

Baltimore Grand Prix plan approaches finish line

City spending board to vote on \$8 million deal

By Julie Scharper, *The Baltimore Sun*, May 5, 2010

A plan to bring competitive automobile racing to streets around the Inner Harbor is expected to win city approval on Wednesday, potentially bringing Baltimore in league with Sao Paulo, Brazil, Long Beach, Calif., and other spots that host world-class motorsports on downtown roads.

After the city Board of Estimates signs off on a contract with the Baltimore Racing Development Corp., Baltimore will be poised to become a stop on the Indy Racing League circuit in August 2011 and for as many as four years after that.

A loop of streets surrounding the harbor would be transformed into a race course for a three-day event that organizers say could lure visitors from around the world and rival the Preakness Stakes in economic impact. Open-wheel cars would zoom down Pratt Street at speeds up to 190 mph and whizz past the Inner Harbor and Camden Yards, where a pit stop area would be located.

The racing festival could bring an estimated \$250 million to the city through ticket sales, hotel stays and restaurant meals over five years, as well as \$11 million in direct tax revenue to the city, officials said. The local company organizing the race would pay \$100,000 annually to the neighborhoods most affected.

"This event could put Baltimore on the map for all the right reasons," said Council William H. Cole IV, a chief proponent of the race, which would occur in his district. "The festival atmosphere will bring people into the city who have never been here before, and the restaurants, hotels and businesses are going to have a weekend like no other."

The race and media coverage would "change the way the world sees Baltimore," Mayor Stephanie C. Rawlings-Blake said in a statement.

The city spending panel is set to approve \$8 million in state and federal funds to prepare 2.4 miles of roads for the race. After that commitment, the Indy Racing League is expected to finalize its deal with local investors within a few weeks, said Jay Davidson, president of the local racing group.

A call to the league was not immediately returned Tuesday. In a letter to Rawlings-Blake, league executive Terry Angstadt said there was "every expectation" the agreement would be completed promptly.

The racing league, which pulled out of Richmond, Va., after nine years last summer, considers Baltimore its top choice in the Mid-Atlantic region, Davidson said, adding that he expects the race to draw fans from as far as New York and Virginia, as well as

international supporters.

"We are estimating 100,000 visitors over the three days, but I think we can do better than that," Davidson said.

Two other U.S. cities, Long Beach and St. Petersburg, Fla., are home to Indy races on streets. The cars also race on roads in Sao Paulo and Toronto; the 14 other races in the 2010 series are on tracks. The Indy Racing League's premier event, the Indianapolis 500, is held at the end of this month.

The Baltimore event would be known as the Baltimore Grand Prix and would consist of smaller races, go-kart competitions and an automobile show, in addition to the official Indy Racing League-sanctioned contest. Tickets to view one day of racing are expected to cost between \$25 and \$50, Davidson said.

The Baltimore group would pay Indy about \$2 million annually to host the race and would share in the profits from ticket sales, said Davidson, who worked as a corporate lawyer before working full time on racing initiative. In turn, Baltimore Racing Development would share a percentage of profits with the city that would depend on total proceeds and pay the city an annual \$250,000 fee.

The investors will seek corporate sponsors to pay for concrete and metal barriers to protect bystanders along the race route. The group is expected to spend about \$14 million in preparation for the race, according to the terms of their deal with the city.

The \$7.75 million allocation to be approved by the spending board would be used to repave roads and alter sidewalks and medians along the route.

The city is dedicating \$5 million in federal funds earmarked for major road maintenance and construction for the racing project. Officials also requested a \$2.75 million state loan for related improvements.

City Council President Bernard C. "Jack" Young, who heads the five-member spending board, predicted the city would recoup the outlay in jobs and tax revenue.

"The city needs a shot in the arm," said Young. "And the majority of the community seems to be on board."

Then- Mayor Sheila Dixon was lukewarm to the initiative when it was unveiled last summer, but Rawlings-Blake has embraced the concept.

Despite the inconveniences associated with hosting a street race — Cole visited the Long Beach race last month and compares the sound with "the largest swarm of ticked-off bees you've ever heard" — many community and business association leaders have given the plan their blessing.

The Downtown Partnership, The Waterfront Partnership and community groups in Otterbein, Ridgely's Delight and Federal Hill have submitted letters to the city in support of the deal.

Paul W. Robinson, president of the Federal Hill Neighborhood Association, said he was hopeful that the race would be a boon to businesses, although he was concerned about noise and traffic snarls.

"While we're supportive of the event, I'm not sure I'm ready to give the keys of the city to anyone who's involved in a commercial venture," Robinson said.

As part of the deal to be approved by the spending board, Davidson's group would pay \$100,000 for each of the five years into a fund that the nearby community associations could tap into for park improvements or other projects.

Cole, Davidson and former City Councilman Keiffer Mitchell — who has been working for the local race company — have met with community leaders about the plans.

A smaller-scale event in Washington a few years ago hit snags when residents were not sufficiently informed about the event, and the group wanted to head off a similar problem in Baltimore, Davidson said.

The racing festival, slated for the first weekend of August 2011, could create complications for downtown businesses on the Friday on which the festivities begin, said Cole, adding that companies would be encouraged to have employees work from home on that day.

Richmond International Raceway ended a deal with Indy Racing last year because of flagging ticket sales and a lack of interest in the race, said Aimee Turner, a spokeswoman for the track.

Richmond hosts two NASCAR races annually, and fans weren't as interested in seeing Indy drivers on the city's oval track, Turner said.

"Unfortunately, the Indy car series wasn't able to provide the kind of entertaining race our fans have come to expect," she said. "There was no passing; it was a 'follow the leader' kind of race."

But Davidson said roads in Baltimore are wide enough for passing, allowing for an exciting contest.

"There's going to be some very interesting racing," he said. "The city, the skyline, the harbor area — it lends itself to a Monte Carlo-style race."