

Public Input on Potential Casino Development

Open House Presentation
October 10, 2012

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Introduction and Agenda

- Purpose of Meeting
- Background
 - Gaming in Greater Sudbury
 - OLG Modernization Program
 - City Council Resolutions
- OLG Process
 - Current Status
 - Anticipated Next Steps
- Public Input Opportunity
- Conclusion

Purpose of Meeting

- Enhance community dialogue
 - Premier's commitment
 - Requirement for OLG Business Plan
- Presentation provides public update on OLG process
 - Including outline of current status
- Open House and web provide opportunity for public input

Background – Gaming in CGS

- Three existing facilities

- Two Charitable Bingo Facilities

- Valley Bingo and Bingo One
 - Operated by Boardwalk Gaming
 - Support Local Charities

- Slots at Sudbury Downs

- Operated by OLG
 - Revenues are divided between OLG, Facility, Horsemen and City
 - Approx \$27.5 million to municipality since opening

Background – OLG Modernization

- In 2010, Ontario Government directed OLG to undertake Strategic Business Review
- Results indicated opportunity for change
 - Ontario behind other provinces in gaming revenue
 - Canadian average is \$220 per capita
 - Alberta is \$463 per capita
 - Ontario is \$149 per capita
 - Changing demographics, advancing technology and changing shopping patterns other factors

Background – OLG Modernization

- Program announced on March 12, 2012
 - Joint announcement with Minister of Finance
 - Identified three key strategies for success
 - Become more customer-focused
 - Expand private sector delivery of gaming
 - Renew OLG's oversight role
 - Applies to Casinos, Lotteries, Charitable Gaming and Internet Gaming
 - Focus today is on Casino opportunity
- End of Slots at Racetracks Program

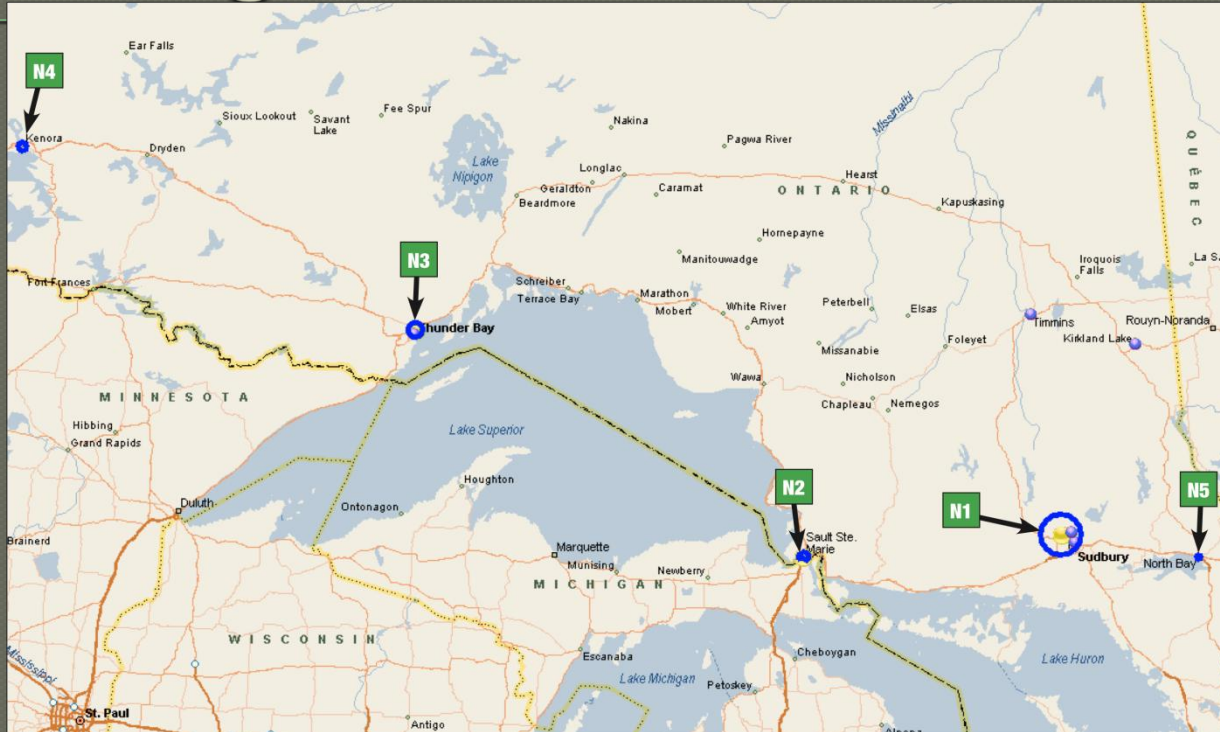
City Council Resolution #1

- On May 15, 2012, CGS Council passed the following resolution:
 - CC2012-166 Matichuk/Berthiaume: WHEREAS the Provincial Government intends to sever the agreement between Ontario Lottery and Gaming (OLG) and racetracks as of March 31, 2013;
 - AND WHEREAS the 5% revenue received by the host community must be preserved, or enhanced as it contributes to the community's general revenue fund, helping to reduce taxes and provide essential community services;
 - AND WHEREAS the implementation of the OLG Report Modernizing Lottery and Gaming in Ontario will impact municipalities and the future of gaming;
 - THEREFORE BE IT RESOLVED THAT the City of Greater Sudbury will continue to support gaming as approved by Council and will continue to be a willing host for gaming as it evolves;

Background – OLG RFI

- OLG Request for Information (RFI)
 - Released on May 17, closed on July 4, 2012
 - Identified 29 gaming zones across Ontario
 - Requested detailed information from industry
 - Interest in operating casinos and in which zones
 - Feedback on:
 - Zone structure
 - Number of slots and tables
 - Operating agreement and fee arrangements
 - Sudbury identified as one of five zones in Northern Ontario

Background – N Ontario Zones



- Sudbury, Sault Ste Marie and Thunder Bay
 - Up to 600 slot machines + tables
- North Bay and Kenora
 - Up to 300 slot machines + tables

Background – OLG RFI

- Request For Information closed on July 4
 - OLG continued to meet with proponents through summer
- OLG also asked for better understanding of position of host municipalities
 - To inform development of RFP and to share with potential bidders
- Premier McGuinty has made a commitment to public input in the process
 - No prescribed format has been outlined

Council Resolution # 2

- On August 14, 2012, Council passed the following resolution:
 - CC2012-265 Dupuis/Kilgour: THAT the City of Greater Sudbury adopt the following principles as the municipality's position on potential casino development:
 - The City of Greater Sudbury welcomes the results of OLG's Gaming Modernization Initiative and commits to working with the successful proponent of the forthcoming Request for Proposals;
 - The City of Greater Sudbury encourages gaming facility investment proponents to maximize benefits to the community by identifying and developing opportunities for ancillary and complementary amenities as part of their proposal;
 - The City of Greater Sudbury may consider the sale of municipal property for a gaming facility based on the proponent's commitment to develop ancillary and complementary amenities which benefit the Greater Sudbury community;



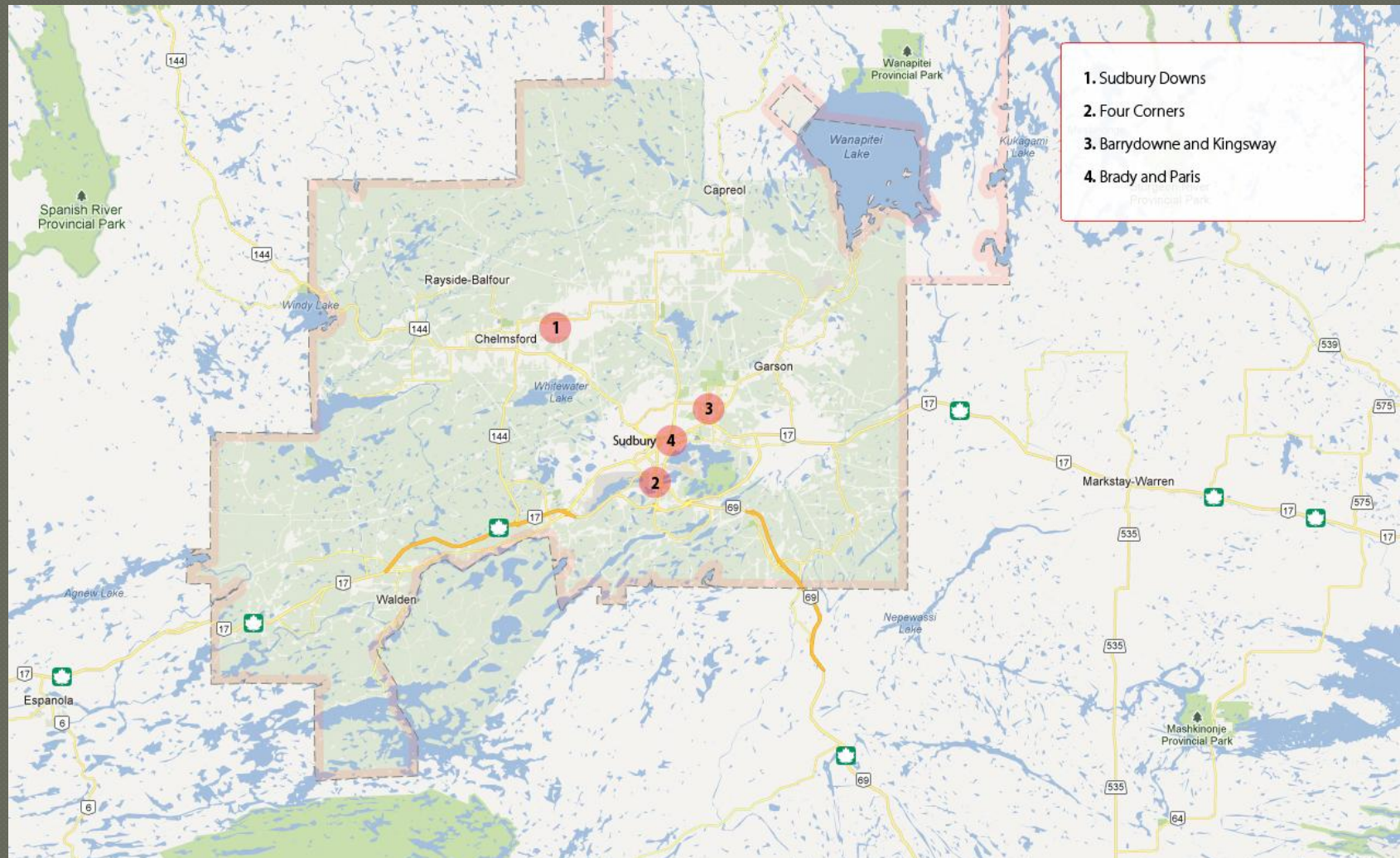
Council Resolution # 2

- FURTHER THAT staff be directed to convey this information to OLG for their information and use as part of the Request for Proposal for the Sudbury Gaming Zone;
- AND FINALLY THAT staff be directed to initiate an open house information session to seek public input on casino development in the four areas identified in the report dated August 2, 2012 from the General Manager of Growth & Development.

Current Status

- Staff have been in contact with more than 15 companies regarding casino opportunity
 - Mix of operators, landowners and developers
 - Most interest expressed in four general areas within city
 - Existing Sudbury Downs location
 - Four Corners
 - Kingsway East
 - Downtown Sudbury

Areas of Current Interest



Public Input Opportunity

- ◉ Open House
 - Also online until October 24
- ◉ Opportunity for public to express their views on future casino, including:
 - Preference for particular area of Greater Sudbury
 - Concerns regarding specific areas
 - Vision for what a casino project should include in terms of ancillary amenities
- ◉ Take time to work through the stations in the Foyer

Next Steps

- City will collate information to share with OLG and proponents
 - Will include summary of public input and locational analysis for all four areas
 - Traffic counts
 - Population densities
 - Demographic and income profiles
 - Proximity to hotels and restaurants
 - General information generic on each area, not specific to individual properties

Next Steps

- OLG to issue RFPQ
 - Request for Pre-Qualifications
 - Late Fall 2012
 - Will determine which operators are eligible to bid in each zone

- OLG will follow with RFP
 - Request for Proposals
 - Early 2013
 - Expect detailed discussions with selected proponents

Conclusion

- Opportunity to provide public input
 - Open tonight and online until October 24, 2012
 - All information and questionnaires on city website
 - **www.greatersudbury.ca**

- Complete information on OLG Modernization Program
 - **www.modernolg.ca**