

Municipality of Lakeshore – Report to Council

Strategic & Legal Affairs

Civic Affairs



To: Mayor & Members of Council

From: Brianna Coughlin, Division Leader – Civic Affairs

Date: April 11, 2023

Subject: Ontario Lottery and Gaming Corporation – Charitable Gaming Centre
Municipal Agreement

Recommendation

Direct the Clerk to read By-law 33-2023, Being a By-law to Authorize an Agreement with the Ontario Lottery and Gaming Corporation, during the “Consideration of By-laws”, as presented at the May 2, 2023 Council meeting.

Background

In 2022, the Municipality of Lakeshore undertook public engagement in relation to the proposed relocation of the PowerPlay Gaming Centre to 446 Advance Boulevard. A copy of the Results of Public Consultation report is included as Appendix A to this report for information.

At the September 27, 2022 meeting, Council approved resolution #347-09-2022:

Direct Administration to advise the applicant (Community Gaming and Entertainment Group), the Alcohol and Gaming Commission of Ontario (AGCO) and the Ontario Lottery and Gaming Corporation (OLG) that the Municipality of Lakeshore supports the location of a gaming site at 446 Advance Boulevard;

and further that, subject to the Provincial approval of the OLG business case for the gaming site and the AGCO approval of the relocation of the PowerPlay Gaming Centre, funding for the staff resources required to implement the gaming permitting program be funded from OLG revenue and overall wage surplus for the remainder of 2022 and be included in the 2023 base budget, all as further described in the report of the Division Leader – Civic Affairs presented at the September 27, 2022 Council meeting.

Comments

The PowerPlay Gaming Centre has received both AGCO and OLG approval for the relocation of the charitable gaming centre. Administration has been working with the proponent as well as the OLG to finalize the terms of the agreement and the start date of the OLG charitable gaming program in Lakeshore. The proposed start date for the facility is May 8, with the first bingo session to take place on May 19.

The draft Charitable Gaming Centre Municipality Agreement is included as Appendix B to this report. Administration recommends that Council approve By-law 33-2023, which will allow the Mayor and Clerk to execute the agreement. This agreement contains provisions which the Municipality cannot satisfy regarding confirmation of the eligibility of charities prior to the commencement of operations in Lakeshore; however, OLG has provided confirmation in writing that it is waiving Lakeshore's obligations in this regard to permit the relocation.

Subsequent to the execution of the agreement, Administration will work with the OLG, the Community Gaming and Entertainment Group and the Town of Tecumseh on the transition of existing permits for approximately 25 local charities. This transition will take considerable administrative time and is expected to consume a significant amount of Civic Affairs division staff time during May and June. This is expected to impact service levels in the division, including delays in records management practices (including uploading files into Laserfiche for public viewing and a deferral of the statutorily required annual destruction of records), as well as the availability of staff to provide support to other divisions relating to historical records that may be required as part of the research for upcoming projects and tenders.

Others Consulted

Ontario Lottery and Gaming Corporation (OLG)

Financial Impacts

The OLG charitable gaming program provides for quarterly payments to the Municipality based on 2.79% of the unaudited "Net Gaming Win". This refers to the gaming revenue plus any promotional play revenue less the aggregate amount of all paid winnings and any funds accrued for progressive jackpot charitable games.

For further financial breakdown of the impact of the program, see the financial impacts section of Appendix A.

Attachments

Appendix A – Results of Public Engagement – Location of a cGaming Centre

Appendix B – Charitable Gaming Centre Municipality Agreement (draft)

Appendix C – Waiver Letter (draft)

Report Approval Details

Document Title:	Ontario Lottery and Gaming Corporation - Charitable Gaming Centre Municipal Agreement.docx
Attachments:	- Appendix A - Report to Council - ResultsofPublicEngagementLocationofacGamingCentre.pdf - Appendix B - Powerplay Relocation - Lakeshore Municipality Agreement draft.pdf - Appendix C – Waiver Letter draft)
Final Approval Date:	Apr 27, 2023

This report and all of its attachments were approved and signed as outlined below:

Prepared by Kristen Newman

Submitted by Kristen Newman

Approved by Justin Rousseau and Truper McBride