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Bruton Smith gets details on incentives

The \$80 million package primarily reimburses the speedway for extensive improvements to roads.

By Adam Bell

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Bruton Smith

More Information

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Concord and Cabarrus County delivered to billionaire Bruton Smith on Thursday the proposed details of his \$80 million incentives deal.

The groups also publicly released the proposal. It was forged in private and mainly covers reimbursement for extensive road improvements around Smith's Lowe's Motor Speedway in Concord.

The deal grew out of a dispute between Smith and Concord last fall. He threatened to move the speedway after the city tried to thwart his plans for a drag strip across from the track.

Local leaders took a lot of public criticism, first for possibly losing the speedway, then for the breadth of the incentives. Smith agreed to stay, build the \$60 million drag strip and make \$200 million worth of improvements at the speedway.

City and county officials defended the deal Thursday, saying the public will benefit from the road improvements.

The speedway is handling most of those changes, and will be reimbursed through the incentives. Smith's company, Speedway Motorsports, would receive grants that are the equivalent of an 85 percent rebate of annual city and county taxes generated by his new projects.

Incentives could last as long as 40 years, county Manager John Day said, but no one knows the exact length because that depends on how the property is valued from year to year. "It could take up to 40 years. It could take 25 to 30 years. We don't know," Day said.

Most local incentives last for just several years. Commissioner Coy Privette said the lengthy deal was "inexcusable. That's money we need for schools."

City Manager Brian Hiatt called it a "unique agreement, but we're also getting unique benefits" with all the road upgrades.

Speedway spokesman Scott Cooper said he couldn't comment until Smith has seen the deal. The city and county still need to hold hearings and approve the plan.

Here's how the deal breaks down:

Up to \$60 million will reimburse the speedway for the road improvements, through the incentive grants.

\$15 million is the estimated amount the city and county will front for expediting the state's extension of the George W. Liles Parkway, from Weddington Road to U.S. 29.

The groups are talking to the state. But Hiatt said the city and county do not know whether they can get the project bumped up from its scheduled 2013 start, or whether the state would require the entire project – which would go from Weddington Road to Roberta Road – to be done at once. The city and county eventually would be reimbursed by the state.

\$5 million, or \$500,000 annually for 10 years, is how much the Cabarrus County Convention and Visitors Bureau will spend to market Smith's facilities. The bureau, which is funded through hotel room taxes, had said in December it already intended to spend that much to promote those properties.

Smith must agree to continuously operate the speedway and drag strip for at least 40 years.

And here are projects in the deal that SMI must do within three years:

Widen and realign part of Bruton Smith Boulevard and Morehead Road south of their current alignment. Cost: \$35.3 million.

Build a vehicle/pedestrian underpass on U.S. 29 just north of the speedway.

The underpass and roads will resemble a diamond-shaped interchange that provides a new speedway entrance. Cost: \$5 million.

Build a vehicle/pedestrian underpass at the speedway's main entrance on U.S. 29 and on Morehead Road just north of Performance Drive. Cost: \$6.3 million.

Build a vehicle/pedestrian bridge over Morehead Road south of Performance Drive. Cost: \$700,000.

Relocate overhead utilities along U.S. 29 and/or Morehead Road and/or Bruton Smith Boulevard. (No estimate cited.)

Build noise buffers at the drag strip. (No estimate cited.)
Staff writer Gail Smith-Arrants contributed.

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That entire City Council should be impeached. Not only for bungling the original