

Matters related to the Project for Establishment and  
Operation of Specified Complex Tourist Facilities  
in Yokohama

Guidance

January 2021  
City of Yokohama

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- Official map (copy)

# **I. Introduction**

## **1. Introduction**

Based on the Act on Promotion of Development of Specified Complex Tourist Facilities Areas (Act No. 115 of 2016) and the Act on Development of Specified Complex Tourist Facilities Areas (Act No. 80 of 2018) (hereinafter, the “IR Development Act”), the City of Yokohama (hereinafter, the “City”) works to establish Yokohama Innovative Integrated Resort (hereinafter, “Yokohama IR”) to develop an integrated resort (IR) and Yokohama’s metropolitan coastal areas in an integrated manner in the aim of making Yokohama further grow as an attractive city and helping enrich Yokohama residents’ lives.

Towards realizing Yokohama IR, the City requests for proposals, which will be subject to selection, from private-sector business operators that wish to jointly prepare a Plan for Development of a Specified Complex Tourist Facilities Area (hereinafter, the “Area Development Plan) and apply to the national government for certification, to establish Specified Complex Tourist Facilities, and to undertake projects to be operated and their associated projects (hereinafter, the “Projects”). (Hereinafter, this process of request for proposals is referred to as the “Request for Proposal” and is abbreviated as the “RFP.”)

The Guidance specifies, in relation to the issuance of the RPF, the purpose and goals of the development of the IR Area in Yokohama, requirements for the implementation of the project, and the method and procedure of selecting a Prospective IR Operator in accordance with the Basic Policy for the Development of the Specified Complex Tourist Facilities Area established by the Minister of Land, Infrastructure, Transport and Tourism pursuant to Article 5 of the IR Development Act (hereinafter referred to as “Basic Policy”), the Policy for the Implementation of Businesses to Be Established and Operated for Specified Complex Tourist Facilities in Yokohama (hereinafter, “Implementation Policy”), etc.

Persons who apply for the Project shall submit the documents necessary for application in accordance with the contents of the Guidance.

## **2. Name of the IR Business**

Matters related to the Project for Establishment and Operation of Specified Complex Tourist Facilities in Yokohama

## **3. Responsible bureau**

The below bureau of the City is responsible for this project.

IR Promotion Office, Urban Development Bureau, City of Yokohama

## **4. Guidance, etc.**

The Guidance and its attachment materials are planned to consist of the below documents (1) to (12) (hereinafter, these documents, supplementary materials, questions and answers published on the City’s website, and other related documents disclosed by the City are collectively referred to as the “Guidance, etc.” In case that any revisions are made to these documents, the revised documents will be valid). Documents (1) to (11) are the prerequisite for preparing documents including those to be used for the screening of the participation qualifications (hereinafter referred to as “Qualification Screening Documents”), documents for the examination of business proposals (hereinafter referred to as “Proposal Examination Documents”), and other documents related to the implementation of the Project (these documents are collectively referred to as the “Proposal Documents”). Documents (1) to (7) bind the parties involved in the contract at the conclusion of the implementation agreement stipulated in Article 13 of the IR Development Act (hereinafter referred to as the “Implementation Agreement”).

In addition, supplementary materials that are published or disclosed in selecting Prospective IR Operators are part of the Guidance, etc., and unless otherwise specified, any supplementary materials (excluding materials that fall under reference materials) shall also bind the parties involved in the contract when the Implementation Agreement is concluded.

- (1) Guidance for the Project for Establishment and Operation of Specified Complex Tourist Facilities in Yokohama (hereinafter referred to as the “Guidance”)
- (2) Basic Agreement on Project for Establishment and Operation of Specified Complex Tourist Facilities in Yokohama (draft) (hereinafter referred to as the “Basic Agreement (Draft)”)
- (3) Implementation Agreement of Project for Establishment and Operation of Specified Complex Tourist Facilities in Yokohama (draft) (hereinafter referred to as the “Implementation Agreement (Draft)”)
- (4) The contract to establish a fixed term land lease right on the land for business purposes for the Project for Establishment and Operation of Specified Complex Tourist Facilities in Yokohama (draft) (hereinafter referred to as the “Land Lease Contract (Draft)”)
- (5) The project requirements for the Project for Establishment and Operation of Specified Complex Tourist Facilities in Yokohama (hereinafter referred to as the “Requirements”)
- (6) The Basic Monitoring Plan for the Project for Establishment and Operation of Specified Complex Tourist Facilities in Yokohama (draft) (hereinafter referred to as the “Basic Monitoring Plan (Draft)”)
- (7) Collection of related documents
- (8) Notes on the Design of Yokohama IR’s Townscape: The City of Yokohama’s Concept of Creative Townscape Development
- (9) The Selection Criteria for the Prospective IR Operator for the Project for Establishment and Operation of Specified Complex Tourist Facilities in Yokohama (hereinafter referred to as the “Selection Criteria for the Prospective IR Operator”)
- (10) Formats and Instructions on Documentation related to Qualification Screening, etc. procedure. for the Project for Establishment and Operation of Specified Complex Tourist Facilities in Yokohama (hereinafter referred to as the “Formats and Instructions on Documentation related to procedure”)
- (11) Formats and Instructions on Documentation related to Proposal Examination for the Project for Establishment and Operation of Specified Complex Tourist Facilities in Yokohama (hereinafter referred to as the “Formats and Instructions on Documentation related to Proposal Examination”)
- (12) Collection of reference materials

## **5. Governing laws and regulations**

The implementation of the Project requires compliance with relevant laws, ordinances, etc.

Listed below are the laws, ordinances, etc. which require special attention in the implementation of the Project.

### **(1) Laws and regulations**

- a. Relating to IR
  - Act on Promotion of Development of Specified Complex Tourist Facilities Areas (Act No. 115 of 2016)
  - Act on Promotion of Development of Specified Complex Tourist Facilities Areas (Act No. 80 of 2018)
  - Rules of Japan Casino Regulatory Commission (not yet established as of the time of the Guidance’s publication)
- b. Relating to land use and construction
  - City Planning Act (Act No.100 of 1968)
  - Act on Special Measures concerning Urban Reconstruction (Act No. 22 of 2002)
  - Building Standards Act (Act No.201 of 1950)
  - Parking Lot Act (Act No.106 of 1957)
  - Act on Promotion of Smooth Transportation, etc. of Elderly Persons, Disabled Persons, etc. (Act No.91 of 2006)
  - Act on Control and Improvement of Amusement Business, etc. (Act No.122 of 1948)
  - Act on Promotion of Safe Use of Bicycles and Comprehensive Advancement of Measures for Bicycle Parking, etc.(Act No.87 of 1980)

- Act on the Measures by Large-scale Retail Stores for Preservation of Living Environment (Act No.91 of 1998)
  - Act on Maintenance of Sanitation in Buildings (Act No.20 of 1970)
  - Landscape Act (Act No.110 of 2004)
  - Fire Service Act (Act No.186 of 1948)
  - Civil Aeronautics Act (Act No.231 of 1952)
  - Port and Harbor Act (Act No.218 of 1950)
  - Water Supply Act (Act No.177 of 1957)
  - Sewerage Act (Act No.79 of 1958)
  - Gas Business Act (Act No.51 of 1954)
  - Outdoor Advertisement Act (Act No.189 of 1949)
  - Road Act (Act No.180 of 1952)
  - River Act (Act No. 167 of 1964)
  - Electricity Business Act (Act No.170 of 1964)
  - Radio Act (Act No.131 of 1950)
  - Act on Reclamation of Publicly-owned Water Surface (Act No.57 of 1921)
  - Hot Springs Act (Act No.125 of 1948)
  - Public Bath Houses Act (Act No.139 of 1948)
  - Basic Act on Disaster Management (Act No. 223 of 1961)
  - Act on Special Measures concerning Advancement of Countermeasures against Disasters of Nankai Trough Earthquake (Act No. 92 of 2002)
  - Urban Park Act (Act No. 79 of 1956)
  - Urban Green Space Conservation Act (Act No. 72 of 1973)
  - Act on Port Regulations (Act No. 174 of 1948)
  - Act on Assurance of Security of International Ships and Port Facility (Act No. 31 of 2004)
  - Coastal Act (Act No.101 of 1956)
  - Port and Harbor Transportation Business Act (Act No.161 of 1951)
  - Road Traffic Act (Act No.105 of 1960)
  - Road Transportation Act (Act No.183 of 1951)
  - Maritime Traffic Safety Act (Act No.115 of 1972)
  - Act on Promotion of Tsunami Countermeasures (Act No. 77 of 2011)
  - Act for Boosts to the Disappearance of Utility Poles (Act No. 112 of 2016)
- c. Relating to environment
- Air Pollution Control Act (Act No.97 of 1968)
  - Soil Contamination Countermeasures Act (Act No.53 of 2002)
  - Basic Environment Act (Act No.91 of 1993)
  - Environmental Impact Assessment Act (Act No. 81 of 1997)
  - Noise Regulation Act (Act No.98 of 1968)
  - Vibration Regulation Act (Act No.64 of 1976)
  - Act on the Rational Use of Energy (Act No.49 of 1979)
  - Water Pollution Prevention Act (Act No.138 of 1970)
  - Waste Management and Public Cleansing Act (Act No.137 of 1970)
  - Overview of the Act on the Improvement of Energy Consumption Performance of Buildings (Act No. 53 of 2015)
  - Basic Act for the Promotion of the Recycling-Oriented Society (Act No. 110 of 2000)
  - Act on the Promotion of Effective Utilization of Resources (Act No.48 of 1991)
- d. Relating to construction works
- Construction Business Act (Act No.100 of 1949)
  - Act on Architects and Building Engineers (Act No.202 of 1950)
  - Act on the Promotion of Effective Utilization of Resources (Act No.48 of 1991)
  - Construction Material Recycling Act (Act No.104 of 2000)
  - Waste Management and Public Cleansing Act (Act No.137 of 1970)
  - High Pressure Gas Safety Act (Act No. 204 of 1951)
  - Survey Act (Act No.188 of 1949)
  - Industrial Safety and Health Act (Act No. 57 of 1972)
  - Securities Services Act (Act No. 117 of 1972)
  - Electricians Act (Act No.139 of 1960)

- Act for Securing the Proper Operation of Worker Dispatching Undertakings and Improved Working Conditions for Dispatched Workers (Act 88 of 1985)
- e. Others
  - Local Autonomy Act (Act No.67 of 1947)
  - Health Promotion Act (Act No.103 of 2002)
  - Act on the Protection of Personal Information (Act No.57 of 2003)
  - Hotel Business Act (Act No.138 of 1948)
  - Travel Agency Act (Act No.239 of 1947)
  - Act on Land and Building Leases (Act No.90 of 1991)
  - Companies Act (Act No.86 of 2005)
  - Act on Promotion of Global Warming Countermeasures (Act No. 117 of 1998)
  - Basic Act on Countermeasures Against Gambling Addiction (Act No.74 of 2018)
  - Act on Prevention of Unjust Acts by Organized Crime Group Members (Act No.77 of 1991)
  - Act on Prevention of Transfer of Criminal Proceeds (Act No. 22 of 2007)
  - Labor Standards Act (Act No. 49 of April 1947)

**(2) Ordinances of the City of Yokohama etc.**

- Yokohama City Ordinance concerning the Committee for the Selection of Operators of Specified Tourist Facilities etc. (Ordinance No. 1 of March 2020)
- Yokohama City Ordinance concerning Building Standards (Ordinance No. 20 of October 1960)
- Yokohama City Ordinance concerning Fire Prevention (Ordinance No. 70 of December 1973)
- Yokohama City Ordinance concerning Inclusive Town Development (Ordinance No. 90 of December 2012)
- Yokohama City Ordinance concerning the Standards for the Establishment of Specified Park Facilities Necessary for Enabling Smooth Mobility (Ordinance No. 83 of December 2012)
- Yokohama City Ordinance concerning the Standards of Road Structures Necessary for Enabling Smooth Mobility (Ordinance No. 86 of December 2012)
- Yokohama City Ordinance concerning Coordination of Development Projects etc. (Ordinance No. 3 of March 2004)
- Yokohama City Ordinance concerning the Preservation of Dwelling Environment in Relation to Construction of Mid-to-High Buildings etc. and Development Projects (Ordinance No. 35 of June 1993)
- Yokohama City Ordinance concerning Parking Lots (Ordinance No. 33 of October 1963)
- Yokohama City Ordinance concerning the Attachment, etc. of Bicycle Parking Lots (Ordinance No. 3 of March 2018)
- Yokohama City Ordinance concerning the Reduction, Recycling and Appropriate Disposal of Wastes etc. (Ordinance No. 44 of September 1992)
- Yokohama City Ordinance concerning the Creation of Attractive Townscape (Ordinance No. 2 of February 2006)
- Yokohama City Ordinance concerning Outdoor Advertisements (Ordinance No. 13 of March 2011)
- Yokohama City Ordinance concerning Port Facilities (Ordinance No. 52 of October 2018)
- Ordinance concerning Restrictions on Buildings in Sub-districts of the Harbor District of the Port of Yokohama (Ordinance No. 34 of July 1965)
- Yokohama City Basic Ordinance concerning the Preservation and Creation of Environment (Ordinance No. 17 of March 1995)
- Yokohama City Ordinance on Environmental Impact Assessment (Ordinance No. 46 of December 2010)
- Yokohama City Ordinance concerning the Protection of Personal Information (Act No. 6 of 2005)
- Ordinance concerning the Disclosure of Information Owned by the City of Yokohama (Ordinance No. 1 of February 2000)
- Kanagawa Prefecture Ordinance for the Exclusion of Organized Crime Groups (Ordinance No.75 of December 2010)
- Yokohama City Ordinance for the Exclusion of Organized Crime Groups (Ordinance No. 51 of December 2011)

- Kanagawa Prefecture Ordinance for Protection and Development of Youth (Ordinance No. 1 of January 1955)
- Yokohama City Ordinance concerning Earthquake Countermeasures (Ordinance No. 4 of February 2013)
- Ordinance for Developing and Fostering Green Environment (Ordinance No. 47 of June 1973)
- Yokohama City Basic Ordinance for the Promotion of Small and Medium Enterprises (Ordinance No. 9 of March 2010)
- Yokohama City Ordinance concerning the Protection of Dwelling Environment etc. (Ordinance No. 58 of December 2002)
- Yokohama City Ordinance concerning Waterworks (No. 12 of April 1958)
- Yokohama City Ordinance concerning Waterworks (No. 37 of June 1973)
- Yokohama City Ordinance concerning the Financial Contributions for the Development of Harbor Environment (Ordinance No. 8 of March 1980)

## 6. Upper level plans and other matters

The implementation of the Project requires compliance with relevant upper level plans etc.

Especially, the following upper level plans etc. require attention.

- Direction of Yokohama Integrated Resort (IR)  
<https://www.city.yokohama.lg.jp/city-info/seisaku/torikumi/IR/houkousei.html>
- Yokohama City Basic Vision (Long-term Vision)  
[https://www.city.yokohama.lg.jp/city-info/seisaku/hoshin/koso/koso\\_honbun.html](https://www.city.yokohama.lg.jp/city-info/seisaku/hoshin/koso/koso_honbun.html)
- Yokohama City 4-year Medium-term Plan (2018-2021)  
<https://www.city.yokohama.lg.jp/city-info/seisaku/hoshin/4kanen/2018-2021/chuki2018-.html>
- Yokohama City's SDGs and Future City Plan  
<https://www.city.yokohama.lg.jp/kurashi/machizukuri-kankyo/ondanka/futurecity/sdgs/sdgsfuturecity.html>
- Yokohama City's Plan for Developing the Region's Resilience  
<https://www.city.yokohama.lg.jp/city-info/seisaku/torikumi/kyoujinka/resilience.html>
- Master Plan for Revitalizing Yokohama City's Metropolitan Coastal Area  
<https://www.city.yokohama.lg.jp/kurashi/machizukuri-kankyo/toshiseibi/sogotyousei/toshinmp/toshinmpsakutei.html>
- Yokohama City Basic Plan for the Development of Yamashita Pier  
<https://www.city.yokohama.lg.jp/city-info/yokohamashi/yokohamako/kkihon/keikaku/yamashita/saikaihatsu.html>
- Initiative for Developing Beautiful Harbor Landscape  
<https://www.city.yokohama.lg.jp/kurashi/machizukuri-kankyo/toshiseibi/keikanchosei/bikou/bikoukousou.html>
- Port of Yokohama Harbor Plan  
<https://www.city.yokohama.lg.jp/city-info/yokohamashi/yokohamako/kkihon/keikaku/k-26keikaku.html>
- Plan for Developing the Port of Yokohama as a Major Port for International Passenger Ships  
[https://www.city.yokohama.lg.jp/business/bunyabetsu/kowan/torikumi/kyoten\\_keisei.html](https://www.city.yokohama.lg.jp/business/bunyabetsu/kowan/torikumi/kyoten_keisei.html)
- Policy concerning the Improvement, Development and Maintenance of the Planned Urban Development Area  
<https://www.city.yokohama.lg.jp/kurashi/machizukuri-kankyo/toshiseibi/sogotyousei/hoshin/seikaihokaitei.html>
- Policy Concerning the Urban Redevelopment Plan and the Construction of Yokohama as an International Port City  
<https://www.city.yokohama.lg.jp/kurashi/machizukuri-kankyo/toshiseibi/sogotyousei/hoshin/seikaihokaitei.html>
- Policy concerning the Improvement of Areas for Disaster Prevention and the Construction of Yokohama as an International Port City  
<https://www.city.yokohama.lg.jp/kurashi/machizukuri-kankyo/toshiseibi/sogotyousei/hoshin/seikaihokaitei.html>



- Area Improvement Policy concerning Areas to be Urgently Improved for Urban Revitalization and Specified Areas to be Urgently Improved for Urban Revitalization  
<https://www.city.yokohama.lg.jp/kurashi/machizukuri-kankyo/toshiseibi/sogotyousei/toshisaisei/toshisaisei.html>
- Overall Framework of the Master Plan for Yokohama City's Urban Planning  
<https://www.city.yokohama.lg.jp/kurashi/machizukuri-kankyo/toshiseibi/sogotyousei/plan/kaitei/kaitei.html>
- The Master Plan for Yokohama City's Urban Planning: The Plan for Naka Ward  
[https://www.city.yokohama.lg.jp/naka/kurashi/machizukuri\\_kankyo/machizukuri/10toshimasu.html](https://www.city.yokohama.lg.jp/naka/kurashi/machizukuri_kankyo/machizukuri/10toshimasu.html)
- Vision for the Revitalization of Kannai and Kangai Areas  
<https://www.city.yokohama.lg.jp/kurashi/machizukui-kankyo/toshiseibi/toshin/kannaikangai/vision.html>
- Yokohama City Disaster Prevention Plan  
<https://www.city.yokohama.lg.jp/kurashi/bousai-kyukyu-bohan/bousai-saigai/bosaikeikaku/shishin/keikaku/>
- Yokohama City's Plan for the Implementation of Countermeasures against Global Warming  
<https://www.city.yokohama.lg.jp/kurashi/machizukui-kankyo/ondanka/jikkou/keikaku/plan.html>
- Yokohama City Guidelines for the Development of a City with the Coexistence of Diverse Cultures  
<https://www.city.yokohama.lg.jp/city-info/seisaku/kokusai/kyosei/machishishin.html>
- Yokohama City Environment Management Plan  
<https://www.city.yokohama.lg.jp/kurashi/machizukuri-kankyo/kankyohozen/emp/kanri.html>
- Yokohama City Basic Policy for Water and Green  
<https://www.city.yokohama.lg.jp/kurashi/machizukuri-kankyo/midori-koen/mizutomidori.html>
- Yokohama 3R Dream Plan (Basic Plan concerning the Disposal of General Wastes)  
<https://www.city.yokohama.lg.jp/city-info/yokohamashi/org/shigen/sonota/hoshin/3r-plan/plan.html>
- Yokohama Urban Traffic Plan  
<https://www.city.yokohama.lg.jp/kurashi/machizukuri-kankyo/kotsu/toshikotsu/plan/plan.html>
- Yokohama City's Plan for Promoting the Undergrounding of Utility Cables  
[https://www.city.yokohama.lg.jp/kurashi/machizukuri-kankyo/doro/jigyo\\_kikaku/doroseibi/mudenchuka.html](https://www.city.yokohama.lg.jp/kurashi/machizukuri-kankyo/doro/jigyo_kikaku/doroseibi/mudenchuka.html)
- Yokohama City Landscape Plan  
<https://www.city.yokohama.lg.jp/kurashi/machizukuri-kankyo/toshiseibi/keikanchosei/keikanseido/keikaku.html>
- Vision for Tourism That Support the Future of Japan: Making Japan a Favorite Destination in the World  
[https://www.mlit.go.jp/kankocho/topics01\\_000205.html](https://www.mlit.go.jp/kankocho/topics01_000205.html)
- Universal Design Action Plan 2020  
[https://www.kantei.go.jp/jp/singi/tokyo2020\\_suishin\\_honbu/udsuisin/index.html](https://www.kantei.go.jp/jp/singi/tokyo2020_suishin_honbu/udsuisin/index.html)
- Kanagawa Plan for Advancing Measures for Gambling and Other Addictions (tentative name) (This Plan has not been established as of the time of the publication of the Guidance.)
- Yokohama City's Plan concerning Local Support and Measures for Addictions (This Plan has not been established as of the time of the publication of the Guidance.)

## 7. Project scope

A private-sector business operator undertaking this Project (hereinafter referred to as an “IR Operator”), who is an operator certified under the Area Development Plan provided for in Article 9, Paragraph 11 of IR Development Act (including certification of changes based on the provisions of Article 11, Paragraph 1 of the same Act), shall implement the IR Business specified in Article 2, Paragraph 3 of the same Act at its own responsibility and expenses.

During the Project Term (the Project Term specified in Section I-8-(2), with an extended period included if the Project Term has been extended in accordance with Section I-8-(3); the same shall apply hereinafter), the IR Operator shall be able to commission or contract a part of the operations of which commissioning

or contracting is not prohibited among the operations related to the Project of which commissioning or contracting is not prohibited, to a third party in accordance with the IR Development Act established by the national government, relevant government ministerial ordinances and the Basic Policy specified by the national government, and the Casino Administration Committee Rules established by the Casino Administration Committee (hereinafter referred to as the "IR-related Laws and Regulations, etc.") after undergoing prescribed procedures stipulated in IR-related Laws and Regulations, etc. and the Implementation Agreement.

The Applicant (the applicant as defined in Section V-2-(2)-a; the same shall apply hereinafter) responding to the RFP must propose the details of the projects and initiatives, etc. that it will implement in accordance with standards, requirements, and other items indicated in this document etc. Furthermore, the Applicant shall make a proposal in accordance with upper level plans, etc., particularly "Direction of Yokohama Integrated Resort (IR)," in the view of embodying these plans.

The City will determine the implementation obligations of the IR Operator in the Implementation Agreement and the IR Area Development Plan, etc., based on the proposal submitted in response to the RFP by the Applicant selected as the Prospective IR Operator.

The details of the conditions for implementation of the Project, including but not limited to the restrictions and procedures to be observed by the IR Operator undertaking the Project, are described in Sections III, IV and VI to VIII together with the Project Requirements, Implementation Agreement (Draft), Land Lease Contract (Draft), and Basic Monitoring Plan (Draft).

## **8. Project term**

### **(1) Basic approach**

A very important precondition for Japan's IR is to secure stable and continual IR operation for a long time in the view of contributing to the promotion of tourism and local economy and to improving fiscal conditions.

Also, given the unprecedented scale and quality of the facilities and functions being required, one of the largest investments shall be secured when compared to previous private-sector investments in Japan and to overseas IRs. Securing a private-sector investment on such a large scale necessitates assuming a long project in relation to the facilities' service time and investment payout time.

### **(2) Project term**

The Project Term is defined as the period from the effective date of the Implementation Agreement to the day before the anniversary date 35 years after the date of approval of the Area Development Plan (hereinafter referred to as the "Area Approval Date") pursuant to Article 9, Paragraph 11 of the IR Development Act (or, if the Project Term is extended in accordance with the provisions of Section I-8-(3), the final date of the extended period).

### **(3) Extension of Project Term**

The IR Operator may propose an extension of the Project Term when the Project Term is about to expire.

When a proposal for extension of the Project Term is submitted, the City shall evaluate whether the IR Business would contribute to sustainable economic development of the City, its surrounding areas and Japan, whether it would help support the safe and secure lives of its residents, whether it would fully produce positive impacts expected from the IR, and whether initiatives and measures necessary for appropriately eliminating harmful effects resulting from the establishment and operation of casino facilities would be adequately implemented, while fully taking into account the precondition that the IR is an initiative assuming a long-term Project Term. In the case of extending the Project Term, the City and the IR Operator shall consult with each other on the period, conditions, etc.

The Project Term shall be extended for 30 years in principle, but this may be extended or shortened by mutual agreement between the City and the IR Operator.

## **9. Project method**

The Basic framework of the Project is as follows.

- (1) The Project is to be implemented as an IR Business pursuant to the provisions of Article 2, Paragraph 3 of the IR Development Act. Therefore, undertaking the Project entails cooperating in implementing initiatives and measures that the national government and the City undertake to appropriately eliminate the harmful effects resulting from the establishment and operation of casino facilities as defined in Article 15, Paragraph 2 of the IR Development Act, for developing IR Facilities and improving operations of other IR Businesses using profits from the casino business as defined in the Paragraph 3 of the same Article of the IR Development Act, and in implementing initiatives relating to the Area Development Plan approved under Article 9, Paragraph 11 of the same Act (hereinafter, the “Approved Area Development Plan”).  
Note that the City does not approve business operating facilities defined in Article 2, Paragraph 5 of the same Act.
- (2) The City will, after establishing an Implementation Policy based on the Basic Policy established by the national government, select and determine a Prospective IR Operator through RFP.
- (3) The City will enter into a Basic Agreement with the Prospective IR Operator that sets forth responsibilities of the City and of the Prospective IR Operator, needed procedures, etc. (hereinafter, the “Basic Agreement”) in the aim of commencing the Project smoothly.
- (4) The City will, jointly with the Prospective IR Operator, prepare an IR Area Development Plan and submit it to the national government to apply for certification of the plan.
- (5) After receiving the certification of the IR Area Development Plan from the national government, the City and the IR Operator will jointly apply to the Minister of Land, Infrastructure, Transport and Tourism for certification of the Implementation Agreement pursuant to the provisions of Article 13, Paragraph 2 of the IR Development Act and, after the certification is obtained, will promptly conclude the Implementation Agreement. Prior to the submission of the application to the national government for certification of the Implementation Agreement, the Prospective IR Operator will set up a special purpose company (SPC) that shall be a stock company as defined in the Companies Act and established with the purpose of undertaking the Project.  
In regards to the land within the IR area, the City anticipates granting a right of land-use to the IR Operator by establishing a fixed term land lease right for business pursuant to the provisions of Article 23 of the Act on Land and Building Leases.
- (6) The IR Operator shall obtain necessary approvals and licenses at its own responsibility and expense, and implement the Project in accordance with the Certified IR Area Development Plan, the Implementation Agreement, etc.
- (7) The City and the IR Operator will cooperate with each other in renewing the Certified IR Area Development Plan, jointly prepare the updated IR Area Development Plan, apply for the renewal approval to the Minister of Land, Infrastructure, Transport and Tourism, and proceed with procedures necessary for such renewal.

## **10. Principles of the Project**

### **(1) Basic Approach**

The IR Businesses including the casino business will utilize the profits of the casino business to promote the development of the IR areas, thereby realizing attractive stay-type tourism with high international competitiveness and contributing to promotion of tourism and growth of local economy. At the same time, it is specially approved in order to serve the public interest by contributing to improve public finances.

Therefore, in the Project, in addition to the efforts to improve the attractiveness of the IR area by fully utilizing the profits of the casino business on the premise of ensuring the general and strong compliance of the IR Operator, which is an operating entity, the IR Operator shall thoroughly eliminate the harmful effects resulting from the establishment and operation of casino facilities.

## **(2) Unity of the Project**

The IR Businesses find acceptance only by utilizing profits to be generated from the casino business for the purpose of serving the public interest. In the view of making certain that profits generated from the casino business are utilized for serving the public interest, IR Businesses shall ensure their unity. To this end, the Project shall be continuously undertaken by a single IR Operator in an integrated manner. Moreover, a private-sector business operator that does not operate the casino business on its own is not allowed to be an IR Operator. The IR Operator is required to own all the facilities constituting the IR Facilities as a single entity.

The Project shall be managed by, in principle, a single IR Operator. The IR Operator may, nevertheless, outsource part of the Project, excluding the casino business, to a third party and/or enter into a lease agreement with a tenant in the view of securing efficiency of operations and utilizing expertise to the extent that it does not compromise the unity of management, provided that the IR Operator assumes the business decision-making authority.

The IR Operator is prohibited from concurrently undertaking other businesses than the Project. The scope of the Project includes the business of establishing and operating the IR Facilities, as well as ancillary businesses that support them. Anticipated examples of ancillary businesses are businesses run within or outside the IR Area that are necessary for securing the users' convenience

## **(3) Ensuring IR Operator's integrity**

The IR Operator shall work to ensure comprehensive and robust compliance. It shall thoroughly exclude antisocial forces from its directors, shareholders, employees, contracting parties, etc. from the preparation phase prior to receiving the casino business license (incl. construction of the IR facilities, procurement and other contracts, formulation of various rules of conduct, and employment and training of employees). Given that the IR Operator will have to apply for a casino business license to implement the Project, it shall prepare in advance its articles of incorporation etc. reflecting restrictions on shareholders etc. in relation to the casino business as provided by the IR Development Act.

## **(4) Ability of and readiness for operating the Project stably, continually and safely**

To secure ability of and readiness for operating the Project continually and safely, the IR Operator shall fulfill the following requirements.

- a. The IR Operator shall demonstrate its ability of implementing the project with sureness and secure appropriate division of roles and cooperation between companies constituting the IR Operator.
- b. The IR Operator shall be financially stable so that it will be able to continue the project and, even when its business performance declines due to an unforeseeable reason, it will be able to adequately cope with it.
- c. The IR Operator shall establish a comprehensive and robust compliance system to secure the soundness and appropriateness of its business, recognizing the Project's social responsibility and public mission.
- d. The IR Operator shall take adequate measures to prevent and mitigate disasters and safety measures in relation to the IR Area and the IR Facilities. It shall develop and implement an effective business continuity plan in relation to disasters, infectious diseases and other risks. It also shall obtain insurance for damage.
- e. The IR Operator shall build an adequate consensus among the local communities concerning the development of the IR Area and build favorable relations with the local communities that are essential for continuing the Project for a long time and stably.

## **II. Introduction (the purpose and goals of the development of the Specified Complex Tourist Facilities Area)**

### **1. Significance of the development of the Specified Complex Tourist Facilities Area**

Since its port was opened in 1859, Yokohama has been serving as a gateway for trading with foreign countries and leading modern Japan's growth as an international port city. Despite what used to be referred to as Yokohama's "Five Struggles" including earthquakes and wars, Yokohama has consistently maintained its enthusiasm and ambition to become a unique, autonomous city. It has, in fact, grown into Japan's largest municipality with a population of 3.75 million.

On the other hand, the City is facing a turning point with its population beginning to decline, aged population increasing, consumption and tax revenue decreasing, economic vitality decaying, and fiscal condition worsening. It is expected to face an unprecedented social situation.

Since its opening, the Port of Yokohama has, as an international port, led Japan's modernization and supported Japan's economic growth, including during its high economic growth period. In particular, Yamashita Pier has played significant roles as a primary pier supporting the Port of Yokohama's functions. However, given that over 50 years have passed since its inception, its facilities are aging and the logistics service environment is changing with the expansion of container shipping. It became necessary to review the Pier's roles.

Against this background, the City in 2015 formulated Yokohama City's Basic Plan for Developing Yamashita Pier, with the aim of creating new attractiveness suitable for the urban coastal area that attracts the world's attention and makes Yokohama a favorite destination for travelers. The Plan seeks to develop a harbor resort where people stay and enjoy themselves, including building large-scale facilities attracting visitors, providing entertainment that attracts the world's attention, and leveraging the Port of Yokohama's good landscape and tourism resources in its surrounding areas.

Under these circumstances, the national government introduced the IR Development Act to facilitate the development and operation of an integrated resort (IR) which are expected to be carried out by a private-sector business operator in an integrated manner. The IR is anticipated to contribute to promotion of tourism, growth of local economy and to the improvement of fiscal conditions. They are expected to be equipped, in an integrated manner, with MICE facilities of an unprecedented scale and quality, luxurious hotels, facilities communicating Japan's attractiveness to the whole world, and other facilities contributing to the promotion of tourism, as well as casino facilities with sound management that drive revenue generation.

The IR Development Act is instrumental for the City in realizing its harbor resort it mentions in Yokohama City's Basic Plan for Developing Yamashita Pier, utilizing the private sector's resources to the maximum extent while minimizing public burdens. It is expected to contribute to producing unprecedented economic and social impacts, including large-scale private-sector investments, economic spill-over effects, and creating employment and hence to solving problems facing the City.

As to harmful impacts of casinos, part of IR facilities, such as security concerns and addiction, IR Development Act provides restrictions fulfilling the world's best standards. Furthermore, consideration of IR Development Act triggered the establishment of Basic Act on Measures against Gambling and Other Addictions. Thus an environment is being established where the City can cooperate and collaborate with the national government, the prefectural government, related organizations, business operators, etc. in coping with the issue of addiction.

Yokohama is one of the largest cities in Japan in terms of population and economic scale. With excellent land, sea, and air access, it is equipped with adequate functions to serve as an international gateway. Moreover, its urban coastal area, including Yamashita Pier, is filled with Yokohama's attractiveness. Kannai and Kangai districts in the area have historical and cultural heritages from the time of port opening. The Minato-mirai 21 district is being developed as a new town. The waterfront zone is filled with beautiful port sceneries and greenery. The area thus has the potential for realizing an IR that meet the world's highest standards. Realizing an IR that meets the world's highest standards by leveraging Yokohama's potential is expected to help innovate the city's tourism and economy and make Yokohama a selected destination in the world.

The City will address the residents' concerns over security and addiction in cooperation with the national government, the prefectural government, the Public Safety Commission, related associations, business operators, etc. Furthermore, the City will develop a "Yokohama Model for Safety and Security Measures" to create a new business model that ensures safety and security as well as economic revitalization. It will include hard and soft approaches to disaster prevention and mitigation measures against typhoons, high tide water, earthquakes, tsunami, and other natural disasters. It will also incorporate countermeasures against novel coronavirus infectious diseases. The IR will thus incorporate up-to-date needs of the times including by adopting post-COVID new norms and leveraging digital technologies.

These and other initiatives will ensure the realization of Yokohama IR with long-term stability and continuity, which will lead to further growth of the attractive city of Yokohama and enrichment of the Yokohama residents' lives in future years.

Realizing a Japanese-style IR is part of the country's globalization project that will promote economic growth and help make Japan an advanced country in tourism. It is a new type of port opening. Realizing Yokohama IR in Yokohama, a place for port opening, will help communicate throughout the world the attractiveness of tourism in Japan and develop a new golden route for tourism in Japan. Inbound tourists visiting Yokohama, Japan's gateway, will be guided to attractive tourist destinations throughout Japan. That will contribute to the implementation of Japan's growth strategy, which is seeking to attract 60 million foreign visitors by 2030 and attain foreigners' consumption of 15 trillion yen and also contribute to Japan's sustainable economic growth.

## **2. The City's direction and goals concerning the Development of a Specified Complex Tourist Facilities Area**

### **(1) The City's basic concept**

Yokohama IR will bring about innovation in Yokohama's tourism and economy by developing and showcasing a future city with world class MICE facilities, hotels, entertainment facilities and utilizing cutting-edge technologies. The development project will be fused with the attractiveness and resources of Yokohama's urban coastal area that have been developed, generating synergy effects to the maximum extent, creating new attractiveness and resources in a hybrid manner.

Yokohama's urban coastal area will remain a place for Yokohama residents' relaxation and concurrently seek to become a selected destination in the world.

Directions regarding the realization of the concept are as follows.

[Direction 1: Realize an IR that meets the world's highest standards]

Seek to develop an urban resort with an out-of-ordinary and impressive space that a wide range of customers--adults and children, foreigners and Japanese, for business and for pleasure. Realize an IR that meets the world's highest standards and makes people throughout the world want to visit Japan, including Yokohama.

Promote tourism in Yokohama and in its surrounding regions in an integrated manner. Also seek to have Yokohama communicate the attractiveness of the City, the local prefecture and many other places throughout Japan and to be Japan's gateway in guiding visitors to those places.

[Direction 2: Fusion with the urban coastal area]

Yokohama's urban coastal area has rich attractiveness and resources that have been developed through past town development efforts, including historic and cultural heritages from the port opening period, beautiful port sceneries, and urban spaces filled with a feeling of the waterfront.

Develop Yokohama IR that showcases a future city or a smart city utilizing cutting-edge technologies, with its elements including environment, disaster prevention, and universal designs, and the existing towns in an integrated manner. Realize a new urban design and landscape of Yokohama that symbolizes the 21st century while fusing it with the towns' attractiveness and resources.

Thereby realize a new open port city that welcomes visitors from throughout the world and become a selected destination in the world.

[Direction 3: Innovate tourism and economy fully mobilizing Yokohama's resources]

Based on collaborations between Yokohama IR and related organizations such as Pacific Convention Plaza Yokohama (hereinafter, "Pacifco Yokohama"), Yokohama Convention & Visitors Bureau (hereinafter, "YCVB"), tourism-related business operators, and the City, we will develop a system for promoting tourism and MICE, fully mobilizing Yokohama's resources. We will create new attractiveness and resources of Yokohama as a tourism and MICE-oriented international city and a city creating culture and arts. With the synergy effects generated from them, we will innovate tourism and the economy of Yokohama and make Yokohama a selected destination in the world.

Furthermore, we will extend the said effects to the entire area of Yokohama City and, furthermore, to many other regions in Japan.

[Direction 4: Develop Yokohama's safety and security model]

Developing an IR poses concerns among residents about security and addiction due to the casino, one of the IR's facilities.

To address these concerns, we will seek to thoroughly eliminate harmful effects associated with the establishment and operation of casino facilities, including implementation of countermeasures provided for in the IR Development Act that is considered to meet the world's highest standards, restriction on frequency of visits, self-restriction, family exclusion, advertising restrictions, and thorough background checks. Furthermore, other measures will be taken, including strengthening crime prevention in cooperation with the police, having trained employees patrol the facilities and check visitors, and designing and planning the location of casino facilities, separating them from families' routes.

Concurrently, with robust disaster prevention and mitigation measures, we will develop an area with high disaster prevention capabilities. Furthermore, we will implement adequate measures for securing health and sanitation, including countermeasures against the novel coronavirus and new strains of influenza, thereby developing Yokohama's safety and security model.

## **(2) Purposes anticipated by the City**

Fully recognizing the significance of the development of a Japanese-style IR towards realizing Japan's advanced tourism, Yokohama IR will develop an IR that meets the world's highest standards, integrating and fusing it with the metropolitan coastal area and innovate the region's tourism and economy. It will thereby make Yokohama a selected destination in the world and ensure further growth of Yokohama as an attractive city and sustainment of the enriched lives of Yokohama's residents. Furthermore, we will communicate to the world the attractiveness and culture of various regions of Japan as Japan's gateway in guiding visitors to various attractive tourist destinations not only in Yokohama and Kanagawa Prefecture but also in Japan. Its purposes are to thereby contribute to promoting Japan's tourism and economy and improving its fiscal conditions.

- a. Working towards developing a selected destination in the world  
By developing an IR that meets the world's highest standards in Yokohama's urban coastal area that a wide range of customers can enjoy and want to come back to many times, we will innovate Yokohama's tourism and economy and greet visitors from throughout the world to Yokohama, a new place of port opening in the 21st century and make Yokohama a selected destination in the world.  
We thereby aim to contribute to Japan's tourism strategy to attain 60 million foreign visitors to the country and 15 trillion yen in consumption by foreigners visiting Japan in 2030.
- b. Make Yokohama Asia's leading MICE-oriented city  
We will develop a system to promote tourism and MICE, fully mobilizing Yokohama's resource and make Yokohama Asia's leading MICE-oriented city, equipped with world-class MICE facilities of unprecedented scale and quality in collaboration with Pacifco Yokohama and other existing entities, YCVB, tourism-related business operators, the City, etc.  
We will facilitate unprecedented international conferences, global exhibitions, etc. and invite new international events based on the fusion between Yokohama's characteristic new industries such as IoT and MICE. We will thus thereby attract tourists and conference participants from throughout the world and contribute to increasing the number of MICEs being held in Japan.

Concurrently, we aim to contribute to Japan's economic growth by creating new services, businesses, industries etc. and innovating Yokohama's tourism and economy.

c. Working towards becoming Japan's gateway

To make Yokohama IR Japan's gateway and a hub to connect the world to various regions of Japan, we will secure a range of land, sea and air transportation means and develop their point-of-origin and terminal functions. Also, we will showcase Japan's traditional culture, rich nature, and other elements of attractiveness of tourism in various regions of the country, using cutting edge technologies etc., and provide necessary services to fulfill the travelers' needs on a one-stop basis.

In addition, together with the City and related organizations, we will collaborate and cooperate with local governments, DMOs (\*) etc. in tourist destinations in various regions of Japan to link attractive tourism resources in those regions, to develop Japan's golden route, and thereby to contribute to realizing stay-type tourism.

- \* Organizations with expertise in tourism resources, nature, foods, arts, customs, cultures, etc. that cooperate with regions to develop local tourism

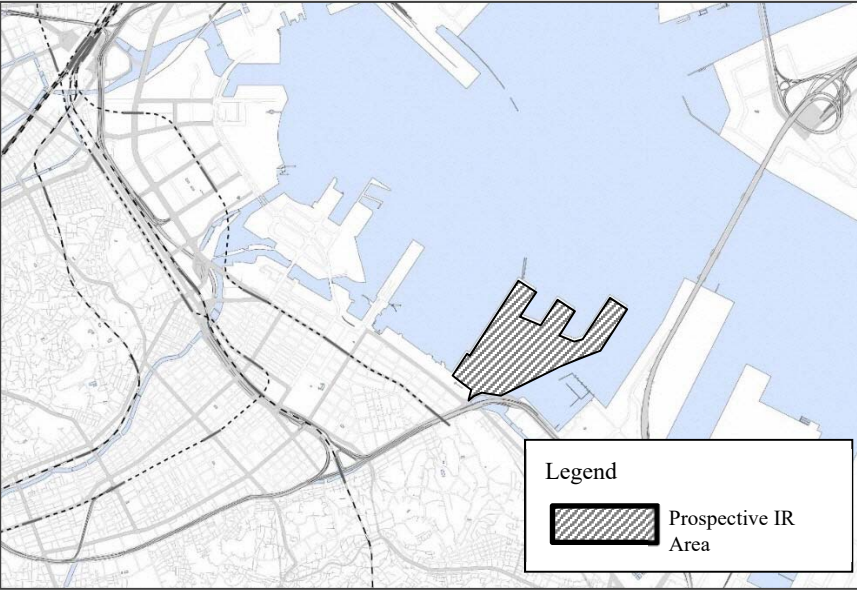


**III. Matters related to the location and size of the area where the Specified Complex Tourist Facilities Area will be developed**

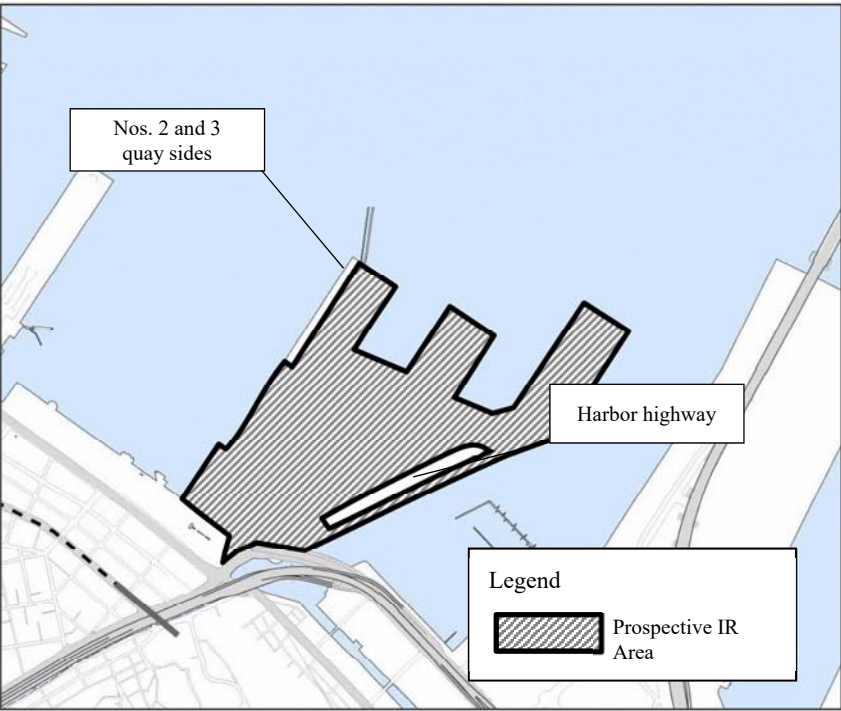
**1. Overview of the area where the Specified Complex Tourist Facilities Area will be developed**

The overview of the location, size and land in the area where the IR Area will be developed (hereinafter, the “Prospective IR Area”) is described in Charts 1 to 3.

[Chart 1: Location of Yamashita Pier in the Prospective IR Area (small-scale map)]



[Chart 2: Location of the Prospective IR Area (map including the surrounding area)]



[Chart 3: Overview of the land in the Yamashita Pier in the Prospective IR Area (Current status)]

Land overview (*1)	
Location	277-1 Yamashita-cho, Naka-ku, Yokohama, etc.
Owner	City of Yokohama, national government, and private-sector owners
Land area	Approx. 43 ha (*2)
Restrictions under laws and regulations (*3)	
City planning area	Urbanization promotion area
Land use zones	Commercial district
Floor-area ratio	400%
Building-to-land ratio	80%
Height district	Category 7 height district with a maximum height limit (Maximum height limit: 31 m)
Fireproof/quasi-fireproof district	Quasi-fireproof district
Harbor district	Harbor district (sub-district: Nanko (Southern Port) district)
Sewerage	Outside the district with drainage(*4)
Others	Urgent Urban Renewal Area and Specified Urgent Urban Renewal Area

The details will be described in the Requirements.

- \*1: Revetment and other works are fixed to part of the land and they are planned to be leased together with the land.
- \*2: The area and square footage might change.
- \*3: Restrictions on the use of land are planned to be reviewed, as necessary.
- \*4: As to wastewater, only sewage is planned to be received. The amount of sewage to be received will be determined based on consultation.

## 2. Rights concerning the land and its use

### (1) Rights etc. concerning the land etc.

The land of the Prospective IR Area consists of pieces of land owned by the City, the national government, and private-sector owners. Furthermore, buildings (such as warehouses), including port facilities regulated under the Port and Harbor Act, exist and are being operated in parts of the Area.

In regards to the land in the Prospective IR Area, the City will consult with owners of the land, buildings, etc. and make other necessary preparations to that the land can be used by the IR Operator for the project during the project period. The details will be described in the Requirements.

### (2) Method of contracting with the IR Operator

In regards to the land in the Prospective IR Area, the City will consult with the land owners and make other necessary preparations, anticipating such measures as granting a right of land-use to the IR Operator by establishing a fixed term land lease right for business pursuant to the provisions of Article 23 of the Act on Land and Building Leases.

The lease period is anticipated to be the period from the effective date of the Implementation Agreement to the day before the anniversary date 35 years after the Area Approval Date, and the rent is anticipated to be determined based on the price to be indicated by the City of Yokohama's Property Evaluation Council. The details will be described in Land Lease Contract (Draft).

**IV. Matters related to the types, functions and scales of facilities that will make up the Specified Complex Tourist Facilities and IR Business, etc.**

**1. Specified Complex Tourist Facilities**

**(1) Definition of and Requirements for Specified Complex Tourist Facilities**

- a. Definition of IR facilities  
 IR Facilities are a group of facilities comprised of international convention and conference facilities, facilities for exhibitions and fairs, facilities for attractiveness enhancement, customer transfer facilities, accommodation facilities, and casino facilities (hereinafter collectively referred to as “Core Facilities”), including the facilities that contribute to the promotion of tourists’ visits and stays (hereinafter referred to as “Visitor Entertainment Facilities”), established and operated in an integrated manner with the Core Facilities, all of which are established and operated by the private-sector business operator in an integrated manner. (In Article 2, Paragraph 1 of the IR Development Act)
- b. Requirements for the establishment and operation of IR facilities  
 The IR Operator shall meet the standards and requirements mentioned below in Section IV-1-(3) in addition to ensuring compliance with IR Related Laws and Regulations etc. and carry out the Project by making maximum use of its own originality, ingenuity, and knowhow.

**(2) Terms used in this Guidance concerning IR facilities and the provisions of the IR Development Act in which they are defined**

Regarding IR Facilities, Chart 4 shows the terms used in this Guidance and the provisions of the IR Development Act in which they are defined.

[Chart 4: IR facilities]

	Terms used in the Guidance etc.		Provisions of the IR Development Act in which the terms are defined
(1)	MICE Facilities	International convention and conference facilities	Article 2, Paragraph 1, Item 1
(2)		Facilities for exhibitions and fairs	Article 2, Paragraph 1, Item 2
(3)	Facilities for enhancing attractions		Article 2, Paragraph 1, Item 3
(4)	Customer transfer facilities		Article 2, Paragraph 1, Item 4
(5)	Accommodation facilities		Article 2, Paragraph 1, Item 5
(6)	Facilities contributing to encouraging visits and stays		Article 2, Paragraph 1, Item 6
(7)	Casino facilities		Article 2, Paragraph 10

(Notes concerning Chart 4)

- \* The term “MICE Facilities” is used in collectively referring to “International convention and conference facilities” which defined in Article2, Paragraph 1, Items 1 and “Facilities for exhibitions and fairs” which are defined in Article2, Paragraph 1, Item 2 of the IR Development Act, respectively.
- \* Certification of IR facilities requires the establishment of facilities indicated in Chart 4 with the numbers from (1) to (5) and (7), each of which shall be solely performing its unique functions. None of the facilities from (1) to (5) and (7) are allowed to concurrently perform another facility’s function. Each of the facilities must be established separately.

**(3) Requirements for IR facilities**

- a. The IR facilities shall have architectural designs that attract visitors and offer overwhelmingly extraordinary experiences, while serving as the world’s most advanced model in terms of universal designs, low environmental loads, cultural diversity, fair trade, etc. and thereby

contributing to achievement of SDGs. Based on these values, the IR facilities shall meet the world’s highest standards and contribute to increasing visits and stays by tourists from within and outside Japan with facilities and services that meet all kinds of needs that are becoming increasingly sophisticated and diverse.

- b. The IR facilities shall showcase a future city, including elements of a smart city utilizing cutting-edge technologies and addressing such themes as the environment, disaster prevention, and universal designs. They shall be developed in such a way that they are integrated into the existing urban coastal area and help realize Yokohama’s new urban design and townscape that symbolizes the 21st century.
- c. Yokohama’s safety and security model shall be developed so that anyone can visit Yokohama IR with a sense of security. Initiatives and measures necessary for adequately eliminating harmful effects concerning the establishment and operation of casino facilities, part of the IR, shall be thoroughly implemented. Adequate hard and soft countermeasures against natural disasters, infectious diseases, etc. shall be taken.

## **2. MICE Facilities (International convention and conference facilities and facilities for exhibition and fairs)**

### **(1) Definitions of international convention and conference facilities and facilities for exhibitions and fairs provided for in the IR Development Act**

- a. International convention and conference facilities  
The term “international convention and conference facilities” means international convention and conference facilities attracting international conventions and conferences and contributing to smoothly holding them that fulfill the standards provided for in the Order for Enforcement of the Act on Development of Specified Complex Tourist Facilities Areas (Government Ordinance No. 72 of 2019; hereinafter, the “IR Development Act Enforcement Order”). (Article 2, Paragraph 1, Clause 1 of the IR Development Act)
- b. Facilities for exhibitions and fairs  
The term “facilities for exhibitions and fairs” means exhibition, trade fair, and other facilities contributing to smoothly holding international exhibitions, trade fairs and other events, as well as facilities for holding fairs and other events that fulfill the standards provided for in the IR Development Act Enforcement Order. (Article 2, Paragraph 1, Clause 2 of the IR Development Act)

### **(2) Conditions to be fulfilled by MICE facilities as provided for in the IR Development Act Enforcement Order**

Articles 1 and 2 classifies MICE facilities into three categories, according to the size of international conventions, conferences, exhibitions etc. Requirements for MICE facilities provided for in the IR Development Act Enforcement Order are described in Chart 5.

[Chart 5: Requirements for MICE facilities provided for in the IR Development Act Enforcement Order]

	International convention and conference facilities		Facilities for exhibitions and fairs
	The maximum capacity of the convention/conference facility	The total capacity of the facility	
(1)	From 1,000 to less than 3,000	From 2,000 to less than 6,000	120,000m <sup>2</sup> or above
(2)	From 3,000 to less than 6,000	From 6,000 to less than 12,000	60,000m <sup>2</sup> or above
(3)	6,000 or more	12,000 or more	20,000m <sup>2</sup> or above

### **(3) Scales of and requirements for MICE facilities**

- a. The MICE facilities shall have internationally competitive, superb scale and quality to fulfill the needs for a sophisticated world-class MICE that accommodates intergovernmental conferences, large-scale international conferences and exhibitions, etc.
- b. In the aim of making Yokohama a leading MICE-focused city in Asia in collaboration with Pacifico Yokohama, one of Japan's largest complex MICE facilities, the City requires the scale of facilities indicated in (1) or (2) of Chart 5.
- c. In collaboration with the City, Pacifico Yokohama, YCVB, etc., the MICE facilities shall develop a system for fully mobilizing Yokohama's resources to establish a system to promote tourism and MICEs with strong cooperation. They shall lead world-class MICEs, leveraging their track record and knowledge. Furthermore, in cooperation with MICE-related business operators in and outside Japan, they shall help make Yokohama a leading MICE-focused city in Asia and enhance Yokohama's brand value by attracting and holding new international conventions/conferences, exhibitions, etc. that lead to visits by foreigners for business purposes at an unprecedented scale.
- d. The MICE facilities shall attract international business events leveraging the existence of Yokohama's unique local industries such as life science, bio technology and IoT. Furthermore, they shall generate MICE's legacy effects including creating business opportunities and innovations, thereby contributing to improving the productivity of the region as a whole and to revitalizing Yokohama's economy.
- e. They shall be able to flexibly accommodate diverse events of different sizes including sports and concerts. They also shall incorporate advanced and convenient ancillary facilities and functions that can accommodate both real and online operations in a hybrid manner.
- f. In the view of preventing infectious diseases etc. and preventing their spread, MICE facilities shall implement full-scale measures including air-conditioning and ventilation facilities, facility planning that secure physical distancing, sanitary management such as daily cleaning and sterilization to reduce infection risk, body temperature checks with thermal sensors, employee health management, and stockpiling necessary supplies.
- g. The MICE facilities shall leverage the port's attractive landscape unique to Yokohama, apply originality and ingenuity to their layouts, and plan and operate business events in various facilities and in outdoor spaces, including unique venues and incentive tours.

## **3. Facilities for enhancing attractions**

### **(1) Definition of facilities for enhancing attractions**

The term "facilities for enhancing attractions" means facilities contributing to increasing Japan's tourism attractions by hosting performances leveraging the country's traditions, cultures, arts, etc., and other activities that are defined in the IR Development Act Enforcement Order. (Article 2, Paragraph 1, Clause 3 of the IR Development Act) Specific examples of such facilities indicated in the Act include a theater, an entertainment hall, a music hall, an arena, a movie theater, a museum, an art museum and a restaurant that contribute to increasing the attractiveness of tourism in Japan. (Article 3 of the IR Development Enforcement Order)

### **(2) Requirements for facilities for enhancing attractions**

- a. The facilities for enhancing attractions shall communicate to the world diverse attractions of Japan's traditional cultures such as kabuki performances, rakugo comic monologues, sumo wrestling, and Japanese foods, history, arts, nature in the four seasons, pop cultures such as animations and games, etc. utilizing cutting-edge technologies as well as a range of formats such as exhibitions, viewing, experiences, sales and consumption. In addition to communicating Japan's attractions to the world, they shall help Japanese rediscover the country's attractiveness.

- b. The facilities for enhancing attractions shall seek to develop new contents of unprecedented quality, including updating and improving existing contents and utilizing and integrating new communication methods and cutting-edge technologies in the aim of adequately understanding visitors' needs and secure repeat visitors.
- c. Facilities that enable visitors comfortably feel Japan's attractiveness shall be established and operated with consideration given to visitors' increasingly diverse needs, communication, expression and entertaining methods devised, and a wide range of contents made available for selection.
- d. Smooth cooperation with the customer transfer facilities shall be realized to realize interregional tourism throughout Japan.

#### **4. Customer transfer facilities**

##### **(1) Definition of customer transfer facilities attractions provided for in the IR Development Act**

The term "customer transfer facilities" means facilities contributing to promoting sightseeing tours in Japan by appropriately providing information concerning attractiveness of tourism in various regions in Japan and arranging transportation, accommodation and other services necessary for sightseeing tours in such regions in a centralized manner, which meet the standards provided for in the IR Development Act Enforcement Order. (Article 2, Paragraph 1, Clause 4 of IR Development Act)

##### **(2) Requirements for customer transfer facilities**

- a. Customer transfer facilities shall perform showcasing functions to introduce and communicate attractions (tradition, culture, history, nature, etc.) of tourism in various regions of Japan, as well as information travelers need through effective methods with overflowing presence by utilizing foods, experiences and cutting-edge technologies to accommodate users' needs.
- b. In the aim of having foreign tourists deeply and widely understand Japan's attractiveness and become repeat visitors to Japan, facilities for enhancing attractions shall plan and propose experience-based programs such as tours, dining and sports with storylines and, at the same time, provide concierge services such as booking, baggage handling, payment, and other services in a one-stop manner in cooperation with core facilities etc.
- c. Circular tour routes from Yokohama IR to the surrounding areas, the suburbs of Yokohama, various parts of Kanagawa Prefecture, and various regions of Japan shall be developed in the view of establishing new golden routes for tourism in Japan with Yokohama as its gateway. In collecting, introducing and communicating tourist information, the facilities for enhancing attractions shall cooperate with tourism-related organizations and business operators in the City and surrounding regions as well as with municipalities, DMOs etc. in tourist destinations in various parts of Japan.
- d. Facilities shall be established and operated in such a way that fulfills the above requirements "a" to "c," with a sufficient scale for fully accommodating tourists from within and outside Japan, who are anticipated to increase due to Yokohama IR, in multiple languages, including English. They shall guide tourists visiting from throughout the world comfortably and smoothly to various regions of Japan, thereby developing in Yokohama, a place of port opening, a gateway for sightseeing in Japan.

#### **5. Accommodation facilities**

##### **(1) Definition etc. of accommodation facilities provided for in the IR Development Act**

The term "accommodation facilities" means accommodation facilities creating new demand to meet users' increasingly sophisticated and diverse needs that meet the standards provided for in the IR

Development Act Enforcement Order. (Article 2, Paragraph 1, Clause 5 of IR Development Act)  
Accommodation facilities shall fulfill the following requirements.

- a. The total floor area of the guest rooms is approximately 100,000m<sup>2</sup> or above (Article 5, Paragraph 1, Clause 1 of IR Development Act Enforcement Order)
- b. The following items shall be appropriate compared to conditions of guestrooms in other accommodation facilities in and outside Japan, considering increasingly sophisticated and diverse needs of users. (Article 5, Paragraph 1, Clause 2 of IR Development Act Enforcement Order)
  - (a) The floor area of the smallest guest room
  - (b) The floor area of the smallest guest room with one or more living room and bedroom separated from each other (hereinafter, the “suite room”)
  - (c) Percentage of suite rooms to all the guest rooms in number

## **(2) Requirements for accommodation facilities**

- a. The accommodation facilities shall provide world-class facilities, food and beverage services and other ancillary services that attract visitors from throughout the world and encourage them to stay longer. At the same time, the facilities’ architectural structures themselves are iconic\* and stimulate demand for lodging at Yokohama IR.

\*With symbolic designs that remind everyone seeing the facilities of Yokohama

- b. The accommodation facilities shall consist of multiple accommodation facilities, including internationally competitive five-star and other high-end branded hotels with 3,000 or more guest rooms in total in order to meet the increasingly diverse and sophisticated accommodation needs of visitors from within and outside Japan, such as visitors for business purposes, families, wealthy travelers, and long-stay visitors.
- c. The accommodation facilities shall create an extraordinary and comfortable space to stay that is unparalleled to any other resorts, with appropriate location and views of the beautiful Port of Yokohama, Mt. Fuji, etc., a feeling of Japan’s four seasons and nature, and attentive and high-quality services based on the spirit of hospitality.
- d. Consideration shall be paid to the diversity of visitors (including disabilities, age, gender, ethnicities, and languages). Personnel shall be secured and developed who are able to provide hospitality services meeting the world’s highest standards and satisfying wealthy visitors from throughout the world.

## **6. Facilities contributing to the promotion of visits and stays of sightseeing travelers**

### **(1) Position of facilities contributing to the promotion of visits and stays of sightseeing travelers**

The facilities contributing to the promotion of visits and stays of sightseeing travelers are facilities other than international convention and conference facilities, facilities for exhibitions and fairs, facilities for enhancing attractions, customer transfer facilities, and accommodation facilities, and contribute to the promotion of visits and stays of sightseeing travelers from within and outside Japan. Establishment of such facilities is not uniformly required by IR-related laws or ordinances. They are positioned as facilities that may be established to increase the IR facilities’ ability to attract customers, leveraging local originality and ingenuity, and private-sector capabilities.

### **(2) Functions the facilities for promoting visits and stays are required to perform**

The facilities shall contribute to promoting visits to and stays at the IR facilities by leveraging their originality, ingenuity, and knowhow to the maximum extent and establishing and operating

internationally competitive entertainment and other facilities meeting the world's highest standards integrally with the core facilities, while referring to the following examples.

- a. The facilities for attracting customers (other than the facilities for enhancing attractions) shall contribute to increasing the IR facilities' capability of attracting customers and making visitors stay longer and become repeat customers. Examples of such facilities include theaters, art museums, amusement parks, theme parks, sports arenas, aquariums, zoos, restaurants, and shopping malls. They shall be facilities that a wide range of customers--including visitors for business and leisure purposes, adults and children, and foreigners and Japanese--can enjoy, meeting the world's highest standards.
- b. The facilities for attracting customers shall be equipped with a transportation terminal function to serve as the starting point for visitors' travel to various parts of Japan. They shall consider utilizing all kinds of transportation, such as passenger vessels, helicopters, and new types of transportation means and secure transportation means such as buses and taxis, connecting the IR area to various cities in Japan, major train stations, Haneda and Narita international airports, etc.
- c. The facilities for attracting customers shall establish and provide a range of quality facilities and services including facilities and programs facilitating wellness tourism (such as relaxation, exercise, beauty care, and spas) and entertainment enhancing visitors' nightlife. They shall thereby help realize a resort that can be enjoyed throughout the year in Japan, which has four seasons.
- d. The facilities for attracting customers shall provide unparalleled, special experiences and quality and sophisticated services and contents incorporating such elements as arts, foods, and architecture to help make Yokohama a destination that attracts high-end travelers.
- e. The facilities for attracting customers shall adequately secure open spaces that draw on the beautiful landscape of Yokohama's port, as well as water and greenery. They also shall provide events, shows, etc. utilizing the open spaces and the water zone in front of the IR facilities area that anyone can easily enjoy and that contribute to creating liveliness, including the surrounding areas.
- f. The facilities for attracting customers shall offer opportunities that help visitors enjoy Yokohama's tourism resources (incl. history, arts, food culture, agricultural and fishery products, unique local products, and crafts), encouraging them to experience and/or purchase them. They thereby help increase tourism demand for Yokohama.
- g. The facilities for attracting customers shall establish and operate facilities and functions, paying attention to their integrity with the core facilities. The facilities shall contribute to increasing the attractiveness of Yokohama IR as a whole by mutually enhancing each facility's attractiveness and thereby help realize a resort where visitors stay for a long time.

## **7. Casino facilities**

### **(1) Definition of casino facility provided for in the IR Development Act**

The term casino facility means a facility structured in the area designated for casino activities to be undertaken by the IR operator. (Article 2, Paragraph 10 of the IR Development Act)

### **(2) The restrictions on the number and square footage of casino facilities**

- a. There shall be only one casino facility in the IR area. (Article 41, Paragraph 1, Clause 7 of the IR Development Act)
- b. The total square footage of the casino activities zone within the casino facility that is solely used for casino activities and regulated by Casino Regulatory Commission Rules shall not



exceed three-hundreds (3/100) of the total square footage of the IR facilities. (Article 41, Paragraph 1, Clause 7 of the IR Development Act; Article 6 of the IR Development Act Enforcement Order)

### **(3) Requirements for casino facilities**

The casino facility shall fulfill the requirements provided for in IR-related laws and ordinances as well as the following requirements concerning casino facilities and in the Requirements. Furthermore, they shall establish and operate casino facilities drawing on the IR Operator's knowhow, originality and ingenuity and thoroughly incorporating initiatives and measures necessary for adequately eliminating casino's harmful effects.

The details of the measures for adequately eliminating casino's harmful effects resulting from the establishment and operation of casino facilities as well as the cooperation with measures implemented by the City etc. are described in Section IV-IX and Section VIII, and the Requirements.

- a. The casino facilities shall be separated from the main routes used by customers below the age of 20 and families, blend in with the concept of the entire IR area, and planned, located and designed in good balance with other facilities.
- b. The casino facilities shall implement strict entry/exit control and admission restriction by thoroughly and effectively checking customers' identification upon their entry/exit, utilizing a system linking cutting-edge technologies to an entry/exit gate to be set up at the entrance to the facilities, security cameras, etc.
- c. The casino facilities shall create a space with elegance and a feeling of cleanness, including having them furnished with elegant and sedate interior and setting a dress code suitable for an extraordinary place for mature social interaction.
- d. Measures to prevent over-enthusiasm shall be taken, including exclusion of ATMs from the casino facilities, restriction on advertising and solicitation, and posting of notices concerning risks.

## **8. Items that the IR Operator is required to implement as part of the Project**

The IR Operator shall, in implementing the Project, comply with the below requirements and closely and sincerely collaborate, coordinate, and cooperate with the City and related parties in the aim of helping innovate Yokohama's tourism and economy. Furthermore, the IR Operator shall implement initiatives leveraging its originality, ingenuity and knowhow to the maximum extent and seek to further increase the Project's attractiveness and maximize the Project's effects while implementing the project in a stable and continuous manner.

Facilities and infrastructures that the IR Operator establishes for the Project shall be owned and managed, in principle, by the IR Operator. Specific items which the IR Operator is required to implement and conditions for such implementation are indicated in the Requirements.

### **(1) Landscape design**

The buildings within the IR Area shall represent the concept of the entire IR Area, have unparalleled sophistication and attractiveness as a new symbol of Yokohama, and blend in with the surrounding landscape and environment.

Specifically, the designs of buildings within the IR Area and the townscape being created with them shall take on challenges to develop a Yokohama's new urban design and landscape that symbolizes the 21st century, while paying respect to the various townscapes surrounding Yamashita Pier that represent Yokohama in different times, in the aim of increasing the urban attractiveness of Yokohama Ports' inner harbor area centering on Yamashita Pier. Details of the items to be considered, ideas and perspectives are described in "Yokohama IR Landscape Design Note: Creative Development of Landscape from the City of Yokohama's Perspective."

## **(2) Realization of a smart city**

The IR Operator shall realize a globally unparalleled smart city, proactively incorporating cutting-edge technologies such as IoT, ICT, big data and AI in all domains including tourism, transportation, environment and disaster prevention. The IR Operator shall develop an area where visitors can experience a future city whenever they visit, including making changes and creating new values through digital transformation (DX) and other innovations.

Furthermore, the IR Operator shall make Yokohama IR function as a place for demonstration experiments of cutting-edge technologies and help create new industries, including proactively inviting new businesses to be launched. The details will be described in the Requirements.

## **(3) Sustainable town development in harmony and coexisting with the environment**

The IR Operator shall proactively contribute to the implementation of Yokohama City's SDGs and Future City Plan in the aim of contributing to attaining SDGs. Also, the IR Operator shall disseminate information on its environment-conscious initiatives to the maximum extent possible, including the utilization of CASBEE, a system comprehensively assessing the environmental performance of architectures.

Points of attention etc. to be noted in making a proposal are described below, of which the details are indicated in the Requirements.

- a. **Advanced environment-conscious buildings**  
The buildings shall be built with due consideration paid to their indoor comfort and surrounding environment and be environment-conscious, including using materials and equipment with low environment loads. Furthermore, they shall demonstrate advanced environmental performance.
- b. **Energy optimization towards zero carbon**  
The IR Operator shall set targets for the control and reduction of greenhouse effect gas emission suitable for the area that shall lead the Zero Carbon Yokohama initiatives (towards decarbonization by 2050). To achieve such targets, the IR Operator shall implement energy optimization for the entire IR Area, incorporate cutting-edge energy-related technologies, save energy with continual efficiency improvement, and help generate renewable energy among other initiatives.
- c. **Realization of a sustainable, recycling urban area**  
The IR Operator shall thoroughly implement measures for "3Rs"--reducing overall waste and reducing and recycling waste from the IR Area.  
Furthermore, it shall seek to recycle water resources including utilizing rainwater and recycled wastewater.
- d. **Creation of new areas blending in with greenery and waterfront**  
The IR Operator shall develop greenery and waterside areas that blend in with the existing townscape of Yokohama Port's waterfront area while paying due consideration to biodiversity.
- e. **Introduction of a next-generation transportation system**  
The IR Operator shall seek to introduce a next-generation environment-friendly transportation system that creates new flows of people and goods in and outside the IR facilities where experiencing them itself would be an attraction.

## **(4) Inclusive town development**

The IR Operator shall undertake inclusive town development by equipping the entire IR Area with specifications that provide an advanced world-class model example of universal design and by fostering barrier-free minds so that anyone can comfortably enjoy him/herself with a sense of safety and security regardless of disabilities, ages, genders, ethnicities, language, etc.

Points of attention etc. to be noted in making a proposal are described below, of which the details are indicated in the Requirements.

- a. Realization of a universal design  
The IR Operator shall realize a universal design that meets high global standards, anticipating visitors from many countries in the world.
- b. Establishment of a seamless mobility environment  
The IR Operator shall establish an environment that provides all visitors with safe, secure, comfortable and seamless mobility, such as introducing transportation means etc. with universal designs.
- c. Proactive communication of information via a range of media  
The IR Operator shall provide and communicate information that is easy for anyone to understand in both ordinary times and emergency through a range of media using cutting-edge tools utilizing ICT, in addition to setting up multi-language signs and information desks.
- d. Realization of barrier-free minds  
Provide all managers and employees with education for developing barrier-free minds. They also shall provide an environment and services that pay consideration to the diversity of visitors and employees.

#### **(5) Crisis management, disaster prevention, and securing of health and sanitation**

Yokohama IR shall be an area equipped with high disaster prevention capabilities where all visitors can stay with a sense of security. Furthermore, it shall be equipped with sophisticated disaster prevention capabilities that can, in the event of a disaster or other contingency events, not only secure the safety of its visitors and employees but help secure the safety and security of residents in its surrounding areas.

Therefore, Yokohama IR shall realize a resilient town by securing autonomous urban functions that can be performed even in the event of large-scale natural disasters such as earthquake, tsunami and high tide water and, at the same time, contribute to strengthening the City's disaster prevention capabilities.

Yokohama IR also shall take adequate measures for securing health and sanitation including preventive measures against infectious diseases such as novel coronavirus and new strains of influenza, thereby realizing an area where visitors can visit and stay with a sense of security.

Points of attention etc. to be noted in making a proposal are described below, of which the details are indicated in the Requirements.

- a. Establishment of an area resilient against natural and other disasters  
The foundation of the IR Area shall be established at a height that would be secure against tsunami and high tide water. Furthermore, it shall be planned in such a way that, in the event of a disaster, it enables people to safely evacuate including by establishing pedestrian routes on the second-floor level and appropriate information communication means. Moreover, the IR Facilities shall be positioned as a tsunami evacuation facility designated by the City. Furthermore, the IR Facilities shall implement measures to establish quake-resistant coastal defense and countermeasures against liquefaction based on an appropriate division of roles with the City so that, in the event of natural disasters such as an earthquake, tsunami and high tide water, it can secure the safety of its visitors and, at the same time, serve as a safe and secure disaster prevention base for surrounding areas and their residents.  
Its facilities plans shall ensure a supply of necessary energy for enabling businesses to continue even in the event of a disaster. Location planning of such facilities shall take into account the height of inundation due to tsunami and high tide water.
- b. Establishment of functions and systems in preparation for natural and other disasters  
The IR Operator shall plan effective countermeasures against contingencies such as natural disasters and terrorist attacks that could occur when large-scale conferences are held. Furthermore, in the aim of smoothly implementing the plans, it shall establish its own implementation system and continue taking measures for strengthening cooperation with the City, related parties in the surrounding areas, Public Safety Commission of Kanagawa

Prefectural Government (hereinafter, the “Public Safety Commission”), Kanagawa Prefecture Police (hereinafter, the “Prefecture Police”), and other related agencies. Moreover, the IR Operator shall collect information on the damage and other statuses in the IR Area in a centralized manner, utilizing cutting-edge technologies. Also, it shall establish functions and an organizational system that enable evacuation instructions and other information to be provided to every facility as well as a facility that serves as the overall control center.

- c. Responses to occurrence of natural and other disasters  
The IR Facilities shall enable visitors, employees etc. to stay at the facilities until their safety is secured at other places. Also, the IR Facilities shall be used to accept people from surrounding areas with difficulty returning home for up to approx. three days.  
Also, the IR Facilities shall be made available to be used as a base to receive and relay supplies to the city. Furthermore, the No. 2 Quay of Yamashita Pier shall be made available for the City’s use in disaster responses. Furthermore, the IR Operator shall cooperate with the City in first-aid responses and recovery activities, including helping receive volunteers and other municipalities’ employees supporting the City’s activities.
- d. Securing health and sanitation in the IR Area  
The IR Operator shall implement hard and soft measures for reducing risks, fully leveraging its originality, ingenuity, and knowhow towards realizing an area that visitors can visit and stay with a sense of security. Such measures include planning facilities and equipment that are highly secure against health and sanitation risks, including COVID-19, and taking measures appropriate for each constituent facility.  
Also, the IR Operator shall plan effective countermeasures against potential health and sanitation risk events, establish a system for smoothly implementing such countermeasures, and consistently and continuously take measures for strengthening cooperation with related agencies.  
In the case of emergence of infectious diseases in and outside Japan that could affect the operation of the IR Facilities, the IR Operator shall take appropriate response measures based on the latest information provided by the national and local governments so that it prevents the occurrence and spread of infectious diseases within the IR Area and based on the status of the spread of the infectious disease and the statuses of the facilities constituting the IR.

## **(6) Revitalization of tourism and economy**

The IR Operator shall take all possible measures to return economic and social benefits generated from the establishment and operation of the IR facilities to the city and eventually to the country in the aim of securing further growth of Yokohama as an attractive city and Yokohama residents’ enriched lives towards the future. It also shall make proactive contributions to the local communities in a range of ways and proactively provide support and cooperation for addressing social issues. The details will be described in the Requirements.

- a. Promotion of tourism and economic growth drawing on Yokohama’s urban resources and attractiveness  
The IR Operator shall draw on the attractiveness and resources of the towns in the urban coastal area including the surrounding areas’ shopping promenades and tourism and commercial facilities in establishing and operating Yokohama IR in an integral manner, thereby generating synergy effects to the maximum extent and help revitalizing tourism and economy throughout Yokohama. To this end, the IR Operator shall make efforts to place facilities in such a way that they encourage visitors to visit surrounding areas, communicate the region’s attractiveness utilizing ICT etc., and create liveliness, such as jointly hosting events.
- b. Initiatives for procuring foods, goods and services from small and medium enterprises located in the city  
Based on the principles of Yokohama City Basic Ordinance for the Promotion of Small and Medium Enterprises, the IR Operator shall make efforts to fulfill large demand by placing orders to small and medium enterprises located in the city as much as possible. Furthermore, in

the aim of enabling the local enterprises to stably receive quality orders, it shall develop a system utilizing ICT etc. in cooperation with the City, industry associations, etc.

- c. Initiatives for creating employment and securing and developing human resources  
The IR Operator shall work to improve employment and work environment towards expanding opportunities for diverse people, including women and the elderly, to unleash their capabilities, such as creating quality employment opportunities, securing dwelling environment for employees, and providing language education. The IR Operator also shall make efforts, in cooperation with universities and other educational institutions, to foster the development of human resources with high expertise in tourism who can function in a global setting. In handling the large-scale employment, the IR Operator shall implement a systematic employment plan giving consideration to the employment environment in the surrounding areas and, at the same time, make efforts to proactively utilize robotics, AI and ICT.
- d. Support for local MICE business operators in the city  
The IR Operator shall provide advice and support to local business operators located in the city that will be leading MICE businesses so that a system is developed for promoting tourism and MICE by fully mobilizing Yokohama's resources and MICE businesses will grow in Yokohama.
- e. Creation of MICE's legacy effects drawing on Yokohama's unique industries  
The IR Operator shall work to create legacy effects including creating open innovation opportunities for companies, research institutions, individuals from Japan and other countries, helping expand business opportunities and creating new industries drawing on Yokohama's unique industries such as life science, bio-technology and IoT, and contributing to academic advancement by hosting MICE of unparalleled scale and quality, including international conferences and exhibitions.
- f. Initiatives for realizing internationally competitive stay-type tourism  
The IR Operator shall work to realize internationally competitive, attractive stay-type tourism, such as attracting MICEs, setting interregional tourist routes in cooperation with the surrounding areas, various tourist destinations in Japan, and undertaking overseas promotion activities communicating the attractiveness of tourism in the region and the IR Area.

#### **(7) Provision of opportunities for activities for and awareness raising among residents**

In the aim of widely gaining the residents' understanding about the significance of the economic and social effects being generated from the unparalleled world-class MICE facilities, luxury hotels, entertainment facilities, and international conferences/conventions, events etc. held there, the IR Operator shall create opportunities for undertaking activities and exchanges with residents and cooperate with the City and related agencies in communicating information etc.

#### **(8) Strengthening transportation access to the IR Area and functions of attracting and transferring customers**

In the aim of securing convenience for visitors etc. and realizing smooth and safe traffic handling, the IR Operator shall develop and control a traffic network in and outside the IR Area and establish an environment equipped with functions to stably and continuously attract and transfer customers for a long time.

In regards to the traffic network outside the IR Area, it may either undertake the work itself or subcontract it to a third party as long as it complies with related laws and ordinances. The details will be described in the Requirements.

- a. Wide-area access
  - (a) Establishment of a traffic terminal  
The IR Operator shall, based on the Port of Yokohama Harbor Plan, strengthen access to the IR Area and enhance functions of guiding and transferring customers. In addition, it shall establish a traffic terminal that contributes to increasing accessibility to surrounding areas, too. In regards to its location etc., it may propose changes in the existing plan. From the

perspective of accessibility to the surrounding areas, it shall be located around the land-side end of Yamashita Pier.

In establishing the said facility, it may establish it as part of the facility being established based on Article 2, Paragraph 1, Clause 6 of the IR Development Act.

(b) Establishment of a base for sea access facilities

The IR Operator shall establish facilities for maritime transportation such as a pontoon in the IR Area and in the water zone in front of it that contribute to increasing interregional accessibility and accessibility to the IR Area's surrounding areas.

(c) Establishment of areas to be used for the landing and takeoff of helicopters

In the aim of strengthening access to the IR Area and of enhancing functions of attracting and transferring customers, the IR Operator shall establish, within the IR Area, facilities to be used for the landing and takeoff of helicopters in accordance with related laws and ordinances.

In the event of emergency such as a natural disaster, the said facilities shall be temporarily made available for helicopters' arrival and departure for life-saving and other emergency purposes.

(d) Development of traffic networks

The IR Operator shall make efforts to develop a range of traffic networks for buses, vessels, etc. that connect the IR Area to cities throughout Japan, major train stations, Haneda and Narita airports, and other necessary hubs.

b. Access to the IR Area's surrounding areas (the area around Yamashita Pier and the urban coastal area)

In the aim of minimizing the occurrence of traffic congestion on surrounding public roads, the IR Operator shall formulate an adequate traffic handling plan and appropriately set up parking lots. Additionally, in the aim of implementing smooth traffic handling, it shall take soft measures, utilizing ICT and other cutting-edge technologies, for traffic guiding etc.

Also, it shall, in cooperation with shopping promenades and tourism and commercial facilities in surrounding areas, make efforts to develop a variety of traffic networks utilizing both hard and soft measures that encourage visitors to visit surrounding areas. They may include development of traffic networks for automobiles and pedestrians and a waterway traffic network as well as implementation of a park-and-ride system.

It may establish new traffic means that connect the IR Area to its surrounding areas in accordance with related laws and ordinances.

c. Traffic within the IR Area

The IR Operator shall establish attractive waterfront and other pedestrian promenades where visitors can enjoy strolling so that they can safely, securely and enjoyably move around in the IR Area, while taking into consideration improvement of accessibility to surrounding areas. Such pedestrian routes within the IR Area shall be, in principle, barrier-free and separated from roadways.

The automobile routes in the IR Area shall enable vehicles to smoothly access the IR Area from outside and help passengers spend time in the IR Area.

Furthermore, the IR Operator shall make efforts to establish new transportation means, such as autonomously driven buses and personal mobility, which contribute to the visitors' convenience, in such a way that moving around in the IR area itself serves as an attraction.

The streets in the IR Area shall be established based on the Port of Yokohama Harbor Plan.

However, in the view of pursuing an even better plan, changes in the existing Plan in regards to their alignment etc. may be proposed.

**(9) Development of the area surrounding the IR Area and improvement of the traffic environment, etc.**

a. Establishment of the surrounding environment

The IR Operator shall develop the part of Yamashita Park adjoining the IR Area integrally with the IR Facilities while maintaining its functions so that Yamashita Park's attractiveness gets further increased and an attractive entrance area suitable for a resort will be established. In doing so, the IR Operator shall establish a street connecting the IR Area to Yamashita Park Avenue. Furthermore, the area above the said street shall be developed as a park so that its unity with Yamashita Park is secured.

Moreover, streets adjoining the IR Area and areas under their impacts shall be improved. The details will be described in the Requirements.

b. Use of water areas

The IR Operator shall create a waterfront space where people gather and interact with each other by hosting activities on the water, shows utilizing the waterfront area, events etc., drawing on the unique location of Yamashita Pier surrounded by the sea. It also shall give consideration to water quality improvement, bio-diversity, etc.

In implementing such initiatives, it is necessary to consult with related agencies, obtain necessary approvals pursuant to related laws and ordinances, and coordinate with stakeholders. The details will be described in the Requirements.

**(10) Establishment of greenery areas etc. in the IR Area**

a. Development of open spaces and promenades

The IR Operator shall establish open and other spaces of various sizes for various uses where a variety of activities will be conducted, observatory spaces with views of the existing metropolitan area, waterfront promenades and pedestrian spaces on the ground floor level, which all shall be organically connected to each other.

The IR Operator may, in cooperation with the City as necessary, establish revetment in order to secure waterfront spaces where visitors can comfortably and safely stroll, drawing on the location of Yamashita Pier surrounded by a calm water area.

b. Development of greenery lines

In order to enhance the function of the green line continuing to the urban metropolitan area, the IR Operator must secure greenery spaces within the IR Area that consist of greenery spaces in the harbor area and open spaces in accordance with the Port of Yokohama Harbor Plan. In regards to the locations of greenery spaces in the harbor area, however, the IR Operator may propose amendments to the existing Plan in the view of making it even better. In doing so, it shall give due consideration to their integrity and continuity with adjacent Yamashita Park and greenery spaces in the surrounding areas. Furthermore, it shall develop environment-friendly and comfortable greenery spaces that blend in with the surrounding areas and buildings, such as establishing open spaces and greening buildings. The details will be described in the Requirements.

**(11) Establishment of indoor spaces that can be utilized as CIQ facilities etc.**

The IR Operator shall establish indoor spaces behind the Nos. 2 and 3 Quays that can be used for exhibitions, concerts, and other events contributing to creating liveliness in Yokohama IR. The IR Operator shall make part of the said facilities available for lease by shipping companies etc. as terminal facilities--such as CIQ facilities for immigration control, waiting spaces etc.--that will be needed when passenger vessels call at the port. The details will be described in the Requirements.

**(12) Cooperation in the development of infrastructure etc. that will be undertaken by the City etc.**

The IR Operator shall closely coordinate and adjust its construction schedule or method of construction, etc., and sincerely cooperate with the City, related parties, etc. to safely and efficiently proceed with the development of infrastructure to be undertaken by City etc. around the IR Area. The details will be described in the Requirements.

**9. Measures appropriately eliminating harmful effects associated with the establishment and operation of casino facilities by the IR Operator**

**(1) Basic approach**

In Japanese-style IRs, the casino business, which is generally banned by the Criminal Law, is permitted as a privileged exception based on the assumption that adequate consideration will be given so that consistency with the Criminal Law's legal principle concerning gambling is

maintained based on the purpose of the Specified Complex Tourist Facilities to serve the public interest, the integrity of the operator, prevention of negative side effects, etc. Therefore, harmful effects associated with the establishment and operation of casino facilities must be thoroughly eliminated.

Based on these principles, the IR Operator shall, in cooperation with the City, the Prefecture of Kanagawa (hereinafter, the “Prefecture”), Public Safety Commission, Prefecture Police, the national government, related agencies and organizations etc., appropriately eliminate harmful effects associated with the establishment and operation of casino facilities in accordance with IR-related laws and ordinances, utilizing cutting-edge technologies such as AI, face recognition and cashless payment and fully leveraging its originality, ingenuity, and knowhow based on fulfilling the below standards, requirements etc. It shall implement countermeasures against gambling and other addictions, decline in security situation, harmful effects on young people, etc. from the perspective of responsible gambling. In addition, the IR Operator shall cooperate on the measures and policies implemented by the City etc. in order to adequately eliminate the harmful effects resulting from the establishment and operation of the casino facilities and contribute to building the Yokohama’s safety and security model. The details will be described in the Requirements.

## **(2) Countermeasures against gambling addiction**

- a. Measures for restricting opportunities for people below the age of 20 etc. being exposed to gaming
- b. Restriction of advertising and solicitation; and provision of customer notification on risks
- c. Strict admission restriction with thorough identification checks upon entry/exit, restriction on frequency of visits, imposition of admission fees, self and family exclusion, etc.
- d. Restrictions and measures to be taken within the casino facilities, such as prevention of acts that stimulate customers’ enthusiasm for gambling and restriction on specified loan and financing business for Japanese and other customers.
- e. Implementation of initiatives that lead to consultation for and treatment of addiction patients, including the establishment of a consultation system concerning gambling and other addictions
- f. Implementation of initiatives in collaboration and cooperation with the City, the Prefecture, the national government, related agencies and organizations, etc.

## **(3) Crime prevention and maintenance of good culture and clean environment**

- a. Thorough crime prevention measures including establishment of a crime prevention environment and implementation of countermeasures against fraudulent acts
- b. Security measures including the establishment of security readiness and the introduction of a security system incorporating cutting-edge ICT technologies
- c. Measures for entertainment-related local environment including eliminating illegal entertainment business etc. and responses to complaints from local residents etc.
- d. Development of a liaising system with the City, Public Safety Commission, Prefecture Police, the Prefecture, the national government, etc.

## **(4) Countermeasures against harmful effects on young people**

Measures for strictly banning admission to the casino facilities and solicitation of individuals below the age of 20

## **(5) Countermeasures against involvement of anti-social forces**

- a. Measures for banning admission of members of organized crime groups defined in Article 2, Paragraph 6 of the Act on Prevention of Unjust Acts by Organized Crime Group Members (Legislation No. 77 of 1991) and individuals who have resigned as members of organized crime groups less than five years ago as defined in the same paragraph (hereinafter, the “Organized Crime Group Members etc.”)
- b. Development of a liaising system with the City, Public Safety Commission, Prefecture Police, the Prefecture, the national government, etc. to exclude Organized Crime Group Members etc.
- c. Formulation of action guidelines for cutting off relations with anti-social forces and preventing damage caused by anti-social forces



**(6) Countermeasures against money laundering**

- a. Countermeasures against money laundering, such as checking transactions
- b. Introduction of a system for recording customer information and transactions to grasp transaction statuses
- c. Establishment of an internal control system compliant with the international standards (FATF)
- d. Introduction of anti-money laundering (AML) and know your customer (KYC) policies; and establishment of a team specializing in AML

**(7) Establishment of an internal control system for appropriately implementing the countermeasures**

- a. Implementation of education and training of employees, formulation of internal rules etc., and thorough enforcement of the rules
- b. Establishment of a system for appointing managers and auditors of the operations necessary for implementing the countermeasures

**10. Costs to be borne by the IR Operator**

**(1) Cost of the Project**

The IR Operator shall bear all the cost that may be necessary to implement the Project, which includes the cost of preparation for the IR Area Development Plan (except for the parts related to measures and policies that the City will implement), costs of application for approvals and licenses etc., and any other cost that may be needed for the implementation of the Project.

However, in regards to the costs of developing and managing infrastructures, except for the costs indicated below, the IR Operator shall, in principle, bear the cost for the area within IR facilities, and the City etc. shall bear the cost for the area outside IR Facilities. The details will be described in the Requirements.

- a. Items that the City etc. shall bear the cost of, even though they are within the IR Area
  - (a) Development and other costs for securing quake-resistance of seawall structures and for preventing liquefaction affecting them (excluding costs for reconstruction of such structures upon the IR Operator's request)
  - (b) Part of the development cost necessary for preventing liquefaction of the street connecting to the No. 2 Quay
  - (c) Part of the costs of development and management of the infrastructures that will be developed for both inside and outside the IR Area

In regards to (b) and (c), the amount of the cost shall be determined by the City etc. based on consultation with the City

- b. Items for which the IR Operator shall bear the cost of, even though they are outside the IR Area
  - (a) In regards to the development of facilities for pedestrians' access from the nearest train station described in Section VI-10-(1)-b-(b), if the IR Operator wishes to develop incremental elements beyond the plan that the City formulates in conjunction with its Area Development Plan, the IR Operator shall bear the development and management cost for the said incremental elements.
  - (b) The IR Operator shall bear part of the development and management cost related to the development of the surrounding environment and the use of the water area described in Section IV-8-(9).
  - (c) If the IR Operator wishes to develop incremental means of access to the IR Area beyond the means the City develops, the IR Operator shall bear the development and management cost for the said incremental means.
  - (d) In regards to the cost of supply facilities (electricity, gas, and communications), the IR Operator shall bear the cost that will be determined based on consultations with the relevant facilities' manager.
  - (e) In regards to the costs related to the supply and treatment facilities (clean water and sewage water), the IR Operator shall bear the cost to be determined based on consultation with the

relevant facilities' manager and, if incremental development described in Section VI-10-(1)-c becomes necessary, the cost to be determined based on consultation with the City regarding the said incremental development.

**(2) Cost related to land use**

The IR Operator shall bear the costs necessary for using the land, including rent, based on the agreement on the establishment of fixed term land lease right for business.

If there are remaining underground obstacles and other obstacles to the development of the IR Facilities, the City etc. shall bear the cost of their removal etc. in the amount deemed appropriate based on prior consultation. The details will be described in Land Lease Contract (Draft).

**11 Security deposit for contract performance, etc.**

**(1) Security deposit for contract performance, etc. in accordance with the Basic Agreement**

By the time of the execution of the Basic Agreement, the Prospective IR Operator shall, pursuant to the provisions of the Basic Agreement, make a security deposit to the City as a security for performance of the Prospective IR Operator's obligation under the Basic Agreement. The amount and method of deposit of the security deposit for contract performance shall be in accordance with the provisions of the Basic Agreement.

If it is recognized that the Prospective IR Operator does not have sufficient financial basis for fulfilling the obligations under the Basic Agreement, pursuant to the provisions of the Basic Agreement, the Prospective IR Operator shall be guaranteed for the obligations by another party recognized as having sufficient financial basis for the implementation of the Project pursuant to the Basic Agreement.

**(2) Security deposit for contract performance, etc. in accordance with the Implementation Agreement**

- a. Security deposit for contract performance for the period from the execution of the Implementation Agreement to the end of the Project Period  
In accordance with the provisions of the Implementation Agreement, the IR Operator shall make a security deposit to the City as security for the performance of the obligations assumed by the IR Operator under the Implementation Agreement. The amount and method of deposit of the security deposit for contract performance shall be in accordance with the provisions of Implementation Agreement.
- b. Security deposit for contract performance for the period from the execution of the Implementation Agreement to the opening of IR facilities.
  - (a) Guarantee by the parent company  
Shareholders of the IR Operator or their parent companies (limited to those recognized as having sufficient financial basis for the implementation of the Project) shall guarantee the obligations owed by the IR Operator until the opening of the IR Facilities pursuant to the provisions of the Implementation Agreement.
  - (b) Security deposits, etc.  
The IR Operator shall, prior to the execution of the Implementation Agreement, select and provide either of the below types of security to guarantee performance of its obligations owed by the IR Operator until the opening of the IR Facilities pursuant to the provisions of the Implementation Agreement
    - [a] Deposit of additional security
    - [b] Provision of security provided for in Article 10 of the Rules of Civil Enforcement (guarantee by a financial institution)The details are described in the Implementation Agreement (draft)

### (3) Security for land use

A right to use the land is anticipated to be granted to the IR Operator with a fixed term land lease right for business being established. The IR Operator shall, pursuant to the provisions of the agreement on the establishment of fixed term land lease right for business, deposit a security deposit, which guarantees the performance of its obligations under the agreement on the establishment of fixed term land lease right for business, prior to the execution of the agreement on the establishment of fixed term land lease right for business. The amount and method of deposit of the security deposit for contract performance shall be in accordance with the provisions of the agreement on the establishment of fixed term land lease right for business.

In addition to the deposit of the above-mentioned security deposit, the IR Operator shall select and provide one of the below types of security etc.

- a. Deposit of additional security deposit
  - b. Provision of security provided for in Article 10 of the Rules of Civil Enforcement (guarantee by a financial institution)
  - c. Joint and several guarantee by shareholders of the IR Operator or their parent companies (limited to those recognized as having sufficient financial basis for the implementation of the Project)
- The details will be described in Land Lease Contract (Draft).

## 12 Project schedule

The anticipated Project schedule is shown in Chart 6.

The City anticipates the IR Facilities to be opened in the late 2020s to get the effects of the Project to be generated promptly with the opening of the IR. It, therefore, requests the applicant to present its anticipated schedule including the schedule of the opening of the IR Facilities. It shall cooperate with both public and private sectors towards getting the IR Facilities to be opened on the scheduled opening day that will be set after a Prospective IR Operator is selected.

The said anticipated schedule may change in the future depending on the timing of establishment of relevant government ministerial ordinances and regulations on the national level, the timing of the certification of the IR Area Development Plan, statuses of the City's consideration of and preparation for the Project.

[Chart 6 Expected schedule (tentative)]

Date/Period	Content
Around summer of 2021	Selection of the Prospective IR Operator
Around autumn of 2021	Execution of Basic Agreement
Around autumn-winter of 2021	Preparation of IR Area Development Plan and implementation of public hearings, etc.
By March 2022	Resolution by the city assembly concerning the application for certification of the Area Development Plan
By April 2022	Application for certification of the Area Development Plan
In or after May 2022 (*)	Certification of the Area Development Plan (national government) Conclusion of Implementation Agreement /start of IR Business
The late 2020s	Opening of the IR

\*National government's schedule is an assumed schedule

## **V. Matters concerning the invitation and selection of private-sector business operators who wish to undertake the IR operations**

### **1. Basic concept on recruitment and selection of a Prospective IR Operator**

The City shall publicly invite private-sector business operators to apply for participation in the Project based on the Guidance (hereinafter, this process is referred to as the “Public Invitation”) and select a Prospective IR Operator while ensuring the transparency and fairness of the selection process.

A Prospective IR Operator shall be selected based on the applicants’ proposals being submitted in response to the Public Invitation.

### **2. Procedures and methods for the selection of the Prospective IR Operator**

The City shall select a Prospective IR Operator through the following procedure.

#### **(1) Establishment of Yokohama City Committee for the Selection of an Operator of Specified Tourist Facilities etc.**

The City has established Yokohama City Committee for the Selection of an Operator of Specified Tourist Facilities etc. (hereinafter, the “Selection Advisory Committee”) that consists of external experts to ensure an impartial and fair examination in selecting a Prospective IR Operator.

The members of the Selection Advisory Committee are indicated below. The Selection Advisory Committee’s sessions are disclosed.

(Chairperson)

Eisuke Sakakibara, President, Institute for Indian Economic Studies

(Members)

Toshiharu Ikaga, Professor, Faculty of Science and Technology, Keio University

Masaki Ukawa, Professor, Faculty of Business Administration, Musashino University

Taisuke Kanayama, Professor, Department of Risk Management

Norihiro Nakai, Dean, School of Environment and Society, Tokyo Institute of Technology

Yoshio Hirayasu, General Director, Heian Hospital

Hideki Furuya, Professor, Faculty of International Tourism Management

(Honorifics omitted; in the order of Japanese syllabary, except the chairperson)

#### **(2) Qualification screening**

##### **a. Submission of Qualification Screening Documents**

A private-sector business operator responding to the Public Invitation and wishing to participate in the Project (hereinafter, the “Applicant”) shall prepare and submit to the City the qualification screening documents in accordance with the Formats and Instructions on Documentation related to procedure, which the City will receive.

##### **b. Notification of examination results regarding participation qualification screening**

In regards to the qualification screening documents, the City will check whether the Applicant satisfies the requirements for participation qualification specified in Section V-4 and notify the Applicant of the results.

##### **c. Disclosure of documents to the Applicant that has passed the qualification screening**

When the City receives a confidentiality pledge from the Applicant who fulfills the requirements for participation qualification and passes the participation qualification screening (hereinafter, the “Qualified Candidate”), the City will disclose the documents from (2) through (7), (11) and (12) indicated in Section I-4 (hereinafter, “Materials Subject to Confidentiality”) to the Qualified Candidate.

- d. Payment of the examination fee  
The Applicant shall, upon application, pay an examination fee to the City that covers the cost of examining the applicant's qualification, which the City will confirm.

### **(3) Proposal examination**

- a. Acceptance of Proposal Examination Documents  
The Qualified Candidate participating in the proposal examination (hereinafter, the "Proposal Examination Participant") shall prepare and submit to the City proposal examination documents in accordance with the Formats and Instructions on Documentation related to Proposal Examination, which the City will receive.
- b. Method of proposal examination  
In the proposal examination, the Selection Advisory Committee examines the proposal examination documents submitted by the Proposal Examination Participants which have been confirmed to fulfill the project conditions provided for in the Requirements etc. The Selection Advisory Committee will undertake the examination, including documentary examination based on the Standards for Selecting a Prospective IR Operator, and an examination of the proposal, including presentations and questions and answers.
- c. Decision on the selection of a Prospective IR Operator  
The City will determine the ranking of the Proposal Examination Participants and select a Prospective IR Operator based on the examination to be conducted by the Selection Advisory Committee. Selection of the Prospective IR Operator will be consulted with Yokohama Innovation IR Council (a council established based on Article 12 of the IR Development Act; hereinafter, the "Council").

## **3. Supplementary opinions from the Selection Advisory Committee**

The Selection Advisory Committee may, within the scope of the requirements stipulated in the Requirements, etc., provide opinions regarding the improvement of the quality of the proposal and issues, if any, to the Prospective IR Operator for the purpose of improving the Project.

In the event that opinions on the contents of proposal are expressed by the Selection Advisory Committee, the City will consult and coordinate with the Prospective IR Operator with regard to the improvement of the quality of the proposal and a review of proposals based on such opinions, etc. The Prospective IR Operator shall, respecting such opinions, seek to improve the quality of the proposal and review it as far as reasonably possible based on consultation with the City.

## **4. Applicants' participation qualification requirements**

### **(1) Composition of Applicants**

The composition of the Applicants who are able to apply for the Proposal shall be as follows:

- a. Applicant shall be a single company intending to undertake the Project (hereinafter, the "Applicant Company") or a group consisting of multiple companies intending the same (hereinafter, the "Applicant Group").
- b. The Applicant shall specify the name of the Applicant Company or the names of the companies composing the Applicant Group (hereinafter referred to as the "Applicant Group Members") and their roles in undertaking the Project.
- c. An Applicant Group shall designate a company that represents such Applicant Group among the Applicant Group Members. The other Applicant Group Members shall submit a "power of attorney" in accordance with the Formats and the Instructions on Documentation related to procedure, and

the Representative Company shall implement the application procedure.

- d. The Applicant Company or the Applicant Group shall invest in the SPC and own 100% of its voting shares, except for the case provided for in the proviso of Section V-6-(4).

If an Applicant wishes to hold the SPC's shares indirectly, etc., such an Applicant shall follow the procedures described in Section V-6-(4).

- e. The Applicant Company or the Applicant Group may change its Applicant Group Members during the period indicated in Section V-5-(3)-a, provided that all of the below conditions from (a) through (d) are fulfilled. Notwithstanding the preceding provision, if there are circumstances where changing Applicant Group Members is inevitable, such change may be made if the City considers the circumstances and approves the change based on consultation between the party and the City.

- (a) The Applicant Company or the Applicant Group Members as of the time of submission of the Qualification Screening Documents will own, in total, a majority of voting shares of the SPC.
- (b) The Applicant Company or all of the Applicant Group Members after the change fulfill all of the requirements provided for in Section V-4-(2).
- (c) The Applicant Company or the Applicant Group Members after the change fulfill the requirements provided for in Section V-4-(3).
- (d) In the case of an Applicant Group, the Representative Company remains unchanged.

When an Applicant Company or Applicant Group Members no longer satisfy any of the requirements set forth in Section V-4-(2), or an Applicant Company or Applicant Group no longer satisfies the requirement set forth in Section V-4-(3), or when the person or entity that controls the Applicant Company or Applicant Group Member has been changed (including cases where an Applicant Company or an Applicant Group Member is newly controlled by a third party), the applicant must notify the City thereof.

- f. Neither of an Applicant Company or an Applicant Group Member who plan to invest 5% or more of the total number of voting shares of the IR Operator, plan to implement the IR Business itself, or plan to undertake the casino business or person or entity that has a certain level of relationship with such Applicant Company or Applicant Group Member in terms of capital ties or personnel structure, etc. (i.e. the relationship between a parent company and a subsidiary provided for in Article 2, Paragraphs 3 and 4 of the Companies Act), may simultaneously become another Applicant Company, Applicant Group Member or Cooperating Company during the period from the submission of the Qualification Screening documents to the determination of the Prospective IR Operator.

- \* "Cooperating company" is a person who is appointed in relation to the Project by the Applicant Company or Applicant Group member and described in the proposal document as a person who gets entrusted with or subcontracts the business (including those who intend to do so).

## **(2) Participation qualification requirements commonly applicable to an Applicant Company and Applicant Group Members**

The Applicant Company and the Applicant Group Members must fulfill all of the below qualifications for participation. When a person or an entity that holds the number of voting rights or shares that meets or exceed the criteria of a major shareholder of the Applicant Company or the

Applicant Group as set forth in Article 2, Paragraph 12 of the IR Development Act becomes a Certified Major Shareholder defined in the same Paragraph, the same shareholder must fulfill all the participation qualifications except “a.” Also, a Certified Major Shareholder as set forth in another article also must fulfill the participation qualifications except “a” and the City may check the status as needed.

In the case an Applicant Company or an Applicant Group Member is an overseas business operator, it is necessary that the City can confirm that such overseas business operator meets the qualification requirements equivalent to those listed in the following d-(b) through (g) in light of applicable laws and regulations.

- a. The person or entity has the intention to undertake the Project and the capability of appropriately undertaking the Project;
- b. The entity itself and its officers (individuals who fall under the provisions of Article 23, Paragraph 2 of the IR Development Act, except those who are included among other officers only when the same Paragraph is applied) demonstrate adequate social credibility;
- c. It has the financial foundation to implement the Project soundly;
- d. The person or entity must not fall under any of the following categories.
  - (a) A person or entity that falls under any items, except those in Clause 1-b and Clause 5, in Article 41, Paragraph 2 of the IR Development Act;
  - (b) Person or entity that falls under the provisions of Article 167-4 of the Local Autonomy Law Enforcement Ordinance (Cabinet Order No.16 of 1947);
  - (c) Person or entity that has filed a petition for commencing bankruptcy proceedings based on the Bankruptcy Act (Legislation No. 75 of 2004), persons or entity that has filed a petition for commencing bankruptcy protection proceedings based on the Corporation Rehabilitation Act (Legislation No. 225 of 2002), person or entity that has filed a petition for commencing bankruptcy protection proceedings based on the Civil Rehabilitation Act (Legislation No. 225 of 1999), or person or entity that has commenced liquidation proceedings based on the Companies Act (Legislation No. 86 of 2005)
  - (d) Person or entity whose nomination has been suspended based on Yokohama City Guidelines for Suspension of Nomination etc. (except person or entity whose suspension period is within one month.)
  - (e) Person or entity that is in arrears with its corporate tax, consumption tax, local consumption tax, Yokohama City local tax, local tax for the prefecture of the applicant’s location, corporate enterprise tax, or municipality tax (or Tokyo Metropolitan tax in the case of special wards)
  - (f) Organizations or their representatives, organizers, or other members who have been subject to the punishment set forth in Article 8, Paragraph 2, Item 1 of the Act on the Control of Organizations Engaged in Indiscriminate Acts of Mass Murder (Act No. 147 of 1999), or organizations that include such members
  - (g) Person or entity listed in Article 32, Paragraph 1, Items 3 and 4 of the Act on Prevention of Unjustifiable Acts by Organized Crime Groups (Act No. 77 of 1991), a person or entity that has violated Article 23, Paragraph 1 or 2 of the Kanagawa Prefectural Ordinance on Exclusion of Organized Crime Groups (Ordinance No. 75 of 2010), or a person or entity that has a close relationship with organized crime groups as prescribed in Article 2, Item 2 of the Yokohama City Ordinance on Exclusion of Organized Crime Groups (Ordinance No. 51 of 2011), corporations controlled by organized crime groups as prescribed in Item 5 of the same Article, or organized crime group members as prescribed in Article 7 of the same Ordinance; or a person or entity that falls under one of the following categories: a crime syndicate as prescribed in Article 2, Item 2 of the Yokohama City Ordinance for the Elimination of Organized Crime Groups (Ordinance No. 51 of 2011), a corporation controlled by a crime syndicate as prescribed in Item 5 of the same Article, or a person who is recognized as having a close relationship with a crime syndicate member as prescribed in Article 7 of the same Ordinance
  - (h) Person or entity that has a certain level of relationship with the City in terms of capital ties or personnel structure, etc. (i.e. the relationship between a parent company and a subsidiary

provided for in Article 2, Paragraphs 3 and 4 of the Companies Act or affiliated organization of the City)

- (i) Person or entity that falls under the definition provided in (i) to (iii) (hereinafter, the “City Advisor”), or person or entity that has a certain level of relationship with such person or entity in terms of capital ties or personnel structure, etc. (i.e. the relationship between a parent company and a subsidiary provided for in Article 2, Paragraphs 3 and 4 of the Companies Act; the same applies hereinafter)
  - (i) Ernst & Young ShinNihon LLC
  - (ii) TMI Associates (\*1)
  - (iii) Oriental Consultants Co., Ltd. (\*1)
- (j) An organization to which a member of the Selection Advisory Member Person belongs to or a person or entity that has a certain level of relationship with such organization in terms of capital ties or personnel structure, etc.
- (k) An organization to which a member of the Council belongs to or a person or entity that has a certain level of relationship with such organization in terms of capital ties or personnel structure, etc.
- (l) Person or entity that has hired a person defined in (h) to (k), a member of the Selection Advisory Committee or a member of the Council as its Cooperating Company or Application Advisor (\*2) (except, in regards to (i) - (i) or (ii), the case where the establishment by (i) or (ii) of an internal measure for shutting off information from a City Advisor in charge can be confirmed)
- (m) Person or entity that receives advice from a person or entity defined in (i), regardless of the existence of a contract, or a person or entity that has hired such person or entity as a cooperating company or an Application Advisor (except, in regards to (i) - (i) or (ii), the case where the establishment by (i) or (ii) of an internal measure for shutting off information from a City Advisor in charge can be confirmed)

\*1: City Advisors are selected each year. City Advisors for 2021 will be separately selected. The number of City Advisors has not been determined.

\*2: “Applicant Advisor” means a person who was selected and indicated on the Proposal Documents by an Applicant Company or an Applicant Group Member as a person who supports the Proposal for RFP being made by the Applicant Company or the Applicant Group Member.

### **(3) Requirements for the Applicant Company or the Applicant Group**

The Applicant Company or the Applicant Group, or person or entity that has a certain level of relationship with them in terms of capital ties or personnel structure, etc. (i.e. the relationship between a parent company and a subsidiary provided for in Article 2, Paragraphs 3 and 4 of the Companies Act, the relationship of affiliated companies provided for in Article 2, Paragraph 3 No. 18 of the Corporate Accounting Rules (2006 Ministerial Ordinance No. 13), must have a track record of developing and operating facilities described below since January 1, 2006.

- Complex Facilities (\*2) with a Gross Floor Area (\*1) of 300,000m<sup>2</sup> or more within the Area.

\*1: The total gross floor area of the complex facilities etc. being established within the area of the land constituting a single estate

\*2: A group of facilities for complex uses including MICE facilities, hotels, entertainment facilities, commercial facilities, and casino facilities

### **(4) Reference date for participation qualification confirmation**

The reference date for participation qualification confirmation is the date of submission by the Applicant Company or the Representative Company of the Qualification Screening documents. In the case of a situation where the Applicant Company or an Applicant Group Member fails to fulfill the participation qualification requirements during the period from the day after the reference date for participation qualification confirmation to the day of determination of the Prospective IR Operator, the said Applicant or the Applicant Group, in principle, loses its qualification. However, this does not apply if the Applicant Group replaces the Applicant Group Member who lacks participation qualification with another member who fulfills the same requirements or if the Applicant Group, excluding the member who lacks qualification, fulfills all the participation



qualification requirements, and if the City deems that it would not hinder the operation of the Project, considering the project capabilities of the SPC to be established.

**(5) Rules concerning contacts**

In the view of securing thorough fairness and transparency of the Public Invitation and selection, the City sets forth the below rules concerning contact in relation to the Applicant, the Cooperating Company or the Application Advisor (hereinafter, the “Applicant etc.” including those who intend to become the Applicant etc.), where the rules are applicable during the Public Invitation period. If the Applicant etc. breaches these rules, its application will lose its validity.

- a. The Applicant etc. must not directly or indirectly lobby the City concerning the Public Invitation to its own advantage.
- b. The Applicant etc. must not directly or indirectly lobby to its advantage a person or entity that has a certain level of relationship with it in terms of capital ties or personnel structure, etc.
- c. The Applicant etc. must not, in relation to the Public Invitation, directly or indirectly lobby to its advantage a member of the Selection Advisory Committee, an organization to which the said member belongs to, or a person or entity that has a certain level of relationship with it in terms of capital ties or personnel structure, etc.
- d. The Applicant etc. must not directly or indirectly lobby to its advantage a member of the Council, an organization to which the said member belongs to, or a person or entity that has a certain level of relationship with it in terms of capital ties or personnel structure, etc.
- e. The Applicant etc. must not directly or indirectly lobby to its advantage a person holding public office (as defined in Article 3 of Public Offices Election Act).

**5. Procedures concerning the Public Invitation**

**(1) Schedule**

The City plans to select a Prospective IR Operator in accordance with the timeline shown in Chart 7. The City may modify the timeline as necessary based on the timing of the establishment of related ministerial ordinances, rules etc. by the national government.

[Chart 7 Assumed schedule (tentative)]

Timing	Content
January 21, 2021	Announcement of the Guidance
January 21-January 28, 2021	Period of application for questions on the Guidance
February 4, February 12, 2021	Answers to questions on the Guidance
February 5-May 17, 2021	Period of application of Qualification Screening Documents
February 15-May 31, 2021	Notification period of the Qualification Screening Results
March to April, 2021	Period for competitive dialogue
June 1-June 11, 2021	Period for the submission of the Proposal Examination Documents
Around summer of 2021	Selection of the Prospective IR Operator

## **(2) Acceptance of questions about the Guidance and publication of answers**

The City will accept questions regarding the contents of the Guidance from the private-sector business operators who wish to participate in the Public Invitation (hereinafter referred to as the "Applicants for Participation").

- a. Period of application  
From January 21, 2021, Thursday to 17:00, January 28, 2021, Thursday
- b. Submission method
  - (a) If the Applicants for Participation have any questions regarding the Guidance, it shall send the questions to the Contact Office as described in Section V-5-(9), summarizing the questions in a simple manner, using the "Questions on the Guidance" as set forth in the Formats and the Instructions on Documentation related to procedure.
  - (b) Indicate "[Submission] Questions on the Guidance (the name of the business operator)" as the subject of the email.
  - (c) In case where the rights of the person, competitive status, and any other legitimate interests of the person who poses the question may be threatened when the questions are disclosed, specify such fact.
- c. Announcement of answers, etc.
  - (a) date for the announcement of answers
    - Matters concerning the Applicant's participation qualification requirements set forth in V-4  
February 4, 2021, Thursday (tentative)
    - Other matters concerning the details  
February 12, 2021, Fri (tentative)
  - (b) Except for contents that could possibly infringe the rights, competitive position, or other legitimate interest of the questioner, the City will publish on its website answers to questions concerning the Guidance which the City acknowledges as necessary to disclose to all the Applicants for Participation by the scheduled date for the announcement of answers.
  - (c) Except for questions and answers that the City acknowledges as necessary to disclose to all the Applicant for Participation, the City will individually provide answers to the Applicant for Participation who posted the relevant questions by the scheduled date for the announcement of answers.
  - (d) Names of the Applicant for Participation who questioned shall not be announced.
  - (e) Questions that are not directly related to the Guidance will not be answered.

## **(3) Qualification screening**

The Applicant for Participation shall prepare and submit the Qualification Screening Documents in accordance with the Formats and the Instructions on Documentation related to procedure.

- a. Period of application  
From February 5, 2021, Friday to 17:00, May 17, 2021, Monday
- b. Submission method  
In accordance with the Formats and the Instructions on Documentation related to procedure, the Applicant for Participation shall prepare the necessary documents and submit them by handing over in person or sending them by postal mail in a way that secures a delivery record, such as registered mail, to the Contact Office after giving a prior notice to the same office. Additionally, as indicated in the Formats and the Instructions on Documentation related to procedure, the digital data of the Statement shall be submitted, too.

In the case of a change being made in the Applicant Group Members after the said submission, a “Statement of Application for a Change in the Applicant Group Members” shall be prepared and submitted. Likewise, in the case of a change being made in the Cooperating Companies and/or Application Advisor, a “Statement for a Change in the Cooperating Companies etc.” shall be prepared and submitted.

c. Amount of Examination Fee

The actual amount of the Examination Fee will be determined and shall be paid at cost. At the time of payment, however, the Applicant Company and the Applicant Group shall deposit, respectively, 3 million yen and the amount calculated by multiplying 3 million yen by the number of its members. The difference will be settled after the examination. In case the Applicant decline to participate in the Public Invitation, the Applicant shall bear the fee required for the examination.

d. Payment of the examination fee

- (a) The Applicant Company or the Representative Company shall pay the examination fee to the City by the due date set by the City in accordance with the payment slip to be issued by the City.
- (b) If a new member is added to the Applicant Group due to a change in its members, the Applicant Company or the Representative Company shall pay an additional examination fee for the additional member by the due date set by the City.
- (c) In the event that there are special circumstances where the payment slip issued by the City cannot be used, the Applicant for Participation shall inform the Contact Office of this in advance and make the payment through a method separately designated by the City.
- (d) The company who has paid the examination fee pursuant to the above-indicated procedures shall submit a copy of the document confirming the completion of such payment to the Contact Office by email.

e. Notification of the examination results

- (a) Scheduled date of notification of the qualification examination results (final)  
May 31, 2021, Monday
- (b) Based the Qualification Screening Documents submitted, the City will check whether the Applicant satisfies the requirements for participation qualification specified in Section V-4, and notify the Applicant of the results..
- (c) In case the Applicant is not notified of the result within 10 business days (excluding Saturday, Sunday, and holidays) from the day the “Statement of Intent for Participation and the Statement of Submission of Qualification Screening Documents” or the “Application for the change in the Applicant Group Member” is accepted, the Applicant shall inquire with the Contact Office by phone. In regards to Qualification Examination Documents submitted by February 5, 2021, Friday, the result of the examination is planned to be communicated by February 15, 2021, Monday.
- (d) Depending on the results of the investigation concerning its qualification, the Applicant’s qualification for participation may be cancelled. The same shall apply if the examination fee is not paid by the due date set by the City.

#### **(4) Lending of Materials Subject to Confidentiality**

Among the Qualified Applicants, the Applicant Company or the Representative Company (hereinafter referred to as the "Applicant Company, etc.") that wishes to borrow the Disclosure Materials Subject to Confidentiality shall follow the application procedures as follows.

- a. The Qualified Applicant shall prepare an “Application for the Borrowing of and Access to Disclosure Materials Subject to Confidentiality” and a “Pledge regarding Confidentiality Obligations,” in accordance with the Formats related to procedure for submission of pledges etc. and the Instructions on Documentation related to procedure and submit them to the Contact

Office in person or by postal mail in a way that secures delivery record such as a registered mail. Additionally, the digital data of the said documents shall be submitted, too.

- b. Period of application  
From February 15, 2021, Monday to 17:00, May 31 2021, Monday
- c. Method for lending the documents
  - (a) The Materials Subject to Confidentiality is planned to be lent mainly through the Virtual Data Room (hereinafter, "VDR").
  - (b) Upon accepting the "Application for Borrowing and Access to Documents Subject to Confidentiality" and the "Pledge regarding Confidentiality Obligations" of an Applicant Company, etc., the City will check if there are any defects, etc., in the documents and notify the Applicant Company etc. of how to access the VDR etc.
- d. Management of lent documents and disclosed information
  - (a) The Applicant Companies, etc. shall keep confidentiality of the Disclosure Materials Subject to Confidentiality and other information disclosed by the City in relation to the said Materials and the Public Invitation (hereinafter together referred to as "Confidential Information etc."). The Applicant Companies etc. shall not use the Confidential Information etc. for other purposes than for preparation for and implementation of proposals and dialogues in relation to the Project (which refer to "competitive dialogues" provided for in Section V-5-(6); the same applies hereinafter).
  - (b) The Applicant Companies, etc. shall not disclose the Confidential Information, etc. to its directors or employees other than the minimum number of directors or employees who need to know the Confidential Information, etc.
- e. Disclosure to Persons Other Than the Applicant Company etc.
  - (a) If the Applicant Company etc. intends to disclose the Confidential Information etc. in part or in whole to Applicant Group Members other than the Representative Company, Cooperating Companies, their corporate lawyers, financial institutions that plan to provide loans or guarantees in relation to the Project, Application Advisors, interpreters and translators providing services to the Applicant Company etc., and other parties who need to know the Confidential Information etc. (including those who intend to become such parties; hereinafter together referred to as the "Secondary Disclosed Parties"), it shall fill out the form for Notification of the Names etc. of the Secondary Disclosed Parties in accordance with the Formats and the Instructions on Documentation related to procedure and submit it to the contact desk in person or by postal mail in a way that secures a delivery record, such as registered mail. It should be noted that the Basic Agreement (Draft), the Implementation Agreement (Draft) and fixed term land lease right for business (draft) shall not be disclosed to Cooperating Companies or their corporate lawyers. Additionally, the digital data of the said documents shall be submitted, too.
  - (b) In such case, the Applicant Company, etc. shall, prior to the disclosure of the Confidential Information, etc. to the Secondary Disclosed Party, have the Secondary Disclosed Party pledge in writing to fulfill its obligation of confidentiality equivalent to or greater than the "Pledge regarding Confidentiality Obligations" (for details, refer to the "Pledge regarding Confidentiality Obligations") and submit a copy of the said document to the Contact office at the time of submission of the "Notification of Names, etc. of Secondary Disclosed Parties" as the attachment.
  - (c) The City shall, upon receiving the "Notification of Names, etc. of Secondary Disclosed Parties" from an Applicant Company, etc., check if there is any defect, etc. in the submitted document and promptly issue a Notice of Acceptance. The Applicant Company, etc. shall not disclose the Confidential Information, etc., to the Secondary Disclosed Party until a Notice of Acceptance is issued from the City.
- f. Destruction of Disclosure Materials Subject to Confidentiality Obligation  
The Applicant Company, etc. that has borrowed Materials Subject to Confidentiality, and the Secondary Disclosed Party to whom all or part of the Materials Subject to Confidentiality Obligation have been disclosed, shall destroy the Materials Subject to Confidentiality Obligation (including, but not limited to, printed materials, copies, duplications and recordings in recording

medias such as hard disks etc., and any materials produced by processing the information) into a state incapable of being restored at their costs and responsibilities, promptly after the date it becomes evident that they would not submit the Proposal Examination Document, or the date it becomes evident that they have not been selected as the Prospective IR Operator, and prepare and submit a “Report of Compliance with the Obligation to Destroy Materials Subject to Confidentiality” in person or by postal mail in a way that secures a delivery record, such as registered mail, to the Contact Office. Additionally, the digital data of the said documents shall be submitted, too.

#### **(5) Publication of Supplementary Materials, etc.**

The City may publish or lend Materials for Supplementing the Guidance etc. (hereinafter, the “Supplementary Materials”). The said materials will be published or lent by around April 2021. After this period, no additional Supplementary Materials will be published or lent.

#### **(6) Conducting competitive dialogues**

The City will hold competitive dialogues with the Qualified Applicants who wish to do so before the Qualified Applicants submit Proposal Examination Documents. Based on the results of the dialogues, if necessary, adjustments may be made to the Basic Agreement (Draft), the Implementation Agreement (Draft), and/or the agreement on the establishment of fixed term land lease right for business (draft), etc.

- a. Qualified Applicants  
Competitive dialogues will be held with the Qualified Applicants. Cooperating Companies, and Application Advisors may sit in the said dialogues.
- b. Timing of conducting the dialogues  
The competitive dialogue is scheduled for a period between March 2021 and April 2021 (tentative).
- c. Procedures for conducting competitive dialogues
  - (a) Submission of an application for participation in a competitive dialogue  
The details about application for competitive dialogue including but not limited to the procedures and period for application will be separately notified to Qualified Applicants.
  - (b) Notification of the implementation of competitive dialogues, etc. by the City  
The Applicant for participation in competitive dialogues shall be notified of the schedule and agenda (as appropriate) by email.
- d. Method of conducting competitive dialogues, etc.
  - (a) Competitive dialogues are planned to be conducted several times per Qualified Applicant.
  - (b) Competitive dialogues shall be conducted in Japanese. Where interpretation is required, the applicant for participation in the dialogues shall arrange interpreters (including bearing the cost thereof). In case of using an interpreter, the Applicant for Participation in a competitive dialogue are required to arrange for simultaneous interpretation, to the extent possible, including the preparation of relevant equipment.
  - (c) In addition, details such as the method for conducting and proceeding with the dialogues will be separately notified to the applicant for participation in them.
  - (d) The City will accept questions concerning the Guidance etc. including Disclosure Materials Subject to Confidentiality Obligation around the period when the competitive dialogue is undertaken. The period for and method of submitting the questions will be separately communicated to the Qualified Applicants.

#### **(7) Proposal examination**

The Proposal Examination Participants shall prepare and submit to the City the Proposal Examination Documents in accordance with the Formats and Instructions on Documentation related to Proposal Examination.

- a. Period of application  
From June 1, 2021, Tuesday to 17:00, June 11 2021, Friday

- b. Submission method  
The Qualified Applicants shall, in accordance with the Formats and Instructions on Documentation related to Proposal Examination, submit the Proposal Examination Documents in person or by postal mail (by registered mail, or other method that secures a record of delivery) after giving a prior notice to the same office. Additionally, as indicated in the Formats and the Instructions on Documentation related to Proposal Examination, the digital data of the Statement shall be submitted, too.
- c. Implementation method, etc.  
In the presentation, the IR Operator shall create slides composed of the contents extracted from the Proposal Documents. The use of other media including movie images is not permitted, but models can be used.

## **(8) Notification and publication of the examination results**

The City will inform the Proposal Examination Participants of the results of the proposal examination around summer of 2021 (tentative).

Also, promptly after the Prospective IR Operator is determined, the name of the Prospective IR Operator, the examination results and materials involved in the evaluation process (except those disclosure of which could infringe the rights, competitive positions, and other legitimate interest of the private-sector business operator or hinder appropriate implementation of the Project) will be published on the City's website or by other appropriate method.

## **(9) Contact Office for submission, inquiries, etc.**

Contact Office: IR Promotion Division, Urban Development Bureau, City of Yokohama

Address: 6-50-10 Honcho, Naka-ku, Yokohama

Phone: 045-671-4135

Email: [tb-irrfp@city.yokohama.jp](mailto:tb-irrfp@city.yokohama.jp)

The City has hired a City Advisor giving advice to its division/bureau in charge concerning its administrative work and plans to share with the same Advisor the information etc. that the City obtains from the Applicants through the Public Invitation process. The City Advisors will participate in dialogues with Applicants as needed.

Hours for submitting documents in person are from 9:00 to 17:00 every weekday, excluding Saturdays, Sundays, and holidays.

## **6. Procedures after the selection of the Prospective IR Operator**

### **(1) Execution of Basic Agreement**

Based on the Basic Agreement (Draft) (or based on the revised draft of the Basic Agreement if it is revised based on competitive dialogue), the Prospective IR Operator shall promptly get Basic Agreement executed with the City. If the Basic Agreement is not immediately executed with the Prospective IR Operator, or if it becomes clear that the Implementation Agreement is not executed after the Basic Agreement has been executed, the City may proceed with the procedures on the execution of the Basic Agreement according to the rankings of Proposal Examination Participants. The Basic Agreement sets forth a provision on a penalty to ensure the Prospective IR Operator performs its obligations under the Basic Agreement.

The City does not, in principle, accept requests for amendment of the Basic Agreement (draft) (or the revised draft of the Basic Agreement if it is revised based on the competitive dialogues). However, this may not apply when the City deems it necessary to make a minimum amendment necessary for appropriately implementing the Project.

## **(2) Changes in constituent members of the Prospective IR Operator**

Changes of Applicant Group Members after the selection of the Prospective IR Operator are, in principle, not accepted. However, this does not apply if the City deems, based on consultation between the City and the Applicant Group, that adding a Member to the Applicant Group would further improve the plan, including by improving the certainty and attractiveness of the proposal and/or by strengthening its financial stability. The same applies to changes of main Cooperating Companies etc. that have been proposed.

In adding a Member to the Applicant Group, the requirements set forth in Section V-4-(1)-e must be fulfilled.

## **(3) Preparation and application for approval of IR Area Development Plan**

The City will formulate an Area Development Plan based on the Basic Policy and the Implementation Policy jointly with the Prospective IR Operator, hold discussions at the Council based on Article 9, Paragraph 5 of the IR Development Act, obtain consent from the Public Safety Commission and the Prefecture based on Paragraph 6 of the same article, hold public hearings based on Paragraph 7 of the same article and take other measures for reflecting residents opinions, complete necessary procedures including the City Assembly's resolution based on Paragraph 8 of the same article, and, then, apply for certification to the Minister of Land, Infrastructure and Transportation based on Paragraph 1 of the same article. Throughout this process, the Prospective IR Operator must cooperate with the City to the fullest extent.

## **(4) Establishment of an SPC**

Prior to the submission of the application to the national government for certification of the Implementation Agreement, the Prospective IR Operator will set up a special purpose company (SPC) that must be a stock company as defined in the Companies Act and established with the purpose of undertaking the Project.

If the Prospective IR Operator wishes to indirectly own shares of the SPC, it shall propose a concrete capital relationship between the Prospective IR Operator and the SPC in the Qualification Examination Documents. After it passes the Qualification Screening, and based on competitive dialogues and consultation with the City, an SPC may be established with a structure to be approved by the City.

## **(5) Execution of the Implementation Agreement and the agreement on the establishment of fixed term land lease right for business**

In the case that the Minister of Land, Infrastructure, Transport and Tourism certifies an IR Area Development Plan pursuant to Article 9, Paragraph 11 of the IR Development Act, the IR Operator shall, in cooperation with the City, promptly file an application to the Minister of Land, Infrastructure, Transport and Tourism for approval of the execution of an Implementation Agreement pursuant to Article 13, Paragraph 2 of the same Act. Upon obtaining the approval, the IR Operator shall promptly have the Implementation Agreement executed. The Implementation Agreement sets forth a provision on penalty to ensure that the IR Operator performs its obligations under the Implementation Agreement.

In regards to the contract concerning the use of the land, a contract based on the agreement on the establishment of a fixed term land lease right for business (draft) (or the revised draft if the said agreement is revised based on competitive dialogues) is anticipated. The Land Lease Contract for the Project sets forth a provision on a penalty to ensure the Prospective IR Operator performs its obligations under the Land Lease Contract for the Project.

The City does not, in principle, accept requests for amendment of the Implementation Agreement (Draft) or the Land Lease Contract (Draft) (or of the revised draft if it is revised based on the competitive dialogues). However, this may not apply when the City deems it necessary to make a minimum amendment necessary for appropriately implementing the Project.

## **(6) Formulation of a long-term project plan**

The IR Operator shall separately formulate a long-term project plan that covers the entire Project Period based on the Proposal etc.

## **7. Matters to be noted for application**

### **(1) Preconditions for application**

- a. Acceptance of the Guidance, etc.  
The Applicants shall fully understand and accept the terms and conditions set forth in the Guidance, etc. The Applicant may not file an objection on the grounds that there is uncertainty matters regarding the Guidance, etc.
- b. Cost allocation, etc.  
Procedures in the Public Invitation process to be implemented by the Applicant shall be implemented at the Applicant's own responsibility and expense.
- c. Document-centric policy and the language used  
All indication of intention to the City regarding the Request for Proposal shall be made in writing, unless otherwise stipulated in the Guidance, etc., and the language used shall be Japanese.  
If the Applicant is comprised of companies that include an overseas corporation, Japanese and English shall be allowed to be used together, but if the contents differ between them, the Japanese statements shall take precedence. The printed materials provided by the Applicant as supplemental materials to the documents regarding qualification screening may be in foreign languages, but in such cases, accurate Japanese translations of the relevant parts shall be attached. Meanwhile, as for verbal correspondences such as dialogues, languages other than Japanese can be used on the condition that an interpreter is/interpreters are arranged to interpret this into Japanese. In case of using an interpreter, it is required to arrange a simultaneous interpreter, as much as possible, including the preparation of relevant equipment.
- d. Currency and unit  
The currency and units that are used in the Proposal Documents, questions and answers, examinations, etc. shall be the Japanese Yen and units that are stipulated under the Measurement Act (Act No. 51 in 1992).

### **(2) Handling of proposal documents**

Proposal Documents will be handled as follows.

- a. Copyrights  
Copyrights of the Proposal Documents are owned by the person or entity that submits the said proposal documents. In preparing and submitting Proposal Documents, etc., the rights and interests of any third party, including intellectual property rights, shall not be infringed. The City may use or modify all or part of the Proposal Documents (including materials to be submitted for the presentation, the same shall apply hereinafter in this Section) free of charge, when the City announces the Project or deems it is necessary to do so.  
Proposal Documents will not be returned.
- b. Patent right etc.  
The City is not liable for any results of the use of a third party's rights in the Proposal that are protected under laws and ordinances concerning patent, utility model patent, design rights, trademark rights etc.
- c. Publication of proposal documents  
The City may publicly disclose the Proposal Document in whole or in part based on the Ordinance concerning the Public Disclosure of Information Held by the City of Yokohama or other related regulations.



The Applicant shall explicitly mention, at the time of submitting the Proposal Document, any contents of it that may infringe its rights, competitive position and or any legitimate interest if such materials are disclosed in accordance with the provisions of the Formats and the Instructions on Documentation related to Proposal Examination.

- d. **Contradiction in the contents of the proposal**  
If there is any discrepancy between drawings or diagrams providing the image, etc. and written descriptions, the written descriptions shall take precedence.
- e. **Obligation to perform the matters provided in the proposal**  
The Applicant shall be obliged to implement the proposal that it presents to the City at stages of examination unless otherwise stipulated if it is determined that the Applicant undertakes the IR operations.  
The same shall apply to answers to questions asked in connection with the proposal at the time of the presentations.

### **(3) Public disclosure of Applicants' names**

- a. **Notification of the Qualification Screening Results**  
The City will publicly disclose the number of Qualified Applicants on the day of notification of the initial Qualification Screening Results and on the day of notification of the last Qualification Screening Results.
- b. **After Acceptance of Proposal Examination Documents**  
After receiving Proposal Examination Documents, the City will publicly disclose the number of Proposal Examination Participants and the names of the companies constituting the Proposal Examination Participants who have indicated in advance their consent to such disclosure.
- c. **At the time of announcement of the Prospective IR Operator**  
When announcing the Prospective IR Operator, the City will publicly disclose the names of the companies constituting all of the Proposal Examination Participants without obtaining their consent in advance.

### **(4) Inquiries to the City's related division, etc.**

In regards to inquiries on the Public Invitation or the Project, Applicants shall present questions and inquiries following the procedures set forth in Section V-5-(2) and (6), and must not individually contact any divisions or affiliated organization of the City other than the Contact Office.

In regards to construction and development of infrastructures in and outside the IR Area, too, the Contact Office accepts questions etc., in accordance with the procedure set forth in Section V-5-(2) and (6), from the Applicant directed to the City's divisions relating to laws and ordinances and management offices of relevant facilities (roads, parks, port, clean water, etc.) being asked for the purpose of checking compliance with the relevant laws and ordinances and of smoothly implementing the procedures after the selection of the IR Operator. Answers to the questions etc. will be disclosed with appropriate methods. Also, when necessary, meetings with the Contact Office and related divisions will be held.

### **(5) Donations to the City**

Applicant Companies and Applicant Group Members (including those entities that intend to be the same) shall not, directly or indirectly, make a donation to the City during the period from the day of publication of the Guidance to the day of determination of the Prospective IR Operator.

### **(6) Invalidation of Application**

In the event that any of the following cases occurs, including cases where the situation comes to the City's knowledge after the receipt of application, the Applications shall be null and void, provided, however, that if the occurrence of such case is found after the execution of the Basic Agreement or

the Implementation Agreement, the terms and conditions on such case set forth in the Basic Agreement or the Implementation Agreement shall apply:

- a. In the case of an application made by a person or entity that does not fulfill the participation qualification requirements provided for in Section V-4-(2) and (3)
- b. In the case that any of the Proposal Documents are missing or that they are not prepared in accordance with the Formats and the Instructions on Documentation related to Proposal Examination.
- c. In the case of non-compliance with the designated submission methods, places of submission and submission deadlines.
- d. In the case of a breach of the rules concerning contacts provided for in Section V-4-(5)
- e. In the case of misconduct committed during the application procedure
- f. In the case that contents other than what should be indicated in the Proposal Documents are indicated
- g. Proposal Documents contain false information; or
- h. In the case that two or more Proposal Documents are submitted
- i. There is any other violation of the conditions set forth in the Guidance, etc.

## **VI. Matters regarding the ensuring of smooth and steady implementation of the IR Business to be ensured**

### **1. Obligations during the Project implementation**

The IR Operator shall bear the obligations described below when carrying out the Project.

- (1) Obligation to implement the IR Business in accordance with IR Relevant Laws and Regulations, etc. and the Basic Policy.
- (2) Obligations to implement the IR Business in accordance with relevant laws and regulations, etc., the Implementation Agreement, Certified IR Area Development Plan, Requirements and Proposal Documents, etc. (Note that in certain cases, such as breach and/or non-performance of obligations of the IR Operator, the City may intervene in the implementation of the Project in accordance with the Implementation Agreement.

### **2. Obligation to hold assets, etc.**

The IR Operator shall not change its business structure (dissolution, merger, corporate division, business transfer, other organizational restructuring activities, or changes to the business purpose of the Articles of Incorporation, etc.) without prior consent of the City.

The IR Operator shall require an approval of the City in the case of transferring, setting a security right or other disposal measure regarding its main assets owned for the Project in accordance with the provisions of the Implementation Agreement and the Land Lease Contract.

### **3. Restrictions and procedures regarding the rights and obligations of the IR Operator**

#### **(1) Disposal of the agreed status, etc.**

The IR Operator shall not assign, provide security for, or otherwise dispose of its status under the Implementation Agreement or any other contract with the City, as well as its rights and obligations under these contracts, without the prior written consent of the City.

In the event that the IR Operator desires to establish a security interest on its rights under the Implementation Agreement, etc., in order to borrow money from financial institutions to procure funds necessary for the implementation of the Project, the City will not withhold approval to such establishment without reasonable grounds. However, the City's approval will be given only if the City and such financial institutions have signed the agreement regarding the conditions of the exercise of such security interest, etc. which are reasonable and satisfactory to the City.

#### **(2) Transfer etc. of shares of the IR Operator**

In the case where the IR Operator issues new shares of the SPC or the shareholders of the SPC transfers or pledges as a collateral their shares (hereinafter collectively referred to as "Transfer, etc."), the IR Operator and the shareholder of the SPC must consult with the City in advance and obtain written consent, unless otherwise specified in the Implementation Agreement, in order to ensure the implementation of the IR Business in accordance with the Certified Area Development Plan, etc. and because the City needs to know the counterparty of the Transfer, etc.

The details are described in the Implementation Agreement (draft)

### **4. Matters related to ensuring the fulfillment of the responsibilities of the IR Operator**

In order to ensure the smooth and steady implementation of the Project and to stably and continuously continue the Project over a long period of time, the governance function of the Project shall be ensured

through the following methods: self-monitoring by the IR Operator and monitoring by the City in accordance with the Basic Monitoring Plan (according to the provision of Section VI-4-(1)-a.) and the Implementation Agreement; the confirmation/sharing of the status of implementation and discussion for improvement utilizing a meeting body composed of the City and the IR Operator if such meeting body is established; and control through evaluation, reporting, and advice, etc., by an evaluation committee composed of external experts, etc., as stipulated in Section VI-4-(4); and cooperation with financial institutions as necessary.

The IR Operator shall ensure that the Certified Area Development Plan is surely implemented in view of the fact that the Project, including the casino business, is specially approved for serving the public interest. Therefore, the IR Operator shall sincerely work on the monitoring and respond to the results. Specific methods etc. of monitoring are described in the Basic Monitoring Plan (draft) and the Implementation Agreement (draft).

### **(1) Self-monitoring by the IR Operator**

- a. Regarding the implementation of the Project, the IR Operator shall conduct self-monitoring based on the basic monitoring plan (hereinafter referred to as the “Basic Monitoring Plan”) that defines the basic concept of the framework for ensuring the steady implementation of the Project, and appropriately preserve the results.
- b. The IR Operator shall prepare and submit reports on the methods and result of self-monitoring to the City periodically, and as required by the City in accordance with the Basic Monitoring Plan etc.
- c. Among the methods, contents and results of self-monitoring, the parts specified as items to be publicly disclosed shall be publicly disclosed.

### **(2) Monitoring by the City**

- a. The City will confirm that the IR Operator is implementing the Project properly in accordance with related laws and regulations, the basic plan of the Project, the plan of the Project, and the Implementation Agreement, etc., and may hold discussions towards improving the details of the operation when violations and/or non-performance are recognized. Furthermore, the City may demand corrective measures etc. for the violation and/or non-performance.
- b. The City may request the IR Operator to take corrective measures when a violation or non-performance by the IR Operators is detected in relation to the implementation of the Project, and in this case, the IR Operator shall take necessary corrective measures. If the violation or non-performance has not been solved despite the request for corrective measures, the City may take measures such as non-renewal of IR area certification, application for cancellation of the IR Area Development Plan, and cancellation of the Implementation Agreement, according to the methods stipulated in the Implementation Agreement.
- c. In conducting the monitoring, the City may conduct investigations deemed necessary in addition to referring to the reports on the results of self-monitoring submitted by the IR Operator.

### **(3) Monitoring by the Council**

The City will consult with the Council regarding reports on status of implementation of the Certified IR Area Development Plan when necessary as stipulated in Article 37 of the IR Development Act and other necessary matters.

### **(4) Establishment of IR Business Evaluation Committee (tentative name)**

The City plans to establish an evaluation committee composed of multiple external experts, etc. (hereinafter referred to as the “IR Business Evaluation Committee (tentative name)”), which reports

on the status of implementation of the Project and the results of monitoring, etc., and to receive evaluations, reports, advice etc. from the Committee from an objective and professional standpoint.

**(5) Establishment of a meeting committee structure**

The City and the IR Operator shall arrange a meeting committee structure and use this to check the status of implementation of the Project, share information and discuss possible improvements as necessary, and foster close collaboration and coordination between the public and the private sectors.

**(6) Penalty charge**

A penalty charge system will be established to ensure the performance by the IR Operator of its obligations under the Implementation Agreement etc.

**(7) Analysis of the impact /effect of the IR Area development, etc.**

The City and the IR Operator shall mutually cooperate in continuously studying and analyzing the social and economic impact and effect, etc. as a result of the IR Area Development, etc. to be referred to in making timely reviews and decisions on the long-term policy on IR Area Development, etc. which shall be announced in a timely manner as specified in the Implementation Agreement and the Basic Monitoring Plan in order to continuously gain an understanding of the impacts and effects, etc. of the development of the IR Area and the implementation of the Project (hereinafter referred to as “IR Area Development, etc.”) to take appropriate measures and steps, etc. and to improve transparency in implementing the Project.

**5. Planning and reporting**

**(1) The Business plan for each fiscal year**

The IR Operator shall prepare the business plan in accordance with the provisions of Article 16, Paragraphs 1 and 2 of the IR Development Act and submit it to the City by the beginning of each fiscal year in accordance with the provisions of the Implementation Agreement.

**(2) Reporting**

In accordance with the provisions of the Implementation Agreement, the IR Operator shall prepare reports stipulated in Article 28, Paragraph 4 of the IR Development Act and the provisions of the Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism; reports based on Article 28, Paragraphs 11, 12, and the Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism; and a report on the status of business implementation of each fiscal year, etc., and submit them to the City.

**6. Risks associated with the Project and risk sharing**

Risks associated with the Project shall be, in principle, taken by the IR Operator unless otherwise stipulated in the Implementation Agreement etc. Listed below are cases where the Certified Area Development Plan may be reviewed, where the City exempts the IR Operator from fulfilling its obligations under the Implementation Agreement, etc.

The risk sharing concerning specific risk items basically follows the approaches described below. Their details will be provided in the Implementation Agreement (Draft) etc.

## **(1) Force majeure**

- a. When it becomes difficult to perform all or part of the Project due to abnormal weather, natural disasters, civil wars or hostile acts, epidemics and other events that should not be attributed to any responsibility of the City and the IR Operator that meet certain requirements as stipulated in the Implementation Agreement, that have a direct and adverse effect on the implementation of the Project, etc., (hereinafter referred to as “Force Majeure”), the IR Operator shall immediately notify the City thereof.
- b. The IR Operator shall restore and continue the Project at its own expenses and responsibility, and the City will provide cooperation towards ensuring restoration and continuation thereof.
- c. In the case where it is recognized that Force Majeure causes a significant change in the environment that is the premise of the Project, the City and the IR Operator may review the IR Area Development Plan and/or exempt the IR Operator from its obligations to be performed under the Implementation Agreement.

## **(2) Change in laws and regulations**

- a. In the case where establishment or amendment of laws, ordinances, etc. makes it difficult to implement the Project in whole or in part, the IR Operator shall immediately notify the City thereof.
- b. The IR Operator shall continue the Project at its own expenses and responsibility and the City will provide cooperation towards ensuring the continuation of the project.  
During the Project Term, if establishment or changes of ordinances, etc., by the City, including those applied only to the Project, (hereinafter the “Specific Ordinance Changes, etc.”) that particularly impact the IR Business, and if that causes damages etc. to the IR Operator, the City and the IR Operator shall consult with each other on the appointment of such damages.
- c. In the case where it is recognized that a change in laws and regulations has caused a significant change in the environment that is the premise of the Project, the City and the IR Operator may review the Implementation Agreement and/or exempt the IR operator from its obligations to be performed under the Implementation Agreement.

## **7. Measures to be taken in the case where continuation of the Project becomes unfeasible**

### **(1) Cancellation of the Implementation Agreement**

In an event occurs that makes continuation of the Project unfeasible, the City and the IR Operator may cancel the Implementation Agreement in accordance with the provisions of the same Agreement. In cancelling the said Agreement, the City will proceed with necessary procedures such as filing an application for the cancellation of the certification of the IR Area Development Plan with the Minister of Land, Infrastructure, Transport and Tourism, as necessary.

In the case of cancellation of the Implementation Agreement, the City plans to consult with the IR Business Evaluation Committee (tentative name) on the existence/absence of the grounds for such cancellation.

Measures in relation to specific reasons for the unfeasibility of the continuation of the Project basically follow the approaches described below. Their details will be provided in the Implementation Agreement (Draft).

### **(2) Termination due to reasons attributable to the IR Operator**

- a. Reason for termination  
In the event of a breach by the IR Operator of its obligations under the Implementation Agreement or any of the other events set forth in the Implementation Agreement, the City may terminate the Implementation Agreement in accordance with the provisions of the same Agreement.

- b. Effect of termination  
The IR Operator shall pay a penalty charge to the City in accordance with the provisions of the Implementation Agreement. If the amount of actual damage incurred due to the termination exceeds the amount of the penalty charge, the IR Operator shall pay difference beyond the amount of the penalty charge.

**(3) Termination due to the reasons attributable to the City**

- a. Reason for termination  
The IR Operator may terminate the Implementation Agreement if the City does not fulfill its material obligations under the Implementation Agreement for a certain period of time due to any reason attributable to the City, and if this causes the occurrence of any of the events stipulated in the Implementation Agreement, such as an event that significantly hinders the implementation of the Project by the IR Operator.
- b. Effect of termination  
In accordance with the provisions of the Implementing Agreement, the City shall compensate the IR Operator for any actual damages (excluding lost profits) incurred by the IR Operator as a result of the termination.

**(4) Termination due to Force Majeure**

- a. Reason for termination  
If the implementation of the Project becomes unfeasible due to Force Majeure, and if relevant requirements set forth in the Implementation Agreement are met, the City or the IR Operator may terminate the Implementation Agreement.
- b. Effect of termination  
Any damages incurred by the city and the IR Operator due to the termination shall be borne by each of them, and no compensation for damages shall be made mutually.

**(5) Termination due to Specific Regulation Changes, etc.**

- a. Reason for termination  
In the event that relevant requirements specified in the Implementation Agreement are met, such as when the implementation of the Project becomes unfeasible due to a change in laws and regulations that apply only to the Project (hereinafter referred to as "Specified Changes in Laws and Ordinances, etc."), the City or the IR Operator may terminate the Implementation Agreement in accordance with the provisions of the Implementation Agreement.
- b. Effect of termination  
Any damages incurred by the city and the IR Operator due to the termination shall be borne by each of them, and no compensation for damages shall be made mutually. In the case where the termination is caused by Specified Changes in Laws and Ordinances, etc., the City and the IR Operator shall consult with each other on the appointment of such damages.

**(6) Termination due to expiration of the certification of the IR Area Development Plan with no application for renewal made**

- a. Reason for termination  
In the event that the City does not apply for the renewal of the certification of the Area Development Plan pursuant to Article 10, Paragraph 3 of the IR Development Act, or applies for the revocation of the certification of the Area Development Plan pursuant to Article 35, Paragraph 1, Item 2 of the Act, and the Area Development Plan expires, the City or the IR Operator may cancel the Implementation Agreement in accordance with the provisions of the Implementation Agreement.

- b. Basic principle concerning the application for renewal of certification of the Area Development Plan  
The basic principle of the Project is that the IR business will be continued throughout the Project Term stipulated in Section I-8, given that the Project necessitates a long-term Project Term as a precondition.
- c. Procedure  
If an IR Business Evaluation Committee (tentative name) is established, the City plans to consult with the IR Business Evaluation Committee (tentative name) on such matters as the existence or non-existence of the following reasons, “(a)” to “(c),” in advance when deciding whether or not to apply for the renewal of the certification or revocation of the certification of the Area Development Plan.  
In the case where the City does not apply for renewal of the certification of the Area Development Plan or where it applies for revocation of the same Plan despite the lack of below reasons, “(a)” to “(c),” it will notify the IR Operator thereof five years in advance, considering its impact on local economy.  
The details of the above-mentioned procedure are described in the Implementation Agreement (draft).
  - (a) In the event of a breach by the IR Operator of the Implementation Agreement or in the case where it is obvious that non-performance of its obligations under the Implementation Agreement is irreparable
  - (b) If a breach or non-performance stipulated in the Basic Monitoring Plan occurs and, despite a corrective order given by the City to the IR Operator, if such breach or non-performance is not remedied.
  - (c) Other cases that fall under any of the reasons for termination specified in the Implementation Agreement (excluding termination due to reasons attributable to the City)
- d. Effect of termination  
In the case of cancellation due to this reason, the consequent approaches shall be as follows. However, in the event that the city does not apply for the renewal of the certification of the Area Development Plan or applies for the revocation of the certification of the Area Development Plan due to the reasons specified in c-(a) to (c), the descriptions in (a) to (d) below shall not apply, and the matter shall be handled according to the location of the attributable reason as specified in the Implementation Agreement.
  - (a) Continuation of non-casino businesses by the IR Operator  
If the IR Operator wishes to continue businesses excluding the casino business (hereinafter, the “non-casino businesses”), the City will approve it.
  - (b) Consultation  
Assuming the utilization of fixed assets owned by the IR Operator, the City will consult with the IR Operator on the treatment of its assets.
  - (c) Compensation for losses  
In accordance with the provisions of the Implementing Agreement, the City shall compensate the IR Operator for any damages (excluding lost profits) that ordinarily arise and are actually incurred by the IR Operator as a result of the termination.
  - (d) Others  
The damage incurred by the City or the IR Operator due to the termination for any reasons other than those specified above in (a) to (b) shall be borne by the respective party, and neither of them shall claim for damage mutually.

## **8. Treatment at the end of Project Term**

### **(1) Approaches at the end of Project Term**

When the Project Term ends, the City shall consider continuation of the IR Business through business succession, another round of public invitation etc., evaluating whether continuing the IR Business would contribute to the sustainable economic development of the City, its surrounding areas and Japan, whether it would help support the safe and secure lives of its residents, whether it would fully produce positive impacts expected from the IR, and whether initiatives and measures necessary for appropriately eliminating harmful effects resulting from the establishment and



operation of casino facilities would be adequately implemented. The IR Operator shall provide cooperation for smooth succession towards continuation of the IR Business through business succession or another round of public invitation and implementation of other businesses.

For extending the Project Term beyond the expiration of the Project Term, the procedures indicated in Section I-8-(3) shall be followed.

## **(2) Treatment of the assets owned by the IR Operator**

### **a. General ideas**

Regardless of whether IR Area development and IR Business continue, the City and the IR Operators shall consult in good faith to enable the fixed assets owned by the IR Operator to be effectively utilized, if possible, considering the service life of the facilities (such effective utilization may include, but not limited to a transfer to a third party, or IR Operator's business use of the facilities other than casino facilities as general commercial facilities).

If it is difficult to effectively utilize the fixed assets owned by the IR Operator despite the consultation between the City and the IR Operator, the IR Operator shall dismantle and remove the existing facilities (except those facilities that the City allows to remain), restore the project site to its original state, and return it to the City.

### **b. Treatment depending on specific reasons**

Treatment differs depending on reasons for the termination of the project. Specific treatment at the time of termination of the Project Term shall follow the procedures described below, and the details will be provided in the Implementation Agreement (Draft).

#### **(a) In the case of cancellation due to reasons attributable to the IR Operator**

The IR Operator shall dismantle and remove the existing facilities (except those facilities that the City allows to remain), restore the project site to its original state, and return it to the City. However, if the City deems it possible to effectively use the facilities including by continuing the IR Business through another round of public invitation and utilizing them for other businesses, the City and the IR Operator shall consult with each other towards enabling such approaches.

#### **(b) In the case of termination due to non-filing of application for renewal of the certification of the IR Area Development Plan etc.**

In the case of termination due to non-filing of application by the City for renewal of the certification of IR Area Development Plan or filing of an application for revocation of the certification of the same Plan without reasons indicated in Section VI-7-(6)-a-(a) to (c), the treatment shall follow the procedures indicated in Section VI-(7)-(6)-d.

#### **(c) In the case where the Project Term gets extended and the extended Project Term expires**

It is anticipated that the IR Operator dismantle and remove the existing facilities (except those facilities the City allows to remain), restore the project site to its original state, and return it to the City. The detailed business conditions shall be determined based on consultation at the time of extending the Project Term.

## **9. Consultations between financial institutions or lender groups and the City**

If the City deems it necessary for the stable and continual implementation of the Project over a long time, the City may consult with the financial institutions or loan syndicate that provide loans to the IR Operator and enter into direct agreements with the financial institutions or loan syndicate regarding the establishment of their security right in the IR Operator's assets by the lending financial institutions and changes of shareholders through the exercise of security right by the lending financial institutions and other relevant matters.

## 10. Development of the area surrounding the IR Area and improvement of the traffic environment, etc.

### (1) Initiatives and measures to be implemented by the City etc.

Initiatives, measures etc. to be implemented in the aim of facilitating appropriate development, maintenance and traffic environment improvement in the areas surrounding the IR Area are as follows.

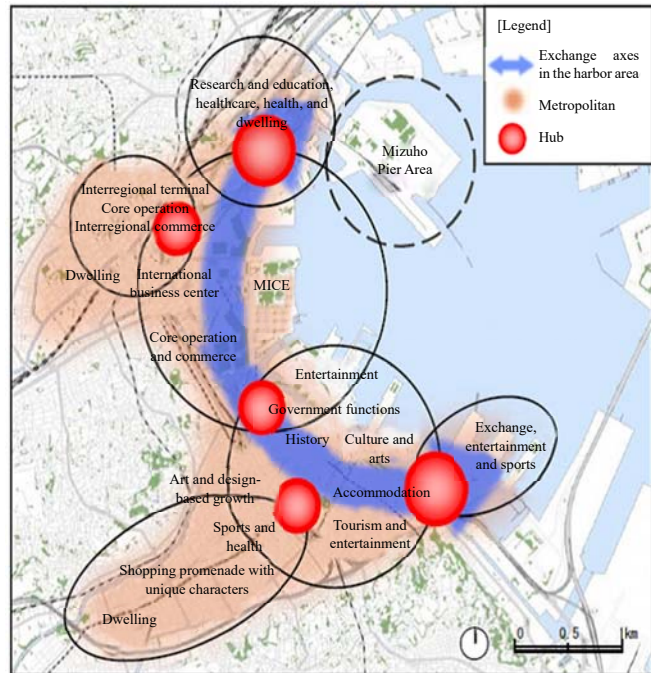
#### a. Development in surrounding areas

In the area surrounding Yamashita Pier, a major tourist destination in Yokohama, the local community and the local governments have been working on town development in collaboration with each other towards maintaining and further increasing the attractiveness of the area's unique townscape and landscape, formulating the district plan, architectural agreement, etc. indicated in Chart 8 The area around Yamashita Pier is one of the five districts of the urban coastal area as designated by the City in Yokohama City Master Plan for Revitalizing the Urban Coastal Areas. (Chart 9) In order to promote integrated urban development in the five districts and improve the attractiveness of the entire metropolitan waterfront area, cooperation and coordination will be provided towards integrating the existing city attractions and resources that have been built up to date with Yokohama IR. To this end, in the area surrounding Yamashita Pier, the ripple effects of the IR, such as the bustle of activity and the attraction of visitors, will be effectively sought. Also, measures for safety and security, including the maintenance of public order, will be considered.

[Chart 8: District plans for the surrounding areas, architectural agreement, etc. (excerpted from "Naka-ku Town Development Policy" in Yokohama City's Master Urban Plan; the Plan for Naka-ku)]



[Chart 9: Configuration of functions in the metropolitan coastal area; and an illustration of the layout of exchange axes and nodes (excerpted from Yokohama City's Master Plan for Revitalizing the Urban Coastal Area)]



b. Improvement of the traffic environment

The City plans to establish and improve the following facilities etc. to respond to an increase in visitors to Yamashita Pier. The details will be described in the Requirements.

(a) Improvements/establishment of facilities for automobile traffic

- Establishment of facilities enabling smooth automobile access to the IR Area that contribute to mitigating traffic congestion in its surrounding areas
- Improvement of roads in Yamashita Pier's surrounding area that will need to be addressed

(b) Improvements/establishment of facilities for improved pedestrian traffic

- Establishment of facilities for pedestrian access from the nearest train station

(c) Development of a harbor highway

- Consultation etc. with related agencies is being conducted towards prompt development of the harbor highway (from Honmoku Pier to Yamashita Pier and New Port Pier) as part of the Port of Yokohama Harbor Plan.

c. Supply of clean water and receipt of sewage water

The City will take measures necessary for supplying clean water and receiving sewage water. The details will be described in the Requirements.

**(2) Initiatives and measures to be implemented by the Public Safety Commission**

The initiatives and measures to be implemented by the Public Safety Commission are as follows.

- a. Securing of safety and smoothness of traffic and prevention of obstacles due to road traffic
- b. Implementation of traffic safety education
- c. Establishment of traffic safety facilities, etc. in the IR Area and its surrounding areas

**(3) Establishment of safety control facilities**

The City and Public Safety Commission, etc. will establish the following fire prevention and police facilities for the purpose of securing security and safety in the prospective IR Area. The sites for these facilities are anticipated to be excluded from the IR Area. The ideas concerning the sites for the establishment of the said facilities will be indicated in the Requirements.

- a. Fire prevention facilities  
Establishment of fire prevention facilities in response to the bustle of activity to be created in the metropolitan coastal area and the expanded functions of the port
- b. Police facilities  
Establishment of facilities for a range of police activities in the IR Area and its surrounding areas

#### **(4) Cooperation in town development in the metropolitan coastal area**

In implementing the Project, the IR Operator shall sincerely cooperate with the City and related parties while closely collaborating and coordinating with them. The details will be described in the Requirements.

### **11 Consensus building in the local communities**

#### **(1) Basic approach**

In implementing the development of the IR Area, a sufficient consensus must be built in the local communities based on gaining sufficient understanding and cooperation of a wide range of stakeholders regarding the significance of the establishment of the IR Area and the elimination of harmful effects associated with the establishment and operation of the casino facilities. Developing good relations with the local communities is an essential prerequisite for the stable and continuous implementation of the Project over a long period of time.

The IR Development Act requires the City to take measures necessary for reflecting residents' opinions to the Area Development Plan it intends to formulate, such as holding public hearings.

To this end, the City will actively utilize media such as PR Yokohama bulletins, pamphlets, and websites, as well as holding explanatory meetings and symposiums relating to the Project for residents, and will take every opportunity to proactively provide detailed information to promote understanding among a large number of residents.

The IR Operator and the Prospective IR Operator will work to build a consensus in the local communities in close cooperation and coordination with the City and actively cooperate in the initiatives the City implements for building consensus in the local communities so that the IR Project can be stably continued over a long time of period.

#### **(2) The Council**

The City will discuss, at the Council organized based on the IR Development Act, formulation and amendment of the Implementation Policy, selection of a Prospective IR Operator, preparation of the Area Development Plan, changes in the Certified Area Development Plan, reports on the status of the implementation of the Certified Area Development Plan, etc.

#### **(3) Public Safety Commission and the Prefecture**

In formulating and amending the Implementation Policy, preparing the Area Development Plan, and amending the Certified Area Development Plan, the City shall obtain prior consent from the Public Safety Commission for matters pertaining to measures and measures to be implemented by the Public Safety Commission and from the Prefecture for matters pertaining to measures and measures to be implemented by the Prefecture in accordance with the IR Development Act.

#### **(4) Public hearing etc.**

The City will hold public hearings and take other necessary measures to reflect the opinions of residents in accordance with the IR Development Act when preparing the Area Development Plan and amending the Certified Area Development Plan.

#### **(5) City Assembly**

The City must obtain a resolution of the City Assembly in accordance with the IR Development Act when applying for approval of the Area Development Plan and applying for amendment of the Certified Area Development Plan.

## **VII. Matters related to measures and policies to realize attractive stay-type tourism with high international competitiveness in Japan by promoting the development of Specified Complex Tourist Facilities Area utilizing the creativity of regions and vitality of the private sector through the utilization of the profits of the casino business**

### **1. Initiatives and measures for realizing stay-type tourism utilizing the profits to be generated from the casino business**

Fully recognizing the significance of the development of a Japanese-style IR towards realizing Japan's advanced tourism, Yokohama IR will develop an IR that meets the world's highest standards, integrating and fusing it with the metropolitan coastal area and innovate the region's tourism and economy. It will thereby make Yokohama a selected destination in the world and ensure further growth of Yokohama as an attractive city and sustainment of the enriched lives of Yokohama's residents. Furthermore, we will communicate to the world the attractiveness and culture of various regions of Japan as Japan's gateway, guiding visitors to various attractive tourist destinations in Yokohama, Kanagawa Prefecture, and Japan. We aim thereby to contribute to promoting Japan's tourism and economy and to improving its fiscal conditions.

To this end, the City will implement initiatives for promoting tourism and revitalizing its local economy in order to increase the effects of realization of the IR and maximizing the synergy effects between the IR and local economy.

The City requests the IR Operator to play a leading role, together with the City, in promoting tourism and MICE and closely cooperate with related organizations and private-sector business operators towards ensuring the attainment of the said goals.

- a. Working towards developing a selected destination in the world  
By developing an IR that meets the world's highest standards in Yokohama's urban coastal area that a wide range of customers can enjoy and want to come back to many times, we will innovate Yokohama's tourism and economy and greet visitors from throughout the world to Yokohama, a new place of port opening in the 21st century and make Yokohama a selected destination in the world.  
In cooperation with the Prefecture, local communities, related organizations, tourist facilities, etc., the City will promote overseas the attractiveness of local tourism, including the IR Area, as well as take measures to enhance the local environment for accommodating foreign visitors and prolonging their stay. The City requests the IR Operator to cooperate with the City in these initiatives.  
<Examples of initiatives>
  - (a) Development of a system for promoting tourism that consists of the City, related organizations, etc.
  - (b) Overseas promotion and sales based on the needs of targeted customers
  - (c) Development of the local environment for accommodating the safe and comfortable stay of foreign visitors and tourists  
(Multi-language services, Wi-Fi, cashless payment, highly convenient traffic environment, etc.)
  - (d) Identification and enhancement of tourism resources that lead to attracting customers from within and outside Japan and encouraging them to lodge in the City.  
(Including enhancement of tourism resources drawing on night-time contents, wellness tourism, and Japanese culture and arts)
  - (e) Creation of attractiveness and liveliness with events etc.  
(International cultural and artistic events, large-scale sport events, etc.)
- b. Make Yokohama Asia's leading MICE-oriented city  
We will develop a system to promote tourism and MICE by fully mobilizing Yokohama's resources, through collaborations between the MICE facilities of the IR that meet the world's highest standards and existing facilities such as Pacifico Yokohama, to work towards making Yokohama a leading MICE-oriented city of Asia.

The City will work to attract international conferences, world-scale exhibitions, trade fairs, conferences of global companies and various other companies, and incentive and study tours by companies to Yokohama IR, and will also work to revitalize the local economy by taking advantage of the MICE events. The City requests the IR Operator to cooperate with the City in these initiatives.

<Examples of initiatives>

- (a) Development of a system for promoting MICE that consists of the City, YCVB, Pacifico Yokohama, related organizations, etc.
- (b) Marketing and promotion for attracting MICE
- (c) Enhancement of after-convention activities, such as the development of attractive, unique venues and tour plans drawing on resources in the surrounding areas
- (d) Creation of legacy effects, such as the creation of new industries through interaction and collaboration between companies, with MICE events as a trigger for expanding local companies' business opportunities and business matching to attract investment.

c. Working towards becoming Japan's gateway

In order for Yokohama IR to become a gateway to Japan as a hub for exchanges between the world and various parts of Japan, we will use the latest technology to showcase and communicate the attractiveness of tourism in Japan, such as traditional culture and the rich natural environment and create a new golden route in Japan that will connect the attractive tourism resources of various regions and lead to the rediscovery of Japan's attractions.

To this end, in cooperation with the prefecture, local communities, related organizations, tourist facilities, etc., the City will implement initiatives that encourage many foreign and other visitors and tourists to have circular tours in Yokohama and Kanagawa Prefecture and to visit various other regions of Japan. The City requests the IR Operator to cooperate with the City in these initiatives.

<Examples of initiatives>

- (a) Development of collaborative and cooperative relationships with other tourist destinations (municipalities, DMO, etc.)
- (b) Development of inter-regional tourist routes connecting attractive tourism resources in various parts of Japan
- (c) Development and sale of packaged tours and other travel plans

## **2. Use by the IR Operator of the profits from the casino business for developing IR facilities, improving the IR Project's businesses, and helping the City implement initiatives**

### **(1) Basic approach**

- a. Article 15, Paragraph 3 of the IR Development Law provides for the use of profits from the casino business for the development of IR facilities, the improvement of the IR Project's businesses, and for the initiatives that the City will implement under the Certified Area Development Plan (hereinafter, "Reinvestment and Local Contribution").
- b. The purpose of this provision is that, in order to achieve the public interest required of the Project, the profits from the casino business must be adequately used to develop new facilities and update existing facilities that are necessary in the IR Area and enhance the IR Area's attractions and international competitiveness to attract many tourists from throughout the world by cooperating with the City etc. in implementing initiatives under the Certified Area Development Plan, given that the casino business is permitted specially for the purpose of establishing an IR Area. The IR Operator shall, based on this purpose, make reinvestment and local contributions.
- c. Regarding the use by the IR Operator of the profits from the casino business, obligations of the IR Operator shall be stipulated in the Implementation Agreement, etc. based on the proposal to be made by the Applicant. However, in the event that it is difficult to implement the initially proposed content due to unavoidable reasons such as changes in socioeconomic conditions that cannot be assumed at the outset, consultations shall be held.

- d. Given that the casino business is specially permitted for the purpose of promoting the development of the IR Area, the IR Operator shall use the profits from the casino business for reinvestment and local contributions based on the results of the evaluation by the Minister of Land, Infrastructure, Transport and Tourism pursuant to Article 37, Paragraph 1 of the IR Development Act.
- e. The IR Operator shall make sufficient reinvestment and local contributions in light of its investment capacity.
- f. In regards to the IR Operator's obligations stipulated above in "c," applicable standards etc. will be reviewed at the time of the update of the Certified Area Development Plan etc., based on the statuses of utilization, business, etc.

**(2) Examples of reinvestments and local contributions**

Shown below are examples of reinvestments and local contributions using the profits from the casino business that the IR Operator is required to make.

- a. Capital expenditure for developing/improving IR facilities
- b. Expenditure for updating or adding contents being provided at the IR facilities
- c. Personnel, advertising and other expenditure related to "a" and "b" indicated above.
- d. Enhancement of measures for eliminating harmful effects associated with the establishment and operation of casino facilities
- e. Payment of part of the cost to be incurred by the City for implementing initiatives in relation to the Certified Area Development Plan--such as development and improvement of areas surrounding the IR Area, initiatives necessary for improving the IR Area including its traffic environment, initiatives necessary for appropriately eliminating harmful effects associated with the establishment and operation of the casino facilities--as part of its cooperation in them

**(3) Accumulated fund for the purpose of reinvestment and local contributions**

Given that the IR Operator does not necessarily incur expenditure for reinvestments and local contributions every year at a constant level and might incur such expenditure systematically once in multiple years, it is allowed to save part of the profits from the casino business in an accumulated fund for future expenditure to be incurred in the following years.

**(4) Indication of reinvestments and local contributions in the Area Development Plan**

In preparing the Area Development Plan, the IR Operator is required to indicate that it will use the profits from the casino business for the purposes of improving the Project's business activities and of cooperating with the City in undertaking initiatives that the City will implement in relation to the Area Development Plan.

**(5) The IR Operator's accountability for reinvestments and local contributions**

When the Minister of Land, Infrastructure, Transport and Tourism evaluates the status of the implementation of the Certified Area Development Plan every fiscal year, the IR Operator is required to fulfill its accountability specifically for the use of the profits generated from the casino business in the relevant fiscal year for the improvement of IR facilities and business activities of the Project, as well as for cooperation with the City in undertaking the initiatives that the City implements in relation to the Certified Area Development Plan based on the policy stated in the Area Development Plan in advance and the results of the evaluation.

**(6) Disposal of the profits such as an appropriate level of dividend**

Given that the Project is undertaken by a private-sector business operator, the IR Operator is allowed to pay dividends etc. at an appropriate level for the purpose of developing an attractive IR Area utilizing the private-sector's capabilities.

### **(7) Evaluation by the City of the status of implementation**

The City may request the IR Operator to report on its achievements every year and when necessary in regards to the status of implementation of its reinvestments and local contributions. Upon receiving such report, the City will evaluate the status of implementation.

### **(8) Evaluation by the Minister of Land, Infrastructure and Transportation of the status of implementation of reinvestments and local contributions utilizing the profits from the casino business**

For the purpose of realizing internationally competitive, attractive stay-type tourism, contributing to the promotion of tourism and local economy, and helping improve the fiscal condition with the establishment of the IR Area that utilizes the profits from the casino business and draws on the region's originality and ingenuity as well as the private-sector's capabilities, it is necessary to check and review the status of the implementation of the Certified Area Development Plan. To this end, the Minister of Land, Infrastructure and Transportation evaluates the status of implementation of the Certified Area Development Plan every fiscal year based on the provisions of Article 37, Paragraph 1 of the IR Development Act.

Every fiscal year's evaluation of the status of the implementation of the Certified Area Development Plan includes the evaluation of the status of initiatives being implemented based on the Certified Area Development Plan and the status of achievement of the targets. It shall be noted that, in particular, the use of the profits from the casino business will be evaluated taking into consideration explanations etc. to be given by the City and the IR Operator regarding the statuses of IRs in and outside Japan and based on a comparison with similar companies in Japan. The following perspectives will be considered.

- a. Whether necessary reinvestments and local contributions are made to ensure the Project's achievement of the public interest
- b. Whether the IR Operator is making sufficient reinvestments and local contributions compared to its investment capacity

### **(9) Respond to the results of the evaluations by the City and the Minister of Land, Infrastructure, Transport and Tourism**

The IR Operator shall appropriately respond to the results of the evaluations to improve the business operations related to the Certified IR Area Development such as reflecting the results of the evaluations by the City in (7) above and the evaluation by the Minister of Land, Infrastructure, Transport and Tourism in (8) above into the basic plan of the Project and the plan of the Project in a timely manner.

## **3. Certified payment to the prefecture etc. and payment of certified payment of admission fees to the prefecture etc.**

### **(1) Basic approach**

- a. Certified payment to the prefecture etc.  
The IR Development Act and the Basic Policy stipulates that the amount of expenditure equivalent to the amount of the certified payment to the prefecture etc. shall be allocated to cover the necessary cost of the following initiatives.
  - (a) Initiatives contributing to the promotion of tourism (including initiatives for promoting the establishment of the IR Area)
  - (b) Initiatives contributing to the promotion of the local economy
  - (c) Other initiatives to be implemented for the purpose of achieving the purpose stipulated in Article 1 of the IR Development Act and of performing its responsibility as a related municipality stipulated in Article 4 of the same Act (including initiatives necessary for improving fiscal conditions and appropriately eliminating harmful effects associated with the establishment and operation of the casino facilities).
  - (d) Initiatives contributing to social welfare



- (e) Initiatives contributing to the promotion of culture and arts
- b. Certified payment of admission fees to the prefecture etc.
  - The Basic Policy mentions that it is desirable to allocate the fund from the certified payment of admission fees to the prefecture etc. to the following initiatives and measures.
  - (a) Initiatives and measures for promoting the establishment of the IR Area
  - (b) Initiatives and measures necessary for appropriately eliminating harmful effects associated with the establishment and operation of casino facilities

## **(2) The City's approach**

The City will use the fund from the certified payment to the prefecture etc. and the certified payment of the admission fees to the prefecture etc. for enhancing and creating tourism resources in the metropolitan coastal area, improving the traffic environment, appropriately eliminating harmful effects associated with the establishment and operation of the casino facilities, in the aim of realizing an internationally competitive, stay-type tourism based on the IR Development Act and the Basic Policy.

In addition, in utilizing the said fund, the City places a priority on securing enriched, secure and safe livelihood of its residents, such as covering the expected decrease in tax revenue and fiscal deficit and enhancing initiatives in such areas as welfare, childcare, healthcare, education, and renewal of public facilities.

## **VIII. Matters related to initiatives and measures necessary for appropriately eliminating harmful effects associated with the establishment and operation of casino facilities**

### **1. Basic approach**

Towards realizing Yokohama IR, the City will steadily implement initiatives to address various concerns in accordance with the IR Development Act established by the national government, an act that is regarded as legislation that meets the world's highest standards.

The IR Development Act stipulates the responsibility of the national government and the related local governments to develop and implement necessary measures for appropriately eliminating harmful impacts associated with the establishment and operation of casino facilities. Based on this principle, the City, the national government, the Prefecture, the Public Safety Commission, the Prefecture Police, the IR Operator, related organizations and all other stakeholders must closely collaborate, cooperate, and perform their respective roles in accordance with the IR Development Act and other related laws and ordinances.

Furthermore, considering the residents' concerns about security conditions, addiction, etc., all the stakeholders shall work in unity to develop Yokohama's safety and security model by learning from excellent precedents and based on Yokohama's present situations so that anybody can visit Yokohama IR with a sense of security.

The IR Operator shall cooperate in initiatives that the City etc. implements, fully leveraging its originality, ingenuity, and knowhow.

### **2. Countermeasures against gambling addiction**

In regards to gambling and other addictions, we will comprehensively address the issue of addictions, including other addictions such as alcohol and drug addictions, based on the IR Development Act, Basic Act on Measures against Gambling and Other Addictions, Kanagawa Prefecture's Plan for Enhancing the Measures against Gambling and Other Addictions (tentative name), other related laws and ordinances, and the City of Yokohama's Plan for Supporting Local Communities and Taking Measures against Addictions (tentative name).

#### **(1) Comprehensive approach to addressing addictions**

In implementing measures for addressing gambling and other addictions, we will implement a comprehensive approach to addressing addictions, including alcohol and drug addictions, in cooperation with related agencies and organizations. Furthermore, we will work to raise awareness about gaming disorder, internet addiction, and other new types of addictions.

Also, we will consult with Yokohama City University, which has a medical school, towards having it play significant roles not only in terms of medical care but also research and human resources.

- a. Support for healthcare workers and development of a cooperative system with Yokohama City University
- b. Support for consultation for patients of addictions, cooperation between the consultation desk for people with financial difficulties and the addiction consultation desk, and training for the staff engaged in support work
- c. Implementation of proactive awareness-raising activities among residents, utilizing a range of public communication means and taking advantage of various opportunities such as an awareness-raising week
- d. Establishment of a cooperative system between the government, related agencies, civil organizations, etc., formulation of a local support plan (tentative) that serves as a guideline for the City's approach to addressing addictions, and support for civil organizations' activities

## **(2) Preventive education**

Provision of education about addictions as part of the senior high school's health and physical education; implementation of raising awareness among children and youth to prevent gaming disorder, internet addiction, and other new types of addictions

## **(3) Joint research with business operators, research and other specialized institutions**

Consideration of effective measures to address addictions based on the analyses and utilization of research results conducted by the national government and based on joint research with business operators, specialized institutions, etc.; consultation with Yokohama City University towards having it play significant roles in research as well.

## **(4) Surveys for understanding the actual situations**

Implementation of periodic surveys on the actual situations of addictions, utilization of the results of surveys concerning support for patients of addictions and of related surveys, and evidence-based policy making (EBPM) for enhancement and improvement of the project

\*The Prefecture formulated the "Kanagawa Prefecture's Plan for Implementing Measures against Gambling and Other Addictions (tentative name)" in FY2020 to implement initiatives, preventive education, awareness raising, consultation support, improved medical service provision, and recovery support in cooperation with the City.

## **3. Crime prevention and maintenance of good culture and clean environment**

Taking into consideration the location of commercial facilities, downtown areas, residences, schools, etc., in the IR Area and surrounding areas, as well as the fact that there are many visitors from within and outside Japan, the City will appropriately cooperate with all related parties to strengthen crime prevention systems, ensure information sharing and communication systems not only in the event of a crime but also in normal times, ensure cooperative systems for crime prevention drills, ensure communication systems for the exclusion of organized crime groups, and regulate special businesses related to the sex industry, making every effort to prevent crimes, maintain order, and preserve good culture and a clean entertainment environment.

### **(1) Initiatives and measures to be implemented by the City for preventing crimes and maintaining good culture and clean environment**

- a. Securing a system for information sharing and communication with the Public Safety Commission, the Prefecture Police, the IR Operator, the Prefecture, the national government, and local communities
- b. Instructions to the IR Operator concerning crime prevention and security system etc.
- c. Strengthening the crime prevention system, including installation of security cameras in the IR Area's surrounding areas
- d. Strengthening patrols in the IR Area's surrounding areas

### **(2) Initiatives and measures to be implemented by the Public Safety Commission for preventing crimes and maintaining good culture and clean environment**

- a. Securing a system for information sharing and communications with the Prefecture, the City, the IR Operator, and local communities
- b. Implementation of measures for establishing an appropriate crime prevention environment
- c. Advice and guidance for voluntary security activities
- d. Prompt and appropriate responses to occurrence of crimes
- e. Promotion of community security activities in the IR Area and its surrounding areas
- f. Advice and guidance for the IR Operator concerning cyber security
- g. Implementation of measures for maintaining good culture and clean environment

- h. Scrutiny on and implementation of measures for excluding organized crime groups and other antisocial forces
- i. Implementation of countermeasures against money laundering
- j. Advice and guidance for the IR Operator concerning various security measures
- k. Anti-terrorism measures based on public and private sectors' integral efforts

#### **4. Healthy development of youth and children**

Considering the locations of commercial facilities, downtown areas, houses, schools etc., we will make every effort for securing healthy development of youth and children, such as appropriately undertaking awareness-raising activities for addiction prevention among students and residents in the surrounding areas and protecting the youth in the IR Area and surrounding areas and fostering the development of them.

##### **(1) Initiatives and measures to be implemented by the City for the healthy development of youth and children**

- a. Preparation and appropriate implementation of preventive education against addictions, including gambling addiction, as part of the health and physical education curriculum of the City's public senior high schools, which will begin in FY2022.
- b. Raising awareness about addictions among teachers, etc.
- c. Awareness-raising activities contributing to the prevention of youth's and children's addictions, including gaming disorder and internet addiction
- d. Provision of knowledge contributing to addiction prevention to adults involved in the development of youth and children
- e. Strengthening patrols in the IR Area's surrounding areas

##### **(2) Initiatives and measures to be implemented by the Public Safety Commission for the healthy development of youth and children**

- Promote measures to protect the youth from the behaviors that hinder their healthy growth, etc.

## **IX. Other matters necessary for the implementation of the project**

### **1 Integrity of the Project**

The Japanese-style IR requires to realize the public interest by making Japan an “advanced tourism country” on the premise of using the world’s highest level of strict regulations. Therefore, related parties such as the IR Operator and city official who embody the “public interest” shall be conscious of the high standards and responsibilities that are inextricably linked to the “exceptional privileges” and to ensure a high degree of integrity.

In order to ensure fairness and transparency of this Project, the City has stipulated regarding "Handling of the Integrated Resort (IR) business operators " with which the city official related to this Project will comply. When recruiting and selecting the Prospective IR Operator, further contact rules will be established to ensure integrity of the Project.

### **2 Cancellation of the Proposal**

If the City deems it inappropriate to implement the Project, it may cancel the Proposal even after the commencement of the Public Invitation process, without selecting a Prospective IR Operator.

In such case, the City shall publish such information on the City’s website and by other appropriate means.

### **3 Provision of information**

Information on the Project will be provided through the following website as appropriate.

The City’s website

<https://www.city.yokohama.lg.jp/city-info/seisaku/torikumi/IR/RFP.html>

