



Committee of the Whole Report

For the Meeting of July 13, 2017

To: Committee of the Whole **Date:** July 4, 2017
From: Jonathan Tinney, Director, Sustainable Planning and Community Development
Subject: BCLC Casino Victoria

RECOMMENDATION

That Council direct staff to undertake the public engagement required under the *Gaming Control Act* in the form of a public hearing, to be held at the same time as the public hearing required for a rezoning application under the *Local Government Act* and *Casino Rezoning Guidelines* for the proposed gaming facility in Victoria.

EXECUTIVE SUMMARY

In 2015 the British Columbia Lottery Corporation (BCLC) issued an Expression of Interest (EOI) to develop a gaming facility on Southern Vancouver Island. Following two phases of the EOI process, Victoria has now been selected as the designated City for the proposed facility. Though preliminary stakeholder engagement is already underway, once a service provider for the proposed facility is selected by BCLC this fall, BCLC will begin to embark on its own formal engagement process together with the successful proponent. When this is completed, the service provider will select a location and submit rezoning and development permit applications to the City.

Besides a formal public hearing for a rezoning application, under the *Gaming Control Act*, the City must also grant formal approval for the establishment of a Casino in order for a gaming license to be issued. This approval cannot be given until adequate community input on the proposal, including notification to neighbouring local governments, is obtained. Community input can be achieved through several different means, including a public hearing. While this process would be separate from the public hearing that will be associated with a rezoning application, in order to streamline both processes, it is recommended that the two occur simultaneously.

PURPOSE

The purpose of this report is to seek Council's direction on how to proceed with the City's public engagement responsibilities under the *Gaming Control Act* for a proposed gaming facility in Victoria.

BACKGROUND

In 2015, BCLC issued an Expression of Interest (EOI) to six municipalities in Greater Victoria to establish a new gaming facility in the region. On November 26, 2015, Council directed staff to submit a positive response to BCLC indicating that the City would consider a casino proposal

consistent with City policies and guidelines. On April 14, 2016, BCLC confirmed that the City of Victoria was identified as a local government with strong potential to host a gaming facility and invited its participation in Phase Two of the EOI process, which involved a request for further information related to the City's policies, plans and zoning. On June 10, 2016, Council responded to this request, following which BCLC informed the City of Victoria that it had been selected out of the five local municipalities that submitted a positive response to the initial EOI.

Through a recently concluded Request for Qualified Vendors process, BCLC has narrowed a broader range of potential service providers who could operate the gaming facility in Victoria down to four: Great Canadian Gaming Corporation (operators of the neighbouring View Royal facility); Gateway Casinos, Chances Gaming Entertainment; and Gamehost Inc. BCLC will next issue a Request for Proposals that only these four service providers will be eligible to respond to, with a final proponent selected by the Fall of this year.

BCLC has also begun engaging with local stakeholders, having held meetings with groups including Tourism Victoria, the Downtown Victoria Business Association, the Greater Victoria Harbour Authority, and the Greater Victoria Chamber of Commerce.

ISSUES & ANALYSIS

Both BCLC and the City of Victoria have a number of responsibilities pursuant to the *Gaming Control Act* before a gaming facility can be considered. The City also has separate requirements per the *Local Government Act* when an application for rezoning is received.

BCLC

BCLC and the newly selected service provider will together embark on an independent community engagement process later this year, which will consist of several public engagement events over the course of 1-2 months or longer, depending on the need and/or at the request of the City, to gather feedback from the community on several aspects of a proposed facility, including size, location, amenities, and traffic planning. Following this period of engagement, the service provider will select a location and submit a formal application to the City, which would likely consist of both a rezoning and development permit application.

In addition to its engagement responsibilities, per the *Gaming Control Act*, in order to receive a gaming license the proponent is required to gain formal approval from the host municipality. This requirement levies its own responsibilities on the City of Victoria.

City of Victoria

The City of Victoria has two roles to play in this process. First, as the "host local government", as noted above, its approval is required under the *Gaming Control Act* before a casino can be established in Victoria. Second, as the local government with jurisdiction over land use matters, the City must approve a rezoning of the proposed site, and approve the form and character of the development through the development permit process under the *Local Government Act*. The *Casino Rezoning Guidelines* further state that a rezoning is always required in order to establish a gaming facility in Victoria.

The *Gaming Control Act* notes that in order for a host municipality to give its final approval for a gaming facility it must first seek and consider 'adequate community input' from its residents, as well as notify 'potentially affected local governments'.

Adequate community input is defined in the *Gaming Control Regulation* to mean comments, information, and feedback from community residents or representatives of organizations in the community received after both public notice is issued and an opportunity to provide comments is offered through the following mechanisms:

- one or more public hearings or public meetings;
- a referendum; or
- an alternative form of opportunity approved by the general manager of the lottery corporation.

Notifying potentially affected local governments involves providing notice to all municipalities, regional districts, or First Nations that have authority over land use planning for areas within 5km of the proposed facility. The host municipality is required to allow 30 days for affected parties to provide written comments on specific elements pertaining to a gaming facility. Under the *Gaming Control Act*, comments from neighbouring municipalities must be restricted to infrastructure impacts, policing costs, and traffic and highway use. The relevant sections of the *Gaming Control Act* and its Regulations are attached to this report in Appendix A.

Meanwhile, Victoria's *Casino Rezoning Guidelines* note that a rezoning application, including a statutory public hearing per the *Local Government Act* is required to establish a casino in Victoria.

OPTIONS & IMPACTS

While the notice to potentially affected local governments can be issued distinctly from any public engagement; as noted, the City of Victoria must provide an opportunity for the public to provide feedback on a proposed gaming facility per the *Gaming Control Act*. This is a separate obligation from the public hearing requirement when a rezoning application is being considered. Council has two main options to fulfil these two responsibilities.

Option 1 (**recommended**):

Fulfill both the *Gaming Control Act* and *Local Government Act* by holding a combined public hearing. Holding these together will fulfil legislative requirements from both Acts and streamline both processes, making best use of City resources.

Option 2:

Hold a separate *Gaming Control Act* public hearing or other approved engagement activity ahead of the proponent's submission of a rezoning application. Holding two separate public engagement events will fulfil requirements from both Acts, but will impact staff time and resources to a greater degree.

Accessibility Impact Statement

There are no accessibility concerns pertaining to the current recommendation under consideration in this report.

2015 – 2018 Strategic Plan

The Strategic Plan does not contain a specific objective or action item to establish a casino facility within the City; however, a casino development may support Strategic Plan Objective 5: Create Prosperity Through Economic Development, which identifies goals to create a vibrant Downtown

that is a draw for residents and visitors. Several other Strategic Plan objectives could additionally be supported by casino revenues.

Impacts to Financial Plan

The recommended approach to hold both public hearings together would create efficiencies in staff time and City costs related to public engagement.

Official Community Plan Consistency Statement

Should a casino proposal come forward and a specific site be proposed, it would be evaluated with consideration to the *Official Community Plan*, local area/neighbourhood plan and the *Casino Rezoning Guidelines*. Depending on the particulars of the final proposal, an Official Community Plan amendment and associated public consultation requirements may also be required, but that would need to be determined when a site is selected.

CONCLUSIONS

In consideration of a gaming facility for Victoria, Council has two distinct options available in order to fulfil requirements of both the *Gaming Control* and *Local Government Acts*. Following the selection of one of these options, BCLC and the City of Victoria will be able to proceed with the next important steps in this process by engaging with the residents of Victoria to determine their interest or concern with a gaming facility in the City.

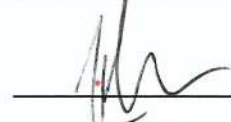
Respectfully submitted,


Lindsay Milburn
Senior Planner, Housing Policy


Jonathan Tinney, Director
Sustainable Planning and Community Development

Report accepted and recommended by the City Manager:

Date:


July 11, 2017

List of Attachments:

- Appendix A: Excerpt from the *Gaming Control Act* (section 19(2)) and Gaming Control Regulations (sections 10, 12.1, 12.2, and 13).