

CITY OF HAMILTON'S PLANNING COMMITTEE

MAKING THE CASE

Hamilton's Princess Bingo is very much at risk of closing within the next year or two if it's not able to participate in cGaming, something now being offered in 37 other Bingo halls across the province in an effort to modernizing the bingo industry with electronic (not just paper) bingo.

Without the support of the Planning Committee and City Council as a whole:

- ✓ Princess Bingo will be forced to close its doors permanently
- ✓ Because of year-over-year declines in sales, the City of Hamilton will lose up to 80% of the revenue it receives from Princess Bingo while the Hall stays open and, obviously, lose all 100% of this revenue if it's forced into bankruptcy
- ✓ The City of Hamilton will forgo upwards of \$876,000 in annual revenues from the increase in sales cGaming is projected to bring
- ✓ The 52 charities who depend on revenue they earn from supporting Princess Bingo will be forced to say 'no' to your constituents because each of their revenues will decrease by up to 50%... or even more! Many of these charities will then be forced to turn to City Hall and the Province for funding.

After reviewing the pertinent supporting documents on the pages which follow, and after speaking with us on the 17th, we very much hope that you will put forward a motion to City Council at its September 25th meeting providing the City's permission that the Princess Bingo Sponsors Association and the hall be able to participate in the offering of electronic bingo as provided for in Ontario Regulation 81/12.

Oakville, Cambridge, and five halls flooding Niagara Region already offer electronic forms of bingo and break-open tickets. Burlington is likely to approve the same very, very soon.

In order for Princess Bingo to compete on a level playing field and keep its doors open despite such an overwhelming competitive advantage enjoyed by these surrounding communities, we must also be able to offer the same modern equipment and prize boards that they offer and that customers demand.

Respectfully,

John VanDuzer
Executive Director,
Charitable Gaming Federation of Ontario

...

jvanduzer@cgfo.ca
905 577-6290

IF PRINCESS BINGO CLOSES

HERE ARE THE HAMILTON CHARITIES THAT WILL LOSE TENS OF THOUSANDS OF DOLLARS ANNUALLY THEREBY LOSING THE ABILITY TO SUPPORT THE FAMILIES THAT DEPEND ON THEM

91st Highlanders Athletic Association
Adas Israel Congregation
Adult Basic Education
Armenian Community Centre
Assumption Church
Bereaved Families of Ontario
Canadian Council of The Blind
Canadian Orpheus Male Choir
Canusa Games
Capability Support Services
Catch as Catch CAN Wrestling
Centre Francophone Hamilton
Conway Opportunity Homes Inc.
Hamilton & District Extend a Family
Hamilton Artist Inc
Hamilton Aquatic Water Polo
Hamilton Kilty B Hockey
Hamilton Hebrew Academy
Hamilton Hoppers Rope Skipping
Hamilton Lacrosse Association
Hamilton Literacy Council
Hamilton Malayalee Samajam
Hamilton National Olympic Skating
Hamilton Olympic Club
Hamilton Theatre Inc.
Hamilton Wentworth Regionettes
Hamilton Wentworth Stroke Recovery
Hamilton YWCA
Hamilton/Burlington SPCA

John Howard Society
Jumpsations Rope Skipping
Knights of Columbus Ontario Charities Foundation
Lions Club of Hamilton Central
Lung Association of Hamilton
Multiple Sclerosis Society
Neighbour to Neighbour Centre
Optimists Club of Hamilton Inc.
Romanian Cultural Centre
Rotary Club of Hamilton
Rygiel Home
Sacred Heart Parish
Sherwood Secondary School
Sir Allan MacNab High School
Star-lite Competitive Dancers Inc.
St. Lawrence the Martyr Parish
St. Nicholas Church
St. Stephen's Hungarian Parish
Steel City Sound Youth Ensemble
Stoney Creek Co-Op Preschool
Trident Hamilton Charities
Wentworth Minor Football Association
Zonta Club of Hamilton

Of the ten halls in Ontario currently seeking approval for cGaming, only Hamilton is considered a 'Tier 2' hall; the OLG's highest distinction. Being a 'Tier 2' hall is a great indicator that, if approved for cGaming, Princess Bingo's charities won't just survive, they'll thrive!

PRINCESS BINGO SPONSORS ASSOCIATION

c/o 1104 Fennell Avenue East, Suite 222, Hamilton, Ontario L8T 1R9

July 29, 2019

Mr. Rick Gray, Vice President, Charitable Gaming
Ontario Lottery & Gaming Corporation
4120 Yonge Street, Suite 402
Toronto, Ontario M2P 2B3

Dear Sir:

Re: Modernization of Charitable Gaming - cGaming

I am pleased to inform you that Princess Bingo Sponsors Association, representing all of the charitable organizations operating Bingo events at Princess Bingo Hall in Hamilton, Ontario, is in favour of, and supports, the application of our Hall to be included in the Modernization of Charitable Gaming initiative, and to transition to a cGaming hall offering all of the products available as such.

We have communicated, to the City of Hamilton, our desire to transition to cGaming, and we are working with the City to obtain their approval of our efforts to modernize the offerings at our location (please see attached e-mail chain).

Thank you for your consideration of this matter.

Yours truly,



Clement Feierabend, President
Princess Bingo Sponsors Association

c.c. Mr. Adam Palmieri, Supervisor, Licensing – Administration
Ms. Tiffany Gardner, Supervisor, Licensing
Mr. Joe Falco, Princess Bingo
Mr. Ron Conciatori, Princess Bingo
Mr. John VanDuzer



As you can see...

Princess Bingo Sponsors Association is in favour of cGaming in Hamilton



Asked if Licensing supports our application, we were told:

"Absolutely.

Licensing is in support of your proposal for c-gaming and we are committed to working with you to assist you in the process."

*Tiffany Gardner, August 27, 2019
at 4:29:59 PM*

In a previous email we were told, "We will be working closely with Councillor Pauls to get this moving... we will coordinate our efforts with yours."

*Tiffany Gardner, August 23, 2019
at 2:48:08 PM*



BINGO players want this, too... In mid-April (and in just a matter of days), the Premier's Office was flooded with

470 emails

asking that he direct the OLG to include Hamilton in cGaming



As for **Councillor Esther Pauls** (in whose ward Princess Bingo is proud to call home), she's providing

"110% support!"

Esther exclaimed, August 15, 2019 during our meeting with her in her City Hall office

PAPER BINGO HALLS LIKE PRINCESS BINGO ARE GOING THE WAY OF THE DINOSAUR

If they are to survive, paper bingo halls like Princess – like ALL BINGO HALLS – need cGaming.

With the recent introduction of the new cGaming Model, paper bingo halls' customer declines will continue at an accelerated rate. It is estimated that this decline rate will be between 20 to 30% in the first year that the new cGaming halls open (and they're now open!) This will be enough to make Princess Bingo Hall unprofitable, thereby forcing it to close... or even to declare bankruptcy within a year or two!

Hamilton's Princess Bingo

	Number of Customers per year	% chg
2008	169,707	
2009	144,510	-14.85%
2010	126,776	-12.27%
2011	118,810	-6.28%
2012	118,337	-0.40%
2013	121,606	2.76%
2014	148,492	22.11% *
2015	146,456	-1.37%
2016	143,066	-2.31%
2017	143,872	0.56%
2018	131,015	-8.94%

22.80% decline
in customers over the last 10 years



THE FINANCIAL IMPACT ON HAMILTON

Princess Bingo

Bingo Revenue*	\$2,800,000
Win/eBingo Machine/Day**	\$400
# of machines***	200
Revenue/Day	\$80,000
Annual Revenue	\$29,120,000

Total Revenue **\$31,920,000**

OLG Revenue (22% of Rev)****	\$6,428,840
Charity Revenue (25% of Rev)****	\$7,305,500
Municipal Revenue (3% of Rev)****	\$876,660

(1) Charities currently receive 45% of Bingo Revenues

(2) Estimate of Municipality license fees were calculated as follows: average of 3 sessions/day x 7 days x 52 weeks x 10 halls

* Estimate of Bingo Revenue with the new model (estimate based on existing revenue at each hall)

** Based upon market performance of similar machines in the marketplace.

*** Based upon population size of each market

**** The OLG receives 29% of revenues of the first \$3.8 mil generated and any revenue above that number, the OLG receives 50%. The revenue is then split as follows: OLG, 22%; Charities, 25%; and Municipalities, 3%

Sure, there's a lot of money at stake, but it's even more important to remember that every dollar a charity raises represents a worthwhile investment in better, stronger, and healthier communities; it has a multiplying effect. An ounce of prevention really IS worth a pound of cure!

WE NEED TO BE COMPLIANT WITH ONTARIO REGULATION 81/12

ONTARIO REGULATION 81/12

made under the

ONTARIO LOTTERY AND GAMING CORPORATION ACT, 1999

Made: May 2, 2012
Filed: May 14, 2012
Published on e-Laws: May 15, 2012
Printed in *The Ontario Gazette*: June 2, 2012

REQUIREMENTS FOR ESTABLISHING A GAMING SITE

Definitions

1. In this Regulation,

“band”, “council of the band” and “reserve” have the same meanings as in the *Indian Act* (Canada); (“bande”, “conseil de la bande”, “réserve”)

“municipality” means a lower-tier or single-tier municipality. (“municipalité”)

Requirements

2. (1) Subject to subsections (2) and (3), the Corporation may authorize the establishment of a gaming site on an electronic channel or, at premises approved by the Corporation, in a municipality or on a reserve.

(2) The Corporation shall not authorize the establishment of a gaming site until after the Corporation takes the steps and requires that the conditions are met as follows:

1. The Corporation prepares a business case for the proposed gaming site that,
 - i. sets out the cost of establishing the proposed gaming site,
 - ii. demonstrates the viability of the proposed gaming site and the adequacy of responsible gaming features for the proposed gaming site, and
 - iii. sets out or demonstrates any other matter that the Corporation considers appropriate.
 2. The Corporation gives a copy of the business case, and any other information requested by the Minister or by the Minister of Finance, to the Minister and the Minister of Finance for review.
 3. In the case of a proposed gaming site to be established at premises in a municipality or on a reserve,
 - i. the municipal council or the council of the band, as the case may be, seeks public input into the establishment of the proposed gaming site and gives the Corporation, in writing, a description of the steps it took to do so and a summary of the public input it received, and
 - ii. the municipal council or the council of the band, as the case may be, passes a resolution supporting the establishment of the gaming site in the municipality or on the band's reserve and gives a copy of the resolution to the Corporation.
 4. The Minister and the Minister of Finance agree to the business case prepared by the Corporation.
 5. The Corporation publishes a notice in a newspaper or on the Corporation's website, or both, as determined by the Corporation, advising that the proposed gaming site is to be established and containing the information that the Corporation considers appropriate.
- (3) If both of the following circumstances apply, the Corporation shall not authorize the establishment of the gaming site until after the Corporation takes the step set out in paragraph 5 of subsection (2), and the steps and conditions set out in paragraphs 1, 2, 3 and 4 of subsection (2) need not be taken or met:
1. The proposed gaming site is to be established in a municipality or on a reserve at the same premises where a charitable organization conducts and manages one or more lottery schemes pursuant to a provincial order in council and a licence issued by the municipal council, council of the band or the Registrar of Alcohol and Gaming.
 2. The lottery schemes offered at the proposed gaming site and described in paragraph 1 are restricted to the following games conducted and managed by the Corporation:
 - i. Lotteries, using paper tickets.

- ii. Raffles, using paper tickets.
- iii. Paper break open tickets.
- iv. Break open tickets sold by means of an electronic break open ticket dispenser.
- v. Break open tickets played on an electronic bingo device.
- vi. Bingo, using paper cards.
- vii. Bingo played on an electronic bingo device.
- viii. Instant games played on an electronic bingo device.

Exception — proposed gaming site to sell lottery tickets

3. The Corporation may authorize the establishment of a gaming site solely for the sale of lottery tickets by a person authorized by the Corporation to sell lottery tickets for a lottery scheme. The steps and conditions set out in subsection 2 (2) need not be taken or met in this case.

Revocation

4. Ontario Regulation 347/00 is revoked.

Commencement

5. This Regulation comes into force on the later of the day subsection 11 (3) of Schedule 34 to the *Better Tomorrow for Ontario Act (Budget Measures), 2011* comes into force and the day this Regulation is filed.

Français

[Back to top](#)

3. In the case of a proposed gaming site to be established at premises in a municipality or on a reserve,

- i. the municipal council or the council of the band, as the case may be, seeks public input into the establishment of the proposed gaming site and gives the Corporation, in writing, a description of the steps it took to do so and a summary of the public input it received, and
- ii. the municipal council or the council of the band, as the case may be, passes a resolution supporting the establishment of the gaming site in the municipality or on the band's reserve and gives a copy of the resolution to the Corporation.

TODAY'S OBJECTIVE

As a result of our presentation, we hope you recommend to City Council that they pass motions substantially similar to those approved by Toronto City Council in 2013:

1. That City Council direct that the City enter into an agreement with the Ontario Lottery and Gaming Corporation (OLG) related to the Charitable Bingo and Gaming Revitalization Initiative in accordance with Ontario Regulation 81/12.
2. That City Council permit Princess Bingo – currently located at 300 Fennell East, Hamilton, ON L9A 1T2 – to participate in the Ontario Lottery and Gaming Corporation's Charitable Bingo and Gaming Revitalization Initiative in order to offer electronic bingo and other electronic games in its bingo hall, excluding slot machines in accordance with Ontario Regulation 81/12.
3. That City Council authorize the City Clerk to enter into the necessary agreement with the Ontario Lottery and Gaming Corporation, and in a form satisfactory to the City Solicitor. *(The OLG has a Charity Gaming Centre Municipality Agreement that numerous other municipalities have agreed to.)*
4. That City Council authorize City Officials to execute the Charitable Gaming Centre Municipality Agreement on behalf of the City of Hamilton.
5. That City Council authorize and direct the appropriate City Officials to take the necessary action to give effect to Council's decision.

Afterwards, we ask that City Council's decisions be shared with the Ontario Lottery and Gaming Corporation, specifically: David Pridmore: dpridmore@olg.ca and Richard Gray: rgray@olg.ca

