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CITY OF KELOWNA

**MEMORANDUM**

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**DATE:** May 7, 2008

**TO:** City Manager

**FROM:** Planning & Development Services Department

**APPLICATION NO.** LL08-0002 & **LICENSEE:** Chances Gaming Entertainment  
DP08-0073 Liquor Primary Licence #301362

**AT:** 1585 Springfield Rd. **APPLICANT:** Goldwing Investments (Saskatoon)  
Ltd. DBA Chances Kelowna

**LEGAL** Lot A District Lot 129

**DESCRIPTION:** Osoyoos Division Yale **LAND OWNER:** Springfield Plaza Inc.  
District Plan KAP70110

**PURPOSE:** TO OBTAIN COUNCIL SUPPORT FOR A STRUCTURAL CHANGE/ADDITION OF NEW LICENSED AREA TO INCLUDE THE ENTIRE GAMING FLOOR AREA AT THE CHANCES GAMING ENTERTAINMENT COMMUNITY GAMING CENTRE; EXPANDED GAMING USES ON THE SITE BEYOND 100 SLOT MACHINES AND THE PROVISIONS OF COUNCIL RESOLUTION R649/04/06/28; AND APPROVAL OF A DEVELOPMENT PERMIT TO ALLOW THE ADDITION OF TWO OUTDOOR PATIOS.

**REPORT PREPARED BY:** Corine (Cory) Gain, MCIP

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**1.0 RECOMMENDATION**

In accordance with Section 53 of the *Liquor Control and Licensing Regulation* and Council Policy 315 be it resolved THAT:

1. Council supports an application from Goldwing Investments (Saskatoon) Ltd. DBA Chances Gaming Entertainment (Kelowna) located at 1585 Springfield Road, Kelowna, BC and legally described as Lot A District Lot 129 Osoyoos Division Yale District Plan KAP70110 to increase the licensed area to include the entire gaming floor area at the facility because the changes proposed are an extension of an area currently under license, will be confined to the interior of the building and are not anticipated to have a measurable impact on the surrounding neighbourhood.
2. The Council's comments on the prescribed considerations are as follows:
  - a) The potential for noise if the application is approved remains unchanged.

- b) The impact on the community if the application is approved is considered minimal given that the facility is well established with parking on site in conformance with the City of Kelowna Zoning Bylaw and overflow parking provided on the commercial property located immediately to the east.
3. The Council's comments on the views of residents are as contained within the staff report submitted for consideration and the minutes of the meeting at which the application was considered by Council.

**AND FURTHER THAT**

Council adopt a resolution supporting the expansion of the number of slot machines at the Chances Gaming Entertainment Community Gaming Centre facility from 50 to as many as may occupy up to 49% of the floor area of the establishment.

**AND FURTHER THAT**

Council authorize the issuance of Development Permit No. DP08-0073 for Lot A District Lot 129 Osoyoos Division Yale District Plan KAP70110, located at 1585 Springfield Road, Kelowna, B.C. subject to the following:

1. The dimension and siting of the building to be constructed on the land be in general accordance with Schedule "A";
2. The exterior design and finish of the building to be constructed on the land be in general accordance with Schedule "B";

AND FURTHER THAT the applicant be required to complete the above-noted conditions within 180 days of Council approval of the development permit application in order for the permit to be considered issued.

## **2.0 SUMMARY**

The applicant is seeking Council support for three separate, but interrelated issues. Each item should be treated as separate and can move forward on its own regardless of the other items:

1. Addition of new licensed area to include the entire gaming floor area at the Chances Gaming Entertainment (formerly Bingo Kelowna) Community Gaming facility;
2. Expanded gaming uses (increase in the number of slot machines from 50 to an number to as many as may occupy up to 49% of the floor area of the establishment) on the site beyond the provisions of Council Resolution R649/04/06/28; and
3. Approval of proposed Development Permit DP08-0073 to allow the addition of two unlicensed outdoor patios for the use of smoking patrons. The outdoor smoking areas are requested in response to the Provincial legislation that required the establishment to become a smoke-free facility.

## 2.1 LICENSING SUMMARY

Licensing Summary	Existing (Licence No.)	Occupancy Load Calculation	Proposed Change
Area 1 (Bingo)	50	50	None
Upper Floor (Casino)	181	181	None
Lower Floor (Gaming Area #1)	178	178	None
Lower Floor (Gaming Area #2)	Nil	711	+ 711
Total:	409	1120	+ 711
Hours of Operation	9 AM to 11:59 PM Monday to Sunday	No change	No change
Parking Required	Total Stalls Required: 1 per 5 seats = 204	Parking Stalls Provided: On-site: 216	None required

## 3.0 BACKGROUND

The Chances Gaming Entertainment Community Gaming Centre facility (originally known and operated as Bingo Kelowna) was constructed under Building Permit No. BP21109 issued February 13, 2002. The property was zoned C10 – Service Commercial which permits bingo facilities as a principal use. Development Permit DP01-10,009 was issued relative to the form and character of the development.

In June 2004, Council adopted Text Amendment Bylaw No. 9238 that created the CD16 – Bingo and Gaming Zone and rezoned the property to that zone. Council Resolution R649/04/06/28 authorized expansion of the Community Gaming Centre facility as follows: "That Council adopt a resolution supporting the expanded gaming uses on the Bingo Kelowna site as described in the letter from the BC Lottery Corporation dated June 18, 2004 (see Attachment 'G') and authorize the issuance of DP04-0023." The letter from the BC Lottery Corporation provided answers regarding the proposed Bingo Kelowna expansion. The letter identified a total of 50 slot machines for initial installation at the facility and outlined the procedure for a "substantial change" and for a change should a limit be placed on the number of slot machines allowed by a local government in accordance with the *Gaming Control Regulation*. A letter dated March 2, 2005 to the General Manager, Gaming Policy and Enforcement Branch confirmed the June 28, 2004 Kelowna City Council Resolution and discussion of Council's support of up to 50 slot machines on site. In 2007, the applicant installed an additional 50 slot machines for a total of 100 slot machines on the premises based on a misunderstanding of the original Council Resolution. The BC Lottery Corporation has requested that the inconsistency be clarified as soon as practical.

In August 2004, Council Resolution R799/04/08/23 approved a Liquor License application for 425 persons and hours of operation from 9 a.m. to 11:59 p.m. Monday to Sunday and six special occasion licenses per calendar year. On several occasions, such as New Year's Eve, temporary extension of hours and person capacity of the liquor license have been approved. The minutes from the August 10, 2004 Council Meeting state as follows:

"Initially the applicant wanted to license the entire facility with liquor service but, because that was in conflict with the recommendations of the Mayor's Entertainment District Task Force, the request was narrowed down to specific areas including the entire area of the addition with capacity of 300 seats; an adjoining existing area with 75 seats, and the Starship Lounge with 50 seats.

The applicant would be permitted to move alcohol from a single bar to these areas. The proposed 425 seating capacity for the 'lp' license represents approximately 1/3 of the total occupant load of the building."

Explanation of the distinction between casino slot machines and Community Gaming Centre slot machines was provided under previous applications but is included here for convenient reference. The explanation provided at the June 1, 2004 Public Hearing states: "The slot machines contemplated in Community Gaming Centres would have a lower bet level and lower pay-out level and would be less intrusive than the type of slot machines in a casino. In gaming centres, the machines would allow the patron to spend more time on the machine and to win more often but in smaller amounts.

In consideration of the changes proposed by the applicant for the community gaming facility staff advised the applicant and staff from the BC Lottery Corporation on March 19, 2008 that the required applications (Liquor License and Development Permit) and the gaming issue would be handled as one complete package to Council.

### **3.1 Site Location Map – See Attachment 'A'**

### **3.2 Context**

The subject establishment is located on the south side of Springfield Road east of the Burtch Road intersection. The current zoning of the property is CD16 – Bingo and Gaming.

Adjacent zones and uses are:

North	-	RM3 – Low Density Multiple Housing, Residential
East	-	C10 – Service Commercial, Rona Home & Garden
South	-	A1 – Agriculture 1, Orchard
West	-	RM3 – Low Density Multiple Housing, Residential

### **3.3 The Proposal**

The applicant proposes, once again, for reasons of practicality, to expand the liquor licensed area to the entire public area of the facility. This would also the free movement of patrons throughout the facility without worry of offence of the liquor license. Community Gaming Centres are an adult only facilities (19 years and over) due to Gaming Regulations. The applicant has provided detailed rationale for the proposal in Attachments 'I' through 'K'

The letter from the BC Lottery Corporation dated June 18, 2004 (see Attachment 'G') advises that introducing slot machines into a gaming facility (a "substantial change"), the municipality must follow the specific steps defined under *Gaming Control Act* and Regulations. This process was followed in reaching Council Resolution RR649/04/06/28.

"BLBC has estimated an appropriate range of slot machines for Community Gaming Centres (CGC) in the Province will be between 25 and 100. A total of 50 slot machines will be introduced initially at Bingo Kelowna. The bingo seating capacity will be 800. The off-track betting facilities will constitute approximately 50-75 seats."

And further,



"Should the municipality define a specific number of slot machines within this "substantial change" process then it must approve any change to that number of slot machines."

While *Gaming Control Regulation* (B.C. Reg. 208/2002) under the *Gaming Control Act* Part 3 Gaming Facilities subsection 12 Definition for the Act of "substantial change" does not define the addition of slot machines in a Community Gaming Centre that already has slot machines as a "substantial change", Section 13 Requirements for local government or first nation approval of gaming facilities Subsection 13.1 Limit on number of slot machines states:

"The lottery corporation must get approval from the host local government before increasing the number of slot machines at a gaming facility beyond a maximum limit presently established by the host local government in a form referred to in section 13(a)."

Section 13(a) requires that the approval be consistent with Section 19(1)(a) of the *Gaming Control Act* which further requires under subsection 19(2) that "A host local government must not give an approval referred to in subsection (1)(a) unless, before or concurrently with giving the approval, the host local government satisfies the lottery corporation that adequate community input has been sought and considered." The process followed in considering a liquor license amendment application is consistent with this requirement. Therefore, these applications are being considered in parallel.

The applicant advises that the proposed expansion in the number of slot machines at the Community Gaming Centre will result in the bingo portion of the operation remaining the principle use at 600+ seats. The proposed increase in the number of slot machines in the immediate future to 150 would result in a ratio of approximately 3 bingo seats for each one slot machine seat. The applicant has requested that no 'cap' be specified on the number of seats be specified, but that the number of slot machines only be limited by the necessity of remaining a secondary use to the 'bingo primary' use be referenced instead. The BC Lottery Corporation has confirmed that the bingo facility must remain the 'bingo primary' under their regulations by definition as a community gaming facility; the facility cannot become a casino under existing regulations.

The applicant proposes to change the mix of gaming activities at Chances Gaming Entertainment to address business concerns relative to the impact of becoming a smoke-free environment on bingo attendance. Development Permit application DP08-0073 proposes construction of two new outdoor patio areas to accommodate smoking patrons; one near the front entrance and one near the rear entrance. Proposed construction of these patio areas is in direct response to the recent changes to Provincial regulation. It appears that the patio areas meet the minimum 3 m setback distance to doorway into the building. Attachments 'L' through 'O' provide the details of the proposed patios for your review.

### **3.4 Current Development Policy**

#### **3.4.1 Mayor's entertainment District Task Force (MEDTP)**

*No new, expanded or relocated Liquor Primary Establishments with a capacity greater than 500 shall be permitted.*

The proposed capacity of 1120 persons exceeds this limitation.

*Any new, expanded or relocated Liquor Primary establishment with a capacity of 350 persons or more shall not be located closer than 100 metres (shortest travel distance) to another Liquor Primary Establishment with a person capacity between 150 and 350.*

The closest liquor primary establishment is located greater than 100 m from the subject property.

### 3.4.2 City of Kelowna Zoning Bylaw No. 8000

The subject development has been considered and approved by two previous development permit applications (DP01-10,009 and DP04-0023). As such, the following summary of zoning bylaw requirements is provided for reference purposes only. The addition of patios for the use of smoking patrons does not result in any additional seating capacity. The most significant consideration with respect to the issues at hand is the impact of the redesigned interior to accommodate the changes to bingo and slot machine seating within the existing structure on the required number of parking spaces. An agreement exists between the property owner and the property owner of the Rona site located directly to the east to accommodate overflow parking. A pedestrian walkway connects the two parking lots.

CRITERIA	PROPOSAL	CD16 ZONE REQUIREMENTS
Lot Area (m <sup>2</sup> )	1.272 ha.	1,000 m <sup>2</sup>
Lot Width (m)	98.677 m	40 m
Lot Depth (m)	128.875 m	30 m
Height (m)	9.01 m	12.0 m
Storeys (#)	2 storeys	3 storeys
Gross Floor Area	~ 3,790 m <sup>2</sup>	n/a
Number of Seats:	1,018 seats	n/a
Lower Floor Gaming 1	129	n/a
Upper Floor Gaming 1	180	n/a
Lower Floor Gaming 2A	314	n/a
Lower Floor Gaming 2B	395	n/a
Site Coverage (total)	24.1 %	25 %
Floor Area Ratio	0.2979	0.40
<b>Building Setbacks</b>		
Front Yard	24.4 m	24.0 m
Side Yard (e)	15.8 m	15.0 m
Side Yard (w)	16.2 m	4.5m
Rear Yard	21.6 m	21.0 m
Parking Spaces	Onsite: 216 Offsite: Overflow parking in the Rona parking lot.	Bingo Hall: <b>1 per 5 seats = 1,018/5 seats = 204 spaces</b> Refer to: Off-Street Vehicle Parking Sections 8.1.4 and 8.1.10(b)(i)
Loading Spaces	No change Existing Non-conforming	Liquor Primary Establishment = 1 per 2,800 m <sup>2</sup> GFA = @ 3,790m <sup>2</sup> = 1.35 or 2 spaces
Bicycle Parking Spaces	No change Existing non-conforming: 12 Class II	Liquor Primary Establishment = Class 1: 0.10 per 100 m <sup>2</sup> GFA; or 1 per 10 employees = @ 3,790 m <sup>2</sup> = 3.79 or 4 spaces

**4.0 TECHNICAL COMMENTS – See Attachment 'B'**

**5.0 PLANNING AND DEVELOPMENT SERVICES DEPARTMENT**

The Planning and Development Services Department cannot support the proposal to expand the liquor licensed area to include the entire public area of the Community Gaming Centre because such an expansion would be inconsistent with Council Policy 315 Liquor Licensing Procedures Liquor Primary (LP) and Retail Liquor Sales (RLS). The Liquor Primary Policy (LP) - Mayor's Entertainment District Task Force Policy precludes any consideration by staff of an expanded person capacity to greater than 500 persons. The second provision of the policy is not applicable as the distance between the establishments is greater than the minimums specified for each of the person capacity limitations. The 'OK Corral' holds a Liquor License with a person capacity of 291 and is located approximately 250 metres to the north-east on Kirschner Road.

It is duly noted that the proposed licensing changes would be confined to the existing building area, a large area of which is already under license. Further, the practicality of the license covering the entire public area of the establishment would eliminate some license enforcement issues. The proposed change is not anticipated to have a significant impact on the surrounding neighbourhood as the patrons of the establishment are focused on gaming, not on liquor consumption.

The Planning and Development Services Department has no concerns with the proposed increase in the number of slot machines at the Chances Gaming Entertainment Community Gaming Centre as long as the establishment remains a Community Gaming Centre with bingo as the primary activity offered there.

The Planning and Development Services Department has no concerns with the proposed additional of outdoor patios to accommodate smoking patrons. The covered patios are proposed to be located an appropriate distance from the building entrances and will be required to meet all Provincial regulations at the time of building permit application. The proposed design of the structures is consistent with and complementary to the existing form and character of the facility.

  
Shelley Gambacort  
Current Planning Supervisor

  
Approved for inclusion   
Paul Macklem  
Acting Director of Planning & Development Services

PM/SG/cg

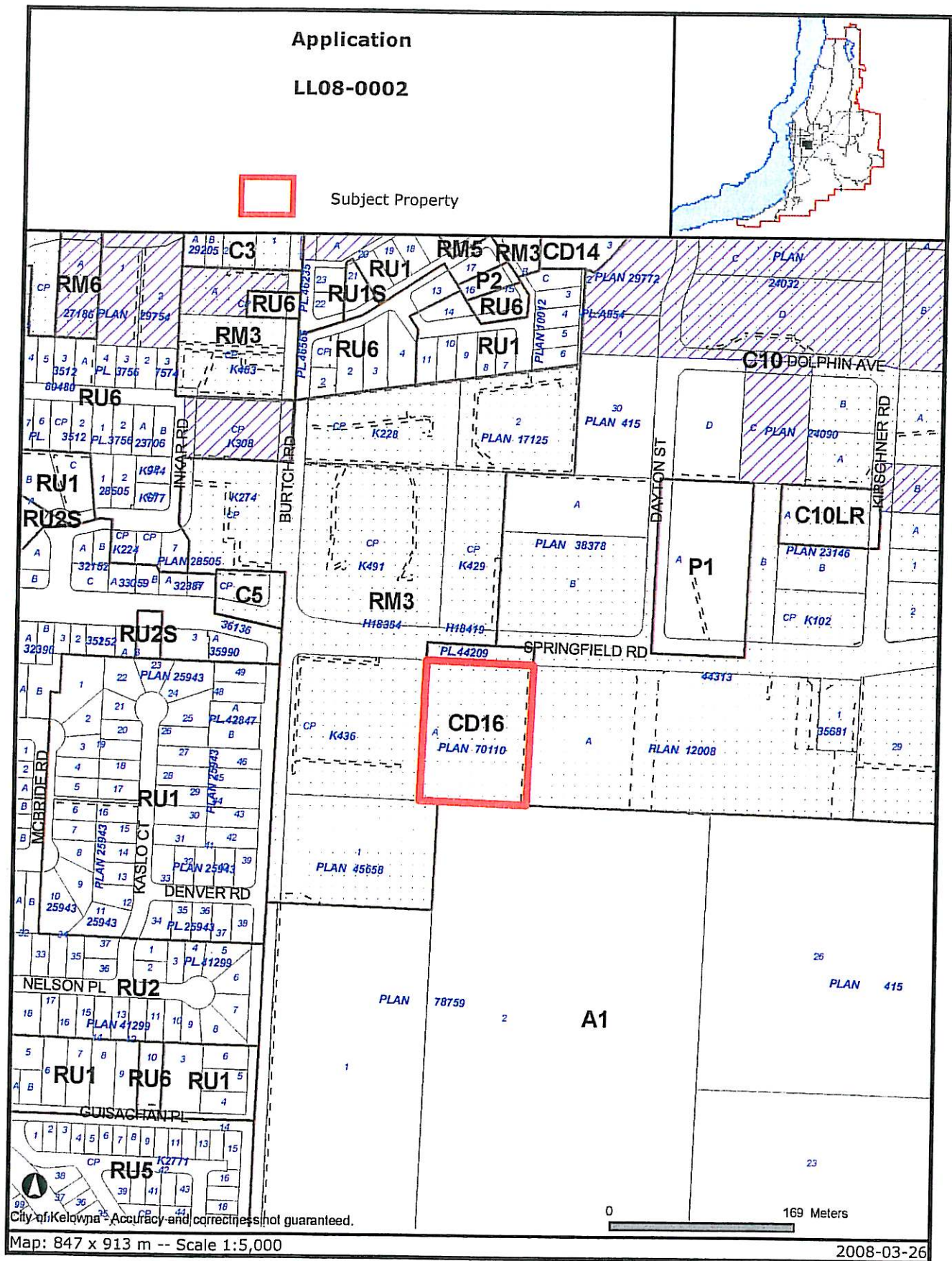
Attachments:

- A - Location Map
- B - Development Application File Circulation Report
- C - 2006 Orthophoto
- D - Existing Parking Layout
- E - Chances Floor Plans created by Red Crayon Design (Sheet No. ID-C Rev. D) showing

existing and proposed liquor license areas

- F - Letter from British Columbia Lottery Corporation to Stan Walt dated March 17, 2008
- G - Letter from British Columbia Lottery Corporation to Mr. Andrew Bruce dated June 18, 2004
- H - Letter from British Columbia Lottery Corporation to Mayor and Council dated March 18, 2008 (2 p.)
- I - Letter from Chances Gaming Entertainment to Mayor and Council dated March 25, 2008 (2 p.)
- J - Letter from Chances Gaming Entertainment to The City of Kelowna dated March 25, 2008 (7 p.)
- K - Letter from Goldwing Investments (Saskatoon) Ltd. to the City of Kelowna dated March 5, 2008
- L - Chances Exterior Smoking Areas Detail (Sheet ID-C1) dated Feb. 28/08
- M - Chances Exterior Smoking Areas Detail (Sheet ID-C2) dated Feb. 28/08
- N - Chances Front Patio – Proposed Smoking Area Detail Elevation illustrated by 'The Arts Alive'
- O - Chances Rear Patio – Proposed Smoking Area Detail Elevation illustrated by 'The Arts Alive'





Certain layers such as lots, zoning and dp areas are updated bi-weekly. This map is for general information only.  
The City of Kelowna does not guarantee its accuracy. All information should be verified.



File: LL08-0002

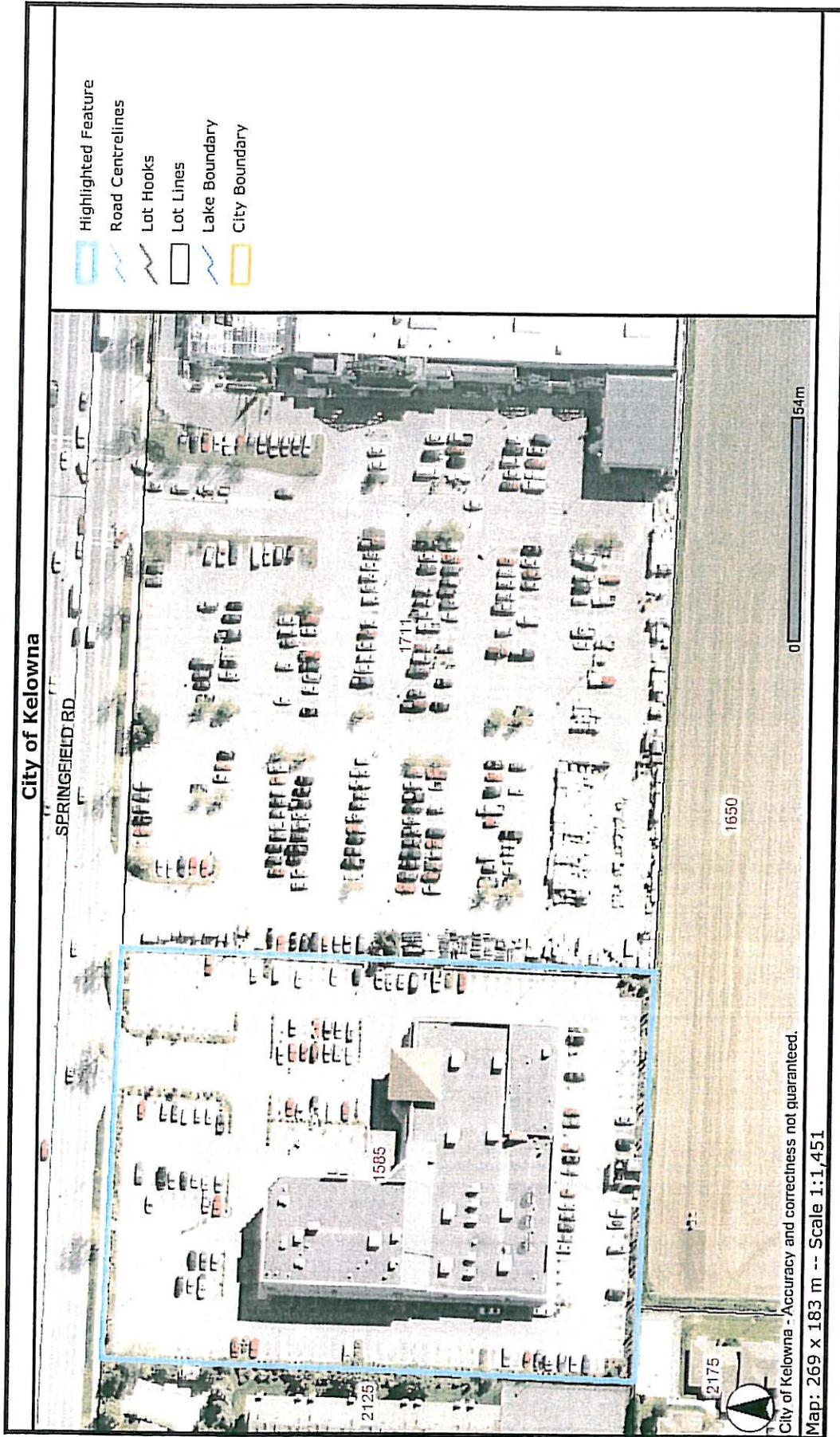
Application

File: LL08-0002

Type: LIQUOR LICENSE

File Circulation

Seq	Out	In	By	Comment
	Fire Department 2008-03-26	2008-04-02	MNEID	No comment
	Inspections Department 2008-03-26			
	Public Health Inspector 2008-03-26	2008-04-07		No Comment
	RCMP - Liquor Licence 2008-03-26	2008-05-07		The RCMP concurs with the recommendation of the Planning & Development Services Department.
				In checking our database it appears we only had to attend to Chances on two occasions in 2007 to deal with impaired drivers. From the details it appears that those individuals arrived at the hall intoxicated already, were quickly handled by competent staff and turned away.



This map is for general information only. The City of Kelowna does not guarantee its accuracy. All information should be verified.

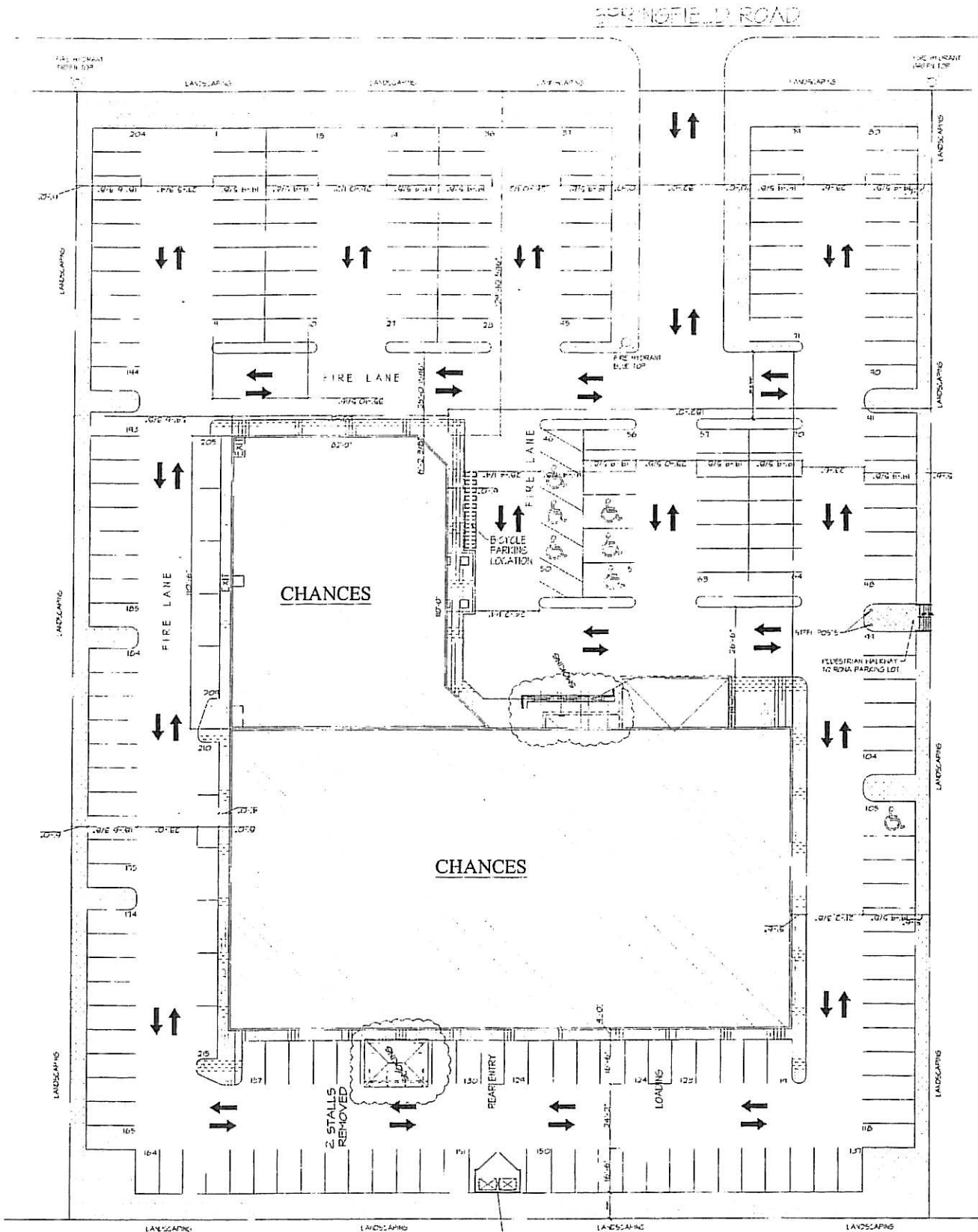
CHARLES  
1565 SPRINGFIELD ROAD  
KELOWNA BC

CHARLES  
SITE PLAN  
REVISED

RED CRAYON DESIGN  
Interior Design & Consulting  
redcrayondesign@shaw.ca  
2293 Lilac Crescent  
Kelowna BC V1Y 1T1  
Ph: 250.868.0577 Fax: 250.868.0583

DATE: 10/1/10  
DRAWN: [Signature]  
CHECKED: [Signature]  
APPROVED: [Signature]

PROJECT: ID-SIT




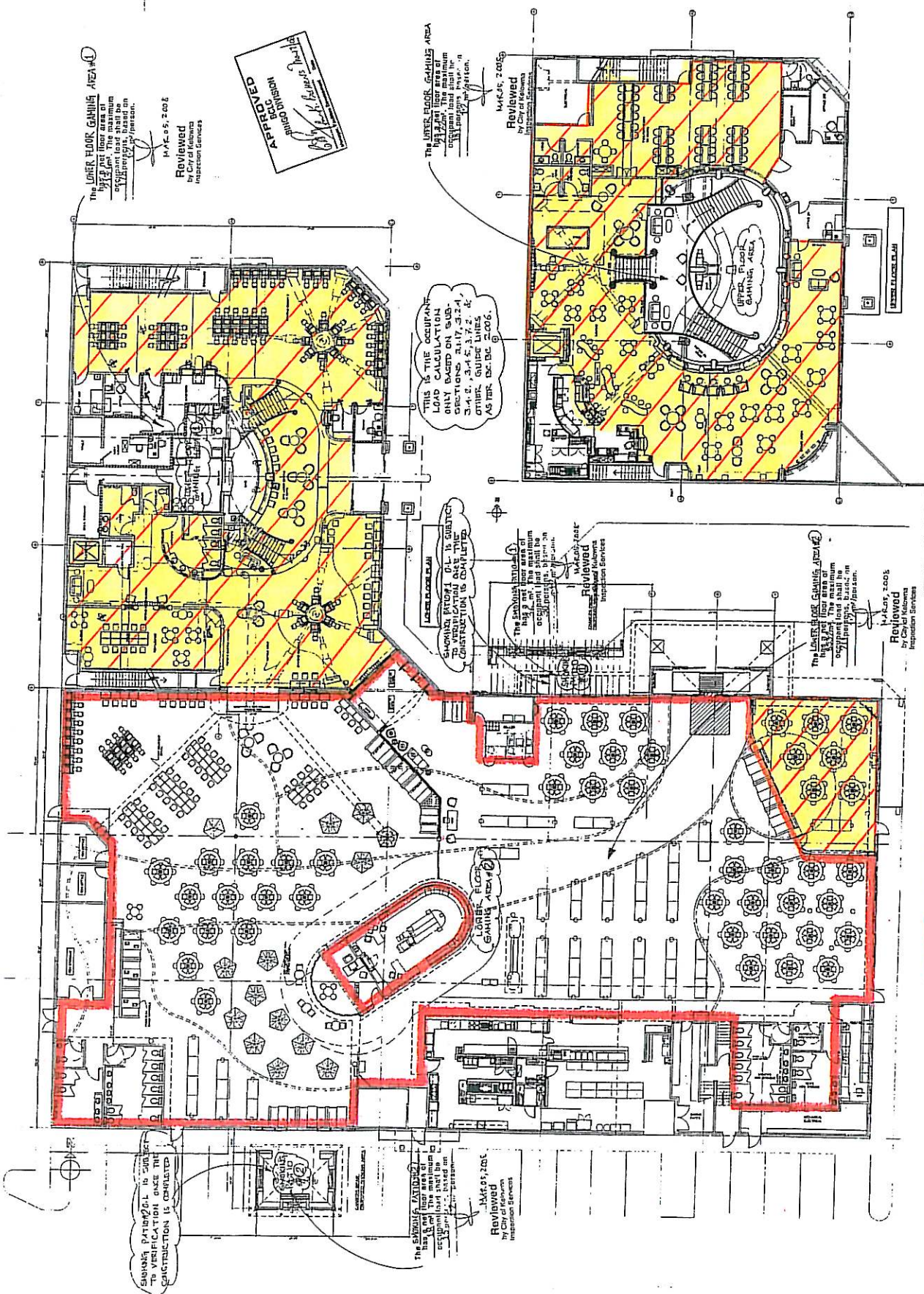
SITE PLAN

EXISTING PARKING LAYOUT  
TOTAL: 216 STALLS

REUSE/RECYCLING  
BIN ENCLOSURE CAN  
7'x4'0" NON CEDAR  
FENCEGATES



<b>RED CRAYON DESIGN</b>  Interior Design & Consulting redcrayondesign@shaw.ca 2293 Lillooet Crescent Kelowna BC V1V 1T1 Ph: 250.868.0577 Fax 250.868.0583		CHANCES FLOOR PLANS 1545 SPRINGWOOD ROAD KELOWNA BC PH: 250.868.0577	
ID-C WCTY 104		ATTACHMENT	





March 17, 2008

Mr. Stan Walt  
Goldwing Investments (Saskatoon) Ltd.  
1585 Springfield Rd  
Kelowna, BC V1Y 5V5

Dear Mr. Walt:

Re: Request for Support for Amended Liquor Primary License – Chances Kelowna

British Columbia Lottery Corporation (BCLC) is writing in response to your request for a letter of support for Goldwing Investments (Saskatoon) Ltd.'s application to amend the areas licensed to serve liquor at Chances Kelowna.

This letter confirms that BCLC has no objection to amending the existing liquor service permissions to include all gaming floor areas plus the proposed two smoking patios based on the floor plans submitted. BCLC has acknowledged this support by affixing and signing its approval stamp on the copies of the floor plans and are herewith returning two copies to you.

I trust this is satisfactory and will enable you to proceed with the appropriate liquor license amendment.

Yours truly,

A handwritten signature in black ink, appearing to read "Kym Behrns", with a long, horizontal flourish extending to the right.

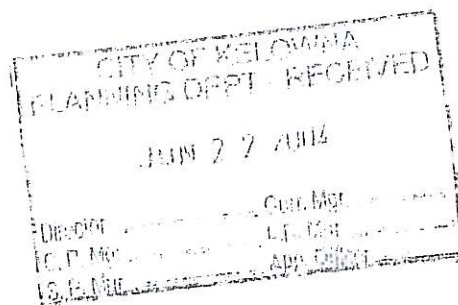
Kym Behrns,  
Manager Facilities Development,  
Bingo Division

cc: Marsha Walden, BCLC  
Mike Hinam, BCLC





June 18, 2004



Mr. Andrew Bruce  
 Director of Development Services  
 City of Kelowna  
 1435 Water Street  
 Kelowna, B.C. V1Y 1J4

Dear Mr. Bruce:

**RE: Bingo Kelowna - Expansion**

Thank you very much for your letter dated June 16, 2004, on behalf of Kelowna City Council, asking for further information about the Bingo Kelowna facility at 1585 Springfield Road. Please find below the information as requested. Specifically:

1. A full description of the types of gaming contemplated for the site.

At present, the facility offers paper bingo, electronic bingo, Keno and pull tabs. This would be expanded to include off-track horse race wagering, a lounge with 50-75 seats, and slot machines.

2. A projection of the number of slot machines, bingo seats and general capacity of the off-track betting facilities.



BCLC has estimated an appropriate range of slot machines for Community Gaming Centre's (CGC) in the Province will be between 25 and 100. A total of 50 slot machines will be introduced initially at Bingo Kelowna. The bingo seating capacity will be 800. The off-track betting facilities will constitute approximately 50-75 seats.

3. What is the proportional relationship between bingo (being the stated primary use) and all other gaming opportunities with respect to number of seats and revenue that is specified by the gaming license?

Bingo will remain the primary focus in terms of gaming seats and physical space. From a revenue-generating standpoint, information is not yet available. BCLC will be using the first 12 - 18 months of the CGC initiative as a test phase. This phase is primarily about performing product and market testing of the CGC concept to further define the business operating model and marketing approach/parameters which will support the long term plan. During this phase the financial impacts of introducing slot machines and the contribution of each gaming product will become clear.

4. What would constitute a significant change to these details that would require BCLC to request City Council's endorsement for changes to the gaming license?

When approving a "substantial change" such as introducing slot machines into a gaming facility, the Gaming Control Act requires a municipality to follow the specific steps defined under Regulation 13 of the Act (copy attached). This includes providing documentation relating to obtaining community input and consulting with immediately adjacent municipalities, first nations or regional districts.

 Should the municipality define a specific number of slot machines within this "substantial change" process then it must approve any change to that number of slot machines. This approval however, does not involve the same degree of rigor as defined in Regulation 13. The municipality must simply approve the proposed change to the number of slots as outlined in Regulation 13.1 (copy attached). 

For clarification purposes please note the term gaming license, referenced in the two preceding points, is inaccurately utilized. The British Columbia Lottery Corporation conducts and manages gaming via contractual arrangements with private sector service providers. Gaming licenses do not exist for commercial Bingo or Casino operations.

In addition to the specific information you requested in your letter, Mayor Gray asked that we describe the type of slot machines which would be contemplated for use in Community Gaming Centres and how they differ in physical appearance and operation from slot machines found within Casinos in British Columbia.

We are enclosing photographs and drawings which illustrate the physical differences. Also attached is a chart generally describing the product attributes for slot machines in both Community Gaming Centres and Casinos.

I hope this addresses the questions Council has about the proposed expansion at Bingo Kelowna.

Please do not hesitate to contact me should you require any further information.

Yours Truly,

  
George Sweny  
Vice President, Bingo Gaming

GS:ds  
Attach.





**British Columbia  
Lottery Corporation**

March 18, 2008

RECEIVED

MAR 25 2008

CITY OF KELOWNA  
PLANNING DEPT.

Mayor Sharon Shepherd and Council  
City of Kelowna  
1435 Water Street  
Kelowna, BC  
V1Y 1J4

Dear Mayor Shepherd and Members of Council:

In June of 2004, British Columbia Lottery Corporation (BCLC) and its service provider, Chances Kelowna (formerly Bingo Kelowna), approached the City of Kelowna to allow the development of a Community Gaming Centre (CGC), including the introduction of slot machines, at a site on Springfield Road. City Council approved the proposal in a June 28, 2004 meeting.

The Kelowna CGC has been a successful venture for BCLC, the City of Kelowna and Chances Kelowna. Chances Kelowna has become one of the most popular of twelve Chances Gaming Entertainment centres in British Columbia.

Three years have passed since Chances Kelowna opened, and BCLC has had an opportunity to define further the business operating model for CGCs as well as the parameters that support the long term growth in the Kelowna gaming marketplace. Working with BCLC and its management of the regional gaming marketplace, Chances Kelowna can anticipate strong growth in the years ahead.

For this reason, BCLC requests the City of Kelowna remove the self imposed cap of 100 slot machines put in place at the request of Chances Kelowna in June 2004. This request is in keeping with BCLC's implementation of the CGC model in communities throughout the Province wherein BCLC adjusts the gaming mix and quantities to address market demand.

It is our belief that Chances Kelowna will continue to serve a different consumer demographic than that of Lake City Casino. The CGC offers a unique blend of gaming entertainment as well as food and beverage which appeals to a broad range of customers in Kelowna.

With your support, we would be pleased to work with City staff to move this request forward. Should you have any questions or concerns regarding this request we will be pleased to respond.

Yours truly,

A handwritten signature in dark ink, appearing to read "Marsha Walden", is written over a horizontal line.

Marsha Walden  
Vice President, Bingo Gaming



CHANCES GAMING ENTERTAINMENT  
1585 Springfield Road, Kelowna, British Columbia, V1Y 5V5  
Phone 250-860-9577, Fax 250-860-1764

March 25, 2008

City of Kelowna  
1435 Water Street  
Kelowna, BC  
V1Y 1J4

Dear Mayor Shepherd and Council,

Mayor Shepherd and some Councilors will recall that Chances Kelowna was last before Council in June 2004. At that time Council approved a new zoning (attached as schedule "A") and granted a liquor primary license which allowed 425 seats covering approximately half of the floor area of our facility.

Since March of 2005 Chances Kelowna has operated under these approvals, however, Provincial legislation will make Chances Kelowna a non smoking facility March 31, 2008. This will impact approximately 10,000 sq. ft. of our existing facility which will have to be re-finished. We expect to see a 20-25% decline in bingo attendance and revenue. I do not expect as dramatic an impact on other gaming revenues.

From March 11, 2005 to December 29, 2007 Chances Kelowna has contributed \$1,878,000 to the City of Kelowna from slot revenue. A breakdown of this revenue is attached. Distribution of Gaming revenues to charities during the same time period was \$10.9 million.

In order to eliminate the impact of the upcoming changes and to allow Chances Kelowna's business to grow in an orderly manner I would ask the City of Kelowna to consider the following:

- "1" Remove the limit of 100 slot machines to allow us to better utilize the gaming floor area for bingo, additional slots and electronic games. All quantity and type of games would continue to be under the direction of the British Columbia Lottery Corporation.
- 2" Change the liquor license to allow Chances Kelowna to serve liquor in the entire facility. Currently customers are restricted from transporting drinks from one area of the facility to another despite the entire Chances premises being 19 plus age restricted.

Our preference would be to proceed with the first issue as soon as possible as the change to the smoking regulations require us to completely modify our smoking areas.

We understand that the second change will require notice and outside input which will require a longer period of time, however we would like to proceed with this issue as soon as the requirements can be met.

The changes I am seeking are supported by the British Columbia Lottery Corporation. I believe that these changes will continue to benefit the community and all stakeholders in Chances Kelowna.

Sincerely,

A handwritten signature in cursive script, appearing to read "Stanley R. Walt".

Stanley R. Walt





CHANCES GAMING ENTERTAINMENT  
 1585 Springfield Road, Kelowna, British Columbia, V1Y 5V5  
 Phone 250- 860-9577, Fax 250-860-1764

March 25, 2008  
 City of Kelowna

To Whom It May Concern:

Chances Kelowna would like to request the following:

- Chances requests council to remove the restriction of 100 slot machines.
- Chances request that the entire facility consisting of slot gaming floor, bingo gaming floor and the second level off track horse racing and lounge area be licensed under our liquor primary license.

Chances believes these requests are reasonable for the following reasons:

#### **Removal of 100 Slot Machine Restriction**

- The limit placed by Council was in consideration of a self imposed limit by BCLC for a maximum of 100 slot machines. BCLC stated that they would come back to the City to request any change that allowed over 100 units. Since opening as a bingo facility in September, 2002 and then expanding in 2005 to become a licensed gaming establishment that includes slot machines, off track teletheatre horse racing and full food and beverage service there have been no incidents requiring police attendance for reason of a disturbance either inside of outside the property.
- There are now 12 Chances Gaming Entertainment facilities in BC. As the brand has developed under the direction of BCLC, a number of the new Chances facilities have installed more than 100 slot machines. As one of the first Chances facilities developed in B.C. we were subject to tighter restrictions as a clear vision for how Chances facilities would evolve was developed. In Kelowna it was decided in 2004 to proceed slowly and be sure of our direction. That direction is now clear and consequently we are requesting Council remove the 100 slot machine restriction.
- Council adopted the new CD16-bingo and Gaming Zone in July, 2004. Gaming is a permitted use on the Chances property. At this time Chances is a location that is able to serve the additional gaming needs of Kelowna's marketplace
- Chances has enjoyed a peaceful co-existence within the neighborhood. To our knowledge there have not been any unresolved issues with our neighbors.

Wherever possible we have made changes to accommodate any concerns we have been made aware of.

- Adding slot machines will require additional security on site at all times. The gaming regulations require that for facilities with more than 100 slot machines manned surveillance is required. A larger gaming floor will also require a minimum of two security personnel on the gaming floor in addition to the security person manning over 150 closed circuit surveillance cameras.
- Appropriate Response Training (ART) is additional training all gaming staff are required to take. This teaches them how to approach customers that may be having difficulty with gaming. They are taught how to direct them to get the help they may need. Assistance such as the problem gambling help line and voluntary self exclusion programs to name a few.
- Change to Provincial Legislation has banned smoking indoors in all public buildings effective March 31, 2008. This ban will have a detrimental effect on the bingo operation. In all provinces where a smoking ban has been implemented there has been a substantial decline in bingo revenue. Ontario went non smoking in July, 2006, the damage to bingo varied by region with a decline of 15% to 40% being recorded. It is anticipated that Chances will experience a decline of 20-25%. The experience is that the decline does not completely recover and 10-15% will be the long term damage to bingo.
- The smoking area of Chances bingo gaming floor will have to be completely refinished after March 31, 2008. The decline in bingo playing population will reduce the number of bingo seats required from the current permanent seating of 775 to 600 people. This reduction of the bingo gaming space will allow for an increase in the size of the slot gaming floor. The removal of 175 bingo seats will provide space for approximately 100 additional electronic gaming seats. This will result in an overall decrease of 100 available seats at Chances. *The requested removal of the slot machine restriction will in fact reduce the capacity of Chances and not increase it.*
- The timing for the changes to the gaming floor will coincide with the transition to a non smoking environment. The goal is to minimize the negative impact that the new non smoking regulations will bring about. Should Chances be successful in doing so the monetary impact on all stakeholders at Chances will be reduced.
- Tourism attendance continues to grow at Chances. We will continue to serve the bingo market as Chances is a premier bingo facility in British Columbia and with 600 seats we will remain one of the largest and one of the nicest, if not the nicest bingo gaming facility in Canada. Those who like to play bingo enjoy coming to Chances when they visit Kelowna. Our slot gaming floor is also popular with those who like to stop by and have a bite to eat and play our games in an environment that we believe is more relaxing than a casino. Chances has become a tourism destination and the proposed improvements would only lead to providing Kelowna with an even better tourist attraction.
- The stakeholders in Chances include 107 non profit licensed bingo affiliates (list attached) that earned \$6.4 million from March 2005 to Dec 29, 2007 in addition to local charities that benefited from Direct Access grants totaling over \$4.5 million. The City of Kelowna received over \$1.8 million from slot revenue during the same time period (see attached). Protecting the earnings of all stakeholders requires us to adapt to the changes and demands of our marketplace. An average business would not have to come in front of City Council to be able to adapt to

their market conditions. Because of the "Partnership" created between the Provincial Government, BCLC, charities, the service provider and the municipalities, Chances is coming forward and requesting changes openly and publicly so that the interests of all the stakeholders in gaming are properly recognized.

- I ask that Council closely consider that Chances, as a business, will continue to provide a high standard of adult gaming entertainment in the City of Kelowna. Chances will continue to respect the wishes of Council in choosing what is correct for the citizens of Kelowna.

### **Removal of Liquor License Restriction**

- Chances policies, as governed by British Columbia Lottery Corporation (BCLC), require a high standard of integrity toward our customers. We are required to exceed the provincial liquor licensing regulations as far as serving liquor to our patrons
- ALL STAFF are required to complete "serving it right" which is required of those serving alcohol. In Chances any staff member that comes in contact with any customer, whether they are serving alcohol or not, are required to complete Serving it Right. This trains them to spot the signs of a customer that may have consumed too much. In Chances, a patron is more likely to enter the premises having had too much to drink than they are to be over served by our staff.
- Chances has trained security staff that are on site during all hours of operation. They are trained to properly handle customers that may have had too much to drink and they are very diligent in being sure they are not over served.
- Once Chances has more than 100 slot machines we will be required to increase security on the gaming floor from one person to a minimum of two on the gaming floor and a third security will be monitoring over 150 closed circuit cameras.
- All security and gaming staff are in constant radio contact and with the added monitoring of security cameras, Chances will be the most watched liquor primary licensed facility in Kelowna.
- Chances is an age 19 plus destination. No person under the age of 19 is allowed on the premises as a customer or employee.
- All staff at Chances, with no exceptions, have been licensed by the Gaming Policy Enforcement Branch (GPEB). This involves a background and criminal records check and no employee is allowed to work until they have received their GPEB approval.
- Chances has acquired special occasion permits in the past two and a half years that allowed the entire facility to be licensed for liquor service. These have produced no problems and in fact did not result in any great increases in alcohol sales. The events were for New Years Eve functions and even on this night sales in the bingo area were only a few hundred dollars despite bingo crowds of over 600 people.
- Chances inquired on Sgt. McLachan of the Kelowna RCMP in December, 2007. He reported that Chances has had no problems, complaints of concern regarding its liquor service or operations since receiving its liquor license in March 2005.



The licensing of the entire facility is being requested to allow the free flow of patrons throughout the building. In an age restricted facility it is only good customer relations not to have to tell a customer they have to stand on this side of the line to drink. Chances is as much about responsible consumption as we are about responsible gambling.

Again I elude to the level of integrity required of all staff at Chances. This coupled with the trained security, video surveillance and strict rules imposed by BCLC and GPEB lead Chances to be a prime candidate to receive consideration to be a fully licensed facility.

All proposed changes have been discussed at great length with BCLC. We have concluded these changes are required in order to allow Chances to continue providing the services local customers and tourists have come to expect from a gaming establishment.

Please feel free to contact me should have any further questions or require clarification. I can be reached at 250-212-0589 or [www.swalt@chanceskelowna.ca](mailto:www.swalt@chanceskelowna.ca)

StanWalt  
Chances Gaming Entertainment

**Chances Kelowna  
Host Local Government (HLG)**

Qtr 4 -2004/05 (Dec 26 - Mar 31, 2005)	<b>Chances Kelowna</b>
<i>OPENING DAY March, 2005</i>	24,828.63

Qtr 1 -2005/06 (April 1 - June 25, 2005)	<b>Chances Kelowna</b>
Qtr 2 -2005/06 (June 26 - Sept 24, 2005)	95,899.03
Qtr 3 -2005/06 (Sept 25 - Dec 24, 2005)	115,837.56
Qtr 4 -2005/06 (Dec 25 - Mar 31, 2006)	143,284.98
<b>Total (FY 2005/06)</b>	<b>156,227.11</b>
	<b>511,248.68</b>

Qtr 1 -2006/07 (April 1 - June 24, 2006)	<b>Chances Kelowna</b>
Qtr 2 -2006/07 (June 25 - Sept 23, 2006)	141,395.18
Qtr 3 -2006/07 (Sept 24 - Dec 23, 2006)	144,935.44
Qtr 4 -2006/07 (Dec 24 - Mar 31, 2007)	155,409.14
<b>Total (FY 2006/07)</b>	<b>193,459.40</b>
	<b>635,199.16</b>

Qtr 1 -2007/08 (April 1 - June 30, 2007)	<b>Chances Kelowna</b>
Qtr 2 -2007/08 (July 1 - Sept 29, 2007)	219,632.36
Qtr 3 -2007/08 (Sept 30 - Dec 29, 2007)	243,555.43
<b>Total to FQ3 (FY 2007/08)</b>	<b>243,624.49</b>
	<b>706,812.28</b>

<b>Total since CGC opened</b>	<b>1,878,088.75</b>
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My # for each Org.	Govt Issued #	NOVEMBER, 2007 Org. Name
1	110499	ACT/UCT # 1002
2	111106	ACT/UCT # 1003
3	108102	Adult Integrated Mental Health
4	102930	Army, Navy & Air Force # 376
5	102109	BC Seniors Zone 5
6	111505	Big Brothers & Sisters of OK Soc.
7	100897	Braintrust Canada Association
8	104249	C.M.H.A.
9	114578	C.N.I.B. Southern Interior
10	107173	C.O. Child Development
11	111282	C.O. Crimes Stoppers Soc.
12	109732	C.O. Elizabeth Fry Society
13	102252	C.O. Emergency Shelter Society
14	106648	C.O. Hospice Association
15	106518	C.O. Science Opp. For Kids Soc.
16	102810	Cdn Fed. Of University Women
17	102111	Cdn Ski Patrol Okopogo
18	102902	Centre Culturel Franc De L'Okan
19	104429	Crossroads Treatment Centre Soc.
20	109387	Elks # 52 Kelowna
21	112639	Elks # 592 Westside
22	103886	F.O.S.A.A.
23	101730	G.E.S.S. PAC
24	109734	Holy Spirit Parish
25	103310	K & D Safety Council
26	104742	K & D Share Society
27	102260	K & D Soc for Comm Living
28	100390	K & D Soc for People in Motion
29	109727	Kalano Club of Kelowna
30	103811	Kelowna Aqua Jets Swim Club
31	105740	Kelowna Art Gallery Assoc.
32	109305	Kelowna Child Care Society
33	109671	Kelowna Comm Music School Soc.
34	109069	Kelowna Community Resources Soc.
35	106834	Kelowna Figure Skating Club
36	107758	Kelowna Minor Baseball Assoc.
37	109567	Kelowna Minor Fastball Soc.
38	102865	Kelowna Minor Football Assoc.
39	102892	Kelowna Minor Hockey Assoc.
40	102780	Kelowna Museum Assoc.
41	107245	Kelowna Ski Club
42	105695	Kelowna Snowmobile Club
43	111020	Kelowna Volleyball club
44	111430	Kelowna Womens Resource Centre
45	104408	Kelowna Yacht Club
46	110504	KI-LOW-NA Friendship Soc.
47	102455	Kinsmen Kelowna
48	110246	Kiwanis High Noon
49	101877	Kiwanis Summit
50	111612	Knights of Columbus # 10781
51	100501	Knights of Columbus # 2558
52	109673	Knights of Columbus # 6233
53	110442	Knights of Columbus # 8520
54	104517	Knights of Columbus # 9845
55	104372	Lake Country Food Assist. Soc.
56	110063	Lifestyle Equity Society
57	100364	Lioness Kelowna
58	101741	Lioness Westbank
59	107865	Lions Kelowna Central
60	102813	Lions Lake Country
61	103274	Lions OK Mission
62	108300	Lions Orchard City
63	104389	Lions Peachland
64	112106	Lions Rutland
65	105930	Lions Westbank

CENTRAL OKANAGAN  
Bingo Association

Licensed Affiliates  
at Chances Kelowna

66	100496	Masons Trepanier # 83
67	104779	Nordic Cross Country Ski Club
68	102914	Oceola Fish and Game Club
69	108633	Ogopogo Summer Swim Club
70	107638	OK Boys and Girls Clubs
71	112064	OK Gymnastics Centre Soc.
72	110327	OK Mainline Football Assoc.
73	101361	OK Special People
74	108096	OK Symphony Society Kel
75	111948	Order of Royal Purple # 56
76	110512	Project Literacy Kelowna Soc.
77	112001	R.C.A.F. # 883
78	108769	Reach Out Youth Couns & Serv Soc
79	111289	Rotary Capri
80	102909	Rotary Kelowna
81	102899	Rotary Lake Country
82	109672	Rotary Morningside
83	104256	Rotary Ogopogo
84	110505	Rotary Peachland
85	103108	Rotary Sunrise
86	102672	Rotary Westbank
87	105239	Royal Canadian Legion # 189
88	111517	Royal Canadian Legion # 26 *****
89	111348	Royal Canadian Legion # 26 L.A.
90	109523	Royal Canadian Legion # 288
91	111030	Rutland Minor Baseball Assoc.
92	105613	Rutland Sen. Sec. Pac
93	102862	Rutland Youth Soccer Assoc.
94	111389	Senior Citizens Assoc. of BC # 55
95	110023	Shrine Club # 15
96	105589	Silver Lake Forest Educ. Soc.
97	103539	St Edwards Mens Assoc.
98	109195	St. John Society Kelowna Branch
99	110024	Sunshine Theatre Society
100	109375	Telemark Cross country Ski Club
101	102966	Ukrainian Self-Reliance Assoc
102	101974	United Way
103	106306	Viva Musica Assoc.
104	111593	Westside Minor Baseball Assoc.
105	102901	Winfield & Dist Min Hockey
106	109669	Winfield Figure Skating Club
107	103807	Y.M.C.A. - Y.W.C.A. Central OK 25%



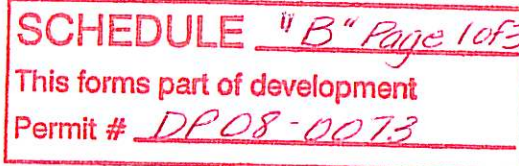
## Goldwing Investments (Saskatoon) Ltd.

1585 Springfield Road Kelowna, BC V1V 1T5

Phone: 250-860-9577 Fax: 250-762-2411

March 5, 2008

City of Kelowna  
1435 Water Street  
Kelowna, BC  
V1Y 1J4



To Whom It May Concern:

Chances Kelowna is requesting the ability to build two outdoor patios. The purpose of these patios is to provide an area for our customers to be able to smoke. The patio areas will not be licensed for liquor consumption and will not be designed for lounging as there will be limited bench seating only.

The front patio, which will be attached to the building, will be a short 42" concrete wall faced with slate tile that will match the two slate feature walls that are already erected on the main building. The support columns will be steel and will be painted to match the hilite strip on the building. The open roof trusses will be stained a dark color for contrast.

The rear patio will be a free standing structure. It will have a roof line that matches that of the front main entry and the small covered rear entrance. It will be finished in the same red clay tile roof. The short perimeter wall will be cut face block construction and will be painted the same light color as the main building. The support columns will be steel and painted the same dark brown hilite color as the main building.

Both patios will have instant on electric heat that will be controlled by a timer so the areas will not be inviting to transients. Both patios will be monitored by closed circuit security cameras.

Should there be any other questions I would be pleased to respond.

Sincerely,

A handwritten signature in black ink, appearing to read "Stanley R. Walt", is written over the "Sincerely," line.

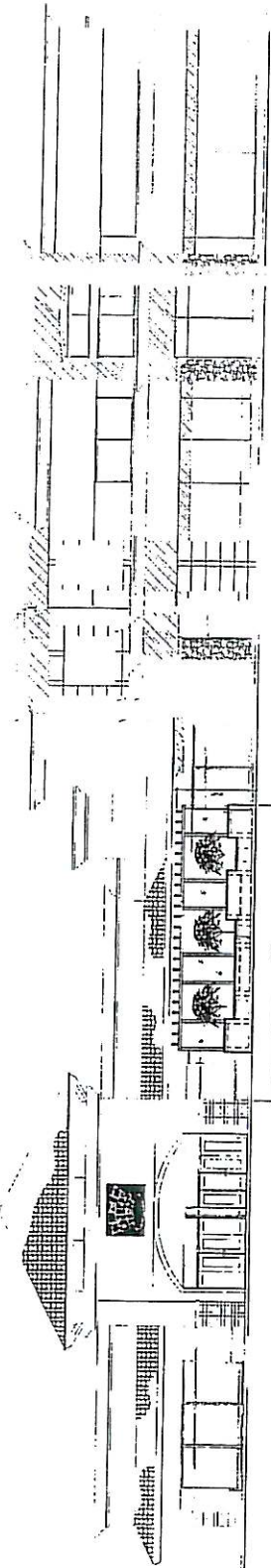
Stanley R. Walt

ID-C

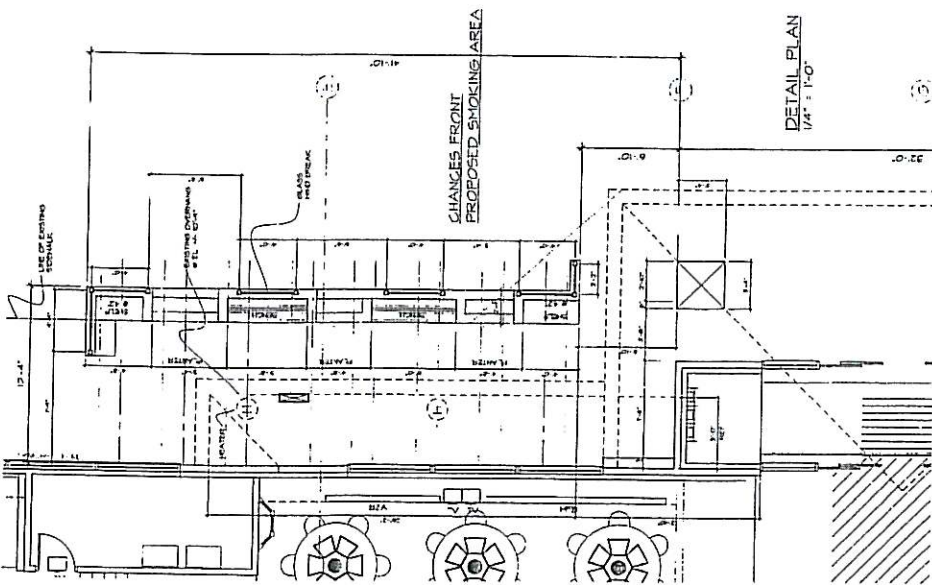
**SCHEDULE "A" Page 1 of 2**  
 This forms part of development  
 Permit # *DPC8-0013*

REFERENCE LOCATION  
 1/8" = 1'-0"

North Elevation



DETAIL PLAN  
 1/4" = 1'-0"



North Elevation

CHANCES FRONT PATIO  
 PROPOSED SMOKING AREA

DETAIL ELEVATION  
 1/4" = 1'-0"

5' RUTURAL BY OTHERS



Interior Design & Consulting  
 redcrayondesign@shaw.ca  
 2293 Lillocot Crescent  
 Kelowna BC V1Y 1T1  
 Ph. 250.868.0577 Fax 250.868.0583

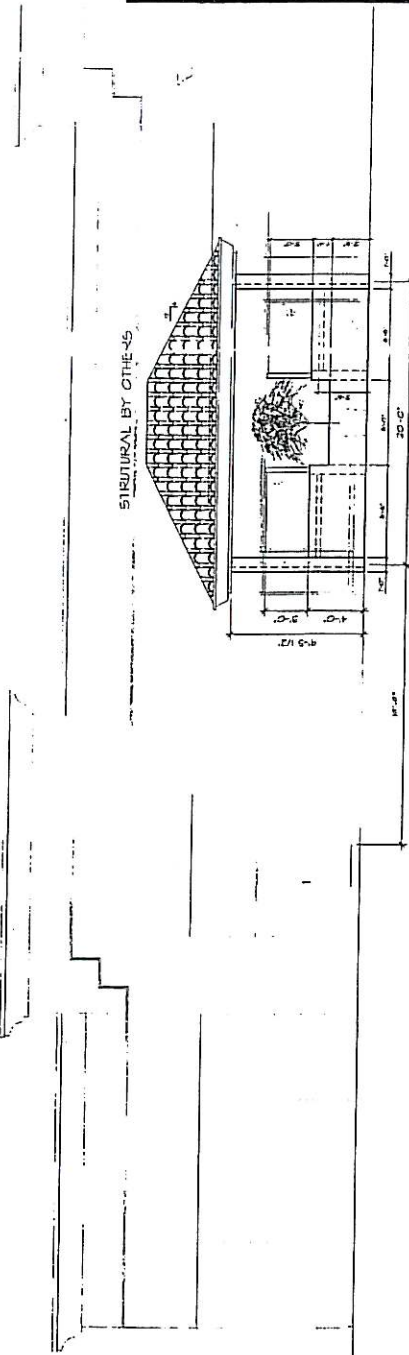
RED CRAYON DESIGN

CHANCES  
 EXTERIOR SMOKING  
 AREAS DETAIL

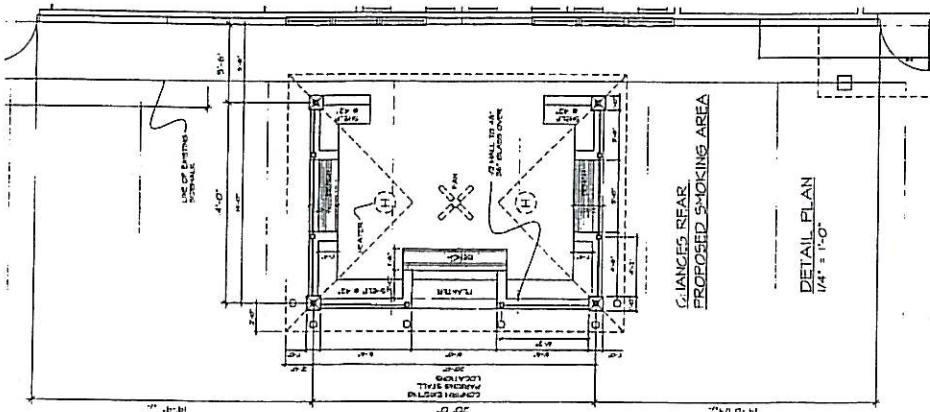
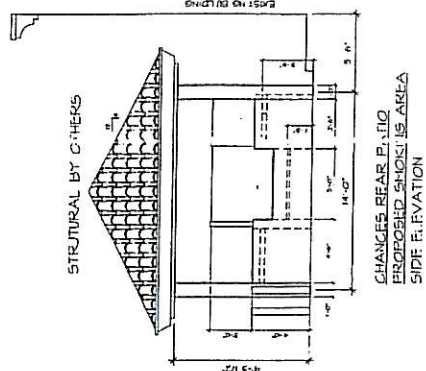
CHANCES  
 1565 SPRINGFIELD ROAD  
 KILGONIA, BC

CONSTRUCTION NOTES:  
 1. All work shall be in accordance with the BC Building Code and all applicable municipal bylaws.  
 2. The contractor shall be responsible for obtaining all necessary permits and approvals.  
 3. The contractor shall ensure that all work is completed in a timely manner and to the satisfaction of the client.  
 4. The contractor shall maintain the site in a safe and secure manner at all times.  
 5. The contractor shall be responsible for the removal and disposal of all waste materials.  
 6. The contractor shall ensure that all work is completed in a professional and courteous manner.

<p>CHANGES 1965 SPRINGFIELD ROAD KELOWNA, BC</p>		<p>CHANGES EXTERIOR SHOKING AREAS DETAIL</p>		<p>Interior Design &amp; Consulting redcrayondesign@shaw.ca 2293 Lilacwood Crescent Kelowna BC V1Y 1T1 Ph. 250.868.0577 Fax 250.868.0583</p>		<p>RED CRAYON DESIGN</p>		<p>CONTRACTOR'S RESPONSIBILITIES The Contractor shall be responsible for obtaining all necessary permits and approvals from the appropriate authorities. The Contractor shall also be responsible for ensuring that all work is completed in accordance with the approved plans and specifications. The Contractor shall be responsible for maintaining the site in a safe and secure condition at all times.</p>		<p>DATE: 10/1/10 BY: [Signature] CHECKED: [Signature] APPROVED: [Signature]</p>		<p>ID-C</p>	
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South Elevation



**SCHEDULE "A" Page 2 of 2**  
 This forms part of development  
 Permit # *DPC8-0073*



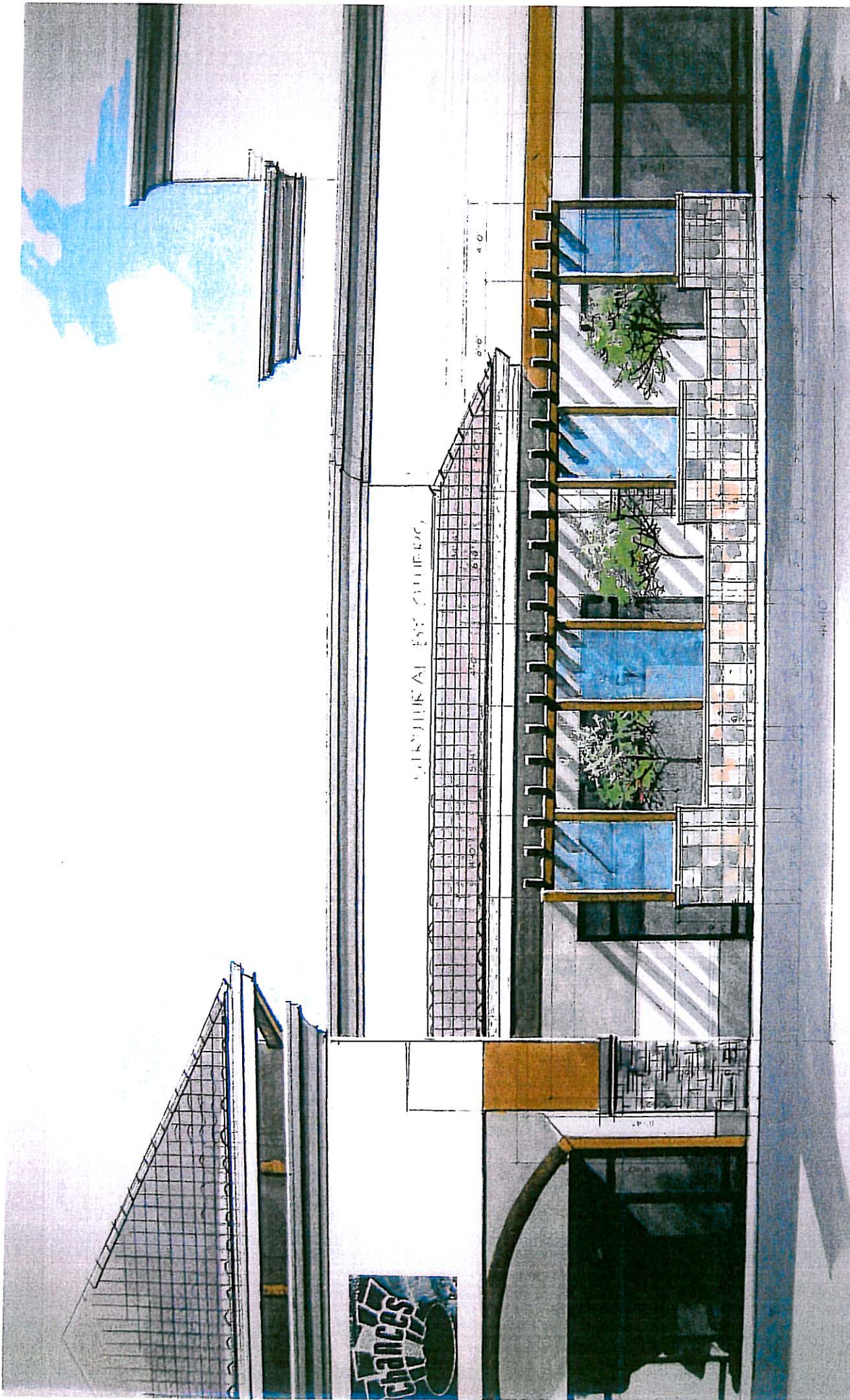


ILLUSTRATION / THE ARTS ALIVE

**SCHEDULE "B" Page 2013**  
This forms part of development  
Permit # DP 08-0073

CHANCES FRONT PATIO  
PROPOSED SMOKING AREA

DETAIL ELEVATION  
1/4" = 1'-0"

North Elevation



**SCHEDULE "B" Page 3 of 3**  
This forms part of development  
Permit # DP08-0073

CHANCES REAR PATIO  
PROPOSED SMOKING AREA  
DETAIL ELEVATION

Elevation

