

## AGENDA



## Recommendation for Council Action

## AUSTIN CITY COUNCIL

Regular Meeting : February 1, 2018

Item Number: 011

## Economic Development Department

Approve a resolution amending Resolution No. 20121213-095 to authorize the Circuit Events Local Organizing Committee to act on behalf of the City for the Texas Major Events Reimbursement Program, or in the alternative, the Texas Events Trust Fund, for the purpose of conducting economic studies, submitting applications, and submitting any required funding to the Texas Office of the Governor for future MotoGP events to be held at the Circuit of the Americas facility.

<b>Lead Department</b>	Economic Development Department
<b>Fiscal Note</b>	There is no fiscal impact.
<b>Prior Council Action</b>	<p>On December 13, 2012 Council approved Resolution No. 20121213-095 authorizing the Circuit Events Local Organizing Committee to act on the City's behalf for purposes of submitting applications to the Texas Comptroller for Texas Events Trust Fund determinations for the following events to be held at the Circuit of the Americas facility located in Austin, Texas: MotoGP, V8 SuperCars, American LeMans Series and World Endurance Championship.</p> <p>On December 10, 2015 Council approved Resolution No. 20151210-005 authorizing the Circuit Events Local Organizing Committee to act on the City's behalf for purposes of paying for and conducting economic studies, submitting applications to the Texas Governor's Texas Economic Development and Tourism Office for the Major Events Reimbursement Program if MotoGP qualifies for this program, or the Texas Events Trust Fund for the MotoGP to be held at the Circuit of the Americas facility located in Austin, Texas in 2016 and 2017, submitting all funding required by the Texas Governor's Texas Economic Development and Tourism Office.</p>
<b>For More Information</b>	Sylnovia Holt Rabb, Acting Deputy Director, 512-974-3131; Terry

	Franz, Contract Administrator, 512-974-7871
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### **Additional Backup Information:**

In 2012 Austin's Circuit of the Americas, LLC (COTA) secured the winning bid to host the FIM Road Racing World Championship Grand Prix, commonly known as Moto GP. Dorna Sports, S.L., a Spanish company, is the site selection committee for Moto GP.

In 2012 COTA requested that the City of Austin support the event by acting as the endorsing municipality for application to the Texas Events Trust Fund (ETF).

In December 2012 the Council passed Resolution 20121213-095, which authorized the Circuit Events Local Organizing Committee (CELOC) to act on the City's behalf (as the endorsing municipality) to apply for the Texas Comptroller's ETF for future Moto GP events. The resolution allows CELOC to apply for these funds indefinitely and committed CELOC to fully funding the cost of any commissioned study or amounts owed to the Texas Comptroller's office as per qualification with the ETF.

The Texas Major Events Reimbursement Program (MERP) (formerly the Major Events Trust Fund) is designed to attract larger events than the ETF and allows for a larger window for assessing economic impact of a particular event. Legislation approved in 2015 that became effective September 1, 2015 qualifies Moto GP to apply to the MERP as well as the ETF. The 2015 Texas Legislature also moved the MERP and the ETF from the Comptroller's Office to the Office of the Governor, effective September 1, 2015.

In December 2015 Council approved Resolution 20151210-005, which authorized CELOC to act on the City's behalf for the purposes of paying for and conducting economic studies, and submitting applications for the Major Events Reimbursement Program for the 2016 and 2017 MotoGP events that would be held at COTA. COTA has subsequently been selected to host MotoGP events for an additional ten years, through 2027.

The resolution would amend Resolution 20121213-095, giving CELOC the ability to act on the City's behalf in applying for funding from the MERP for MotoGP in 2018 and future years. It would also allow CELOC to submit applications and other required documents to the Texas Governor's Office. The resolution mandates that all of the requirements in the current contracts between COTA, CELOC and the City remain in effect, and recognizes that CELOC is responsible for all funds required to be submitted to the State to be eligible for funding from the MERP.

Should Council approve this request, CELOC would apply for MERP funding for the 2018 Moto GP. The deadline for application to the MERP is March 6, 2018.