

Deal ensures horse racing in Fort Erie this May

By JOHN ROBBINS / Review Staff Writer

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The thunderous sound of galloping horses will once again echo through the grandstands at the Fort Erie Race Track.

A deal has been struck between the Fort Erie Economic Development and Tourism Corporation and race track owner Nordic Gaming Corp. that will allow the 112th season of live, thoroughbred racing to get underway in early May.

The agreement – which includes a "letter of intent" to purchase the race track for \$35 million – ends months of worrying the track was set to close permanently at the end of March.

“We hope this is the beginning of a long-term solution,” Fort Erie Mayor Doug Martin said during a press conference held at Bridgewater Golf and Country Club Thursday morning.

“I think we’ve got a template to make it work. We’re pretty excited about going forward. We think this is the actual, real solution in the long-term for racing in Fort Erie.”

Under the agreement finalized late Wednesday, the racing season will run 78 days from May through October.

Threat of closure has been hanging over the historic border oval – the town’s largest employer and one of only two thoroughbred race tracks in Ontario – for several years.

Fears intensified in December when Nordic Gaming began issuing layoff notices to a majority of its 300 employees, saying the company was no longer willing to operate the facility at a loss.

In January, the EDTC, an agency of the Town of Fort Erie, submitted an offer to purchase the race track in hopes of setting it up as a not-for-profit corporation, with financial backing from the provincial government.

Talks between the parties appeared to reach an impasse in late February, when Nordic Gaming announced the EDTC had withdrawn its offer. The EDTC responded by saying the company had allowed a modified proposal to expire.

In making the announcement yesterday, EDTC General Manager Jim Thibert said the agency and its partners have 90 days to develop a business plan, perform due diligence and solidify financing.

The EDTC has provided the company with a \$2.25-million, non-refundable deposit on the deal, which allows the racing season to go ahead even if an agreement to buy the track doesn't.

The money for the down payment includes \$1.5-million of a \$2-million economic development grant the province gave the town last year. The Horsemen's Benevolent and Protective Association, an industry association which represents horse owners and trainers, contributed \$500,000, while the town budgeted \$250,000 toward the deposit.

Even with the deposit, Nordic Gaming may have to swallow \$1 million in losses this year to keep the track open, Thibert said.

HPBA president Sue Leslie said the agreement to race this year comes as welcome news for the hundreds of families that depend on the race track for their livelihoods. Now it's up to them to help make it work.

She's encouraging horse owners to submit stall applications as soon as possible and to contact those owners who are planning to take their horses elsewhere and ask them to come back to Fort Erie.

Representatives of Nordic Gaming were not in attendance at Thursday's press conference.

Niagara Falls MPP Kim Craitor said he's relieved that the track will be open this year and excited about the plan to purchase the race track.

"It's a great opportunity," said Craitor. "It would be a dream . . . for this community to have a not-for-profit (corporation) run the race track."

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