	20 min.	Moto3™	Warm Up
09:10-09:30	20 min.	Moto2™	Warm Up
09:40-10:00	20 min.	MotoGP™	Warm Up
11:00		Moto3™	Race (18 laps)
12:20		Moto2™	Race (19 laps)
14:00		MotoGP™	Race (21 laps)
15:30		Superbike	Race 2 (15 laps)
16:00-16:30			Fan Track Walk





City of Austin

City Manager's Office

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

Elaine Hart, Interim City Manager
Elaine.hart@austintexas.gov

December 20, 2017

Office of the Governor
Texas Economic Development Bank
Economic Development & Tourism
Post Office Box 12428
Austin, Texas 78711

Attention: Director

Dear Director:

The City of Austin requests participation in the Events Trust Fund (ETF) pursuant to TEX. REV. CIV. STAT. ART. 5190.14 Section 5C (Act) as authorized by Austin City Council action contained in resolution dated December 13, 2012 in support of the FIM Road Racing World Championship Grand Prix, commonly known as "MotoGP" for the April 20-22, 2018 event marketed as the MotoGP Red Bull Grand Prix of The Americas Race at Circuit of The Americas (Event) in Austin. This action satisfies the requirements of 10 TAC, Part 5, Section 184.102(a)(1) and documents that Austin is the endorsing municipality in accordance with the Act.

Enclosed is correspondence from DORNA SPORTS S.L. (DORNA) confirming the selection of Austin, Texas as the location for the Event in April of 2018 and subsequent years. The correspondence from DORNA satisfies the requirements found at 10 TAC, Part 5, Chapter 184, Subchapter B, Section 184.202(a)(2).

The correspondence from DORNA 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, DORNA 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 10 TAC Section 184.201.

The Circuit Events Local Organizing Committee is the City's designee to act as the local organizing committee for the event, to submit an application to the Office of the Governor, Texas Economic Development Bank, for participation of the Event in the ETF

under the Act, to submit the ETF economic impact analysis, to fund the City's local contribution to the ETF, and to apply for and receive reimbursement of trust funds for eligible expenses from the ETF.

Sincerely,

CITY OF AUSTIN, TEXAS

By: Elaine Hart
Elaine Hart, Interim City Manager



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

DORNA

Ms. Elaine Hart
Interim City Manager
City of Austin
Austin, Texas 78701

via email: elaine.hart@austintexas.gov

Madrid, December 19th, 2017

Dear Ms. Hart,

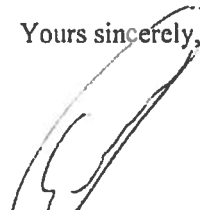
We have received and appreciate the confirmation of application, dated December 15th, 2017, from Circuit Events Local Organizing Committee ("CELOC"), as designee and on behalf of the City of Austin, to host an event of the FIM Road Racing World Championship Grand Prix ("Commonly known as MotoGP™") in Austin from 2018 to 2027 at the 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 international series. Our prior selection of Austin, Texas as the site for the 2014-2017 MotoGP™ Events is hereby made and confirmed. Congratulations!

The MotoGP™ series is a unique event that appeals to an attractive fan demographic, featuring the world's best riders and teams competing at prestigious venues around the world including the United Kingdom, Spain, France, Italy, Japan, Australia and Malaysia. MotoGP™ brings a substantial number of tourists to each region where we race, and we anticipate that our expected events during 2018 through 2027 in Austin will generate significant interest as well as major economic benefit to the community.

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,



Enrique Aldama
COO-CFO
DORNA SPORTS S.L.

DORNA

Circuit Events Local Organizing Committee
Attention: Ms. Anna Panossian
9201 Circuit of the Americas Blvd.
Del Valle, Texas 78617

via email: anna@thecircuit.com

Madrid, December 19th, 2017

Dear Ms. Panossian,

We appreciate the confirmation of the application by Circuit Events Local Organizing Committee, dated December 15, 2017 submitted as designee on behalf of the City of Austin, to host an event of the FIM Road Racing World Championship Grand Prix ("Commonly known as MotoGP") for 2018 and beyond in Austin, Texas at the raceway facilities known as Circuit of the Americas. We understand that your application is submitted in confirmation of and supplemental to your prior application to us dated December 17, 2012.

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 World Series. Please consider this letter as confirmation of our selection of Austin, Texas, and the Circuit of the Americas to host the MotoGP event each year of the upcoming series from 2018 through 2027 subject to sign the relevant agreements. Congratulations!

As noted in your December 17, 2012 letter, we do not anticipate sanctioning or holding any other similar FIM Road Racing World Championship Grand Prix Event in Texas or its contiguous states during 2018 or any other year that the MotoGP at the Circuit of the Americas is held in Austin.

The MotoGP series features the world's best riders and teams that appeal to a diverse audience. We race at venues in many countries, including Spain, France, Great Britain, Germany, Italy, Australia, Japan and Malaysia. MotoGP brings a substantial number of tourists to each region where we race, and we anticipate that a race in Austin will generate significant interest as well as major economic benefit to the community.

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

Yours sincerely,



Enrique Aldama
COO-CFO
DORNA SPORTS S.L.

CIRCUIT OF THE AMERICAS

**2018 MotoGP ECONOMIC IMPACT ESTIMATES:
EVENT TRUST FUND**

December 18, 2017

Prepared for:

Circuit Events Local Organizing Committee

9201 Circuit of the Americas Blvd.

Del Valle TX 78617

angelouconomics

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EXECUTIVE SUMMARY

Introduction

MotoGP is the longest running motorsport championship in the world, it was first held in 1949. Since then it has continued to captivate fans with thrilling motorcycle road races. Despite MotoGP's long history, the first MotoGP in the America's was held in 2013 in Austin, Texas. Since 2013, MotoGP has become an annual event in Austin.

The event also has a broad international reach, the preliminary schedule for the 2018 MotoGP bills 22 circuits in 15 countries. Circuit of the Americas (COTA) in Austin, Texas will host the 2018 MotoGP, which will be the sixth year that COTA is hosting the Grand Prix.

MotoGP's international and national appeal attracts a vibrant crowd to Texas for the event. These out-of-state (OOS) and out-of-country visitors increase economic activity in Austin as part of their attendance. Attendees spend money on lodging, food and beverages, entertainment and retail both on- and off-site. Additionally, COTA spends significant capital to program the event.

Attendee spending and presentation costs are critical drivers of the events' economic impact. In 2018, it is estimated that 27,681 OOS fans will travel to Austin to watch the MotoGP Championship. The combined expenditures of OOS fan spending and COTA presentation costs are estimated to have a direct impact of \$88.5M on the local economy that would not have occurred if MotoGP were not held at the Circuit of the Americas.

Sources: AE,COTA, Texas Comptroller of Public Accounts

2018 MotoGP Estimated Expenditures and Effects

	Totals
Expenditures	\$88,517,255
Tax Effects	\$3,990,544

Table 1: Estimated 2018 expenditures and effects

2018 Estimated Total Attendance

Total Attendance	Cert. OOS Fans	On-Site OOS Fans
40,768	68%	27,681

Table 2 Estimated Out-of-state Attendance: Total attendance and OOS attendance estimates based on 2016 certified numbers (see [Exhibit C](#))

2018 Estimated Out-of-State Daily Attendance

Friday	Saturday	Sunday	Estimated Unique OOS Visitor Days
28,235	28,235	28,235	84,705

Table 3 Estimated Out-of-state Attendance: Daily attendance is estimated to be evenly distributed among all three days

EXECUTIVE SUMMARY

The Model

In addition to estimated attendance, an equally important piece of data used to estimate the 2018 MotoGP's tax impacts was spending data from an attendee survey that was circulated to MotoGP ticket purchasers following the 2014 MotoGP event. The online survey was circulated via email by COTA and received over 570 responses. The 2014 survey represents the most recent data available and should be regarded with a high degree of confidence as attendee demographics and event programming have not changed significantly.

It collected information on OOS, out-of-area (but still Texas), and out-of-country attendees' spending patterns and average length of stay in Austin for the event. OOS attendees average length of stay in Austin was 3.06 days. The survey informed the projected expenditures. Each category of average daily spending was multiplied by the certified number of unique OOS attendee days to derive the estimated direct impacts (See [Table 1](#), p. 5). Additionally, COTA's presentation costs were included in the model to reflect tax impact of those expenditures on Texas's economy.

The estimated direct expenditure calculations were sorted into a specific, applicable tax category and its impact was multiplied by its respective tax rate (see [Table 6](#), p. 8). These calculations became the estimated direct tax impacts for the 2018 MotoGP.

2018 Estimated Daily Attendee Expenditures per Person	
Expenditure Type	Average Spent/Day
Hotel	\$156
Rental Car	\$61
Mixed Beverage	\$52
Beer & Wine	\$64
Food & Non-alcoholic beverages	\$129
Other Retail	\$63
Merchandise	\$98
Other entertainment	\$140
Total	\$763

Table 4 Estimated Daily Expenditures: Average daily spending of OOS attendees per person

2018 MotoGP ECONOMIC IMPACT

2018 Total Estimated Impacts to Texas

Based on the online attendee survey, it is estimated that OOS attendees will spend **\$75.5 million** in Texas because of the 2018 MotoGP at COTA. [Table 5](#), demonstrates that the total spending at the event should be approximately **\$88.5 million**.

2018 MotoGP Estimated Total Expenditures [†]	
	Total Expenditures
Sales & Use*	\$75,457,207
Rental Car	\$1,064,763
Hotel	\$5,792,881
Title 5, ABC	\$3,860,184
Mixed Beverage	\$2,342,220
Total	\$88,517,255

Table 5: Estimated expenditures used to estimate incremental tax receipt increases due to 2018 event

* - Expenditures includes air travel, however, air travel is not included in the direct impact's tax effects

† - Summations may not be exact due to rounding

Sources: AE, COTA

2018 MotoGP ECONOMIC IMPACT

2018 Estimated Direct Tax Gain to the State of Texas

AE estimated the direct tax gains to the State of Texas for the 2018 MotoGP based on ETF qualified expenditures by OOS attendees and presentation costs. This is the one-for-one tax gain the State will see based on the projected spending increase in Texas due to the event. As seen in [Table 6](#), the estimated direct expenditures from OOS attendees and presentation costs will add almost **\$4 million in tax gains** to the State. Estimates indicated that sales & use expenditures will be the most impactful, they should account for **78%** or **\$3.1 million of the tax gains**, and approximately **\$75.5 million in direct expenditures**.

2018 MotoGP Estimated Direct Incremental Tax Receipt Increases by Category

	Expenditure	State Tax Rate	Tax Effect
Sales and Use*	\$75,457,207	6.25%	\$3,114,391
Rental Car	\$1,064,763	10%	\$106,476
Hotel	\$5,792,881	6%	\$347,573
Title 5, ABC	\$3,860,184	6.1%	\$235,471
Mixed Beverage (Gross Receipts)	\$425,858	6.7%	\$28,532
Mixed Beverage (Individual Beverage)	\$1,916,361	8.25%	\$158,100
Total	\$88,517,255	-	\$3,990,544

Table 6: Estimated direct incremental tax receipt increase by tax category and effect type for 2018

* - Expenditures includes air travel, air travel is not included in direct impacts tax effects
Sources: AE, COTA

2018 MotoGP ECONOMIC IMPACT

2018 MotoGP Estimated Total Tax Gain to the State of Texas

ETF enables incremental tax increases from statutorily approved taxes (Table 6, pg. 8), which are attributable to the event, to be deposited into a trust fund to reimburse a local government or local organizing committee for certain eligible costs associated with conducting the event. In order to qualify for reimbursement, the beneficiary of the trust fund provides a local match based on the incremental tax revenues generated by the event. The match is \$1 for each \$6.25 the state contributes to the fund. Using that formula, the local match is \$638,487 (\$3,990,544 / 6.25).

Based on the total incremental tax gain to the State of Texas, Circuit Events Local Organizing Committee requests that the Office of the Governor certify a deposit of \$4,629,031 into an ETF account established for the 2018 MotoGP.

2018 MotoGP Total Incremental Tax Gain	
	Total Tax Effect
Sales & Use	\$3,114,391
Rental Car	\$106,476
Hotel	\$347,573
Title 5, ABC	\$235,471
Mixed Beverage	\$186,632
Total Incremental Tax Gain to Texas	\$3,990,544
Local Match	\$638,487
Total Incremental Tax Gain	\$4,629,031

Table 7: 2018 MotoGP Total Incremental Tax Gain

Sources: AE, COTA

2018 MotoGP DETAILED ECONOMIC IMPACT

2018 Estimate Direct Tax Impacts

Sales & Use Tax

Sales and use tax is estimated to be the most impactful of all the taxes generated due to the 2018 MotoGP. On- and off-site attendee expenditures were included in the direct expenditure estimates. [Table 8](#) is the total estimated direct expenditures from OOS attendees and presentation costs. [Table 9](#) contains the estimated direct incremental tax receipt increases in sales and use taxes due to the 2018 MotoGP. Lastly, [Table 10](#) details total OOS attendee expenditure estimates by type.

2018 Estimated Sales and Use Expenditures

Expenditure Category	Amount
OOS Attendee	\$38,665,521
Presentation Costs*	\$11,164,733
Total	\$49,830,254

Table 8: Estimated total expenditures of OOS spending and event presentation costs for 2018

* - For a detailed breakout of Presentation Costs, see [Exhibit E](#), pg. 33
Sources: AE, COTA

2018 Detailed Attendee Expenditure Estimates

Expenditure Type	Amount
Apparel	\$8,212,371
Fan Merchandise	\$4,181,822
Other Retail	\$1,343,516
Other Entertainment	\$11,752,328
Food & Non-alcoholic beverages	\$11,128,265
Taxis	\$2,047,219
Total	\$38,665,521

Table 9: Estimated total OOS attendee expenditures for 2018

2018 Estimated Sales and Use Direct Tax Impacts

Expenditure	Amount	Tax Rate	Tax Effect
Direct	\$49,830,254	6.25%	\$3,114,391

Table 10: Estimated detailed sales and use tax impacts from 2018

2018 MotoGP DETAILED ECONOMIC IMPACT

2018 Estimate Direct Tax Impacts

Hotel Occupancy Tax

The hotel occupancy tax is projected to have the second largest tax impact for Texas during the 2018 MotoGP weekend. Driving this is that an estimated 82% of OOS attendees will spend an average of 3.06 days in a hotel for the event.

Both state and local governments apply hotel occupancy taxes to lodging. For the purpose of this report, however, only the state rate of 6% was applied to calculate the direct tax effects. **Table 11** estimates the direct tax receipts increase to the State for the 2018 MotoGP.

2018 Estimated Hotel Occupancy Direct Tax Effect			
Expenditure	Amount	Tax Rate	Tax Effect
Direct	\$5,792,881	6.0%	\$347,573

Table 11: Estimated OOS hotel occupancy direct tax effects for 2018

Mixed Alcoholic Beverages Tax

Mixed alcoholic beverage taxes are distributed differently than other taxes. First there is 6.7% gross receipt tax on all mixed beverage sales. Effective in 2014, there is also a 8.25% tax on individual mixed alcoholic beverages. **Table 12** calculates the estimated direct tax effects of both tax rates on the state's economy for the 2018 event.

2018 Estimated Mixed Beverage Direct Tax Effects			
Tax Type	Amount	Tax Rate	Tax Effect
Gross Receipt*	\$425,858	6.7%	\$28,532
Individual Beverage	\$1,916,361	8.25%	\$158,100
Total	\$2,342,220	-	\$186,632

Table 12: Estimated tax effects of OOS mixed beverage gross tax receipt and individual mixed beverage tax impacts for 2018

* - The average markup on mixed beverages is 450%, to generate the gross receipts for mixed beverage purchases, the individual beverage tax was decreased by 450%. The tax effects were captured by applying the gross receipt tax rate to the gross receipts expenditure.

2018 MotoGP DETAILED ECONOMIC IMPACT

2018 Estimate Direct Tax Impacts

Title 5, Alcoholic Beverage Code Tax

Title 5 of the Alcoholic Beverage Code establishes a tax by volume for non-mixed alcoholic beverages, such as beer, wine, champagne, and malt liquors. The precise amount of alcohol by volume sold by vendors to OOS attendees during the 2018 MotoGP would be extremely difficult to estimate since it would require a high level of coordination with vendors to understand the quantity of eligible beverages sold throughout the city, the corresponding alcohol by volume, and whether or not the beverage was purchased by an OOS attendee of an ETF eligible event. Off-site bars and restaurants do not maintain records with such a high degree of detail.

Due to the high degree of difficulty and complexity involved in calculating Title 5 taxes, a surrogate rate of 6.1% is used. This rate is based on the comptroller's review of numerous historical ETF and MERP studies. Due to the comptroller's continued recognition of and compliance with this rate, it is assumed to be a good approximation to derive Title 5 tax estimates. As seen in **Table 13**, this report uses the approximated tax rate to estimate the tax increase from beer and wine sales for the 2018 MotoGP.

2018 Estimated Title 5, Alcoholic Beverage Code Direct Tax Effect

Expenditure	Amount	Tax Rate	Tax Effect
Direct	\$3,860,184	6.1%	\$235,471

Table 13: Estimated direct OOS tax impacts from beer and wine purchases for the 2018

* - See appendix for specific taxes by volume
Sources: AE, COTA

Rental Car Tax

An estimated 39% of OOS visitors will rent a car while visiting Texas for the 2018 MotoGP for an average of 3.06 days. The Texas Tax Code Section 152.026 establishes a tax rate of 10% for car rentals that last less than 30-days. The direct expenditure estimates were developed based on the surveys relative to average rental rates, average rental length, number of people per car (see **Exhibit E** for full calculation). The 10% rate was applied to the direct expenditures, as seen in **Table 14**, to calculate the estimated direct expenditure tax effects from the 2018 MotoGP.

2018 Estimated Rental Vehicle Direct Tax Effect

Expenditure	Amount	Tax Rate	Tax Effect
Direct	\$1,064,763	10%	\$106,476

Table 14: Estimated direct OOS tax impacts on rental vehicles for 2018

METHODOLOGY

Out-of-State Spending

Attendee Spending

General spending patterns by out-of-state attendees were based on an online survey of MotoGP ticket holders and attendees conducted by COTA for the 2014 event. Overall, the survey inquired about:

- attendee's primary residence (from Texas or OOS)
- travel patterns
- car rental expenditures
- group/party size
- hotel stays
- average daily expenditures on merchandise at COTA
- average daily expenditures on other retail
- average daily expenditures on food & non-alcoholic beverages
- average daily expenditures on mixed drinks
- Average daily expenditures on beer and wine

Based on survey responses, daily spending is applied on a per capita basis based by type of expenditure. Total expenditures were calculated based on the per capita expenditure for each attendee that participated in the expenditure type. [Table 15](#) and [Table 16](#) show the spending patterns for OOS attendees.

Sources: AE, COTA

2018 Estimated Hotel and Rental Car Expenditures			
Expenditure Type	Avg. Spent/day	% Participation	Avg. days
Hotel	\$156	82%	3.06
Car Rental	\$61	39%	3.08

Table 15: Attendee spending patterns on hotels and rental cars

2018 Estimated Daily Attendee Expenditures	
Expenditure Type	Average Spent/Day
Mixed Beverage	\$52
Beer & Wine	\$64
Food & Non-alcoholic beverages	\$129
Other Retail	\$63
Merchandise	\$98
Other Entertainment	\$140

Table 16: Daily attendee expenditures for 2018

METHODOLOGY

Out-of-state Spending

Presentation Costs

The presentation costs for the 2018 MotoGP are also included in the impact estimates, but only those costs that fall within the purview of the statute (see Exhibit E). Presentation costs were placed under the sales and use tax category since the event is considered an amusement service by the tax code, and therefore it is the most appropriate tax category.

Below are the categories of expenditures associated with presenting the 2018 MotoGP:

- ❖ Advertising and related services
- ❖ Legal and permitting fees
- ❖ Facilities support services

EXHIBIT A

Tax Categories and Rates

ETF Tax Categories and Rates		
Category	Expenditure type	Tax Rate
Hotel Occupancy	Hotel	6%
Sales and Use	General merchandise; clothing; other entertainment; food and non-alcoholic beverages	6.25%
Car Rental	Rental Cars	10% (under 30-days)
Mixed Beverages	Mixed beverages	6.7% - Mixed Beverage Gross receipts 8.25% - Mixed Beverage Sales Tax
Title 5, ABC Tax	Beer & Wine	6.1%

Sources: Texas Comptroller of Public Accounts

EXHIBIT B

Accounting of Wholesale Sales of Alcoholic Beverages

Here's How Much Bars Make On Beer, Wine, and Mixed Drinks

Nov 24, 2014 9:50 AM By Jay Edwards

Filed Under: Bar Markup, Beer Prices, Business Insider, How much money do bars make, Liquor Prices, Spot Prices

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For the price of two or three drinks at a bar, you could get completely hammered drinking at home by yourself... and with no pants on. But just how much do bars mark up their drink? Well, we've got the stats.

Looks like it's basically 300-400% markup across the board on drinks at the bar, but here's how it breaks down:

1. With beer, you get the most for your money if you order an import in a bottle. Premium bottled beers have an average markup of 300%, other bottled beers are around 400%, for a regular draft beer it's 456% and for premium drafts it's 355%.
2. With mixed drinks, again you actually get more for your money if you order good liquor. Drinks with expensive booze are marked up about 300%, compared to drinks with well liquor at 456%.
3. If you buy a shot, they're marked up about 400%, regardless of the brand.
4. With wine, the markup is 350% if you buy it by the glass, 203% if you buy a bottle and 150% if you buy a good bottle.

So a good bottle of wine has the smallest markup and the biggest markups are on cheap draft beers and mixed drinks.

To see the full article from *Business Insider*, click here.

The Latest from MIX

- One Direction Won't Return Zayn Malik's Calls
- The 4 Most Annoying Things Your Co-Worker Does
- Kanye West Superfan Pulls a 'Kanye' at the People's Choice Awards

* - given this difference, AE elected to use 450% as the given mark up for mixed beverages

Mixed Drinks: Gross Receipt Total	
Tabulation	
Total Mixed Drink Spending	\$1,916,361
Average Mark Up	450%
Total Gross Receipt Expenditure	\$425,858

EXHIBIT C

Certified Attendance

ECONOMIC DEVELOPMENT & TOURISM

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GOVERNOR

ATTENDANCE CERTIFICATION

(Must be submitted no later than 45 days after conclusion of the event):

Event application submittal date:	February 22, 2016
Economic Development and Tourism (EDT) event application approval date:	March 3, 2016
Attendance Certification to be submitted to EDT no later than forty-five (45) days after the event date:	May 25, 2016
The attendance metric* identified by EDT to evaluate the estimated number of event attendees as part of the calculations for the incremental tax impact:	36,333 average attendance during event days (04/08/16 - 04/10/16)

* If Applicant has questions or concerns about how this metric was developed, please contact us within 10 days of fund approval letter

To be completed by the Applicant:

Event Name: FIM Road Racing World Championship Grand Prix

The TOTAL attendance at the PRIMARY EVENT was: 40,768

The estimated attendees NOT residents of Texas for the PRIMARY EVENT was: 27,685

Source(s) and methodology used to obtain attendance totals. The following methods will be accepted: ticket sales count, turnstile count, turnstile scan count, convention attendee count, or participant totals (must be accompanied by ticket or turnstile count for MERP & MSRTF). If you are submitting another method, it should have previously been approved by EDT.

- I understand that non-compliance with reporting requirements could be treated as a violation of the statute and/or program rules resulting in the possible withholding of disbursement funding.
- 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 my obligation to provide information about event expectations and performance 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.



P.O. BOX 12428 | AUSTIN, TX 78711 | 512-236 0100 | WWW.GOVERNOR.STATE.TX.US



OFFICE OF THE GOVERNOR
ECONOMIC DEVELOPMENT & TOURISM

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GOVERNOR

Authorized Official (must be signed by event application signatory or successor):

Geoff Moore
Signature

Geoff Moore

Printed Name

May 18, 2016

Date

Chief Revenue Officer, Circuit of The Americas

Title and Name of Organization

Submit the signed Attendance Certification to the Office of the Governor, Economic Development and Tourism at eventsfund@gov.texas.gov

EXHIBIT E

Master Tables & Input Calculations

Attendance

	2016 Cert. Attendance	Source
Total 3-Day Attendance	109,000	Exhibit C
Final Day Attendance	40,768	Exhibit C
OOS Fans	67.9%	Exhibit C
Average Length of Stay	3.06	
Total Unique OOS Fan Days	84,705	Exhibit C

EXHIBIT E

Visitor Person Days

OOS Visitor Person Days by Type	
	Visitor Person Days
Total OOS Attendance in Austin	84,705
Suite Visitor Days	760
Total General	83,945

- Since the projected total number of visitor person days is project to be the same as 2016 (84,705), general fan person days is the difference between total OOS person days and Suite person days (4,717).
- Suite person days are calculated on p. 26

EXHIBIT E

Visitor Person Days

OOS Suite Visitor Person Days		
	Tabulation	Source
Suite Attendance	540	Exhibit D
% of OOS Attendees	46%	Exhibit D
Total OOS Suite Attendance	248	
Average Length of Stay	3.06	Online Survey
Total OOS Visitor Person Days	760	

EXHIBIT E

Hotel

OOS Hotel Expenditures General

	Tabulation	Source
Estimated Attendance (Sunday)	40,768	Exhibit C
% of OOS Attendees	67.9%	Exhibit C
% OOS Fans Renting Hotel Room	82.0%	Online Survey
Average Length of Stay in Austin	3.06	Online Survey
Total Persons in Hotel Rooms	69,458	
People per Hotel Room	1.94	Online Survey
Total Hotel Room Rentals	35,675	
Average Daily Price of Hotel Room	\$156	Table 15
Total Hotel Room Expenditure	\$5,573,541	

EXHIBIT E

Hotel

OOS Suite Hotel Expenditures		
	Tabulation	Source
Total OOS Visitor Person Days	760	
People Per Hotel Room	1.94	Assumed to be the same as general attendance
Total Hotel Room Rentals	392	
Average Daily Price of Hotel Room	\$665	<u>See Below</u>
Total Hotel Room Expenditure	\$260,547	
Average Suite Night Price/person		
	Average Suite Night Cost	Source
Van Zandt	\$2,500	http://www.hotelvanzandt.com/
Stephen F. Austin	\$448	http://austin.intercontinental.com/
The W	\$1,766	http://www.whotelaustin.com/
The Omni	\$447	https://www.omnihotels.com/hotels/austin-downtown
People Per Hotel Room	1.94	Assumed to be the same as general attendance
Average suite night	\$1,290	
Average per person	\$665	

EXHIBIT E

Rental Cars

OOS Rental Car Expenditures		
	Tabulation	Source
Estimated Attendance (Sunday)	40,768	Exhibit C
% of OOS Attendees	67.9%	Exhibit C
% OOS Fans Renting Cars	39.0%	Online Survey
Average Length of Car Rental	3.08	Online Survey
People per Rental Car	2.1	Online Survey
Total Car Rental Person Days	17,341	
Average Daily Price of Rental Car	\$61	Table 15
Total Rental Car Expenditure	\$1,064,763	

➤ All attendees are assumed to have the same expenditure rates for rental cars.

EXHIBIT E

Travel to Austin

OOS Air Travel Expenditures

	Tabulation	Source
Estimated Attendance (Sunday)	40,768	Exhibit C
% of OOS Attendees	68%	Exhibit C
% OOS Fans Who Flew	100%	Online Survey
Total OOS Fans Who Flew	27,681	
Average Cost of One Way Plane Ticket	\$463	Online Survey
Total Air Travel Expenditures	\$25,626,953	

EXHIBIT E

Other Daily Expenditures

OOS General Fan Other Daily Expenditures

	Average Daily Spend	Estimated OOS Attendance	Total Expenditure	Source for Average Daily Spend
Food & Non-Alcoholic Beverages	\$129		\$10,900,008	Table 16
Mixed Drinks*	\$52		\$1,808,239	Table 16
Beer & Wine†	\$64		\$3,736,610	Table 16
Event Merchandise	\$98	40,768	\$8,264,953	Table 16
Retail	\$63		\$5,310,650	Table 16
Entertainment Outside COTA	\$140		\$11,823,967	Table 16
Total	\$546		\$41,844,428	

* - 41% of survey respondents indicated they consumed mixed drinks during the event (on and off-site)

† - 69% of survey respondents indicated they consume beer or wine during the event (on and off-site)

EXHIBIT E

Other Daily Expenditures

OOS Suite Other Daily Expenditures at COTA

	Average Daily Spend	Suite OOS Person Days	Total Expenditure	Source
Food & Non-Alcoholic Beverages	\$258	760	\$196,198	
Mixed Drinks	\$104	760	\$79,385	
Beer & Wine	\$128	760	\$97,476	
Event Merchandise	\$196	760	\$148,768	Assumed to be two times the daily expenditure of general fans
Total	\$686		\$521,827	

OOS Suite Other Daily Expenditures Outside COTA

	Average Daily Spend	Suite OOS Person Days	Total Expenditure	Source
Food & Non-Alcoholic Beverages	\$129	760	\$98,099	
Mixed Drinks	\$52	760	\$39,693	
Beer & Wine	\$64	760	\$48,738	Assumed to same as general fan expenditures
Retail	\$126	760	\$95,591	
Total	\$371		\$282,121	



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ECONOMIC DEVELOPMENT & TOURISM

GREG ABBOU
GOVERNOR

AFFIDAVIT
for Economic Impact Documentation

Affidavit to be completed, including signed and notarized, by any and all party(ies) providing economic data to support an application for an Event Trust Fund, Major Events Reimbursement Program or Motor Sports Racing Trust Fund.

I, William Mellor, am providing information to be used by a City, County or Local Organizing Committee for the purpose of receiving funding through the Event Trust Fund, Major Events Reimbursement Program, or Motor Sports Racing 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 Economic Development and Tourism 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: 2018 MotoGP Red Bull Grand Prix of The Americas on these dates: April 20-22, 2018 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.





OFFICE OF THE GOVERNOR
ECONOMIC DEVELOPMENT & TOURISM

GREG ABBOTT
GOVERNOR

[Signature]
Affiant Signature

William Mellor
Printed Name

V.P.
Title and Name of Organization

12/19/17
Date

The State of Texas

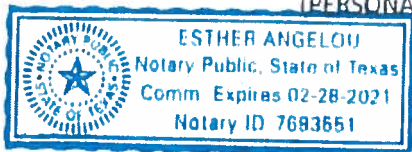
County of TRAVIS

Before me, a Notary Public, on this day personally appeared William Mellor, known to me to be the person whose name is subscribed to the forgoing instrument and acknowledged to me that he/she executed the same for the purpose and consideration therein expressed.

Given under my hand and seal of office this 19th day of December, 2017

[Signature]
Notary Public, State of Texas

(PERSONALIZED SEAL)



Esther Angelou
(Print name of Notary Public here)

My commission expires the 28th day of February, 2021





GOVERNOR GREG ABBOTT
ECONOMIC DEVELOPMENT & TOURISM

AFFIDAVIT
of Endorsing Entity

Affidavit to be completed, including signed and notarized, by any and all Municipalities, Counties, and/or LOCs endorsing an Event Trust Fund, Major Events Reimbursement Program or Motor Sports Racing Trust Fund.

I, Anna Panossian, an authorized representative of Circuit Events Local Organizing Committee, a [Local Organizing Committee (nonprofit corporation), endorsing municipality or endorsing county] (circle one) ("Requestor") that is receiving funding through the Event Trust Fund, Major Events Reimbursement Program or Motor Sports Racing Trust Fund ("the Act"), hereby swear and affirm that, to the best of my knowledge, the Requestor has designed and implemented internal controls, processes and procedures to help the Requestor ensure that the Requestor and its use of these funds complies with all applicable laws, rules, and written guidance from the Economic Development and Tourism Office. I further swear and affirm that I, or my duly authorized employee, representative, or agent, have reviewed the information, and that all of the statements made and information provided therein, including statements made and information provided in any attachments are true, complete, and correct to the best of my knowledge. All other information submitted as part of this request for participation is being represented by me as true and correct, and I am unaware of any information contained therein that is false, misleading, or fraudulent. Information provided includes but is not limited to:

- (1) A letter from the municipality or county requesting participation in the Events Trust Fund program and signed by a person authorized to bind the municipality or county;
- (2) A letter from the site selection organization on organization letterhead selecting the site in Texas;
- (3) An economic impact study or other data sufficient for the Economic Development and Tourism 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;
- (4) An application for an Events Trust Fund program and any attachments; and
- (5) An Event Support Contract

I understand that I am receiving funding under the Act for the purposes of facilitating this event: 2018 Red Bull Grand Prix of The Americas on these dates: April 20-22, 2018. I understand that non-compliance with reporting requirements could be treated as a violation of the statute and/or program rules resulting in the possible withholding of disbursement funding.

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

Anna Panossian
Printed Name

Secretary, CELOC
Title and Name of Organization

12/20/17
Date

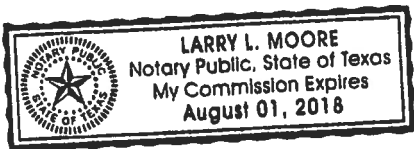
The State of Texas

County of Travis

Before me, a Notary Public, on this day personally appeared Anna Panossian, known to me to be the person whose name is subscribed to the forgoing instrument and acknowledged to me that he/she executed the same for the purpose and consideration therein expressed.

Given under my hand and seal of office this 20 day of December, 20 17

[Signature]
Notary Public, State of Texas



(PERSONALIZED SEAL)

Larry Moore
(Print name of Notary Public here)

My commission expires the 1 day of August, 20 18



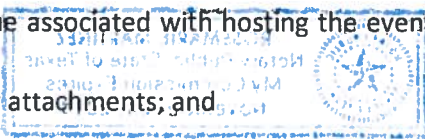
GOVERNOR GREG ABBOTT
ECONOMIC DEVELOPMENT & TOURISM

AFFIDAVIT
of Endorsing Entity

Affidavit to be completed, including signed and notarized, by any and all Municipalities, Counties, and/or LOCs endorsing an Event Trust Fund, Major Events Reimbursement Program or Motor Sports Racing Trust Fund.

I, Elaine Hart, an authorized representative of the City of Austin, a [Local Organizing Committee (nonprofit corporation), endorsing municipality or endorsing county] (circle one) ("Requestor") that is receiving funding through the Event Trust Fund, Major Events Reimbursement Program or Motor Sports Racing Trust Fund ("the Act"), hereby swear and affirm that, to the best of my knowledge, the Requestor has designed and implemented internal controls, processes and procedures to help the Requestor ensure that the Requestor and its use of these funds complies with all applicable laws, rules, and written guidance from the Economic Development and Tourism Office. I further swear and affirm that I, or my duly authorized employee, representative, or agent, have reviewed the information, and that all of the statements made and information provided therein, including statements made and information provided in any attachments are true, complete, and correct to the best of my knowledge. All other information submitted as part of this request for participation is being represented by me as true and correct, and I am unaware of any information contained therein that is false, misleading, or fraudulent. Information provided includes but is not limited to:

- (1) A letter from the municipality or county requesting participation in the Events Trust Fund program and signed by a person authorized to bind the municipality or county;
- (2) A letter from the site selection organization on organization letterhead selecting the site in Texas;
- (3) An economic impact study or other data sufficient for the Economic Development and Tourism 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;
- (4) An application for an Events Trust Fund program and any attachments; and
- (5) An Event Support Contract



I understand that I am receiving funding under the Act for the purposes of facilitating this event: 2018 Red Bull Grand Prix of The Americas (MotoGP) on these dates: April 20-22, 2018. I understand that non-compliance with reporting requirements could be treated as a violation of the statute and/or program rules resulting in the possible withholding of disbursement funding.

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.

Elaine Hart
Affiant Signature
City of Austin
Interim City Manager
Title and Name of Organization

Elaine Hart
Printed Name
12-20-2017
Date

The State of Texas

County of Trawis

Before me, a Notary Public, on this day personally appeared Elaine Hart, known to me to be the person whose name is subscribed to the forgoing instrument and acknowledged to me that he/she executed the same for the purpose and consideration therein expressed.

Given under my hand and seal of office this 20 day of December, 2017



(PERSONALIZED SEAL)

[Signature]
Notary Public, State of Texas

Rose Marie Martinez
(Print name of Notary Public here)

My commission expires the 04 day of November 2018