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TOWN OF VIEW ROYAL

45 View Royal Avenue, Victoria, BC, Canada V9B 1A6
Ph. 250-479-6800 • Fx. 250-727-9551 • info@viewroyal.ca • www.viewroyal.ca

April 25, 2016

Township of Esquimalt
Attn: Mayor Barb Desjardins
1229 Esquimalt Road
Victoria, BC V9A 3P1

For Information:

CAO Mayor/Council

RECEIVED: APR 28 2016

Referred to:

For Action For Review COTW

For Report For Approval IC

Dear Mayor Desjardins,

Re: BC Lottery Corporation's interest in an Additional Casino in South Vancouver Island

I am writing in regard to BC Lottery Corporation's interest in adding an additional casino in the Southern Vancouver Island Region.

View Royal and the other West Shore communities do not believe there is a market for a second casino. We are concerned that adding a new gaming facility will result in the creation of two gaming facilities sharing a market that should - and is intended to be - captured by View Royal Casino. We believe any additional gambling revenue earned by the province from a new facility will be offset by a loss of provincial gambling revenue from View Royal Casino. We also believe municipal revenues from View Royal Casino – shared by seven local communities – will be negatively affected.

In September 2004, the BC Lottery Corporation (BCLC) took a very transparent approach to the Southern Vancouver Island Casino Market Assessment prepared by KPMG for BCLC. The final report at that time was shared with the Town of View Royal including an invitation for additional inquiries. As a result the Town of View Royal clearly understood the implications of recommendations included therein and contributed to a better outcome on behalf of the province, View Royal Casino and West Shore municipalities.

The Town of View Royal has requested that BCLC share the current Southern Vancouver Island Casino Market Assessment so that all communities may have a reasonable opportunity to review the details of the study and better understand BCLC's rationale for diluting the market in this way. To date BCLC has refused to make that analysis public.

A second casino would significantly reduce municipal revenues from View Royal Casino currently shared by View Royal, Langford, Colwood, Metchosin, Esquimalt, Sooke and Highlands.

During 2015, View Royal Casino revenues were shared as follows:

Town of View Royal	\$ 1,838,325
City of Langford	\$ 1,234,418
City of Colwood	\$ 317,008
Township of Esquimalt	\$ 318,187
District of Highlands	\$ 41,263
District of Metchosin	\$ 93,690
District of Sooke	\$ 242,275

Each municipality uses this casino revenue differently. It has been used in support of the Greater Victoria Public Library, the West Shore Juan De Fuca Recreation Center, Grants in Aid for non-profit groups and a host of capital projects.

Why am I opposed to a second casino?

- If a second casino is dropped, Great Canadian will then be in a position to proceed with its \$22 million expansion of View Royal Casino;
- The expansion will be completed by May 2017, generating construction and other jobs and local economic activity in 2016 and 2017;
- An expanded View Royal Casino will generate significantly more provincial and municipal revenues than it does now, and these will begin long before any revenues can be generated by a second facility;
- Residents in West Shore communities will not have to make up this loss of municipal revenues by other means;
- Dozens of jobs in the West Shore will be saved, and dozens more created;
- It will avoid having two mid-sized facilities in Greater Victoria, neither of which would be large enough to justify the non-gaming amenities demanded by the modern marketplace.

We are asking residents, local businesses and community groups in View Royal to make their views known to the provincial government. I have enclosed my own letter being circulated in View Royal and urge you to contact residents, business owners and community leaders in your municipality to ask them to do the same.

I am also asking that you write to the Premier as well as the Minister Responsible for BCLC, Mike de Jong, to express your opposition to BCLC's plans for a second casino in Greater Victoria:

- Hon. Christy Clark
Premier
West Annex, Parliament Buildings
Victoria, BC V8V 1X4
premier@gov.bc.ca

- Hon. Mike de Jong
Minister Responsible for BCLC
Room 153, Parliament Buildings
Victoria, BC V8V 1X4
FIN.minister@gov.bc.ca

I would be pleased to speak with you on any aspect of this issue and answer questions you may have. There is also more information about our concerns and BCLC's plans at www.viewroyal.ca.

Yours sincerely,



David Screech
Mayor

April 25, 2016

«Name»

«Address»

Victoria, BC «Postal_Code»

Dear Business Owner,

Re: BC Lottery Corporation's Interest in a Second Casino

In October 2015, BC Lottery Corporation (BCLC) asked communities in Greater Victoria if any were interested in hosting a casino. Five communities responded: Victoria, Saanich, Esquimalt, Esquimalt First Nation and Songhees First Nation. On April 14, 2016, BCLC invited the District of Saanich and the City of Victoria to participate in the second phase of their invitation by requesting proposed land sites for a gaming facility to accommodate 15,000 to 30,000 sq ft of gaming floor area.

View Royal Casino, owned by Great Canadian Gaming Corporation (Great Canadian), has been operating since 2001. Great Canadian had plans to expand/improve View Royal Casino with an investment of up to \$22 million. These plans had not generated any public opposition; they were strongly supported in our West Shore communities and they included several community amenities. Great Canadian's plans were put on hold because of BCLC's interest in building a second casino in the region.

BCLC commissioned a market analysis which it claims supports the case for a second casino. However, our experience in the gaming business in Greater Victoria for the past 15 years suggests there would be no net gain in provincial or municipal revenues.

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The Town of View Royal has requested that BCLC share its Southern Vancouver Island Casino Market Assessment so that all communities – including ours – may have a reasonable opportunity to review the details of the study and better understand BCLC's rationale for diluting the market in this way. To date BCLC has refused to make that analysis public.

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Thank you for your consideration and assistance.



David Screech
Mayor