

Racetrack wants \$75M

By JOHN ROBBINS / Review Staff Writer
September 10, 2009

The provincial government has been asked to pony up more money to guarantee the survival of the Fort Erie Race Track.

At a press conference Wednesday, Jim Thibert, general manager of the Fort Erie Economic Development and Tourism Corporation, said the province has been asked to commit to providing \$15 million a year for five years toward operation of the racetrack under a new not-for-profit model - roughly equivalent to the 2003 share of revenues from the provincially owned and operated slot machines at the track.

The EDTC, an arms-length agency of the town, is no longer interested in buying the racetrack. Instead, Thibert said it makes more sense to lease the racetrack from its current owner, Nordic Gaming Corp., or some other future, private-sector owner.

Several investment groups are eyeing the track property and have expressed interest in leasing the track facility to the not-for-profit entity, Thibert said.

"There's nothing standing in our way of doing this, providing the province supports our proposal," Thibert said.

The EDTC hired Deloitte Consulting to perform a third-party "due diligence" review of racetrack operations and to help develop a business plan.

Thibert said the full-text of the consultant's report will not be made public because it contains proprietary information.

Instead, he gave a high-level overview of the report and the agency's request of the provincial government.

The amount of money coming from slot revenues to subsidize track operations and racing purses right now (about \$8 million) is not enough to cover the costs of operating the track successfully, even as a not-for-profit, Thibert said.

Fort Erie Mayor Doug Martin said he supports the EDTC's latest plan.

"I think this is the best proposal we have come up with," said Martin.

The proposal has already been sent to the province for review. Martin said he's hoping for a swift response from Ontario Finance Minister Dwight Duncan, so those who make their livelihood from the racetrack may have a better idea of what's going to happen next year even before this racing season wraps up at the end of October.

Niagara Falls MPP Kim Craitor, who was unable to attend the press conference, said he too supports the proposal.

"I think it's viable," Craitor said in a telephone interview from his Queen's Park office Wednesday afternoon. "This isn't something that was just thrown together ... It's a solid business plan."

Still, Craitor said, the proposal represents a "big ask" from the province, financially, and will require careful consideration by the government.

Late last year, El-Ad (Canada) Inc., the parent company of Nordic Gaming, announced its intention to close the 112-year-old border oval due to ongoing operating losses unless a buyer for the track could be found.

In March, the EDTC, backed by the Ontario Horsemen's Benevolent and Protective Association, which represents thoroughbred owners and trainers, brokered a deal with Nordic/El- Ad to open and operate the track for the 2009 season while the agency studied the possibility of buying the track.

The last scheduled day of racing is Oct. 27.