

City of Kenora
Minutes
Of a Special Committee of the Whole of Council
September 18, 2012
7:00 p.m.
Kenora Recreation Centre – Rotary Room
18 Mike Richards Way

Present:

**Mayor D. Canfield, Councillor C. Drinkwalter, Councillor R. McMillan,
Councillor L. Roussin, Councillor S. Smith, Karen Brown, CAO, Heather
Kasprick, Deputy Clerk**

Regrets:

Councillor R. Lunny, Councillor R. McKay

A. Public Information Notices

N/A

B. Declaration of Pecuniary Interest & the General Nature thereof

1) On Today's Agenda

2) From a Meeting at which a Member was not in Attendance

None Declared.

1. Deputations from the Public on Proposed Casino Development:

Lake of the Woods Development Commission – Don Denver

On August 29, 2012, the Lake of the Woods Development Commission passed a resolution of support for the casino development in Kenora. The Lake of the Woods Development Commission was established by the City of Kenora in 2007 to implement the City of Kenora's Economic Development Plan. The Commission oversees economic development in the following areas: Business Development & Attraction, Tourism & Special Events, Education & Training, Economic Infrastructure and First Nation relationships. The Commission board is made up of local business and community members. Kenora's Economic Development Plan outlines Kenora's transition from a pulp and paper mill town to a destination and lifestyle community – a destination for business, visitors and new residents. The Economic Development Plan has three goals: Job creation; increased assessment and population growth. It is the Commission's mandate to support projects which will accomplish these goals. There has been some concern that a casino project is not a fit with North America's premier boating destination and connection to Lake of the Woods. Successful destination communities focus on one main element of their destination to attract visitors Kenora is a natural attraction. Lake of the Woods makes us a world class destination for local residents, for visitors, and for summer residents and business. We will continue to sell Kenora as the connection to Lake of the Woods and all that it has to offer year round. The Tourism Strategy describes Kenora's need for more year round tourism product. Simply stated, we need more things for people to see and do when they get here, particularly in the shoulder seasons. The Commission believes that the addition of the Casino project to Kenora's product mix will simply provide one

more thing for people to see and do. The casino project is just one more business in the community providing entertainment alternatives for local residents and visitors. There are two proponents interested in Kenora as a destination resort casino location.

The Lake of the Woods Development Commission supports the casino project development for the following reasons: Tourism: It provides the community with a resort type casino development and community members and visitors with one more year round activity; Investment: The Commission has business investors interested in making a \$20 Million business investment in our community. Are we open for business? If we say no, what message are we sending to other businesses?

Jobs: 80 direct jobs, with an annual payroll of \$1.5 M; Local Business Benefit: \$350,000 in purchased local goods and services; Assessment: \$100,000 in tax revenues. Revenue: \$500,000 per year-each and every year. Imagine the benefits to the community! Charitable Sponsorships: \$13,000 per year in charitable sponsorships. Other factors considered are the fact that Ontario is currently a world leader in responsible gambling with one of the best gaming programs in place, and the OPP have stated that casinos do not increase the crime rate nor policing costs to the host municipality. It is the Commission's recommendation that the City of Kenora agree to work with the successful casino resort owners to ensure that the project fits with the community's needs, vision and direction. The City of Kenora has a suite of excellent planning tools to ensure that the project works for the business owners and, more importantly, for the community.

Council thanked Mr. Denver for his deputation and a copy was left with the Clerk.

Knox United Church – Jan Lindstrom

Jan introduced herself as the Chair of the Leadership Team at the Knox United Church. The United Church of Canada has a long history of concern about gambling. Their denomination has consistently spoken out against the expansion of gambling as a source of funding for city and provincial developments. They believe that gambling exploits the vulnerable, feeds addictive behaviours, reinforces a vision of society made of winners and losers and increases economic inequality. Their denomination analyzes gambling as an issue of social responsibility. Ms. Lindstrom noted that as people of Christian faith, they are called to be concerned about the most vulnerable and to oppose any action that would place these people at further risk. For this reason, they do not support the establishment of a casino in the City of Kenora, a city with many vulnerable citizens. They want to ensure Council is aware that the outcome of building a casino would be an increase in necessary counselling and policing services, which in their view does not speak to progress in their City. In conclusion, they wanted to state that as a church they act to uphold the wellbeing of individuals, families and our community, and ask City Council to focus on the development of Kenora as a place of natural beauty with healthy lifestyle opportunities for citizens and tourists alike. She expressed that they want to live in a city known as Kenora, a safe and healthy community – and not Kenora, the casino town.

Council thanked Ms. Lindstrom for her deputation and a copy was left with the Clerk.

Wauzhushk Onigum First Nation – Eric Luke

The Ontario Government has made a commitment to modernizing land based gaming in communities in Ontario. This will be done through expanding gaming to 29 facilities including Zone N4 Kenora/Wauzhushk Onigum First Nation. The sole purpose of an expanded Golden Eagle Casino is to be a major economic development tool resulting in employment and wealth creation for Wauzhushk Onigum Nation (WON), the City of Kenora and the surrounding communities. WON is seeking the support of Mayor and Council for a casino development by passing a resolution supporting a casino within the municipality of the City of Kenora. The Golden Eagle Charitable Casino and Entertainment Centre was established by Wauzhushk Onigum Nation in 1993 under a unique gaming agreement. WON is seeking to redevelop the Golden Eagle to enable a more effective, vibrant contribution to the economy and tourism industry of the Kenora region. This has been an ongoing 18 year effort. The Ontario Government requested WON submit a plan that would fulfill requirements for regulatory compliance including securing an acceptable operator. The OLG has now designated Kenora/WON as an area that may host a newly licensed casino development. The Canadian gaming industry has grown over 100% from 1995 to 2012. There are 6 casinos within a 500 km radius none closer than 200 km including the McPhillips Street Station Casino, Winnipeg, Club Regent Casino, Winnipeg, South Beach Casino and Resort, Winnipeg, Seven Clans, Warroad, Seven Clans, Red Lake, MN, and Thunder Bay Charity. Patrons to the WON casino would be drawn from local area residents with an adult population of 51,451 in the Kenora district; seasonal residents of 14,088 adults from May to September and tourists of approximately one million adults who visit the Kenora region annually. Based on the potential market area and visitation, the Casino is estimated to generate \$29 million annually by year five.

The redeveloped Golden Eagle will be a new 20,000 square foot facility with 300 EGDs and table and table games with an 80 seat restaurant and 48 seat lounge. Future development by phase to a full destination resort complex is anticipated. The present site overlooks the pristine beauty of Lake of the Woods, adjacent to Devil's Gap Marina. If chosen, a link to City water & sewer will provide cost recovery and efficiency. WON has partnered with a reputable gaming operator with high level of expertise in First Nations Gaming in Canada and the US, eligible for licensing in Ontario. The operator will be responsible for pre/post opening management services like design, build-out, training, marketing initiatives and ongoing operations. The OLG would oversee conduct and gaming management systems funded by a formula yet to be defined. The Golden Eagle will ensure strict compliance with all regulatory standards. Gaming operator compliance with Ontario regulations will be actively monitored through strict governance protocols of the Alcohol and Gaming Commission of Ontario. Security and surveillance supported by internal resources, and on site OPP. Golden Eagle will work collaboratively with the Responsible Gaming Council of Ontario, community professionals, addictions groups, and OLG-RG to develop and implement a premium responsible gaming program. The Golden Eagle will employ approximately 120 full time equivalent positions. Training and development will prepare new employees, develop job specific skills, and provide transferable employment skills. Recruiting will seek to attract from WON, other Treaty Three communities and the City of Kenora and surrounding communities. The financial plan is for a capital investment for construction and development of \$23.8 million (phase 1). Financing through \$5.9 million long-term debt from bank(s); \$17.9 million through sub-debt. WON and its partners will bear the liability for all debt. There is no financial liability on

Ontario or the City of Kenora. Financing has been secured. It is anticipated that in 10 years over \$27 million in profits will be reinvested in economic, social and infrastructure development. It is estimated that \$3.5 - \$4.2 million in payroll annually and \$4.5 million in goods and services annually and they will become a driver of year round tourism and economic activity. Economic benefits to the area include sustainable employment, infrastructure to enable further economic development and improved economic security and employability for both First Nations and non-First Nations community members.

A resolution was passed on Tuesday, June 26, 2012 indicating support for the Golden Eagle Casino project of the Anishinabe of Wauzhushk Onigum.

The next steps in the process for WON would be a resolution of approval by the Mayor and Council to allow a casino to be built within the municipal boundaries of Kenora. Approval has been obtained to construct a casino on WON lands and they have secured a prestigious operator and funds for construction and staffing. Approval would also have to be received by the OLG of Ontario for development and construction for 2014.

Council thanked Mr. Luke for his deputation and a copy was left with the Clerk.

Chamber of Commerce – Andy Scribilo

Mr. Andy Scribilo as the President of Kenora and District Chamber of Commerce spoke in support of not only allowing but encouraging a casino development in Zone N4 defined as City of Kenora and a portion of the lands of Wauzhushk Onigum Nation in the recent Ontario Lottery and Gaming Corporation's Modernizing Land-based Gaming in Ontario Strategy.

Mr. Scribilo expressed that he didn't feel he needed to tell the community of the cataclysmic effects of the downturn in Kenora's economy that started with continual decline of job positions and culminated when we totally lost the city's single largest employer. Since that impact, it has been further aggravated by the shuttering of another of our large industrial employers, the significant downsizing of another and recently yet another closure, this time in retail, resulting in the loss of 50 more jobs. Economic downturn has been staring us in the face and we've seen evidence of it everywhere. We are coming back - bigger and better! As a result of the efforts of Lake of the Woods Development Commission and Municipal Councils and Staff and the benefit of "couldn't have been better" well-timed senior level government development programs, much has happened in our community. A "Recovery Strategy" was proposed, a staged plan developed, and an implementation strategy put in place with a view to assessing what the future holds for Kenora. Really, predicting the future should be was fairly simple and fundamental. The answer has been staring our community in the face for many years. We've lost a huge component of our industrial base. Senior government changes were eroding our institutional base and the age curve has affected our labour base and small businesses were having to close. But the one factor that has been a constant throughout all of this has been the tourism base and its potential. We are realizing what tourism means to our economy and could mean to the future of Kenora. When the process rolled out, as a community we realized we had a number of issues to deal with and in fact still do. But what surfaced is that a "pretty place" doesn't cut it

anymore in today's tourism world although it helps. We no longer deal with the "hook and bullet" or fishing and hunting crowds of the past, but rather young people looking for adventures in new places, seniors and indeed families. To satisfy the needs of these groups we needed to develop "see and do infrastructure" things for them to see and activities for them to do while visiting Kenora or living here seasonally.

To date, crumbling and disintegrating one hundred year old infrastructure was able to be and continues to be replaced allowing for major downtown improvement in both functionality and appearance, the Harbourfront has been redeveloped and massive improvements including the Whitecap Pavilion and the new boardwalk and parking improvements (both implemented and proposed) have been made.

The City is rebranding with a definite image geared to attract people to our community and to give us an identity and as a community we are actually thinking about improvements to what we have as an economic stimulus. Until that mindset is prevalent, is the general rule of thinking, a community will never truly prosper in the tourism market. It is up to us as a community to keep changing to attract visitors here by giving them a reason to come, stay, and spend money here. We are indebted to the tenacity of our neighbors, Wauzhushk Onigum First Nation for continuing to invest time and effort in finally proving to Ontario that the Kenora area is a viable gaming market. Their role now has been relegated to that of just another proponent, but I want to thank them publicly for their persistence.

Mr. Scribilo expressed that this casino development is one of the best opportunities to come to Kenora in a very long time. It is more than just 100 plus jobs which will generate over two million dollars in annual payroll. Those staff people are not gamblers. They can't play in the facility by virtue of their employment there, thus the majority of salaries of those year-round, full time jobs will be spent in Kenora for groceries, clothes, housewares, vehicles, insurance and so on which will contribute in a big way to maintaining existing jobs at other businesses. We know for a fact that many local and regional residents are gamers and they go out of town or country to seek out the form of entertainment they enjoy including gambling. We know that if they had a choice many would rather not have to travel far or cross an international border to enjoy their passion. Would it not make better business sense to at least sustain local jobs on the money that those individuals are going to spend anyway? Additionally, by its inherent nature, a casino will attract people to come to and/or stay in our community. This will significantly contribute to increased hotel room sales, restaurant sales, retail shops and other business traffic. We are a tourism community. Any business growth is good growth but businesses which attract outsiders in are imperative to expansion and stabilization of our economy.

We have been told by Ontario that the expanded gaming strategy comes with increased support and funding for the problem gambling initiative and I believe we need to take them at their word and hold them accountable for that down the road.

Mr. Scribilo thanked Mayor and Council for this opportunity to present the views the Kenora and District Chamber of Commerce have on a casino development in Zone N4 City of Kenora and a portion of the lands of Wauzhushk Onigum First Nation. He concluded by informing Council that at their September 11, 2012 Board of Directors Meeting, the following resolution was passed unanimously by the Board:

Whereas the KDCC By-Laws Article 1 Section 4 states that "The objective of the Chamber shall be to promote and improve trade and commerce and the economic and social welfare of the District" and

Whereas the City of Kenora and a portion of the lands of Wauzhushk Onigum Nation (Kenora Indian Reserve 38B) have been named Zone N4 by the Ontario Lottery and Gaming Corp in their "Modernizing Land Based Gaming in Ontario" strategy as a potential casino development location and

Whereas the Board of Directors feel that the addition of over 100 well paying, year-round jobs is of sound economic benefit to Kenora and the District and

Whereas the Board of Directors feels that the addition of a multi-million dollar casino operation to Kenora will play a significant role in attracting new visitors to the area and will stimulate subsequent economic benefits to the area

Be it resolved that "The Kenora and District Chamber of Commerce strongly supports the establishment of a casino operation in Zone N4 in Kenora" and furthermore

Be it resolved that "The Kenora and District Chamber of Commerce urges the Mayor and Council of the City of Kenora to pass a resolution supporting the establishment of a casino operation within the municipal boundaries if so desired by the successful proponent for a casino in Zone N4 of the Ontario Lottery and Gaming Corporation's expected Request For Proposal process as part of OLG's "Modernizing Land Based Gaming in Ontario" strategy.

Council thanked Mr. Scribilo for his deputation and a copy was left with the Clerk.

Kenora Construction Association – Shelley McCool

Ms. McCool represented the Kenora Construction Association and read a statement from an email that she had with her: The Kenora Construction Association represents over 50 contractors and businesses working in the Kenora area and our mission is to serve and represent all sectors of the construction industry, and coordinate industry objectives and development. The Kenora Construction Association supports all new construction development in our area that increases our tax base and provides extra employment.

Council thanked Ms. McCool for her deputation and a copy will be emailed to the Clerk.

Ministerial Association – Frank Kowall

Mr. Kowall represented the Lake of the Woods Christian Ministerial Association which represents a substantial number of residents in our community. He expressed that they are fundamentally opposed to the prospect of having a casino established in the Kenora area.

They appreciate the ongoing efforts of our businesses, local government and individuals who are bringing new proposals and ideas to the table because they have a vision of a prosperous and vibrant community. Because of this, Kenora is in the process of rebranding itself as a boating destination with the beautiful Lake of the Woods as our draw. This is the type of endeavour they fully support. The question to

their group is what will be the true cost of generating tax revenue, jobs, etc from an activity that is known to be detrimental to healthy communities. After the excitements of a new casino is over, and operations run month after month and year after year we will be left with the social by-products that casinos naturally generate. Their concern is what price will our vulnerable citizens and our children have to pay? The social services in our community are already overburdened with huge demands. Our food banks are struggling to meet the ongoing need, some of which is caused by those who spent too much grocery money at the local bingo halls. Many of our families will not send their children to school on certain days because they have no lunch to send with them. Some families go for months having the electricity or gas shutoff. We have all hear tragic stories of broken lives caused from addictions to gambling. Those who provide social services in the community whether in Kenora or our local First Nations are constantly being petitioned by those seeking help with such things. Unlicensed gambling is illegal because it primarily exploits the weaknesses of human nature. The addictive rush of adrenalin when you win, the power of greed, and the impulsive spending of whatever money is at hand is a serious issue.

Too often the recreational trip to a casino or bingo hall ends up with remorse and real consequences to those who got caught up in a moment. Historically some churches have operated bingo halls, however, to their knowledge each one has backed away from this type of fundraising. Licensing gambling establishments does not change the primary effects of their activities. A license cannot redeem or change the very nature of this exploitation of human weakness which leaves in its wake scores of broken families and lives. This is well known to those who are left to pick up the pieces of those shattered lives.

Mr. Kowall asked Mayor and Council to consider all the true costs to the citizens they are representing.

Council thanked Mr. Kowall for his deputation and a copy was left with the Clerk.

Ruth Maluish

Ms. Maluish noted that the OLG wants more money. Their casino revenues have decreased, the number of lottery players has declined and the OLG is now faced with problem gambler lawsuits. A potential \$3.5 billion class action lawsuit on behalf of more than 11,000 problem gamblers who self-excluded themselves, still were able to get by casino security and continue to feed their habit. The OLG settled 9 lawsuits with an average payout of \$167,000. Private casino operators will most likely take on the liability of any future lawsuits and even though they will argue that they did their best in keeping problem gamblers out, and that as private operators should not be held responsible as a government operated casino should be, they probably will be held liable because of the previous payout by OLG. With all their financial and legal problems it is no wonder OLG wants to privatize but their quest to find private operators is not going well.

Ms. Mulash expressed that she is not in favour of a casino for a variety of reasons. She sees no economic benefit for the downtown business community. Money spent at the casino is less money spent downtown. With a year-round population of 15,000 for nine months of the year, what happens to the casino staff after the three month tourist season is over? Layoffs September 1st and the reliance of tourism dollars may

not materialize as expected. Any financial gain would be dwarfed by soaring social and municipal policing costs. Winnipeg is a 2 hour drive to Kenora and the criminal activity there may very well migrate to Kenora. There is a real possibility of addiction. The Canadian Public Health Association indicates problem gamblers have a higher risk of substance abuse, criminal behaviour, suicide and marital break down and that children of a problem gambler have behavioural or adjustment problems related to school, drug or alcohol abuse, running away and arrest. Further, a study by the Alberta Alcohol and Drug Abuse Commission found most problem gamblers financed their gambling through household money and two-thirds used credit cards and one third passed bad cheques to get gambling money. There are many studies being conducted on the adverse effects of gambling. Most casino players do not become addicted by others are regular gamblers who spend thousands of dollars a year.

Ms. Mulash noted she wants our City to be promoted for its natural beauty, for the beautiful Lake of the Woods, the boating capital of Canada and for the wonderful nature trails to explore. Why tarnish this gem? More tourists are looking for family orientated vacations where there are fun things to do outdoors. Provincial and private campgrounds are filled to capacity and overflowing with tents and trailers and all have long waiting lists.

Ms. Mulash feels that Council is not facing a difficult choice in deciding whether or not to approve the casino application as there are very few number of people who would potentially profit from it.

Council thanked Ms. Maluish for her deputation and a copy was left with the Clerk.

Dennis Wallace

Mr. Wallace referred to his letter that was sent to Council in advance of the meeting:

I write to you pursuant to the Ontario Lotteries Group (OLG) process for considering private sector submissions to establish a casino in Zone N4 "Kenora".

My concern is that the process for the community meetings and meeting dates of September 10th and 17th is a bit like the cart before the proverbial horse. From the OLG website that contains the gaming application form for private sector applicants, "OLG Request for Information", I discovered that proposed casino project applicants cannot speak about their proposals until the OLG review of these proposals is complete. OLG has not finished its due diligence on any submissions thus there is no identified option to consider. This is several months away, well after the Kenora City Council must signal its support, or not, for the idea of a gaming facility in Zone N4.

A community consultation process, therefore, is speculative at best until OLG shares the selected casino proposal – if one is selected for Kenora.

Kenora and communities adjacent to Zone 4, in a way, have won the lottery because there could be a huge economic benefit equivalent to what would have been in a pulp and paper mill, for example. The problem is that City Council must address public opinion under a fog of confidentiality around a potential gaming activity that could anchor a significant resort destination. We need to support them in making a positive decision to await consideration of a private sector gaming proposal in the New Year.

At stake, in my view, is the potential for a business proposal that envisions a high quality tourist destination resort hotel with top drawer entertainment, a conference facility and a casino that would be the economic equivalent of a large "smoke stack" industry choosing to locate in Kenora. It could revitalize Kenora's economy, add significantly to Kenora's tax base and be an anchor for the growing tourism market. It would truly help to diversify our economy.

There will not be a "smoke stack" business possibility for the foreseeable future. The world has changed.

Considering the opportunity, a resort destination hotel, as described above, likely would provide over 300 jobs, about the same number that were present at the time the Abitibi mill closed in 2006. It would yield gaming royalties to the City of, perhaps, a million dollars annually – and more. First Nations would also receive a share through their agreement with the Province of Ontario. Property taxes from the facility would be at the level of the Abitibi mill when it was functioning and, possibly, more. Generally, such facilities spend a million dollars every year on marketing. This would triple Kenora's tourism marketing budget. Three hundred or so new jobs would be a huge boost to the economy and, again, meet the City's second economic development objective of increasing tax assessments.

A resort hotel of the nature described above would probably represent 10% or more of the City's tax revenues. Imagine what this would do to your tax bill or downtown revitalization or community parks, beaches and trails. It boggles the mind.

Three hundred or so new jobs would be a huge boost to the economy. Kenora, area First Nations and adjacent municipalities would all benefit. It would attract more doctors, dentists, teachers, skilled trades, new businesses and other services to Kenora. Three hundred new jobs cause a significant multiplier effect.

Visitors to a destination resort hotel and casino would search out restaurants and retail businesses in Kenora. They would seek other things to do. Consider that Las Vegas is as much, or more, an entertainment destination and conference centre as it is a gaming city. Sites such as the Hoover Dam and Grand Canyon, within 500 kilometres of Las Vegas, rely on this city to bring visitors nearby. This is what Kenora needs and we have Lake of the Woods as a capstone to a tourist visit.

With the opening of the Human Rights Museum in Winnipeg there will be thousands of international visitors coming to the City to visit and experience the museum. Once they have finished their museum visit and tour of Winnipeg, then what? They will seek out experiences in the region outside of the City. Quality accommodation, entertainment, good food and things to do will be top of mind. Kenora can offer access to one of the worlds' most beautiful lakes, fishing, kayaking, boating and exploring. International visitors will come to Kenora in droves if they have the right place to stay, be entertained, fed well and see Lake of the Woods.

As Kenora increases its tourism product quality and marketing, there will be new visitors from Manitoba, farther west and the Northern United States. Europe is not beyond the realm of possibility either. An anchor resort hotel is essential. Gaming in

such a facility will not be filled with locals so much as it will be visitors attracted by good marketing about what we have to offer.

There is the prospect of a booming conference business if Kenora has a suitable facility able to accommodate several hundred delegates. A resort hotel with a conference centre would benefit every hotel in the area. Overflow accommodation should be a constant. It would fill restaurants. Retailers would be busy. Wholesale service providers would gain significant business.

The experience of Brantford, Ontario is worth exploring. It reluctantly accepted a casino in its City several years ago. City Council acknowledges that the City has gained over \$50 million in tax revenues, it credits the casino with creating the fiscal circumstance to attract a university campus to its downtown and, generally, it has been a positive, transformative force. The Mayor of Brantford wishes that he had acted earlier.

What worries me about the present City Council-OLG consultative process is that citizens, First Nations and area residents do not know what is contained in proposals being developed for the Zone 4 "Kenora" region.

City councillors are forced to speculate about issues when they ought to be awaiting a solid private sector proposal brought forward by OLG once it has completed its due diligence. The job of government, in attracting investment, is to provide certainty; clear rules that do not change, good support, economic infrastructure such as sewer and water and help in finding training and other needs for a prospective investor. We cannot drive away investment via unhelpful comments that are not based on fact. Further, we generate fear about gaming when, with the right proposal, there would be no substance.

Additional gaming in Kenora is a concern but the Province of Ontario and the OLG are one of the most proactive forces in North America in mitigating the effects of gaming. Let's see what they can do.

We should keep in mind that gaming has pervaded our community for generations. Whether it was the slightly illegal Irish Sweepstakes tickets in the 1950's, church bingos, wheels of fortune at community festivals, strip tickets, lottery tickets, bus tours to U.S. and Manitoba casinos, etc., gaming has been a constant. West Hawk Lake and Falcon Lake have VLT's available less than an hour away – and they do not offer other services or market for well to do visitors from a distance.

Kenora City Council and citizens need to watch for the quality of the proposal from the private sector for a resort hotel, entertainment centre, conference facility and casino. We may find that the casino is less the core of the business plan than it is a revenue base to help sustain a large tourism complex through off season periods. A quality facility will draw far fewer people who cannot afford to gamble.

I worry about a proposal that would resemble the OLG casino in Thunder Bay. This we do not need. Downtown is not the place for a casino without all of the other services that could make the project special. It is this type of facility that could degrade a downtown core. Look at the Thunder Bay example. This is why OLG is

seeking a private sector approach. Past practices in some locations did not work. The new business model, in my opinion, will make a positive difference.

A reader can see from my observations that the current process for public consideration of gaming in Kenora is out of sequence. The cart is before the horse. I hope that we can all keep an open mind and wait for OLG to bring forward a solid business plan from investors who see Kenora as a place that can make a high quality resort destination work. If this is the case, we will be as well off as we would be with a "smoke stack" industry – if such an opportunity still exists in a changing economy. Further, the spinoff effect of a resort destination casino will be many jobs and improved economic conditions for families so they can have their children work in a place that they call home – Kenora and area.

Let's wait for what the OLG to bring forward the best proposal in the months to come. Do not turn away opportunity before the evidence is in.

Support City Council when they ask OLG to continue the process.

There will be time to evaluate the best proposal.

I think that we are very, very lucky to have the OLG select Kenora as a possible gaming centre.

It should be a windfall for the City.

Remember that this is a community that has survived and thrived after at least five economic upheavals in the past 120 years. The Abitibi mill is a memory.

With the right gaming proposal and other good investments underway, we will soon be on another economic uptick with a bright future.

Mr. Wallace concluded his comments by suggesting to Council that we don't reach for the bottom, we reach for the top. Set the bar high and look for the best. Don't stop the process now, let`s see what we get and keep Kenora open to options.

Council thanked Mr. Wallace for his deputation and a copy was emailed to the Clerk.

Bob Gordon

Mr. Gordon noted that he was not present as part of any group only a concerned citizen and property owner. He noted that his is not a big gambler but he does gamble occasionally for entertainment only and noted he has no illusions of ever winning the big one. He wanted to go on the record that he is in favour of a casino complex coming to Kenora but not a stand-alone casino like the one in Thunder Bay. He sees a hotel, restaurant, conference centre for the performing arts built at little or no cost to the City in a suitable location which is not in the downtown core. He noted that the people of our community have been crying for a number of years for a centre for performing arts and we have not been able to afford such a facility. This is the ideal opportunity to obtain this type of facility for our community.

Gambling has existed in one form or another for many decades and is enjoyed by many as a form of entertainment. Statistics show that 22% of Canadians purchase lottery tickets on a weekly basis. It is a given that there has always and will always be addiction problems related to gambling whether it be in a casino, online, or VLT`s. At the last public meeting the gambling addictions speaker advised that her department has a case load of 120 clients per year. This represents 0.7% of our current population. The OLG state that it is estimated the percentage of known gambling addiction clients in the province of Ontario is 1 to 2%. To compensate for this problem, the OLG has budgeted \$40 million for combating addiction problems in the province. There are many forms of addiction in today`s society. In Mr. Gordon`s 31 years of experience on the Ontario Provincial Police, he can state with some authority that alcohol addiction and drug addiction present the biggest and most disastrous effect on the lives of people from all walks of life. In spite of this, the Province does not remove the availability of alcohol to the populous although they do try to regulate it to some extent.

At the last public meeting on September 10, 2012 we heard an excellent factual presentation by Inspector David Lucas, Commander of the Kenora OPP. He stated that the proposed casino itself would be policed at no cost to the City of Kenora. To accommodate this a sergeant and 5 constables would be paid for by the OLG. Following the statistical part of his presentation, the Inspector stated that in his opinion after consulting with Police Chiefs and Mayors of other cities with casinos, that there would be no substantial or major increase in the cost of policing the areas outside the casino to the City or residents of Kenora.

Mr. Gordon noted that he understands that there are private sector companies waiting in the wings who if given the go ahead are prepared to build a casino complex which would include a hotel, a restaurant, and conference centre having 2 rooms each of which would accommodate approximately 400 people and with the capability of opening to accommodate approximately 800 people to become a centre for the performing arts.

In Kenora we have lost the paper mill and its broad tax base along with over 300 jobs. Since our meeting on September 10th the government has announced another 47 jobs lost in the North (Kenora and Thunder Bay). We will never have the paper mill rebuilt. However, we have a once in a lifetime opportunity to have a great addition to our city in the form of a casino complex. With such a complex, the city would realize many potential benefits such as: Kenora becoming a destination location; creating a substantial tax base; increase in property values; addition of 200-300 jobs during the construction phase; increase in permanent jobs estimated at 300-400 people; an opportunity for our young people to find work in Kenora rather than moving away; gaming royalties exceeding \$1 million to the City per year thereby giving the City the finances to further develop attractions for our tourists (ie: water park, nature trails, interpretive nature centre and others); provide the opportunity for people not only to experience the beauty of our lakes and rivers but to have an additional recreational choice; to create spin-offs not only for our local businesses but also the surrounding area.

Mr. Gordon submits to Council that in deciding this issue, they should consider the best for the majority of our citizens and not the minority who have social problems. They will be looked after. Kenora City Council`s past and present have acknowledged

the need for new industry to fill the gap left by the loss of the mill and to give a boost to our declining economy. Mr. Gordon strongly urged Council to seize this golden opportunity to enhance our economy by voting yes to obtaining a casino complex for the City of Kenora.

Council thanked Mr. Gordon for his deputation and a copy was left with the Clerk.

AK Company – Allen Kobylka

Mr. Kobylka presented himself as a small business owner and local resident in Kenora. He noted that we should not view this only as a casino but as an entertainment and conference centre, resort and vacation housing rentals and so much more! What a tourist attraction this would be! As a taxpayer, Mr. Kobylka feels that this development would help generate quite a tax base for the City and create a continuous spinoff of new jobs. As a contractor, this would create many jobs both during the construction phase and operations afterwards. This would be a major construction project, one of the largest in the past 40 years. From a business standpoint, this would provide on-going service work for many local businesses for years to come. Mr. Kobylka asked Council to not say no to the OLG because you have the final decision on the proposed development. He hopes that Mayor and Council make the right decision and what is best for the growth of our City. He noted we have a winning lottery ticket here, so let`s cash this one in. This is an opportunity that should not be missed. Mr. Kobylka closed by noting he is definitely in favour of this development for our City.

Council thanked Mr. Kobylka for his deputation and a copy was left with the Clerk.

Kenora Hospitality Alliance – Andy Scribilo

Mr. Scribilo noted that he represents the Kenora Hospitality Alliance which embodies a group of 8 hoteliers and bed and breakfast businesses in the Kenora area. Mr. Scribilo advised that a casino in Kenora would fit their mandate for heads and beds. It would also bring more travellers to our City along with something for their guests to do in their free time while visiting there. This casino development would bring employment to our City and construction workers during construction that will require accommodations. They are in support of this development.

Council thanked Mr. Scribilo for his deputation and a copy was left with the Clerk.

Mark Balcaen

Mr. Balcaen clarified that he was here tonight to speak as a private citizen not on behalf on any organization. He is speaking against the motion and does not support a casino. A conference centre, another hotel could benefit our community and bring people here for conferences and enjoy beauty but he feels we do not need a casino to do that. He is opposed to a casino for Kenora, however, he is not opposed to responsible gambling. He noted that he sells swim tickets and other fundraising lotteries for kids but one of the real concerns he has is a casino have an impact on gamblers and on families who can't tell mom and dad to not gamble their swim, hockey, dance fees away. You won't see an influx of money coming into Triple Play to make up for this addition to that program demand. Businesses are saying it is critical and Mr. Balcaen noted that he does support the businesses in the community year

round. He feels most people do and they buy locally whenever they can. A casino is going to mainly gather most of the money through the local population and responsible gamblers, but from someone who deals with a lot of statistics all the time, it is important as to what context they are put into. One is going to promote one side over the other as they are going to use statistics the way they want. When Sheila spoke on the 10th about 120 gamblers coming to see 2 counsellors that means that they are full, their program cannot accept any more clients. It is reasonable to assume that many people in Kenora have a gambling problem and don't choose to seek help. Many don't come for help who do have problems. We all have a responsibility and obligation to people in our community and don't want to see the local charities (ie: swim clubs, skating clubs, etc.) suffer because they are now spending their gambling money by going to the casino.

Mr. Balcaen concluded his deputation by encouraging everyone to go on-line and complete the survey so Council can see what citizens feel.

Council thanked Mr. Balcaen for his deputation. No copy was provided to the Clerk.

Colin Wasacase

Mr. Wasacase noted that sometimes we get concerned about decisions we have to make and he has concerns about what is going to happen in our community in the future. Council is trying to develop a process for the public to provide input and build a community of people working with people. If a casino gets built then everyone should work together. It is important for us to take all the facets and build the relationships of people working with people.

He noted that the second portion is creating security and security only comes if we can trust other people. Develop a process of care with other people as it is important for us to begin to develop that process and if it doesn't happen we won't have a caring community of industry and tourism.

Finally, Mr. Wasacase noted that building a solid base is key and we have to start now. We have to begin to develop the things that matter to us. If we begin to take away the foundation of who we are as spiritual people and working people trying to develop peace in a world of working together and if we can do that it will be part of the process of us all working together. Council has given us the opportunity to voice our opinions and it is Council's decision.

Council thanked Mr. Wasacase for his deputation. No copy was left with the Clerk.

Mayor Canfield thanked everyone for coming and encouraged everyone to complete the on-line survey by Friday, September 21st.

Moved by L. Roussin, Seconded by S. Smith & Carried:

That the meeting be adjourned at 8:20 p.m.