

GOVERNOR GREG ABBOTT
ECONOMIC DEVELOPMENT & TOURISM

Major Events Reimbursement Program

Report on the 2022 Autotrader EchoPark Automotive 500 NASCAR Race Weekend

Dates of Event: September 23 – 25, 2022

BACKGROUND

The Major Events Reimbursement Program permits local governments and local organizing committees to apply to the State for the establishment of a Major Events Reimbursement Fund to help pay for certain eligible costs associated with conducting specifically-named major events. To qualify as a Major Event, the event must meet all statutory and administrative requirements pursuant to Texas Government Code Chapter 478. Major Events Reimbursement Program and Texas Administrative Code Chapter 184. The fund established for each event consists of money deposited by the State and the local government in an amount equal to the estimated incremental increase in tax receipts, as determined by the State, that are directly attributable to the preparation for and presentation of the event. Estimates are based on a one year period that begins two months before the first day of the event and continues for ten months thereafter. In accordance with statute, the estimated increase in tax receipts is limited to amounts collected within a designated market area, and only to amounts collected from five specific tax types.

The Legislature transferred the administration of the program from the Texas Comptroller of Public Accounts (Comptroller's Office) to the Economic Development and Tourism Office within the Office of the Governor (OOG) during the 84th Legislative Session, with an effective date of September 1, 2015. As part of these duties, Texas Government Code Chapter 478. Major Events Reimbursement Program Sec. 478.0107 requires the Office of the Governor to use existing resources to complete a post-event study in the market area of eligible major events.

This post-event economic impact study provides the best available information regarding the direct tax effects of the 2022 Autotrader EchoPark Automotive 500 NASCAR Race Weekend.

SUMMARY OF EVENT

The 2022 Autotrader EchoPark Automotive 500 NASCAR Race Weekend (the "Event") was held September 23 – 25, 2022 at the Texas Motor Speedway in Fort Worth. The application was submitted by the City of Fort Worth (the "Applicant"). The Applicant was also the endorsing entity for the Event. NASCAR was the Site Selection Organization for the Event. A Site Selection Letter was submitted to the OOG as a part of the application to the program. See Appendix A for the application, including the Site Selection Letter.

The Applicant was required to have an average daily attendance of 53,615 during September 23 – 25, 2022. According to the attendance report provided to the OOG by the Applicant, the estimated average daily attendance was 52,996. The City of Fort Worth further estimated that 22 percent of the total attendees, or 11,534, were from out-of-state. This OOG report makes no assumptions about the accuracy of this reported estimate.

METHODOLOGY

The methodology established to determine the direct tax effects of the event by the OOG begins with collecting tax data for the five applicable taxes for the most precise period available. Collection of information requires interagency cooperation. Some tax data is available for a monthly period and by city

or county. However, some taxes are collected statewide and are only reported quarterly or annually. Since daily tax collection data is unavailable, specific taxes collected for only the days during which the event occurred cannot be determined. After collecting the available data, the OOG compares the tax information for the month of the event in the market area to the same month of years prior to the event. Comparing data from the event to the same time period of the following year cannot be done since the report is due prior to the following year's data being available. The OOG assessed other factors that could also affect the tax data. Some of the factors include: population growth, crowding out effects (locals leaving town or staying home due to an influx of visitors), other events being held in the market area during the month of the event, or an event being held in the market area in the year before the event. Some events are under multiyear contract with the Site Selection Organization, and therefore the data may be compared with the same event from the previous year. The OOG does not have information available regarding events that do not apply to any of the Events Trust Fund programs to factor into the comparison. These reasons inhibit the OOG from determining the actual amount of incremental tax increases of the 2022 Autotrader EchoPark Automotive 500 NASCAR Race Weekend utilizing existing resources.

APPLICABLE STATE TAXES

In accordance with the Major Events Reimbursement Program statute, the estimated increase in tax receipts attributed to Major Events are limited to amounts collected within a designated market area, and only to amounts collected from five specific tax types. The five state taxes are: 1) state sales and use taxes; 2) hotel occupancy taxes; 3) mixed beverage taxes; 4) motor vehicle rental taxes; and 5) wholesale alcoholic beverage taxes. Information on each of these tax types are summarized as follows:

Sales & Use Tax

The sales and use tax rate of 6.25 percent is assessed on all tangible personal property and certain services. The sales and use tax is collected by the Comptroller's Office either monthly, quarterly, or annually based on certain qualifications. Since the period of collection varies by business, determining the taxes directly attributable to the event is not attainable. This report reflects that data for the quarter. The OOG considers two categories to determine Sales & Use Tax spending – food and non-alcoholic beverages consumed at eating and drinking establishments and shopping and entertainment. This tax is also likely to be affected by crowding out.

Hotel Occupancy Tax

The state hotel tax rate is 6.0 percent and is collected on either a monthly or quarterly basis. The Comptroller's Office collects only the state tax portion of the hotel tax, while cities and counties are primarily responsible for collecting their own local hotel taxes. Similar to sales and use tax, the variation of periods that the tax is collected from businesses results in an indeterminable incremental tax increase as a result of the event. Most hotels report monthly, therefore, this report reflects the monthly data.

Motor Vehicle Rental Tax

The motor vehicle gross rental receipts tax is imposed on motor vehicle rentals. The tax rate is based on the length of the rental contract listed below:

- 10% for contracts of 1-30 days
- 6.25% for contracts exceeding 30 days but no longer than 180 days.

Not all cities collect a local tax for car rental, and taxes are collected from the rental company for all rentals across the state, not by city or county. Additionally, a car might be rented from several locations for the event. For these reasons, the motor vehicle rental taxes leveraged in a period cannot be isolated and directly attributed to the event.

Mixed Beverage Tax

The gross receipts tax of 6.7 percent is charged to those who sell, prepare, or serve mixed beverages (distilled spirits, beer, ale and wine), as well as those who sell, prepare or serve ice or nonalcoholic beverages that are sold, prepared or served for the purpose of being mixed with an alcoholic beverage and consumed on the premises of the mixed beverage permittee. The mixed beverage gross receipts tax is in addition to the mixed beverage sales tax imposed on the sale or service of alcoholic beverages, ice, or mixers. The mixed beverage sales tax of 8.25 percent, unlike mixed beverage gross receipts tax can be passed on to the customer. These taxes are collected monthly and taxes cannot be attributed to a specific day, which can result in an inaccurate reporting of spending on mixed beverages by event attendees.

Title 5 ABC Tax

Tax rates vary depending on beverage type and alcohol content. The Texas Alcoholic Beverage Commission (TABC) Tax Division receives and processes monthly excise tax reports. Manufacturers of alcoholic beverages may only sell to wholesalers/distributors and the wholesalers/distributors may, in turn, sell only to the retailers. Alcoholic beverages become taxable when the beverages are sold at the retail level, and data for tax collection is only available at a state level. Additionally, the Title 5 ABC tax and the mixed beverage tax are likely to be affected by crowding out, resulting in an unmeasurable effect of the event on these taxes.

TOTAL INCREMENTAL INCREASE IN STATE TAX RECEIPTS

The Major Events Reimbursement Program statute requires the OOG to provide an estimate for the incremental increases in tax receipts expected to be generated by the Event based on the five specified tax-types. The estimate was comprised of both Primary Direct Spending and Secondary Direct Spending (including indirect and induced). The total estimated incremental increase to the state was \$2,231,183. Based on this amount, the Applicant was required to submit a local share of \$356,990 according to the state-to-local share ratio of 6.25:1, resulting in a total trust fund of \$2,588,173.

The following chart provides the breakdown of the estimated incremental increase of state taxes from the Primary and Secondary Direct Spending. The estimates are based off the initial award, prior to reduction.

| Type of Expenditure | Primary - Direct | |
|---|----------------------|---------------------|
| | Spending | Taxes |
| Hotel & Motels (Hotel Occupancy Tax) | \$ 3,487,008 | \$ 209,220 |
| Eating & Drinking Establishments (Sales & Use Tax) | \$ 8,493,120 | \$ 530,820 |
| Shopping & Entertainment (Sales & Use Tax) | \$ 9,200,880 | \$ 751,492 |
| Alcoholic Beverages (Mixed & Title 5 ABC) | \$ 5,790,420 | \$ 397,222 |
| Car Rental (Car Rental Tax) | \$ 472,884 | \$ 47,288 |
| Event Spending (Sales & Use Tax) | \$ 0 | \$ 0 |
| TOTAL | \$ 27,444,312 | \$ 1,936,043 |
| The Secondary Direct Spending estimate was \$1,060,932. | | |

Primary Direct Spending was estimated by the OOG based on projected attendance and projected event spending. Estimated attendee spending was broken down by five (5) expenditure categories: Food and Beverage (Sales & Use Tax); Entertainment and Shopping (Sales & Use Tax); Lodging (Hotel Occupancy Tax); Rental Car (Car Rental Tax); and Alcohol (Mixed Beverage and Title 5 ABC taxes). The estimated incremental increases in state and local taxes were then calculated for each spending category. The OOG defined the market area for the event as Tarrant County.

Secondary Direct Spending estimates were derived by the OOG by using an economic model to determine tourism industry employment and statutorily eligible tax impacts associated with the event.

STATE TAX RECEIPT IMPACTS FROM DIRECT SPENDING

The following table is based on the best information the OOG was able to gather on tax receipts for the five tax-types specified in the Events Reimbursement Fund statute. The chart shows amounts for October 2022 since the event occurred in September and taxes are collected in the month following the event. According to the data provided below, the market area saw an overall increase in tax receipts when compared to tax receipts from the same time period of the previous year. However, changes in tax receipts cannot reliably be attributed to any particular event as addressed in detail under Methodology.

| Sales Tax | | | |
|-----------------|---------------|---------------|--------------|
| | Q4 2021 | Q4 2022 | Difference |
| Tarrant County | \$607,332,083 | \$638,715,283 | \$31,383,200 |
| Hotel Occupancy | | | |
| | October 2021 | October 2022 | Difference |
| Tarrant County | \$4,912,706 | \$6,211,950 | \$1,299,244 |
| Car Rental | | | |
| | October 2021 | October 2022 | Difference |

| | | | |
|--|---------------------|---------------------|-------------------|
| State of Texas | \$28,862,697 | \$34,508,019 | \$5,645,322 |
| Mixed Beverage – Gross Receipts & Sales Tax | | | |
| | October 2021 | October 2022 | Difference |
| Tarrant County | \$10,155,776 | \$11,334,379 | \$1,178,603 |
| Title 5 ABC | | | |
| | October 2021 | October 2022 | Difference |
| State of Texas | \$20,055,034 | \$23,389,028 | \$3,333,994 |

EVENT DEADLINES RELATED TO PROGRAM

The following program deadlines were verified to have been completed as follows (see Appendix C for documentation):

- Application Received (including Site Selection letter): August 08, 2022
 - Deadline: August 9, 2022 (No later than 45 days prior to the event)
- Event Support Contract Received: September 12, 2022
 - Deadline: September 22, 2022 (Before the first day of the event)
- Attendance Certification Received: October 18, 2022
 - Deadline: November 9, 2022 (No later than 45 days after the event)
- Local Share Received: November 23, 2022
 - Deadline: December 24, 2022 (No later than 90 days after the event)
- Disbursement Request Received: December 13, 2022
 - Deadline: March 24, 2023 (No later than 180 days after the event)

CONCLUSION

Given the available data and constrained to the use of existing resources, it is unlikely that the economic impact directly attributable to the preparation and presentation of the event is measurable with any reasonable degree of accuracy. Using available resources, the data is inconclusive in determining the actual economic impact of the event. Neither a positive nor negative impact is determinable since the tax information provided showed both increases and decreases in taxes collected. The available and reported tax data cannot reliably be attributed to any particular event, while some data cannot be attributed to any particular market area. The economic variables and limited detail of tax and participant data make it impossible to isolate the incremental tax generated by one particular event to the Texas economy. The development of a reasonably accurate economic impact study requires data state government cannot feasibly capture, such as the actual number of out-of-state-visitors attributable to the event, the actual per-day spending by each event attendee for the five allowable tax types, and the length of stay of each attendee. The OOG will continue to examine the collection and reporting of information relating to these Major Events in an effort to identify options for improvement in data collection to ensure that the purposes of the statutory post-event reporting requirement can be achieved.

APPENDIX A

EVENTS TRUST FUND

Application

Office of the Governor
Economic Development and Tourism (EDT)

APPLICANT NAME: City of Fort Worth

APPLICANT MAILING ADDRESS: 3401 W. Lancaster, Fort Worth, Tx 76107

EVENT NAME: Autotrader EchoPark Automotive 500 NASCAR Race Weekend

DATE(S) OF EVENT: September 23 - 25, 2022

EVENT LOCATION (CITY): Fort Worth, Texas

DATE APPLICATION SUBMITTED: 8/8/22

Events Trust Fund Application
Event Trust Fund (ETF), Major Events Reimbursement Program (MERP)
or Motor Sports Racing Trust Fund (MSRTF)

Please review the Events Trust Fund Guidelines document and applicable statutes and rules before submitting this application. Links can be found at <https://gov.texas.gov/business/page/event-trust-funds-program>.

An application is not complete until all required documents are submitted, with the exception of the Event Support Contract and the MERP required Human Trafficking Prevention Plan. See checklist in Section 7 of the application for required documents.

Deadlines for submission are as follows:

ETF & MSRTF: No later than 120 days prior to the first day of the event.

MERP: No later than 45 days prior to the first day of the event, but not earlier than 1 year before the event. Not later than the 30th day before the first day of the event, a site selection organization must submit a plan to prevent the trafficking of persons in connection with the event to the Office of the Attorney General and the Chief of the Texas Division of Emergency Management (see Guidelines document for trafficking plan submittal details).

Please submit all documents to eventsfund@gov.texas.gov.

SECTION 1: ENDORSING MUNICIPALITY OR COUNTY

| | |
|---|--------------------------------------|
| Name of Endorsing Municipality or County: | City of Fort Worth |
| Municipality or County Contact Name: | Christopher Roden |
| Contact Title: | Program Coordinator |
| Contact Email: | Christopher.Roden@fortworthtexas.gov |
| Contact Phone Number: | 817-392-2521 |

- Has the endorsing municipality or county reviewed the event and found that it meets all eligibility requirements as listed in Texas Government Code Chapter 478. Major Events Reimbursement Program, Chapter 479. Motor Sports Racing Trust Fund, or Chapter 480. Events Trust Fund?
Yes ☒ No ☐
- Has the endorsing municipality or county determined that it will contribute local funding ("local match") to the Event Trust Fund, if established?
Yes ☒ No ☐

SECTION 2: LOCAL ORGANIZING COMMITTEE

- Has the municipality or county authorized a nonprofit Local Organizing Committee (LOC) to enter into an agreement with the Site Selection Organization to host the event on behalf of the municipality or county?
Yes ☐ No ☒

2. If Question 1 is selected as "No," the municipality or county must directly enter into the Event Support Contract with the Site Selection Organization.

If "Yes," provide the following information for the LOC:

| | |
|--------------------------------|--|
| Complete Business Name of LOC: | |
| LOC Contact Name: | |
| LOC Contact Title: | |
| Contact Email: | |
| Contact Phone Number: | |

Is the LOC designated in the official request letter submitted with the application? Yes ☐ No ☐

SECTION 3: SITE SELECTION ORGANIZATION

| | |
|---|--|
| Full Name of Site Selection Organization: | National Association for Stock Car Auto Racing, LLC (NASCAR) |
| Site Selection Contact Name: | Steve O'Donnell |
| Site Selection Contact Title: | Executive Vice President & Chief Racing Development Officer |
| Site Selection Contact Email: | |
| Contact Phone Number: | 386-310-5000 |

*EDT reserves the right to contact the Site Selection Organization or any other organization directly related to this event.

SECTION 4: FUND REQUEST AMOUNT

| | |
|------------------------------|-------------|
| Total Fund Amount Requested: | \$2,588,173 |
| State Share: | \$2,231,184 |
| Local Share: | \$356,989 |

*In accordance with statute, the State Share must be no more than 6.25 times the Local Share. To calculate the Local Share, divide the State Share by 6.25. Total Fund = State Share + Local Share.

For MERP Applications only:

| | |
|-----------------------------------|-------------|
| Estimated Direct Impact Total: | \$1,692,001 |
| Estimated Secondary Impact Total: | \$539,183 |

*Direct Impact + Secondary Impact = Total Fund. Calculate the Total Fund, and then determine the Local Share and State Share.

SECTION 5: EVENT INFORMATION

| | |
|---|--|
| Official Event Name: | 2022 Autotrader EchoPark Automotive 500 NASCAR Race Weekend |
| Event Fund/Program being applied for: (ETF, MERP, MSRTF) | MERP |
| Venue(s) of Event: | Texas Motor Speedway |
| Event Website: | www.texasmotorspeedway.com |
| Date(s) of the Primary Event: | September 23-25, 2022 |
| Day set-up/load-in for the event will begin: | September 13, 2022 |
| Day take-down/load-out of the event will end: | September 30, 2022 |
| Location of Event for the previous 5 years: (List most recent year first) | <ol style="list-style-type: none"> 1. Fort Worth, Texas 2. Fort Worth, Texas 3. Fort Worth, Texas 4. Fort Worth, Texas 5. Fort Worth, Texas |
| Source of information for previous Events: | TMS |
| Other locations outside of Texas considered to host the event: | Please see site selection letter |
| Was the site selected as a part of a multi-year agreement? If yes, what years (past and future)? | No |
| Will there be a fee charged by the Site Selection Organization, which must be paid as a condition to holding the event, including host fees, sanction fees, participation fees, or bid fees for the event?* | Yes |
| If yes, what is the total amount of the above referenced fee(s)?* | \$5,145,204 |
| Additional information: | |

*Reimbursement will not be made for such a fee in excess of the amount listed. See TAC Rule § 184.45(18).

SECTION 6: ECONOMIC IMPACT INFORMATION

Please provide the following information. The information provided should align with the information provided in the Economic Impact Statement.

Estimated Attendance Chart: Complete the chart in the supplemental excel document and include with the submission of the application. Instructions for completing the chart and an example are in the worksheet.

Estimated Attendance Data: The information provided below should align with the information provided in the Estimated Attendance Chart.

| | |
|--|-------------------------|
| Desired Market Area (area that will be affected by the economic impact of the event. This is usually the county in which the event is held and may sometimes include adjacent counties): | DFW & Denton County |
| Primary event day(s) on which attendance counts will be collected and used for reporting attendance after the event: | September 23 - 25, 2022 |
| Anticipated Daily Average Attendance at Primary Event (average of the total estimated attendance from the day(s) listed above): | 53,618 |
| Anticipated Out-of-State Attendance at Primary Event: | 6,712 |
| Anticipated percentage of all attendees that will be from Out-of-State: | 11.7% |
| Anticipated percentage of total attendance from Texas, but who are visiting from outside of the market area: | 33.7% |

Spending Rates and Percentages: Provide the estimated daily average spending in the following categories for all attendees below. Include only taxable expense(s) (e.g. most food purchased at a grocery store is not taxed and would not be included, but food purchased at a restaurant is taxed and may be included.)

| | |
|--|--------------------|
| Spending Rate for Food & Non-Alcoholic Beverages: | \$50 |
| Spending Rate for Shopping & Entertainment: | \$42.75/person/day |
| Spending Rate for Alcoholic Beverages: | \$12 |
| What percentage of all attendees will consume alcoholic beverages? | 60.6% |
| Spending Rate for Hotel: | \$120 |
| What percentage of all attendees will stay in hotels? | 51.5% |
| On average, how many people per hotel room? | 2 |
| Spending Rate for Car Rental: | \$150 |
| What percentage of all attendees will rent cars? | 12.5% |
| On average, how many people per rental car? | 1-2 |

SECTION 7: ATTENDANCE REQUIREMENT

In accordance with TAC Rule § 184.13(d), 184.23(d) and 184.30, no later than 45 days after the event, the total actual attendance and the estimated number of attendees that are not residents of Texas at the event must be provided to EDT. Supporting documentation must be submitted for verification. The following methods will be accepted: ticket sales count, turnstile count, ticket scan count, convention registration check-in count, or participant totals (must be accompanied by ticket or turnstile count for MERP & MSRTF). Other methods may be approved by the OOG in its sole discretion prior to the first day of the event.

Please explain which of these methods or another method, subject to approval, that will be used:

Car counters and intercept interviews

SECTION 8: CHECKLIST

EDT must receive the following documents (except the Event Support Contract and Human Trafficking Prevention Plan) by the application deadline before it can issue an estimate of incremental taxes.

EDT is statutorily required to make a determination within 30 days after receiving a complete application. If an application is incomplete, it will not be processed until all required information is submitted. Early submission is encouraged.

- ☒ **Events Trust Fund Application** completed and signed by someone the applying entity has determined is eligible to bind the applying entity.
- ☒ **Estimated Attendance Chart** completed with information that aligns with the Economic Impact Study. Submitted in pdf format.
- ☒ **Endorsement Documentation** from the endorsing municipality or endorsing county requesting participation in the trust fund program and signed by a person authorized to bind the municipality or county. The documentation should clearly indicate the municipality or county's endorsement of the event and the name of the LOC, if applicable. The information in the document should coincide with the Selection Letter.
- ☒ **Selection Letter** A signed letter from the Site Selection Organization selecting the site in Texas that clearly indicates and describes a highly competitive selection process by which site selection occurred, and that the selection was based on an application by the endorsing municipality, county or LOC. This selection letter must clearly indicate the selected LOC, the selected municipality or county, and the event date. The event date indicated in the letter must match the requested event date.
- ☒ **Economic Impact Study** or other data sufficient for EDT to make the determination of the estimated incremental increase in tax revenue directly attributable to the preparation or presentation of the event, including data for any related activities. The Study should contain detailed information on the direct expenditures for the event in the requested market area relating to the economic activity of attendees and other persons associated with the event. The study may also include information on event expenditures, if available. For MERP's only, secondary impacts must be included, and stated separately from the direct impact in order for these impacts to be considered in development of the EDT estimate.
- ☒ **Affidavit for Economic Impact** signed by the person(s) who prepared the Study for the application.
- ☒ **Affidavit of Endorsing Entity** signed by each endorsing municipality, county and/or LOC.

- ☐ **Human Trafficking Prevention Plan (MERP Only)** No later than the 30th day before the first day of the event, the Site Selection Organization must submit a plan to the trafficking of persons in connection with the event to the office of the attorney general and the chief of the Texas Division of Emergency Management. Plans shall be submitted to the following contacts:

Captain James T. (Tim) Ferguson – Office of the Attorney General james.ferguson@oag.texas.gov

Suzannah Jones – Texas Division of Emergency Management suzannah.jones@dps.texas.gov

- ☐ **Event Support Contract** is a contract by and between a Site Selection Organization and a local organizing committee, an endorsing municipality, or an endorsing county setting out the representations and assurances of the parties with respect to the selection of a site in this state for the location of an event, and the requirements and costs necessary for the preparation or presentation of an event. Due before the first day of the event, early submission will provide EDT with the opportunity to review the contract and address any issues prior to the event.

Note: Disclosure of Information under the Public Information Act. All documents submitted to the Office of the Governor (OOG) may be subject to disclosure under the Texas Public Information Act, Chapter 552 of the Texas Government Code ("the Act"), including, but not limited to, the application, event support contract, economic impact analysis, and all disbursement documentation submitted after the event, whether created or produced by the applicant or by any third-party. If it is necessary to include proprietary or otherwise confidential information in the documents submitted, that particular information should be clearly identified as such. **Merely making a blanket claim that the all documents are protected from disclosure because they may contain some proprietary or confidential information is not acceptable, and will not render the information confidential.** Any information that is not clearly identified as proprietary or confidential will be released in accordance with the Act.

I, the authorized representative of the applicant, certify that the representations made, the facts stated in this application and all supplemental documents are true and correct, and that no relevant facts have been intentionally omitted, as evidenced by my signature below. I hereby agree, on behalf of the applicant, to comply with the reporting requirements and will provide other documentation as requested.


Signature

CHRISTOPHER J. RODEN
Name (Printed)

PROGRAM COORDINATOR - CITY OF FORT WORTH
Title

8-8-22
Date



OFFICE OF THE GOVERNOR
ECONOMIC DEVELOPMENT & TOURISM

GREG ABBOTT
GOVERNOR

AFFIDAVIT
for Economic Impact Documentation

Affidavit to be completed, including signed and notarized, by any and all party(ies) providing economic data to support an application for an Event Trust Fund, Major Events Reimbursement Program or Motor Sports Racing Trust Fund.

I, Angie Highland, am providing information to be used by a City, County or Local Organizing Committee for the purpose of receiving funding through the Event Trust Fund, Major Events Reimbursement Program, or Motor Sports Racing 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 Economic Development and Tourism 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: NASCAR Fall Race Weekend on these dates: September 23-25, 2022 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.

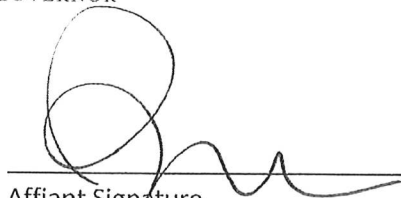
I understand that the offense of perjury, under Section 37.02, Texas Penal Code, is committed when a person, with intent to deceive and with knowledge of the statement's meaning, makes a false statement under oath or swears to the truth of a false statement previously made and the statement is required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



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ECONOMIC DEVELOPMENT & TOURISM

GREG ABBOTT
GOVERNOR



Affiant Signature

Angie Highland

Printed Name

President, Highland Market Research

Title and Name of Organization

7-14-2022

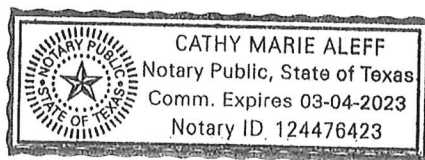
Date

The State of Texas

County of Tarrant

Before me, a Notary Public, on this day personally appeared Angie Highland known to me to be the person whose name is subscribed to the forgoing instrument and acknowledged to me that he/she executed the same for the purpose and consideration therein expressed.

Given under my hand and seal of office this 14th day of July, 20 22



Cathy Aleff

Notary Public, State of Texas

(PERSONALIZED SEAL)

Cathy Aleff

(Print name of Notary Public here)

My commission expires the 4th day of March, 20 23



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ECONOMIC DEVELOPMENT & TOURISM

GREG ABBOTT
GOVERNOR

AFFIDAVIT of Endorsing Entity

Affidavit to be completed, including signed and notarized, by any and all Municipalities, Counties, and/or LOCs endorsing an Event Trust Fund, Major Events Reimbursement Program or Motor Sports Racing Trust Fund.

I, David Cooke, an authorized representative of the City of Fort Worth, a [Local Organizing Committee (nonprofit corporation), endorsing municipality or endorsing county] (circle one) ("Requestor") that is receiving funding through the Event Trust Fund, Major Events Reimbursement Program or Motor Sports Racing 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 Economic Development and Tourism 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 Events 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 Economic Development and Tourism 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) An application for an Events Trust Fund program and any attachments; and
- (5) An Event Support Contract

I understand that I am receiving funding under the Act for the purposes of facilitating this event: 2022 Autotrader EchoPark Automotive 500 NASCAR Race Weekend on these dates: September 23-25. 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



OFFICE OF THE GOVERNOR
ECONOMIC DEVELOPMENT & TOURISM

GREG ABBOTT
GOVERNOR

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.

David Cooke
Affiant Signature

David Cooke
Printed Name

City Manager, City of Fort Worth
Title and Name of Organization

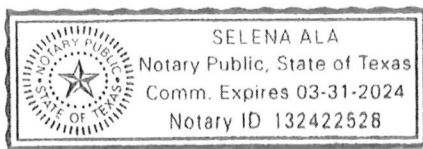
8/5/2022
Date

The State of Texas

County of Tarrant

Before me, a Notary Public, on this day personally appeared David Cooke, known to me to be the person whose name is subscribed to the forgoing instrument and acknowledged to me that he/she executed the same for the purpose and consideration therein expressed.

Given under my hand and seal of office this 5th day of August, 20 22



Selena Ala
Notary Public, State of Texas

(PERSONALIZED SEAL)

Selena Ala
(Print name of Notary Public here)

My commission expires the 31st day of March, 20 22



August 4, 2022

Mr. Terry Zrubek, Director
Texas Economic Development Bank
Office of Governor Greg Abbott
P.O. Box 12428
Austin, TX 78711

Dear Mr. Zrubek:

Pursuant to Chapter 478 of the Texas Government Code, the City of Fort Worth respectfully requests the establishment of a trust fund under the Major Events Reimbursement Program for the 2022 Autotrader EchoPark Automotive 500 NASCAR Race Weekend. The event, which is the largest event held at a venue with a permanent seating capacity of not less than 125,000 seats, including grandstand and premium seating will be held at Texas Motor Speedway, September 23 - 25, 2022.

As stated in the site selection letter, Texas Motor Speedway and the City of Fort Worth were chosen to host this exciting event after a highly competitive site selection process. NASCAR fans will travel both near and far, to experience all the exciting action that will span this 3-day event. It is expected to generate over \$24 million in eligible expenditures by non-Texans.

We ask that pursuant to the provisions of the Statute that your office estimate the economic impact of the 2022 Autotrader EchoPark Automotive 500 NASCAR Race Weekend. To that end, we have included a summary economic impact report, which sets forth the projected economic impact of the weekend.

We have attempted to comply with the requirements of the Statute in an efficient and thorough manner. Please review this information and contact me if you should have any questions or require further information.

Sincerely,


David Cooke
City Manager



August 5, 2022

City of Fort Worth
1000 Throckmorton
Fort Worth, Texas 76102

Dear Sir or Madam:

Congratulations!

The NASCAR Event Management, LLC (NASCAR), as a site selection organization, has selected Texas Motor Speedway to host the Autotrader EchoPark Automotive 500 NASCAR Cup Series Race on September 25, 2022 (with associated motorsports racing events and ancillary festivities beginning on September 23, 2022).

NASCAR currently makes decisions where to hold sanctioned events, in a highly competitive manner. Prior to entering into negotiations for the sanction agreements with the track facilities, NASCAR does a wholesale review of its schedule. In contemplating the sanctioning of a track, NASCAR looks at many factors, including: condition of the facility, the market area (history of supporting motorsports, promising future of motorsports support), the competition schedule, travel requirements for competitors and officials, weather conditions, past history of facility operations and management, financial health of the facility, NASCAR's overall business goals, along with other relevant considerations.

As I'm sure you are aware, there are many other venues and promoter groups that vie for a limited number of NASCAR events. The NASCAR Cup Series is in highest demand. However, NASCAR has successfully negotiated a Sanction Agreement with Texas Motor Speedway for the 2022 events and chosen to again sanction NASCAR Cup Series and other NASCAR events at this facility.

By way of further explanation, the annual assignment of specific racetracks is made on a highly competitive basis, and there is always competition among tracks in different states to obtain a second race (by removing a race from another facility). Further, there is competition when a track is currently without a NASCAR race and desires to obtain one, which, due to finite supply of dates, would necessarily have to be taken from a track in another state. In addition to the criteria described above, NASCAR obviously looks more favorably on facilities that, in addition, have the support of their state or local communities. Please note the final decision where a sanctioned event is held is in NASCAR's sole discretion and is done in furtherance of the best interests of the various industry stakeholders and the sport as a whole.

Please do not hesitate to contact me if you have any further questions or concerns.

Regards,

A handwritten signature in black ink, appearing to read "Steve O'Donnell", with a stylized, flowing script.

Steve O'Donnell
Chief Operating Officer

APPENDIX B



GOVERNOR GREG ABBOTT
ECONOMIC DEVELOPMENT & TOURISM

August 24, 2022

Mr. Chris Roden
Program Coordinator
City of Fort Worth
3401 W. Lancaster
Fort Worth, Texas 76107

Dear Mr. Roden:

Thank you for your interest in the establishment of an Event Trust Fund. The Office of the Governor has completed its review of the application and economic information submitted by the City of Fort Worth for the establishment of an Event Trust Fund under Texas Government Code Chapter 478. Major Events Reimbursement Program relating to the 2022 Autotrader EchoPark Automotive 500 NASCAR Race Weekend (the "event"). Based on the representations and the information submitted and certified in the application, the event meets the eligibility requirements set by the Texas Legislature. Establishment of an Event Trust Fund is therefore required by law, and upon receipt of the local share, a fund will be established as follows:

| | |
|---------------|---|
| Event: | 2022 Autotrader EchoPark Automotive 500 NASCAR Race Weekend |
| Project Code: | 231027 |
| Location: | Fort Worth, TX |
| Market Area: | Tarrant County |
| Venue: | Texas Motor Speedway |
| Dates: | September 23 – 25, 2022 |

The estimated incremental increase in tax revenue to the State of Texas is \$2,231,183.00 or 6.25 times the amount of local revenue retained or remitted to the Texas Comptroller of Public Accounts as local funds from eligible endorsing municipalities.

| | |
|--|----------------|
| Local funds required: | \$356,990.00 |
| Total contribution to the Event Trust Fund established for this event: | \$2,588,173.00 |

Attendance metric used to estimate the incremental increase in tax revenue: 53,615 daily average of all attendees (September 23 – 25, 2022)

Page Two
Mr. Roden
August 24, 2022

Following the event, you will need to complete and submit the Attendance Certification Form, which is enclosed for your convenience. The Attendance Certification Form and supporting documentation must be submitted no later than 45 calendar days after the conclusion of the event.

The local funds must be submitted no later than 90 calendar days after the conclusion of the event. If the funds for the local share amount are not submitted by the 90-day deadline, the Event Trust Fund will not be available for disbursement.

To initiate a disbursement from an Event Trust Fund, a Disbursement Request Form, Disbursement Request Worksheet and all supporting documentation must be submitted no later than 180 calendar days after the conclusion of the event. The establishment of an Event Trust Fund does not entitle or guarantee that disbursements from the fund will be available for the reimbursement of any particular expenditure relating to the event. All disbursements will be subject to the requirements of Chapter 478. Major Events Reimbursement Program, the Event Fund Program Administrative Rules under Title 10, Chapter 184 of the Texas Administrative Code, and the policies and guidelines of the Office of Economic Development & Tourism within the Office of the Governor, including timely submittal of the Event Support Contract, Attendance Certification Form, local funds, Disbursement Request Form, and other documentation as required.

This letter addresses only the establishment of an Event Trust Fund under Chapter 478. Major Events Reimbursement Program and does not constitute approval of the event for any other purpose or supersede any applicable laws, including executive orders.

If you have any questions or need further assistance, please contact Gene Cervenka at gene.cervenka@gov.texas.gov or (512) 936-0534. If you'd like to reach another member of the program staff, they can be reached at eventsfund@gov.texas.gov or (512) 936-0100.

Thank you for all that your organization does to support the Texas economy.

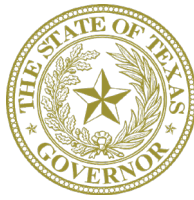
Sincerely,



Adriana Cruz
Executive Director
Economic Development & Tourism

AC: gc

APPENDIX C



GOVERNOR GREG ABBOTT
ECONOMIC DEVELOPMENT & TOURISM

ATTENDANCE CERTIFICATION

(Must be submitted no later than 45 days after conclusion of the event)

Submit this completed form and all supporting documentation to eventsfund@gov.texas.gov.
An Attendance Certification submitted without supporting documentation may be rejected, and the event
ineligible for disbursement.

Event Name: 2022 Autotrader EchoPark Automotive 500 NASCAR Race Weekend

Event Dates: 09/23/22 – 09/25/22

Event Location: Fort Worth

Applicant: City of Fort Worth

| | |
|--|---|
| Event application submittal date: | August 8, 2022 |
| Economic Development and Tourism (EDT) event application approval date: | August 24, 2022 |
| Attendance Certification due date: | November 9, 2022 |
| The attendance metric* identified by EDT to evaluate the estimated number of event attendees as part of the calculations for the incremental tax impact: | 53,615 daily average of all attendees (09/23/22 – 09/25/22) |
| Estimated percentage of attendees NOT residents of Texas for the PRIMARY EVENT: | 11% |

*If Applicant has questions or concerns regarding how this metric was developed, please contact EDT within 10 days of receiving the fund approval letter.

To be completed by the Applicant:

| | | |
|---|----------|--------|
| The TOTAL attendance at each PRIMARY EVENT DAY: | 09/23/22 | 47,299 |
| | 09/24/22 | 52,576 |
| | 09/25/22 | 59,115 |

The estimated total attendees not residents of Texas for the primary event (all days) was: 11,534

The estimated percentage of attendees not residents of Texas for the primary event (all days) was: 19%


The following attendance methodologies will be accepted: ticket sales count, turnstile count, ticket scan count, convention registration check-in count, or participant totals (must be accompanied by ticket or turnstile count for MERP & MSRTF). If you are submitting another method, it should have previously been approved by EDT.

What is the source and methodology used to obtain attendance totals?

Car counters and intercept interviews.

- 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.

Authorized Official (must be signed by event application signatory or successor):


William Johnson (Oct 18, 2022 10:11 CDT)

Signature

William Johnson

Printed Name

Assistant City Manager – City of Fort Worth

Title and Name of Organization

Date