



# **REQUEST FOR EXPRESSIONS OF INTEREST**

Southwestern Region Casino  
Site Selection Committee

Issued: June 19, 2008

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# REQUEST FOR EXPRESSIONS OF INTEREST

## A. INTRODUCTION

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### 1.0 Background

Responsive to the Manitoba First Nation Gaming Market Study by HLT Advisory Inc. dated August, 2007 (the “Market Study”), Manitoba and the Assembly of Manitoba Chiefs (“AMC”) have agreed that a new casino will be developed in southwestern Manitoba. The proposed casino will be owned by all Manitoba First Nations.

Manitoba and AMC have established a Site Selection Committee (the “Committee”) to determine the location of the new casino in accordance with the process outlined in this document. The Committee has been directed to recommend the site that is most likely to maximize profits, revenue generation, job creation, and spin-off benefits for all Manitoba First Nations.

**Goal:** To seek and identify the best site, the Committee will invite proposals from individual Manitoba First Nations or from groups of Manitoba First Nations (Site Sponsors) wishing to supply, by way of lease or sale, a parcel of land for the development of a new casino to be owned by all Manitoba First Nations with revenues accruing to all Manitoba First Nations.

### 2.0 Purpose and Scope

The purpose of this Request For Expressions of Interest (the “Request”) is to invite expressions of interest from individual Manitoba First Nations or from groups of Manitoba First Nations (“Site Sponsors”) wishing to supply, by way of lease or sale, a parcel of land for the development of a new casino to be owned by all Manitoba First Nations (the “Site”). The Site must be comprised of at least twenty (20) acres situated within approximately 100 kilometres of the City of Brandon (the core market area identified in the Market Study). Pursuant to the Market Study, the further a site is proposed outside of the core market area, the less likely it is to meet the Goal. The Site may be located either on or off-reserve.

This Request is intended only to seek proposals as to the location for the development of the new casino. **Note that the Committee will expect that the financial terms of any acquisition arrangement (whether a sale or lease) will be based on the fair market value of the proposed Site as unimproved land.**

A new entity to develop and operate the new First Nation casino will be established by the AMC on behalf of all Manitoba First Nations (“Newco”). Once the Committee has made its recommendations, the lease or purchase of the Site will be negotiated by Newco. Newco will work with the AMC and Manitoba to develop and operate a casino at the Site with revenues accruing to all Manitoba First Nations.

## **B. SPECIFICATIONS**

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Based on the direction from the joint Manitoba/AMC Gaming Steering Committee and Resolution # November 07.10 passed by the AMC Chiefs-in-Assembly, the following criteria is to be used to select the Site for the new First Nation casino in southwestern Manitoba. Responses to this Request (the “Proposals”) must address each of the following specifications.

### **I. Site Description**

❖ Identify the proposed Site as follows:

1. Legal description.
2. Map / sketch illustrating location by reference to the City of Brandon and major highways.
3. Photos depicting the proposed Site.
4. Recent Land Titles Office search indicating ownership and registrations on the title of the proposed Site.
5. If the First Nation or First Nations submitting the proposal are not the owners of the proposed Site, evidence of a right to acquire the proposed Site (e.g. formal Option to Purchase granted by the current owner of the proposed Site).

### **II. Accessibility and Visibility within the Market Area**

❖ Among the criteria for success are accessibility and visibility within the core market area, defined as within approximately 100 km of the City of Brandon in the Market Study. (A copy of the Market Study is available at [www.mgcc.mb.ca](http://www.mgcc.mb.ca), Reports) Access by and visibility to the core market area customers are very important. Describe the proposed Site within the core market area by reference to:

1. Proximity to the City of Brandon, including exact number of kilometres.
2. Proximity to major highways, including exact number of kilometres.
3. Existing access to major highways, including a description of all access roads.
4. Visibility from major highways.
5. Proximity to customer accommodations, such as hotels and motels and food services.
6. Describe the proximity to existing golf courses, water sports, winter activities and other popular recreation activities.
7. Description of local population in the immediate area and the trading area.
8. Traffic counts for the closest major highway to the proposed Site.
9. Proximity to human resources with a variety of skills and training to act as future staff for Newco (e.g., management, finance/bank, administration, maintenance, cleaning, information technology, customer service, dealers and slot attendants) and the availability of / proximity to accommodations for future staff of Newco.

### **III. Site, Size and Configuration**

- ❖ Provide information about the total size of the proposed Site, including additional amenities based on the following:
  1. Size - The minimum requirement is at least 20 acres of land.
  2. Facility and Amenities - The Site must be large enough to accommodate the casino facility, any related amenities which may include a hotel, tourism attractions, food services and other entertainment and easy traffic access.
  3. Parking – There must be ample, accessible space to develop paved parking to accommodate vehicles, including multiple trailers and buses at one time.
  4. Expansion – Describe the ability of the Site to accommodate future expansion of additional amenities.

### **IV. Infrastructure**

- ❖ Provide detailed information about the infrastructure services currently available to permit the development, construction and ongoing operation of a casino and related amenities at the Site. Describe infrastructure requirements which must be developed or improved to permit the development, construction and ongoing operation of a casino and related amenities at the Site and the anticipated costs to develop/access these services. Information should be provided on the following:
  1. Physical Infrastructure – Any existing buildings or structures that would be available for incorporation into the casino development. Provide a brief summary of current use and condition.
  2. Utility and Services Infrastructure – Identify sources for water, sewer, hydro, road maintenance, snow removal, grounds maintenance and garbage services. Information should also be provided on how traffic will enter and exit the Site to ensure safe and easy access by customers.
  3. Technological Infrastructure – Access to telephone, internet, satellite and other telecommunications services.
  4. Security Infrastructure – Policing, fire services and other emergency services to ensure the safety and security of staff, customers, premises and capital investment.

### **V. Community Support**

- ❖ Describe the level of community support for the proposed Site.
  1. Provide a formal band council resolution supporting development of a casino/hotel complex at the Site to be owned and operated by Newco.
  2. If the proposed Site is located on reserve, has it been designated for commercial use/entertainment/gaming?
  3. If the proposed Site is not located on reserve, describe the proposed process to convert the land to reserve status at a later date, such as Treaty Land Entitlement or Additions to Reserve.
  4. Provide a formal municipal resolution supporting development of a casino/hotel complex at the Site.

5. Describe how the Site is sensitive to the needs and purposes of neighbouring businesses, organizations, private dwellings and community services and programs.
6. Describe any restrictive covenants which the owner of the Site or the owners of land in the vicinity of the Site would be prepared to provide (for example, commitments not to develop competing or potentially conflicting businesses within a defined proximity of the Site).

## **VI. Land and Environment**

- ❖ Identify as much as possible about the proposed land, focusing on the following:
  1. Type of land proposed for development. Is it forested, bush or semi developed, or other? Is it high level or low level, (i.e., prone to flooding problems)?
  2. Other features of the Site which are advantageous for this type of development.
  3. Are there any potential environmental issues, for example a sensitive habitat, or land that was previously used for a gas station or agricultural development?
  4. Are there heritage or cultural considerations which need to be addressed or incorporated as part of the lease or purchase arrangement?

## **VII. Land Acquisition Requirements**

- ❖ Describe the proposed key terms of any arrangement for acquisition of the proposed Site by Newco.

**Note that the Committee will expect that the financial terms of any acquisition arrangement (whether a sale or lease) will be based on the fair market value of the proposed Site as unimproved land.**

1. If the acquisition of the proposed Site were to be by way of purchase, provide an estimate of the fair market value of the proposed Site. (Note that an independent professional appraisal is **not** required as part of the Proposal.)
2. If the acquisition of the proposed Site were to be by way of leasing arrangement, provide the following information:
  - (a) Term of proposed rental or lease (expected minimum 40 years), including termination rights and renewal options.
  - (b) Estimate of base rent based on estimated fair market value of the proposed Site as unimproved land. (Note that an independent professional appraisal is **not** required as part of the Proposal.)
  - (c) Proposed escalation formula for base rent based on estimated fair market value of the proposed Site as unimproved land.
  - (d) Estimate of additional rent, if any (e.g. portion of rent attributable to realty taxes for a proposed Site located off reserve, costs attributable to any landlord provided services)

## **VIII. Brief Commentary**

- ❖ Provide a short commentary explaining why the proposed Site is the best location for the development of the new First Nation casino to be owned by all Manitoba First Nations.

## C. SITE SPONSORS INSTRUCTIONS

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### 1.0 Submission Address and Deadline

Individual First Nations or groups of Manitoba First Nations responding to this Request (“Site Sponsors”) must submit:

- (a) eight (8) hard copies of their Proposal, addressed as follows and delivered to:

Site Selection Committee  
c/o Manitoba Gaming Control Commission  
200 – 215 Garry Street  
Winnipeg, MB R3C 3P3  
Attention: Ms. Susan McIvor

- (b) one (1) electronic copy of their Proposal, on CD-ROM to be submitted with the hard copies of their Proposal.

In the event of a discrepancy between the hard copies of the Proposal and the electronic copy of the Proposal, the hard copy will govern.

Proposals submitted by facsimile transmission (fax) will not be accepted.

Proposals must be received no later than 12:00 noon, Friday, September 5, 2008 (the “Submission Deadline”) at the above address. **Proposals received after the Submission Deadline will not be accepted and will be returned to the Site Sponsor unopened. It is solely the Site Sponsor’s responsibility to ensure that the Proposal is received at the designated location prior to the Submission Deadline.**

The Committee may extend the Submission Deadline by issuing an addendum at any time prior to the time and date specified in the preceding paragraph or prior to the date and time previously specified in any prior addendum extending the Submission Deadline.

Hard copies of Proposals must be signed, in ink, by the appropriate signing officer or officers of the Site Sponsor and should be submitted in a sealed envelope and delivered personally, by mail or by courier to the above noted address. The envelope should be clearly marked with the Site Sponsor’s name and return address.

Proposals, once, submitted, become the property of Manitoba. All Proposals will be kept in the strictest of confidence subject to such disclosure as may be required under the provisions of *The Freedom of Information and Protection of Privacy Act* or *The Personal Health Information Act*.

## **2.0 Proposal Inquiries**

All inquiries related to this Request are to be submitted, in writing or via e-mail, by 12:00 noon, on Friday, July 11, 2008. Inquiries received after this time and date may not be answered. Written inquiries are to be directed to:

Site Selection Committee  
c/o Manitoba Gaming Control Commission  
200 – 215 Garry Street  
Winnipeg, MB R3C 3P3  
Attention: Ms. Susan McIvor

E-mail inquiries are to be directed to:

[committee@mgcc.mb.ca](mailto:committee@mgcc.mb.ca)

If the Committee, in its sole discretion, determines that an inquiry will be of interest to all Site Sponsors, it will be communicated in writing to all potential Site Sponsors that have indicated a desire to receive further information regarding this Request. The source of the inquiry will be kept confidential. Responses to proposal inquiries will be issued by Friday, July 25, 2008.

## **3.0 Proposal Content**

Proposals submitted in response to the Request must include:

1. a response to each component of Section B Specifications, as set out above;
2. a Declaration in the form attached as Appendix “A” to this Request, completed and signed by the Chief and a majority of the councilors representing each First Nation participating in the submission of the Proposal.

## **4.0 Proposal Conditions**

By submitting a Proposal, the Site Sponsor agrees that its Proposal or any part of its Proposal is subject to the following conditions, in addition to any other terms and conditions set out in this Request:

### **4.1 Disqualification**

No Proposal will be considered which is received after the Submission Deadline.

#### 4.2 **Right of Rejection**

The submission of a Proposal, the receipt of a Proposal by the Committee and the opening of a Proposal, or any one of those, does not constitute acceptance, in any way whatsoever, of a Proposal.

A Proposal is not and shall not be deemed in any way to be a unilateral contract. It is an expression of interest by the Site Sponsor to supply a Site for the proposed casino development.

The Committee, in its entire discretion, may reject any or all of the Proposals submitted in response to this Request. The Committee is under no obligation whatsoever to accept any Proposal.

#### 4.3 **Right to Reissue Request**

This Request may be reissued where the Committee declines to recommend any of the Proposals or where, in the opinion of Manitoba and AMC, the proposed Site identified by the recommended Proposal is not appropriate.

#### 4.4 **Cost of Proposal**

Costs incurred in the preparation and submission of a Proposal shall be borne entirely by the Site Sponsor.

#### 4.5 **Prohibited Communications**

Other than to submit inquiries pursuant to section C2.0 or to respond to communication from the Committee pursuant to section D3.0, none of the Site Sponsors, or any of their employees, agents, contractors or representatives, shall contact any of the following persons with respect to this Request or with respect to their Proposal, either prior to the Submission Deadline or at any time between the Submission Deadline and the delivery of the recommendations of the Committee:

- (a) any member of the Committee;
- (b) any advisors assisting the Committee;
- (c) Premier, Ministers and Executive staff;
- (d) AMC Grand Chief and advisors;
- (e) AMC Gaming Committee and staff; and
- (f) any board member of the Manitoba Lotteries Corporation or the Manitoba Gaming Control Commission.

Breach of this condition by a Site Sponsor may result in disqualification of the Site Sponsor and rejection of its proposal.

#### 4.6 **Decisions of Committee**

All decisions on the degree to which a Proposal meets the stated criteria or the score assigned to a Proposal will be determined solely by the Committee. The Committee's determinations in this regard are final.

## **D. PROPOSAL EVALUATION**

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### **1.0 Site Selection Committee**

The Committee is responsible for reviewing and evaluating Proposals submitted in response to this Request. The Committee will be assisted by staff of Manitoba, Manitoba Lotteries Corporation, the Manitoba Gaming Control Commission, AMC and external resources.

### **2.0 Evaluation Process**

The evaluation process encompasses the following steps:

- (a) Site Sponsors to submit Proposals in response to this Request;
- (b) Review and evaluation of Proposals by the Committee;
- (c) Committee may request additional information or clarification of Proposals pursuant to section D3.0 below;
- (d) Recommendation by the Committee to Manitoba and AMC to select a proposed Site or to request additional Proposals as to further proposed Sites;
- (e) Decision by Manitoba and AMC to accept or not to accept the recommendation of the Committee.

### **3.0 Evaluation**

Proposals will be evaluated to assess which proposed Site is most likely to maximize the profits, revenue generation, job creation, and spin-off benefits associated with the development and operation of the casino and related amenities.

In order to assist the Committee in carrying out its evaluation of the Proposals, the Committee may:

- (a) request further information or clarification from Site Sponsors;
- (b) tour a proposed Site;
- (c) request (at the Committee's cost) an independent professional appraisal of the fair market value of the proposed Site.

## **E. CONDITIONS ON RECOMMENDATION**

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Neither a decision by the Committee to recommend a proposed Site nor the acceptance of such a recommendation by Manitoba and AMC, or either of those, creates any obligation on the part of the Committee, Manitoba, AMC or Newco to develop and operate a casino at the proposed Site.

Any recommendation of a proposed Site by the Committee and any acceptance of such a recommendation by Manitoba and AMC shall be subject to:

1. The negotiation and documentation of an acceptable arrangement to acquire the proposed Site by Newco;
2. The negotiation and documentation of an acceptable municipal services agreement or confirmation of other arrangements for delivery of required services for the proposed Site; and
3. The negotiation and documentation of acceptable restrictive covenants to address the development of competing or potentially conflicting businesses within a defined proximity of the Site.

**APPENDIX “A”**

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NOTE: A Declaration is required from each First Nation involved in submitting a Proposal. The Declaration must be signed and dated in ink.

**DECLARATION**

**We, the duly elected Chief and Councillors of the \_\_\_\_\_ First Nation, have read and fully understand and adopt the Proposal being submitted to supply a Site for the proposed casino to be owned and operated by a new entity established by the Assembly of Manitoba Chiefs on behalf of all Manitoba First Nations.**

**Date: \_\_\_\_\_**

**Chief \_\_\_\_\_,                      Councillor \_\_\_\_\_,**

**Councillor \_\_\_\_\_,                      Councillor \_\_\_\_\_,**

**Councillor \_\_\_\_\_,                      Councillor \_\_\_\_\_,**

**Councillor \_\_\_\_\_,                      Councillor \_\_\_\_\_,**