

TO: CITY MANAGER

FROM: DIRECTOR PLANNING AND BUILDING

OUR FILE: 17.812

SUBJECT: DESTINATION CASINOS

PURPOSE: To provide information on what constitutes a destination casino.

RECOMMENDATION:

1. **THAT** Council receive this report for information.

REPORT

1.0 BACKGROUND

It has come to the attention of the Planning Department that there may be some misunderstanding on the part of the public as to what a destination casino is and how it differs from both the charitable model familiar to British Columbians and the Las Vegas model.

The purpose of this report is to clarify the possible misunderstanding.

2.0 DESTINATION CASINOS

Destination casinos are gaming facilities which form part of a larger development, each component of which has the potential to attract clientele to the development. Examples of other possible components of a destination casino complex are hotels, convention facilities, marinas, recreational facilities, and cruise ship facilities.

Destination casinos in British Columbia will be permitted to have the same games and will operate under the same regulations as charitable casinos, with only the two exceptions listed below. Both types of casinos, under the current Provincial regulations, will be subject to betting limits of \$500, operational hours from noon until 2:00 a.m., and a maximum of 30 table games and 300 slot machines. These regulations differentiate both types of casinos from what might be called Las Vegas-style casinos which typically are larger (for example, 150 table games and 2,600 slot machines), and which may operate under less stringent regulations.

The two exceptions are the following:

- ▶ destination casinos will be allowed to include a licensed liquor area in a separate section of the gaming facility (ie., not on the gaming floor), whereas charitable casinos will not be permitted to include licensed liquor sales;

- ▶ the split in revenue constitutes the main difference between the two types of facilities: no funds from destination facilities are allocated to charities. In the case of destination casinos, that portion of net revenue which in charitable facilities is allocated to charities will be divided between the host local government and the casino proponent, subject to some conditions.

In summary, both with regard to size/scale and types of activities permitted, in all respects other than the two exceptions noted above, charitable casinos and destination casinos will be equivalent.

This report is for the information of Council.



D.G. Stenson, Director
PLANNING AND BUILDING

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cc: Deputy City Manager, Corporate Services
Director Engineering
Director Finance
Director Recreation and Cultural Services