Class 1 Local Impact Assessment

For an increase of 1 (Current Threshold is 29)

Electronic Gaming Machine (EGM) Threshold

for

The Berkeley Hotel

7 Devon Street, Berkeley, NSW, 2506

LIQH400122039

LGA: Wollongong City Council

Prepared by: Dan O'Hara 0402 214 679

1: Executive Summary of LIA Submission:

- 1. This Class 1 Local Assessment accompanies an Application under the Gaming Machines Act 2001 ("Act") for a Gaming Machine Threshold Increase of 1 for The Berkeley Hotel.
- 2. The Hotel's Gaming Machine Threshold is currently 29. The Application, once approved in full, will take the Threshold number to 30.
- 3. Section 2 describes the Hotel, its location and facilities.
- 4. Section 3 describes the local community of the Hotel: which is the south-west part of the Local Government Area of Wollongong LGA ("Wollongong LGA"), which is a Band 2 LGA. The local community of the Hotel comprises a resident population (of the suburbs of Berkeley and Lake Heights), a small business community (within Berkeley and the Unanderra Industrial Park), both within the suburb of Berkeley, where the Hotel is situated. Berkeley is located within The greater area of Wollongong Local Government Area.
- 5. Section 4 describes the harm minimisation and responsible gambling measures of the Act and Gaming Machines Regulations 2002 ("Regulation"), and the additional measures to minimise the risk of harm to individuals associated with the operation of gaming machines at the Berkeley Hotel.
- 6. Section 5 details the specific benefits that will arise once the Application is approved. A once-only donation will be made of \$10,500.00 to Youth Off the Streets Wollongong (Cordeux Heights) for the one Gaming Entitlement approved. If the increase of 1 is approved, the total amount of donation will be \$10,500.00. If we are able to source the EGM from within the WLGA, than no donation will be given.
- 7. Also, Section 5 details the positive contributions which are currently made by the Hotel, and which we anticipate will arise once the Application is approved in full: funding for local community groups, charitable donations, improved facilities for patrons, increase in employment and payment of additional government taxes.
- 8. Section 6 identifies the potential negative effect which may arise, should our application be successful, namely the increase in total amount wagered on gaming machines by potential 'at risk' problem gamblers or problem gamblers.
- 9. We conclude that this submission will provide a positive contribution to the Wollongong Local Government Area.

We believe the Authority can approve our application due to it;

- a. Complying with the requirements of the Gaming Machines Act and Regulations
- b. Demonstrates that gambling activities at the venue will be conducted in a responsible manner

с.	Demonstrates that the proposed increase in gaming machines for the venue will provide a positive contribution towards the Wollongong Local community.

2: The Hotel:

- 1: The Hotel is an existing hotel and occupies a 2-story building on the southwestern side of Devon Street, Berkeley. Annexure 1 shows the Hotel's location.
- 2: The Hotel is surrounded by a small neighbourhood shopping centre, 'The Berkeley Shopping centre which is anchored by a Coles store and has six speciality shops to the east, including a;
 - a. tobacconist,
 - b. baker,
 - c. takeaway food store,
 - d. butcher
 - e. Bottle shop (tenanted by Liquorland)
 - f. Hair dresser

The Hotel is surrounded by the shopping centre parking to the north and south, and Devon St to the west which adjoins residential housing on the west of Devon St.

- 3: The Hotel was acquired by the current freehold owner in 2008. The Hotel underwent a substantial refurbishment in 2008 to allow it be a better meeting place for residents in the area and to meet the demands of patrons. The Hotel has a AHA Award for excellence 'Stamp Thai Restaurant'. The owners / managers of the hotel have a focus on great food, a family and female friendly hotel environment.
- 4: The total internal floor space of the Hotel is approximately 1550m2 (over three levels: basement cellar, ground floor hotel, first floor accommodation room), including approximately 350m2 of cellar / basement / storage, 750m2 of ground floor hotel space including Stamp Thai Restaurant, lounge area, two bars, toilets, gaming room. (The Gaming room area is approximately 250m2). Annexure 2 shows the current floor plan of the Hotel.
- 5: The Hotel has Liquor Act approval to trade for 24 hours Monday to Saturday and from 10am to 10pm on Sunday and the general Gaming Machines Act shutdown period applies between 3am and 9am Monday to Sunday. The Hotel currently trades from 9am 3am (Monday to Saturday) and from 10am 10pm (Sunday).
- 6: The ground floor facilities of the Hotel comprise: a public bar, a lounge bar, several internal and external bistro areas, a TAB area and a gaming room. The Hotel has an extensive food operation, and has the authority for children to come to the licenced premises with their parents to enjoy quality Thai style foods. Currently, Low-key entertainment, such as a DJ, acoustic nights, are offered in the Sports bar a few times a year.

3: The Local Community:

1: The local community for the purposes of this Application is identified as business community within the south west sector of the Wollongong City Council, plus the resident population from the surrounding residential suburbs to the North (Berkeley, Lake Heights), North East and North West, within 5kms, of the Hotel.

2: There is one other licencsed club within the suburb of Berkeley which is the Berkeley Sports and Social Club which has 131 EGM's (May 2012).

4: Harm Minimisation and Responsible Gambling Measures:

- 1: To provide a responsible gambling environment and to minimise the risk of patron harm, the Hotel complies with the policies and guidelines of the AHA (NSW) and is a member of the AHA (Game Care) Gambling Counselling Program.
- 2: The Hotel complies with the Gaming Machines Act and the Regulation, and harm minimisation strategies include:
 - a) All employees involved in gaming related duties hold a responsible Conduct of Gambling Certificate ("RGC") from an approved course provider;
 - b) Copies of the RCG certificates are kept on the premises and are available for inspection by relevant authorities;
 - c) No minors are ever allowed access to gaming areas at the venue;
 - d) The Hotel maintains strong links with AHA (Game Care) in relation to the provision of problem gambling courses;
 - e) The Berkeley Hotel is a member of the AHA hotel self exclusion scheme, and the Berkeley Hotel;
 - f) Consumer information on the chance of winning maximum prizes and jackpots is made available in the gaming area;
 - g) Information warning patrons about problem gambling and advising on the availability of counselling services and self exclusion are displayed in the gaming room;
 - h) The ATM is not situated in the gaming room;
 - i) The Hotel does not publish any gaming machine advertising and all gambling related signs are situated within the Hotel and cannot be seen from outside the Hotel:
 - j) Clocks are clearly visible in those parts of the Hotel where approved gaming machines are located;
 - k) The Hotel does not cash third party cheques;
 - l) No cash payments over \$2,000.00 are made;
 - m) Any unclaimed prizes are processed in accordance with the Act and Regulation;
 - n) The Hotel's ATM does not allow patrons to withdraw cash from a credit account.
- 3: This manner in which the Hotel conducts its gaming operations will be maintained if this Application is approved.

5: Anticipated Positive Contributions:

1: If the Application is approved in full, a once-only donation of \$10,500.00 for the one Gaming Entitlement approved will be made to Youth Off the Streets, Cordeux Heights (Situated within the WLGA). Annexure 3 attaches a copy of the correspondence between the Applicant and YOTS Wollongong confirming the arrangement made for the payment of donations, should our application be successful.

The Berkeley Hotel has made contact with other hotels within the Wollongong LGA to see if they are interested in selling EGM's to the Berkeley Hotel, with these approaches so far proving fruitless. Should the hotel be able to source the entitlement from within the Wollongong LGA, than its proposed that their will be no donation.

- 2: The Berkeley Hotel has selected the Youth off The Streets organisation because they provide a specific focus on treatment and education relating to 'at risk' youth within the Wollongong Local Government Community.
- 3: The total available for donation will therefore be a maximum of \$10,500.00 if the Gaming Entitlement is approved.

As per above, should the Berkeley hotel be able to source the entitlement from within the Wollongong LGA, than its proposed that the \$10,5000 donation for the entitlement wont' be made as the entitlement is sourced from within the Wollongong LGA.

4: Contributions to Charity

At present, the Hotel makes regular contributions to:Berkeley Public school, Illawarra sports High Secondary School, St Viannis Warrawong, Lake Heights Public School P & C.

With the additional revenue expected to be derived from the extra gaming machines the Applicant would be in a position to not only maintain but increase the commitment and include support for additional charities.

5: Sponsorship of Local Community Groups

The Hotel enjoys a close relationship with the Berkeley Eagles Rugby League Club, Port Kembla Blacks AFL club, Berkeley Netball, Berkeley Baseball, Berkeley Amateur Fishing Club, Vikings Rugby Union Club.

The Applicant would not local community groups from the extra gaming

only like to maintain but also extend the support to outside of sport. The anticipated additional revenue machines is expected to make this possible.

6: High-standard of Facilities

The Berkeley Hotel was completely refurbished in 2008, resulting in it being a finalist in the 2009 AHA Awards for Excellence in the Best Redeveloped Regional Hotel category and Best Regional Accommodation.

The additional funds expected to be derived from the increased in poker machines will be utilised in part to maintain the current high standard of repair and maintenance of the Hotel.

7: Increased Employment

The increase in the number of gaming machines of the Hotel is projected to increase staff levels at the Hotel, not only in the gaming related areas, but also in the food service areas.

Any increase of employment would be extremely beneficial within the local government area particularly in an economic climate where unemployment rates are considerably above national averages.

Additionally, each of the employees at the Hotel participates in a Federal Government hospitality traineeship that gives them a nationally accredited certificate upon completion of the program. This will result in an increasingly skilled workforce in the local community.

Further, the Hotel will purchase further gaming machines, which will have a flowon benefit to local manufacturers and suppliers.

8: Increased Taxes to Benefit New South Wales

The increase in the number of poker machines at the Hotel will lead to an increase in:

- a) Gaming tax from increased revenue The Productivity Commission Report 2010 cited that one of the main community benefits of Poker machines was the tax revenue derived from recreational gamblers.
- b) Stamp Duty from the purchase of the additional Poker Machine Entitlements or Liquor Act Permits

Such taxes could reasonably be expected to be used by Government for the benefit of the local and broader communities.

7: Increased Taxes to and Benefits for the Federal Government

The increase in the number of poker machines at the Hotel will lead to an increase in:

- a) GST from increased gaming revenue and machine purchases;
- b) Company tax payable by the Hotel; and
- c) PAYG attributable to additional employees and reduced welfare payments to the employees those formerly unemployed.

6: Potential Negative Effect:

- On the basis that additional machines at the Hotel will allow additional opportunity to play gaming machines, it is anticipated that there may be additional amounts gambled on the machines at the Hotel by 'at risk problem gamblers' or 'problem gamblers'..
- 2: However, it is believed that this opportunity will be sought by additional players, and not by existing players. This belief is based on observation of the use of machines by current players, and also requests and comments made by intending players who have needed to wait for machines to become available during peak periods.

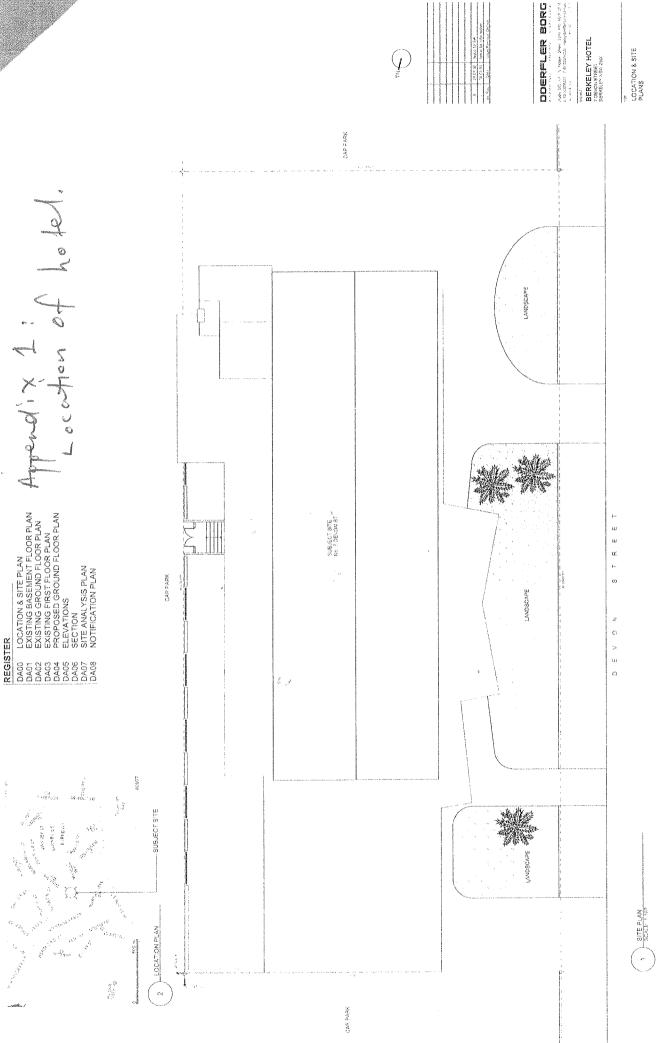
3: Notwithstanding this, the Hotel is not ignorant of the harm that arises from excessive gambling, and the Hotel maintains a responsible gambling environment to minimize the potential for problem gambling.

7: Conclusion:

This assessment identifies a number of positive impacts to the identified local community, to the broader local government area and also New South Wales more generally which are likely to result from the increase of gaming machines. None of those benefits will flow to the local community if this Application is not granted.

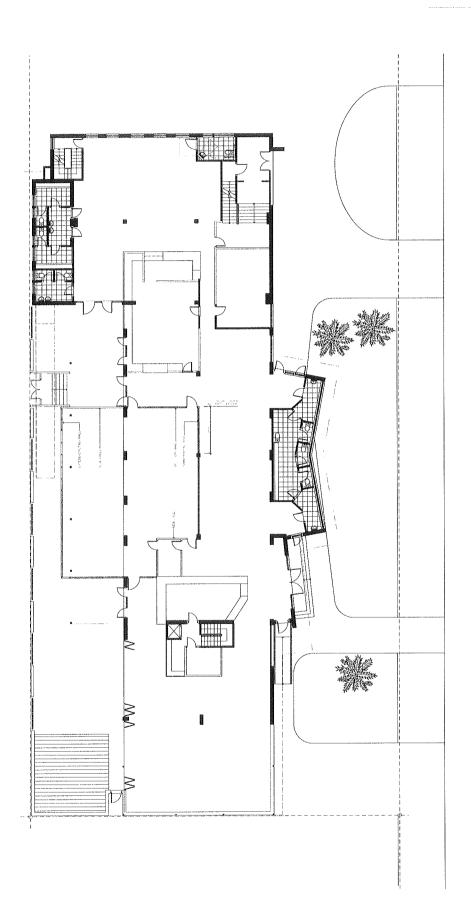
The Hotel has undertaken a variety of measures to ensure that gambling activities are conducted in a responsible manner and in accordance with the Act and Regulation, and these allow the negative effect to be outweighed by the positive effects.

When combined with the harm minimisation and problem gambling initiatives already in place and the benefits identified, it can reasonably be concluded that the increase in the Gaming Threshold sought by the Application will provide a positive contribution towards the local community, local government area and to the State generally.



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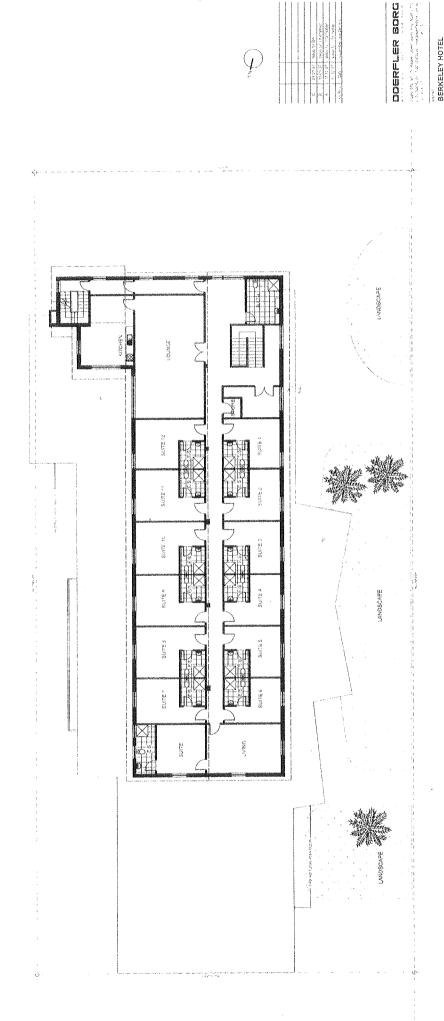
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BERKELEY HOTEL

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Appendix2: Floor plan of note



EXISTING FIRST FLOOR PLAN

 $p' = \frac{1}{N}$

Re: Berkeley Hotel: Proposed conditional funding of YOTS Cordeaux Heights

Dan O'Hara <dan@oharagroup.com.au>

Mon, Aug 25, 2014 at 11:23 AM

To: Suzi Kenney <SuziK@youthoffthestreets.com.au>

Cc: Gordon Fromhold <gordon@theberkeleyhotel.com.au>

thanks suzi

i will keep you up to date.

Many thanks,

Dan O'Hara

0402 214 679

dan@oharagroup.com.au



On Mon, Aug 25, 2014 at 11:18 AM, Suzi Kenney <SuziK@youthoffthestreets.com.au> wrote:

Hi Dan,

Thanks for your email. Yes, I do remember our previous conversations. We're thrilled with your proposal and wish you luck with your application. Hook forward to hearing how it goes.

Kind regards,

Suzi

Suzi Kenney - Centre Manager Cordeaux Heights Centre for Youth Youth Off The Streets Limited



Out of Office: Berkeley Hotel: Proposed conditional funding of YOTS **Cordeaux Heights**

Suzi Kenney <SuziK@youthoffthestreets.com.au> To: Dan O'Hara <dan@oharagroup.com.au>

Fri, Aug 22, 2014 at 2:25 PM

Thank you for your email. I'm currently on long service leave, returning on Monday, 27th October. For any enquiries to Cordeaux Heights Centre please call 02 4223 7500.

Kind regards,

Suzi Kenney - Centre Manager Cordeaux Heights Centre for Youth Youth Off The Streets Limited

P.O. Box 520 Unanderra NSW 2526

Mobile: 0407 208 052 Office: 02 4223 7501

Email: SuziK@youthoffthestreets.com.au Web: youthoffthestreets.com.au

Youth Off The Streets acknowledges the traditional owners of country throughout Australia and recognises their connection to land, waters and community. We pay our respects to them and their cultures, and to elders both past and present.

Click here to support Youth Off The Streets













Mission: Youth Off The Streets is helping disconnected young people to discover greatness within, by engaging, supporting & providing opportunities to encourage & facilitate positive life choices.

Please note: If you have received this e-mail in error, please notify the sender immediately by reply e-mail and delete all copies of this transmission together with any attachments as the information contained and any attached files may be confidential and/or subject of legal professional privilege.

Please consider the environment before printing this email



Re: Berkeley Hotel: Proposed conditional funding of YOTS Cordeaux Heights

Dan O'Hara <dan@oharagroup.com.au>

Fri, Aug 22, 2014 at 2:25 PM

To: Suzi Kenney <SuziK@youthoffthestreets.com.au>

Cc: Gordon Fromhold <gordon@theberkeleyhotel.com.au>

Suzi

I hope this finds you well.

I touched base with you last year in regards to the Berkeley Hotel's application to increase the number of electronic gaming machines (EGM's) from 19 to 30, an increase of 11 egm's. I have included the original email below. We had proposed to give \$5k per EGM which we sourced from outside of the Wollongong Local Governent area. We lodged the application, and prior to the application being approved, we were able to source 10 Egm's from a hotel (the oxford in wollongong) within the wollongong LGA, hence we didn't donate the \$5k per EGM. We subsequently withdrew the application with the Office of Gaming and Racing OLGR.

We are now looking to increase the total by one, from 29 to 30 egm's.

If our application is successful through the OLGR, we would propose paying Youth off the streets wollongong \$10,500 for this one egm approval as a one off donation.

Could you please confirm receipt of this email by return.

Please don't hesitate to call me should you have any queries.

Many thanks,

Dan O'Hara

0402 214 679

dan@oharagroup.com.au



On Fri, Sep 6, 2013 at 12:44 PM, Suzi Kenney <SuziK@youthoffthestreets.com.au> wrote:

wednesday 27th August 2014.

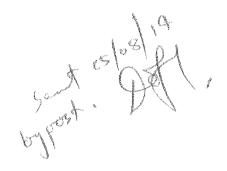
NOTICE is given for an application to the Independant, Liquor & Gaming Control Authority ("ILGA") by the Berkeley Hotel to increase its existing gaming machine threshold by 1, to 30. A Class 1 Local Impact Assessment ("LIA") defined under Division 3. Machines Gaming Regulation (NSW 2010). is lodged with this application. Any person may inspect the application and the LIA on the website of the NSW Office of Liquor, Gaming and Racing. Any person may also make submission to the ILGA in relation to this application within thirty (30) days following publication of this notice.

Notification Letters.

25th August 2014

Lake Illawarra Police Commander Lake Illawarra Command 6 Pioneer Drive Oak Flats NSW 2529

Dear: Sir / Madam



Re: BERKELEY HOTEL - CLASS 1 LOCAL IMPACT ASSESSMENT OF ADDITIONAL GAMING MACHINES ("LIA") - NOTICE OF SUBMISSION:

The Berkeley Hotel is submitting to the Independant, Liquor and Gaming control Authority (the Authority) an application to increase the gaming machine ("EGM") threshold of its premises at 7 Devon St Berkeley ("the hotel") by 1. If this application is successful, this would take the total EGM's at the Berkeley Hotel from 29 to 30.

This application is accompanied by a Local Impact Assessment.

Should this application be successful, the Berkeley Hotel will donate \$10,500 (\$10,5000 per EGM approved and sourced from outside of the Wollongong Local Government Area) to Youth Off the Streets (YOTS) Wollongong ('cordeaux Heights'). YOTS Wollongong help 'at risk' teenagers by helping to provide them with an education. , which we believe will provide a positive community benefit to the Wollongong Local Government Area community.

Pursuant to the Gaming Machines Regulation (2010) ('the regulation") Section 41.2(a), we wish to make notice that the threshold increase application and the LIA are being submitted to the NSW Office of Liquor, Gaming and Racing ("OLGR") on 26th August 2014. The LIA can be viewed on the OLGR website (www.olgr.nsw.gov.au) for approximately 30 days from whence it is submitted. The Regulation further stipulates that written submissions regarding this application can be made to the Independent, Liquor and Gaming Control Authority within 30 calendar days of receiving this notice.

If you have any queries regarding this application, please do not hesitate to contact me.

Yours faithfully

Dan O'Hara

The Berkeley Hotel, Berkeley

25th August 2014

Executive Office Illawarra Shoal Haven Local Area Health District Level 4 Lawson House Wollongong Hospital Wollongong NSW 2500

Dear: Sir / Madam

Re: BERKELEY HOTEL - CLASS 1 LOCAL IMPACT ASSESSMENT OF ADDITIONAL GAMING MACHINES ("LIA") - NOTICE OF SUBMISSION:

J. 13/2014.

The Berkeley Hotel is submitting to the Independant , Liquor and Gaming control Authority (the Authority) an application to increase the gaming machine ("EGM") threshold of its premises at $7 \cdot \text{Devon St}$ Berkeley ("the hotel") by 1. If this application is successful, this would take the total EGM's at the Berkeley Hotel from 29 to 30.

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Should this application be successful, the Berkeley Hotel will donate \$10,500 (\$10,500 per EGM approved and sourced from outside of the Wollongong Local Government Area) to Youth Off the Streets (YOTS) Wollongong ('cordeaux Heights'). YOTS Wollongong help 'at risk' teenagers by helping to provide them with an education. , which we believe will provide a positive community benefit to the Wollongong Local Government Area community.

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If you have any queries regarding this application, please do not hesitate to contact me.

Yours faithfully

Dan O'Hara The Berkeley Hotel, Berkeley

25th August 2014

Council of Social Service NSW 66 Albion Street, Surry Hills NSW 2010

Dear: Sir / Madam



Re: BERKELEY HOTEL - CLASS 1 LOCAL IMPACT ASSESSMENT OF ADDITIONAL GAMING MACHINES ("LIA") - NOTICE OF SUBMISSION:

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If you have any queries regarding this application, please do not hesitate to contact me.

Yours faithfully

Dan O'Hara

The Berkeley Hotel, Berkeley

25th August 2014

CEO Wollongong City Council 41 Burelli St, Wollongong NSW 2500

Dear: Sir / Madam



Re: BERKELEY HOTEL - CLASS 1 LOCAL IMPACT ASSESSMENT OF ADDITIONAL GAMING MACHINES ("LIA") - NOTICE OF SUBMISSION:

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This application is accompanied by a Local Impact Assessment.

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Yours faithfully

Dan O'Hara

The Berkeley Hotel, Berkeley