

## Speedway to file for Chapter 11

By Stephen Largen • slargen@monroe.gannett.com • February 23, 2010

The Ouachita Parish Sheriff's Office has seized Monroe Motor Speedway and will auction it off on the steps of the parish courthouse in Monroe on March 17 unless the track's owners can successfully file for Chapter 11 .

If the speedway, located off Frontage Road, can successfully secure Chapter 11, an automatic stay would stop the auction and the speedway's owners and board of directors would be given time to reorganize and present a new to keep the speedway open and pay off its lender, said the speedway's bankruptcy attorney, Bradley Drell of Alexandria.

Drell said he has no specific date in mind to file for Chapter 11, but as long as he successfully does so before March 17 to put the auction on hold.

The speedway's lender, BizCapital BIDCO II Inc. of New Orleans, filed a petition in 4th District Court in Monroe Nov. 24 requesting a writ of seizure and sale by the Ouachita Parish Sheriff's Office.

The petition asked for the principal amount of \$4,460,293; interest in the amount of \$19,824; late charges of \$8,991; attorney fees of 25 percent; and all costs of the proceedings, including court costs and sheriff's cost.

The U.S. Department of Agriculture guaranteed the speedway's for up to 70 percent, which means the financial institution must recover as much as possible from the cooperation before the government will pay it's portion.

Drell said he is confident the speedway can secure Chapter 11 and survive.

"I think realistically, the main obstacle is to show that it can be economically viable," Drell said.

"There's not anything in the legal arena that will be particularly difficult, I don't think they (BizCapital) want to hold it until they find somebody to buy it."

The track is on 5.5 acres of land, which will be up for sale along with all buildings and equipment at the auction.

Gus Campbell, the new president of the speedway's board of directors and one of its owners, said the speedway has made offerings to drivers in the form of pit passes and pit stalls in an attempt to raise enough money to start the new racing season in mid April.

Campbell said he'll know how much money the speedway earned from the passes and stalls after the purchasing deadline on Tuesday night.

Meanwhile, the speedway Sunday announced its new, five-member board of directors at a meeting with drivers and members of the community.

"I'm quite optimistic at this point we've got a really good board now," Campbell said.

"It reinforces my faith that this community wants and needs the speedway."

Campbell said several factors have contributed to the speedway's poor financial state since it opened in May 2008.

Not having water and sewer turned on when the speedway opened, not immediately getting an extension built on Frontage Road, the closure of the driveway in front of the track and having 35 percent

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of race dates canceled in the speedway's second season last year have all combined to hurt attendance and track finances.

Ouachita Parish Sheriff Royce Toney said if the auction happens, it's a good opportunity for an investor to get a bargain on the property and help the local economy.

"It's just a shame that it had to come to a sheriff's sale, but lets make lemonade out of lemons," Toney said.

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