

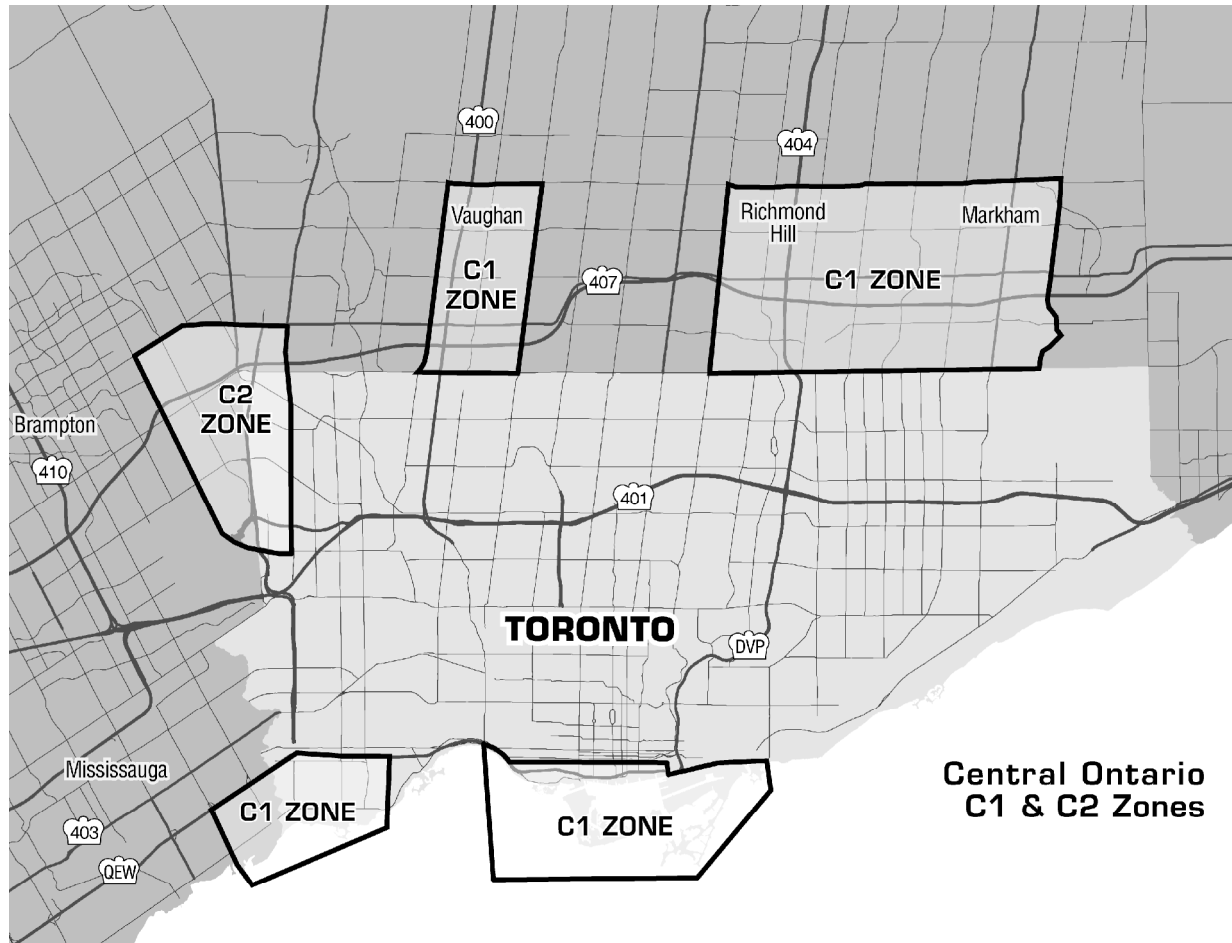
New Casino and Convention Development in Toronto

City Manager Report to
Executive Committee

Outline

- OLG plan for the GTA
- Recommendations
- Key criteria and conditions
- Public consultation
- Council decision and approval process

OLG PLAN FOR THE GTA



Recommendations

C1. City Council to decide on one of two options with respect to a new casino development in downtown Toronto

- a) Provide conditional consent to establish a new casino - pass the required resolution for a new casino in the Toronto OLG C1 zone within the Exhibition Place or downtown core study areas, subject to the OLG and proponent meeting City conditions

Or

- b) Do not provide consent to establish a new casino

C2. City Council support an expansion of the gaming site in the OLG C2 zone at the existing Woodbine site subject to the OLG and proponent meeting City conditions

Key Criteria and Conditions

- Advance Economic Development Strategy by linking a new casino with expanded convention space
- Utilize City Planning criteria and approvals on location and design
- Mitigate potential negative social/public health impacts through “social contract” programs
- Hosting fee on new gaming revenue equal to that received by the Province of Ontario

OLG Estimates and Staff Analysis

OLG Estimates for C1 Based on RFI		Staff Analysis of C1 and C2		
C1 (Up to)		C1 (Up to)		C2 (Up to)
Location		Downtown Core	Exhibition Place	Woodbine
Casino Floor	150,000 -250,000 ft ²	175,000 ft ²		80,000 ft ²
Casino Related Other (Food, Beverage, Retail)		100,000 ft ²		450,000 ft ²
Total Other (Food, Beverage, Retail)	850,000 ft ²	Request market response		
Hotel	1,200 rooms	800 rooms	800 rooms	800 rooms
Entertainment	6,000 seats	Impact assessment /event management plan		N/A
Convention & Trade Show Space Total	1,000,0000 ft ²	=1,048,000 ft ²	313,000 ft ² (total - 1,048,000 ft ²)	170,000 ft ²
Casino Parking		2,035 spaces	2,850 spaces	1,555 spaces
Total Parking	6,000 spaces	2,950 spaces	3,375 spaces	4,215 spaces

Economic Impact of Casino and Convention Development

OLG Zone		C1 (Up to)		C2 (Expansion) (Up to)
	Location	Downtown Core	Exhibition Place	Woodbine
Construction	Average Annual Income (FTE)	\$60,000	\$60,000	\$60,000
	Value	\$2.3 billion	\$2.0 billion	\$1.3 billion
Operations (Gross) (Includes casino, convention, hotel, casino-related retail)	Gaming Revenue	\$1.2 billion	\$1.2 billion	\$0.3 billion
	Non-Gaming Revenue	\$0.2 billion	\$0.2 billion	\$0.4 billion
	Total Revenue	\$1.4 billion	\$1.4 billion	\$0.7 billion
	Direct, Indirect and Induced Jobs (FTE)	10,200	10,200	4,855
	Average Annual Income (FTE)	\$45,000	\$45,000	\$45,000
	GDP	\$1.2 billion	\$1.2 billion	\$0.4 billion

Total Net Jobs and GDP

Integrated Entertainment Complex	Construction (3 year Period)		Operations (Annual Ongoing)	
	Total Net FTEs	GDP	Total Net FTEs	GDP
C1: Downtown (Downtown Core or Exhibition Place)	6,200 -7,000	\$1.54-1.75 billion	10,070*	\$0.94 billion
C2: Woodbine	4,000	\$1 billion	1,600	\$0.16 billion
Total	10,200 - 11,000	\$2.54 - \$2.75 billion	11,670	\$1.1 billion

City Planning Criteria and Approvals

- Casino form and profile should be consistent with an urban entertainment complex and appropriately sized
- Smaller casino size would make transportation and infrastructure impacts more manageable, and would assist in improving the “fit” within Toronto’s downtown
- A casino must leverage convention space
- Limit casino related food, beverage and retail to mitigate impacts on existing business
- Transportation approach must be transit focussed.
- Downtown core and Exhibition Place study areas are suitable locations within the C1 zone
- Any new casino development must comply with the City’s planning approval process

Mitigating Potential Social and Public Health Impacts

The report recommends the OLG and selected operators work with the City to implement a Toronto Casino Social Contract.

There are four areas of focus:

- Harm mitigation strategies to address negative societal impacts
- Social procurement opportunities in the development and operation of a casino, and related facilities (i.e. convention centre, hotel, etc.),
- City and community use of space agreements for appropriate uses (i.e. local arts, culture, etc.).
- Measuring and monitoring systems to independently assess Social Contract implementation and effectiveness

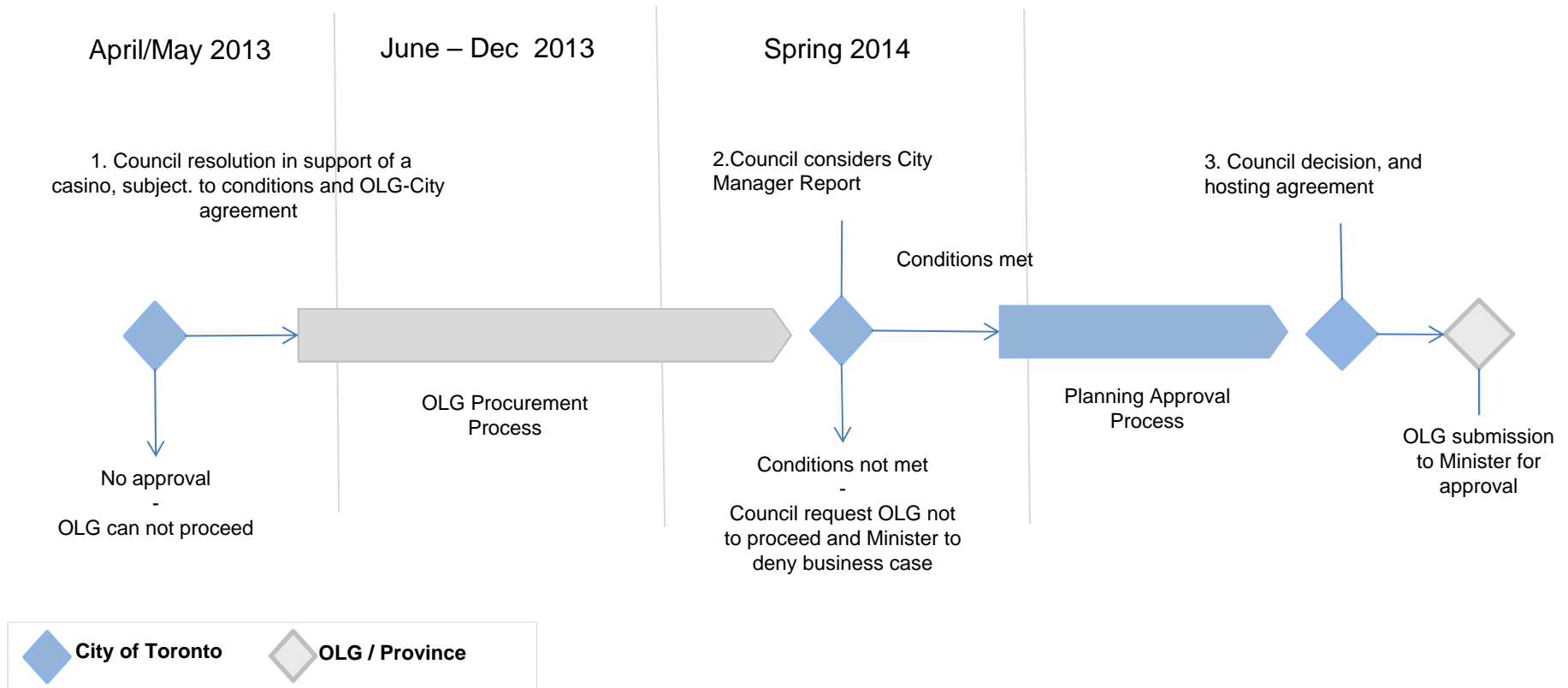
Hosting Fee Summary

	Proposed City Revenue Share	Total Estimated Annual City Revenue	Average City Share of Est. Total Gaming Revenue	Annual Minimum	Escalation to Minimum Requested
C1	Equal share of government gaming-related revenues	Up to \$148 M	12.0%	\$100 M	Yes - CPI
C2 expansion at Woodbine	Sum of (a) an equal share of incremental government gaming revenues; and (b)\$15M	Up to \$47 M	5.4%	No	N/A
C2 status quo	Standard Municipal Contribution Agreement	\$15 M	2.5%	No	N/A

Public Consultation Summary

	Environics Poll	Feedback Form
Views on a Casino	<ul style="list-style-type: none"> • 50% opposed to a new casino • 42% support a new casino • 8% not sure/mixed feelings 	<ul style="list-style-type: none"> • 71.3% opposed to a new casino • 25.7% support a new casino • 3% not sure/mixed feelings
C1 Zone: Location	Preferred locations for a casino in C1: <ul style="list-style-type: none"> • Exhibition Place (36%) • Port Lands (20%) • Downtown Core (9%) 	Highly suitable for an IEC: <ul style="list-style-type: none"> • Exhibition Place (18.1%) • Downtown Core (16.2%) • Port Lands (13.2%)
C2 Zone: Woodbine	Support for expanding gaming at Woodbine: <ul style="list-style-type: none"> • 55% support • 33% oppose • 11% don't know/mixed feelings 	Suitability of expanded gaming at Woodbine: <ul style="list-style-type: none"> • 35.8% suitable • 46% unsuitable • 18.2% neutral/mixed feelings

Council decision and approval process



Questions