



Recommendation for Action

File #: 23-1471, Agenda Item #: 3.

4/13/2023

Posting Language

Approve a resolution authorizing the Circuit Events Local Organizing Committee to act on behalf of the City for the Texas Events Trust Fund for the purpose of conducting economic studies, submitting applications, and submitting any required funding to the Office of the Texas Governor for MotoAmerica events to be held at the Circuit of the Americas.

Lead Department

Economic Development Department.

Fiscal Note

This item has no fiscal impact.

For More Information:

Sylvia Holt-Rabb, Director, Economic Development Department, 512-974-3131; Terry Franz, Contract Management Specialist, 512-974-7871.

Additional Backup Information:

Circuit of the Americas, LLC (COTA) has secured the winning bid to host the MotoAmerica Superbikes at Texas event (Event) from 2023 through 2027. Krave Group, LLC, a Delaware limited liability company, is the site selection organization for the Event. The Event has not previously been held in Austin.

The Texas Legislature established the Events Trust Fund (ETF) as set forth in Texas Government Code Chapter 480. The statute sets out the requirements events must meet before the Texas Governor's Office will establish events as eligible to receive funding. This resolution will give the Circuit Events Local Organizing Committee (CELOC) authorization to act on the City's behalf in applying for funding from the ETF for the Event from 2023 through 2027. The resolution will 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 ETF.

This authorization obligates CELOC to pay the matching funds required by the State for participation in the ETF. No funding from the City is required.

Council has previously authorized CELOC to act on the City's behalf for the purposes of conducting economic studies and submitting applications to the Texas Governor's Office for motor vehicle racing events at COTA including Formula 1, MotoGP, and NASCAR, all of which will occur at COTA in 2023.

Attached as backup is an updated version of a presentation made to the Audit and Finance Committee in 2015, which was also made available to the Economic Opportunity Committee. The presentation describes how Council action on these matters allows Austin to benefit economically from the State's program to encourage events that generate tourism.

Strategic Outcome(s):

Economic Opportunity and Affordability.