



Finance Select Committee

Date: Thursday, January 17th, 2002
Place: Council Chambers
Richmond City Hall
Present: Councillor Kiichi Kumagai, Chair
Councillor Harold Steves, Vice-Chair
Councillor Evelina Halsey-Brandt
Councillor Rob Howard
Councillor Bill McNulty
Mayor Malcolm Brodie (4:02 p.m.)
Also Present: Councillor Linda Barnes
Councillor Lyn Greenhill
Call to Order: The Chair called the meeting to order at 4:00 p.m.

MINUTES

1. It was moved and seconded
That the minutes of the meeting of the Finance Select Committee held on Thursday, November 29th, 2001, be adopted as circulated.

CARRIED

(Mayor Malcolm Brodie entered the meeting – 4:02 p.m.)

2. **GAMING IN RICHMOND**
(Report: Jan. 9/02, File No.: 4040-04) (REDMS No. 595247, 501240, 570943, 511661, 113735, 113736)

The Manager, Policy Planning, Terry Crowe, accompanied by Senior Planner Kari Huhtala and Social Planner Lesley Sherlock, reviewed his report and the report from the RCMP on crime associated with the Great Canadian Casino (a copy of which is on file in the City Clerk's Office), in detail with the Committee.

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Mr. Crowe also referred to the report submitted by the Chair (a copy of which is on file in the City Clerk's Office), who suggested that Part (2) of the staff recommendation, should be amended to read, "Support to maximize revenue of existing Richmond Casino, subject to gaming being consistent with "provincial" policy, there being a significant financial benefit to the City of Richmond and a detailed review of a Specific Revenue or Relocation proposal.

Reference was made to the January 16th, 2002 announcement by the Provincial Government that future gaming expansion would only be permitted for "...those casinos which had taken significant steps and made investments based on direction from government and/or the BC Lottery Corporation to relocate and/or expand capacity. It is estimated that the four casinos currently without slot machines fall into this category (Option 2)." It was further noted that during the question and answer period held during the open Provincial Cabinet meeting on this matter, that advice was given the Provincial Government was not going to approach the four municipalities which had opposed slot machines in the past, and give them the opportunity to revisit their decisions. (A copy of a portion of the transcript of the announcement on this matter is attached as Schedule A and forms part of these minutes.)

Questions were raised about the status of the staff recommendation, which was to support an expansion of gaming in the City, subject to the expanded gaming being consistent with Provincial policy, and discussion ensued among Committee members and staff on the Provincial Government's January 16th, 2002 announcement and the impact which this could have on any future expansion of gaming facilities in the City.

Also addressed during the discussion were such issues as:

- the rationale for recommending that the existing gaming policy be rescinded
- whether if the City were to receive additional gaming revenue, would the same also apply to local charities
- whether the expansion of existing gaming facilities in the City to include slot machines should be supported
- whether there was any point in discussing the matter further until the Provincial Government formalized its decision regarding its approval of Option 2
- internet gambling
- how the City would control gambling if the current policy was rescinded
- how the issuance of a gaming licence to an operator and the number of slot machines permitted was determined, and by whom

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- whether the City had any options based on the January 16th, 2002 Provincial Government announcement
- whether a public process should be initiated at this time
- whether the application submitted by Great Canadian Casino & Gambling in 1999 for expansion to include slot machines would have any status.

As a result of the discussion, the following **referral** motion was introduced:

It was moved and seconded

That the report (dated January 9th, 2002, from the Manager, Policy Planning), regarding Gaming in Richmond, be referred to staff to take immediate action to determine (i) the status of the announcement of the Provincial Government regarding future expansion of gaming facilities as it relates to the City; and (ii) whether the City would have the opportunity to proceed with the initial rezoning application submitted by Great Canadian Casino and Gambling for relocation and expansion of their facility to include slot machines, and to report to Council through Committee accordingly.

Prior to the question on the motion being called, staff were directed to include in the report to Committee, the rationale for recommending that the City's current gaming policy be rescinded. The Chair also thanked staff for their efforts in preparing the report considered by the Committee.

The question on the motion was then called, and it was **CARRIED**.

3. MANAGER'S REPORT

The General Manager, Community Safety, Chuck Gale, provided information to Committee members on possible adjustments to the parking program adopted by Council on January 14th, 2002. Discussion ensued briefly among Committee members, during which several Councillors advised of the complaints they had received about the proposal to initiate pay parking at Garry Point. In concluding the discussion, Mr. Gale advised that he would take the concerns expressed into consideration and that he would be submitting a further report on the matter.

ADJOURNMENT

It was moved and seconded

That the meeting adjourn (5:24 p.m.).

CARRIED

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Certified a true and correct copy of the Minutes of the meeting of the Finance Select Committee of the Council of the City of Richmond held on Thursday, January 15th, 2002.

Councillor Kiichi Kumagai
Chair

Fran J. Ashton
Executive Assistant

disadvantages are that litigation will likely result, and impacts would be realized in the B.C. lottery business.

Option No. 2. In order to reduce the exposure to litigation, allow those casinos that have taken significant steps and made investments based on direction from government and/or the B.C. Lottery Corporation to relocate and/or expand capacity. It is estimated that four casinos currently without slot machines fall into this category. The remaining casinos without slot machines would not be eligible. No new licences would be issued.

The advantage is that this meets government's commitment not to expand gaming beyond previously committed legal obligations. It meets government's contractual obligations to casino operators. It decreases the risk of expensive litigation and fulfils the B.C. Lottery Corporation's business plan. The disadvantages are that eventually there would be more slot machines in B.C., and this could be seen as an expansion of gaming. Litigation could still result from the ineligible casino operators.

Option No. 3. Continue to allow each of the 17 community casinos a maximum of 300 slot machines, 30 gaming tables and six poker tables if the appropriate terms and conditions are met, but prohibit any further licences. Allow some of the 17 community casinos, where necessary, to relocate to this maximum number of gaming tables and slot machines based on criteria established by the B.C. Lottery Corporation.

The advantage is that it allocates responsibility for casino operators to the B.C. Lottery Corporation. It eliminates the risk of litigation by casino operators and fulfils and potentially exceeds the B.C. Lottery Corporation's business plan. The disadvantage is that it expands the existing number of slot machines in British Columbia.

The decision recommended by my ministry is option No. 2.

Thank you, Mr. Premier.

Hon. G. Campbell: Thanks, Rich.

Questions? Comments?

I'll just say a couple of things. First, it seems to me that the recommendation meets the obligation that we live up to our legal commitments. Secondly, I think we have to know that we ran on a basis that said we were not going to be expanding gaming. We ran on that basis because there are lots and lots of horror stories with regard to the social implications and the social costs. I think that's something that's significant, and I think people expect us to live up to that within our legal obligations.

Municipalities have in the past had the opportunity to decide whether they wanted slots or not. Surrey said no; Vancouver said no; Richmond said no; Langley said no. A number of municipalities made a fuss that the province was trying to impose slots on them, and in fact they decided they didn't want them. We've agreed with that. We are not now going back and saying: "You have an opportunity to revisit your decision with regard to slot machines." What we're trying to do is meet our legal obligations as well as our political commitment not to expand gambling. I think that's what you've tried to balance and tried to bring here.

Gary.

Hon. G. Collins: Thanks, Mr. Premier.

I just want to sort of flesh out these three options from Rich, if I can. Option No. 3 is one where we would essentially say: "There are these licences. Every licence gets to expand to the maximum amount that was perhaps originally contemplated in the planning by the previous government." Is that correct? Is that what that option is?