

January 24, 2013

Councillor Brian McHattie
Hamilton City Hall
2nd floor - 71 Main St. West
Hamilton, Ontario
L8P 4Y5

Dear Councillor McHattie:

I am a business owner who operates an architectural practice in downtown Hamilton. I am originally from Hamilton and chose to return in 2005, after 25 years in Toronto. I love the City of Hamilton and believe passionately in its future. Consequently, I spend a good deal of my time participating in the broader debate about our future through my position as President of the Hamilton Arts Council, as a member of the Chamber of Commerce, and as a regular contributor to local press. I have recently purchased a building in downtown Hamilton which is currently being repurposed as a creative business hub.

I thank you for the role that you have played in the community engagement to date about the future of a casino in Hamilton. At the first of the two excellent public forums held last week, Dr. Atif Kubursi, PhD, from McMaster University pointed out that when discussing the issue, we tend to exaggerate the economic benefits, but we tend to ignore the costs, which are harder to quantify.

One "cost" is the fact that a significant percentage of the money spent in the casino is simply redirected from other spending in the community by residents. Some say this represents a zero economic benefit. In fact, it removes money from our local economy as a large percentage is given to the Provincial Government. There are also the social costs related to poverty and community health that are associated with gambling. In addition, there are many studies describing the demise of local businesses after the introduction of self-contained gaming facilities. This has certainly been the case in Windsor, Niagara Falls, Atlantic City and other casino adopting cities, none of which have experienced any of the downtown renewal promised by the introduction of a casino. Largely because no one wants to live near a casino, and renewal is dependent on the introduction of new residential opportunities.

When these costs are deducted from the relatively modest economic benefit, it seems likely that a casino is an economic burden, not a benefit.

But that is just the tip of the iceberg. There are ***much larger opportunity costs*** attendant to the introduction of a downtown casino which are not being considered. In my opinion, the risks listed below are the most important to consider when assessing the likely net economic impact of a casino.

1. Hamilton has an incredibly engaged citizenry. To any contemporary municipality, this engagement represents a significant economic benefit. If this loud, articulate, intelligent, and well researched population is dismissed, the City puts this asset at risk. Outsiders look at this engagement as attractive. Many of these outsiders are potential investors or residents.

2. Downtown renewal in Hamilton is thriving, largely due to the efforts of many individual business leaders who have risked much of their personal net worth to get our downtown to where it is today. I know many of these individuals personally and know that amongst them, opposition to the casino is virtually unanimous. It is misaligned with their current popular vision. These individuals, myself included, will be bitterly discouraged from continuing their efforts if council votes to allow a casino in the core. None of us alone has the resources of a potential casino investor, but collectively I believe our economic impact is far greater than any single private interest.
3. Following a recent targeted-marketing campaign, I have met with a large number of leading land residential developers from other municipalities. We have introduced some of them to senior Economic Development staff. They believe that Hamilton is a good place to invest. They have been keenly watching, and understand the renewal. They particularly see the vision that I mention above, and they see it as a sign of sustainability. I believe that the emergence of this clear vision is what they have been waiting for. If they see that this vision is threatened, inconsistent, or unsustainable, they will be less comfortable about the security of a large investment. My team has been very successful in selling Hamilton as a good place to develop. Knowing that we have decided upon a Casino would make this a *much* harder sell. In fact, I have been personally told by some that if Council says yes to the downtown casino, they would be less interested in investing in Hamilton.

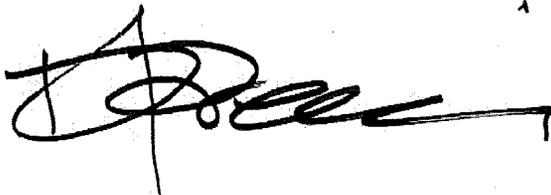
When these opportunity costs are considered, it becomes very clear to me that at best, saying yes to a downtown casino is a bad business decision. At worst, it could represent a disastrous setback to the valuable momentum that we enjoy today. Essentially I believe that saying yes to a downtown casino represents a reckless risk to our future prosperity that we simply cannot afford to take at this time. If it comes down to the unpleasant choice between losing gambling revenue altogether or building a downtown casino, I believe saying no is still the only fiscally responsible choice.

I must clarify that I do not have a strong moral or ethical objection to gambling. I generally support the concept of individual responsibility. Nor would I have strong opposition if a casino was proposed somewhere other than downtown.

Kitchener has recently said no to a casino, explaining that it was inconsistent with their vision. It's inconsistent with Hamilton's as well. Please consider this very carefully before making your decision.

I am at your service to assist in any way that I can.

Respectfully



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