

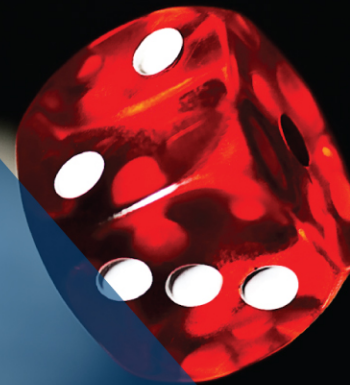


MITIGATION

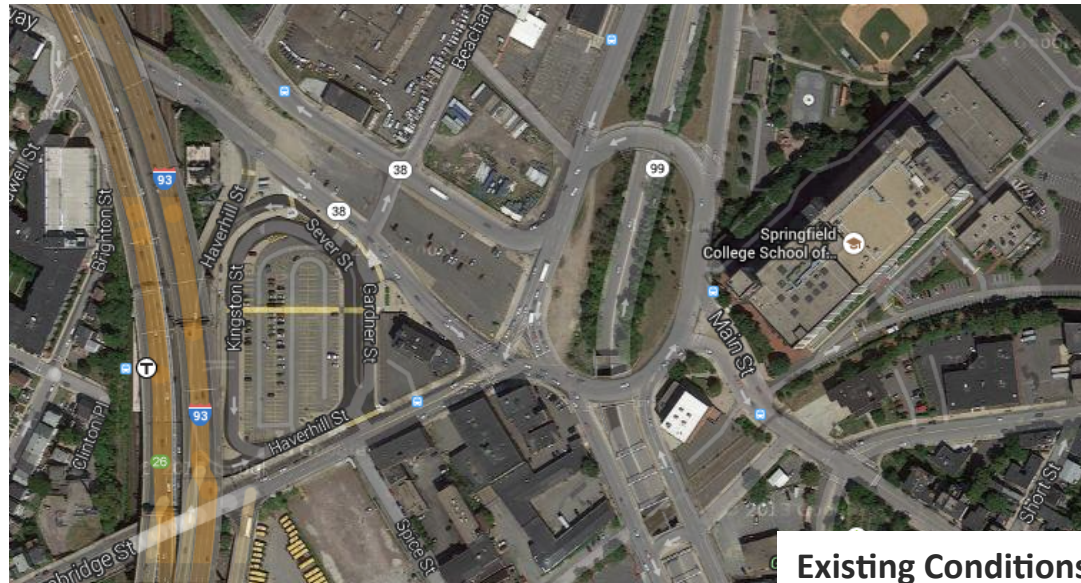
COMMISSIONER GAYLE CAMERON

CATEGORY 1 – RECOMMENDED CONDITIONS

SEPTEMBER 9, 2014



BACKGROUND INFORMATION



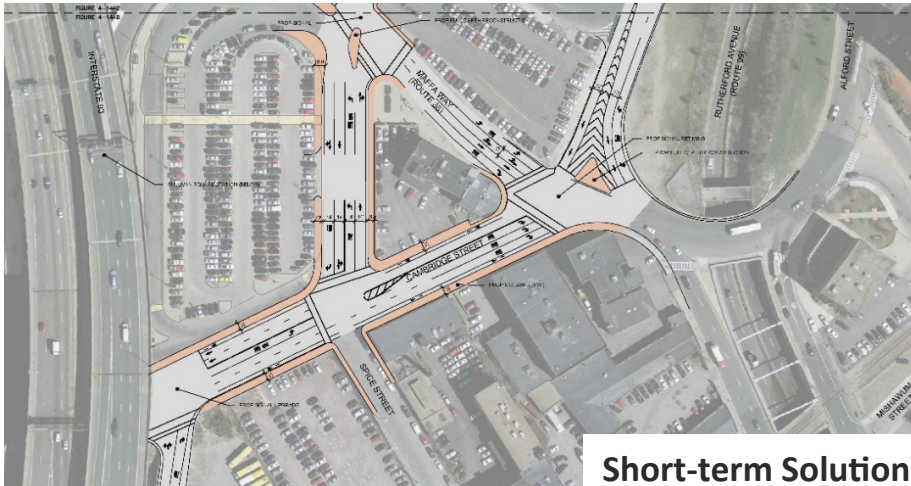
- Current short-term solution (Final EIR) is not adequate to mitigate casino traffic in Sullivan Square;
- Full short-term mitigation should be accomplished through further physical improvements and/or reductions in casino traffic;
- There are limitations to the extent and effectiveness of additional physical improvements (e.g. lanes, signals) noted by MassDOT and MAPC;
- A long-term solution is under development by the City of Boston to improve Sullivan Square;
- The long-term solution is unfunded and estimated to cost in excess of \$100 million; and
- To be clear, long and short-term mitigation must emphasize traffic reduction in addition to physical improvements.

BEST AND FINAL OFFER CONDITIONS

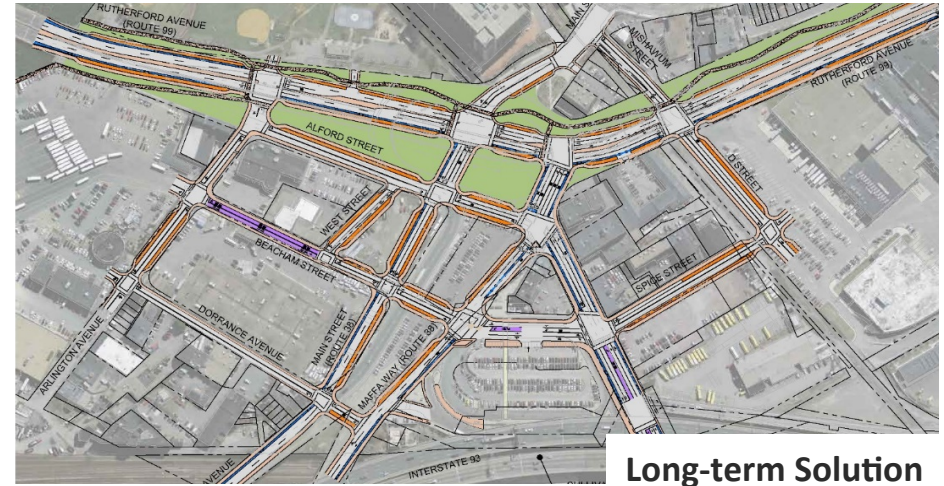
The Draft Conditions incorporate elements from the Best And Final Offer (BAFO) Wynn made to Boston including:

- A \$750,000 upfront payment and \$1 million annual payments for public safety needs;
- A \$250,000 upfront payment and \$1 million annual payment for traffic improvements;
- A \$250,000 annual water transportation payment;
- A \$350,000 annual community mitigation payment;
- Wynn shall use good faith efforts to purchase goods and services from Boston businesses of at least \$15 million annually;
- Wynn shall use cross-marketing to promote Boston businesses and attractions;
- Wynn shall use good faith efforts to create a Boston construction and operations hiring preference;
- Wynn shall support Boston funding requests for problem gaming; and
- Wynn shall reimburse Boston's reasonable consulting costs related to impacts.

CONDITION: TRAFFIC MITIGATION AT SULLIVAN SQ



Short-term Solution



Long-term Solution

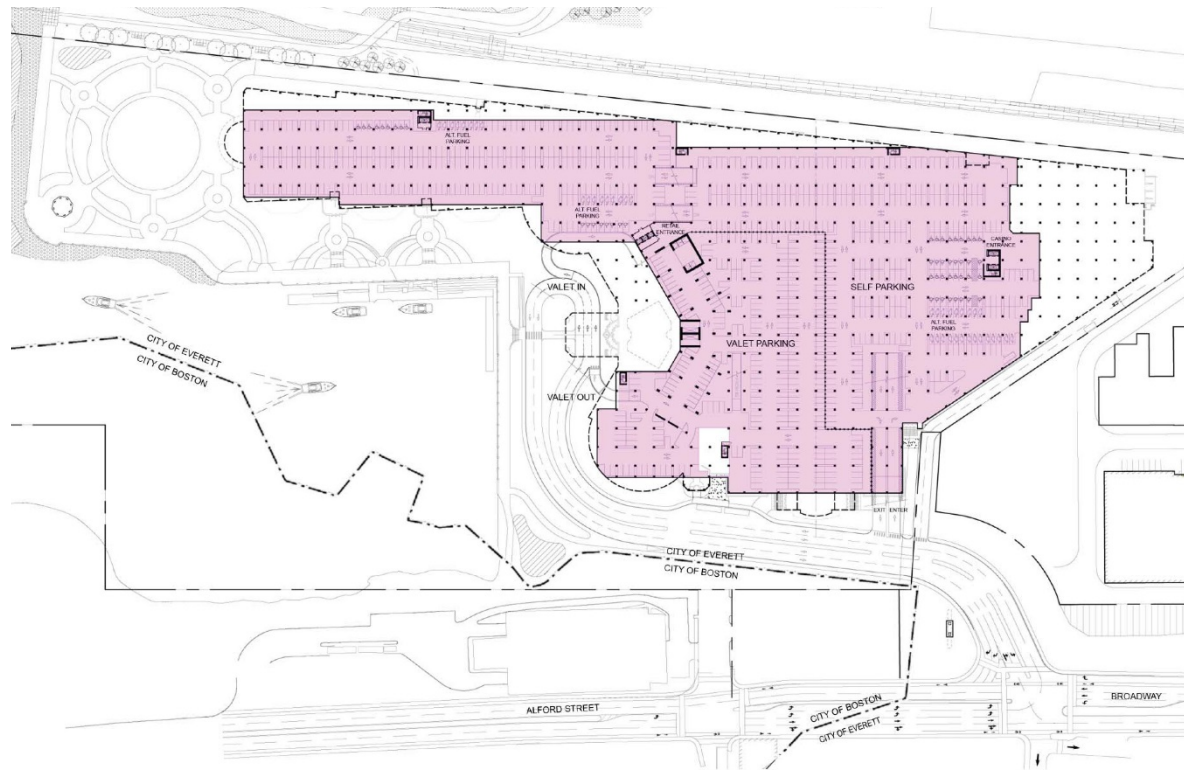
- Wynn to pay 10% of the costs of a long-term Sullivan Square Rutherford Avenue Plan provided that it is designed to accommodate casino traffic;
- The 10% is the projected amount of traffic from the casino during the Friday peak hour;
- The 10% is capped at \$20 million reflecting that the cost of the long-term solution may grow more than the current estimate of \$100 million;
- The 10% is *in addition* to the \$1 million annual transportation payment specified in Wynn's BAFO;
- Each year Wynn to pay \$20,000 for each vehicle trip above the number of peak hour vehicle trips determined through the City of Boston's roadway improvements permit process;

For example, if Wynn's peak hour traffic exceeds approved estimates by 200 vehicles, Wynn would have to pay an additional \$4 million annually (\$20,000 x 200 vehicle overage).

However, if Wynn is successful in not exceeding traffic projections, such annual payments may not be required.

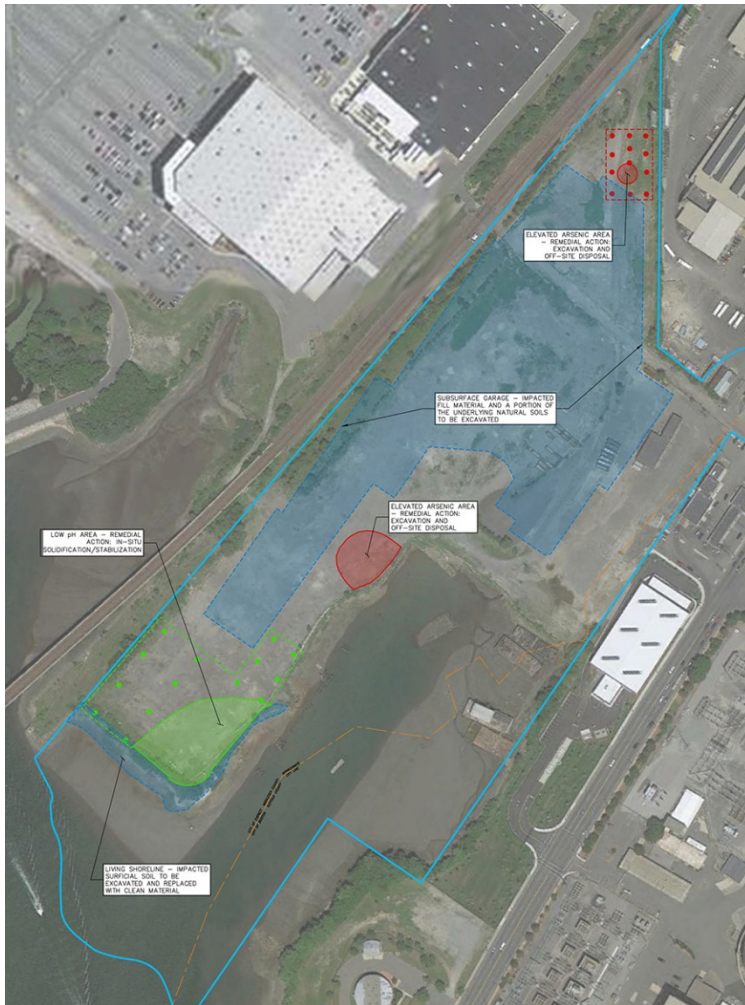
- Wynn may petition the Commission to refund any unused funds if the long-term solution is not commenced within 10 years of the casino opening.

CONDITION: PARKING



- Prepare a report for review by the Commission identifying the appropriate number of parking spaces in the underground garage on the site;
- Submit the draft report to the Commission not later than 30 days after award of a license.

CONDITION: COMMUNITY OUTREACH & SITE CLEAN-UP



Charlestown Community Outreach:

- Wynn shall engage in community outreach to Charlestown and report to the Commission on such outreach.

Site Clean-up:

- Implement a public participation program per Massachusetts Contingency Plan (MCP) regulations 310 CMR 40.0000;
- Have a draft plan in place not later than 30 days after award of license; and
- Include public officials in Everett, Boston and Somerville and interested parties in Charlestown in the initial mailing list.

CONDITION: LOOK BACK STUDY

Other mitigation may be required as a result of a look back provision similar to that adopted by MGM, Penn National and Wynn's Agreement with the City of Malden:

- Wynn is required to pay for an independent study of specified impacts during the construction period, the year after operation, and 5 years after operation;
- Upon the issuance of the report, Wynn is required to work with the City of Boston to determine appropriate mitigation and then proceed to arbitration, if necessary; and
- The look-back will apply to public safety impacts; non-Rutherford Avenue/Sullivan Square related traffic impacts; water, sewer, or storm water impacts; construction noise impacts; and Ryan Park construction and traffic impacts.

SAMPLE ESTIMATE OF TRANSPORTATION PAYMENTS

Short-term Solution (Wynn estimate)	\$6 million
\$1 million / year for 15 years (Wynn BAFO)	\$15 million
Traffic Reduction Incentive Payment (sample calculation by MGC)	
Sample Overage = 0 - 200 vph x \$20,000/car x 10 years	\$0 – \$40+ million (variable)
Long-term Solution (10% of \$100 – \$200 million (capped amount))	\$10 – \$20 million (variable)
Total	\$31 – \$81 million (variable)

Variation depends on:

1. Estimated cost of short-term solution;
2. Actual traffic reductions compared to Boston permitted numbers; and
3. Estimated cost of long-term solution.

SAMPLE OF MITIGATION PAYMENTS

Transportation Payments:	\$31 - \$81+ million
Other Mitigation Payments: \$1.6/year x 15 years =	\$24 million
Look Back Provisions:	\$TBD
Total Mitigation Payments:	\$55 - \$105+ million +Look Back Provisions

Note: based on 15 year license term

WYNN/BOSTON ABILITY TO NEGOTIATE

The conditions reaffirm that Wynn and the City of Boston can negotiate an alternative to those just outlined.