

COMMITTEE OF THE WHOLE NOVEMBER 5, 2001

**PROPOSED TELETHEATRE ESTABLISHMENT
WOODBINE ENTERTAINMENT/BIG STAR RESTAURANT**

Recommendation

The Commissioner of Planning recommends:

“THAT the Ontario Racing Commission be advised that Council has no objection to the proposed teletheatre wagering use within the Big Star Restaurant located at 70 Interchange Way.”

Purpose

In a letter dated October 19, 2001, Big Star Restaurants Inc. has requested Vaughan Council's endorsement of a proposed teletheatre wagering operation (off-track betting on horse racing), operated by Woodbine Entertainment, within their restaurant located at 70 Interchange Way.

Background - Analysis and Options

Teletheatres must be licensed by the Provincial Government. The Ontario Racing Commission issues a license to operate a teletheatre to a racetrack for a particular site; it does not license the restaurant or bar. It is the Ontario Racing Commission's policy to require input from the local municipality for the specific site. Attached is an information fact sheet issued by the Ontario Racing Commission on Teletheatres in Ontario.

The City's Zoning By-law 1-88 does not permit a teletheatre or off-track wagering as a permitted use. However, off-track wagering may be permitted as an accessory use to an existing eating establishment, provided such accessory use is naturally and normally incidental, subordinate to, and devoted exclusively to the main use.

The distribution network proposed for the teletheatre in the Big Star Restaurant consists of 30 – 40 monitors (television sets) and some computer installation, which would be operated by Woodbine Entertainment. This use would occupy approximately 2,300 sq.ft (18%) of the restaurant's total gross floor area (12,400 sq.ft). The existing restaurant/bar concept would not change and access would be gained to the teletheatre via the restaurant. The proposed teletheatre wagering use appears accessory to the eating establishment use and therefore would be permitted.

Conclusion

Planning Staff has no objection to the proposed teletheatre operation within the Big Star Restaurant, as it is considered an accessory use to the main restaurant use, and is therefore permitted by By-law 1-88. Should Council concur, a resolution is provided which would be forwarded to the Ontario Racing Commissioner as Vaughan's input.

Attachments

1. Ontario Racing Commission Fact Sheet on Teletheatres
2. Letter from Big Star Restaurants Inc., dated October 19, 2001

Report prepared by:

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Respectfully submitted,

MICHAEL DeANGELIS
Commissioner of Planning

JOANNE R. ARBOUR
Director of Community Planning

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ATTACHMENT NO. 1

Ontario
Racing
Commission

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Commission
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Ontario

Teletheatres in Ontario

Teletheatre wagering or off-track betting is a distribution system for betting on horse racing in Ontario whereby a racetrack licensed by the Ontario Racing Commission sets up pari-mutuel systems and satellite feeds in locations away from the racetrack.

The primary objective of teletheatre wagering in Ontario is to provide an additional distribution network for horse racing by supplying this form of entertainment to existing businesses with existing clientele who might not normally attend at the racetrack. Surveys across North America are consistent in identifying that only 2% of the population attend races and the racing industry has endorsed teletheatre wagering as a vehicle to build on this market share.

When the Government of Ontario approved teletheatre wagering it was envisaged that it would be concentrated in sports bar type facilities with existing clientele, introducing new fans to horse racing.

Teletheatre wagering is authorized by the *Criminal Code Regulations* administered by the Canadian Pari-Mutuel Agency of Agriculture Canada. The Regulations require that teletheatres be owned and operated by racetracks under conditions outlined in the Regulations. One of these regulations requires that teletheatres must be licensed by the Provincial Government.

The Criminal Code Regulations require that teletheatres must provide seating, serve food and beverages, and have washroom facilities. In broad terms, the regulations describe the basic requirements for a premise holding a sale licence from the Alcohol and Gaming Commission of Ontario. This, together with the conscious decision of the Government to provide support to existing businesses in the highly competitive hospitality industry, has resulted in teletheatres being set up in liquor licensed establishments. This assists in the process by removing the need for the Commission to look into the physical acceptability of premises, as they are already licensed by a provincial regulator and must have met the stringent requirements of the liquor licensing process.

The former Liquor Licence Board of Ontario deemed teletheatre operations in licensed premises to be entertainment ancillary to the sale and service of beverage alcohol and food. The Board ruled that teletheatre wagering did not constitute an "other business" (operation of businesses other than the sale and service of beverage alcohol and food in a licensed premise is contrary to the Liquor Licence Act) as the licensee is not involved in the operation of the teletheatre. The actual operation of the teletheatre is staffed and supervised by the racetrack licensed by the Ontario Racing Commission and operating under a wagering permit from the Canadian Pari-Mutuel Agency and all the revenues from betting are returned to the racing industry. Entrance fees are considered cover charges for entertainment under the Liquor Regulations.

The Ontario Racing Commission issues a licence to operate a teletheatre to a racetrack for a particular site; it does not licence the bar or the restaurant. To allow flexibility, the Commission does not specify the type of premise that teletheatres must operate in and as a result they can be located in pubs, fine dining rooms, sports bars, bowling alleys, hotels and even a sandwich shop.

It is Ontario Racing Commission policy to require input from the local municipal government for the specific site. As part of the licensing processes, the Ontario Racing Commission requires the racetrack to submit correspondence from the municipality advising the Commission of any objections.

The letter from the municipality can take the form of a letter from the Clerk, the Mayor, municipal official or can be a formal Council resolution. It is the municipality's decision to respond as they see fit.

It is also Commission policy to review the licence of any existing teletheatre when correspondence is received from the local municipality outlining the particular grievance. The Ontario Racing Commission appreciates the issues surrounding any expansion of socially sensitive activities. This policy of the Commission has given the municipalities a comfort level to allow teletheatre wagering to be implemented.

Currently there are close to 90 teletheatres licensed and in operation across Ontario.

For further information, please contact:

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City of Vaughan

October 19, 2001

Mr. John Leach,
City Clerk,
2141 Major Mackenzie Drive,
Vaughan, ON L6A 1T1

Dear John

On October 2, 2001, I met with Regional Councilor Joyce Frustaglio, Mr. Tom Papakonstantinou, Manager of Development, Woodbine Entertainment and Mr. Brian Brett, Director of Mutuals, Woodbine Entertainment to discuss the possibility of setting up an area within the existing Big Star Restaurant location, in the City of Vaughan, to run Teletheatre. On the positive recommendation of Mrs. Frustaglio I set up another meeting with Mr. Michael DeAngelis, Commissioner of Planning and Urban Design to discuss the idea further.

On October 18, 2001, we met with Mr. DeAngelis, Mrs. Joanne Arbour, Planning Director and Mr. Manni Navabi, of the Building Department. We had a very informative meeting, which leads to the purpose of this letter.

Please accept this letter as a request to take the recommendation to allow the establishment of Teletheatre in the existing Big Star Restaurant at 70 Interchange Way, Vaughan, Ontario L4K 5C3 to your next Council Meeting. The Big Star Restaurant is located on the South-East corner of HWY# 400 & HWY#7 in the interchange Development with the AMC30 Theatres.

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Proposal

Existing Restaurant/Bar/Cafe; Big Star Café Vaughan
Total Area of the Existing Establishment; 12,400 Square Feet
Area of the Proposed Teletheatre; 2,300 Square Feet
The Teletheatre will occupy approximately 18.5% of the total area of the existing Restaurant space. The Teletheatre operation would be run by Woodbine Entertainment. The proposed set up would only require the addition of 30-40 Monitors (Television Sets) and some computer installation. The existing Restaurant/Bar concept would not change.

Please find attached an information fact sheet from the Ontario Racing Commission. Any Questions regarding the Teletheatre please call Mr. Tom Papaxostantinou at 416-675-3993 ext. 2424

Sincerely,

A handwritten signature in black ink, appearing to read "Richard Cutala", written over a horizontal line.

Richard Cutala

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