

Town agency wants track

LOCAL BUYER SUBMITS OFFER FOR RACETRACK

By **JOHN ROBBINS, REVIEW STAFF WRITER**
Wednesday, January 21, 2009

The Fort Erie Economic Development and Tourism Corporation has submitted an offer to purchase the Fort Erie Race Track for \$35 million.

Jim Thibert, the agency's general manager, informed town councillors of the surprising twist in the ongoing saga of the cash-strapped border oval and attempts to save it from closure, during their meeting Monday evening.

Thibert said little about the deal when he appeared before council and members were not given an opportunity to ask questions or comment.

A press conference has been scheduled for this morning to explain details of the plan, which revolves around running the racetrack as a not-for-profit corporation.

In an interview earlier in the day, Thibert said his agency will need financial assistance from the province to complete the transaction.

"We're going to ask them to underwrite the loan," he said. "It's very much like a mortgage. It'll be collateralized against property."

The Fort Erie Race Track is owned by Nordic Gaming Corp., a subsidiary of real-estate giant El-Ad (Canada) Inc.

In late December, the company announced plans to layoff nearly two-thirds of its 300 employees effective March 31. The company said the layoff notices were issued in order to prepare for the likelihood the track would not open for a new, live-racing season in 2009.



The Fort Erie Economic Development & Tourism Corporation has submitted an offer to purchase the Fort Erie Race Track for \$35 million.

Review file photo.

In making that announcement, Nordic officials said the company cannot continue to absorb operating losses, which, by some accounts, are in the range of \$7 million a year.

The EDTC is an arm's length agency of the Town of Fort Erie. Most of its budget comes as a grant from town council. A volunteer board of directors oversees the agency's operations. The board's membership includes two members of town council: Mayor Doug Martin and Coun. Sandy Annunziata.

Until recently, the EDTC had been trying to broker a deal with the province to provide unspecified assistance to keep the track open under the current ownership.

Thibert said it's not too late to save this year's season, provided the province acts relatively quickly to consider and support the proposal.

Last year, the fate of the 2008 season was up in the air until late February, when it was announced the track would open for 80 days of racing.

"If the province supports us, it certainly would save racing for 2009 and beyond," said Thibert. "Even though it's late in the day, it's not as late as last year to assemble a full roster of horses. I think if people understand the ownership could change and we have a long-term solution, we will get a full roster of horses because that will mean we won't likely be going through this again."

Niagara Falls MPP Kim Craitor said based on what he knows of the EDTC's proposal, he believes it's a concept worth exploring in further detail and he's prepared to arrange the appropriate meetings at Queen's Park to ensure the proposal is considered fully.

"On the surface it looks interesting," said Craitor.