

General Briefing: Texas' Events Trust Fund and Major Events Trust Fund

CITY OF AUSTIN ECONOMIC DEVELOPMENT DEPARTMENT

JUNE, 2015



OVERVIEW

Texas Events Trust Fund (ETF) & Major Events Trust Fund (METF) Programs

BACKGROUND

- Definitions: Events Trust Fund & Major Events Trust Fund
- Roles
- Composition of Circuit Events Local Organizing Committee (CELOC)
- City Oversight of CELOC

UPDATES

- Highlight and Next Steps

QUESTION AND ANSWER

Texas' Events Trust Fund (ETF) Program

BACKGROUND

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 State matches the “local contribution” at a rate of \$6.25 per every \$1 of local contribution

Can be used to pay 100% of event-related costs, including:

- Security;
- Facility improvement or rental;
- Public transportation, traffic management and crowd control;
- Maintenance and janitorial services









Texas' Major Events Trust Fund (METF) Program

BACKGROUND

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**

The State matches the “local contribution” at a rate of \$6.25 per every \$1 of local contribution

Can be used to pay 100% event-related costs, including:

- Preparing or conducting event – including equipment;
- Pay principal and interest on notes to build or improve facilities

Texas Comptroller completes and posts an economic impact study (required under Sec 5A(w) of Article 5190.14)









Roles

BACKGROUND

The roles of the City of Austin, CELOC and COTA are defined in the Council resolutions and contracts executed for each event.

- City of Austin:** *has no financial obligation*
- Circuit Events Local Organizing Committee (CELOC):** *receives the local contribution from COTA and makes the payment to the Comptroller*
- Circuit of the Americas (COTA):** *Hosts the event*

Event	Fund	Council Authorization
Moto GP	ETF	Resolution 20121213-095
Austin X Games	ETF	Resolution 20130523-019
Austin X Games	METF	Resolution 20150402-004
V8 SuperCars	ETF	Resolution 20121213-095
ALMS (renamed TUDOR in 2014)	ETF	Resolution 20121213-095
World Endurance Championship	ETF	Resolution 20121213-095
Formula 1 Grand Prix	METF	Resolution 20110629-002

Site Selection Organizations

<i>Event</i>	<i>Site Selection Organization</i>
MotoGP	Dorna Sports
X Games	ESPN (originally Entertainment and Sports Programming Network)
TUDOR United States SportsCar Championship (formerly American LeMans Series)	International Motor Sports Association (IMSA) TUDOR United SportsCar Championship
World Endurance Championship (WEC)	Federation Internationale de l'Automobile (FIA) World Endurance Championship
Formula 1	Formula One Management, Ltd.

Composition of Circuit Events Local Organizing Committee

BACKGROUND

Original Board

Sam Bryant

Rodney Gonzales, ex-officio (City of Austin)

Wayne Hollingsworth (Armbrust and Brown)

Stephanie Richmond

Anne Smalling

Ford Smith

Current Board

Ford Smith, President

Wayne Hollingsworth, Secretary (Armbrust and Brown)

Sam Bryant

Julia Finney

Sylnovia Holt-Rabb, ex-officio (City of Austin)

City Oversight of CELOC and COTA

BACKGROUND

- Board Meeting Participation
- Agreements between City of Austin and Circuit Events Local Organizing Committee (CELOC)
- Review Applications for Participation in both types of Event Trust Funds
- Certification of Attendance at each Trust Fund Event
- Inspect Requests for Disbursement following a Trust Fund Event









Highlight and Next Steps

UPDATE

Highlight:

- All Trust Fund Documents for events at Circuit of the Americas were added to City's Data Portal, www.AustinTexas.gov/page/Formula-1-Documents to further enhance levels of transparency

Next Steps:

- Align trust fund oversight with Chapter 380 performance-based monitoring process; engage 3rd party reviewer to confirm the City's findings. Currently working to implement in 2015.

2013 Transparency Scores by Good Jobs First	
Austin	100
Dallas County	60
Houston	60
Bexar County	No online reporting
San Antonio	No online reporting
Harris County	No online reporting
Dallas	No online reporting
Travis County	Not scored



Thank you
Sylvia Holt-Rabb, Assistant Director
City of Austin Economic Development Department
VISIT OUR WEBSITE TO SEE OUR TRANSPARENCY AT WWW.AUSTINTEXAS.GOV/EDD