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TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON MARCH 8, 2016
FROM:	MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	ONTARIO LOTTERY AND GAMING CORPORATION'S COMMUNITY RECOGNITION PROGRAM

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, this report fulfilling the requirement of the Ontario Lottery and Gaming Corporation's Community Recognition Program **BE RECEIVED** for information.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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IEPC – November 20, 2012 – Municipality Contribution Agreement Ontario Lottery and Gaming Corporation

IEPC – August 26, 2013 - Municipality Contribution Agreement Ontario Lottery and Gaming Corporation

BACKGROUND

In early 2012 the Ontario Lottery and Gaming Corporation (OLG) announced their "Modernization of Lottery and Gaming in Ontario" plan.

A new Municipality Contribution Agreement was signed with the OLG on November 20, 2012 and this agreement came into effect April 1, 2013. On October 10, 2013, an amended and restated agreement was signed with the OLG retroactive to April 1, 2013. This amended agreement included a new component which requires the municipality and the OLG to collaborate on a Community Recognition Program.

The Community Recognition Program (CRP) as explained in section 5 of the Agreement, is intended to be a collaborative effort between the municipality and the OLG promoting the positive impact of the annual contributions on the municipality and to promote/communicate to the public, initiatives taken by the municipality regarding the allocation of the annual contribution for municipal purposes.

The requirements of the CRP include the following:

- one community recognition event or communication by the municipality, at a minimum, during the operating year;
- discussions and meetings on a regular basis with the OLG relating to spending, allocation and deployment of the annual contribution; and,
- that the municipality will comply with all reasonable initiatives and requests proposed by the OLG relating to the program to promote the positive impact of the host funding.

Costs and the responsibility of those costs have not been identified for this program in the agreement.

In consultation with representatives from OLG, this report satisfies our 2015 commitment required under the Municipality Contribution Agreement as a component of the CRP.

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2015 OLG Contribution

In 2015, the OLG contributed \$4.5 million in slot machine revenue to the City of London for hosting OLG Slots at Western Fair District. This money has been allocated to the following capital projects as shown in the chart below.

Capital Project	Amount
2015 Bus Purchase Replacement Life cycle program of replacing buses supporting maintaining assets in a state of good repair, mitigating vehicle maintenance cost and supporting service reliability.	\$1,914,100
2015 Road Rehab - Local and Rural Life cycle program to reconstruct deficient local streets and secondary collector streets, curb & gutters for immediate replacement as measured by the Pavement Quality Index.	\$1,986,416
2015 District Park Infrastructure To provide local and drive-to district recreation facilities such as upgraded sports fields, path systems, accessible play structures, spray pads and other unique park amenities.	\$155,000
2015 Maintain Neighbourhood Park Infrastructure To provide and maintain community parks projects, tree planting, grading/drainage, upgrading play structures to CSA standards.	\$56,000
2015 Multi-use Park Pathways To provide for the replacement of sections of the pathway and systems in parks and on the 41km of multi-use trail systems.	\$161,000
Management of Emerald Ash Borer Infestation Timely and effective detection, protection, removal, disposal and replacing of ash trees on City and private property in response to the current Emerald Ash Borer Infestation.	\$225,000
Total Expenditures	\$4,497,516

Since 1999, London has received more than \$63.2 million in non-tax gaming revenue.

PREPARED BY:	RECOMMENDED BY:
ANNA LISA BARBON DIRECTOR, FINANCIAL SERVICES	MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER

- c. Jake Pastore, Ontario Lottery and Gaming Corporation