CITY OF VANCOUVER PLANNING AND DEVELOPMENT SERVICES

DEVELOPMENT PERMIT STAFF COMMITTEE REPORT JUNE 19, 2013

FOR THE DEVELOPMENT PERMIT BOARD JULY 15, 2013

760 PACIFIC BOULEVARD (COMPLETE APPLICATION) DE408507/408622 - ZONE CD-1

PH/CL/LH

DEVELOPMENT PERMIT STAFF COMMITTEE MEMBERS

Present:

Also Present:

V6B 5E7

J. Greer (Chair), Development Services

R. Thé, Engineering Services

P. Huber, Central Area Planning C. Lau, Development Services

K. Mulji, Engineering Services

APPLICANT:

Paragon Gaming, Inc. Attention: John Cahill 6650 Via Austi Parkway Las Vegas, NV 89119 PROPERTY OWNER:

Canadian Metropolitan Prop. 750 Pacific Boulevard Vancouver, BC

USA

EXECUTIVE SUMMARY

• Proposal: To extend the time-limited approval of the Casino-Class 2 use in Building C at the Plaza of Nations until December 31, 2016 and to extend the time-limited use of the 138 parking spaces in Building B to coincide with that date.

See Appendix A Standard Conditions

Appendix B Standard Notes and Conditions of Development Permit

Appendix C Report to Development Permit Board, DE408707, DE408622, June 5, 2006

Appendix D Minutes of Development Permit Board, June 5, 2006

• Issues:

- 1. Improvements to parking and pathways to improve the interim situation and reduce conflicts.
- Urban Design Panel: N/A

DEVELOPMENT PERMIT STAFF COMMITTEE RECOMMENDATION: APPROVE

THAT the Board APPROVE an extension to the time limit placed on the Casino-Class 2 use at the Plaza of Nations (Edgewater Casino) and the provision of parking to serve the Casino, as per Development Application No. DE408507 and DE408622 to December 31, 2016, subject to the following conditions:

- 1.0 Prior to the extension of the Development Permits, the following must be completed:
- arrangements to the satisfaction of the General Manager of Engineering Services to complete a traffic and parking study to review the on-site parking provision, site access, Casino drop-off and pick-up operations, as well as identify strategies adjacent to the Casino site to reduce conflicts between vehicles, cyclists and pedestrians and to recommend the implementation of any strategies or improvements identified in the study which the Applicant has the legal right to implement under its lease with Canadian Metropolitan Properties (CMP); and
- arrangements to the satisfaction of the General Manager of Engineering Services and the Director of Legal Services for the design and construction of modifications which the Applicant has the legal right to implement under its lease with CMP to the temporary seaside route through the site to mitigate conflicts between pedestrians and cyclists.
- 2.0 That the conditions set out in Appendix A be met prior to the issuance of the Development Permit.
- 3.0 That the Notes to Applicant and Conditions of the Development Permit set out in Appendix B be approved by the Board.

• Legal Description

Lot: 155

Plan: 21425 False Creek District Lot: 6352 Group 1 NWD

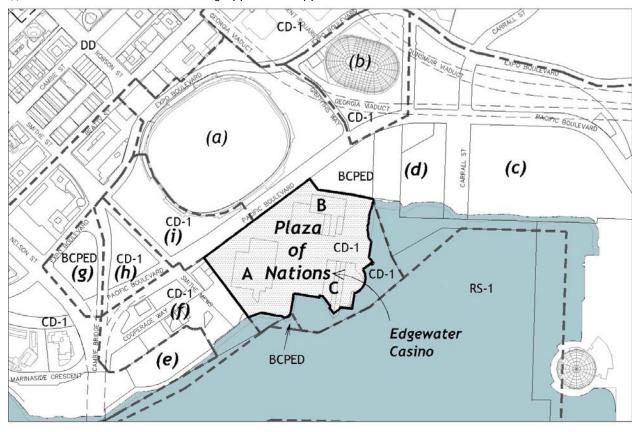
History of Application:

13 04 23 Request for time-limit extension submitted 13 06 19 Development Permit Staff Committee

• **Site**: The Plaza of Nations is located on the south side of Pacific Boulevard, across from BC Place Stadium. Three buildings originally surrounded the covered Plaza performance stage. The covered plaza and the building to the west of the plaza (Building A) have since been removed. The Edgewater Casino is located in Building C, known as Enterprise Hall during Expo '86. Parking for the casino is provided both at grade and in the parkade to the west (below the former Building B).

• Context: Significant adjacent development includes:

- (a) BC Place Stadium
- (b) Rogers Arena West Tower under construction, East and South Towers have approved Development Permit Applications
- (c) Area 9 future park
- (d) Area 6C future development site
- (e) Coopers Park
- (f) Coopers Quay Neighbourhood
- (g) Area 5b West Rezoning application referred back to staff (2011)
- (h) 68 Smithe Street Development Permit Application approved
- (i) 777 Pacific Boulevard Rezoning Application approved



• Background:

Council Consideration and Decisions Related to Casino Use

In 2004 Council approved amendments to the CD-1 By-law for the Plaza of Nations site to include "Casino-Class 2" use. Prior to the enactment of the amending by-law, a covenant was registered on title in favour of the City, establishing that the Casino-Class 2 use "will only operate on the Lands at this location for up to four (4) years after the issuance of the initial occupancy permit for this use." The four year term of the covenant was chosen to allow the Casino operator sufficient time to secure a permanent site and facility in or near the downtown, an agreed long-term objective of both the operator and the City. It was not Council's intent that the use be temporary, just the location. The covenant registered on title required that any requests to extend the four-year time limit on the operation at the Plaza site required Council consideration. An Occupancy Permit was issued in January 2005 and the Edgewater Casino opened on February 4, 2005.

The Director of Legal Services considers that the terms of the covenant placed on title in 2004 have been satisfied and advises that the current request for extension to the time-limited Development Permits for the Edgewater Casino should be considered in the context of subsequent Council decisions and considerations namely:

- In compliance with the covenant requirements, on May 30, 2006 Council considered an extension proposal put forward by Paragon Gaming, the prospective owners of the Edgewater Casino. Subject to the subsequent decision of the bankruptcy courts, Paragon took ownership of the Edgewater Casino on September 1, 2006. Council passed a resolution supporting the Development Permit Board's consideration of an extension to the time-limited Development Permit to July 2013 (over-riding the terms of the covenant) and further resolved that if the Development Permit Board approved the extension, that any consequential adjustments in the legal relations between the City and the Edgewater Casino Inc. be made by the Director of Legal Services on behalf of the City. The Development Permit Board subsequently approved the Development Permit extension to July 2013.
- In 2007 Council approved amendments to the CD-1 by-law for the Plaza of Nations to increase the number of gaming tables allowed at the Edgewater Casino to provide flexibility in the mix of tables and slots and improve casino business operations without increasing the floor area of the casino.
- In 2011 Council considered a major Rezoning Application to allow for the development of a mixed-use entertainment complex including two hotels, a casino, restaurants, a theatre and a cabaret on the BC Place Stadium site. The application included the relocation of the Edgewater Casino from its current site to the new site and a significant expansion of the Edgewater Casino (more slots and gaming tables). In November 2011 Council approved the Rezoning Application of the BC Place site to allow for the relocation of the Edgewater Casino to a permanent facility without increases to gaming tables and slots. It was understood as part of the Rezoning Application that the existing Edgewater Casino would remain in its current location until the new entertainment complex was constructed and the move could occur.

All of these decisions collectively provide direction to the Development Permit Board to consider extensions to the Development Permit for the Edgewater Casino providing that the Permit does not expand the existing number of gaming tables and slot machines.

Request for the Extension of the Time-Limited Approvals:

Paragon Gaming continues to move forward with their plans to relocate their operations to a new facility within an entertainment complex approved through Rezoning on the BC Place Stadium site. The Edgewater Casino lease with Canadian Metropolitan Properties has been extended through to December 31, 2015. Paragon has requested, therefore, that the two Development Permits and the subsequent

amendments to those permits related to casino extend through to the end of 2015 to coincide with the opening of the relocated casino, currently scheduled for late 2015/early 2016.

Applicable By-laws and Guidelines:

CD-1 Bylaw (349) - Bylaw No. 7592.

• Response to Applicable By-laws and Guidelines:

The current permits were issued in accordance with the CD-1 By-law.

• Analysis of Edgewater Casino Performance - Public Benefits from Rezoning and On-going Operations:

As conditions of the Rezoning in 2004, Edgewater Casino was required to provide public benefits to Council's satisfaction as follows:

- 1. Social Responsibility Fund The casino operator is required to pay to the City Two Hundred Thousand Dollars (\$200,000) annually, for the intended purpose of mitigating potential negative impacts associated with casino gaming.
- 2. Job Creation Secured by way of Legal Agreement, the program requires that 10% of new Full-Time employees be hired from targeted groups (unemployed and underemployed Vancouver residents). The program includes on-going hiring.
- 3. Community Use of the Performance Space Secured by way of a Legal Agreement, this provides that the performance space be made available to community groups for a minimum of three days a month, during the Casino's term, enabling access to the performance stage, seating area and supporting facilities.

<u>Staff Assessment</u>: The Edgewater Casino continues to meet its obligations related to the above public benefits.

• Edgewater's Commitment to Bingo Charities

This topic was reviewed as part of the Council's consideration of the Rezoning Application in 2011 for the site at 777 Pacific Boulevard to allow for relocation of the Edgewater Casino. Planet Bingo entered into a memorandum of understanding (MOU) in 2003 with the previous owners of the Edgewater Casino, and Paragon assumed the obligations of the previous owner under the MOU when it purchased the Edgewater Casino. As the development of a new bingo facility is highly unlikely in the present business climate, Paragon has proposed a combination of direct and indirect benefits to the Community Gaming Management Association (CGMA/Planet Bingo). A new MOU was signed in January 2011 that describes how the parties will work together in the future to explore possible future facilities and the development of a business feasibility plan. This MOU was signed by the CGMA, the BC Lottery Corporation and Paragon Gaming.

• Other Commitments

1. Provision of Parking - 138 parking spaces are secured within the underground parking under Building B on the Plaza of Nations site for exclusive use by Edgewater Casino. There is also significant off-site parking available within a ten minute walk of the casino and the facility is well served by transit. In 2006 the Development Permit Board supported a relaxation of the parking requirements for the Plaza site. Although staff are not aware of any significant traffic or parking issues, staff are recommending that a parking and traffic study be completed to review the on-site parking provision, site access, Casino drop-off and pick-up operations, as well as identify modifications adjacent to the Casino site to reduce conflicts between vehicles, cyclists and pedestrians. See Recommended Condition 1.1.

- 2. Bicycle and Pedestrian Access through the site The owner of the Plaza of Nations site was required to design, construct and maintain a walkway/bikeway route through the site, secured through a Right-of-Way. Staff have reviewed the situation and recommend that as the Casino intends to remain at this location for the next three years (and the Plaza of Nations site is unlikely to redevelop for the next three years) interim improvements to the walkway/bikeway should be supported by Paragon as part of the extension of this permit to address the growing number of walkway/bikeway users and improve safety. Staff acknowledges the Applicant does not have the legal right to make improvements to the Common Area of the Plaza of Nations. See Recommended Condition 1.2.
- 3. Policing During the consideration of the Rezoning Application at 777 Pacific Boulevard to allow for the relocation of the Edgewater Casino, the Vancouver Police Department did not identify any major concerns with the Edgewater Casino at its present location. Whether the casino remains in this location or moves to a new facility, there will be a need to continue to monitor potential criminal activities associated with gaming.
- **Conclusion**: Based on the foregoing, staff recommend that the time-limited use of Casino-Class 2, and the associated permit for Casino parking, be extended unit December 31, 2016 subject to the conditions recommended in this report.

URBAN DESIGN PANEL

The application was not reviewed by the Urban Design Panel.

ENGINEERING SERVICES

The recommendations of Engineering Services are described above in the section on Other Commitments and in the Recommended Conditions.

NOTIFICATION

On May 31, 2013, 4262 notification postcards were sent to neighbouring property owners advising them of the application, and offering additional information on the city's website.

There were 4 responses received, the comments are summarized below:

- Casino is a good corporate neighbour
- Patrons leaving the casino can be intolerably noisy and disruptive at night, request that the casino keep better control of their departing patrons or have extra security at night
- Request that casino operators keep smokers away from the cycle/walking path along the seawall

Staff Response:

The limited number of responses to the notification indicates that the casino continues to operate responsibly and is respectful of its neighbours. Late night disruptions and noise may be related to the night clubs also operating on the site and staff will alert the operators. City of Vancouver Health Bylaw No. 9535 prohibits smoking six metres from an opening into any building including any door or

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window that opens or any air intake. Also see Standard Condition A.1.1 that requires the provision of a smoking area that does not conflict with bicycle/pedestrian pathway which runs adjacent to the main entrance.

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DEVELOPMENT PERMIT STAFF COMMITTEE COMMENTS:

The Staff Committee has considered the approval sought by this application and concluded that with respect to the Zoning and Development By-law and the False Creek North Official Development Plan it requires decisions by both the Development Permit Board and the Director of Planning.

With respect to the decision by the Development Permit Board, the application requires the Development Permit Board to exercise discretionary authority as delegated to the Board by Council.

The Staff Committee supports this application with the conditions contained in this report.

J. Greer Chair, Development Permit Staff Committee

P. Huber Planner

Project Facilitator: C. Lau

DEVELOPMENT PERMIT STAFF COMMITTEE RECOMMENDATIONS

The following is a list of conditions that must also be met prior to issuance of the Development Permit.

A.1 Standard Conditions

A.1.1 The applicant is to provide an outdoor smoking area for casino patrons and encourage its use.

Note to Applicant: The smoking area should be located in an area that limits conflicts between smokers and users of the bicycle/pedestrian pathway.

B.1 Standard Notes to Applicant

- B.1.1 It should be noted that if conditions 1.0 and 2.0 have not been complied with on or before **January 15**, **2014**, this Development Application shall be deemed to be refused, unless the date for compliance is first extended by the Director of Planning.
- B.1.2 This approval is subject to any change in the Official Development Plan and the Zoning and Development Bylaw or other regulations affecting the development that occurs before the permit is issuable. No permit that contravenes the bylaw or regulations can be issued.
- B.1.3 A new development application will be required for any significant changes other than those required by the above-noted conditions.

B.2 Conditions of Development Permit:

B.2.1 All approved off-street vehicle parking, loading and unloading spaces, and bicycle parking spaces shall be provided in accordance with the relevant requirements of the Parking By-law prior to the issuance of any required occupancy permit or any use or occupancy of the proposed development not requiring an occupancy permit and thereafter permanently maintained in good condition.

CITY OF VANCOUVER
COMMUNITY SERVICES GROUP

DEVELOPMENT PERMIT STAFF COMMITTEE REPORT May 31, 2006

FOR THE DEVELOPMENT PERMIT BOARD
June 5, 2006

760 PACIFIC BOULEVARD (COMPLETE APPLICATIONS)
DE408507 & DE408622 - ZONE CD-1

RJ/AH/DK

DEVELOPMENT PERMIT STAFF COMMITTEE MEMBERS

Present:

B. Boons (Chair), Development Services

M. Thomson, Engineering Services V. Morris, Social Planning

L. Gayman, Real Estate Services

Also Present:

R. Jenkins, Current Planning

A. Higginson, Development Services

K. Muljí, Engineering Services

APPLICANT:

John Cahill Paragon Gaming Inc. 10072 Jasper Avenue

Edmonton, AB T5J 1V8

PROPERTY OWNER:

Canadian Metropolitan Properties Inc.

750 Pacific Boulevard Vancouver, BC

V6B 5E7

EXECUTIVE SUMMARY

• Proposal: To extend the time-limited approval of the Casino-Class 2 use in Building C at the Plaza of Nations until July 31, 2013 and to extend the time-limited use of 138 parking spaces in Building B to coincide with that date.

See Appendix A Standard Conditions

Appendix B Standard Notes and Conditions of Development Permit

Appendix C Report to Development Permit Board, DE408507, August 16, 2004

Appendix D Report to Development Permit Board, DE408622, August 16, 2004

Appendix E Memorandum to Development Permit Board, dated December 14, 2004

Appendix F Report to City Council, dated May 25, 2006

Appendix G Minutes of Development Permit Board, August 16, 2004

Appendix H Minutes of Development Permit Board, December 20, 2004

• Issues:

- 1. Status of Casino Operator's commitments to Bingo Charities
- * Urban Design Panel: N/A

DEVELOPMENT PERMIT STAFF COMMITTEE RECOMMENDATION: APPROVE

THAT the Board APPROVE an extension to the time limit placed on the Casino-Class 2 use at the Plaza of Nations (Edgewater Casino) and the provision of parking to serve the Casino, as per Development Application Nos. DE408507 and DE408622, to July 31, 2013, subject to the following:

- 1.0 Prior to the issuance of the development permit extensions, the following must be completed:
 - 1.1 suitable arrangements must be made, to the satisfaction of the Director of Social Planning, to confirm the commitment between the Casino Operator and the Bingo Charities, to realize the agreements reflected in the earlier memorandum of understanding between those parties.

Note to Applicant: See discussion on page 6.

- 2.0 That the conditions set out in Appendix A be met prior to the issuance of the Development Permit extensions.
- 3.0 That the Notes to Applicant and Conditions of the Development Permit set out in Appendix B be approved by the Board.

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• Legal Description

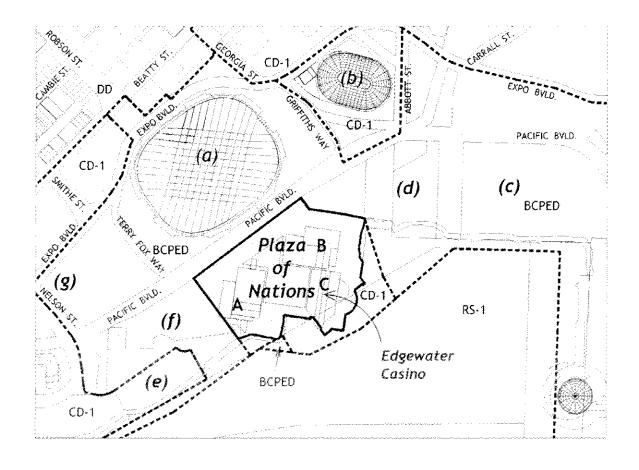
Lots: 155 Plan: 21425

District Lot: False Creek and 6352

History of Application:

06 05 08 Request for time Extension submitted 06 05 31 Development Permit Staff Committee

- Site: The Plaza of Nations site is located on the south side of Pacific Boulevard, across from BC Place Stadium. Three buildings surround the Plaza performance stage. The Edgewater Casino is located in the Enterprise Centre, known as Building C, (DE408507), immediately adjacent to False Creek. A portion of the parking for the casino is located under the adjacent building, known as Building B, addressed as 750 Pacific Boulevard (DE408622).
- Context: Significant adjacent development includes:
 - (a) BC Place Stadium
 - (b) GM Place
 - (c) Area 9, False Creek North ODP (future park)
 - (d) Area 6C, False Creek North ODP
 - (e) Coopers Park
 - (f) Coopers Park neighbourhood (under construction)
 - (g) Area 5B, False Creek North ODP



760 Pacific Boulevard (Complete Application) DE408507 & DE408622 - Zone CD-1

May 31, 2006 RJ/AH/DK

Background:

Rezoning and Development Permit Approvals:-

Following a Public Hearing on January 20 and 21, 2004, City Council agreed to amend the CD-1 By-law governing the Plaza of Nations site to include "Casino-Class 2" as a permissible use.

On the basis that the Plaza of Nations was intended to be a temporary location for a casino, enabling the proponents to secure a site and construct a new permanent casino facility elsewhere, Council adopted two resolutions relating to the Casino-Class 2 use being "time-limited":

- (a) That, prior to enactment of the CD-1 amending by-law, the proponents shall make arrangements to the satisfaction of the Director of Planning and the Director of Legal Services to ensure that the Casino-Class 2 use at the Plaza of Nations complex will only operate at this location for up to four years after the issuance of the initial occupancy permit for this use.
- (b) That, prior to approval by Council of an amended form of development for the Plaza of Nations complex to accommodate a temporary Casino-Class 2, the applicant shall obtain approval of a development application by the Development Permit Board which shall have particular regard to the following:
 - (i) Casino-Class 2 use to be limited to a period of no greater than four years from initial occupancy."

Prior to enactment of the amending by-law, a covenant was registered in the Land Title Office, establishing that the Casino-Class 2 use "will only operate on the Lands at this location for up to four (4) years after the issuance of the initial occupancy permit for this use".

The development permits for this project, related to the casino building and to the parking located under Building B, were also time limited for four (4) years.

An Occupancy Permit was issued in January 2005 and the Edgewater Casino opened for operation on February 4, 2005.

Request for Extension of the Time-Limited Approvals:

In April 2006, City staff were advised that Paragon Gaming Inc. (Paragon), a Nevada-based gaming and entertainment company, had entered into an agreement with Edgewater Casino Inc. (Edgewater), the operators of the Edgewater Casino, to purchase all existing and outstanding shares of that company. If the purchase is completed, Paragon intends to make improvements to the Edgewater operation to increase its viability. In addition, and more germane to the request for the extension of the time-limited use at this site, Paragon has expressed their intention to pursue a permanent facility for a casino in the City and has laid out a time-line for the project, from concept to completion, which would extend until 2013. (See Appendix A within Appendix F)

Paragon has requested, therefore, that the two development permits related to the Casíno-Class 2 use, be extended until July 31, 2013.

The request from Paragon does not seek to alter any of the existing agreements or commitments negotiated previously between Edgewater and the City, nor does it involve any proposed changes to the building or operation. A subsequent development permit application proposing changes to the building, the vehicular and pedestrian access, and landscaping is expected in the near future.

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Council's Consideration of the Request for a Time Extension:

As required in the restrictive covenant registered prior to enactment, any request to extend the fouryear time limit on operation at the Plaza site requires Council's consideration. On May 30, 2006, Council passed the following resolution (See report attached as Appendix F):

- "A. THAT Council advise the Development Permit Board that based on the merits of the Paragon Gaming Inc. proposal, it supports the Board's consideration of an extension to the time-limited development permits for the Edgewater Casino (DE408507 and DE408622) from the current expiry date of December 3, 2008 to the earlier of:
- a) relocation of the casino operation to a premises other than the Plaza of Nations; and
- b) July 31, 2013,

and requests the Development Permit Board consider this matter by June 9, 2006;

- B. THAT Council request the Development Permit Board seek confirmation from Paragon and the charity bingos to realize the agreements reflected in the earlier memorandum of understanding.*
- C. FURTHER THAT, if the Development Permit Board approves the extension, any consequential adjustments in the legal relations between the City and Edgewater Casino Inc. that the Director of Legal Services considers advisable shall be made by her on behalf of the City."
- * Resolution B was not included in the staff report, but was established by Council on May 30.

Applicable By-laws and Guidelines:

CD-1 By-law (349) - By-law No. 7592

Response to Applicable By-laws and Guidelines:

The current permits were issued in accordance with the CD-1 By-law.

Analysis of Edgewater Performance – Public Benefits from Rezoning:

As conditions of enactment, Edgewater was required to provide public benefits to Council's satisfaction. They comprised the following:

1)Social Responsibility Fund - Social Responsibility Fund - The casino operator is required to pay to the City Two Hundred Thousand Dollars (\$200,000) annually, in two installments, for the intended purpose of mitigating potential negative consequences associated with casino gaming.

Staff response: The required annual contribution of \$200,000 for 2005 was received in one installment in September, and used, in part, to develop a Responsible Gambling Information Centre (RGIC) at Edgewater Casino. The Centre, which is now operational, was developed in partnership with the BC Lottery Corporation and Edgewater.

2) Job Creation Program - secured by way of a legal agreement, the program requires that ten percent (10%) of new Full Time Employees hired must be from the targeted groups (unemployed and

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underemployed Vancouver residents, with the emphasis on residents of the Downtown Eastside area). The program affects both initial start-up hiring as well as subsequent on-going hiring.

Staff response: In a memorandum dated March 31, 2006, Social Planning staff advised that Edgewater had provided information establishing that they have met and surpassed the minimum requirements outlined in the legal agreement. Within the casino, 11% of the employees were within the targeted group and within the contractors, 27% of employees were within the targeted group.

3) Community Use of the Performance Plaza - secured by way of a legal agreement, which provides that the performance space be made available to community groups for a minimum of three days a month, during the Casino's term, enabling access to the performance stage, seating area, washroom facilities, loading and garbage facilities and back-of house facilities.

Staff response: The Managing Director of Cultural Services advises that Edgewater has met their commitments under the Community Use Agreement. This resource and ongoing access to it is very valuable to the community.

Edgewater's Commitment to Bingo Charities

As noted in the rezoning report, in 2003 a Memorandum of Understanding (MOU) was signed by Edgewater Gaming Inc. and the group representing the city's Bingo Charities, which provided that a new and modern bingo facility would be developed in conjunction with development of a new permanent casino facility in the City. The expectation was that the new facility would be developed no later than 2006.

Staff response: The new bingo facility has not been developed to date and will not be provided prior to the end of this year. In a letter dated May 23, 2006, Paragon has committed to working "cooperatively and in good faith" with Planet Bingo to implement a resolution to the matters addressed in the earlier MOU. (See Appendix B, page 1 of 2, to the Council report) In response, a letter has been received from the Community Gaming Management Association, on behalf of the bingo charities, supporting Paragon's request for the extension of their time-limited approvals (Appendix B, within Appendix F).

On May 30, 2006, Council passed a resolution advising the Development Permit Board to seek confirmation that the previous agreements between the bingo charities and the casino operator would be realized. (See Condition 1.1)

Other Commitments

1) Provision of Parking - 365 spaces are available on-site, including the 138 spaces secured for exclusive use by the Casino within the underground parking under Building B (750 Pacific Boulevard). There is also significant off-site parking available within a ten-minute walk of the Plaza of Nations site. Accordingly, in December 2004, the DP Board accepted the following recommendation:

Given the downtown location of the proposed Casino, the proximity of ample existing short-term public parking in the area, and the opportunities to share existing parking resources with daytime workers, staff recommend that the Board support the relaxation of the parking requirements for the Plaza site, such that no additional off-site parking be required for this proposal. Support for this approach is limited to the four-year term of the development permit for the Casino, and an updated parking assessment should be completed prior to any extensions of the Casino approvals beyond this four year period.

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Engineering Services staff are not aware of any problems to date arising from the operation of the parking and access serving the Casino. However, the applicant has indicated that they will be applying for new development applications to allow for building and site improvements . Staff note that traffic, parking and pedestrian patterns may be changed as a result of the new Casino operations, and therefore given this new proposal and the Development Permit Board's previous direction, staff recommend condition A.1.2

2) Temporary Casino Services Agreement - An agreement registered prior to development permit issuance required the property owner to provide a mid-block pedestrian signal on Pacific Boulevard; a pedestrian signal at Carrall Street; and improvements to the Carrall Street Greenway.

Staff Response: The mid-block signal has not been installed, and if required will likely be located at Griffiths Way and Pacific Boulevard instead of the original location which was planned. Staff had advised the owner that the current low pedestrian volumes do not warrant the signal being installed at this time, but the situation will continue to be monitored. Funds have been secured from the owner for both the Carrall Street signal and the Carrall Street Greenway improvements. They will be expended in conjunction with the works to be completed by Concord Pacific at its future Presentation Centre site east of Carrall Street, which is anticipated to commence construction later this year (2006).

3) Access through the site - The owner was required to design, construct and maintain a new walkway/bikeway route through the site, which would not be impacted by the Casino access route and valet parking service area.

Staff response: Engineering Services staff advise that the owner has completed improvements to signage and markings to the pedestrian bikeway/walkways north and south of the plaza stage and this has contributed to improved way-finding through the site.

4) Lighting Management Plan - The applicant has installed a comprehensive and sophisticated LED exterior lighting scheme that is programmable to create different effects. As a condition of permit issuance, a Lighting Management Plan was required, to allow the City to monitor and regulate the exterior lighting of the building.

Staff response: Staff are not aware of any complaints being received related to the lighting system.

5) Policing - During the rezoning application in 2003, concerns were expressed that the introduction of slot machines at the Plaza of Nations would increase pressure on the Vancouver Police Department, both in terms of the potential for increased traffic and increased crime.

Social Planning staff have been advised, by the Acting District Commander for District 1, that anecdotal evidence indicates no policing concerns directly related to the Edgewater Casino.

• Conclusion:

Based on the foregoing, staff recommend that the time-limited use of Casino-Class 2, and the associated permit for Casino parking, be extended until July 31, 2013, subject to the conditions recommended in this report.

NOTIFICATION

On May 25, 2006, 4,200 letters were sent to neighbouring property owners advising them of the application. To date, 13 responses have been received. Six respondents stated that they support the requested extensions, on the basis that:

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- the Casino provides an entertainment alternative;
- the operation has been quiet with no traffic or visual impacts;
- that the casino operators have been good corporate citizens;
- there has not been any noticeable increase in crime related to the casino; and
- the Casino provides jobs for approximately 600 people.

Seven respondents stated that they do not support the requested extensions, on the basis that:

- gambling is addictive and destructive; and
- over time, there will be noise, traffic and disturbance impacts on the surrounding neighbourhood.

DEVELOPMENT PERMIT STAFF COMMITTEE COMMENTS:

With respect to the decision by the Development Permit Board, the application requires the Development Permit Board to exercise discretionary authority as delegated to the Board by Council. There are no new/additional relaxations sought in this application for extension to time limits imposed on both DE408507 and DE408622. (See Appendix E - parking relaxation)

The Staff Committee reiterated the need to revisit the issue of parking prior to 2013, once the Casino is operating at a higher occupancy and the condition can be analysed. The Staff Committee acknowledged that a further parking assessment would be required if new permit applications that affect the required parking are received.

B. Boons
Chair, Development Permit Staff Committee

R. Jenkins
Assistant Director of Current Planning

Project Facilitator: A. Higginson

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APPENDIX A
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DEVELOPMENT PERMIT STAFF COMMITTEE RECOMMENDATIONS

The following is a list of conditions that must also be met prior to issuance of the Development Permit.

A.1 Standard Conditions

- A.1.1 arrangements must be made, to the satisfaction of the Director of Legal Services and the Director of Planning, to modify all necessary legal agreements and arrangements between the City and Edgewater Gaming Inc., to reflect the extension to the time-limited approval of DE408507 and DE408622; and
- A.1.2 arrangements to the satisfaction of the Director of Legal Services and the General Manager of Engineering Services for completion of a parking and traffic study to the satisfaction of the General Manager of Engineering Services. This study is to be completed prior to the earlier of twelve months after the date of issuance of any further development permits, or December 3, 2008.

Note to Applicant: The proposed arrangements would require that the applicant complete, at their cost, any on-site and/or off-site improvements or alterations—recommended by the study to improve pedestrian and vehicular access to the site, and if deemed necessary, secure additional parking.

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DF408507 8	+ DF408622	- Zone CD	-1

APPENDIX B Page 1 of 1

B.1 Standard Notes to Applicant

- B.1.1 It should be noted that if conditions 1.0 and 2.0 have not been complied with on or before (July 31, 2006), this Development Permit extensions shall be deemed to be refused, unless the date for compliance is first extended by the Director of Planning.
- B.1.2 This approval is subject to any change in the Official Development Plan and the Zoning and Development Bylaw or other regulations affecting the development that occurs before the permit is issuable. No permit that contravenes the bylaw or regulations can be issued.
- B.1.3 A new extension application will be required for any significant changes other than those required by the above-noted conditions.
- B.2 Amended Condition of Development Permit: (see Appendix B to original DP Board report for all original conditions established by the Board)
- B.2.1 These permits are for a time-limited approval ending July 31, 2013.



Community Services Development Permit Board

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Planning Information

For: Monday, June 5, 2006

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Present

650 West 41st Avenue (Oakridge/41st Avenue Station)(click here to read the report)

Minutes Motion

499 West 49th Avenue (Langara/49th Avenue Station)(click here to read the report)

Minutes Motion

4099 Cambie Street (King Edward Station)(click here to read the report)

<u>Minutes</u> <u>Motion</u>

760 Pacific Boulevard (click here to read the report)

Minutes Motion

Present

Board

F. Scobie Director of Development Services (Chair)

B. MacGregor Deputy City Manager

T. French Assistant Director of Planning

T. Timm General Manager of Engineering Services

Advisory Panel

M. Long Representative of the Design Professions (Urban Design Panel)
R. Acton Representative of the Design Professions (present for Items 1.

and 2. only)

N. Shearing Representative of the Development Industry

M. Braun Representative of the General Public
D. Chung Representative of the General Public

K. Hung Representative of the General Public

C. Nystedt

Representative of the General Public

Regrets

J. Scott R. Keate Representative of the Development Industry

Representative of the Vancouver Heritage Commission

Also Present

City Staff:

A. Molaro

Development Planner

C. Robertson
D. Wong

Planner, Rapid Transit Office Engineer, Rapid Transit Office

Asst. Director - Current Planning

A. Higginson M. Lee

Project Facilitator Social Planner

M. Thomson

City Surveyor

650 West 41st Avenue (Oakridge/41st Avenue Station) 499 West 49th Avenue (Langara/49th Avenue Station) 4099 Cambie Street (King Edward Station)

A. Parker

InTransit BC

C. McCarthy

InTransit BC

E. Lefluffy

Canada Line Rapid Transit Inc. (CLCO)

N. Hotson

Hotson Bakker Boniface Haden Architects

760 Pacific Boulevard

J. Cahill

Paragon Gaming Inc.

G. Cadman

Boughton Law Corporation

Recorder:

D. Kempton

*C. Hubbard, Raincoast Ventures

1. Minutes

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None.

2. Business Arising from the Minutes

None.

Canada Line Stations - Background

Anita Molaro, Development Planner, prefaced her presentation of the three Canada Line stations under consideration today with a brief overview of the Canada Line project to date. She noted that beyond the extent of each station site the City will be pursuing a number of improvements in the areas referred to as station precincts. These improvements will increase accessibility of the stations by including connections for pedestrians, cyclists and transit transfers, and will support each station's fit into its neighbourhood. Following a precinct planning process, the City will undertake a more detailed plan and land use review around each station. In 2003, City Council established design principles for rapid transit projects, and authorized access to city streets and lands to Translink. In accordance with the Access Agreement between the City and CLCO, no building or development permits are required for transit related infrastructure. The stations are dealt with through a Design Advisory Process.

^{*}Not present at the meeting. Minutes composed from notes and audio recording.

It was moved by Mr. MacGregor and seconded by Mr. Timm, and was the decision of the Board:

THAT the Board SUPPORT Development Submission No. 410273, in accordance with the Development Permit Staff Committee Report dated May 24, 2006, with the following amendments:

Amend 1.2 to delete "and location of trees to be replaced" and replace with and ensure the protection and preservation of the nearby existing trees;

Delete 1.7:

Amend A.2.1 (a) to add: at the time of a development permit for this site.

The Board took a brief recess and reconvened at 7.35 p.m.

6. 760 PACIFIC BOULEVARD - DE408507 & DE408622 - ZONE CD-1 (COMPLETE APPLICATION)

Applicant: Paragon Gaming Inc.

Request: To extend the time-limited approval of the Casino Class 2 use in Building C at the Plaza of Nations until July 31, 2013 and to extent the time-limited use of 138 parking spaces in Building B to coincide with that date.

The Chair drew the Board's attention to two distributed memoranda dated June 5, 2006. The first provides an update on the notification response and the second, a correction to Condition B.2.1. In addition, two pieces of correspondence were distributed.

Opening Comments of Staff

Rob Jenkins, Assistant Director, Current Planning, introduced this application to extend the time limited development permit from December 3, 2008 to July 31, 2013, and to extend the time limited use of 138 parking spaces in Building B to coincide with that date. In 2004, Council approved an amendment to the Plaza of Nations CD-1 zoning to include Casino Class 2 as a permissible use. The Plaza of Nations was intended to be a temporary location for four years, enabling the proponents to secure a site and construct a new permanent facility elsewhere. Prior to enacting the amending by-law, a covenant was registered on the land, restricting the casino operation for up to four years. The development permits were also time limited to four years. The covenant requires that any application for an extension should be referred to City Council for consideration.

The Edgewater Casino has been unable to operate on a profitable basis and has entered into an agreement for Paragon Gaming Inc. to purchase all existing and outstanding Edgewater shares and has been given until June 9, 2006 by the Supreme Court of B.C. to advise the Court whether or not it will complete the purchase. If the purchase is completed, Paragon intends to make improvements to the Edgewater operation to increase its viability. Paragon has therefore requested that the two development permits related to the Casino Class 2 use be extended until July 31, 2013. Paragon is not applying to increase the gaming capacity. Paragon also intends to secure an alternative permanent location.

On May 29, 2006, Council advised the Development Permit Board that it supports the Board's consideration to extend the time limited permit, and requested that the Board consider this matter by June 9, 2006. Details of Council's resolution are

included in the Staff Committee Report dated May 31, 2006. With further reference to the report, Mr. Jenkins briefly reviewed the staff analysis. With respect to the provision of parking, Engineering Services is not aware of any problems of parking and access to the casino. Condition A.1.2 seeks a parking and a traffic study, to be completed by December 3, 2008.

In summary, the Staff Committee recommendation is to approve the application, subject to the conditions contained in the report. Staff believe the requested extension will enable the casino operator to improve the economic viability of the casino and in turn provide the operator enough time to meet the commitment to the City to find a new location for a permanent facility. A number of public benefits would also result, including continued and potentially increased jobs, continued and potentially increased revenues for the City, as well as benefits related to the social responsibility and job creation programs.

Questions/Discussion

Mr. MacGregor sought clarification concerning the date of compliance indicated in condition B.1.1. Mr. Thomson noted that while typical response time is six months, there is every indication the applicant wishes to proceed as quickly as possible and staff wish to ensure the conditions are satisfied promptly. Mr. Scobie noted that relatively minor items remain to be addressed.

Mr. Scobie noted that this application only deals with the matter of use, whereas the original development permit included some building development. In response to a question from Ms. Nysted, Mr. Scobie advised the Board is not involved in the proponent's lease renewal arrangements.

With respect to the time extension, Mr. Scobie noted the request is for seven years whereas the previous four year limit was considered to be appropriate. Mr. Jenkins explained the request is a 4-1/2 year extension from 2008. Given the schedule for achieving the process described, staff believe the request is realistic.

Reference was made to a recently signed Memorandum of Understanding which Mr. Jenkins confirmed staff consider satisfactory, noting it appears to be in the spirit of the earlier document.

Applicant's Comments

John Cahill, Paragon Gaming Inc., introduced the applicant team. He noted they have been considering the Edgewater Casino for the last 90 days and think it an exciting opportunity to enter the Vancouver market. Mr. Cahill described the need for the requested time extensions. He also provided some background information on Paragon Gaming Inc. and described their goals for this operation. He said they intend to stabilize existing performance, commence program enhancements and relaunch the casino with a stronger identity and greater range of services. Mr. Cahill described the timeline and process and said they believe the extension to 2013 is realistic.

George Cadman, Legal Counsel for the proponent, explained they have presented to staff today a letter of agreement that appends a Memorandum of Understanding which all parties have agreed to enter into. He noted they have had extensive discussions with counsel for Community Gaming Management Association and there is agreement in principle. He advised Paragon's Memorandum of Understanding will be enhanced and much more specific than the earlier document, adding that it likely goes beyond what Council was looking for. With respect to the timing referred to in condition B.1.1, Mr. Cadman said they contemplate that if the Board approves the request then they will begin work with the City's legal staff as soon as possible. Subject to all regulatory approvals, they anticipate being in a position to close the purchase in late June or early July 2006, which would more than meet the July 31,

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2006 timeframe. Mr. Cadman stressed the application is not seeking an expansion but to extend the life of the permits for the temporary use at this space while they locate a permanent site.

Questions/Discussion

In response to a question from Mr. Timm regarding the plans for investing \$5 million in the programming, Mr. Cahill said the main area of enhancement will be to expand the existing food and beverage facility into a regular restaurant that operates with its own identity as a destination restaurant. There is also a list of deficiencies from the original development permit that will be addressed, including exterior landscaping and signage. There is also work required to reconfigure the gaming floor, without increasing total gaming capacity beyond that approved by Council. In discussion, it was noted that none of these items is included in the subject application and would require separate development applications.

Mr. Scobie sought clarification as to how performance would be monitored to ensure a further extension is not requested in the future. Mr. Cahill stressed it is not feasible for Paragon to remain in this facility for a long period because it does not make financial sense. He also noted they are not looking for the City to forego its future discretion in this regard. He said they recognize there is need for considerable collaboration between the City, the BC Lottery Corporation and Paragon and they are willing to go through the normal process. In discussion, Mr. Cadman agreed they could entertain reporting back to the City, although noting that one of the difficulties is that to achieve the benchmarks is at least a tripartite process. Therefore, the benchmarks will need to be looked at very carefully and not necessarily imposed as part of this application without some consideration and flexibility. Mr. Scobie said the intent of such reporting would be to more formally acknowledge the progress being made for relocation towards the requested end date for the permits.

Ms. Nystedt was concerned that the request is to double the original four year time limit which previously was considered adequate. Mr. Scobie suggested the original four year term may not have been considered rigorously by staff or Council and it has now been determined that it may not have been sufficient time to find a permanent location for the casino. Mr. MacGregor added, at the time the main focus of Council was whether or not to have the facility and not the timing, and the proponent's request of four years was accepted.

Discussion ensued about how the proponents believe they can succeed where others have failed. Mr. Cahill said they believe the existing facility can be optimized, even as an interim proposition. He noted that Paragon occupies a niche in the gaming market and they are well aware of Vancouver's high and exacting standards for process which they fully intend to meet.

Comments from other Speakers

Susan Spratt spoke on behalf of the Canadian Autoworkers Union which represents the over 400 members at the Edgewater Casino as well as the workers at Planet Bingo. Ms. Spratt said they also speak for the over 250 people who work at the casino who are not members of a union. She said they were very pleased when Paragon contacted them to discuss their vision for working in a transparent and open relationship with the union and the workers at the Edgewater Casino. Ms. Spratt said they believe this is a viable plan and a necessary extension of the application. She added, if it is unsuccessful it would have a very negative impact on the 650 current employees.

Wendy Thompson, Community Gaming Management Association, apologized for her letter (Appendix F, p.12 of 12 of the Staff Committee Report) being undated, which she confirmed was written on May 30, 2006. Ms. Thompson spoke to issues that surround Planet Bingo at 2655 Main Street where bingo has been played since 1956

and currently is a blend of electronic and paper bingo. Bistro Bingo and Planet Bingo are unique in the City of Vancouver. They are commercial enterprises operated by members' charities as a non-profit entity, for the benefit of the community. Annually, they generate \$18 million in gross revenue, with a payroll of \$2.6 million. There are over 100 staff and close to \$6 million is generated to the member organizations. The BC Lottery Corporation's involvement in the industry has led to new facility standards and requirements. Their 50+ year old building does not meet those standards or their customers' expectations. Ms. Thompson said her association supports the subject application. She advised they have entered into a new agreement with Paragon for a new bingo operation in the very near future. She said they are well aware that, as a group of charitable organizations, they need to remain competitive in the gaming field. To do so, they need a new facility to become a branded community gaming centre in order to continue to fund essential programs and services in Vancouver. Ms. Thompson urged the Board to support the requested extension.

Panel Opinion

It was noted that this application was not reviewed the Urban Design Panel, although the Panel did review the original application. Ms. Long said that while the Panel had some concerns with the original submission because the casino itself is a very internal function, it was thought it could help to animate the Plaza of Nations. The inclusion of the East End Community Agreement was also considered to be very positive. Ms. Long said that although she is not necessarily personally in favour of casinos she is in favour of a good quality development which helps to build community in whatever way it can. She noted a fair amount of commitment has been shown by Paragon, which is very positive. Her main concern was that the area remains animated and having more people there is very helpful. In summary, she supported the requested time extension.

Mr. Acton said it has been demonstrated there is a series of unique circumstances for the extension request. He said he found the applicant's presentation compelling, and the timeline seems reasonable and the rationale well thought out. Mr. Acton said he was encouraged that Paragon are being more proactive than the current owners with respect to facilitating public activities in the plaza. He supported the application.

Mr. Shearing questioned whether the timeline is sufficient given the necessary steps that need to be taken to secure another location. He suggested the applicant might be returning to ask for another extension, and thought a method of monitoring progress would be to their benefit as well as the City. He recommended approval.

Ms. Nystedt did not support the application because her interpretation was that the initial casino was approved on an experimental basis for four years and they are now requesting to double that time. She did not believe the proposal had received sufficient public input, notwithstanding Council's position, and she opposed its approval.

Ms. Hung said that since there will be no expansion to the gaming operations she did not believe there would be additional social impacts. She recommended approval and thought Paragon had demonstrated its success in the gaming industry. She also noted the Plaza of Nations is somewhat a no-man's land at present so as long as any negative social impacts are mitigated she supported approval of the extension.

Mr. Braun said he was unable to make a recommendation one way or the other. He said he appreciated that Council has endorsed the requested extension and acknowledged the casino does provide benefits in terms of job creation as well as financial contributions to charitable organizations. He also noted this area has changed considerably in the last four years and will continue to change in the next three years so that the entire north shore of False Creek will be residential, which

he thought should be taken into account. He thought the extension to 2013 was reasonable and may even be too short. He suggested the Board should make it clear there will be no further extensions and he urged the applicant to start working now if they intend to relocate.

Board Discussion

Mr. MacGregor stressed that the issue for consideration is only the extension of the permit, adding that if the Board does not approve it the casino will go out of business, jobs will be lost and the area will take a backward step. It is Council policy to have commercial use in this location. Mr. MacGregor said he believed the timeline requested is realistic, noting it is a four and a half year extension of the original permit. He added, there are public benefits to be gained by completion of the benefits package approved originally. The applicant is also committed to make better use of the plaza and promote public activities, which will be good for the area. He said he had no hesitation in approving the application. He moved approval with two amendments to the staff recommendations.

Mr. Timm said he did not believe that progress reporting on locating a permanent home for the casino would serve a useful purpose, noting the onus is on the applicant to meet the time limit. If it is not met, it will be for the Development Permit Board to decide at some future date whether or not there should be a further extension. Mr. Timm noted it is a policy decision of Council to support the extension and the Board's role is to consider whether the conditions of approval are adequate to address potential impacts on the community. The Board is not considering whether or not it supports gaming. Mr. Timm said he therefore did not believe the Board was in a position to reject the application. He seconded the motion of approval.

Ms. French said she found the advice of the Panel to be helpful. She agreed with Mr. Timm that the Board's role is not to revisit the question of gaming. She commented she was not impressed by the performance of the casino to date and looked forward to Paragon moving to a more diligent and responsive operation of the facility. Ms. French said she thought the timeline was reasonable and agreed that formal reporting of progress is not necessary, noting it is in Paragon's interest to pursue a permanent location. It will be for the Development Permit Board and/or Council of the day to decide whether or not to favourably consider a request for more time. Responding to Mr. Braun's comment about adjacent development becoming residential, Ms. French noted there was a review of the Plaza of Nations Land Use Policy last year and Council confirmed the casino use in the plaza was relevant for the foreseeable future. She supported the requested time extension.

Motion

It was moved by Mr. MacGregor and seconded by Mr. Timm, and was the decision of the Board:

THAT the Board APPROVE an extension to the time limit placed on the Casino-Class 2 use at the Plaza of Nations (Edgewater Casino) and the provision of parking to serve the Casino, as per Development Application Nos. DE408507 and DE408622, to July 31, 2013, in accordance with the Development Permit Staff Committee Report dated May 31, 2006, with the following amendments:

Amend B.1.1 to change the date to December 21, 2006;

Amend B.2.1 to read:

These permits are for a time-limited approval ending on the earlier of: (a) relocation of the casino operation to premises other than the Plaza of Nations; Appendix p; page 8 of 8 Page 19 of 19

and (b) July 31, 2013.

7. OTHER BUSINESS

None.

There being no further business, the meeting adjourned at 9:30 p.m.

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Questions or Comments? Send e-mail to: planning@vancouver.ca

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