




**AMENDED AGENDA - SPECIAL VICTORIA CITY COUNCIL**  
**MEETING OF THURSDAY, JUNE 16, 2016,**  
**IMMEDIATELY FOLLOWING THE REGULAR COMMITTEE OF THE WHOLE**  
**MEETING**  
**Council Chambers, City Hall, 1 Centennial Square**  
Located on the traditional territory of the Esquimalt and Songhees People

**A. APPROVAL OF AGENDA**


**B. UNFINISHED BUSINESS**

1.  BC Lottery Corporation Request for Expressions of Interest for Siting of New Casino Facility - Phase Two  
--J. Tinney, Director of Sustainable Planning & Community Development

*A report providing information and recommendations on a submission to the BC Lottery Corporation regarding the City's interest in being a host municipality for a casino.*

**Late Item:** Presentation

**C. BYLAWS**

1.  **Late Item:** Zoning Bylaw Corrections for Rezoning Application No. 00301 and Concurrent Community Plan Amendment Application for 605-629 Speed Avenue and 606-618 Frances Avenue  
*A report recommending rescinding 2nd reading of the Zoning Regulation Bylaw, Amendment Bylaw, as shown in Schedule A of the report and to give a second reading to the bylaw as amended.*

**D. ADJOURNMENT**





## Council Report

### For the Meeting of June 16, 2016

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**To:** Council **Date:** June 13, 2016

**From:** Jonathan Tinney, Director, Sustainable Planning and Community Development

**Subject:** BCLC Request for Expressions of Interest for Siting of New Casino Facility - Phase Two

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### RECOMMENDATION

That Council direct staff to submit the attached response to the British Columbia Lottery Corporation's Request for Expressions of Interest (EOI) - Phase Two.

### EXECUTIVE SUMMARY

On October 29, 2015, Council directed staff to gather further information from the British Columbia Lottery Corporation (BCLC) regarding the proposed scope and size of a potential casino facility within the City and to prepare a response indicating the City's intent to be considered as part of BCLC's Request for Expression of Interest (EOI).

The purpose of this report is to provide Council with further information on the proposed scope and selection process for a casino, and seeking direction on the City's response to BCLC for Phase Two of the EOI and which specifically identifies the City-owned Crystal Gardens and adjacent Apex site as a potential site for consideration.

The draft response (Attachment 2) is based on the City's Rezoning Policy Guidelines which were developed in 2003 following public consultation and input. The policy provides guidelines and criteria that must be met for consideration of a casino within the City limits. The policy allows for only a single facility and stipulates that any casino facility must form part of a mixed-use project that is consistent with the *Official Community Plan* (OCP) and local area (neighbourhood) plans. Areas that will be considered for a casino include parts of the Downtown and the tourism precinct of James Bay, as well as the Douglas-Blanshard corridor from the north edge of the Downtown to the City boundary at Tolmie Street, with the exception of the Hudson Bay block (at 1701 Douglas Street). The Crystal Gardens site is also specifically mentioned as a site sensitive location.

The annual revenue potential for the facility is initially expected to be \$30 million to \$45 million. Based on this revenue estimate, the resulting Host Local Government payment potential would be approximately \$1.8 million to \$2.5 million annually. This would provide significant ongoing revenue to the City to support other City goals.

### BACKGROUND

On October 29, 2015, Council passed the following motion:

1. Direct staff to engage with BCLC to gather further information.
2. Direct staff to review current policy, identify and assess any key issues, and provide a draft response to BCLC's Request for Expression of Interest for Council consideration at the November 26, 2015, Planning and Land Use Committee meeting.

On November 26, 2015 Council directed staff to submit a response to the British Columbia Lottery Corporation's Request for Expressions of Interest indicating that the City of Victoria would consider a casino proposal consistent with City policies and guidelines.

On April 14, 2016 the BCLC confirmed that the City of Victoria has been identified as a local government with strong potential to host a gaming facility and has invited the City of Victoria to participate in Phase Two of the EOI process. BCLC is considering either the City of Victoria or the District of Saanich as a potential host local government for a gaming facility. (See Attachment 1).

## ISSUES & ANALYSIS

### Phase Two EOI Process

Phase Two of the EOI process consists of BCLC providing details regarding the proposed facility's size and scope and requesting additional information related to the City of Victoria's policies, plans and zoning with respect to the proposed gaming facility.

Responses received in Phase Two will be reviewed and assessed as part of a process that is overseen by an independent third party. Upon completion of Phase Two, BCLC will make a final decision regarding its preferred host local government for a potential gaming facility.

Should the City of Victoria be selected, BCLC will then identify a preferred service provider and work with that service provider on the necessary approvals from the City including the rezoning of the site.

### Information about the Proposed Gaming Facility

At present the BCLC is considering one of two gaming facility options. A decision on which option will be determined by BCLC once a potential host local government selection has been made.

#### Option A: Community Gaming Centre

- A combination of bingo (or electronic bingo) slot machines, traditional lottery products, restaurant, lounge, tele-theatre and a community stage area for live entertainment performances.

#### Option B: Casino

- A full-service gambling entertainment facility with slot machines and table games.
- Additional amenities may include restaurants, lounge, theatre, conference centre, hotel, spa and a stage area for live entertainment performance.

### Gaming Facility Size and Scope

Any sites being considered for a gaming facility must satisfy the following requirements:

- The gaming floor being considered by BCLC at this time is in the range of 15,000 to 30,000 square feet with room to expand if required in the future. The physical space of the entire facility, including amenities is yet to be determined.
- A minimum of 400 parking stalls.

The number of slot machines being considered in the gaming facility ranges from 300 to 400 to start, with the ability to grow with demand in the future. If table games are included in the gaming facility, the number being considered ranges between 8 and 10. The final game mix and counts will be determined by BCLC, taking into consideration market conditions at the time and any restrictions imposed by the Local Government.

An important determinant in choosing a gaming facility site is the minimizing of any impact on surrounding gaming facilities, e.g. the View Royal Casino. Drive times from the View Royal Casino may be considered in the evaluation of a potential location.

### Casino Rezoning Policy

The City's *Casino Rezoning Guidelines* (Attachment 3) were adopted in 2003 after public consultation and input. The policy provides guidelines and criteria that must be met for consideration of a casino within the City limits. The policy allows for only a single facility and stipulates that any casino facility must form part of a mixed-use project that is consistent with the *Official Community Plan* (OCP) and local area (neighbourhood) plans. Areas that will be considered for a casino include parts of the Downtown and the tourism precinct of James Bay, as well as the Douglas-Blanshard corridor from the north edge of the Downtown to the City boundary at Tolmie Street, with the exception of the Hudson Bay block (at 1701 Douglas Street).

Council may amend the *Casino Rezoning Guidelines* to include other possible locations. However, staff recommend Council consider a focus on locations close to the major tourist centers of the City, such as the Downtown, which can accommodate the increased demand for tourist amenities a casino would create, such as hotels, restaurants, shopping, parking and other entertainment demands. In addition, the concentration of these activities into a more densely populated and mixed-use area would contribute to Crime Prevention Through Environmental Design (CPTED) principles, which may not be the case if the potential casino were to be situated in an isolated location. Since the *Casino Rezoning Guidelines* stipulate that the casino must be a part of a mixed-use development, this requirement also lends support to a tourist-concentrated area of the City where additional entertainment amenities would be suitable.

### Revenue and Cost Impacts

The annual revenue potential for the facility is initially expected to be \$30 million to \$45 million. Based on this revenue estimate, the resulting Host Local Government payment potential would be approximately \$1.8 million to \$2.5 million annually. This would provide significant ongoing revenue to the City to support other City goals.

The social, health, policing and related security impacts of a casino located within the City represent some potential for negative impacts which will need to be understood and addressed. The City's *Casino Rezoning Guidelines* stipulate that a professional social impact analysis, which would demonstrate how health and security impacts would be monitored and mitigated, and must accompany a casino rezoning application.

### Opportunities for Use of City-Owned Sites

Given the locational and land use focus of the City's current casino policy, there exists a number of constraints on the siting of a potential casino facility in the core area of the City due to a lack of adequate sites and the demands of parking provision for the facility.

In reviewing potential sites, staff have identified the Crystal Gardens and adjacent lands (referred to as the Apex site) as being one site that could potentially meet the needs of a casino operator as well as the requirements of the City's Casino Rezoning Policy.

Related issues include:

- In addition to casino-related revenue, the City would benefit financially through the proceeds or the lease or sale and additional revenue streams related to vehicle parking.
- The Crystal Gardens is contemplated within the City's Casino Rezoning Policy though it is identified for additional study due largely to the heritage considerations of the building.
- Given the size of the proposed facility and the current understanding of the programming required by casino operators, staff feel that a casino and associated ancillary activities could be accommodated within the Crystal Gardens in a manner that maintains the building's significant heritage value.
- Parking requirements for the facility could be accommodated through agreement with the adjacent Victoria Conference Centre. This agreement may also support additional revenue opportunities for the City. The scale of that opportunity is not known at this time.

## **OPTIONS & IMPACTS**

### Option 1

That Council direct staff to submit a response to BCLC in accordance with Attachment 2 to the Request for Expression of Interest - Phase Two for their consideration and which includes the site identification and promotion of the City-owned Crystal Gardens and Apex site as a potential site for consideration by BCLC. (See Attachment 4).

### Option 2

That Council direct staff to prepare a formal response in accordance with Attachment 2 to the Request for Expression of Interest - Phase Two, but which excludes the identification and site promotion of the Crystal Gardens and Apex site as a potential site for consideration by BCLC.

### *2015 – 2018 Strategic Plan*

The Strategic Plan does not contain a specific objective or action item to establish a casino facility within the City.

### *Impacts to 2015 – 2018 Financial Plan*

A new casino facility could to the City's annual revenue an amount estimated at between \$1.8 and \$2.5 million annually. This revenue could be allocated to housing initiatives or infrastructure reserves to fund priority projects such as Fire Hall No. 1, Crystal Pool or other strategic initiatives such as the David Foster Harbour Pathway or the cycling network.

Dispensation of the Crystal Garden site could also generate sale/lease proceeds as well as potential parking revenues.

#### *Official Community Plan Consistency Statement*

Should a casino proposal come forward and a specific site be proposed, it would be evaluated by the *Official Community Plan*, local area/neighbourhood plan and the *Casino Rezoning Guidelines*.

## CONCLUSIONS

Attached for Council's consideration (Attachment 2) is a draft a response to the BCLC EOI - Phase Two which includes the site identification of the Crystal Gardens and adjacent Apex site for a potential casino. Staff is seeking Council's feedback on this draft response.

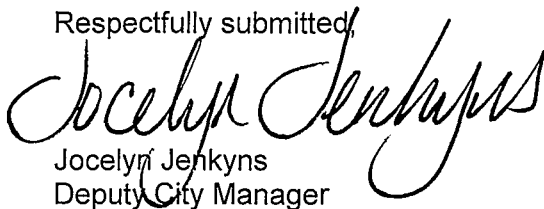
The next steps in the process would be as follows:

- Final response sent to BCLC
- Responses received in phase two will be reviewed and assessed as part of a process overseen by an independent third party.
- BCLC will make a final decision to select its preferred host Municipality for a gaming facility
- A service provider to operate the gaming facility would then be selected by BCLC and begin the public consultation process as mandated by the Gaming Control Act.
- The service provider would then begin the rezoning process.

Throughout this process there would be further opportunities for Council to be involved, as well opportunities for downtown residents, businesses and other groups to be involved and engaged in the process.

If either option outlined earlier in this report is pursued by Council and selected by BCLC, the City can still choose to withdraw its interest at any time (either as a host municipality or its offer of the Crystal Gardens) if the City finds that the casino service provider cannot adequately meet policy requirements or if adequate terms for the site cannot be negotiated. Council is not obligated in any way by BCLC's selection decision to approve the casino proponent's rezoning application. The identification of the Crystal Garden as a site for consideration as well, would not limit Council's decision-making abilities as the land owner in its negotiations with the future casino operator.

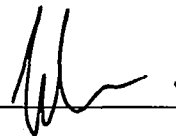
Respectfully submitted,

  
Jocelyn Jenkyns  
Deputy City Manager

  
Jonathan Tinney, Director  
Sustainable Planning and Community Development

Report accepted and recommended by the City Manager: \_\_\_\_\_

Date: \_\_\_\_\_



June 14, 2016

## List of Attachments

- Attachment 1: BCLC Letter to Mayor Helps
- Attachment 2: Proposed Response to BCLC Request for Expression of Interest - Phase Two
- Attachment 3: Casino Rezoning Guidelines.
- Attachment 4: Crystal Garden and Apex Land Site Maps



## Attachment 1

April 14, 2016

Her Worship Lisa Helps  
Mayor  
City of Victoria  
1 Centennial Square  
Victoria, British Columbia  
V8W 1P6

Dear Mayor Helps:

Thank you for your interest in hosting a gaming facility in the City of Victoria. BCLC appreciates that local governments in the Greater Victoria area have enthusiastically participated in the Expression of Interest (EOI) process.

Five local governments responded to BCLC in December 2015, including the City of Victoria, District of Saanich, Esquimalt Nation, Songhees Nation and the Township of Esquimalt. The District of Oak Bay declined to participate.

The first phase of BCLC's EOI process consisted of reviewing and assessing each potential host local government's submission based on criteria related to community support, geographic, economic and demographic considerations. The rigorous review process was overseen by an independent third party to ensure fairness and consistent application of standards in the assessment of each response.

BCLC has now concluded the first phase of its EOI process and has determined that a second phase in the process is necessary to determine a potential host local government.

Although no decision has been made, we are pleased to advise you that the City of Victoria has been identified as a local government with strong potential to host a gaming facility. Accordingly, BCLC invites the City of Victoria to participate in phase two of the EOI process, as set out below.

BCLC is considering either the City of Victoria or the District of Saanich as a potential host local government for a gaming facility. We will not pursue a gaming facility with the Esquimalt Nation, Songhees Nation or the Township of Esquimalt at this time.



74 West Seymour Street  
Kamloops, BC V2C 1E2

T 250.828.5600  
F 250.828.5631

2940 Virtual Way  
Vancouver, BC V5M 0A6

T 604.215.0649  
F 604.225.6424  
bclc.com

Phase two of the EOI process consists of BCLC providing details regarding the proposed facility's size and scope and requesting additional information related to the City of Victoria's policies, plans and zoning with respect to the proposed gaming facility. Please see Appendix A.

Responses received in phase two will be reviewed and assessed as part of a process that is overseen by an independent third party. Upon completion of phase two, BCLC will make a final decision regarding its preferred host local government for a potential gaming facility. BCLC's decision, once made, is final.

This response to BCLC is non-binding, and may be forwarded under the signature of the Mayor or the Chief Administrative Officer.

BCLC respectfully requests a response no later than 4 p.m. PT on Thursday, June 23, 2016. Responses should be sent to:

Greg Walker  
Director of Public Affairs, BCLC  
2940 Virtual Way  
Vancouver, BC V5M 0A6  
gwalker@bclc.com

Once a final decision to proceed with a municipality has been made, BCLC will advise you directly. Following that, BCLC will determine the service provider and begin the public consultation process as mandated by the Gaming Control Act.

At any time, we are available to meet with you to provide further detail on our market analysis and the EOI process. If a local government does not wish to be considered to host a gaming facility, no further steps need be taken.

BCLC appreciates the interest of the City of Victoria. We look forward to hearing from you soon.

Sincerely,



Brad Desmarais  
Vice President  
Casino and Community Gaming

cc: Susan Dolinski, BCLC  
Jerry Williamson, BCLC  
Greg Walker, BCLC

## Appendix A

BCLC has concluded the initial phase of its Expression of Interest (EOI) process, and identified two local governments with strong potential to host a gaming facility in Greater Victoria.

### Additional Information about Proposed Gaming Facility:

- 1) At present, BCLC is considering one of two gaming facility options for use in your community. A decision on which option will be determined by BCLC once a potential host local government selection has been made.

#### Option A: Community Gaming Centre

- A combination of bingo (or electronic bingo) slot machines, traditional lottery products, restaurant, lounge, tele-theatre and a community stage area for live entertainment performances.

#### Option B: Casino

- A full-service gambling entertainment facility with slot machines and table games.
- Additional amenities may include restaurants, lounge, theatre, conference centre, hotel, spa and a stage area for live entertainment performance.

#### 2) Gaming Facility Size and Scope

- Any land sites being considered for a gaming facility must satisfy the following requirements:
  - The gaming floor being considered by BCLC at this time is in the range of 15,000 to 30,000 square feet with room to expand if required in the future. The physical space of the entire facility, including amenities is yet to be determined.
  - A minimum of 400 parking stalls.
- An important determinant in choosing a gaming facility site is the minimizing of any impact on surrounding gaming facilities, e.g. the View Royal Casino. Drive times from the View Royal Casino may be considered in the evaluation of potential location.

#### 3) Revenue Potential

- The total annual revenue potential for South Vancouver Island is approximately \$112 million. BCLC currently captures approximately \$45 million, and is looking to capture the remaining.

- The number of slot machines being considered in the gaming facility ranges from 300 to 400 to start, with the ability to grow with demand in the future.
  - If table games are included in the gaming facility, the number being considered ranges between 8 and 10.
  - Final game mix and counts will be determined by BCLC, taking into consideration market conditions at the time and any restrictions imposed by the Host Local Government.
- 4) The annual revenue potential for the facility is initially expected to be \$30 million to \$45 million. Based on this revenue estimate, the resulting Host Local Government payment potential would be approximately \$1.8 million to \$2.5 million annually.

**Questions for the City of Victoria:**

- 1) The City of Victoria's *Casino Rezoning Guidelines* identifies zones to be considered for the location of a casino. These include:
- The Douglas-Blanshard Corridor
  - The Tourism Precinct of James Bay

Site sensitive areas:

- Belleville Street buildings between Pendray and Menzies Streets
- The Crystal Gardens site

Recognizing these sites specified by the *Casino Rezoning Guidelines*, are there any other areas of the municipality that the City of Victoria would consider as preferable for the location of a gaming facility?

- 2) Given BCLC's requirement of a minimum of 400 parking stalls for a gaming facility, is this requirement consistent with the Traffic and Parking section of the City's *Casino Rezoning Guidelines*?
- 3) Given that casino gaming is not a permitted use in the City of Victoria, would the City re-zone on a site-specific basis in the event that a gaming proposal was received from BCLC?
- 4) What amenities does the City require be included in the facility? I.e. hotel, conference centre, theatre, etc.
- 5) What is the City's timeline for approving a development proposal?

BCLC respectfully requests a response no later than 4 p.m. PT on Thursday, June 23, 2016.



# Information Bulletin

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## Saanich and Victoria Move to Next Phase in the Expression of Interest Process

April 14, 2016, Vancouver B.C., BCLC has concluded the first phase of the Expression of Interest process to determine which local governments will move to the next stage to be considered a potential host community for a gaming facility. The District of Saanich and the City of Victoria will proceed to the next phase following the evaluation of all Expressions of Interest received. BCLC will work with these two local governments in order to gather further information and reach a decision on the preferred local government.

BCLC appreciates the participation of the Esquimalt First Nation, Songhees First Nation and the Township of Esquimalt which each submitted an expression of interest and will meet with these municipalities to review the results of the assessment and reasons why they will not proceed in the process.

An evaluation team, overseen by a third-party fairness monitor, scored each of the submissions, based on criteria related to community support, geographic, economic and demographic considerations.

BCLC respects the authority of local governments to choose whether they want a gaming facility in their community. An announcement will be made when the second phase concludes and a preferred host local government is selected.

Based on a recent market assessment, BCLC identified a marketplace opportunity for an additional gaming facility in Greater Victoria that would complement the existing View Royal Casino. An EOI process was launched in October 2015 with six local governments to determine gaming interest in their communities. The application deadline to be considered a host local government was December 11, 2015. BCLC received Expressions of Interest from the City of Victoria, District of Saanich, Township of Esquimalt, Esquimalt First Nation and Songhees First Nation. The District of Oak Bay declined.

**For more information, visit [bclc.com](http://bclc.com) or contact:**

**BCLC Media Relations**  
604-225-6460  
[mediarelations@bclc.com](mailto:mediarelations@bclc.com)



# Background

## Gaming Facility Expression of Interest in Greater Victoria

BCLC has concluded the first phase of the Expression of Interest process to determine which local governments will move to the next stage to be considered a potential host community for a gaming facility.

The District of Saanich and the City of Victoria will proceed to the next phase following the evaluation of all expressions of interest received. BCLC will work with these two local governments in order to gather further information and reach a decision on the preferred local government.

As part of phase two, BCLC is providing additional information about the proposed size and scope of a gaming facility including:

- Differences between casinos and community gaming centres;
- Land requirements for a gaming facility;
- A potential range of the number of slot machines and table games at the facility;
- Site revenue projections, and potential revenue from gaming to the host local government.

### Type of Gaming Facility

There are two types of gaming facilities that could be located in the Greater Victoria area:

#### Community Gaming Centre

A combination of bingo (or electronic bingo), slot machines, traditional lottery products, restaurant, lounge, tele-theatre and a small stage for live entertainment performances.

#### Casino

A full-service gambling entertainment facility with slot machines and table games. Additional amenities at casinos may include restaurants, lounge, theatre, conference centre, hotel, spa and a stage area for live entertainment performance.

### Size and Scope of Gaming Facility

Any land sites being considered for a gaming facility must satisfy the following requirements:

- The gaming floor being considered is in the range of 15,000 to 30,000 square feet.
- The physical space of the entire facility, including amenities is yet to be determined.
- A minimum of 400 parking stalls.

An important determinant in choosing a gaming facility site is the minimizing of any impact on surrounding gaming facilities, e.g. the View Royal Casino. Drive times from the View Royal Casino may be considered in the evaluation of potential location.

The type and size of gaming facility will be determined by BCLC and take into consideration municipal government input.

### Estimated Annual Revenue Potential

- The revenue potential of the facility is \$30 million to \$45 million.
- Local governments that host a gaming facility receive a 10 per cent share of the net income generated by that facility. The resulting host local government revenue potential would be approximately \$1.8 million to \$2.5 million annually.
- The potential annual revenue to BCLC from slot machines ranges between \$30 and \$40 million.
- The potential annual revenue from table games is \$1 to \$5 million.
- The final number of slot machines and table games will be determined by BCLC, taking into consideration market conditions at the time and any restrictions imposed by the host local government.

### About BCLC

BCLC is a provincial Crown corporation offering socially responsible gambling entertainment while generating more than \$1 billion in provincial revenue last year that went back into health care, education and community groups across B.C.

For casino gaming, BCLC is responsible for monitoring the gambling market in B.C. and determining the appropriate supply of gaming to meet demand. This includes determining whether there is a demand for a gaming facility in a given area, as well as what and how many products (slot machines, table games) would appropriately serve that market.

BCLC contracts with private sector companies which either own or lease the facilities and operate them on BCLC's behalf. They hire the staff and provide day-to-day operations. They sign operating agreements with BCLC and receive commissions based on the gambling revenue the facilities generate.

BCLC owns and deploys the gaming equipment, such as playing cards, shufflers, chips, dice, and slot machines. We set and oversee operating standards, policies, and procedures, including security, surveillance, and responsible gambling. We monitor our operators to ensure they comply with these standards, as well as with legislation, regulations, and federal laws.

Every gaming worker, including BCLC staff and those employed by our private sector service providers, must be registered by our regulator, the Gaming Policy and Enforcement Branch.

For more information, visit [bclc.com](http://bclc.com) or contact:

**BCLC Media Relations**  
604-225-6460  
[mediarelations@bclc.com](mailto:mediarelations@bclc.com)

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## **Attachment 2 – Proposed Response to BCLC Request for Phase Two - Expression of Interest**

Questions from the BCLC for the City of Victoria

**1. The City of Victoria's Casino Rezoning Guidelines identifies zones to be considered for the location of a casino, these include:**

- The Douglas Blanshard Corridor
- The Tourism Precinct of James Bay

**Site sensitive areas:**

- Belleville Street buildings between Pendray and Menzies Streets
- The Crystal Gardens site

**Recognizing these sites specified in the Casino Rezoning Guidelines, are there any other areas of the municipality that the City of Victoria would consider as a preferable location of a gaming facility?**

**City of Victoria Response:**

The Casino Rezoning Guidelines were adopted by Council in 2003 as a way to help guide any proposed casino facility in the City of Victoria. These guidelines would still be relevant and used to determine any subsequent development application which may come forward for rezoning in the future.

That being said the guidelines are just that, guidelines, and other sites could be considered suitable and may be supported subject to satisfying other Council adopted policies contained within the Official Community Plan and other relevant adopted policies and guidelines including neighbourhood/local area plans.

However, any site proposed outside of the areas outlined in the Casino Rezoning Guidelines, an applicant would need to strongly demonstrate why the site was chosen, how it would still contribute to the vision, key values, goals and policies of the OCP, and other relevant City policies and how it would in particular contribute and complement a strong downtown core, which is a key Strategic Plan objective of Council. In addition, we would expect an applicant to also demonstrate why sites within the casino guidelines area were discounted through undertaking a review of other sites considered.

In reviewing potential sites, staff have identified the Crystal Garden and adjacent Apex site (749 to 767 Douglas St) has having the potential to meet the needs of a casino operator as well as the requirements of the City's current policy. As these are City-owned sites, it was felt that these were suitable for specific identification and as such the City would be willing to discuss how the programming required by casino operators, including associated ancillary activities could be accommodated within the Crystal Gardens and adjacent Apex site in a manner that meets the terms of the policy and maintains the building's significant heritage value.

**2. Given BCLC's requirement of a minimum of 400 parking stalls for a gaming facility, is this requirement consistent with the Traffic and Parking section of the City's Casino Rezoning Guidelines?**

As noted in the Casino Rezoning Guidelines, any application submitted would need to be accompanied by a Transportation Impact Assessment. Parking requirements and needs would be evaluated as part of this study based on the location, size of development and uses taking place within the development. If the parking requirements exceeded or were below those in Schedule C of the Zoning Bylaw a justification would need to be submitted for review and comment by staff in Transportation and Development Services Departments as part of a Development Team Review. Our colleagues in Transportation would work alongside our Development Services Planning Team at the outset of the project through pre-application meetings to assist the applicant in submitting a complete application, which would include a Transportation Impact Assessment to consider how people would access and leave the site by all modes of transport.

**3. Given that casino gaming is not a permitted use in the City of Victoria would the City re-zone on a site specific basis in the event that a gaming proposal was received from BCLC?**

Given that a casino is not a permitted use in any zone in the City's Zoning Bylaw any rezoning applications would be required to go through a rezoning application process which if approved would result in a site specific zone.

**4. What amenities does the City require be included in the facility, i.e., hotel, conference centre, theatre etc.?**

Any rezoning applications submitted to the City of Victoria would be considered on its merits and in accordance with the Casino Rezoning Guidelines, OCP policies and other relevant adopted City policies.

However, the Casino rezoning guidelines specifically state that the casino must be part of a multi-use structure and include a range of uses (hotel, residential, retail, commercial etc.) which may be included in any scheme.

**5. What is the City's timeline for approving a development proposal?**

The rezoning process takes approximately six to eight months from submission of a complete application; however, a complex application may require more time. The more issues that can be identified and resolved before submitting an application generally results in a smoother and quicker process.

**INTRODUCTION**

Victoria is prepared to allow one casino to locate in the city. This guideline provides direction to the single rezoning application and is to be read along with the City's *Official Community Plan* and neighbourhood plans and regulations for the portions of Burnside, Downtown and James Bay illustrated on the *Casino Guidelines Map*. The standard rezoning process, including a statutory public hearing, will be required.

**MIXED USE**

The casino must be part of a multi-use structure. Depending on location, choices for other parts of the building may include such non-residential uses as hotel, meeting/convention, arts, cultural, recreation, service facilities, light industry, offices, retail or restaurant.

**BUILDING STANDARDS**

The building massing, height and siting will be subject to plan standards for the area in question. Higher density may be negotiated where community amenities are included, consistent with city policy e.g. *Downtown's Density Bonus Policy* or City's *Draft Density Bonus Policy for Burnside and James Bay*. Within the mixed use building, it is anticipated the actual casino size and characteristics will be determined by the Provincial Lottery Commission in consultation with the City.

**TRAFFIC AND PARKING**

Casinos generate significant automobile trips and have a high demand for long-term customer parking. In recognition of this, an application for rezoning must be accompanied by a professional traffic and parking impact study, including mitigation measures to offset identified impacts. Because Downtown Victoria (area shown on map between Caledonia and Belleville) is well served by both transit and customer parking, a lower parking ratio may be considered.

**DESIGN**

Building and landscaping will be consistent with City design guidelines as set out in Schedule "B" of the *Official Community Plan*. A *CPTED* (Crime Prevention Through Environmental Design) analysis of the site and building, including the proposed parking arrangements, must also be submitted with the application. Parking must be enclosed, within the building and preferably underground. Special requirements may apply in unique areas, e.g. in Downtown's retail core, shop frontage, in the form of retail or restaurant display windows and entrances are required along streets. "Shop frontage" excludes offices, banks or blank walls longer than 4.5 metres.

**LOCATION**

Locations that will be considered are illustrated in the *Casino Guidelines Map* and include parts of Downtown and the Tourism Precinct of James Bay, as well as the Douglas-Blanshard Corridor (from north edge of Downtown to city boundary). Areas that will not be considered include: any location near an established residential area, harbour shoreline, 'Old Town', former Hudson's Bay block portion of Downtown and Humboldt Valley precinct of Fairfield.

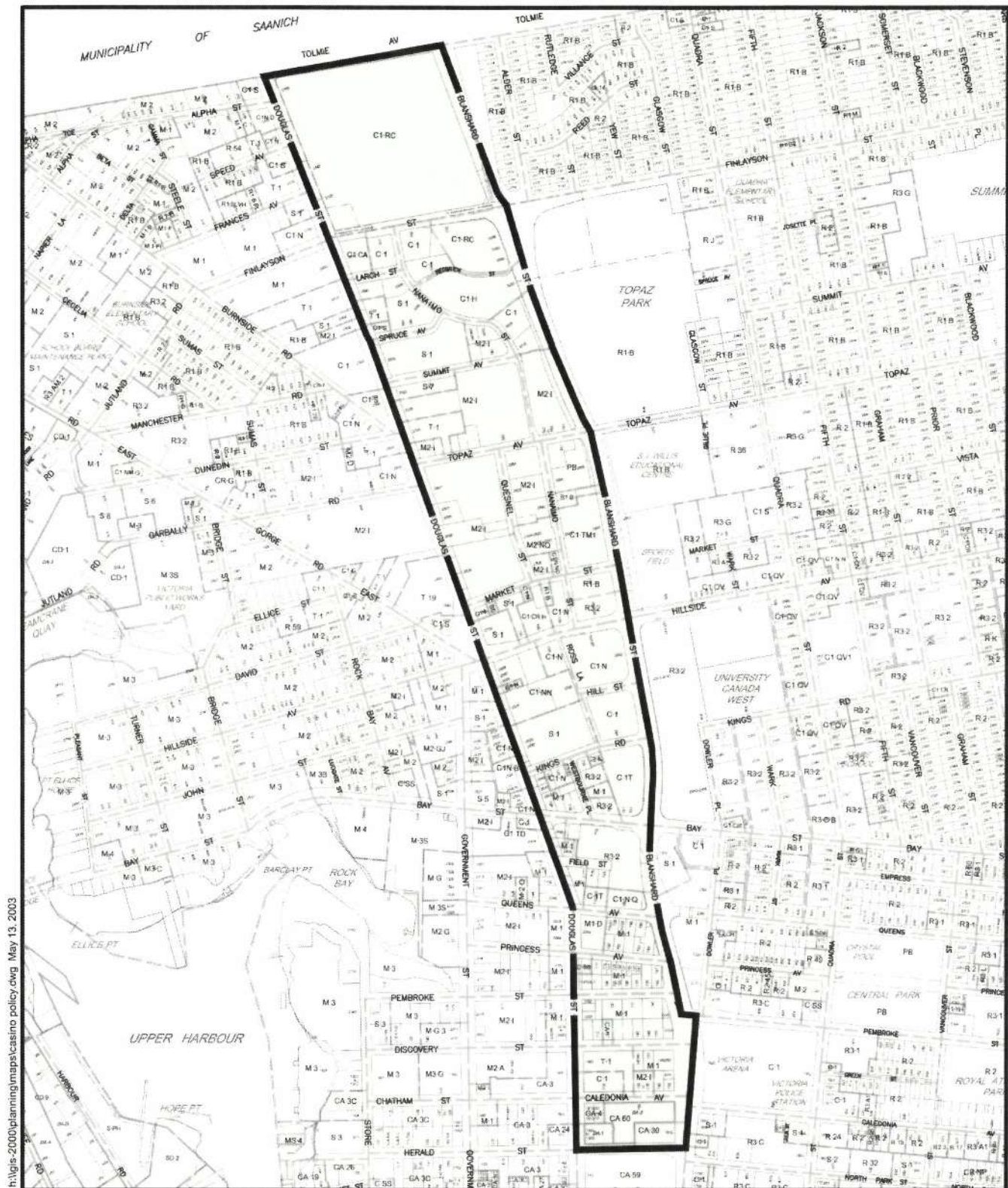
The following two sub-areas, within the lands outlined on the map, are considered as 'site sensitive locations' where siting and design of a casino will require special care:

- Belleville Street buildings visible from the harbour between Pendray Street and Menzies Street
- The Crystal Gardens site

**SOCIAL**

The proposed casino will comply with articulated municipal social principles and goals. Gaming is addictive and as gaming activity increases and diversifies, that impact increases. An application for rezoning must be accompanied by a professional social impact analysis demonstrating how impacts will be monitored and mitigated. Impacts should be assessed under the categories of personal or health issues, family and social dysfunction, non-criminal community issues and criminal community issues. A management plan must accompany the application outlining proposed operational policies, including recruitment, hiring, training and development of staff.

VLTs will not be allowed in the City of Victoria, based on information received by Council that a three or four fold increase in gambling addiction is attributable to VLTs.

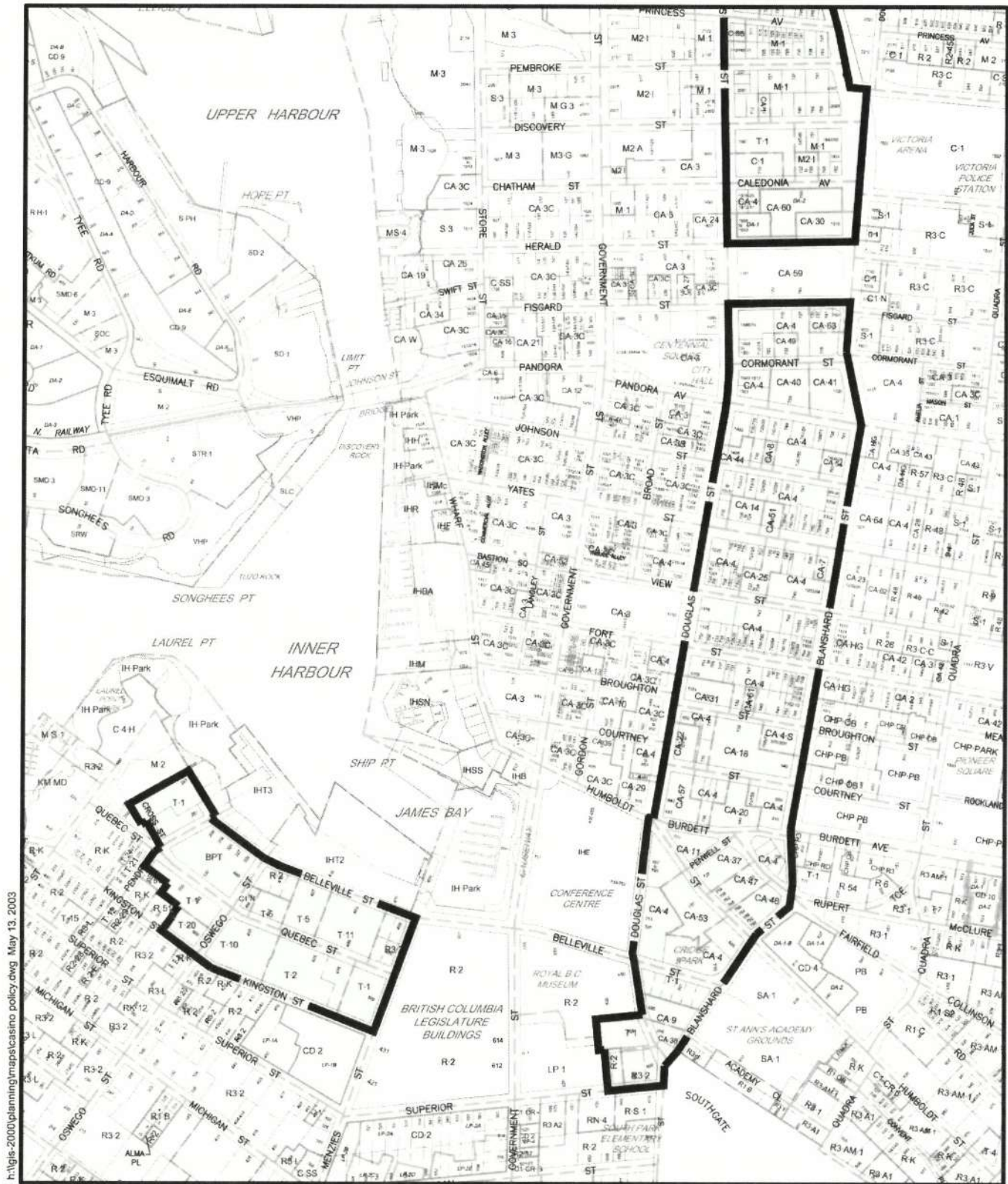


## Casino Policy

### Map 1 of 2







h:\gis\2000\planning\mapscasino policy.dwg May 13, 2003

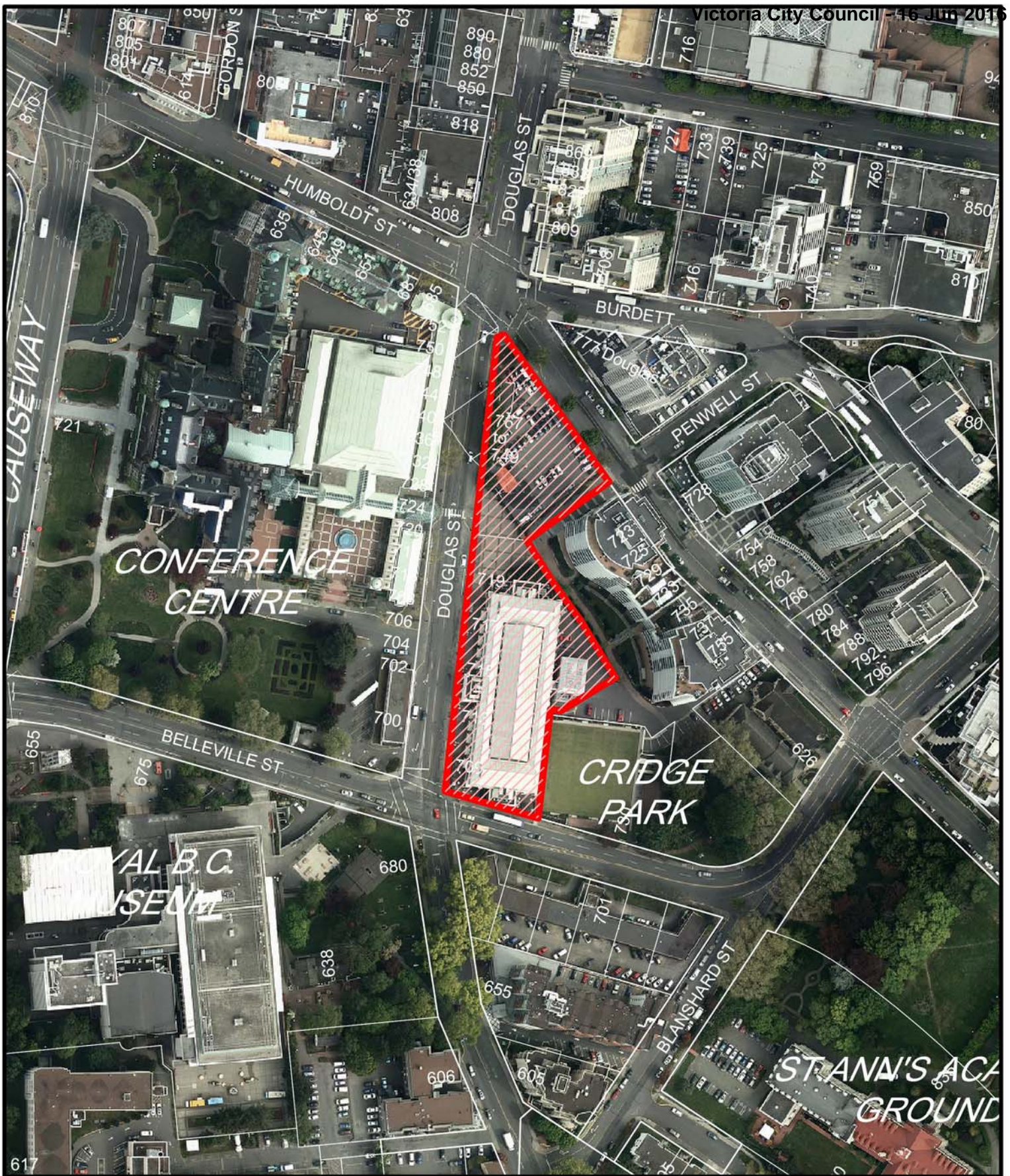


## Casino Policy

### Map 2 of 2

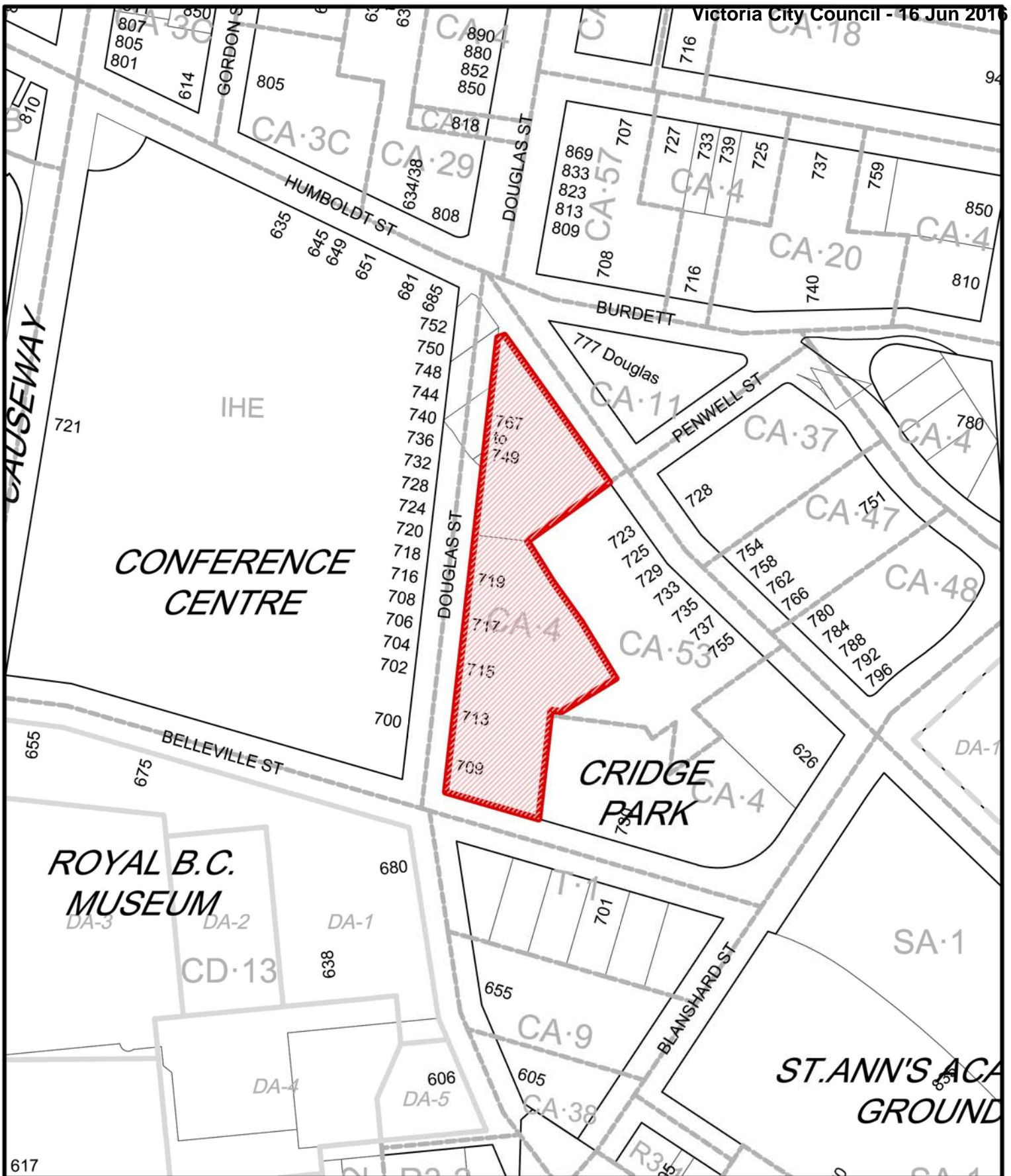






709 - 719 Douglas Street  
& 749 - 767 Douglas Street





709 - 719 Douglas Street  
& 749 - 767 Douglas Street



## BCLC REQUEST FOR EXPRESSIONS OF INTEREST FOR SITING OF NEW CASINO FACILITY – PHASE TWO



### Background

On October 29, 2015, Council passed the following motion:

1. *Direct staff to engage with BCLC to gather further information.*
2. *Direct staff to review current policy, identify and assess any key issues, and provide a draft response to BCLC's Request for Expression of Interest for Council consideration at the November 26, 2015, Planning and Land Use Committee meeting.*

On April 14, 2016 BCLC invited the City of Victoria to participate in Phase Two of the EOI process.

BCLC considering City of Victoria or District of Saanich



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## Issues & Analysis

### Phase Two EOI Process

- Responses received and assessed by BCLC
- BCLC will make final decision

### Information about the proposed Gaming Facility

- Option A - Community Gaming Centre
- Option B - Casino

### Gaming Facility Size and Scope

- 15,000 to 30,000sq ft gaming floor
- 400 parking stalls

### Casino Rezoning Policy

- Adopted in 2003
- Provides guidelines and criteria for a new casino
- Single facility and must form part of a mixed use facility
- Focuses on Downtown and Douglas-Blanshard Corridor

### Revenue and Cost Impacts

- Host local government payment \$1.8 to \$2.5 million



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## Issues & Analysis

### Opportunities for City-owned sites

- Crystal Gardens and adjacent Apex site has been identified as a potential site
- Crystal Gardens site is identified in the Casino Rezoning Policy
- Other financial benefits identified with Crystal Gardens

Identification of these City-owned sites does not limit siting options.

Other privately owned could also be considered by BCLC subject to a rezoning process



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## Next Steps

- Final response sent to BCLC
- Responses received in Phase Two will be reviewed and assessed as part of a process overseen by an independent third party
- BCLC will make a final decision to select its preferred host Municipality for a gaming facility
- A service provider to operate the gaming facility would then be selected by BCLC and begin the public consultation process as per the Gaming Control Act
- The service provider would identify a site and begin the rezoning process
- Council is not obligated to support a rezoning application
- Council can withdraw its interest at any time from the process



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## Recommendation

That Council direct staff to submit the attached response to the British Columbia Lottery Corporation's Request for Expressions of Interest (EOI) - Phase Two.



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## Options & Impacts

### Option 1

That Council direct staff to submit a response to BCLC in accordance with Attachment 2 to the Request for Expression of Interest - Phase Two for their consideration and which includes the site identification and promotion of the City-owned Crystal Gardens and Apex site as a potential site for consideration by BCLC. (See Attachment 4).

### Option 2

That Council direct staff to prepare a formal response in accordance with Attachment 2 to the Request for Expression of Interest - Phase Two, but which excludes the identification and site promotion of the Crystal Gardens and Apex site as a potential site for consideration by BCLC.





**Council Report**  
For the Meeting of June 16, 2016

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**To:** Council **Date:** June 15, 2016  
**From:** Jonathan Tinney, Director, Sustainable Planning and Community Development  
**Subject:** Zoning Bylaw Corrections for Rezoning Application No. 00301 and Concurrent Official Community Plan Amendment Application for 605-629 Speed Avenue and 606-618 Frances Avenue

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**RECOMMENDATION**

That Council rescind the second reading of Zoning Regulation Bylaw, Amendment Bylaw (No. 1036), make the amendments shown blacklined in Schedule "A" to this report, and give a second reading to Zoning Regulation Bylaw, Amendment Bylaw (No. 1036), as amended.

**EXECUTIVE SUMMARY**

Staff recommend that the second reading of Zoning Regulation Bylaw, Amendment Bylaw (No. 1036) be rescinded and that this bylaw be amended to make the changes shown blacklined in Schedule "A" to this report in order to correct section and bylaw reference numbers and underline certain defined terms. An unmarked copy of the bylaw with the suggested amendments is attached as Schedule "B" to this report.

Respectfully submitted,

Brian Sikstrom, Senior Planner  
Development Services Division

Jonathan Tinney, Director  
Sustainable Planning and Community  
Development Department

Report accepted and recommended by the City Manager:

Date: June 16, 2016

**List of Attachments**

- Schedule A
- Schedule B

**SCHEDULE A**

NO. 16-053

**A BYLAW OF THE CITY OF VICTORIA**

The purposes of this Bylaw are to amend the Zoning Regulation Bylaw by creating the R-81 Zone, Speed and Frances Multiple Dwelling District and to rezone land known as 605-629 Speed Avenue and 606-618 Frances Avenue from the R1-B Zone, Single Family Dwelling District and R1-SLVH Zone, Single Family Storage Lot/Vehicle Sales District to the R-81 Zone, Speed and Frances Multiple Dwelling District.

The Council of The Corporation of the City of Victoria enacts the following provisions:

- 1 This Bylaw may be cited as the "ZONING REGULATION BYLAW, AMENDMENT BYLAW (NO. 1036)".
- 2 Bylaw No. 80-159, the Zoning Regulation Bylaw, is amended in the Table of Contents of Schedule "B" under the caption PART 3 – Multiple Dwelling Zones by adding the following words:  
  
"3.104 R-81 Speed and Frances Multiple Dwelling District".
- 3 The Zoning Regulation Bylaw is also amended by adding to Schedule B after Part 3.103 the provisions contained in Schedule 1 of this Bylaw.
- 4 The land known as 605-629 Speed Avenue and 606-618 Frances Avenue legally described as Lots 16, 17, 18, 19, 20, 21 and 23 Section 4, Victoria District, Plan 358; Lot 22, Section 4, Victoria District Plan 358, except the westerly 10 feet; and the westerly 10 feet of Lot 22, Section 4, Victoria District, Plan 358 and shown hatched on the attached map, is removed from the R1-B Zone, Single Family Dwelling District and R1-SLVH Zone, Single Family Storage Lot/Vehicle Sales District and placed in the R-81 Zone, Speed and Frances Multiple Dwelling District.

READ A FIRST TIME the 9<sup>th</sup> day of June 2016

READ A SECOND TIME the 9<sup>th</sup> day of June 2016

Public hearing held on the day of 2016

READ A THIRD TIME the day of 2016

ADOPTED on the day of 2016

CITY CLERK

MAYOR

**PART 3.104 – R-81 ZONE, SPEED AND FRANCES MULTIPLE DWELLING DISTRICT****3.104.1 Permitted Uses in this Zone**

The following uses are the only uses permitted in this Zone:

- a. The uses permitted in the R1-B Zone, Single Family Dwelling District, subject to the regulations set out in Part 1.2 of the Zoning Regulation Bylaw
- b. Multiple dwelling
- c. Bakeries used predominantly for the retail sale of bakery products sold from the premises
- d. Office
- e. Financial service
- f. Retail
- g. Restaurant
- h. Personal services including but not limited to barbering, hairdressing, tailoring, shoemaking and shoe repair, optical, watch and jewelry repair and small animal services
- i. Cultural facility
- j. Gymnasia
- k. Launderettes and dry-cleaning establishments used or intended to be used for the purpose of dealing with the public served thereby
- l. Studios
- m. High tech
- n. Storage lots for undamaged vehicles intended for sale
- o. Vehicle sales and rentals

**3.104.2 Location of Permitted Uses**

- a. The uses identified in Part 3.99 **104.1** g n. and r o. are only permitted on the following lots:  
 Lot 16, Section 4, Victoria District, Plan 358  
 Lot 17, Section 4, Victoria District, Plan 358  
 Lot 18, Section 4, Victoria District, Plan 358
- b. All of the uses described in Part 3.99 **104.1** c–m must be located on the ground floor of a multiple dwelling.

**PART 3.104 – R-81 ZONE, SPEED AND FRANCES MULTIPLE DWELLING DISTRICT****3.104.3 Community Amenities**

As a condition of additional density pursuant to Part 3.104.5 a monetary contribution to Victoria Housing Fund in the amount of \$ 975,000, as adjusted pursuant to this Part 3.104.3 must be provided as a community amenity.

The amenity contribution in the amount of \$975,000 (the "Base Contribution") shall be adjusted annually on January 1 commencing the second calendar year following the year Bylaw # 45-031 ~~16-053~~ is adopted and each year thereafter, by adding to the Base Contribution an amount calculated by multiplying the Base Contribution as of the previous January 1 by the annual percentage increase in the CPI for the most recently published 12 month period.

For the purposes of this Part 3.104.3 "CPI" means the all-items Consumer Price Index for Victoria published by Statistics Canada or its successor in function.

**3.104.4 Lot Area, Lot Width**

- a. A multiple dwelling may not be erected, used or maintained on a lot have an area less than 5340m<sup>2</sup>
- Underlined.....* b. Lot area (minimum) 460m<sup>2</sup>
- c. Lot width (minimum average) 24m
- d. Panhandle lot Subject to the regulations in Schedule "H"

**3.104.5 Floor Space Ratio, Number of Buildings**

- a. Floor space ratio (maximum) where the community amenity has not been provided pursuant to Part 3.104.3 1.0:1
- b. Floor space ratio (maximum) where the community amenity has been provided pursuant to Part 3.104.3 3.08:1
- Underlined.....* c. Floor area (maximum) for all of the uses described in Part 3.104.1 c-m where the community amenity has been provided pursuant to Part 3.104.3 2440m<sup>2</sup>
- Underlined.....* d. Number of principal buildings (maximum) 2

**3.104.6 Height, Storeys**

Principal building height (maximum) 37m

**3.104.7 Setbacks, Projections**

- a. Front yard setback – Speed Avenue (minimum) 6.0m
- b. Rear yard setback – Frances Avenue (minimum) Nil
- c. Side yard setback - East (minimum) 5.9m
- d. Side yard setback - West (minimum) Nil



**PART 3.104 – R-81 ZONE, SPEED AND FRANCES MULTIPLE DWELLING DISTRICT****3.104.8 Site Coverage, Open Site Space**

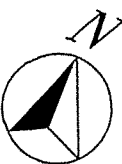
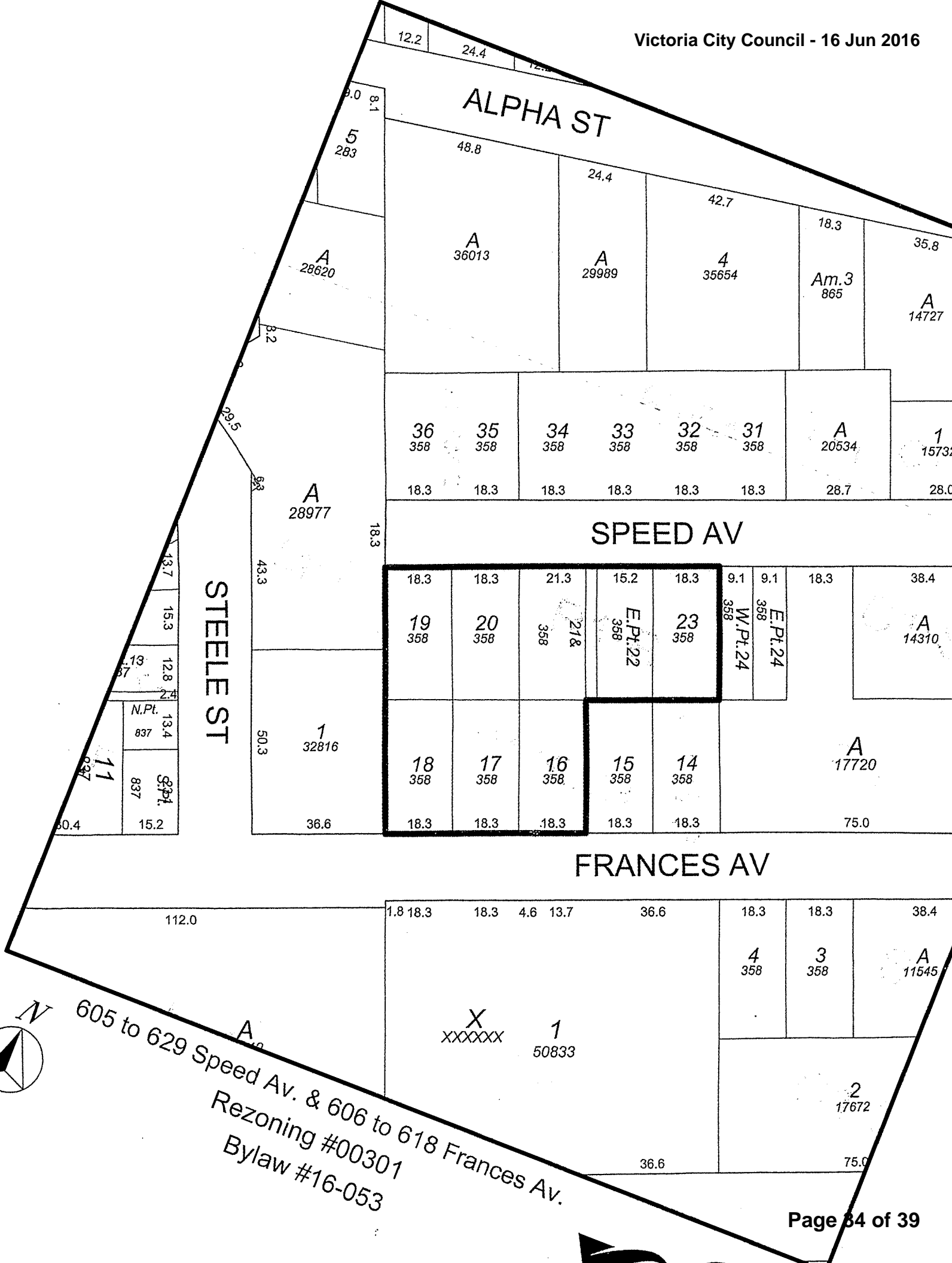
- |  |     |
|--|-----|
| a. <u>Site Coverage</u> coverage (maximum) | 66% |
| b. <u>Open site space</u> (minimum)        | 14% |

**3.104.9 Vehicle and Bicycle Parking**

- |   |                                       |
|---|---------------------------------------|
| a. Residential (minimum)  | 0.96 vehicle spaces per dwelling unit |
| b. Except as otherwise provide this part, vehicle and bicycle parking is to be In accordance with the regulations in Schedule” C” |                                       |

**3.104.10 Regulations for Undamaged Vehicles and Vehicle Sales and Rentals**

- a. Where any land is used as permitted pursuant to Part 3.104.1 n. and o., a landscaped strip of not less than 0.6m in width and 1.5m in height shall be maintained along the west, north and east lot lines.
- b. Except as provided in this Part 3.104.10, the provisions of Schedule C apply to land used as permitted pursuant to Part 3.104.1 n. and o.



605 to 629 Speed Av. & 606 to 618 Frances Av.  
 Rezoning #00301  
 Bylaw #16-053



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- a. The uses identified in Part 3.104.1 n. and o. are only permitted on the following lots:

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- b. All of the uses described in Part 3.104.1 c–m must be located on the ground floor of a multiple dwelling.

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For the purposes of this Part 3.104.3 "CPI" means the all-items Consumer Price Index for Victoria published by Statistics Canada or its successor in function.

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| c. <u>Side yard setback</u> - East (minimum)           | 5.9m |
| d. <u>Side yard setback</u> - West (minimum)           | Nil  |

**3.104.8 Site Coverage, Open Site Space**

- |                                     |     |
|-------------------------------------|-----|
| a. <u>Site coverage</u> (maximum)   | 66% |
| b. <u>Open site space</u> (minimum) | 14% |

**3.104.9 Vehicle and Bicycle Parking**

- |   |                                       |
|---|---------------------------------------|
| a. Residential (minimum)  | 0.96 vehicle spaces per dwelling unit |
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ALPHA ST

FRANCES AV

# STEEL ST

605 to 629 Speed Av. & 606 to 618 Frances Av.  
Rezoning #00301  
Bylaw #16-053

