

Grand Prix organizers no longer focused on title sponsor

By Julie Scharper, *The Baltimore Sun*, January 21, 2011

Organizers of the Baltimore Grand Prix say that they are no longer focused on landing a title sponsor for the three-day racing festival and would be content with a number of smaller backers.

"We have a bucket we need to fill, and it doesn't matter how we fill that bucket," Jay Davidson, president of Baltimore Racing Development, said Friday.

Race organizers had said last summer that they were looking for a title sponsor to pledge \$1 million to \$2 million. Davidson said the group has declined "low-ball offers" but remains in talks with businesses about the possibility of a title sponsorship.

About \$2 million in private equity has been invested in the race, and smaller stakes are available, Davidson said.

The team behind the race includes Peter Collier, former deputy director of the city's parking authority; developer Kenneth Banks; Walker Mygatt, a managing director at Constellation Energy; David Rather, owner of Mother's Federal Hill Grille; Lonnie Phillips, who once operated Sonar nightclub; and Jerry Gottlieb, who has organized concessions at Virgin Fest, the Preakness and other events.

Organizers estimate the three-day racing festival, which is to include concerts, children's events and several races, will draw up to 100,000 visitors to the city.

They say the race will be worth \$70 million to the local economy — nearly twice as much as the IndyCar series' oldest contest in Long Beach, Calif. Davidson said organizers included the economic gains to surrounding counties in their estimate.

More than 26,000 of the 100,000 tickets that organizers hope to sell have been purchased since sales opened last month.

Mayor Stephanie Rawlings-Blake and Councilman William H. Cole IV, whose district includes the downtown area, are among the race's biggest boosters.

Race organizers have made the final payment to the Maryland Stadium Authority on the installment plan negotiated in October. They had been scheduled to put up \$800,000 on Oct. 1 for a performance bond to guarantee a \$1.9 million project to construct a pit lane at Camden Yards, but cash flow problems led them to request an extension. The group paid \$900,000 into an escrow account over two months.

The third, and largest, payment of \$500,000 arrived on the Dec. 30 due date, said Mike Frenz, executive director of the stadium authority. Race organizers are to begin paying off the \$1.9 million in February, he said.

Construction in the parking lots, which includes uprooting trees and removing curbs and fences to create a concrete pit area, is about half done.

City officials set aside \$7.75 million for roadwork along the 2-mile course, which runs along part of the Inner Harbor, and awarded a \$4.2 million contract to P. Flanigan & Sons Inc. to move curbs and medians and lay fresh concrete and asphalt. The project is scheduled to be finished in the spring.