

COMMUNITY ISSUES AND SOCIAL PLANNING COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

RE: UPDATE ON THE PROVINCE'S NEW GAMING INITIATIVES

RECOMMENDATION:

1. **THAT** Council receive the *attached* report for information and a copy be sent to the Community Policing Committee for information.

REPORT

The Community Issues and Social Planning Committee, at its meeting held on 1997 July 02, received the *attached* report providing information on some of the implications for Burnaby of the new provincial gaming initiatives, and to discuss the use of plebiscites as part of a potential approval mechanism for the location of new gaming facilities within Burnaby and in adjacent jurisdictions.

Respectfully submitted,

Councillor C. Redman
Chair

Councillor N. Volkow
Vice Chair

:COPY - CITY MANAGER
- DEPUTY CITY MANAGER, LABOUR RELATIONS
- OIC, BURNABY RCMP
- ACTING DIRECTOR RECREATION & CULTURAL SERVICES
- MEDICAL HEALTH OFFICER

TO: COMMUNITY ISSUES &
SOCIAL PLANNING COMMITTEE

1997 JUNE 27

FROM: DIRECTOR PLANNING AND BUILDING

OUR FILE: 17.312

SUBJECT: UPDATE ON THE PROVINCE'S NEW GAMING INITIATIVES

PURPOSE: To provide information on some of the implications for Burnaby of the new provincial gaming initiatives, and to discuss the use of plebiscites as part of a potential approval mechanism for the location of new gaming facilities within Burnaby and in adjacent jurisdictions.

RECOMMENDATION:

1. **THAT** a copy of this report be sent to Council and the Community Policing Committee for information.

R E P O R T

1.0 BACKGROUND

At its meeting of 1997 March 26, the Committee considered a report outlining recent gaming announcements made by the Province. The report contained a number of questions for which answers were not yet available, and suggested that staff would prepare a follow-up report when new information became available. The question of holding a plebiscite on the approval for gaming facilities was raised by the Committee and is also addressed in this report.

This report provides some information on possible implications of the new gaming initiatives and discusses the use of plebiscites as part of a potential process for the location of new gaming facilities both within the City limits and in neighbouring jurisdictions.

2.0 POSSIBLE IMPLICATIONS OF SELECTED GAMING INITIATIVES

2.1 Enhancement of Charitable Casinos

Charitable gaming is being enhanced, in part, to encourage Canadians who gamble to do so in their own community instead of travelling to Washington State and other destinations. Some of the steps being taken by the Province to enhance charitable casinos - higher betting limits, extended hours, and the placement of slot machines on premises - may have implications for Burnaby if Provincial approval for new casinos in the City is given.

Betting limits have been raised from \$25 to \$500 and hours of operation have been increased by six hours per day. One direct implication of the increased hours for charities helping to operate casinos is that they will require two shifts of volunteers rather than one. While it is difficult to anticipate implications of the increased betting limits and hours of operation for Burnaby residents, there may be financial and other repercussions for problem and addicted gamblers. There could also be economic implications, both positive and negative. In its announcement, the Province promised the introduction of a gambling addiction program.

The Province has also advised that the split in proceeds from charitable casinos will be changed in the near future. As a result, it is reported that many charities are expecting reduced income from charitable casinos in future. However, staff from the Lotteries Advisory Committee (LAC), the newly created body which will oversee gaming operations in the province, report that all charities which have received charitable casino revenue in the past have been advised that their take of the proceeds will likely be larger than in the past, presumably because gross intake is expected to increase.

Finally, each casino will be allowed to house up to 300 slot machines. As each machine requires 50 square feet of space, casinos which choose to add slots may face space limitations which necessitate relocation to larger premises. LAC staff advise that in cases where a casino desires to relocate within the same municipality, the municipal Council will be consulted and its views on the new location considered. However, as in the past, the Province maintains the right, although rarely exercised to date, to approve a relocation of this type against the wishes of the host municipality.

2.2 Additional Gaming Facilities

The Province announced that the moratorium on new charitable casinos and bingo halls has been lifted, and that destination-style casinos will now be permitted in British Columbia. The latter is one of the more controversial aspects of the new gaming initiatives. The process of applying and seeking approval for new facilities will take place over a four month period beginning in the summer of 1997. At present, the Province envisions only this one request for proposals for new facilities.

As discussed in greater detail in Section 2.3 of this report, the Province has indicated that local government support will be required for approval of all new gaming facilities within that government's jurisdiction, and that governments of adjacent jurisdictions will be consulted, although their approval will not be required.

Approvals for the inter-municipal relocation of existing charitable facilities will continue on an as-needed basis. The City of Burnaby has recently reiterated to the Province its support for the relocation of two existing charitable casinos and one existing bingo hall to Burnaby. The Province has not yet made its decision on these relocations.

2.3 Requirement for Demonstrable Local Government Support

The Province's announcement regarding the expansion of charitable gaming and the introduction of destination casinos outlined three criteria to be satisfied before approval for a new facility by the Province will be considered. Those criteria include:

- ▶ demonstrable local government support for any new facility within its boundaries. Without this approval, the application will not proceed. Local governments will design their own approval mechanisms.
- ▶ input regarding the potential impacts of any new facility from adjacent communities. Input on measurable impacts such as infrastructure, traffic, parking and noise levels rather than moral concerns will be considered. While this input is not binding on the Province, approval will not likely be given unless the proponent can demonstrate that the concerns have been addressed.
- ▶ the development of a viable business plan by each applicant, which takes into account infrastructure needs such as sewer, water, parking, extra policing, etc.

Interestingly, local government is being defined as the most immediate level to the people, be that a municipality, a First Nations band, or a regional or electoral district. Consequently, should there be First Nations land in a municipality and should a casino be proposed on that land, the First Nations band would be considered to be the local government and the municipality would be regarded by the Province as an adjacent municipality. At present there are no reserve lands in Burnaby.

Among Burnaby's immediate neighbouring municipalities, the City of Vancouver and the City of Richmond have passed resolutions opposing the location of for-profit or destination casinos within their boundaries. The City of Coquitlam has passed a resolution opposing the location of a major casino anywhere in the Lower Mainland. The City of New Westminster has not taken a position on the issue, but is actively studying it.

3.0 POTENTIAL OPTIONS FOR A LOCALLY-DESIGNED APPROVAL MECHANISM

As noted above, the Province is relying on local governments to design their own approval mechanisms for new gaming facilities within their jurisdiction. To assist with input from adjacent jurisdictions, the Province has invited the Union of British Columbia Municipalities (UBCM) to participate in the development of a generic process. However, the UBCM has declined the invitation until the Province forwards a written gaming policy with details on the role of local government, guidelines for locating gaming facilities, and timelines for various components of the process. In the absence of a standardized process, therefore, each jurisdiction must determine both an approval process for applications within its own boundaries and a process for commenting on applications in neighbouring jurisdictions.

In Burnaby at present, Council makes decisions regarding approval for casinos and bingo halls based on staff recommendations. Those recommendations take into account land use considerations and staff's application of Council-adopted locational guidelines for gaming facilities. While one option is to continue this practice, Council may wish to consider a number of other options which provide for more public input into decisions on gaming facilities, given the emotional and volatile nature of the issue. Other possible approaches which could be used for all casino/bingo hall proposals or only for destination-style for-profit casinos include:

3.1 Public Consultation Through Information Meetings

With this approach, Council would continue to make the ultimate decision, but would first sponsor public information meetings, supplementary to the public hearing process, to ascertain the views of the citizens of Burnaby. The advantage of this approach over the current practice is that Council would have additional information about public sentiment upon which to base a decision. The potential disadvantage is that the views of the citizens who attend public meetings may not necessarily be representative of those of the community as a whole.

3.2 Public Consultation Through Plebiscite/Survey

With this approach, Council would put the question of approving a new gaming facility to the public in a plebiscite or survey. This approach is currently used in decisions regarding the location of new neighbourhood pubs, cabarets, retail beer and wine stores and hotel lounges and pubs. The plebiscite could be neighbourhood-specific or community-wide, and binding or non-binding on Council. The advantage of this approach over the status quo and a public meeting approach is that the views garnered in a survey or plebiscite are likely more representative of the community's wishes. The disadvantage is that it would be somewhat more costly, and would likely require more time to organize. The four month duration of the Province's approval process, however, may mitigate the latter concern. To mitigate the former, the Province could be asked to provide funding to support local plebiscites should local government wish to hold them.

3.3 Recommendation to Province to Develop Standardized Process

With this approach, Council would urge the Province to provide municipalities with a standardized process developed either by the Province itself or through consultation with the UBCM. Then Council could, presumably, choose to adopt the process or not, depending on how well it suited Burnaby's needs. One advantage of this approach is that the costs incurred in both developing and implementing gaming facility approval processes would be borne by the Province. Another advantage is that there would be consistency in the process across municipal boundaries. A potential disadvantage is that a process developed by the Province may not meet the needs of every municipality.

4.0 CONCLUSIONS

This report responds to the Committee's request for additional information on the possible implications of the Province's new gaming initiatives. It also outlines potential options that could be considered as part of an approval process for new gaming facilities in the City.

Should the Committee wish any subsequent information, staff can prepare a follow-up report.

It is recommended that a copy of this report be forwarded to Council and to the Community Policing Committee for information.


for D.G. Stenson, Director
PLANNING AND BUILDING

JS\db

- cc: City Manager
- Deputy City Manager, Labour Relations
- OIC- Burnaby RCMP
- Acting Director Recreation and Cultural Services
- Medical Health Officer