

PROPOSAL: A new concept for tourism – Casino Gambling on SR 99

BACKGROUND

Revenues from casino gambling add between \$1,300,000 - \$1,600,000 annually to the City of Mountlake Terrace treasury and between \$3,300,000 - \$1,300,000 annually to the City of Shoreline. These annual revenues fluctuate yearly. Neither city has had significant police or other problems from casinos. Mountlake Terrace has 3 casinos all located on 220th Street between SR 99 and I-5. Shoreline has 6 casinos located on SR 99. No new casinos are permitted in Shoreline. Edmonds has no casinos.

CAPITAL/PROGRAM NEEDS

Short Term: Minimal - possible increase police presence, administrative oversight

Long Term: Minimal - possible traffic improvements on SR 99

RESPONSIBILITY

Private – Licensing and funding for construction and operation of casino(s)

City – Council must adopt city ordinance to permit casino gambling, set tax rates, establish administrative oversight, etc.

POTENTIAL GAINS

Short Term: Increase in day tourists, city revenues, and jobs. Reduce economic leakage to other communities.

Long Term: Increase in day and overnight tourists, varieties of activities in to draw short and long-term tourists, City revenues, and jobs.

POTENTIAL PROBLEMS/OBSTACLES

In 2000, after then Councilman Dave Orvis circulated a petition, the City Council passed “card rooms are prohibited: The conduct or operation of social card games as commercial stimulants as defined in RCW 9.46.0217 and 9.46.0282 shall be prohibited.” (Ordinances 3319 & 3328 – 2000)

By state statutes, Cities are limited in their authority to regulate gambling. They may: (1) tax certain gambling activities; (2) enact as local ordinances any of the state gambling statutes the violation of which constitutes a misdemeanor or gross misdemeanor; (3) prohibit any or all gambling activities for which licenses are required. Cities and counties cannot zone or limit location of gambling. There have been several attempts to give cities greater power in locating gambling activities, but such attempts have failed in a state legislature. Gambling revenues must first be used for policing of gambling, beyond those expenses, the revenue may be used for any other governmental function.

There are questions as whether or not the local gambling market is saturated by existing casinos. According the Mountlake Terrace Planning Department in their discussions with local casino owners, the feeling is that the City cannot handle additional casinos. Further research is necessary if wish to proceed.

Increase in social problems related to gambling addiction.

RECOMMENDATION

Committee forwards to the full EDC for further consideration.