

January 15, 2018

His Worship Mayor Ted Schaffer
Langley City Hall
20399 Douglas Crescent
Langley, BC V3A 4B3



Dear Mayor Schaffer:

Re: Proposed Substantial Change of Cascades Casino

As a Crown corporation governed by the *Gaming Control Act* (British Columbia) (the “**GCA**”), the role of the British Columbia Lottery Corporation (“**BCLC**”) is to conduct and manage commercial gaming in the Province of British Columbia. As such, BCLC would like to provide the City of Langley (the “**City**”) with information pertaining to the statutory requirements for a proposed substantial change to the gaming facility located at 20393 Fraser Highway, Langley, BC V3A 7N2. The proposed substantial change would be add bingo as a gaming product at the facility. BCLC confirms that Gateway Casinos & Entertainment Limited, BCLC’s Service Provider for Cascades Casino, is authorized to discuss this proposed substantial change with the City.

74 West Seymour Street
Kamloops, BC V2C 1E2

T 250.828.5500
F 250.828.5631

2940 Virtual Way
Vancouver, BC V5M 0A6

T 604.215.0649
F 604.225.6424
bclc.com

As host local government (“**HLG**”), the City is required by the GCA and the *Gaming Control Regulation* (the “**Regulation**”) to perform a specific process in order to provide HLG approval to BCLC for the proposed substantial change. Below is an outline of the approval process required of the City, as HLG, before it can approve a substantial change to a gaming facility. This summary is not a substitute for your own review of the wording of the GCA and Regulation which, for your reference, can be found online at: <http://www.bclaws.ca/>.

To comply with the GCA and the Regulation, the City must complete the following four steps:

1. Consult with potentially affected local governments;
2. Receive adequate community input;
3. Provide formal written approval to BCLC and the Gaming Policy Enforcement Branch (“**GPEB**”); and
4. Comply with the objection and non-binding dispute resolution process outlined within the GCA.

1. Consultation with Potentially Affected Local Governments

Consultation notices in writing must be sent to potentially affected local governments which are municipalities, regional districts and first nations within 5 km of the gaming facility informing them of the proposed substantial change.

The notices must:

- A. Clearly identify the name, street address and the type of gaming facility;
- B. Clearly state the proposal for the addition of bingo gaming to the current gaming facility;
- C. Include any other information that, in the City's opinion, is relevant to the recipients' consideration of the proposal;
- D. Advise the recipients that they may provide written comments (which must be limited to the subject matters in the Regulation) to the City within 30 days after the receipt of the notice.

A copy of all consultation letters must be forwarded to Legal Services at BCLC. The consultation process must be completed and any responses considered before the City can approve the proposal.

2. Community Input

Prior to giving approval to the proposal, the City must show that it sought and considered public input by:

- A. Giving adequate public notice which includes the particulars of the new type of casino gaming that is proposed to be added; and
- B. Providing an opportunity for local residents and representatives to provide comments, information and representations concerning the proposal either by public hearing, public meeting or referendum.

3. Formal Approval

The formal approval of the substantial change by the City is required to be in the form of a resolution or of a letter on the City's official letterhead and be delivered in duplicate to both to BCLC and GPEB as follows:

Vice President, Casino and Community Gaming
Casino & Community Gaming Division
British Columbia Lottery Corporation
2940 Virtual Way, Vancouver, BC V5M 0A6

Legal Services
British Columbia Lottery Corporation
74 West Seymour Street, Kamloops, BC V2C 1E2

and

General Manager
Gaming Policy Enforcement Branch
Ministry of Finance
PO Box 9311, Stn Prov Govt
Victoria, BC V8W 9N1

The approval letter must:

- A. Specify the effective date of the approval;
- B. Be executed by the duly authorized official or officials of the City;
- C. Identify the potentially affected local governments that were consulted;
- D. Summarize the outcome of the consultations; and
- E. Confirm the manner in which the City obtained community input.

The approval letter should also include:

- A. A copy of the resolutions or other instruments passed by the City with respect to the proposal;
- B. A copy of any comments received from potentially affected local governments in response to the consultation notices;
- C. A copy of all public notices and details about how the proposal was publicized; and
- D. A summary of the community input received including minutes of any public hearing or meeting.

4. Objection and Non-Binding Dispute Resolution Process

Once the consultation and community input requirements have been completed and the City has provided its official approval to BCLC and GPEB, the Regulation requires the City to notify, in writing, each potentially affected local government consulted of the City's decision. The receipt of this letter starts a two-week period in which an objection may be filed with BCLC.

If an objection that meets the criteria of the GCA is properly filed with BCLC, the City will be required to participate in a non-binding dispute resolution process with the objector. BCLC must refer the parties to non-binding dispute resolution and the parties have 60 days after referral to complete that process. Further details on the dispute resolution process can be obtained from BCLC.

As a reminder, compliance with the GCA and Regulation as a HLG does not preclude the City from its responsibilities under any other legislation.

If you have any questions or require further information, please contact Jerry Williamson, Director Gaming Facilities, Casino & Community Gaming, at (604) 228-3005. Thank you for your attention to this matter.

Sincerely,



Brad Desmarais
Vice President, Casino & Community Gaming

cc: Jagtar Nijjar, CAO, Gateway Casinos & Entertainment
Greg Walker, Director, Public Affairs
Jerry Williamson, Director Gaming Facilities, Casino & Community Gaming
Carmen Minger, Legal Services & Casino Compliance Specialist