



To: Finance Select Committee
From: Terry Crowe,
Manager, Policy Planning
Re: Gaming in Richmond

Date: January 9, 2002
File: 4040-04

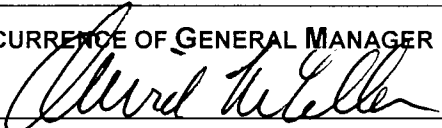
Staff Recommendation

That Council:

1. Rescind its existing Gaming Policy 5034 and 5034.01; and
2. Support an expansion of gaming in Richmond subject to the expanded gaming being consistent with provincial policy, there being a significant financial benefit to the City of Richmond and a detailed review of a specific expansion or relocation proposal.

Terry Crowe
Manager, Policy Planning

Att. 7

<p>FOR ORIGINATING DIVISION USE ONLY</p> <hr/> <p>CONCURRENCE OF GENERAL MANAGER</p> 
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Staff Report

PURPOSE

The purpose of this report is to provide background information to Council regarding:

1. The Provincial Government's pending comprehensive gaming legislation changes (expected to be introduced in 2002), gaming in other municipalities, gaming research and discussions; and
2. The implications of changing the City's existing gaming policy of limited gaming to allow expanded gaming in Richmond.

This report gives a brief overview of:

1. Distinctions Between Community and Destination Casinos;
2. Provincial Position;
3. Casino Gaming in Other Municipalities;
4. General Benefits and Detriments of an Expanded Gaming Policy;
5. Possible Expanded Gaming Options;
6. Possible Locations for an Expanded Gaming Facility;
7. Public Input Approaches;
8. Other Considerations; and
9. Anticipated next steps.

ORIGIN

At the July 26, 2001 Finance Select Committee, the following motion was passed:

"That staff:

- *review Council's current position on gaming facilities, with a comparison to new and existing policies in other area municipalities, and*
- *bring forward recommendations on the benefits and detriments of allowing expanded gaming within the City."*

In addition, at the meeting the following recommendation to staff was endorsed.

Recommendation

"That staff conduct the review of the City's' existing limited gaming policy (as per the Finance Select Committee's recommendations of July 26, 2001) and prepare a report based on the following:

- staff are to start the review now;
- the report is to be prepared after the Provincial legislation and policy changes are known and approved by the Provincial government in writing;
- the rationale, assumptions, context, considerations, information and implications identified in this memorandum;
- the expanded City gaming options identified in this memorandum (e.g., limited expansion, full expansion);

- the report is to be prepared in consultation with:
 - Musqueam First Nations;
 - Vancouver International Airport Authority;
 - Great Canadian Casino;
 - other municipalities;
 - BC Lotteries Corporation and other provincial agencies.
- a review of the social, economic, land use, locational, servicing and regulatory implications of the expanded gaming options;
- a review of area municipalities' existing gaming polices; and,
- a public consultation process”.

FINDINGS OF FACT

1. Distinctions between Community and Destination Casinos

Under existing provincial legislation, both community and destination casinos have the same capacity for tables and slot machines, as outlined below. The principle difference is in revenue allocation.¹

Similarities:

- Both permit a maximum of 30 gaming tables (plus up to six poker tables).
- Both permit a maximum of 300 slot machines.

Differences:

- Revenue for host local governments:
 - Community Casinos: 10% of net gaming revenue.
 - Destination Casinos: 1/6 of net gaming revenue (17%).
- Destination casinos are not obligated to allocate revenue to charity.
- Alcohol sale and consumption prohibited at community casinos.
- Alcohol sale and consumption prohibited in gaming areas but permitted in licensed areas (bar, dining room) at destination casinos.

Richmond's existing casino is designated as a “community” casino.

As per discussion with BC Lottery Corporation (meeting at City Hall, Aug. 2001), the categories of “community” and “destination” casinos will not be used in future provincial legislation.

At this time, the proposed provincial casino classification system is unknown. A licensing system is proposed.

¹ Gaming Policy Secretariat Website, Ministry of Public Safety and Solicitor General, Government of British Columbia; <http://www.pssg.gov.bc.ca/gaming/policy>).

2. Provincial Position:

In the UBCM News of August 2001 (**Attachment 1**), the Solicitor General indicated to the UBCM Protective Services Committee that government policy on gaming is currently:

- no new expansion of gaming in the province (no new casino developments);
- a freeze on the re-location of establishments; and,
- no change in the funding formula for casinos.

The same article conveyed that a discussion paper regarding the future of nine casinos in communities which disallow slot machines, including whether or not a relocation of these casinos would be permitted, will be presented to Caucus and Cabinet (no date specified). The results of this discussion will significantly affect Richmond's decisions regarding expanded gaming.

According to a September 14, 2001 press release from the Solicitor General (**Attachment 2**), comprehensive gaming legislation will be introduced in 2002. In the previously cited UBCM article (**Attachment 1**), the timing of this legislation was described as "possibly in the spring".

3. Casino Gaming in Other Municipalities

The attached table (**Attachment 3**) outlines the current status of casino gaming in other municipalities (Burnaby, Coquitlam, Surrey, Delta, New Westminster, Vancouver, Richmond and Nanaimo) and whether or not expansion/relocation is currently being considered.

Information gathered from City staff in other municipalities listed above, indicates that no further expansion of existing gaming facilities, or the addition of new facilities, is currently being considered by any of those Councils.

- In Coquitlam, a Great Canadian Casino opened in early October, which is a relocation of the Newton Casino.
- Relocation of the two New Westminster casinos to the proposed Westminster Gateway Station is being considered, but will involve no increase in the number of tables or slot machines.

Only Surrey and Richmond have gaming policies per se, while other municipalities use either council resolutions or zoning amendments. Coquitlam has amended its OCP to accommodate gaming.

Casinos currently operating in each municipality are listed in **Attachment 3**, including the number of tables and slot machines in each. In municipalities reviewed that allow gaming, slot machines are permitted in all except Vancouver and Richmond.

- The municipal revenue of each casino for the year 2000/01 is listed, from a minimum of \$472,427 (Great Canadian Casino Renaissance, Vancouver; 24 tables) to a maximum of \$5,881,648 (Gateway Casino Burnaby; 32 tables, 300 slot machines).
- The municipal revenue of Great Canadian Casino Richmond is the highest of casinos with tables only at \$1,920,587 (33 tables).

4. General Benefits & Detriments of an Expanded Gaming Policy

The attached table (**Attachment 4**) presents findings regarding some of the general benefits and detriments associated with gaming, as reported in various Canadian and USA research reports.

5. Possible Expanded Gaming Options

A table of possible expansion options for gaming in Richmond is attached (**Attachment 5**).

The two principle options are:

- a) Expansion of existing casino only (note: existing casino could be re-located):
 - from 33 to 36 tables; and
 - from 0 to 300 slot machines.
- b) Expansion of the number of casinos operating in Richmond:
 - more than one, located on designated commercial or industrial land.

However, no expansion possibilities are currently possible according to present government policies. Provincial gaming legislation to be introduced in the Spring of 2002 will clarify expansion options. This legislation will, of course, shape Musqueam First Nation and Vancouver International Airport gaming decisions as well, which will directly impact on gaming in Richmond.

6. Possible Locations for an Expanded Gaming Facility

The most appropriate locations for an expanded gaming facility are in North Central Richmond in and around the existing gaming facility.

7. Public Input Approaches

When Council established its limited Gaming Policy in 1997, it did so with public consultation.

Accordingly, if Council chooses to change the existing Gaming Policy, it may want to again include public input.

Staff recommend that a public consultation process be established prior to making a decision on a specific casino expansion or relocation proposal.

8. Other considerations:

When making decisions regarding an expanded gaming policy, the following needs to be recognized and considered:

a) Musqueam First Nation

The Musqueam First Nation will likely always want a casino of their own.

- b) Vancouver International Airport
The Vancouver International Airport may want to establish their own casino.
- c) Great Canadian Casino
 - The Great Canadian Casino wants to move and expand.
 - Concerns expressed by Great Canadian Casinos regarding the possible Bridgepoint site are:
 - land claims;
 - port authorities;
 - wild fowl reserve; and,
 - inflated cost of land.
- d) Social Concerns, including
 - Monitoring:
 - A comprehensive gaming impact monitoring program should be established in Richmond prior to any expansion to ensure that the province's and city's ability to manage the implications and costs of any expanded gaming over time.
 - Prevention and Treatment:
 - The provincial commitment to and funding of the prevention and treatment of problem gaming will require clarification and evaluation as to its adequacy and effectiveness prior to any expansion.
- e) Crime Prevention and Enforcement:
 - A gaming crime prevention program should be established and costed prior to any expansion.

9. The Current Issue

The existing gaming policy was established partly, so that by minimizing gaming facilities in Richmond, residents would have limited places to gamble and the negative effects on the City and its residents would be limited.

There are several reasons to review the existing policy to determine if it still is appropriate. First, to date the degree of the negative implications have not occurred as initially thought. Second, because Richmond residents can and do go to adjacent municipalities to gamble, Richmond's limited gaming policy is not stopping Richmond residents from gambling. Third, the RCMP advises that Internet gaming provides an increasing opportunity for people to gamble regardless of geography.

In other words, if Richmond residents want to gamble they can and do have several ways to do so, regardless of the City's limited policy.

Accordingly, two matters are apparent; first the degree of negative impact has not been as expected, and second the City is missing an opportunity to benefit from expanded gaming as it would receive substantial additional gaming revenues (e.g., possibly up to \$6 million) which could be used for a wide range of beneficial city initiatives.

For these reasons, it is appropriate to review the existing policy and the following options are presented.

Option 1 - Adopt An Expanded Gaming Policy (Recommended)

That Council:

1. Rescind the existing limited Gaming Policy # 5034 and 5034.01 (**see Attachment 6**), and
2. Support an expansion of gaming in Richmond subject to the expanded gaming being consistent with provincial policy, there being a significant financial benefit to the City of Richmond and a detailed review of a specific expansion or relocation proposal.

Discussion

If endorsed, Council would advise the Province of its decision, thus giving itself the best opportunity to have expanded gaming. (Note: Once the Province passes its legislation, it will likely very quickly determine which communities will be able to expand their gaming. By informing the Province at the earliest possible time, the City gives itself the best chance to receive one of the expanded gaming licenses and revenues.). The City would co-operate with the Province, the private sector and the community in implementing the City's expanded gaming policy. Public consultation would occur during the review of a specific expansion and relocation proposal.

The benefit of Option 1 is that it gives the City the best chance of receiving additional gaming revenues.

The concerns with Option 1 are that not all the details are known regarding expanded gaming provincial legislation, the procedures, benefits and implications for Richmond. As well, the public will have limited opportunities for input regarding the policy change itself.

Option 2 - Wait

Only consider a City policy change after the provincial legislation has passed.

Discussion

Once the provincial changes are adopted by Cabinet, Council would then determine its next steps.

The benefits of Option 2 are that it provides clarity regarding provincial legislative changes, including expansion procedures, provincial responsibilities, revenues to the city, implications, etc.

The concerns with Option 2 are that this option takes time and if the City should want expanded gaming, it would very likely miss the opportunity because the Province, by then, may have already allocated the few expanded gaming licenses and opportunities.

CONCLUSION

This report provides:

- requested information;
- options to take a next step; and
- a recommendation to expand gaming in Richmond.



Terry Crowe, Manager
Policy Planning

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Protective Services Committee Meets New Minister of Public Safety and Solicitor General

The Protective Services Committee met with the Honourable Rich Coleman and discussed the following issues:

Police Financing Issues

The Solicitor General indicated that he supported the RCMP review of policing and the sharing of policing services on a regional basis (dogsetc.). He indicated that he was looking for increased accountability from the RCMP and a system to measure how

the money they received from the province was being used.

Auxiliary Constable Program

The Minister indicated that he saw the re-arming of the auxiliaries as a ministry issue and one that they will need to fund - the province will need to

Liquor Policy

The Minister indicated that he intended to reduce

the number of liquor licences in the system and increase the speed at which these changes were being made - currently 7 licences, 9 sub-categories and reduce the range of regulations. He felt that inspectors had to many issues to focus on and this needed to be streamlined to a number of key priorities, namely:

- *Over consumption;*
- *Over crowding;*
- *Under age drinking;*
- *Inducements to local industry to buy certain brands - currently illegal;*
- *Sale of illegal liquor.*

The Minister was of the view that the decision as to

Gaming Policy

The Solicitor General indicated that the government policy on gaming was the following:

- *No new expansion of gaming in the province - will not be looking at new casino developments;*
- *Freeze on the re-location of establishments;*
- *No change in the funding formula for casinos.*

He stated that he was taking a discussion paper on the 'definition of gaming' to Caucus and to Cabinet. The paper would be presenting options to Caucus and Cabinet concerning the 9 casinos in communities who do not allow

slot machines and whether or not they should be allowed to re-locate if they wanted to do so.

The Minister indicated that the Bingo sector was under review and would be streamlined in the next few months. He suggested that the he was looking at introducing a comprehensive Gaming Act, possibly in the spring as an exposure bill.

Proceeds of Crime

The Minister did not appear to support the sharing of proceeds of crime with local government, and he pointed out that approximately \$700,000 currently goes to local communities in program funding. The program is currently part of the program review underway.

MORE POLICY UPDATES

Federal Caucus Task Force To Prepare Farming Report

Last March, the Prime Minister established a Caucus Task Force on Future Opportunities in Farming. The Task Force is comprised of 13 Liberal Members of Parliament and Senators from across Canada.

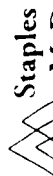
It is expected that the Task Force will submit its report with...

Staples McDannold Stewart ...

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Public Safety and Solicitor General

01:85

September 14, 2001

Gaming in B.C. to be improved by new management structure

VICTORIA - Gaming in B.C. will operate in a more efficient, accountable manner as a result of restructuring announced today, said Solicitor General Rich Coleman.

"Currently gaming is overseen by five agencies," Coleman said. "We're improving the framework with two strong, cohesive bodies that will eliminate duplication while ensuring strict accountability."

Coleman said gaming management previously involved too many agencies and commissions. The new streamlining will result in millions of dollars in administrative savings for taxpayers and an improved regulatory environment.

The five agencies previously responsible for gaming - the Gaming Policy Secretariat, the B.C. Gaming Commission, the B.C. Racing Commission, the Gaming Audit and Investigation Office, and the B.C. Lottery Corp. - will be consolidated into two. These agencies will be the gaming policy and enforcement division under the Ministry of Public Safety and Solicitor General, and the B.C. Lottery Corp. The Racing Commission board is being replaced with three senior government staff, chaired by acting deputy solicitor general Alison MacPhail.

Responsibilities of the gaming policy and enforcement division will include policy, standards, regulation, licensing and enforcement for all gaming sectors. The B.C. Lottery Corp.'s responsibilities will be to conduct and manage lotteries, casinos, bingo halls and horse racing.

Coleman said the restructuring respects the important role charitable gaming plays in supporting programs and services throughout the province. "We will all be better served by the professional management that will result from this streamlining - charities, communities, gaming businesses, those who enjoy participating in gaming, and taxpayers."

To support the new framework, government will introduce comprehensive gaming legislation in 2002.

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More information on gaming can be found at www.pssg.gov.bc.ca/gaming/

Casino Gaming, Other Municipalities – Current Status and Future Plans

Municipality	Policy	Existing Casinos ¹	Future Expansion/ relocation	Municipal Revenue (2000/1) ²
Burnaby	<ul style="list-style-type: none"> - 1997 Resolution - Zoning amendment for slots/no slots 	<ul style="list-style-type: none"> - Gateway Casino Burnaby - 32 tables - 300 slots 	<ul style="list-style-type: none"> - None planned 	<ul style="list-style-type: none"> - \$5,881,648
Coquitlam	<ul style="list-style-type: none"> - Land use issues only - Amended OCP to accommodate gaming 	<ul style="list-style-type: none"> - Great Canadian Casino Coquitlam to open Oct. 5, 2001 - 36 tables - 300 slot machines 	<ul style="list-style-type: none"> - None planned 	<ul style="list-style-type: none"> - N/A
Surrey	<ul style="list-style-type: none"> - Gaming Policy, July 2001 - must be full service (300 slots, 30 tables) - must be in "cluster of tourism facilities" - allows for a maximum of three casinos 	<ul style="list-style-type: none"> - Great Canadian Casino Newton - 28 tables 	<ul style="list-style-type: none"> - None planned 	<ul style="list-style-type: none"> - \$906,496
Delta	<ul style="list-style-type: none"> - Casinos not permitted 	<ul style="list-style-type: none"> - N/A 	<ul style="list-style-type: none"> - N/A 	<ul style="list-style-type: none"> - N/A
New Westminster	<ul style="list-style-type: none"> - 1997 Council Resolution used as policy document - Zoning amendments 	<ul style="list-style-type: none"> - Gateway Casino Royal Towers - 30 tables - 171 slot machines - Royal City Star Casino (Riverboat) - 30 tables - 300 slot machines 	<ul style="list-style-type: none"> - Westminster Gateway Station co-location of two existing casinos (no increase in # of tables, slot machines) 	<ul style="list-style-type: none"> - Gateway: \$2,075,800 - Royal City: \$4,183,392
Nanaimo	<ul style="list-style-type: none"> - 1997 Resolution 	<ul style="list-style-type: none"> - Great Canadian Casino Nanaimo - 18 tables - 300 slot machines 	<ul style="list-style-type: none"> - None planned 	<ul style="list-style-type: none"> - \$2,783,780

¹ British Columbia Lottery Corporation Annual Report 1999/2000, Honourable G. Collins, Minister of Finance, tabled August 27, 2001.

² Gaming Policy Secretariat, "Local government share of casino revenue, fiscal 2000/01".

Vancouver	<ul style="list-style-type: none"> - Zoning guidelines limit Casinos to a maximum of five, allowing only table games 	<ul style="list-style-type: none"> - Grand Casino <ul style="list-style-type: none"> - 32 tables - Great Canadian Holiday Inn <ul style="list-style-type: none"> - 36 tables - Great Canadian Renaissance <ul style="list-style-type: none"> - 24 tables - Gateway Casino, Mandarin Centre <ul style="list-style-type: none"> - 30 tables - Royal Diamond <ul style="list-style-type: none"> - 30 tables 	<ul style="list-style-type: none"> - None planned 	<ul style="list-style-type: none"> - Grand Casino: \$863,025 - Great Canadian Holiday Inn: \$967,965 - Great Canadian Renaissance: \$472,427 - Gateway Casino, Mandarin Centre: \$701,308 - Royal Diamond: \$591,117
Richmond	<ul style="list-style-type: none"> - Policy 5034, 5034.01 "Casinos – Process for Reviewing" 	<ul style="list-style-type: none"> - Great Canadian Casino Richmond <ul style="list-style-type: none"> - 33 tables 	<ul style="list-style-type: none"> - Under review 	<ul style="list-style-type: none"> - \$1,920,587

Expanded Gaming Policy: General Benefits and Detriments

This table presents the general thoughts and findings of the benefits and detriments associated with gaming, as reported from various US and Canadian research studies and reports.

	Benefits	Detriments
<p>Geographic location and facilities</p>	<ul style="list-style-type: none"> - Richmond's location and facilities make it a desirable location for an expanded gaming facility because it is: <ul style="list-style-type: none"> - centrally located within the region; - close to the US border; - home of Vancouver International Airport; and, - contains a significant number of hotels. 	<ul style="list-style-type: none"> - Increased traffic circulation would have to be managed. - Public nuisance concerns may need to be addressed (e.g., noise, pollution, traffic congestion). - Sufficient parking must be ensured so as not to encroach on that of neighbouring businesses (see <u>Revenues: Detriments</u> below).
<p>Revenues</p>	<ul style="list-style-type: none"> - Municipal shares from gaming revenues do increase, as does employment, tourism, and business earnings in certain related commercial activities. - Unverified, suggested economic benefits projected by Great Canadian Casinos (Attachment 7) for an expanded facility in Richmond, with a maximum number of tables and slot machines, are: <ul style="list-style-type: none"> - Municipal revenue of approximately \$6 million annually; - 300 to 350 jobs; - Increased tourism; and, - Construction investment of \$10-12 million. - BC generates the least per-adult profit from gambling activities (\$181.93), followed by PEI (\$277.90), while the most is generated by Manitoba (\$491.87), Quebec (\$475.69), and Nova Scotia (\$470.76). 	<ul style="list-style-type: none"> - The average total loss for each adult on provincially run gambling is nearly \$400.00 (Canadian average). - Some consumer money may be diverted away from other existing entertainment and retail activities. - Discussion with Nanaimo indicates that: <ul style="list-style-type: none"> - merchants in the casino's vicinity have not received anticipated economic spin-offs; and - merchants in the same mall have complained that casino patrons take up most available parking, resulting in a loss of business. - Some municipal gaming revenue may be required to pay for: <ul style="list-style-type: none"> - increased policing (see <u>Crime</u> below); - traffic issues; - monitoring of gaming impact; and - prevention and treatment of problem gaming.

Social Issues	Benefits	Detriments
	<ul style="list-style-type: none"> - Currently, the province ensures that charities are entitled to an amount equal to one-third of ongoing government net community casino gaming revenue, guaranteeing an annual minimum of \$125 million. - In 2001, Richmond City Council approved grant expenditures totalling \$322,100 from Casino Funds to community groups. 	<ul style="list-style-type: none"> - In Canada, few empirical studies on the impact of gaming have been conducted. Research primarily from the US indicates that increased gaming leads to corresponding increases in problem gambling and crime. - A City of New Westminster Planning Department report documents a discussion with their Police Service Victims Assistance Co-ordinator regarding problem gambling. Key points conveyed are that: <ul style="list-style-type: none"> - Impacts of gaming addiction are difficult to pinpoint and monitor; - Incidences of problem gambling in New Westminster are primarily anecdotal; - Incidences may be interrelated with other issues (e.g., spousal assault, alcohol addiction) and are therefore difficult to isolate; and, - it will take time to fully understand how gambling affects residents. - Of municipalities contacted for this report (Attachment 3), the only one attempting to monitor the social impact of casino gaming is Nanaimo. <ul style="list-style-type: none"> - The city has allocated \$25,000 to implement a monitoring framework (Attachment 8) to identify reliable indicators and to build capacity in its local counselling services. Data is not yet available. - Anecdotal evidence from a Salvation Army hostel near the casino indicates that an increased demand for shelter has resulted from those spending all available income at the casino.

	Benefits	Detriments
Crime	<ul style="list-style-type: none"> - Generally, no significant increase in overall crime rates has been reported from expanded gaming. 	<ul style="list-style-type: none"> - Incidences of criminal activities linked to the expansion of gaming have been reported. A New Westminster Police Service Report (May 3, 2001) indicates that the two casinos currently operating have had a "limited effect" on crime rates in the immediate areas, although this has not had a significant impact on the city's total criminal activity. - Policing costs may increase. In New Westminster, the cost of five additional police members has been funded through an agreement between the City and the Royal City Star Casino, and a detective has been trained to deal directly with casino-related complaints.
Problem Gambling	<ul style="list-style-type: none"> - At this time, no consistent, significant increases in problem gambling have been reported. 	<ul style="list-style-type: none"> - A report prepared for the City of Nanaimo on the social impact of gaming reports from the literature that there are three categories of potential or problem gamblers: <ul style="list-style-type: none"> - "at risk", estimated as 3.5% of the population; - "problem", 2.5%; and - "pathological", 1 to 1.5%. - The counsellor at Problem Gambling Counselling Services offered by Richmond Alcohol & Drug Team and Richmond SUCCESS reports that approximately 30 clients per year have been served since the program's inception in October 1997. - In the year 2000, 21 calls were made from Richmond to the Problem Gambling Helpline. - Studies reviewed indicated that "the presence of a gambling facility within 50 miles roughly doubles the prevalence of problem and pathological gamblers". - Recent US studies support the notion that gambling expansion is related to increases in problem and pathological gambling.

	Benefits	Detriments
<p>Public Behaviour & Attitudes</p>	<ul style="list-style-type: none"> - Some people are comfortable with the concept of gambling and view it as an acceptable activity. 	<ul style="list-style-type: none"> - Other reports do not indicate a measurable increase in problem gambling. However, the introduction of slots and video lotteries have been recognized as presenting special challenges for problem gamblers (1999 US National Gambling Impact Study Commission Report, City of Vancouver; 1999 Report on Gaming Legislation and Regulation in British Columbia). - Problem gamblers tend to be individuals with lower incomes, in contrast to the low-risk gambler who is typically in the middle to high-income range. - Some believe that gambling increases criminal activity and creates or exacerbates social problems (e.g., youth crime, forgery and credit card theft, counterfeiting, loan sharking, domestic violence, child neglect, problem gambling, alcohol and drug offences, indebtedness, bankruptcy). - Public do not want casinos to be located within their own residential neighbourhoods.

Sources:

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- Azmier, J. Canadian Gambling Behaviour And Attitudes: Summary Report. Gambling in Canada Research Report No. 8, February 2000.
- Azmier, J. Gambling in Canada 2001: An Overview. Canada West Foundation, 2001.
- US National Gambling Impact Study Commission, June 18, 1999.
- Problem Gambling Survey, 1996, BC Lottery Corporation, June 29, 1996.
- Gambling Impact and Behaviour Study, US National Gambling Impact Study Commission, April 1, 1999.
- Gambling and Crime in Western Canada: Exploring Myth and Reality, Garry Smith, PhD, and Harold Wynne, PhD, August, 1999.
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- City of Surrey, Provincial White Paper on Gaming, March 16, 1999.
- City of Vancouver, Provincial Report on Gaming Legislation and Regulation in British Columbia, February 16, 1999.
- City of Richmond, Provincial Government White Paper on Gaming, February 18, 1999.
- Kom, D.A. Examining Gambling Issues From a Public Health Perspective, Department of Public Health Sciences, University of Toronto, October 12, 2001.

ATTACHMENT 5

Possible City Expanded Gaming Options			
Elements	Options		
	1	2	3
	None	Limited Expansion	Unlimited Expansion
Musqueam First Nation	<ul style="list-style-type: none"> • None • May be impossible to prohibit 	<ul style="list-style-type: none"> • None • May be impossible to prohibit 	<ul style="list-style-type: none"> • Yes • May be impossible to prohibit
Vancouver International Airport	<ul style="list-style-type: none"> • None • May be impossible to prohibit 	<ul style="list-style-type: none"> • None • May be impossible to prohibit 	<ul style="list-style-type: none"> • Yes • May be impossible to prohibit
Community Casino(s)	One	See Destination Casino below	Many
Destination Casino(s)	None	One (existing casino evolves into a destination casino)	Many
Slot machines	None	<ul style="list-style-type: none"> • Possibly up to 300 slots 	Many, in many places in addition to destination and community casinos
Location	Existing location, or a new location (e.g., North Central Richmond)	Existing location, or a new location (e.g., North Central Richmond)	Many locations (e.g., existing location, or a new locations – plus new locations).
Expected Revenues	\$1.8 million	Possibly \$6 million, based on an expansion of slots	Unknown
Expected Employment	Existing	Unknown (possibly 400)	Unknown (possibly + 400)
City Expanded Revenue Policy	Existing	Existing, or new policy.	Existing, or new policy.



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Adopted by Council: Sept. 22/97

POLICY 5034

File Ref: 4040-00

CASINOS – PROCESS FOR REVIEWING

POLICY 5034:

It is Council policy that

The City of Richmond shall follow the terms and conditions under which the provincial government evaluates new gaming opportunities (casinos and bingo halls):

- A proposal must have demonstrable local government support and will only be considered after the local government has indicated, through a resolution, that it favours additional gaming facilities.
- Adjacent communities will have input into the process and the opportunity to demonstrate whether a new gaming facility will have a demonstrable material impact upon them.

The goals of the policy, and the companion administrative procedures, are:

1. For proposals within Richmond:

- To assist Richmond City Council to determine whether or not it is prepared to consider in principle any new gaming establishments in Richmond.
- To assist Council in formulating a preliminary list of land use, transportation, servicing, environmental, social and economic/financial factors which Council considers to be appropriate and important for Richmond and which should be factored into the Provincial Lottery Advisory Committee (LAC) evaluation of individual proposals.

2. For proposals within adjacent municipalities:

- To assist Council to determine whether or not there are any demonstrable material issues or concerns, which impact on Richmond and which need to be resolved as part of any LAC approval.

(Urban Development Division)



ADMINISTRATIVE POLICY 5034.01:

For proposals within Richmond:

1. Staff will prepare an information package outlining the process for deciding if any new gaming facility should be considered.
2. Council will establish a deadline for date for submission of "Requests for Local Government Support".
3. Staff will host a Public Information Meeting. The purposes of such a meeting are:
 - To give the proponents an opportunity to inform the public of the number, types and location of proposed new gaming facilities, and
 - To give the public an opportunity to express any issues or concerns regarding each proposal.

The comments for the Public Information Meeting will be summarized for Council's information.

4. As a basis for deciding if any new gaming facilities should be considered in principle, staff will review each proposal in terms of a preliminary list of factors, such as land use, transportation, servicing, environmental, economic/financial and social. These factors may be augmented by any additional concerns raised at the Public Information Meeting.
5. Staff will submit a report to Council.
6. Council will decide, by resolution:
 - a) whether or not it is prepared to consider in principle any new gaming facility (Council is not expected to say whether or not they support a particular proposal); and
 - b) what preliminary factors should be considered as part of the provincial Lottery Advisory Committee (LAC) evaluation process.

This decision is to be conveyed by letter to the proponent with a copy to LAC.

The following **preliminary factors** will be considered by Council in deciding whether or not to consider any new gaming facilities in Richmond:



Land Use:

- Does the proposal satisfy the Official Community Plan and/or Area Plan goals, objectives and policies?
- Is the proposed site within a commercial zone or designated commercial area?
- Is it proximate to other similar and complementary land uses?
- Does it have any negative impacts on surrounding land uses, such as residential, schools, institutional?

Transportation:

- Does the proposed site have adequate access for all transportation modes, including cars, buses, bicycles (for employees) and pedestrians (from nearby hotels, restaurants)?

Servicing

- Is the site serviced or can be readily serviced with all necessary utilities (i.e. water for fire protection, sanitary sewers, storm drainage)?
- Will the proposal result in infrastructure improvements (e.g. roads and transit) that will benefit the community?

Environmental

- Is the site in an environmentally sensitive area?
- Will the proposal have any adverse effects on the physical environment?

Economic/Financial

- Will the proposal act as a catalyst for development or redevelopment?
- Will the proposal boost existing business and/or generate permanent new jobs and business opportunities?
- Will the proposal have negative impacts on existing gaming facilities and other businesses?
- Will the proposal generate net revenues for the City (i.e. will revenues cover the cost of extra policing)?
- Will the proposal generate revenues for local charities?



Social

- Does the nature of the proposal (e.g. scale, size, mix of functions) fit in with community or neighbourhood goals or values?
- Will the proposal add to the case load of local social service agencies?

For proposals within adjacent municipalities:

The adjacent municipalities to Richmond have sufficient resources to identify any impacts affecting their own areas, and with the exception of all Indian Reserve lands in Richmond, all federally-owned properties in Richmond, and the Queensborough area of New Westminster, there should be minimal impact on Richmond. Therefore, the City Council of Richmond will only comment on proposals in: (1) all Indian Reserve lands in Richmond; (2) all federally-owned properties in Richmond; and (3) the Queensborough area of New Westminster. In such a case:

1. Staff is to receive information on proposals from the proponents and New Westminster City Staff.
2. Staff will identify any negative impacts resulting from the proposal.
3. Staff will submit a report to Council.
4. Council will indicate, by resolution, what issues/concerns, if any, need to be resolved for the proposal to proceed.

(Urban Development Division)

BRIEFING NOTES

FOR AN IMPROVED RICHMOND COMMUNITY CASINO

I. SITE REQUIREMENTS

- accommodate 35,000 sq. ft. for the casino with parking for approximately 600 vehicles;
- physically separated from residential properties and remote from both schools and places of worship;
- excellent access and egress for automobiles on arterial routes to preclude traffic congestion; and
- meets the municipal zoning and/or land use requirements.

II. ECONOMIC BENEFITS

- revenue to the City - approximately \$6 million annually;
- construction - typical investment of \$10 - 12 million
 - 50 construction jobs
 - 70 indirect jobs
 - \$15 million in economic activity;
- employment - 300 to 350 permanent jobs with an annual payroll of about \$8.5 million, employment in the City will generate another \$16 million of increased economic activity; and
- increased tourism through marketing campaigns in association with local hotels and the international airport.

III. SOCIAL IMPACTS

- studies show that for each 100 persons who participate in gaming of any kind, casinos, lotteries, bingo, racing or raffles, three to four can be classified as having **potential** problems with gambling while the remaining 97 show no ill-effects. This level of problem behavior is far lower than that caused by other addictions; and
- - adverse social impacts arising from casino gaming have not materialized. Where full service casinos have opened in this province, there has been **no** reported increase in crime per capita;
- a community casino should help to reduce the amount of illegal gambling which occurs in the community. Police estimates put the number of illegal video lottery terminals in the province at about 10,000. Also, with the number of existing illegal gambling and poker clubs, for every dollar spent on legal gaming there are approximately two wagered illegally.
- Great Canadian Casinos, the British Columbia Lottery Corporation and the Provincial Government are committed to mitigating any effects of problem gambling. Information handouts, a toll free help line and self barring programs are currently in place and the Province has committed \$2 million annually toward problem gambling initiatives.

Richmond Community Casino
 Projected Gross Gaming Revenues
 For the First Five Years

	Year 1		Year 2		Year 3		Year 4		Year 5	
	\$	%	\$	%	\$	%	\$	%	\$	%
Table Gaming:										
Drop (1)	191,234,000		196,971,000		202,880,000		208,966,000		215,235,000	
Daily Average (in \$)	523,900		539,600		555,800		572,500		589,700	
WIN/Hold (2)	38,246,800	46.62	39,394,200	46.14	40,576,000	45.66	41,793,200	45.18	43,047,000	44.71
% WIN/Hold	20.00		20.00		20.00		20.00		20.00	
Machine Gaming:										
Daily Average (in \$)	120,000		126,000		132,300		138,915		145,861	
Average/Machine (in \$)	400.00		412.00		424.00		437.00		450.00	
Total WIN (3)	43,800,000	53.38	45,990,000	53.86	48,289,500	54.34	50,704,000	54.82	53,239,200	55.29
Gross Revenues	82,046,800	100.00	85,384,200	100.00	88,865,500	100.00	92,497,200	100.00	96,286,200	100.00
Distribution:										
Government/BCLC/Charities	50,218,272	61.21	52,316,118	61.27	54,506,453	61.34	56,793,528	61.40	59,181,840	61.46
Host Government	5,579,808	6.80	5,812,902	6.81	6,056,273	6.82	6,310,392	6.82	6,575,760	6.83
GCC - Operators Share (4)	26,248,720	31.99	27,255,180	31.92	28,302,775	31.85	29,393,280	31.78	30,528,600	31.71
Total	82,046,800	100.00	85,384,200	100.00	88,865,500	100.00	92,497,200	100.00	96,286,200	100.00

- Notes: (1) Projections based on 20% hold rate.
 (2) Table revenues based on Y.T.D. actuals from BCLC.
 (3) Slot revenues on adjusted Y.T.D. actuals from BCLC for casino in the Lower Mainland.
 (4) Based on 40% of Table WIN and 25% of Machine WIN.

September 5, 2001

Penfold, G.E., & Page, M. A monitoring framework to assess the social impacts of casino gaming in the city of Nanaimo, Westland Resource Group for the City of Nanaimo, January 31, 2000.

Table 3: A Monitoring Framework to Assess the Social Impacts of Casino Gaming in the City of Nanaimo				
Indicator (s)	Source	Frequency	Reliability	Purpose/Linkages
<i>Context</i>				
Demographic Profile (age, gender, population projections)	BC Stats	5 Years Annual Est.	High	Sets context for assessment
Socio-economic Profile (individual and household income, participation rates, employment rates and social support rates)	BC Stats	5 Years Annual Est.	High	Sets context for assessment
<i>Casino Use</i>				
User Information (numbers of patrons, user profiles, self-banning rates)	Great Canadian Casino	Annual	Medium	Identifies levels of casino use, type of user
<i>Impacts</i>				
<i>Crime:</i>				
On site incidents (call-outs to the casino, related charges e.g., assault, theft, prostitution etc.)	RCMP	Annual	High	Identifies potential crime change
Related incidents (tied to casino (call-outs, related charges e.g., counterfeit money, illegal tables)	RCMP	Annual	High	Identifies potential crime change
<i>Addiction:</i>				
BC Problem Gambling Hotline (monthly call frequency)	Hotline	Annual	Low	Identifies change in "problem/chronic" levels
Social Service Assessments (numbers/characteristics of assessed pathological and problem gamblers in treatment)	Agencies	Annual	Medium	Identifies change in "problem /chronic" gamblers
Social Service Waiting Lists, Wait Periods (time and numbers may indicate change in demand for service)	Agencies	Annual	Medium	Identifies changes in service demand. potential case loads
<i>Secondary Impacts:</i>				
Literature review: General social and Economic Impacts (monitor results of new studies for assessment of economic impacts)	City	Bi-annual	Medium	Identifies related economic impacts
Key informant survey with service providers, police etc. on social impacts (cross addiction, family, other issues)	Key experts, service providers	Bi-annual	Medium	Identifies related social impacts