

**Staff Summary**  
**Date 3/4/2020**

**Applicant:** Tony Blackley  
1101 Panola Street  
Tarboro, NC 27886

**Owner:** Vincent Carollo  
1807 S. Church St Suite 200A  
Smithfield, VA 23430

**Property Location:** 15 East Windsor Blvd, Windsor VA 23487

**Tax Map Number(s):** 54B-01-183

**Application:** Applicant wishes to open an electronic gambling establishment

**Statistical Data:**

Property size: 0.6385 acres

Current Zoning: B-1 Business General

Existing Land Use: Vacant

Proposed Use: Amusement Center

Surrounding Land Uses: Public (emergency services) and business

Comprehensive Plan: General business

## **Project Overview**

The applicant wishes to establish their business, Reba's Gaming Parlor, at 15 East Windsor Blvd. Reba's is a gambling establishment that will only use Electronic Gaming Machines (EGM) and provide no table games. No alcohol will be served at the premise and will provide staff for security.

The Planning Commission has recommended to deny the application. This was due to several factors. The first being that there were no representatives of the applicant at the meeting and no one spoke in favor of the business. Several speakers spoke out against the application. There were concerns about an increase in crime, gaming addiction, how the town would check receipts of the business in regards to annual business licenses, and that the owners can control how often a payout is made on the machines.

## **Staff Opinion**

Staff drew from "The Social and Economic Impacts of Gambling" by Dr. Robert Williams and Dr. Jurgen Rehm, a meta study on the subject, to identify how Reba's Gambling Parlor would affect Windsor and what conditions it would need to meet to be a benefit to the Town.

It is possible for Reba's Gaming Parlor to be a net positive to Windsor if it can meet certain criteria. Reba's must become a destination location that draws new customers, and bring in enough revenue to cover the additional cost of governmental services to mitigate the negative impacts of gambling businesses and the additional regulatory cost. If it cannot meet these criteria, then it is the staff opinion that Planning Commission not recommend this application for approval.

Reba's Gaming Parlor can be considered a destination location if it can attract new customers to Windsor without substantially detracting from existing businesses. If it only draws from the existing customer base, then it will not add to government revenue and will divert consumers away from existing businesses.

There are several factors that will influence this; what is the demand for this type of leisure activity in the region; how much competition will the location have; and is there enough customers willing to travel to Reba's.

Reba's ability to bring in enough revenue to cover the increase in social cost depends on the same criteria as mentioned above.

The social cost that Windsor can expect an increase of are; crimes related to gambling including, illicit activities that problem gamblers use to fund their habit, and robberies at or around Reba's; increased traffic along 460; and increase in bankruptcies and divorce rates. While gambling does

not itself cause bankruptcies and divorces, they add additional pressure to those who are already near them.

The Town can expect that the impacts will be strongest within the first few years of Reba's opening but they will lessen over time.

There is also the issue that allowing gambling could exacerbate the gap between Windsor's poor, and middle and wealthy population. While middle and higher income populations make up the majority of a gambling establishment's annual revenue, low income people spend a disproportionate amount of their income there.

Below are the questions and answers from the application submitted by the applicant:

1. Describe the effect of this request on adjacent properties, the neighborhood and the Town in general. Include information concerning effects on public schools, traffic, existing and future developments, public utilities, etc.
  - a. *It will not harm anyone or anything in the community more or less it will give back to the small business in the community.*
2. Describe any noise, odor or traffic that the proposed Conditional Use will create or generate and what measures are being taken to mitigate or minimize its adverse effects.
  - a. *There will be a security officer on duty that will remove any trouble on property.*
3. Describe any existing Zoning Permits, Conditional Use Permits or Variances previously granted for this property.
  - a. *Conditional use permit, business license permit.*
4. Is this request in general accord with the current Town of Windsor Comprehensive plan
  - a. *Yes*
5. If the property is vacant or if new structures are envisioned, what types (and sizes) of structures and how many such structures will be constructed for this Conditional Use Permit.
  - a. *No new structures*
6. Number of Parking Spaces Required and how many being provided?
  - a.
7. Are there Chesapeake Bay Resource Protection Areas on the property?
  - a. *No*
8. Was a Traffic Impact Analysis required for this request
  - a. *No*
9. Are there adequate water and sewer facilities to serve the proposed use that would follow this rezoning

a. *Yes*

10. What are the properties zoned, and what is the use of the properties on the land adjacent to the subject property

a. *North and South and West, B-1 and Commercial*

b. *East Public, emergency services*

To summarize, gambling businesses can be an economic benefit to Windsor if it does not detract from existing businesses and it can bring the Town enough revenue to cover the additional economic and social burdens that come along with such an industry. Reba's Gaming Parlor must demonstrate it can do that.

# TOWN OF WINDSOR

## Conditional Use Permit

Jrc Holding, LLC.  
Corporate investment,  
Development



Established 1902

Planning and Zoning  
Administrator  
(757)242-4288

Property Owner(s) Vincent C. Carotta Owners Ph.# Direct  
Owners Mailing Address Suite 200A 1807 S. Church St Smithfield, Va 23430 work  
Owners E-Mail jrcholdingllc@me.com  
Applicant (if different from Owner) Reba, Tony Blackley Ph#  
Applicant's Address 1201 Parula street Tarboro, NC 27886  
E-Mail Reba's Evening Parlor

Agent-Correspondence should be sent to \_\_\_\_\_

Address/location of Subject Property 15 east Windsor Blvd

Tax Map Number 54B-01-183 Zoning District B-1 Parcel Size 16395 Street Frontage \_\_\_\_\_

Are there proffered conditions on this property (if so please submit a set of the proffers)?  
Yes \_\_\_ No ✓

Proposed Conditional Use Permit gaming establishment

Section of Land Use Ordinance \_\_\_\_\_

**If more space is needed than provided for Questions 1-10, please write a separate narrative answering the questions and annotate the questions with "See Attached".**

1. Describe the effect of this request on adjacent properties, the neighborhood and the Town in general. Include information concerning effects on public schools, traffic, existing and future developments, public utilities, etc. If will not harm anyone or any thing in the community more or less it will give back to the small business in the community
2. Describe any noise, odor or traffic that the proposed Conditional Use will create or generate and what measures are being taken to mitigate or minimize its adverse effects. There will be a security officer on duty that will remove any trouble on property
3. Describe any existing Zoning Permits, Conditional Use Permits or Variances previously granted for this property. conditional use permit, business license permit business

4. Is this request in general accord with the current Town of Windsor Comprehensive Plan? Yes If no, is a Comprehensive Plan revision being submitted concurrently with this application? \_\_\_\_\_

(Please submit a siteplan of the proposed conditional use permit including any new proposed and existing structures, streets, driveways and any other amenities that are present or to be constructed on the property, including structures or streets/driveways to be removed or moved. **An application is not considered to be complete without such a siteplan.**)

Site Plan

5. If the property is vacant or if new structures are envisioned, what types (and sizes) of structures and how many such structures will be constructed for this Conditional Use Permit (please provide what the proposed structures will look like)? no new structures

6. Number of Parking Spaces Required and how many are being provided? \_\_\_\_\_

7. Are there Chesapeake Bay Resource Protection Areas on the property? NO

? 8. Was a Traffic Impact Analysis (TIA) required for this Request? No If yes, has the Virginia Department of Transportation (VDOT) approved/commented upon it? \_\_\_\_\_

**(If required and VDOT has not approved it, the application cannot proceed until this review is completed)** (Please include a copy of the TIA and VDOT's response with this application and provide an explanation of how VDOT's comments are being addressed.)

20 to 30 people a day

9. Are there adequate water and sewer facilities to serve the proposed use that would follow this rezoning (if not, how will these facilities be provided)? Yes

10. What are the properties zoned, and what is the use of the properties on the land adjacent to the subject property?

NORTH- Zoning B-1 Use(s) Commercial

SOUTH- Zoning ~~R-1~~ B-1 Use(s) \_\_\_\_\_

EAST- Zoning Windsor; public Use(s) emergency services

WEST- Zoning B-1 Use(s) Commercial

I/WE HAVE READ THIS COMPLETED APPLICATION, UNDERSTAND ITS INTENT AND FREELY CONSENT TO ITS FILING. THE INFORMATION PROVIDED IS ACCURATE TO THE BEST OF MY/OUR KNOWLEDGE. I UNDERSTAND THAT THE TOWN MAY APPROVE OR DENY THE REQUEST FOR WHICH I AM APPLYING. FURTHERMORE, I GRANT PERMISSION TO THE PERSONNEL OF THE TOWN AND OTHER AGENTS OF THE TOWN OF WINDSOR AND ANY OTHER AUTHORIZED GOVERNMENT AGENCY TO ENTER THE PROPERTY AND MAKE SUCH INVESTIGATIONS AS THEY DEEM NECESSARY TO EVALUATE THE REQUEST.

Name Keba Blackley  
(Print)

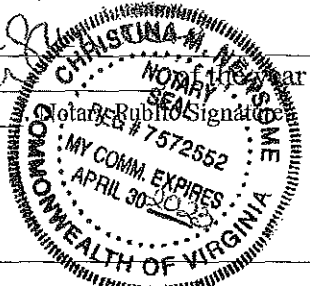
Keba Blackley  
Signature (Applicant)

(owner / contract purchaser / authorized agent - please circle one) Date 12-16

NOTARY: COUNTY OF Salem of Wight STATE OF Virginia

Subscribed and sworn to me on the 16 day of December  
2019. My Commission expires on 04/30/2023

Christina Newcome Stamp:



STAFF USE ONLY- DO NOT WRITE IN THIS AREA

Fee Paid 800 Date 12/16/19 Accepted by Signature/Title Ben [Signature]

Comments \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**MINUTES OF THE PLANNING COMMISSION – WINDSOR, VIRGINIA**

The Planning Commission met on Wednesday, January 22, 2020 at 7:00 p.m. in the Town of Windsor Council Chamber. Chairman Marshall called the meeting to order and welcomed all who were present. Terry Whitehead, Town Clerk, recorded the minutes. Ben Sullivan, Planning & Zoning Administrator, and Fred Taylor, Town Attorney, were present. Mrs. Whitehead called the roll.

Planning Commission members present:      Leonard L. Marshall, Chairman  
George Stubbs, Vice Chairman  
Devon Hewitt  
Dale Scott  
Jesse Taylor  
Ricky Vaughan  
Larissa Williams

Chairman Marshall welcomed Ricky Vaughan to the Planning Commission. He explained that Mr. Vaughan was appointed by Town Council to replace Ed Lynch who resigned at the end of 2019.

**MINUTES**

Chairman Marshall asked if there were any amendments or comments regarding the minutes of the October 23, 2019 regular Planning Commission meeting.

Commissioner Hewitt asked if Mr. Sullivan had information, as discussed at the last meeting, regarding whether Phase 1 of Holland Meadows has the same HOA provision pertaining to drainage easements as Phase 2. Mr. Sullivan said he does not have this information at this time. He said he will follow-up and present information regarding this issue at the February 26, 2020 meeting.

Commissioner Scott made a motion to approve the minutes as presented. Vice Chairman Stubbs seconded the motion, and the Commission unanimously passed the motion as recorded on the attached chart as motion #1.

**PUBLIC HEARING**

Chairman Marshall said there is a public hearing tonight to consider a conditional use permit for Reba's Gaming Parlor; an electronic gaming establishment. He asked Mr. Sullivan to give a summary.

Mr. Sullivan stated that the applicant, Mr. Tony Blackley, has submitted an application requesting to convert the former Anna's Ristorante Italiano & Pizzeria, located at 15 E. Windsor Blvd., into Reba's Gaming Parlor. He explained that this establishment would offer pay-to-play electronic gaming machines with cash payouts for those who win.

Mr. Sullivan reported that such an establishment can bring additional revenue and new employment opportunities. He said Windsor may see an increase in crimes related to gambling, such as robberies and counterfeiting. He said there may be increased traffic along Route 460 and increases in bankruptcies and divorce rates. Mr. Sullivan said no alcohol will be served at the premise, and security personnel will be provided.



Chairman Marshall asked if the public hearing has been properly advertised. Mr. Taylor confirmed that the public hearing has been properly advertised.

Chairman Marshall opened the public hearing. He asked for any persons wishing to speak in favor of the conditional use permit for Reba's Gaming Parlor to come forward at this time. No one came forward to speak in favor.

Chairman Marshall asked for any persons wishing to speak in opposition of the conditional use permit for Reba's Gaming Parlor to come forward.

Katherine Queen, 61 E. Windsor Blvd., said she is present to speak in opposition of the proposed conditional use permit for Reba's Gaming Parlor. She said under state law, there are three elements to gambling, which are a bet, a chance, and prizes. She said these establishments take money and generate prizes, but they will argue that they have replaced the element of chance, which is illegal, with the element of skill.

Mrs. Queen said after her research, she found that the games never serve up jackpots, instead they serve up "near" jackpots noting that one symbol off from a win is a win. She explained that the skill in question is the player's ability to recognize this and press a second button to complete the pattern with a time limit. She said her research showed that it was neither luck nor skill because most of the machines are programmed. She said the owners can program the machines to pay out whatever they choose.

Mrs. Queen said the games operate only in cash and customers have no idea what the odds of winning are. She said research shows that initial payouts may be set at approximately 80% in order to get customers hooked, and then the payouts are lowered to approximately 70% which generates a 30% profit per machine for the business. She added that sometimes these businesses are not taxed, and there are very few regulations.

Mrs. Queen said these establishments undercut the public purposes of state sanctioned games such as the state lottery which helps fund education. She said it is going to hurt small nonprofit games such as Ruritan bingo or organizations organizing raffles for fundraising.

Mrs. Queen said these gaming establishments prey on our youth. Research shows that youth are four times more likely to become addicted to gambling based on studies regarding brain development.

She said senior citizens are also a major target market group for these gaming parlors. She said they are more vulnerable to changes and losses in their lives, and they use gambling for excitement and to fill a void from reality. She said they are on a fixed income and cannot afford to gamble their money away. She said it also increases credit card debt for youth and senior citizens.

Mrs. Queen discussed the impact on society at large stating that gambling problems are not what Psychologists call single trial learning. She explained that research shows that it takes several years for someone who constantly gambles to become addicted. She said it will take several years to know the impact this establishment may have to our community, and then it will be too late. She noted that crime will also most certainly be increased with this type of establishment.

Mrs. Queen said it is her hope that the Planning Commission will vote no tonight for the conditional use permit for Reba's Gaming Parlor so that we will never have to see the impact it may cause on our youth, senior citizens, and the entire community. She said gambling is a hidden addiction and a family disease because the entire family suffers.

Chief Riddle said he has spent several days speaking with his counterparts in law enforcement and prosecutors regarding the impact these establishments have had on their communities. He said there has been a series of armed robberies in the City of Portsmouth relating to gaming establishments. He said a security officer was shot in the leg during one of the robberies, and \$35,000 in cash was stolen from the gaming parlor, but the owners only reported \$2,800 being stolen. He noted that most of these gaming parlors do not have business licenses; therefore, the city isn't even aware that these establishments are in operation.

Chief Riddle reported that a gaming parlor in the City of Franklin was robbed in December, 2019. He said most of these establishments operate from 6:00 a.m. to 2:00 a.m. He said the application for Reba's Gaming Parlor states that there will be security, but he is not sure if they will be licensed and trained security personnel. Chief Riddle said there has not been an armed robbery in the Town of Windsor in eight years, and he would like to keep it that way.

Chief Riddle continued to discuss a pending gaming case in Isle of Wight County. He said the machines were seized and an investigator was able to examine the software which showed when and how much the machine would pay out each day. He said this could be determined as subject to manipulation of an owner. He said this case has not gone forward at this time.

Chief Riddle said he consulted with Georgette Phillips, the Isle of Wight County Commonwealth's Attorney, and it was agreed that his department will be checking the machines that are already in gas stations within Town to identify whether they are in violation of the code. He said if the machines are in violation, he will be sending a letter requesting that the business cease and desist; otherwise, prosecution will be forthcoming.

Chairman Marshall closed the public hearing. He said it is now open for discussion among the Commissioners.

Commissioner Hewitt expressed his concerns with the applicants not showing up to answer questions. He said he had several questions that needed to be answered before making his decision. He said if they don't have the courtesy to show up to answer questions, then that's a red flag to him.

Commissioner Taylor said that 75% to 80% of the comments on the Windsor Weekly social media post opposed the gaming establishment due to concerns regarding increased crime. He said he also has questions for the applicant regarding revenue, hours of operation, and regulations.

Mr. Sullivan said the Town would receive an initial business license fee of \$100. for a new business, and going forward, the license fee would be \$0.25 per \$100 of gross receipts.

Commissioner Williams said she likes the idea of a new business locating in the Town of Windsor, and she questioned whether Reba's Gaming Parlor would actually be any more likely to be robbed than any other business in Town. She also questioned how it would be financially beneficial to the Town when there is no way to monitor their gross receipts for it to be taxed properly due to cash transactions. Commissioner Williams expressed her concerns with the applicants not being present at the public hearing to represent their business and answer questions.

Commissioner Stubbs asked Mr. Taylor to brief the Commission on the status of the "gaming" bills in the General Assembly.

Mr. Taylor said there are currently six bills pending in the General Assembly that would close the "games of skills" loophole. He said some bills have proposed including "games of skill" in Virginia's definition of illegal gambling, while others have proposed tasking the Virginia Lottery Commission with taxing and regulating the computerized gambling industry. Mr. Taylor explained that we will know by March 7, 2020 if the General Assembly has passed legislation making "games of skill" illegal. He explained that the Governor may not have legislation passed at that time, but we will have knowledge of what the General Assembly has passed regarding this issue.

Commissioner Scott said he viewed this as an opportunity to fill a vacant building and have a new business in Town. He said he was looking forward to asking questions of the applicant; however, it creates reservations when they are not available to support their proposal. He said he has received too little information to make a decision regarding this request.

Commissioner Vaughan stated that whether the state makes gaming parlors legal or illegal, we need to determine if this is the type business that the citizens want or need to be located in the Town of Windsor.

After further discussion, Commissioner Hewitt made a motion to forward the conditional use permit for Reba's Gaming Parlor to Council with an unfavorable recommendation. Commissioner Williams seconded the motion, and the Commission unanimously passed the motion as recorded on the attached chart as motion #2.

Chairman Marshall stated that there will be a public hearing regarding this issue at the March 10, 2020 Council meeting with an unfavorable recommendation from the Planning Commission.

#### **TOWN ATTORNEY'S REPORT**

None

#### **ECONOMIC DEVELOPMENT AUTHORITY - EDA**

Commissioner Scott reported that the EDA met on January 6, 2020. He said EDA continued to discuss revenue bonds and attracting new businesses to the Town of Windsor.

## **OTHER REPORTS**

None

## **OLD OR UNFINISHED BUSINESS**

Commissioner Hewitt asked if the barn collapsing at the home located on Bank Street, which was discussed at the January 22, 2020 meeting, was inspected to determine if it is possibly a violation due to safety issues. Mr. Sullivan said he did not have information regarding the barn located on Bank Street at this time. He said he will follow-up and present information regarding this issue at the February 26, 2020 meeting.

## **NEW BUSINESS**

Vice Chairman Stubbs reported that Town Council has been participating in Strategic Planning Sessions to help manage and plan future growth for the Town of Windsor. He said during these sessions, a document titled "Windsor's Road Map to the Future" was developed with 16 key tasks/activities. He said a copy will be distributed to the Planning Commission for review and input. He added that a work session will be scheduled with Town Council, Planning Commission, and the EDA to discuss this document and strategic planning going forward.

Vice Chairman Stubbs also reported that the FY2020-2024 Capital Improvement Plan (CIP) will be submitted to Planning Commission at the February 26, 2020 meeting for review and input.

## **ADJOURNMENT**

Chairman Marshall stated that the next Planning Commission meeting is scheduled for February 26, 2020.

There being no further business, Vice Chairman Stubbs made the motion to adjourn. Commissioner Williams seconded the motion, and the Commission unanimously approved the motion as recorded on the attached chart as motion #3.

The meeting adjourned at 7:50 p.m.

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Leonard L. Marshall, Chairman

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Terry Whitehead, Town Clerk

TOWN OF WINDSOR  
RECORD OF  
PLANNING COMMISSION VOTES

Commission Meeting Date January 22, 2020

Motion #	L. Marshall	G. Stubbs	L. Williams	J. Taylor	D. Hewitt	D. Scott	R. Vaughan
1	Y	Y	Y	Y	Y	Y	Y
2	Y	Y	Y	Y	Y	Y	Y
3	Y	Y	Y	Y	Y	Y	Y
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Jerry Whitehead, Clerk