



Recommendation for Action

File #: 21-3726, **Agenda Item #:** 8.

12/9/2021

Posting Language

Approve a resolution to authorize the Circuit Events Local Organizing Committee to act on behalf of the City for the Texas Major Events Reimbursement Program for the purpose of conducting economic studies, submitting applications, and submitting any required funding to the Texas Office of the Governor for Formula 1 U. S. Grand Prix events to be held at the Circuit of the Americas facility.

Lead Department

Economic Development.

Fiscal Note

This item has no fiscal impact.

Prior Council Action:

June 29, 2011 - Council approved Resolution No. 20110629-002 authorizing the Circuit Events Local Organizing Committee to act on the City's behalf and authorizing the City Manager to negotiate and execute an Agreement with the Circuit Events Local Organizing Committee to (1) establish the parties' authority, rights, and responsibilities with respect to an application to the Texas Comptroller of Public Accounts for creation of a Major Events Trust Fund in support of the Formula 1 U.S. Grand Prix and (2) establish the parties' authority, rights, and responsibilities with respect to payments to and from the Fund.

For More Information:

Sylvia Holt-Rabb, Director, Economic Development Department, 512-974-3131.

Additional Backup Information:

Austin's Circuit of the Americas, LLC (COTA) has secured the winning bid to host the annual Formula 1 United States Grand Prix from 2022 through 2026. Formula One Management Limited is the site selection organization for Formula 1 events. In Resolution No. 20110629-002, Council approved authorizing the Circuit Events Local Organizing Committee (CELOC) to act on the City's behalf to apply for funding from the Texas Major Events Trust Fund, subsequently renamed as the Major Events Reimbursement Program (MERP) for the 2012 through 2021 events. The Texas Legislature established the MERP as set forth in Title 4, Subtitle E-1, Chapter 478 of the Texas Government Code. The statute sets out the requirements that events must meet before the Texas Governor's Office will establish events as eligible to receive funding. This resolution would give CELOC the ability to act on the City's behalf in applying for funding from MERP for the Formula 1 United States Grand Prix events from 2022 through 2026. The resolution would also allow CELOC to submit the application and other necessary 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.

Strategic Outcome(s):

Economic Opportunity and Affordability.