

Is Formula One coming to Austin?

Race cars might race through the Austin area starting in 2012.

By [John Maher](#)

AMERICAN-STATESMAN STAFF

Tuesday, May 25, 2010

Monte Carlo. Istanbul. Barcelona. Montreal.

Austin?

Maybe.

In two years, Austin might join the glamorous international circuit of Formula One racing, where the low-slung cars can hit 220 mph and the spectators are reputed to be high rollers.

On Tuesday, Bernie Ecclestone, the president and the CEO of Formula One Group, announced that Austin would host F1 races from 2012 through 2021 and become the first U.S. city to stage such races since Indianapolis in 2007.

"The economic impact is said to be almost as big as a Super Bowl, and that's every year," said state Sen. Kirk Watson, D-Austin, who authored legislation last year that made it easier for Texas to attract an F1 race.

Ecclestone said the Austin Grand Prix race, for the first time in U.S. history, would have a track specifically built for Grand Prix racing. Racing experts said such a track could cost as much as \$250 million.

The announcement stunned many in the Texas auto racing community and surprised and delighted some political leaders, but it left others wondering about significant details — including where a track would be built, who would build it, how much it would cost, who would pay for it and why would an Austin project succeed where others haven't?

"This is bigger than national buzz. This is international buzz," said Bill Dollahite, a race car driver and president of Driveway Austin. "We've now got a pin at the center of the map that says we're the capital of Formula One racing in the U.S."

Dollahite said his phone was ringing off the hook Tuesday — and he isn't even connected with the project, merely with racing enthusiasts through his local driving school.

Local race car driver Tavo Hellmund is managing partner of Full Throttle Productions, which will partner with Ecclestone's company for the Grand Prix project.

"I got 18,000 e-mails in three minutes," Hellmund said as he was rushing to a plane. Hellmund said that neither city nor state money would be used to build a track. He declined to reveal his investment group,

but said he had talked with Ecclestone as early as 1999 about a Grand Prix event for Austin and began serious discussion four years ago.

"Austin is more of an F1 crowd than a NASCAR crowd," Hellmund said. "The geography, the tech money, the nightlife, the music. It all just fits with what Formula One is all about."

He said that the bidding process alone cost more than \$1 million. Hellmund said land has not yet been purchased, but that three sites are being considered.

"This will be a game-changer for Austin. ... We expect every hotel from San Antonio to Temple will be full," Austin Mayor Lee Leffingwell said. "This will solidify our standing as an international city. ... Hundreds of millions of people also see the broadcast, and those who don't know about Austin will."

Texas Gov. Rick Perry also was enthusiastic and commended Comptroller Susan Combs for her help in attracting the race.

A state tax-incentive program — known as the Texas Major Events Trust Fund — is intended to reimburse cities for the costs they bear by hosting profitable events, such as a Formula One race or the Super Bowl, which will be held in Arlington in 2011. The host city, county or organizing committee applies for the money. Senate Bill 1515, authored by Watson, specifically added Breeders Cup and F1 races as eligible events.

An F1 Grand Prix is one of the most expensive sporting events to stage, and the racers would not be roaring down Congress Avenue or Sixth Street the way they screech through the streets of Monaco. Newer stops on the circuit have large, and sometimes quite lavish, tracks.

"I can tell you this facility cost about \$250 million," Texas Motor Speedway president Eddie Gossage said of his NASCAR track. "(An F1 track) would exceed that."

Texas Motor Speedway opened in 1996 and has a capacity of more than 191,000.

Hellmund said the track would be at least three miles long. Dollahite estimated that it would take 600-1,000 acres for the track and grandstands.

Manor developer Pete Dwyer said he met with Hellmund in the fall of 2008 after Hellmund expressed interest in a 600-acre tract along the Texas 130 toll road near U.S. 290.

Hellmund put together a track layout that Dwyer called a "pretty impressive master plan" and mentioned that he would show it to Ecclestone, Dwyer said.

But the project never materialized after some financial incentives from the state didn't come through, Dwyer said.

Dollahite, who built a track for his driving club, estimated that the driving surface alone for a Grand Prix track would be \$100 million and would be "a huge undertaking."

Dollahite added, "To the west you have rock and to the east the soils would have to be stabilized."

Fred Nation, spokesman for Indianapolis Motor Speedway, said that track made more than \$50 million in improvements to get F1 events. He said about one-third of the track was used for the race course and the rest of the course was on the spacious infield.

"Some year we had the largest crowds of the year for Formula One," said Nation, who estimated F1 crowds in Indianapolis ranged from 90,000 to 225,000. He said attendance was hurt in the next-to-last year when, because of tire problems, only six teams competed.

"From a spectator point of view, it was a success. From an economic point of view, we would have continued if we could have reached a deal with Formula One," Nation said. "... At the end of the day, we could not make a business deal that made sense to us."

Indianapolis hosted F1 racing from 2000 to 2007. Dallas tried it for one year, in 1984. Detroit, Las Vegas and Long Beach also hosted events and Watkins Glen, N.Y., had a Grand Prix from 1961 to 1980 on a road course.

Just a few days ago, there was talk that another New York track might be chosen as the U.S. site. The Monticello Motor Club, in upstate New York 90 miles from Manhattan, is a gorgeous \$50 million facility where the invitation-only private members are said to have an average net worth of \$20 million.

Recently, Autoweek.com published a letter from Monticello president Ari Straus to his members saying that an F1 event "would transform the region into one of the motorsport capitals of the world, bring thousands of jobs to Sullivan County, inject over \$100 million in the local economy and place your private clubs in the company of famous racing circuits like Monza and Spa."

Straus cautioned, however, that "securing F1 is like winning the Olympics; competition is fierce, and this is not a done deal."

Straus could not be reached for comment Tuesday after the Austin announcement was made.

"Texas has never had an annual global sporting event," Hellmund said. "I think everyone is going to be really proud of it."

jmaher@statesman.com; 445-3956. Additional material from staff writers Marty Toohey and Brian Gaar.

Courtesy of JB Goodwin