

## CIRCUIT EVENTS LOCAL ORGANIZING COMMITTEE

100 CONGRESS AVENUE, SUITE 1300  
AUSTIN, TEXAS 78701-2744

March 7, 2016

### VIA EMAIL EMAIL

Office of the Governor  
Economic Development & Tourism  
Post Office Box 12428  
Austin, Texas 78701

Attention: Executive Director

Office of the Governor  
Texas Economic Development Bank  
Economic Development & Tourism  
Post Office Box 12428  
Austin, Texas 78701

Attention: Director

**RE: Request for Reimbursement from the Major Events Reimbursement Program  
Established for 2015 Formula 1 United States Grand Prix Event – Project Code  
161003**

Dear Directors:

This letter and enclosures are delivered to you by Circuit Events Local Organizing Committee, a Texas non-profit corporation (“**CELOC**”) pursuant to the Major Events Reimbursement Program under Tex. Rev. Civ. Stat. Art. 5190.14, Sec. 5A (the “**Act**”) and 10 Texas Administrative Code Rule 184.100 *et seq.* (the “**Rules**”), in furtherance of the purposes of and to request reimbursements for qualifying costs and expenses from the Event Trust Fund account (the “**Fund**”) established under the Act in support of the 2015 Formula 1 United States Grand Prix Event (the “**Event**”), by letter dated October 16, 2015 from Mr. Bryan Daniel, Executive Director, Office of Economic Development & Tourism, Office of the Governor, to Wayne S. Hollingsworth, Director, CELOC, which Event was held on October 23 through 25, 2015, in Austin, Texas.

CELOC, in its capacity as the “local organizing committee” under the Act, as designated agent of the City of Austin for purposes of the Event and administration of the Fund, for the 2015 Event (under that certain Agreement between CELOC and the City of Austin, dated June 29, 2011), respectfully submits this request for reimbursement of qualified costs and expenses for the 2015 Event from the Fund established under the Act in support of the Event held on October 23 through 25, 2015, in Austin, Texas.

In support of this reimbursement request, CELOC includes the following attachments:

1. An invoice dated March 4, 2016, to CELOC from Circuit of the Americas (“**COTA**”) in the amount of \$32,070,118.50 submitted in accordance with the Amended and Restated Event Support and Reimbursement Agreement dated effective October 29, 2014;
2. A spreadsheet specifying the qualifying costs and expenses submitted to CELOC by COTA, following the format required by your office, which is (a) organized by type(s) of

expenditure, with references to the Event Support Contract provision and Act provision (b) listing whether the obligation is evidenced by invoice, contract or receipt number, (c) listing the invoice, contract of receipt date(s), (d) listing the vender(s), (e) providing expense descriptions and (f) listing the disbursement amount(s);

3. Documentation for each line item cost or expense obligation on the spreadsheet is evidenced by the particular invoice, contract provision or receipt for that particular line item, while not included in this package, will be delivered under separate delivery directly from COTA; and,

4. Evidence of the payment of each line item cost or expense obligation on the spreadsheet while not included in this package, the particular check or wire transfer receipt for that particular line item is available for inspection upon request.

5. Required Events Trust Fund Disbursement Request from the CELOC as required under 10 TAC Sec. 184.104(I), signed by Wayne S. Hollingsworth, Director; and Application for Texas Identification Number from CELOC.

While the included listed and substantiated qualifying costs and expenses submitted with this request total \$32,070,118.50, we understand that the requested reimbursements out of the Fund are (i) subject to review and approval by the Office of the Governor, Economic Development and Tourism Department, and (ii) are further limited to the actual funds in the Fund account, which we understand will be \$22,727,204.00. And, although we are confident that the amounts included in the enclosed spreadsheet will be approved as qualifying reimbursable amounts by the Office of the Governor, Economic Development and Tourism Department, in the event that an aggregate amount of costs or expenses are not so approved, resulting in approved expenses less than the anticipated \$22,727,204.00 Fund account balance, then CELOC anticipates submitting additional and supplemental qualified costs and expenses in amounts to utilize the full Fund account balance.

Also, as required by the rules under 10 TAC Section 184.104 (the “*Reimbursement Rules*”), CELOC submits and certifies as follows:

1. The costs and expenses submitted herein have been used to finance the costs of the Event related to (i) applying or bidding for selection as the site of the Event, (ii) making preparations necessary and desirable for the conduct of the Event, and (iii) conducting the Event. (10 TAC Section 184.104(a)).

2. Any reimbursement received by CELOC from the Fund will not be used to make payments that are not directly attributable to allowable costs described in the Reimbursement Rules and CELOC understands that such payments are subject to verification requests by the Office of the Governor, Economic Development and Tourism Department. (10 TAC Section 184.104(b)).

3. CELOC has previously (prior to the Event) submitted a copy of the Amended and Restated Event Support Contract (as described in 10 TAC Section 184.100(4)) between CELOC and Formula One Management Limited, a company incorporated under the laws of England and

**CIRCUIT EVENTS LOCAL ORGANIZING COMMITTEE**

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Wales, to the Office of the Governor, Office of Economic Development & Tourism. (10 TAC Section 184.104(c)).

4. CELOC, as designated agent for and on behalf of the City of Austin, has wired the Local Increment amount of \$3,134,787.00 to the Office of the Governor, Office of Economic Development & Tourism, to be deposited into the Fund account and matched by the Office of the Governor, Office of Economic Development & Tourism, at a multiplier of 6.25, with state funds. Thus, the City of Austin, as the endorsing municipality will not be subject to withholding of local tax funds under a withholding plan. (10 TAC Section 184.104(c) and (d)).

5. The City of Austin, as the only endorsing municipality for the Event, will not be receiving reimbursements out of the Fund directly from the Office of the Governor, Economic Development and Tourism Department, therefor neither the Texas Taxpayer Identification Number nor the Comptroller Form AP-152 are necessary. (10 TAC Section 184.104(e)(1)).

6. The amount requested to be reimbursed is \$22,727,204.00, the full balance anticipated to be in the Fund, provided that as noted above, CELOC has submitted total qualifying expenses of \$32,070,118.50, understanding that the submitted qualifying expenses to be reimbursed is limited to the Fund balance. (10 TAC Section 184.104(e)(2)).

7. The costs and expenses submitted herein have been used to finance the costs of the Event related to (i) applying or bidding for selection as the site of the Event, (ii) making preparations necessary and desirable for the conduct of the Event, and (iii) conducting the Event and include costs and expenses for traffic and safety planning, temporary facilities to accommodate the large crowds anticipated, traffic engineering services to create a traffic plan to accommodate the large number of vehicles anticipated for the Event and the sanction fee to secure and hold the event payable to Formula One Management Limited (10 TAC Section 184.104(e)(3)).

8. The costs and expenses listed in this reimbursement request do not include expenses to solicit the relocation of a professional sports franchise located in this state and, to the undersigned's knowledge, no expenses have been utilized and no monies from the Fund will be utilized to solicit the relocation of a professional sports franchise located in this state (10 TAC Section 184.104(e)(4)).

9. CELOC requests that all approved reimbursements of the qualifying costs and expenses submitted with this request be made by direct deposit into the depository account of CELOC at Plains Capital Bank in Austin, Texas. Wiring instructions for that account will be provided upon request. (10 TAC Section 184.104(e)(5)).

10. A detailed list of expenditures for reimbursement is included on the enclosed spreadsheet, with copies of the invoices for such expenditures to be provided separately from COTA. (10 TAC Section 184.104(e)(6) – (8)).

11. The costs and expenses listed in this reimbursement request do not include payroll expenditures of CELOC or, to the knowledge of the undersigned, Circuit of the Americas, LLC, therefor the requirement of 10 TAC Section 184.104(e)(9) is not applicable.

**CIRCUIT EVENTS LOCAL ORGANIZING COMMITTEE**

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12. No costs sought for reimbursement from the Fund are being reimbursed by any other entity.

13. None of the items sought for reimbursement from the Fund are disallowed or prohibited costs as described in 10 TAC Section 184.105(b).

14. CELOC's Texas taxpayer number is 32044369695.

15. For purposes of complying with 10 TAC Section 184.104(e)(9), portions and contents of this letter or enclosures is claimed as confidential information exempt from public disclosure under the Texas Public Information Act (Government Code, Chapter 552), based on unfair competition if released to the public and available to the competitors of the producing or submitting parties [Gov't Code § 552.104(a), *Boeing Co. v. Paxton*, 466 S.W.3d 831 (Tex. 2015)].

If you have any questions or comments or require additional information regarding this request or the enclosed material, please do not hesitate to call me.

Sincerely,

**CIRCUIT EVENTS LOCAL ORGANIZING COMMITTEE**

By: 

Wayne S. Hollingsworth, Authorized Director

Enclosures

cc: Anna Panossian, Finance Director of Events, Circuit of the Americas (w/enclosures)

WSH:maj



# 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

September 1, 2015

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

Comptroller Hegar:

The City of Austin requests participation in the Major Event Trust Fund (METF) program pursuant to TEX. REV. CIV. STAT. ART. 5190.14 Section 5A (Act) as authorized by Austin City Council action contained in resolution dated June 29, 2011 in support of the Formula 1 United States Grand Prix for 2012 – 2021 inclusive. This action satisfies the requirements of 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 this event during October 23 through October 25, 2015. The correspondence from FOML satisfies the requirements found at 34 TAC Section 2.102(a)(2).

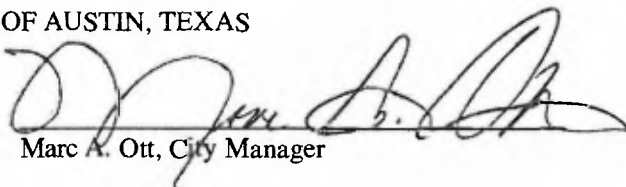
The correspondence from FOML states that the selection of Austin as the location for the Formula 1 United States Grand Prix for 2012 - 2021 was completed after substantial competition in their process of reviewing a number of venues interested in hosting their series. Further, FOML does not anticipate holding any other similar Formula 1 United States Grand Prix Event in Texas or its contiguous states during any year that the FOML 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 2.101.

This letter also confirms that the Circuit Events Local Organizing Committee is the City's designee to act as the local organizing committee for the event, to make application to the Comptroller for participation in the event METF under the Act, to submit the METF economic impact analysis, to fund the City's local contribution to the METF, and to receive reimbursement of trust funds for eligible expenses from the METF for the race that is occurring October 23 through October 25, 2015.

Sincerely,

CITY OF AUSTIN, TEXAS

By:



Marc A. Ott, City Manager



10 July 2012

Mr Wayne Hollingsworth  
Director  
Circuit Events Local Organizing Committee  
100 Congress Avenue, Suite 1300  
Austin, Texas 78701-2744

Dear Mr Hollingsworth

**Re: United States Grand Prix – Selection of the City of Austin**

I am writing to confirm the selection of the City of Austin as the site of the upcoming Formula 1 United States Grand Prix, which will be held on November 16-18, 2012 at the permanent race facility owned by Circuit of the Americas, LLC ("*COTA*"), and to offer some background concerning the selection process.

As early as 2007, I began conferring with cities interested in becoming the site for the United States Grand Prix. Several U.S. cities and locations demonstrated an interest in hosting the event and provided compelling proposals to that effect. The FIA Formula One World Championship (the "*Championship*") is a global sporting event, places on the annual calendar are limited and Formula One Management Ltd. ("*FOML*") has also received strong interest from cities and locations outside the United States that are desirous of staging a round of the Championship. In 2010, Full Throttle Productions, LP ("*Full Throttle*") submitted an application to host the United States Grand Prix at a new facility to be constructed near the City of Austin. After carefully weighing Austin's suitability against that of the other interested cities, in the United States and elsewhere, FOML selected Austin as the location for the United States Grand Prix to be a round of the Championship from 2012 to 2021.

FOML entered into contracts with Full Throttle granting it the rights to promote the United States Grand Prix. Beginning in mid-2011, it became apparent that Full Throttle was having difficulty meeting its obligations, ultimately resulting in the termination of the Austin selection and the related contracts. Construction on the COTA facility was stopped in November 2011. At that time, although competition for an FIA FORMULA ONE WORLD CHAMPIONSHIP was substantial and we had the opportunity to give Austin's place on the 2012 calendar to another location, as the issues that caused FOML to revoke Austin's previous selection were resolved, we evaluated Circuit Events Local Organizing Committee's application and again selected Austin to stage a round of the Championship. We then entered into new contracts for the promotion of the event with COTA.

The fact that Austin was selected, after a highly competitive selection process, to host a round of the FIA FORMULA ONE WORLD CHAMPIONSHIP in the United States and then reselected in late 2011 as our chosen location for a round of the Championship says much about support for the event in the region and our view that Austin is a very desirable location. FOML believes that Austin will be a very successful venue for the United States Grand Prix, and we are looking forward to the inaugural event in November and to many successful events in the future at the new COTA facility.

Yours sincerely



**Bernie Ecclestone**  
**Chief Executive Officer**  
**Formula One Management Limited**



OFFICE OF THE GOVERNOR  
ECONOMIC DEVELOPMENT & TOURISM

GREG ABBOTT  
GOVERNOR

## Events Trust Fund Disbursement Request

### Events Trust Fund, Major Events Reimbursement Program or Motor Sports Racing Trust Fund

Complete this form to request a disbursement for an approved Events Trust Fund application, along with supporting documentation. This request and all supporting documentation must be submitted no later than 180 days after the conclusion of the event.

*Please submit all documents to [eventsfund@gov.texas.gov](mailto:eventsfund@gov.texas.gov).  
To accommodate large files, secure file transfers are available upon request.*

Regarding the Events Trust Fund Disbursement Request in the amount of \$22,727,204, for the 2015 Formula 1 United States Grand Prix – Project Code 161003 {name of the event} I, Wayne S. Hollingsworth {name of authorized official}, approve of each cost submitted for disbursement from the trust fund. I certify that each cost is necessary to fulfill obligations under the Event Support Contract. I certify that the funds will not be used for the purpose of soliciting the relocation of a professional sports franchise already located in this state; and that no costs sought for disbursement from the trust fund are also being disbursed by another entity. I also certify that I have the authority to make this certification statement on behalf of the local organizing committee acting on behalf of the municipality or county and that I take responsibility for the disbursement being requested. The above certifications are to the best of my knowledge.

Please provide the following information:

Federal Tax ID Number: 45-2727397

Texas Tax ID Number: 32044369695

General explanation of costs that the disbursement request represents: This disbursement request represents reimbursement of qualified costs and expenses to prepare for and produce the 2015 Formula 1 United States

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GREG ABBOTT  
GOVERNOR

Grand Prix Event, including, without limitation, costs and expenses for health and safety, temporary facilities, professional services, traffic plans and safety, equipment and supplies, as well as event staffing and expenses.

**Note: Disclosure of Information under the Public Information Act.** All disbursement documentation submitted to the Office of the Governor (OOG) is subject to disclosure under the Texas Public Information Act, Chapter 552 of the Texas Government Code ("the Act"), 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, which is not clearly identified as proprietary or confidential will be released in accordance with the Act.

**Does the disbursement request documentation contain any items marked as confidential and/or proprietary?**

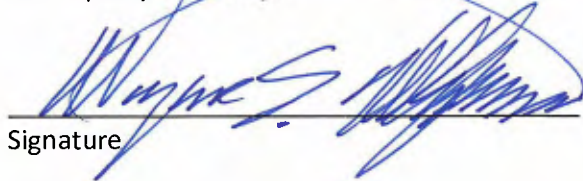
Yes  No  Items marked as confidential are proprietary based on unfair competition if released to the public and available to the competitors of the producing or submitting parties [Gov't Code § 552.104(a), *Boeing Co. v. Paxton*, 466 S.W.3d 831 (Tex. 2015)].

Primary Contact for Disbursement Request: Wayne S. Hollingsworth

Primary Contact Phone Number: (512) 435-2306

Primary Contact Email: whollingsworth@abaustin.com

*Signatory must be an official of the endorsing municipality or enduring county who is authorized to bind the municipality or county.*

  
Signature

Wayne S. Hollingsworth  
Printed Name

Director, Circuit Events Local Organizing Committee  
Title and Name of Organization

March 4, 2016  
Date

{W0686163 2}





9201 Circuit of The Americas Blvd.  
Austin, TX 78617

# Invoice

Date	Invoice #
3/4/2016	F1-2015

<b>Bill to</b>
MERP Attn: Wayne Hollingsworth 100 Congress Ave., Suite 1300 Austin, TX 78701-2744

P.O. No.	Terms	Project
		F1-2015

Quantity	Description	U/M	Rate	Amount
1	2(a) Sanction/Listing Fees, Event Requirements and Advertising		n/a	21,424,619.92
1	2(b) Health & Safety, Emergency Services, Cleaning, Temporary Facilities, Event Staffing and Event Entertainment		n/a	9,425,770.30
1	2(c)(iii)-Transportation and Public Works		n/a	1,219,728.28
<p><b>Wire Transfer payment instructions:</b>            Bank Name: JPMorgan Chase Bank, N.A.            Wire Transfer ABA/Routing Number: 021000021            Swift Code: CHASUS33            Account Number: 428342989            Location: 270 Park Avenue, New York, NY 10017            Credit to the Account of: Circuit of The Americas LLC</p> <p><b>ACH Payment Instructions:</b>            ACH Routing Number: 111000614</p>				
			<b>Total</b>	<b>\$ 32,070,118.50</b>