



ADMINISTRATIVE REPORT

Report Date: November 8, 2016
Contact: Mary Clare Zak
Contact No.: 604.871.6643
RTS No.: 11765
VanRIMS No.: 08-2000-20
Meeting Date: November 30, 2016

TO: Standing Committee on Policy and Strategic Priorities

FROM: General Manager, Community Services

SUBJECT: PARQ's Annual Report Back to Council on the "Responsible Gaming Agreement" and "Inner-City Local Employment and Procurement Agreement" for the Vancouver Urban Resort at 39 Smithe Street

RECOMMENDATION

THAT Council receive PARQ Holdings Limited Partnership's (known also as "PARQ" and the "Applicant") report in Appendix A, titled, "PARQ Social Agreements Compliance Report," that details PARQ's progress in fulfilling their social responsibility commitments made in two legal agreements, the "Responsible Gaming Agreement" and the "Inner-City Local Employment and Procurement Agreement" in relation to the construction and operation of the Vancouver Urban Resort.

REPORT SUMMARY

This report provides City Council with PARQ's progress update on meeting their social responsibility obligations for the relocation of the Edgewater Casino to a larger mixed-use development of the Vancouver Urban Resort at 39 Smithe Street.

The social responsibility obligations are set out in two agreements, the (1) "Responsible Gaming Agreement" and the (2) "Inner-City Local Employment and Procurement Agreement," which were registered on title in April and May 2015. These are also referred to as "Community Benefit Agreements," and were entered into based upon Council's direction at the time of PARQ's rezoning application for 39 Smithe Street, to address concerns raised by community members and Vancouver Coastal Health about the harms associated with problem gambling and to mitigate negative implications of the Casino by providing public benefits to the community. Council directed staff to work with PARQ in taking a leadership role as it relates to problem gambling. These initiatives, reflected in these agreements, mark a significant step forward in the evolution of Community Benefit Agreements in Vancouver, with innovative approaches to tackling problem gambling, and enhancing local employment

opportunities for people with barriers to employment as well as procurement opportunities for local businesses.

Given that this is a \$330 million dollar project and is expected to generate 2,500 jobs, the anticipated overall positive outcomes for the entire construction period and ongoing operations are noteworthy. This means that achieving a 10% for procurement would account for \$33 million towards local purchasing and 10% local employment would mean employment for 250 inner-city residents.

To date, PARQ's report details steps taken to address problem gambling, have exceeded local employment targets by more than double (set at 10%, and currently at 25.06%), have met their local procurement targets after expanding the geographic regions to allow for key suppliers outside of the catchment area (also set at 10%, and currently at 11.7 %). Given this project is only at the halfway point of construction, statistics from PARQ thus far show that 137 inner-city residents have been employed and have met their local procurement targets once the catchment area has been expanded. The City and PARQ also acknowledge the challenges thus far and expect to work closely with the City to meet their continued obligations.

While recognizing that continued efforts are required moving forward, staff acknowledge that PARQ's key achievements to date have set a national precedent. No other Canadian gaming facility is contractually bound to adhere to as many commitments in ensuring responsible gambling, making this the City's most robust Community Benefit Agreements to date. These commitments are setting a foundation for a citywide Community Benefit Agreement policy currently under development and a priority identified in the Healthy City Action Plan (2015-2018) and the forthcoming DTES Community Economic Development Strategy.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

- November 2004: City and Edgewater Casino Inc. enter into a "Job Creation Program Agreement."
- April 2011: At Public Hearing, Council approved BC Pavilion Corporation's application to increase the size of the future Edgewater Casino facility, but limited the number of slot machines and gaming tables to its current numbers of 600 slots and 75 tables.
- October 2013: Council motion directs staff to work with PARQ to address problem gambling in the Chief Health Officer, Perry Kendall's report, "Lower the Stakes: A Public Health Approach to Gambling in British Columbia."
- December 2013: Staff apply prior-to conditions to PARQ's preliminary development permit application, including social conditions to mitigate problem gambling and enhance local procurement and employment opportunities.
- October 2014: Council adopts the "Healthy City Strategy" with actions aimed at strengthening services and economic opportunities to reduce poverty.
- July 2014: Council prohibits any future increase in any form of gambling entertainment including the number of slot machines and gaming tables.

- September 2014: Council adopts the "Mayor's Task Force on Mental Health and Addictions" with priority actions to address mental health and addictions.
- July 2015: Council adopts "Healthy City Strategy - Four Year Action Plan" to develop, implement and monitor a Community Benefit Agreement policy for large developments that reduce barriers to employment and enhance local purchasing.
- April and May 2015: City and PARQ register on title the "Inner-City Local Employment and Procurement Agreement" and "Responsible Gaming Agreement" that covers the entire project for the duration of Casino operations at 39 Smithe Street.
- November 2016: The associated Council report, "Downtown Eastside Community Economic Development Strategy" recommends piloting a multi-stakeholder project with a Community Benefit Agreement.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The General Manager of Community Services recommends approval of Recommendation A. The two legal agreements and accompanying progress report provide clear, innovative, and accountable steps that set both a local and national model in municipal commitment to urban health and a balanced, thoughtful approach to the issues associated with problem gambling, the need to reduce harms, while supporting local jobs, tourism, and entertainment opportunities. These lay the foundation for the future citywide Community Benefit Agreement policy that positions the City as a leader in supporting local business and developing job opportunities for people with barriers to employment.

REPORT

Background/Context

Prevalence and Harms Associated with Problem Gambling

While problem gambling and its link to other illnesses and addictions are widely recognized, there are actions that governments, industry partners, and community groups can take to minimize these harms.

The vast majority of BC residents engage in responsible gaming (72.5%). Moderate and high-risk problem gamblers account for 3.3% of the population in BC (or 125,000 of the adult BC population)—making BC's rates the highest amongst the seven provinces surveyed¹. Particular communities are at a greater risk for problem gambling, namely Aboriginal communities, ethno-cultural minorities (particularly the South Asian community), low-income groups, and youth between the ages of 18-24². Low-income individuals also spend a higher proportion of their income on gambling while people with problem gambling have higher rates of mental health and substance abuse issues³.

¹ RA Malatest and Associates. (2014). "2014 British Columbia Problem Gambling Prevalence Survey." Ministry of Finance: Gaming Policy and Enforcement Branch.

² Ibid.

³ Ibid.

Research has shown that the presence and availability of gambling facilities have the potential to exacerbate other harms and addictions. For instance, one-third of at-risk and problem gamblers reported using drugs or alcohol compared to 19.2% of the population⁴. Limiting the prevalence, availability, and accessibility of gambling establishments are therefore linked to reducing the associated harms and addictions.

PARQ's Application to Relocate and Expand the Edgewater Casino

In 2011, Council approved PARQ's rezoning application (PARQ was called at that time as "Paragon Holdings Limited Partnership" until their name change to "PARQ" in October 2014) for the relocation of the Edgewater Casino from 760 Pacific Boulevard to an adjacent mixed-use entertainment complex that includes hotels, restaurants, conference space, and a cabaret theatre. At the time of Public Hearing, Council, community members, and Vancouver Coastal Health expressed significant concerns over problem gambling. As such, Council placed conditions as part of the rezoning and development of the future site that allowed for an overall increase in floor space, but limited the permitted gaming to a maximum of 600 slots and 75 gaming tables— being the exact numbers at the current Edgewater Casino.

While Council capped the number of gaming machines and tables and limited any future expansion of the Casino, concerns remained that the existence of this Casino in Vancouver would further exacerbate harms and addictions associated with problem gambling.

City Direction for Community Benefit Agreements

While the current Edgewater Casino is bound by their 2004 "Job Creation Program Agreement" to ensure employment opportunities for inner-city residents, staff approached PARQ's 2011 rezoning application as an opportunity to strengthen their commitments towards healthy communities.

A 2013 Council Motion directed staff to address the social, economic, and health harms associated with problem gambling as identified in the Provincial Health Officer, Dr. Perry Kendall's report, "Lower the Stakes: A Public Health Approach to Problem Gambling in British Columbia" (2013). Dr. Kendall provided key recommendations for governments to mitigate problem gambling, such as limiting alcohol consumption, reducing access to ATMs, completing risk assessments prior to approving gaming facilities, improving data collection, and strengthening collaboration with public health authorities on gaming policy. Best practices and recommendations from Dr. Kendall's report are identified in the City and PARQ's "Responsible Gaming Agreement."

PARQ was required to fulfill a number of social conditions to demonstrate their commitment to responsible gambling as part of PARQ's preliminary and Complete Development Applications (December 2013 and July 2014, respectively). See Appendix B for further details of the "Development Permit and Advisory Panel Minutes for 39 Smithe Street Preliminary Application" and see Appendix C for "Social Policy

⁴ Ibid.

Conditions from PARQ's Complete Development Permit Application Requirements." These conditions, listed below, formed the foundation in the two legal agreements referred to in this report:

Social Conditions for 39 Smithe Street:

A.1.28: Execution of an Inner-City Local Employment and Procurement Agreement for the construction and operation of this project to the satisfaction of the General Manager of Community Services and the Director of Legal Services.

A1.29: Confirmation of Paragon's formal response, by agreement or otherwise, to the satisfaction of the General Manager of Community Services and City Manager, to the recommendations contained in the Provincial Health Officer's report, "Lower the Stakes: A Public Health Approach to Problem Gambling in British Columbia," including without limitation examining such specific issues such as:

- i. Hours of operation;*
 - ii. Hours of liquor service;*
 - iii. Signage and contact information on the slot machines regarding the dangers of gambling addiction and a telephone number to contact;*
 - iv. Creating a harm reduction strategy;*
 - v. A review of risk mitigating activities at Edgewater Casino;*
- all to the satisfaction of the General Manager of Community Services and the City Manager.*

In April and May 2015, PARQ entered into two legal agreements that provide for detailed legal obligations for PARQ.

Strategic Analysis

City Council and staff have approached the social and health costs of gambling seriously, requiring PARQ to demonstrate best efforts to ensure ongoing commitments of social responsibility as part of their legal obligations.

These agreements were carefully developed based upon best practices research, community feedback, input from, Vancouver Coastal Health, collaboration with the development industry⁵, the Province of BC's Gaming Policy & Enforcement Branch, and the British Columbia Lottery Corporation⁶ to develop the City's most robust, Community Benefit Agreement with clear and measurable performance targets and obligations. The two full legal agreements are available at <http://vancouver.ca/home-property-development/legal-agreements-for-approved-development-permits.aspx>.

The objective of the first legal agreement, "Responsible Gaming Agreement," requires PARQ to provide measurable actions to address problem gambling concerns. Obligations include, but are not limited to:

⁵ The development industry includes other sites that have community benefit agreements, namely Concord Pacific and Aquilini located in the Northeast and Southeast False Creek areas.

⁶ BCLC is the Crown Corporation owned by the Province of BC, established to meet the requirements of the Criminal Code of Canada. BCLC sets and oversees operating standards, policies and procedures for all gambling facilities to balance the revenue generating activities from casinos with a commitment to social responsibility.

- Increasing the annual Social Responsibility Fund from \$200,000 to \$300,000 payable to the City which the City to date has allocated to social nonprofits that address issues for vulnerable populations in and surrounding the Casino.
- Prohibiting complimentary alcohol on the gaming floor.
- Sequestering ATMs off the public gaming floor.
- Requiring that all gaming machines provide problem gambling notifications for at-risk users.
- Providing enhanced staff training to identify and respond to problem gamblers.
- Partnering with St. Paul's Hospital Foundation, through the provision of a \$300,000 annual contribution for five years towards problem gambling research.

The second legal agreement, the "Inner-City Local Employment and Procurement Agreement," set a higher standard towards social and economic benefits by requiring a 10% local employment and 10% local procurement requirement for construction as well as ongoing operation for the Casino and all other commercial operations in the Vancouver Urban Resort development, including two hotels and six restaurants, and other commercial businesses. The intent is to ensure that benefits from redevelopment remain within the inner-city through employment opportunities for individuals living with barriers (e.g., individuals living with mental health and addictions, Aboriginal residents, newcomers whose English is not their first language) and to increase local purchasing to stimulate the economy for small businesses and social enterprises in the inner-city. This agreement enhances previous agreements due to its ongoing monitoring and evaluation commitments, which requires PARQ to retain dedicated staff as well as to fund a neutral third party to provide ongoing assistance to PARQ in fulfilling their requirements.

Since 2004, the City has entered into other Community Benefit Agreements, including with Millennium Development, Aquilini Development and Construction, and Concord Pacific in Southeast and Northeast False Creek. The agreements with PARQ are however, an evolution from previous legal agreements, with key distinctions that include, but are not limited to:

- Obligations that extend beyond entry-level construction jobs to include meaningful employment and procurement opportunities for ongoing operations—this is especially important given the commercial establishments within the facility such as hotels, restaurants, and conference space.
- Clearer definitions and more defined geography of the "inner-city" to ensure benefits are targeted to higher-needs neighbourhoods.
- Requiring PARQ to demonstrate best efforts to diversify local procurement amongst inner-city businesses and social enterprises.
- Developing a separate agreement with actions and targets to mitigate harms and addictions associated with problem gambling.
- Increase to the Social Responsibility Fund payable to the City that has since been allocated to social nonprofits within inner-city neighbourhoods.
- Retaining internal staff as well as funding a neutral third party expert dedicated specifically to meeting obligations and for the ongoing monitoring and implementation obligations.

Summary of PARQ's Achievements from the "Responsible Gaming Agreement"

As detailed in their progress report, PARQ has approached the conditions contained in the "Responsible Gaming Agreement" with continued effort for their new facility. PARQ's legal requirements and accompanying accomplishments for responsible gaming have exceeded their minimum requirements.

For instance, PARQ has chosen not to allow complimentary alcohol on the gaming floor, exceeded the responsible gaming check audits of the existing Edgewater facility (82.5%, which is 5% over the previous audit), and requiring that all staff have in-house training above and beyond the British Columbia Lottery Corporation's requirements.

The outcomes represent a unique point of collaboration and key actions that governments, developers, research institutes, and health authority can take to ensure positive and widespread impacts of responsible gambling.

Summary of PARQ's Progress Report on Inner-City Local Employment

At 25.06% PARQ has doubled their 10% local employment target to date. PARQ's general contractor for construction, EllisDon Tishman, has established partnerships with social development agencies that work directly with people experiencing barriers to employment. These organizations include EMBERS, Pacific Community Resource Society, YWCA, MOSAIC BC, Immigrant Services Society of BC, Open Door Group, and working relationships with Musqueam and Tsleil-Waututh Nation. Since these agreements have been in place, the City has received feedback from social development agencies that PARQ has established a positive relationship in demonstrating best efforts to hiring individuals with barriers to employment. These partnerships and outcomes have captured the intent of the local employment requirement.

The doubling of PARQ's local employment targets have been achieved largely due to efforts by EllisDon Tishman, as well as by retaining dedicated staff and a neutral third party to meet these requirements. For the upcoming completion of construction and ongoing operations phase, PARQ plans to establish relationships with additional agencies that provide specialized training programs since the remainder of the project will require more technical and specialized skill sets. PARQ is confident that the 10% employment requirement will be met moving forward.

Summary of PARQ's Progress Report on Inner-City Local Procurement

The 10% local procurement requirement aims to ensure that purchasing is (a) prioritized for local inner-city businesses and social enterprises and (b) that local procurement is diversified amongst as many qualified inner-city businesses as possible. PARQ's report provides examples of best efforts throughout the construction phase to diversify amongst a number of local businesses for a range of construction materials.

PARQ has identified purchasing challenges, namely the insufficient supply of local businesses within the narrow inner-city catchment area to meet the construction needs for a mixed-use development. While PARQ has made best efforts for local procurement requirements by supporting a range of businesses in the catchment area,

they were only able to meet their 10% requirement by extending beyond the catchment area. This report cites that some of the challenges lie in the City's limited industrial land use, or that the zoning of inner-city neighbourhoods limits local procurement opportunities. PARQ's report states that 90% of materials for this project are not available in Vancouver, let alone in the inner-city. PARQ suggests that in future, allowing the developer to determine what percentage of total construction is procurable within City limits would be a compromise. In moving forward, PARQ has committed to undertaking ongoing collaboration with the City and neutral third party to ensure that best efforts are made to honour the intent of the local procurement agreement.

PARQ's Next Steps for Completion of Construction and Ongoing Operations

As these agreements require a more accountable monitoring and on-going implementation strategy, City staff will continue to work closely with PARQ and the neutral third party to ensure ongoing benefits for the community.

Staff have recognized PARQ's challenges to local procurement, namely that the original catchment areas of the Downtown Eastside, Strathcona, and Mount Pleasant neighbourhoods do not necessarily contain a sufficient number of local businesses that provide construction materials in Vancouver. Staff will continue to work with PARQ and the neutral third party to ensure that the intent of the 10% local procurement will be achieved during the remainder of the construction phase and ongoing operations.

Still, these legal agreements are the broadest Community Benefit Agreements in Vancouver, setting the precedent for positive and wide-reaching benefits from future developments. Staff are developing a citywide Community Benefit Agreement policy (expected in 2017) based on the learnings from PARQ's agreements that will fulfill Healthy City Strategy priority action and the DTES Community Economic Development Strategy—both with directions to advance Community Benefit Agreements towards social and economic benefits for community members.

CONCLUSION

Problem gambling and associated mental health and addictions harms have a number of social and economic impacts, especially given the greater prevalence among more vulnerable communities. To ensure healthy communities, City Council has taken a proactive role in developing policy, defining land use, and establishing partnerships and mitigating harms related to responsible gambling.

The 2015 "Inner-City Local Procurement and Employment Agreement" and "Responsible Gaming Agreement" demonstrates Council and PARQ's commitment to being a leader by strengthening economic and social benefits while reducing harms associated with problem gambling.

Staff will continue to work closely with PARQ and partners in ensuring rigorous monitoring and satisfaction of the obligations, accompanied by annual reports to Council and use lessons learned to form the expected citywide community benefit agreement policy.

Appendix A: PARQ's Progress Report, "PARQ Social Agreements Compliance Report"

Parq Social Agreements Compliance Report

DRAFT

Memorandum

November 16, 2016

To: City of Vancouver
From: John Cahill (*Parq Holdings Limited Partnership*)
Re: parq Vancouver – Inner-City Employment and Procurement Agreement / Responsible Gaming Agreement – Compliance Update

I. Summary

This memorandum is intended to describe our obligations under both the Inner-City Employment and Procurement Agreement and the Responsible Gaming Agreement for the parq Vancouver project, and also to detail the best efforts we have made to date to satisfy those obligations.

II. Background

1. On April 21, 2011 the City of Vancouver issued its Zoning Decision Letter approving the rezoning of the project site subject to the satisfaction of over 70 conditions of approval, two of which were:

Social Policy

24. Obtain amendments to the Social Responsibility Fund Agreement between Paragon Gaming (Paragon Holdings [Smith Street] ULC) as the operator of the Edgewater Casino and the City to maintain the proportion of gaming revenue paid to the City annually at \$200,000 as a result of the relocated casino; and

25. Execution of an Inner-City Local Employment and Procurement Agreement between the applicant, the operator of the Edgewater Casino, and the City for the construction and operation of the project on the Rezoning Site.

2. On December 17, 2013 the City of Vancouver issued a letter approving in principle the Development Permit Application subject to the satisfaction of over 90 prior-to conditions, which were subsequently revised on July 28, 2014 with revised development permit prior-to conditions, two of which were:

Social Policy Conditions

1.28 Execution of an Inner-City Local Employment and Procurement Agreement for the construction and operation of this project to the satisfaction of the General Manager of Community Services and Director of Legal Services. An Inner-City Local Hiring Agreement will ensure that 10% of employment is sourced from residents who live in the Downtown Eastside, Strathcona or Mt. Pleasant and who experience barriers to employment, with emphasis in the Downtown East Side area. The Edgewater Casino has an existing agreement that covers the casino operations. This agreement will be amended to cover the construction period of the hotel/entertainment complex as well as the casino operations. This agreement will also require that 10% of the total cost of all procured goods and services during construction and ongoing operations are procured locally; and

1.29 Confirmation of Paragon's formal response, by agreement or otherwise, to the satisfaction of the General manager of Community Services and the City Manager, to the recommendations contained in the Provincial Health Officer's report "Lowering the Stakes: A Public Health Approach to Gambling in British Columbia", including without limitation examining such specific issues as:

- i. Hours of operation;*
- ii. Hours of liquor service;*
- iii. Signage and contact information on the slot machines regarding the dangers of gambling addiction and a telephone number to contact;*
- iv. Creating a harm reduction strategy; and*
- v. A review of existing risk mitigation strategies at the Edgewater Casino,*

all to the satisfaction of the General Manager of Community Services and the City Manager.

III. Applicant Overview

From January 2014 through May 2015 the Applicant worked with City staff and designated stakeholders to negotiate, execute and, on May 25, 2015, register on title mutually acceptable agreements as required by the rezoning and development permit conditions. The Applicant acknowledges that the implementation of these agreements is unique in its experience: there is no other lawful Canadian gaming facility operating or proposed which, by registered agreement, is contractually bound to be proactive and use best efforts to collaborate with specific stakeholders to identify best practices in responsible gaming and to deliver gaming to the public in a responsible manner. We are extremely proud of our accomplishments to date in this area.

Similarly, there has been no Vancouver development - whether under construction or in operation – that has successfully met the challenges of providing meaningful employment opportunities to residents with barriers to entry into the job market to the extent Edgewater Casino (operations) has done since 2006, and parq (construction) has done to date. Since Paragon acquired the Edgewater Casino out of bankruptcy in 2006, Edgewater has consistently exceeded the contractual requirement of having 10% of all employees be residents of the Downtown East Side, Mt. Pleasant or Strathcona neighbourhoods of Vancouver. As of August 2016, 25.06% of all Edgewater Casino employees reside in the catchment area.

Our greatest challenge has been in the area of construction procurement: how do you purchase 10% - \$33 million – of \$330 million in construction cost from the Downtown Eastside/Strathcona/Mt. Pleasant areas, when those materials are not produced in Canada; much less British Columbia; much less Vancouver? We established at the outset a dedicated team to the procurement project, who worked closely with the project's general contractor, project designers and local suppliers to maximize local procurement. We have periodically met with City staff and shared with them the idiosyncrasies of the parq project – which is, essentially, a one-off, mixed use project – as compared with the standard office and condo/apartment towers that make up 80% of the new development in the Lower Mainland. Those building types see economies of scale in the repetition, from floor to floor, throughout the building, of vertical transportation, MEP utility cores, bathrooms and/or kitchens, etc. In contrast, once you rise above parq's typical street level uses of lobbies, retail and dining which one can experience in many office or residential high rise projects in Vancouver and elsewhere, you enter into three successive floors – each approximately 90 thousand square feet - which, due to their program requirements, are probably the highest cost per square foot buildings built in Vancouver save an essential services project such as the proposed St. Paul's hospital. The second and third levels house the casino, which includes \$15 million in communications and data equipment to meet regulatory and security standards; the fourth level houses the largest column-free banquet/conference room in Vancouver; and its massive steel roof supports the weight of a 30 thousand square foot outdoor rooftop park. None of the casino communications equipment or cabling comes from Canada, much less Vancouver. None of the \$12 million in steel comes from British Columbia. The \$31 million curtain wall approved by the Urban Design Panel comes from USA. All in all, 90% of the materials required to build this project are unavailable anywhere in Vancouver. Accordingly, it may be a more feasible and meaningful metric to allow the developer – using best efforts – to determine what % of total construction activity is procurable within City limits, and then let staff determine what the appropriate goal % is, rather than assume 10% works for every building type.

We have noted the employment and procurement challenges facing a project that goes through an RFQ/RFP process - such as parq had to do - to select a general contractor and negotiate a competitive GMP contract as opposed to the larger Vancouver development companies which have in-house, self-performing construction divisions which enjoy a much less restrictive approach to the bid and procurement process. Moreover, while our GC and all of its subcontractors have embedded in *their* respective contracts the Employment & Procurement Agreement terms and conditions, their collective instinct is to perform within the terms of the industry's competitive bid process. There is possibly not a level playing

field nor a common cause of understanding at this point in time permissive of maximizing this social policy. Most ironically, we have noted the loss of LEED Gold points to our project due to the commitment to purchase locally wherever possible.

Clearly, one size does not fit all: the City must assess many of its metrics as it moves forward with this program on a City wide level. It is notable - and confusing - that the City of Vancouver Procurement/Purchasing Standards are not consistent with this Social Policy. Importantly, the City must take a clear and visible lead in the implementation of this program on a wider scale: to expect a developer to get the cooperation the employment and procurement program requires from the construction industry at large – especially when it comes to reporting and auditing results – without the City first laying the groundwork for that program to the entire development community, makes implementation very difficult. Nevertheless, we have come a long way, and are pleased that our GC – EllisDon/Tishman – has worked hard with us to overcome the initial inertia and resistance that we all experienced at various trade levels, in order to achieve the results we are proud to report herein.

The greatest opportunity to maximize local employment and procurement will come from the City taking a hard look at base assumptions it set in the Employment and Procurement catchment areas. While the effort was to focus on disadvantaged areas of the City, it is oversimplification to assume that both employable residents and procurable construction goods or procurable operational goods come from the same area. At the outset, we looked at the catchment areas proscribed by the City and then overlaid the City Zoning Map and found there are many incongruities: the areas that construction materials can be manufactured/warehoused in many cases does not tie to City zoning land uses, and in some areas where it does, light industrial uses are rapidly disappearing in favour of residential land uses. If the City can preserve and/or create areas in the City that will be dedicated to the manufacturing/warehousing/distributing of construction materials, it would be a windfall to the local economy, given the incessant demand for construction goods in Vancouver – one of the most stable urban construction markets in North America. I have suggested before that the City of Vancouver should cause the development and operation of a “green” factory to manufacture a “green” drywall – it could run three shifts a day to satisfy the local demand for drywall.

Similarly, we know from our 10 years of operating the Edgewater that, from an employment perspective, the catchment areas do not necessarily reflect where “residents with barriers to entry to the job market” live in the City of Vancouver. Nor do those areas reflect what happens – frequently – when someone from the DTES gets a job, gets promoted and, over time, moves up and out of the DTES, which is a fundamental goal of the entire program: an improved quality of life.

IV. Inner-City Employment and Procurement Agreement

1. Agreement. Our obligations concerning employment and procurement are set out in the "Inner-City Local Employment and Procurement Agreement" dated for reference May 25, 2015, which was registered at the land title office under instrument numbers CA4416105 to CA4416113.
2. Progress Report. We are required to provide a "Progress Report" at the halfway point of construction (see section 4.2). This memorandum is intended to satisfy that obligation, and we believe it includes all the information required to be included in the Progress Report.
3. Building Permit Obligations. We were required to satisfy the following "Building Permit Conditions" before the City issued a building permit for the project (see section 2.1):
 - a. confirm to the City the proposed phasing of the project [Parq is not a phased development];
 - b. provide the City with the estimated construction cost [the initial estimated project cost was \$330 million];
 - c. estimate the halfway point of construction [the halfway point of expenditure was reached September 30, 2016];
 - d. confirm that we had contacted the relevant social development agencies [we have reported to Social Planning the social development agencies we are working with];
 - e. confirm that we had engaged the Neutral Third Party [we engaged Nathan Edelson as the Neutral Third Party on July 24, 2015];
 - f. confirm that we had delegated the tasks of the Inner-City Local Employment and Procurement Director to internal staff [we confirmed to Social Planning that we have amended our internal HR and RG functions to be compliant with the requirements of the Social Agreements]; and
 - g. put forward the name of someone to sit on the strategic advisory group [we recommend that the President of Parq Resort be a member of the Strategic Advisory Group].

We provided the required material to the City, and on October 8, 2014 the City issued Building Permit BU 460798, allowing the construction of the project.

4. Construction Obligations. While the project is under construction, we are required to:

- a. retain the Neutral Third Party and ensure that staff continue to carry out the tasks of the Inner-City Local Employment and Procurement Director (see section 4.1(a)). To that end, we:

engaged Nathan Edelson as the Neutral Third Party on July 24, 2015. Parq has confirmed to Social Planning that we have amended our internal HR and Procurement functions to be compliant with the requirements of the Construction Obligations.

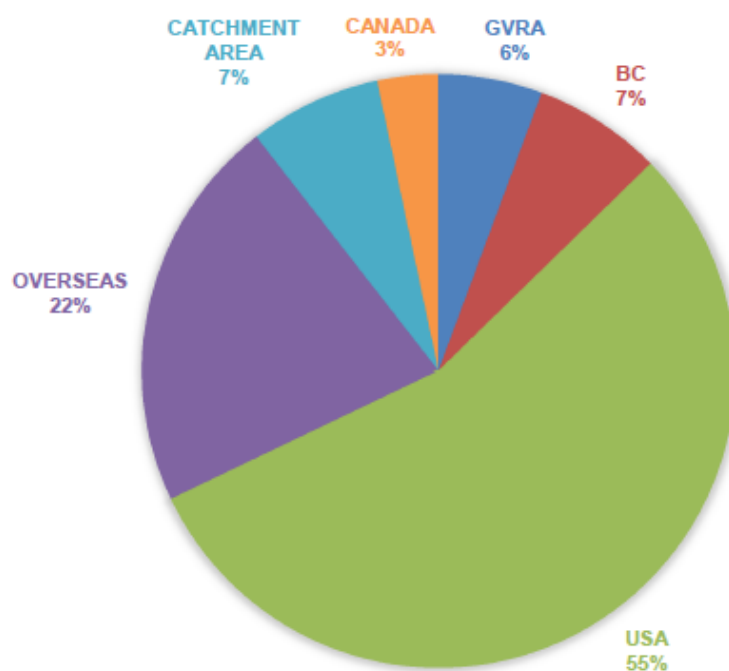
- b. use best efforts to procure not less than 10% of construction materials from “Qualified Businesses”, with priority given to DTES businesses and then Strathcona and Mount Pleasant businesses (and then other specified areas if approved by the City), to diversify procurement amount Qualified Businesses and to cause our contractors to do the same. We are also required to use best efforts to ensure that on-site food services, project clean-up work and landscaping work are procured from Qualified Businesses, with priority to DTES businesses (see sections 4.1(b) and (c)). To that end, we have:

- Achieved, through September 2016, local construction procurement of \$18.33 Million, or 11.7% of total procurement.

Current EDT Construction Procurement Value:

Project Start to End of September 2016			
Sorted - Towards Bearings Program			
Company	Procurement		
EDT	\$9,802,411.19	Total Spent to Date	\$165,673,103.32
Centura	\$385,602.00		
Gamma/AGS	\$31,614.67		
Glastech	\$17,617.92		
Flynn	\$0.00		
KPS	\$0.00	Bearings Program with 10% Action + PMB	\$18,333,906.70
AI Industries	\$319,449.97	Bearings Program Percentage	11.07%
Limex Group	\$17,000.00		
LMS	\$0.00		
Newway	\$198,486.00		
Action	\$268,500.00		
Houle	\$1,398,574.00		
Bartle & Gibson	\$0.00		
Trane Canada	\$110,116.00		
Troy	\$14,700.00		
Emco	\$19,689.30		
PMB	\$15,194,160.57		
TKE	\$0.00		
Benchmark	\$175,240.00		
Hall	\$0.00		
Total	\$27,953,161.62		

Locations of Procurement of Construction Materials at Parq Vancouver



- Due to the complexity and specific requirements of the project, the procurement requirement has been seen as unobtainable by many of our suppliers and subtrades. The material that can be procured from the catchment zone is limited, as a large portion of materials used in this project is not available locally or even in British Columbia or North America. Many trades are purchasing as much as possible in the catchment area, but still falling short of the 10% requirement.
- To date, approximately 70,000 m³ of concrete has been poured at the parq project, with a contract value exceeding \$10,000,000. EDT originally entered into contract with LaFarge, who was included in the catchment area after a variance was requested. Due to the inability to keep up with the demand and parq's very tight construction schedule, EDT was forced to outsource concrete supply to 2 additional vendors – Ocean Concrete (Granville Island) & Burnco (Burnaby). In the future, the issue of supply and demand that parq experienced will greatly affect other projects as currently there is only 1 concrete

supplier in the catchment. They would be the sole provider to a multitude of projects, and with that costs could increase, construction delayed, and contractors would be then forced to source even further away to be able to meet deadlines.

- McGregor Thompson was awarded the Door and Hardware scope for the Podium levels after winning during competitive bid. Their office is located within the catchment area, with an additional warehouse located in Burnaby. McGregor Thompson's office sits on prime development land, and eventually our fear is that McGregor will seek a less expensive, but more expansive piece of land further out in the GVRA thus removing them from the catchment area. Our contract with McGregor Thompson exceeds \$1,000,000.
- Our podium drywall contractor - Centura Building Systems – with a contract value that exceeds \$10,000,000 is not located in the catchment area, and due to sheer volume of drywall and material needed they are not able to source any of their material from within the catchment area. However, we were able to source the supply and installation of the decorative plaster included in this contract (approx. worth \$700,000) to a local artesian company called Gorman Studios. Gorman Studios is located within the catchment area, and employs a variety of artists who also live within the area. Parq felt this was a massive success as decorative Venetian plaster is often outsourced to Toronto as there are not many groups who specialize in this field locally.
- The total value of stone and tile within the project exceeds \$6,000,000 and approximately 90% of the material was able to be sourced/purchased through a local supplier located within the catchment area. Majority of the interior designers originally specified stone/tile from suppliers located elsewhere (Toronto, Burnaby, New York, etc.) however parq and EDT worked very closely with the designers to re-specify material that could be sourced with our local supplier. This process was not easy, as many of the suppliers located within the catchment area are smaller, more driven towards residential homes, and a project as large as ours they felt would burden them financially as they would need to cover the upfront purchase costs.
- Please see attached spreadsheet (Appendix B) for complete evaluation of all contracts/materials on the project and where were able to find success with local procurement and where challenges were presented

- c. use best efforts to ensure that no fewer than 10% of FTE employees are residents of the DTES, Strathcona or Mount Pleasant or (or other specified areas if approved by the City), with priority given to vulnerable and/or traditionally marginalized people. We are also required to agree on social development agencies to assist with this mandate, work with those social development agencies and cause our contractors to do the same, and ensure that we and our contractors provide the same levels of pay to these employees as to other employees of similar skill and experience (see sections 4.1(d) and (e)).

In response, Ellis Don Tishman reports the following construction labour data:

- From the start of the Project in December 2014, to the end of September 2016, the project is exceeding the 10% labour requirement. Based off of the Headcount Reporting, the current employment percentage reported through headcount is 20.17%.
- This is a considerable jump from the 6.97% in the June 2016 Report. This increase is partly due to the increased amount of trades and subcontractors onsite, but mainly due to the increased commitment by EllisDon Tishman.
- Mid-August 2016, an Integration Coordinator was hired full time by EllisDon Tishman to manage the Bearings Program during the construction process. Through this additional commitment to achieving the requirement, the tracking of the trade's and subcontractor's efforts towards the Bearings Program drastically improved and the reporting procedure was remodeled. Additionally many networks were developed in the community to make hiring as easy as possible for trades and subcontractors.
- Headcount reporting is widely embraced on-site due to the increased employee emphasis on privacy. It should be noted that while reporting a dollar amount was initially met with some resistance, some trades and subcontractors still prefer to use this method of reporting.

In response, Edgewater Casino offers the following operational labour data:

- Inclusive Employment Program (IEP) 25.06% YTD (October 31, 2016)

IEP Associates					
Departments	Total Headcount	IEP Associates	Target #	Dept Totals	Variance
Executive Office (700)	7	2	1	28.57%	1
Finance (740)	10	1	1	10.00%	0
Cage (140)	82	22	8	26.83%	14
Human Resources (730)	10	2	1	20.00%	1
Marketing/ (720)	9	4	1	44.44%	3
Guest Services (725)	26	3	3	11.54%	0
Slots (110)	37	13	4	35.14%	9
Facilities (900)	5	1	1	20.00%	0
Table Games/Poker (120/125)	432	103	43	23.84%	60
Customer Development (195)	26	3	3	11.54%	0
Food and Beverage (165)	102	37	10	36.27%	27
Security (750)	43	7	4	16.28%	3
Surveillance (760)	21	5	2	23.81%	3
TOTAL COUNT	810	203	81	25.06%	121

TOTAL IEP
25.06%

Source of IEP	
Postal Code	142
GF - Postal Code	22
First Nations	18
Non-Profit Source	21

Postal Code	
V5K	24
V5L	9
V5M	15
V5N	30
V5T	14
V5Y	4
V6A	11
V6B	30
Grand Total	137

Employment Equity October 2016

Departments	Total Headcount	Aboriginal Status	Disability	Visible Minority	Female
Executive Office (700)	7	0%	0%	3 43%	5 71%
Finance (740)	10	0%	0%	5 50%	6 60%
Cage (140)	82	1 1%	2 2%	28 34%	51 62%
Human Resources (730)	10	0%	0%	6 60%	10 100%
Marketing/ (720)	9	0%	0%	4 44%	6 67%
Guest Services (725)	26	0%	0%	11 42%	18 69%
Slots (110)	37	3 8%	2 5%	8 22%	24 65%
Facilities (900)	5	1 20%	0%	1 20%	0%
Table Games & Poker (120/125)	432	7 2%	2 0%	117 27%	204 47%
Customer Development (195)	26	0%	0%	10 38%	17 65%
Food and Beverage (155/165)	102	5 5%	1 1%	26 25%	57 56%
Security (750)	43	1 2%	2 5%	9 21%	6 14%
Surveillance (760)	21	0%	0%	3 14%	5 24%
TOTAL COUNT	810	18 2.2%	9 1.1%	231 28.5%	409 50.5%

Edgewater's Partnerships in the local community

- Edgewater is working with the Lead Work BC Sites such as Work BC – City Centre, Drive Youth Employment Services, Employment Service Centre, City Centre, Westside, & Youth Satellite, Pacific Community Resource Society, Open Door, Mosaic and YWCA.
- Other working relationships in the area are ISS of BC, Success, Musqueam, Tsleil-Waututh Nation, Vancouver Community College, Art Institute and BCIT.

Edgewater's currently supports the following programs/projects:

- Skills Max for Youth at the YWCA Career Zone
- YWCA Admin Essentials practicum program for women
- BC Partners in Workplace Innovations – BC Win Project – focused on people with disabilities

By the end of 2016, Edgewater has participated in 17 job fairs with our various partners:

Vancouver Community College – Interview Week – Edgewater Casino has a booth – February 9, 2016
BC Partners In Workforce Innovations (BC Win) Job Fair - Jamie Dixon – February 16, 2016
YWCA Inner Circle Invite - YWCA Hotel - Feb 25, 2016
Capilano College Job Fair – February 25, 2016
WorkBC Employment Job Fair- March 9, 2016
Musqueam Job Fair - March 31, 2016
YWCA Job Fair - April 6, 2016
Mosaic Job Fair - April 12, 2016
WorkBC Youth Job Fair - May 10, 2016
Art Institute of Vancouver Job Fair- May 19, 2016
WorkBC sites Job fair at Edgewater Casino - June 16, 2016
YWCA - Career Zone Job fair - July 21
ISSBC - Job Fair Sept 16
Project Everybody (BC Win) Job Fair at YVR Airport - September 29th
YWCA Job Fair (North Vancouver) October 20
Musqueam Job Fair - December 8
EFC Job Fair at Vancouver Convention Centre - December 9

5. Suggestions for Future Objectives.

Some of the difficulties Edgewater faces with the current covenant are: 24 hour operation, graveyard shifts, no parking, gaming license (background check)

In the future, the construction labour procurement could be more successful by the contractor providing their FTE numbers in advance to local employment providers so that they are able to source clients that will match the contractor's needs.

A few next steps would be to further develop networks with agencies with specialized training programs. The nature of the construction work on the project is transitioning to specialized finishing work from that of concrete formwork and rough carpentry. This will increase the difficulty in sourcing the required workers for the trades and subcontractors; however EllisDon Tishman and parq Vancouver are confident that through working with many community organizations this requirement is obtainable.

V. **Responsible Gaming Agreement**

1. Agreement. Our obligations concerning responsible gaming are set out in the "Responsible Gaming Agreement" dated for reference May 25, 2015, which was registered at the land title office under instrument numbers CA4416114 to CA4416116.
2. Annual SRF Payment. We are required to pay to the City's Social Responsibility Fund \$300,000 plus GST annually, commencing on the opening date (see section 2.1(a)).
3. Annual Research Payment. We are required to pay to St. Paul's Hospital Foundation \$300,000 plus GST annually, commencing after the opening date (see section 2.1(b)).
4. Enhanced Responsible Gaming Procedures. We are required to make problem gambler identification a formal part of management and employee evaluation, provide problem gambler identification training to casino floor employees, use best efforts to achieve an 85% score on the 2015 responsible gaming check audit at Edgewater and use best efforts to achieve a 90% score on annual responsible gaming check audits at parq commencing in 2017 (see sections 3.1(a)). To that end, we have:
 - All staff have in house training above and beyond BCLC's requirements
 - Development of an in-house RG Ambassador program
 - All staff are equipped with pocket books for snapshots of appropriate responses for patrons experiencing difficulty in gaming
 - Continue to exceed recommendations and RG policies from BCLC and GPBE ie. audible time alerts, speaker series.

- RG AUDIT: Achieved the National leading score in the RG audit for a like Casino ; single largest % growth from last Audit; Continue to work closely with the RG Audit Team to strive for excellence, contribute to best practices in operationalizing research and recommendations for scalability and sustainability.
5. ATM Machines in Casino. We are required to sequester ATM machines and increase “walking off” distance, enhance cash access staff training, situate the responsible gaming station on the path to the ATM vestibule, activate responsible gaming digital messaging at ATM machines, and work with BCLC to limit credit for problem gamblers (see section 3.1(b)). To that end, we have:
- ATMs continue to be off the public gaming floor
 - All ATMs have RG messaging and in the new facility will have messaging on the ATMs directly
6. Hours of Operation. We are required to work to implement a formal program to monitor and identify potentially addictive gambling activity, create a database of gambler interventions for review by Providence Health Care Society, implement recommendations to mitigate addictive gambling behaviour and identify the relationship between playing time and problem gambling, and work with BCLC to implement a system to note if time on a machine exceeded “safe” time (see section 3.1(c)). To that end, we have:
- Edgewater Casino is currently in a pilot with BCLC called “Play Planner”- allowing patrons to set both time and amount limits on the slot machines
 - Edgewater Casino is developing an in-house data base to capture “RG and PG discussions between associates and patrons not captured during the Voluntary Self Exclusion process.
 - Edgewater Casino and GPEB offer in-house training for our Associates to “get to know” our resources and counsellors in efforts to ensure we are passing ownership and transitioning patrons to appropriate resources in a timely manner.
7. Alcohol Policy. We have agreed not to allow complimentary drinks on the casino floor. Also, we are required to work with Providence and UBC’s Centre for Gambling Research to design a trial for assessing the relationship between alcohol sales on the casino floor and problem gambling, and work with GPEB to implement an alcohol sales policy that reflects the research trial findings (see section 3.1(d)). To that end, we have:
- Despite BCLCs allowance of comping alcohol, Edgewater Casino and parq Vancouver will not compensate alcohol on the public gaming floor.

- We implement all recommendations from our experts including GPEB, BCLC, UBC and Providence to ensure our staff are trained and our patrons are educated with the correlation/risks of alcohol consumption and problem gambling behavior
8. Responsible Gaming Messaging on Machines. We have agreed to implement responsible gaming messaging on slot machines and video terminals, research (with Providence and the Centre) the benefits of risk advisory messaging across different games, and attempt to determine why the Voluntary Exclusion Program participation rate in Vancouver is below the Provincial rate. To that end, we have:
- Currently in a pilot project with BCLC “Play Planner” to ensure patrons can set both time and spending limits
 - Working closely with RG Audit to learn international best practices in implementing strategies with impact metrics in this regard.
9. Participation of Local Health Care Professionals. We have agreed to work with Providence, the Foundation and the Centre to make data mining the chief research priority, support the research priority of mitigating harm from gambling and to participate in setting the research agenda biannually (see section 3.2). To that end, we have:
- Working closely with Providence Health Care via Dick Vollet and Dr. Evan Wood to establish validation studies, self- assessment tools and impact metrics for our partnership
10. Responsible Gaming Collaboration. We were required to enter into a memorandum of agreement with the Foundation, which we have completed. Additionally, we are required to advocate for a comprehensive approach to a research-based harm reduction strategy in collaboration with the City, BCLC, GPEB, the Centre, Providence, the Foundation, VPD and Vancouver Health Care Professionals (see section 3.3). To that end, we have:
- Working with Daryl Wiebe (VPD Superintendent) to establish protocols for patron safety and wellness
 - Working closely with Dr. Evan Wood to develop best practices to operationalize RG and PG programming based on health professional’s evidence based research and clinical outcomes.
 - Working with the COV to develop metrics to include: health, social and monetization of impacts.
 -

Our metrics include:

- To be industry leaders in RG Audit Score
- To share best practices
- To constantly integrated international best practice recommendations into operations
- To learn from validation studies and push the envelope
- To contribute to the evolving indicators for best practice

VI. Organizational Structure

This report refers to the fact that parq has made changes to its organizational structure in order to achieve compliance with the Responsible Gaming Agreement and the Employment & Procurement Agreement. It became immediately clear at the commencement of the general contractor competitive bid process that none of the major companies in the Vancouver market were focused on this type of program to any point of being able to meaningfully implement the procedures and policies that would be required to be in place if the project were to be a success. Similarly, the responsible gaming programs in most casinos are largely a function of the regulatory environment of the province the casino is located in, with training programs for employees focused on province-wide issues. In order to satisfy the conditions imposed on the casino at the city level, a greater focus on RG at the local level was required to supplement the provincial RG program, which necessitated creating an RG position at the Edgewater Casino.

We trust the City endorses the work product generated for this report by:

- Jasmine Marchant, CHRP, BAI – Director of Human Resources, Edgewater Casino
- Yasmine Roulleau, RPN, Exec.MBA, CHE - Director of Social Responsibility, Edgewater Casino
- Jessica Breen, LEED AP, PMP - Project Manager, Procurement & Construction, parq Vancouver

We also acknowledge the efforts and contributions of Ellis Don Tishman:

- Brad Reid – Senior Project Manager, Ellis Don Tishman

Finally, we appreciate the efforts, suggestions and perseverance of Nathan Edelson, the Independent Third Party monitoring the Employment & Procurement Agreement and auditing the best efforts of Ellis Don Tishman and parq. Mr. Edelson has introduced us to the network of social organizations in Vancouver and accessed the other half required to make this program successful.

Appendix B: Development Permit and Advisory Panel Minutes for 39 Smithe Street Preliminary Application

Minutes	Development Permit Board and Advisory Panel City of Vancouver DECEMBER 16 , 2013
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1. 39 SMITHE STREET - DE417276 - ZONE CD-1 (519)
(PRELIMINARY APPLICATION)

Applicant: IBI/HB Architects

Request: To develop this site with a mixed-use building comprising of two hotel towers of 15 and 25-storeys, commercial (CRU) and casino over five levels of underground parking with vehicular access from Smithe Street, Expo boulevard and Pacific Boulevard. The casino area includes up to 600 slot machines and 75 gaming tables.

The Chair's Opening Statement

Vicki Potter, Director, Development Services, mentioned that the Development Permit Board's role is to apply existing Council regulations, policies and guidelines. The Board doesn't create new policy or new regulations. With respect to the application, she noted that Council has already approved the uses sought including casino, hotel, retail, restaurant and some ancillary uses. They have already approved the maximum number of slot machines and gaming tables. They have already approved the maximum floor area that can be allocated to the building and have approved the maximum height and they have given a review of the preliminary form of development (how the buildings relate to each other on site and in the surrounding context).

Ms. Potter added that a summary can be found on page 6 in the Staff Committee Report. She also mentioned that the Board would be looking for comments on the form of development which includes the size, shape, the design of the towers, the public realm, pedestrian, bicycle and auto circulation and any impacts.

Ms. Potter explained that the development is a preliminary application which means that staff doesn't expect the application will be as resolved in detail as it will be in the next stage.

Development Planner's Opening Comments

Mr. Cheng, Development Planner, presented the proposal and summarized the recommendations contained in the Staff Committee Report. The recommendation was for support of the application, subject to the conditions noted. This included an addendum to the recommendation submitted by staff dated December 16, 2013 by memo.

Mr. Cheng took questions from the Board and Panel members.

Applicant's Comments

Martin Bruckner, Architect, said that they generally agreed with the conditions in the Staff Committee Report. He mentioned that they have committed to LEED™ Gold and since they made the application they have worked on developing the design. One of Council's requirements was to make the ground floor and podium transparent and Mr. Bruckner said he thought they had achieved that with the design. On the second and third floor they have located lounge and restaurant space around the perimeter which will be used to screen the gaming areas.

Mr. Cahill read a letter that was written by Denis Amerine, Vice President of Compliance for Paragon Gaming, regarding one of the conditions with respect to Dr. Kendall's report. He mentioned that the proposed size of the gaming floor will offer a higher level of presentation for their guests.

The applicant team took questions from the Board and Panel members.

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Comments from other Speakers

Members of the community expressed concerns regarding the following:

The application is not consistent with the City's probation with the expansion of gambling;

- the application promotes gambling to addicts;
- the application by design is intended to create more time at the tables for the gambler;
- need a public health strategy;
- the board should wait to approve the application until the provincial health report from Dr. Kendall has been concluded;
- the architecture is not appropriate for the City of Vancouver and is at odds with the city's skyline;
- the application doubles the current floor space of the Edgewater casino;
- there are serious public health issues with the increase in gambling space;
- casinos increase criminal activity such as money laundering, suicide, loan sharking and can have serious policing issues;
- council doesn't seem to be listening to the citizens;
- the board should confine the new floor space to the same square footage as presently in the Edgewater casino;
- it is obvious that the intention of the developer is to increase the amount of slots and tables at some future date;
- the application should be referred back to council;
- need protections put in place for public safety;
- need provisions in the report to safe guard jobs in the hotel and casino;
- the applicant should be required to build to LEED™ platinum;
- need to ensure that the owner can't double the amount of gambling space that could occur on the site in the future.

Panel Opinion

Panel members offered a range of comments on the proposal, including:

- the architecture needs to go through further design development;
- the applicant should be required to build to LEED™ gold certified;
- the design would be inappropriate in any other area of the city but being up against the stadium the site is appropriate for this kind of scale;
- the report ensures that the number of gambling tables and slots can't be increased without public input;
- fine grain design development needs to occur facing BC Place in the public spaces.

Board Discussion

Mr. Jackson thanked the members of the public for attending the meeting and speaking about the gambling addiction problem that is prevalent in our society. The building design was supported by the Urban Design Panel and although a monolithic looking building, the design suits the use. Mr. Jackson agreed that the issues are horrific in terms of gambling on people's lives and said that he felt the recommendations didn't go far enough in terms of responding to the Kendall report and made a motion to amend Condition A.1.38.

Mr. Jackson added that the Board needs to make a decision based on the facts and that the application is entirely consistent with the zoning bylaw that was adopted by Council in terms of size, use, and the amount of tables and slots. He noted that Council adopts zoning bylaws and the Board approves or not approves designs of buildings that are either in conformance with the zoning bylaw or not. He added that it is his belief that the application is in conformance with the zoning bylaw that was adopted by Council. Mr. Jackson moved the recommendation of staff with the addendum and his revision of Condition A.1.38.

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Mr. Dobrovlny said he appreciated the number of speakers who had taken time to speak on the issue and shared personal experiences. He noted that Council had made the decision and although the people in the room may have wished for a difference decision, the Board is working within policy and bylaws that has been clarified. The size of the proposal falls within the square footage permitted, the number of tables and slots are clearly limited and Staff have made assurances that those limits will be adhered to. He mentioned that staff have done a good job of establishing clear conditions on how this development can move forward and he said he heard assurances from the proponent that they will adhere to those conditions. For those reasons he added that he was prepared to support the motion.

Mr. Johnston also thanked the speakers as well the Advisory Panel's for their comments. With respect to the condition regarding LEED™, Mr. Johnston put forth an amendment to Condition A.1.6 in Appendix A, to require LEED™ Gold certification. When asked about the impact, the applicant advised the Board that they could achieve this.

Motion

It was moved by Mr. Jackson and seconded by Mr. Dobrovlny and was the decision of the Board:

THAT the Board APPROVE Development Application No. DE417276, in accordance with the Staff Committee Report dated November 20, 2013, with the following amendments:

Amend Condition 1.1 a) as follows:

to replace the reference to "Pacific Boulevard" to "*Expo Boulevard*";

Amend Condition 1.1 a) i) as follows:

an increase in the overall amount of public plaza space by providing *up to* an additional 3 m (10 ft.) setback to the western elevation at the ground floor level;

Amend Condition 1.2 g) by deleting the second part of the Note to Application section so it reads as follows:

provision of an overall concept plan that illustrates how the exiting requirements of both BC Place Stadium and this proposed building will be met; and

Note to Applicant: This general condition works in conjunction with the above sub-conditions in Conditions 1.2. There are several factors currently being considered, including the removal and addition of external stairs, possible removal of an existing pedestrian bridge leading from Gate "F", and policy requirements for vertical circulation to Gates "F" and "G". As such, an overall concept plan will aid staff in assessing the final design response during the Complete Development Permit Application.

Add a new Condition 1.4 to read as follows:

Provision of an Operational Management Plan, which shall include hours of operation and hours of liquor service to the satisfaction of the Director of Planning, Director of Licenses and Inspections, and the Director of Social Policy.

Amend Condition 3.0 to read as follows:

That the complete application be dealt with by the *Director of Planning*.

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Amend Condition A.1.6. to read as follows:

Identification on the plans and elevations of the build elements contributing to the buildings sustainability performance in achieving a minimum of LEED™ Gold certification, including at least six optimizing energy performance points, one water efficiency point, and one storm water point.

Amend Condition A.1.38 to read as follows:

Submission of a formal response, prepared by a certified professional with experience in gambling addiction, to the recommendations contained in the Provincial health Officer's report entitled "Lowering the Stakes: A Public Health Approach to Gambling in British Columbia", in consultation with the Social Policy Staff of the City of Vancouver and the Chief Medical Officer of Vancouver Coastal Health, including examining such specific issues as:

- *The number of ATMs that should be permitted;*
- *The hours of operation;*
- *The hours of liquor service;*
- *Signage and contact information on the slot machines regarding the dangers of gambling addiction and a telephone number to contact;*
- *Creating a harm reduction strategy;*
- *A review of existing risk mitigating activities at the Edgewater Casino; all to the satisfaction of the General Manager of Community Services and the City Manager.*

4. OTHER BUSINESS

None.

5. ADJOURNMENT

There being no further business, the meeting adjourned at 6:05 PM

L. Harvey
Assistant to the Board

V. Potter
Chair

Appendix C: Social Policy Conditions from PARQ's Complete Development Permit Application Requirements (Dated July 28, 2014)

- 1.28 Execution of an Inner-City Local Employment and Procurement Agreement for the construction and operation of this project to the satisfaction of the General Manager of Community Services and the Director of Legal Services;

(Note to Applicant: An Inner-City Local Hiring Agreement will ensure that 10% of employment is sourced from residents who live in the Downtown Eastside, Strathcona or Mt. Pleasant and who experience barriers to employment, with emphasis in the Downtown East Side area. The Edgewater Casino has an existing agreement that covers the Casino operations. This agreement will be amended to cover the construction period of the hotel/entertainment complex as well as the Casino operations. This agreement will also require that 10% of the total cost of all procured goods and services during construction and ongoing operations are procured locally. This revised agreement will be termed an "Inner City Local Employment and Procurement Agreement".)

- 1.29 confirmation of Paragon's formal response, by agreement or otherwise, to the satisfaction of the General Manager of Community Services and the City Manager, to the recommendations contained in the Provincial Health Officer's report entitled "Lowering the Stakes: A Public Health Approach to Gambling in British Columbia", including without limitation examining such specific issues as:

- i. Hours of operation;
- ii. Hours of liquor service;
- iii. Signage and contact information on the slot machines regarding the dangers of gambling addiction and a telephone number to contact;
- iv. Creating a harm reduction strategy;
- v. A review of existing risk mitigating activities at the Edgewater Casino,