



Metro Vancouver's South of the Fraser Region Expression of Interest Process

Q: Why did BCLC initiate an Expression of Interest process?

A: When we see an opportunity for an additional gambling facility in B.C., our first step is to talk to local governments within that region to determine their interest in hosting one.

BCLC respects the authority of local governments to choose whether they want a gambling facility in their community and will only consider pursuing development in communities where local governments indicate interest. The Expression of Interest process is intended to be a transparent, initial step – it does not constitute commitment on either BCLC or the local government's part to develop a facility.

Q: How did BCLC determine demand for an additional gaming facility in the South of the Fraser area?

A: BCLC routinely assesses markets in order to best meet the demands of our players and generate revenue that supports things like health care, education and community groups across B.C.

We have continued to monitor the market in the South of the Fraser region and our analysis shows an opportunity for an additional gambling facility there.

Q: How did BCLC select Delta as the preferred host local government?

A: On June 1, 2016, the City of Surrey, Corporation of Delta and Tsawwassen First Nation were asked to express their interest in hosting a potential gambling and entertainment facility. Local governments had until July 15, 2016 to submit their response as part of this Expression of Interest process.

The Corporation of Delta and Tsawwassen First Nation expressed interest; the City of Surrey declined.

Responses were evaluated as part of a process overseen by a third-party fairness monitor. The Corporation of Delta was selected due to its strong market potential, community plans and transportation access.

Q: What are the next steps?

A: In collaboration with our service provider, Gateway Casinos & Entertainment Ltd., BCLC will determine proposed location, size and scope details, which will form a gambling facility proposal for consideration by the Corporation of Delta.





Q: How was Gateway selected as the Service Provider?

A: The potential gambling facility in Delta would be a relocation of Surrey's Newton Community Gaming Centre, which would be expanded to include more gambling and entertainment options. Gateway Casinos, the private-sector service provider of the Newton Community Gaming Centre, would own or lease the potential gambling facility in Delta on BCLC's behalf, and operate it on a day-to-day basis.

Q: Will an additional gambling facility impact existing facilities?

A: The South of the Fraser region currently has the fastest growing population in the Metro Vancouver area and our analysis indicates there is opportunity to provide greater gambling entertainment and amenity options that would still maintain a healthy gaming marketplace.

Q: Where can I find the market analysis report for the South of the Fraser region?

A: The full market analysis report contains competitive information and could provide an unfair advantage in a competitive process, including harming the operations of our private-sector service providers. Consistent with Freedom of Information legislation related to competitive information, we cannot release this analysis.

Q: Where does BCLC want to put another facility?

A: We're not at that part in the process, just yet. In collaboration with our service provider, Gateway Casinos, BCLC will determine proposed location, size and scope details, which will form a gambling facility proposal for consideration by the Corporation of Delta.

Q: What type of gambling facility does BCLC want to build?

A: BCLC and Gateway Casinos will work together to identify potential locations, as well as size and scope details of a proposed gambling and entertainment facility. Our proposal will reflect our vision to provide exceptional entertainment for adults, and will include amenities and games that the community wants to see.

Q: How much revenue would the facility expect to generate?

A: Our analysis shows that a new facility could generate between \$25 million to \$50 million in revenue; this would result in an annual Host Local Government payment of approximately \$1.5 million to \$3.0 million. A Host Local Government of a gaming facility receives 10 per cent of the net gaming income that the facility earns. Local governments use the revenue in different ways – to learn more <u>click here</u>.





Q: Will BCLC consult with the community?

A: Yes. When a proposal for a gaming facility is made we are committed to hearing from and considering feedback from the community. In addition, the Corporation of Delta must seek and consider input from the community before making a final decision on a facility proposal.

Ultimately, Delta has the final say as to whether it will approve a gambling facility proposal.

Q: How will BCLC handle security in the gaming facility?

A: The safety of customers and staff is a priority at all B.C. gaming facilities. Sophisticated surveillance systems monitor activity in and around facilities and are supported by security staff throughout the venue. If suspicious activity is observed, staff will contact local police to assist.

BCLC is required to report certain transactions to Canada's Financial Transactions and Reporting Analysis Centre. FINTRAC uses these reports to identify patterns and gather evidence of potential money laundering. Most large cash transactions in B.C. occur in the financial sector (97%). Less than 2% of large cash transactions occur in casinos.

To further strengthen BCLC's commitment to safety and security, we have established informationsharing agreements with police. This allows us to refuse entry to people with known links to criminal organizations, who pose a threat to public safety, or who are involved in criminal conduct likely to generate proceeds of crime.