

# Update on Sale of Bowman Gray Stadium

Finance Committee  
September 11, 2017

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**WINSTON-SALEM**  
STATE UNIVERSITY



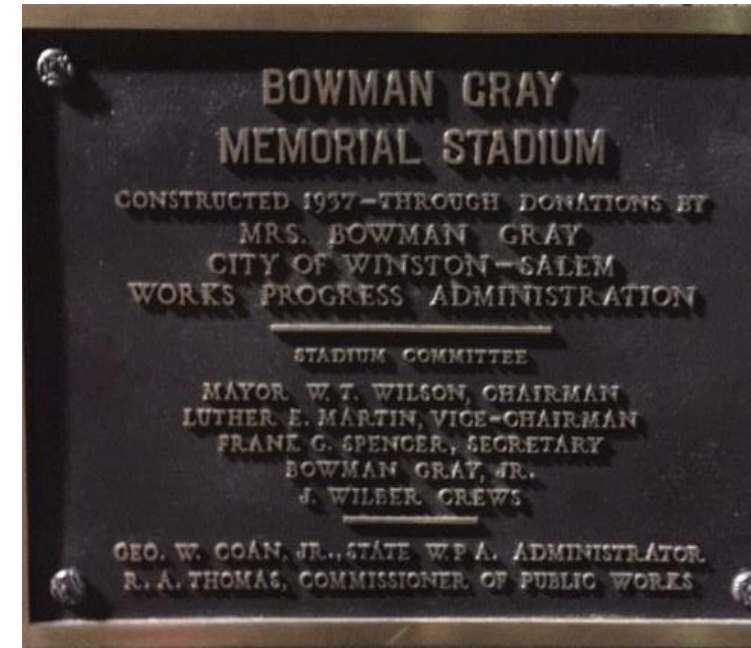
# Bowman Gray Stadium Profile

- Seating capacity = 17,000
- Includes field house, press box, two storage buildings, three concession stands, and seven restroom buildings
- Four parking lots (field house, east, west, and south) with approximately 700 spaces
- Current leases with Winston-Salem State University (football through June 2037) and Winston-Salem Speedway Inc. (NASCAR racing through August 2031)



# Brief History

- Stadium built beginning in 1937 by the Works Progress Administration
  - \$30,000 contributed by Mrs. Bowman Gray to cover the required match on the \$100,000 cost
- Opened in 1939, hosting high school and college football games, band competitions, circuses and other open-air events
- In 1949, motorsports racing started at Bowman Gray Stadium, promoted by Bill France, Sr. and Alvin Hawkins
  - Descendants of the Hawkins family are the present promoters and operators of racing at the stadium, operating as Winston-Salem Speedway, Inc.
- In 1956, Bowman Gray Stadium became the home football field for Winston-Salem State University.
- In 2006, in partnership with Winston-Salem State University, the City built a new field house with space for the Athletic Department and the University's Motorsports Program.
- In May 2013, the Mayor and City Council adopted a resolution of intent to sell the stadium, Civitan Park, and other surrounding property (approx. 92 acres) for \$7.1 million.
- Contracted with Winston-Salem State University to operate and maintain the stadium property (2014 to present)

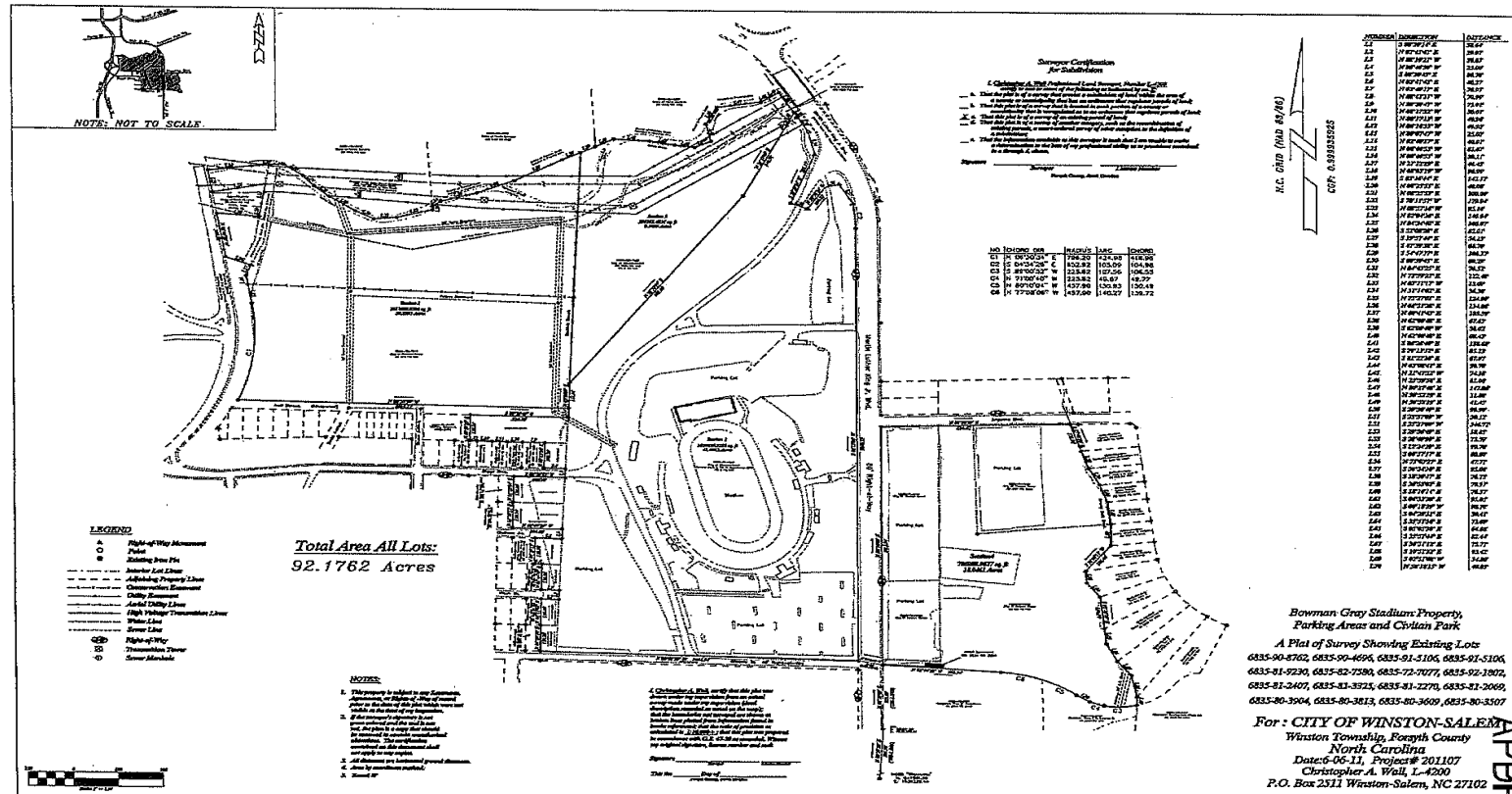


# Intent to Sell

## Adopted May 20, 2013

Current Terms	Potential Change Since 2013
92 acres including: 42 acres for Bowman Gray Stadium, 23 acres for Civitan Park, 9 acres of wetlands in Civitan Park, and 18 acres east of MLK, Jr. Blvd.	Updated survey completed to reflect construction of Research Parkway
Purchase Price As-is, where-is, with all faults      \$4,300,000 WSSU debt on field house            \$2,800,000 <b>Total Price                            \$7,100,000</b>	Current City debt outstanding           \$2,840,000 Current debt outstanding from WSSU   \$2,355,000 <b>Total Debt Outstanding                \$5,195,000</b>
Retain Bowman Gray name at stadium	No change
Retain wetlands and allow public access to Civitan Park and trails; assist with greenway connectivity on Brushy Fork Greenway	No change

# Bowman Gray Stadium and Surrounding Property



# Intent to Sell

## Continued

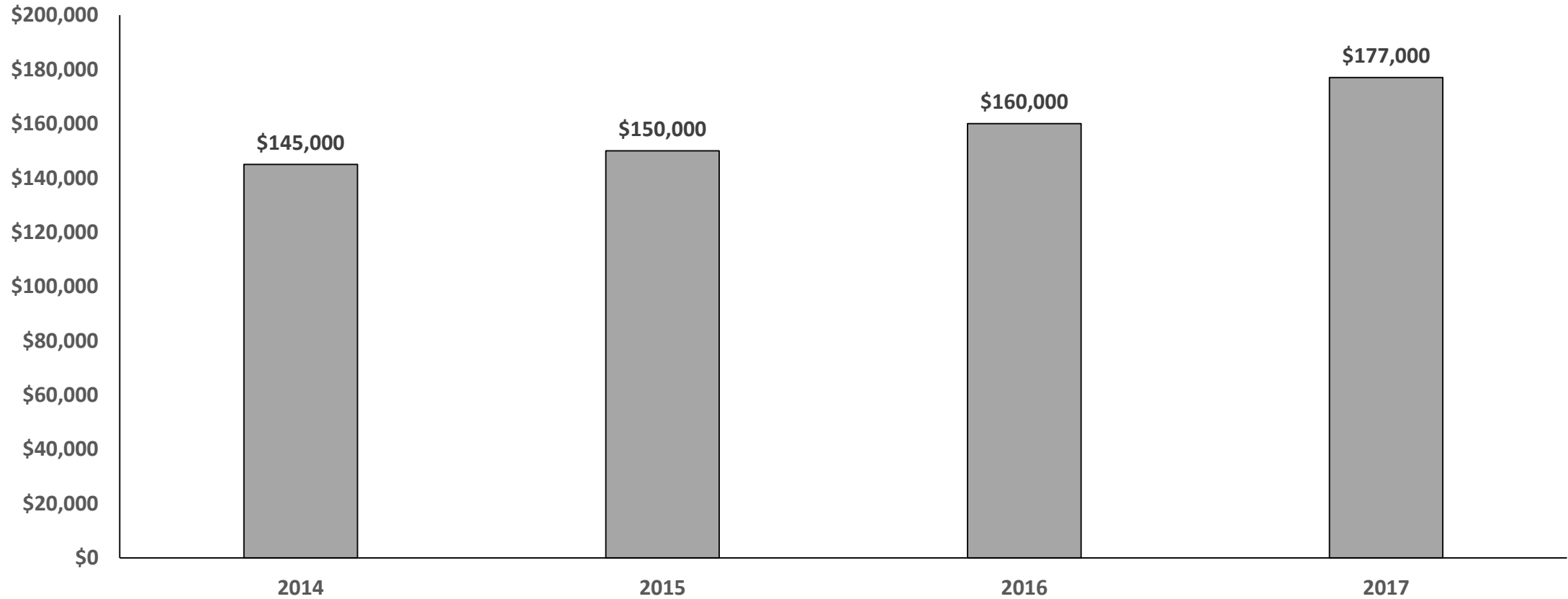
Current Terms	Potential Change Since 2013
Honor terms and conditions of current lease with Winston-Salem Speedway Inc. (expires August 2031)	<p>Session Law 2013-394 provides for certain requirements related to racing as a condition of the purchase.</p> <ul style="list-style-type: none"><li>• Stadium is not renamed.</li><li>• No parking fees for racing; public parking remains at or greater than current level</li><li>• Spectators allowed to bring food and non-alcoholic beverages into stadium.</li><li>• Execution of a new, 30-year lease at time of sale that provides for a dispute resolution process and other accountability measures</li><li>• Property continues to be available for racing and racing-related events.</li></ul>

# Capital Improvements Since 2013

<b>Improvements</b>	<b>Date Acquired</b>	<b>Original Cost</b>
New Pit Parking Area	01/01/15	\$395,324.58
Fieldhouse Rooftop Patio Repairs	01/01/15	\$14,450.00
Semco Unit Controller (HVAC)	06/04/15	\$7,269.39
Semco Unit Controller Update (HVAC)	08/13/15	\$5,800.00
Hoshizaki Ice Makers (4)	05/24/16	\$15,536.36
Follett Ice Bins (3)	05/24/16	\$9,940.05
West Lot Repairs	01/01/17	\$54,583.19
Fieldhouse Athletic Offices Paint and Carpeting	01/01/17	\$51,527.73
Press Box Repairs	01/01/17	\$49,579.66
New Pit Storage Building	04/07/17	\$73,911.61
Methane Gas Remediation System (Including West Lot Repaving)	07/26/17	\$2,213,917.95
<b>Total</b>		<b>\$2,891,840.52</b>

# Contract Payments to WSSU

## Operations and Maintenance



Note: Increases from 2015 to 2017 mainly due to increased parking management support as a result of Research Parkway construction



# Potential Time Line for Sale

- NC Brownfields Program to complete review of all documentation relevant to the installation and performance of the landfill gas extraction system, including post-remediation readings (September/October 2017)
- Finalize documentation for Brownfields Agreement including internal review with specialists, negotiation of terms, and approval of BF survey plat by NC Geodetic Survey (November 2017 - May 2018)
- Conduct public comment period, 30 days (June 2018)
- Acceptance of Brownfields Agreement by State Property Office (August/September 2018)
- Approve Offer to Purchase by Joint Committee on Government Operations and Council of State (September/October/November 2018)
- Approve bond financing by UNC Board of Governors (September/October/November 2018)
- Accept offer to purchase by Mayor and City Council (November/December 2018)

# Next Steps

- Complete updated appraisal. (October)
- Provide any additional data/measurements from the methane gas remediation system to facilitate finalizing Brownfields Agreement. (As needed)
- Prepare an interim operating agreement for 2018 for approval by the Public Assembly Facilities Commission. (November)
- Renew concessionaire contract for an additional year. (January)