



**City Council Questions and Answers for  
Thursday, April 02, 2015**

These questions and answers are related to the  
Austin City Council meeting that will convene at 10:00 AM on  
Thursday, April 02, 2015 at Austin City Hall  
301 W. Second Street, Austin, TX



**Mayor Steve Adler**  
**Mayor Pro Tem Kathie Tovo, District 9**  
**Council Member Ora Houston, District 1**  
**Council Member Delia Garza, District 2**  
**Council Member Sabino "Pio" Renteria, District 3**  
**Council Member Gregorio Casar, District 4**  
**Council Member Ann Kitchen, District 5**  
**Council Member Don Zimmerman, District 6**  
**Council Member Leslie Pool, District 7**  
**Council Member Ellen Troxclair, District 8**  
**Council Member Sheri Gallo, District 10**

*The City Council Questions and Answers Report was derived from a need to provide City Council Members an opportunity to solicit clarifying information from City Departments as it relates to requests for council action. After a City Council Regular Meeting agenda has been published, Council Members will have the opportunity to ask questions of departments via the City Manager's Agenda Office. This process continues until 5:00 p.m. the Tuesday before the Council meeting. The final report is distributed at noon to City Council the Wednesday before the council meeting.*

## **QUESTIONS FROM COUNCIL**

1. Agenda Item # 4 - Approve a resolution amending Resolution No. 20130523-019 to authorize the Circuit Events Local Organizing Committee to act on behalf of the City for the Texas Major Event Trust Fund, or in the alternative, the Texas Event Trust Fund, for the purposes of: conducting economic studies, submitting applications, and submitting any required funding, to the Texas Comptroller, or the Economic Development and Tourism Division, Office of the Governor for the Summer X-Games to be held at the Circuit of the Americas Facility in 2015, 2016, and 2017.
  - a. QUESTION: 1) Please provide: the total amount City of Austin has provided in fee waivers to X Games; maximum amount available to events via the Events Trust Fund; maximum amount available to events via the Major Events Trust Fund; explanation of the difference in requirements between the two funds; X Games application to METF. 2) For how many events has CELOC applied for public funding? 3) What is the estimated maximum amount that the XGames plans to request from the METF? 4) Will CELOC be providing the local match required by the METF or does CELOC intend to request that local support be provided by the City of Austin? 5) The X Games have sought and received fee waivers from the City of Austin in the past; will the X Game organizers seek future fee waivers from the City of Austin? 6) Who will conduct the economic analysis that determines the amount the X Games will be eligible to seek from the METF? 7) Staff referred to pieces of the application that City of Austin staff review and sign with an affidavit. Did this response refer to the Events Fund applications or the Major Events Trust Fund applications? Please identify which sections and the kind of information on the application that staff are required to verify as accurate. 8) From the work session discussion, it sounds as if the X Games organizers have been interested in seeking support from the Major Events Trust Fund for some time. If that is accurate, please explain why this resolution is only now coming before City Council for consideration. MAYOR PRO TEM TOVO'S OFFICE
  - b. ANSWER: See attachment.
  - c. QUESTION: 1) Please list CELOC members and their professional

affiliations. Is the Organizing Committee required to submit financial statements? If not, why? 2) How often has the Organizing Committee briefed Council? 3) Is CELOC subject to audit? Under what conditions would it be audited? COUNCIL MEMBER POOL'S OFFICE

- d. ANSWER: See attachment.
  - e. QUESTION (ASKED DURING WORK SESSION): Can staff provide CELOC's application to the ETF and/or the METF for X Games 2015?
  - f. ANSWER: Attached is CELOC's completed application to the ETF for X Games 2015 and the Texas Comptroller's letter of award. Also attached is CELOC's draft application to the METF for X Games 2015.
  - g. QUESTION (ASKED DURING WORK SESSION): Can staff provide a copy of the agreements between CELOC and the City?
  - h. ANSWER: See attachment.
2. Agenda Item # 8 - Approve an ordinance amending the Fiscal Year 2014-2015 Parks and Recreation Department Operating Budget Special Revenue Fund (Ordinance No. 20140908-001) to accept and appropriate \$65,000 in grant funds from the Asian American Resource Center, Inc. for salary expenses for a City of Austin employee to assist with Asian and Asian-American cultural protocols, programming, and marketing at the City of Austin Asian American Resource Center.
- a. QUESTION: Is it possible to fill this position with a current Parks and Recreation Department vacancy until the new Fiscal Year, and if so, if the grants funds would still be available. COUNCIL MEMBER TROXCLAIR'S OFFICE
  - b. ANSWER: This partnership with the Asian American Resource Center is already using a vacant PARD position, in which the Budget Office will be returning in the next fiscal year.
  - c. QUESTION: Who are the members of the Asian American Resource Center Board of Directors, and can we get some more information on their staff? COUNCIL MEMBER ZIMMERMAN'S OFFICE
  - d. ANSWER: See attachment
3. Agenda Item # 9 - Authorize award, negotiation, and execution of a 36-month contract with TEXAS TENNIS CONSULTANTS, or one of the other qualified offerors to Request for Proposal No. TVN0047, to provide management services for Caswell Tennis Center, in an amount not to exceed \$117,000, with two 36-month extension options in an amount not to exceed \$117,000 per extension option, for a total contract amount not to exceed \$351,000.

- a. QUESTION: 1) How much revenue for this program has been generated since Jan 2012? 2) What costs for this program have been generated since Jan 2012? 3) Who won the 2012 contract? 4) Is the approximate \$250,000 in revenue an annual number? COUNCIL MEMBER ZIMMERMAN'S OFFICE
  - b. ANSWER: See Attachment.
  - c. QUESTION: 1) Why is the tennis court fee revenue deposited into the General Fund revenue when the expenses are paid from the PARD General Fund? 2) Who is the current management provider for the Caswell Tennis Center? 3) What was the monthly management fee associated with the current contractor? 4) For the three other public tennis centers please provide the following: the name of the tennis center; the management service company operating the tennis center; the monthly management fee and total contract amount for the tennis center; date when the current management contract expires for the tennis center; and how many courts are at the tennis center. 5) Would the City benefit if all four of the professionally managed tennis centers were under one contract? 6) How much money would the City save with one contract for all tennis centers? 7) Who is in charge of the two hour street parking time limits around the Caswell Tennis Center? 8) Has the City considered changing the street parking time limit for this area to allow citizens more time to use the Caswell Tennis Center? COUNCIL MEMBER GALLO'S OFFICE
  - d. ANSWER: See attachment
4. Agenda Item # 10 - Authorize award and execution of a 60-month revenue contract with LONE STAR RIVERBOAT, INC. to provide boat excursion services on Lady Bird Lake for an estimated revenue amount of \$150,000, with one 60-month extension option in an estimated amount of \$150,000 for a total estimated revenue amount of \$300,000.
- a. QUESTION: What provisions has Lone Star Riverboat taken to address permitting deficiencies relating to restroom output and water pumping on vehicles? COUNCIL MEMBER POOL'S OFFICE
  - b. ANSWER: Via a letter sent to Lone Star Riverboat last week, City staff notified Lone Star Riverboat about the City's requirements regarding recordkeeping to demonstrate compliance with the City's marine sanitation requirements. In response, Lone Star Riverboat has provided records demonstrating that the waste from its boats has been properly pumped out.
  - c. QUESTION: 1) Two of the three boats in the current Lone Star Fleet are Non-Compliant with City Code in regard to providing marine toilets on excursion boats. Will Lone Star Riverboat, Inc. replace the current Non-Compliant boats with the expansion of "seats" and/or additional boats, or would the Non-Compliant boats continue to operate? 2) Will any additional



“seats” or boats comply with City Code in regard to providing marine toilets on excursion boats that carry more than 20 passengers? 3) Is the current dock adequate for the services and fleet that will be provided over the next 5-10 years? 4) Who owns the existing dock that serves the Lone Star Riverboats operation? 5) How will the services/fleet be expanded with no expansion or improvements to the dock? 6) What parkland would be used by Lone Star Riverboat for providing parking and ADA access to the existing dock? Will all improvements made on parkland be dedicated to the City? 7) Consider requiring Lone Star Riverboat to install a Boat Sewage Pumpout Station prior to expanding services/fleet to provide a proper on-shore disposal facility for excursion boats that operate on Lady Bird Lake. (There is Boat Sewage Pumpout grant funding available that can cover up to 75% of the cost for installing this equipment.) 8) Can staff explain why these concerns have not been addressed or why the agreement has not been amended. MAYOR PRO TEM TOVO'S OFFICE

- d. ANSWER: 1) Lone Star Riverboats Inc. will be required to operate in compliance with all applicable federal, state and local laws include city code 6-5-34. Lone Star Riverboats Inc. operator could opt to limit excursion passenger loads to less than 20 per excursion/trip on the “Little Star” and “Southern Star”, which are not equipped with marine toilets or discontinue their use. Lone Star Riverboats may continue to utilize its “Lone Star” vessel which is compliant with 6-5-34 as it is equipped with two marine toilets. 2) Lone Star Riverboats Inc. proposes to upgrade its 3 vessel fleet by replacing its “Little Star” vessel, a 34 set capacity vessel, with a larger vessel. The proposed new vessel would not be equipped with a marine toilet, therefore would be limited to a maximum passenger capacity of less than 20 per city’s current code requirement. 3) Yes, Lone Star Riverboats Inc. has no plans to increase the number of vessels in its fleet. 4) Lone Star Riverboats Inc. owns the existing floating dock. Lone Star Riverboats Inc. acquired and maintains the dock at its own expense. 5) Lone Star Riverboats Inc. does not propose to increase the number of vessels. Rather, Lone Star Riverboats Inc. plans to replace “Little Star” capacity of 34 with a “60” seat capacity vessel that is accommodated within the existing dock. 6) The current agreement does not require dedicated parking amenities. Patrons of the lone Star Riverboat access parking at a variety of private and public lots and right of way on street parking on a first come first serve basis. All improvements on parkland will be owned by the City. 7) The City’s Request for Proposals did not require the investment and installation of a boat sewage pump out station. Lone Star and other commercial operators currently utilize permitted waste haulers to pump out marine holding tanks in compliance with City code. 8) Concerns related to excursion boat marine toilets and related pump out requirements in Austin City Code Chapter 6 currently reside with Austin Water Utility. The Austin Water Utility is in the process of reviewing, collecting stakeholder input and making recommendations for revisions to code. Lone Star has not been cited with any code violation(s) to date. In light of concerns raised, the Parks department will require Lone Star to submit a copy of each and every manifest for marine toilet pump outs on a monthly basis.

- e. QUESTION: 1) Will Lone Star Riverboat, Inc. replace the current Non-Compliant boats with the expansion of "seats" and/or additional boats, or would the Non-Compliant boats continue to operate? 2) Will any additional "seats" or boats comply with City Code in regard to providing marine toilets on excursion boats that carry more than 20 passengers? 3) Is the current dock adequate for the services and fleet that will be provided over the next 5-10 years? 4) Who owns the existing dock that serves the Lone Star Riverboats operation? 5) How will the services/fleet be expanded with no expansion or improvements to the dock? 6) What parkland would be used by Lone Star Riverboat for providing parking and ADA access to the existing dock? Will all improvements made on parkland be dedicated to the City? 7) Consider requiring Lone Star Riverboat to install a Boat Sewage Pumpout Station prior to expanding services/fleet to provide a proper on-shore disposal facility for excursion boats that operate on Lady Bird Lake. (There is Boat Sewage Pumpout grant funding available that can cover up to 75% of the cost for installing this equipment.) 8) Can staff explain why these concerns have not been addressed or why the agreement has not been amended.
- f. ANSWER: 1) Lone Star Riverboat, Inc. has not been cited for non-compliance under Chapter 6-5 of the Austin City Code. The rules are currently being revised. Please see item # 8 for more detail. 2) Lone Star Riverboat, Inc. will operate in compliance with the City's code requirements. 3) Yes, Lone Star Riverboat, Inc. is not proposing to increase the number of vessels in its fleet. 4) Lone Star Riverboat, Inc. owns the existing floating dock. Lone Star Riverboat, Inc. acquired and maintains the dock at its own expense. 5) Lone Star Riverboat, Inc. does not propose to increase the number of vessels. Rather, Lone Star Riverboat, Inc. plans to replace "Little Star" capacity of 34 with a "60" seat capacity vessel that is accommodated within the existing dock. 6) Similar to the current agreement, the proposal does not include the provision of dedicated parking amenities. Patrons of the Lone Star Riverboat, Inc. access parking at a variety of private and public lots and right of way on street parking on a first come first serve basis. All improvements on parkland will be owned by the City. 7) Staff does not recommend installing a boat pump-out facility/on-shore disposal facility on Lady Bird Lake as this will increase the risk of sewage entering the lake in a flood event. Lone Star Riverboat, Inc. and other commercial operators currently utilize permitted waste haulers to pump out marine sanitation devices (MSD). Proposed revisions to Chapter 6-5 of the Code would make these requirements consistent with State requirements, which allow the waste to be disposed of in this manner. 8) As it stands for this proposed contract, the concerns expressed have been noted, and have been addressed to the extent possible under the current code. The rules governing the number of marine sanitation devices and on-shore disposal facilities are currently under review, as they are inconsistent with other applicable Federal, State, and other Local rules. For example, current code includes: • No definition of Excursion Boat • Requirement for gender-specific restrooms • No provision for hauling waste offsite from boats with MSDs • Prohibits use of temporary toilets at any

marina • No enforcement authority for Austin Water. Staff is currently working to revise these rules; the next stakeholder meeting is scheduled for April 16, 2015 at Waller Creek Center.

- g. QUESTION: 1) Does the City own the boats and motors that are used under this contract? 2) If the City does not own these assets, then why are the purchases of motors and a boat considered as upgrades to parkland? 3) If the reinvestment amount of \$125,000 is one of the justifications for the 9 percent revenue share, then why are the purchases of a boat and motors (which should be considered as business expenses) included in the upgrades to parkland amount? COUNCIL MEMBER GALLO'S OFFICE
  - h. ANSWER: 1) The City does not own the boat and motors under the contract. These are owned by the Contractor. 2) The upgrade of the motors and one of the boats are considered in the overall reinvestment because they are integral to the services provided by the Contractor to the public on behalf of the City. 3) These assets will provide a public benefit reducing risk, increasing public safety and potentially resulting in higher revenues to the City.
5. Agenda Item # 14 - Approve a resolution directing the City Manager to outline plans addressing reform of the City's development review, inspections and permitting processes, including but not limited to, recommendations from the Zucker Systems Analysis Report. (Notes: SPONSOR: Mayor Steve Adler CO 1: Council Member Gregorio Casar CO 2: Council Member Sheri Gallo CO 3: Mayor Pro Tem Kathie Tovo CO 4: Council Member Sabino "Pio" Renteria)
- a. QUESTION: How many of the 461 recommendations from the Final Draft of the Zucker Report have been implemented by PDRD? COUNCIL MEMBER ZIMMERMAN'S OFFICE
  - b. ANSWER: The assessment provided by Mr. Zucker is not yet finalized. Department employees, partner departments, the public and stakeholders will be providing feedback and comments on the latest draft to the consultant, which are due back to Mr. Zucker by April 13th. Additionally, there are three scheduled meetings, one for employees and two public stakeholder sessions scheduled on April 8th at the Palmer Event Center to provide employees and stakeholders the opportunity to voice concerns, ask questions or make comments directly to the consultant. The department intends to provide a response to the assessment after it is finalized, including a listing of recommendations that have been implemented.
6. Agenda Item # 15 - Approve a resolution initiating a code amendment to mitigate the effects of smoke emissions from restaurants and mobile food vendors near residentially zoned areas. (Notes: SPONSOR - Council Member Sabino "Pio" Renteria CO 1: Council Member Kathie Tovo CO 2: Mayor Steve Adler CO 3: Council Member Gregorio Casar)
- a. QUESTION: 1) Approximately how many restaurants and mobile food


vendors would be impacted? 2) What is the estimated cost of buying and installing a "Smoke Scrubber"? 3) What is the estimated annual maintenance cost for a "Smoke Scrubber"? COUNCIL MEMBER ZIMMERMAN'S OFFICE


- b. ANSWER: The Health and Human Services Department (HHSD) does not currently track establishments that have smoke emissions. The Texas Commission on Environmental Quality handles all complaints of air quality and emissions. See <http://www.tceq.state.tx.us/complaints/index.html> 2) HHSD does not currently require establishments to buy or install smoke scrubbers. 3) HHSD does not have any information on the annual maintenance costs for a smoke scrubbers.
  - c. QUESTION: 1) Will this ordinance first be reviewed and discussed by one of the Council Committees? 2) How many complaints have been received by 311 related to smoke emissions from restaurants and mobile food vendors? 3) Has a City study been conducted on this issue to document the problem and identify possible solutions? 4) Have any other alternatives been considered to address this issue? 5) How long would restaurant owners have to come into compliance with this ordinance? 6) Has the item been discussed with the Austin Restaurant Association? 7) Do any other cities have this or a similar ordinance? COUNCIL MEMBER GALLO'S OFFICE
  - d. ANSWER: 1) This is an Item from Council but staff recommends that the item be discussed at a Council Committee. 2) Staff is still researching this inquiry. 3) To our knowledge, the City has not conducted a study on this issue. The City does not monitor or regulate air/smoke complaints. These issues are investigated by the Texas Commission on Environmental Quality (TCEQ). 4) City staff is not aware of any alternatives to address this issue. 5) As part of any action taken, the Council could identify a grace period for establishments to come into compliance. 6) City staff is not aware if the item has been discussed with ARA. 7) We understand the City of New York has a similar ordinance but staff would need more time to conduct research of similar ordinances in other municipalities.
7. Agenda Item # 16 - Approve the waiver or reimbursement of certain fees and requirements under City Code Chapter 14-8 and authorize payment of certain costs for the Texas Independence Day 5K Run and Parade, co-sponsored by the City and Celebrate Texas Incorporated, which was held Saturday, February 28, 2015. (Notes: SPONSOR: Council Member Delia Garza CO 1: Council Member Gregorio Casar CO 2: Mayor Steve Adler CO 3: Council Member Ann Kitchen)
- a. QUESTION: In the fiscal note, there's a reference to two different resolutions from 2007 (<http://www.austintexas.gov/edims/document.cfm?id=100829>) and 2002 (<http://www.ci.austin.tx.us/edims/document.cfm?id=64828>). In 1997, the original resolution regarding fee waivers was passed (<http://www.austintexas.gov/edims/document.cfm?id=49063>). I couldn't find any reference to the Texas Independence Day 5k Run and Parade in these. Do

you know if there was another amendment that included this? COUNCIL MEMBER TROXCLAIR'S OFFICE

- b. ANSWER: The Celebrate Texas Parade and Run was added as a city co-sponsorship via Resolution No. 040226-40 on February 26, 2004. Attached is a copy of Resolution No. 040226-40 and the accompanying recommendation for council action.
8. AHFC Agenda Items # 1, # 2, # 3 and # 4: AHFC 1) Authorize negotiation and execution of a loan agreement in an amount not to exceed \$500,000 with FOUNDATION COMMUNITIES, INC., or an affiliated entity, for the purpose of developing a multi-family residential facility at 8500 U.S. Highway 71, to be known as Live Oak Trails, for low-income individuals and families. AHFC 2) Authorize negotiation and execution of a loan agreement in an amount not to exceed \$500,000 with FOUNDATION COMMUNITIES, INC., or an affiliated entity, for the purpose of developing a multi-family residential facility at 13635 Rutledge Spur, to be known as the Lakeline Station Apartments, for low-income individuals and families. AHFC 3) Authorize negotiation and execution of a loan agreement in an amount not to exceed \$1,000,000 with FOUNDATION COMMUNITIES, INC., or an affiliated entity, for the purpose of developing a single room occupancy residential facility at 2301 South Lamar Boulevard, to be known as Bluebonnet Studios, for very low-income individuals and individuals exiting homelessness. AHFC 4) Authorize negotiation and execution of a loan in an amount not to exceed \$2,000,000 to THE MULHOLLAND GROUP, LLC or an affiliated entity, for the purpose of acquiring and rehabilitating the Capitol Village Apartments multi-family residential development at 6855 East U.S. Highway 290.
- a. QUESTION: 1) What are the terms of these loans, and for what purpose? 2) Are the loans "forgivable"? If not, when is repayment due, and what is the penalty for failure to repay the loan? 3) Do the loans contribute to real estate projects which will be not be on property tax rolls? 4) Are there any connections of these loans to the subsidized housing projects approved back in February? COUNCIL MEMBER ZIMMERMAN'S OFFICE
  - b. ANSWER: See attachment

**END OF REPORT - To view the full Council Q&A packet, click [here](#).**

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## Council Question and Answer

<b>Related To</b>	Item #4	<b>Meeting Date</b>	April 2, 2015
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### Additional Answer Information

#### **QUESTION (MPT TOVO):**

Please provide: the total amount City of Austin has provided in fee waivers to X Games; maximum amount available to events via the Events Trust Fund; maximum amount available to events via the Major Events Trust Fund; explanation of the difference in requirements between the two funds; X Games application to METF.

#### **ANSWER:**

Through the adoption of Resolution No. 20130523-019, COTA was authorized to come back to City Council to request approval of up to \$150,000 in fee waivers and in-kind assistance. However, neither X Games, Circuit of the Americas (COTA), nor Circuit Events Local Organizing Committee (CELOC) have brought forward such a request, thus no fee waivers have been provided through Resolution No. 20130523-019.

The maximum amount available to events via the Events Trust Fund (ETF) and the Major Events Trust Fund (METF) is determined by the Texas Comptroller and is based on the economic impact analysis conducted for each event.

The following outline describes the major differences between the Events Trust Fund and the Major Events Trust Fund.

The Events Trust Fund (ETF) restrictions and requirements are as follows:

- Available for once a year sporting events or conventions such as the Major League Soccer All Star Game or the American Public Transportation Association convention.
- Available for events that are smaller than \$1 million in receipts.
- Eligible events are not restricted to sports, but the venue must have been selected over others as a sole event site or, the sole site in Texas and adjoining states. There is no list of what is an eligible event, nor a list of which organizations must select the site for the event. There is a limit in the statute on the number of events under \$200,000 in impact, and also a limit on the number of nonsporting events for which a city or county may submit a request for a fund to be established.
- Starting in fiscal 2010, non-sporting events, such as conventions and conferences, became eligible for the ETF.
- The application must be submitted 120 days before the event.
- The economic impact that must be analyzed for the ETF is the direct benefit of the event.
- Applies local and state gains from sales and use, auto rental, hotel and alcoholic beverage taxes generated over a 30-day period from an event or series of events conducted no more than once annually.
- The estimated increase in state tax revenue is reduced for events held in Texas on previous occasions. According to rules established by the Texas Comptroller, the following table depicts the reductions for each year.

Number of Years the Event was Held in Texas in Last Five Years	Percent of Revenue Impact Used in Trust Fund Estimate
0	100.0%
1	85.5%
2	74.6%
3	66.2%

4	59.5%
5	54.1%

Major Events Trust Fund (METF) restrictions and requirements are as follows:

- Available for major national or international championship type events, such as the NFL Super Bowl, NCAA Final Four Tournaments and Formula One automobile races. The eligible events are listed in the statute. Currently, the statute lists X Games. However, the eligible site selection organizations that must select the sites are also listed and does not include ESPN, which produces the X Games. The bill before the legislature adds ESPN as an eligible site selection organization.
- Applies local and state gains from sales and use, auto rental, hotel and alcoholic beverage taxes generated over a 12-month period from certain major sporting championships or events to pay costs incurred from hosting the event.
- Major events have to be above a certain size (at least \$1 million in receipts).
- The application must be submitted not earlier than 1 year, nor later than 45 days before the event occurs. As a note, the 45th day before the 2015 X Games is April 16th.
- The economic impact that can be analyzed for METF events includes the direct impact and the indirect and induced benefits.

Note: More information is available on the Texas Comptroller's website regarding Texas Events Trust Funds:  
[http://www.texasahead.org/tax\\_programs/event\\_fund/](http://www.texasahead.org/tax_programs/event_fund/)

**QUESTION (MPT TOVO):**

For how many events has CELOC applied for public funding?

**ANSWER:**

CELOC has applied for 13 events since 2012:

- 2012: Formula 1 (F1)
- 2013: MotoGP, V8 SuperCars, World Endurance Championship (WEC), American LeMans Series (ALMS), F1
- 2014: MotoGP, Summer X-Games, WEC, Tudor United States SportsCar Championship, F1
- 2015: MotoGP, X-Games

**QUESTION (MPT TOVO):**

What is the estimated maximum amount that the X Games plans to request from the METF?

**ANSWER:**

According to information provided by CELOC, their draft application for METF funding for the 2015 X Games from the state is \$3,664,347. As with previous applications, CELOC will fund the local match, which in this case would be \$586,296, for a combined application request of \$4,250,643.

CELOC recently made application for the Events Trust Fund in the amount of \$1,690,577 and was approved a maximum of \$1,260,453. If CELOC is authorized by the City Council to submit an METF application and if the Texas Comptroller approves CELOC's application request of \$4,250,643 for METF status, the increase to CELOC would be \$2,990,190.

**QUESTION (MPT TOVO):**

Will CELOC be providing the local match required by the METF or does CELOC intend to request that local support be provided by the City of Austin?

**ANSWER:**

CELOC will be providing the local match required by the METF. The City's agreement with CELOC, which was signed and effective as of February 3, 2014, allows the City to terminate the agreement if CELOC does not provide the local match.

**QUESTION (MPT TOVO):**

The X Games have sought and received fee waivers from the City of Austin in the past; will the X Game organizers seek future fee waivers from the City of Austin?

**ANSWER:**

Through the adoption of Resolution No. 20130523-019, COTA was authorized to come back to City Council to request approval of up to \$150,000 in fee waivers and in-kind assistance. However, neither X Games, Circuit of the Americas (COTA), nor Circuit Events Local Organizing Committee (CELOC) have brought forward such a request, thus no fee waivers have been provided through Resolution No. 20130523-019.

Whether COTA or CELOC will seek the approval of fee waivers for the X Games in the future is a decision to be made by COTA or CELOC. As indicated above, Resolution No. 20130523-019 authorizes the entities to bring forward a request for approval for fee waivers and in-kind assistance up to \$150,000.

**QUESTION (MPT TOVO):**

Who will conduct the economic analysis that determines the amount the X Games will be eligible to seek from the METF?

**ANSWER:**

Dr. Don Hoyte (PhD in economic geography specializing in industrial location analysis and regional economics) conducted the economic impact analysis for the X Games ETF application and has conducted the Economic Impact Study (EIS) for the METF application. The EIS is reviewed by the CELOC board and by City staff before being submitted to the Comptroller. Once Dr. Hoyte's EIS is submitted with the application for the 2015 X Games Austin Event, the Texas Comptroller's Office will use the submitted EIS as a guideline from the applicant, but will prepare its own independent detailed economic analysis based on its own criteria, determined factors and projections. So, Dr. Hoyte's EIS is a guideline for the study prepared and approved by the Comptroller as the ultimate authority for the trust fund amount.

**QUESTION (MPT TOVO):**

Staff referred to pieces of the application that City of Austin staff review and sign with an affidavit. Did this response refer to the Events Fund applications or the Major Events Trust Fund applications? Please identify which sections and the kind of information on the application that staff are required to verify as accurate.

**ANSWER:**

The staff response referred to ETF and METF applications.

Staff reviews the following information prepared and provided by CELOC:

- The letter from the City to the Texas Comptroller requesting the pertinent events trust fund be established;
- The Economic Impact Study (EIS) to confirm that it includes the information required by the Texas Comptroller;
- Executed affidavits to the City from CELOC, COTA and the preparer of the EIS attesting to the accuracy of the information provided in the EIS;
- Executed affidavits to the City from CELOC and COTA attesting to the correctness of the information provided in the application;
- Application content that demonstrates that the event is eligible for participation in the ETF or METF, as applicable; and



- The Request Worksheet to Establish an Events Trust Fund.

City staff must execute affidavits to the Texas Comptroller attesting to the accuracy of the information provided in the EIS and correctness of the information provided in the application.

**QUESTION (MPT TOVO):**

From the work session discussion, it sounds as if the X Games organizers have been interested in seeking support from the Major Events Trust Fund for some time. If that is accurate, please explain why this resolution is only now coming before City Council for consideration.

**ANSWER:**

CELOC made the request for the resolution on March 27, 2015. As such, the following response is provided by CELOC explaining why the resolution is now coming before City Council for consideration.

The timing of any action that CELOC, ESPN or COTA could take on correcting the X Games classification as an METF event, including asking that such matter be considered by the Austin City Council, was solely dependent on the wording of bills to be filed and the timing and legislative process for such bills by the Texas Legislature. And, while the intent to correct the prior legislative oversight has long been discussed, including with City staff, the first practical step, a proposed bill to correct the prior legislative oversight, could not even be filed until this past January 2015 (Senate Bill 293 was filed on January 9th). And, as I understand, even in January/February of this year there was serious negative sentiment as to whether the Legislature would even take up any bills on the ETF/METF statute, or if any such bills were filed and brought to the floor, there was uncertainty as to whether or not the Legislature would be receptive, add additional limitations or simply abolish the ETF/METF program all together. So when Senate Bills 48 and 293 (and related or companion bills) were filed in January of 2015, their passage was very much in question and not a very good basis to propose an agenda item for consideration by the Austin City Council, which we know has a full agendas each meeting. And, without a bill in substantially final form, we did not know what any proposed agenda item for correction should include to meet any correction requirements that are not known.

However, during the March 19 to March 23rd time period (within the last 2 weeks), SB 293 was placed on the intent calendar for the Senate and the Senate suspended the regular order of business to expedite voting on SB 293 for “clarification of the law governing eligibility of certain events for funding under the METF” and the Senate passed SB 293 with 23 Yeas and 3 Nays, more than a 2/3 majority vote. At that time CELOC, COTA and ESPN realized the legislature had embraced the corrections bills filed and SB 293 had momentum, so much so that the Senate was fast tracking SB 293 to approval and passage. Between March 24th and March 31st (within the last week), SB 293 passed both the House and Senate (after House amendment and Conference Committee) by more than a 2/3 majority vote in each chamber and today is sitting on the Governor’s desk for signature. As I understand, the Governor is expected to sign SB 293, which has an immediate effective date due to the 2/3 supermajority approvals of the Senate and House.

Until SB 293 gained momentum after March 23rd and the passage of the correction bill no longer seemed mere speculation, CELOC did not want to propose an agenda item for consideration by the City Council and merely take up valuable time. But as soon as the bill seemed likely to pass, CELOC, ESPN and COTA coordinated their efforts with the Texas Comptroller’s Office to clarify process, procedures and requirements under SB 293 and then acted as fast as prudent to request the subject item be placed on the City Council agenda for the April 2nd meeting.

It is readily apparent that the a super majority of the members of the Texas Legislature believe that the METF program is an important economic incentive to attract major events to Texas (important enough to suspend the regular rules on the Senate and fast track the bill) and should be utilized for the upcoming 2015 X Games Austin Event to keep the X Games in Austin and Texas for as long as possible. And, we

respectfully request approval of the City Council to the proposed agenda item in furtherance of the Texas Legislature's recent actions on SB 293 and assist CELOC to achieve the same goals.



### Council Question and Answer

Related To	Item #4	Meeting Date	April 2, 2015
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### Additional Answer Information

#### QUESTION (CM POOL):

Please list CELOC members and their professional affiliations. Is the Organizing Committee required to submit financial statements? If not, why?

#### ANSWER:

The following response is provided by CELOC.

CELOC is a Texas non-profit corporation. It does not have “members”, but has a Board of Directors currently comprised of 4 Directors: Ford Smith, Sam Bryant, Rodney Gonzales (Ex Officio) and Wayne Hollingsworth. Ford Smith is President and owner of Texas Enterprises, Inc., a petroleum products distribution company. Sam Bryant is President of Bryant Wealth Investment Group, LLC and serves as a registered investment representative with ML&R Wealth Management. Rodney Gonzales is Deputy Director for the City of Austin’s Economic Development Department. Wayne Hollingsworth is a Partner with the law firm of Armbrust & Brown, PLLC.

As a local organizing committee participating under the METF and the ETF, CELOC is required to provide audited financial statements requested by the Texas Comptroller’s Office. And, CELOC is required to provide and has routinely provided its financial statements to individuals and entities requesting such statements under the Texas Public Information Act.

#### QUESTION (CM POOL):

How often has the Organizing Committee briefed Council?

#### ANSWER:

The following response is provided by CELOC.

CELOC has never been requested nor invited to directly brief the Austin City Council; however, Rodney Gonzales, Deputy Director for the City of Austin’s Economic Development Department, is the City’s representative as an Ex Officio member of the CELOC Board. Mr. Gonzales regularly attends the CELOC Board meetings, participates in all discussions and makes invaluable contributions to the decisions, operations and goals of CELOC. Further, the Directors and Officers of CELOC meet with City staff and legal to review and respond to questions and to brief City staff and legal on all important aspects of (i) applications and deliverables to participate in the ETF and METF, including reviews of economic impact studies performed by Dr. Don Hoyte on behalf of and under contract with CELOC, (ii) attendance certificates required by the Texas Comptroller for events conducted under the ETF and METF, and (iii) applications for reimbursement of qualified expenses from the ETF and METF. The City’s review and approval of these submittals are required under CELOC’s contract with the City as a condition for CELOC’s authority to submit such items to the Texas Comptroller’s Office.

**QUESTION (CM POOL):**

Is CELOC subject to audit? Under what conditions would it be audited?

**ANSWER:**

The following response is provided by CELOC.

CELOC is subject to audit, under both the ETF and METF, as requested by the Texas Comptroller's Office.

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

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

February 28, 2015

Deputy Comptroller  
Comptroller of Public Accounts  
111 E. 17<sup>th</sup> Street  
Austin, Texas 78774

*Via Hand Delivery*

**RE: Application for Participation in the Texas Events Trust Fund (2015 X Games Austin)**

Dear Deputy Comptroller:

Circuit Events Local Organizing Committee is organized as a Texas non-profit corporation (the “**Committee**”) with the purpose to help facilitate and support a motor race, commonly known as “**2015 X Games Austin**” (the “**Event**”) that is tentatively set to be held in Austin, Texas on June 4 - 7, 2015. Further, as an integral part of this support, the Committee and the City of Austin, as approved by City Council resolution of May 23, 2013, entered into an “**Agreement**”, dated February 3, 2014, whereby the City of Austin agreed to be the “endorsing municipality” for the Event, and in the capacity of endorsing municipality (i) authorized the Committee to act as the “local organizing committee” for purposes of securing and promoting the Event for the Austin area, as well as the application for and qualification of the Event as an “**Event**” under TEX. REV. CIV. STAT. ART. 5190.14 §5.C. (the “**Act**”) thereof, the Texas Events Trust Fund (the “**Trust Fund**”) and (ii) authorized and appointed the Committee as the City of Austin’s sole and exclusive designee, for and on behalf of the City of Austin to submit, pursuant to TAC Title 34, Part 1 Chapter 2 Subchapter B, Rule 2.202, a request to the Texas Comptroller of Public Accounts for participation in the Trust Fund program and a request to the Texas Comptroller to determine the incremental increase in the receipts of various taxes (e.g. sales and use taxes, mixed beverage taxes, hotel occupancy taxes), by the City of Austin, as the endorsing municipality, for a 30 day period that ends at the end of the day after the day of the Event (scheduled for June 4 - 7, 2015), in accordance with the Comptroller’s procedures and in accordance with the Act, and the rules promulgated thereunder (the “**Rules**”).

It is my honor and great pleasure to submit this application from the Committee, as the City of Austin’s duly appointed and authorized designee for and on behalf of and binding upon the City of Austin, as the formal request, pursuant to Rule 2.202, for participation in the Trust Fund program and a request to the Texas Comptroller to determine the incremental increase in the applicable taxes for the City of Austin for the June 4 - 7, 2015 Event.

Further, as required by Rule 2.201(a)-(d), enclosed with this letter are: (i) Attachment 1, two (2) letters, dated July 8, 2013 and January 8, 2015, from the site selection committee for the Events, selecting the site in Austin, Texas for the 2014 – 2017 Events; (ii) Attachment 2, the economic impact study and other data with detailed information on the direct expenditures and direct impact data for the endorsing municipality hosting the event and for the requested market area (the “**Economic Study**”); (iii) Attachment 3, a description of the requested market area, and information to support the requested market area, which is



February 28, 2015

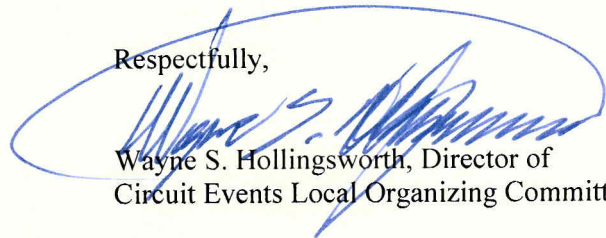
Page 2

included in the Economic Study; (iv) Attachment 4, a list of all related events activities proposed to be included in the trust fund estimate, with data for each such activity including projected attendance figures, ticket sales and relevant production and expenditure information related to the activity, included in the Economic Study; (v) Attachment 5, affidavits from Don Hoyte, Ph.D., the City of Austin and the Committee, as required under Rule §2.202(a)(5), as to the accuracy of the Economic Study; (vi) Attachment 6, a completed and signed Comptroller Request Worksheet to Establish an Event Trust Fund for the Event; (vii) Attachment 7, is a letter from Mr. Marc Ott, City Manager for the City of Austin to the Comptroller's Office requesting participation in the Trust Fund for the 2015 X Games Austin Event; and (viii) Attachment 8, affidavits from the Committee and the City of Austin endorsing a Major Events Trust Fund.

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

Thank for your time and consideration of this request.

Respectfully,



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

Ms. Leela Fireside, Assistant City Attorney, City of Austin  
Mr. Sam Bryant, Director  
Mr. Ford Smith, Director  
Mr. Rodney Gonzales, Director  
Mr. Jason Dial, President and CEO of COTA  
Mr. Colin Cohen, CFO of COTA

**ATTACHMENT 1**

**Site Selection Committee Designation Letter**



**ESPN, Inc.**

ESPN Place, Bristol CT 06010-7454

July 8, 2013

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

Email: [whollingsworth@abaustin.com](mailto:whollingsworth@abaustin.com)

Dear Mr. Hollingsworth,

Thank you again for your application to host the ESPN X Games events in Austin at the Circuit of The Americas. After a highly competitive process involving our review and visits to several cities and venues, including but not limited to Charlotte, Chicago, Detroit, and Austin, we are pleased to select Austin and the Circuit of The Americas for our event in the Spring of 2014. Congratulations!

The ESPN X Games is a unique event that appeals to a young, enthusiastic demographic, featuring multiple competitive action sports events. The 2014 X Games will be conducted in Barcelona, Spain; Munich, Germany; Foz do Iguaçu, Brazil; and Austin, Texas along with our winter versions in Aspen, CO and Tignes, France. ESPN will televise the Austin X Games worldwide, with over twenty (20) hours of dedicated programming distributed to more than 450M homes in over 175 countries around the world. The X Games in Austin will be the only site in North America for our summer event, so we anticipate strong interest and a significant economic benefit to the community and region.

We look forward to working with you to conduct and generate interest in our global event.

Sincerely,

Scott Guglielmino  
Senior Vice President, Programming and X Games

Cc: Steve Sexton, President and CEO, Circuit of The Americas

our mission: to serve sports fans wherever sports are  
watched, listened to, discussed, debated, read about, or played





ESPN, Inc.

ESPN Plaza, Bristol, CT 06010-7454

January 8, 2015

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

via email: [whollingsworth@abaustin.com](mailto:whollingsworth@abaustin.com)

Dear Mr. Hollingsworth:

We appreciate the confirmation of the application by Circuit Events Local Organizing Committee, dated January 7, 2015 submitted as designee on behalf of the City of Austin, to host an event of the X Games Austin 2015 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 June 11, 2013.

As we emphasized in our previous letters to you and City officials, there has been and remains substantial competition in our process of reviewing a number of venues interested in hosting our events. Please consider this letter as confirmation of our selection of Austin, Texas, and the Circuit of the Americas to host the X Games Austin event each year of the upcoming series from 2014 through 2017. Congratulations!

As noted in your June 11, 2013 letter, we do not anticipate sanctioning or holding any other similar X Games Event in Texas or its contiguous states during 2015 or any other year that the X Games Austin at the Circuit of the Americas is held in Austin.

The ESPN X Games is a unique event that appeals to a young, enthusiastic demographic, featuring multiple competitive action sports events. The 2015 X Games will be conducted in Austin, Texas along with our winter event in Aspen, Colorado. ESPN will televise X Games Austin worldwide, with over twenty (20) hours of dedicated programming distributed to more than 450 million homes in over 175 countries around the world. X Games Austin will be the only site in North America for our summer event, so we anticipate strong interest and a significant economic benefit to the community and region.

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

Yours sincerely,

Scott Guglielmino  
Senior Vice President, Programming & X Games

**ATTACHMENT 2**

**Economic Study**

## **Letter From City/CELOC**

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**Economic Impact Study  
of the**

**2015 X Games**

Austin, Texas

Submitted for consideration under the Events Trust Fund by:

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

On behalf of

**Circuit Events Local Organizing Committee**

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

January 6, 2015

**TEXASTRUSTFUNDS.COM**

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## Event Background

The **X Games** is a sports event, controlled and arranged by the U.S. sports broadcaster ESPN (with coverage also shown on its sister network ABC), which focuses on action sports. The inaugural X Games were held in summer 1995 in Rhode Island. Participants compete to win bronze, silver and gold medals, and prize money. Current competition takes place over four days with events in Moto X, Mountain Bike, Rally Car, Skateboarding and BMX.

Both the summer and winter X Games competitions feature new tricks such as Tony Hawk's 900 in skateboarding, Travis Pastrana's double backflip in freestyle motocross, Heath Frisby's first ever snowmobile front flip in Snowmobile Best Trick, and Torstein Horgmo's first landed triple flip in a snowboard competition. Concurrent with competition is the "X Fest" sports and music festival, which offers live music, athlete autograph sessions and interactive elements.

The first two summer X Games were held in Rhode Island in 1995 and 1996, averaging nearly 200,000 attendees. The 1997 and 1998 games moved to San Diego, California and were attended by more than 200,000 fans, competitors and others. The 1999 and 2000 games were held in San Francisco and were the first full professional sporting event broadcast live on the internet. The 2001 and 2002 versions moved to Philadelphia and included Taïg Khris winning the inline vert event, with the first double backflip in X Games history and Mike Metzger landing the first back flip in motocross freestyle X Games history.

X Games Nine moved to the Staples Center and LA Coliseum in Los Angeles in 2003. The venues were expanded in 2004 to include the Staples Center, Home Depot Center, and Long Beach Marine Stadium. The games have been held in Los Angeles through 2013 with several venue shifts and included numerous firsts:

- 2005: Jamie Bestwick landed the first ever double tailwhip flair in the BMX Vert Best Trick event. Travis Pastrana won gold in motocross freestyle again and became the most decorated athlete in motocross
- 2006: Travis Pastrana landed the world's first double backflip on a dirt bike, and won motocross best trick with a score of 98.60, the highest current score in best trick. Skateboarder Nyjah Huston became the youngest athlete to compete in X Games at 11 years old.



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- 2007: Ricky Carmichael won the first ever motocross racing circuit. Simon Tabron landed an X Games' first, doing back-to-back 900s in BMX vert.
  - 2008: Skateboarder Andy Macdonald won his 15th X Games medal, surpassing Tony Hawk as the all-time leader in skateboarding medals. Tarah Gieger of Puerto Rico won the gold medal in the first-ever women's supercross race.
  - 2009: Anthony Napolitan landed the first ever double front flip on a bicycle. Blake Williams became the first non-American rider to win FMX gold. Ashley Fiolek, 18, won the women's motocross super X, becoming the Games' first deaf medalist.
  - 2010: Jamie Bestwick became the first person to 4-peat with a win in BMX vert. Pierre-Luc Gagnon became the first athlete to win in skateboard vert three times, beating the silver medalist, Shaun White.
  - 2011: Shaun White earned his second gold medal in skateboard vert, breaking Pierre Luc Gagnon's 3-year winning streak. Liam Doran took gold on his debut in the rally car racing event after beating Marcus Gronholm in the final.
  - 2012: Bob Burnquist won his fourth Big Air gold medal, and raising his gold medal total to nine. Ronnie Renner won the gold medal in Moto X Step Up, breaking the previous record height of 37' by 10' making it the highest ever at the X Games with 47'.

In 2013 X Games expanded internationally holding events in Foz do Iguacu, Brazil, Barcelona, Spain and Munich, Germany. The 2013 event in Los Angeles saw Vicki Golden win her 3rd consecutive gold medal in women's moto x racing, defeating Meghan Rutledge. Golden also became the 1st women to compete in a freestyle moto x competition, earning bronze in best whip.

After more than a decade being hosted in Los Angeles, it was announced in August 2013 that Austin's Circuit of the Americas complex would be the venue for all future X Games excitement at least until 2017.<sup>1</sup>

X Games' organizers at ESPN announced that Texas' state capital had been selected to replace Los Angeles as its new North American home. Initially it was announced the event would be held May 15-18, but the date was later moved to June 5 - 8. Austin was picked for the X Games in an Olympic-style selection process. Of 13 qualified bids, the decision came down to Austin, Chicago, Detroit and Charlotte, N.C.

In June 2014, downtown Austin hosted the first day of X Games competition with the State Capital as the backdrop. Austin's new sports and entertainment venue---Circuit of the Americas

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(COTA)--- then hosted the final three days of the X Games' competitions as well as concerts and festival villages that supplemented the sports event.

## 2014 Summer X Games Attendance

Moving a major sporting event such as X Games to a new venue half-way across the country from its previous site always results in major attendance changes. The experience at the 2014 X Games is no exception.

According to officials with ESPN and Circuit of the Americas, the inaugural X Games Austin event drew more than 160,000 over the four days from June 5 to 8. That made X Games Austin the highest non-Formula 1 attended sports and entertainment event at COTA since the venue's grand opening in 2012.<sup>2</sup>

This total four-day attendance figure is composed of a number of distinct groups present at the event based on ESPN and COTA estimates<sup>3</sup>:

Table 1  
**Attendance Breakdown at 2014 X Games Austin**

	<u>ESPN Staff</u>	<u>Athletes</u>	<u>Judges</u>	<u>Athlete Managers &amp; Guests</u>	<u>Sponsors &amp; Industry/ ESPN Guests</u>	<u>Media</u>	<u>Ticketed Fans*</u>
5-Jun-14	1,795	269	62	1,682	2,117	634	19,000
6-Jun-14	1,987	297	248	1,862	2,343	702	31,138
7-Jun-14	2,004	300	250	1,878	2,364	708	48,029
8-Jun-14	1,969	295	246	1,845	2,323	696	34,693

TOTAL FOUR DAY ATTENDANCE 161,734

\*Estimated for June 4 which was a non-ticketed event

Based on estimates from ESPN and from a fan survey with more than 4,000 responses, it is estimated that a total of 16,141 persons from outside Texas were in Austin for the X Games on

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June 7, 2014. This means that 29 percent of 56,027 people in Austin for the X Games that day were from outside Texas.<sup>4</sup>

For 2015, the event will be held from June 4 to 7. Assuming no attendance change from 2014 and including the attendance during the preparation for the event and post-event tear down, the likely attendance at the 2015 X Games Austin should closely approximate the pattern in Table 2.



Table 2  
Projected Attendance at 2015 X Games Austin

<u>Date</u>	<u>ESPN Staff</u>	<u>Athletes</u>	<u>Judges</u>	<u>Managers &amp; Athlete Guests</u>	<u>Sponsors, ESPN &amp; Industry Guests</u>	<u>Media</u>	<u>Fans</u>	<u>OOS Fans @ Events</u>	<u>OOS Fans not @ Events</u>	<u>OOS Fans in Austin</u>
19-May	58	-	-	-	-	-	-	-	-	-
20-May	61	-	-	-	-	-	-	-	-	-
21-May	81	-	-	-	-	-	-	-	-	-
22-May	99	-	-	-	-	-	-	-	-	-
23-May	128	-	-	-	-	-	-	-	-	-
24-May	140	-	-	-	-	-	-	-	-	-
25-May	192	-	-	-	-	-	-	-	-	-
26-May	259	-	-	-	-	-	-	-	-	-
27-May	332	-	-	-	-	-	-	-	-	-
28-May	433	-	-	-	-	-	-	-	-	-
29-May	509	-	-	-	-	-	-	-	-	-
30-May	657	-	-	-	-	-	-	-	-	-
31-May	782	-	-	-	-	-	-	-	-	-
1-Jun	1,035	-	-	-	-	-	-	-	-	1,403
2-Jun	1,300	-	-	-	-	-	-	-	-	2,551
3-Jun	1,606	120	-	751	473	-	-	-	-	4,638
4-Jun	1,795	240	62	1,502	1,891	566	19,000	3,313	1,325	9,852
5-Jun	1,987	296	247	1,855	2,335	699	31,138	7,579	2,274	9,888
6-Jun	2,004	300	250	1,878	2,364	708	48,029	9,394	494	7,945
7-Jun	1,969	314	262	1,967	2,476	742	34,693	6,111	1,833	4,370
8-Jun	1,786	239	199	1,495	1,882	564	-	-	-	-
9-Jun	558	119	80	748	376	-	-	-	-	-
10-Jun	311	-	-	-	-	-	-	-	-	-
11-Jun	137	-	-	-	-	-	-	-	-	-
12-Jun	79	-	-	-	-	-	-	-	-	-
13-Jun	41	-	-	-	-	-	-	-	-	-
14-Jun	9	-	-	-	-	-	-	-	-	-
15-Jun	6	-	-	-	-	-	-	-	-	-
16-Jun	6	-	-	-	-	-	-	-	-	-

In particular, Table 2 estimates that 19.9 percent of all ticketed fans at the peak attendance came from outside Texas. This figure is derived from an internet fan survey of slightly more than 4,000 event attendees which indicated that 85 percent of the survey respondents were from Texas with 15 percent being from outside Texas. But, twelve percent of all respondents indicated that while they themselves were from Texas, they attended X Games Austin accompanied by one or more fans from outside of Texas. Including those fans from outside of Texas who accompanied a fan from Texas to the event indicates that just short of twenty percent of all fans in attendance at the event were from outside Texas. Finally, Table 2 adjusts the at-event attendance by out-of-state visitors to reflect the tendency for out-of-state fans to attend other attractions in Austin some days of their stay rather than attending all days of the X Games based on the survey responses as to how often out-of-state fans attended X Games events each day.

The last column of Table 2 estimates the pattern of stay by out-of-state fans at X Games in the Austin area. This pattern of stay is estimated to be consistent both with overall ticket sales and the fan survey responses indicating that out-of-state fans stayed, on average, 3.11 nights in Austin for the event.

## Event Presentation Costs and Ticket Sales

From 2010 to 2013, X Games event presentation costs averaged \$16.9 million in California. But for Austin, it was expected that these costs would amount to about \$19 million with about \$10 million spent directly in Texas.<sup>5</sup> Table 3 presents some detail about these expenditures in Texas including the amount subject to state sales tax.<sup>6</sup>

Table 3  
Event Presentation Expenses for X Games Austin

<u>Expenditure</u>	<u>Amount</u>	<u>Sales Tax</u>
Festival Entertainment & Competitions	\$1,100,000	\$938
Venue and Production Equipment Rental	\$2,200,000	\$93,750
Marketing, Promotions, Advertising	\$1,750,000	
Course & Venue Construction	\$1,519,000	\$94,938
Venue and Production Services	\$475,000	
Local Staffing	\$1,275,000	
Catering - Hospitality	\$875,000	\$54,688
Venue and Production Misc.	\$100,000	\$6,250
Total Event Production Spend in Texas	\$8,194,000	\$250,563

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Ticket revenues for 2014 averaged \$45 a day per ticket.<sup>7</sup> Based on the sales from 2014, total ticket revenue from out-of-state fans reached approximately \$1.04 million generating nearly \$65,000 in state sales taxes from tickets sold to out-of-state fans.

## Direct Economic Gains from 2015 X Games

As just discussed, the economic gains from events such as the 2014 X Games Austin are significant for the state and for the local economy. Under a conservative assumption that the activity at the 2015 X Games Austin will only meet the level of fan and other visitor activity seen in 2014, the 2015 Austin X Games are expected to fill an estimated 33,500 hotel room nights and generate an estimated total direct spending by ESPN personnel, athletes, managers, sponsors, guests, media and fans of nearly \$31.3 million.<sup>8</sup> This gain is composed of \$8.0 million in lodging expenditures, \$7.5 million in food and beverage expenditures and more than \$4.9 million in entertainment and shopping expenditures.

Table 4  
**Expenditure and Impact Summary for the  
Projected Attendance at 2015 X Games Austin**  
June 4 - 7, 2015

Total Room nights	33,574
Hotel Expenditure	\$8,007,013
Food and Beverage	\$7,553,389
Entertainment & Shopping	\$4,901,196
Other Expenditures	\$10,800,279
<b>Total Economic Impact</b>	<b>\$31,261,877</b>

In calculating these gains a number of event-specific data points are used. These include the hotel room costs based on what ESPN paid each day for their employees at the games.<sup>9</sup> In addition, the 2014 fan survey from the X Games event indicated 79 percent of out-of-state fans for the event stayed in hotels.

Also used in establishing expenditure patterns for X Games were the spending patterns derived from the fan survey indicating that each out of state fan spent \$102.93 on food and non-alcoholic beverages each day, \$13.17 on mixed drinks each day, \$15.38 on merchandise at the event each day, \$26.37 on merchandise in Austin outside of the event each day, and \$28.01 on other entertainment each day.

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## Event Trust Fund Tax Gain

In 2009 the Texas legislature established the Events Trust Fund to assist in attracting to Texas or retaining in Texas sporting and other events that could well be moved outside the state. The provisions of this law allow the Comptroller to deposit into a trust fund established for a qualifying event the amount of state hotel, sales and use, motor vehicle rental and alcohol taxes that can be attributed to the incremental gain in economic activity to the state from hosting the event. To qualify for reimbursement from the Trust Fund, the local sponsoring municipality or county must contribute matching tax revenues received from hosting the event at the rate of \$1 local tax dollar for every \$6.25 in state tax contributions.

Based on statutory tax rates and the attendance figures presented in Table 2, Table 4 projects the tax gain to the state and to the City of Austin from hosting the 2015 X Games. In 2015, this event is expected to generate a total of \$1,705,151 in state tax revenues which could be deposited into the trust fund to support this event. However, since 2015 marks the second year this event has been held in Texas, this reduces the total state contribution to \$1,457,344. The total local tax gain to the City of Austin is estimated to reach \$721,308 which greatly exceeds the maximum matching requirement for state taxes of \$233,183. Accordingly, CELOC requests the Comptroller to set-up an Event Trust Fund account for this event to contain \$1,457,344 in eligible state tax revenues when matched by local contributions by or on behalf of the City of Austin of \$233,183 for a total trust fund amount of \$1,690,577.



Table 5  
State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin

**Hotel Expenditures:**

	Room Cost/ night	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Sponsors, Industry, & ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax <sup>10</sup>
Per. / rm % in hotel <sup>11</sup>		1.75 100%	1.75 86%	1.25 95%	2.00 86%	2.00 86%	1.25 43%	2.00 79%		
19-May	\$184	\$4,287	\$0	\$0	\$0	\$0	\$0	\$0	\$257	\$386
20-May	\$184	\$4,504	\$0	\$0	\$0	\$0	\$0	\$0	\$270	\$405
21-May	\$185	\$6,017	\$0	\$0	\$0	\$0	\$0	\$0	\$361	\$542
22-May	\$185	\$7,315	\$0	\$0	\$0	\$0	\$0	\$0	\$439	\$658
23-May	\$185	\$9,478	\$0	\$0	\$0	\$0	\$0	\$0	\$569	\$853
24-May	\$185	\$10,349	\$0	\$0	\$0	\$0	\$0	\$0	\$621	\$931
25-May	\$185	\$14,223	\$0	\$0	\$0	\$0	\$0	\$0	\$853	\$1,280
26-May	\$185	\$19,147	\$0	\$0	\$0	\$0	\$0	\$0	\$1,149	\$1,723
27-May	\$186	\$24,711	\$0	\$0	\$0	\$0	\$0	\$0	\$1,483	\$2,224
28-May	\$185	\$32,153	\$0	\$0	\$0	\$0	\$0	\$0	\$1,929	\$2,894
29-May	\$186	\$37,796	\$0	\$0	\$0	\$0	\$0	\$0	\$2,268	\$3,402
30-May	\$185	\$48,590	\$0	\$0	\$0	\$0	\$0	\$0	\$2,915	\$4,373
31-May	\$187	\$58,528	\$0	\$0	\$0	\$0	\$0	\$0	\$3,512	\$5,267
1-Jun	\$190	\$78,504	\$0	\$0	\$0	\$0	\$0	\$0	\$4,710	\$7,065
2-Jun	\$188	\$97,918	\$0	\$0	\$0	\$0	\$0	\$104,014	\$12,116	\$18,174
3-Jun	\$188	\$121,025	\$11,049	\$0	\$60,519	\$38,090	\$0	\$189,283	\$25,198	\$33,761
4-Jun	\$196	\$140,564	\$22,961	\$9,192	\$125,769	\$158,316	\$38,331	\$357,604	\$51,164	\$67,256
5-Jun	\$220	\$174,850	\$31,851	\$41,315	\$174,466	\$219,615	\$53,172	\$853,626	\$92,934	\$121,409
6-Jun	\$221	\$177,012	\$32,366	\$41,983	\$177,287	\$223,167	\$54,032	\$859,792	\$93,938	\$122,728
7-Jun	\$219	\$172,855	\$33,693	\$43,704	\$184,556	\$232,316	\$42,759	\$686,527	\$83,785	\$109,749
8-Jun	\$195	\$139,595	\$11,404	\$11,833	\$62,464	\$31,451	\$0	\$336,225	\$35,578	\$47,407
9-Jun	\$188	\$41,983	\$0	\$0	\$0	\$0	\$0	\$0	\$2,519	\$3,778
10-Jun	\$185	\$23,072	\$0	\$0	\$0	\$0	\$0	\$0	\$1,384	\$2,076
11-Jun	\$187	\$10,229	\$0	\$0	\$0	\$0	\$0	\$0	\$614	\$921
12-Jun	\$186	\$5,852	\$0	\$0	\$0	\$0	\$0	\$0	\$351	\$527
13-Jun	\$187	\$5,864	\$0	\$0	\$0	\$0	\$0	\$0	\$352	\$528
14-Jun	\$188	\$3,058	\$0	\$0	\$0	\$0	\$0	\$0	\$183	\$275
15-Jun	\$189	\$658	\$0	\$0	\$0	\$0	\$0	\$0	\$40	\$59
<b>Total</b>									<b>\$421,492</b>	<b>\$560,652</b>

Table 5, continued  
State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin

**Food & Bev. Expend.**

Date	ESPN Staff in Hotels <sup>12</sup>	Athletes	Judges	Athlete Managers & Guests	Sponsors, Industry & ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax <sup>13</sup>
19-May	\$1,048	\$0	\$0	\$0	\$0	\$0	\$0	\$65	\$10
20-May	\$2,148	\$0	\$0	\$0	\$0	\$0	\$0	\$134	\$21
21-May	\$2,567	\$0	\$0	\$0	\$0	\$0	\$0	\$160	\$26
22-May	\$3,248	\$0	\$0	\$0	\$0	\$0	\$0	\$203	\$32
23-May	\$4,087	\$0	\$0	\$0	\$0	\$0	\$0	\$255	\$41
24-May	\$4,820	\$0	\$0	\$0	\$0	\$0	\$0	\$301	\$48
25-May	\$5,973	\$0	\$0	\$0	\$0	\$0	\$0	\$373	\$60
26-May	\$8,121	\$0	\$0	\$0	\$0	\$0	\$0	\$508	\$81
27-May	\$10,635	\$0	\$0	\$0	\$0	\$0	\$0	\$665	\$106
28-May	\$13,779	\$0	\$0	\$0	\$0	\$0	\$0	\$861	\$138
29-May	\$16,975	\$0	\$0	\$0	\$0	\$0	\$0	\$1,061	\$170
30-May	\$21,009	\$0	\$0	\$0	\$0	\$0	\$0	\$1,313	\$210
31-May	\$25,934	\$0	\$0	\$0	\$0	\$0	\$0	\$1,621	\$259
1-Jun	\$32,745	\$0	\$0	\$0	\$0	\$0	\$0	\$2,047	\$327
2-Jun	\$42,070	\$0	\$0	\$0	\$0	\$0	\$34,338	\$4,776	\$713
3-Jun	\$52,339	\$5,867	\$0	\$36,727	\$22,603	\$0	\$72,205	\$11,859	\$1,725
4-Jun	\$61,245	\$17,601	\$3,113	\$110,182	\$90,414	\$29,150	\$203,487	\$32,200	\$4,611
5-Jun	\$68,109	\$26,219	\$15,565	\$164,133	\$111,613	\$65,134	\$369,977	\$51,297	\$7,269
6-Jun	\$71,881	\$29,153	\$25,061	\$182,497	\$113,017	\$72,422	\$745,746	\$77,486	\$10,853
7-Jun	\$71,566	\$30,031	\$25,816	\$187,996	\$118,382	\$74,604	\$1,015,958	\$95,272	\$13,281
8-Jun	\$67,637	\$27,043	\$23,248	\$169,290	\$89,993	\$67,181	\$917,787	\$85,136	\$11,850
9-Jun	\$42,227	\$17,519	\$14,056	\$109,669	\$17,999	\$29,014	\$633,763	\$54,015	\$7,458
10-Jun	\$15,665	\$5,840	\$4,016	\$36,556	\$0	\$0	\$224,884	\$17,935	\$2,469
11-Jun	\$8,068	\$0	\$0	\$0	\$0	\$0	\$0	\$504	\$81
12-Jun	\$3,877	\$0	\$0	\$0	\$0	\$0	\$0	\$242	\$39
13-Jun	\$2,829	\$0	\$0	\$0	\$0	\$0	\$0	\$177	\$28
14-Jun	\$2,148	\$0	\$0	\$0	\$0	\$0	\$0	\$134	\$21
15-Jun	\$891	\$0	\$0	\$0	\$0	\$0	\$0	\$56	\$9
16-Jun	\$262	\$0	\$0	\$0	\$0	\$0	\$0	\$16	\$3
<b>Total</b>								<b>\$440,673</b>	<b>\$61,940</b>

Table 5, continued

State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin

**Entertain. & Shopping**

Date	ESPN Staff in Hotels <sup>14</sup>	Athletes	Judges	Athlete Managers & Guests	Sponsors, Industry & ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax
19-May	\$355	\$0	\$0	\$0	\$0	\$0	\$0	\$22	\$4
20-May	\$728	\$0	\$0	\$0	\$0	\$0	\$0	\$45	\$7
21-May	\$870	\$0	\$0	\$0	\$0	\$0	\$0	\$54	\$9
22-May	\$1,101	\$0	\$0	\$0	\$0	\$0	\$0	\$69	\$11
23-May	\$1,385	\$0	\$0	\$0	\$0	\$0	\$0	\$87	\$14
24-May	\$1,633	\$0	\$0	\$0	\$0	\$0	\$0	\$102	\$16
25-May	\$2,024	\$0	\$0	\$0	\$0	\$0	\$0	\$126	\$20
26-May	\$2,752	\$0	\$0	\$0	\$0	\$0	\$0	\$172	\$28
27-May	\$3,604	\$0	\$0	\$0	\$0	\$0	\$0	\$225	\$36
28-May	\$4,669	\$0	\$0	\$0	\$0	\$0	\$0	\$292	\$47
29-May	\$5,752	\$0	\$0	\$0	\$0	\$0	\$0	\$360	\$58
30-May	\$7,119	\$0	\$0	\$0	\$0	\$0	\$0	\$445	\$71
31-May	\$8,788	\$0	\$0	\$0	\$0	\$0	\$0	\$549	\$88
1-Jun	\$11,096	\$0	\$0	\$0	\$0	\$0	\$0	\$694	\$111
2-Jun	\$14,256	\$0	\$0	\$0	\$0	\$0	\$44,966	\$3,701	\$525
3-Jun	\$17,736	\$3,976	\$0	\$24,892	\$15,319	\$0	\$48,936	\$6,929	\$992
4-Jun	\$20,754	\$11,929	\$2,110	\$74,675	\$61,277	\$19,756	\$137,912	\$20,526	\$2,918
5-Jun	\$23,080	\$17,770	\$10,549	\$111,240	\$75,645	\$44,144	\$250,749	\$33,324	\$4,696
6-Jun	\$24,358	\$19,758	\$16,985	\$123,686	\$76,597	\$49,083	\$505,423	\$50,993	\$7,112
7-Jun	\$24,252	\$20,354	\$17,497	\$127,413	\$80,233	\$50,562	\$688,558	\$63,054	\$8,758
8-Jun	\$22,920	\$18,328	\$15,756	\$114,735	\$60,992	\$45,531	\$622,023	\$56,268	\$7,802
9-Jun	\$14,310	\$11,873	\$9,526	\$74,327	\$12,198	\$19,664	\$429,528	\$35,714	\$4,911
10-Jun	\$5,308	\$3,958	\$2,722	\$24,776	\$0	\$0	\$152,413	\$11,824	\$1,620
11-Jun	\$2,734	\$0	\$0	\$0	\$0	\$0	\$0	\$171	\$27
12-Jun	\$1,314	\$0	\$0	\$0	\$0	\$0	\$0	\$82	\$13
13-Jun	\$959	\$0	\$0	\$0	\$0	\$0	\$0	\$60	\$10
14-Jun	\$728	\$0	\$0	\$0	\$0	\$0	\$0	\$45	\$7
15-Jun	\$302	\$0	\$0	\$0	\$0	\$0	\$0	\$19	\$3
16-Jun	\$89	\$0	\$0	\$0	\$0	\$0	\$0	\$6	\$1
<b>Total</b>								<b>\$285,958</b>	<b>\$39,914</b>



Table 5, continued  
State and Local Tax and Expenditure Summary for the  
**Projected Attendance at 2015 X Games Austin**

**State Mixed Bev. Tax:**

Date	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Sponsors, Industry & ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax
19-May	\$34	\$0	\$0	\$0	\$0	\$0	\$0	\$4	\$0
20-May	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$8	\$1
21-May	\$82	\$0	\$0	\$0	\$0	\$0	\$0	\$10	\$1
22-May	\$104	\$0	\$0	\$0	\$0	\$0	\$0	\$12	\$1
23-May	\$131	\$0	\$0	\$0	\$0	\$0	\$0	\$15	\$2
24-May	\$154	\$0	\$0	\$0	\$0	\$0	\$0	\$18	\$2
25-May	\$191	\$0	\$0	\$0	\$0	\$0	\$0	\$22	\$2
26-May	\$260	\$0	\$0	\$0	\$0	\$0	\$0	\$30	\$3
27-May	\$340	\$0	\$0	\$0	\$0	\$0	\$0	\$40	\$4
28-May	\$441	\$0	\$0	\$0	\$0	\$0	\$0	\$51	\$5
29-May	\$543	\$0	\$0	\$0	\$0	\$0	\$0	\$63	\$6
30-May	\$672	\$0	\$0	\$0	\$0	\$0	\$0	\$78	\$8
31-May	\$830	\$0	\$0	\$0	\$0	\$0	\$0	\$97	\$10
1-Jun	\$1,047	\$0	\$0	\$0	\$0	\$0	\$0	\$122	\$12
2-Jun	\$1,346	\$0	\$0	\$0	\$0	\$0	\$9,821	\$1,303	\$112
3-Jun	\$1,674	\$375	\$0	\$4,699	\$2,892	\$0	\$9,239	\$2,203	\$194
4-Jun	\$1,959	\$1,126	\$199	\$14,098	\$11,569	\$3,730	\$26,036	\$6,852	\$603
5-Jun	\$2,179	\$1,677	\$996	\$21,001	\$14,281	\$8,334	\$47,339	\$11,181	\$975
6-Jun	\$2,299	\$1,865	\$1,603	\$23,351	\$14,461	\$9,266	\$95,419	\$17,302	\$1,494
7-Jun	\$2,289	\$1,921	\$1,652	\$24,054	\$15,147	\$9,546	\$129,993	\$21,543	\$1,853
8-Jun	\$2,164	\$1,730	\$1,487	\$21,661	\$11,515	\$8,596	\$117,432	\$19,207	\$1,649
9-Jun	\$1,351	\$1,121	\$899	\$14,032	\$2,303	\$3,712	\$81,091	\$12,196	\$1,038
10-Jun	\$501	\$374	\$257	\$4,677	\$0	\$0	\$28,774	\$4,036	\$342
11-Jun	\$258	\$0	\$0	\$0	\$0	\$0	\$0	\$30	\$3
12-Jun	\$124	\$0	\$0	\$0	\$0	\$0	\$0	\$14	\$1
13-Jun	\$90	\$0	\$0	\$0	\$0	\$0	\$0	\$11	\$1
14-Jun	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$8	\$1
15-Jun	\$28	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
16-Jun	\$8	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$0
<b>Total Tax</b>								<b>\$96,463</b>	<b>\$8,325</b>

Table 5, continued

State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin

**Title 5 ABC State Tax<sup>15</sup>:**

Date	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Sponsors, Industry & ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax
19-May	\$34	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$0
20-May	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
21-May	\$82	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
22-May	\$104	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
23-May	\$131	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
24-May	\$154	\$0	\$0	\$0	\$0	\$0	\$0	\$4	\$0
25-May	\$191	\$0	\$0	\$0	\$0	\$0	\$0	\$5	\$0
26-May	\$260	\$0	\$0	\$0	\$0	\$0	\$0	\$7	\$0
27-May	\$340	\$0	\$0	\$0	\$0	\$0	\$0	\$9	\$0
28-May	\$441	\$0	\$0	\$0	\$0	\$0	\$0	\$11	\$0
29-May	\$543	\$0	\$0	\$0	\$0	\$0	\$0	\$14	\$0
30-May	\$672	\$0	\$0	\$0	\$0	\$0	\$0	\$17	\$0
31-May	\$830	\$0	\$0	\$0	\$0	\$0	\$0	\$21	\$0
1-Jun	\$1,047	\$0	\$0	\$0	\$0	\$0	\$0	\$27	\$0
2-Jun	\$1,346	\$0	\$0	\$0	\$0	\$0	\$9,821	\$286	\$0
3-Jun	\$1,674	\$375	\$0	\$4,699	\$2,892	\$0	\$9,239	\$483	\$0
4-Jun	\$1,959	\$1,126	\$199	\$14,098	\$11,569	\$3,730	\$26,036	\$1,503	\$0
5-Jun	\$2,179	\$1,677	\$996	\$21,001	\$14,281	\$8,334	\$47,339	\$2,453	\$0
6-Jun	\$2,299	\$1,865	\$1,603	\$23,351	\$14,461	\$9,266	\$95,419	\$3,796	\$0
7-Jun	\$2,289	\$1,921	\$1,652	\$24,054	\$15,147	\$9,546	\$129,993	\$4,726	\$0
8-Jun	\$2,164	\$1,730	\$1,487	\$21,661	\$11,515	\$8,596	\$117,432	\$4,213	\$0
9-Jun	\$1,351	\$1,121	\$899	\$14,032	\$2,303	\$3,712	\$81,091	\$2,675	\$0
10-Jun	\$501	\$374	\$257	\$4,677	\$0	\$0	\$28,774	\$885	\$0
11-Jun	\$258	\$0	\$0	\$0	\$0	\$0	\$0	\$7	\$0
12-Jun	\$124	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
13-Jun	\$90	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
14-Jun	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
15-Jun	\$28	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$0
16-Jun	\$8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Tax</b>								<b>\$21,161</b>	<b>\$0</b>

Table 5, continued

**State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin**

<b>Car Rental Tax</b>	<b>ESPN Staff in Hotels</b>	<b>Athletes</b>	<b>Judges</b>	<b>Athlete Managers &amp; Guests</b>	<b>Sponsors, Industry &amp; ESPN Guests</b>	<b>Media</b>	<b>OOS Fans in Austin</b>	<b>State Tax</b>	<b>Local Tax</b>
Persons/ grp	1.75	1.75	1.25	2.00	2.00	1.25	2.00		
% Renting <sup>16</sup>	33%	33%	33%	33%	33%	33%	43%		
Cost / day	\$80.40	\$80.40	\$80.40	\$80.40	\$80.40	\$80.40	\$80.40		
19-May	\$617	\$0	\$0	\$0	\$0	\$0	\$0	\$62	\$0
20-May	\$648	\$0	\$0	\$0	\$0	\$0	\$0	\$65	\$0
21-May	\$864	\$0	\$0	\$0	\$0	\$0	\$0	\$86	\$0
22-May	\$1,049	\$0	\$0	\$0	\$0	\$0	\$0	\$105	\$0
23-May	\$1,358	\$0	\$0	\$0	\$0	\$0	\$0	\$136	\$0
24-May	\$1,482	\$0	\$0	\$0	\$0	\$0	\$0	\$148	\$0
25-May	\$2,037	\$0	\$0	\$0	\$0	\$0	\$0	\$204	\$0
26-May	\$2,747	\$0	\$0	\$0	\$0	\$0	\$0	\$275	\$0
27-May	\$3,519	\$0	\$0	\$0	\$0	\$0	\$0	\$352	\$0
28-May	\$4,599	\$0	\$0	\$0	\$0	\$0	\$0	\$460	\$0
29-May	\$5,402	\$0	\$0	\$0	\$0	\$0	\$0	\$540	\$0
30-May	\$6,976	\$0	\$0	\$0	\$0	\$0	\$0	\$698	\$0
31-May	\$8,303	\$0	\$0	\$0	\$0	\$0	\$0	\$830	\$0
1-Jun	\$10,988	\$0	\$0	\$0	\$0	\$0	\$0	\$1,099	\$0
2-Jun	\$13,797	\$0	\$0	\$0	\$0	\$0	\$24,251	\$3,805	\$0
3-Jun	\$17,038	\$1,819	\$0	\$9,965	\$6,272	\$0	\$44,093	\$7,919	\$0
4-Jun	\$19,045	\$3,638	\$1,310	\$19,930	\$25,087	\$12,022	\$80,168	\$16,120	\$0
5-Jun	\$21,082	\$4,492	\$5,240	\$24,603	\$30,970	\$14,840	\$170,299	\$27,152	\$0
6-Jun	\$21,267	\$4,548	\$5,306	\$24,912	\$31,359	\$15,027	\$170,922	\$27,334	\$0
7-Jun	\$20,897	\$4,764	\$5,558	\$26,095	\$32,848	\$11,966	\$137,327	\$23,945	\$0
8-Jun	\$18,952	\$1,811	\$1,690	\$9,918	\$4,994	\$0	\$75,530	\$11,289	\$0
9-Jun	\$5,926	\$0	\$0	\$0	\$0	\$0	\$0	\$593	\$0
10-Jun	\$3,303	\$0	\$0	\$0	\$0	\$0	\$0	\$330	\$0
11-Jun	\$1,451	\$0	\$0	\$0	\$0	\$0	\$0	\$145	\$0
12-Jun	\$833	\$0	\$0	\$0	\$0	\$0	\$0	\$83	\$0
13-Jun	\$833	\$0	\$0	\$0	\$0	\$0	\$0	\$83	\$0
14-Jun	\$432	\$0	\$0	\$0	\$0	\$0	\$0	\$43	\$0
15-Jun	\$93	\$0	\$0	\$0	\$0	\$0	\$0	\$9	\$0
16-Jun	\$62	\$0	\$0	\$0	\$0	\$0	\$0	\$6	\$0
<b>Total Tax</b>								<b>\$123,917</b>	<b>\$0</b>
<b>Other Expenditures:</b>								<b>State Tax</b>	<b>Local Tax</b>
			<b>Total</b>	<b>OOS</b>					
Tickets			\$5,123,700	\$1,038,785					\$64,924
Event Production			\$8,194,000						\$250,563
<b>Total Tax</b>								<b>\$315,487</b>	<b>\$50,478</b>
<b>Total All Taxes</b>								<b>\$1,705,151</b>	<b>\$721,308</b>
Repeat Event Adjustment					<b>\$1,457,394</b>				
Local Match Requirement					<b>\$233,183</b>				
<b>Total Event Trust Fund</b>					<b>\$1,690,577</b>				

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**Appendix A:**  
**Event Award Letter**

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## Endnotes

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<sup>1</sup> <http://www.venuestoday.com/news/detail/x-games-chooses-austin0814>

<sup>2</sup> COTA press release data June 9, 2014.

<sup>3</sup> Internet survey conducted by COTA of ticket purchasers at X Games Austin with 4,012 responses indicating that at peak 19.9 percent of those attending X Games were from outside Texas with just under an additional 2 percent of out-of-state visitors in Austin for X Games that day but not attending the event that day for an effective out-of-state fan percentage of 21 percent of ticketed sales. Ticket sales data and Thursday attendance estimate from COTA. Total ESPN, competitor, judge, coach, media, and industry attendees (in and out of state) provided by Dr. Linda K. Moore, Senior Director, Business Operations & Planning, ESPN Productions Inc., One ESPN Plaza, Bristol, CT 06010 to Don Hoyte, TexasTrustFunds.com on November 5, 2014.

<sup>4</sup> The 56,027 daily total includes the 55,533 people enumerated in Table 1 plus a survey-estimated 494 fans in town for X Games but not attending the event that day.

<sup>5</sup> Email from Dr. Linda K. Moore, Senior Director, Business Operations & Planning, ESPN Productions Inc., One ESPN Plaza, Bristol, CT 06010 to Don Hoyte, TexasTrustFunds.com on November 6, 2014.

<sup>6</sup> The total event presentation spend in Texas of includes expenditures on hotels for staff which is covered in detail in Table 5 so these are not included in Table 3.

<sup>7</sup> Email From Linda Moore, Senior Director, Business Operations & Planning, ESPN Productions Inc., One ESPN Plaza, Bristol, CT 06010 to Don Hoyte, TexasTrustFunds.com October 31, 2014.

<sup>8</sup> Note the figures in Table 4 focus on expenditures for which a state tax gain under the Event Trust Funds is expected. As such those figures include athletes, managers, trainers, sponsors, media, industry guests (and their friends and family that accompany them) plus the out-of state fans attending the event and affiliated visitors. It is not a generalized economic impact since it excludes spending by local fans and other Texans at the event and in Austin while attending the event as well as event presentation expenses not subject to sales tax.

<sup>9</sup> The 2014 nightly hotel expenditure data for ESPN employees was provided by Linda Moore of ESPN. Since ESPN has since renegotiated their hotel contracts for 2015 at significantly higher rates than in 2014, the 2014 nightly hotel cost figure were increased by 10 percent to reflect higher costs. These figures were also applied to the other groups attending X Games as a reasonable surrogate for their room rates. It should be noted that the 2014 fan survey indicated fans paid an average of \$179 per room per night and utilized 1.1 rooms. But since no group size figures were collected from that survey, it is not possible to directly use the survey's room price figure for fans.

<sup>10</sup> Note that at peak attendance, a total of about 7,200 hotel rooms will be required for all participants and out-of-state fans for X Games. The number of hotel rooms in the Austin area totals about 30,000 so this level of demand by X Games attendees, while significant, should not overly tax the availability of hotel rooms. Since facilities in the City of Austin account for about 85 percent of all hotel rooms in the region, during the four peak days of the X

---

Games event it is estimated that the City of Austin should host about 85 percent of participant and out-of-state fan spending. Earlier in the week when room demand is considerable lower, proximity of Austin hotels to COTA will probably result in the City of Austin hosting all of X Games activity. Hotel tax gains to the city as well as sales and alcoholic beverage tax gains are adjusted accordingly.

<sup>11</sup> Fan percentage in hotels from fan survey. Percentage for other categories from ESPN

<sup>12</sup> Daily expenditures by OOS ESPN staff at half that from Fan survey or \$51.46 per person per day.

<sup>13</sup> See note 10. Similar percentages apply for the local tax in this table.

<sup>14</sup> Shopping and Entertainment expenses for OOS ESPN staff at a quarter of the fan survey amount of \$69.76 per person per day.

<sup>15</sup> In general, Table 5 applies statutory tax rates to relevant expenditures in order to derive tax gains under the event trust fund. However since the Alcoholic Beverage Tax is a complex tax levied on the basis of the alcohol content of various beverages by volume, the estimate of that tax in Table 5 is based on a derived value-based percentage linking revenue from the Alcoholic Beverage Tax to mixed beverage tax sales. Specifically, in the January 2013 Biennial Revenue Estimate prepared by the Comptroller of Public Accounts, the estimated tax gain during the next biennium for the Mixed beverage tax is \$1,624 million (see page 17). The estimated gain from the other Alcoholic Beverage taxes is estimated at \$416 million or roughly a quarter of the tax raised by the state under the Mixed Beverage Tax. Accordingly, Table 5 applies the statutory tax rate of 11 percent to the value of mixed beverages as described in law and approximates the alcoholic beverage tax gains as being 2.56 percent of the value of mixed beverages which raises about a quarter of mixed tax raised by the state under the mixed beverage tax for this event. Since there is no local tax component to the alcoholic beverage tax, no estimate for this is included in Table 5.

<sup>16</sup> For fans this is the percentage of cars rented per group adjusting for the fact that some groups rented more than one car. For other groups, this is set equal to the percentage of fans that said they rented cars but assumes each group rents only one car.



### **ATTACHMENT 3**

#### **Requested X Games Austin Economic Impact Study Market Area**

The requested basic economic impact region for the X Games Austin Event scheduled for the weekend of June 4 - 7, 2015 is the five-county Austin Metropolitan area, including Travis, Williamson, Hays, Bastrop, and Caldwell Counties (collectively, the "***Economic Impact Region***"). This designated Economic Impact Region has been used for the Economic Study

## **ATTACHMENT 4**

### **Events & Activities Schedule**

X Games Austin June 4 – 7, 2015 of the Circuit of the Americas – Austin, TX  
Schedule of Events\*

See Attached Tentative Schedule

\* Anticipated additional events will be added to schedule.

## as of December 8, 2014

Day Date	THURSDAY June 4, 2015	FRIDAY June 5, 2015	SATURDAY June 6, 2015	SUNDAY June 7, 2015
	<b>Downtown</b>	<b>Venue A</b>	<b>Venue A</b>	<b>Venue A</b>
	<b>Step Up</b>	<b>PARK/STREET/BIG AIR</b>	<b>PARK/STREET/BIG AIR</b>	<b>PARK/STREET/BIG AIR</b>
	<b>Flat Track</b>	<b>VERT/MOTO X/RALLY/T/BUCKS</b>	<b>DIRT/MOTO X/RALLY/T/BUCKS</b>	<b>MOTO X/RALLY/T/BUCKS</b>
8:00 AM				
8:30 AM				
9:00 AM				
9:30 AM				
10:00 AM				
10:30 AM				
11:00 AM				
11:30 AM				
<b>12:00 PM</b>		<b>BMX Vert FINAL 11:30 - 12:00</b>		<b>SKB/BMX Big Air Doubles FINAL 11:00 - 12:30</b>
12:30 PM				
1:00 PM		<b>SKB Vert Round One &amp; FINAL 12:30 - 2:00</b>		
1:30 PM				
2:00 PM		<b>BMX Park Round One &amp; FINAL 2:00 - 4:00</b>		
2:30 PM			<b>SKB Street Women's Round One &amp; FINAL 2:30 - 3:30</b>	
3:00 PM				
3:30 PM				
4:00 PM			<b>SKB Street Am's Round One &amp; FINAL 4:00 - 5:30</b>	
4:30 PM				
5:00 PM			<b>BMX Dirt Round One &amp; FINAL 4:00 - 5:30</b>	
5:30 PM				
6:00 PM				
6:30 PM				
7:00 PM	<b>Moto X Step Up</b>	<b>Moto X Enduro X Men's &amp; Women's FINAL 6:00 - 7:30</b>		
7:30 PM				
8:00 PM	<b>FINAL 7:15 - 8:30</b>	<b>SKB Big Air Round One 7:30 - 8:30</b>	<b>Moto X Speed &amp; Style Qtr's/Semi's/Bronze/GOLD 7:00 - 8:30</b>	
8:30 PM				
9:00 PM		<b>SKB Big Air FINAL 9:00 - 10:00</b>	<b>BMX Big Air FINAL 8:30 - 10:00</b>	
9:30 PM				
10:00 PM				
10:30 PM				

\*All times listed are local Austin Texas Time, CENTRAL Time Zone

**Please reference By Day tabs for all practice times**

**ATTACHMENT 5**

**Affidavits Under Rule §2.212(a)(5)**



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

## AFFIDAVIT

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

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

I understand that the city, county or local organizing committee is receiving funding under the Act for the purposes of facilitating this event: X Games Austin 2015 on these dates: June 4 - 7, 2015 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.

Marc A. Ott  
Affiant Signature  
City Manager, City of Austin  
Title and Name of Organization

Sworn and subscribed before me by the said

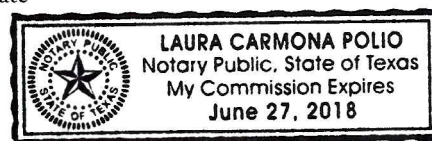
Marc Ott  
(Printed Name of Recipient's Authorized Representative)

this 27th day of January, 20 15.

Notary Public, State of Texas

Notary's printed name: Laura Carmona Polio My commission expires: June 27, 2018 (Seal)

Marc Ott  
Printed Name  
1.25.15  
Date



Laura Carmona Polio  
Notary Public Signature





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

## AFFIDAVIT

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

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

I understand that the city, county or local organizing committee is receiving funding under the Act for the purposes of facilitating this event:

X Games Austin 2015 on these dates: June 4 - 7, 2015 and

that the information will be provided by the city, county or local organizing committee as a government document

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

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

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

[Signature]  
Affiant Signature

TexasTrustFunds.com

Title and Name of Organization

Don Hoyte

Printed Name

1/9/2015  
Date

Sworn and subscribed before me by the said

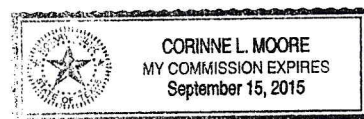
Don Hoyte

(Printed Name of Recipient's Authorized Representative)

this 9<sup>th</sup> day of January, 20 15

Notary Public, State of Texas

Notary's printed name: Corinne Moore My commission expires: Sept 15, 2015 (Seal)



[Signature]  
Notary Public Signature



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

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

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

I understand that the city, county or local organizing committee is receiving funding under the Act for the purposes of facilitating this event: X Games Austin 2015 on these dates: June 4 - 7, 2015 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.

  
Affiant Signature

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

Wayne S. Hollingsworth

Printed Name

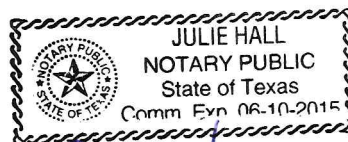
1-9-15  
Date

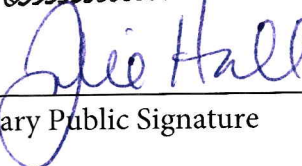
Sworn and subscribed before me by the said

Wayne S. Hollingsworth  
(Printed Name of Recipient's Authorized Representative)

this 9th day of JANUARY, 20 15

Notary Public, State of Texas



  
Notary Public Signature

Notary's printed name: Julie Hall My commission expires: 6-10-15 (Seal)



**ATTACHMENT 6**

**Comptroller Request Worksheet to Establish an Event Trust Fund**



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

#### **STEP 1:**

Review the ETF Administrative Code.

#### **STEP 2:**

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

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

#### **STEP 3:**

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

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

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

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

#### **STEP 4:**

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

#### **STEP 5:**

Submit reimbursement requests.

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



## Request Worksheet to Establish an Events Trust Fund

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

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

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

### SECTION 1: Endorsing Municipality or County

City of Austin

Endorsing City or County

Leela Fireside (Legal Department) and Rodney Gonzales (Economic Development Department)

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

Leela.Fireside@austintexas.gov and

Contact email

Rodney.Gonzales@austintexas.gov

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

Contact phone (area code and phone number)

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

☒ Yes ☐ No

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

☒ Yes ☐ No

### SECTION 2: Local Organizing Committee

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

☒ Yes ☐ No

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

Circuit Events Local Organizing Committee

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

Is the LOC a registered non-profit corporation?

☒ Yes ☐ No

45-2727397

LOC Tax Payer ID#

Circuit Events Local Organizing Committee

Complete Business Name

## SECTION 2: Local Organizing Committee *(continued)*

Wayne S. Hollingsworth

LOC Contact Name

WHollingsworth@abaustin.com

Contact email

(512) 435-2306

Contact phone (area code and phone number)

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

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

## SECTION 3: Site Selection Organization

ESPN, Inc.

Site Selection Organization

Scott Guglielmino, Senior Vice President, Programming and X Games

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

Scott.Guglielmino@espn.com

Contact email

Contact phone (area code and phone number)

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

## SECTION 4: Event Information

ESPN X Games AUSTIN

Official Event Name

Circuit of The Americas

Venue

xgamesaustin.com

Event Website

Location of this event the previous five years:

**1** See Schedule A Attached

**2**

**3**

**4**

**5**

Source of information:



## SECTION 4: Event Information *(continued)*

June 4, 2015	June 7, 2015	June 5, 6, 7, 2015
First Day of Activities	Last Day of Activities	Date of the PRIMARY Event
55,533	16,917	
Anticipated TOTAL attendance at the PRIMARY event	Anticipated Out of State Attendance at the PRIMARY Event	

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

Circuit of the Americas ("COTA") tracks and tabulates attendance figures during each day of the event, including for the primary event day. COTA also conducts various surveys of attendees both during and after the event with the intent to determine an accurate calculation of out-of-state attendees for each day of the event.

## SECTION 5: Checklist

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

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

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

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

Signature

Director

Title

## SCHEDULE A

### Venues

Year	Summer	Winter	Asia	Europe			South America	México
1995	 Newport, Rhode Island	 Stowe, Vermont						
1996	 Newport, Rhode Island	 Stowe						
1997	 San Diego	 Big Bear Lake, California						
1998	 San Diego	 Crested Butte, Colorado	 Phuket					
1999	 San Francisco	 Crested Butte	 Phuket					
2000	 San Francisco	 Mount Snow, Vermont	 Phuket					
2001	 Philadelphia	 Mount Snow	 Phuket					
2002	 Philadelphia	 Aspen	 Kuala Lumpur					
2003	 Los Angeles	 Aspen	 Kuala Lumpur					
2004	 Los Angeles	 Aspen	 Kuala Lumpur					
2005	 Los Angeles	 Aspen	 Seoul					
2006	 Los Angeles	 Aspen	 Kuala Lumpur					
2007	 Los Angeles	 Aspen	 Shanghai					 México City
2008	 Los Angeles	 Aspen	 Shanghai					 México City
2009	 Los Angeles	 Aspen	 Shanghai					
2010	 Los Angeles	 Aspen	 Shanghai	 Tignes				
2011	 Los Angeles	 Aspen	 Shanghai	 Tignes				
2012	 Los Angeles	 Aspen	 Shanghai	 Tignes				
2013	 Los Angeles	 Aspen	 Shanghai	 Tignes	 Barcelona	 Munich	 Foz do Iguaçu	
2014	 Austin, Texas	 Aspen	 Shanghai					

**ATTACHMENT 7**

**City of Austin Letter to Comptroller re Participation**





# City of Austin

## City Manager's Office

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

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

January 27, 2015

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

Comptroller Combs:

The City of Austin requests participation in the Event Trust Fund (ETF) program pursuant to **TEX. REV. CIV. STAT. ART. 5190.14 Section 5C** (Act) as authorized by Austin City Council action contained in resolution dated May 23, 2013 in support of X Games Austin for 2014 – 2016, inclusive. This action satisfies the requirements of **34 TAC Section 2.202(a)(1)** and documents that Austin is the endorsing municipality in accordance with the Act.

Enclosed is correspondence from ESPN confirming the selection of Austin, Texas as the location for this event during June 4 - 7, 2015. The correspondence from ESPN satisfies the requirements found at **34 TAC Section 2.202(a)(2)**.


The correspondence from ESPN states that the selection of Austin as the location for the X Games Austin for 2015 was completed after substantial competition in their process of reviewing a number of venues interested in hosting their series. Further, ESPN does not anticipate holding any other similar X Games Event in Texas or its contiguous states during any year that the ESPN is held at the Circuit of the Americas in Austin. We believe that this supports a finding that Austin was selected as the site for this event consistent with the requirements of **34 TAC Section 2.201**.

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 ETF under the Act, to submit the ETF economic impact analysis, to fund the City's local contribution to the ETF, and to receive reimbursement of trust funds for eligible expenses from the ETF for the race that is occurring June 4 - 7, 2015.

Sincerely,

CITY OF AUSTIN, TEXAS

By:

  
Marc A. Ott, City Manager



ESPN, Inc.

ESPN Plaza, Bristol, CT 06010-7454

January 8, 2015

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

*via email: marc.ott@austintexas.gov*

Dear Mr. Ott:

We have received and appreciate the confirmation of application, dated January 7, 2015, from Circuit Events Local Organizing Committee ("CELOC"), as designee and on behalf of the City of Austin, to host the X Games in Austin for 2015 through 2017 at the raceway facilities in Austin, Texas, USA, known as Circuit of the Americas.

As we emphasized in our previous letter to you, there was substantial competition in our process of reviewing a number of venues interested in hosting our series. Our prior selection of Austin, Texas as the site for the 2014 through 2017 X Games Austin Events is hereby made and confirmed. Congratulations!

The ESPN X Games is a unique event that appeals to a young, enthusiastic demographic, featuring multiple competitive action sports events. The 2015 X Games will be conducted in Austin, Texas along with our winter version in Aspen, Colorado. ESPN will televise X Games Austin worldwide, with over twenty (20) hours of dedicated programming distributed to more than 450 million homes in over 175 countries around the world. X Games Austin will be the only site in North America for our summer event, so we anticipate strong interest and a significant economic benefit to the community and region.

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

Yours sincerely,

Scott Guglielmino  
Senior Vice President, Programming & X Games

**ATTACHMENT 8**

**Affidavits Endorsing a Major Events Trust Fund**





# Affidavit to be COMPLETED by any/all Municipality, County, and/or LOC endorsing a Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund

## AFFIDAVIT

[Affidavit to be signed and sworn (notarized) by each Endorsing Municipality, Endorsing County, and Local Organizing Committee (if applicable)]

I, Marc Ott, an authorized representative of: City of Austin,  
a [local organizing committee (nonprofit corporation), endorsing municipality or endorsing county] (circle one) ("Requestor") that is receiving funding through the Major Events Trust Fund, Events Trust Fund, or Motor Sports 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 Texas Comptroller's 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 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 Comptroller's office to make the determination of the incremental increase in tax revenue associated with hosting the event in Texas, including a listing of any data for any related activities;
- (4) a Request Worksheet to Establish an Events Trust Fund form and any attachments; and
- (5) an Event Support Contract (if available – else due no later than date of event's first activities).

I understand that I am receiving funding under the Act for the purposes of facilitating this event: X Games Austin 2015

on these dates: June 4 - 7, 2015

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.

Marc Ott  
Affiant Signature

City Manager, City of Austin  
Title and Name of Organization

Sworn and subscribed before me by the said

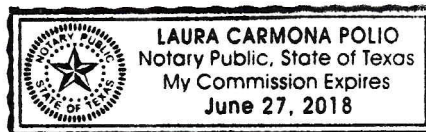
Marc Ott  
(Printed Name of Recipient's Authorized Representative)

this 27<sup>th</sup> day of January, 20 15

Notary Public, State of Texas

Notary's printed name: Laura Carmona Polio My commission expires: June 27, 2018 (Seal)

Marc Ott  
Printed Name  
1/27/2015  
Date



Laura Carmona Polio  
Notary Public Signature





# Affidavit to be COMPLETED by any/all Municipality, County, and/or LOC endorsing a Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund

## AFFIDAVIT

[Affidavit to be signed and sworn (notarized) by each Endorsing Municipality, Endorsing County, and Local Organizing Committee (if applicable)]

I, Wayne S. Hollingsworth, 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 Major Events Trust Fund, Events Trust Fund, or Motor Sports 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 Texas Comptroller's 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 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 Comptroller's office to make the determination of the incremental increase in tax revenue associated with hosting the event in Texas, including a listing of any data for any related activities;
- (4) a Request Worksheet to Establish an Events Trust Fund form and any attachments; and
- (5) an Event Support Contract (if available – else due no later than date of event's first activities).

I understand that I am receiving funding under the Act for the purposes of facilitating this event: X Games Austin 2015

on these dates: June 4 - 7, 2015

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.

Wayne S. Hollingsworth  
Affiant Signature

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

Sworn and subscribed before me by the said

Wayne S. Hollingsworth  
(Printed Name of Recipient's Authorized Representative)

this 9th day of JUNE, 20 15

Notary Public, State of Texas

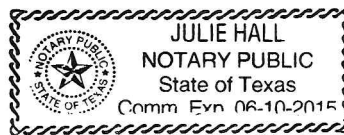
Notary's printed name: Julie Hall My commission expires: 6-10-15 (Seal)

Wayne S. Hollingsworth

Printed Name

1-9-15

Date



Julie Hall  
Notary Public Signature



**GLENN HEGAR** TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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

February 27, 2015

Marc Ott  
City Manager  
City of Austin  
P.O. Box 1088  
Austin, TX 78711-3528

Dear Mr. Ott:

You submitted a request to establish an Events Trust Fund, certifying that the statutory requirements have been met and that the economic materials supplied are accurate. Our office has completed an analysis of your request.

The results show the State of Texas will realize an incremental increase in tax revenue due to this event. As per statute, an Events Trust Fund will be established. This letter does not constitute an approval for reimbursement. Any reimbursement is subject to meeting statutory requirements, including the timely submittal of an appropriate event support contract and other documentation as required.

- **Event: ESPN X-Games - Austin (2015)**
- Location / Venue: City of Austin / Circuit of the Americas
- Dates: June 4 – 7, 2015
- Estimated incremental increase in tax revenue to the State of Texas is \$1,086,597 or 6.25 times the amount of local revenue retained or remitted to the Comptroller as local match from eligible endorsing municipalities.
- Local match required: \$173,856
- **Total contribution to the Event Trust Fund established for this event: \$1,260,453**

Following the event, you will need to complete and submit the attendance certification form, which has been attached to this letter for your convenience.

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 Korry Castillo, manager of the Economic Development and Analysis Division, at [korry.castillo@cpa.texas.gov](mailto:korry.castillo@cpa.texas.gov) or 1-800-531-5441, ext. 3-3806.

Sincerely,

Mike Reissig  
Deputy Comptroller

cc: Robert Wood, Korry Castillo



**Form to be COMPLETED by request letter signatory for the below mentioned Major  
Events Trust Fund or Events Trust Fund**

**ATTENDANCE CERTIFICATION**

A request was processed to establish an Event Trust Fund for the event:	<b>ESPN X-Games - Austin (2015)</b>
You submitted a Request letter for an event:	January 28, 2015
The Texas Comptroller of Public Accounts (CPA) mailed a fund approval letter to you on:	February 27, 2015
This affidavit is to be returned to the CPA no later than forth-five (45) days after the end of this event:	July 23, 2015
The attendance metric* identified by the CPA to evaluate the estimated number of event attendees as part of the calculations for the incremental tax impact: <small>* If requestor has questions or concerns about how this metric was developed, please contact the CPA within 10-days of fund approval letter</small>	23,084 Out of State Ticketed fans (as defined in request and supplied economic study) at COTA on June 5, 6, 7 combined

The TOTAL attendance at the PRIMARY EVENT was: \_\_\_\_\_

The estimated attendees NOT residents of this state for this PRIMARY EVENT was: \_\_\_\_\_

Source(s) and Methodology feel free to attach support information:

\_\_\_\_\_  
\_\_\_\_\_

- 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.

Requestor: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Send to:  
Texas Comptroller of Public Accounts, Economic Development and Analysis Department, P.O. Box 13528, Austin, TX 78711-3528

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

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

April \_\_\_\_, 2015

Deputy Comptroller  
Comptroller of Public Accounts  
111 E. 17<sup>th</sup> Street  
Austin, Texas 78774

*Via Hand Delivery*

**RE: Application for Participation in the Texas Major Events Trust Fund (2015 X Games Austin)**

Dear Deputy Comptroller:

Circuit Events Local Organizing Committee is organized as a Texas non-profit corporation (the “**Committee**”) with the purpose to help facilitate and support an event, commonly known as “**2015 X Games Austin**” (the “**Event**”) that is scheduled to be held in Austin, Texas on June 4 - 7, 2015. Further, as an integral part of this support, the Committee and the City of Austin, as approved by City Council resolution of May 23, 2013, and amended \_\_\_\_\_, 2015, entered into an “**Agreement**”, dated \_\_\_\_\_, 2015, whereby the City of Austin agreed to be the “endorsing municipality” for the Event, and in the capacity of endorsing municipality (i) authorized the Committee to act as the “local organizing committee” for purposes of securing and promoting the Event for the Austin area, as well as the application for and qualification of the Event as an “**Event**” under TEX. REV. CIV. STAT. ART. 5190.14 (the “**Act**”) Section 5.A. thereof, the Texas Major Events Trust Fund (the “**Trust Fund**”) and (ii) authorized and appointed the Committee as the City of Austin’s sole and exclusive designee, for and on behalf of the City of Austin to submit, pursuant to TAC Title 34, Part 1 Chapter 2 Subchapter A, Rule 2.102, a request to the Texas Comptroller of Public Accounts for participation in the Trust Fund program and a request to the Texas Comptroller to determine the incremental increase in the receipts of various taxes (e.g. sales and use taxes, mixed beverage taxes, hotel occupancy taxes), by the City of Austin, as the endorsing municipality, for a one (1) year period that begins two (2) months before the date of the first Event (scheduled for June 4 - 7, 2015), in accordance with the Comptroller’s procedures and in accordance with the Act, and the rules promulgated thereunder (the “**Rules**”).

It is my honor and great pleasure to submit this application from the Committee, as the City of Austin’s duly appointed and authorized designee for and on behalf of and binding upon the City of Austin, as the formal request, pursuant to Rule 2.102, for participation in the Trust Fund program and a request to the Texas Comptroller to determine the incremental increase in the applicable taxes for the City of Austin for the June 4 - 7, 2015 Event.

Further, as required by Rule 2.102(a)-(d), enclosed with this letter are: (i) Attachment 1, a letter from the City of Austin requesting participation in the METF for the Event, (ii) Attachment 2, two (2) letters, both dated March \_\_\_\_, 2015, from ESPN, as the site selection committee for the Events to the Committee and the City of Austin, selecting the site in Austin, Texas for the 2015 – 2017 Events; (iii) Attachment 3, the economic impact study and other data with detailed information on the direct expenditures and direct impact data for the endorsing municipality hosting the event and for the requested market area (the

April \_\_\_\_, 2015

Page 2

"*Economic Study*"; (iv) Attachment 4, a description of the requested market area, and information to support the requested market area, which is included in the Economic Study; (v) Attachment 5, a list of all related events activities proposed to be included in the trust fund estimate, with data for each such activity including projected attendance figures, ticket sales and relevant production and expenditure information related to the activity, included in the Economic Study; (vi) Attachment 6, affidavits from Don Hoyte, Ph.D., the City of Austin and the Committee, similar to those required under Rule §2.202(a)(5), as to the accuracy of the Economic Study; (vii) Attachment 7, a completed and signed Comptroller Request Worksheet to Establish an Event Trust Fund for the Event similar to that required under Rule §2.202(a)(4); and (viii) Attachment 8, affidavits from the Committee and the City of Austin endorsing a Major Events Trust Fund similar to that required under Rule §2.202(a)(5).

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

Thank for your time and consideration of this request.

Respectfully,

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

Ms. Leela Fireside, Assistant City Attorney, City of Austin  
Mr. Sam Bryant, Director  
Mr. Ford Smith, Director  
Mr. Rodney Gonzales, Director  
Mr. Jason Dial, President and CEO of COTA  
Mr. Colin Cohen, CFO of COTA

**ATTACHMENT 1**

**City of Austin Letter to Comptroller re Participation**

**SAMPLE**

\_\_\_\_\_, 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 May 23, 2013 in support of X Games Austin for 2014 – 2016, inclusive, if and to the extent the METF is or becomes applicable to the subject event. This action is intended to satisfy the requirements of **34 TAC Section 2.102(a)(1)** and documents that Austin is the endorsing municipality in accordance with the Act, as applicable.

Enclosed is correspondence from ESPN confirming the selection of Austin, Texas as the location for this event during June 4 - 7, 2015. The correspondence from ESPN satisfies the requirements found at **34 TAC Section 2.102(a)(2)**.

The correspondence from ESPN states that the selection of Austin as the location for the X Games Austin for 2015 was completed after substantial competition in their process of reviewing a number of venues interested in hosting their series. Further, ESPN does not anticipate holding any other similar X Games Event in Texas or its contiguous states during any year that the ESPN 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 June 4 - 7, 2015, as applicable.

Sincerely,

CITY OF AUSTIN, TEXAS

By:

\_\_\_\_\_  
Marc A. Ott, City Manager



**ATTACHMENT 2**

**Site Selection Committee Designation Letter**

**[ESPN LETTERHEAD]**

March \_\_\_, 2015

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

*via email: marc.ott@austintexas.gov*

Dear Mr. Ott:

We have received and appreciate the confirmation of application, dated March 18, 2015, from Circuit Events Local Organizing Committee (“CELOC”), as designee and on behalf of the City of Austin, to host the X Games in Austin for 2015 through 2017 at the raceway facilities in Austin, Texas, USA, known as Circuit of the Americas. We understand CELOC’s application is submitted in confirmation of and supplemental to CELOC’s application to us dated June 11, 2013, and in anticipation of the X Games Austin qualifying for the Texas Major Event Trust Fund Act (the “Act”) based on legislation pending in the Texas Legislature.

As we emphasized in our previous letter to you, there was substantial competition in our process of reviewing a number of venues interested in hosting our series. Our prior selection of Austin, Texas as the site for the 2014 through 2017 X Games Austin Events is hereby made and confirmed. Congratulations!

The ESPN X Games is a unique event that appeals to a young, enthusiastic demographic, featuring multiple competitive action sports events. The 2015 X Games will be conducted in Austin, Texas along with our winter event in Aspen, Colorado. ESPN will televise X Games Austin worldwide, with over twenty (20) hours of dedicated programming distributed to more than 450 million homes in over 175 countries around the world. X Games Austin will be the only site in North America for our summer event, so we anticipate strong interest and a significant economic benefit to the community and region.

We look forward to receiving and working with CELOC to finalize an Amended and Restated Event Support Contract for application under the Act related to the local and State support available for the events if, as and when the pending legislation qualifying X Games Austin for participation under the Act is passed and effective.

Yours sincerely,

[ESPN LETTERHEAD]

March \_\_, 2015

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

via email: [whollingsworth@abaustin.com](mailto:whollingsworth@abaustin.com)

Dear Mr. Hollingsworth:

We appreciate the confirmation of the application by Circuit Events Local Organizing Committee ("CELOC"), dated March 18, 2015, submitted as designee on behalf of the City of Austin, to host an event of the X Games in Austin for 2015 through 2017 at the raceway facilities in Austin, Texas, USA, known as Circuit of the Americas. We understand that your application is submitted in confirmation of and supplemental to your application to us dated June 11, 2013, and in anticipation of the X Games Austin qualifying for the Texas Major Event Trust Fund Act (the "Act") based on legislation pending in the Texas Legislature.

As we emphasized in our previous letter 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 events. Please consider this letter as confirmation of our selection of Austin, Texas, and the Circuit of the Americas to host the X Games Austin event each year of the upcoming series from 2014 through 2017. Congratulations!

As noted in your June 11, 2013 letter, we do not anticipate sanctioning or holding any other similar X Games Event in Texas or its contiguous states during 2015 or any other year that the X Games Austin at the Circuit of the Americas is held in Austin.

The ESPN X Games is a unique event that appeals to a young, enthusiastic demographic, featuring multiple competitive action sports events. The 2015 X Games will be conducted in Austin, Texas along with our winter event in Aspen, Colorado. ESPN will televise X Games Austin worldwide, with over twenty (20) hours of dedicated programming distributed to more than 450 million homes in over 175 countries around the world. X Games Austin will be the only site in North America for our summer event, so we anticipate strong interest and a significant economic benefit to the community and region.

We look forward to receiving and working with you to finalize an Amended and Restated Event Support Contract for application under the Act related to the local and State support available through CELOC and the Circuit of the Americas if, as and when the pending legislation qualifying X Games Austin for participation under the Act is passed and effective.

Yours sincerely,

**ATTACHMENT 3**

**Economic Study**

---

**Major Events Trust Fund Economic Impact Study  
of the**

**2015 X Games**

Austin, Texas

Submitted for consideration under the Events Trust Fund by:

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

On behalf of

**Circuit Events Local Organizing Committee**

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

`March 19,2015



## Event Background

The **X Games** is a sports event, controlled and arranged by the U.S. sports broadcaster ESPN (with coverage also shown on its sister network ABC), which focuses on action sports. The inaugural X Games were held in summer 1995 in Rhode Island. Participants compete to win bronze, silver and gold medals, and prize money. Current competition takes place over four days with events in Moto X, Mountain Bike, Rally Car, Skateboarding and BMX.

Both the summer and winter X Games competitions feature new tricks such as Tony Hawk's 900 in skateboarding, Travis Pastrana's double backflip in freestyle motocross, Heath Frisby's first ever snowmobile front flip in Snowmobile Best Trick, and Torstein Horgmo's first landed triple flip in a snowboard competition. Concurrent with competition is the "X Fest" sports and music festival, which offers live music, athlete autograph sessions and interactive elements.

The first two summer X Games were held in Rhode Island in 1995 and 1996, averaging nearly 200,000 attendees. The 1997 and 1998 games moved to San Diego, California and were attended by more than 200,000 fans, competitors and others. The 1999 and 2000 games were held in San Francisco and were the first full professional sporting event broadcast live on the internet. The 2001 and 2002 versions moved to Philadelphia and included Taig Khris winning the inline vert event, with the first double backflip in X Games history and Mike Metzger landing the first back flip in motocross freestyle X Games history.

X Games Nine moved to the Staples Center and LA Coliseum in Los Angeles in 2003. The venues were expanded in 2004 to include the Staples Center, Home Depot Center, and Long Beach Marine Stadium. The games have been held in Los Angeles through 2013 with several venue shifts and included numerous firsts:

- 2005: Jamie Bestwick landed the first ever double tailwhip flair in the BMX Vert Best Trick event. Travis Pastrana won gold in motocross freestyle again and became the most decorated athlete in motocross
- 2006: Travis Pastrana landed the world's first double backflip on a dirt bike, and won motocross best trick with a score of 98.60, the highest current score in best trick. Skateboarder Nyjah Huston became the youngest athlete to compete in X Games at 11 years old.

- 2007: Ricky Carmichael won the first ever motocross racing circuit. Simon Tabron landed an X Games' first, doing back-to-back 900s in BMX vert.
- 2008: Skateboarder Andy Macdonald won his 15th X Games medal, surpassing Tony Hawk as the all-time leader in skateboarding medals. Tarah Gieger of Puerto Rico won the gold medal in the first-ever women's supercross race.
- 2009: Anthony Napolitan landed the first ever double front flip on a bicycle. Blake Williams became the first non-American rider to win FMX gold. Ashley Fiolek, 18, won the women's motocross super X, becoming the Games' first deaf medalist.
- 2010: Jamie Bestwick became the first person to 4-peat with a win in BMX vert. Pierre-Luc Gagnon became the first athlete to win in skateboard vert three times, beating the silver medalist, Shaun White.
- 2011: Shaun White earned his second gold medal in skateboard vert, breaking Pierre Luc Gagnon's 3-year winning streak. Liam Doran took gold on his debut in the rally car racing event after beating Marcus Gronholm in the final.
- 2012: Bob Burnquist won his fourth Big Air gold medal, and raising his gold medal total to nine. Ronnie Renner won the gold medal in Moto X Step Up, breaking the previous record height of 37' by 10' making it the highest ever at the X Games with 47'.

In 2013 X Games expanded internationally holding events in Foz do Iguacu, Brazil, Barcelona, Spain and Munich, Germany. The 2013 event in Los Angeles saw Vicki Golden win her 3rd consecutive gold medal in women's moto x racing, defeating Meghan Rutledge. Golden also became the 1st women to compete in a freestyle moto x competition, earning bronze in best whip.

After more than a decade being hosted in Los Angeles, it was announced in August 2013 that Austin's Circuit of the Americas complex would be the venue for all future X Games excitement at least until 2017.<sup>1</sup>

X Games' organizers at ESPN announced that Texas' state capital had been selected to replace Los Angeles as its new North American home. Austin was picked for the X Games in an Olympic-style selection process. Of 13 qualified bids, the decision came down to Austin, Chicago, Detroit and Charlotte, N.C.

On June 5, 2014, downtown Austin hosted the first day of X Games competition with the State Capital as the backdrop. Austin's new sports and entertainment venue---Circuit of the Americas (COTA)--- then hosted the final three days of the X Games' competitions as well as concerts and festival villages that supplemented the sports event.

## 2014 Summer X Games Attendance

Moving a major sporting event such as X Games to a new venue half-way across the country from its previous site always results in major attendance changes. The experience at the 2014 X Games is no exception.

According to officials with ESPN and Circuit of the Americas, the inaugural X Games Austin event drew more than 160,000 over the four days from June 5 to 8. That made X Games Austin the highest non-Formula 1 attended sports and entertainment event at COTA since the venue's grand opening in 2012.<sup>2</sup>

This total four-day attendance figure is composed of a number of distinct groups present at the event based on ESPN and COTA estimates<sup>3</sup>:

Table 1  
Attendance Breakdown at 2014 X Games Austin

	<u>ESPN Staff</u>	<u>Athletes</u>	<u>Judges</u>	<u>Athlete Managers &amp; Guests</u>	<u>Sponsors &amp; Industry/ ESPN Guests</u>	<u>Media</u>	<u>Ticketed Fans</u>
5-Jun-14	1,795	269	62	1,682	2,117	634	19,000*
6-Jun-14	1,987	297	248	1,862	2,343	702	31,138
7-Jun-14	2,004	300	250	1,878	2,364	708	48,029
8-Jun-14	1,969	295	246	1,845	2,323	696	34,693

TOTAL FOUR DAY ATTENDANCE 161,734

\*Estimated since June 5 was a non-ticketed event day

Based on estimates from ESPN and from a fan survey with more than 4,000 responses, it is estimated that a total of 16,141 persons from outside Texas were in Austin for the X Games on June 7, 2014. This means that 29 percent of 56,027 people in Austin for the X Games that day were from outside Texas.<sup>4</sup>

For 2015, the event will be held from June 4 to 7. Assuming no attendance change from 2014 and including the attendance during the preparation for the event and post-event tear down, the likely attendance at the 2015 X Games Austin should closely approximate the pattern in Table 2.

Table 2

### Estimated Attendance at 2015 X Games Austin

ESPN Staff	Athletes	Judges	Athlete Managers & Guests	Sponsors & Industry/ESPN Guests	Media	Ticketed Fans	OOS Fans @ Events	OOS Fans in Austin not @ Events	OOS Fans in Austin
58	19-May								
61	20-May								
81	21-May								
99	22-May								
128	23-May								
140	24-May								
192	25-May								
259	26-May								
332	27-May								
433	28-May								
509	29-May								
657	30-May								
782	31-May								
1,035	1-Jun								
1,300	2-Jun								
1,606	3-Jun	134	841	529	634				1,403
1,795	4-Jun	269	1,682	2,117					2,551
1,987	5-Jun	297	1,862	2,343	702	19,000	3,313	214	4,638
2,004	6-Jun	300	1,878	2,364	708	31,138	7,579	276	9,287
1,969	7-Jun	295	1,845	2,323	696	48,029	9,394	34	9,888
1,786	8-Jun	267	1,674	2,107	631	34,693	6,111	250	7,662
558	9-Jun	134	837	1,053			1,551		4,214
311	10-Jun								
137	11-Jun								
79	12-Jun								
41	13-Jun								
9	14-Jun								
6	15-Jun								
6	16-Jun								

In particular, Table 2 estimates that 19.9 percent of all ticketed fans at the peak attendance came from outside Texas. This figure is derived from an internet fan survey of slightly more than 4,000 event attendees which indicated that 85 percent of the survey respondents were from Texas with 15 percent being from outside Texas. But, twelve percent of all respondents indicated that while they themselves were from Texas, they attended X Games Austin accompanied by one or more fans from outside of Texas. Including those fans from outside of Texas who accompanied a fan from Texas to the event indicates that just short of twenty percent of all fans in attendance at the event were from outside Texas. Finally, Table 2 adjusts the at-event attendance by out-of-state visitors to reflect the tendency for out-of-state fans to attend other attractions in Austin some days of their stay rather than attending all days of the X Games based on the survey responses as to how often out-of-state fans attended X Games events each day.

The last column of Table 2 estimates the pattern of stay by out-of-state fans at X Games in the Austin area. This pattern of stay is estimated to be consistent both with overall ticket sales and the fan survey responses indicating that out-of-state fans stayed, on average, 3.11 nights in Austin for the event.<sup>5</sup>

## Event Presentation Costs and Ticket Sales

From 2010 to 2013, X Games event presentation costs averaged \$16.9 million in California. But for Austin, it was expected that these costs would amount to about \$19 million with about \$11 million spent directly in Texas.<sup>6</sup> Table 3 presents some detail about these expenditures not detailed on other places in this report in Texas including the amount subject to state sales tax.<sup>7</sup>

Table 3  
Event Presentation Expenses for X Games Austin

<u>Expenditure</u>	<u>Amount</u>	<u>Sales Tax</u>
Festival Entertainment & Competitions	\$1,100,000	\$938
Venue and Production Equipment Rental	\$2,200,000	\$93,750
Marketing, Promotions, Advertising	\$1,750,000	
Course & Venue Construction	\$1,519,000	\$94,938
Venue and Production Services	\$475,000	
Local Staffing	\$1,275,000	
Catering - Hospitality	\$875,000	\$54,688
Venue and Production Misc.	\$100,000	\$6,250
<b>Total Event Production Spend in Texas</b>	<b>\$9,294,000</b>	<b>\$250,563</b>



Ticket revenues for 2014 averaged \$45 a day per ticket.<sup>8</sup> Based on the sales from 2014, total ticket revenue from out-of-state fans reached approximately \$1.04 million generating nearly \$65,000 in state sales taxes from tickets sold to out-of-state fans.

## Direct Economic Gains from 2015 X Games

As just discussed, the economic gains from events such as the 2014 X Games Austin are significant for the state and for the local economy. Under a conservative assumption that the activity at the 2015 X Games Austin will only meet the level of fan and other visitor activity seen in 2014, the 2015 Austin X Games are expected to fill an estimated 35,000 hotel room nights and generate an estimated total direct spending by ESPN personnel, athletes, managers, sponsors, guests, media and fans of nearly \$35.7 million.<sup>9</sup> This gain is composed of \$7.2 million in lodging expenditures, \$6.9 million in food and beverage expenditures and more than \$4.5 million in entertainment and shopping expenditures (including shopping at the X Games Austin venue).

Table 4  
**Expenditure and Impact Summary for the  
Projected Attendance at 2015 X Games Austin**  
June 5 - 8, 2015

Total Room nights	35,073
Hotel Expenditure	\$7,253,598
Food and Beverage	\$6,851,148
Food & Beverage - Tips	\$1,233,207
Entertainment & Shopping	\$3,493,824
Shopping at Venue	\$924,510
Mixed Drink Expenditures	\$795,080
Beer & Wine Expenditures	\$1,582,206
Car Rental Expenditures	\$1,292,812
Travel Costs to Event (air)	\$2,288,391
Travel Costs to Event (car)	\$714,584
Total Event Production Spend in Texas	\$9,294,000
<b>Total Direct Economic Impact</b>	<b>\$35,723,361</b>

In addition to the direct spending on event production of \$9.3 million, food and beverage expenditures should generate an additional \$1.2 million in tips from out-of-state visitors in Texas

for the X Games Austin. Beer and wine expenditures, based on the survey responses from fans, should total nearly twice the expenditures on mixed drinks. Finally, travel expenditures to and from X Games Austin for those from outside the state are significant. Based on the results of the fan survey, it is estimated that total airfare expenditures to and from the games reached \$4.6 million (with half of that allocated to Texas), while total in-state car travel expenses spent by out-of-state event attendees probably exceed \$700,000.<sup>10</sup>

In calculating these gains a number of event-specific data points are used. These include the hotel room costs based on what ESPN paid each day for their employees at the games.<sup>11</sup> In addition, hotel expenditures are based on results from the 2014 fan survey from the X Games event which indicated 79 percent of out-of-state fans for the event stayed in hotels.

Also used in establishing expenditure patterns for X Games were the spending patterns derived from the fan survey indicating that each out of state fan spent \$102.93 on food and non-alcoholic beverages each day, \$13.17 on mixed drinks each day, \$15.38 on merchandise at the event each day, \$26.37 on merchandise in Austin outside of the event each day, and \$28.01 on other entertainment each day. Average expenditure on roundtrip airfare was \$919.00 per person while automobile travel costs were \$155 per person of which half are allocated to Texas.

## **Direct Trust Fund Tax Gain**

The Texas legislature established the Major Events Trust Fund (METF) to assist in attracting to Texas or retaining in Texas sporting and other events that could well be moved outside the state. The provisions of this law allow the Comptroller to deposit into a trust fund established for a qualifying event the amount of state hotel, sales and use, motor vehicle rental and alcohol taxes that can be attributed to the incremental gain in economic activity to the state from hosting the event. To qualify for reimbursement from the trust fund, the local sponsoring municipality or county must contribute matching tax revenues received from hosting the event at the rate of \$1 local tax dollar for every \$6.25 in state tax contributions.

Based on statutory tax rates and the attendance figures presented in Table 2, Table 5 projects most of the direct tax gain to the state and to the City of Austin from hosting the 2015 X Games.<sup>12</sup> In 2015, this event is expected to generate a total of \$435,000 in state hotel tax gains from out-of-state visitors and another \$577,000 in local hotel tax gains. Sales tax gains from these visitors attributable to expenditures on food and non-alcoholic beverages should reach nearly \$428,000.

Entertainment and shopping expenditures both at and outside of the X Games Austin venues should nearly reach \$276,000 from visitors attending the event from outside the state. Combined state mixed beverage taxes and Title 5 Alcoholic Beverage Code state tax should exceed \$112,000. Finally, state auto rental taxes should exceed \$129,000 from visitors to X Games Austin from outside Texas.

Table 5  
**State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin**  
June 4 - 7, 2015

**Hotel Expenditures:**

	Avg. Hotel Room Cost /night	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Sponsors & Industry/ ESPN Guests	Media	OOS Fans in Austin		
Pers./ rm % in hotel <sup>13</sup>		1.75 100%	1.75 86%	1.25 95%	2.00 86%	2.00 86%	1.25 43%	2.00 79%		
Date									State Tax	Local Tax <sup>14</sup>
19-May	\$184	\$4,287	\$0	\$0	\$0	\$0	\$0	\$0	\$257	\$386
20-May	\$184	\$4,504	\$0	\$0	\$0	\$0	\$0	\$0	\$270	\$405
21-May	\$185	\$6,017	\$0	\$0	\$0	\$0	\$0	\$0	\$361	\$542
22-May	\$185	\$7,315	\$0	\$0	\$0	\$0	\$0	\$0	\$439	\$658
23-May	\$185	\$9,478	\$0	\$0	\$0	\$0	\$0	\$0	\$569	\$853
24-May	\$185	\$10,349	\$0	\$0	\$0	\$0	\$0	\$0	\$621	\$931
25-May	\$185	\$14,223	\$0	\$0	\$0	\$0	\$0	\$0	\$853	\$1,280
26-May	\$185	\$19,147	\$0	\$0	\$0	\$0	\$0	\$0	\$1,149	\$1,723
27-May	\$186	\$24,711	\$0	\$0	\$0	\$0	\$0	\$0	\$1,483	\$2,224
28-May	\$185	\$32,153	\$0	\$0	\$0	\$0	\$0	\$0	\$1,929	\$2,894
29-May	\$186	\$37,796	\$0	\$0	\$0	\$0	\$0	\$0	\$2,268	\$3,402
30-May	\$185	\$48,590	\$0	\$0	\$0	\$0	\$0	\$0	\$2,915	\$4,373
31-May	\$187	\$58,528	\$0	\$0	\$0	\$0	\$0	\$0	\$3,512	\$5,267
1-Jun	\$190	\$78,504	\$0	\$0	\$0	\$0	\$0	\$0	\$4,710	\$7,065
2-Jun	\$188	\$97,918	\$0	\$0	\$0	\$0	\$0	\$0	\$5,875	\$8,813
3-Jun	\$188	\$121,025	\$11,749	\$0	\$64,356	\$40,505	\$0	\$106,698	\$20,660	\$27,975
4-Jun	\$196	\$140,564	\$24,417	\$9,042	\$133,743	\$168,354	\$20,595	\$201,579	\$41,898	\$55,439
5-Jun	\$220	\$174,850	\$30,373	\$40,641	\$166,366	\$209,419	\$25,619	\$411,851	\$63,547	\$83,932
6-Jun	\$221	\$177,012	\$30,748	\$41,143	\$168,423	\$212,009	\$25,935	\$827,637	\$88,975	\$116,388
7-Jun	\$219	\$172,855	\$30,026	\$40,177	\$164,467	\$207,029	\$25,326	\$875,754	\$90,938	\$118,822
8-Jun	\$195	\$139,595	\$24,249	\$32,446	\$132,821	\$167,194	\$20,453	\$604,261	\$67,261	\$88,081
9-Jun	\$188	\$41,983	\$11,661	\$12,482	\$63,872	\$80,401	\$0	\$319,639	\$31,802	\$41,283
10-Jun	\$185	\$23,072	\$0	\$0	\$0	\$0	\$0	\$0	\$1,384	\$2,076
11-Jun	\$187	\$10,229	\$0	\$0	\$0	\$0	\$0	\$0	\$614	\$921
12-Jun	\$186	\$5,852	\$0	\$0	\$0	\$0	\$0	\$0	\$351	\$527
13-Jun	\$187	\$5,864	\$0	\$0	\$0	\$0	\$0	\$0	\$352	\$528
14-Jun	\$188	\$3,058	\$0	\$0	\$0	\$0	\$0	\$0	\$183	\$275
15-Jun	\$189	\$658	\$0	\$0	\$0	\$0	\$0	\$0	\$40	\$59
<b>Total Tax</b>									<b>\$435,216</b>	<b>\$577,122</b>

Table 5, continued  
**State and Local Tax and Expenditure Summary for the**  
**Projected Attendance at 2015 X Games Austin**  
June 4 - 7, 2015

**Food & Bev. Expend.**

Date	ESPN Staff in Hotels <sup>15</sup>	Athletes	Judges	Athlete Managers & Guests	Sponsors & Industry/ ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax <sup>16</sup>
19-May	\$1,048	\$0	\$0	\$0	\$0	\$0	\$0	\$65	\$10
20-May	\$2,148	\$0	\$0	\$0	\$0	\$0	\$0	\$134	\$21
21-May	\$2,567	\$0	\$0	\$0	\$0	\$0	\$0	\$160	\$26
22-May	\$3,248	\$0	\$0	\$0	\$0	\$0	\$0	\$203	\$32
23-May	\$4,087	\$0	\$0	\$0	\$0	\$0	\$0	\$255	\$41
24-May	\$4,820	\$0	\$0	\$0	\$0	\$0	\$0	\$301	\$48
25-May	\$5,973	\$0	\$0	\$0	\$0	\$0	\$0	\$373	\$60
26-May	\$8,121	\$0	\$0	\$0	\$0	\$0	\$0	\$508	\$81
27-May	\$10,635	\$0	\$0	\$0	\$0	\$0	\$0	\$665	\$106
28-May	\$13,779	\$0	\$0	\$0	\$0	\$0	\$0	\$861	\$138
29-May	\$16,975	\$0	\$0	\$0	\$0	\$0	\$0	\$1,061	\$170
30-May	\$21,009	\$0	\$0	\$0	\$0	\$0	\$0	\$1,313	\$210
31-May	\$25,934	\$0	\$0	\$0	\$0	\$0	\$0	\$1,621	\$259
1-Jun	\$32,745	\$0	\$0	\$0	\$0	\$0	\$0	\$2,047	\$327
2-Jun	\$42,070	\$0	\$0	\$0	\$0	\$0	\$0	\$2,629	\$421
3-Jun	\$52,339	\$6,567	\$0	\$41,112	\$23,116	\$0	\$35,193	\$9,895	\$1,459
4-Jun	\$61,245	\$19,702	\$3,125	\$123,336	\$92,464	\$7,448	\$208,554	\$32,242	\$4,620
5-Jun	\$68,109	\$27,675	\$15,624	\$173,243	\$114,144	\$33,000	\$379,189	\$50,686	\$7,190
6-Jun	\$71,881	\$29,207	\$25,108	\$182,838	\$115,580	\$34,827	\$734,513	\$74,622	\$10,467
7-Jun	\$71,566	\$29,080	\$24,998	\$182,038	\$112,996	\$34,675	\$1,011,454	\$91,675	\$12,782
8-Jun	\$67,637	\$27,483	\$23,626	\$172,043	\$92,033	\$32,771	\$925,739	\$83,833	\$11,676
9-Jun	\$42,227	\$19,606	\$15,731	\$122,736	\$18,407	\$15,586	\$626,448	\$53,796	\$7,431
10-Jun	\$15,665	\$6,535	\$4,495	\$40,912	\$0	\$0	\$222,288	\$18,118	\$2,494
11-Jun	\$8,068	\$0	\$0	\$0	\$0	\$0	\$0	\$504	\$81
12-Jun	\$3,877	\$0	\$0	\$0	\$0	\$0	\$0	\$242	\$39
13-Jun	\$2,829	\$0	\$0	\$0	\$0	\$0	\$0	\$177	\$28
14-Jun	\$2,148	\$0	\$0	\$0	\$0	\$0	\$0	\$134	\$21
15-Jun	\$891	\$0	\$0	\$0	\$0	\$0	\$0	\$56	\$9
16-Jun	\$262	\$0	\$0	\$0	\$0	\$0	\$0	\$16	\$3
<b>Total Tax</b>								<b>\$428,197</b>	<b>\$60,253</b>



Table 5, continued  
**State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin**  
June 4 - 7, 2015

**Entertain. & Shopping<sup>17</sup>**

Date	ESPN Staff in Hotels <sup>18</sup>	Athletes	Judges	Athlete Managers & Guests	Sponsors & Industry/ ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax
19-May	\$355	\$0	\$0	\$0	\$0	\$0	\$0	\$22	\$4
20-May	\$728	\$0	\$0	\$0	\$0	\$0	\$0	\$45	\$7
21-May	\$870	\$0	\$0	\$0	\$0	\$0	\$0	\$54	\$9
22-May	\$1,101	\$0	\$0	\$0	\$0	\$0	\$0	\$69	\$11
23-May	\$1,385	\$0	\$0	\$0	\$0	\$0	\$0	\$87	\$14
24-May	\$1,633	\$0	\$0	\$0	\$0	\$0	\$0	\$102	\$16
25-May	\$2,024	\$0	\$0	\$0	\$0	\$0	\$0	\$126	\$20
26-May	\$2,752	\$0	\$0	\$0	\$0	\$0	\$0	\$172	\$28
27-May	\$3,604	\$0	\$0	\$0	\$0	\$0	\$0	\$225	\$36
28-May	\$4,669	\$0	\$0	\$0	\$0	\$0	\$0	\$292	\$47
29-May	\$5,752	\$0	\$0	\$0	\$0	\$0	\$0	\$360	\$58
30-May	\$7,119	\$0	\$0	\$0	\$0	\$0	\$0	\$445	\$71
31-May	\$8,788	\$0	\$0	\$0	\$0	\$0	\$0	\$549	\$88
1-Jun	\$11,096	\$0	\$0	\$0	\$0	\$0	\$0	\$694	\$111
2-Jun	\$14,256	\$0	\$0	\$0	\$0	\$0	\$0	\$891	\$143
3-Jun	\$17,736	\$4,451	\$0	\$27,863	\$15,667	\$0	\$23,852	\$5,598	\$811
4-Jun	\$20,754	\$13,353	\$2,118	\$83,590	\$62,667	\$5,048	\$141,346	\$20,555	\$2,924
5-Jun	\$23,080	\$18,756	\$10,589	\$117,414	\$77,360	\$22,365	\$256,993	\$32,910	\$4,642
6-Jun	\$24,358	\$19,795	\$17,017	\$123,917	\$78,334	\$23,604	\$497,811	\$49,052	\$6,851
7-Jun	\$24,252	\$19,708	\$16,942	\$123,375	\$76,582	\$23,501	\$685,505	\$60,617	\$8,421
8-Jun	\$22,920	\$18,626	\$16,012	\$116,601	\$62,375	\$22,210	\$627,412	\$55,385	\$7,684
9-Jun	\$14,310	\$13,288	\$10,662	\$83,183	\$12,475	\$10,563	\$424,570	\$35,566	\$4,893
10-Jun	\$5,308	\$4,429	\$3,046	\$27,728	\$0	\$0	\$150,654	\$11,948	\$1,637
11-Jun	\$2,734	\$0	\$0	\$0	\$0	\$0	\$0	\$171	\$27
12-Jun	\$1,314	\$0	\$0	\$0	\$0	\$0	\$0	\$82	\$13
13-Jun	\$959	\$0	\$0	\$0	\$0	\$0	\$0	\$60	\$10
14-Jun	\$728	\$0	\$0	\$0	\$0	\$0	\$0	\$45	\$7
15-Jun	\$302	\$0	\$0	\$0	\$0	\$0	\$0	\$19	\$3
16-Jun	\$89	\$0	\$0	\$0	\$0	\$0	\$0	\$6	\$1
<b>Total Tax</b>								<b>\$276,146</b>	<b>\$38,586</b>

Table 5, continued  
**State and Local Tax and Expenditure Summary for the**  
**Projected Attendance at 2015 X Games Austin**  
June 4 - 7, 2015

**State Mixed Bev. Tax:**

Date	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Sponsors & Industry/ ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax
19-May	\$34	\$0	\$0	\$0	\$0	\$0	\$0	\$4	\$0
20-May	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$8	\$1
21-May	\$82	\$0	\$0	\$0	\$0	\$0	\$0	\$10	\$1
22-May	\$104	\$0	\$0	\$0	\$0	\$0	\$0	\$12	\$1
23-May	\$131	\$0	\$0	\$0	\$0	\$0	\$0	\$15	\$2
24-May	\$154	\$0	\$0	\$0	\$0	\$0	\$0	\$18	\$2
25-May	\$191	\$0	\$0	\$0	\$0	\$0	\$0	\$22	\$2
26-May	\$260	\$0	\$0	\$0	\$0	\$0	\$0	\$30	\$3
27-May	\$340	\$0	\$0	\$0	\$0	\$0	\$0	\$40	\$4
28-May	\$441	\$0	\$0	\$0	\$0	\$0	\$0	\$51	\$5
29-May	\$543	\$0	\$0	\$0	\$0	\$0	\$0	\$63	\$6
30-May	\$672	\$0	\$0	\$0	\$0	\$0	\$0	\$78	\$8
31-May	\$830	\$0	\$0	\$0	\$0	\$0	\$0	\$97	\$10
1-Jun	\$1,047	\$0	\$0	\$0	\$0	\$0	\$0	\$122	\$12
2-Jun	\$1,346	\$0	\$0	\$0	\$0	\$0	\$0	\$157	\$16
3-Jun	\$1,674	\$420	\$0	\$5,260	\$2,958	\$0	\$4,503	\$1,729	\$154
4-Jun	\$1,959	\$1,260	\$200	\$15,781	\$11,831	\$953	\$26,685	\$6,847	\$603
5-Jun	\$2,179	\$1,770	\$1,000	\$22,167	\$14,605	\$4,222	\$48,518	\$11,024	\$962
6-Jun	\$2,299	\$1,869	\$1,606	\$23,394	\$14,789	\$4,456	\$93,982	\$16,617	\$1,437
7-Jun	\$2,289	\$1,860	\$1,599	\$23,292	\$14,458	\$4,437	\$129,417	\$20,697	\$1,781
8-Jun	\$2,164	\$1,758	\$1,511	\$22,013	\$11,776	\$4,193	\$118,449	\$18,890	\$1,623
9-Jun	\$1,351	\$1,254	\$1,006	\$15,704	\$2,355	\$1,994	\$80,155	\$12,116	\$1,032
10-Jun	\$501	\$418	\$288	\$5,235	\$0	\$0	\$28,442	\$4,071	\$345
11-Jun	\$258	\$0	\$0	\$0	\$0	\$0	\$0	\$30	\$3
12-Jun	\$124	\$0	\$0	\$0	\$0	\$0	\$0	\$14	\$1
13-Jun	\$90	\$0	\$0	\$0	\$0	\$0	\$0	\$11	\$1
14-Jun	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$8	\$1
15-Jun	\$28	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
16-Jun	\$8	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$0
<b>Total Tax</b>								<b>\$92,786</b>	<b>\$8,016</b>

Table 5, continued  
**State and Local Tax and Expenditure Summary for the**  
**Projected Attendance at 2015 X Games Austin**  
June 4 - 7, 2015

**Title 5 ABC State Tax<sup>19</sup>:**

Date	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Sponsors & Industry/ ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax
19-May	\$34	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$0
20-May	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
21-May	\$82	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
22-May	\$104	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
23-May	\$131	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
24-May	\$154	\$0	\$0	\$0	\$0	\$0	\$0	\$4	\$0
25-May	\$191	\$0	\$0	\$0	\$0	\$0	\$0	\$5	\$0
26-May	\$260	\$0	\$0	\$0	\$0	\$0	\$0	\$7	\$0
27-May	\$340	\$0	\$0	\$0	\$0	\$0	\$0	\$9	\$0
28-May	\$441	\$0	\$0	\$0	\$0	\$0	\$0	\$11	\$0
29-May	\$543	\$0	\$0	\$0	\$0	\$0	\$0	\$14	\$0
30-May	\$672	\$0	\$0	\$0	\$0	\$0	\$0	\$17	\$0
31-May	\$830	\$0	\$0	\$0	\$0	\$0	\$0	\$21	\$0
1-Jun	\$1,047	\$0	\$0	\$0	\$0	\$0	\$0	\$27	\$0
2-Jun	\$1,346	\$0	\$0	\$0	\$0	\$0	\$0	\$34	\$0
3-Jun	\$1,674	\$420	\$0	\$5,260	\$2,958	\$0	\$4,503	\$379	\$0
4-Jun	\$1,959	\$1,260	\$200	\$15,781	\$11,831	\$953	\$26,685	\$1,502	\$0
5-Jun	\$2,179	\$1,770	\$1,000	\$22,167	\$14,605	\$4,222	\$48,518	\$2,418	\$0
6-Jun	\$2,299	\$1,869	\$1,606	\$23,394	\$14,789	\$4,456	\$93,982	\$3,645	\$0
7-Jun	\$2,289	\$1,860	\$1,599	\$23,292	\$14,458	\$4,437	\$129,417	\$4,540	\$0
8-Jun	\$2,164	\$1,758	\$1,511	\$22,013	\$11,776	\$4,193	\$118,449	\$4,144	\$0
9-Jun	\$1,351	\$1,254	\$1,006	\$15,704	\$2,355	\$1,994	\$80,155	\$2,658	\$0
10-Jun	\$501	\$418	\$288	\$5,235	\$0	\$0	\$28,442	\$893	\$0
11-Jun	\$258	\$0	\$0	\$0	\$0	\$0	\$0	\$7	\$0
12-Jun	\$124	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
13-Jun	\$90	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
14-Jun	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
15-Jun	\$28	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$0
16-Jun	\$8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Tax</b>								<b>\$20,354</b>	<b>\$0</b>

Table 5, continued  
State and Local Tax and Expenditure Summary for the  
**Projected Attendance at 2015 X Games Austin**

<b>Vehicle Rental Tax:</b>		Sponsors & Industry/ ESPN						<b>State Tax</b>	<b>Local Tax</b>
	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Guests	Media	OOS Fans in Austin		
Persons/ group	1.75	1.75	1.25	2.00	2.00	1.25	2.00		
% Groups renting <sup>20</sup>	33%	33%	33%	33%	33%	33%	43%		
Cost / day	\$80.40	\$80.40	\$80.40	\$80.40	\$80.40	\$80.40	\$80.40		
19-May	\$617	\$0	\$0	\$0	\$0	\$0	\$0	\$62	\$0
20-May	\$648	\$0	\$0	\$0	\$0	\$0	\$0	\$65	\$0
21-May	\$864	\$0	\$0	\$0	\$0	\$0	\$0	\$86	\$0
22-May	\$1,049	\$0	\$0	\$0	\$0	\$0	\$0	\$105	\$0
23-May	\$1,358	\$0	\$0	\$0	\$0	\$0	\$0	\$136	\$0
24-May	\$1,482	\$0	\$0	\$0	\$0	\$0	\$0	\$148	\$0
25-May	\$2,037	\$0	\$0	\$0	\$0	\$0	\$0	\$204	\$0
26-May	\$2,747	\$0	\$0	\$0	\$0	\$0	\$0	\$275	\$0
27-May	\$3,519	\$0	\$0	\$0	\$0	\$0	\$0	\$352	\$0
28-May	\$4,599	\$0	\$0	\$0	\$0	\$0	\$0	\$460	\$0
29-May	\$5,402	\$0	\$0	\$0	\$0	\$0	\$0	\$540	\$0
30-May	\$6,976	\$0	\$0	\$0	\$0	\$0	\$0	\$698	\$0
31-May	\$8,303	\$0	\$0	\$0	\$0	\$0	\$0	\$830	\$0
1-Jun	\$10,988	\$0	\$0	\$0	\$0	\$0	\$0	\$1,099	\$0
2-Jun	\$13,797	\$0	\$0	\$0	\$0	\$0	\$0	\$1,380	\$0
3-Jun	\$17,038	\$2,036	\$0	\$11,154	\$7,021	\$0	\$24,855	\$6,210	\$0
4-Jun	\$19,045	\$4,073	\$1,315	\$22,309	\$28,082	\$6,459	\$45,190	\$12,647	\$0
5-Jun	\$21,082	\$4,508	\$5,260	\$24,695	\$31,086	\$7,150	\$82,164	\$17,595	\$0
6-Jun	\$21,267	\$4,548	\$5,306	\$24,912	\$31,359	\$7,213	\$164,530	\$25,914	\$0
7-Jun	\$20,897	\$4,469	\$5,214	\$24,478	\$30,813	\$7,087	\$175,178	\$26,814	\$0
8-Jun	\$18,952	\$4,053	\$4,729	\$22,200	\$27,946	\$6,428	\$135,741	\$22,005	\$0
9-Jun	\$5,926	\$2,027	\$1,891	\$11,100	\$13,973	\$0	\$74,658	\$10,958	\$0
10-Jun	\$3,303	\$0	\$0	\$0	\$0	\$0	\$0	\$330	\$0
11-Jun	\$1,451	\$0	\$0	\$0	\$0	\$0	\$0	\$145	\$0
12-Jun	\$833	\$0	\$0	\$0	\$0	\$0	\$0	\$83	\$0
13-Jun	\$833	\$0	\$0	\$0	\$0	\$0	\$0	\$83	\$0
14-Jun	\$432	\$0	\$0	\$0	\$0	\$0	\$0	\$43	\$0
15-Jun	\$93	\$0	\$0	\$0	\$0	\$0	\$0	\$9	\$0
16-Jun	\$62	\$0	\$0	\$0	\$0	\$0	\$0	\$6	\$0
<b>Total Tax</b>								<b>\$129,281</b>	<b>\$0</b>
<b>Other Expenditures:</b>		<b>Total</b>		<b>Out-of- state</b>		<b>State Tax</b>		<b>Local Tax</b>	
Tickets		\$5,123,700		\$1,038,785		\$64,924		\$10,388	

## Indirect, Induced and Total METF Tax Gains

In addition to the direct economic and tax gains from the X Games Austin, both the state and city gain economic activity and taxes as these direct impacts filter their way through the state and local economies. These secondary gains are termed indirect and induced increases. For example, in order for restaurants and hotels serve out-of-state X Games Austin guests, facility managers must increase the orders for food, drinks and other materials from their suppliers. That increased demand generates indirect economic gains as the activity filters its way down the supply chain.

Moreover to supply increased demand for services, additional workers must be hired or existing workers must have their hours extended increasing their take home pay. As those workers spend that additional money this too generates increased induced demands throughout the state and the city. Finally the increased restaurant expenditures at X Games Austin from out of state visitors in town for the event also generate tip income for restaurant and bar staff.

The total effects of increased direct spending along with indirect and induced spending is presented in Table 6 based on the Texas Comptroller's IMPLAN model. This table indicates that the \$35.7 million in direct expenditures driven by hosting X Games Austin generates \$15.1 million in indirect impacts and another \$21.1 million in induced impacts for a total gain of \$71.9 million in economic activity to Texas.<sup>21</sup>

From a tax perspective, on top of the \$1.7 million in tax gains to the state from direct economic activity must be added \$738,000 in indirect tax gains and \$1.2 million in induced tax gains from this event for a total tax gain of \$3.7 million to the state. On a similar basis when including both indirect and induced tax effects, the City of Austin's total tax gain from the 2015 X Games Austin will be nearly \$1.4 million.<sup>22</sup>

Based on the matching local matching requirements in the METF statute and subject to post-event attendance verification, the X Games Austin Local Organizing Committee requests the Comptroller certify a deposit \$3,664,347 in state funds into a Major Events Trust Fund account established for the 2015 X Games Austin after the event when matched by up to \$586,296 in local contributions to be used to reimburse event presentation expenses eligible under the statute.



Table 6

## Total Economic and Tax Impacts of 2015 X Games Austin under the Major Events Trust Fund

	<i>Direct Impact</i>		<i>Indirect Impact</i>		<i>Induced Impact</i>		<i>Total Impact</i>	
	<u>Spending</u>	<u>Taxes</u>	<u>Spending</u>	<u>Taxes</u>	<u>Spending</u>	<u>Taxes</u>	<u>Spending</u>	<u>Taxes</u>
Hotel Expenditures	\$7,253,598	\$435,216	\$3,424,902	\$150,288	\$3,502,490	\$203,590	\$14,180,991	\$789,094
Food and Non-Alcoholic Beverage Expend.	\$6,851,148	\$428,197	\$3,025,515	\$150,523	\$3,475,387	\$201,963	\$13,352,050	\$780,682
Food & Beverage - Tips	\$1,233,207		\$486,012	\$20,071	\$601,010	\$35,371	\$2,320,229	\$55,442
Entertainment & Shopping	\$3,493,824	\$218,364	\$1,285,674	\$64,167	\$2,137,801	\$124,216	\$6,917,300	\$406,748
Shopping at Venue	\$924,510	\$57,782	\$340,206	\$16,979	\$565,689	\$32,869	\$1,830,406	\$107,631
Mixed Drink Expenditures	\$795,080	\$92,786	\$351,113	\$17,468	\$403,321	\$23,438	\$1,549,514	\$133,692
Beer & Wine Expenditures	\$1,582,206	\$20,354	\$698,714	\$34,762	\$802,607	\$46,641	\$3,083,527	\$101,757
Rental Cars	\$1,292,812	\$129,281	\$570,791	\$24,265	\$497,281	\$28,937	\$2,360,884	\$182,482
Transportation (Airfare - spent in Texas)	\$2,288,391		\$1,062,922	\$43,457	\$1,066,191	\$61,937	\$4,417,504	\$105,395
Transportation (Car - spent in Texas)	\$714,584		\$135,720	\$6,774	\$464,783	\$27,085	\$1,315,086	\$33,859
Total Event Production Spend in Texas	\$9,294,000	\$250,563	\$3,684,553	\$209,083	\$7,616,627	\$442,996	\$20,595,181	\$902,641
Gain to State from OOS Ticket Sales		\$64,924						\$64,924
<b>TOTAL</b>	<b>\$35,723,361</b>	<b>\$1,697,466</b>	<b>\$15,066,121</b>	<b>\$737,837</b>	<b>\$21,133,189</b>	<b>\$1,229,044</b>	<b>\$71,922,671</b>	<b>\$3,664,347</b>
Local Match Requirement								\$586,296
<b>TOTAL METF- X Games Austin</b>								<b>\$4,250,643</b>

**Appendix A:**  
**Event Award Letter**

## Endnotes

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<sup>1</sup> <http://www.venuestoday.com/news/detail/x-games-chooses-austin0814>

<sup>2</sup> COTA press release data June 9, 2014.

<sup>3</sup> Internet survey conducted by COTA of ticket purchasers at X Games Austin with 4,012 responses indicating that at peak 19.9 percent of those attending X Games were from outside Texas with just under an additional 2 percent of out-of-state visitors in Austin for X Games that day but not attending the event that day for an effective out-of-state fan percentage of 21 percent of ticketed sales. Ticket sales data and Thursday attendance estimate from COTA. Total ESPN, competitor, judge, coach, media, and industry attendees (in and out of state) provided by Dr. Linda K. Moore, Senior Director, Business Operations & Planning, ESPN Productions Inc., One ESPN Plaza, Bristol, CT 06010 to Don Hoyte, TexasTrustFunds.com on November 5, 2014.

<sup>4</sup> The 56,027 daily total includes the 55,533 people enumerated in Table 1 plus a survey-estimated 494 fans in town for X Games but not attending the event that day.

<sup>5</sup> It should also be noted that Table 2 replicates the post-event certification estimate provided by CELOC to the Texas Comptroller of Public Accounts of 139,810 attendees during the three core days of the event with 44,814 of these attendees from outside Texas. The total attendance figure is replicated as the sum of ESPN Staff, athletes, judges, athlete managers and guests, sponsor industry or ESPN guests, media, ticketed fans, out of state fans in Austin but not at the event the particular day, and out-of-area fans in Austin but not at the event the particular day for the June 6 through 8 dates. Individual group totals from Table 2 are adjusted to reflect the out-of-state components for each of these groups so that total out-of-state attendance equals 44,814 over these three days with those figures providing the basis for the expenditure estimates in Table 5.

<sup>6</sup> Email from Dr. Linda K. Moore, Senior Director, Business Operations & Planning, ESPN Productions Inc., One ESPN Plaza, Bristol, CT 06010 to Don Hoyte, TexasTrustFunds.com on November 6, 2014.

<sup>7</sup> The total event presentation spend in Texas of includes expenditures on hotels for staff which is covered in detail in Table 5 so these are not included in Table 3.

<sup>8</sup> Email From Linda Moore, Senior Director, Business Operations & Planning, ESPN Productions Inc., One ESPN Plaza, Bristol, CT 06010 to Don Hoyte, TexasTrustFunds.com October 31, 2014.

<sup>9</sup> Note the figures in Table 4 focus on expenditures for which a state tax gain under the Event Trust Funds is expected. As such those figures include athletes, managers, trainers, sponsors, media, industry guests (and their friends and family that accompany them) plus the out-of state fans attending the event and affiliated visitors. It is not a generalized economic impact since it excludes spending by local fans and other Texans at the event and in Austin while attending the event.

<sup>10</sup> Estimating these travel expenditures resulted from using the data from the fan survey with those results extrapolated to other groups at the games:

<b>Estimated Travel Cost to X Games Austin</b>						
	<u>Peak Attendance</u>	<u>OOS</u>	<u>% by Car</u>	<u>% by Air</u>	<u>Transportation Cost (car)</u>	<u>Transportation Cost (Air)</u>
Competitors	300	270	30%	70%	\$6,278	\$86,846
Judges	250	225	30%	70%	\$5,231	\$72,371
Athlete Managers & Guests	1,878	1,690	40%	60%	\$52,396	\$465,988
Sponsors & Industry/ESPN Guests	2,364	1,773	60%	40%	\$82,445	\$325,877
Media	708	354	60%	40%	\$16,461	\$65,065
OOS Fans (survey data)	9,888	9,888	72%	28%	\$551,774	\$1,272,244
<b>TOTAL</b>					<b>\$714,584</b>	<b>\$2,288,391</b>

<sup>11</sup> The 2014 nightly hotel expenditure data for ESPN employees was provided by Linda Moore of ESPN. Since ESPN has since renegotiated their hotel contracts for 2015 at significantly higher rates than in 2014, the 2015 nightly hotel cost figure were increased by 10 percent to reflect higher costs. These figures were also applied to the other groups attending X Games as a reasonable surrogate for their room rates. It should be noted that the 2014 fan survey indicated fans paid an average of \$179 per room per night and utilized 1.1 rooms. But since no group size figures were collected from that survey, it is not possible to directly use the survey's room price figure for fans.

<sup>12</sup> It should be noted that for non-fans (ESPN, athletes, judges, media etc.) at X Games Austin, the attendance figures in Table 2 count all attendees whereas the expenditures in Table 5 are based on only out-of-state counts of those attendees. Based on data and estimates supplied by ESPN about 70 percent of ESPN staff-days were accounted for by out-of-state personnel, 95 percent of athletes, managers and athlete guests are from outside Texas, 98 percent of judges, 93 percent of industry/ESPN sponsors and guests, and only 48 percent media.

<sup>13</sup> percentage in hotels from fan survey. Percentage for other categories from ESPN

<sup>14</sup> Note that at peak attendance, a total of about 7,200 hotel rooms will be required for all participants and out-of-state fans for X Games. The number of hotel rooms in the Austin area totals about 30,000 so this level of demand by X Games attendees, while significant, should not overly tax the availability of hotel rooms. Since facilities in the City of Austin account for about 85 percent of all hotel rooms in the region, during the four peak days of the X Games event it is estimated that the City of Austin should host about 85 percent of participant and out-of-state fan spending. Earlier in the week when room demand is considerable lower, proximity of Austin hotels to COTA will probably result in the City of Austin hosting all of X Games activity. Hotel tax gains to the city as well as sales and alcoholic beverage tax gains are adjusted accordingly.

<sup>15</sup> Daily expenditures by OOS ESPN staff at half that from Fan survey or \$51.46 per person per day.

<sup>16</sup> See note 14. Similar percentages apply for the local tax in this table.

<sup>17</sup> This includes entertainment and shopping expenditures cited in Table 4 both inside and outside of the X Games Austin venues.

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<sup>18</sup> Shopping and Entertainment expenses for OOS ESPN staff at a quarter of the fan survey amount of \$69.76 per person per day.

<sup>19</sup> In general, Table 5 applies statutory tax rates to relevant expenditures in order to derive tax gains under the event trust fund. However since the Alcoholic Beverage Tax is a complex tax levied on the basis of the alcohol content of various beverages by volume, the estimate of that tax in Table 5 is based on a derived value-based percentage linking revenue from the Alcoholic Beverage Tax to mixed beverage tax sales. Specifically, in the January 2013 Biennial Revenue Estimate prepared by the Comptroller of Public Accounts, the estimated tax gain during the next biennium for the Mixed beverage tax is \$1,624 million (see page 17). The estimated gain from the other Alcoholic Beverage taxes is estimated at \$416 million or roughly a quarter of the tax raised by the state under the Mixed Beverage Tax. Accordingly, Table 5 applies the statutory tax rate of 11 percent to the value of mixed beverages as described in law and approximates the alcoholic beverage tax gains as being 2.56 percent of the value of mixed beverages which raises about a quarter of mixed tax raised by the state under the mixed beverage tax for this event. Since there is no local tax component to the alcoholic beverage tax, no estimate for this is included in Table 5.

<sup>20</sup> For fans this is the percentage of cars rented per group adjusting for the fact that some groups rented more than one car. For other groups, this is set equal to the percentage of fans that said they rented cars but assumes each group rents only one car.

<sup>21</sup> The induced and indirect multipliers and associated effective tax rates in Table 6 match precisely those developed by the Texas Comptroller of Public Account for the same expenditure sectors as applied to the 2014 USGP. These multipliers and effective tax rates were developed by Jojo Estrada, Economist, Economic Development & Analysis Division, Texas Comptroller of Public Accounts using the Comptroller's IMPLAN model for the Austin area on September 20, 2013. The total output multiplier (ratio of total output gains to direct output gain) is 1.99 for the 2013 USGP and is 2.01 for X Games Austin indicating (as expected) the output gains from these two events are quite similar.

<sup>22</sup> Note that local direct tax gains detailed in Table 5 total \$734,455. Applying the relative state tax gains from each sector to the local direct tax gains within that sector indicates a total local tax gain of \$1,394,472.



## ATTACHMENT 4

### Requested X Games Austin Economic Impact Study Market Area

The requested basic economic impact region for the X Games Austin Event scheduled for the weekend of June 4 - 7, 2015 is the five-county Austin Metropolitan area, including Travis, Williamson, Hays, Bastrop, and Caldwell Counties (collectively, the "*Economic Impact Region*"). This designated Economic Impact Region has been used for the Economic Study

## **ATTACHMENT 5**

### **Events & Activities Schedule**

X Games Austin June 4 – 7, 2015 of the Circuit of the Americas – Austin, TX  
Schedule of Events\*

See Attached Tentative Schedule

\* Anticipated additional events will be added to schedule.

**ATTACHMENT 6**

**Affidavits Under Rule §2.202(a)(5)**



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

**AFFIDAVIT**

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

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

I understand that the city, county or local organizing committee is receiving funding under the Act for the purposes of facilitating this event: X Games Austin 2015 on these dates: June 4 - 7, 2015 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.

\_\_\_\_\_  
Affiant Signature

TexasTrustFunds.com

\_\_\_\_\_  
Title and Name of Organization

Don Hoyte

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

Sworn and subscribed before me by the said

Don Hoyte

\_\_\_\_\_  
(Printed Name of Recipient's Authorized Representative)

this \_\_\_\_\_ day of \_\_\_\_\_, 2015

Notary Public, State of Texas

\_\_\_\_\_  
Notary Public Signature

Notary's printed name: \_\_\_\_\_ My commission expires: \_\_\_\_\_ (Seal)



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

**AFFIDAVIT**

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

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

I understand that the city, county or local organizing committee is receiving funding under the Act for the purposes of facilitating this event:  
X Games Austin 2015 on these dates: June 4 - 7, 2015 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.

\_\_\_\_\_  
Affiant Signature

City Manager, City of Austin

\_\_\_\_\_  
Title and Name of Organization

Sworn and subscribed before me by the said

Marc Ott

\_\_\_\_\_  
(Printed Name of Recipient's Authorized Representative)

this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

Notary Public, State of Texas

Marc Ott

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Notary Public Signature

Notary's printed name: \_\_\_\_\_ My commission expires: \_\_\_\_\_ (Seal)



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

**AFFIDAVIT**

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

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

I understand that the city, county or local organizing committee is receiving funding under the Act for the purposes of facilitating this event:  
X Games Austin 2015 on these dates: June 4 - 7, 2015 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.

\_\_\_\_\_  
Affiant Signature

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

Wayne S. Hollingsworth

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

Sworn and subscribed before me by the said

Wayne S. Hollingsworth  
(Printed Name of Recipient's Authorized Representative)

this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

Notary Public, State of Texas

\_\_\_\_\_  
Notary Public Signature

Notary's printed name: \_\_\_\_\_ My commission expires: \_\_\_\_\_ (Seal)



ATTACHMENT 7

**Comptroller Request Worksheet to Establish an Event Trust Fund**



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

#### **STEP 1:**

**Review the ETF Administrative Code.**

#### **STEP 2:**

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

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

#### **STEP 3:**

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

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

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

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

#### **STEP 4:**

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

#### **STEP 5:**

**Submit reimbursement requests.**

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



Susan Combs Texas Comptroller of Public Accounts

## Request Worksheet to Establish an Events Trust Fund

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

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

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

### SECTION 1: Endorsing Municipality or County

City of Austin

Endorsing City or County

Leela Fireside (Legal Department) and Rodney Gonzales (Economic Development Department)

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

Leela.Fireside@austintexas.gov and

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

Contact email

Rodney.Gonzales@austintexas.gov

Contact phone (area code and phone number)

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

☒ Yes ☐ No

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

☒ Yes ☐ No

### SECTION 2: Local Organizing Committee

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

☒ Yes ☐ No

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

Circuit Events Local Organizing Committee

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

Is the LOC a registered non-profit corporation?

☒ Yes ☐ No

45-2727397

LOC Tax Payer ID#

Circuit Events Local Organizing Committee

Complete Business Name

## SECTION 2: Local Organizing Committee *(continued)*

Wayne S. Hollingsworth

LOC Contact Name

WHollingsworth@abaustin.com

Contact email

(512) 435-2306

Contact phone (area code and phone number)

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

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

## SECTION 3: Site Selection Organization

ESPN, Inc.

Site Selection Organization

Scott Guglielmino, Senior Vice President, Programming and X Games

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

Scott.Guglielmino@espn.com

Contact email

Contact phone (area code and phone number)

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

## SECTION 4: Event Information

ESPN X Games AUSTIN

Official Event Name

Circuit of The Americas

Venue

xgamesaustin.com

Event Website

Location of this event the previous five years:

1 See Schedule A Attached

2

3

4

5

Source of information:

#### SECTION 4: Event Information *(continued)*

June 4, 2015	June 7, 2015	June 5, 6, 7, 2015
First Day of Activities	Last Day of Activities	Date of the PRIMARY Event
55,533	16,917	
Anticipated TOTAL attendance at the PRIMARY event	Anticipated Out of State Attendance at the PRIMARY Event	

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

Circuit of the Americas ("COTA") tracks and tabulates attendance figures during each day of the event, including for the primary event day. COTA also conducts various surveys of attendees both during and after the event with the intent to determine an accurate calculation of out-of-state attendees for each day of the event.

#### SECTION 5: Checklist

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

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



































































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

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

_____ Signature	_____ Director Title
--------------------	----------------------------



SCHEDULE A**Venues**

Year	Summer	Winter	Asia	Europe	South America	México
1995	 Newport, Rhode Island	 Stowe, Vermont				
1996	 Newport, Rhode Island	 Stowe				
1997	 San Diego	 Big Bear Lake, California				
1998	 San Diego	 Crested Butte, Colorado	 Phuket			
1999	 San Francisco	 Crested Butte	 Phuket			
2000	 San Francisco	 Mount Snow, Vermont	 Phuket			
2001	 Philadelphia	 Mount Snow	 Phuket			
2002	 Philadelphia	 Aspen	 Kuala Lumpur			
2003	 Los Angeles	 Aspen	 Kuala Lumpur			
2004	 Los Angeles	 Aspen	 Kuala Lumpur			
2005	 Los Angeles	 Aspen	 Seoul			
2006	 Los Angeles	 Aspen	 Kuala Lumpur			
2007	 Los Angeles	 Aspen	 Shanghai			 México City
2008	 Los Angeles	 Aspen	 Shanghai			 México City
2009	 Los Angeles	 Aspen	 Shanghai			
2010	 Los Angeles	 Aspen	 Shanghai	 Tignes		
2011	 Los Angeles	 Aspen	 Shanghai	 Tignes		
2012	 Los Angeles	 Aspen	 Shanghai	 Tignes		
2013	 Los Angeles	 Aspen	 Shanghai	 Tignes	 Barcelona	 Munich
					 Foz do Iguaçu	
2014	 Austin, Texas	 Aspen	 Shanghai			



**ATTACHMENT 8**

**Affidavits Endorsing a Major Events Trust Fund**



Susan Combs Texas Comptroller of Public Accounts

**Affidavit to be COMPLETED by any/all Municipality, County, and/or LOC endorsing a  
Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund  
AFFIDAVIT**

*[Affidavit to be signed and sworn (notarized) by each Endorsing Municipality, Endorsing County, and Local Organizing Committee (if applicable)]*

I, Marc Ott, an authorized representative of: City of Austin  
a [local organizing committee (nonprofit corporation), endorsing municipality or endorsing county] (circle one) ("Requestor") that is receiving funding through the Major Events Trust Fund, Events Trust Fund, or Motor Sports 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 Texas Comptroller's 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:

to the best of my knowledge

- (1) a letter from the municipality or county requesting participation in the 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 Comptroller's office to make the determination of the incremental increase in tax revenue associated with hosting the event in Texas, including a listing of any data for any related activities;
- (4) a Request Worksheet to Establish an Events Trust Fund form and any attachments; and
- (5) an Event Support Contract (if available – else due no later than date of event's first activities).

I understand that I am receiving funding under the Act for the purposes of facilitating this event: X Games Austin 2015

on these dates: June 4 - 7, 2015

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.

\_\_\_\_\_  
Affiant Signature

City Manager, City of Austin

\_\_\_\_\_  
Title and Name of Organization

Sworn and subscribed before me by the said

Marc Ott

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

Marc Ott

\_\_\_\_\_  
(Printed Name of Recipient's Authorized Representative)

this \_\_\_\_\_ day of \_\_\_\_\_, 20 15

Notary Public, State of Texas

\_\_\_\_\_  
Notary Public Signature

Notary's printed name: \_\_\_\_\_ My commission expires: \_\_\_\_\_ (Seal)



Susan Combs Texas Comptroller of Public Accounts

**Affidavit to be COMPLETED by any/all Municipality, County, and/or LOC endorsing a  
Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund  
AFFIDAVIT**

*[Affidavit to be signed and sworn (notarized) by each Endorsing Municipality, Endorsing County, and Local Organizing Committee (if applicable)]*

I, Wayne S. Hollingsworth, 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 Major Events Trust Fund, Events Trust Fund, or Motor Sports 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 Texas Comptroller's 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:

to the best of my knowledge

- (1) a letter from the municipality or county requesting participation in the 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 Comptroller's office to make the determination of the incremental increase in tax revenue associated with hosting the event in Texas, including a listing of any data for any related activities;
- (4) a Request Worksheet to Establish an Events Trust Fund form and any attachments; and
- (5) an Event Support Contract (if available – else due no later than date of event's first activities).

I understand that I am receiving funding under the Act for the purposes of facilitating this event: X Games Austin 2015  
on these dates: June 4 - 7, 2015

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.

Affiant Signature

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

Sworn and subscribed before me by the said

Wayne S. Hollingsworth

(Printed Name of Recipient's Authorized Representative)

this \_\_\_\_\_ day of \_\_\_\_\_, 20 15

Notary Public, State of Texas

Wayne S. Hollingsworth

Printed Name

Date

Notary Public Signature

Notary's printed name: \_\_\_\_\_ My commission expires: \_\_\_\_\_ (Seal)

**Agreement  
City of Austin  
Circuit Events Local Organizing Committee  
(Summer X Games Event 2014 - 2016)**

The City of Austin, a home-rule municipal corporation located in Hays, Travis, and Williamson Counties, in the State of Texas, (City) acting through, its duly authorized agent the City Manager, and Circuit Events Local Organizing Committee, a Texas non-profit corporation, (CELOC) acting through its duly authorized director or officer, enter into this Agreement (Agreement), upon the terms and conditions set forth below.

**RECITALS:**

1. Tex. Rev. Civ. Stat Art 5190.14 § 5C, (the Act) and rules related to the Act, found at 34 Tex. Admin. Code, Chapter 2, Subchapter B, for an Event trust Fund (an ETF), as amended and supplemented (as applicable, the Rules), were passed and enacted for the purpose of attracting and securing eligible events to Texas. The Texas Comptroller of Public Accounts (Comptroller or State) is tasked with administering the Act and the Rules. The Act at 5C(a)(3), for the ETF, defines eligible events (Event). CELOC has proposed the ESPN Summer X Games (commonly known as the Summer X Games), whose site selection committee is ESPN, a Delaware corporation, as an eligible Event under the Act. The subject Summer X Games events (individually, an Event and collectively, the Events,) will be held in June during 2014 and during each of 2015 and 2016, at the raceway facilities of Circuit of the Americas (COTA) in Austin, Texas.
2. The Act, at 5C(a)(2) for an ETF, provides that a municipality that contains a site selected by a site selection organization for one or more events, such as the Circuit of the Americas Track now located in the City, is an eligible "Endorsing Municipality" for purposes of establishing an ETF as authorized under the Act at 5C(d), thus making local and state funds available to attract, secure, and hold an eligible event, such as the Summer X Games.
3. The Act at 5C(b), authorizes an Endorsing Municipality or a local organizing committee (Local Organizing Committee), such as CELOC, to request that the Comptroller estimate the incremental increases in certain local taxes (Local Increment) and state taxes (State Increment) that will be attributable to the Events.
4. The Act at 5C(d) and (d-1), authorizes the City, or its designee, to fund the ETF in an amount up to the estimated Local Increment. Under this Agreement, CELOC, as the City's exclusive designee, has agreed and committed to fund the Local Increment on behalf of the City; the Act at 5C(f), authorizes the State to fund the ETF with \$6.25 for each dollar of estimated Local Increment, but not more than the estimated State Increment
5. The Act at 5C(d-1) and (e), authorizes the City to determine whether the Local Increment will come from sales, use, and mixed beverage tax collected and retained by the State; hotel occupancy tax collected and remitted by the City; surcharges; any other source; or

any combination of sources. However, under this Agreement, CELOC has agreed and committed to fund the Local Increment on behalf of the City.

6. If CELOC does not fund the Local Increment on behalf of the City, the City may terminate this Agreement, under Section 25 below.
7. The Act at 5C(k), authorizes disbursements to CELOC as the "Local Organizing Committee" on the prior approval of the City.
8. The parties acknowledge and agree that City will solely and exclusively utilize CELOC as its designee (Designee) to provide the Local Increment, and that this Agreement does not affect Comptroller's responsibility to provide City's tax revenues to the City. This agreement does not require the expenditure of City funds into the ETF.
9. On June 24, 2013, the CELOC Board of Directors voted to request, and COTA has submitted a formal letter requesting, that the City (i) act as the Endorsing Municipality for purposes of establishing an ETF for the Event, and (ii) authorize CELOC, as the local organizing committee, to submit a request to the Comptroller to determine the incremental increase in the receipts of various taxes for the Event.
10. On May 23, 2013, the City, by resolution of City Council, approved the City to act as "endorsing municipality" for the event, to approve and appoint CELOC as the Local Organizing Committee for the Event, to approve CELOC to apply to the site selection organization for the Event, to hold the Event in Austin, Texas in June of 2014, and approve CELOC to make application to the Comptroller for and on behalf of the City as the endorsing municipality for participation in the ETF.
11. On June 11, 2013, CELOC made application to ESPN, Inc., as the site selection committee for Summer X Games Event (the Site Selection Organization) for a Summer X Games Event to be held in Austin, Texas for 2014 - 2016. On July 8, 2013, the City received a letter from the Event Site Selection Organization, confirming that, after an international highly competitive selection process, the Site Selection Organization has chosen Austin as the sole location for the June 5 - 8, 2014 Event and subsequent Events.

#### AGREEMENT

12. Agreement Purpose.

The purpose of this Agreement is to establish the parties' authority, rights, and responsibilities with respect to the application to the Comptroller for creation of an ETF, the funding of the ETF and disbursements from that account for the Event. This Agreement does not constitute City approval for any permits or licenses that may be needed by CELOC or any other entity to hold this event.

13. Term.

If the Comptroller approves creation of the ETF for the Event, this Agreement shall remain in effect until 180 days after the Event, unless terminated sooner only in accordance, with the terms of Sections 25 or 27 of this Agreement

14. City Authority.

The City has the authority to enter into this Agreement in accordance with the terms of the Act and pursuant to the approval and resolution of City Council enacted on May 23, 2013. No City appropriation is necessary for performance of this Agreement

15. City Responsibilities.

A. City responsibilities and obligations include:

(1) Authorize CELOC, and, if requested by CELOC, confirm the authority of CELOC as the City's exclusive Designee, to (i) contribute the Local Increment on the City's behalf, (ii) prepare and submit disbursement and reimbursement request letters to the Comptroller; (iii) receive funds from the ETF, and (iv) make annual ETF reimbursement requests to the Comptroller under the Rules.

(2) Coordinate, cooperate with, and assist CELOC in (i) the application process under Rule §2.202, including delivery of a letter required under subsection (a)(i) thereof and, if required by the Comptroller, an affidavit under subsection (a)(5) of §2.202, (ii) the disbursement request process under Rule §2.204, including provision of deliveries required under subsections (e)(1), (e)(7), and (i) of §2.202, as well as the submission of invoices, receipts, and other documents evidencing eligible expenses, all as reasonably requested by CELOC, to obtain disbursement and reimbursement of eligible expenses from the ETF, in accordance with the Rules. Parties acknowledge that the State is the final determiner of what constitutes an "eligible expense" for reimbursement purposes.

B. Per 15.A(2), in carrying out the duties in this Agreement, the City may, and does hereby, designate and authorize CELOC to act as its exclusive Designee and Local Organizing Committee for the Event and to perform those certain duties and tasks on behalf of the City as specified in Section 17 below and any such other duties as subsequently agreed by the City and CELOC in writing, City hereby grants its prior approval for CELOC's submittal to the Comptroller of all disbursement and reimbursement request letters and invoices for eligible expenses related to the Event, subject only to final review and approved by the City.

16. CELOC Authority. CELOC is authorized by the City, and has the authority to fulfill certain responsibilities on the City's behalf as the City's exclusive Designee to make application to the Site Selection Organization for the Event on behalf of the City, to make application for the Event on behalf of the City for participation under the Act and for administration of the ETF, for the Event under the Act and as further authorized and described at Section 17.



17. CELOC Responsibilities and Authority.

A. Specific Responsibilities and Authority (Event).

- (1) The City authorizes and requests, and by its authorized signature below, CELOC agrees that it will fulfill the following responsibilities and obligations on behalf of the City:
  - (a) Make a request to the Comptroller under the Rules, including requesting that the Comptroller make a Local and State Increment determination per Section 5C(b), of the Act (Trust Fund Estimate), with such request made not later than 45 days or 3 months prior to the Event. Should the date of the Event be changed, the request may be resubmitted at any time permitted by the Comptroller.
  - (b) Commission, pay for, or provide for payment of, and submit to the Comptroller, an Economic Impact Study (EIS) assessing estimated tax increment for the next year's Event.
  - (c) Prepare and submit a Request Worksheet to Establish an Event Trust Fund, if and as required by Rule §2.202(a)(4).
  - (d) Provide affidavit if and as required by Rule §2.202(a)(5), in the form required by the Comptroller.
  - (e) Pay or provide for payment of the City's estimated Local Increment, contribution, up to the amount of estimated Local Increment determined by the Comptroller.
  - (f) Enter into an Event Support Contract with the Site Selection Organization per the Rules.
  - (g) Submit to the Comptroller documentation of the Site Selection Organization's "highly competitive selection process" per the Rules.
  - (h) Prepare and submit all disbursement request letters for the Event or the ETF to the City, for review and approval, and to the Comptroller, including required documentation and backup (i) information to enable the City to complete and deliver, in good faith, the certification required under Rule §2.204(i) and such other non-confidential documentation in CELOC's possession as requested by the Comptroller.
  - (i) Prepare and submit the information and report required under Rule §2.203(a).
- (2) CELOC will have (or if currently elected, maintain) one City representative to the CELOC Board. This representative will be a non-voting, ex-officio member. The City will have only one board member, regardless of the number or type of events under this or any other agreement between CELOC and the City.
- (3) All meetings of CELOC shall be conducted in accordance with the Texas Open Meetings Act.
- (4) All records of CELOC shall be open in accordance with the Texas Public Information Act.

B. Modifications of obligations and responsibilities.

CELOC's obligations and responsibilities under this Section 17, and the time periods for compliance or performance, as well as the distributions under Section 20 may be modified or amended with written approval of the City this approval will not be unreasonably withheld. Further, the City may ratify any non-compliant or untimely performance by CELOC and upon such ratification the compliance or performance will be considered and deemed compliant, performed, cured, and timely. Such ratification is only effective if it is in writing.

18. Funding of Local Increment.

A. The City authorizes and requests, and by its authorized signature below CELOC agrees to fulfill, the obligation and responsibility on behalf of the City for the payment of the City's Local Increment contributions for the Event in amounts up to the estimated anticipated Local Increment.

B. If this Agreement is terminated because CELOC does not meet its financial obligation of depositing the annual Local Increment in amounts up to the estimated anticipated Local Increment, then Circuit of the Americas will guaranty the City against any liability to the Comptroller for any amount the Comptroller asserts that the City owes the Comptroller for such Local Increment, as such obligation is further set out in Section 25 of the Agreement between the City and Circuit of the Americas.

C. Per Act, the Local Increment will be matched by the State in a ratio of 1:6.25.

19. INTENTIONALLY LEFT BLANK FOR EXPANSION.

20. Disbursements.

A. The City authorizes and approves for disbursement from the ETF in the following order of priority:

- (1) To the Site Selection Organization, payment for all or part of the Event service fee, provided if such service fee has been paid to the Site Selection Organization, then in reimbursement to the payor thereof.
- (2) To CELOC, in payment of eligible expenses, including the EIS for the Event,

21. Disbursements Must Be Eligible Expenses.

All disbursements from the ETF must constitute eligible expenses, as determined by the State, in accordance with the Act and the Rules.

22. Fund Disbursement Upon Early Termination.

Early termination of this Agreement triggers reimbursement of funds on hand to the party or parties contributing such funds, but only after eligible expenses have been disbursed for applicable Events, per Section 5C(m), with CELOC receiving funds contributed by

CELOC on behalf of the City as City's Designee.

23. Sustainability Initiatives.

- A. CELOC and Circuit of the Americas LLC, (Circuit of the Americas) will enter into an agreement, with City input, that specifies CELOC's and Circuit of the Americas' responsibilities to accomplish the terms specified in Exhibit A, as applicable to the Event.
- B. CELOC will exert reasonable efforts to report or cause Circuit of the Americas to report to the City annually, after the Event is held and prior to disbursement of funds to CELOC by Comptroller for the next year's race, on progress made as it relates to the terms specified in Exhibit A, as applicable to the Event.
- C. Subject to and following the 30 day notice and opportunity to cure described in Section 25 below, there must also be 90 days written notice of intent to terminate delivered to CELOC, pursuant to this section, with copy to the State (for a total 120 day notice period).
- D. Failure to meet items (A) and (B) above, or terms specified in Exhibit A, as applicable to the Event, constitute grounds for termination; provided, however, both parties will first attempt non-binding arbitration to resolve any dispute between the parties with regard to the alleged failure of Circuit of the Americas to meet items (A) and (B) above or the terms specified in Exhibit A, as applicable to the Event. If non-binding arbitration is not successful, the City and CELOC agree to resolve the dispute in the jurisdiction and venue set forth in Section 25 below prior to the City exercising any termination remedy due to such dispute.
- E. City and Circuit of the Americas will enter into an agreement that specifies Circuit of the Americas' responsibilities to accomplish the terms specified in Exhibit A, as applicable to the Event. In the event City is entitled to terminate the Contract between the City and Circuit of the Americas, and City has provided notice of the termination of the Contract between the City and Circuit of the Americas, City may terminate this Agreement by giving 90 days advance notice of termination to CELOC.

24. Minority/Women Business Enterprise Initiatives.

City and Circuit of the Americas will enter into an agreement that specifies Circuit of the Americas' responsibilities to accomplish the M/WBE terms specified in that Agreement, In the event City is entitled to terminate the Contract between the City and Circuit of the Americas, and City has provided notice of the termination of the Contract between the City and Circuit of the Americas, City may terminate this Agreement by giving 90 days advance notice of termination to CELOC.

25. Termination with Cause.

- A. In the event of a material default by a party relating to the ETF authority, rights, and responsibilities set out in this Agreement, the other party shall have the right to terminate the Agreement for cause, but only after written notice of the definite is delivered to the party via certified mail. The notice shall be effective 30 days after delivery, unless otherwise specified, or the default is cured, as provided below. During this time period, the party alleged to be in default shall have the right to and may cure the event of default, or may provide evidence sufficient to prove to the other party's reasonable satisfaction that the default does not exist or that it will be cured in a time satisfactory to the party alleging the default. Evidence may include an opinion from the Comptroller regarding whether or not the alleged default is material to compliance with the Act. Each party's rights and remedies under the Agreement are cumulative and are not exclusive of any other right or remedy provided by law.
- B. Subject to and following the 30 day notice and opportunity to cure described in Section 25 above, there must also be 90 days written notice of intent to terminate delivered to the State and the other party pursuant to this Section (for a total 120 day notice period).
- C. This Agreement may be terminated upon occurrence of any of the following events which continue beyond the 30 and 90 day notices and opportunities to cure set forth above:
  - (1) The Event fails to meet the Performance Measures set out below.
  - (2) Termination of the City's Agreement with Circuit of Americas.

26. Performance Measures.

- A. Performance measures are:
  - (1) The occurrence of the Event within the time permitted in the Act or otherwise approved by the State.
  - (2) City and CELOC, respectively, meet all their designated responsibilities as defined in Sections 15 and 17.
  - (3) CELOC timely deposits or causes the deposit of the Local Contribution.
  - (4) Reporting regarding Sustainability Measures for the Event as set forth in Exhibit A, as applicable to the Event.

27. Repeal or Modification of the Act.

This Agreement expressly contemplates its effectiveness under the Act as currently in effect. Should the Act be repeated or modified in such a manner that the Event no longer qualifies under the provisions of the Act, this Agreement shall become voidable by either party on 90 days written notice to the other party and the Comptroller.

28. Jurisdiction and Venue.

The parties agree that this Agreement is governed by the laws of the State of Texas and that venue for a dispute arising from this Agreement shall be in Austin, Travis County, Texas.

29. Severability.

If a term or provision of this Agreement is determined to be void or unenforceable by a court of competent jurisdiction, the remainder of this Agreement remains effective to the extent permitted by law. However, if it is determined by a competent jurisdiction by a non-appealable final judgment that CELOC cannot provide the Local Increment on behalf of the City, this entire Agreement is void.

30. Notices.

Any notice, request, or other communication required or appropriate to be given under this Agreement shall be in writing and shall be addressed to the person designated for receipt below. Legal notices shall be sent postage prepaid and Return Receipt Requested.

Other notices and routine communications may be delivered by any other means (fax, e-mail, or courier). These notices and communications shall be deemed delivered upon receipt of a successful fax, e-mail, or courier confirmation report by the addressee; provided, that such notice is specifically directed to the attention of the person designated for receipt of notices to City or CELOC. Notice shall be addressed as follows:

To City:  
Attn: City Manager  
301 W.2<sup>nd</sup> St  
Austin, TX 78701

With copy to:  
City Attorney  
Law Department  
301 West 2nd St.  
Austin, TX 78701

To CELOC:  
Attn: Secretary  
100 Congress Avenue, Suite 1300  
Austin, TX 78701-2744

With copy to:  
Wayne S. Hollingsworth  
Armbrust & Brown, PLLC  
100 Congress Avenue, Suite 1300  
Austin, TX 78701-2744

31. Estoppel Certificate / Lender Protection

Upon a written request from CELOC, the City shall, within 10 business days after receipt of such request, execute and deliver to CELOC and any other party designated by CELOC, an estoppel certificate in form reasonably approved by the City Manager which certifies whether the City has knowledge of any default under this Agreement or CELOC's Performance Measures. CELOC may, from time to time, deliver a written notice of lender ("Notice of Lender") executed by CELOC and notifying the City of a lender for all or part of Circuit of the America's race track facilities and related development. The Notice of Lender must include the name and address of COTA's lender ("Lender"). Until the City receives a written release of the Notice of Lender from the Lender, the City agrees to provide the Lender a notice of default under Section 29 (B) above and will provide Lender the same 90 day opportunity to cure such default.

32. Assignment

A party to this Agreement may not assign or transfer its interests under this Agreement except with the written consent of the other party to this Agreement; which consent will not be unreasonably withheld.

33. Effective Date.

The effective date of this Agreement is deemed to be the date upon which the last party executing this Agreement actually signs.

34. Amendment

This Agreement may not be amended in whole or in part except in a written amendment executed by all parties to this Agreement, with copy to the State.

35. Survival of Obligations.

All provisions of this Agreement that impose continuing obligations on the parties shall survive the expiration or termination of this Agreement

36. Business Days.

Whenever action must be taken (including the giving of notice or the delivery of documents) under this Agreement during a certain period of time or by a particular date that ends or occurs on a non-business day (*i.e.* Saturday, Sunday, or a holiday recognized by the U.S. federal government or the State of Texas), then such period or date will be extended until the immediately following business day.

37. No Implied Waiver.

No waiver or consent, express or implied, by any party to or of any breach or default by any party in the performance by such party of its obligations under this Agreement, will be deemed or construed to be a consent or waiver to or of any other breach or default in the performance by such party of the same or any other obligations of such party under



this Agreement. Failure on the part of a party to complain of any act of any party or to declare any party in default, irrespective of how long such failure continues, will not constitute a waiver by such party of its rights under this Agreement until the applicable statute of limitations period has run.

38. Limited Indemnity.

THE CELOC AGREES TO INDEMNIFY AND HOLD HARMLESS THE CITY REGARDING THE CITY OBLIGATIONS AND RESPONSIBILITIES THAT THE CELOC IS UNDERTAKING ON THE CITY'S BEHALF AS ITS EXCLUSIVE DESIGNEE AS SET OUT IN THIS AGREEMENT.

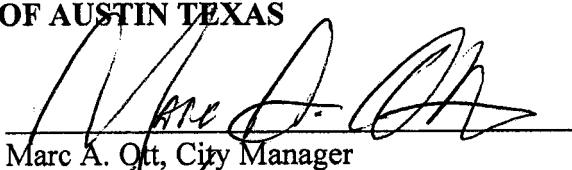
TO THE EXTENT ALLOWABLE BY LAW, CELOC SHALL ALSO DEFEND, INDEMNIFY, AND HOLD HARMLESS CITY, ITS OFFICERS, AND EMPLOYEES, FROM AND AGAINST ANY AND ALL CLAIMS, ACTIONS, SUITS, DEMANDS, PROCEEDINGS, COSTS, DAMAGES, AND LIABILITIES, INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND COURT COSTS ARISING OUT OF, OR CONNECTED WITH, OR RESULTING FROM ANY ACTS OR OMISSIONS OF THE CITY, OR ANY AGENT OR EMPLOYEE OF THE CITY OR CELOC IN THE EXECUTION OR PERFORMANCE OF THIS AGREEMENT. CITY SHALL COORDINATE ITS DEFENSE WITH CELOC AS REQUESTED BY CELOC.

THIS SECTION IS NOT INTENDED AND SHALL NOT BE CONSTRUED TO REQUIRE CELOC TO INDEMNIFY OR HOLD HARMLESS CITY FROM ANY CLAIMS OR INABILITIES RESULTING FROM THE NEGLIGENT ACTS OR OMISSIONS OF CITY OR ITS EMPLOYEES, OR FROM DAILY OPERATIONAL EXPENSES INCURRED BY THE CITY IN THE NORMAL COURSE OF BUSINESS.

EXECUTED as of the dates below in Austin, Travis County, Texas.

**CITY OF AUSTIN TEXAS**

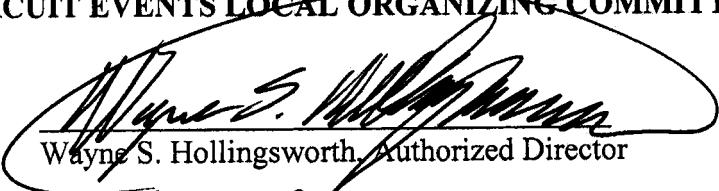
By:

  
Marc A. Ott, City Manager

Date: 2/3/14, 2014

**CIRCUIT EVENTS LOCAL ORGANIZING COMMITTEE**

By:

  
Wayne S. Hollingsworth, Authorized Director

Date: 2/3/14, 2014

# Exhibit A

1. The following items are CELOC responsibilities under the Agreement between the City and CELOC:

**A. *Air quality and environmental initiatives***

- (1) Purchase carbon offsets to achieve carbon neutrality for the net carbon emissions associated with all fuel use and energy demands associated with the Formula One race, to include race operations during the event and temporary generation. Cost of offsets are not to exceed \$15,000 annually. Carbon Impacts and neutrality methodology shall be approved by the City of Austin Office of Sustainability. Possible tools include GreenSports.org OR the Green Sports Alliance.
- (2) A minimum of 50% of carbon offsets will be local, if feasible, and may include options for local tree planting, including on-site trees, and land conservation grants, as carbon offset options.
- (3) Investigate holding the F1 race outside of the Central Texas ozone season (April 1 – October 31).
- (4) If the event is held between April 1 and October 31, develop and submit a plan prior to the first US Grand Prix event that is held between these dates, to reduce emissions of Particulate Matter NO<sub>x</sub> (nitrogen oxides) and CO<sub>2</sub> (carbon dioxide) from the event. The plan should include an estimate of emissions associated with the event, to the extent practical. During subsequent years, submit a plan update only if the US Grand Prix is held between these dates.
- (5) Establish an Event recycling and composting program for any major event held at the site, to the extent practical. At minimum, include Paper, Plastic grades 1 (PETE) and 2 (HDPE), aluminum, glass, and compostables. (Same as Universal Recycling Ordinance, plus organics).
- (6) Require Event food and drink vendors to use recycled and/or compostable materials to the extent available.

**B. *Transportation initiatives***

- (1) Coordinate Event-specific parking and transportation efforts for major events<sup>1</sup> with City of Austin Special Events Offices located in the Austin Transportation Department and Aviation, TXDOT, and Travis County.
- (2) Develop an Event-specific Transportation Management Plan for major events. Submit plan by July 31<sup>st</sup> 2011 to City of Austin Transportation Department Director for review and comment. Plan should be updated annually.
- (3) Obtain a Special Event Permit from City of Austin for any special off-site events, such as event-associated parades or festivals, located within the City limits.

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<sup>1</sup> For the purpose of this agreement, a major event is defined as any event with more than 40,000 attendees, exclusive of employees.

- (4) Provide Event-specific satellite parking locations and sufficient mass transportation options for major events.
- (5) Limit Event-specific parking on-site to 25,000 parking spots and monitor on-site parking; work toward establishing plans for increasing transit share annually for major events.
- (6) Manage the majority of Event-specific parking sales with coordination through a designated single organization for major events.
- (7) Where possible, pre-sell and manage all Event-specific parking through the ticket sales process, in order to ease traffic flow tied to major events. Sell assigned parking for major events that are aligned with trip origination locations. Provide parking purchasers for major events with maps guiding them to their parking location.
- (8) Commit to seeking a transportation partner for the Formula One Event that provides low emission mass transit vehicles for the shuttle operation, and give contracting preference to the lowest available emissions rapid transit vehicles available that reasonably satisfy the needs of the Event, such as those powered by hybrid electric propulsion equipment, natural gas or propane, or low emission diesel engines that meet tier 3 or 4 standards, so long as such provider is at a reasonable incremental cost compared to other providers that do not meet these standards. Analysis of this item shall be included in the Transportation Management Plan referenced in item B(2).

2. *The following items are Circuit of the Americas responsibilities under the Agreement between the City and Circuit of the Americas:*

A. *Air quality and environmental initiatives*

- (1) Work with CAPCOG and other relevant governmental entities to establish, by May 1<sup>st</sup>, 2012, an Air Quality analysis and inventory, modeling, and a mitigation strategy to resolve air quality issues related to major events held between April 1 – October 31. Commit to securing data that allows assessment of emissions specific to the COTA site, subject to an annual cost cap of \$50,000.
- (2) Utilize a combination of subscription to Austin Energy's GreenChoice program (or its successor) and on-site renewable energy generation to reach at least 50% of all non-event energy demands. At least 5% of the demands can be met by on-site renewable energy generation.
- (3) Land preservation and restoration of all disturbed areas, including implementing a combination of xeriscaping, integrated pest management, and water quality controls.
- (4) The majority of new plantings will use naturally drought-tolerant native and adaptive landscaping to promote water conservation.
- (5) Make a minimum of 5 acres in the floodplain available for a community garden or farm. Make reasonable efforts to locate the site as close to an available water source as possible.

- (6) Follow Environmental Board recommendations:
  - a) Comply with new commercial landscape standards.
  - b) Comply with parking lot shading areas.
  - c) Investigate the restoration of riparian of Dry Creek.
  - d) Demonstrate a black land prairie land restoration.
  - e) Perform restoration of Dry Creek Riparian Corridor and Blackland Prairie Corridor; by working with partners such as Texas A&M.
  - f) Establish a monitoring program of any pervious pavement used on site.
- (8) Achieve a minimum of 2 Stars in the Sustainable Sites Initiative by the end of 2013, or develop and submit a sustainable site operations and maintenance plan by the end of 2013 that is consistent with the principles of the SITES initiative. Plan shall be mutually approved by the City of Austin Office of Sustainability and COTA.
- (9) Plant at least 800 trees on-site and establish a maintenance program.
- (10) Establish a Facility recycling and composting program for any major event held at the site. At minimum, include Paper, Plastic grades 1 (PETE) and 2 (HDPE), aluminum, glass, and compostables. (Same as Universal Recycling Ordinance, plus organics).
- (11) Require Facility year-round food and beverage vendors to use recycled and/or compostable materials to the extent available.
- (12) Protect existing wetlands and Critical Environmental Features.
- (13) Strive to reduce emissions of Particulate Matter NO<sub>x</sub> (nitrogen oxides) and CO<sub>2</sub> (carbon dioxide) from construction, transit and maintenance vehicles for all construction activities and major events to occur after the first US Grand Prix Event.
  - a) Give preference to contractors using lowest emission transit, construction, maintenance and generation equipment in future or renewed contracts, so long as such provider is at a reasonable incremental cost compared to other providers that do not meet these standards.
  - b) Give preference to contractors using the lowest emissions diesel engines available, so long as such provider is at a reasonable incremental cost compared to other providers that do not meet these standards. Specify use of Tier 3 or Tier 4 emission equipment and ultralow sulfur fuels, where feasible. Use as many of the suggested measures as feasible from the COA Construction Equipment Emission Reduction Toolkit:  
<http://www.dieselnets.com/standards/us/nonroad.php#tier4>  
 Do an inventory and report to the City of Austin annually.
  - c) Use reasonable efforts to use cleanest equipment available, such as electric, four cycle or propane-fueled lawnmowers, line trimmers and electric hand-held equipment for landscape maintenance.<sup>2</sup>

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<sup>2</sup>New EPA standards include hydrocarbon and nitrogen oxides exhaust emission standards of 10 g/kW-hr for Class I engines starting in the 2012 model year and 8 g/kW-hr for Class II engines starting in the 2011 model year.

**B. Transportation**

- (1) Develop a Transportation Management Plan for all major events.<sup>3</sup> Submit plan to City of Austin Transportation Department Director for review and comment. Plan should be updated annually.**
- (2) Coordinate parking and transportation efforts for major events with City of Austin Special Events Offices located in the Austin Transportation Department and Aviation, TXDOT, and Travis County.**
- (3) For any special off-site events such as event-associated parades or festivals located within the City of Austin, require the event-sponsor to obtain a Special Event Permit from City of Austin.**
- (4) Require all major events held at the COTA to provide satellite parking locations and sufficient mass transportation options.**
- (5) Limit parking on-site to 25,000 parking spots and monitor on-site parking; work toward increasing transit share annually for major events.**
- (6) Manage the majority of all parking sales and coordination through a designated single organization for major events.**
- (7) Where possible, pre-sell and manage all parking through the ticket sales process, in order to ease traffic flow tied to major events. Sell assigned parking for major events that are aligned with trip origination locations. Provide parking purchasers for major events with maps guiding them to their parking location.**
- (8) Commit to seeking a transportation partner that provides low emission mass transit vehicles for the shuttle operation, and give contracting preference to the lowest available emissions rapid transit vehicles available that reasonably satisfy the needs of the event, such as those powered by hybrid electric propulsion equipment, natural gas or propane, or low emission diesel engines that meet tier 3 or 4 standards, so long as such provider is at a reasonable incremental cost compared to other providers that do not meet these standards.**
- (9) Post a policy and undertake reasonable enforcement to limit unnecessary idling of vehicles being used to supply heat or air conditioning necessary for passenger comfort and safety, in vehicles intended for commercial or public transportation, or passenger transit operations, to a maximum of 30 minutes.**
- (10) Commit to working with relevant governmental entities to dedicate traffic lanes on all appropriate roads entering the site to mass transit for major events.**
- (11) Work with relevant governmental entities to establish a dedicated bike facility by the first major event, that would provide direct access to the site; provide public showers for major events.**
- (12) Explore partnerships with Austin Energy to provide on-site charging stations (110/240 volt) for electric, hybrid/electric vehicles, electric**

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<sup>3</sup> For the purpose of this agreement, a major event is defined as any event with more than 40,000 attendees exclusive of employees.



scooters, pony packs, and electric landscaping equipment, to facilitate charging.

**C. *Future On-site Development***

- (1) Any future buildings (i.e. buildings not currently under construction or in review) of over 2000 Square Feet will achieve minimum 2 Star rating in Austin Energy's Green Building program OR achieve Silver LEED certification. Work with Office of Sustainability and Austin Energy Green Building with the goal of achieving higher levels of green building certification, including leveraging all available incentives.
- (2) Building design and window placement to maximize natural light and passive solar design.
- (3) All new toilets and urinals meet or exceed low flow requirements, as defined by the Austin Uniform Plumbing Code, to achieve water reduction.

**D. *Ongoing Collaboration on Sustainability Efforts***

- (1) Establish an ongoing partnership with the City's Sustainability Office to implement best practices on site-specific sustainability efforts and collaborate on educational tours and demonstrations at the site.
- (2) Designate a single point-of-contact for the facility's sustainability efforts.

**E. *Green Technology R&D***

- (1) Coordinate with partners including UT, Texas State, Huston-Tillotson, Texas A&M, and Austin Technology Incubator to support the establishment of a Green Racing and Transportation Research, Education, and Testing Center or similar low carbon transportation technology incubator at the site.
- (2) Allow reasonable access to the track facilities for electric vehicle research and testing.
- (3) COTA shall make good faith efforts in partnership with other interested parties to raise, within 18 months from the date on which the contract is signed between the City and COTA, \$5 million to fund on-site green technology and research & development projects, in one or more of the following categories: solar power, automotive fuel efficiency, electric vehicles, biofuels, geothermal, or wind power. COTA shall cooperate with the City to seek US Department of Energy funds to support any resulting green technology R&D projects.

**F. *Alternative Energy Events***

- (1) Commit to hosting alternative energy, energy-efficient car races such as:
  - a) F-zero Race
  - b) Go Green Auto Rally
  - c) SAE Solar Races
- (2) Commit to hosting bicycle and foot races at the track.

- (3) Publicly advocate for electric vehicle research and testing, including the pursuit of business partnerships.
- (4) Agree to host public awareness event to advance community knowledge of the available options for green energy or transportation.

**G. *Community Sustainability***

- (1) Make good faith efforts to comply with the standards and principles of the City's MBE/WBE ordinance per Section 12 of the Agreement between the City and Circuit of the Americas.
- (2) Reporting as required by Agreement between CELOC and City and Agreement between COTA and City, respectively. Commit to recruiting local hires through job fairs and local media outreach.
- (3) Continue educational partnerships with area schools and universities on sustainability and technology issues.



### Council Question and Answer

Related To	Item #8	Meeting Date	April 2, 2015
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### Additional Answer Information

**QUESTION:** Who are the members of the Asian American Resource Center Board of Directors, and can we get some more information on their staff? COUNCIL MEMBER ZIMMERMAN'S OFFICE

**ANSWER:** The Asian American Resource Center Nonprofit is a Texas 501(c)(3) corporation created to support the construction and operation of the City of Austin's Asian American Resource Center. The goals of non-profit corporation are three-fold (i) to advocate and fundraise for high-quality arts, history, and educational programming that celebrates the multitude of Asian cultures found within the City of Austin, (ii) to provide resources to the under-served members of Austin's Asian community - particularly seniors, recent refugees, and workers and families with low English proficiency, and (iii) stimulate the local economy by facilitating international business opportunities and education, in cooperation with local chambers of commerce and the City of Austin.

Because the Asian community is so diverse, in regards to different countries of origin, different languages even within the same countries, different religions, and different socioeconomic backgrounds, it is groundbreaking to have one community center to provide support for everyone. The AARC Nonprofit was involved in completing a Community Health Assessment with the City of Austin Health and Human Services Department, in order to gain a better understanding of health issues specifically related to Asian Americans. There are also plans for health fairs and legal clinics. They have started a seniors' community program, had a commercial kitchen approved to support senior lunches and events, started an Anti-Bullying study, got a grant to start a community garden, partnered with ACC to provide free English classes, helped to spearhead the upcoming Asian American Film Festival, and so much more!

The AARC Nonprofit Board of Directors is made up of a diverse group of individuals who serve the Asian American Community of Austin. They come from a mix of Asian ethnicities, faiths, languages, and socioeconomic backgrounds with the goal of reaching the complex mix of Communities in Austin. Board members serve for two year terms. The current makeup of the Board is 18 members with a cap of 39 members. James Shieh is the current Chairman of the Board of Directors. The Asian American Resource Center Nonprofit does not employ any paid staff.



## Council Question and Answer

<b>Related To</b>	Item #9	<b>Meeting Date</b>	April 2, 2015
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### Additional Answer Information

**Question 1:** How much revenue for this program has been generated since Jan 2012? What costs for this program have been generated since Jan 2012? COUNCIL MEMBER ZIMMERMAN'S OFFICE

**Answer 1:** The Caswell Tennis Center revenue and expenditures itemized by fiscal year for FY 12, FY 13 and FY14 is below:

Caswell Tennis Center		
Court Fee Revenues		Expenditures
2012 - 2014		2012-2014
2012	\$80,468	\$67,901
2013	\$70,987	\$80,621
2014	\$82,751	\$73,357
Totals	\$234,206	\$221,879

**Total net over the three fiscal years:           \$12,325**

Revenues are tennis court fees, while expenditures include management fees of \$3,000 a month, productivity awards, and City-incurred operating costs.

The table below illustrates the projected revenue and expenditures for the pending contract.

Caswell Tennis Center		
Court Fee Revenues		Expenditures
2015-2017 Projected		2015-2017 Projected
2015	\$83,333	\$59,000
2016	\$83,333	\$59,000
2017	\$83,333	\$59,000
Totals	\$250,000	\$177,000

**Total net over the three fiscal years:           \$73,000**

Revenues are tennis court fees, while expenditures include management fees of \$2,000 a month, productivity awards, and City-incurred operating costs.

**REVENUES**

The pricing offered in the pending contract represents a 15% decrease from the prior contract, including a reduction in the management fee paid from \$3,000/month to \$2,000/month. This reduction, coupled with an increase in projected revenue at the facility will generate approximately \$60,000 more in net revenue for the City over the three year contract period.

#### **EXPENDITURES**

The department anticipates that City-paid utilities and repairs at the facility will total \$60,000 over the three year period, with management fees and productivity awards not to exceed \$117,000. The productivity award allows the contractor to receive a maximum of \$15,000 per year, based on revenue generation, customer service, maximizing court usage, and programming content. Per the contract, the productivity award will be half of annual court revenue minus the annual target (\$65,000). Therefore, in order to receive the maximum award, the facility must generate at least \$95,000 in yearly revenue. Based on the current estimated yearly revenue of \$83,300, the contractor would receive a yearly productivity award of \$9,150, resulting in a total contractual payment of \$99,450.

The contractor will incur the remaining expenditures related to professional management of the facility.

**Question 2:** Who won the 2012 contract? COUNCIL MEMBER ZIMMERMAN'S OFFICE

**Answer 2:** Love Tennis Company won the contract bid in 2012.

**Question 3:** Is the approximate \$250,000 in revenue an annual number? COUNCIL MEMBER ZIMMERMAN'S OFFICE

**Answer 3:** The \$250,000 figure is a three year estimate, equivalent to approximately \$83,000 a year. This projection was based off a 6 year average of actual revenue generated by this facility. The department expects revenue generation from this facility to continue to grow in the future; PARD has experienced this contract to be revenue positive in the past, with all expenses covered by the contractor, and projects it will remain so in the future.



## Council Question and Answer

Related To	Item #9	Meeting Date	April 2, 2015
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### Additional Answer Information

#### **QUESTION (CM GALLO):**

Why is the tennis court fee revenue deposited into the General Fund revenue when the expenses are paid from the PARD General Fund?

#### **ANSWER:**

All Parks and Recreation (PARC) programs and facilities, with the exception of the Golf Enterprise, are funded via the General Fund. PARC is considered a core governmental service and is therefore part of the General Fund, which is primarily supported by sales and property tax. However, the City does not rely entirely on taxes to support PARC; the department does collect fees for services, such as tennis court fees, to help offset property tax requirements. As such, all revenues are deposited into the General Fund. All PARC expenditures, with the exception of the Golf enterprise, are budgeted as part of the General Fund expenditures, appropriated annually by City Council. However, we do track revenue and fees by program, and are able to determine the cost recovery level by program.

#### **QUESTION (CM GALLO):**

Who is the current management provider for the Caswell Tennis Center?

#### **ANSWER:**

The current management provider for the Caswell Tennis Center is LOVE TENNIS COMPANY.

#### **QUESTION (GM GALLO):**

What was the monthly management fee associated with the current contractor?

#### **ANSWER:**

The management fee is \$3,000 a month.

#### **QUESTION (CM GALLO):**

For the three other public tennis centers please provide the following:

- A: the name of the tennis center
- B: the management service company operating the tennis center
- C: the monthly management fee and total contract amount for the tennis center
- D: date when the current management contract expires for the tennis center
- E: how many courts are at the tennis center?



**ANSWER:**

<u>Tennis Center</u>	<u>Management Company</u>	<u>Monthly Fee</u>	<u>Contract Expiration</u>	<u>Number of Courts</u>
Austin Tennis Center	Lone Star Tennis	\$3,000	August 2015	10 full - size courts 8 quick-start courts
Pharr Tennis Center	Yanez Tennis	\$3,000	February 2018	8 full- size courts
South Austin Tennis Center	Rippner Tennis Inc.	\$3,000	March 2016	10 full - size courts

**QUESTION (CM GALLO):**

Would the City benefit if all four of the professionally managed tennis centers were under one contract?

**ANSWER:**

In order to provide a comprehensive response regarding the management benefits, PARD staff will need to conduct research regarding nation-wide best practices for the management of tennis facilities. This research will inform the best model for the City of Austin tennis centers to meet or exceed stakeholder expectations.

**QUESTION (CM GALLO):**

How much money would the City save with one contract for all tennis centers?

**ANSWER:**

Unfortunately, information regarding a savings or other detailed financial pros/cons requires the City to solicit services for a single management model. A single management model has not been considered in the past and therefore there is no historical information to reference. At this juncture, the Department is not able to provide a definitive answer regarding projected savings under an alternative business mode.

**QUESTION (CM GALLO):**

Who is in charge of the two hour street parking time limits around the Caswell Tennis Center?

**ANSWER:**

The City Transportation Department has jurisdiction of the right-of- way and has the authority to set regulations associated with right away parking.

City staff must execute affidavits to the Texas Comptroller attesting to the accuracy of the information provided in the EIS and correctness of the information provided in the application.

**QUESTION (CM GALLO):**

Has the City considered changing the street parking time limit for this area to allow citizens more time to use the Caswell Tennis Center?

**ANSWER:**

The Parks and Recreation Department has recently engaged the Transportation Department to review parking options for the spaces in the right of way most commonly associated with Caswell Tennis Center.



**Item From Council**  
**CITY OF AUSTIN**  
**RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.:** 40  
**AGENDA DATE:** Thu 02/26/2004  
**PAGE:** 1 of 1

**Item From Council**

**Posting Language:** Approve a resolution amending Resolution No. 021003-40, adopted by Council on October 3, 2002, to add one additional annual City co-sponsored event, Celebrate Texas Parade and Run.

**Proposed meeting date:** THU 02/26/2004

**Sponsor:** Mayor Pro Tem Jackie Goodman

**Co-sponsor 1:** Mayor Will Wynn

**Co-sponsor 2:** Council Member Brewster  
McCracken

**Date by which the City Manager is requested to report back to Council:**

**Draft Resolution/Ordinance attached:**

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**RESOLUTION NO. 040226-40**

**WHEREAS**, the City Council desires to amend Resolution No. 021003-40, adopted by Council on October 3, 2002, to add one additional annual City co-sponsored event, the Celebrate Texas Parade and Run; **NOW, THEREFORE,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

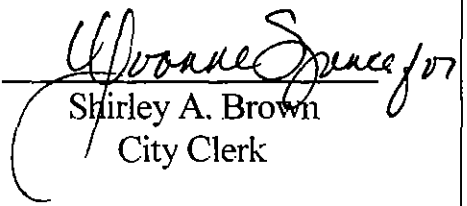
Resolution No. 021003-40 is amended as follows:

(A) (1) (a) The following events are City co-sponsored special events for Fiscal Year 2003:

(vi) Celebrate Texas Parade and Run

**ADOPTED:** February 26, 2004

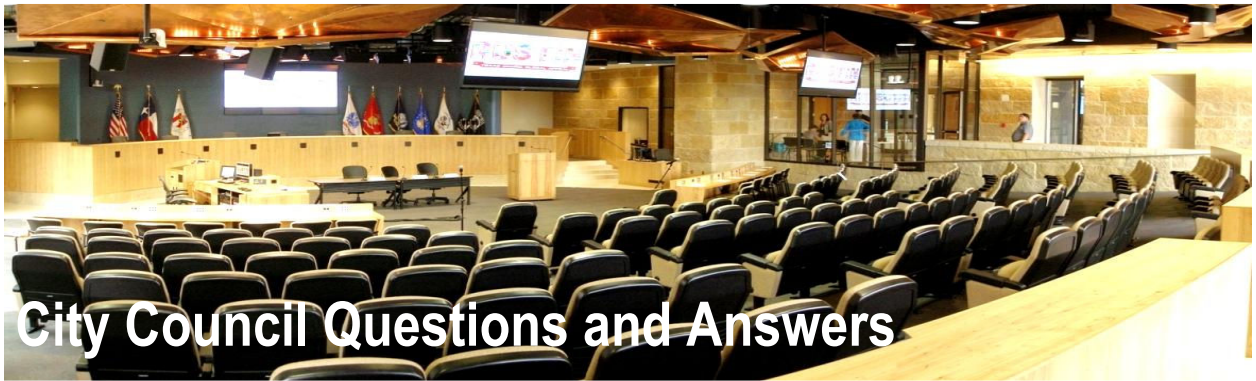
**ATTEST:**

  
Shirley A. Brown  
City Clerk



## Council Question and Answer

Related To	AHFC Items #1-#4	Meeting Date	April 2, 2015
Additional Answer Information			
<p><b>QUESTION (CM ZIMMERMAN):</b> What are the terms of these loans, and for what purpose?</p> <p><b>ANSWER:</b> <u>Proposed Loans and Purpose</u></p> <ul style="list-style-type: none"> <li>· Mulholland Group, LLC -- Capitol Village Apartments: The purpose of the proposed \$2,000,000 loan is to assist with the acquisition of an existing 249-unit multi-family rental property on US Hwy 290 East near Berkman Drive. After acquiring the property, the developer will rehabilitate the property, originally built in 1969.</li> <li>· Foundation Communities – Live Oak Trails: The purpose of the proposed \$500,000 loan is to assist with the construction of a 58-unit multi-family rental development at 8500 U.S. Highway 71.</li> <li>· Foundation Communities – Lakeline Station Apartments: The purpose of the proposed \$500,000 loan is to assist with the construction of a 128-unit multi-family rental development at 13635 Rutledge Spur, near the Lakeline MetroRail Station.</li> <li>· Foundation Communities – Bluebonnet Studios: The purpose of the proposed \$1,000,000 loan is to assist with the construction of a 107-unit Single Room Occupancy facility for extremely low-income individuals and those exiting homelessness.</li> </ul> <p><u>Terms</u> The request for AHFC Board action on the April 2, 2015 agenda is for authorization to negotiate and execute loan agreements. If approved, loan terms will be negotiated.</p> <p><b>QUESTION (CM ZIMMERMAN):</b> Are the loans “forgivable”? If not, when is repayment due, and what is the penalty for failure to repay the loan?</p> <p><b>ANSWER:</b> While the negotiation of loan terms has not yet been approved, all loans from AHFC require each borrower to comply with the terms and conditions of the loan agreement. Loans are secured by deeds of trust on each property. Failure to comply with the terms and conditions of the loan agreement, including failure to repay the loan, would be grounds for legal action against the borrower. This could result in foreclosure on the property.</p> <p><b>QUESTION (CM ZIMMERMAN):</b> Do the loans contribute to real estate projects which will be not be on property tax rolls?</p> <p><b>ANSWER:</b> No. All projects will pay property taxes. The developments may be eligible for certain exemptions available under the Texas Property Tax Code through application to the Travis Central Appraisal District (TCAD). TCAD would make the determination as to whether the property qualifies for an exemption.</p> <p><b>QUESTION (CM ZIMMERMAN):</b> Are there any connections of these loans to the subsidized housing projects approved back in February?</p> <p><b>ANSWER:</b> No.</p>			



**City Council Questions and Answers for  
Thursday, April 02, 2015**

These questions and answers are related to the  
Austin City Council meeting that will convene at 10:00 AM on  
Thursday, April 02, 2015 at Austin City Hall  
301 W. Second Street, Austin, TX



**Mayor Steve Adler**  
**Mayor Pro Tem Kathie Tovo, District 9**  
**Council Member Ora Houston, District 1**  
**Council Member Delia Garza, District 2**  
**Council Member Sabino "Pio" Renteria, District 3**  
**Council Member Gregorio Casar, District 4**  
**Council Member Ann Kitchen, District 5**  
**Council Member Don Zimmerman, District 6**  
**Council Member Leslie Pool, District 7**  
**Council Member Ellen Troxclair, District 8**  
**Council Member Sheri Gallo, District 10**

*The City Council Questions and Answers Report was derived from a need to provide City Council Members an opportunity to solicit clarifying information from City Departments as it relates to requests for council action. After a City Council Regular Meeting agenda has been published, Council Members will have the opportunity to ask questions of departments via the City Manager's Agenda Office. This process continues until 5:00 p.m. the Tuesday before the Council meeting. The final report is distributed at noon to City Council the Wednesday before the council meeting.*

## **QUESTIONS FROM COUNCIL**

1. Agenda Item # 4 - Approve a resolution amending Resolution No. 20130523-019 to authorize the Circuit Events Local Organizing Committee to act on behalf of the City for the Texas Major Event Trust Fund, or in the alternative, the Texas Event Trust Fund, for the purposes of: conducting economic studies, submitting applications, and submitting any required funding, to the Texas Comptroller, or the Economic Development and Tourism Division, Office of the Governor for the Summer X-Games to be held at the Circuit of the Americas Facility in 2015, 2016, and 2017.
  - a. QUESTION: 1) Please provide: the total amount City of Austin has provided in fee waivers to X Games; maximum amount available to events via the Events Trust Fund; maximum amount available to events via the Major Events Trust Fund; explanation of the difference in requirements between the two funds; X Games application to METF. 2) For how many events has CELOC applied for public funding? 3) What is the estimated maximum amount that the XGames plans to request from the METF? 4) Will CELOC be providing the local match required by the METF or does CELOC intend to request that local support be provided by the City of Austin? 5) The X Games have sought and received fee waivers from the City of Austin in the past; will the X Game organizers seek future fee waivers from the City of Austin? 6) Who will conduct the economic analysis that determines the amount the X Games will be eligible to seek from the METF? 7) Staff referred to pieces of the application that City of Austin staff review and sign with an affidavit. Did this response refer to the Events Fund applications or the Major Events Trust Fund applications? Please identify which sections and the kind of information on the application that staff are required to verify as accurate. 8) From the work session discussion, it sounds as if the X Games organizers have been interested in seeking support from the Major Events Trust Fund for some time. If that is accurate, please explain why this resolution is only now coming before City Council for consideration. MAYOR PRO TEM TOVO'S OFFICE
  - b. ANSWER: See attachment.
  - c. QUESTION: 1) Please list CELOC members and their professional



affiliations. Is the Organizing Committee required to submit financial statements? If not, why? 2) How often has the Organizing Committee briefed Council? 3) Is CELOC subject to audit? Under what conditions would it be audited? COUNCIL MEMBER POOL'S OFFICE

- d. ANSWER: See attachment.
  - e. QUESTION (ASKED DURING WORK SESSION): Can staff provide CELOC's application to the ETF and/or the METF for X Games 2015?
  - f. ANSWER: Attached is CELOC's completed application to the ETF for X Games 2015 and the Texas Comptroller's letter of award. Also attached is CELOC's draft application to the METF for X Games 2015.
  - g. QUESTION (ASKED DURING WORK SESSION): Can staff provide a copy of the agreements between CELOC and the City?
  - h. ANSWER: See attachment.
2. Agenda Item # 8 - Approve an ordinance amending the Fiscal Year 2014-2015 Parks and Recreation Department Operating Budget Special Revenue Fund (Ordinance No. 20140908-001) to accept and appropriate \$65,000 in grant funds from the Asian American Resource Center, Inc. for salary expenses for a City of Austin employee to assist with Asian and Asian-American cultural protocols, programming, and marketing at the City of Austin Asian American Resource Center.
- a. QUESTION: Is it possible to fill this position with a current Parks and Recreation Department vacancy until the new Fiscal Year, and if so, if the grants funds would still be available. COUNCIL MEMBER TROXCLAIR'S OFFICE
  - b. ANSWER: This partnership with the Asian American Resource Center is already using a vacant PARD position, in which the Budget Office will be returning in the next fiscal year.
  - c. QUESTION: Who are the members of the Asian American Resource Center Board of Directors, and can we get some more information on their staff? COUNCIL MEMBER ZIMMERMAN'S OFFICE
  - d. ANSWER: See attachment
3. Agenda Item # 9 - Authorize award, negotiation, and execution of a 36-month contract with TEXAS TENNIS CONSULTANTS, or one of the other qualified offerors to Request for Proposal No. TVN0047, to provide management services for Caswell Tennis Center, in an amount not to exceed \$117,000, with two 36-month extension options in an amount not to exceed \$117,000 per extension option, for a total contract amount not to exceed \$351,000.

- a. QUESTION: 1) How much revenue for this program has been generated since Jan 2012? 2) What costs for this program have been generated since Jan 2012? 3) Who won the 2012 contract? 4) Is the approximate \$250,000 in revenue an annual number? COUNCIL MEMBER ZIMMERMAN'S OFFICE
  - b. ANSWER: See Attachment.
  - c. QUESTION: 1) Why is the tennis court fee revenue deposited into the General Fund revenue when the expenses are paid from the PARD General Fund? 2) Who is the current management provider for the Caswell Tennis Center? 3) What was the monthly management fee associated with the current contractor? 4) For the three other public tennis centers please provide the following: the name of the tennis center; the management service company operating the tennis center; the monthly management fee and total contract amount for the tennis center; date when the current management contract expires for the tennis center; and how many courts are at the tennis center. 5) Would the City benefit if all four of the professionally managed tennis centers were under one contract? 6) How much money would the City save with one contract for all tennis centers? 7) Who is in charge of the two hour street parking time limits around the Caswell Tennis Center? 8) Has the City considered changing the street parking time limit for this area to allow citizens more time to use the Caswell Tennis Center? COUNCIL MEMBER GALLO'S OFFICE
  - d. ANSWER: See attachment
4. Agenda Item # 10 - Authorize award and execution of a 60-month revenue contract with LONE STAR RIVERBOAT, INC. to provide boat excursion services on Lady Bird Lake for an estimated revenue amount of \$150,000, with one 60-month extension option in an estimated amount of \$150,000 for a total estimated revenue amount of \$300,000.
- a. QUESTION: What provisions has Lone Star Riverboat taken to address permitting deficiencies relating to restroom output and water pumping on vehicles? COUNCIL MEMBER POOL'S OFFICE
  - b. ANSWER: Via a letter sent to Lone Star Riverboat last week, City staff notified Lone Star Riverboat about the City's requirements regarding recordkeeping to demonstrate compliance with the City's marine sanitation requirements. In response, Lone Star Riverboat has provided records demonstrating that the waste from its boats has been properly pumped out.
  - c. QUESTION: 1) Two of the three boats in the current Lone Star Fleet are Non-Compliant with City Code in regard to providing marine toilets on excursion boats. Will Lone Star Riverboat, Inc. replace the current Non-Compliant boats with the expansion of "seats" and/or additional boats, or would the Non-Compliant boats continue to operate? 2) Will any additional

“seats” or boats comply with City Code in regard to providing marine toilets on excursion boats that carry more than 20 passengers? 3) Is the current dock adequate for the services and fleet that will be provided over the next 5-10 years? 4) Who owns the existing dock that serves the Lone Star Riverboats operation? 5) How will the services/fleet be expanded with no expansion or improvements to the dock? 6) What parkland would be used by Lone Star Riverboat for providing parking and ADA access to the existing dock? Will all improvements made on parkland be dedicated to the City? 7) Consider requiring Lone Star Riverboat to install a Boat Sewage Pumpout Station prior to expanding services/fleet to provide a proper on-shore disposal facility for excursion boats that operate on Lady Bird Lake. (There is Boat Sewage Pumpout grant funding available that can cover up to 75% of the cost for installing this equipment.) 8) Can staff explain why these concerns have not been addressed or why the agreement has not been amended. MAYOR PRO TEM TOVO'S OFFICE

- d. ANSWER: 1) Lone Star Riverboats Inc. will be required to operate in compliance with all applicable federal, state and local laws include city code 6-5-34. Lone Star Riverboats Inc. operator could opt to limit excursion passenger loads to less than 20 per excursion/trip on the “Little Star” and “Southern Star”, which are not equipped with marine toilets or discontinue their use. Lone Star Riverboats may continue to utilize its “Lone Star” vessel which is compliant with 6-5-34 as it is equipped with two marine toilets. 2) Lone Star Riverboats Inc. proposes to upgrade its 3 vessel fleet by replacing its “Little Star” vessel, a 34 set capacity vessel, with a larger vessel. The proposed new vessel would not be equipped with a marine toilet, therefore would be limited to a maximum passenger capacity of less than 20 per city’s current code requirement. 3) Yes, Lone Star Riverboats Inc. has no plans to increase the number of vessels in its fleet. 4) Lone Star Riverboats Inc. owns the existing floating dock. Lone Star Riverboats Inc. acquired and maintains the dock at its own expense. 5) Lone Star Riverboats Inc. does not propose to increase the number of vessels. Rather, Lone Star Riverboats Inc. plans to replace “Little Star” capacity of 34 with a “60” seat capacity vessel that is accommodated within the existing dock. 6) The current agreement does not require dedicated parking amenities. Patrons of the lone Star Riverboat access parking at a variety of private and public lots and right of way on street parking on a first come first serve basis. All improvements on parkland will be owned by the City. 7) The City’s Request for Proposals did not require the investment and installation of a boat sewage pump out station. Lone Star and other commercial operators currently utilize permitted waste haulers to pump out marine holding tanks in compliance with City code. 8) Concerns related to excursion boat marine toilets and related pump out requirements in Austin City Code Chapter 6 currently reside with Austin Water Utility. The Austin Water Utility is in the process of reviewing, collecting stakeholder input and making recommendations for revisions to code. Lone Star has not been cited with any code violation(s) to date. In light of concerns raised, the Parks department will require Lone Star to submit a copy of each and every manifest for marine toilet pump outs on a monthly basis.

- e. QUESTION: 1) Will Lone Star Riverboat, Inc. replace the current Non-Compliant boats with the expansion of "seats" and/or additional boats, or would the Non-Compliant boats continue to operate? 2) Will any additional "seats" or boats comply with City Code in regard to providing marine toilets on excursion boats that carry more than 20 passengers? 3) Is the current dock adequate for the services and fleet that will be provided over the next 5-10 years? 4) Who owns the existing dock that serves the Lone Star Riverboats operation? 5) How will the services/fleet be expanded with no expansion or improvements to the dock? 6) What parkland would be used by Lone Star Riverboat for providing parking and ADA access to the existing dock? Will all improvements made on parkland be dedicated to the City? 7) Consider requiring Lone Star Riverboat to install a Boat Sewage Pumpout Station prior to expanding services/fleet to provide a proper on-shore disposal facility for excursion boats that operate on Lady Bird Lake. (There is Boat Sewage Pumpout grant funding available that can cover up to 75% of the cost for installing this equipment.) 8) Can staff explain why these concerns have not been addressed or why the agreement has not been amended.
- f. ANSWER: 1) Lone Star Riverboat, Inc. has not been cited for non-compliance under Chapter 6-5 of the Austin City Code. The rules are currently being revised. Please see item # 8 for more detail. 2) Lone Star Riverboat, Inc. will operate in compliance with the City's code requirements. 3) Yes, Lone Star Riverboat, Inc. is not proposing to increase the number of vessels in its fleet. 4) Lone Star Riverboat, Inc. owns the existing floating dock. Lone Star Riverboat, Inc. acquired and maintains the dock at its own expense. 5) Lone Star Riverboat, Inc. does not propose to increase the number of vessels. Rather, Lone Star Riverboat, Inc. plans to replace "Little Star" capacity of 34 with a "60" seat capacity vessel that is accommodated within the existing dock. 6) Similar to the current agreement, the proposal does not include the provision of dedicated parking amenities. Patrons of the Lone Star Riverboat, Inc. access parking at a variety of private and public lots and right of way on street parking on a first come first serve basis. All improvements on parkland will be owned by the City. 7) Staff does not recommend installing a boat pump-out facility/on-shore disposal facility on Lady Bird Lake as this will increase the risk of sewage entering the lake in a flood event. Lone Star Riverboat, Inc. and other commercial operators currently utilize permitted waste haulers to pump out marine sanitation devices (MSD). Proposed revisions to Chapter 6-5 of the Code would make these requirements consistent with State requirements, which allow the waste to be disposed of in this manner. 8) As it stands for this proposed contract, the concerns expressed have been noted, and have been addressed to the extent possible under the current code. The rules governing the number of marine sanitation devices and on-shore disposal facilities are currently under review, as they are inconsistent with other applicable Federal, State, and other Local rules. For example, current code includes: • No definition of Excursion Boat • Requirement for gender-specific restrooms • No provision for hauling waste offsite from boats with MSDs • Prohibits use of temporary toilets at any

marina • No enforcement authority for Austin Water. Staff is currently working to revise these rules; the next stakeholder meeting is scheduled for April 16, 2015 at Waller Creek Center.

- g. QUESTION: 1) Does the City own the boats and motors that are used under this contract? 2) If the City does not own these assets, then why are the purchases of motors and a boat considered as upgrades to parkland? 3) If the reinvestment amount of \$125,000 is one of the justifications for the 9 percent revenue share, then why are the purchases of a boat and motors (which should be considered as business expenses) included in the upgrades to parkland amount? COUNCIL MEMBER GALLO'S OFFICE
  - h. ANSWER: 1) The City does not own the boat and motors under the contract. These are owned by the Contractor. 2) The upgrade of the motors and one of the boats are considered in the overall reinvestment because they are integral to the services provided by the Contractor to the public on behalf of the City. 3) These assets will provide a public benefit reducing risk, increasing public safety and potentially resulting in higher revenues to the City.
5. Agenda Item # 14 - Approve a resolution directing the City Manager to outline plans addressing reform of the City's development review, inspections and permitting processes, including but not limited to, recommendations from the Zucker Systems Analysis Report. (Notes: SPONSOR: Mayor Steve Adler CO 1: Council Member Gregorio Casar CO 2: Council Member Sheri Gallo CO 3: Mayor Pro Tem Kathie Tovo CO 4: Council Member Sabino "Pio" Renteria)
- a. QUESTION: How many of the 461 recommendations from the Final Draft of the Zucker Report have been implemented by PDRD? COUNCIL MEMBER ZIMMERMAN'S OFFICE
  - b. ANSWER: The assessment provided by Mr. Zucker is not yet finalized. Department employees, partner departments, the public and stakeholders will be providing feedback and comments on the latest draft to the consultant, which are due back to Mr. Zucker by April 13th. Additionally, there are three scheduled meetings, one for employees and two public stakeholder sessions scheduled on April 8th at the Palmer Event Center to provide employees and stakeholders the opportunity to voice concerns, ask questions or make comments directly to the consultant. The department intends to provide a response to the assessment after it is finalized, including a listing of recommendations that have been implemented.
6. Agenda Item # 15 - Approve a resolution initiating a code amendment to mitigate the effects of smoke emissions from restaurants and mobile food vendors near residentially zoned areas. (Notes: SPONSOR - Council Member Sabino "Pio" Renteria CO 1: Council Member Kathie Tovo CO 2: Mayor Steve Adler CO 3: Council Member Gregorio Casar)
- a. QUESTION: 1) Approximately how many restaurants and mobile food


vendors would be impacted? 2) What is the estimated cost of buying and installing a "Smoke Scrubber"? 3) What is the estimated annual maintenance cost for a "Smoke Scrubber"? COUNCIL MEMBER ZIMMERMAN'S OFFICE


- b. ANSWER: The Health and Human Services Department (HHSD) does not currently track establishments that have smoke emissions. The Texas Commission on Environmental Quality handles all complaints of air quality and emissions. See <http://www.tceq.state.tx.us/complaints/index.html> 2) HHSD does not currently require establishments to buy or install smoke scrubbers. 3) HHSD does not have any information on the annual maintenance costs for a smoke scrubbers.
  - c. QUESTION: 1) Will this ordinance first be reviewed and discussed by one of the Council Committees? 2) How many complaints have been received by 311 related to smoke emissions from restaurants and mobile food vendors? 3) Has a City study been conducted on this issue to document the problem and identify possible solutions? 4) Have any other alternatives been considered to address this issue? 5) How long would restaurant owners have to come into compliance with this ordinance? 6) Has the item been discussed with the Austin Restaurant Association? 7) Do any other cities have this or a similar ordinance? COUNCIL MEMBER GALLO'S OFFICE
  - d. ANSWER: 1) This is an Item from Council but staff recommends that the item be discussed at a Council Committee. 2) Staff is still researching this inquiry. 3) To our knowledge, the City has not conducted a study on this issue. The City does not monitor or regulate air/smoke complaints. These issues are investigated by the Texas Commission on Environmental Quality (TCEQ). 4) City staff is not aware of any alternatives to address this issue. 5) As part of any action taken, the Council could identify a grace period for establishments to come into compliance. 6) City staff is not aware if the item has been discussed with ARA. 7) We understand the City of New York has a similar ordinance but staff would need more time to conduct research of similar ordinances in other municipalities.
7. Agenda Item # 16 - Approve the waiver or reimbursement of certain fees and requirements under City Code Chapter 14-8 and authorize payment of certain costs for the Texas Independence Day 5K Run and Parade, co-sponsored by the City and Celebrate Texas Incorporated, which was held Saturday, February 28, 2015. (Notes: SPONSOR: Council Member Delia Garza CO 1: Council Member Gregorio Casar CO 2: Mayor Steve Adler CO 3: Council Member Ann Kitchen)
- a. QUESTION: In the fiscal note, there's a reference to two different resolutions from 2007 (<http://www.austintexas.gov/edims/document.cfm?id=100829>) and 2002 (<http://www.ci.austin.tx.us/edims/document.cfm?id=64828>). In 1997, the original resolution regarding fee waivers was passed (<http://www.austintexas.gov/edims/document.cfm?id=49063>). I couldn't find any reference to the Texas Independence Day 5k Run and Parade in these. Do

you know if there was another amendment that included this? COUNCIL MEMBER TROXCLAIR'S OFFICE

- b. ANSWER: The Celebrate Texas Parade and Run was added as a city co-sponsorship via Resolution No. 040226-40 on February 26, 2004. Attached is a copy of Resolution No. 040226-40 and the accompanying recommendation for council action.
8. AHFC Agenda Items # 1, # 2, # 3 and # 4: AHFC 1) Authorize negotiation and execution of a loan agreement in an amount not to exceed \$500,000 with FOUNDATION COMMUNITIES, INC., or an affiliated entity, for the purpose of developing a multi-family residential facility at 8500 U.S. Highway 71, to be known as Live Oak Trails, for low-income individuals and families. AHFC 2) Authorize negotiation and execution of a loan agreement in an amount not to exceed \$500,000 with FOUNDATION COMMUNITIES, INC., or an affiliated entity, for the purpose of developing a multi-family residential facility at 13635 Rutledge Spur, to be known as the Lakeline Station Apartments, for low-income individuals and families. AHFC 3) Authorize negotiation and execution of a loan agreement in an amount not to exceed \$1,000,000 with FOUNDATION COMMUNITIES, INC., or an affiliated entity, for the purpose of developing a single room occupancy residential facility at 2301 South Lamar Boulevard, to be known as Bluebonnet Studios, for very low-income individuals and individuals exiting homelessness. AHFC 4) Authorize negotiation and execution of a loan in an amount not to exceed \$2,000,000 to THE MULHOLLAND GROUP, LLC or an affiliated entity, for the purpose of acquiring and rehabilitating the Capitol Village Apartments multi-family residential development at 6855 East U.S. Highway 290.
- a. QUESTION: 1) What are the terms of these loans, and for what purpose? 2) Are the loans "forgivable"? If not, when is repayment due, and what is the penalty for failure to repay the loan? 3) Do the loans contribute to real estate projects which will be not be on property tax rolls? 4) Are there any connections of these loans to the subsidized housing projects approved back in February? COUNCIL MEMBER ZIMMERMAN'S OFFICE
  - b. ANSWER: See attachment

**END OF REPORT - To view the full Council Q&A packet, click [here](#).**

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### Council Question and Answer

<b>Related To</b>	<b>Item #4</b>	<b>Meeting Date</b>	<b>April 2, 2015</b>
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### Additional Answer Information

#### QUESTION (MPT TOVO):

Please provide: the total amount City of Austin has provided in fee waivers to X Games; maximum amount available to events via the Events Trust Fund; maximum amount available to events via the Major Events Trust Fund; explanation of the difference in requirements between the two funds; X Games application to METF.

#### ANSWER:

Through the adoption of Resolution No. 20130523-019, COTA was authorized to come back to City Council to request approval of up to \$150,000 in fee waivers and in-kind assistance. However, neither X Games, Circuit of the Americas (COTA), nor Circuit Events Local Organizing Committee (CELOC) have brought forward such a request, thus no fee waivers have been provided through Resolution No. 20130523-019.

The maximum amount available to events via the Events Trust Fund (ETF) and the Major Events Trust Fund (METF) is determined by the Texas Comptroller and is based on the economic impact analysis conducted for each event.

The following outline describes the major differences between the Events Trust Fund and the Major Events Trust Fund.

The Events Trust Fund (ETF) restrictions and requirements are as follows:

- Available for once a year sporting events or conventions such as the Major League Soccer All Star Game or the American Public Transportation Association convention.
- Available for events that are smaller than \$1 million in receipts.
- Eligible events are not restricted to sports, but the venue must have been selected over others as a sole event site or, the sole site in Texas and adjoining states. There is no list of what is an eligible event, nor a list of which organizations must select the site for the event. There is a limit in the statute on the number of events under \$200,000 in impact, and also a limit on the number of nonsporting events for which a city or county may submit a request for a fund to be established.
- Starting in fiscal 2010, non-sporting events, such as conventions and conferences, became eligible for the ETF.
- The application must be submitted 120 days before the event.
- The economic impact that must be analyzed for the ETF is the direct benefit of the event.
- Applies local and state gains from sales and use, auto rental, hotel and alcoholic beverage taxes generated over a 30-day period from an event or series of events conducted no more than once annually.
- The estimated increase in state tax revenue is reduced for events held in Texas on previous occasions. According to rules established by the Texas Comptroller, the following table depicts the reductions for each year.

Number of Years the Event was Held in Texas in Last Five Years	Percent of Revenue Impact Used in Trust Fund Estimate
0	100.0%
1	85.5%
2	74.6%
3	66.2%

4	59.5%
5	54.1%

Major Events Trust Fund (METF) restrictions and requirements are as follows:

- Available for major national or international championship type events, such as the NFL Super Bowl, NCAA Final Four Tournaments and Formula One automobile races. The eligible events are listed in the statute. Currently, the statute lists X Games. However, the eligible site selection organizations that must select the sites are also listed and does not include ESPN, which produces the X Games. The bill before the legislature adds ESPN as an eligible site selection organization.
- Applies local and state gains from sales and use, auto rental, hotel and alcoholic beverage taxes generated over a 12-month period from certain major sporting championships or events to pay costs incurred from hosting the event.
- Major events have to be above a certain size (at least \$1 million in receipts).
- The application must be submitted not earlier than 1 year, nor later than 45 days before the event occurs. As a note, the 45th day before the 2015 X Games is April 16th.
- The economic impact that can be analyzed for METF events includes the direct impact and the indirect and induced benefits.

Note: More information is available on the Texas Comptroller's website regarding Texas Events Trust Funds:  
[http://www.texasahead.org/tax\\_programs/event\\_fund/](http://www.texasahead.org/tax_programs/event_fund/)

**QUESTION (MPT TOVO):**

For how many events has CELOC applied for public funding?

**ANSWER:**

CELOC has applied for 13 events since 2012:

- 2012: Formula 1 (F1)
- 2013: MotoGP, V8 SuperCars, World Endurance Championship (WEC), American LeMans Series (ALMS), F1
- 2014: MotoGP, Summer X-Games, WEC, Tudor United States SportsCar Championship, F1
- 2015: MotoGP, X-Games

**QUESTION (MPT TOVO):**

What is the estimated maximum amount that the X Games plans to request from the METF?

**ANSWER:**

According to information provided by CELOC, their draft application for METF funding for the 2015 X Games from the state is \$3,664,347. As with previous applications, CELOC will fund the local match, which in this case would be \$586,296, for a combined application request of \$4,250,643.

CELOC recently made application for the Events Trust Fund in the amount of \$1,690,577 and was approved a maximum of \$1,260,453. If CELOC is authorized by the City Council to submit an METF application and if the Texas Comptroller approves CELOC's application request of \$4,250,643 for METF status, the increase to CELOC would be \$2,990,190.

**QUESTION (MPT TOVO):**

Will CELOC be providing the local match required by the METF or does CELOC intend to request that local support be provided by the City of Austin?

**ANSWER:**

CELOC will be providing the local match required by the METF. The City's agreement with CELOC, which was signed and effective as of February 3, 2014, allows the City to terminate the agreement if CELOC does not provide the local match.

**QUESTION (MPT TOVO):**

The X Games have sought and received fee waivers from the City of Austin in the past; will the X Game organizers seek future fee waivers from the City of Austin?

**ANSWER:**

Through the adoption of Resolution No. 20130523-019, COTA was authorized to come back to City Council to request approval of up to \$150,000 in fee waivers and in-kind assistance. However, neither X Games, Circuit of the Americas (COTA), nor Circuit Events Local Organizing Committee (CELOC) have brought forward such a request, thus no fee waivers have been provided through Resolution No. 20130523-019.

Whether COTA or CELOC will seek the approval of fee waivers for the X Games in the future is a decision to be made by COTA or CELOC. As indicated above, Resolution No. 20130523-019 authorizes the entities to bring forward a request for approval for fee waivers and in-kind assistance up to \$150,000.

**QUESTION (MPT TOVO):**

Who will conduct the economic analysis that determines the amount the X Games will be eligible to seek from the METF?

**ANSWER:**

Dr. Don Hoyte (PhD in economic geography specializing in industrial location analysis and regional economics) conducted the economic impact analysis for the X Games ETF application and has conducted the Economic Impact Study (EIS) for the METF application. The EIS is reviewed by the CELOC board and by City staff before being submitted to the Comptroller. Once Dr. Hoyte's EIS is submitted with the application for the 2015 X Games Austin Event, the Texas Comptroller's Office will use the submitted EIS as a guideline from the applicant, but will prepare its own independent detailed economic analysis based on its own criteria, determined factors and projections. So, Dr. Hoyte's EIS is a guideline for the study prepared and approved by the Comptroller as the ultimate authority for the trust fund amount.

**QUESTION (MPT TOVO):**

Staff referred to pieces of the application that City of Austin staff review and sign with an affidavit. Did this response refer to the Events Fund applications or the Major Events Trust Fund applications? Please identify which sections and the kind of information on the application that staff are required to verify as accurate.

**ANSWER:**

The staff response referred to ETF and METF applications.

Staff reviews the following information prepared and provided by CELOC:

- The letter from the City to the Texas Comptroller requesting the pertinent events trust fund be established;
- The Economic Impact Study (EIS) to confirm that it includes the information required by the Texas Comptroller;
- Executed affidavits to the City from CELOC, COTA and the preparer of the EIS attesting to the accuracy of the information provided in the EIS;
- Executed affidavits to the City from CELOC and COTA attesting to the correctness of the information provided in the application;
- Application content that demonstrates that the event is eligible for participation in the ETF or METF, as applicable; and

- The Request Worksheet to Establish an Events Trust Fund.

City staff must execute affidavits to the Texas Comptroller attesting to the accuracy of the information provided in the EIS and correctness of the information provided in the application.

**QUESTION (MPT TOVO):**

From the work session discussion, it sounds as if the X Games organizers have been interested in seeking support from the Major Events Trust Fund for some time. If that is accurate, please explain why this resolution is only now coming before City Council for consideration.

**ANSWER:**

CELOC made the request for the resolution on March 27, 2015. As such, the following response is provided by CELOC explaining why the resolution is now coming before City Council for consideration.

The timing of any action that CELOC, ESPN or COTA could take on correcting the X Games classification as an METF event, including asking that such matter be considered by the Austin City Council, was solely dependent on the wording of bills to be filed and the timing and legislative process for such bills by the Texas Legislature. And, while the intent to correct the prior legislative oversight has long been discussed, including with City staff, the first practical step, a proposed bill to correct the prior legislative oversight, could not even be filed until this past January 2015 (Senate Bill 293 was filed on January 9th). And, as I understand, even in January/February of this year there was serious negative sentiment as to whether the Legislature would even take up any bills on the ETF/METF statute, or if any such bills were filed and brought to the floor, there was uncertainty as to whether or not the Legislature would be receptive, add additional limitations or simply abolish the ETF/METF program all together. So when Senate Bills 48 and 293 (and related or companion bills) were filed in January of 2015, their passage was very much in question and not a very good basis to propose an agenda item for consideration by the Austin City Council, which we know has a full agendas each meeting. And, without a bill in substantially final form, we did not know what any proposed agenda item for correction should include to meet any correction requirements that are not known.

However, during the March 19 to March 23rd time period (within the last 2 weeks), SB 293 was placed on the intent calendar for the Senate and the Senate suspended the regular order of business to expedite voting on SB 293 for “clarification of the law governing eligibility of certain events for funding under the METF” and the Senate passed SB 293 with 23 Yeas and 3 Nays, more than a 2/3 majority vote. At that time CELOC, COTA and ESPN realized the legislature had embraced the corrections bills filed and SB 293 had momentum, so much so that the Senate was fast tracking SB 293 to approval and passage. Between March 24th and March 31st (within the last week), SB 293 passed both the House and Senate (after House amendment and Conference Committee) by more than a 2/3 majority vote in each chamber and today is sitting on the Governor’s desk for signature. As I understand, the Governor is expected to sign SB 293, which has an immediate effective date due to the 2/3 supermajority approvals of the Senate and House.

Until SB 293 gained momentum after March 23rd and the passage of the correction bill no longer seemed mere speculation, CELOC did not want to propose an agenda item for consideration by the City Council and merely take up valuable time. But as soon as the bill seemed likely to pass, CELOC, ESPN and COTA coordinated their efforts with the Texas Comptroller’s Office to clarify process, procedures and requirements under SB 293 and then acted as fast as prudent to request the subject item be placed on the City Council agenda for the April 2nd meeting.

It is readily apparent that the a super majority of the members of the Texas Legislature believe that the METF program is an important economic incentive to attract major events to Texas (important enough to suspend the regular rules on the Senate and fast track the bill) and should be utilized for the upcoming 2015 X Games Austin Event to keep the X Games in Austin and Texas for as long as possible. And, we

respectfully request approval of the City Council to the proposed agenda item in furtherance of the Texas Legislature's recent actions on SB 293 and assist CELOC to achieve the same goals.



### Council Question and Answer

Related To	Item #4	Meeting Date	April 2, 2015
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### Additional Answer Information

#### QUESTION (CM POOL):

Please list CELOC members and their professional affiliations. Is the Organizing Committee required to submit financial statements? If not, why?

#### ANSWER:

The following response is provided by CELOC.

CELOC is a Texas non-profit corporation. It does not have “members”, but has a Board of Directors currently comprised of 4 Directors: Ford Smith, Sam Bryant, Rodney Gonzales (Ex Officio) and Wayne Hollingsworth. Ford Smith is President and owner of Texas Enterprises, Inc., a petroleum products distribution company. Sam Bryant is President of Bryant Wealth Investment Group, LLC and serves as a registered investment representative with ML&R Wealth Management. Rodney Gonzales is Deputy Director for the City of Austin’s Economic Development Department. Wayne Hollingsworth is a Partner with the law firm of Armbrust & Brown, PLLC.

As a local organizing committee participating under the METF and the ETF, CELOC is required to provide audited financial statements requested by the Texas Comptroller’s Office. And, CELOC is required to provide and has routinely provided its financial statements to individuals and entities requesting such statements under the Texas Public Information Act.

#### QUESTION (CM POOL):

How often has the Organizing Committee briefed Council?

#### ANSWER:

The following response is provided by CELOC.

CELOC has never been requested nor invited to directly brief the Austin City Council; however, Rodney Gonzales, Deputy Director for the City of Austin’s Economic Development Department, is the City’s representative as an Ex Officio member of the CELOC Board. Mr. Gonzales regularly attends the CELOC Board meetings, participates in all discussions and makes invaluable contributions to the decisions, operations and goals of CELOC. Further, the Directors and Officers of CELOC meet with City staff and legal to review and respond to questions and to brief City staff and legal on all important aspects of (i) applications and deliverables to participate in the ETF and METF, including reviews of economic impact studies performed by Dr. Don Hoyte on behalf of and under contract with CELOC, (ii) attendance certificates required by the Texas Comptroller for events conducted under the ETF and METF, and (iii) applications for reimbursement of qualified expenses from the ETF and METF. The City’s review and approval of these submittals are required under CELOC’s contract with the City as a condition for CELOC’s authority to submit such items to the Texas Comptroller’s Office.

**QUESTION (CM POOL):**

Is CELOC subject to audit? Under what conditions would it be audited?

**ANSWER:**

The following response is provided by CELOC.

CELOC is subject to audit, under both the ETF and METF, as requested by the Texas Comptroller's Office.



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

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

February 28, 2015

Deputy Comptroller  
Comptroller of Public Accounts  
111 E. 17<sup>th</sup> Street  
Austin, Texas 78774

*Via Hand Delivery*

**RE: Application for Participation in the Texas Events Trust Fund (2015 X Games Austin)**

Dear Deputy Comptroller:

Circuit Events Local Organizing Committee is organized as a Texas non-profit corporation (the "**Committee**") with the purpose to help facilitate and support a motor race, commonly known as "**2015 X Games Austin**" (the "**Event**") that is tentatively set to be held in Austin, Texas on June 4 - 7, 2015. Further, as an integral part of this support, the Committee and the City of Austin, as approved by City Council resolution of May 23, 2013, entered into an "**Agreement**", dated February 3, 2014, whereby the City of Austin agreed to be the "endorsing municipality" for the Event, and in the capacity of endorsing municipality (i) authorized the Committee to act as the "local organizing committee" for purposes of securing and promoting the Event for the Austin area, as well as the application for and qualification of the Event as an "**Event**" under TEX. REV. CIV. STAT. ART. 5190.14 §5.C. (the "**Act**") thereof, the Texas Events Trust Fund (the "**Trust Fund**") and (ii) authorized and appointed the Committee as the City of Austin's sole and exclusive designee, for and on behalf of the City of Austin to submit, pursuant to TAC Title 34, Part 1 Chapter 2 Subchapter B, Rule 2.202, a request to the Texas Comptroller of Public Accounts for participation in the Trust Fund program and a request to the Texas Comptroller to determine the incremental increase in the receipts of various taxes (e.g. sales and use taxes, mixed beverage taxes, hotel occupancy taxes), by the City of Austin, as the endorsing municipality, for a 30 day period that ends at the end of the day after the day of the Event (scheduled for June 4 - 7, 2015), in accordance with the Comptroller's procedures and in accordance with the Act, and the rules promulgated thereunder (the "**Rules**").

It is my honor and great pleasure to submit this application from the Committee, as the City of Austin's duly appointed and authorized designee for and on behalf of and binding upon the City of Austin, as the formal request, pursuant to Rule 2.202, for participation in the Trust Fund program and a request to the Texas Comptroller to determine the incremental increase in the applicable taxes for the City of Austin for the June 4 - 7, 2015 Event.

Further, as required by Rule 2.201(a)-(d), enclosed with this letter are: (i) Attachment 1, two (2) letters, dated July 8, 2013 and January 8, 2015, from the site selection committee for the Events, selecting the site in Austin, Texas for the 2014 – 2017 Events; (ii) Attachment 2, the economic impact study and other data with detailed information on the direct expenditures and direct impact data for the endorsing municipality hosting the event and for the requested market area (the "**Economic Study**"); (iii) Attachment 3, a description of the requested market area, and information to support the requested market area, which is

February 28, 2015

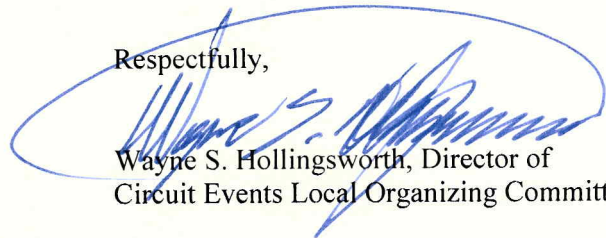
Page 2

included in the Economic Study; (iv) Attachment 4, a list of all related events activities proposed to be included in the trust fund estimate, with data for each such activity including projected attendance figures, ticket sales and relevant production and expenditure information related to the activity, included in the Economic Study; (v) Attachment 5, affidavits from Don Hoyte, Ph.D., the City of Austin and the Committee, as required under Rule §2.202(a)(5), as to the accuracy of the Economic Study; (vi) Attachment 6, a completed and signed Comptroller Request Worksheet to Establish an Event Trust Fund for the Event; (vii) Attachment 7, is a letter from Mr. Marc Ott, City Manager for the City of Austin to the Comptroller's Office requesting participation in the Trust Fund for the 2015 X Games Austin Event; and (viii) Attachment 8, affidavits from the Committee and the City of Austin endorsing a Major Events Trust Fund.

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

Thank for your time and consideration of this request.

Respectfully,



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

Ms. Leela Fireside, Assistant City Attorney, City of Austin  
Mr. Sam Bryant, Director  
Mr. Ford Smith, Director  
Mr. Rodney Gonzales, Director  
Mr. Jason Dial, President and CEO of COTA  
Mr. Colin Cohen, CFO of COTA

**ATTACHMENT 1**

**Site Selection Committee Designation Letter**



**ESPN, Inc.**

ESPN Place, Bristol CT 06010-7454

July 8, 2013

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

Email: [whollingsworth@abaustin.com](mailto:whollingsworth@abaustin.com)

Dear Mr. Hollingsworth,

Thank you again for your application to host the ESPN X Games events in Austin at the Circuit of The Americas. After a highly competitive process involving our review and visits to several cities and venues, including but not limited to Charlotte, Chicago, Detroit, and Austin, we are pleased to select Austin and the Circuit of The Americas for our event in the Spring of 2014. Congratulations!

The ESPN X Games is a unique event that appeals to a young, enthusiastic demographic, featuring multiple competitive action sports events. The 2014 X Games will be conducted in Barcelona, Spain; Munich, Germany; Foz do Iguaçu, Brazil; and Austin, Texas along with our winter versions in Aspen, CO and Tignes, France. ESPN will televise the Austin X Games worldwide, with over twenty (20) hours of dedicated programming distributed to more than 450M homes in over 175 countries around the world. The X Games in Austin will be the only site in North America for our summer event, so we anticipate strong interest and a significant economic benefit to the community and region.

We look forward to working with you to conduct and generate interest in our global event.

Sincerely,

Scott Guglielmino  
Senior Vice President, Programming and X Games

Cc: Steve Sexton, President and CEO, Circuit of The Americas

our mission: to serve sports fans wherever sports are  
watched, listened to, discussed, debated, read about, or played





ESPN, Inc.

ESPN Plaza, Bristol, CT 06010-7454

January 8, 2015

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

via email: [whollingsworth@abaustin.com](mailto:whollingsworth@abaustin.com)

Dear Mr. Hollingsworth:

We appreciate the confirmation of the application by Circuit Events Local Organizing Committee, dated January 7, 2015 submitted as designee on behalf of the City of Austin, to host an event of the X Games Austin 2015 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 June 11, 2013.

As we emphasized in our previous letters to you and City officials, there has been and remains substantial competition in our process of reviewing a number of venues interested in hosting our events. Please consider this letter as confirmation of our selection of Austin, Texas, and the Circuit of the Americas to host the X Games Austin event each year of the upcoming series from 2014 through 2017. Congratulations!

As noted in your June 11, 2013 letter, we do not anticipate sanctioning or holding any other similar X Games Event in Texas or its contiguous states during 2015 or any other year that the X Games Austin at the Circuit of the Americas is held in Austin.

The ESPN X Games is a unique event that appeals to a young, enthusiastic demographic, featuring multiple competitive action sports events. The 2015 X Games will be conducted in Austin, Texas along with our winter event in Aspen, Colorado. ESPN will televise X Games Austin worldwide, with over twenty (20) hours of dedicated programming distributed to more than 450 million homes in over 175 countries around the world. X Games Austin will be the only site in North America for our summer event, so we anticipate strong interest and a significant economic benefit to the community and region.

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

Yours sincerely,

Scott Guglielmino  
Senior Vice President, Programming & X Games

**ATTACHMENT 2**

**Economic Study**

## **Letter From City/CELOC**



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**Economic Impact Study  
of the**

**2015 X Games**

Austin, Texas

Submitted for consideration under the Events Trust Fund by:

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

On behalf of

**Circuit Events Local Organizing Committee**

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

January 6, 2015

**TEXASTRUSTFUNDS.COM**

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## Event Background

The **X Games** is a sports event, controlled and arranged by the U.S. sports broadcaster ESPN (with coverage also shown on its sister network ABC), which focuses on action sports. The inaugural X Games were held in summer 1995 in Rhode Island. Participants compete to win bronze, silver and gold medals, and prize money. Current competition takes place over four days with events in Moto X, Mountain Bike, Rally Car, Skateboarding and BMX.

Both the summer and winter X Games competitions feature new tricks such as Tony Hawk's 900 in skateboarding, Travis Pastrana's double backflip in freestyle motocross, Heath Frisby's first ever snowmobile front flip in Snowmobile Best Trick, and Torstein Horgmo's first landed triple flip in a snowboard competition. Concurrent with competition is the "X Fest" sports and music festival, which offers live music, athlete autograph sessions and interactive elements.

The first two summer X Games were held in Rhode Island in 1995 and 1996, averaging nearly 200,000 attendees. The 1997 and 1998 games moved to San Diego, California and were attended by more than 200,000 fans, competitors and others. The 1999 and 2000 games were held in San Francisco and were the first full professional sporting event broadcast live on the internet. The 2001 and 2002 versions moved to Philadelphia and included Taïg Khris winning the inline vert event, with the first double backflip in X Games history and Mike Metzger landing the first back flip in motocross freestyle X Games history.

X Games Nine moved to the Staples Center and LA Coliseum in Los Angeles in 2003. The venues were expanded in 2004 to include the Staples Center, Home Depot Center, and Long Beach Marine Stadium. The games have been held in Los Angeles through 2013 with several venue shifts and included numerous firsts:

- 2005: Jamie Bestwick landed the first ever double tailwhip flair in the BMX Vert Best Trick event. Travis Pastrana won gold in motocross freestyle again and became the most decorated athlete in motocross
- 2006: Travis Pastrana landed the world's first double backflip on a dirt bike, and won motocross best trick with a score of 98.60, the highest current score in best trick. Skateboarder Nyjah Huston became the youngest athlete to compete in X Games at 11 years old.

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- 2007: Ricky Carmichael won the first ever motocross racing circuit. Simon Tabron landed an X Games' first, doing back-to-back 900s in BMX vert.
  - 2008: Skateboarder Andy Macdonald won his 15th X Games medal, surpassing Tony Hawk as the all-time leader in skateboarding medals. Tarah Gieger of Puerto Rico won the gold medal in the first-ever women's supercross race.
  - 2009: Anthony Napolitan landed the first ever double front flip on a bicycle. Blake Williams became the first non-American rider to win FMX gold. Ashley Fiolek, 18, won the women's motocross super X, becoming the Games' first deaf medalist.
  - 2010: Jamie Bestwick became the first person to 4-peat with a win in BMX vert. Pierre-Luc Gagnon became the first athlete to win in skateboard vert three times, beating the silver medalist, Shaun White.
  - 2011: Shaun White earned his second gold medal in skateboard vert, breaking Pierre Luc Gagnon's 3-year winning streak. Liam Doran took gold on his debut in the rally car racing event after beating Marcus Gronholm in the final.
  - 2012: Bob Burnquist won his fourth Big Air gold medal, and raising his gold medal total to nine. Ronnie Renner won the gold medal in Moto X Step Up, breaking the previous record height of 37' by 10' making it the highest ever at the X Games with 47'.

In 2013 X Games expanded internationally holding events in Foz do Iguacu, Brazil, Barcelona, Spain and Munich, Germany. The 2013 event in Los Angeles saw Vicki Golden win her 3rd consecutive gold medal in women's moto x racing, defeating Meghan Rutledge. Golden also became the 1st women to compete in a freestyle moto x competition, earning bronze in best whip.

After more than a decade being hosted in Los Angeles, it was announced in August 2013 that Austin's Circuit of the Americas complex would be the venue for all future X Games excitement at least until 2017.<sup>1</sup>

X Games' organizers at ESPN announced that Texas' state capital had been selected to replace Los Angeles as its new North American home. Initially it was announced the event would be held May 15-18, but the date was later moved to June 5 - 8. Austin was picked for the X Games in an Olympic-style selection process. Of 13 qualified bids, the decision came down to Austin, Chicago, Detroit and Charlotte, N.C.

In June 2014, downtown Austin hosted the first day of X Games competition with the State Capital as the backdrop. Austin's new sports and entertainment venue---Circuit of the Americas

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(COTA)--- then hosted the final three days of the X Games' competitions as well as concerts and festival villages that supplemented the sports event.

## 2014 Summer X Games Attendance

Moving a major sporting event such as X Games to a new venue half-way across the country from its previous site always results in major attendance changes. The experience at the 2014 X Games is no exception.

According to officials with ESPN and Circuit of the Americas, the inaugural X Games Austin event drew more than 160,000 over the four days from June 5 to 8. That made X Games Austin the highest non-Formula 1 attended sports and entertainment event at COTA since the venue's grand opening in 2012.<sup>2</sup>

This total four-day attendance figure is composed of a number of distinct groups present at the event based on ESPN and COTA estimates<sup>3</sup>:

Table 1  
**Attendance Breakdown at 2014 X Games Austin**

	<u>ESPN Staff</u>	<u>Athletes</u>	<u>Judges</u>	<u>Athlete Managers &amp; Guests</u>	<u>Sponsors &amp; Industry/ ESPN Guests</u>	<u>Media</u>	<u>Ticketed Fans*</u>
5-Jun-14	1,795	269	62	1,682	2,117	634	19,000
6-Jun-14	1,987	297	248	1,862	2,343	702	31,138
7-Jun-14	2,004	300	250	1,878	2,364	708	48,029
8-Jun-14	1,969	295	246	1,845	2,323	696	34,693

TOTAL FOUR DAY ATTENDANCE 161,734

\*Estimated for June 4 which was a non-ticketed event

Based on estimates from ESPN and from a fan survey with more than 4,000 responses, it is estimated that a total of 16,141 persons from outside Texas were in Austin for the X Games on

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June 7, 2014. This means that 29 percent of 56,027 people in Austin for the X Games that day were from outside Texas.<sup>4</sup>

For 2015, the event will be held from June 4 to 7. Assuming no attendance change from 2014 and including the attendance during the preparation for the event and post-event tear down, the likely attendance at the 2015 X Games Austin should closely approximate the pattern in Table 2.



Table 2  
Projected Attendance at 2015 X Games Austin

<u>Date</u>	<u>ESPN Staff</u>	<u>Athletes</u>	<u>Judges</u>	<u>Managers &amp; Athlete Guests</u>	<u>Sponsors, ESPN &amp; Industry Guests</u>	<u>Media</u>	<u>Fans</u>	<u>OOS Fans @ Events</u>	<u>OOS Fans not @ Events</u>	<u>OOS Fans in Austin</u>
19-May	58	-	-	-	-	-	-	-	-	-
20-May	61	-	-	-	-	-	-	-	-	-
21-May	81	-	-	-	-	-	-	-	-	-
22-May	99	-	-	-	-	-	-	-	-	-
23-May	128	-	-	-	-	-	-	-	-	-
24-May	140	-	-	-	-	-	-	-	-	-
25-May	192	-	-	-	-	-	-	-	-	-
26-May	259	-	-	-	-	-	-	-	-	-
27-May	332	-	-	-	-	-	-	-	-	-
28-May	433	-	-	-	-	-	-	-	-	-
29-May	509	-	-	-	-	-	-	-	-	-
30-May	657	-	-	-	-	-	-	-	-	-
31-May	782	-	-	-	-	-	-	-	-	-
1-Jun	1,035	-	-	-	-	-	-	-	-	1,403
2-Jun	1,300	-	-	-	-	-	-	-	-	2,551
3-Jun	1,606	120	-	751	473	-	-	-	-	4,638
4-Jun	1,795	240	62	1,502	1,891	566	19,000	3,313	1,325	9,852
5-Jun	1,987	296	247	1,855	2,335	699	31,138	7,579	2,274	9,888
6-Jun	2,004	300	250	1,878	2,364	708	48,029	9,394	494	7,945
7-Jun	1,969	314	262	1,967	2,476	742	34,693	6,111	1,833	4,370
8-Jun	1,786	239	199	1,495	1,882	564	-	-	-	-
9-Jun	558	119	80	748	376	-	-	-	-	-
10-Jun	311	-	-	-	-	-	-	-	-	-
11-Jun	137	-	-	-	-	-	-	-	-	-
12-Jun	79	-	-	-	-	-	-	-	-	-
13-Jun	41	-	-	-	-	-	-	-	-	-
14-Jun	9	-	-	-	-	-	-	-	-	-
15-Jun	6	-	-	-	-	-	-	-	-	-
16-Jun	6	-	-	-	-	-	-	-	-	-

In particular, Table 2 estimates that 19.9 percent of all ticketed fans at the peak attendance came from outside Texas. This figure is derived from an internet fan survey of slightly more than 4,000 event attendees which indicated that 85 percent of the survey respondents were from Texas with 15 percent being from outside Texas. But, twelve percent of all respondents indicated that while they themselves were from Texas, they attended X Games Austin accompanied by one or more fans from outside of Texas. Including those fans from outside of Texas who accompanied a fan from Texas to the event indicates that just short of twenty percent of all fans in attendance at the event were from outside Texas. Finally, Table 2 adjusts the at-event attendance by out-of-state visitors to reflect the tendency for out-of-state fans to attend other attractions in Austin some days of their stay rather than attending all days of the X Games based on the survey responses as to how often out-of-state fans attended X Games events each day.

The last column of Table 2 estimates the pattern of stay by out-of-state fans at X Games in the Austin area. This pattern of stay is estimated to be consistent both with overall ticket sales and the fan survey responses indicating that out-of-state fans stayed, on average, 3.11 nights in Austin for the event.

### Event Presentation Costs and Ticket Sales

From 2010 to 2013, X Games event presentation costs averaged \$16.9 million in California. But for Austin, it was expected that these costs would amount to about \$19 million with about \$10 million spent directly in Texas.<sup>5</sup> Table 3 presents some detail about these expenditures in Texas including the amount subject to state sales tax.<sup>6</sup>

Table 3  
Event Presentation Expenses for X Games Austin

<u>Expenditure</u>	<u>Amount</u>	<u>Sales Tax</u>
Festival Entertainment & Competitions	\$1,100,000	\$938
Venue and Production Equipment Rental	\$2,200,000	\$93,750
Marketing, Promotions, Advertising	\$1,750,000	
Course & Venue Construction	\$1,519,000	\$94,938
Venue and Production Services	\$475,000	
Local Staffing	\$1,275,000	
Catering - Hospitality	\$875,000	\$54,688
Venue and Production Misc.	\$100,000	\$6,250
Total Event Production Spend in Texas	\$8,194,000	\$250,563



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Ticket revenues for 2014 averaged \$45 a day per ticket.<sup>7</sup> Based on the sales from 2014, total ticket revenue from out-of-state fans reached approximately \$1.04 million generating nearly \$65,000 in state sales taxes from tickets sold to out-of-state fans.

## Direct Economic Gains from 2015 X Games

As just discussed, the economic gains from events such as the 2014 X Games Austin are significant for the state and for the local economy. Under a conservative assumption that the activity at the 2015 X Games Austin will only meet the level of fan and other visitor activity seen in 2014, the 2015 Austin X Games are expected to fill an estimated 33,500 hotel room nights and generate an estimated total direct spending by ESPN personnel, athletes, managers, sponsors, guests, media and fans of nearly \$31.3 million.<sup>8</sup> This gain is composed of \$8.0 million in lodging expenditures, \$7.5 million in food and beverage expenditures and more than \$4.9 million in entertainment and shopping expenditures.

Table 4  
**Expenditure and Impact Summary for the  
Projected Attendance at 2015 X Games Austin**  
June 4 - 7, 2015

Total Room nights	33,574
Hotel Expenditure	\$8,007,013
Food and Beverage	\$7,553,389
Entertainment & Shopping	\$4,901,196
Other Expenditures	\$10,800,279
<b>Total Economic Impact</b>	<b>\$31,261,877</b>

In calculating these gains a number of event-specific data points are used. These include the hotel room costs based on what ESPN paid each day for their employees at the games.<sup>9</sup> In addition, the 2014 fan survey from the X Games event indicated 79 percent of out-of-state fans for the event stayed in hotels.

Also used in establishing expenditure patterns for X Games were the spending patterns derived from the fan survey indicating that each out of state fan spent \$102.93 on food and non-alcoholic beverages each day, \$13.17 on mixed drinks each day, \$15.38 on merchandise at the event each day, \$26.37 on merchandise in Austin outside of the event each day, and \$28.01 on other entertainment each day.

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## Event Trust Fund Tax Gain

In 2009 the Texas legislature established the Events Trust Fund to assist in attracting to Texas or retaining in Texas sporting and other events that could well be moved outside the state. The provisions of this law allow the Comptroller to deposit into a trust fund established for a qualifying event the amount of state hotel, sales and use, motor vehicle rental and alcohol taxes that can be attributed to the incremental gain in economic activity to the state from hosting the event. To qualify for reimbursement from the Trust Fund, the local sponsoring municipality or county must contribute matching tax revenues received from hosting the event at the rate of \$1 local tax dollar for every \$6.25 in state tax contributions.

Based on statutory tax rates and the attendance figures presented in Table 2, Table 4 projects the tax gain to the state and to the City of Austin from hosting the 2015 X Games. In 2015, this event is expected to generate a total of \$1,705,151 in state tax revenues which could be deposited into the trust fund to support this event. However, since 2015 marks the second year this event has been held in Texas, this reduces the total state contribution to \$1,457,344. The total local tax gain to the City of Austin is estimated to reach \$721,308 which greatly exceeds the maximum matching requirement for state taxes of \$233,183. Accordingly, CELOC requests the Comptroller to set-up an Event Trust Fund account for this event to contain \$1,457,344 in eligible state tax revenues when matched by local contributions by or on behalf of the City of Austin of \$233,183 for a total trust fund amount of \$1,690,577.

Table 5  
State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin

**Hotel Expenditures:**

	Room Cost/ night	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Sponsors, Industry, & ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax <sup>10</sup>
Per. / rm % in hotel <sup>11</sup>		1.75 100%	1.75 86%	1.25 95%	2.00 86%	2.00 86%	1.25 43%	2.00 79%		
19-May	\$184	\$4,287	\$0	\$0	\$0	\$0	\$0	\$0	\$257	\$386
20-May	\$184	\$4,504	\$0	\$0	\$0	\$0	\$0	\$0	\$270	\$405
21-May	\$185	\$6,017	\$0	\$0	\$0	\$0	\$0	\$0	\$361	\$542
22-May	\$185	\$7,315	\$0	\$0	\$0	\$0	\$0	\$0	\$439	\$658
23-May	\$185	\$9,478	\$0	\$0	\$0	\$0	\$0	\$0	\$569	\$853
24-May	\$185	\$10,349	\$0	\$0	\$0	\$0	\$0	\$0	\$621	\$931
25-May	\$185	\$14,223	\$0	\$0	\$0	\$0	\$0	\$0	\$853	\$1,280
26-May	\$185	\$19,147	\$0	\$0	\$0	\$0	\$0	\$0	\$1,149	\$1,723
27-May	\$186	\$24,711	\$0	\$0	\$0	\$0	\$0	\$0	\$1,483	\$2,224
28-May	\$185	\$32,153	\$0	\$0	\$0	\$0	\$0	\$0	\$1,929	\$2,894
29-May	\$186	\$37,796	\$0	\$0	\$0	\$0	\$0	\$0	\$2,268	\$3,402
30-May	\$185	\$48,590	\$0	\$0	\$0	\$0	\$0	\$0	\$2,915	\$4,373
31-May	\$187	\$58,528	\$0	\$0	\$0	\$0	\$0	\$0	\$3,512	\$5,267
1-Jun	\$190	\$78,504	\$0	\$0	\$0	\$0	\$0	\$0	\$4,710	\$7,065
2-Jun	\$188	\$97,918	\$0	\$0	\$0	\$0	\$0	\$104,014	\$12,116	\$18,174
3-Jun	\$188	\$121,025	\$11,049	\$0	\$60,519	\$38,090	\$0	\$189,283	\$25,198	\$33,761
4-Jun	\$196	\$140,564	\$22,961	\$9,192	\$125,769	\$158,316	\$38,331	\$357,604	\$51,164	\$67,256
5-Jun	\$220	\$174,850	\$31,851	\$41,315	\$174,466	\$219,615	\$53,172	\$853,626	\$92,934	\$121,409
6-Jun	\$221	\$177,012	\$32,366	\$41,983	\$177,287	\$223,167	\$54,032	\$859,792	\$93,938	\$122,728
7-Jun	\$219	\$172,855	\$33,693	\$43,704	\$184,556	\$232,316	\$42,759	\$686,527	\$83,785	\$109,749
8-Jun	\$195	\$139,595	\$11,404	\$11,833	\$62,464	\$31,451	\$0	\$336,225	\$35,578	\$47,407
9-Jun	\$188	\$41,983	\$0	\$0	\$0	\$0	\$0	\$0	\$2,519	\$3,778
10-Jun	\$185	\$23,072	\$0	\$0	\$0	\$0	\$0	\$0	\$1,384	\$2,076
11-Jun	\$187	\$10,229	\$0	\$0	\$0	\$0	\$0	\$0	\$614	\$921
12-Jun	\$186	\$5,852	\$0	\$0	\$0	\$0	\$0	\$0	\$351	\$527
13-Jun	\$187	\$5,864	\$0	\$0	\$0	\$0	\$0	\$0	\$352	\$528
14-Jun	\$188	\$3,058	\$0	\$0	\$0	\$0	\$0	\$0	\$183	\$275
15-Jun	\$189	\$658	\$0	\$0	\$0	\$0	\$0	\$0	\$40	\$59
<b>Total</b>									<b>\$421,492</b>	<b>\$560,652</b>

Table 5, continued  
State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin

**Food & Bev. Expend.**

Date	ESPN Staff in Hotels <sup>12</sup>	Athletes	Judges	Athlete Managers & Guests	Sponsors, Industry & ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax <sup>13</sup>
19-May	\$1,048	\$0	\$0	\$0	\$0	\$0	\$0	\$65	\$10
20-May	\$2,148	\$0	\$0	\$0	\$0	\$0	\$0	\$134	\$21
21-May	\$2,567	\$0	\$0	\$0	\$0	\$0	\$0	\$160	\$26
22-May	\$3,248	\$0	\$0	\$0	\$0	\$0	\$0	\$203	\$32
23-May	\$4,087	\$0	\$0	\$0	\$0	\$0	\$0	\$255	\$41
24-May	\$4,820	\$0	\$0	\$0	\$0	\$0	\$0	\$301	\$48
25-May	\$5,973	\$0	\$0	\$0	\$0	\$0	\$0	\$373	\$60
26-May	\$8,121	\$0	\$0	\$0	\$0	\$0	\$0	\$508	\$81
27-May	\$10,635	\$0	\$0	\$0	\$0	\$0	\$0	\$665	\$106
28-May	\$13,779	\$0	\$0	\$0	\$0	\$0	\$0	\$861	\$138
29-May	\$16,975	\$0	\$0	\$0	\$0	\$0	\$0	\$1,061	\$170
30-May	\$21,009	\$0	\$0	\$0	\$0	\$0	\$0	\$1,313	\$210
31-May	\$25,934	\$0	\$0	\$0	\$0	\$0	\$0	\$1,621	\$259
1-Jun	\$32,745	\$0	\$0	\$0	\$0	\$0	\$0	\$2,047	\$327
2-Jun	\$42,070	\$0	\$0	\$0	\$0	\$0	\$34,338	\$4,776	\$713
3-Jun	\$52,339	\$5,867	\$0	\$36,727	\$22,603	\$0	\$72,205	\$11,859	\$1,725
4-Jun	\$61,245	\$17,601	\$3,113	\$110,182	\$90,414	\$29,150	\$203,487	\$32,200	\$4,611
5-Jun	\$68,109	\$26,219	\$15,565	\$164,133	\$111,613	\$65,134	\$369,977	\$51,297	\$7,269
6-Jun	\$71,881	\$29,153	\$25,061	\$182,497	\$113,017	\$72,422	\$745,746	\$77,486	\$10,853
7-Jun	\$71,566	\$30,031	\$25,816	\$187,996	\$118,382	\$74,604	\$1,015,958	\$95,272	\$13,281
8-Jun	\$67,637	\$27,043	\$23,248	\$169,290	\$89,993	\$67,181	\$917,787	\$85,136	\$11,850
9-Jun	\$42,227	\$17,519	\$14,056	\$109,669	\$17,999	\$29,014	\$633,763	\$54,015	\$7,458
10-Jun	\$15,665	\$5,840	\$4,016	\$36,556	\$0	\$0	\$224,884	\$17,935	\$2,469
11-Jun	\$8,068	\$0	\$0	\$0	\$0	\$0	\$0	\$504	\$81
12-Jun	\$3,877	\$0	\$0	\$0	\$0	\$0	\$0	\$242	\$39
13-Jun	\$2,829	\$0	\$0	\$0	\$0	\$0	\$0	\$177	\$28
14-Jun	\$2,148	\$0	\$0	\$0	\$0	\$0	\$0	\$134	\$21
15-Jun	\$891	\$0	\$0	\$0	\$0	\$0	\$0	\$56	\$9
16-Jun	\$262	\$0	\$0	\$0	\$0	\$0	\$0	\$16	\$3
<b>Total</b>								<b>\$440,673</b>	<b>\$61,940</b>

Table 5, continued



State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin

**Entertain. & Shopping**

Date	ESPN Staff in Hotels <sup>14</sup>	Athletes	Judges	Athlete Managers & Guests	Sponsors, Industry & ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax
19-May	\$355	\$0	\$0	\$0	\$0	\$0	\$0	\$22	\$4
20-May	\$728	\$0	\$0	\$0	\$0	\$0	\$0	\$45	\$7
21-May	\$870	\$0	\$0	\$0	\$0	\$0	\$0	\$54	\$9
22-May	\$1,101	\$0	\$0	\$0	\$0	\$0	\$0	\$69	\$11
23-May	\$1,385	\$0	\$0	\$0	\$0	\$0	\$0	\$87	\$14
24-May	\$1,633	\$0	\$0	\$0	\$0	\$0	\$0	\$102	\$16
25-May	\$2,024	\$0	\$0	\$0	\$0	\$0	\$0	\$126	\$20
26-May	\$2,752	\$0	\$0	\$0	\$0	\$0	\$0	\$172	\$28
27-May	\$3,604	\$0	\$0	\$0	\$0	\$0	\$0	\$225	\$36
28-May	\$4,669	\$0	\$0	\$0	\$0	\$0	\$0	\$292	\$47
29-May	\$5,752	\$0	\$0	\$0	\$0	\$0	\$0	\$360	\$58
30-May	\$7,119	\$0	\$0	\$0	\$0	\$0	\$0	\$445	\$71
31-May	\$8,788	\$0	\$0	\$0	\$0	\$0	\$0	\$549	\$88
1-Jun	\$11,096	\$0	\$0	\$0	\$0	\$0	\$0	\$694	\$111
2-Jun	\$14,256	\$0	\$0	\$0	\$0	\$0	\$44,966	\$3,701	\$525
3-Jun	\$17,736	\$3,976	\$0	\$24,892	\$15,319	\$0	\$48,936	\$6,929	\$992
4-Jun	\$20,754	\$11,929	\$2,110	\$74,675	\$61,277	\$19,756	\$137,912	\$20,526	\$2,918
5-Jun	\$23,080	\$17,770	\$10,549	\$111,240	\$75,645	\$44,144	\$250,749	\$33,324	\$4,696
6-Jun	\$24,358	\$19,758	\$16,985	\$123,686	\$76,597	\$49,083	\$505,423	\$50,993	\$7,112
7-Jun	\$24,252	\$20,354	\$17,497	\$127,413	\$80,233	\$50,562	\$688,558	\$63,054	\$8,758
8-Jun	\$22,920	\$18,328	\$15,756	\$114,735	\$60,992	\$45,531	\$622,023	\$56,268	\$7,802
9-Jun	\$14,310	\$11,873	\$9,526	\$74,327	\$12,198	\$19,664	\$429,528	\$35,714	\$4,911
10-Jun	\$5,308	\$3,958	\$2,722	\$24,776	\$0	\$0	\$152,413	\$11,824	\$1,620
11-Jun	\$2,734	\$0	\$0	\$0	\$0	\$0	\$0	\$171	\$27
12-Jun	\$1,314	\$0	\$0	\$0	\$0	\$0	\$0	\$82	\$13
13-Jun	\$959	\$0	\$0	\$0	\$0	\$0	\$0	\$60	\$10
14-Jun	\$728	\$0	\$0	\$0	\$0	\$0	\$0	\$45	\$7
15-Jun	\$302	\$0	\$0	\$0	\$0	\$0	\$0	\$19	\$3
16-Jun	\$89	\$0	\$0	\$0	\$0	\$0	\$0	\$6	\$1
<b>Total</b>								<b>\$285,958</b>	<b>\$39,914</b>

Table 5, continued  
State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin

State Mixed Bev. Tax:

Date	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Sponsors, Industry & ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax
19-May	\$34	\$0	\$0	\$0	\$0	\$0	\$0	\$4	\$0
20-May	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$8	\$1
21-May	\$82	\$0	\$0	\$0	\$0	\$0	\$0	\$10	\$1
22-May	\$104	\$0	\$0	\$0	\$0	\$0	\$0	\$12	\$1
23-May	\$131	\$0	\$0	\$0	\$0	\$0	\$0	\$15	\$2
24-May	\$154	\$0	\$0	\$0	\$0	\$0	\$0	\$18	\$2
25-May	\$191	\$0	\$0	\$0	\$0	\$0	\$0	\$22	\$2
26-May	\$260	\$0	\$0	\$0	\$0	\$0	\$0	\$30	\$3
27-May	\$340	\$0	\$0	\$0	\$0	\$0	\$0	\$40	\$4
28-May	\$441	\$0	\$0	\$0	\$0	\$0	\$0	\$51	\$5
29-May	\$543	\$0	\$0	\$0	\$0	\$0	\$0	\$63	\$6
30-May	\$672	\$0	\$0	\$0	\$0	\$0	\$0	\$78	\$8
31-May	\$830	\$0	\$0	\$0	\$0	\$0	\$0	\$97	\$10
1-Jun	\$1,047	\$0	\$0	\$0	\$0	\$0	\$0	\$122	\$12
2-Jun	\$1,346	\$0	\$0	\$0	\$0	\$0	\$9,821	\$1,303	\$112
3-Jun	\$1,674	\$375	\$0	\$4,699	\$2,892	\$0	\$9,239	\$2,203	\$194
4-Jun	\$1,959	\$1,126	\$199	\$14,098	\$11,569	\$3,730	\$26,036	\$6,852	\$603
5-Jun	\$2,179	\$1,677	\$996	\$21,001	\$14,281	\$8,334	\$47,339	\$11,181	\$975
6-Jun	\$2,299	\$1,865	\$1,603	\$23,351	\$14,461	\$9,266	\$95,419	\$17,302	\$1,494
7-Jun	\$2,289	\$1,921	\$1,652	\$24,054	\$15,147	\$9,546	\$129,993	\$21,543	\$1,853
8-Jun	\$2,164	\$1,730	\$1,487	\$21,661	\$11,515	\$8,596	\$117,432	\$19,207	\$1,649
9-Jun	\$1,351	\$1,121	\$899	\$14,032	\$2,303	\$3,712	\$81,091	\$12,196	\$1,038
10-Jun	\$501	\$374	\$257	\$4,677	\$0	\$0	\$28,774	\$4,036	\$342
11-Jun	\$258	\$0	\$0	\$0	\$0	\$0	\$0	\$30	\$3
12-Jun	\$124	\$0	\$0	\$0	\$0	\$0	\$0	\$14	\$1
13-Jun	\$90	\$0	\$0	\$0	\$0	\$0	\$0	\$11	\$1
14-Jun	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$8	\$1
15-Jun	\$28	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
16-Jun	\$8	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$0
Total Tax								\$96,463	\$8,325

Table 5, continued

**State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin**

**Title 5 ABC State Tax<sup>15</sup>:**

Date	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Sponsors, Industry & ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax
19-May	\$34	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$0
20-May	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
21-May	\$82	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
22-May	\$104	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
23-May	\$131	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
24-May	\$154	\$0	\$0	\$0	\$0	\$0	\$0	\$4	\$0
25-May	\$191	\$0	\$0	\$0	\$0	\$0	\$0	\$5	\$0
26-May	\$260	\$0	\$0	\$0	\$0	\$0	\$0	\$7	\$0
27-May	\$340	\$0	\$0	\$0	\$0	\$0	\$0	\$9	\$0
28-May	\$441	\$0	\$0	\$0	\$0	\$0	\$0	\$11	\$0
29-May	\$543	\$0	\$0	\$0	\$0	\$0	\$0	\$14	\$0
30-May	\$672	\$0	\$0	\$0	\$0	\$0	\$0	\$17	\$0
31-May	\$830	\$0	\$0	\$0	\$0	\$0	\$0	\$21	\$0
1-Jun	\$1,047	\$0	\$0	\$0	\$0	\$0	\$0	\$27	\$0
2-Jun	\$1,346	\$0	\$0	\$0	\$0	\$0	\$9,821	\$286	\$0
3-Jun	\$1,674	\$375	\$0	\$4,699	\$2,892	\$0	\$9,239	\$483	\$0
4-Jun	\$1,959	\$1,126	\$199	\$14,098	\$11,569	\$3,730	\$26,036	\$1,503	\$0
5-Jun	\$2,179	\$1,677	\$996	\$21,001	\$14,281	\$8,334	\$47,339	\$2,453	\$0
6-Jun	\$2,299	\$1,865	\$1,603	\$23,351	\$14,461	\$9,266	\$95,419	\$3,796	\$0
7-Jun	\$2,289	\$1,921	\$1,652	\$24,054	\$15,147	\$9,546	\$129,993	\$4,726	\$0
8-Jun	\$2,164	\$1,730	\$1,487	\$21,661	\$11,515	\$8,596	\$117,432	\$4,213	\$0
9-Jun	\$1,351	\$1,121	\$899	\$14,032	\$2,303	\$3,712	\$81,091	\$2,675	\$0
10-Jun	\$501	\$374	\$257	\$4,677	\$0	\$0	\$28,774	\$885	\$0
11-Jun	\$258	\$0	\$0	\$0	\$0	\$0	\$0	\$7	\$0
12-Jun	\$124	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
13-Jun	\$90	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
14-Jun	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
15-Jun	\$28	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$0
16-Jun	\$8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Tax</b>								<b>\$21,161</b>	<b>\$0</b>

Table 5, continued



**State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin**

Car Rental Tax	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Sponsors, Industry & ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax
Persons/ grp	1.75	1.75	1.25	2.00	2.00	1.25	2.00		
% Renting <sup>16</sup>	33%	33%	33%	33%	33%	33%	43%		
Cost / day	\$80.40	\$80.40	\$80.40	\$80.40	\$80.40	\$80.40	\$80.40		
19-May	\$617	\$0	\$0	\$0	\$0	\$0	\$0	\$62	\$0
20-May	\$648	\$0	\$0	\$0	\$0	\$0	\$0	\$65	\$0
21-May	\$864	\$0	\$0	\$0	\$0	\$0	\$0	\$86	\$0
22-May	\$1,049	\$0	\$0	\$0	\$0	\$0	\$0	\$105	\$0
23-May	\$1,358	\$0	\$0	\$0	\$0	\$0	\$0	\$136	\$0
24-May	\$1,482	\$0	\$0	\$0	\$0	\$0	\$0	\$148	\$0
25-May	\$2,037	\$0	\$0	\$0	\$0	\$0	\$0	\$204	\$0
26-May	\$2,747	\$0	\$0	\$0	\$0	\$0	\$0	\$275	\$0
27-May	\$3,519	\$0	\$0	\$0	\$0	\$0	\$0	\$352	\$0
28-May	\$4,599	\$0	\$0	\$0	\$0	\$0	\$0	\$460	\$0
29-May	\$5,402	\$0	\$0	\$0	\$0	\$0	\$0	\$540	\$0
30-May	\$6,976	\$0	\$0	\$0	\$0	\$0	\$0	\$698	\$0
31-May	\$8,303	\$0	\$0	\$0	\$0	\$0	\$0	\$830	\$0
1-Jun	\$10,988	\$0	\$0	\$0	\$0	\$0	\$0	\$1,099	\$0
2-Jun	\$13,797	\$0	\$0	\$0	\$0	\$0	\$24,251	\$3,805	\$0
3-Jun	\$17,038	\$1,819	\$0	\$9,965	\$6,272	\$0	\$44,093	\$7,919	\$0
4-Jun	\$19,045	\$3,638	\$1,310	\$19,930	\$25,087	\$12,022	\$80,168	\$16,120	\$0
5-Jun	\$21,082	\$4,492	\$5,240	\$24,603	\$30,970	\$14,840	\$170,299	\$27,152	\$0
6-Jun	\$21,267	\$4,548	\$5,306	\$24,912	\$31,359	\$15,027	\$170,922	\$27,334	\$0
7-Jun	\$20,897	\$4,764	\$5,558	\$26,095	\$32,848	\$11,966	\$137,327	\$23,945	\$0
8-Jun	\$18,952	\$1,811	\$1,690	\$9,918	\$4,994	\$0	\$75,530	\$11,289	\$0
9-Jun	\$5,926	\$0	\$0	\$0	\$0	\$0	\$0	\$593	\$0
10-Jun	\$3,303	\$0	\$0	\$0	\$0	\$0	\$0	\$330	\$0
11-Jun	\$1,451	\$0	\$0	\$0	\$0	\$0	\$0	\$145	\$0
12-Jun	\$833	\$0	\$0	\$0	\$0	\$0	\$0	\$83	\$0
13-Jun	\$833	\$0	\$0	\$0	\$0	\$0	\$0	\$83	\$0
14-Jun	\$432	\$0	\$0	\$0	\$0	\$0	\$0	\$43	\$0
15-Jun	\$93	\$0	\$0	\$0	\$0	\$0	\$0	\$9	\$0
16-Jun	\$62	\$0	\$0	\$0	\$0	\$0	\$0	\$6	\$0
Total Tax								\$123,917	\$0
Other Expenditures:			Total	OOS				State Tax	Local Tax
Tickets			\$5,123,700	\$1,038,785				\$64,924	\$10,388
Event Production			\$8,194,000					\$250,563	\$40,090
Total Tax								\$315,487	\$50,478
Total All Taxes								\$1,705,151	\$721,308
Repeat Event Adjustment						\$1,457,394			
Local Match Requirement						\$233,183			
Total Event Trust Fund						\$1,690,577			

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**Appendix A:**  
**Event Award Letter**

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## Endnotes

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<sup>1</sup> <http://www.venuestoday.com/news/detail/x-games-chooses-austin0814>

<sup>2</sup> COTA press release data June 9, 2014.

<sup>3</sup> Internet survey conducted by COTA of ticket purchasers at X Games Austin with 4,012 responses indicating that at peak 19.9 percent of those attending X Games were from outside Texas with just under an additional 2 percent of out-of-state visitors in Austin for X Games that day but not attending the event that day for an effective out-of-state fan percentage of 21 percent of ticketed sales. Ticket sales data and Thursday attendance estimate from COTA. Total ESPN, competitor, judge, coach, media, and industry attendees (in and out of state) provided by Dr. Linda K. Moore, Senior Director, Business Operations & Planning, ESPN Productions Inc., One ESPN Plaza, Bristol, CT 06010 to Don Hoyte, TexasTrustFunds.com on November 5, 2014.

<sup>4</sup> The 56,027 daily total includes the 55,533 people enumerated in Table 1 plus a survey-estimated 494 fans in town for X Games but not attending the event that day.

<sup>5</sup> Email from Dr. Linda K. Moore, Senior Director, Business Operations & Planning, ESPN Productions Inc., One ESPN Plaza, Bristol, CT 06010 to Don Hoyte, TexasTrustFunds.com on November 6, 2014.

<sup>6</sup> The total event presentation spend in Texas of includes expenditures on hotels for staff which is covered in detail in Table 5 so these are not included in Table 3.

<sup>7</sup> Email From Linda Moore, Senior Director, Business Operations & Planning, ESPN Productions Inc., One ESPN Plaza, Bristol, CT 06010 to Don Hoyte, TexasTrustFunds.com October 31, 2014.

<sup>8</sup> Note the figures in Table 4 focus on expenditures for which a state tax gain under the Event Trust Funds is expected. As such those figures include athletes, managers, trainers, sponsors, media, industry guests (and their friends and family that accompany them) plus the out-of state fans attending the event and affiliated visitors. It is not a generalized economic impact since it excludes spending by local fans and other Texans at the event and in Austin while attending the event as well as event presentation expenses not subject to sales tax.

<sup>9</sup> The 2014 nightly hotel expenditure data for ESPN employees was provided by Linda Moore of ESPN. Since ESPN has since renegotiated their hotel contracts for 2015 at significantly higher rates than in 2014, the 2014 nightly hotel cost figure were increased by 10 percent to reflect higher costs. These figures were also applied to the other groups attending X Games as a reasonable surrogate for their room rates. It should be noted that the 2014 fan survey indicated fans paid an average of \$179 per room per night and utilized 1.1 rooms. But since no group size figures were collected from that survey, it is not possible to directly use the survey's room price figure for fans.

<sup>10</sup> Note that at peak attendance, a total of about 7,200 hotel rooms will be required for all participants and out-of-state fans for X Games. The number of hotel rooms in the Austin area totals about 30,000 so this level of demand by X Games attendees, while significant, should not overly tax the availability of hotel rooms. Since facilities in the City of Austin account for about 85 percent of all hotel rooms in the region, during the four peak days of the X

---

Games event it is estimated that the City of Austin should host about 85 percent of participant and out-of-state fan spending. Earlier in the week when room demand is considerable lower, proximity of Austin hotels to COTA will probably result in the City of Austin hosting all of X Games activity. Hotel tax gains to the city as well as sales and alcoholic beverage tax gains are adjusted accordingly.

<sup>11</sup> Fan percentage in hotels from fan survey. Percentage for other categories from ESPN

<sup>12</sup> Daily expenditures by OOS ESPN staff at half that from Fan survey or \$51.46 per person per day.

<sup>13</sup> See note 10. Similar percentages apply for the local tax in this table.

<sup>14</sup> Shopping and Entertainment expenses for OOS ESPN staff at a quarter of the fan survey amount of \$69.76 per person per day.

<sup>15</sup> In general, Table 5 applies statutory tax rates to relevant expenditures in order to derive tax gains under the event trust fund. However since the Alcoholic Beverage Tax is a complex tax levied on the basis of the alcohol content of various beverages by volume, the estimate of that tax in Table 5 is based on a derived value-based percentage linking revenue from the Alcoholic Beverage Tax to mixed beverage tax sales. Specifically, in the January 2013 Biennial Revenue Estimate prepared by the Comptroller of Public Accounts, the estimated tax gain during the next biennium for the Mixed beverage tax is \$1,624 million (see page 17). The estimated gain from the other Alcoholic Beverage taxes is estimated at \$416 million or roughly a quarter of the tax raised by the state under the Mixed Beverage Tax. Accordingly, Table 5 applies the statutory tax rate of 11 percent to the value of mixed beverages as described in law and approximates the alcoholic beverage tax gains as being 2.56 percent of the value of mixed beverages which raises about a quarter of mixed tax raised by the state under the mixed beverage tax for this event. Since there is no local tax component to the alcoholic beverage tax, no estimate for this is included in Table 5.

<sup>16</sup> For fans this is the percentage of cars rented per group adjusting for the fact that some groups rented more than one car. For other groups, this is set equal to the percentage of fans that said they rented cars but assumes each group rents only one car.

### **ATTACHMENT 3**

#### **Requested X Games Austin Economic Impact Study Market Area**

The requested basic economic impact region for the X Games Austin Event scheduled for the weekend of June 4 - 7, 2015 is the five-county Austin Metropolitan area, including Travis, Williamson, Hays, Bastrop, and Caldwell Counties (collectively, the "***Economic Impact Region***"). This designated Economic Impact Region has been used for the Economic Study



## **ATTACHMENT 4**

### **Events & Activities Schedule**

X Games Austin June 4 – 7, 2015 of the Circuit of the Americas – Austin, TX  
Schedule of Events\*

See Attached Tentative Schedule

\* Anticipated additional events will be added to schedule.

# X GAMES AUSTIN 2015

## OVERVIEW SCHEDULE

as of December 8, 2014

Day Date	THURSDAY June 4, 2015	FRIDAY June 5, 2015	SATURDAY June 6, 2015	SUNDAY June 7, 2015
	<b>Downtown</b>	<b>Venue A</b>	<b>Venue A</b>	<b>Venue A</b>
	<b>COTA</b>	<b>Venue B</b>	<b>Venue B</b>	<b>Venue B</b>
Time	Step Up	PARK/STREET/BIG AIR	PARK/STREET/BIG AIR	PARK/STREET/BIG AIR
8:00 AM	Fiat Track	VERTIMOTO X/RALLY/TRUCKS	DIRT/MOTO X/RALLY/TRUCKS	MOTO X/RALLY/TRUCKS
8:30 AM				
9:00 AM				
9:30 AM				
10:00 AM				
10:30 AM				
11:00 AM				
11:30 AM				
12:00 PM		BMX Vert FINAL 11:30 - 12:00		SKB/BMX Big Air Doubles FINAL 11:00 - 12:30
12:30 PM			SKB Park Round One & FINAL 11:00 - 1:00	Truck X Round One/LCQ/FINAL 12:30 - 2:00
1:00 PM		SKB Vert Round One & FINAL 12:30 - 2:00		
1:30 PM				
2:00 PM		BMX Park Round One & FINAL 2:00 - 4:00	SKB Street Women's Round One & FINAL 2:30 - 3:30	SKB Street Men's Round One & FINAL 2:30 - 4:00
2:30 PM				
3:00 PM			SKB Street Am's Round One & FINAL 4:00 - 5:30	BMX Dirt Round One & FINAL 4:00 - 5:30
3:30 PM				
4:00 PM				
4:30 PM				
5:00 PM				
5:30 PM				
6:00 PM				
6:30 PM				
7:00 PM	Moto X Step Up	Moto X Enduro X Men's & Women's FINAL 6:00 - 7:30		
7:30 PM				
8:00 PM	FINAL 7:15 - 8:30	SKB Big Air Round One 7:30 - 8:30	Moto X Speed & Style Qtr's/Semi's/Bronze/GOLD 7:00 - 8:30	
8:30 PM				
9:00 PM		SKB Big Air FINAL 9:00 - 10:00		
9:30 PM				
10:00 PM				
10:30 PM				
	Live Telecast on ESPN			
	Live Telecast on ABC			

\*All times listed are local Austin Texas Time, CENTRAL Time Zone

Please reference By Day tabs for all practice times

**ATTACHMENT 5**

**Affidavits Under Rule §2.212(a)(5)**



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

## AFFIDAVIT

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

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

I understand that the city, county or local organizing committee is receiving funding under the Act for the purposes of facilitating this event: X Games Austin 2015 on these dates: June 4 - 7, 2015 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.

Marc A. Ott  
Affiant Signature  
City Manager, City of Austin  
Title and Name of Organization

Sworn and subscribed before me by the said

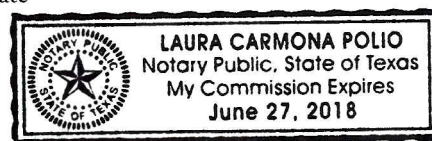
Marc Ott  
(Printed Name of Recipient's Authorized Representative)

this 27th day of January, 20 15.

Notary Public, State of Texas

Notary's printed name: Laura Carmona Polio My commission expires: June 27, 2018 (Seal)

Marc Ott  
Printed Name  
1.25.15  
Date



Laura Carmona Polio  
Notary Public Signature





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

**AFFIDAVIT**

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

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

I understand that the city, county or local organizing committee is receiving funding under the Act for the purposes of facilitating this event:

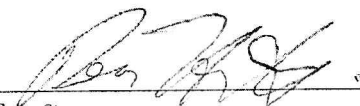
X Games Austin 2015 on these dates: June 4 - 7, 2015 and

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.

  
Affiant Signature

TexasTrustFunds.com

Title and Name of Organization

Don Hoyte

Printed Name

1/9/2015  
Date

Sworn and subscribed before me by the said

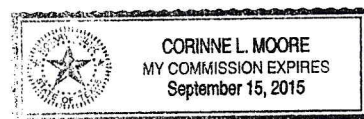
Don Hoyte

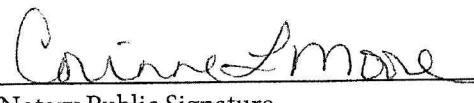
(Printed Name of Recipient's Authorized Representative)

this 9<sup>th</sup> day of January, 2015

Notary Public, State of Texas

Notary's printed name: Corinne Moore My commission expires: Sept 15, 2015 (Seal)



  
Notary Public Signature



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

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

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

I understand that the city, county or local organizing committee is receiving funding under the Act for the purposes of facilitating this event: X Games Austin 2015 on these dates: June 4 - 7, 2015 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.

  
Affiant Signature

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

Wayne S. Hollingsworth

Printed Name

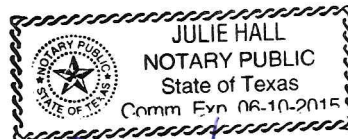
1-9-15  
Date

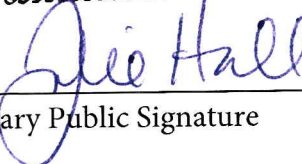
Sworn and subscribed before me by the said

Wayne S. Hollingsworth  
(Printed Name of Recipient's Authorized Representative)

this 9th day of JANUARY, 20 15

Notary Public, State of Texas



  
Notary Public Signature

Notary's printed name: Julie Hall My commission expires: 6-10-15 (Seal)



**ATTACHMENT 6**

**Comptroller Request Worksheet to Establish an Event Trust Fund**



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

#### **STEP 1:**

Review the ETF Administrative Code.

#### **STEP 2:**

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

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

#### **STEP 3:**

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

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

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

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

#### **STEP 4:**

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

#### **STEP 5:**

Submit reimbursement requests.

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



## Request Worksheet to Establish an Events Trust Fund

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

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

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

### SECTION 1: Endorsing Municipality or County

City of Austin

Endorsing City or County

Leela Fireside (Legal Department) and Rodney Gonzales (Economic Development Department)

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

Leela.Fireside@austintexas.gov and

Contact email

Rodney.Gonzales@austintexas.gov

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

Contact phone (area code and phone number)

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

☒ Yes ☐ No

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

☒ Yes ☐ No

### SECTION 2: Local Organizing Committee

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

☒ Yes ☐ No

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

Circuit Events Local Organizing Committee

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

Is the LOC a registered non-profit corporation?

☒ Yes ☐ No

45-2727397

LOC Tax Payer ID#

Circuit Events Local Organizing Committee

Complete Business Name

## SECTION 2: Local Organizing Committee *(continued)*

Wayne S. Hollingsworth

LOC Contact Name

WHollingsworth@abaustin.com

Contact email

(512) 435-2306

Contact phone (area code and phone number)

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

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

## SECTION 3: Site Selection Organization

ESPN, Inc.

Site Selection Organization

Scott Guglielmino, Senior Vice President, Programming and X Games

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

Scott.Guglielmino@espn.com

Contact email

Contact phone (area code and phone number)

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

## SECTION 4: Event Information

ESPN X Games AUSTIN

Official Event Name

Circuit of The Americas

Venue

xgamesaustin.com

Event Website

Location of this event the previous five years:

**1** See Schedule A Attached

**2**

**3**

**4**

**5**

Source of information:



## SECTION 4: Event Information *(continued)*

June 4, 2015	June 7, 2015	June 5, 6, 7, 2015
First Day of Activities	Last Day of Activities	Date of the PRIMARY Event
55,533	16,917	
Anticipated TOTAL attendance at the PRIMARY event	Anticipated Out of State Attendance at the PRIMARY Event	

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

Circuit of the Americas ("COTA") tracks and tabulates attendance figures during each day of the event, including for the primary event day. COTA also conducts various surveys of attendees both during and after the event with the intent to determine an accurate calculation of out-of-state attendees for each day of the event.

## SECTION 5: Checklist

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

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

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

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

Signature

Director

Title

## SCHEDULE A

### Venues

Year	Summer	Winter	Asia	Europe			South America	México
1995	 Newport, Rhode Island	 Stowe, Vermont						
1996	 Newport, Rhode Island	 Stowe						
1997	 San Diego	 Big Bear Lake, California						
1998	 San Diego	 Crested Butte, Colorado	 Phuket					
1999	 San Francisco	 Crested Butte	 Phuket					
2000	 San Francisco	 Mount Snow, Vermont	 Phuket					
2001	 Philadelphia	 Mount Snow	 Phuket					
2002	 Philadelphia	 Aspen	 Kuala Lumpur					
2003	 Los Angeles	 Aspen	 Kuala Lumpur					
2004	 Los Angeles	 Aspen	 Kuala Lumpur					
2005	 Los Angeles	 Aspen	 Seoul					
2006	 Los Angeles	 Aspen	 Kuala Lumpur					
2007	 Los Angeles	 Aspen	 Shanghai					 México City
2008	 Los Angeles	 Aspen	 Shanghai					 México City
2009	 Los Angeles	 Aspen	 Shanghai					
2010	 Los Angeles	 Aspen	 Shanghai	 Tignes				
2011	 Los Angeles	 Aspen	 Shanghai	 Tignes				
2012	 Los Angeles	 Aspen	 Shanghai	 Tignes				
2013	 Los Angeles	 Aspen	 Shanghai	 Tignes	 Barcelona	 Munich	 Foz do Iguaçu	
2014	 Austin, Texas	 Aspen	 Shanghai					



**ATTACHMENT 7**

**City of Austin Letter to Comptroller re Participation**



# City of Austin

## City Manager's Office

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

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

January 27, 2015

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

Comptroller Combs:

The City of Austin requests participation in the Event Trust Fund (ETF) program pursuant to **TEX. REV. CIV. STAT. ART. 5190.14 Section 5C** (Act) as authorized by Austin City Council action contained in resolution dated May 23, 2013 in support of X Games Austin for 2014 – 2016, inclusive. This action satisfies the requirements of **34 TAC Section 2.202(a)(1)** and documents that Austin is the endorsing municipality in accordance with the Act.

Enclosed is correspondence from ESPN confirming the selection of Austin, Texas as the location for this event during June 4 - 7, 2015. The correspondence from ESPN satisfies the requirements found at **34 TAC Section 2.202(a)(2)**.


The correspondence from ESPN states that the selection of Austin as the location for the X Games Austin for 2015 was completed after substantial competition in their process of reviewing a number of venues interested in hosting their series. Further, ESPN does not anticipate holding any other similar X Games Event in Texas or its contiguous states during any year that the ESPN is held at the Circuit of the Americas in Austin. We believe that this supports a finding that Austin was selected as the site for this event consistent with the requirements of **34 TAC Section 2.201**.

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 ETF under the Act, to submit the ETF economic impact analysis, to fund the City's local contribution to the ETF, and to receive reimbursement of trust funds for eligible expenses from the ETF for the race that is occurring June 4 - 7, 2015.

Sincerely,

CITY OF AUSTIN, TEXAS

By:

  
Marc A. Ott, City Manager



ESPN, Inc.

ESPN Plaza, Bristol, CT 06010-7454

January 8, 2015

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

*via email: marc.ott@austintexas.gov*

Dear Mr. Ott:

We have received and appreciate the confirmation of application, dated January 7, 2015, from Circuit Events Local Organizing Committee ("CELOC"), as designee and on behalf of the City of Austin, to host the X Games in Austin for 2015 through 2017 at the raceway facilities in Austin, Texas, USA, known as Circuit of the Americas.

As we emphasized in our previous letter to you, there was substantial competition in our process of reviewing a number of venues interested in hosting our series. Our prior selection of Austin, Texas as the site for the 2014 through 2017 X Games Austin Events is hereby made and confirmed. Congratulations!

The ESPN X Games is a unique event that appeals to a young, enthusiastic demographic, featuring multiple competitive action sports events. The 2015 X Games will be conducted in Austin, Texas along with our winter version in Aspen, Colorado. ESPN will televise X Games Austin worldwide, with over twenty (20) hours of dedicated programming distributed to more than 450 million homes in over 175 countries around the world. X Games Austin will be the only site in North America for our summer event, so we anticipate strong interest and a significant economic benefit to the community and region.

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

Yours sincerely,

Scott Guglielmino  
Senior Vice President, Programming & X Games

**ATTACHMENT 8**

**Affidavits Endorsing a Major Events Trust Fund**





# Affidavit to be COMPLETED by any/all Municipality, County, and/or LOC endorsing a Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund

## AFFIDAVIT

[Affidavit to be signed and sworn (notarized) by each Endorsing Municipality, Endorsing County, and Local Organizing Committee (if applicable)]

I, Marc Ott, an authorized representative of: City of Austin,  
a [local organizing committee (nonprofit corporation), endorsing municipality or endorsing county] (circle one) ("Requestor") that is receiving funding through the Major Events Trust Fund, Events Trust Fund, or Motor Sports 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 Texas Comptroller's 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 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 Comptroller's office to make the determination of the incremental increase in tax revenue associated with hosting the event in Texas, including a listing of any data for any related activities;
- (4) a Request Worksheet to Establish an Events Trust Fund form and any attachments; and
- (5) an Event Support Contract (if available – else due no later than date of event's first activities).

I understand that I am receiving funding under the Act for the purposes of facilitating this event: X Games Austin 2015  
on these dates: June 4 - 7, 2015.

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.

Marc Ott  
Affiant Signature

City Manager, City of Austin  
Title and Name of Organization

Sworn and subscribed before me by the said

Marc Ott  
(Printed Name of Recipient's Authorized Representative)

this 27<sup>th</sup> day of January, 20 15.

Notary Public, State of Texas

Notary's printed name: Laura Carmona Polio My commission expires: June 27, 2018 (Seal)

Marc Ott  
Printed Name  
1/27/2015  
Date



Laura Carmona Polio  
Notary Public Signature





# Affidavit to be COMPLETED by any/all Municipality, County, and/or LOC endorsing a Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund

## AFFIDAVIT

[Affidavit to be signed and sworn (notarized) by each Endorsing Municipality, Endorsing County, and Local Organizing Committee (if applicable)]

I, Wayne S. Hollingsworth, 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 Major Events Trust Fund, Events Trust Fund, or Motor Sports 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 Texas Comptroller's 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 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 Comptroller's office to make the determination of the incremental increase in tax revenue associated with hosting the event in Texas, including a listing of any data for any related activities;
- (4) a Request Worksheet to Establish an Events Trust Fund form and any attachments; and
- (5) an Event Support Contract (if available – else due no later than date of event's first activities).

I understand that I am receiving funding under the Act for the purposes of facilitating this event: X Games Austin 2015

on these dates: June 4 - 7, 2015

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.

Wayne S. Hollingsworth  
Affiant Signature

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

Sworn and subscribed before me by the said

Wayne S. Hollingsworth  
(Printed Name of Recipient's Authorized Representative)

this 9th day of JUNE, 20 15

Notary Public, State of Texas

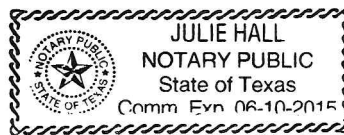
Notary's printed name: Julie Hall My commission expires: 6-10-15 (Seal)

Wayne S. Hollingsworth

Printed Name

1-9-15

Date



Julie Hall  
Notary Public Signature





**GLENN HEGAR** TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

---

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

February 27, 2015

Marc Ott  
City Manager  
City of Austin  
P.O. Box 1088  
Austin, TX 78711-3528

Dear Mr. Ott:

You submitted a request to establish an Events Trust Fund, certifying that the statutory requirements have been met and that the economic materials supplied are accurate. Our office has completed an analysis of your request.

The results show the State of Texas will realize an incremental increase in tax revenue due to this event. As per statute, an Events Trust Fund will be established. This letter does not constitute an approval for reimbursement. Any reimbursement is subject to meeting statutory requirements, including the timely submittal of an appropriate event support contract and other documentation as required.

- **Event: ESPN X-Games - Austin (2015)**
- Location / Venue: City of Austin / Circuit of the Americas
- Dates: June 4 – 7, 2015
- Estimated incremental increase in tax revenue to the State of Texas is \$1,086,597 or 6.25 times the amount of local revenue retained or remitted to the Comptroller as local match from eligible endorsing municipalities.
- Local match required: \$173,856
- **Total contribution to the Event Trust Fund established for this event: \$1,260,453**

Following the event, you will need to complete and submit the attendance certification form, which has been attached to this letter for your convenience.

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 Korry Castillo, manager of the Economic Development and Analysis Division, at [korry.castillo@cpa.texas.gov](mailto:korry.castillo@cpa.texas.gov) or 1-800-531-5441, ext. 3-3806.

Sincerely,

Mike Reissig  
Deputy Comptroller

cc: Robert Wood, Korry Castillo

**Form to be COMPLETED by request letter signatory for the below mentioned Major  
Events Trust Fund or Events Trust Fund**

**ATTENDANCE CERTIFICATION**

A request was processed to establish an Event Trust Fund for the event:	<b>ESPN X-Games - Austin (2015)</b>
You submitted a Request letter for an event:	January 28, 2015
The Texas Comptroller of Public Accounts (CPA) mailed a fund approval letter to you on:	February 27, 2015
This affidavit is to be returned to the CPA no later than forth-five (45) days after the end of this event:	July 23, 2015
The attendance metric* identified by the CPA to evaluate the estimated number of event attendees as part of the calculations for the incremental tax impact: <small>* If requestor has questions or concerns about how this metric was developed, please contact the CPA within 10-days of fund approval letter</small>	23,084 Out of State Ticketed fans (as defined in request and supplied economic study) at COTA on June 5, 6, 7 combined

The TOTAL attendance at the PRIMARY EVENT was: \_\_\_\_\_

The estimated attendees NOT residents of this state for this PRIMARY EVENT was: \_\_\_\_\_

Source(s) and Methodology feel free to attach support information:

\_\_\_\_\_  
\_\_\_\_\_

- 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.

Requestor: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Send to:

Texas Comptroller of Public Accounts, Economic Development and Analysis Department, P.O. Box 13528, Austin, TX 78711-3528

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

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

April \_\_\_\_, 2015

Deputy Comptroller  
Comptroller of Public Accounts  
111 E. 17<sup>th</sup> Street  
Austin, Texas 78774

*Via Hand Delivery*

**RE: Application for Participation in the Texas Major Events Trust Fund (2015 X Games Austin)**

Dear Deputy Comptroller:

Circuit Events Local Organizing Committee is organized as a Texas non-profit corporation (the “**Committee**”) with the purpose to help facilitate and support an event, commonly known as “**2015 X Games Austin**” (the “**Event**”) that is scheduled to be held in Austin, Texas on June 4 - 7, 2015. Further, as an integral part of this support, the Committee and the City of Austin, as approved by City Council resolution of May 23, 2013, and amended \_\_\_\_\_, 2015, entered into an “**Agreement**”, dated \_\_\_\_\_, 2015, whereby the City of Austin agreed to be the “endorsing municipality” for the Event, and in the capacity of endorsing municipality (i) authorized the Committee to act as the “local organizing committee” for purposes of securing and promoting the Event for the Austin area, as well as the application for and qualification of the Event as an “**Event**” under TEX. REV. CIV. STAT. ART. 5190.14 (the “**Act**”) Section 5.A. thereof, the Texas Major Events Trust Fund (the “**Trust Fund**”) and (ii) authorized and appointed the Committee as the City of Austin’s sole and exclusive designee, for and on behalf of the City of Austin to submit, pursuant to TAC Title 34, Part 1 Chapter 2 Subchapter A, Rule 2.102, a request to the Texas Comptroller of Public Accounts for participation in the Trust Fund program and a request to the Texas Comptroller to determine the incremental increase in the receipts of various taxes (e.g. sales and use taxes, mixed beverage taxes, hotel occupancy taxes), by the City of Austin, as the endorsing municipality, for a one (1) year period that begins two (2) months before the date of the first Event (scheduled for June 4 - 7, 2015), in accordance with the Comptroller’s procedures and in accordance with the Act, and the rules promulgated thereunder (the “**Rules**”).

It is my honor and great pleasure to submit this application from the Committee, as the City of Austin’s duly appointed and authorized designee for and on behalf of and binding upon the City of Austin, as the formal request, pursuant to Rule 2.102, for participation in the Trust Fund program and a request to the Texas Comptroller to determine the incremental increase in the applicable taxes for the City of Austin for the June 4 - 7, 2015 Event.

Further, as required by Rule 2.102(a)-(d), enclosed with this letter are: (i) Attachment 1, a letter from the City of Austin requesting participation in the METF for the Event, (ii) Attachment 2, two (2) letters, both dated March \_\_\_\_, 2015, from ESPN, as the site selection committee for the Events to the Committee and the City of Austin, selecting the site in Austin, Texas for the 2015 – 2017 Events; (iii) Attachment 3, the economic impact study and other data with detailed information on the direct expenditures and direct impact data for the endorsing municipality hosting the event and for the requested market area (the

April \_\_\_\_, 2015

Page 2

"*Economic Study*"; (iv) Attachment 4, a description of the requested market area, and information to support the requested market area, which is included in the Economic Study; (v) Attachment 5, a list of all related events activities proposed to be included in the trust fund estimate, with data for each such activity including projected attendance figures, ticket sales and relevant production and expenditure information related to the activity, included in the Economic Study; (vi) Attachment 6, affidavits from Don Hoyte, Ph.D., the City of Austin and the Committee, similar to those required under Rule §2.202(a)(5), as to the accuracy of the Economic Study; (vii) Attachment 7, a completed and signed Comptroller Request Worksheet to Establish an Event Trust Fund for the Event similar to that required under Rule §2.202(a)(4); and (viii) Attachment 8, affidavits from the Committee and the City of Austin endorsing a Major Events Trust Fund similar to that required under Rule §2.202(a)(5).

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

Thank for your time and consideration of this request.

Respectfully,

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

Ms. Leela Fireside, Assistant City Attorney, City of Austin  
Mr. Sam Bryant, Director  
Mr. Ford Smith, Director  
Mr. Rodney Gonzales, Director  
Mr. Jason Dial, President and CEO of COTA  
Mr. Colin Cohen, CFO of COTA

**ATTACHMENT 1**

**City of Austin Letter to Comptroller re Participation**

**SAMPLE**

\_\_\_\_\_, 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 May 23, 2013 in support of X Games Austin for 2014 – 2016, inclusive, if and to the extent the METF is or becomes applicable to the subject event. This action is intended to satisfy the requirements of **34 TAC Section 2.102(a)(1)** and documents that Austin is the endorsing municipality in accordance with the Act, as applicable.

Enclosed is correspondence from ESPN confirming the selection of Austin, Texas as the location for this event during June 4 - 7, 2015. The correspondence from ESPN satisfies the requirements found at **34 TAC Section 2.102(a)(2)**.

The correspondence from ESPN states that the selection of Austin as the location for the X Games Austin for 2015 was completed after substantial competition in their process of reviewing a number of venues interested in hosting their series. Further, ESPN does not anticipate holding any other similar X Games Event in Texas or its contiguous states during any year that the ESPN 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 June 4 - 7, 2015, as applicable.

Sincerely,

CITY OF AUSTIN, TEXAS

By:

\_\_\_\_\_  
Marc A. Ott, City Manager



**ATTACHMENT 2**

**Site Selection Committee Designation Letter**

**[ESPN LETTERHEAD]**

March \_\_\_, 2015

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

*via email: marc.ott@austintexas.gov*

Dear Mr. Ott:

We have received and appreciate the confirmation of application, dated March 18, 2015, from Circuit Events Local Organizing Committee (“CELOC”), as designee and on behalf of the City of Austin, to host the X Games in Austin for 2015 through 2017 at the raceway facilities in Austin, Texas, USA, known as Circuit of the Americas. We understand CELOC’s application is submitted in confirmation of and supplemental to CELOC’s application to us dated June 11, 2013, and in anticipation of the X Games Austin qualifying for the Texas Major Event Trust Fund Act (the “Act”) based on legislation pending in the Texas Legislature.

As we emphasized in our previous letter to you, there was substantial competition in our process of reviewing a number of venues interested in hosting our series. Our prior selection of Austin, Texas as the site for the 2014 through 2017 X Games Austin Events is hereby made and confirmed. Congratulations!

The ESPN X Games is a unique event that appeals to a young, enthusiastic demographic, featuring multiple competitive action sports events. The 2015 X Games will be conducted in Austin, Texas along with our winter event in Aspen, Colorado. ESPN will televise X Games Austin worldwide, with over twenty (20) hours of dedicated programming distributed to more than 450 million homes in over 175 countries around the world. X Games Austin will be the only site in North America for our summer event, so we anticipate strong interest and a significant economic benefit to the community and region.

We look forward to receiving and working with CELOC to finalize an Amended and Restated Event Support Contract for application under the Act related to the local and State support available for the events if, as and when the pending legislation qualifying X Games Austin for participation under the Act is passed and effective.

Yours sincerely,

[ESPN LETTERHEAD]

March \_\_, 2015

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

via email: [whollingsworth@abaustin.com](mailto:whollingsworth@abaustin.com)

Dear Mr. Hollingsworth:

We appreciate the confirmation of the application by Circuit Events Local Organizing Committee ("CELOC"), dated March 18, 2015, submitted as designee on behalf of the City of Austin, to host an event of the X Games in Austin for 2015 through 2017 at the raceway facilities in Austin, Texas, USA, known as Circuit of the Americas. We understand that your application is submitted in confirmation of and supplemental to your application to us dated June 11, 2013, and in anticipation of the X Games Austin qualifying for the Texas Major Event Trust Fund Act (the "Act") based on legislation pending in the Texas Legislature.

As we emphasized in our previous letter 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 events. Please consider this letter as confirmation of our selection of Austin, Texas, and the Circuit of the Americas to host the X Games Austin event each year of the upcoming series from 2014 through 2017. Congratulations!

As noted in your June 11, 2013 letter, we do not anticipate sanctioning or holding any other similar X Games Event in Texas or its contiguous states during 2015 or any other year that the X Games Austin at the Circuit of the Americas is held in Austin.

The ESPN X Games is a unique event that appeals to a young, enthusiastic demographic, featuring multiple competitive action sports events. The 2015 X Games will be conducted in Austin, Texas along with our winter event in Aspen, Colorado. ESPN will televise X Games Austin worldwide, with over twenty (20) hours of dedicated programming distributed to more than 450 million homes in over 175 countries around the world. X Games Austin will be the only site in North America for our summer event, so we anticipate strong interest and a significant economic benefit to the community and region.

We look forward to receiving and working with you to finalize an Amended and Restated Event Support Contract for application under the Act related to the local and State support available through CELOC and the Circuit of the Americas if, as and when the pending legislation qualifying X Games Austin for participation under the Act is passed and effective.

Yours sincerely,

**ATTACHMENT 3**

**Economic Study**

3.4

---

**Major Events Trust Fund Economic Impact Study  
of the**

**2015 X Games**

Austin, Texas

Submitted for consideration under the Events Trust Fund by:

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

On behalf of

**Circuit Events Local Organizing Committee**

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

`March 19,2015

## Event Background

The **X Games** is a sports event, controlled and arranged by the U.S. sports broadcaster ESPN (with coverage also shown on its sister network ABC), which focuses on action sports. The inaugural X Games were held in summer 1995 in Rhode Island. Participants compete to win bronze, silver and gold medals, and prize money. Current competition takes place over four days with events in Moto X, Mountain Bike, Rally Car, Skateboarding and BMX.

Both the summer and winter X Games competitions feature new tricks such as Tony Hawk's 900 in skateboarding, Travis Pastrana's double backflip in freestyle motocross, Heath Frisby's first ever snowmobile front flip in Snowmobile Best Trick, and Torstein Horgmo's first landed triple flip in a snowboard competition. Concurrent with competition is the "X Fest" sports and music festival, which offers live music, athlete autograph sessions and interactive elements.

The first two summer X Games were held in Rhode Island in 1995 and 1996, averaging nearly 200,000 attendees. The 1997 and 1998 games moved to San Diego, California and were attended by more than 200,000 fans, competitors and others. The 1999 and 2000 games were held in San Francisco and were the first full professional sporting event broadcast live on the internet. The 2001 and 2002 versions moved to Philadelphia and included Taig Khris winning the inline vert event, with the first double backflip in X Games history and Mike Metzger landing the first back flip in motocross freestyle X Games history.

X Games Nine moved to the Staples Center and LA Coliseum in Los Angeles in 2003. The venues were expanded in 2004 to include the Staples Center, Home Depot Center, and Long Beach Marine Stadium. The games have been held in Los Angeles through 2013 with several venue shifts and included numerous firsts:

- 2005: Jamie Bestwick landed the first ever double tailwhip flair in the BMX Vert Best Trick event. Travis Pastrana won gold in motocross freestyle again and became the most decorated athlete in motocross
- 2006: Travis Pastrana landed the world's first double backflip on a dirt bike, and won motocross best trick with a score of 98.60, the highest current score in best trick. Skateboarder Nyjah Huston became the youngest athlete to compete in X Games at 11 years old.



- 2007: Ricky Carmichael won the first ever motocross racing circuit. Simon Tabron landed an X Games' first, doing back-to-back 900s in BMX vert.
- 2008: Skateboarder Andy Macdonald won his 15th X Games medal, surpassing Tony Hawk as the all-time leader in skateboarding medals. Tarah Gieger of Puerto Rico won the gold medal in the first-ever women's supercross race.
- 2009: Anthony Napolitan landed the first ever double front flip on a bicycle. Blake Williams became the first non-American rider to win FMX gold. Ashley Fiolek, 18, won the women's motocross super X, becoming the Games' first deaf medalist.
- 2010: Jamie Bestwick became the first person to 4-peat with a win in BMX vert. Pierre-Luc Gagnon became the first athlete to win in skateboard vert three times, beating the silver medalist, Shaun White.
- 2011: Shaun White earned his second gold medal in skateboard vert, breaking Pierre Luc Gagnon's 3-year winning streak. Liam Doran took gold on his debut in the rally car racing event after beating Marcus Gronholm in the final.
- 2012: Bob Burnquist won his fourth Big Air gold medal, and raising his gold medal total to nine. Ronnie Renner won the gold medal in Moto X Step Up, breaking the previous record height of 37' by 10' making it the highest ever at the X Games with 47'.

In 2013 X Games expanded internationally holding events in Foz do Iguacu, Brazil, Barcelona, Spain and Munich, Germany. The 2013 event in Los Angeles saw Vicki Golden win her 3rd consecutive gold medal in women's moto x racing, defeating Meghan Rutledge. Golden also became the 1st women to compete in a freestyle moto x competition, earning bronze in best whip.

After more than a decade being hosted in Los Angeles, it was announced in August 2013 that Austin's Circuit of the Americas complex would be the venue for all future X Games excitement at least until 2017.<sup>1</sup>

X Games' organizers at ESPN announced that Texas' state capital had been selected to replace Los Angeles as its new North American home. Austin was picked for the X Games in an Olympic-style selection process. Of 13 qualified bids, the decision came down to Austin, Chicago, Detroit and Charlotte, N.C.

On June 5, 2014, downtown Austin hosted the first day of X Games competition with the State Capital as the backdrop. Austin's new sports and entertainment venue---Circuit of the Americas (COTA)--- then hosted the final three days of the X Games' competitions as well as concerts and festival villages that supplemented the sports event.

## 2014 Summer X Games Attendance

Moving a major sporting event such as X Games to a new venue half-way across the country from its previous site always results in major attendance changes. The experience at the 2014 X Games is no exception.

According to officials with ESPN and Circuit of the Americas, the inaugural X Games Austin event drew more than 160,000 over the four days from June 5 to 8. That made X Games Austin the highest non-Formula 1 attended sports and entertainment event at COTA since the venue's grand opening in 2012.<sup>2</sup>

This total four-day attendance figure is composed of a number of distinct groups present at the event based on ESPN and COTA estimates<sup>3</sup>:

Table 1  
Attendance Breakdown at 2014 X Games Austin

	<u>ESPN Staff</u>	<u>Athletes</u>	<u>Judges</u>	<u>Athlete Managers &amp; Guests</u>	<u>Sponsors &amp; Industry/ ESPN Guests</u>	<u>Media</u>	<u>Ticketed Fans</u>
5-Jun-14	1,795	269	62	1,682	2,117	634	19,000*
6-Jun-14	1,987	297	248	1,862	2,343	702	31,138
7-Jun-14	2,004	300	250	1,878	2,364	708	48,029
8-Jun-14	1,969	295	246	1,845	2,323	696	34,693

TOTAL FOUR DAY ATTENDANCE 161,734

\*Estimated since June 5 was a non-ticketed event day

Based on estimates from ESPN and from a fan survey with more than 4,000 responses, it is estimated that a total of 16,141 persons from outside Texas were in Austin for the X Games on June 7, 2014. This means that 29 percent of 56,027 people in Austin for the X Games that day were from outside Texas.<sup>4</sup>

For 2015, the event will be held from June 4 to 7. Assuming no attendance change from 2014 and including the attendance during the preparation for the event and post-event tear down, the likely attendance at the 2015 X Games Austin should closely approximate the pattern in Table 2.

Table 2

**Estimated Attendance at 2015 X Games Austin**

	<u>ESPN Staff</u>	<u>Athletes</u>	<u>Judges</u>	<u>Athlete Managers &amp; Sponsors &amp; Industry/ESPN</u>	<u>Media</u>	<u>Ticketed Fans</u>	<u>OOS Fans @ Events</u>	<u>OOS Fans in Austin not @ Events</u>	<u>OOS Fans in Austin</u>
19-May	58								
20-May	61								
21-May	81								
22-May	99								
23-May	128								
24-May	140								
25-May	192								
26-May	259								
27-May	332								
28-May	433								
29-May	509								
30-May	657								
31-May	782								
1-Jun	1,035								
2-Jun	1,300								
3-Jun	1,606	134		841					1,403
4-Jun	1,795	269	62	1,682	634				2,551
5-Jun	1,987	297	248	1,862	702	19,000	3,313	1,325	4,638
6-Jun	2,004	300	250	1,878	708	31,138	7,579	1,709	9,287
7-Jun	1,969	295	246	1,845	696	48,029	9,394	212	9,888
8-Jun	1,786	267	223	1,674	631	34,693	6,111	1,551	7,662
9-Jun	558	134	89	837				250	4,214
10-Jun	311								
11-Jun	137								
12-Jun	79								
13-Jun	41								
14-Jun	9								
15-Jun	6								
16-Jun	6								

In particular, Table 2 estimates that 19.9 percent of all ticketed fans at the peak attendance came from outside Texas. This figure is derived from an internet fan survey of slightly more than 4,000 event attendees which indicated that 85 percent of the survey respondents were from Texas with 15 percent being from outside Texas. But, twelve percent of all respondents indicated that while they themselves were from Texas, they attended X Games Austin accompanied by one or more fans from outside of Texas. Including those fans from outside of Texas who accompanied a fan from Texas to the event indicates that just short of twenty percent of all fans in attendance at the event were from outside Texas. Finally, Table 2 adjusts the at-event attendance by out-of-state visitors to reflect the tendency for out-of-state fans to attend other attractions in Austin some days of their stay rather than attending all days of the X Games based on the survey responses as to how often out-of-state fans attended X Games events each day.

The last column of Table 2 estimates the pattern of stay by out-of-state fans at X Games in the Austin area. This pattern of stay is estimated to be consistent both with overall ticket sales and the fan survey responses indicating that out-of-state fans stayed, on average, 3.11 nights in Austin for the event.<sup>5</sup>

## Event Presentation Costs and Ticket Sales

From 2010 to 2013, X Games event presentation costs averaged \$16.9 million in California. But for Austin, it was expected that these costs would amount to about \$19 million with about \$11 million spent directly in Texas.<sup>6</sup> Table 3 presents some detail about these expenditures not detailed on other places in this report in Texas including the amount subject to state sales tax.<sup>7</sup>

Table 3  
Event Presentation Expenses for X Games Austin

<u>Expenditure</u>	<u>Amount</u>	<u>Sales Tax</u>
Festival Entertainment & Competitions	\$1,100,000	\$938
Venue and Production Equipment Rental	\$2,200,000	\$93,750
Marketing, Promotions, Advertising	\$1,750,000	
Course & Venue Construction	\$1,519,000	\$94,938
Venue and Production Services	\$475,000	
Local Staffing	\$1,275,000	
Catering - Hospitality	\$875,000	\$54,688
Venue and Production Misc.	\$100,000	\$6,250
<b>Total Event Production Spend in Texas</b>	<b>\$9,294,000</b>	<b>\$250,563</b>

Ticket revenues for 2014 averaged \$45 a day per ticket.<sup>8</sup> Based on the sales from 2014, total ticket revenue from out-of-state fans reached approximately \$1.04 million generating nearly \$65,000 in state sales taxes from tickets sold to out-of-state fans.

## Direct Economic Gains from 2015 X Games

As just discussed, the economic gains from events such as the 2014 X Games Austin are significant for the state and for the local economy. Under a conservative assumption that the activity at the 2015 X Games Austin will only meet the level of fan and other visitor activity seen in 2014, the 2015 Austin X Games are expected to fill an estimated 35,000 hotel room nights and generate an estimated total direct spending by ESPN personnel, athletes, managers, sponsors, guests, media and fans of nearly \$35.7 million.<sup>9</sup> This gain is composed of \$7.2 million in lodging expenditures, \$6.9 million in food and beverage expenditures and more than \$4.5 million in entertainment and shopping expenditures (including shopping at the X Games Austin venue).

Table 4  
**Expenditure and Impact Summary for the  
Projected Attendance at 2015 X Games Austin**  
June 5 - 8, 2015

Total Room nights	35,073
Hotel Expenditure	\$7,253,598
Food and Beverage	\$6,851,148
Food & Beverage - Tips	\$1,233,207
Entertainment & Shopping	\$3,493,824
Shopping at Venue	\$924,510
Mixed Drink Expenditures	\$795,080
Beer & Wine Expenditures	\$1,582,206
Car Rental Expenditures	\$1,292,812
Travel Costs to Event (air)	\$2,288,391
Travel Costs to Event (car)	\$714,584
Total Event Production Spend in Texas	\$9,294,000
<b>Total Direct Economic Impact</b>	<b>\$35,723,361</b>

In addition to the direct spending on event production of \$9.3 million, food and beverage expenditures should generate an additional \$1.2 million in tips from out-of-state visitors in Texas

for the X Games Austin. Beer and wine expenditures, based on the survey responses from fans, should total nearly twice the expenditures on mixed drinks. Finally, travel expenditures to and from X Games Austin for those from outside the state are significant. Based on the results of the fan survey, it is estimated that total airfare expenditures to and from the games reached \$4.6 million (with half of that allocated to Texas), while total in-state car travel expenses spent by out-of-state event attendees probably exceed \$700,000.<sup>10</sup>

In calculating these gains a number of event-specific data points are used. These include the hotel room costs based on what ESPN paid each day for their employees at the games.<sup>11</sup> In addition, hotel expenditures are based on results from the 2014 fan survey from the X Games event which indicated 79 percent of out-of-state fans for the event stayed in hotels.

Also used in establishing expenditure patterns for X Games were the spending patterns derived from the fan survey indicating that each out of state fan spent \$102.93 on food and non-alcoholic beverages each day, \$13.17 on mixed drinks each day, \$15.38 on merchandise at the event each day, \$26.37 on merchandise in Austin outside of the event each day, and \$28.01 on other entertainment each day. Average expenditure on roundtrip airfare was \$919.00 per person while automobile travel costs were \$155 per person of which half are allocated to Texas.

## **Direct Trust Fund Tax Gain**

The Texas legislature established the Major Events Trust Fund (METF) to assist in attracting to Texas or retaining in Texas sporting and other events that could well be moved outside the state. The provisions of this law allow the Comptroller to deposit into a trust fund established for a qualifying event the amount of state hotel, sales and use, motor vehicle rental and alcohol taxes that can be attributed to the incremental gain in economic activity to the state from hosting the event. To qualify for reimbursement from the trust fund, the local sponsoring municipality or county must contribute matching tax revenues received from hosting the event at the rate of \$1 local tax dollar for every \$6.25 in state tax contributions.

Based on statutory tax rates and the attendance figures presented in Table 2, Table 5 projects most of the direct tax gain to the state and to the City of Austin from hosting the 2015 X Games.<sup>12</sup> In 2015, this event is expected to generate a total of \$435,000 in state hotel tax gains from out-of-state visitors and another \$577,000 in local hotel tax gains. Sales tax gains from these visitors attributable to expenditures on food and non-alcoholic beverages should reach nearly \$428,000.



Entertainment and shopping expenditures both at and outside of the X Games Austin venues should nearly reach \$276,000 from visitors attending the event from outside the state. Combined state mixed beverage taxes and Title 5 Alcoholic Beverage Code state tax should exceed \$112,000. Finally, state auto rental taxes should exceed \$129,000 from visitors to X Games Austin from outside Texas.

Table 5  
**State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin**  
June 4 - 7, 2015

**Hotel Expenditures:**

	Avg. Hotel Room Cost /night	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Sponsors & Industry/ ESPN Guests	Media	OOS Fans in Austin		
Pers./ rm % in hotel <sup>13</sup>		1.75 100%	1.75 86%	1.25 95%	2.00 86%	2.00 86%	1.25 43%	2.00 79%		
Date									State Tax	Local Tax <sup>14</sup>
19-May	\$184	\$4,287	\$0	\$0	\$0	\$0	\$0	\$0	\$257	\$386
20-May	\$184	\$4,504	\$0	\$0	\$0	\$0	\$0	\$0	\$270	\$405
21-May	\$185	\$6,017	\$0	\$0	\$0	\$0	\$0	\$0	\$361	\$542
22-May	\$185	\$7,315	\$0	\$0	\$0	\$0	\$0	\$0	\$439	\$658
23-May	\$185	\$9,478	\$0	\$0	\$0	\$0	\$0	\$0	\$569	\$853
24-May	\$185	\$10,349	\$0	\$0	\$0	\$0	\$0	\$0	\$621	\$931
25-May	\$185	\$14,223	\$0	\$0	\$0	\$0	\$0	\$0	\$853	\$1,280
26-May	\$185	\$19,147	\$0	\$0	\$0	\$0	\$0	\$0	\$1,149	\$1,723
27-May	\$186	\$24,711	\$0	\$0	\$0	\$0	\$0	\$0	\$1,483	\$2,224
28-May	\$185	\$32,153	\$0	\$0	\$0	\$0	\$0	\$0	\$1,929	\$2,894
29-May	\$186	\$37,796	\$0	\$0	\$0	\$0	\$0	\$0	\$2,268	\$3,402
30-May	\$185	\$48,590	\$0	\$0	\$0	\$0	\$0	\$0	\$2,915	\$4,373
31-May	\$187	\$58,528	\$0	\$0	\$0	\$0	\$0	\$0	\$3,512	\$5,267
1-Jun	\$190	\$78,504	\$0	\$0	\$0	\$0	\$0	\$0	\$4,710	\$7,065
2-Jun	\$188	\$97,918	\$0	\$0	\$0	\$0	\$0	\$0	\$5,875	\$8,813
3-Jun	\$188	\$121,025	\$11,749	\$0	\$64,356	\$40,505	\$0	\$106,698	\$20,660	\$27,975
4-Jun	\$196	\$140,564	\$24,417	\$9,042	\$133,743	\$168,354	\$20,595	\$201,579	\$41,898	\$55,439
5-Jun	\$220	\$174,850	\$30,373	\$40,641	\$166,366	\$209,419	\$25,619	\$411,851	\$63,547	\$83,932
6-Jun	\$221	\$177,012	\$30,748	\$41,143	\$168,423	\$212,009	\$25,935	\$827,637	\$88,975	\$116,388
7-Jun	\$219	\$172,855	\$30,026	\$40,177	\$164,467	\$207,029	\$25,326	\$875,754	\$90,938	\$118,822
8-Jun	\$195	\$139,595	\$24,249	\$32,446	\$132,821	\$167,194	\$20,453	\$604,261	\$67,261	\$88,081
9-Jun	\$188	\$41,983	\$11,661	\$12,482	\$63,872	\$80,401	\$0	\$319,639	\$31,802	\$41,283
10-Jun	\$185	\$23,072	\$0	\$0	\$0	\$0	\$0	\$0	\$1,384	\$2,076
11-Jun	\$187	\$10,229	\$0	\$0	\$0	\$0	\$0	\$0	\$614	\$921
12-Jun	\$186	\$5,852	\$0	\$0	\$0	\$0	\$0	\$0	\$351	\$527
13-Jun	\$187	\$5,864	\$0	\$0	\$0	\$0	\$0	\$0	\$352	\$528
14-Jun	\$188	\$3,058	\$0	\$0	\$0	\$0	\$0	\$0	\$183	\$275
15-Jun	\$189	\$658	\$0	\$0	\$0	\$0	\$0	\$0	\$40	\$59
<b>Total Tax</b>									<b>\$435,216</b>	<b>\$577,122</b>

Table 5, continued  
**State and Local Tax and Expenditure Summary for the**  
**Projected Attendance at 2015 X Games Austin**  
June 4 - 7, 2015

**Food & Bev. Expend.**

Date	ESPN Staff in Hotels <sup>15</sup>	Athletes	Judges	Athlete Managers & Guests	Sponsors & Industry/ ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax <sup>16</sup>
19-May	\$1,048	\$0	\$0	\$0	\$0	\$0	\$0	\$65	\$10
20-May	\$2,148	\$0	\$0	\$0	\$0	\$0	\$0	\$134	\$21
21-May	\$2,567	\$0	\$0	\$0	\$0	\$0	\$0	\$160	\$26
22-May	\$3,248	\$0	\$0	\$0	\$0	\$0	\$0	\$203	\$32
23-May	\$4,087	\$0	\$0	\$0	\$0	\$0	\$0	\$255	\$41
24-May	\$4,820	\$0	\$0	\$0	\$0	\$0	\$0	\$301	\$48
25-May	\$5,973	\$0	\$0	\$0	\$0	\$0	\$0	\$373	\$60
26-May	\$8,121	\$0	\$0	\$0	\$0	\$0	\$0	\$508	\$81
27-May	\$10,635	\$0	\$0	\$0	\$0	\$0	\$0	\$665	\$106
28-May	\$13,779	\$0	\$0	\$0	\$0	\$0	\$0	\$861	\$138
29-May	\$16,975	\$0	\$0	\$0	\$0	\$0	\$0	\$1,061	\$170
30-May	\$21,009	\$0	\$0	\$0	\$0	\$0	\$0	\$1,313	\$210
31-May	\$25,934	\$0	\$0	\$0	\$0	\$0	\$0	\$1,621	\$259
1-Jun	\$32,745	\$0	\$0	\$0	\$0	\$0	\$0	\$2,047	\$327
2-Jun	\$42,070	\$0	\$0	\$0	\$0	\$0	\$0	\$2,629	\$421
3-Jun	\$52,339	\$6,567	\$0	\$41,112	\$23,116	\$0	\$35,193	\$9,895	\$1,459
4-Jun	\$61,245	\$19,702	\$3,125	\$123,336	\$92,464	\$7,448	\$208,554	\$32,242	\$4,620
5-Jun	\$68,109	\$27,675	\$15,624	\$173,243	\$114,144	\$33,000	\$379,189	\$50,686	\$7,190
6-Jun	\$71,881	\$29,207	\$25,108	\$182,838	\$115,580	\$34,827	\$734,513	\$74,622	\$10,467
7-Jun	\$71,566	\$29,080	\$24,998	\$182,038	\$112,996	\$34,675	\$1,011,454	\$91,675	\$12,782
8-Jun	\$67,637	\$27,483	\$23,626	\$172,043	\$92,033	\$32,771	\$925,739	\$83,833	\$11,676
9-Jun	\$42,227	\$19,606	\$15,731	\$122,736	\$18,407	\$15,586	\$626,448	\$53,796	\$7,431
10-Jun	\$15,665	\$6,535	\$4,495	\$40,912	\$0	\$0	\$222,288	\$18,118	\$2,494
11-Jun	\$8,068	\$0	\$0	\$0	\$0	\$0	\$0	\$504	\$81
12-Jun	\$3,877	\$0	\$0	\$0	\$0	\$0	\$0	\$242	\$39
13-Jun	\$2,829	\$0	\$0	\$0	\$0	\$0	\$0	\$177	\$28
14-Jun	\$2,148	\$0	\$0	\$0	\$0	\$0	\$0	\$134	\$21
15-Jun	\$891	\$0	\$0	\$0	\$0	\$0	\$0	\$56	\$9
16-Jun	\$262	\$0	\$0	\$0	\$0	\$0	\$0	\$16	\$3
<b>Total Tax</b>								<b>\$428,197</b>	<b>\$60,253</b>

Table 5, continued  
**State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin**  
June 4 - 7, 2015

**Entertain. & Shopping<sup>17</sup>**

Date	ESPN Staff in Hotels <sup>18</sup>	Athletes	Judges	Athlete Managers & Guests	Sponsors & Industry/ ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax
19-May	\$355	\$0	\$0	\$0	\$0	\$0	\$0	\$22	\$4
20-May	\$728	\$0	\$0	\$0	\$0	\$0	\$0	\$45	\$7
21-May	\$870	\$0	\$0	\$0	\$0	\$0	\$0	\$54	\$9
22-May	\$1,101	\$0	\$0	\$0	\$0	\$0	\$0	\$69	\$11
23-May	\$1,385	\$0	\$0	\$0	\$0	\$0	\$0	\$87	\$14
24-May	\$1,633	\$0	\$0	\$0	\$0	\$0	\$0	\$102	\$16
25-May	\$2,024	\$0	\$0	\$0	\$0	\$0	\$0	\$126	\$20
26-May	\$2,752	\$0	\$0	\$0	\$0	\$0	\$0	\$172	\$28
27-May	\$3,604	\$0	\$0	\$0	\$0	\$0	\$0	\$225	\$36
28-May	\$4,669	\$0	\$0	\$0	\$0	\$0	\$0	\$292	\$47
29-May	\$5,752	\$0	\$0	\$0	\$0	\$0	\$0	\$360	\$58
30-May	\$7,119	\$0	\$0	\$0	\$0	\$0	\$0	\$445	\$71
31-May	\$8,788	\$0	\$0	\$0	\$0	\$0	\$0	\$549	\$88
1-Jun	\$11,096	\$0	\$0	\$0	\$0	\$0	\$0	\$694	\$111
2-Jun	\$14,256	\$0	\$0	\$0	\$0	\$0	\$0	\$891	\$143
3-Jun	\$17,736	\$4,451	\$0	\$27,863	\$15,667	\$0	\$23,852	\$5,598	\$811
4-Jun	\$20,754	\$13,353	\$2,118	\$83,590	\$62,667	\$5,048	\$141,346	\$20,555	\$2,924
5-Jun	\$23,080	\$18,756	\$10,589	\$117,414	\$77,360	\$22,365	\$256,993	\$32,910	\$4,642
6-Jun	\$24,358	\$19,795	\$17,017	\$123,917	\$78,334	\$23,604	\$497,811	\$49,052	\$6,851
7-Jun	\$24,252	\$19,708	\$16,942	\$123,375	\$76,582	\$23,501	\$685,505	\$60,617	\$8,421
8-Jun	\$22,920	\$18,626	\$16,012	\$116,601	\$62,375	\$22,210	\$627,412	\$55,385	\$7,684
9-Jun	\$14,310	\$13,288	\$10,662	\$83,183	\$12,475	\$10,563	\$424,570	\$35,566	\$4,893
10-Jun	\$5,308	\$4,429	\$3,046	\$27,728	\$0	\$0	\$150,654	\$11,948	\$1,637
11-Jun	\$2,734	\$0	\$0	\$0	\$0	\$0	\$0	\$171	\$27
12-Jun	\$1,314	\$0	\$0	\$0	\$0	\$0	\$0	\$82	\$13
13-Jun	\$959	\$0	\$0	\$0	\$0	\$0	\$0	\$60	\$10
14-Jun	\$728	\$0	\$0	\$0	\$0	\$0	\$0	\$45	\$7
15-Jun	\$302	\$0	\$0	\$0	\$0	\$0	\$0	\$19	\$3
16-Jun	\$89	\$0	\$0	\$0	\$0	\$0	\$0	\$6	\$1
<b>Total Tax</b>								<b>\$276,146</b>	<b>\$38,586</b>

Table 5, continued  
**State and Local Tax and Expenditure Summary for the**  
**Projected Attendance at 2015 X Games Austin**  
June 4 - 7, 2015

**State Mixed Bev. Tax:**

Date	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Sponsors & Industry/ ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax
19-May	\$34	\$0	\$0	\$0	\$0	\$0	\$0	\$4	\$0
20-May	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$8	\$1
21-May	\$82	\$0	\$0	\$0	\$0	\$0	\$0	\$10	\$1
22-May	\$104	\$0	\$0	\$0	\$0	\$0	\$0	\$12	\$1
23-May	\$131	\$0	\$0	\$0	\$0	\$0	\$0	\$15	\$2
24-May	\$154	\$0	\$0	\$0	\$0	\$0	\$0	\$18	\$2
25-May	\$191	\$0	\$0	\$0	\$0	\$0	\$0	\$22	\$2
26-May	\$260	\$0	\$0	\$0	\$0	\$0	\$0	\$30	\$3
27-May	\$340	\$0	\$0	\$0	\$0	\$0	\$0	\$40	\$4
28-May	\$441	\$0	\$0	\$0	\$0	\$0	\$0	\$51	\$5
29-May	\$543	\$0	\$0	\$0	\$0	\$0	\$0	\$63	\$6
30-May	\$672	\$0	\$0	\$0	\$0	\$0	\$0	\$78	\$8
31-May	\$830	\$0	\$0	\$0	\$0	\$0	\$0	\$97	\$10
1-Jun	\$1,047	\$0	\$0	\$0	\$0	\$0	\$0	\$122	\$12
2-Jun	\$1,346	\$0	\$0	\$0	\$0	\$0	\$0	\$157	\$16
3-Jun	\$1,674	\$420	\$0	\$5,260	\$2,958	\$0	\$4,503	\$1,729	\$154
4-Jun	\$1,959	\$1,260	\$200	\$15,781	\$11,831	\$953	\$26,685	\$6,847	\$603
5-Jun	\$2,179	\$1,770	\$1,000	\$22,167	\$14,605	\$4,222	\$48,518	\$11,024	\$962
6-Jun	\$2,299	\$1,869	\$1,606	\$23,394	\$14,789	\$4,456	\$93,982	\$16,617	\$1,437
7-Jun	\$2,289	\$1,860	\$1,599	\$23,292	\$14,458	\$4,437	\$129,417	\$20,697	\$1,781
8-Jun	\$2,164	\$1,758	\$1,511	\$22,013	\$11,776	\$4,193	\$118,449	\$18,890	\$1,623
9-Jun	\$1,351	\$1,254	\$1,006	\$15,704	\$2,355	\$1,994	\$80,155	\$12,116	\$1,032
10-Jun	\$501	\$418	\$288	\$5,235	\$0	\$0	\$28,442	\$4,071	\$345
11-Jun	\$258	\$0	\$0	\$0	\$0	\$0	\$0	\$30	\$3
12-Jun	\$124	\$0	\$0	\$0	\$0	\$0	\$0	\$14	\$1
13-Jun	\$90	\$0	\$0	\$0	\$0	\$0	\$0	\$11	\$1
14-Jun	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$8	\$1
15-Jun	\$28	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
16-Jun	\$8	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$0
<b>Total Tax</b>								<b>\$92,786</b>	<b>\$8,016</b>

Table 5, continued  
**State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin**  
June 4 - 7, 2015

**Title 5 ABC State Tax<sup>19</sup>:**

Date	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Sponsors & Industry/ ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax
19-May	\$34	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$0
20-May	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
21-May	\$82	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
22-May	\$104	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
23-May	\$131	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
24-May	\$154	\$0	\$0	\$0	\$0	\$0	\$0	\$4	\$0
25-May	\$191	\$0	\$0	\$0	\$0	\$0	\$0	\$5	\$0
26-May	\$260	\$0	\$0	\$0	\$0	\$0	\$0	\$7	\$0
27-May	\$340	\$0	\$0	\$0	\$0	\$0	\$0	\$9	\$0
28-May	\$441	\$0	\$0	\$0	\$0	\$0	\$0	\$11	\$0
29-May	\$543	\$0	\$0	\$0	\$0	\$0	\$0	\$14	\$0
30-May	\$672	\$0	\$0	\$0	\$0	\$0	\$0	\$17	\$0
31-May	\$830	\$0	\$0	\$0	\$0	\$0	\$0	\$21	\$0
1-Jun	\$1,047	\$0	\$0	\$0	\$0	\$0	\$0	\$27	\$0
2-Jun	\$1,346	\$0	\$0	\$0	\$0	\$0	\$0	\$34	\$0
3-Jun	\$1,674	\$420	\$0	\$5,260	\$2,958	\$0	\$4,503	\$379	\$0
4-Jun	\$1,959	\$1,260	\$200	\$15,781	\$11,831	\$953	\$26,685	\$1,502	\$0
5-Jun	\$2,179	\$1,770	\$1,000	\$22,167	\$14,605	\$4,222	\$48,518	\$2,418	\$0
6-Jun	\$2,299	\$1,869	\$1,606	\$23,394	\$14,789	\$4,456	\$93,982	\$3,645	\$0
7-Jun	\$2,289	\$1,860	\$1,599	\$23,292	\$14,458	\$4,437	\$129,417	\$4,540	\$0
8-Jun	\$2,164	\$1,758	\$1,511	\$22,013	\$11,776	\$4,193	\$118,449	\$4,144	\$0
9-Jun	\$1,351	\$1,254	\$1,006	\$15,704	\$2,355	\$1,994	\$80,155	\$2,658	\$0
10-Jun	\$501	\$418	\$288	\$5,235	\$0	\$0	\$28,442	\$893	\$0
11-Jun	\$258	\$0	\$0	\$0	\$0	\$0	\$0	\$7	\$0
12-Jun	\$124	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
13-Jun	\$90	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
14-Jun	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
15-Jun	\$28	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$0
16-Jun	\$8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Tax</b>								<b>\$20,354</b>	<b>\$0</b>



Table 5, continued  
State and Local Tax and Expenditure Summary for the  
**Projected Attendance at 2015 X Games Austin**

<b>Vehicle Rental Tax:</b>		Sponsors & Industry/ ESPN						<b>State Tax</b>	<b>Local Tax</b>
	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Guests	Media	OOS Fans in Austin		
Persons/ group	1.75	1.75	1.25	2.00	2.00	1.25	2.00		
% Groups renting <sup>20</sup>	33%	33%	33%	33%	33%	33%	43%		
Cost / day	\$80.40	\$80.40	\$80.40	\$80.40	\$80.40	\$80.40	\$80.40		
19-May	\$617	\$0	\$0	\$0	\$0	\$0	\$0	\$62	\$0
20-May	\$648	\$0	\$0	\$0	\$0	\$0	\$0	\$65	\$0
21-May	\$864	\$0	\$0	\$0	\$0	\$0	\$0	\$86	\$0
22-May	\$1,049	\$0	\$0	\$0	\$0	\$0	\$0	\$105	\$0
23-May	\$1,358	\$0	\$0	\$0	\$0	\$0	\$0	\$136	\$0
24-May	\$1,482	\$0	\$0	\$0	\$0	\$0	\$0	\$148	\$0
25-May	\$2,037	\$0	\$0	\$0	\$0	\$0	\$0	\$204	\$0
26-May	\$2,747	\$0	\$0	\$0	\$0	\$0	\$0	\$275	\$0
27-May	\$3,519	\$0	\$0	\$0	\$0	\$0	\$0	\$352	\$0
28-May	\$4,599	\$0	\$0	\$0	\$0	\$0	\$0	\$460	\$0
29-May	\$5,402	\$0	\$0	\$0	\$0	\$0	\$0	\$540	\$0
30-May	\$6,976	\$0	\$0	\$0	\$0	\$0	\$0	\$698	\$0
31-May	\$8,303	\$0	\$0	\$0	\$0	\$0	\$0	\$830	\$0
1-Jun	\$10,988	\$0	\$0	\$0	\$0	\$0	\$0	\$1,099	\$0
2-Jun	\$13,797	\$0	\$0	\$0	\$0	\$0	\$0	\$1,380	\$0
3-Jun	\$17,038	\$2,036	\$0	\$11,154	\$7,021	\$0	\$24,855	\$6,210	\$0
4-Jun	\$19,045	\$4,073	\$1,315	\$22,309	\$28,082	\$6,459	\$45,190	\$12,647	\$0
5-Jun	\$21,082	\$4,508	\$5,260	\$24,695	\$31,086	\$7,150	\$82,164	\$17,595	\$0
6-Jun	\$21,267	\$4,548	\$5,306	\$24,912	\$31,359	\$7,213	\$164,530	\$25,914	\$0
7-Jun	\$20,897	\$4,469	\$5,214	\$24,478	\$30,813	\$7,087	\$175,178	\$26,814	\$0
8-Jun	\$18,952	\$4,053	\$4,729	\$22,200	\$27,946	\$6,428	\$135,741	\$22,005	\$0
9-Jun	\$5,926	\$2,027	\$1,891	\$11,100	\$13,973	\$0	\$74,658	\$10,958	\$0
10-Jun	\$3,303	\$0	\$0	\$0	\$0	\$0	\$0	\$330	\$0
11-Jun	\$1,451	\$0	\$0	\$0	\$0	\$0	\$0	\$145	\$0
12-Jun	\$833	\$0	\$0	\$0	\$0	\$0	\$0	\$83	\$0
13-Jun	\$833	\$0	\$0	\$0	\$0	\$0	\$0	\$83	\$0
14-Jun	\$432	\$0	\$0	\$0	\$0	\$0	\$0	\$43	\$0
15-Jun	\$93	\$0	\$0	\$0	\$0	\$0	\$0	\$9	\$0
16-Jun	\$62	\$0	\$0	\$0	\$0	\$0	\$0	\$6	\$0
<b>Total Tax</b>								<b>\$129,281</b>	<b>\$0</b>
<b>Other Expenditures:</b>		<b>Total</b>		<b>Out-of- state</b>		<b>State Tax</b>		<b>Local Tax</b>	
Tickets		\$5,123,700		\$1,038,785		\$64,924		\$10,388	

## Indirect, Induced and Total METF Tax Gains

In addition to the direct economic and tax gains from the X Games Austin, both the state and city gain economic activity and taxes as these direct impacts filter their way through the state and local economies. These secondary gains are termed indirect and induced increases. For example, in order for restaurants and hotels serve out-of-state X Games Austin guests, facility managers must increase the orders for food, drinks and other materials from their suppliers. That increased demand generates indirect economic gains as the activity filters its way down the supply chain.

Moreover to supply increased demand for services, additional workers must be hired or existing workers must have their hours extended increasing their take home pay. As those workers spend that additional money this too generates increased induced demands throughout the state and the city. Finally the increased restaurant expenditures at X Games Austin from out of state visitors in town for the event also generate tip income for restaurant and bar staff.

The total effects of increased direct spending along with indirect and induced spending is presented in Table 6 based on the Texas Comptroller's IMPLAN model. This table indicates that the \$35.7 million in direct expenditures driven by hosting X Games Austin generates \$15.1 million in indirect impacts and another \$21.1 million in induced impacts for a total gain of \$71.9 million in economic activity to Texas.<sup>21</sup>

From a tax perspective, on top of the \$1.7 million in tax gains to the state from direct economic activity must be added \$738,000 in indirect tax gains and \$1.2 million in induced tax gains from this event for a total tax gain of \$3.7 million to the state. On a similar basis when including both indirect and induced tax effects, the City of Austin's total tax gain from the 2015 X Games Austin will be nearly \$1.4 million.<sup>22</sup>

Based on the matching local matching requirements in the METF statute and subject to post-event attendance verification, the X Games Austin Local Organizing Committee requests the Comptroller certify a deposit \$3,664,347 in state funds into a Major Events Trust Fund account established for the 2015 X Games Austin after the event when matched by up to \$586,296 in local contributions to be used to reimburse event presentation expenses eligible under the statute.

Table 6

## Total Economic and Tax Impacts of 2015 X Games Austin under the Major Events Trust Fund

	<i>Direct Impact</i>		<i>Indirect Impact</i>		<i>Induced Impact</i>		<i>Total Impact</i>	
	Spending	Taxes	Spending	Taxes	Spending	Taxes	Spending	Taxes
Hotel Expenditures	\$7,253,598	\$435,216	\$3,424,902	\$150,288	\$3,502,490	\$203,590	\$14,180,991	\$789,094
Food and Non-Alcoholic Beverage Expend.	\$6,851,148	\$428,197	\$3,025,515	\$150,523	\$3,475,387	\$201,963	\$13,352,050	\$780,682
Food & Beverage - Tips	\$1,233,207		\$486,012	\$20,071	\$601,010	\$35,371	\$2,320,229	\$55,442
Entertainment & Shopping	\$3,493,824	\$218,364	\$1,285,674	\$64,167	\$2,137,801	\$124,216	\$6,917,300	\$406,748
Shopping at Venue	\$924,510	\$57,782	\$340,206	\$16,979	\$565,689	\$32,869	\$1,830,406	\$107,631
Mixed Drink Expenditures	\$795,080	\$92,786	\$351,113	\$17,468	\$403,321	\$23,438	\$1,549,514	\$133,692
Beer & Wine Expenditures	\$1,582,206	\$20,354	\$698,714	\$34,762	\$802,607	\$46,641	\$3,083,527	\$101,757
Rental Cars	\$1,292,812	\$129,281	\$570,791	\$24,265	\$497,281	\$28,937	\$2,360,884	\$182,482
Transportation (Airfare - spent in Texas)	\$2,288,391		\$1,062,922	\$43,457	\$1,066,191	\$61,937	\$4,417,504	\$105,395
Transportation (Car - spent in Texas)	\$714,584		\$135,720	\$6,774	\$464,783	\$27,085	\$1,315,086	\$33,859
Total Event Production Spend in Texas	\$9,294,000	\$250,563	\$3,684,553	\$209,083	\$7,616,627	\$442,996	\$20,595,181	\$902,641
Gain to State from OOS Ticket Sales		\$64,924						\$64,924
<b>TOTAL</b>	<b>\$35,723,361</b>	<b>\$1,697,466</b>	<b>\$15,066,121</b>	<b>\$737,837</b>	<b>\$21,133,189</b>	<b>\$1,229,044</b>	<b>\$71,922,671</b>	<b>\$3,664,347</b>
Local Match Requirement								\$586,296
<b>TOTAL METF- X Games Austin</b>								<b>\$4,250,643</b>

**Appendix A:**  
**Event Award Letter**

## Endnotes

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<sup>1</sup> <http://www.venuestoday.com/news/detail/x-games-chooses-austin0814>

<sup>2</sup> COTA press release data June 9, 2014.

<sup>3</sup> Internet survey conducted by COTA of ticket purchasers at X Games Austin with 4,012 responses indicating that at peak 19.9 percent of those attending X Games were from outside Texas with just under an additional 2 percent of out-of-state visitors in Austin for X Games that day but not attending the event that day for an effective out-of-state fan percentage of 21 percent of ticketed sales. Ticket sales data and Thursday attendance estimate from COTA. Total ESPN, competitor, judge, coach, media, and industry attendees (in and out of state) provided by Dr. Linda K. Moore, Senior Director, Business Operations & Planning, ESPN Productions Inc., One ESPN Plaza, Bristol, CT 06010 to Don Hoyte, TexasTrustFunds.com on November 5, 2014.

<sup>4</sup> The 56,027 daily total includes the 55,533 people enumerated in Table 1 plus a survey-estimated 494 fans in town for X Games but not attending the event that day.

<sup>5</sup> It should also be noted that Table 2 replicates the post-event certification estimate provided by CELOC to the Texas Comptroller of Public Accounts of 139,810 attendees during the three core days of the event with 44,814 of these attendees from outside Texas. The total attendance figure is replicated as the sum of ESPN Staff, athletes, judges, athlete managers and guests, sponsor industry or ESPN guests, media, ticketed fans, out of state fans in Austin but not at the event the particular day, and out-of-area fans in Austin but not at the event the particular day for the June 6 through 8 dates. Individual group totals from Table 2 are adjusted to reflect the out-of-state components for each of these groups so that total out-of-state attendance equals 44,814 over these three days with those figures providing the basis for the expenditure estimates in Table 5.

<sup>6</sup> Email from Dr. Linda K. Moore, Senior Director, Business Operations & Planning, ESPN Productions Inc., One ESPN Plaza, Bristol, CT 06010 to Don Hoyte, TexasTrustFunds.com on November 6, 2014.

<sup>7</sup> The total event presentation spend in Texas of includes expenditures on hotels for staff which is covered in detail in Table 5 so these are not included in Table 3.

<sup>8</sup> Email From Linda Moore, Senior Director, Business Operations & Planning, ESPN Productions Inc., One ESPN Plaza, Bristol, CT 06010 to Don Hoyte, TexasTrustFunds.com October 31, 2014.

<sup>9</sup> Note the figures in Table 4 focus on expenditures for which a state tax gain under the Event Trust Funds is expected. As such those figures include athletes, managers, trainers, sponsors, media, industry guests (and their friends and family that accompany them) plus the out-of state fans attending the event and affiliated visitors. It is not a generalized economic impact since it excludes spending by local fans and other Texans at the event and in Austin while attending the event.

<sup>10</sup> Estimating these travel expenditures resulted from using the data from the fan survey with those results extrapolated to other groups at the games:

<b>Estimated Travel Cost to X Games Austin</b>						
	<u>Peak Attendance</u>	<u>OOS</u>	<u>% by Car</u>	<u>% by Air</u>	<u>Transportation Cost (car)</u>	<u>Transportation Cost (Air)</u>
Competitors	300	270	30%	70%	\$6,278	\$86,846
Judges	250	225	30%	70%	\$5,231	\$72,371
Athlete Managers & Guests	1,878	1,690	40%	60%	\$52,396	\$465,988
Sponsors & Industry/ESPN Guests	2,364	1,773	60%	40%	\$82,445	\$325,877
Media	708	354	60%	40%	\$16,461	\$65,065
OOS Fans (survey data)	9,888	9,888	72%	28%	\$551,774	\$1,272,244
<b>TOTAL</b>					<b>\$714,584</b>	<b>\$2,288,391</b>

<sup>11</sup> The 2014 nightly hotel expenditure data for ESPN employees was provided by Linda Moore of ESPN. Since ESPN has since renegotiated their hotel contracts for 2015 at significantly higher rates than in 2014, the 2015 nightly hotel cost figure were increased by 10 percent to reflect higher costs. These figures were also applied to the other groups attending X Games as a reasonable surrogate for their room rates. It should be noted that the 2014 fan survey indicated fans paid an average of \$179 per room per night and utilized 1.1 rooms. But since no group size figures were collected from that survey, it is not possible to directly use the survey's room price figure for fans.

<sup>12</sup> It should be noted that for non-fans (ESPN, athletes, judges, media etc.) at X Games Austin, the attendance figures in Table 2 count all attendees whereas the expenditures in Table 5 are based on only out-of-state counts of those attendees. Based on data and estimates supplied by ESPN about 70 percent of ESPN staff-days were accounted for by out-of-state personnel, 95 percent of athletes, managers and athlete guests are from outside Texas, 98 percent of judges, 93 percent of industry/ESPN sponsors and guests, and only 48 percent media.

<sup>13</sup> percentage in hotels from fan survey. Percentage for other categories from ESPN

<sup>14</sup> Note that at peak attendance, a total of about 7,200 hotel rooms will be required for all participants and out-of-state fans for X Games. The number of hotel rooms in the Austin area totals about 30,000 so this level of demand by X Games attendees, while significant, should not overly tax the availability of hotel rooms. Since facilities in the City of Austin account for about 85 percent of all hotel rooms in the region, during the four peak days of the X Games event it is estimated that the City of Austin should host about 85 percent of participant and out-of-state fan spending. Earlier in the week when room demand is considerable lower, proximity of Austin hotels to COTA will probably result in the City of Austin hosting all of X Games activity. Hotel tax gains to the city as well as sales and alcoholic beverage tax gains are adjusted accordingly.

<sup>15</sup> Daily expenditures by OOS ESPN staff at half that from Fan survey or \$51.46 per person per day.

<sup>16</sup> See note 14. Similar percentages apply for the local tax in this table.

<sup>17</sup> This includes entertainment and shopping expenditures cited in Table 4 both inside and outside of the X Games Austin venues.



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<sup>18</sup> Shopping and Entertainment expenses for OOS ESPN staff at a quarter of the fan survey amount of \$69.76 per person per day.

<sup>19</sup> In general, Table 5 applies statutory tax rates to relevant expenditures in order to derive tax gains under the event trust fund. However since the Alcoholic Beverage Tax is a complex tax levied on the basis of the alcohol content of various beverages by volume, the estimate of that tax in Table 5 is based on a derived value-based percentage linking revenue from the Alcoholic Beverage Tax to mixed beverage tax sales. Specifically, in the January 2013 Biennial Revenue Estimate prepared by the Comptroller of Public Accounts, the estimated tax gain during the next biennium for the Mixed beverage tax is \$1,624 million (see page 17). The estimated gain from the other Alcoholic Beverage taxes is estimated at \$416 million or roughly a quarter of the tax raised by the state under the Mixed Beverage Tax. Accordingly, Table 5 applies the statutory tax rate of 11 percent to the value of mixed beverages as described in law and approximates the alcoholic beverage tax gains as being 2.56 percent of the value of mixed beverages which raises about a quarter of mixed tax raised by the state under the mixed beverage tax for this event. Since there is no local tax component to the alcoholic beverage tax, no estimate for this is included in Table 5.

<sup>20</sup> For fans this is the percentage of cars rented per group adjusting for the fact that some groups rented more than one car. For other groups, this is set equal to the percentage of fans that said they rented cars but assumes each group rents only one car.

<sup>21</sup> The induced and indirect multipliers and associated effective tax rates in Table 6 match precisely those developed by the Texas Comptroller of Public Account for the same expenditure sectors as applied to the 2014 USGP. These multipliers and effective tax rates were developed by Jojo Estrada, Economist, Economic Development & Analysis Division, Texas Comptroller of Public Accounts using the Comptroller's IMPLAN model for the Austin area on September 20, 2013. The total output multiplier (ratio of total output gains to direct output gain) is 1.99 for the 2013 USGP and is 2.01 for X Games Austin indicating (as expected) the output gains from these two events are quite similar.

<sup>22</sup> Note that local direct tax gains detailed in Table 5 total \$734,455. Applying the relative state tax gains from each sector to the local direct tax gains within that sector indicates a total local tax gain of \$1,394,472.

## ATTACHMENT 4

### Requested X Games Austin Economic Impact Study Market Area

The requested basic economic impact region for the X Games Austin Event scheduled for the weekend of June 4 - 7, 2015 is the five-county Austin Metropolitan area, including Travis, Williamson, Hays, Bastrop, and Caldwell Counties (collectively, the "*Economic Impact Region*"). This designated Economic Impact Region has been used for the Economic Study

## **ATTACHMENT 5**

### **Events & Activities Schedule**

X Games Austin June 4 – 7, 2015 of the Circuit of the Americas – Austin, TX  
Schedule of Events\*

See Attached Tentative Schedule

\* Anticipated additional events will be added to schedule.

**ATTACHMENT 6**

**Affidavits Under Rule §2.202(a)(5)**



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

**AFFIDAVIT**

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

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

I understand that the city, county or local organizing committee is receiving funding under the Act for the purposes of facilitating this event: X Games Austin 2015 on these dates: June 4 - 7, 2015 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.

\_\_\_\_\_  
Affiant Signature

TexasTrustFunds.com

\_\_\_\_\_  
Title and Name of Organization

Don Hoyte

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

Sworn and subscribed before me by the said

Don Hoyte

\_\_\_\_\_  
(Printed Name of Recipient's Authorized Representative)

this \_\_\_\_\_ day of \_\_\_\_\_, 2015

Notary Public, State of Texas

\_\_\_\_\_  
Notary Public Signature

Notary's printed name: \_\_\_\_\_ My commission expires: \_\_\_\_\_ (Seal)



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

**AFFIDAVIT**

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

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

I understand that the city, county or local organizing committee is receiving funding under the Act for the purposes of facilitating this event:  
X Games Austin 2015 on these dates: June 4 - 7, 2015 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.

\_\_\_\_\_  
Affiant Signature

City Manager, City of Austin

\_\_\_\_\_  
Title and Name of Organization

Sworn and subscribed before me by the said

Marc Ott

\_\_\_\_\_  
(Printed Name of Recipient's Authorized Representative)

this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

Notary Public, State of Texas

Marc Ott

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Notary Public Signature

Notary's printed name: \_\_\_\_\_ My commission expires: \_\_\_\_\_ (Seal)





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

**AFFIDAVIT**

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

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

I understand that the city, county or local organizing committee is receiving funding under the Act for the purposes of facilitating this event:  
X Games Austin 2015 on these dates: June 4 - 7, 2015 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.

\_\_\_\_\_  
Affiant Signature

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

Wayne S. Hollingsworth

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

Sworn and subscribed before me by the said

Wayne S. Hollingsworth  
(Printed Name of Recipient's Authorized Representative)

this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

Notary Public, State of Texas

\_\_\_\_\_  
Notary Public Signature

Notary's printed name: \_\_\_\_\_ My commission expires: \_\_\_\_\_ (Seal)

ATTACHMENT 7

**Comptroller Request Worksheet to Establish an Event Trust Fund**



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

#### **STEP 1:**

**Review the ETF Administrative Code.**

#### **STEP 2:**

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

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

#### **STEP 3:**

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

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

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

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

#### **STEP 4:**

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

#### **STEP 5:**

**Submit reimbursement requests.**

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



Susan Combs Texas Comptroller of Public Accounts

## Request Worksheet to Establish an Events Trust Fund

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

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

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

### SECTION 1: Endorsing Municipality or County

City of Austin

Endorsing City or County

Leela Fireside (Legal Department) and Rodney Gonzales (Economic Development Department)

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

Leela.Fireside@austintexas.gov and

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

Contact email

Rodney.Gonzales@austintexas.gov

Contact phone (area code and phone number)

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

☒ Yes ☐ No

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

☒ Yes ☐ No

### SECTION 2: Local Organizing Committee

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

☒ Yes ☐ No

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

Circuit Events Local Organizing Committee

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

Is the LOC a registered non-profit corporation?

☒ Yes ☐ No

45-2727397

LOC Tax Payer ID#

Circuit Events Local Organizing Committee

Complete Business Name

## SECTION 2: Local Organizing Committee *(continued)*

Wayne S. Hollingsworth

LOC Contact Name

WHollingsworth@abaustin.com

Contact email

(512) 435-2306

Contact phone (area code and phone number)

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

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

## SECTION 3: Site Selection Organization

ESPN, Inc.

Site Selection Organization

Scott Guglielmino, Senior Vice President, Programming and X Games

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

Scott.Guglielmino@espn.com

Contact email

Contact phone (area code and phone number)

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

## SECTION 4: Event Information

ESPN X Games AUSTIN

Official Event Name

Circuit of The Americas

Venue

xgamesaustin.com

Event Website

Location of this event the previous five years:

1 See Schedule A Attached

2

3

4

5

Source of information:



#### SECTION 4: Event Information *(continued)*

June 4, 2015	June 7, 2015	June 5, 6, 7, 2015
First Day of Activities	Last Day of Activities	Date of the PRIMARY Event
55,533	16,917	
Anticipated TOTAL attendance at the PRIMARY event	Anticipated Out of State Attendance at the PRIMARY Event	

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

Circuit of the Americas ("COTA") tracks and tabulates attendance figures during each day of the event, including for the primary event day. COTA also conducts various surveys of attendees both during and after the event with the intent to determine an accurate calculation of out-of-state attendees for each day of the event.

#### SECTION 5: Checklist

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

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



































































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

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

_____ Signature	_____ Director Title
--------------------	----------------------------



SCHEDULE A**Venues**

Year	Summer	Winter	Asia	Europe	South America	México
1995	 Newport, Rhode Island	 Stowe, Vermont				
1996	 Newport, Rhode Island	 Stowe				
1997	 San Diego	 Big Bear Lake, California				
1998	 San Diego	 Crested Butte, Colorado	 Phuket			
1999	 San Francisco	 Crested Butte	 Phuket			
2000	 San Francisco	 Mount Snow, Vermont	 Phuket			
2001	 Philadelphia	 Mount Snow	 Phuket			
2002	 Philadelphia	 Aspen	 Kuala Lumpur			
2003	 Los Angeles	 Aspen	 Kuala Lumpur			
2004	 Los Angeles	 Aspen	 Kuala Lumpur			
2005	 Los Angeles	 Aspen	 Seoul			
2006	 Los Angeles	 Aspen	 Kuala Lumpur			
2007	 Los Angeles	 Aspen	 Shanghai			 México City
2008	 Los Angeles	 Aspen	 Shanghai			 México City
2009	 Los Angeles	 Aspen	 Shanghai			
2010	 Los Angeles	 Aspen	 Shanghai	 Tignes		
2011	 Los Angeles	 Aspen	 Shanghai	 Tignes		
2012	 Los Angeles	 Aspen	 Shanghai	 Tignes		
2013	 Los Angeles	 Aspen	 Shanghai	 Tignes	 Barcelona	 Munich
					 Foz do Iguaçu	
2014	 Austin, Texas	 Aspen	 Shanghai			

**ATTACHMENT 8**

**Affidavits Endorsing a Major Events Trust Fund**



Susan Combs Texas Comptroller of Public Accounts

**Affidavit to be COMPLETED by any/all Municipality, County, and/or LOC endorsing a  
Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund  
AFFIDAVIT**

*[Affidavit to be signed and sworn (notarized) by each Endorsing Municipality, Endorsing County, and Local Organizing Committee (if applicable)]*

I, Marc Ott, an authorized representative of: City of Austin  
a [local organizing committee (nonprofit corporation), endorsing municipality or endorsing county] (circle one) ("Requestor") that is receiving funding through the Major Events Trust Fund, Events Trust Fund, or Motor Sports 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 Texas Comptroller's 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:

to the best of my knowledge

- (1) a letter from the municipality or county requesting participation in the 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 Comptroller's office to make the determination of the incremental increase in tax revenue associated with hosting the event in Texas, including a listing of any data for any related activities;
- (4) a Request Worksheet to Establish an Events Trust Fund form and any attachments; and
- (5) an Event Support Contract (if available – else due no later than date of event's first activities).

I understand that I am receiving funding under the Act for the purposes of facilitating this event: X Games Austin 2015

on these dates: June 4 - 7, 2015

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.

\_\_\_\_\_  
Affiant Signature

City Manager, City of Austin

\_\_\_\_\_  
Title and Name of Organization

Sworn and subscribed before me by the said

Marc Ott

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

Marc Ott

\_\_\_\_\_  
(Printed Name of Recipient's Authorized Representative)

this \_\_\_\_\_ day of \_\_\_\_\_, 20 15

Notary Public, State of Texas

\_\_\_\_\_  
Notary Public Signature

Notary's printed name: \_\_\_\_\_ My commission expires: \_\_\_\_\_ (Seal)



Susan Combs Texas Comptroller of Public Accounts

**Affidavit to be COMPLETED by any/all Municipality, County, and/or LOC endorsing a  
Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund  
AFFIDAVIT**

*[Affidavit to be signed and sworn (notarized) by each Endorsing Municipality, Endorsing County, and Local Organizing Committee (if applicable)]*

I, Wayne S. Hollingsworth, 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 Major Events Trust Fund, Events Trust Fund, or Motor Sports 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 Texas Comptroller's 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:

to the best of my knowledge

- (1) a letter from the municipality or county requesting participation in the 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 Comptroller's office to make the determination of the incremental increase in tax revenue associated with hosting the event in Texas, including a listing of any data for any related activities;
- (4) a Request Worksheet to Establish an Events Trust Fund form and any attachments; and
- (5) an Event Support Contract (if available – else due no later than date of event's first activities).

I understand that I am receiving funding under the Act for the purposes of facilitating this event: X Games Austin 2015  
on these dates: June 4 - 7, 2015

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.

\_\_\_\_\_  
Affiant Signature

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

Sworn and subscribed before me by the said

Wayne S. Hollingsworth

(Printed Name of Recipient's Authorized Representative)

this \_\_\_\_\_ day of \_\_\_\_\_, 20 15

Notary Public, State of Texas

Wayne S. Hollingsworth

Printed Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Notary Public Signature

Notary's printed name: \_\_\_\_\_ My commission expires: \_\_\_\_\_ (Seal)

**Agreement  
City of Austin  
Circuit Events Local Organizing Committee  
(Summer X Games Event 2014 - 2016)**

The City of Austin, a home-rule municipal corporation located in Hays, Travis, and Williamson Counties, in the State of Texas, (City) acting through, its duly authorized agent the City Manager, and Circuit Events Local Organizing Committee, a Texas non-profit corporation, (CELOC) acting through its duly authorized director or officer, enter into this Agreement (Agreement), upon the terms and conditions set forth below.

**RECITALS:**

1. Tex. Rev. Civ. Stat Art 5190.14 § 5C, (the Act) and rules related to the Act, found at 34 Tex. Admin. Code, Chapter 2, Subchapter B, for an Event trust Fund (an ETF), as amended and supplemented (as applicable, the Rules), were passed and enacted for the purpose of attracting and securing eligible events to Texas. The Texas Comptroller of Public Accounts (Comptroller or State) is tasked with administering the Act and the Rules. The Act at 5C(a)(3), for the ETF, defines eligible events (Event). CELOC has proposed the ESPN Summer X Games (commonly known as the Summer X Games), whose site selection committee is ESPN, a Delaware corporation, as an eligible Event under the Act. The subject Summer X Games events (individually, an Event and collectively, the Events,) will be held in June during 2014 and during each of 2015 and 2016, at the raceway facilities of Circuit of the Americas (COTA) in Austin, Texas.
2. The Act, at 5C(a)(2) for an ETF, provides that a municipality that contains a site selected by a site selection organization for one or more events, such as the Circuit of the Americas Track now located in the City, is an eligible "Endorsing Municipality" for purposes of establishing an ETF as authorized under the Act at 5C(d), thus making local and state funds available to attract, secure, and hold an eligible event, such as the Summer X Games.
3. The Act at 5C(b), authorizes an Endorsing Municipality or a local organizing committee (Local Organizing Committee), such as CELOC, to request that the Comptroller estimate the incremental increases in certain local taxes (Local Increment) and state taxes (State Increment) that will be attributable to the Events.
4. The Act at 5C(d) and (d-1), authorizes the City, or its designee, to fund the ETF in an amount up to the estimated Local Increment. Under this Agreement, CELOC, as the City's exclusive designee, has agreed and committed to fund the Local Increment on behalf of the City; the Act at 5C(f), authorizes the State to fund the ETF with \$6.25 for each dollar of estimated Local Increment, but not more than the estimated State Increment
5. The Act at 5C(d-1) and (e), authorizes the City to determine whether the Local Increment will come from sales, use, and mixed beverage tax collected and retained by the State; hotel occupancy tax collected and remitted by the City; surcharges; any other source; or

any combination of sources. However, under this Agreement, CELOC has agreed and committed to fund the Local Increment on behalf of the City.

6. If CELOC does not fund the Local Increment on behalf of the City, the City may terminate this Agreement, under Section 25 below.
7. The Act at 5C(k), authorizes disbursements to CELOC as the "Local Organizing Committee" on the prior approval of the City.
8. The parties acknowledge and agree that City will solely and exclusively utilize CELOC as its designee (Designee) to provide the Local Increment, and that this Agreement does not affect Comptroller's responsibility to provide City's tax revenues to the City. This agreement does not require the expenditure of City funds into the ETF.
9. On June 24, 2013, the CELOC Board of Directors voted to request, and COTA has submitted a formal letter requesting, that the City (i) act as the Endorsing Municipality for purposes of establishing an ETF for the Event, and (ii) authorize CELOC, as the local organizing committee, to submit a request to the Comptroller to determine the incremental increase in the receipts of various taxes for the Event.
10. On May 23, 2013, the City, by resolution of City Council, approved the City to act as "endorsing municipality" for the event, to approve and appoint CELOC as the Local Organizing Committee for the Event, to approve CELOC to apply to the site selection organization for the Event, to hold the Event in Austin, Texas in June of 2014, and approve CELOC to make application to the Comptroller for and on behalf of the City as the endorsing municipality for participation in the ETF.
11. On June 11, 2013, CELOC made application to ESPN, Inc., as the site selection committee for Summer X Games Event (the Site Selection Organization) for a Summer X Games Event to be held in Austin, Texas for 2014 - 2016. On July 8, 2013, the City received a letter from the Event Site Selection Organization, confirming that, after an international highly competitive selection process, the Site Selection Organization has chosen Austin as the sole location for the June 5 - 8, 2014 Event and subsequent Events.

#### AGREEMENT

12. Agreement Purpose.

The purpose of this Agreement is to establish the parties' authority, rights, and responsibilities with respect to the application to the Comptroller for creation of an ETF, the funding of the ETF and disbursements from that account for the Event. This Agreement does not constitute City approval for any permits or licenses that may be needed by CELOC or any other entity to hold this event.



13. Term.

If the Comptroller approves creation of the ETF for the Event, this Agreement shall remain in effect until 180 days after the Event, unless terminated sooner only in accordance, with the terms of Sections 25 or 27 of this Agreement

14. City Authority.

The City has the authority to enter into this Agreement in accordance with the terms of the Act and pursuant to the approval and resolution of City Council enacted on May 23, 2013. No City appropriation is necessary for performance of this Agreement

15. City Responsibilities.

A. City responsibilities and obligations include:

(1) Authorize CELOC, and, if requested by CELOC, confirm the authority of CELOC as the City's exclusive Designee, to (i) contribute the Local Increment on the City's behalf, (ii) prepare and submit disbursement and reimbursement request letters to the Comptroller; (iii) receive funds from the ETF, and (iv) make annual ETF reimbursement requests to the Comptroller under the Rules.

(2) Coordinate, cooperate with, and assist CELOC in (i) the application process under Rule §2.202, including delivery of a letter required under subsection (a)(i) thereof and, if required by the Comptroller, an affidavit under subsection (a)(5) of §2.202, (ii) the disbursement request process under Rule §2.204, including provision of deliveries required under subsections (e)(1), (e)(7), and (i) of §2.202, as well as the submission of invoices, receipts, and other documents evidencing eligible expenses, all as reasonably requested by CELOC, to obtain disbursement and reimbursement of eligible expenses from the ETF, in accordance with the Rules. Parties acknowledge that the State is the final determiner of what constitutes an "eligible expense" for reimbursement purposes.

B. Per 15.A(2), in carrying out the duties in this Agreement, the City may, and does hereby, designate and authorize CELOC to act as its exclusive Designee and Local Organizing Committee for the Event and to perform those certain duties and tasks on behalf of the City as specified in Section 17 below and any such other duties as subsequently agreed by the City and CELOC in writing, City hereby grants its prior approval for CELOC's submittal to the Comptroller of all disbursement and reimbursement request letters and invoices for eligible expenses related to the Event, subject only to final review and approved by the City.

16. CELOC Authority. CELOC is authorized by the City, and has the authority to fulfill certain responsibilities on the City's behalf as the City's exclusive Designee to make application to the Site Selection Organization for the Event on behalf of the City, to make application for the Event on behalf of the City for participation under the Act and for administration of the ETF, for the Event under the Act and as further authorized and described at Section 17.

17. CELOC Responsibilities and Authority.

A. Specific Responsibilities and Authority (Event).

- (1) The City authorizes and requests, and by its authorized signature below, CELOC agrees that it will fulfill the following responsibilities and obligations on behalf of the City:
  - (a) Make a request to the Comptroller under the Rules, including requesting that the Comptroller make a Local and State Increment determination per Section 5C(b), of the Act (Trust Fund Estimate), with such request made not later than 45 days or 3 months prior to the Event. Should the date of the Event be changed, the request may be resubmitted at any time permitted by the Comptroller.
  - (b) Commission, pay for, or provide for payment of, and submit to the Comptroller, an Economic Impact Study (EIS) assessing estimated tax increment for the next year's Event.
  - (c) Prepare and submit a Request Worksheet to Establish an Event Trust Fund, if and as required by Rule §2.202(a)(4).
  - (d) Provide affidavit if and as required by Rule §2.202(a)(5), in the form required by the Comptroller.
  - (e) Pay or provide for payment of the City's estimated Local Increment, contribution, up to the amount of estimated Local Increment determined by the Comptroller.
  - (f) Enter into an Event Support Contract with the Site Selection Organization per the Rules.
  - (g) Submit to the Comptroller documentation of the Site Selection Organization's "highly competitive selection process" per the Rules.
  - (h) Prepare and submit all disbursement request letters for the Event or the ETF to the City, for review and approval, and to the Comptroller, including required documentation and backup (i) information to enable the City to complete and deliver, in good faith, the certification required under Rule §2.204(i) and such other non-confidential documentation in CELOC's possession as requested by the Comptroller.
  - (i) Prepare and submit the information and report required under Rule §2.203(a).
- (2) CELOC will have (or if currently elected, maintain) one City representative to the CELOC Board. This representative will be a non-voting, ex-officio member. The City will have only one board member, regardless of the number or type of events under this or any other agreement between CELOC and the City.
- (3) All meetings of CELOC shall be conducted in accordance with the Texas Open Meetings Act.
- (4) All records of CELOC shall be open in accordance with the Texas Public Information Act.

B. Modifications of obligations and responsibilities.

CELOC's obligations and responsibilities under this Section 17, and the time periods for compliance or performance, as well as the distributions under Section 20 may be modified or amended with written approval of the City this approval will not be unreasonably withheld. Further, the City may ratify any non-compliant or untimely performance by CELOC and upon such ratification the compliance or performance will be considered and deemed compliant, performed, cured, and timely. Such ratification is only effective if it is in writing.

18. Funding of Local Increment.

A. The City authorizes and requests, and by its authorized signature below CELOC agrees to fulfill, the obligation and responsibility on behalf of the City for the payment of the City's Local Increment contributions for the Event in amounts up to the estimated anticipated Local Increment.

B. If this Agreement is terminated because CELOC does not meet its financial obligation of depositing the annual Local Increment in amounts up to the estimated anticipated Local Increment, then Circuit of the Americas will guaranty the City against any liability to the Comptroller for any amount the Comptroller asserts that the City owes the Comptroller for such Local Increment, as such obligation is further set out in Section 25 of the Agreement between the City and Circuit of the Americas.

C. Per Act, the Local Increment will be matched by the State in a ratio of 1:6.25.

19. INTENTIONALLY LEFT BLANK FOR EXPANSION.

20. Disbursements.

A. The City authorizes and approves for disbursement from the ETF in the following order of priority:

- (1) To the Site Selection Organization, payment for all or part of the Event service fee, provided if such service fee has been paid to the Site Selection Organization, then in reimbursement to the payor thereof.
- (2) To CELOC, in payment of eligible expenses, including the EIS for the Event,

21. Disbursements Must Be Eligible Expenses.

All disbursements from the ETF must constitute eligible expenses, as determined by the State, in accordance with the Act and the Rules.

22. Fund Disbursement Upon Early Termination.

Early termination of this Agreement triggers reimbursement of funds on hand to the party or parties contributing such funds, but only after eligible expenses have been disbursed for applicable Events, per Section 5C(m), with CELOC receiving funds contributed by

CELOC on behalf of the City as City's Designee.

23. Sustainability Initiatives.

- A. CELOC and Circuit of the Americas LLC, (Circuit of the Americas) will enter into an agreement, with City input, that specifies CELOC's and Circuit of the Americas' responsibilities to accomplish the terms specified in Exhibit A, as applicable to the Event.
- B. CELOC will exert reasonable efforts to report or cause Circuit of the Americas to report to the City annually, after the Event is held and prior to disbursement of funds to CELOC by Comptroller for the next year's race, on progress made as it relates to the terms specified in Exhibit A, as applicable to the Event.
- C. Subject to and following the 30 day notice and opportunity to cure described in Section 25 below, there must also be 90 days written notice of intent to terminate delivered to CELOC, pursuant to this section, with copy to the State (for a total 120 day notice period).
- D. Failure to meet items (A) and (B) above, or terms specified in Exhibit A, as applicable to the Event, constitute grounds for termination; provided, however, both parties will first attempt non-binding arbitration to resolve any dispute between the parties with regard to the alleged failure of Circuit of the Americas to meet items (A) and (B) above or the terms specified in Exhibit A, as applicable to the Event. If non-binding arbitration is not successful, the City and CELOC agree to resolve the dispute in the jurisdiction and venue set forth in Section 25 below prior to the City exercising any termination remedy due to such dispute.
- E. City and Circuit of the Americas will enter into an agreement that specifies Circuit of the Americas' responsibilities to accomplish the terms specified in Exhibit A, as applicable to the Event. In the event City is entitled to terminate the Contract between the City and Circuit of the Americas, and City has provided notice of the termination of the Contract between the City and Circuit of the Americas, City may terminate this Agreement by giving 90 days advance notice of termination to CELOC.

24. Minority/Women Business Enterprise Initiatives.

City and Circuit of the Americas will enter into an agreement that specifies Circuit of the Americas' responsibilities to accomplish the M/WBE terms specified in that Agreement, In the event City is entitled to terminate the Contract between the City and Circuit of the Americas, and City has provided notice of the termination of the Contract between the City and Circuit of the Americas, City may terminate this Agreement by giving 90 days advance notice of termination to CELOC.

25. Termination with Cause.

- A. In the event of a material default by a party relating to the ETF authority, rights, and responsibilities set out in this Agreement, the other party shall have the right to terminate the Agreement for cause, but only after written notice of the definite is delivered to the party via certified mail. The notice shall be effective 30 days after delivery, unless otherwise specified, or the default is cured, as provided below. During this time period, the party alleged to be in default shall have the right to and may cure the event of default, or may provide evidence sufficient to prove to the other party's reasonable satisfaction that the default does not exist or that it will be cured in a time satisfactory to the party alleging the default. Evidence may include an opinion from the Comptroller regarding whether or not the alleged default is material to compliance with the Act. Each party's rights and remedies under the Agreement are cumulative and are not exclusive of any other right or remedy provided by law.
- B. Subject to and following the 30 day notice and opportunity to cure described in Section 25 above, there must also be 90 days written notice of intent to terminate delivered to the State and the other party pursuant to this Section (for a total 120 day notice period).
- C. This Agreement may be terminated upon occurrence of any of the following events which continue beyond the 30 and 90 day notices and opportunities to cure set forth above:
  - (1) The Event fails to meet the Performance Measures set out below.
  - (2) Termination of the City's Agreement with Circuit of Americas.

26. Performance Measures.

- A. Performance measures are:
  - (1) The occurrence of the Event within the time permitted in the Act or otherwise approved by the State.
  - (2) City and CELOC, respectively, meet all their designated responsibilities as defined in Sections 15 and 17.
  - (3) CELOC timely deposits or causes the deposit of the Local Contribution.
  - (4) Reporting regarding Sustainability Measures for the Event as set forth in Exhibit A, as applicable to the Event.

27. Repeal or Modification of the Act.

This Agreement expressly contemplates its effectiveness under the Act as currently in effect. Should the Act be repeated or modified in such a manner that the Event no longer qualifies under the provisions of the Act, this Agreement shall become voidable by either party on 90 days written notice to the other party and the Comptroller.

28. Jurisdiction and Venue.

The parties agree that this Agreement is governed by the laws of the State of Texas and that venue for a dispute arising from this Agreement shall be in Austin, Travis County, Texas.

29. Severability.

If a term or provision of this Agreement is determined to be void or unenforceable by a court of competent jurisdiction, the remainder of this Agreement remains effective to the extent permitted by law. However, if it is determined by a competent jurisdiction by a non-appealable final judgment that CELOC cannot provide the Local Increment on behalf of the City, this entire Agreement is void.

30. Notices.

Any notice, request, or other communication required or appropriate to be given under this Agreement shall be in writing and shall be addressed to the person designated for receipt below. Legal notices shall be sent postage prepaid and Return Receipt Requested.

Other notices and routine communications may be delivered by any other means (fax, e-mail, or courier). These notices and communications shall be deemed delivered upon receipt of a successful fax, e-mail, or courier confirmation report by the addressee; provided, that such notice is specifically directed to the attention of the person designated for receipt of notices to City or CELOC. Notice shall be addressed as follows:

To City:  
Attn: City Manager  
301 W.2<sup>nd</sup> St  
Austin, TX 78701

With copy to:  
City Attorney  
Law Department  
301 West 2nd St.  
Austin, TX 78701

To CELOC:  
Attn: Secretary  
100 Congress Avenue, Suite 1300  
Austin, TX 78701-2744

With copy to:  
Wayne S. Hollingsworth  
Armbrust & Brown, PLLC  
100 Congress Avenue, Suite 1300  
Austin, TX 78701-2744



31. Estoppel Certificate / Lender Protection

Upon a written request from CELOC, the City shall, within 10 business days after receipt of such request, execute and deliver to CELOC and any other party designated by CELOC, an estoppel certificate in form reasonably approved by the City Manager which certifies whether the City has knowledge of any default under this Agreement or CELOC's Performance Measures. CELOC may, from time to time, deliver a written notice of lender ("Notice of Lender") executed by CELOC and notifying the City of a lender for all or part of Circuit of the America's race track facilities and related development. The Notice of Lender must include the name and address of COTA's lender ("Lender"). Until the City receives a written release of the Notice of Lender from the Lender, the City agrees to provide the Lender a notice of default under Section 29 (B) above and will provide Lender the same 90 day opportunity to cure such default.

32. Assignment

A party to this Agreement may not assign or transfer its interests under this Agreement except with the written consent of the other party to this Agreement; which consent will not be unreasonably withheld.

33. Effective Date.

The effective date of this Agreement is deemed to be the date upon which the last party executing this Agreement actually signs.

34. Amendment

This Agreement may not be amended in whole or in part except in a written amendment executed by all parties to this Agreement, with copy to the State.

35. Survival of Obligations.

All provisions of this Agreement that impose continuing obligations on the parties shall survive the expiration or termination of this Agreement

36. Business Days.

Whenever action must be taken (including the giving of notice or the delivery of documents) under this Agreement during a certain period of time or by a particular date that ends or occurs on a non-business day (*i.e.* Saturday, Sunday, or a holiday recognized by the U.S. federal government or the State of Texas), then such period or date will be extended until the immediately following business day.

37. No Implied Waiver.

No waiver or consent, express or implied, by any party to or of any breach or default by any party in the performance by such party of its obligations under this Agreement, will be deemed or construed to be a consent or waiver to or of any other breach or default in the performance by such party of the same or any other obligations of such party under

this Agreement. Failure on the part of a party to complain of any act of any party or to declare any party in default, irrespective of how long such failure continues, will not constitute a waiver by such party of its rights under this Agreement until the applicable statute of limitations period has run.

38. Limited Indemnity.

THE CELOC AGREES TO INDEMNIFY AND HOLD HARMLESS THE CITY REGARDING THE CITY OBLIGATIONS AND RESPONSIBILITIES THAT THE CELOC IS UNDERTAKING ON THE CITY'S BEHALF AS ITS EXCLUSIVE DESIGNEE AS SET OUT IN THIS AGREEMENT.

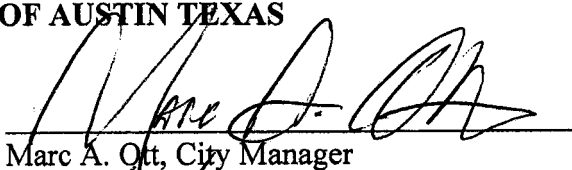
TO THE EXTENT ALLOWABLE BY LAW, CELOC SHALL ALSO DEFEND, INDEMNIFY, AND HOLD HARMLESS CITY, ITS OFFICERS, AND EMPLOYEES, FROM AND AGAINST ANY AND ALL CLAIMS, ACTIONS, SUITS, DEMANDS, PROCEEDINGS, COSTS, DAMAGES, AND LIABILITIES, INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND COURT COSTS ARISING OUT OF, OR CONNECTED WITH, OR RESULTING FROM ANY ACTS OR OMISSIONS OF THE CITY, OR ANY AGENT OR EMPLOYEE OF THE CITY OR CELOC IN THE EXECUTION OR PERFORMANCE OF THIS AGREEMENT. CITY SHALL COORDINATE ITS DEFENSE WITH CELOC AS REQUESTED BY CELOC.

THIS SECTION IS NOT INTENDED AND SHALL NOT BE CONSTRUED TO REQUIRE CELOC TO INDEMNIFY OR HOLD HARMLESS CITY FROM ANY CLAIMS OR INABILITIES RESULTING FROM THE NEGLIGENT ACTS OR OMISSIONS OF CITY OR ITS EMPLOYEES, OR FROM DAILY OPERATIONAL EXPENSES INCURRED BY THE CITY IN THE NORMAL COURSE OF BUSINESS.

EXECUTED as of the dates below in Austin, Travis County, Texas.

**CITY OF AUSTIN TEXAS**

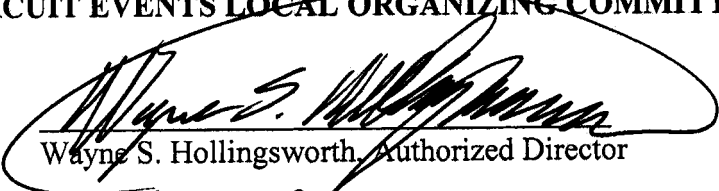
By:

  
Marc A. Ott, City Manager

Date: 2/3/14, 2014

**CIRCUIT EVENTS LOCAL ORGANIZING COMMITTEE**

By:

  
Wayne S. Hollingsworth, Authorized Director

Date: 2/3/14, 2014

# Exhibit A

1. The following items are CELOC responsibilities under the Agreement between the City and CELOC:

**A. *Air quality and environmental initiatives***

- (1) Purchase carbon offsets to achieve carbon neutrality for the net carbon emissions associated with all fuel use and energy demands associated with the Formula One race, to include race operations during the event and temporary generation. Cost of offsets are not to exceed \$15,000 annually. Carbon Impacts and neutrality methodology shall be approved by the City of Austin Office of Sustainability. Possible tools include GreenSports.org OR the Green Sports Alliance.
- (2) A minimum of 50% of carbon offsets will be local, if feasible, and may include options for local tree planting, including on-site trees, and land conservation grants, as carbon offset options.
- (3) Investigate holding the F1 race outside of the Central Texas ozone season (April 1 – October 31).
- (4) If the event is held between April 1 and October 31, develop and submit a plan prior to the first US Grand Prix event that is held between these dates, to reduce emissions of Particulate Matter NO<sub>x</sub> (nitrogen oxides) and CO<sub>2</sub> (carbon dioxide) from the event. The plan should include an estimate of emissions associated with the event, to the extent practical. During subsequent years, submit a plan update only if the US Grand Prix is held between these dates.
- (5) Establish an Event recycling and composting program for any major event held at the site, to the extent practical. At minimum, include Paper, Plastic grades 1 (PETE) and 2 (HDPE), aluminum, glass, and compostables. (Same as Universal Recycling Ordinance, plus organics).
- (6) Require Event food and drink vendors to use recycled and/or compostable materials to the extent available.

**B. *Transportation initiatives***

- (1) Coordinate Event-specific parking and transportation efforts for major events<sup>1</sup> with City of Austin Special Events Offices located in the Austin Transportation Department and Aviation, TXDOT, and Travis County.
- (2) Develop an Event-specific Transportation Management Plan for major events. Submit plan by July 31<sup>st</sup> 2011 to City of Austin Transportation Department Director for review and comment. Plan should be updated annually.
- (3) Obtain a Special Event Permit from City of Austin for any special off-site events, such as event-associated parades or festivals, located within the City limits.

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<sup>1</sup> For the purpose of this agreement, a major event is defined as any event with more than 40,000 attendees, exclusive of employees.

- (4) Provide Event-specific satellite parking locations and sufficient mass transportation options for major events.
- (5) Limit Event-specific parking on-site to 25,000 parking spots and monitor on-site parking; work toward establishing plans for increasing transit share annually for major events.
- (6) Manage the majority of Event-specific parking sales with coordination through a designated single organization for major events.
- (7) Where possible, pre-sell and manage all Event-specific parking through the ticket sales process, in order to ease traffic flow tied to major events. Sell assigned parking for major events that are aligned with trip origination locations. Provide parking purchasers for major events with maps guiding them to their parking location.
- (8) Commit to seeking a transportation partner for the Formula One Event that provides low emission mass transit vehicles for the shuttle operation, and give contracting preference to the lowest available emissions rapid transit vehicles available that reasonably satisfy the needs of the Event, such as those powered by hybrid electric propulsion equipment, natural gas or propane, or low emission diesel engines that meet tier 3 or 4 standards, so long as such provider is at a reasonable incremental cost compared to other providers that do not meet these standards. Analysis of this item shall be included in the Transportation Management Plan referenced in item B(2).

2. *The following items are Circuit of the Americas responsibilities under the Agreement between the City and Circuit of the Americas:*

A. *Air quality and environmental initiatives*

- (1) Work with CAPCOG and other relevant governmental entities to establish, by May 1<sup>st</sup>, 2012, an Air Quality analysis and inventory, modeling, and a mitigation strategy to resolve air quality issues related to major events held between April 1 – October 31. Commit to securing data that allows assessment of emissions specific to the COTA site, subject to an annual cost cap of \$50,000.
- (2) Utilize a combination of subscription to Austin Energy's GreenChoice program (or its successor) and on-site renewable energy generation to reach at least 50% of all non-event energy demands. At least 5% of the demands can be met by on-site renewable energy generation.
- (3) Land preservation and restoration of all disturbed areas, including implementing a combination of xeriscaping, integrated pest management, and water quality controls.
- (4) The majority of new plantings will use naturally drought-tolerant native and adaptive landscaping to promote water conservation.
- (5) Make a minimum of 5 acres in the floodplain available for a community garden or farm. Make reasonable efforts to locate the site as close to an available water source as possible.

- (6) Follow Environmental Board recommendations:
  - a) Comply with new commercial landscape standards.
  - b) Comply with parking lot shading areas.
  - c) Investigate the restoration of riparian of Dry Creek.
  - d) Demonstrate a black land prairie land restoration.
  - e) Perform restoration of Dry Creek Riparian Corridor and Blackland Prairie Corridor; by working with partners such as Texas A&M.
  - f) Establish a monitoring program of any pervious pavement used on site.
- (8) Achieve a minimum of 2 Stars in the Sustainable Sites Initiative by the end of 2013, or develop and submit a sustainable site operations and maintenance plan by the end of 2013 that is consistent with the principles of the SITES initiative. Plan shall be mutually approved by the City of Austin Office of Sustainability and COTA.
- (9) Plant at least 800 trees on-site and establish a maintenance program.
- (10) Establish a Facility recycling and composting program for any major event held at the site. At minimum, include Paper, Plastic grades 1 (PETE) and 2 (HDPE), aluminum, glass, and compostables. (Same as Universal Recycling Ordinance, plus organics).
- (11) Require Facility year-round food and beverage vendors to use recycled and/or compostable materials to the extent available.
- (12) Protect existing wetlands and Critical Environmental Features.
- (13) Strive to reduce emissions of Particulate Matter NO<sub>x</sub> (nitrogen oxides) and CO<sub>2</sub> (carbon dioxide) from construction, transit and maintenance vehicles for all construction activities and major events to occur after the first US Grand Prix Event.
  - a) Give preference to contractors using lowest emission transit, construction, maintenance and generation equipment in future or renewed contracts, so long as such provider is at a reasonable incremental cost compared to other providers that do not meet these standards.
  - b) Give preference to contractors using the lowest emissions diesel engines available, so long as such provider is at a reasonable incremental cost compared to other providers that do not meet these standards. Specify use of Tier 3 or Tier 4 emission equipment and ultralow sulfur fuels, where feasible. Use as many of the suggested measures as feasible from the COA Construction Equipment Emission Reduction Toolkit:  
<http://www.dieselnets.com/standards/us/nonroad.php#tier4>  
 Do an inventory and report to the City of Austin annually.
  - c) Use reasonable efforts to use cleanest equipment available, such as electric, four cycle or propane-fueled lawnmowers, line trimmers and electric hand-held equipment for landscape maintenance.<sup>2</sup>

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<sup>2</sup>New EPA standards include hydrocarbon and nitrogen oxides exhaust emission standards of 10 g/kW-hr for Class I engines starting in the 2012 model year and 8 g/kW-hr for Class II engines starting in the 2011 model year.



**B. Transportation**

- (1) Develop a Transportation Management Plan for all major events.<sup>3</sup> Submit plan to City of Austin Transportation Department Director for review and comment. Plan should be updated annually.**
- (2) Coordinate parking and transportation efforts for major events with City of Austin Special Events Offices located in the Austin Transportation Department and Aviation, TXDOT, and Travis County.**
- (3) For any special off-site events such as event-associated parades or festivals located within the City of Austin, require the event-sponsor to obtain a Special Event Permit from City of Austin.**
- (4) Require all major events held at the COTA to provide satellite parking locations and sufficient mass transportation options.**
- (5) Limit parking on-site to 25,000 parking spots and monitor on-site parking; work toward increasing transit share annually for major events.**
- (6) Manage the majority of all parking sales and coordination through a designated single organization for major events.**
- (7) Where possible, pre-sell and manage all parking through the ticket sales process, in order to ease traffic flow tied to major events. Sell assigned parking for major events that are aligned with trip origination locations. Provide parking purchasers for major events with maps guiding them to their parking location.**
- (8) Commit to seeking a transportation partner that provides low emission mass transit vehicles for the shuttle operation, and give contracting preference to the lowest available emissions rapid transit vehicles available that reasonably satisfy the needs of the event, such as those powered by hybrid electric propulsion equipment, natural gas or propane, or low emission diesel engines that meet tier 3 or 4 standards, so long as such provider is at a reasonable incremental cost compared to other providers that do not meet these standards.**
- (9) Post a policy and undertake reasonable enforcement to limit unnecessary idling of vehicles being used to supply heat or air conditioning necessary for passenger comfort and safety, in vehicles intended for commercial or public transportation, or passenger transit operations, to a maximum of 30 minutes.**
- (10) Commit to working with relevant governmental entities to dedicate traffic lanes on all appropriate roads entering the site to mass transit for major events.**
- (11) Work with relevant governmental entities to establish a dedicated bike facility by the first major event, that would provide direct access to the site; provide public showers for major events.**
- (12) Explore partnerships with Austin Energy to provide on-site charging stations (110/240 volt) for electric, hybrid/electric vehicles, electric**

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<sup>3</sup> For the purpose of this agreement, a major event is defined as any event with more than 40,000 attendees exclusive of employees.

scooters, pony packs, and electric landscaping equipment, to facilitate charging.

**C. *Future On-site Development***

- (1) Any future buildings (i.e. buildings not currently under construction or in review) of over 2000 Square Feet will achieve minimum 2 Star rating in Austin Energy's Green Building program OR achieve Silver LEED certification. Work with Office of Sustainability and Austin Energy Green Building with the goal of achieving higher levels of green building certification, including leveraging all available incentives.
- (2) Building design and window placement to maximize natural light and passive solar design.
- (3) All new toilets and urinals meet or exceed low flow requirements, as defined by the Austin Uniform Plumbing Code, to achieve water reduction.

**D. *Ongoing Collaboration on Sustainability Efforts***

- (1) Establish an ongoing partnership with the City's Sustainability Office to implement best practices on site-specific sustainability efforts and collaborate on educational tours and demonstrations at the site.
- (2) Designate a single point-of-contact for the facility's sustainability efforts.

**E. *Green Technology R&D***

- (1) Coordinate with partners including UT, Texas State, Huston-Tillotson, Texas A&M, and Austin Technology Incubator to support the establishment of a Green Racing and Transportation Research, Education, and Testing Center or similar low carbon transportation technology incubator at the site.
- (2) Allow reasonable access to the track facilities for electric vehicle research and testing.
- (3) COTA shall make good faith efforts in partnership with other interested parties to raise, within 18 months from the date on which the contract is signed between the City and COTA, \$5 million to fund on-site green technology and research & development projects, in one or more of the following categories: solar power, automotive fuel efficiency, electric vehicles, biofuels, geothermal, or wind power. COTA shall cooperate with the City to seek US Department of Energy funds to support any resulting green technology R&D projects.

**F. *Alternative Energy Events***

- (1) Commit to hosting alternative energy, energy-efficient car races such as:
  - a) F-zero Race
  - b) Go Green Auto Rally
  - c) SAE Solar Races
- (2) Commit to hosting bicycle and foot races at the track.

- (3) Publicly advocate for electric vehicle research and testing, including the pursuit of business partnerships.
- (4) Agree to host public awareness event to advance community knowledge of the available options for green energy or transportation.

**G. *Community Sustainability***

- (1) Make good faith efforts to comply with the standards and principles of the City's MBE/WBE ordinance per Section 12 of the Agreement between the City and Circuit of the Americas.
- (2) Reporting as required by Agreement between CELOC and City and Agreement between COTA and City, respectively. Commit to recruiting local hires through job fairs and local media outreach.
- (3) Continue educational partnerships with area schools and universities on sustainability and technology issues.



### Council Question and Answer

Related To	Item #8	Meeting Date	April 2, 2015
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### Additional Answer Information

**QUESTION:** Who are the members of the Asian American Resource Center Board of Directors, and can we get some more information on their staff? COUNCIL MEMBER ZIMMERMAN'S OFFICE

**ANSWER:** The Asian American Resource Center Nonprofit is a Texas 501(c)(3) corporation created to support the construction and operation of the City of Austin's Asian American Resource Center. The goals of non-profit corporation are three-fold (i) to advocate and fundraise for high-quality arts, history, and educational programming that celebrates the multitude of Asian cultures found within the City of Austin, (ii) to provide resources to the under-served members of Austin's Asian community - particularly seniors, recent refugees, and workers and families with low English proficiency, and (iii) stimulate the local economy by facilitating international business opportunities and education, in cooperation with local chambers of commerce and the City of Austin.

Because the Asian community is so diverse, in regards to different countries of origin, different languages even within the same countries, different religions, and different socioeconomic backgrounds, it is groundbreaking to have one community center to provide support for everyone. The AARC Nonprofit was involved in completing a Community Health Assessment with the City of Austin Health and Human Services Department, in order to gain a better understanding of health issues specifically related to Asian Americans. There are also plans for health fairs and legal clinics. They have started a seniors' community program, had a commercial kitchen approved to support senior lunches and events, started an Anti-Bullying study, got a grant to start a community garden, partnered with ACC to provide free English classes, helped to spearhead the upcoming Asian American Film Festival, and so much more!

The AARC Nonprofit Board of Directors is made up of a diverse group of individuals who serve the Asian American Community of Austin. They come from a mix of Asian ethnicities, faiths, languages, and socioeconomic backgrounds with the goal of reaching the complex mix of Communities in Austin. Board members serve for two year terms. The current makeup of the Board is 18 members with a cap of 39 members. James Shieh is the current Chairman of the Board of Directors. The Asian American Resource Center Nonprofit does not employ any paid staff.



## Council Question and Answer

Related To	Item #9	Meeting Date	April 2, 2015
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### Additional Answer Information

**Question 1:** How much revenue for this program has been generated since Jan 2012? What costs for this program have been generated since Jan 2012? COUNCIL MEMBER ZIMMERMAN'S OFFICE

**Answer 1:** The Caswell Tennis Center revenue and expenditures itemized by fiscal year for FY 12, FY 13 and FY14 is below:

#### Caswell Tennis Center

Court Fee Revenues		Expenditures	
2012 - 2014		2012-2014	
2012	\$ 80,468.00	\$	67,901.00
2013	\$ 70,987.00	\$	80,621.91
2014	\$ 82,751.25	\$	73,357.61
Totals	\$ 234,206.25	\$	221,880.52

Total Revenue over the three fiscal years:      \$12,325.73

**Question 2:** Who won the 2012 contract? COUNCIL MEMBER ZIMMERMAN'S OFFICE

**Answer 2:** Love Tennis Company won the contract bid in 2012.

**Question 3:** Is the approximate \$250,000 in revenue an annual number? COUNCIL MEMBER ZIMMERMAN'S OFFICE

**Answer 3:** The \$250,000 figure is a three year estimate. PARD has experienced this contract to be revenue positive, with all expenses covered by the contractor.



## Council Question and Answer

Related To	Item #9	Meeting Date	April 2, 2015
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### Additional Answer Information

#### **QUESTION (CM GALLO):**

Why is the tennis court fee revenue deposited into the General Fund revenue when the expenses are paid from the PARD General Fund?

#### **ANSWER:**

All Parks and Recreation (PAR) programs and facilities, with the exception of the Golf Enterprise, are funded via the General Fund. PAR is considered a core governmental service and is therefore part of the General Fund, which is primarily supported by sales and property tax. However, the City does not rely entirely on taxes to support PAR; the department does collect fees for services, such as tennis court fees, to help offset property tax requirements. As such, all revenues are deposited into the General Fund. All PAR expenditures, with the exception of the Golf enterprise, are budgeted as part of the General Fund expenditures, appropriated annually by City Council.

However, we do track revenue and fees by program, and are able to determine the cost recovery level by program.

#### **QUESTION (CM GALLO):**

Who is the current management provider for the Caswell Tennis Center?

#### **ANSWER:**

The current management provider for the Caswell Tennis Center is LOVE TENNIS COMPANY.

#### **QUESTION (GM GALLO):**

What was the monthly management fee associated with the current contractor?

#### **ANSWER:**

The management fee is \$3,000 a month.

#### **QUESTION (CM GALLO):**

For the three other public tennis centers please provide the following:

- A: the name of the tennis center
- B: the management service company operating the tennis center
- C: the monthly management fee and total contract amount for the tennis center
- D: date when the current management contract expires for the tennis center
- E: how many courts are at the tennis center?



**ANSWER:**

<u>Tennis Center</u>	<u>Management Company</u>	<u>Monthly Fee</u>	<u>Contract Expiration</u>	<u>Number of Courts</u>
Austin Tennis Center	Lone Star Tennis	\$3,000	August 2015	10 full - size courts 8 quick-start courts
Pharr Tennis Center	Yanez Tennis	\$3,000	February 2018	8 full- size courts
South Austin Tennis Center	Rippner Tennis Inc.	\$3,000	March 2016	10 full - size courts

**QUESTION (CM GALLO):**

Would the City benefit if all four of the professionally managed tennis centers were under one contract?

**ANSWER:**

In order to provide a comprehensive response regarding the management benefits, PARD staff will need to conduct research regarding nation-wide best practices for the management of tennis facilities. This research will inform the best model for the City of Austin tennis centers to meet or exceed stakeholder expectations.

**QUESTION (CM GALLO):**

How much money would the City save with one contract for all tennis centers?

**ANSWER:**

Unfortunately, information regarding a savings or other detailed financial pros/cons requires the City to solicit services for a single management model. A single management model has not been considered in the past and therefore there is no historical information to reference. At this juncture, the Department is not able to provide a definitive answer regarding projected savings under an alternative business mode.

**QUESTION (CM GALLO):**

Who is in charge of the two hour street parking time limits around the Caswell Tennis Center?

**ANSWER:**

The City Transportation Department has jurisdiction of the right-of- way and has the authority to set regulations associated with right away parking.

City staff must execute affidavits to the Texas Comptroller attesting to the accuracy of the information provided in the EIS and correctness of the information provided in the application.

**QUESTION (CM GALLO):**

Has the City considered changing the street parking time limit for this area to allow citizens more time to use the Caswell Tennis Center?

**ANSWER:**

The Parks and Recreation Department has recently engaged the Transportation Department to review parking options for the spaces in the right of way most commonly associated with Caswell Tennis Center.



**Item From Council**  
**CITY OF AUSTIN**  
**RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.:** 40  
**AGENDA DATE:** Thu 02/26/2004  
**PAGE:** 1 of 1

**Item From Council**

**Posting Language:** Approve a resolution amending Resolution No. 021003-40, adopted by Council on October 3, 2002, to add one additional annual City co-sponsored event, Celebrate Texas Parade and Run.

**Proposed meeting date:** THU 02/26/2004

**Sponsor:** Mayor Pro Tem Jackie Goodman

**Co-sponsor 1:** Mayor Will Wynn

**Co-sponsor 2:** Council Member Brewster  
McCracken

**Date by which the City Manager is requested to report back to Council:**

**Draft Resolution/Ordinance attached:**

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**RESOLUTION NO. 040226-40**

**WHEREAS**, the City Council desires to amend Resolution No. 021003-40, adopted by Council on October 3, 2002, to add one additional annual City co-sponsored event, the Celebrate Texas Parade and Run; **NOW, THEREFORE,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

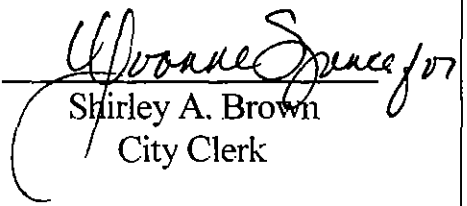
Resolution No. 021003-40 is amended as follows:

(A) (1) (a) The following events are City co-sponsored special events for Fiscal Year 2003:

(vi) Celebrate Texas Parade and Run

**ADOPTED:** February 26, 2004

**ATTEST:**

  
Shirley A. Brown  
City Clerk



## Council Question and Answer

**Related To**

AHFC Items #1-#4

**Meeting Date**

April 2, 2015

### Additional Answer Information

#### **QUESTION (CM ZIMMERMAN):**

What are the terms of these loans, and for what purpose?

#### **ANSWER:**

##### Proposed Loans and Purpose

- Mulholland Group, LLC -- Capitol Village Apartments: The purpose of the proposed \$2,000,000 loan is to assist with the acquisition of an existing 249-unit multi-family rental property on US Hwy 290 East near Berkman Drive. After acquiring the property, the developer will rehabilitate the property, originally built in 1969.
- Foundation Communities – Live Oak Trails: The purpose of the proposed \$500,000 loan is to assist with the construction of a 58-unit multi-family rental development at 8500 U.S. Highway 71.
- Foundation Communities – Lakeline Station Apartments: The purpose of the proposed \$500,000 loan is to assist with the construction of a 128-unit multi-family rental development at 13635 Rutledge Spur, near the Lakeline MetroRail Station.
- Foundation Communities – Bluebonnet Studios: The purpose of the proposed \$1,000,000 loan is to assist with the construction of a 107-unit Single Room Occupancy facility for extremely low-income individuals and those exiting homelessness.

##### Terms

The request for AHFC Board action on the April 2, 2015 agenda is for authorization to negotiate and execute loan agreements. If approved, loan terms will be negotiated.

#### **QUESTION (CM ZIMMERMAN):**

Are the loans “forgivable”? If not, when is repayment due, and what is the penalty for failure to repay the loan?

#### **ANSWER:**

While the negotiation of loan terms has not yet been approved, all loans from AHFC require each borrower to comply with the terms and conditions of the loan agreement. Loans are secured by deeds of trust on each property. Failure to comply with the terms and conditions of the loan agreement, including failure to repay the loan, would be grounds for legal action against the borrower. This could result in foreclosure on the property.

#### **QUESTION (CM ZIMMERMAN):**

Do the loans contribute to real estate projects which will be not be on property tax rolls?

#### **ANSWER:**

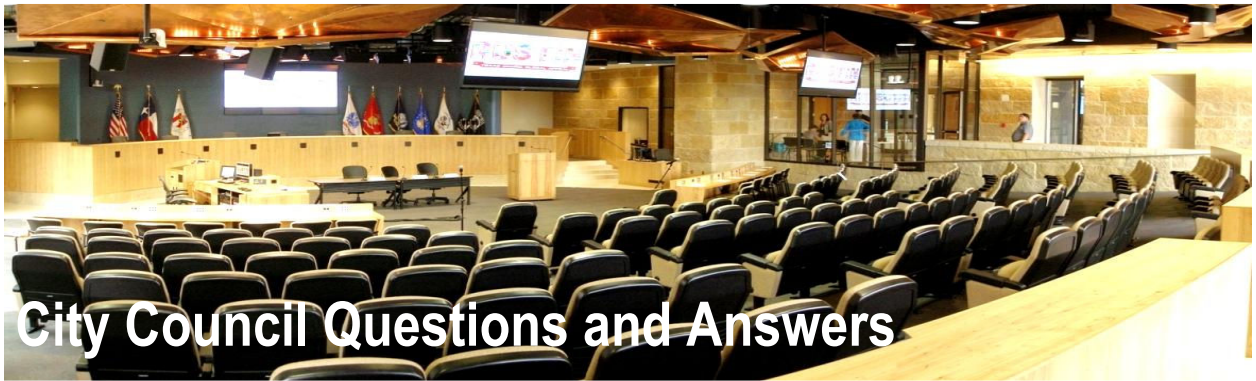
No. All projects will pay property taxes. The developments may be eligible for certain exemptions available under the Texas Property Tax Code through application to the Travis Central Appraisal District (TCAD). TCAD would make the determination as to whether the property qualifies for an exemption.

#### **QUESTION (CM ZIMMERMAN):**

Are there any connections of these loans to the subsidized housing projects approved back in February?

#### **ANSWER:**

No.



**City Council Questions and Answers for  
Thursday, April 02, 2015**

These questions and answers are related to the  
Austin City Council meeting that will convene at 10:00 AM on  
Thursday, April 02, 2015 at Austin City Hall  
301 W. Second Street, Austin, TX



**Mayor Steve Adler**  
**Mayor Pro Tem Kathie Tovo, District 9**  
**Council Member Ora Houston, District 1**  
**Council Member Delia Garza, District 2**  
**Council Member Sabino "Pio" Renteria, District 3**  
**Council Member Gregorio Casar, District 4**  
**Council Member Ann Kitchen, District 5**  
**Council Member Don Zimmerman, District 6**  
**Council Member Leslie Pool, District 7**  
**Council Member Ellen Troxclair, District 8**  
**Council Member Sheri Gallo, District 10**

*The City Council Questions and Answers Report was derived from a need to provide City Council Members an opportunity to solicit clarifying information from City Departments as it relates to requests for council action. After a City Council Regular Meeting agenda has been published, Council Members will have the opportunity to ask questions of departments via the City Manager's Agenda Office. This process continues until 5:00 p.m. the Tuesday before the Council meeting. The final report is distributed at noon to City Council the Wednesday before the council meeting.*

## **QUESTIONS FROM COUNCIL**

1. Agenda Item # 4 - Approve a resolution amending Resolution No. 20130523-019 to authorize the Circuit Events Local Organizing Committee to act on behalf of the City for the Texas Major Event Trust Fund, or in the alternative, the Texas Event Trust Fund, for the purposes of: conducting economic studies, submitting applications, and submitting any required funding, to the Texas Comptroller, or the Economic Development and Tourism Division, Office of the Governor for the Summer X-Games to be held at the Circuit of the Americas Facility in 2015, 2016, and 2017.
  - a. QUESTION: 1) Please provide: the total amount City of Austin has provided in fee waivers to X Games; maximum amount available to events via the Events Trust Fund; maximum amount available to events via the Major Events Trust Fund; explanation of the difference in requirements between the two funds; X Games application to METF. 2) For how many events has CELOC applied for public funding? 3) What is the estimated maximum amount that the XGames plans to request from the METF? 4) Will CELOC be providing the local match required by the METF or does CELOC intend to request that local support be provided by the City of Austin? 5) The X Games have sought and received fee waivers from the City of Austin in the past; will the X Game organizers seek future fee waivers from the City of Austin? 6) Who will conduct the economic analysis that determines the amount the X Games will be eligible to seek from the METF? 7) Staff referred to pieces of the application that City of Austin staff review and sign with an affidavit. Did this response refer to the Events Fund applications or the Major Events Trust Fund applications? Please identify which sections and the kind of information on the application that staff are required to verify as accurate. 8) From the work session discussion, it sounds as if the X Games organizers have been interested in seeking support from the Major Events Trust Fund for some time. If that is accurate, please explain why this resolution is only now coming before City Council for consideration. MAYOR PRO TEM TOVO'S OFFICE
  - b. ANSWER: See attachment.
  - c. QUESTION: 1) Please list CELOC members and their professional



affiliations. Is the Organizing Committee required to submit financial statements? If not, why? 2) How often has the Organizing Committee briefed Council? 3) Is CELOC subject to audit? Under what conditions would it be audited? COUNCIL MEMBER POOL'S OFFICE

- d. ANSWER: See attachment.
  - e. QUESTION (ASKED DURING WORK SESSION): Can staff provide CELOC's application to the ETF and/or the METF for X Games 2015?
  - f. ANSWER: Attached is CELOC's completed application to the ETF for X Games 2015 and the Texas Comptroller's letter of award. Also attached is CELOC's draft application to the METF for X Games 2015.
  - g. QUESTION (ASKED DURING WORK SESSION): Can staff provide a copy of the agreements between CELOC and the City?
  - h. ANSWER: See attachment.
2. Agenda Item # 8 - Approve an ordinance amending the Fiscal Year 2014-2015 Parks and Recreation Department Operating Budget Special Revenue Fund (Ordinance No. 20140908-001) to accept and appropriate \$65,000 in grant funds from the Asian American Resource Center, Inc. for salary expenses for a City of Austin employee to assist with Asian and Asian-American cultural protocols, programming, and marketing at the City of Austin Asian American Resource Center.
- a. QUESTION: Is it possible to fill this position with a current Parks and Recreation Department vacancy until the new Fiscal Year, and if so, if the grants funds would still be available. COUNCIL MEMBER TROXCLAIR'S OFFICE
  - b. ANSWER: Pending
  - c. QUESTION: Who are the members of the Asian American Resource Center Board of Directors, and can we get some more information on their staff? COUNCIL MEMBER ZIMMERMAN'S OFFICE
  - d. ANSWER: See attachment
3. Agenda Item # 9 - Authorize award, negotiation, and execution of a 36-month contract with TEXAS TENNIS CONSULTANTS, or one of the other qualified offerors to Request for Proposal No. TVN0047, to provide management services for Caswell Tennis Center, in an amount not to exceed \$117,000, with two 36-month extension options in an amount not to exceed \$117,000 per extension option, for a total contract amount not to exceed \$351,000.
- a. QUESTION: 1) How much revenue for this program has been generated since Jan 2012? 2) What costs for this program have been generated since Jan

2012? 3) Who won the 2012 contract? 4) Is the approximate \$250,000 in revenue an annual number? COUNCIL MEMBER ZIMMERMAN'S OFFICE

b. ANSWER: Pending

c. QUESTION: 1) Why is the tennis court fee revenue deposited into the General Fund revenue when the expenses are paid from the PARD General Fund? 2) Who is the current management provider for the Caswell Tennis Center? 3) What was the monthly management fee associated with the current contractor? 4) For the three other public tennis centers please provide the following: the name of the tennis center; the management service company operating the tennis center; the monthly management fee and total contract amount for the tennis center; date when the current management contract expires for the tennis center; and how many courts are at the tennis center. 5) Would the City benefit if all four of the professionally managed tennis centers were under one contract? 6) How much money would the City save with one contract for all tennis centers? 7) Who is in charge of the two hour street parking time limits around the Caswell Tennis Center? 8) Has the City considered changing the street parking time limit for this area to allow citizens more time to use the Caswell Tennis Center? COUNCIL MEMBER GALLO'S OFFICE

d. ANSWER: Pending

4. Agenda Item # 10 - Authorize award and execution of a 60-month revenue contract with LONE STAR RIVERBOAT, INC. to provide boat excursion services on Lady Bird Lake for an estimated revenue amount of \$150,000, with one 60-month extension option in an estimated amount of \$150,000 for a total estimated revenue amount of \$300,000.

a. QUESTION: What provisions has Lone Star Riverboat taken to address permitting deficiencies relating to restroom output and water pumping on vehicles? COUNCIL MEMBER POOL'S OFFICE

b. ANSWER: Via a letter sent to Lone Star Riverboat last week, City staff notified Lone Star Riverboat about the City's requirements regarding recordkeeping to demonstrate compliance with the City's marine sanitation requirements. In response, Lone Star Riverboat has provided records demonstrating that the waste from its boats has been properly pumped out.

c. QUESTION: 1) Two of the three boats in the current Lone Star Fleet are Non-Compliant with City Code in regard to providing marine toilets on excursion boats. Will Lone Star Riverboat, Inc. replace the current Non-Compliant boats with the expansion of "seats" and/or additional boats, or would the Non-Compliant boats continue to operate? 2) Will any additional "seats" or boats comply with City Code in regard to providing marine toilets on excursion boats that carry more than 20 passengers? 3) Is the current dock

adequate for the services and fleet that will be provided over the next 5-10 years? 4) Who owns the existing dock that serves the Lone Star Riverboats operation? 5) How will the services/fleet be expanded with no expansion or improvements to the dock? 6) What parkland would be used by Lone Star Riverboat for providing parking and ADA access to the existing dock? Will all improvements made on parkland be dedicated to the City? 7) Consider requiring Lone Star Riverboat to install a Boat Sewage Pumpout Station prior to expanding services/fleet to provide a proper on-shore disposal facility for excursion boats that operate on Lady Bird Lake. (There is Boat Sewage Pumpout grant funding available that can cover up to 75% of the cost for installing this equipment.) 8) Can staff explain why these concerns have not been addressed or why the agreement has not been amended. MAYOR PRO TEM TOVO'S OFFICE

- d. ANSWER: 1) Lone Star Riverboats Inc. will be required to operate in compliance with all applicable federal, state and local laws include city code 6-5-34. Lone Star Riverboats Inc. operator could opt to limit excursion passenger loads to less than 20 per excursion/trip on the "Little Star" and "Southern Star", which are not equipped with marine toilets or discontinue their use. Lone Star Riverboats may continue to utilize its "Lone Star" vessel which is compliant with 6-5-34 as it is equipped with two marine toilets. 2) Lone Star Riverboats Inc. proposes to upgrade its 3 vessel fleet by replacing its "Little Star" vessel, a 34 set capacity vessel, with a larger vessel. The proposed new vessel would not be equipped with a marine toilet, therefore would be limited to a maximum passenger capacity of less than 20 per city's current code requirement. 3) Yes, Lone Star Riverboats Inc. has no plans to increase the number of vessels in its fleet. 4) Lone Star Riverboats Inc. owns the existing floating dock. Lone Star Riverboats Inc. acquired and maintains the dock at its own expense. 5) Lone Star Riverboats Inc. does not propose to increase the number of vessels. Rather, Lone Star Riverboats Inc. plans to replace "Little Star" capacity of 34 with a "60" seat capacity vessel that is accommodated within the existing dock. 6) The current agreement does not require dedicated parking amenities. Patrons of the lone Star Riverboat access parking at a variety of private and public lots and right of way on street parking on a first come first serve basis. All improvements on parkland will be owned by the City. 7) The City's Request for Proposals did not require the investment and installation of a boat sewage pump out station. Lone Star and other commercial operators currently utilize permitted waste haulers to pump out marine holding tanks in compliance with City code. 8) Concerns related to excursion boat marine toilets and related pump out requirements in Austin City Code Chapter 6 currently reside with Austin Water Utility. The Austin Water Utility is in the process of reviewing, collecting stakeholder input and making recommendations for revisions to code. Lone Star has not been cited with any code violation(s) to date. In light of concerns raised, the Parks department will require Lone Star to submit a copy of each and every manifest for marine toilet pump outs on a monthly basis.

- e. QUESTION: 1) Will Lone Star Riverboat, Inc. replace the current Non-

Compliant boats with the expansion of “seats” and/or additional boats, or would the Non-Compliant boats continue to operate? 2) Will any additional “seats” or boats comply with City Code in regard to providing marine toilets on excursion boats that carry more than 20 passengers? 3) Is the current dock adequate for the services and fleet that will be provided over the next 5-10 years? 4) Who owns the existing dock that serves the Lone Star Riverboats operation? 5) How will the services/fleet be expanded with no expansion or improvements to the dock? 6) What parkland would be used by Lone Star Riverboat for providing parking and ADA access to the existing dock? Will all improvements made on parkland be dedicated to the City? 7) Consider requiring Lone Star Riverboat to install a Boat Sewage Pumpout Station prior to expanding services/fleet to provide a proper on-shore disposal facility for excursion boats that operate on Lady Bird Lake. (There is Boat Sewage Pumpout grant funding available that can cover up to 75% of the cost for installing this equipment.) 8) Can staff explain why these concerns have not been addressed or why the agreement has not been amended.

- f. ANSWER: 1) Lone Star Riverboat, Inc. has not been cited for non-compliance under Chapter 6-5 of the Austin City Code. The rules are currently being revised. Please see item # 8 for more detail. 2) Lone Star Riverboat, Inc. will operate in compliance with the City's code requirements. 3) Yes, Lone Star Riverboat, Inc. is not proposing to increase the number of vessels in its fleet. 4) Lone Star Riverboat, Inc. owns the existing floating dock. Lone Star Riverboat, Inc. acquired and maintains the dock at its own expense. 5) Lone Star Riverboat, Inc. does not propose to increase the number of vessels. Rather, Lone Star Riverboat, Inc. plans to replace “Little Star” capacity of 34 with a “60” seat capacity vessel that is accommodated within the existing dock. 6) Similar to the current agreement, the proposal does not include the provision of dedicated parking amenities. Patrons of the Lone Star Riverboat, Inc. access parking at a variety of private and public lots and right of way on street parking on a first come first serve basis. All improvements on parkland will be owned by the City. 7) Staff does not recommend installing a boat pump-out facility/on-shore disposal facility on Lady Bird Lake as this will increase the risk of sewage entering the lake in a flood event. Lone Star Riverboat, Inc. and other commercial operators currently utilize permitted waste haulers to pump out marine sanitation devices (MSD). Proposed revisions to Chapter 6-5 of the Code would make these requirements consistent with State requirements, which allow the waste to be disposed of in this manner. 8) As it stands for this proposed contract, the concerns expressed have been noted, and have been addressed to the extent possible under the current code. The rules governing the number of marine sanitation devices and on-shore disposal facilities are currently under review, as they are inconsistent with other applicable Federal, State, and other Local rules. For example, current code includes: •No definition of Excursion Boat • Requirement for gender-specific restrooms • No provision for hauling waste offsite from boats with MSDs •Prohibits use of temporary toilets at any marina •No enforcement authority for Austin Water. Staff is currently working to revise these rules; the next stakeholder meeting is scheduled for

April 16, 2015 at Waller Creek Center.


- g. QUESTION: 1) Does the City own the boats and motors that are used under this contract? 2) If the City does not own these assets, then why are the purchases of motors and a boat considered as upgrades to parkland? 3) If the reinvestment amount of \$125,000 is one of the justifications for the 9 percent revenue share, then why are the purchases of a boat and motors (which should be considered as business expenses) included in the upgrades to parkland amount? COUNCIL MEMBER GALLO'S OFFICE
  - h. ANSWER: Pending
5. Agenda Item # 14 - Approve a resolution directing the City Manager to outline plans addressing reform of the City's development review, inspections and permitting processes, including but not limited to, recommendations from the Zucker Systems Analysis Report. (Notes: SPONSOR: Mayor Steve Adler CO 1: Council Member Gregorio Casar CO 2: Council Member Sheri Gallo CO 3: Mayor Pro Tem Kathie Tovo CO 4: Council Member Sabino "Pio" Renteria)
- a. QUESTION: How many of the 461 recommendations from the Final Draft of the Zucker Report have been implemented by PDRD? COUNCIL MEMBER ZIMMERMAN'S OFFICE
  - b. ANSWER: The assessment provided by Mr. Zucker is not yet finalized. Department employees, partner departments, the public and stakeholders will be providing feedback and comments on the latest draft to the consultant, which are due back to Mr. Zucker by April 13th. Additionally, there are three scheduled meetings, one for employees and two public stakeholder sessions scheduled on April 8th at the Palmer Event Center to provide employees and stakeholders the opportunity to voice concerns, ask questions or make comments directly to the consultant. The department intends to provide a response to the assessment after it is finalized, including a listing of recommendations that have been implemented.
6. Agenda Item # 15 - Approve a resolution initiating a code amendment to mitigate the effects of smoke emissions from restaurants and mobile food vendors near residentially zoned areas. (Notes: SPONSOR - Council Member Sabino "Pio" Renteria CO 1: Council Member Kathie Tovo CO 2: Mayor Steve Adler CO 3: Council Member Gregorio Casar)
- a. QUESTION: 1) Approximately how many restaurants and mobile food vendors would be impacted? 2) What is the estimated cost of buying and installing a "Smoke Scrubber"? 3) What is the estimated annual maintenance cost for a "Smoke Scrubber"? COUNCIL MEMBER ZIMMERMAN'S OFFICE
  - b. ANSWER: Pending


- c. QUESTION: 1) Will this ordinance first be reviewed and discussed by one of the Council Committees? 2) How many complaints have been received by 311 related to smoke emissions from restaurants and mobile food vendors? 3) Has a City study been conducted on this issue to document the problem and identify possible solutions? 4) Have any other alternatives been considered to address this issue? 5) How long would restaurant owners have to come into compliance with this ordinance? 6) Has the item been discussed with the Austin Restaurant Association? 7) Do any other cities have this or a similar ordinance? COUNCIL MEMBER GALLO'S OFFICE
  - d. ANSWER: 1) This is an Item from Council but staff recommends that the item be discussed at a Council Committee. 2) Staff is still researching this inquiry. 3) To our knowledge, the City has not conducted a study on this issue. The City does not monitor or regulate air/smoke complaints. These issues are investigated by the Texas Commission on Environmental Quality (TCEQ). 4) City staff is not aware of any alternatives to address this issue. 5) As part of any action taken, the Council could identify a grace period for establishments to come into compliance. 6) City staff is not aware if the item has been discussed with ARA. 7) We understand the City of New York has a similar ordinance but staff would need more time to conduct research of similar ordinances in other municipalities.
7. Agenda Item # 16 - Approve the waiver or reimbursement of certain fees and requirements under City Code Chapter 14-8 and authorize payment of certain costs for the Texas Independence Day 5K Run and Parade, co-sponsored by the City and Celebrate Texas Incorporated, which was held Saturday, February 28, 2015. (Notes: SPONSOR: Council Member Delia Garza CO 1: Council Member Gregorio Casar CO 2: Mayor Steve Adler CO 3: Council Member Ann Kitchen)
- a. QUESTION: In the fiscal note, there's a reference to two different resolutions from 2007 (<http://www.austintexas.gov/edims/document.cfm?id=100829>) and 2002 (<http://www.ci.austin.tx.us/edims/document.cfm?id=64828>). In 1997, the original resolution regarding fee waivers was passed (<http://www.austintexas.gov/edims/document.cfm?id=49063>). I couldn't find any reference to the Texas Independence Day 5k Run and Parade in these. Do you know if there was another amendment that included this? COUNCIL MEMBER TROXCLAIR'S OFFICE
  - b. ANSWER: The Celebrate Texas Parade and Run was added as a city co-sponsorship via Resolution No. 040226-40 on February 26, 2004. Attached is a copy of Resolution No. 040226-40 and the accompanying recommendation for council action.
8. AHFC Agenda Items # 1, # 2, # 3 and # 4: AHFC 1) Authorize negotiation and execution of a loan agreement in an amount not to exceed \$500,000 with FOUNDATION COMMUNITIES, INC., or an affiliated entity, for the purpose of developing a multi-family residential facility at 8500 U.S. Highway 71, to be known as Live Oak Trails, for low-income individuals and families. AHFC 2)

Authorize negotiation and execution of a loan agreement in an amount not to exceed \$500,000 with FOUNDATION COMMUNITIES, INC., or an affiliated entity, for the purpose of developing a multi-family residential facility at 13635 Rutledge Spur, to be known as the Lakeline Station Apartments, for low-income individuals and families. AHFC 3) Authorize negotiation and execution of a loan agreement in an amount not to exceed \$1,000,000 with FOUNDATION COMMUNITIES, INC., or an affiliated entity, for the purpose of developing a single room occupancy residential facility at 2301 South Lamar Boulevard, to be known as Bluebonnet Studios, for very low-income individuals and individuals exiting homelessness. AHFC 4) Authorize negotiation and execution of a loan in an amount not to exceed \$2,000,000 to THE MULHOLLAND GROUP, LLC or an affiliated entity, for the purpose of acquiring and rehabilitating the Capitol Village Apartments multi-family residential development at 6855 East U.S. Highway 290.

- a. QUESTION: 1) What are the terms of these loans, and for what purpose? 2) Are the loans "forgivable"? If not, when is repayment due, and what is the penalty for failure to repay the loan? 3) Do the loans contribute to real estate projects which will be not be on property tax rolls? 4) Are there any connections of these loans to the subsidized housing projects approved back in February? COUNCIL MEMBER ZIMMERMAN'S OFFICE
- b. ANSWER: See attachment

**END OF REPORT - ATTACHMENTS TO FOLLOW**

 *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.*

 *For assistance, please call 512-974-2210 or TTY users route through 711.*





Item #4

April 2, 2015

#### Additional Answer Information

#### QUESTION (MPT TOVO):

Please provide: the total amount City of Austin has provided in fee waivers to X Games; maximum amount available to events via the Events Trust Fund; maximum amount available to events via the Major Events Trust Fund; explanation of the difference in requirements between the two funds; X Games application to METF.

#### ANSWER:

Through the adoption of Resolution No. 20130523-019, COTA was authorized to come back to City Council to request approval of up to \$150,000 in fee waivers and in-kind assistance. However, neither X Games, Circuit of the Americas (COTA), nor Circuit Events Local Organizing Committee (CELOC) have brought forward such a request, thus no fee waivers have been provided through Resolution No. 20130523-019.

The maximum amount available to events via the Events Trust Fund (ETF) and the Major Events Trust Fund (METF) is determined by the Texas Comptroller and is based on the economic impact analysis conducted for each event.

The following outline describes the major differences between the Events Trust Fund and the Major Events Trust Fund.

The Events Trust Fund (ETF) restrictions and requirements are as follows:

- Available for once a year sporting events or conventions such as the Major League Soccer All Star Game or the American Public Transportation Association convention.
- Available for events that are smaller than \$1 million in receipts.
- Eligible events are not restricted to sports, but the venue must have been selected over others as a sole event site or, the sole site in Texas and adjoining states. There is no list of what is an eligible event, nor a list of which organizations must select the site for the event. There is a limit in the statute on the number of events under \$200,000 in impact, and also a limit on the number of nonsporting events for which a city or county may submit a request for a fund to be established.
- Starting in fiscal 2010, non-sporting events, such as conventions and conferences, became eligible for the ETF.
- The application must be submitted 120 days before the event.
- The economic impact that must be analyzed for the ETF is the direct benefit of the event.
- Applies local and state gains from sales and use, auto rental, hotel and alcoholic beverage taxes generated over a 30-day period from an event or series of events conducted no more than once annually.
- The estimated increase in state tax revenue is reduced for events held in Texas on previous occasions. According to rules established by the Texas Comptroller, the following table depicts the reductions for each year.

Number of Years the Event was Held in Texas in Last Five Years	Percent of Revenue Impact Used in Trust Fund Estimate
0	100.0%
1	85.5%
2	74.6%

3	66.2%
4	59.5%
5	54.1%

Major Events Trust Fund (METF) restrictions and requirements are as follows:

- Available for major national or international championship type events, such as the NFL Super Bowl, NCAA Final Four Tournaments and Formula One automobile races. The eligible events are listed in the statute. Currently, the statute lists X Games. However, the eligible site selection organizations that must select the sites are also listed and does not include ESPN, which produces the X Games. The bill before the legislature adds ESPN as an eligible site selection organization.
- Applies local and state gains from sales and use, auto rental, hotel and alcoholic beverage taxes generated over a 12-month period from certain major sporting championships or events to pay costs incurred from hosting the event.
- Major events have to be above a certain size (at least \$1 million in receipts).
- The application must be submitted not earlier than 1 year, nor later than 45 days before the event occurs. As a note, the 45th day before the 2015 X Games is April 16th.
- The economic impact that can be analyzed for METF events includes the direct impact and the indirect and induced benefits.

Note: More information is available on the Texas Comptroller's website regarding Texas Events Trust Funds:  
[http://www.texasahead.org/tax\\_programs/event\\_fund/](http://www.texasahead.org/tax_programs/event_fund/)

**QUESTION (MPT TOVO):**

For how many events has CELOC applied for public funding?

**ANSWER:**

CELOC has applied for 13 events since 2012:

- 2012: Formula 1 (F1)
- 2013: MotoGP, V8 SuperCars, World Endurance Championship (WEC), American LeMans Series (ALMS), F1
- 2014: MotoGP, Summer X-Games, WEC, Tudor United States SportsCar Championship, F1
- 2015: MotoGP, X-Games

**QUESTION (MPT TOVO):**

What is the estimated maximum amount that the X Games plans to request from the METF?

**ANSWER:**

According to information provided by CELOC, their draft application for METF funding for the 2015 X Games from the state is \$3,664,347. As with previous applications, CELOC will fund the local match, which in this case would be \$586,296, for a combined application request of \$4,250,643.

CELOC recently made application for the Events Trust Fund in the amount of \$1,690,577 and was approved a maximum of \$1,260,453. If CELOC is authorized by the City Council to submit an METF application and if the Texas Comptroller approves CELOC's application request of \$4,250,643 for METF status, the increase to CELOC would be \$2,990,190.

**QUESTION (MPT TOVO):**

Will CELOC be providing the local match required by the METF or does CELOC intend to request that

local support be provided by the City of Austin?

**ANSWER:**

CELOC will be providing the local match required by the METF. The City's agreement with CELOC, which was signed and effective as of February 3, 2014, allows the City to terminate the agreement if CELOC does not provide the local match.

**QUESTION (MPT TOVO):**

The X Games have sought and received fee waivers from the City of Austin in the past; will the X Game organizers seek future fee waivers from the City of Austin?

**ANSWER:**

Through the adoption of Resolution No. 20130523-019, COTA was authorized to come back to City Council to request approval of up to \$150,000 in fee waivers and in-kind assistance. However, neither X Games, Circuit of the Americas (COTA), nor Circuit Events Local Organizing Committee (CELOC) have brought forward such a request, thus no fee waivers have been provided through Resolution No. 20130523-019.

Whether COTA or CELOC will seek the approval of fee waivers for the X Games in the future is a decision to be made by COTA or CELOC. As indicated above, Resolution No. 20130523-019 authorizes the entities to bring forward a request for approval for fee waivers and in-kind assistance up to \$150,000.

**QUESTION (MPT TOVO):**

Who will conduct the economic analysis that determines the amount the X Games will be eligible to seek from the METF?

**ANSWER:**

Dr. Don Hoyte (PhD in economic geography specializing in industrial location analysis and regional economics) conducted the economic impact analysis for the X Games ETF application and has conducted the Economic Impact Study (EIS) for the METF application. The EIS is reviewed by the CELOC board and by City staff before being submitted to the Comptroller. Once Dr. Hoyte's EIS is submitted with the application for the 2015 X Games Austin Event, the Texas Comptroller's Office will use the submitted EIS as a guideline from the applicant, but will prepare its own independent detailed economic analysis based on its own criteria, determined factors and projections. So, Dr. Hoyte's EIS is a guideline for the study prepared and approved by the Comptroller as the ultimate authority for the trust fund amount.

**QUESTION (MPT TOVO):**

Staff referred to pieces of the application that City of Austin staff review and sign with an affidavit. Did this response refer to the Events Fund applications or the Major Events Trust Fund applications? Please identify which sections and the kind of information on the application that staff are required to verify as accurate.

**ANSWER:**

The staff response referred to ETF and METF applications.

Staff reviews the following information prepared and provided by CELOC:

- The letter from the City to the Texas Comptroller requesting the pertinent events trust fund be established;
- The Economic Impact Study (EIS) to confirm that it includes the information required by the Texas Comptroller;
- Executed affidavits to the City from CELOC, COTA and the preparer of the EIS attesting to the accuracy of the information provided in the EIS;
- Executed affidavits to the City from CELOC and COTA attesting to the correctness of the information

provided in the application;

- Application content that demonstrates that the event is eligible for participation in the ETF or METF, as applicable; and
- The Request Worksheet to Establish an Events Trust Fund.

City staff must execute affidavits to the Texas Comptroller attesting to the accuracy of the information provided in the EIS and correctness of the information provided in the application.

**QUESTION (MPT TOVO):**

From the work session discussion, it sounds as if the X Games organizers have been interested in seeking support from the Major Events Trust Fund for some time. If that is accurate, please explain why this resolution is only now coming before City Council for consideration.

**ANSWER:**

CELOC made the request for the resolution on March 27, 2015. As such, the following response is provided by CELOC explaining why the resolution is now coming before City Council for consideration.

The timing of any action that CELOC, ESPN or COTA could take on correcting the X Games classification as an METF event, including asking that such matter be considered by the Austin City Council, was solely dependent on the wording of bills to be filed and the timing and legislative process for such bills by the Texas Legislature. And, while the intent to correct the prior legislative oversight has long been discussed, including with City staff, the first practical step, a proposed bill to correct the prior legislative oversight, could not even be filed until this past January 2015 (Senate Bill 293 was filed on January 9th). And, as I understand, even in January/February of this year there was serious negative sentiment as to whether the Legislature would even take up any bills on the ETF/METF statute, or if any such bills were filed and brought to the floor, there was uncertainty as to whether or not the Legislature would be receptive, add additional limitations or simply abolish the ETF/METF program all together. So when Senate Bills 48 and 293 (and related or companion bills) were filed in January of 2015, their passage was very much in question and not a very good basis to propose an agenda item for consideration by the Austin City Council, which we know has a full agendas each meeting. And, without a bill in substantially final form, we did not know what any proposed agenda item for correction should include to meet any correction requirements that are not known.

However, during the March 19 to March 23rd time period (within the last 2 weeks), SB 293 was placed on the intent calendar for the Senate and the Senate suspended the regular order of business to expedite voting on SB 293 for “clarification of the law governing eligibility of certain events for funding under the METF” and the Senate passed SB 293 with 23 Yeas and 3 Nays, more than a 2/3 majority vote. At that time CELOC, COTA and ESPN realized the legislature had embraced the corrections bills filed and SB 293 had momentum, so much so that the Senate was fast tracking SB 293 to approval and passage. Between March 24th and March 31st (within the last week), SB 293 passed both the House and Senate (after House amendment and Conference Committee) by more than a 2/3 majority vote in each chamber and today is sitting on the Governor’s desk for signature. As I understand, the Governor is expected to sign SB 293, which has an immediate effective date due to the 2/3 supermajority approvals of the Senate and House.

Until SB 293 gained momentum after March 23rd and the passage of the correction bill no longer seemed mere speculation, CELOC did not want to propose an agenda item for consideration by the City Council and merely take up valuable time. But as soon as the bill seemed likely to pass, CELOC, ESPN and COTA coordinated their efforts with the Texas Comptroller’s Office to clarify process, procedures and requirements under SB 293 and then acted as fast as prudent to request the subject item be placed on the City Council agenda for the April 2nd meeting.

It is readily apparent that the a super majority of the members of the Texas Legislature believe that the METF program is an important economic incentive to attract major events to Texas (important enough to suspend the regular rules on the Senate and fast track the bill) and should be utilized for the upcoming 2015 X Games Austin Event to keep the X Games in Austin and Texas for as long as possible. And, we respectfully request approval of the City Council to the proposed agenda item in furtherance of the Texas Legislature's recent actions on SB 293 and assist CELOC to achieve the same goals.



Item #4

April 2, 2015

#### Additional Answer Information

#### QUESTION (CM POOL):

Please list CELOC members and their professional affiliations. Is the Organizing Committee required to submit financial statements? If not, why?

#### ANSWER:

The following response is provided by CELOC.

CELOC is a Texas non-profit corporation. It does not have “members”, but has a Board of Directors currently comprised of 4 Directors: Ford Smith, Sam Bryant, Rodney Gonzales (Ex Officio) and Wayne Hollingsworth. Ford Smith is President and owner of Texas Enterprises, Inc., a petroleum products distribution company. Sam Bryant is President of Bryant Wealth Investment Group, LLC and serves as a registered investment representative with ML&R Wealth Management. Rodney Gonzales is Deputy Director for the City of Austin’s Economic Development Department. Wayne Hollingsworth is a Partner with the law firm of Armbrust & Brown, PLLC.

As a local organizing committee participating under the METF and the ETF, CELOC is required to provide audited financial statements requested by the Texas Comptroller’s Office. And, CELOC is required to provide and has routinely provided its financial statements to individuals and entities requesting such statements under the Texas Public Information Act.

#### QUESTION (CM POOL):

How often has the Organizing Committee briefed Council?

#### ANSWER:

The following response is provided by CELOC.

CELOC has never been requested nor invited to directly brief the Austin City Council; however, Rodney Gonzales, Deputy Director for the City of Austin’s Economic Development Department, is the City’s representative as an Ex Officio member of the CELOC Board. Mr. Gonzales regularly attends the CELOC Board meetings, participates in all discussions and makes invaluable contributions to the decisions, operations and goals of CELOC. Further, the Directors and Officers of CELOC meet with City staff and legal to review and respond to questions and to brief City staff and legal on all important aspects of (i) applications and deliverables to participate in the ETF and METF, including reviews of economic impact studies performed by Dr. Don Hoyte on behalf of and under contract with CELOC, (ii) attendance certificates required by the Texas Comptroller for events conducted under the ETF and METF, and (iii) applications for reimbursement of qualified expenses from the ETF and METF. The City’s review and approval of these submittals are required under CELOC’s contract with the City as a condition for CELOC’s authority to submit such items to the Texas Comptroller’s Office.

**QUESTION (CM POOL):**

Is CELOC subject to audit? Under what conditions would it be audited?

**ANSWER:**

The following response is provided by CELOC.

CELOC is subject to audit, under both the ETF and METF, as requested by the Texas Comptroller's Office.



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

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

February 28, 2015

Deputy Comptroller  
Comptroller of Public Accounts  
111 E. 17<sup>th</sup> Street  
Austin, Texas 78774

*Via Hand Delivery*

**RE: Application for Participation in the Texas Events Trust Fund (2015 X Games Austin)**

Dear Deputy Comptroller:

Circuit Events Local Organizing Committee is organized as a Texas non-profit corporation (the "**Committee**") with the purpose to help facilitate and support a motor race, commonly known as "**2015 X Games Austin**" (the "**Event**") that is tentatively set to be held in Austin, Texas on June 4 - 7, 2015. Further, as an integral part of this support, the Committee and the City of Austin, as approved by City Council resolution of May 23, 2013, entered into an "**Agreement**", dated February 3, 2014, whereby the City of Austin agreed to be the "endorsing municipality" for the Event, and in the capacity of endorsing municipality (i) authorized the Committee to act as the "local organizing committee" for purposes of securing and promoting the Event for the Austin area, as well as the application for and qualification of the Event as an "**Event**" under TEX. REV. CIV. STAT. ART. 5190.14 §5.C. (the "**Act**") thereof, the Texas Events Trust Fund (the "**Trust Fund**") and (ii) authorized and appointed the Committee as the City of Austin's sole and exclusive designee, for and on behalf of the City of Austin to submit, pursuant to TAC Title 34, Part 1 Chapter 2 Subchapter B, Rule 2.202, a request to the Texas Comptroller of Public Accounts for participation in the Trust Fund program and a request to the Texas Comptroller to determine the incremental increase in the receipts of various taxes (e.g. sales and use taxes, mixed beverage taxes, hotel occupancy taxes), by the City of Austin, as the endorsing municipality, for a 30 day period that ends at the end of the day after the day of the Event (scheduled for June 4 - 7, 2015), in accordance with the Comptroller's procedures and in accordance with the Act, and the rules promulgated thereunder (the "**Rules**").

It is my honor and great pleasure to submit this application from the Committee, as the City of Austin's duly appointed and authorized designee for and on behalf of and binding upon the City of Austin, as the formal request, pursuant to Rule 2.202, for participation in the Trust Fund program and a request to the Texas Comptroller to determine the incremental increase in the applicable taxes for the City of Austin for the June 4 - 7, 2015 Event.

Further, as required by Rule 2.201(a)-(d), enclosed with this letter are: (i) Attachment 1, two (2) letters, dated July 8, 2013 and January 8, 2015, from the site selection committee for the Events, selecting the site in Austin, Texas for the 2014 – 2017 Events; (ii) Attachment 2, the economic impact study and other data with detailed information on the direct expenditures and direct impact data for the endorsing municipality hosting the event and for the requested market area (the "**Economic Study**"); (iii) Attachment 3, a description of the requested market area, and information to support the requested market area, which is

February 28, 2015

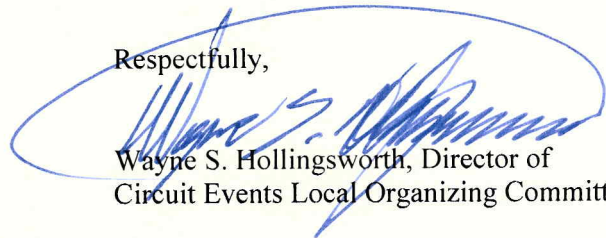
Page 2

included in the Economic Study; (iv) Attachment 4, a list of all related events activities proposed to be included in the trust fund estimate, with data for each such activity including projected attendance figures, ticket sales and relevant production and expenditure information related to the activity, included in the Economic Study; (v) Attachment 5, affidavits from Don Hoyte, Ph.D., the City of Austin and the Committee, as required under Rule §2.202(a)(5), as to the accuracy of the Economic Study; (vi) Attachment 6, a completed and signed Comptroller Request Worksheet to Establish an Event Trust Fund for the Event; (vii) Attachment 7, is a letter from Mr. Marc Ott, City Manager for the City of Austin to the Comptroller's Office requesting participation in the Trust Fund for the 2015 X Games Austin Event; and (viii) Attachment 8, affidavits from the Committee and the City of Austin endorsing a Major Events Trust Fund.

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

Thank for your time and consideration of this request.

Respectfully,



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

Ms. Leela Fireside, Assistant City Attorney, City of Austin  
Mr. Sam Bryant, Director  
Mr. Ford Smith, Director  
Mr. Rodney Gonzales, Director  
Mr. Jason Dial, President and CEO of COTA  
Mr. Colin Cohen, CFO of COTA

**ATTACHMENT 1**

**Site Selection Committee Designation Letter**



**ESPN, Inc.**

ESPN Place, Bristol CT 06010-7454

July 8, 2013

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

Email: [whollingsworth@abaustin.com](mailto:whollingsworth@abaustin.com)

Dear Mr. Hollingsworth,

Thank you again for your application to host the ESPN X Games events in Austin at the Circuit of The Americas. After a highly competitive process involving our review and visits to several cities and venues, including but not limited to Charlotte, Chicago, Detroit, and Austin, we are pleased to select Austin and the Circuit of The Americas for our event in the Spring of 2014. Congratulations!

The ESPN X Games is a unique event that appeals to a young, enthusiastic demographic, featuring multiple competitive action sports events. The 2014 X Games will be conducted in Barcelona, Spain; Munich, Germany; Foz do Iguaçu, Brazil; and Austin, Texas along with our winter versions in Aspen, CO and Tignes, France. ESPN will televise the Austin X Games worldwide, with over twenty (20) hours of dedicated programming distributed to more than 450M homes in over 175 countries around the world. The X Games in Austin will be the only site in North America for our summer event, so we anticipate strong interest and a significant economic benefit to the community and region.

We look forward to working with you to conduct and generate interest in our global event.

Sincerely,

Scott Guglielmino  
Senior Vice President, Programming and X Games

Cc: Steve Sexton, President and CEO, Circuit of The Americas

our mission: to serve sports fans wherever sports are  
watched, listened to, discussed, debated, read about, or played





ESPN, Inc.

ESPN Plaza, Bristol, CT 06010-7454

January 8, 2015

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

via email: [whollingsworth@abaustin.com](mailto:whollingsworth@abaustin.com)

Dear Mr. Hollingsworth:

We appreciate the confirmation of the application by Circuit Events Local Organizing Committee, dated January 7, 2015 submitted as designee on behalf of the City of Austin, to host an event of the X Games Austin 2015 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 June 11, 2013.

As we emphasized in our previous letters to you and City officials, there has been and remains substantial competition in our process of reviewing a number of venues interested in hosting our events. Please consider this letter as confirmation of our selection of Austin, Texas, and the Circuit of the Americas to host the X Games Austin event each year of the upcoming series from 2014 through 2017. Congratulations!

As noted in your June 11, 2013 letter, we do not anticipate sanctioning or holding any other similar X Games Event in Texas or its contiguous states during 2015 or any other year that the X Games Austin at the Circuit of the Americas is held in Austin.

The ESPN X Games is a unique event that appeals to a young, enthusiastic demographic, featuring multiple competitive action sports events. The 2015 X Games will be conducted in Austin, Texas along with our winter event in Aspen, Colorado. ESPN will televise X Games Austin worldwide, with over twenty (20) hours of dedicated programming distributed to more than 450 million homes in over 175 countries around the world. X Games Austin will be the only site in North America for our summer event, so we anticipate strong interest and a significant economic benefit to the community and region.

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

Yours sincerely,

Scott Guglielmino  
Senior Vice President, Programming & X Games

**ATTACHMENT 2**

**Economic Study**

## **Letter From City/CELOC**



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**Economic Impact Study  
of the**

**2015 X Games**

Austin, Texas

Submitted for consideration under the Events Trust Fund by:

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

On behalf of

**Circuit Events Local Organizing Committee**

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

January 6, 2015

**TEXASTRUSTFUNDS.COM**

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## Event Background

The **X Games** is a sports event, controlled and arranged by the U.S. sports broadcaster ESPN (with coverage also shown on its sister network ABC), which focuses on action sports. The inaugural X Games were held in summer 1995 in Rhode Island. Participants compete to win bronze, silver and gold medals, and prize money. Current competition takes place over four days with events in Moto X, Mountain Bike, Rally Car, Skateboarding and BMX.

Both the summer and winter X Games competitions feature new tricks such as Tony Hawk's 900 in skateboarding, Travis Pastrana's double backflip in freestyle motocross, Heath Frisby's first ever snowmobile front flip in Snowmobile Best Trick, and Torstein Horgmo's first landed triple flip in a snowboard competition. Concurrent with competition is the "X Fest" sports and music festival, which offers live music, athlete autograph sessions and interactive elements.

The first two summer X Games were held in Rhode Island in 1995 and 1996, averaging nearly 200,000 attendees. The 1997 and 1998 games moved to San Diego, California and were attended by more than 200,000 fans, competitors and others. The 1999 and 2000 games were held in San Francisco and were the first full professional sporting event broadcast live on the internet. The 2001 and 2002 versions moved to Philadelphia and included Taïg Khris winning the inline vert event, with the first double backflip in X Games history and Mike Metzger landing the first back flip in motocross freestyle X Games history.

X Games Nine moved to the Staples Center and LA Coliseum in Los Angeles in 2003. The venues were expanded in 2004 to include the Staples Center, Home Depot Center, and Long Beach Marine Stadium. The games have been held in Los Angeles through 2013 with several venue shifts and included numerous firsts:

- 2005: Jamie Bestwick landed the first ever double tailwhip flair in the BMX Vert Best Trick event. Travis Pastrana won gold in motocross freestyle again and became the most decorated athlete in motocross
- 2006: Travis Pastrana landed the world's first double backflip on a dirt bike, and won motocross best trick with a score of 98.60, the highest current score in best trick. Skateboarder Nyjah Huston became the youngest athlete to compete in X Games at 11 years old.

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- 2007: Ricky Carmichael won the first ever motocross racing circuit. Simon Tabron landed an X Games' first, doing back-to-back 900s in BMX vert.
  - 2008: Skateboarder Andy Macdonald won his 15th X Games medal, surpassing Tony Hawk as the all-time leader in skateboarding medals. Tarah Gieger of Puerto Rico won the gold medal in the first-ever women's supercross race.
  - 2009: Anthony Napolitan landed the first ever double front flip on a bicycle. Blake Williams became the first non-American rider to win FMX gold. Ashley Fiolek, 18, won the women's motocross super X, becoming the Games' first deaf medalist.
  - 2010: Jamie Bestwick became the first person to 4-peat with a win in BMX vert. Pierre-Luc Gagnon became the first athlete to win in skateboard vert three times, beating the silver medalist, Shaun White.
  - 2011: Shaun White earned his second gold medal in skateboard vert, breaking Pierre Luc Gagnon's 3-year winning streak. Liam Doran took gold on his debut in the rally car racing event after beating Marcus Gronholm in the final.
  - 2012: Bob Burnquist won his fourth Big Air gold medal, and raising his gold medal total to nine. Ronnie Renner won the gold medal in Moto X Step Up, breaking the previous record height of 37' by 10' making it the highest ever at the X Games with 47'.

In 2013 X Games expanded internationally holding events in Foz do Iguacu, Brazil, Barcelona, Spain and Munich, Germany. The 2013 event in Los Angeles saw Vicki Golden win her 3rd consecutive gold medal in women's moto x racing, defeating Meghan Rutledge. Golden also became the 1st women to compete in a freestyle moto x competition, earning bronze in best whip.

After more than a decade being hosted in Los Angeles, it was announced in August 2013 that Austin's Circuit of the Americas complex would be the venue for all future X Games excitement at least until 2017.<sup>1</sup>

X Games' organizers at ESPN announced that Texas' state capital had been selected to replace Los Angeles as its new North American home. Initially it was announced the event would be held May 15-18, but the date was later moved to June 5 - 8. Austin was picked for the X Games in an Olympic-style selection process. Of 13 qualified bids, the decision came down to Austin, Chicago, Detroit and Charlotte, N.C.

In June 2014, downtown Austin hosted the first day of X Games competition with the State Capital as the backdrop. Austin's new sports and entertainment venue---Circuit of the Americas

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(COTA)--- then hosted the final three days of the X Games' competitions as well as concerts and festival villages that supplemented the sports event.

## 2014 Summer X Games Attendance

Moving a major sporting event such as X Games to a new venue half-way across the country from its previous site always results in major attendance changes. The experience at the 2014 X Games is no exception.

According to officials with ESPN and Circuit of the Americas, the inaugural X Games Austin event drew more than 160,000 over the four days from June 5 to 8. That made X Games Austin the highest non-Formula 1 attended sports and entertainment event at COTA since the venue's grand opening in 2012.<sup>2</sup>

This total four-day attendance figure is composed of a number of distinct groups present at the event based on ESPN and COTA estimates<sup>3</sup>:

Table 1  
**Attendance Breakdown at 2014 X Games Austin**

	<u>ESPN Staff</u>	<u>Athletes</u>	<u>Judges</u>	<u>Athlete Managers &amp; Guests</u>	<u>Sponsors &amp; Industry/ ESPN Guests</u>	<u>Media</u>	<u>Ticketed Fans*</u>
5-Jun-14	1,795	269	62	1,682	2,117	634	19,000
6-Jun-14	1,987	297	248	1,862	2,343	702	31,138
7-Jun-14	2,004	300	250	1,878	2,364	708	48,029
8-Jun-14	1,969	295	246	1,845	2,323	696	34,693

TOTAL FOUR DAY ATTENDANCE 161,734

\*Estimated for June 4 which was a non-ticketed event

Based on estimates from ESPN and from a fan survey with more than 4,000 responses, it is estimated that a total of 16,141 persons from outside Texas were in Austin for the X Games on

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June 7, 2014. This means that 29 percent of 56,027 people in Austin for the X Games that day were from outside Texas.<sup>4</sup>

For 2015, the event will be held from June 4 to 7. Assuming no attendance change from 2014 and including the attendance during the preparation for the event and post-event tear down, the likely attendance at the 2015 X Games Austin should closely approximate the pattern in Table 2.



Table 2  
Projected Attendance at 2015 X Games Austin

<u>Date</u>	<u>ESPN Staff</u>	<u>Athletes</u>	<u>Judges</u>	<u>Managers &amp; Athlete Guests</u>	<u>Sponsors, ESPN &amp; Industry Guests</u>	<u>Media</u>	<u>Fans</u>	<u>OOS Fans @ Events</u>	<u>OOS Fans not @ Events</u>	<u>OOS Fans in Austin</u>
19-May	58	-	-	-	-	-	-	-	-	-
20-May	61	-	-	-	-	-	-	-	-	-
21-May	81	-	-	-	-	-	-	-	-	-
22-May	99	-	-	-	-	-	-	-	-	-
23-May	128	-	-	-	-	-	-	-	-	-
24-May	140	-	-	-	-	-	-	-	-	-
25-May	192	-	-	-	-	-	-	-	-	-
26-May	259	-	-	-	-	-	-	-	-	-
27-May	332	-	-	-	-	-	-	-	-	-
28-May	433	-	-	-	-	-	-	-	-	-
29-May	509	-	-	-	-	-	-	-	-	-
30-May	657	-	-	-	-	-	-	-	-	-
31-May	782	-	-	-	-	-	-	-	-	-
1-Jun	1,035	-	-	-	-	-	-	-	-	1,403
2-Jun	1,300	-	-	-	-	-	-	-	-	2,551
3-Jun	1,606	120	-	751	473	-	-	-	-	4,638
4-Jun	1,795	240	62	1,502	1,891	566	19,000	3,313	1,325	9,852
5-Jun	1,987	296	247	1,855	2,335	699	31,138	7,579	2,274	9,888
6-Jun	2,004	300	250	1,878	2,364	708	48,029	9,394	494	7,945
7-Jun	1,969	314	262	1,967	2,476	742	34,693	6,111	1,833	4,370
8-Jun	1,786	239	199	1,495	1,882	564	-	-	-	-
9-Jun	558	119	80	748	376	-	-	-	-	-
10-Jun	311	-	-	-	-	-	-	-	-	-
11-Jun	137	-	-	-	-	-	-	-	-	-
12-Jun	79	-	-	-	-	-	-	-	-	-
13-Jun	41	-	-	-	-	-	-	-	-	-
14-Jun	9	-	-	-	-	-	-	-	-	-
15-Jun	6	-	-	-	-	-	-	-	-	-
16-Jun	6	-	-	-	-	-	-	-	-	-

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In particular, Table 2 estimates that 19.9 percent of all ticketed fans at the peak attendance came from outside Texas. This figure is derived from an internet fan survey of slightly more than 4,000 event attendees which indicated that 85 percent of the survey respondents were from Texas with 15 percent being from outside Texas. But, twelve percent of all respondents indicated that while they themselves were from Texas, they attended X Games Austin accompanied by one or more fans from outside of Texas. Including those fans from outside of Texas who accompanied a fan from Texas to the event indicates that just short of twenty percent of all fans in attendance at the event were from outside Texas. Finally, Table 2 adjusts the at-event attendance by out-of-state visitors to reflect the tendency for out-of-state fans to attend other attractions in Austin some days of their stay rather than attending all days of the X Games based on the survey responses as to how often out-of-state fans attended X Games events each day.

The last column of Table 2 estimates the pattern of stay by out-of-state fans at X Games in the Austin area. This pattern of stay is estimated to be consistent both with overall ticket sales and the fan survey responses indicating that out-of-state fans stayed, on average, 3.11 nights in Austin for the event.

### **Event Presentation Costs and Ticket Sales**

From 2010 to 2013, X Games event presentation costs averaged \$16.9 million in California. But for Austin, it was expected that these costs would amount to about \$19 million with about \$10 million spent directly in Texas.<sup>5</sup> Table 3 presents some detail about these expenditures in Texas including the amount subject to state sales tax.<sup>6</sup>

Table 3  
**Event Presentation Expenses for X Games Austin**

<u>Expenditure</u>	<u>Amount</u>	<u>Sales Tax</u>
Festival Entertainment & Competitions	\$1,100,000	\$938
Venue and Production Equipment Rental	\$2,200,000	\$93,750
Marketing, Promotions, Advertising	\$1,750,000	
Course & Venue Construction	\$1,519,000	\$94,938
Venue and Production Services	\$475,000	
Local Staffing	\$1,275,000	
Catering - Hospitality	\$875,000	\$54,688
Venue and Production Misc.	\$100,000	\$6,250
 Total Event Production Spend in Texas	 \$8,194,000	 \$250,563



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Ticket revenues for 2014 averaged \$45 a day per ticket.<sup>7</sup> Based on the sales from 2014, total ticket revenue from out-of-state fans reached approximately \$1.04 million generating nearly \$65,000 in state sales taxes from tickets sold to out-of-state fans.

## Direct Economic Gains from 2015 X Games

As just discussed, the economic gains from events such as the 2014 X Games Austin are significant for the state and for the local economy. Under a conservative assumption that the activity at the 2015 X Games Austin will only meet the level of fan and other visitor activity seen in 2014, the 2015 Austin X Games are expected to fill an estimated 33,500 hotel room nights and generate an estimated total direct spending by ESPN personnel, athletes, managers, sponsors, guests, media and fans of nearly \$31.3 million.<sup>8</sup> This gain is composed of \$8.0 million in lodging expenditures, \$7.5 million in food and beverage expenditures and more than \$4.9 million in entertainment and shopping expenditures.

Table 4  
**Expenditure and Impact Summary for the  
Projected Attendance at 2015 X Games Austin**  
June 4 - 7, 2015

Total Room nights	33,574
Hotel Expenditure	\$8,007,013
Food and Beverage	\$7,553,389
Entertainment & Shopping	\$4,901,196
Other Expenditures	\$10,800,279
<b>Total Economic Impact</b>	<b>\$31,261,877</b>

In calculating these gains a number of event-specific data points are used. These include the hotel room costs based on what ESPN paid each day for their employees at the games.<sup>9</sup> In addition, the 2014 fan survey from the X Games event indicated 79 percent of out-of-state fans for the event stayed in hotels.

Also used in establishing expenditure patterns for X Games were the spending patterns derived from the fan survey indicating that each out of state fan spent \$102.93 on food and non-alcoholic beverages each day, \$13.17 on mixed drinks each day, \$15.38 on merchandise at the event each day, \$26.37 on merchandise in Austin outside of the event each day, and \$28.01 on other entertainment each day.

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## Event Trust Fund Tax Gain

In 2009 the Texas legislature established the Events Trust Fund to assist in attracting to Texas or retaining in Texas sporting and other events that could well be moved outside the state. The provisions of this law allow the Comptroller to deposit into a trust fund established for a qualifying event the amount of state hotel, sales and use, motor vehicle rental and alcohol taxes that can be attributed to the incremental gain in economic activity to the state from hosting the event. To qualify for reimbursement from the Trust Fund, the local sponsoring municipality or county must contribute matching tax revenues received from hosting the event at the rate of \$1 local tax dollar for every \$6.25 in state tax contributions.

Based on statutory tax rates and the attendance figures presented in Table 2, Table 4 projects the tax gain to the state and to the City of Austin from hosting the 2015 X Games. In 2015, this event is expected to generate a total of \$1,705,151 in state tax revenues which could be deposited into the trust fund to support this event. However, since 2015 marks the second year this event has been held in Texas, this reduces the total state contribution to \$1,457,344. The total local tax gain to the City of Austin is estimated to reach \$721,308 which greatly exceeds the maximum matching requirement for state taxes of \$233,183. Accordingly, CELOC requests the Comptroller to set-up an Event Trust Fund account for this event to contain \$1,457,344 in eligible state tax revenues when matched by local contributions by or on behalf of the City of Austin of \$233,183 for a total trust fund amount of \$1,690,577.

Table 5  
State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin

**Hotel Expenditures:**

	Room Cost/ night	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Sponsors, Industry, & ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax <sup>10</sup>
Per. / rm % in hotel <sup>11</sup>		1.75 100%	1.75 86%	1.25 95%	2.00 86%	2.00 86%	1.25 43%	2.00 79%		
19-May	\$184	\$4,287	\$0	\$0	\$0	\$0	\$0	\$0	\$257	\$386
20-May	\$184	\$4,504	\$0	\$0	\$0	\$0	\$0	\$0	\$270	\$405
21-May	\$185	\$6,017	\$0	\$0	\$0	\$0	\$0	\$0	\$361	\$542
22-May	\$185	\$7,315	\$0	\$0	\$0	\$0	\$0	\$0	\$439	\$658
23-May	\$185	\$9,478	\$0	\$0	\$0	\$0	\$0	\$0	\$569	\$853
24-May	\$185	\$10,349	\$0	\$0	\$0	\$0	\$0	\$0	\$621	\$931
25-May	\$185	\$14,223	\$0	\$0	\$0	\$0	\$0	\$0	\$853	\$1,280
26-May	\$185	\$19,147	\$0	\$0	\$0	\$0	\$0	\$0	\$1,149	\$1,723
27-May	\$186	\$24,711	\$0	\$0	\$0	\$0	\$0	\$0	\$1,483	\$2,224
28-May	\$185	\$32,153	\$0	\$0	\$0	\$0	\$0	\$0	\$1,929	\$2,894
29-May	\$186	\$37,796	\$0	\$0	\$0	\$0	\$0	\$0	\$2,268	\$3,402
30-May	\$185	\$48,590	\$0	\$0	\$0	\$0	\$0	\$0	\$2,915	\$4,373
31-May	\$187	\$58,528	\$0	\$0	\$0	\$0	\$0	\$0	\$3,512	\$5,267
1-Jun	\$190	\$78,504	\$0	\$0	\$0	\$0	\$0	\$0	\$4,710	\$7,065
2-Jun	\$188	\$97,918	\$0	\$0	\$0	\$0	\$0	\$104,014	\$12,116	\$18,174
3-Jun	\$188	\$121,025	\$11,049	\$0	\$60,519	\$38,090	\$0	\$189,283	\$25,198	\$33,761
4-Jun	\$196	\$140,564	\$22,961	\$9,192	\$125,769	\$158,316	\$38,331	\$357,604	\$51,164	\$67,256
5-Jun	\$220	\$174,850	\$31,851	\$41,315	\$174,466	\$219,615	\$53,172	\$853,626	\$92,934	\$121,409
6-Jun	\$221	\$177,012	\$32,366	\$41,983	\$177,287	\$223,167	\$54,032	\$859,792	\$93,938	\$122,728
7-Jun	\$219	\$172,855	\$33,693	\$43,704	\$184,556	\$232,316	\$42,759	\$686,527	\$83,785	\$109,749
8-Jun	\$195	\$139,595	\$11,404	\$11,833	\$62,464	\$31,451	\$0	\$336,225	\$35,578	\$47,407
9-Jun	\$188	\$41,983	\$0	\$0	\$0	\$0	\$0	\$0	\$2,519	\$3,778
10-Jun	\$185	\$23,072	\$0	\$0	\$0	\$0	\$0	\$0	\$1,384	\$2,076
11-Jun	\$187	\$10,229	\$0	\$0	\$0	\$0	\$0	\$0	\$614	\$921
12-Jun	\$186	\$5,852	\$0	\$0	\$0	\$0	\$0	\$0	\$351	\$527
13-Jun	\$187	\$5,864	\$0	\$0	\$0	\$0	\$0	\$0	\$352	\$528
14-Jun	\$188	\$3,058	\$0	\$0	\$0	\$0	\$0	\$0	\$183	\$275
15-Jun	\$189	\$658	\$0	\$0	\$0	\$0	\$0	\$0	\$40	\$59
<b>Total</b>									<b>\$421,492</b>	<b>\$560,652</b>

Table 5, continued  
State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin

**Food & Bev. Expend.**

Date	ESPN Staff in Hotels <sup>12</sup>	Athletes	Judges	Athlete Managers & Guests	Sponsors, Industry & ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax <sup>13</sup>
19-May	\$1,048	\$0	\$0	\$0	\$0	\$0	\$0	\$65	\$10
20-May	\$2,148	\$0	\$0	\$0	\$0	\$0	\$0	\$134	\$21
21-May	\$2,567	\$0	\$0	\$0	\$0	\$0	\$0	\$160	\$26
22-May	\$3,248	\$0	\$0	\$0	\$0	\$0	\$0	\$203	\$32
23-May	\$4,087	\$0	\$0	\$0	\$0	\$0	\$0	\$255	\$41
24-May	\$4,820	\$0	\$0	\$0	\$0	\$0	\$0	\$301	\$48
25-May	\$5,973	\$0	\$0	\$0	\$0	\$0	\$0	\$373	\$60
26-May	\$8,121	\$0	\$0	\$0	\$0	\$0	\$0	\$508	\$81
27-May	\$10,635	\$0	\$0	\$0	\$0	\$0	\$0	\$665	\$106
28-May	\$13,779	\$0	\$0	\$0	\$0	\$0	\$0	\$861	\$138
29-May	\$16,975	\$0	\$0	\$0	\$0	\$0	\$0	\$1,061	\$170
30-May	\$21,009	\$0	\$0	\$0	\$0	\$0	\$0	\$1,313	\$210
31-May	\$25,934	\$0	\$0	\$0	\$0	\$0	\$0	\$1,621	\$259
1-Jun	\$32,745	\$0	\$0	\$0	\$0	\$0	\$0	\$2,047	\$327
2-Jun	\$42,070	\$0	\$0	\$0	\$0	\$0	\$34,338	\$4,776	\$713
3-Jun	\$52,339	\$5,867	\$0	\$36,727	\$22,603	\$0	\$72,205	\$11,859	\$1,725
4-Jun	\$61,245	\$17,601	\$3,113	\$110,182	\$90,414	\$29,150	\$203,487	\$32,200	\$4,611
5-Jun	\$68,109	\$26,219	\$15,565	\$164,133	\$111,613	\$65,134	\$369,977	\$51,297	\$7,269
6-Jun	\$71,881	\$29,153	\$25,061	\$182,497	\$113,017	\$72,422	\$745,746	\$77,486	\$10,853
7-Jun	\$71,566	\$30,031	\$25,816	\$187,996	\$118,382	\$74,604	\$1,015,958	\$95,272	\$13,281
8-Jun	\$67,637	\$27,043	\$23,248	\$169,290	\$89,993	\$67,181	\$917,787	\$85,136	\$11,850
9-Jun	\$42,227	\$17,519	\$14,056	\$109,669	\$17,999	\$29,014	\$633,763	\$54,015	\$7,458
10-Jun	\$15,665	\$5,840	\$4,016	\$36,556	\$0	\$0	\$224,884	\$17,935	\$2,469
11-Jun	\$8,068	\$0	\$0	\$0	\$0	\$0	\$0	\$504	\$81
12-Jun	\$3,877	\$0	\$0	\$0	\$0	\$0	\$0	\$242	\$39
13-Jun	\$2,829	\$0	\$0	\$0	\$0	\$0	\$0	\$177	\$28
14-Jun	\$2,148	\$0	\$0	\$0	\$0	\$0	\$0	\$134	\$21
15-Jun	\$891	\$0	\$0	\$0	\$0	\$0	\$0	\$56	\$9
16-Jun	\$262	\$0	\$0	\$0	\$0	\$0	\$0	\$16	\$3
<b>Total</b>								<b>\$440,673</b>	<b>\$61,940</b>

Table 5, continued



State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin

**Entertain. & Shopping**

Date	ESPN Staff in Hotels <sup>14</sup>	Athletes	Judges	Athlete Managers & Guests	Sponsors, Industry & ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax
19-May	\$355	\$0	\$0	\$0	\$0	\$0	\$0	\$22	\$4
20-May	\$728	\$0	\$0	\$0	\$0	\$0	\$0	\$45	\$7
21-May	\$870	\$0	\$0	\$0	\$0	\$0	\$0	\$54	\$9
22-May	\$1,101	\$0	\$0	\$0	\$0	\$0	\$0	\$69	\$11
23-May	\$1,385	\$0	\$0	\$0	\$0	\$0	\$0	\$87	\$14
24-May	\$1,633	\$0	\$0	\$0	\$0	\$0	\$0	\$102	\$16
25-May	\$2,024	\$0	\$0	\$0	\$0	\$0	\$0	\$126	\$20
26-May	\$2,752	\$0	\$0	\$0	\$0	\$0	\$0	\$172	\$28
27-May	\$3,604	\$0	\$0	\$0	\$0	\$0	\$0	\$225	\$36
28-May	\$4,669	\$0	\$0	\$0	\$0	\$0	\$0	\$292	\$47
29-May	\$5,752	\$0	\$0	\$0	\$0	\$0	\$0	\$360	\$58
30-May	\$7,119	\$0	\$0	\$0	\$0	\$0	\$0	\$445	\$71
31-May	\$8,788	\$0	\$0	\$0	\$0	\$0	\$0	\$549	\$88
1-Jun	\$11,096	\$0	\$0	\$0	\$0	\$0	\$0	\$694	\$111
2-Jun	\$14,256	\$0	\$0	\$0	\$0	\$0	\$44,966	\$3,701	\$525
3-Jun	\$17,736	\$3,976	\$0	\$24,892	\$15,319	\$0	\$48,936	\$6,929	\$992
4-Jun	\$20,754	\$11,929	\$2,110	\$74,675	\$61,277	\$19,756	\$137,912	\$20,526	\$2,918
5-Jun	\$23,080	\$17,770	\$10,549	\$111,240	\$75,645	\$44,144	\$250,749	\$33,324	\$4,696
6-Jun	\$24,358	\$19,758	\$16,985	\$123,686	\$76,597	\$49,083	\$505,423	\$50,993	\$7,112
7-Jun	\$24,252	\$20,354	\$17,497	\$127,413	\$80,233	\$50,562	\$688,558	\$63,054	\$8,758
8-Jun	\$22,920	\$18,328	\$15,756	\$114,735	\$60,992	\$45,531	\$622,023	\$56,268	\$7,802
9-Jun	\$14,310	\$11,873	\$9,526	\$74,327	\$12,198	\$19,664	\$429,528	\$35,714	\$4,911
10-Jun	\$5,308	\$3,958	\$2,722	\$24,776	\$0	\$0	\$152,413	\$11,824	\$1,620
11-Jun	\$2,734	\$0	\$0	\$0	\$0	\$0	\$0	\$171	\$27
12-Jun	\$1,314	\$0	\$0	\$0	\$0	\$0	\$0	\$82	\$13
13-Jun	\$959	\$0	\$0	\$0	\$0	\$0	\$0	\$60	\$10
14-Jun	\$728	\$0	\$0	\$0	\$0	\$0	\$0	\$45	\$7
15-Jun	\$302	\$0	\$0	\$0	\$0	\$0	\$0	\$19	\$3
16-Jun	\$89	\$0	\$0	\$0	\$0	\$0	\$0	\$6	\$1
<b>Total</b>								<b>\$285,958</b>	<b>\$39,914</b>

Table 5, continued  
State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin

State Mixed Bev. Tax:

Date	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Sponsors, Industry & ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax
19-May	\$34	\$0	\$0	\$0	\$0	\$0	\$0	\$4	\$0
20-May	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$8	\$1
21-May	\$82	\$0	\$0	\$0	\$0	\$0	\$0	\$10	\$1
22-May	\$104	\$0	\$0	\$0	\$0	\$0	\$0	\$12	\$1
23-May	\$131	\$0	\$0	\$0	\$0	\$0	\$0	\$15	\$2
24-May	\$154	\$0	\$0	\$0	\$0	\$0	\$0	\$18	\$2
25-May	\$191	\$0	\$0	\$0	\$0	\$0	\$0	\$22	\$2
26-May	\$260	\$0	\$0	\$0	\$0	\$0	\$0	\$30	\$3
27-May	\$340	\$0	\$0	\$0	\$0	\$0	\$0	\$40	\$4
28-May	\$441	\$0	\$0	\$0	\$0	\$0	\$0	\$51	\$5
29-May	\$543	\$0	\$0	\$0	\$0	\$0	\$0	\$63	\$6
30-May	\$672	\$0	\$0	\$0	\$0	\$0	\$0	\$78	\$8
31-May	\$830	\$0	\$0	\$0	\$0	\$0	\$0	\$97	\$10
1-Jun	\$1,047	\$0	\$0	\$0	\$0	\$0	\$0	\$122	\$12
2-Jun	\$1,346	\$0	\$0	\$0	\$0	\$0	\$9,821	\$1,303	\$112
3-Jun	\$1,674	\$375	\$0	\$4,699	\$2,892	\$0	\$9,239	\$2,203	\$194
4-Jun	\$1,959	\$1,126	\$199	\$14,098	\$11,569	\$3,730	\$26,036	\$6,852	\$603
5-Jun	\$2,179	\$1,677	\$996	\$21,001	\$14,281	\$8,334	\$47,339	\$11,181	\$975
6-Jun	\$2,299	\$1,865	\$1,603	\$23,351	\$14,461	\$9,266	\$95,419	\$17,302	\$1,494
7-Jun	\$2,289	\$1,921	\$1,652	\$24,054	\$15,147	\$9,546	\$129,993	\$21,543	\$1,853
8-Jun	\$2,164	\$1,730	\$1,487	\$21,661	\$11,515	\$8,596	\$117,432	\$19,207	\$1,649
9-Jun	\$1,351	\$1,121	\$899	\$14,032	\$2,303	\$3,712	\$81,091	\$12,196	\$1,038
10-Jun	\$501	\$374	\$257	\$4,677	\$0	\$0	\$28,774	\$4,036	\$342
11-Jun	\$258	\$0	\$0	\$0	\$0	\$0	\$0	\$30	\$3
12-Jun	\$124	\$0	\$0	\$0	\$0	\$0	\$0	\$14	\$1
13-Jun	\$90	\$0	\$0	\$0	\$0	\$0	\$0	\$11	\$1
14-Jun	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$8	\$1
15-Jun	\$28	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
16-Jun	\$8	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$0
Total Tax								\$96,463	\$8,325

Table 5, continued

**State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin**

**Title 5 ABC State Tax<sup>15</sup>:**

Date	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Sponsors, Industry & ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax
19-May	\$34	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$0
20-May	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
21-May	\$82	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
22-May	\$104	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
23-May	\$131	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
24-May	\$154	\$0	\$0	\$0	\$0	\$0	\$0	\$4	\$0
25-May	\$191	\$0	\$0	\$0	\$0	\$0	\$0	\$5	\$0
26-May	\$260	\$0	\$0	\$0	\$0	\$0	\$0	\$7	\$0
27-May	\$340	\$0	\$0	\$0	\$0	\$0	\$0	\$9	\$0
28-May	\$441	\$0	\$0	\$0	\$0	\$0	\$0	\$11	\$0
29-May	\$543	\$0	\$0	\$0	\$0	\$0	\$0	\$14	\$0
30-May	\$672	\$0	\$0	\$0	\$0	\$0	\$0	\$17	\$0
31-May	\$830	\$0	\$0	\$0	\$0	\$0	\$0	\$21	\$0
1-Jun	\$1,047	\$0	\$0	\$0	\$0	\$0	\$0	\$27	\$0
2-Jun	\$1,346	\$0	\$0	\$0	\$0	\$0	\$9,821	\$286	\$0
3-Jun	\$1,674	\$375	\$0	\$4,699	\$2,892	\$0	\$9,239	\$483	\$0
4-Jun	\$1,959	\$1,126	\$199	\$14,098	\$11,569	\$3,730	\$26,036	\$1,503	\$0
5-Jun	\$2,179	\$1,677	\$996	\$21,001	\$14,281	\$8,334	\$47,339	\$2,453	\$0
6-Jun	\$2,299	\$1,865	\$1,603	\$23,351	\$14,461	\$9,266	\$95,419	\$3,796	\$0
7-Jun	\$2,289	\$1,921	\$1,652	\$24,054	\$15,147	\$9,546	\$129,993	\$4,726	\$0
8-Jun	\$2,164	\$1,730	\$1,487	\$21,661	\$11,515	\$8,596	\$117,432	\$4,213	\$0
9-Jun	\$1,351	\$1,121	\$899	\$14,032	\$2,303	\$3,712	\$81,091	\$2,675	\$0
10-Jun	\$501	\$374	\$257	\$4,677	\$0	\$0	\$28,774	\$885	\$0
11-Jun	\$258	\$0	\$0	\$0	\$0	\$0	\$0	\$7	\$0
12-Jun	\$124	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
13-Jun	\$90	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
14-Jun	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
15-Jun	\$28	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$0
16-Jun	\$8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Tax</b>								<b>\$21,161</b>	<b>\$0</b>

Table 5, continued



**State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin**

Car Rental Tax	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Sponsors, Industry & ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax
Persons/ grp	1.75	1.75	1.25	2.00	2.00	1.25	2.00		
% Renting <sup>16</sup>	33%	33%	33%	33%	33%	33%	43%		
Cost / day	\$80.40	\$80.40	\$80.40	\$80.40	\$80.40	\$80.40	\$80.40		
19-May	\$617	\$0	\$0	\$0	\$0	\$0	\$0	\$62	\$0
20-May	\$648	\$0	\$0	\$0	\$0	\$0	\$0	\$65	\$0
21-May	\$864	\$0	\$0	\$0	\$0	\$0	\$0	\$86	\$0
22-May	\$1,049	\$0	\$0	\$0	\$0	\$0	\$0	\$105	\$0
23-May	\$1,358	\$0	\$0	\$0	\$0	\$0	\$0	\$136	\$0
24-May	\$1,482	\$0	\$0	\$0	\$0	\$0	\$0	\$148	\$0
25-May	\$2,037	\$0	\$0	\$0	\$0	\$0	\$0	\$204	\$0
26-May	\$2,747	\$0	\$0	\$0	\$0	\$0	\$0	\$275	\$0
27-May	\$3,519	\$0	\$0	\$0	\$0	\$0	\$0	\$352	\$0
28-May	\$4,599	\$0	\$0	\$0	\$0	\$0	\$0	\$460	\$0
29-May	\$5,402	\$0	\$0	\$0	\$0	\$0	\$0	\$540	\$0
30-May	\$6,976	\$0	\$0	\$0	\$0	\$0	\$0	\$698	\$0
31-May	\$8,303	\$0	\$0	\$0	\$0	\$0	\$0	\$830	\$0
1-Jun	\$10,988	\$0	\$0	\$0	\$0	\$0	\$0	\$1,099	\$0
2-Jun	\$13,797	\$0	\$0	\$0	\$0	\$0	\$24,251	\$3,805	\$0
3-Jun	\$17,038	\$1,819	\$0	\$9,965	\$6,272	\$0	\$44,093	\$7,919	\$0
4-Jun	\$19,045	\$3,638	\$1,310	\$19,930	\$25,087	\$12,022	\$80,168	\$16,120	\$0
5-Jun	\$21,082	\$4,492	\$5,240	\$24,603	\$30,970	\$14,840	\$170,299	\$27,152	\$0
6-Jun	\$21,267	\$4,548	\$5,306	\$24,912	\$31,359	\$15,027	\$170,922	\$27,334	\$0
7-Jun	\$20,897	\$4,764	\$5,558	\$26,095	\$32,848	\$11,966	\$137,327	\$23,945	\$0
8-Jun	\$18,952	\$1,811	\$1,690	\$9,918	\$4,994	\$0	\$75,530	\$11,289	\$0
9-Jun	\$5,926	\$0	\$0	\$0	\$0	\$0	\$0	\$593	\$0
10-Jun	\$3,303	\$0	\$0	\$0	\$0	\$0	\$0	\$330	\$0
11-Jun	\$1,451	\$0	\$0	\$0	\$0	\$0	\$0	\$145	\$0
12-Jun	\$833	\$0	\$0	\$0	\$0	\$0	\$0	\$83	\$0
13-Jun	\$833	\$0	\$0	\$0	\$0	\$0	\$0	\$83	\$0
14-Jun	\$432	\$0	\$0	\$0	\$0	\$0	\$0	\$43	\$0
15-Jun	\$93	\$0	\$0	\$0	\$0	\$0	\$0	\$9	\$0
16-Jun	\$62	\$0	\$0	\$0	\$0	\$0	\$0	\$6	\$0
Total Tax								\$123,917	\$0
Other Expenditures:			Total	OOS				State Tax	Local Tax
Tickets			\$5,123,700	\$1,038,785				\$64,924	\$10,388
Event Production			\$8,194,000					\$250,563	\$40,090
Total Tax								\$315,487	\$50,478
Total All Taxes								\$1,705,151	\$721,308
Repeat Event Adjustment						\$1,457,394			
Local Match Requirement						\$233,183			
Total Event Trust Fund						\$1,690,577			

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**Appendix A:**  
**Event Award Letter**

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## Endnotes

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<sup>1</sup> <http://www.venuestoday.com/news/detail/x-games-chooses-austin0814>

<sup>2</sup> COTA press release data June 9, 2014.

<sup>3</sup> Internet survey conducted by COTA of ticket purchasers at X Games Austin with 4,012 responses indicating that at peak 19.9 percent of those attending X Games were from outside Texas with just under an additional 2 percent of out-of-state visitors in Austin for X Games that day but not attending the event that day for an effective out-of-state fan percentage of 21 percent of ticketed sales. Ticket sales data and Thursday attendance estimate from COTA. Total ESPN, competitor, judge, coach, media, and industry attendees (in and out of state) provided by Dr. Linda K. Moore, Senior Director, Business Operations & Planning, ESPN Productions Inc., One ESPN Plaza, Bristol, CT 06010 to Don Hoyte, TexasTrustFunds.com on November 5, 2014.

<sup>4</sup> The 56,027 daily total includes the 55,533 people enumerated in Table 1 plus a survey-estimated 494 fans in town for X Games but not attending the event that day.

<sup>5</sup> Email from Dr. Linda K. Moore, Senior Director, Business Operations & Planning, ESPN Productions Inc., One ESPN Plaza, Bristol, CT 06010 to Don Hoyte, TexasTrustFunds.com on November 6, 2014.

<sup>6</sup> The total event presentation spend in Texas of includes expenditures on hotels for staff which is covered in detail in Table 5 so these are not included in Table 3.

<sup>7</sup> Email From Linda Moore, Senior Director, Business Operations & Planning, ESPN Productions Inc., One ESPN Plaza, Bristol, CT 06010 to Don Hoyte, TexasTrustFunds.com October 31, 2014.

<sup>8</sup> Note the figures in Table 4 focus on expenditures for which a state tax gain under the Event Trust Funds is expected. As such those figures include athletes, managers, trainers, sponsors, media, industry guests (and their friends and family that accompany them) plus the out-of state fans attending the event and affiliated visitors. It is not a generalized economic impact since it excludes spending by local fans and other Texans at the event and in Austin while attending the event as well as event presentation expenses not subject to sales tax.

<sup>9</sup> The 2014 nightly hotel expenditure data for ESPN employees was provided by Linda Moore of ESPN. Since ESPN has since renegotiated their hotel contracts for 2015 at significantly higher rates than in 2014, the 2014 nightly hotel cost figure were increased by 10 percent to reflect higher costs. These figures were also applied to the other groups attending X Games as a reasonable surrogate for their room rates. It should be noted that the 2014 fan survey indicated fans paid an average of \$179 per room per night and utilized 1.1 rooms. But since no group size figures were collected from that survey, it is not possible to directly use the survey's room price figure for fans.

<sup>10</sup> Note that at peak attendance, a total of about 7,200 hotel rooms will be required for all participants and out-of-state fans for X Games. The number of hotel rooms in the Austin area totals about 30,000 so this level of demand by X Games attendees, while significant, should not overly tax the availability of hotel rooms. Since facilities in the City of Austin account for about 85 percent of all hotel rooms in the region, during the four peak days of the X

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Games event it is estimated that the City of Austin should host about 85 percent of participant and out-of-state fan spending. Earlier in the week when room demand is considerable lower, proximity of Austin hotels to COTA will probably result in the City of Austin hosting all of X Games activity. Hotel tax gains to the city as well as sales and alcoholic beverage tax gains are adjusted accordingly.

<sup>11</sup> Fan percentage in hotels from fan survey. Percentage for other categories from ESPN

<sup>12</sup> Daily expenditures by OOS ESPN staff at half that from Fan survey or \$51.46 per person per day.

<sup>13</sup> See note 10. Similar percentages apply for the local tax in this table.

<sup>14</sup> Shopping and Entertainment expenses for OOS ESPN staff at a quarter of the fan survey amount of \$69.76 per person per day.

<sup>15</sup> In general, Table 5 applies statutory tax rates to relevant expenditures in order to derive tax gains under the event trust fund. However since the Alcoholic Beverage Tax is a complex tax levied on the basis of the alcohol content of various beverages by volume, the estimate of that tax in Table 5 is based on a derived value-based percentage linking revenue from the Alcoholic Beverage Tax to mixed beverage tax sales. Specifically, in the January 2013 Biennial Revenue Estimate prepared by the Comptroller of Public Accounts, the estimated tax gain during the next biennium for the Mixed beverage tax is \$1,624 million (see page 17). The estimated gain from the other Alcoholic Beverage taxes is estimated at \$416 million or roughly a quarter of the tax raised by the state under the Mixed Beverage Tax. Accordingly, Table 5 applies the statutory tax rate of 11 percent to the value of mixed beverages as described in law and approximates the alcoholic beverage tax gains as being 2.56 percent of the value of mixed beverages which raises about a quarter of mixed tax raised by the state under the mixed beverage tax for this event. Since there is no local tax component to the alcoholic beverage tax, no estimate for this is included in Table 5.

<sup>16</sup> For fans this is the percentage of cars rented per group adjusting for the fact that some groups rented more than one car. For other groups, this is set equal to the percentage of fans that said they rented cars but assumes each group rents only one car.

### **ATTACHMENT 3**

#### **Requested X Games Austin Economic Impact Study Market Area**

The requested basic economic impact region for the X Games Austin Event scheduled for the weekend of June 4 - 7, 2015 is the five-county Austin Metropolitan area, including Travis, Williamson, Hays, Bastrop, and Caldwell Counties (collectively, the "***Economic Impact Region***"). This designated Economic Impact Region has been used for the Economic Study



## **ATTACHMENT 4**

### **Events & Activities Schedule**

X Games Austin June 4 – 7, 2015 of the Circuit of the Americas – Austin, TX  
Schedule of Events\*

See Attached Tentative Schedule

\* Anticipated additional events will be added to schedule.

## as of December 8, 2014

Day Date	THURSDAY June 4, 2015	FRIDAY June 5, 2015	SATURDAY June 6, 2015	SUNDAY June 7, 2015
	<b>Downtown</b>	<b>Venue A</b>	<b>Venue A</b>	<b>Venue A</b>
	<b>Step Up</b>	<b>PARK/STREET/BIG AIR</b>	<b>PARK/STREET/BIG AIR</b>	<b>PARK/STREET/BIG AIR</b>
		<b>VERT/MOTO X/RALLY/T/BUCKS</b>	<b>DIRT/MOTO X/RALLY/T/BUCKS</b>	<b>MOTO X/RALLY/T/BUCKS</b>
8:00 AM				
8:30 AM				
9:00 AM				
9:30 AM				
10:00 AM				
10:30 AM				
11:00 AM				
11:30 AM				
<b>12:00 PM</b>		<b>BMX Vert FINAL 11:30 - 12:00</b>		<b>SKB/BMX Big Air Doubles FINAL 11:00 - 12:30</b>
12:30 PM				
1:00 PM		<b>SKB Vert Round One &amp; FINAL 12:30 - 2:00</b>		
1:30 PM				
2:00 PM		<b>BMX Park Round One &amp; FINAL 2:00 - 4:00</b>		
2:30 PM			<b>SKB Street Women's Round One &amp; FINAL 2:30 - 3:30</b>	
3:00 PM				<b>SKB Street Men's Round One &amp; FINAL 2:30 - 4:00</b>
3:30 PM				
4:00 PM			<b>SKB Street Am's Round One &amp; FINAL 4:00 - 5:30</b>	
4:30 PM				
5:00 PM				
5:30 PM				
6:00 PM				
6:30 PM				
7:00 PM	<b>Moto X Step Up</b>	<b>Moto X Enduro X Men's &amp; Women's FINAL 6:00 - 7:30</b>		
7:30 PM				
8:00 PM	<b>FINAL 7:15 - 8:30</b>	<b>SKB Big Air Round One 7:30 - 8:30</b>	<b>Moto X Speed &amp; Style Qtr's/Semi's/Bronze/GOLD 7:00 - 8:30</b>	
8:30 PM				
9:00 PM		<b>SKB Big Air FINAL 9:00 - 10:00</b>	<b>BMX Big Air FINAL 8:30 - 10:00</b>	
9:30 PM				
10:00 PM				
10:30 PM				

\*All times listed are local Austin Texas Time, CENTRAL Time Zone

**Please reference By Day tabs for all practice times**

**ATTACHMENT 5**

**Affidavits Under Rule §2.212(a)(5)**



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

## AFFIDAVIT

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

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

I understand that the city, county or local organizing committee is receiving funding under the Act for the purposes of facilitating this event: X Games Austin 2015 on these dates: June 4 - 7, 2015 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.

Marc A. Ott  
Affiant Signature  
City Manager, City of Austin  
Title and Name of Organization

Sworn and subscribed before me by the said

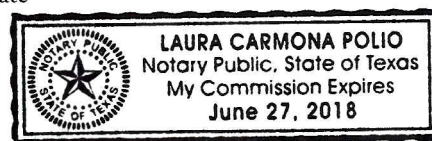
Marc Ott  
(Printed Name of Recipient's Authorized Representative)

this 27th day of January, 20 15.

Notary Public, State of Texas

Notary's printed name: Laura Carmona Polio My commission expires: June 27, 2018 (Seal)

Marc Ott  
Printed Name  
1.25.15  
Date



Laura Carmona Polio  
Notary Public Signature





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

**AFFIDAVIT**

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

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

I understand that the city, county or local organizing committee is receiving funding under the Act for the purposes of facilitating this event:

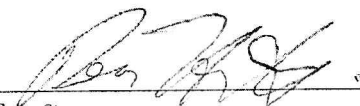
X Games Austin 2015 on these dates: June 4 - 7, 2015 and

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.

  
Affiant Signature

TexasTrustFunds.com

Title and Name of Organization

Don Hoyte

Printed Name

1/9/2015  
Date

Sworn and subscribed before me by the said

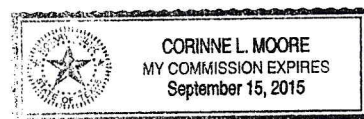
Don Hoyte

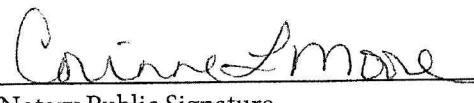
(Printed Name of Recipient's Authorized Representative)

this 9<sup>th</sup> day of January, 2015

Notary Public, State of Texas

Notary's printed name: Corinne Moore My commission expires: Sept 15, 2015 (Seal)



  
Notary Public Signature



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

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

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

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X Games Austin 2015 on these dates: June 4 - 7, 2015 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.

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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.

  
Affiant Signature

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

Wayne S. Hollingsworth

Printed Name

1-9-15  
Date

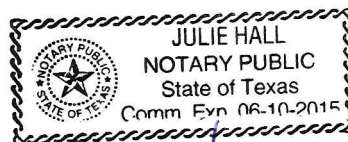
Sworn and subscribed before me by the said

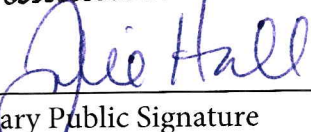
Wayne S. Hollingsworth  
(Printed Name of Recipient's Authorized Representative)

this 9th day of JANUARY, 20 15

Notary Public, State of Texas

Notary's printed name: Julie Hall My commission expires: 6-10-15 (Seal)



  
Notary Public Signature



**ATTACHMENT 6**

**Comptroller Request Worksheet to Establish an Event Trust Fund**



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

#### **STEP 1:**

Review the ETF Administrative Code.

#### **STEP 2:**

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

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

#### **STEP 3:**

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

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

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

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

#### **STEP 4:**

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

#### **STEP 5:**

Submit reimbursement requests.

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



## Request Worksheet to Establish an Events Trust Fund

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

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

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

### SECTION 1: Endorsing Municipality or County

City of Austin

Endorsing City or County

Leela Fireside (Legal Department) and Rodney Gonzales (Economic Development Department)

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

Leela.Fireside@austintexas.gov and

Contact email

Rodney.Gonzales@austintexas.gov

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

Contact phone (area code and phone number)

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

☒ Yes ☐ No

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

☒ Yes ☐ No

### SECTION 2: Local Organizing Committee

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

☒ Yes ☐ No

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

Circuit Events Local Organizing Committee

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

Is the LOC a registered non-profit corporation?

☒ Yes ☐ No

45-2727397

LOC Tax Payer ID#

Circuit Events Local Organizing Committee

Complete Business Name

## SECTION 2: Local Organizing Committee *(continued)*

Wayne S. Hollingsworth

LOC Contact Name

WHollingsworth@abaustin.com

Contact email

(512) 435-2306

Contact phone (area code and phone number)

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

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

## SECTION 3: Site Selection Organization

ESPN, Inc.

Site Selection Organization

Scott Guglielmino, Senior Vice President, Programming and X Games

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

Scott.Guglielmino@espn.com

Contact email

Contact phone (area code and phone number)

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

## SECTION 4: Event Information

ESPN X Games AUSTIN

Official Event Name

Circuit of The Americas

Venue

xgamesaustin.com

Event Website

Location of this event the previous five years:

**1** See Schedule A Attached

**2**

**3**

**4**

**5**

Source of information:



## SECTION 4: Event Information *(continued)*

June 4, 2015	June 7, 2015	June 5, 6, 7, 2015
First Day of Activities	Last Day of Activities	Date of the PRIMARY Event
55,533	16,917	
Anticipated TOTAL attendance at the PRIMARY event	Anticipated Out of State Attendance at the PRIMARY Event	

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

Circuit of the Americas ("COTA") tracks and tabulates attendance figures during each day of the event, including for the primary event day. COTA also conducts various surveys of attendees both during and after the event with the intent to determine an accurate calculation of out-of-state attendees for each day of the event.

## SECTION 5: Checklist

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

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

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

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

Signature

Director

Title

## SCHEDULE A

### Venues

Year	Summer	Winter	Asia	Europe			South America	México
1995	 Newport, Rhode Island	 Stowe, Vermont						
1996	 Newport, Rhode Island	 Stowe						
1997	 San Diego	 Big Bear Lake, California						
1998	 San Diego	 Crested Butte, Colorado	 Phuket					
1999	 San Francisco	 Crested Butte	 Phuket					
2000	 San Francisco	 Mount Snow, Vermont	 Phuket					
2001	 Philadelphia	 Mount Snow	 Phuket					
2002	 Philadelphia	 Aspen	 Kuala Lumpur					
2003	 Los Angeles	 Aspen	 Kuala Lumpur					
2004	 Los Angeles	 Aspen	 Kuala Lumpur					
2005	 Los Angeles	 Aspen	 Seoul					
2006	 Los Angeles	 Aspen	 Kuala Lumpur					
2007	 Los Angeles	 Aspen	 Shanghai					 México City
2008	 Los Angeles	 Aspen	 Shanghai					 México City
2009	 Los Angeles	 Aspen	 Shanghai					
2010	 Los Angeles	 Aspen	 Shanghai	 Tignes				
2011	 Los Angeles	 Aspen	 Shanghai	 Tignes				
2012	 Los Angeles	 Aspen	 Shanghai	 Tignes				
2013	 Los Angeles	 Aspen	 Shanghai	 Tignes	 Barcelona	 Munich	 Foz do Iguaçu	
2014	 Austin, Texas	 Aspen	 Shanghai					



**ATTACHMENT 7**

**City of Austin Letter to Comptroller re Participation**



# City of Austin

## City Manager's Office

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

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

January 27, 2015

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

Comptroller Combs:

The City of Austin requests participation in the Event Trust Fund (ETF) program pursuant to **TEX. REV. CIV. STAT. ART. 5190.14 Section 5C** (Act) as authorized by Austin City Council action contained in resolution dated May 23, 2013 in support of X Games Austin for 2014 – 2016, inclusive. This action satisfies the requirements of **34 TAC Section 2.202(a)(1)** and documents that Austin is the endorsing municipality in accordance with the Act.

Enclosed is correspondence from ESPN confirming the selection of Austin, Texas as the location for this event during June 4 - 7, 2015. The correspondence from ESPN satisfies the requirements found at **34 TAC Section 2.202(a)(2)**.


The correspondence from ESPN states that the selection of Austin as the location for the X Games Austin for 2015 was completed after substantial competition in their process of reviewing a number of venues interested in hosting their series. Further, ESPN does not anticipate holding any other similar X Games Event in Texas or its contiguous states during any year that the ESPN is held at the Circuit of the Americas in Austin. We believe that this supports a finding that Austin was selected as the site for this event consistent with the requirements of **34 TAC Section 2.201**.

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 ETF under the Act, to submit the ETF economic impact analysis, to fund the City's local contribution to the ETF, and to receive reimbursement of trust funds for eligible expenses from the ETF for the race that is occurring June 4 - 7, 2015.

Sincerely,

CITY OF AUSTIN, TEXAS

By:

  
Marc A. Ott, City Manager



ESPN, Inc.

ESPN Plaza, Bristol, CT 06010-7454

January 8, 2015

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

*via email: marc.ott@austintexas.gov*

Dear Mr. Ott:

We have received and appreciate the confirmation of application, dated January 7, 2015, from Circuit Events Local Organizing Committee ("CELOC"), as designee and on behalf of the City of Austin, to host the X Games in Austin for 2015 through 2017 at the raceway facilities in Austin, Texas, USA, known as Circuit of the Americas.

As we emphasized in our previous letter to you, there was substantial competition in our process of reviewing a number of venues interested in hosting our series. Our prior selection of Austin, Texas as the site for the 2014 through 2017 X Games Austin Events is hereby made and confirmed. Congratulations!

The ESPN X Games is a unique event that appeals to a young, enthusiastic demographic, featuring multiple competitive action sports events. The 2015 X Games will be conducted in Austin, Texas along with our winter version in Aspen, Colorado. ESPN will televise X Games Austin worldwide, with over twenty (20) hours of dedicated programming distributed to more than 450 million homes in over 175 countries around the world. X Games Austin will be the only site in North America for our summer event, so we anticipate strong interest and a significant economic benefit to the community and region.

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

Yours sincerely,

Scott Guglielmino  
Senior Vice President, Programming & X Games

**ATTACHMENT 8**

**Affidavits Endorsing a Major Events Trust Fund**





# Affidavit to be COMPLETED by any/all Municipality, County, and/or LOC endorsing a Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund

## AFFIDAVIT

[Affidavit to be signed and sworn (notarized) by each Endorsing Municipality, Endorsing County, and Local Organizing Committee (if applicable)]

I, Marc Ott, an authorized representative of: City of Austin,  
a [local organizing committee (nonprofit corporation), endorsing municipality or endorsing county] (circle one) ("Requestor") that is receiving funding through the Major Events Trust Fund, Events Trust Fund, or Motor Sports 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 Texas Comptroller's 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 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 Comptroller's office to make the determination of the incremental increase in tax revenue associated with hosting the event in Texas, including a listing of any data for any related activities;
- (4) a Request Worksheet to Establish an Events Trust Fund form and any attachments; and
- (5) an Event Support Contract (if available – else due no later than date of event's first activities).

I understand that I am receiving funding under the Act for the purposes of facilitating this event: X Games Austin 2015  
on these dates: June 4 - 7, 2015.

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.

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[Signature]  
Affiant Signature

City Manager, City of Austin  
Title and Name of Organization

Sworn and subscribed before me by the said

Marc Ott  
(Printed Name of Recipient's Authorized Representative)

this 27<sup>th</sup> day of January, 20 15.

Notary Public, State of Texas

Notary's printed name: Laura Carmona Polio My commission expires: June 27, 2018 (Seal)

Marc Ott  
Printed Name  
1/27/2015  
Date



[Signature]  
Notary Public Signature





# Affidavit to be COMPLETED by any/all Municipality, County, and/or LOC endorsing a Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund

## AFFIDAVIT

[Affidavit to be signed and sworn (notarized) by each Endorsing Municipality, Endorsing County, and Local Organizing Committee (if applicable)]

I, Wayne S. Hollingsworth, 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 Major Events Trust Fund, Events Trust Fund, or Motor Sports 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 Texas Comptroller's 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:

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on these dates: June 4 - 7, 2015

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.

Wayne S. Hollingsworth  
Affiant Signature  
Director, Circuit Events Local Organizing Committee  
Title and Name of Organization

Sworn and subscribed before me by the said

Wayne S. Hollingsworth  
(Printed Name of Recipient's Authorized Representative)

this 9th day of JUNE, 20 15

Notary Public, State of Texas

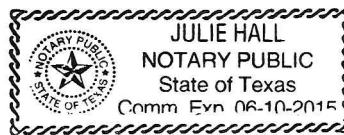
Notary's printed name: Julie Hall My commission expires: 6-10-15 (Seal)

Wayne S. Hollingsworth

Printed Name

1-9-15

Date



Julie Hall  
Notary Public Signature





**GLENN HEGAR** TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

---

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

February 27, 2015

Marc Ott  
City Manager  
City of Austin  
P.O. Box 1088  
Austin, TX 78711-3528

Dear Mr. Ott:

You submitted a request to establish an Events Trust Fund, certifying that the statutory requirements have been met and that the economic materials supplied are accurate. Our office has completed an analysis of your request.

The results show the State of Texas will realize an incremental increase in tax revenue due to this event. As per statute, an Events Trust Fund will be established. This letter does not constitute an approval for reimbursement. Any reimbursement is subject to meeting statutory requirements, including the timely submittal of an appropriate event support contract and other documentation as required.

- **Event: ESPN X-Games - Austin (2015)**
- Location / Venue: City of Austin / Circuit of the Americas
- Dates: June 4 – 7, 2015
- Estimated incremental increase in tax revenue to the State of Texas is \$1,086,597 or 6.25 times the amount of local revenue retained or remitted to the Comptroller as local match from eligible endorsing municipalities.
- Local match required: \$173,856
- **Total contribution to the Event Trust Fund established for this event: \$1,260,453**

Following the event, you will need to complete and submit the attendance certification form, which has been attached to this letter for your convenience.

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 Korry Castillo, manager of the Economic Development and Analysis Division, at [korry.castillo@cpa.texas.gov](mailto:korry.castillo@cpa.texas.gov) or 1-800-531-5441, ext. 3-3806.

Sincerely,

Mike Reissig  
Deputy Comptroller

cc: Robert Wood, Korry Castillo

**Form to be COMPLETED by request letter signatory for the below mentioned Major  
Events Trust Fund or Events Trust Fund**

**ATTENDANCE CERTIFICATION**

A request was processed to establish an Event Trust Fund for the event:	<b>ESPN X-Games - Austin (2015)</b>
You submitted a Request letter for an event:	January 28, 2015
The Texas Comptroller of Public Accounts (CPA) mailed a fund approval letter to you on:	February 27, 2015
This affidavit is to be returned to the CPA no later than forth-five (45) days after the end of this event:	July 23, 2015
The attendance metric* identified by the CPA to evaluate the estimated number of event attendees as part of the calculations for the incremental tax impact: <small>* If requestor has questions or concerns about how this metric was developed, please contact the CPA within 10-days of fund approval letter</small>	23,084 Out of State Ticketed fans (as defined in request and supplied economic study) at COTA on June 5, 6, 7 combined

The TOTAL attendance at the PRIMARY EVENT was: \_\_\_\_\_

The estimated attendees NOT residents of this state for this PRIMARY EVENT was: \_\_\_\_\_

Source(s) and Methodology feel free to attach support information:

\_\_\_\_\_

\_\_\_\_\_

- 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.

Requestor: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Send to:  
Texas Comptroller of Public Accounts, Economic Development and Analysis Department, P.O. Box 13528, Austin, TX 78711-3528

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

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

April \_\_\_\_, 2015

Deputy Comptroller  
Comptroller of Public Accounts  
111 E. 17<sup>th</sup> Street  
Austin, Texas 78774

*Via Hand Delivery*

**RE: Application for Participation in the Texas Major Events Trust Fund (2015 X Games Austin)**

Dear Deputy Comptroller:

Circuit Events Local Organizing Committee is organized as a Texas non-profit corporation (the “**Committee**”) with the purpose to help facilitate and support an event, commonly known as “**2015 X Games Austin**” (the “**Event**”) that is scheduled to be held in Austin, Texas on June 4 - 7, 2015. Further, as an integral part of this support, the Committee and the City of Austin, as approved by City Council resolution of May 23, 2013, and amended \_\_\_\_\_, 2015, entered into an “**Agreement**”, dated \_\_\_\_\_, 2015, whereby the City of Austin agreed to be the “endorsing municipality” for the Event, and in the capacity of endorsing municipality (i) authorized the Committee to act as the “local organizing committee” for purposes of securing and promoting the Event for the Austin area, as well as the application for and qualification of the Event as an “**Event**” under TEX. REV. CIV. STAT. ART. 5190.14 (the “**Act**”) Section 5.A. thereof, the Texas Major Events Trust Fund (the “**Trust Fund**”) and (ii) authorized and appointed the Committee as the City of Austin’s sole and exclusive designee, for and on behalf of the City of Austin to submit, pursuant to TAC Title 34, Part 1 Chapter 2 Subchapter A, Rule 2.102, a request to the Texas Comptroller of Public Accounts for participation in the Trust Fund program and a request to the Texas Comptroller to determine the incremental increase in the receipts of various taxes (e.g. sales and use taxes, mixed beverage taxes, hotel occupancy taxes), by the City of Austin, as the endorsing municipality, for a one (1) year period that begins two (2) months before the date of the first Event (scheduled for June 4 - 7, 2015), in accordance with the Comptroller’s procedures and in accordance with the Act, and the rules promulgated thereunder (the “**Rules**”).

It is my honor and great pleasure to submit this application from the Committee, as the City of Austin’s duly appointed and authorized designee for and on behalf of and binding upon the City of Austin, as the formal request, pursuant to Rule 2.102, for participation in the Trust Fund program and a request to the Texas Comptroller to determine the incremental increase in the applicable taxes for the City of Austin for the June 4 - 7, 2015 Event.

Further, as required by Rule 2.102(a)-(d), enclosed with this letter are: (i) Attachment 1, a letter from the City of Austin requesting participation in the METF for the Event, (ii) Attachment 2, two (2) letters, both dated March \_\_\_\_, 2015, from ESPN, as the site selection committee for the Events to the Committee and the City of Austin, selecting the site in Austin, Texas for the 2015 – 2017 Events; (iii) Attachment 3, the economic impact study and other data with detailed information on the direct expenditures and direct impact data for the endorsing municipality hosting the event and for the requested market area (the

April \_\_\_\_, 2015

Page 2

"*Economic Study*"; (iv) Attachment 4, a description of the requested market area, and information to support the requested market area, which is included in the Economic Study; (v) Attachment 5, a list of all related events activities proposed to be included in the trust fund estimate, with data for each such activity including projected attendance figures, ticket sales and relevant production and expenditure information related to the activity, included in the Economic Study; (vi) Attachment 6, affidavits from Don Hoyte, Ph.D., the City of Austin and the Committee, similar to those required under Rule §2.202(a)(5), as to the accuracy of the Economic Study; (vii) Attachment 7, a completed and signed Comptroller Request Worksheet to Establish an Event Trust Fund for the Event similar to that required under Rule §2.202(a)(4); and (viii) Attachment 8, affidavits from the Committee and the City of Austin endorsing a Major Events Trust Fund similar to that required under Rule §2.202(a)(5).

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

Thank for your time and consideration of this request.

Respectfully,

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

Ms. Leela Fireside, Assistant City Attorney, City of Austin  
Mr. Sam Bryant, Director  
Mr. Ford Smith, Director  
Mr. Rodney Gonzales, Director  
Mr. Jason Dial, President and CEO of COTA  
Mr. Colin Cohen, CFO of COTA

**ATTACHMENT 1**

**City of Austin Letter to Comptroller re Participation**

**SAMPLE**

\_\_\_\_\_, 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 May 23, 2013 in support of X Games Austin for 2014 – 2016, inclusive, if and to the extent the METF is or becomes applicable to the subject event. This action is intended to satisfy the requirements of **34 TAC Section 2.102(a)(1)** and documents that Austin is the endorsing municipality in accordance with the Act, as applicable.

Enclosed is correspondence from ESPN confirming the selection of Austin, Texas as the location for this event during June 4 - 7, 2015. The correspondence from ESPN satisfies the requirements found at **34 TAC Section 2.102(a)(2)**.

The correspondence from ESPN states that the selection of Austin as the location for the X Games Austin for 2015 was completed after substantial competition in their process of reviewing a number of venues interested in hosting their series. Further, ESPN does not anticipate holding any other similar X Games Event in Texas or its contiguous states during any year that the ESPN 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 June 4 - 7, 2015, as applicable.

Sincerely,

CITY OF AUSTIN, TEXAS

By: \_\_\_\_\_  
Marc A. Ott, City Manager



**ATTACHMENT 2**

**Site Selection Committee Designation Letter**

**[ESPN LETTERHEAD]**

March \_\_\_, 2015

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

*via email: marc.ott@austintexas.gov*

Dear Mr. Ott:

We have received and appreciate the confirmation of application, dated March 18, 2015, from Circuit Events Local Organizing Committee (“CELOC”), as designee and on behalf of the City of Austin, to host the X Games in Austin for 2015 through 2017 at the raceway facilities in Austin, Texas, USA, known as Circuit of the Americas. We understand CELOC’s application is submitted in confirmation of and supplemental to CELOC’s application to us dated June 11, 2013, and in anticipation of the X Games Austin qualifying for the Texas Major Event Trust Fund Act (the “Act”) based on legislation pending in the Texas Legislature.

As we emphasized in our previous letter to you, there was substantial competition in our process of reviewing a number of venues interested in hosting our series. Our prior selection of Austin, Texas as the site for the 2014 through 2017 X Games Austin Events is hereby made and confirmed. Congratulations!

The ESPN X Games is a unique event that appeals to a young, enthusiastic demographic, featuring multiple competitive action sports events. The 2015 X Games will be conducted in Austin, Texas along with our winter event in Aspen, Colorado. ESPN will televise X Games Austin worldwide, with over twenty (20) hours of dedicated programming distributed to more than 450 million homes in over 175 countries around the world. X Games Austin will be the only site in North America for our summer event, so we anticipate strong interest and a significant economic benefit to the community and region.

We look forward to receiving and working with CELOC to finalize an Amended and Restated Event Support Contract for application under the Act related to the local and State support available for the events if, as and when the pending legislation qualifying X Games Austin for participation under the Act is passed and effective.

Yours sincerely,

[ESPN LETTERHEAD]

March \_\_, 2015

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

via email: [whollingsworth@abaustin.com](mailto:whollingsworth@abaustin.com)

Dear Mr. Hollingsworth:

We appreciate the confirmation of the application by Circuit Events Local Organizing Committee ("CELOC"), dated March 18, 2015, submitted as designee on behalf of the City of Austin, to host an event of the X Games in Austin for 2015 through 2017 at the raceway facilities in Austin, Texas, USA, known as Circuit of the Americas. We understand that your application is submitted in confirmation of and supplemental to your application to us dated June 11, 2013, and in anticipation of the X Games Austin qualifying for the Texas Major Event Trust Fund Act (the "Act") based on legislation pending in the Texas Legislature.

As we emphasized in our previous letter 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 events. Please consider this letter as confirmation of our selection of Austin, Texas, and the Circuit of the Americas to host the X Games Austin event each year of the upcoming series from 2014 through 2017. Congratulations!

As noted in your June 11, 2013 letter, we do not anticipate sanctioning or holding any other similar X Games Event in Texas or its contiguous states during 2015 or any other year that the X Games Austin at the Circuit of the Americas is held in Austin.

The ESPN X Games is a unique event that appeals to a young, enthusiastic demographic, featuring multiple competitive action sports events. The 2015 X Games will be conducted in Austin, Texas along with our winter event in Aspen, Colorado. ESPN will televise X Games Austin worldwide, with over twenty (20) hours of dedicated programming distributed to more than 450 million homes in over 175 countries around the world. X Games Austin will be the only site in North America for our summer event, so we anticipate strong interest and a significant economic benefit to the community and region.

We look forward to receiving and working with you to finalize an Amended and Restated Event Support Contract for application under the Act related to the local and State support available through CELOC and the Circuit of the Americas if, as and when the pending legislation qualifying X Games Austin for participation under the Act is passed and effective.

Yours sincerely,

**ATTACHMENT 3**

**Economic Study**

3.4

---

**Major Events Trust Fund Economic Impact Study  
of the**

**2015 X Games**

Austin, Texas

Submitted for consideration under the Events Trust Fund by:

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

On behalf of

**Circuit Events Local Organizing Committee**

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

`March 19,2015

## Event Background

The **X Games** is a sports event, controlled and arranged by the U.S. sports broadcaster ESPN (with coverage also shown on its sister network ABC), which focuses on action sports. The inaugural X Games were held in summer 1995 in Rhode Island. Participants compete to win bronze, silver and gold medals, and prize money. Current competition takes place over four days with events in Moto X, Mountain Bike, Rally Car, Skateboarding and BMX.

Both the summer and winter X Games competitions feature new tricks such as Tony Hawk's 900 in skateboarding, Travis Pastrana's double backflip in freestyle motocross, Heath Frisby's first ever snowmobile front flip in Snowmobile Best Trick, and Torstein Horgmo's first landed triple flip in a snowboard competition. Concurrent with competition is the "X Fest" sports and music festival, which offers live music, athlete autograph sessions and interactive elements.

The first two summer X Games were held in Rhode Island in 1995 and 1996, averaging nearly 200,000 attendees. The 1997 and 1998 games moved to San Diego, California and were attended by more than 200,000 fans, competitors and others. The 1999 and 2000 games were held in San Francisco and were the first full professional sporting event broadcast live on the internet. The 2001 and 2002 versions moved to Philadelphia and included Taig Khris winning the inline vert event, with the first double backflip in X Games history and Mike Metzger landing the first back flip in motocross freestyle X Games history.

X Games Nine moved to the Staples Center and LA Coliseum in Los Angeles in 2003. The venues were expanded in 2004 to include the Staples Center, Home Depot Center, and Long Beach Marine Stadium. The games have been held in Los Angeles through 2013 with several venue shifts and included numerous firsts:

- 2005: Jamie Bestwick landed the first ever double tailwhip flair in the BMX Vert Best Trick event. Travis Pastrana won gold in motocross freestyle again and became the most decorated athlete in motocross
- 2006: Travis Pastrana landed the world's first double backflip on a dirt bike, and won motocross best trick with a score of 98.60, the highest current score in best trick. Skateboarder Nyjah Huston became the youngest athlete to compete in X Games at 11 years old.



- 2007: Ricky Carmichael won the first ever motocross racing circuit. Simon Tabron landed an X Games' first, doing back-to-back 900s in BMX vert.
- 2008: Skateboarder Andy Macdonald won his 15th X Games medal, surpassing Tony Hawk as the all-time leader in skateboarding medals. Tarah Gieger of Puerto Rico won the gold medal in the first-ever women's supercross race.
- 2009: Anthony Napolitan landed the first ever double front flip on a bicycle. Blake Williams became the first non-American rider to win FMX gold. Ashley Fiolek, 18, won the women's motocross super X, becoming the Games' first deaf medalist.
- 2010: Jamie Bestwick became the first person to 4-peat with a win in BMX vert. Pierre-Luc Gagnon became the first athlete to win in skateboard vert three times, beating the silver medalist, Shaun White.
- 2011: Shaun White earned his second gold medal in skateboard vert, breaking Pierre Luc Gagnon's 3-year winning streak. Liam Doran took gold on his debut in the rally car racing event after beating Marcus Gronholm in the final.
- 2012: Bob Burnquist won his fourth Big Air gold medal, and raising his gold medal total to nine. Ronnie Renner won the gold medal in Moto X Step Up, breaking the previous record height of 37' by 10' making it the highest ever at the X Games with 47'.

In 2013 X Games expanded internationally holding events in Foz do Iguacu, Brazil, Barcelona, Spain and Munich, Germany. The 2013 event in Los Angeles saw Vicki Golden win her 3rd consecutive gold medal in women's moto x racing, defeating Meghan Rutledge. Golden also became the 1st women to compete in a freestyle moto x competition, earning bronze in best whip.

After more than a decade being hosted in Los Angeles, it was announced in August 2013 that Austin's Circuit of the Americas complex would be the venue for all future X Games excitement at least until 2017.<sup>1</sup>

X Games' organizers at ESPN announced that Texas' state capital had been selected to replace Los Angeles as its new North American home. Austin was picked for the X Games in an Olympic-style selection process. Of 13 qualified bids, the decision came down to Austin, Chicago, Detroit and Charlotte, N.C.

On June 5, 2014, downtown Austin hosted the first day of X Games competition with the State Capital as the backdrop. Austin's new sports and entertainment venue---Circuit of the Americas (COTA)--- then hosted the final three days of the X Games' competitions as well as concerts and festival villages that supplemented the sports event.

## 2014 Summer X Games Attendance

Moving a major sporting event such as X Games to a new venue half-way across the country from its previous site always results in major attendance changes. The experience at the 2014 X Games is no exception.

According to officials with ESPN and Circuit of the Americas, the inaugural X Games Austin event drew more than 160,000 over the four days from June 5 to 8. That made X Games Austin the highest non-Formula 1 attended sports and entertainment event at COTA since the venue's grand opening in 2012.<sup>2</sup>

This total four-day attendance figure is composed of a number of distinct groups present at the event based on ESPN and COTA estimates<sup>3</sup>:

Table 1  
Attendance Breakdown at 2014 X Games Austin

	<u>ESPN Staff</u>	<u>Athletes</u>	<u>Judges</u>	<u>Athlete Managers &amp; Guests</u>	<u>Sponsors &amp; Industry/ ESPN Guests</u>	<u>Media</u>	<u>Ticketed Fans</u>
5-Jun-14	1,795	269	62	1,682	2,117	634	19,000*
6-Jun-14	1,987	297	248	1,862	2,343	702	31,138
7-Jun-14	2,004	300	250	1,878	2,364	708	48,029
8-Jun-14	1,969	295	246	1,845	2,323	696	34,693

TOTAL FOUR DAY ATTENDANCE 161,734

\*Estimated since June 5 was a non-ticketed event day

Based on estimates from ESPN and from a fan survey with more than 4,000 responses, it is estimated that a total of 16,141 persons from outside Texas were in Austin for the X Games on June 7, 2014. This means that 29 percent of 56,027 people in Austin for the X Games that day were from outside Texas.<sup>4</sup>

For 2015, the event will be held from June 4 to 7. Assuming no attendance change from 2014 and including the attendance during the preparation for the event and post-event tear down, the likely attendance at the 2015 X Games Austin should closely approximate the pattern in Table 2.

Table 2

**Estimated Attendance at 2015 X Games Austin**

	<u>ESPN Staff</u>	<u>Athletes</u>	<u>Judges</u>	<u>Athlete Managers &amp; Sponsors &amp; Industry/ESPN</u>	<u>Media</u>	<u>Ticketed Fans</u>	<u>OOS Fans @ Events</u>	<u>OOS Fans in Austin not @ Events</u>	<u>OOS Fans in Austin</u>
19-May	58								
20-May	61								
21-May	81								
22-May	99								
23-May	128								
24-May	140								
25-May	192								
26-May	259								
27-May	332								
28-May	433								
29-May	509								
30-May	657								
31-May	782								
1-Jun	1,035								
2-Jun	1,300								
3-Jun	1,606	134		841					1,403
4-Jun	1,795	269	62	1,682	634				2,551
5-Jun	1,987	297	248	1,862	702	19,000	3,313	1,325	4,638
6-Jun	2,004	300	250	1,878	708	31,138	7,579	1,709	9,287
7-Jun	1,969	295	246	1,845	696	48,029	9,394	212	9,888
8-Jun	1,786	267	223	1,674	631	34,693	6,111	1,551	7,662
9-Jun	558	134	89	837				250	4,214
10-Jun	311								
11-Jun	137								
12-Jun	79								
13-Jun	41								
14-Jun	9								
15-Jun	6								
16-Jun	6								

In particular, Table 2 estimates that 19.9 percent of all ticketed fans at the peak attendance came from outside Texas. This figure is derived from an internet fan survey of slightly more than 4,000 event attendees which indicated that 85 percent of the survey respondents were from Texas with 15 percent being from outside Texas. But, twelve percent of all respondents indicated that while they themselves were from Texas, they attended X Games Austin accompanied by one or more fans from outside of Texas. Including those fans from outside of Texas who accompanied a fan from Texas to the event indicates that just short of twenty percent of all fans in attendance at the event were from outside Texas. Finally, Table 2 adjusts the at-event attendance by out-of-state visitors to reflect the tendency for out-of-state fans to attend other attractions in Austin some days of their stay rather than attending all days of the X Games based on the survey responses as to how often out-of-state fans attended X Games events each day.

The last column of Table 2 estimates the pattern of stay by out-of-state fans at X Games in the Austin area. This pattern of stay is estimated to be consistent both with overall ticket sales and the fan survey responses indicating that out-of-state fans stayed, on average, 3.11 nights in Austin for the event.<sup>5</sup>

## Event Presentation Costs and Ticket Sales

From 2010 to 2013, X Games event presentation costs averaged \$16.9 million in California. But for Austin, it was expected that these costs would amount to about \$19 million with about \$11 million spent directly in Texas.<sup>6</sup> Table 3 presents some detail about these expenditures not detailed on other places in this report in Texas including the amount subject to state sales tax.<sup>7</sup>

Table 3  
Event Presentation Expenses for X Games Austin

<u>Expenditure</u>	<u>Amount</u>	<u>Sales Tax</u>
Festival Entertainment & Competitions	\$1,100,000	\$938
Venue and Production Equipment Rental	\$2,200,000	\$93,750
Marketing, Promotions, Advertising	\$1,750,000	
Course & Venue Construction	\$1,519,000	\$94,938
Venue and Production Services	\$475,000	
Local Staffing	\$1,275,000	
Catering - Hospitality	\$875,000	\$54,688
Venue and Production Misc.	\$100,000	\$6,250
<b>Total Event Production Spend in Texas</b>	<b>\$9,294,000</b>	<b>\$250,563</b>

Ticket revenues for 2014 averaged \$45 a day per ticket.<sup>8</sup> Based on the sales from 2014, total ticket revenue from out-of-state fans reached approximately \$1.04 million generating nearly \$65,000 in state sales taxes from tickets sold to out-of-state fans.

## Direct Economic Gains from 2015 X Games

As just discussed, the economic gains from events such as the 2014 X Games Austin are significant for the state and for the local economy. Under a conservative assumption that the activity at the 2015 X Games Austin will only meet the level of fan and other visitor activity seen in 2014, the 2015 Austin X Games are expected to fill an estimated 35,000 hotel room nights and generate an estimated total direct spending by ESPN personnel, athletes, managers, sponsors, guests, media and fans of nearly \$35.7 million.<sup>9</sup> This gain is composed of \$7.2 million in lodging expenditures, \$6.9 million in food and beverage expenditures and more than \$4.5 million in entertainment and shopping expenditures (including shopping at the X Games Austin venue).

Table 4  
**Expenditure and Impact Summary for the  
Projected Attendance at 2015 X Games Austin**  
June 5 - 8, 2015

Total Room nights	35,073
Hotel Expenditure	\$7,253,598
Food and Beverage	\$6,851,148
Food & Beverage - Tips	\$1,233,207
Entertainment & Shopping	\$3,493,824
Shopping at Venue	\$924,510
Mixed Drink Expenditures	\$795,080
Beer & Wine Expenditures	\$1,582,206
Car Rental Expenditures	\$1,292,812
Travel Costs to Event (air)	\$2,288,391
Travel Costs to Event (car)	\$714,584
Total Event Production Spend in Texas	\$9,294,000
<b>Total Direct Economic Impact</b>	<b>\$35,723,361</b>

In addition to the direct spending on event production of \$9.3 million, food and beverage expenditures should generate an additional \$1.2 million in tips from out-of-state visitors in Texas

for the X Games Austin. Beer and wine expenditures, based on the survey responses from fans, should total nearly twice the expenditures on mixed drinks. Finally, travel expenditures to and from X Games Austin for those from outside the state are significant. Based on the results of the fan survey, it is estimated that total airfare expenditures to and from the games reached \$4.6 million (with half of that allocated to Texas), while total in-state car travel expenses spent by out-of-state event attendees probably exceed \$700,000.<sup>10</sup>

In calculating these gains a number of event-specific data points are used. These include the hotel room costs based on what ESPN paid each day for their employees at the games.<sup>11</sup> In addition, hotel expenditures are based on results from the 2014 fan survey from the X Games event which indicated 79 percent of out-of-state fans for the event stayed in hotels.

Also used in establishing expenditure patterns for X Games were the spending patterns derived from the fan survey indicating that each out of state fan spent \$102.93 on food and non-alcoholic beverages each day, \$13.17 on mixed drinks each day, \$15.38 on merchandise at the event each day, \$26.37 on merchandise in Austin outside of the event each day, and \$28.01 on other entertainment each day. Average expenditure on roundtrip airfare was \$919.00 per person while automobile travel costs were \$155 per person of which half are allocated to Texas.

## **Direct Trust Fund Tax Gain**

The Texas legislature established the Major Events Trust Fund (METF) to assist in attracting to Texas or retaining in Texas sporting and other events that could well be moved outside the state. The provisions of this law allow the Comptroller to deposit into a trust fund established for a qualifying event the amount of state hotel, sales and use, motor vehicle rental and alcohol taxes that can be attributed to the incremental gain in economic activity to the state from hosting the event. To qualify for reimbursement from the trust fund, the local sponsoring municipality or county must contribute matching tax revenues received from hosting the event at the rate of \$1 local tax dollar for every \$6.25 in state tax contributions.

Based on statutory tax rates and the attendance figures presented in Table 2, Table 5 projects most of the direct tax gain to the state and to the City of Austin from hosting the 2015 X Games.<sup>12</sup> In 2015, this event is expected to generate a total of \$435,000 in state hotel tax gains from out-of-state visitors and another \$577,000 in local hotel tax gains. Sales tax gains from these visitors attributable to expenditures on food and non-alcoholic beverages should reach nearly \$428,000.



Entertainment and shopping expenditures both at and outside of the X Games Austin venues should nearly reach \$276,000 from visitors attending the event from outside the state. Combined state mixed beverage taxes and Title 5 Alcoholic Beverage Code state tax should exceed \$112,000. Finally, state auto rental taxes should exceed \$129,000 from visitors to X Games Austin from outside Texas.

Table 5  
**State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin**  
June 4 - 7, 2015

**Hotel Expenditures:**

	Avg. Hotel Room Cost /night	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Sponsors & Industry/ ESPN Guests	Media	OOS Fans in Austin		
Pers./ rm % in hotel <sup>13</sup>		1.75 100%	1.75 86%	1.25 95%	2.00 86%	2.00 86%	1.25 43%	2.00 79%		
Date									State Tax	Local Tax <sup>14</sup>
19-May	\$184	\$4,287	\$0	\$0	\$0	\$0	\$0	\$0	\$257	\$386
20-May	\$184	\$4,504	\$0	\$0	\$0	\$0	\$0	\$0	\$270	\$405
21-May	\$185	\$6,017	\$0	\$0	\$0	\$0	\$0	\$0	\$361	\$542
22-May	\$185	\$7,315	\$0	\$0	\$0	\$0	\$0	\$0	\$439	\$658
23-May	\$185	\$9,478	\$0	\$0	\$0	\$0	\$0	\$0	\$569	\$853
24-May	\$185	\$10,349	\$0	\$0	\$0	\$0	\$0	\$0	\$621	\$931
25-May	\$185	\$14,223	\$0	\$0	\$0	\$0	\$0	\$0	\$853	\$1,280
26-May	\$185	\$19,147	\$0	\$0	\$0	\$0	\$0	\$0	\$1,149	\$1,723
27-May	\$186	\$24,711	\$0	\$0	\$0	\$0	\$0	\$0	\$1,483	\$2,224
28-May	\$185	\$32,153	\$0	\$0	\$0	\$0	\$0	\$0	\$1,929	\$2,894
29-May	\$186	\$37,796	\$0	\$0	\$0	\$0	\$0	\$0	\$2,268	\$3,402
30-May	\$185	\$48,590	\$0	\$0	\$0	\$0	\$0	\$0	\$2,915	\$4,373
31-May	\$187	\$58,528	\$0	\$0	\$0	\$0	\$0	\$0	\$3,512	\$5,267
1-Jun	\$190	\$78,504	\$0	\$0	\$0	\$0	\$0	\$0	\$4,710	\$7,065
2-Jun	\$188	\$97,918	\$0	\$0	\$0	\$0	\$0	\$0	\$5,875	\$8,813
3-Jun	\$188	\$121,025	\$11,749	\$0	\$64,356	\$40,505	\$0	\$106,698	\$20,660	\$27,975
4-Jun	\$196	\$140,564	\$24,417	\$9,042	\$133,743	\$168,354	\$20,595	\$201,579	\$41,898	\$55,439
5-Jun	\$220	\$174,850	\$30,373	\$40,641	\$166,366	\$209,419	\$25,619	\$411,851	\$63,547	\$83,932
6-Jun	\$221	\$177,012	\$30,748	\$41,143	\$168,423	\$212,009	\$25,935	\$827,637	\$88,975	\$116,388
7-Jun	\$219	\$172,855	\$30,026	\$40,177	\$164,467	\$207,029	\$25,326	\$875,754	\$90,938	\$118,822
8-Jun	\$195	\$139,595	\$24,249	\$32,446	\$132,821	\$167,194	\$20,453	\$604,261	\$67,261	\$88,081
9-Jun	\$188	\$41,983	\$11,661	\$12,482	\$63,872	\$80,401	\$0	\$319,639	\$31,802	\$41,283
10-Jun	\$185	\$23,072	\$0	\$0	\$0	\$0	\$0	\$0	\$1,384	\$2,076
11-Jun	\$187	\$10,229	\$0	\$0	\$0	\$0	\$0	\$0	\$614	\$921
12-Jun	\$186	\$5,852	\$0	\$0	\$0	\$0	\$0	\$0	\$351	\$527
13-Jun	\$187	\$5,864	\$0	\$0	\$0	\$0	\$0	\$0	\$352	\$528
14-Jun	\$188	\$3,058	\$0	\$0	\$0	\$0	\$0	\$0	\$183	\$275
15-Jun	\$189	\$658	\$0	\$0	\$0	\$0	\$0	\$0	\$40	\$59
<b>Total Tax</b>									<b>\$435,216</b>	<b>\$577,122</b>

Table 5, continued  
**State and Local Tax and Expenditure Summary for the**  
**Projected Attendance at 2015 X Games Austin**  
June 4 - 7, 2015

**Food & Bev. Expend.**

Date	ESPN Staff in Hotels <sup>15</sup>	Athletes	Judges	Athlete Managers & Guests	Sponsors & Industry/ ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax <sup>16</sup>
19-May	\$1,048	\$0	\$0	\$0	\$0	\$0	\$0	\$65	\$10
20-May	\$2,148	\$0	\$0	\$0	\$0	\$0	\$0	\$134	\$21
21-May	\$2,567	\$0	\$0	\$0	\$0	\$0	\$0	\$160	\$26
22-May	\$3,248	\$0	\$0	\$0	\$0	\$0	\$0	\$203	\$32
23-May	\$4,087	\$0	\$0	\$0	\$0	\$0	\$0	\$255	\$41
24-May	\$4,820	\$0	\$0	\$0	\$0	\$0	\$0	\$301	\$48
25-May	\$5,973	\$0	\$0	\$0	\$0	\$0	\$0	\$373	\$60
26-May	\$8,121	\$0	\$0	\$0	\$0	\$0	\$0	\$508	\$81
27-May	\$10,635	\$0	\$0	\$0	\$0	\$0	\$0	\$665	\$106
28-May	\$13,779	\$0	\$0	\$0	\$0	\$0	\$0	\$861	\$138
29-May	\$16,975	\$0	\$0	\$0	\$0	\$0	\$0	\$1,061	\$170
30-May	\$21,009	\$0	\$0	\$0	\$0	\$0	\$0	\$1,313	\$210
31-May	\$25,934	\$0	\$0	\$0	\$0	\$0	\$0	\$1,621	\$259
1-Jun	\$32,745	\$0	\$0	\$0	\$0	\$0	\$0	\$2,047	\$327
2-Jun	\$42,070	\$0	\$0	\$0	\$0	\$0	\$0	\$2,629	\$421
3-Jun	\$52,339	\$6,567	\$0	\$41,112	\$23,116	\$0	\$35,193	\$9,895	\$1,459
4-Jun	\$61,245	\$19,702	\$3,125	\$123,336	\$92,464	\$7,448	\$208,554	\$32,242	\$4,620
5-Jun	\$68,109	\$27,675	\$15,624	\$173,243	\$114,144	\$33,000	\$379,189	\$50,686	\$7,190
6-Jun	\$71,881	\$29,207	\$25,108	\$182,838	\$115,580	\$34,827	\$734,513	\$74,622	\$10,467
7-Jun	\$71,566	\$29,080	\$24,998	\$182,038	\$112,996	\$34,675	\$1,011,454	\$91,675	\$12,782
8-Jun	\$67,637	\$27,483	\$23,626	\$172,043	\$92,033	\$32,771	\$925,739	\$83,833	\$11,676
9-Jun	\$42,227	\$19,606	\$15,731	\$122,736	\$18,407	\$15,586	\$626,448	\$53,796	\$7,431
10-Jun	\$15,665	\$6,535	\$4,495	\$40,912	\$0	\$0	\$222,288	\$18,118	\$2,494
11-Jun	\$8,068	\$0	\$0	\$0	\$0	\$0	\$0	\$504	\$81
12-Jun	\$3,877	\$0	\$0	\$0	\$0	\$0	\$0	\$242	\$39
13-Jun	\$2,829	\$0	\$0	\$0	\$0	\$0	\$0	\$177	\$28
14-Jun	\$2,148	\$0	\$0	\$0	\$0	\$0	\$0	\$134	\$21
15-Jun	\$891	\$0	\$0	\$0	\$0	\$0	\$0	\$56	\$9
16-Jun	\$262	\$0	\$0	\$0	\$0	\$0	\$0	\$16	\$3
<b>Total Tax</b>								<b>\$428,197</b>	<b>\$60,253</b>

Table 5, continued  
**State and Local Tax and Expenditure Summary for the  
Projected Attendance at 2015 X Games Austin**  
June 4 - 7, 2015

**Entertain. & Shopping<sup>17</sup>**

Date	ESPN Staff in Hotels <sup>18</sup>	Athletes	Judges	Athlete Managers & Guests	Sponsors & Industry/ ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax
19-May	\$355	\$0	\$0	\$0	\$0	\$0	\$0	\$22	\$4
20-May	\$728	\$0	\$0	\$0	\$0	\$0	\$0	\$45	\$7
21-May	\$870	\$0	\$0	\$0	\$0	\$0	\$0	\$54	\$9
22-May	\$1,101	\$0	\$0	\$0	\$0	\$0	\$0	\$69	\$11
23-May	\$1,385	\$0	\$0	\$0	\$0	\$0	\$0	\$87	\$14
24-May	\$1,633	\$0	\$0	\$0	\$0	\$0	\$0	\$102	\$16
25-May	\$2,024	\$0	\$0	\$0	\$0	\$0	\$0	\$126	\$20
26-May	\$2,752	\$0	\$0	\$0	\$0	\$0	\$0	\$172	\$28
27-May	\$3,604	\$0	\$0	\$0	\$0	\$0	\$0	\$225	\$36
28-May	\$4,669	\$0	\$0	\$0	\$0	\$0	\$0	\$292	\$47
29-May	\$5,752	\$0	\$0	\$0	\$0	\$0	\$0	\$360	\$58
30-May	\$7,119	\$0	\$0	\$0	\$0	\$0	\$0	\$445	\$71
31-May	\$8,788	\$0	\$0	\$0	\$0	\$0	\$0	\$549	\$88
1-Jun	\$11,096	\$0	\$0	\$0	\$0	\$0	\$0	\$694	\$111
2-Jun	\$14,256	\$0	\$0	\$0	\$0	\$0	\$0	\$891	\$143
3-Jun	\$17,736	\$4,451	\$0	\$27,863	\$15,667	\$0	\$23,852	\$5,598	\$811
4-Jun	\$20,754	\$13,353	\$2,118	\$83,590	\$62,667	\$5,048	\$141,346	\$20,555	\$2,924
5-Jun	\$23,080	\$18,756	\$10,589	\$117,414	\$77,360	\$22,365	\$256,993	\$32,910	\$4,642
6-Jun	\$24,358	\$19,795	\$17,017	\$123,917	\$78,334	\$23,604	\$497,811	\$49,052	\$6,851
7-Jun	\$24,252	\$19,708	\$16,942	\$123,375	\$76,582	\$23,501	\$685,505	\$60,617	\$8,421
8-Jun	\$22,920	\$18,626	\$16,012	\$116,601	\$62,375	\$22,210	\$627,412	\$55,385	\$7,684
9-Jun	\$14,310	\$13,288	\$10,662	\$83,183	\$12,475	\$10,563	\$424,570	\$35,566	\$4,893
10-Jun	\$5,308	\$4,429	\$3,046	\$27,728	\$0	\$0	\$150,654	\$11,948	\$1,637
11-Jun	\$2,734	\$0	\$0	\$0	\$0	\$0	\$0	\$171	\$27
12-Jun	\$1,314	\$0	\$0	\$0	\$0	\$0	\$0	\$82	\$13
13-Jun	\$959	\$0	\$0	\$0	\$0	\$0	\$0	\$60	\$10
14-Jun	\$728	\$0	\$0	\$0	\$0	\$0	\$0	\$45	\$7
15-Jun	\$302	\$0	\$0	\$0	\$0	\$0	\$0	\$19	\$3
16-Jun	\$89	\$0	\$0	\$0	\$0	\$0	\$0	\$6	\$1
<b>Total Tax</b>								<b>\$276,146</b>	<b>\$38,586</b>

Table 5, continued  
**State and Local Tax and Expenditure Summary for the**  
**Projected Attendance at 2015 X Games Austin**  
June 4 - 7, 2015

**State Mixed Bev. Tax:**

Date	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Sponsors & Industry/ ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax
19-May	\$34	\$0	\$0	\$0	\$0	\$0	\$0	\$4	\$0
20-May	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$8	\$1
21-May	\$82	\$0	\$0	\$0	\$0	\$0	\$0	\$10	\$1
22-May	\$104	\$0	\$0	\$0	\$0	\$0	\$0	\$12	\$1
23-May	\$131	\$0	\$0	\$0	\$0	\$0	\$0	\$15	\$2
24-May	\$154	\$0	\$0	\$0	\$0	\$0	\$0	\$18	\$2
25-May	\$191	\$0	\$0	\$0	\$0	\$0	\$0	\$22	\$2
26-May	\$260	\$0	\$0	\$0	\$0	\$0	\$0	\$30	\$3
27-May	\$340	\$0	\$0	\$0	\$0	\$0	\$0	\$40	\$4
28-May	\$441	\$0	\$0	\$0	\$0	\$0	\$0	\$51	\$5
29-May	\$543	\$0	\$0	\$0	\$0	\$0	\$0	\$63	\$6
30-May	\$672	\$0	\$0	\$0	\$0	\$0	\$0	\$78	\$8
31-May	\$830	\$0	\$0	\$0	\$0	\$0	\$0	\$97	\$10
1-Jun	\$1,047	\$0	\$0	\$0	\$0	\$0	\$0	\$122	\$12
2-Jun	\$1,346	\$0	\$0	\$0	\$0	\$0	\$0	\$157	\$16
3-Jun	\$1,674	\$420	\$0	\$5,260	\$2,958	\$0	\$4,503	\$1,729	\$154
4-Jun	\$1,959	\$1,260	\$200	\$15,781	\$11,831	\$953	\$26,685	\$6,847	\$603
5-Jun	\$2,179	\$1,770	\$1,000	\$22,167	\$14,605	\$4,222	\$48,518	\$11,024	\$962
6-Jun	\$2,299	\$1,869	\$1,606	\$23,394	\$14,789	\$4,456	\$93,982	\$16,617	\$1,437
7-Jun	\$2,289	\$1,860	\$1,599	\$23,292	\$14,458	\$4,437	\$129,417	\$20,697	\$1,781
8-Jun	\$2,164	\$1,758	\$1,511	\$22,013	\$11,776	\$4,193	\$118,449	\$18,890	\$1,623
9-Jun	\$1,351	\$1,254	\$1,006	\$15,704	\$2,355	\$1,994	\$80,155	\$12,116	\$1,032
10-Jun	\$501	\$418	\$288	\$5,235	\$0	\$0	\$28,442	\$4,071	\$345
11-Jun	\$258	\$0	\$0	\$0	\$0	\$0	\$0	\$30	\$3
12-Jun	\$124	\$0	\$0	\$0	\$0	\$0	\$0	\$14	\$1
13-Jun	\$90	\$0	\$0	\$0	\$0	\$0	\$0	\$11	\$1
14-Jun	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$8	\$1
15-Jun	\$28	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
16-Jun	\$8	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$0
<b>Total Tax</b>								<b>\$92,786</b>	<b>\$8,016</b>

Table 5, continued  
**State and Local Tax and Expenditure Summary for the**  
**Projected Attendance at 2015 X Games Austin**  
June 4 - 7, 2015

**Title 5 ABC State Tax<sup>19</sup>:**

Date	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Sponsors & Industry/ ESPN Guests	Media	OOS Fans in Austin	State Tax	Local Tax
19-May	\$34	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$0
20-May	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
21-May	\$82	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
22-May	\$104	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
23-May	\$131	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
24-May	\$154	\$0	\$0	\$0	\$0	\$0	\$0	\$4	\$0
25-May	\$191	\$0	\$0	\$0	\$0	\$0	\$0	\$5	\$0
26-May	\$260	\$0	\$0	\$0	\$0	\$0	\$0	\$7	\$0
27-May	\$340	\$0	\$0	\$0	\$0	\$0	\$0	\$9	\$0
28-May	\$441	\$0	\$0	\$0	\$0	\$0	\$0	\$11	\$0
29-May	\$543	\$0	\$0	\$0	\$0	\$0	\$0	\$14	\$0
30-May	\$672	\$0	\$0	\$0	\$0	\$0	\$0	\$17	\$0
31-May	\$830	\$0	\$0	\$0	\$0	\$0	\$0	\$21	\$0
1-Jun	\$1,047	\$0	\$0	\$0	\$0	\$0	\$0	\$27	\$0
2-Jun	\$1,346	\$0	\$0	\$0	\$0	\$0	\$0	\$34	\$0
3-Jun	\$1,674	\$420	\$0	\$5,260	\$2,958	\$0	\$4,503	\$379	\$0
4-Jun	\$1,959	\$1,260	\$200	\$15,781	\$11,831	\$953	\$26,685	\$1,502	\$0
5-Jun	\$2,179	\$1,770	\$1,000	\$22,167	\$14,605	\$4,222	\$48,518	\$2,418	\$0
6-Jun	\$2,299	\$1,869	\$1,606	\$23,394	\$14,789	\$4,456	\$93,982	\$3,645	\$0
7-Jun	\$2,289	\$1,860	\$1,599	\$23,292	\$14,458	\$4,437	\$129,417	\$4,540	\$0
8-Jun	\$2,164	\$1,758	\$1,511	\$22,013	\$11,776	\$4,193	\$118,449	\$4,144	\$0
9-Jun	\$1,351	\$1,254	\$1,006	\$15,704	\$2,355	\$1,994	\$80,155	\$2,658	\$0
10-Jun	\$501	\$418	\$288	\$5,235	\$0	\$0	\$28,442	\$893	\$0
11-Jun	\$258	\$0	\$0	\$0	\$0	\$0	\$0	\$7	\$0
12-Jun	\$124	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$0
13-Jun	\$90	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
14-Jun	\$69	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$0
15-Jun	\$28	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$0
16-Jun	\$8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Tax</b>								<b>\$20,354</b>	<b>\$0</b>



Table 5, continued  
State and Local Tax and Expenditure Summary for the  
**Projected Attendance at 2015 X Games Austin**

<b>Vehicle Rental Tax:</b>		Sponsors & Industry/ ESPN						<b>State Tax</b>	<b>Local Tax</b>
	ESPN Staff in Hotels	Athletes	Judges	Athlete Managers & Guests	Guests	Media	OOS Fans in Austin		
Persons/ group	1.75	1.75	1.25	2.00	2.00	1.25	2.00		
% Groups renting <sup>20</sup>	33%	33%	33%	33%	33%	33%	43%		
Cost / day	\$80.40	\$80.40	\$80.40	\$80.40	\$80.40	\$80.40	\$80.40		
19-May	\$617	\$0	\$0	\$0	\$0	\$0	\$0	\$62	\$0
20-May	\$648	\$0	\$0	\$0	\$0	\$0	\$0	\$65	\$0
21-May	\$864	\$0	\$0	\$0	\$0	\$0	\$0	\$86	\$0
22-May	\$1,049	\$0	\$0	\$0	\$0	\$0	\$0	\$105	\$0
23-May	\$1,358	\$0	\$0	\$0	\$0	\$0	\$0	\$136	\$0
24-May	\$1,482	\$0	\$0	\$0	\$0	\$0	\$0	\$148	\$0
25-May	\$2,037	\$0	\$0	\$0	\$0	\$0	\$0	\$204	\$0
26-May	\$2,747	\$0	\$0	\$0	\$0	\$0	\$0	\$275	\$0
27-May	\$3,519	\$0	\$0	\$0	\$0	\$0	\$0	\$352	\$0
28-May	\$4,599	\$0	\$0	\$0	\$0	\$0	\$0	\$460	\$0
29-May	\$5,402	\$0	\$0	\$0	\$0	\$0	\$0	\$540	\$0
30-May	\$6,976	\$0	\$0	\$0	\$0	\$0	\$0	\$698	\$0
31-May	\$8,303	\$0	\$0	\$0	\$0	\$0	\$0	\$830	\$0
1-Jun	\$10,988	\$0	\$0	\$0	\$0	\$0	\$0	\$1,099	\$0
2-Jun	\$13,797	\$0	\$0	\$0	\$0	\$0	\$0	\$1,380	\$0
3-Jun	\$17,038	\$2,036	\$0	\$11,154	\$7,021	\$0	\$24,855	\$6,210	\$0
4-Jun	\$19,045	\$4,073	\$1,315	\$22,309	\$28,082	\$6,459	\$45,190	\$12,647	\$0
5-Jun	\$21,082	\$4,508	\$5,260	\$24,695	\$31,086	\$7,150	\$82,164	\$17,595	\$0
6-Jun	\$21,267	\$4,548	\$5,306	\$24,912	\$31,359	\$7,213	\$164,530	\$25,914	\$0
7-Jun	\$20,897	\$4,469	\$5,214	\$24,478	\$30,813	\$7,087	\$175,178	\$26,814	\$0
8-Jun	\$18,952	\$4,053	\$4,729	\$22,200	\$27,946	\$6,428	\$135,741	\$22,005	\$0
9-Jun	\$5,926	\$2,027	\$1,891	\$11,100	\$13,973	\$0	\$74,658	\$10,958	\$0
10-Jun	\$3,303	\$0	\$0	\$0	\$0	\$0	\$0	\$330	\$0
11-Jun	\$1,451	\$0	\$0	\$0	\$0	\$0	\$0	\$145	\$0
12-Jun	\$833	\$0	\$0	\$0	\$0	\$0	\$0	\$83	\$0
13-Jun	\$833	\$0	\$0	\$0	\$0	\$0	\$0	\$83	\$0
14-Jun	\$432	\$0	\$0	\$0	\$0	\$0	\$0	\$43	\$0
15-Jun	\$93	\$0	\$0	\$0	\$0	\$0	\$0	\$9	\$0
16-Jun	\$62	\$0	\$0	\$0	\$0	\$0	\$0	\$6	\$0
<b>Total Tax</b>								<b>\$129,281</b>	<b>\$0</b>
<b>Other Expenditures:</b>		<b>Total</b>		<b>Out-of- state</b>		<b>State Tax</b>		<b>Local Tax</b>	
Tickets		\$5,123,700		\$1,038,785		\$64,924		\$10,388	

## Indirect, Induced and Total METF Tax Gains

In addition to the direct economic and tax gains from the X Games Austin, both the state and city gain economic activity and taxes as these direct impacts filter their way through the state and local economies. These secondary gains are termed indirect and induced increases. For example, in order for restaurants and hotels serve out-of-state X Games Austin guests, facility managers must increase the orders for food, drinks and other materials from their suppliers. That increased demand generates indirect economic gains as the activity filters its way down the supply chain.

Moreover to supply increased demand for services, additional workers must be hired or existing workers must have their hours extended increasing their take home pay. As those workers spend that additional money this too generates increased induced demands throughout the state and the city. Finally the increased restaurant expenditures at X Games Austin from out of state visitors in town for the event also generate tip income for restaurant and bar staff.

The total effects of increased direct spending along with indirect and induced spending is presented in Table 6 based on the Texas Comptroller's IMPLAN model. This table indicates that the \$35.7 million in direct expenditures driven by hosting X Games Austin generates \$15.1 million in indirect impacts and another \$21.1 million in induced impacts for a total gain of \$71.9 million in economic activity to Texas.<sup>21</sup>

From a tax perspective, on top of the \$1.7 million in tax gains to the state from direct economic activity must be added \$738,000 in indirect tax gains and \$1.2 million in induced tax gains from this event for a total tax gain of \$3.7 million to the state. On a similar basis when including both indirect and induced tax effects, the City of Austin's total tax gain from the 2015 X Games Austin will be nearly \$1.4 million.<sup>22</sup>

Based on the matching local matching requirements in the METF statute and subject to post-event attendance verification, the X Games Austin Local Organizing Committee requests the Comptroller certify a deposit \$3,664,347 in state funds into a Major Events Trust Fund account established for the 2015 X Games Austin after the event when matched by up to \$586,296 in local contributions to be used to reimburse event presentation expenses eligible under the statute.

Table 6

## Total Economic and Tax Impacts of 2015 X Games Austin under the Major Events Trust Fund

	<i>Direct Impact</i>		<i>Indirect Impact</i>		<i>Induced Impact</i>		<i>Total Impact</i>	
	Spending	Taxes	Spending	Taxes	Spending	Taxes	Spending	Taxes
Hotel Expenditures	\$7,253,598	\$435,216	\$3,424,902	\$150,288	\$3,502,490	\$203,590	\$14,180,991	\$789,094
Food and Non-Alcoholic Beverage Expend.	\$6,851,148	\$428,197	\$3,025,515	\$150,523	\$3,475,387	\$201,963	\$13,352,050	\$780,682
Food & Beverage - Tips	\$1,233,207		\$486,012	\$20,071	\$601,010	\$35,371	\$2,320,229	\$55,442
Entertainment & Shopping	\$3,493,824	\$218,364	\$1,285,674	\$64,167	\$2,137,801	\$124,216	\$6,917,300	\$406,748
Shopping at Venue	\$924,510	\$57,782	\$340,206	\$16,979	\$565,689	\$32,869	\$1,830,406	\$107,631
Mixed Drink Expenditures	\$795,080	\$92,786	\$351,113	\$17,468	\$403,321	\$23,438	\$1,549,514	\$133,692
Beer & Wine Expenditures	\$1,582,206	\$20,354	\$698,714	\$34,762	\$802,607	\$46,641	\$3,083,527	\$101,757
Rental Cars	\$1,292,812	\$129,281	\$570,791	\$24,265	\$497,281	\$28,937	\$2,360,884	\$182,482
Transportation (Airfare - spent in Texas)	\$2,288,391		\$1,062,922	\$43,457	\$1,066,191	\$61,937	\$4,417,504	\$105,395
Transportation (Car - spent in Texas)	\$714,584		\$135,720	\$6,774	\$464,783	\$27,085	\$1,315,086	\$33,859
Total Event Production Spend in Texas	\$9,294,000	\$250,563	\$3,684,553	\$209,083	\$7,616,627	\$442,996	\$20,595,181	\$902,641
Gain to State from OOS Ticket Sales		\$64,924						\$64,924
<b>TOTAL</b>	<b>\$35,723,361</b>	<b>\$1,697,466</b>	<b>\$15,066,121</b>	<b>\$737,837</b>	<b>\$21,133,189</b>	<b>\$1,229,044</b>	<b>\$71,922,671</b>	<b>\$3,664,347</b>
Local Match Requirement								\$586,296
<b>TOTAL METF- X Games Austin</b>								<b>\$4,250,643</b>

**Appendix A:**  
**Event Award Letter**

## Endnotes

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<sup>1</sup> <http://www.venuestoday.com/news/detail/x-games-chooses-austin0814>

<sup>2</sup> COTA press release data June 9, 2014.

<sup>3</sup> Internet survey conducted by COTA of ticket purchasers at X Games Austin with 4,012 responses indicating that at peak 19.9 percent of those attending X Games were from outside Texas with just under an additional 2 percent of out-of-state visitors in Austin for X Games that day but not attending the event that day for an effective out-of-state fan percentage of 21 percent of ticketed sales. Ticket sales data and Thursday attendance estimate from COTA. Total ESPN, competitor, judge, coach, media, and industry attendees (in and out of state) provided by Dr. Linda K. Moore, Senior Director, Business Operations & Planning, ESPN Productions Inc., One ESPN Plaza, Bristol, CT 06010 to Don Hoyte, TexasTrustFunds.com on November 5, 2014.

<sup>4</sup> The 56,027 daily total includes the 55,533 people enumerated in Table 1 plus a survey-estimated 494 fans in town for X Games but not attending the event that day.

<sup>5</sup> It should also be noted that Table 2 replicates the post-event certification estimate provided by CELOC to the Texas Comptroller of Public Accounts of 139,810 attendees during the three core days of the event with 44,814 of these attendees from outside Texas. The total attendance figure is replicated as the sum of ESPN Staff, athletes, judges, athlete managers and guests, sponsor industry or ESPN guests, media, ticketed fans, out of state fans in Austin but not at the event the particular day, and out-of-area fans in Austin but not at the event the particular day for the June 6 through 8 dates. Individual group totals from Table 2 are adjusted to reflect the out-of-state components for each of these groups so that total out-of-state attendance equals 44,814 over these three days with those figures providing the basis for the expenditure estimates in Table 5.

<sup>6</sup> Email from Dr. Linda K. Moore, Senior Director, Business Operations & Planning, ESPN Productions Inc., One ESPN Plaza, Bristol, CT 06010 to Don Hoyte, TexasTrustFunds.com on November 6, 2014.

<sup>7</sup> The total event presentation spend in Texas of includes expenditures on hotels for staff which is covered in detail in Table 5 so these are not included in Table 3.

<sup>8</sup> Email From Linda Moore, Senior Director, Business Operations & Planning, ESPN Productions Inc., One ESPN Plaza, Bristol, CT 06010 to Don Hoyte, TexasTrustFunds.com October 31, 2014.

<sup>9</sup> Note the figures in Table 4 focus on expenditures for which a state tax gain under the Event Trust Funds is expected. As such those figures include athletes, managers, trainers, sponsors, media, industry guests (and their friends and family that accompany them) plus the out-of state fans attending the event and affiliated visitors. It is not a generalized economic impact since it excludes spending by local fans and other Texans at the event and in Austin while attending the event.

<sup>10</sup> Estimating these travel expenditures resulted from using the data from the fan survey with those results extrapolated to other groups at the games:

<b>Estimated Travel Cost to X Games Austin</b>						
	<u>Peak Attendance</u>	<u>OOS</u>	<u>% by Car</u>	<u>% by Air</u>	<u>Transportation Cost (car)</u>	<u>Transportation Cost (Air)</u>
Competitors	300	270	30%	70%	\$6,278	\$86,846
Judges	250	225	30%	70%	\$5,231	\$72,371
Athlete Managers & Guests	1,878	1,690	40%	60%	\$52,396	\$465,988
Sponsors & Industry/ESPN Guests	2,364	1,773	60%	40%	\$82,445	\$325,877
Media	708	354	60%	40%	\$16,461	\$65,065
OOS Fans (survey data)	9,888	9,888	72%	28%	\$551,774	\$1,272,244
<b>TOTAL</b>					<b>\$714,584</b>	<b>\$2,288,391</b>

<sup>11</sup> The 2014 nightly hotel expenditure data for ESPN employees was provided by Linda Moore of ESPN. Since ESPN has since renegotiated their hotel contracts for 2015 at significantly higher rates than in 2014, the 2015 nightly hotel cost figure were increased by 10 percent to reflect higher costs. These figures were also applied to the other groups attending X Games as a reasonable surrogate for their room rates. It should be noted that the 2014 fan survey indicated fans paid an average of \$179 per room per night and utilized 1.1 rooms. But since no group size figures were collected from that survey, it is not possible to directly use the survey's room price figure for fans.

<sup>12</sup> It should be noted that for non-fans (ESPN, athletes, judges, media etc.) at X Games Austin, the attendance figures in Table 2 count all attendees whereas the expenditures in Table 5 are based on only out-of-state counts of those attendees. Based on data and estimates supplied by ESPN about 70 percent of ESPN staff-days were accounted for by out-of-state personnel, 95 percent of athletes, managers and athlete guests are from outside Texas, 98 percent of judges, 93 percent of industry/ESPN sponsors and guests, and only 48 percent media.

<sup>13</sup> percentage in hotels from fan survey. Percentage for other categories from ESPN

<sup>14</sup> Note that at peak attendance, a total of about 7,200 hotel rooms will be required for all participants and out-of-state fans for X Games. The number of hotel rooms in the Austin area totals about 30,000 so this level of demand by X Games attendees, while significant, should not overly tax the availability of hotel rooms. Since facilities in the City of Austin account for about 85 percent of all hotel rooms in the region, during the four peak days of the X Games event it is estimated that the City of Austin should host about 85 percent of participant and out-of-state fan spending. Earlier in the week when room demand is considerable lower, proximity of Austin hotels to COTA will probably result in the City of Austin hosting all of X Games activity. Hotel tax gains to the city as well as sales and alcoholic beverage tax gains are adjusted accordingly.

<sup>15</sup> Daily expenditures by OOS ESPN staff at half that from Fan survey or \$51.46 per person per day.

<sup>16</sup> See note 14. Similar percentages apply for the local tax in this table.

<sup>17</sup> This includes entertainment and shopping expenditures cited in Table 4 both inside and outside of the X Games Austin venues.



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<sup>18</sup> Shopping and Entertainment expenses for OOS ESPN staff at a quarter of the fan survey amount of \$69.76 per person per day.

<sup>19</sup> In general, Table 5 applies statutory tax rates to relevant expenditures in order to derive tax gains under the event trust fund. However since the Alcoholic Beverage Tax is a complex tax levied on the basis of the alcohol content of various beverages by volume, the estimate of that tax in Table 5 is based on a derived value-based percentage linking revenue from the Alcoholic Beverage Tax to mixed beverage tax sales. Specifically, in the January 2013 Biennial Revenue Estimate prepared by the Comptroller of Public Accounts, the estimated tax gain during the next biennium for the Mixed beverage tax is \$1,624 million (see page 17). The estimated gain from the other Alcoholic Beverage taxes is estimated at \$416 million or roughly a quarter of the tax raised by the state under the Mixed Beverage Tax. Accordingly, Table 5 applies the statutory tax rate of 11 percent to the value of mixed beverages as described in law and approximates the alcoholic beverage tax gains as being 2.56 percent of the value of mixed beverages which raises about a quarter of mixed tax raised by the state under the mixed beverage tax for this event. Since there is no local tax component to the alcoholic beverage tax, no estimate for this is included in Table 5.

<sup>20</sup> For fans this is the percentage of cars rented per group adjusting for the fact that some groups rented more than one car. For other groups, this is set equal to the percentage of fans that said they rented cars but assumes each group rents only one car.

<sup>21</sup> The induced and indirect multipliers and associated effective tax rates in Table 6 match precisely those developed by the Texas Comptroller of Public Account for the same expenditure sectors as applied to the 2014 USGP. These multipliers and effective tax rates were developed by Jojo Estrada, Economist, Economic Development & Analysis Division, Texas Comptroller of Public Accounts using the Comptroller's IMPLAN model for the Austin area on September 20, 2013. The total output multiplier (ratio of total output gains to direct output gain) is 1.99 for the 2013 USGP and is 2.01 for X Games Austin indicating (as expected) the output gains from these two events are quite similar.

<sup>22</sup> Note that local direct tax gains detailed in Table 5 total \$734,455. Applying the relative state tax gains from each sector to the local direct tax gains within that sector indicates a total local tax gain of \$1,394,472.

## ATTACHMENT 4

### Requested X Games Austin Economic Impact Study Market Area

The requested basic economic impact region for the X Games Austin Event scheduled for the weekend of June 4 - 7, 2015 is the five-county Austin Metropolitan area, including Travis, Williamson, Hays, Bastrop, and Caldwell Counties (collectively, the "*Economic Impact Region*"). This designated Economic Impact Region has been used for the Economic Study

## **ATTACHMENT 5**

### **Events & Activities Schedule**

X Games Austin June 4 – 7, 2015 of the Circuit of the Americas – Austin, TX  
Schedule of Events\*

See Attached Tentative Schedule

\* Anticipated additional events will be added to schedule.

**ATTACHMENT 6**

**Affidavits Under Rule §2.202(a)(5)**



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

**AFFIDAVIT**

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

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

I understand that the city, county or local organizing committee is receiving funding under the Act for the purposes of facilitating this event: X Games Austin 2015 on these dates: June 4 - 7, 2015 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.

\_\_\_\_\_  
Affiant Signature

TexasTrustFunds.com

\_\_\_\_\_  
Title and Name of Organization

Don Hoyte

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

Sworn and subscribed before me by the said

Don Hoyte

\_\_\_\_\_  
(Printed Name of Recipient's Authorized Representative)

this \_\_\_\_\_ day of \_\_\_\_\_, 2015

Notary Public, State of Texas

\_\_\_\_\_  
Notary Public Signature

Notary's printed name: \_\_\_\_\_ My commission expires: \_\_\_\_\_ (Seal)



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

**AFFIDAVIT**

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

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

I understand that the city, county or local organizing committee is receiving funding under the Act for the purposes of facilitating this event:  
X Games Austin 2015 on these dates: June 4 - 7, 2015 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.

\_\_\_\_\_  
Affiant Signature

City Manager, City of Austin

\_\_\_\_\_  
Title and Name of Organization

Sworn and subscribed before me by the said

Marc Ott

\_\_\_\_\_  
(Printed Name of Recipient's Authorized Representative)

this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

Notary Public, State of Texas

Marc Ott

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Notary Public Signature

Notary's printed name: \_\_\_\_\_ My commission expires: \_\_\_\_\_ (Seal)





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

**AFFIDAVIT**

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

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

I understand that the city, county or local organizing committee is receiving funding under the Act for the purposes of facilitating this event:  
X Games Austin 2015 on these dates: June 4 - 7, 2015 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.

\_\_\_\_\_  
Affiant Signature

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

Wayne S. Hollingsworth

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

Sworn and subscribed before me by the said

Wayne S. Hollingsworth  
(Printed Name of Recipient's Authorized Representative)

this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

Notary Public, State of Texas

\_\_\_\_\_  
Notary Public Signature

Notary's printed name: \_\_\_\_\_ My commission expires: \_\_\_\_\_ (Seal)

ATTACHMENT 7

**Comptroller Request Worksheet to Establish an Event Trust Fund**



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

#### **STEP 1:**

**Review the ETF Administrative Code.**

#### **STEP 2:**

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

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

#### **STEP 3:**

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

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

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

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

#### **STEP 4:**

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

#### **STEP 5:**

**Submit reimbursement requests.**

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



Susan Combs Texas Comptroller of Public Accounts

## Request Worksheet to Establish an Events Trust Fund

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

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

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

### SECTION 1: Endorsing Municipality or County

City of Austin

Endorsing City or County

Leela Fireside (Legal Department) and Rodney Gonzales (Economic Development Department)

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

Leela.Fireside@austintexas.gov and

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

Contact email

Rodney.Gonzales@austintexas.gov

Contact phone (area code and phone number)

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

☒ Yes ☐ No

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

☒ Yes ☐ No

### SECTION 2: Local Organizing Committee

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

☒ Yes ☐ No

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

Circuit Events Local Organizing Committee

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

Is the LOC a registered non-profit corporation?

☒ Yes ☐ No

45-2727397

LOC Tax Payer ID#

Circuit Events Local Organizing Committee

Complete Business Name

## SECTION 2: Local Organizing Committee *(continued)*

Wayne S. Hollingsworth

LOC Contact Name

WHollingsworth@abaustin.com

Contact email

(512) 435-2306

Contact phone (area code and phone number)

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

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

## SECTION 3: Site Selection Organization

ESPN, Inc.

Site Selection Organization

Scott Guglielmino, Senior Vice President, Programming and X Games

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

Scott.Guglielmino@espn.com

Contact email

Contact phone (area code and phone number)

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

## SECTION 4: Event Information

ESPN X Games AUSTIN

Official Event Name

Circuit of The Americas

Venue

xgamesaustin.com

Event Website

Location of this event the previous five years:

1 See Schedule A Attached

2

3

4

5

Source of information:



#### SECTION 4: Event Information *(continued)*

June 4, 2015	June 7, 2015	June 5, 6, 7, 2015
First Day of Activities	Last Day of Activities	Date of the PRIMARY Event
55,533	16,917	
Anticipated TOTAL attendance at the PRIMARY event	Anticipated Out of State Attendance at the PRIMARY Event	

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

Circuit of the Americas ("COTA") tracks and tabulates attendance figures during each day of the event, including for the primary event day. COTA also conducts various surveys of attendees both during and after the event with the intent to determine an accurate calculation of out-of-state attendees for each day of the event.

#### SECTION 5: Checklist

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

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



































































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

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

_____ Signature	_____ Director Title
--------------------	----------------------------



SCHEDULE A**Venues**

Year	Summer	Winter	Asia	Europe	South America	México
1995	 Newport, Rhode Island	 Stowe, Vermont				
1996	 Newport, Rhode Island	 Stowe				
1997	 San Diego	 Big Bear Lake, California				
1998	 San Diego	 Crested Butte, Colorado	 Phuket			
1999	 San Francisco	 Crested Butte	 Phuket			
2000	 San Francisco	 Mount Snow, Vermont	 Phuket			
2001	 Philadelphia	 Mount Snow	 Phuket			
2002	 Philadelphia	 Aspen	 Kuala Lumpur			
2003	 Los Angeles	 Aspen	 Kuala Lumpur			
2004	 Los Angeles	 Aspen	 Kuala Lumpur			
2005	 Los Angeles	 Aspen	 Seoul			
2006	 Los Angeles	 Aspen	 Kuala Lumpur			
2007	 Los Angeles	 Aspen	 Shanghai			 México City
2008	 Los Angeles	 Aspen	 Shanghai			 México City
2009	 Los Angeles	 Aspen	 Shanghai			
2010	 Los Angeles	 Aspen	 Shanghai	 Tignes		
2011	 Los Angeles	 Aspen	 Shanghai	 Tignes		
2012	 Los Angeles	 Aspen	 Shanghai	 Tignes		
2013	 Los Angeles	 Aspen	 Shanghai	 Tignes	 Barcelona	 Munich
					 Foz do Iguaçu	
2014	 Austin, Texas	 Aspen	 Shanghai			

**ATTACHMENT 8**

**Affidavits Endorsing a Major Events Trust Fund**



**Affidavit to be COMPLETED by any/all Municipality, County, and/or LOC endorsing a  
Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund  
AFFIDAVIT**

*[Affidavit to be signed and sworn (notarized) by each Endorsing Municipality, Endorsing County, and Local Organizing Committee (if applicable)]*

I, Marc Ott, an authorized representative of: City of Austin  
a [local organizing committee (nonprofit corporation), endorsing municipality or endorsing county] (circle one) ("Requestor") that is receiving funding through the Major Events Trust Fund, Events Trust Fund, or Motor Sports 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 Texas Comptroller's 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:

to the best of my knowledge

- (1) a letter from the municipality or county requesting participation in the 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 Comptroller's office to make the determination of the incremental increase in tax revenue associated with hosting the event in Texas, including a listing of any data for any related activities;
- (4) a Request Worksheet to Establish an Events Trust Fund form and any attachments; and
- (5) an Event Support Contract (if available – else due no later than date of event's first activities).

I understand that I am receiving funding under the Act for the purposes of facilitating this event: X Games Austin 2015

on these dates: June 4 - 7, 2015

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.

\_\_\_\_\_  
Affiant Signature

City Manager, City of Austin

\_\_\_\_\_  
Title and Name of Organization

Sworn and subscribed before me by the said

Marc Ott

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

Marc Ott

\_\_\_\_\_  
(Printed Name of Recipient's Authorized Representative)

this \_\_\_\_\_ day of \_\_\_\_\_, 20 15

Notary Public, State of Texas

\_\_\_\_\_  
Notary Public Signature

Notary's printed name: \_\_\_\_\_ My commission expires: \_\_\_\_\_ (Seal)



Susan Combs Texas Comptroller of Public Accounts

**Affidavit to be COMPLETED by any/all Municipality, County, and/or LOC endorsing a  
Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund  
AFFIDAVIT**

*[Affidavit to be signed and sworn (notarized) by each Endorsing Municipality, Endorsing County, and Local Organizing Committee (if applicable)]*

I, Wayne S. Hollingsworth, 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 Major Events Trust Fund, Events Trust Fund, or Motor Sports 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 Texas Comptroller's 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:

to the best of my knowledge

- (1) a letter from the municipality or county requesting participation in the 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 Comptroller's office to make the determination of the incremental increase in tax revenue associated with hosting the event in Texas, including a listing of any data for any related activities;
- (4) a Request Worksheet to Establish an Events Trust Fund form and any attachments; and
- (5) an Event Support Contract (if available – else due no later than date of event's first activities).

I understand that I am receiving funding under the Act for the purposes of facilitating this event: X Games Austin 2015  
on these dates: June 4 - 7, 2015

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.

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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.

\_\_\_\_\_  
Affiant Signature

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

Sworn and subscribed before me by the said

Wayne S. Hollingsworth

(Printed Name of Recipient's Authorized Representative)

this \_\_\_\_\_ day of \_\_\_\_\_, 20 15

Notary Public, State of Texas

Wayne S. Hollingsworth

Printed Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Notary Public Signature

Notary's printed name: \_\_\_\_\_ My commission expires: \_\_\_\_\_ (Seal)

**Agreement  
City of Austin  
Circuit Events Local Organizing Committee  
(Summer X Games Event 2014 - 2016)**

The City of Austin, a home-rule municipal corporation located in Hays, Travis, and Williamson Counties, in the State of Texas, (City) acting through, its duly authorized agent the City Manager, and Circuit Events Local Organizing Committee, a Texas non-profit corporation, (CELOC) acting through its duly authorized director or officer, enter into this Agreement (Agreement), upon the terms and conditions set forth below.

**RECITALS:**

1. Tex. Rev. Civ. Stat Art 5190.14 § 5C, (the Act) and rules related to the Act, found at 34 Tex. Admin. Code, Chapter 2, Subchapter B, for an Event trust Fund (an ETF), as amended and supplemented (as applicable, the Rules), were passed and enacted for the purpose of attracting and securing eligible events to Texas. The Texas Comptroller of Public Accounts (Comptroller or State) is tasked with administering the Act and the Rules. The Act at 5C(a)(3), for the ETF, defines eligible events (Event). CELOC has proposed the ESPN Summer X Games (commonly known as the Summer X Games), whose site selection committee is ESPN, a Delaware corporation, as an eligible Event under the Act. The subject Summer X Games events (individually, an Event and collectively, the Events,) will be held in June during 2014 and during each of 2015 and 2016, at the raceway facilities of Circuit of the Americas (COTA) in Austin, Texas.
2. The Act, at 5C(a)(2) for an ETF, provides that a municipality that contains a site selected by a site selection organization for one or more events, such as the Circuit of the Americas Track now located in the City, is an eligible "Endorsing Municipality" for purposes of establishing an ETF as authorized under the Act at 5C(d), thus making local and state funds available to attract, secure, and hold an eligible event, such as the Summer X Games.
3. The Act at 5C(b), authorizes an Endorsing Municipality or a local organizing committee (Local Organizing Committee), such as CELOC, to request that the Comptroller estimate the incremental increases in certain local taxes (Local Increment) and state taxes (State Increment) that will be attributable to the Events.
4. The Act at 5C(d) and (d-1), authorizes the City, or its designee, to fund the ETF in an amount up to the estimated Local Increment. Under this Agreement, CELOC, as the City's exclusive designee, has agreed and committed to fund the Local Increment on behalf of the City; the Act at 5C(f), authorizes the State to fund the ETF with \$6.25 for each dollar of estimated Local Increment, but not more than the estimated State Increment
5. The Act at 5C(d-1) and (e), authorizes the City to determine whether the Local Increment will come from sales, use, and mixed beverage tax collected and retained by the State; hotel occupancy tax collected and remitted by the City; surcharges; any other source; or

any combination of sources. However, under this Agreement, CELOC has agreed and committed to fund the Local Increment on behalf of the City.

6. If CELOC does not fund the Local Increment on behalf of the City, the City may terminate this Agreement, under Section 25 below.
7. The Act at 5C(k), authorizes disbursements to CELOC as the "Local Organizing Committee" on the prior approval of the City.
8. The parties acknowledge and agree that City will solely and exclusively utilize CELOC as its designee (Designee) to provide the Local Increment, and that this Agreement does not affect Comptroller's responsibility to provide City's tax revenues to the City. This agreement does not require the expenditure of City funds into the ETF.
9. On June 24, 2013, the CELOC Board of Directors voted to request, and COTA has submitted a formal letter requesting, that the City (i) act as the Endorsing Municipality for purposes of establishing an ETF for the Event, and (ii) authorize CELOC, as the local organizing committee, to submit a request to the Comptroller to determine the incremental increase in the receipts of various taxes for the Event.
10. On May 23, 2013, the City, by resolution of City Council, approved the City to act as "endorsing municipality" for the event, to approve and appoint CELOC as the Local Organizing Committee for the Event, to approve CELOC to apply to the site selection organization for the Event, to hold the Event in Austin, Texas in June of 2014, and approve CELOC to make application to the Comptroller for and on behalf of the City as the endorsing municipality for participation in the ETF.
11. On June 11, 2013, CELOC made application to ESPN, Inc., as the site selection committee for Summer X Games Event (the Site Selection Organization) for a Summer X Games Event to be held in Austin, Texas for 2014 - 2016. On July 8, 2013, the City received a letter from the Event Site Selection Organization, confirming that, after an international highly competitive selection process, the Site Selection Organization has chosen Austin as the sole location for the June 5 - 8, 2014 Event and subsequent Events.

#### AGREEMENT

12. Agreement Purpose.

The purpose of this Agreement is to establish the parties' authority, rights, and responsibilities with respect to the application to the Comptroller for creation of an ETF, the funding of the ETF and disbursements from that account for the Event. This Agreement does not constitute City approval for any permits or licenses that may be needed by CELOC or any other entity to hold this event.



13. Term.

If the Comptroller approves creation of the ETF for the Event, this Agreement shall remain in effect until 180 days after the Event, unless terminated sooner only in accordance, with the terms of Sections 25 or 27 of this Agreement

14. City Authority.

The City has the authority to enter into this Agreement in accordance with the terms of the Act and pursuant to the approval and resolution of City Council enacted on May 23, 2013. No City appropriation is necessary for performance of this Agreement

15. City Responsibilities.

A. City responsibilities and obligations include:

(1) Authorize CELOC, and, if requested by CELOC, confirm the authority of CELOC as the City's exclusive Designee, to (i) contribute the Local Increment on the City's behalf, (ii) prepare and submit disbursement and reimbursement request letters to the Comptroller; (iii) receive funds from the ETF, and (iv) make annual ETF reimbursement requests to the Comptroller under the Rules.

(2) Coordinate, cooperate with, and assist CELOC in (i) the application process under Rule §2.202, including delivery of a letter required under subsection (a)(i) thereof and, if required by the Comptroller, an affidavit under subsection (a)(5) of §2.202, (ii) the disbursement request process under Rule §2.204, including provision of deliveries required under subsections (e)(1), (e)(7), and (i) of §2.202, as well as the submission of invoices, receipts, and other documents evidencing eligible expenses, all as reasonably requested by CELOC, to obtain disbursement and reimbursement of eligible expenses from the ETF, in accordance with the Rules. Parties acknowledge that the State is the final determiner of what constitutes an "eligible expense" for reimbursement purposes.

B. Per 15.A(2), in carrying out the duties in this Agreement, the City may, and does hereby, designate and authorize CELOC to act as its exclusive Designee and Local Organizing Committee for the Event and to perform those certain duties and tasks on behalf of the City as specified in Section 17 below and any such other duties as subsequently agreed by the City and CELOC in writing, City hereby grants its prior approval for CELOC's submittal to the Comptroller of all disbursement and reimbursement request letters and invoices for eligible expenses related to the Event, subject only to final review and approved by the City.

16. CELOC Authority. CELOC is authorized by the City, and has the authority to fulfill certain responsibilities on the City's behalf as the City's exclusive Designee to make application to the Site Selection Organization for the Event on behalf of the City, to make application for the Event on behalf of the City for participation under the Act and for administration of the ETF, for the Event under the Act and as further authorized and described at Section 17.

17. CELOC Responsibilities and Authority.

A. Specific Responsibilities and Authority (Event).

- (1) The City authorizes and requests, and by its authorized signature below, CELOC agrees that it will fulfill the following responsibilities and obligations on behalf of the City:
  - (a) Make a request to the Comptroller under the Rules, including requesting that the Comptroller make a Local and State Increment determination per Section 5C(b), of the Act (Trust Fund Estimate), with such request made not later than 45 days or 3 months prior to the Event. Should the date of the Event be changed, the request may be resubmitted at any time permitted by the Comptroller.
  - (b) Commission, pay for, or provide for payment of, and submit to the Comptroller, an Economic Impact Study (EIS) assessing estimated tax increment for the next year's Event.
  - (c) Prepare and submit a Request Worksheet to Establish an Event Trust Fund, if and as required by Rule §2.202(a)(4).
  - (d) Provide affidavit if and as required by Rule §2.202(a)(5), in the form required by the Comptroller.
  - (e) Pay or provide for payment of the City's estimated Local Increment, contribution, up to the amount of estimated Local Increment determined by the Comptroller.
  - (f) Enter into an Event Support Contract with the Site Selection Organization per the Rules.
  - (g) Submit to the Comptroller documentation of the Site Selection Organization's "highly competitive selection process" per the Rules.
  - (h) Prepare and submit all disbursement request letters for the Event or the ETF to the City, for review and approval, and to the Comptroller, including required documentation and backup (i) information to enable the City to complete and deliver, in good faith, the certification required under Rule §2.204(i) and such other non-confidential documentation in CELOC's possession as requested by the Comptroller.
  - (i) Prepare and submit the information and report required under Rule §2.203(a).
- (2) CELOC will have (or if currently elected, maintain) one City representative to the CELOC Board. This representative will be a non-voting, ex-officio member. The City will have only one board member, regardless of the number or type of events under this or any other agreement between CELOC and the City.
- (3) All meetings of CELOC shall be conducted in accordance with the Texas Open Meetings Act.
- (4) All records of CELOC shall be open in accordance with the Texas Public Information Act.

B. Modifications of obligations and responsibilities.

CELOC's obligations and responsibilities under this Section 17, and the time periods for compliance or performance, as well as the distributions under Section 20 may be modified or amended with written approval of the City this approval will not be unreasonably withheld. Further, the City may ratify any non-compliant or untimely performance by CELOC and upon such ratification the compliance or performance will be considered and deemed compliant, performed, cured, and timely. Such ratification is only effective if it is in writing.

18. Funding of Local Increment.

A. The City authorizes and requests, and by its authorized signature below CELOC agrees to fulfill, the obligation and responsibility on behalf of the City for the payment of the City's Local Increment contributions for the Event in amounts up to the estimated anticipated Local Increment.

B. If this Agreement is terminated because CELOC does not meet its financial obligation of depositing the annual Local Increment in amounts up to the estimated anticipated Local Increment, then Circuit of the Americas will guaranty the City against any liability to the Comptroller for any amount the Comptroller asserts that the City owes the Comptroller for such Local Increment, as such obligation is further set out in Section 25 of the Agreement between the City and Circuit of the Americas.

C. Per Act, the Local Increment will be matched by the State in a ratio of 1:6.25.

19. INTENTIONALLY LEFT BLANK FOR EXPANSION.

20. Disbursements.

A. The City authorizes and approves for disbursement from the ETF in the following order of priority:

- (1) To the Site Selection Organization, payment for all or part of the Event service fee, provided if such service fee has been paid to the Site Selection Organization, then in reimbursement to the payor thereof.
- (2) To CELOC, in payment of eligible expenses, including the EIS for the Event,

21. Disbursements Must Be Eligible Expenses.

All disbursements from the ETF must constitute eligible expenses, as determined by the State, in accordance with the Act and the Rules.

22. Fund Disbursement Upon Early Termination.

Early termination of this Agreement triggers reimbursement of funds on hand to the party or parties contributing such funds, but only after eligible expenses have been disbursed for applicable Events, per Section 5C(m), with CELOC receiving funds contributed by

CELOC on behalf of the City as City's Designee.

23. Sustainability Initiatives.

- A. CELOC and Circuit of the Americas LLC, (Circuit of the Americas) will enter into an agreement, with City input, that specifies CELOC's and Circuit of the Americas' responsibilities to accomplish the terms specified in Exhibit A, as applicable to the Event.
- B. CELOC will exert reasonable efforts to report or cause Circuit of the Americas to report to the City annually, after the Event is held and prior to disbursement of funds to CELOC by Comptroller for the next year's race, on progress made as it relates to the terms specified in Exhibit A, as applicable to the Event.
- C. Subject to and following the 30 day notice and opportunity to cure described in Section 25 below, there must also be 90 days written notice of intent to terminate delivered to CELOC, pursuant to this section, with copy to the State (for a total 120 day notice period).
- D. Failure to meet items (A) and (B) above, or terms specified in Exhibit A, as applicable to the Event, constitute grounds for termination; provided, however, both parties will first attempt non-binding arbitration to resolve any dispute between the parties with regard to the alleged failure of Circuit of the Americas to meet items (A) and (B) above or the terms specified in Exhibit A, as applicable to the Event. If non-binding arbitration is not successful, the City and CELOC agree to resolve the dispute in the jurisdiction and venue set forth in Section 25 below prior to the City exercising any termination remedy due to such dispute.
- E. City and Circuit of the Americas will enter into an agreement that specifies Circuit of the Americas' responsibilities to accomplish the terms specified in Exhibit A, as applicable to the Event. In the event City is entitled to terminate the Contract between the City and Circuit of the Americas, and City has provided notice of the termination of the Contract between the City and Circuit of the Americas, City may terminate this Agreement by giving 90 days advance notice of termination to CELOC.

24. Minority/Women Business Enterprise Initiatives.

City and Circuit of the Americas will enter into an agreement that specifies Circuit of the Americas' responsibilities to accomplish the M/WBE terms specified in that Agreement, In the event City is entitled to terminate the Contract between the City and Circuit of the Americas, and City has provided notice of the termination of the Contract between the City and Circuit of the Americas, City may terminate this Agreement by giving 90 days advance notice of termination to CELOC.

25. Termination with Cause.

- A. In the event of a material default by a party relating to the ETF authority, rights, and responsibilities set out in this Agreement, the other party shall have the right to terminate the Agreement for cause, but only after written notice of the definite is delivered to the party via certified mail. The notice shall be effective 30 days after delivery, unless otherwise specified, or the default is cured, as provided below. During this time period, the party alleged to be in default shall have the right to and may cure the event of default, or may provide evidence sufficient to prove to the other party's reasonable satisfaction that the default does not exist or that it will be cured in a time satisfactory to the party alleging the default. Evidence may include an opinion from the Comptroller regarding whether or not the alleged default is material to compliance with the Act. Each party's rights and remedies under the Agreement are cumulative and are not exclusive of any other right or remedy provided by law.
- B. Subject to and following the 30 day notice and opportunity to cure described in Section 25 above, there must also be 90 days written notice of intent to terminate delivered to the State and the other party pursuant to this Section (for a total 120 day notice period).
- C. This Agreement may be terminated upon occurrence of any of the following events which continue beyond the 30 and 90 day notices and opportunities to cure set forth above:
  - (1) The Event fails to meet the Performance Measures set out below.
  - (2) Termination of the City's Agreement with Circuit of Americas.

26. Performance Measures.

- A. Performance measures are:
  - (1) The occurrence of the Event within the time permitted in the Act or otherwise approved by the State.
  - (2) City and CELOC, respectively, meet all their designated responsibilities as defined in Sections 15 and 17.
  - (3) CELOC timely deposits or causes the deposit of the Local Contribution.
  - (4) Reporting regarding Sustainability Measures for the Event as set forth in Exhibit A, as applicable to the Event.

27. Repeal or Modification of the Act.

This Agreement expressly contemplates its effectiveness under the Act as currently in effect. Should the Act be repeated or modified in such a manner that the Event no longer qualifies under the provisions of the Act, this Agreement shall become voidable by either party on 90 days written notice to the other party and the Comptroller.

28. Jurisdiction and Venue.

The parties agree that this Agreement is governed by the laws of the State of Texas and that venue for a dispute arising from this Agreement shall be in Austin, Travis County, Texas.

29. Severability.

If a term or provision of this Agreement is determined to be void or unenforceable by a court of competent jurisdiction, the remainder of this Agreement remains effective to the extent permitted by law. However, if it is determined by a competent jurisdiction by a non-appealable final judgment that CELOC cannot provide the Local Increment on behalf of the City, this entire Agreement is void.

30. Notices.

Any notice, request, or other communication required or appropriate to be given under this Agreement shall be in writing and shall be addressed to the person designated for receipt below. Legal notices shall be sent postage prepaid and Return Receipt Requested.

Other notices and routine communications may be delivered by any other means (fax, e-mail, or courier). These notices and communications shall be deemed delivered upon receipt of a successful fax, e-mail, or courier confirmation report by the addressee; provided, that such notice is specifically directed to the attention of the person designated for receipt of notices to City or CELOC. Notice shall be addressed as follows:

To City:  
Attn: City Manager  
301 W.2<sup>nd</sup> St  
Austin, TX 78701

With copy to:  
City Attorney  
Law Department  
301 West 2nd St.  
Austin, TX 78701

To CELOC:  
Attn: Secretary  
100 Congress Avenue, Suite 1300  
Austin, TX 78701-2744

With copy to:  
Wayne S. Hollingsworth  
Armbrust & Brown, PLLC  
100 Congress Avenue, Suite 1300  
Austin, TX 78701-2744



31. Estoppel Certificate / Lender Protection

Upon a written request from CELOC, the City shall, within 10 business days after receipt of such request, execute and deliver to CELOC and any other party designated by CELOC, an estoppel certificate in form reasonably approved by the City Manager which certifies whether the City has knowledge of any default under this Agreement or CELOC's Performance Measures. CELOC may, from time to time, deliver a written notice of lender ("Notice of Lender") executed by CELOC and notifying the City of a lender for all or part of Circuit of the America's race track facilities and related development. The Notice of Lender must include the name and address of COTA's lender ("Lender"). Until the City receives a written release of the Notice of Lender from the Lender, the City agrees to provide the Lender a notice of default under Section 29 (B) above and will provide Lender the same 90 day opportunity to cure such default.

32. Assignment

A party to this Agreement may not assign or transfer its interests under this Agreement except with the written consent of the other party to this Agreement; which consent will not be unreasonably withheld.

33. Effective Date.

The effective date of this Agreement is deemed to be the date upon which the last party executing this Agreement actually signs.

34. Amendment

This Agreement may not be amended in whole or in part except in a written amendment executed by all parties to this Agreement, with copy to the State.

35. Survival of Obligations.

All provisions of this Agreement that impose continuing obligations on the parties shall survive the expiration or termination of this Agreement

36. Business Days.

Whenever action must be taken (including the giving of notice or the delivery of documents) under this Agreement during a certain period of time or by a particular date that ends or occurs on a non-business day (*i.e.* Saturday, Sunday, or a holiday recognized by the U.S. federal government or the State of Texas), then such period or date will be extended until the immediately following business day.

37. No Implied Waiver.

No waiver or consent, express or implied, by any party to or of any breach or default by any party in the performance by such party of its obligations under this Agreement, will be deemed or construed to be a consent or waiver to or of any other breach or default in the performance by such party of the same or any other obligations of such party under

this Agreement. Failure on the part of a party to complain of any act of any party or to declare any party in default, irrespective of how long such failure continues, will not constitute a waiver by such party of its rights under this Agreement until the applicable statute of limitations period has run.

38. Limited Indemnity.

THE CELOC AGREES TO INDEMNIFY AND HOLD HARMLESS THE CITY REGARDING THE CITY OBLIGATIONS AND RESPONSIBILITIES THAT THE CELOC IS UNDERTAKING ON THE CITY'S BEHALF AS ITS EXCLUSIVE DESIGNEE AS SET OUT IN THIS AGREEMENT.

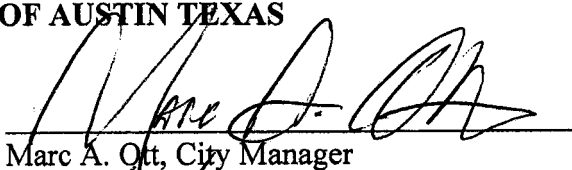
TO THE EXTENT ALLOWABLE BY LAW, CELOC SHALL ALSO DEFEND, INDEMNIFY, AND HOLD HARMLESS CITY, ITS OFFICERS, AND EMPLOYEES, FROM AND AGAINST ANY AND ALL CLAIMS, ACTIONS, SUITS, DEMANDS, PROCEEDINGS, COSTS, DAMAGES, AND LIABILITIES, INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND COURT COSTS ARISING OUT OF, OR CONNECTED WITH, OR RESULTING FROM ANY ACTS OR OMISSIONS OF THE CITY, OR ANY AGENT OR EMPLOYEE OF THE CITY OR CELOC IN THE EXECUTION OR PERFORMANCE OF THIS AGREEMENT. CITY SHALL COORDINATE ITS DEFENSE WITH CELOC AS REQUESTED BY CELOC.

THIS SECTION IS NOT INTENDED AND SHALL NOT BE CONSTRUED TO REQUIRE CELOC TO INDEMNIFY OR HOLD HARMLESS CITY FROM ANY CLAIMS OR INABILITIES RESULTING FROM THE NEGLIGENT ACTS OR OMISSIONS OF CITY OR ITS EMPLOYEES, OR FROM DAILY OPERATIONAL EXPENSES INCURRED BY THE CITY IN THE NORMAL COURSE OF BUSINESS.

EXECUTED as of the dates below in Austin, Travis County, Texas.

**CITY OF AUSTIN TEXAS**

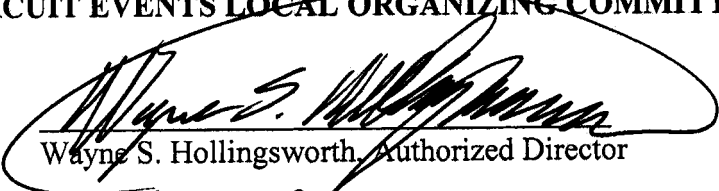
By:

  
Marc A. Ott, City Manager

Date: 2/3/14, 2014

**CIRCUIT EVENTS LOCAL ORGANIZING COMMITTEE**

By:

  
Wayne S. Hollingsworth, Authorized Director

Date: 2/3/14, 2014

# Exhibit A

1. The following items are CELOC responsibilities under the Agreement between the City and CELOC:

**A. *Air quality and environmental initiatives***

- (1) Purchase carbon offsets to achieve carbon neutrality for the net carbon emissions associated with all fuel use and energy demands associated with the Formula One race, to include race operations during the event and temporary generation. Cost of offsets are not to exceed \$15,000 annually. Carbon Impacts and neutrality methodology shall be approved by the City of Austin Office of Sustainability. Possible tools include GreenSports.org OR the Green Sports Alliance.
- (2) A minimum of 50% of carbon offsets will be local, if feasible, and may include options for local tree planting, including on-site trees, and land conservation grants, as carbon offset options.
- (3) Investigate holding the F1 race outside of the Central Texas ozone season (April 1 – October 31).
- (4) If the event is held between April 1 and October 31, develop and submit a plan prior to the first US Grand Prix event that is held between these dates, to reduce emissions of Particulate Matter NO<sub>x</sub> (nitrogen oxides) and CO<sub>2</sub> (carbon dioxide) from the event. The plan should include an estimate of emissions associated with the event, to the extent practical. During subsequent years, submit a plan update only if the US Grand Prix is held between these dates.
- (5) Establish an Event recycling and composting program for any major event held at the site, to the extent practical. At minimum, include Paper, Plastic grades 1 (PETE) and 2 (HDPE), aluminum, glass, and compostables. (Same as Universal Recycling Ordinance, plus organics).
- (6) Require Event food and drink vendors to use recycled and/or compostable materials to the extent available.

**B. *Transportation initiatives***

- (1) Coordinate Event-specific parking and transportation efforts for major events<sup>1</sup> with City of Austin Special Events Offices located in the Austin Transportation Department and Aviation, TXDOT, and Travis County.
- (2) Develop an Event-specific Transportation Management Plan for major events. Submit plan by July 31<sup>st</sup> 2011 to City of Austin Transportation Department Director for review and comment. Plan should be updated annually.
- (3) Obtain a Special Event Permit from City of Austin for any special off-site events, such as event-associated parades or festivals, located within the City limits.

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<sup>1</sup> For the purpose of this agreement, a major event is defined as any event with more than 40,000 attendees, exclusive of employees.

- (4) Provide Event-specific satellite parking locations and sufficient mass transportation options for major events.
- (5) Limit Event-specific parking on-site to 25,000 parking spots and monitor on-site parking; work toward establishing plans for increasing transit share annually for major events.
- (6) Manage the majority of Event-specific parking sales with coordination through a designated single organization for major events.
- (7) Where possible, pre-sell and manage all Event-specific parking through the ticket sales process, in order to ease traffic flow tied to major events. Sell assigned parking for major events that are aligned with trip origination locations. Provide parking purchasers for major events with maps guiding them to their parking location.
- (8) Commit to seeking a transportation partner for the Formula One Event that provides low emission mass transit vehicles for the shuttle operation, and give contracting preference to the lowest available emissions rapid transit vehicles available that reasonably satisfy the needs of the Event, such as those powered by hybrid electric propulsion equipment, natural gas or propane, or low emission diesel engines that meet tier 3 or 4 standards, so long as such provider is at a reasonable incremental cost compared to other providers that do not meet these standards. Analysis of this item shall be included in the Transportation Management Plan referenced in item B(2).

2. *The following items are Circuit of the Americas responsibilities under the Agreement between the City and Circuit of the Americas:*

A. *Air quality and environmental initiatives*

- (1) Work with CAPCOG and other relevant governmental entities to establish, by May 1<sup>st</sup>, 2012, an Air Quality analysis and inventory, modeling, and a mitigation strategy to resolve air quality issues related to major events held between April 1 – October 31. Commit to securing data that allows assessment of emissions specific to the COTA site, subject to an annual cost cap of \$50,000.
- (2) Utilize a combination of subscription to Austin Energy's GreenChoice program (or its successor) and on-site renewable energy generation to reach at least 50% of all non-event energy demands. At least 5% of the demands can be met by on-site renewable energy generation.
- (3) Land preservation and restoration of all disturbed areas, including implementing a combination of xeriscaping, integrated pest management, and water quality controls.
- (4) The majority of new plantings will use naturally drought-tolerant native and adaptive landscaping to promote water conservation.
- (5) Make a minimum of 5 acres in the floodplain available for a community garden or farm. Make reasonable efforts to locate the site as close to an available water source as possible.

- (6) Follow Environmental Board recommendations:
  - a) Comply with new commercial landscape standards.
  - b) Comply with parking lot shading areas.
  - c) Investigate the restoration of riparian of Dry Creek.
  - d) Demonstrate a black land prairie land restoration.
  - e) Perform restoration of Dry Creek Riparian Corridor and Blackland Prairie Corridor; by working with partners such as Texas A&M.
  - f) Establish a monitoring program of any pervious pavement used on site.
- (8) Achieve a minimum of 2 Stars in the Sustainable Sites Initiative by the end of 2013, or develop and submit a sustainable site operations and maintenance plan by the end of 2013 that is consistent with the principles of the SITES initiative. Plan shall be mutually approved by the City of Austin Office of Sustainability and COTA.
- (9) Plant at least 800 trees on-site and establish a maintenance program.
- (10) Establish a Facility recycling and composting program for any major event held at the site. At minimum, include Paper, Plastic grades 1 (PETE) and 2 (HDPE), aluminum, glass, and compostables. (Same as Universal Recycling Ordinance, plus organics).
- (11) Require Facility year-round food and beverage vendors to use recycled and/or compostable materials to the extent available.
- (12) Protect existing wetlands and Critical Environmental Features.
- (13) Strive to reduce emissions of Particulate Matter NO<sub>x</sub> (nitrogen oxides) and CO<sub>2</sub> (carbon dioxide) from construction, transit and maintenance vehicles for all construction activities and major events to occur after the first US Grand Prix Event.
  - a) Give preference to contractors using lowest emission transit, construction, maintenance and generation equipment in future or renewed contracts, so long as such provider is at a reasonable incremental cost compared to other providers that do not meet these standards.
  - b) Give preference to contractors using the lowest emissions diesel engines available, so long as such provider is at a reasonable incremental cost compared to other providers that do not meet these standards. Specify use of Tier 3 or Tier 4 emission equipment and ultralow sulfur fuels, where feasible. Use as many of the suggested measures as feasible from the COA Construction Equipment Emission Reduction Toolkit:  
<http://www.dieselnets.com/standards/us/nonroad.php#tier4>  
 Do an inventory and report to the City of Austin annually.
  - c) Use reasonable efforts to use cleanest equipment available, such as electric, four cycle or propane-fueled lawnmowers, line trimmers and electric hand-held equipment for landscape maintenance.<sup>2</sup>

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<sup>2</sup>New EPA standards include hydrocarbon and nitrogen oxides exhaust emission standards of 10 g/kW-hr for Class I engines starting in the 2012 model year and 8 g/kW-hr for Class II engines starting in the 2011 model year.



**B. Transportation**

- (1) Develop a Transportation Management Plan for all major events.<sup>3</sup> Submit plan to City of Austin Transportation Department Director for review and comment. Plan should be updated annually.**
- (2) Coordinate parking and transportation efforts for major events with City of Austin Special Events Offices located in the Austin Transportation Department and Aviation, TXDOT, and Travis County.**
- (3) For any special off-site events such as event-associated parades or festivals located within the City of Austin, require the event-sponsor to obtain a Special Event Permit from City of Austin.**
- (4) Require all major events held at the COTA to provide satellite parking locations and sufficient mass transportation options.**
- (5) Limit parking on-site to 25,000 parking spots and monitor on-site parking; work toward increasing transit share annually for major events.**
- (6) Manage the majority of all parking sales and coordination through a designated single organization for major events.**
- (7) Where possible, pre-sell and manage all parking through the ticket sales process, in order to ease traffic flow tied to major events. Sell assigned parking for major events that are aligned with trip origination locations. Provide parking purchasers for major events with maps guiding them to their parking location.**
- (8) Commit to seeking a transportation partner that provides low emission mass transit vehicles for the shuttle operation, and give contracting preference to the lowest available emissions rapid transit vehicles available that reasonably satisfy the needs of the event, such as those powered by hybrid electric propulsion equipment, natural gas or propane, or low emission diesel engines that meet tier 3 or 4 standards, so long as such provider is at a reasonable incremental cost compared to other providers that do not meet these standards.**
- (9) Post a policy and undertake reasonable enforcement to limit unnecessary idling of vehicles being used to supply heat or air conditioning necessary for passenger comfort and safety, in vehicles intended for commercial or public transportation, or passenger transit operations, to a maximum of 30 minutes.**
- (10) Commit to working with relevant governmental entities to dedicate traffic lanes on all appropriate roads entering the site to mass transit for major events.**
- (11) Work with relevant governmental entities to establish a dedicated bike facility by the first major event, that would provide direct access to the site; provide public showers for major events.**
- (12) Explore partnerships with Austin Energy to provide on-site charging stations (110/240 volt) for electric, hybrid/electric vehicles, electric**

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<sup>3</sup> For the purpose of this agreement, a major event is defined as any event with more than 40,000 attendees exclusive of employees.

scooters, pony packs, and electric landscaping equipment, to facilitate charging.

**C. *Future On-site Development***

- (1) Any future buildings (i.e. buildings not currently under construction or in review) of over 2000 Square Feet will achieve minimum 2 Star rating in Austin Energy's Green Building program OR achieve Silver LEED certification. Work with Office of Sustainability and Austin Energy Green Building with the goal of achieving higher levels of green building certification, including leveraging all available incentives.
- (2) Building design and window placement to maximize natural light and passive solar design.
- (3) All new toilets and urinals meet or exceed low flow requirements, as defined by the Austin Uniform Plumbing Code, to achieve water reduction.

**D. *Ongoing Collaboration on Sustainability Efforts***

- (1) Establish an ongoing partnership with the City's Sustainability Office to implement best practices on site-specific sustainability efforts and collaborate on educational tours and demonstrations at the site.
- (2) Designate a single point-of-contact for the facility's sustainability efforts.

**E. *Green Technology R&D***

- (1) Coordinate with partners including UT, Texas State, Huston-Tillotson, Texas A&M, and Austin Technology Incubator to support the establishment of a Green Racing and Transportation Research, Education, and Testing Center or similar low carbon transportation technology incubator at the site.
- (2) Allow reasonable access to the track facilities for electric vehicle research and testing.
- (3) COTA shall make good faith efforts in partnership with other interested parties to raise, within 18 months from the date on which the contract is signed between the City and COTA, \$5 million to fund on-site green technology and research & development projects, in one or more of the following categories: solar power, automotive fuel efficiency, electric vehicles, biofuels, geothermal, or wind power. COTA shall cooperate with the City to seek US Department of Energy funds to support any resulting green technology R&D projects.

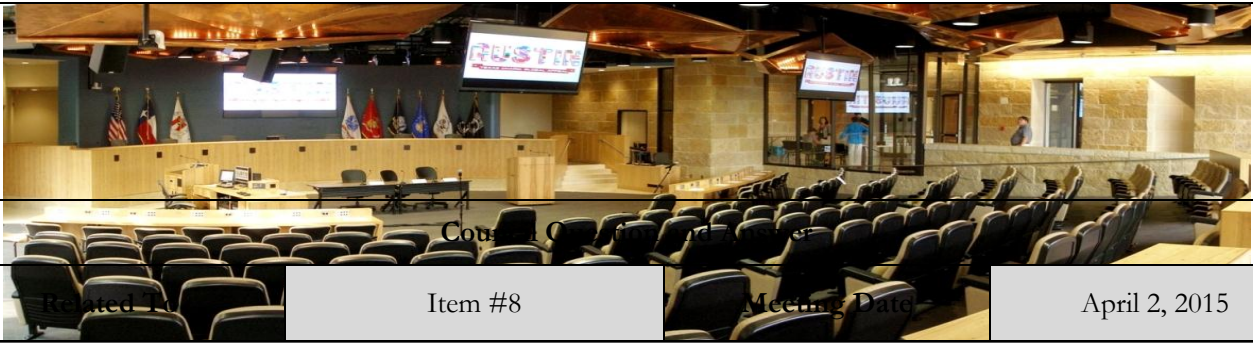
**F. *Alternative Energy Events***

- (1) Commit to hosting alternative energy, energy-efficient car races such as:
  - a) F-zero Race
  - b) Go Green Auto Rally
  - c) SAE Solar Races
- (2) Commit to hosting bicycle and foot races at the track.

- (3) Publicly advocate for electric vehicle research and testing, including the pursuit of business partnerships.
- (4) Agree to host public awareness event to advance community knowledge of the available options for green energy or transportation.

**G. *Community Sustainability***

- (1) Make good faith efforts to comply with the standards and principles of the City's MBE/WBE ordinance per Section 12 of the Agreement between the City and Circuit of the Americas.
- (2) Reporting as required by Agreement between CELOC and City and Agreement between COTA and City, respectively. Commit to recruiting local hires through job fairs and local media outreach.
- (3) Continue educational partnerships with area schools and universities on sustainability and technology issues.



Related To

Item #8

Meeting Date

April 2, 2015

#### Additional Answer Information

**QUESTION:** Who are the members of the Asian American Resource Center Board of Directors, and can we get some more information on their staff? COUNCIL MEMBER ZIMMERMAN'S OFFICE

**ANSWER:** The Asian American Resource Center Nonprofit is a Texas 501(c)(3) corporation created to support the construction and operation of the City of Austin's Asian American Resource Center. The goals of non-profit corporation are three-fold (i) to advocate and fundraise for high-quality arts, history, and educational programming that celebrates the multitude of Asian cultures found within the City of Austin, (ii) to provide resources to the under-served members of Austin's Asian community - particularly seniors, recent refugees, and workers and families with low English proficiency, and (iii) stimulate the local economy by facilitating international business opportunities and education, in cooperation with local chambers of commerce and the City of Austin.

Because the Asian community is so diverse, in regards to different countries of origin, different languages even within the same countries, different religions, and different socioeconomic backgrounds, it is groundbreaking to have one community center to provide support for everyone. The AARC Nonprofit was involved in completing a Community Health Assessment with the City of Austin Health and Human Services Department, in order to gain a better understanding of health issues specifically related to Asian Americans. There are also plans for health fairs and legal clinics. They have started a seniors' community program, had a commercial kitchen approved to support senior lunches and events, started an Anti-Bullying study, got a grant to start a community garden, partnered with ACC to provide free English classes, helped to spearhead the upcoming Asian American Film Festival, and so much more!

The AARC Nonprofit Board of Directors is made up of a diverse group of individuals who serve the Asian American Community of Austin. They come from a mix of Asian ethnicities, faiths, languages, and socioeconomic backgrounds with the goal of reaching the complex mix of Communities in Austin. Board members serve for two year terms. The current makeup of the Board is 18 members with a cap of 39 members. James Shieh is the current Chairman of the Board of Directors. The Asian American Resource Center Nonprofit does not employee any paid staff.



**Item From Council**  
**CITY OF AUSTIN**  
**RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.:** 40  
**AGENDA DATE:** Thu 02/26/2004  
**PAGE:** 1 of 1

**Item From Council**

**Posting Language:** Approve a resolution amending Resolution No. 021003-40, adopted by Council on October 3, 2002, to add one additional annual City co-sponsored event, Celebrate Texas Parade and Run.

**Proposed meeting date:** THU 02/26/2004

**Sponsor:** Mayor Pro Tem Jackie Goodman

**Co-sponsor 1:** Mayor Will Wynn

**Co-sponsor 2:** Council Member Brewster  
McCracken

**Date by which the City Manager is requested to report back to Council:**

**Draft Resolution/Ordinance attached:**

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**RESOLUTION NO. 040226-40**

**WHEREAS**, the City Council desires to amend Resolution No. 021003-40, adopted by Council on October 3, 2002, to add one additional annual City co-sponsored event, the Celebrate Texas Parade and Run; **NOW, THEREFORE,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

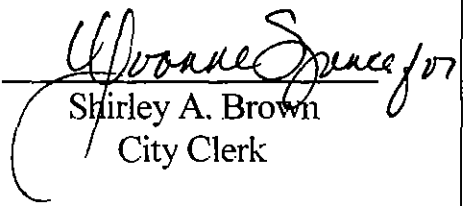
Resolution No. 021003-40 is amended as follows:

(A) (1) (a) The following events are City co-sponsored special events for Fiscal Year 2003:

(vi) Celebrate Texas Parade and Run

**ADOPTED:** February 26, 2004

**ATTEST:**

  
Shirley A. Brown  
City Clerk





AHFC Items #1-#4

April 2, 2015

#### Additional Answer Information

#### **QUESTION (CM ZIMMERMAN):**

What are the terms of these loans, and for what purpose?

#### **ANSWER:**

##### Proposed Loans and Purpose

- Mulholland Group, LLC -- Capitol Village Apartments: The purpose of the proposed \$2,000,000 loan is to assist with the acquisition of an existing 249-unit multi-family rental property on US Hwy 290 East near Berkman Drive. After acquiring the property, the developer will rehabilitate the property, originally built in 1969.
- Foundation Communities – Live Oak Trails: The purpose of the proposed \$500,000 loan is to assist with the construction of a 58-unit multi-family rental development at 8500 U.S. Highway 71.
- Foundation Communities – Lakeline Station Apartments: The purpose of the proposed \$500,000 loan is to assist with the construction of a 128-unit multi-family rental development at 13635 Rutledge Spur, near the Lakeline MetroRail Station.
- Foundation Communities – Bluebonnet Studios: The purpose of the proposed \$1,000,000 loan is to assist with the construction of a 107-unit Single Room Occupancy facility for extremely low-income individuals and those exiting homelessness.

##### Terms

The request for AHFC Board action on the April 2, 2015 agenda is for authorization to negotiate and execute loan agreements. If approved, loan terms will be negotiated.

#### **QUESTION (CM ZIMMERMAN):**

Are the loans “forgivable”? If not, when is repayment due, and what is the penalty for failure to repay the loan?

#### **ANSWER:**

While the negotiation of loan terms has not yet been approved, all loans from AHFC require each borrower to comply with the terms and conditions of the loan agreement. Loans are secured by deeds of trust on each property. Failure to comply with the terms and conditions of the loan agreement, including failure to repay the loan, would be grounds for legal action against the borrower. This could result in foreclosure on the property.

#### **QUESTION (CM ZIMMERMAN):**

Do the loans contribute to real estate projects which will be not be on property tax rolls?

#### **ANSWER:**

No. All projects will pay property taxes. The developments may be eligible for certain exemptions available under the Texas Property Tax Code through application to the Travis Central Appraisal District (TCAD). TCAD would make the determination as to whether the property qualifies for an exemption.

#### **QUESTION (CM ZIMMERMAN):**

Are there any connections of these loans to the subsidized housing projects approved back in February?

#### **ANSWER:**

No.