



News Release

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City seeking proposals for a casino project

Although the City Council has not yet taken an official position on how voters should vote if a referendum were held on casinos, today the City Manager's Office issued a formal Request for Proposals (RFP) from companies interested in being designated as the developer and operator of a casino in the city.

The RFP responses will be used to evaluate the comparative merits of bidders' visions for a casino, as well as the data needed to decide with whom the city should partner should casino gaming be allowed in Danville.

"We anticipate multiple companies will be interested," City Manager Ken Larking said today. "As they compete to do the business here, we will be evaluating several criteria, including their experience, the number of jobs their project would create, and other amenities it would include."

Larking said the RFP also calls for the companies to detail how they would deal with problem gambling.

Companies may submit up to two proposed sites. If submitting two proposals, one of the proposals must use either the White Mill or Schoolfield site – both of which are City IDA-owned. A second proposal would be for a site of the company's choice.

Larking reiterated that the City's role is to make sure that any casino project is implemented in the best way possible should the citizens of Danville have the opportunity to vote and choose to allow it in the community.

"Being able to answer the question 'how' this new business activity will be implemented goes hand in glove with the overriding question of 'will' this new business activity be allowed in the city; which the voters will decide," Larking said.

In March, Gov. Ralph Northam signed legislation that could potentially allow the City of Danville to become host to a private casino gambling operation. The legislation set up a



City of Danville City Manager's Office

study of casino gaming and would allow voter referenda in Danville and other select cities. The General Assembly must re-enact the legislation in its 2020 session.

Larking expects that respondents will consider the potential development and business model of a project that will meet the following objectives, among other things:

- Induce capital and ongoing investment in the City of Danville to create good-paying jobs and to enhance the City's economic and community development objectives;
- Contribute to the City's efforts to attract sustainable economic benefits from tourism;
- Support utilization of local business suppliers and vendors, including minority business enterprises, women business enterprises, and veteran business enterprises;
- Add to and support the existing Danville entertainment community;
- Support/provide revenues to area non-profit entities in Danville;
- Provide a high-quality development that the City of Danville can be proud of;
- Mitigate any adverse impacts on the City and its residents; and
- Provide resources and revenues to the City incremental to the taxes and fees established in the Commonwealth of Virginia's gaming statutes.

Convergence Strategy Group, a New Orleans-based consulting firm hired by the City to study Danville's potential as a location hosting a private casino gambling operation, will assist in evaluating the RFP responses. The firm provides analytical and strategic planning services to gaming, leisure, commercial, tribal, and public agencies. Convergence Strategy Group's partners have conducted over 400 casino and resort-related analyses worldwide – across six continents, 33 countries, and 38 U.S. states.

The RFP is limited to casino gaming, which typically includes slot machines and table games. Casino gaming would be highly regulated by the state, with tax revenues shared by the state and the "host locality" where the facility exists.

The RFP does not include off-track, pari-mutuel wagering. This is a completely separate issue. In a referendum last month, Danville voters approved pari-mutuel betting in the city.

All interested parties can access the RFP via the City of Danville website: www.danvilleva.gov/casino. Responses are due no later than 4 p.m., Monday, Jan. 13. Larking said the names of the parties and their proposals would be kept confidential as revealing that information may adversely impact the City's negotiating position.

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