



March 10, 2003

Mayor Larry Campbell
City of Vancouver
453 West 12th Avenue
Vancouver, British Columbia
V5Y 1V4

Dear Mayor Campbell,

I am writing today to ask council to approve the addition of slot machines at Hastings Racecourse. This would allow us to have what is commonly called a "RACINO" in the industry. [Racino (ra-see-no) n. 1) the addition of a casino to a racetrack in order to create a multi-purpose entertainment centre that combines existing live horse racing, food and beverage facilities and a racebook with slots gaming. 2) a method for producing significant new revenue without expanding the number of gambling locations.]

The approval of slot machines would save the over 800 jobs that currently exist at Hastings Racecourse, potentially adding another 450 positions. We would be able to compete on an even playing field with every racetrack in Canada as they all currently have slots.

There would be an approximate \$20 million investment into the city-owned facility, bringing the building up to current entertainment facility standards. This would create further jobs and the citizens of Vancouver would have a modern racetrack that they could be proud of.

From the racing point of view, the addition of slots would mean a much needed injection of purse money to strengthen and solidify the breeding and racing industries in the province, increasing the agricultural aspects of raising horses including farm jobs and land acquisitions.

As the host community, Vancouver would benefit from its share of the revenue. This amount would vary according to the number of machines.

Hastings Racecourse has been a gaming establishment for 114 years within the city of Vancouver. When someone makes the conscious decision to attend, it is for the purpose of gambling. The addition of slots would not change that profile and would keep gaming in a single location. The parent company of Hastings Entertainment Inc. is a non profit entity, dedicated to the continuation and improvement of horse racing and breeding.

I am available, if council requests, to make a presentation on this proposal.

Sincerely,

A handwritten signature in black ink, appearing to read "Phil Heard", is written over a horizontal line.

Phil Heard
President & CEO

HASTINGS ENTERTAINMENT INC.

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