

Mike Mathis

President - MGM Springfield



An MGM Resorts
Luxury Destination

SUMMARY

- 1 Evolving Design
- 2 Update to Host Community
 - Design
 - Construction
 - Project Costs / Other Commitments
- 3 Historical MOA
- 4 Section 61 Update
- 5 Conclusion

1 EVOLVING DESIGN



An MGM Resorts
Luxury Destination

DO YOU RECOGNIZE THIS HOTEL?



BELLAGIO



MGM GRAND EVOLUTION



Original



Current

DESIGN REFINEMENT TIMELINE

Ref	Date	Agreement	Approximate SF
1	1/3/13 - 5/14/13	Springfield Host Community Agreement	850,000
2	12/16/13 - 2/7/14	Draft Environmental Impact Report	881,691
3	12/27/13 - 6/13/14	RFA2 – MGC	893,961
4	11/6/14 - 12/31/14	Final Environmental Impact Report	881,691
5	10/15/15	MEPA – Notice of Project Change	759,157
6	10/19/15	City of Springfield Site Plan Submission ⁽¹⁾	766,868

Notes:

(1) The 7,711SF variance from the Notice of Project Change represents Food and Beverage/ Terrace Seating Areas already factored into visitation under the NPC.

“While there are many examples of casinos located in urban environments, the level of integration that has been incorporated in MGM’s project plan can be considered ambitious. MGM has acknowledged that their Springfield plan is complex and entails a level of integration that they have not implemented in the past and that their plan will likely require modifications as it advances through the development process.”

Massachusetts Gaming Commission

RFA-2 Application Review

Category 1 License for Casino: Region B—MGM Springfield

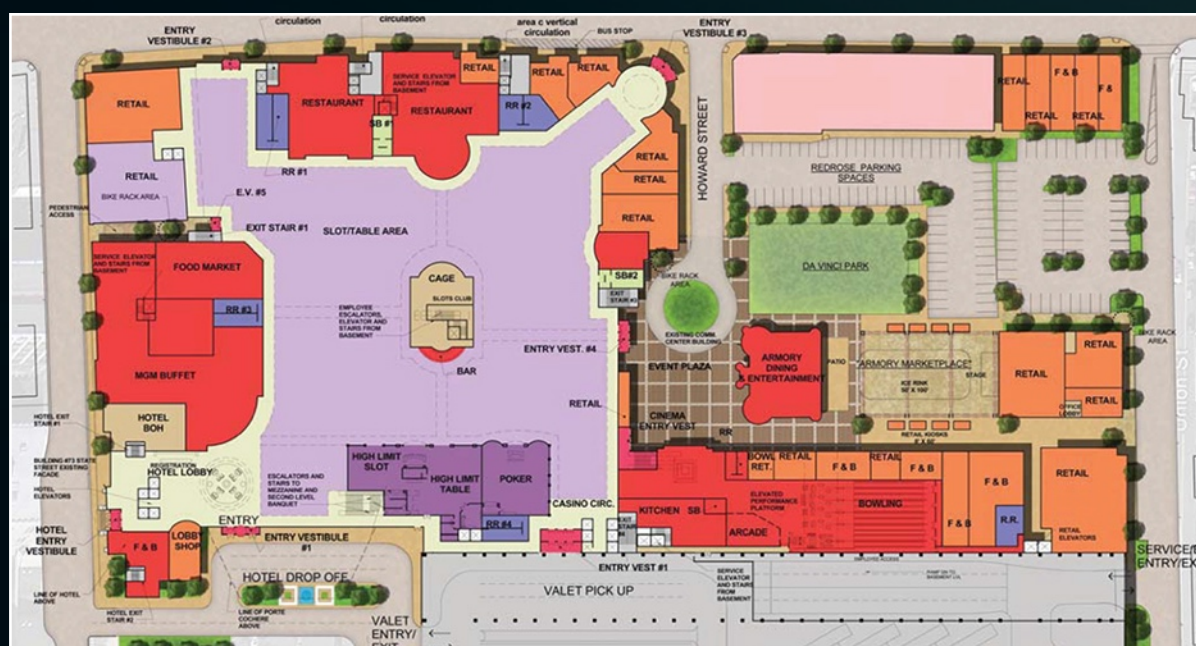
Report to the Commissioners for: Category #2—Finance

(Page 6)

DESIGN REFINEMENT TIMELINE PLANS



Springfield Host Community Agreement



**MEPA - DEIR / FEIR
RFA2 - MGC**



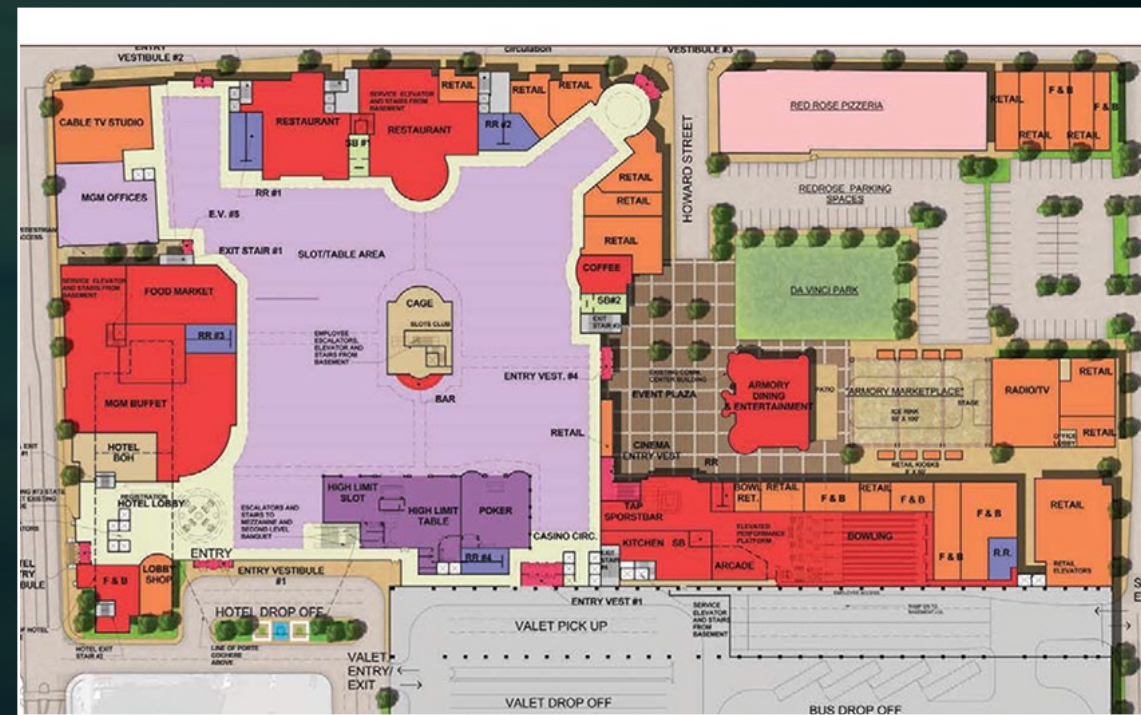
Current Plan

UNDERSTANDING THE HOST COMMUNITY BASELINE

1



HCA Agreement



RFA2 Plan

2



HCA Agreement



Current Plan

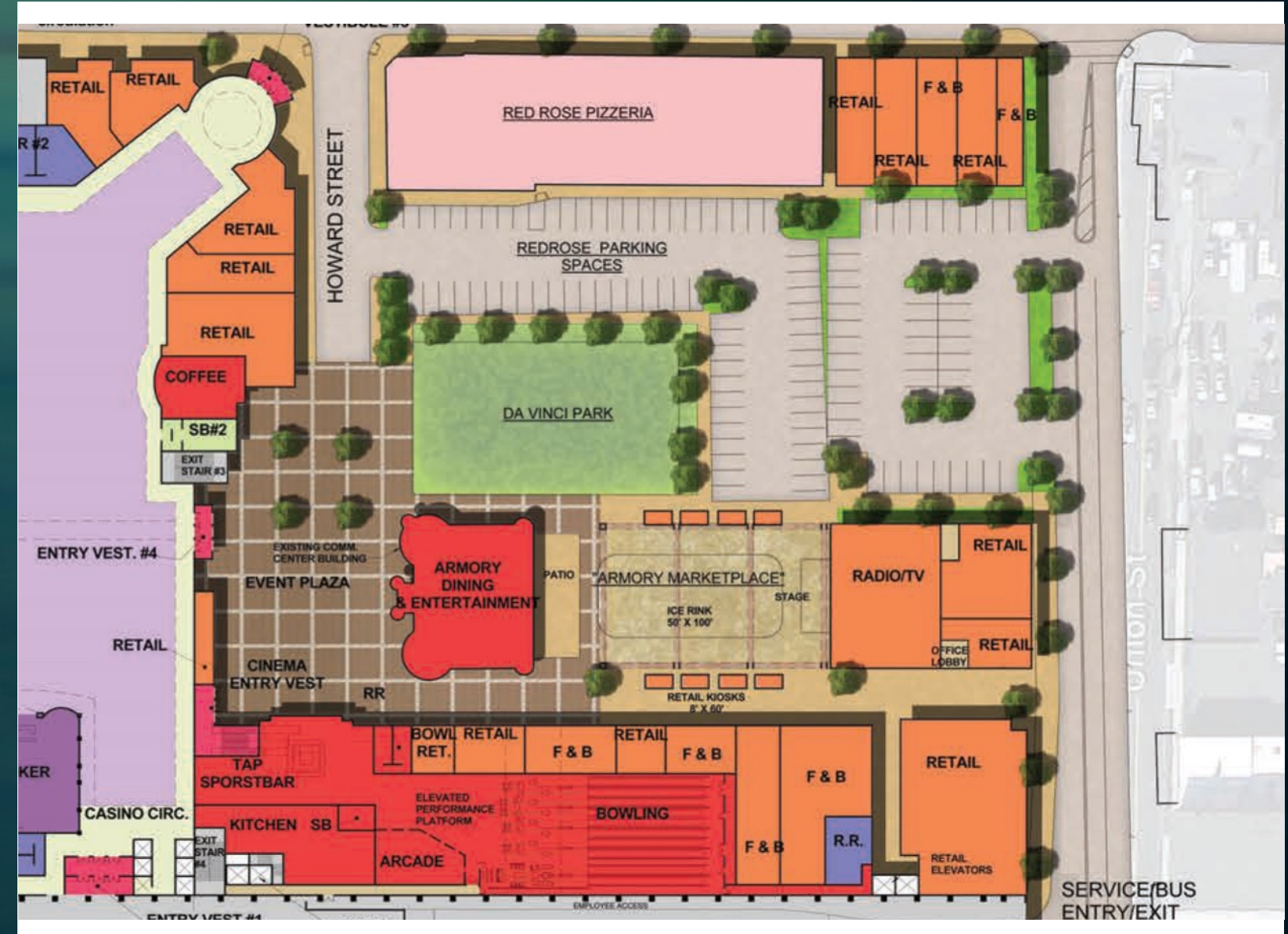
RFA2 RECONCILIATION WITH HCA

- Casino Block relatively the same between RFA2 and HCA
- Entertainment Block expanded in RFA2
 - Radio/ TV included in RFA2
 - Union St. Market
 - Retail included in multiple levels in RFA2
 - Bowling was 22,000 SF in RFA2 compared to 18,000 SF in HCA

ENTERTAINMENT BLOCK COMPARISON



Host Community Agreement



RFA2

DESIGN REFINEMENT - ENTERTAINMENT BLOCK



RFA2



Current Plan



Current Plan



Current Plan

2 UPDATE TO HOST COMMUNITY

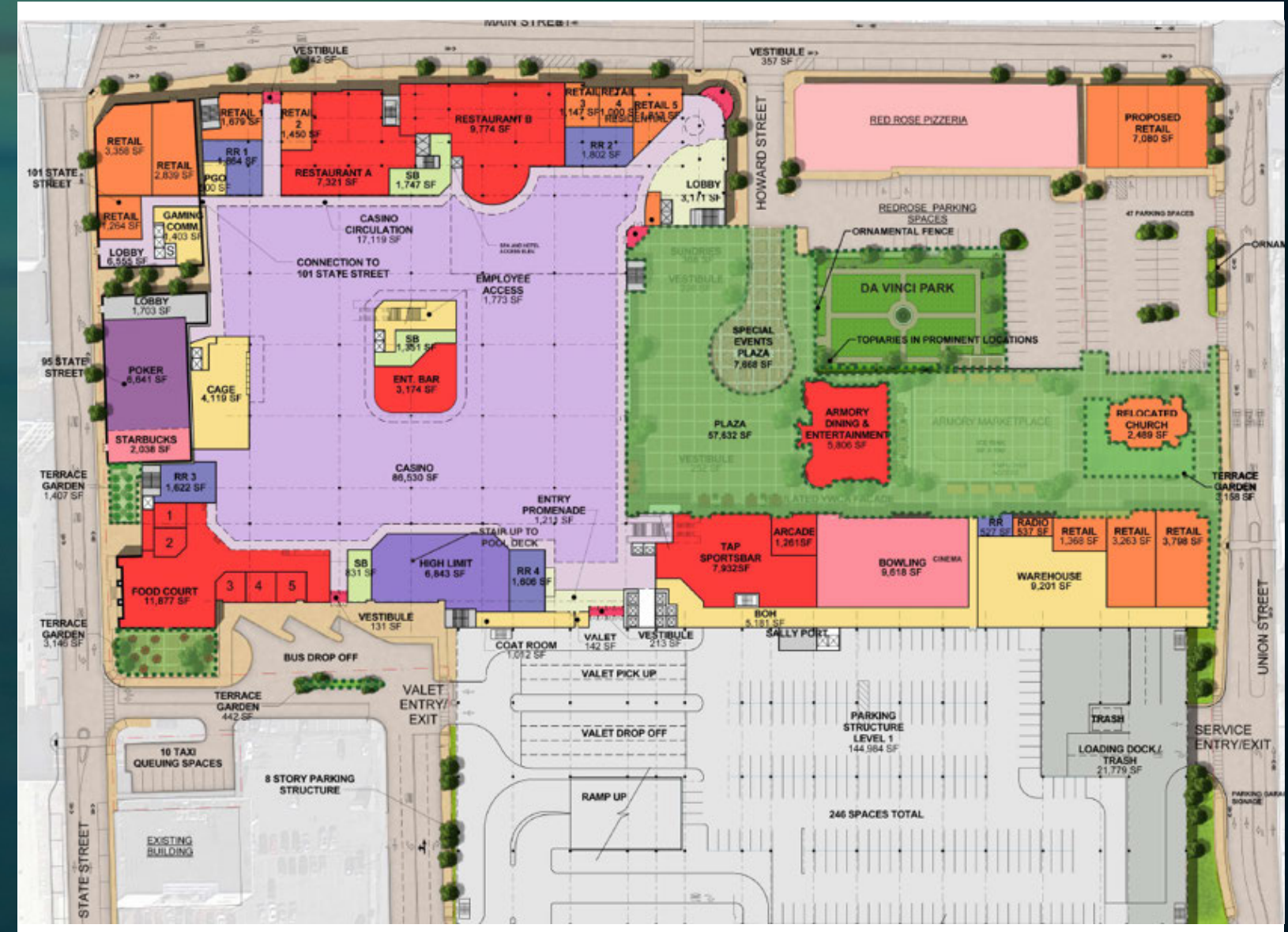


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MGM SPRINGFIELD



Host Community Agreement



Current Plans

HCA SUMMARY

	Project Element	Square Foot Increase/Decrease	Percentage Increase/Decrease
1	Residential relocated offsite.	200	0.02%
2	Hotel relocated along Main Street.	(18,243)	(2.15%)
3	Operations including Back of House. 95 State saved. Basement eliminated.	(59,968)	(7.06%)
4	Entertainment/ Other Amenities. Bowling reduced from 15 to 10 lanes.	(4,448)	(0.52%)
	Total	(82,459)	(9.71%)

UPDATE TO HOST COMMUNITY RESIDENTIAL



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Luxury Destination

MGM Springfield: Market rate housing will move to former School Department building

- MASSLIVE
October 5, 2015

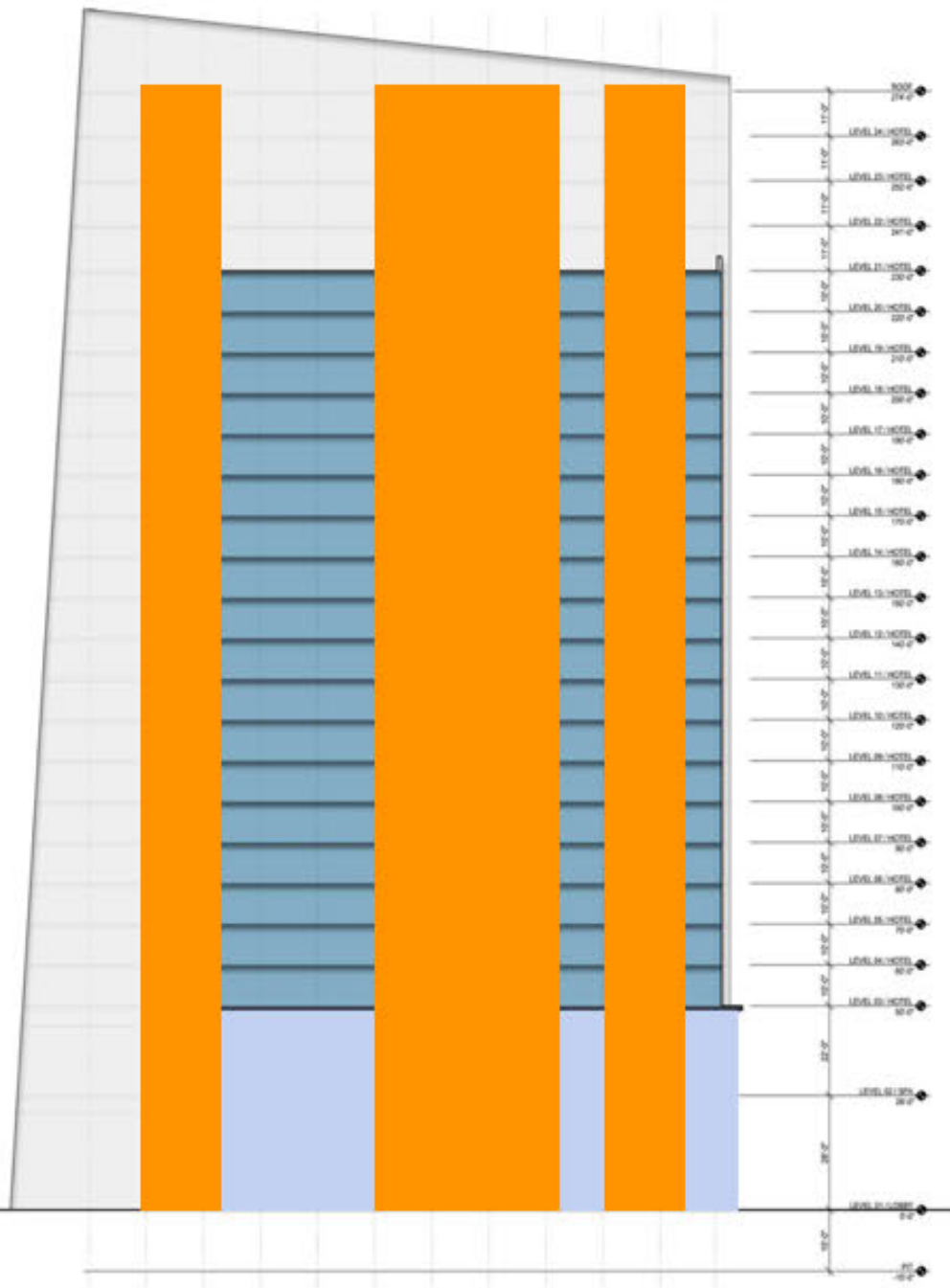


UPDATE TO HOST COMMUNITY HOTEL

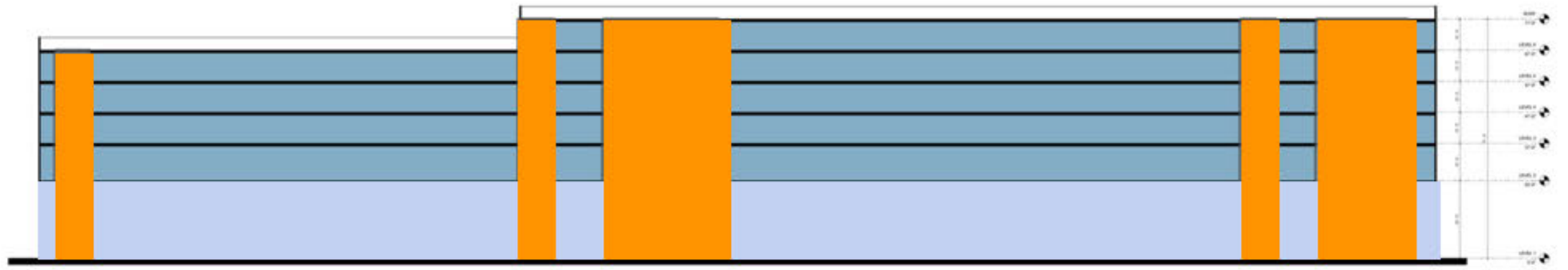


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Luxury Destination

TOWER SECTIONS

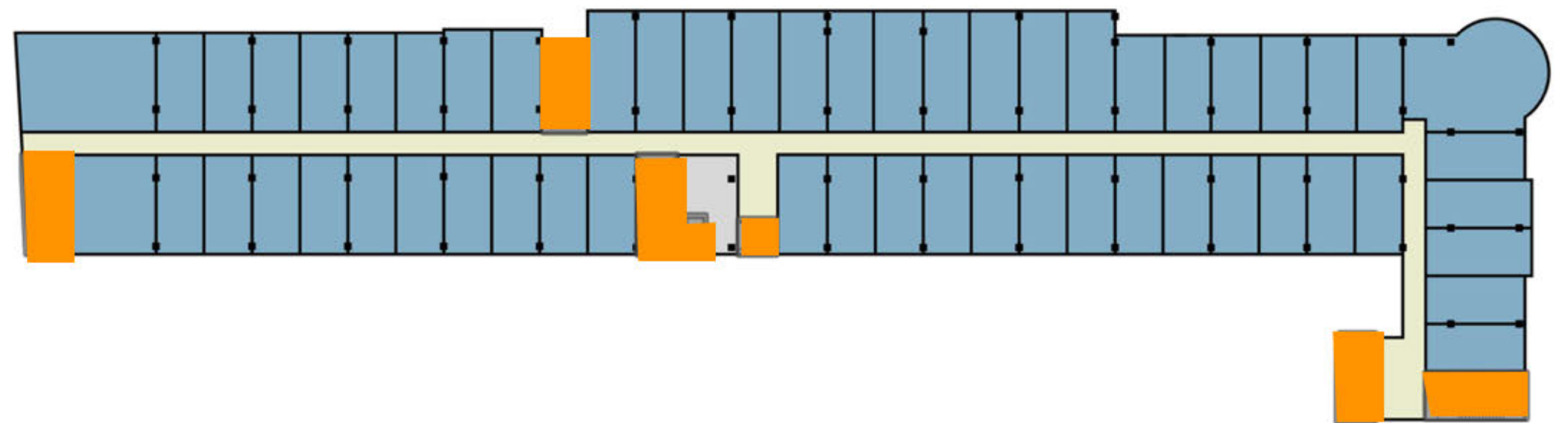
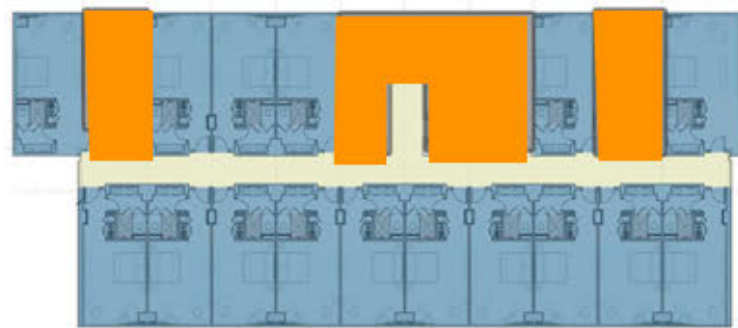


18,243 SF of Efficiencies



TOWER SECTIONS

18,243 SF of Efficiencies



UPDATE TO HOST COMMUNITY OPERATIONS

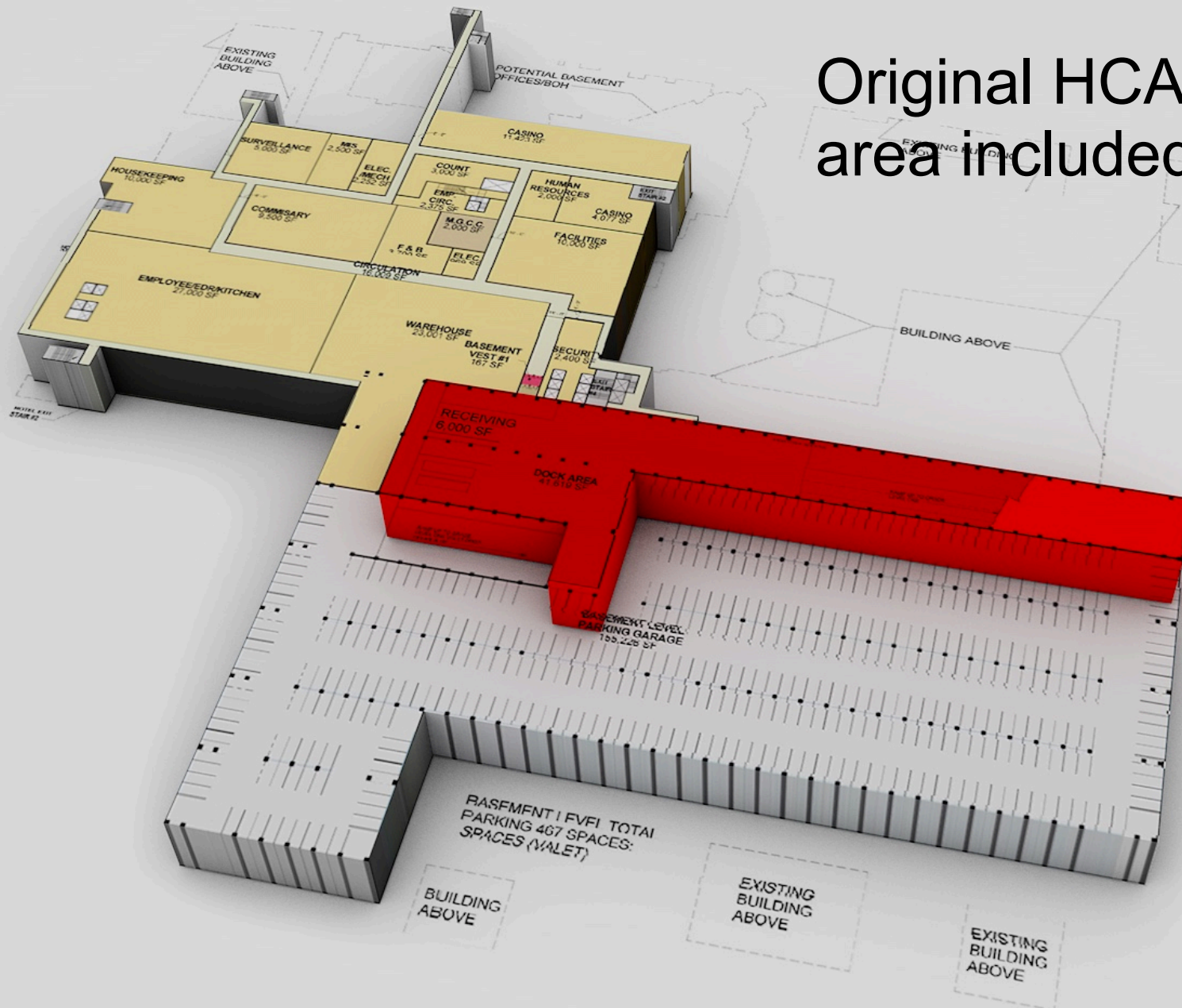


An MGM Resorts
Luxury Destination

LOADING DOCK

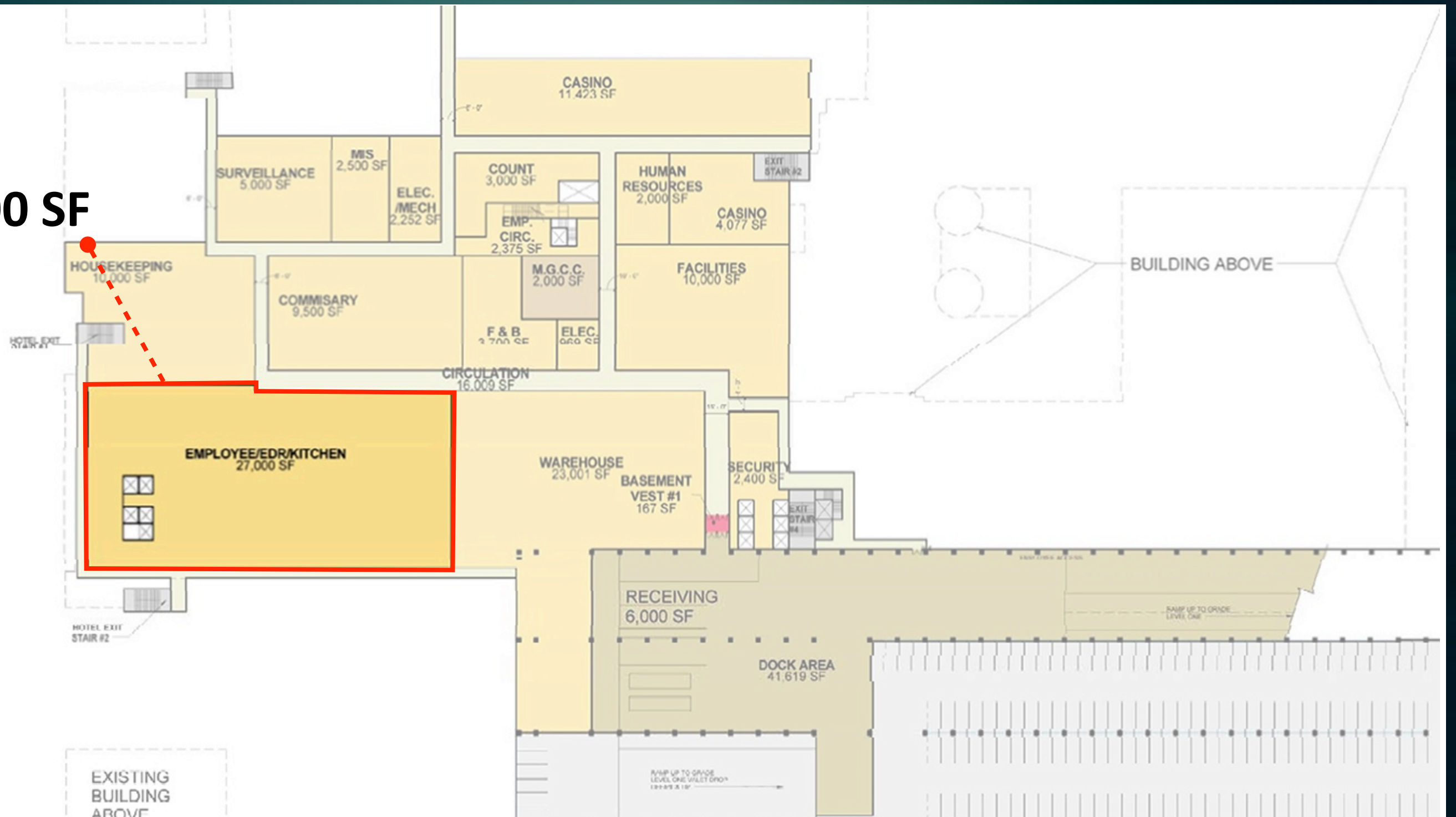
Original HCA had **41,619 SF** of dock area included to support casino

Current Site Plan has **2,638 SF** of dock area to support casino

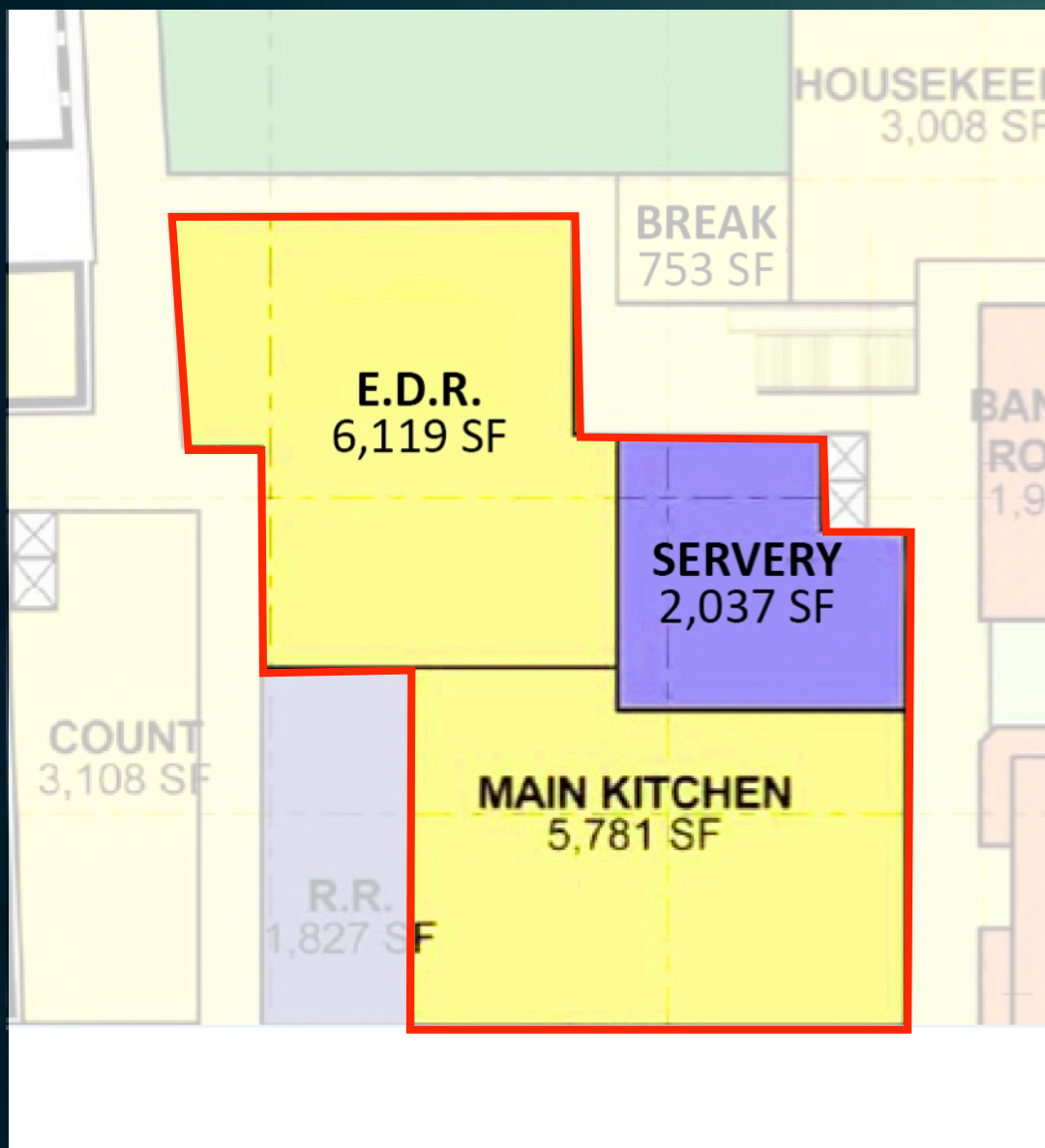


EMPLOYEE DINING ROOM / KITCHEN

27,000 SF



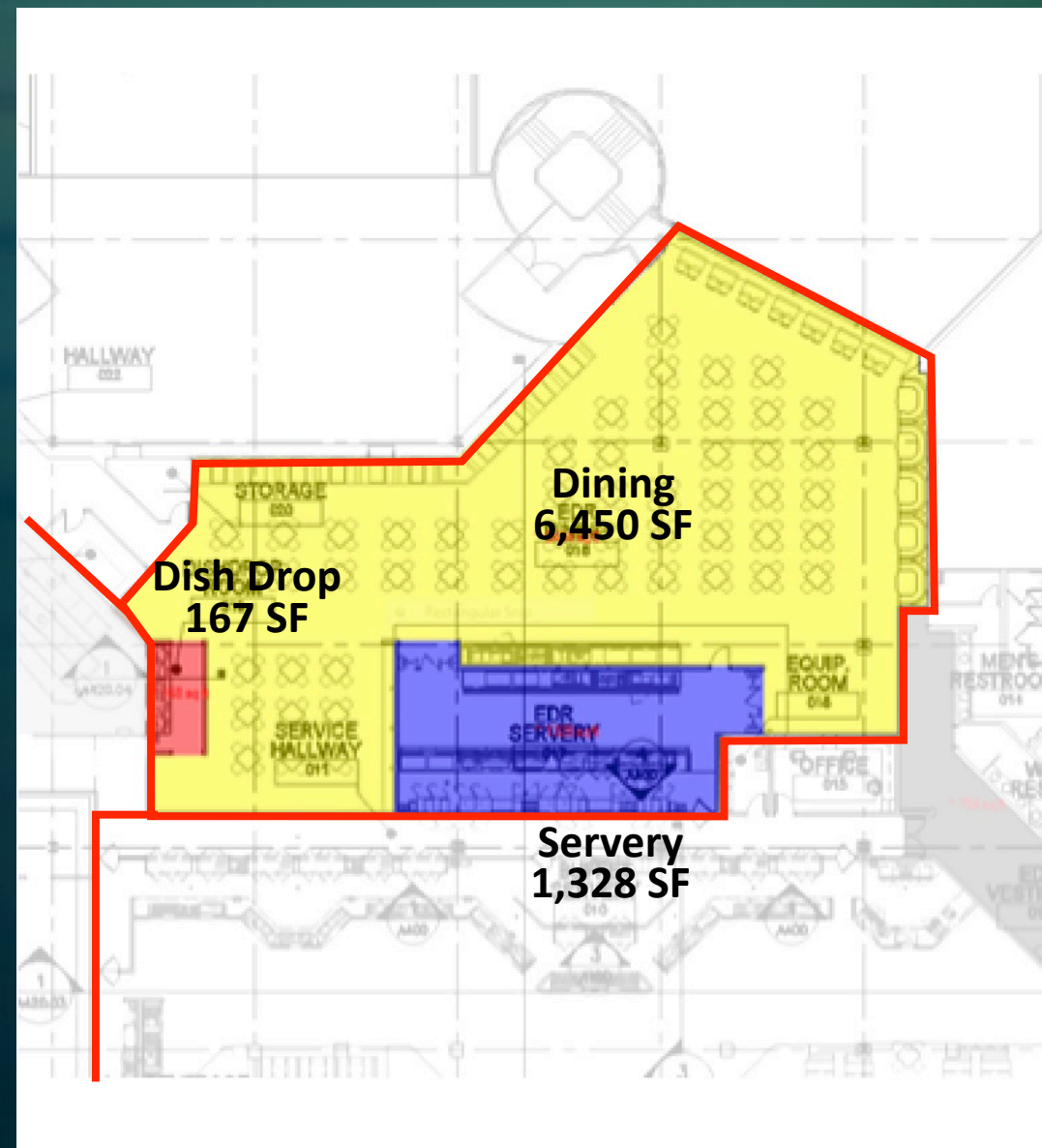
EMPLOYEE DINING ROOM (EDR) COMPARISON



MGM Springfield

Approx. Employees: 3,000

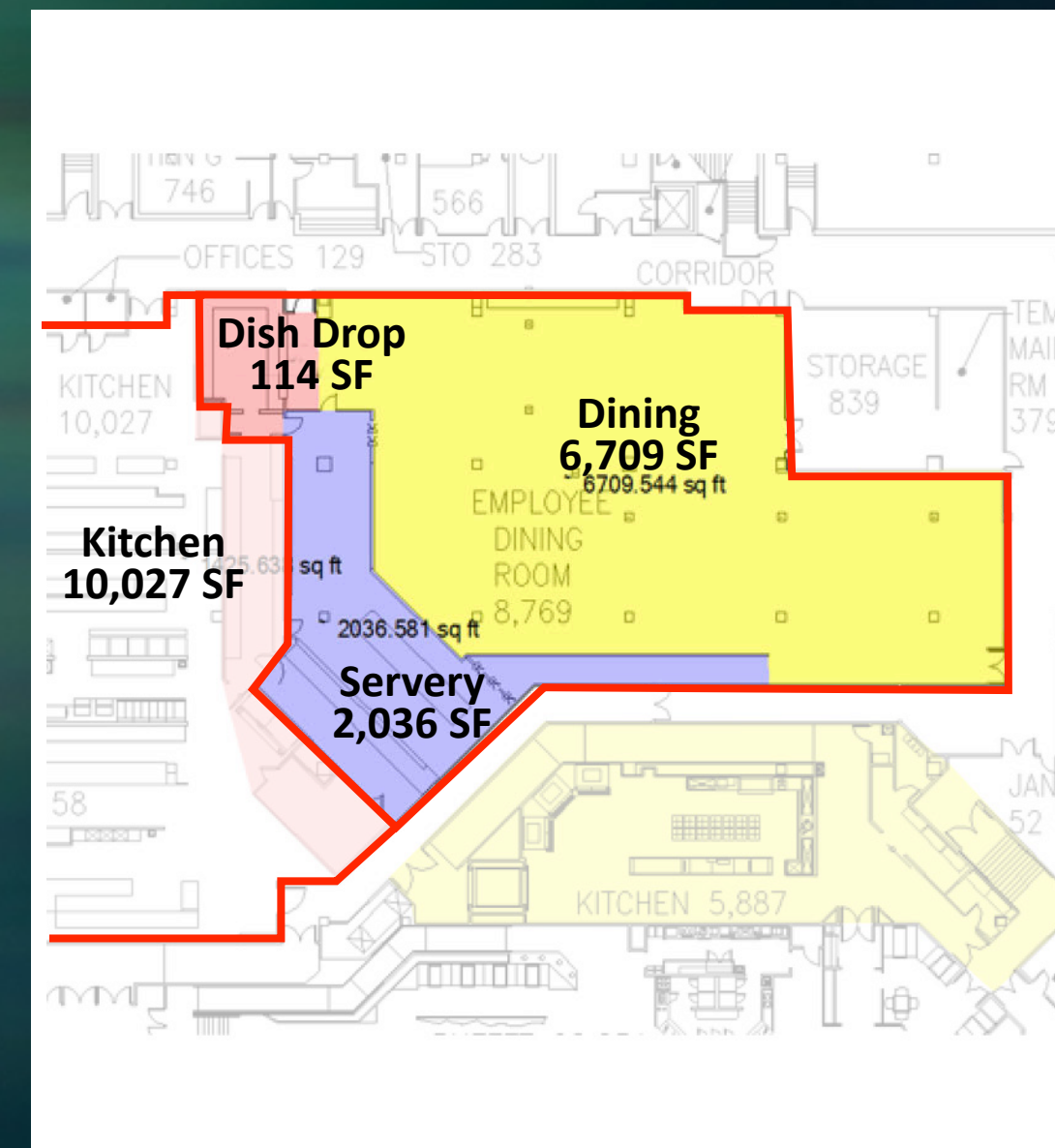
Main Kitchen and EDR: 15,255 sq ft



Excalibur

Approx. Employees: 3,000

Main Kitchen and EDR: 15,712 sq ft



Luxor

Approx. Employees: 4,000

Main Kitchen and EDR: 18,886 sq ft

UPDATE TO HOST COMMUNITY
ENTERTAINMENT &
AMENITIES



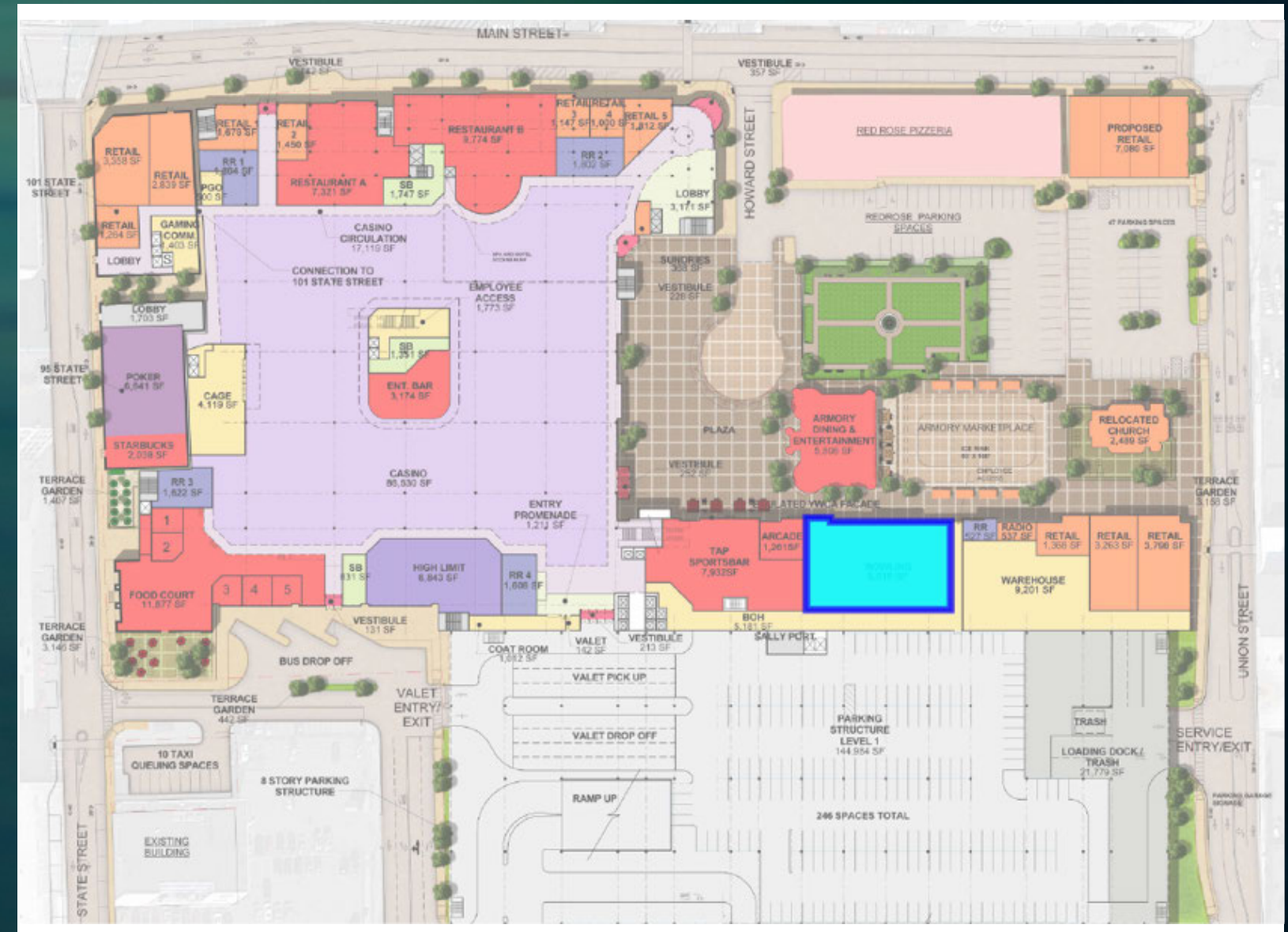
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BOWLING COMPARISON



Host Community Agreement

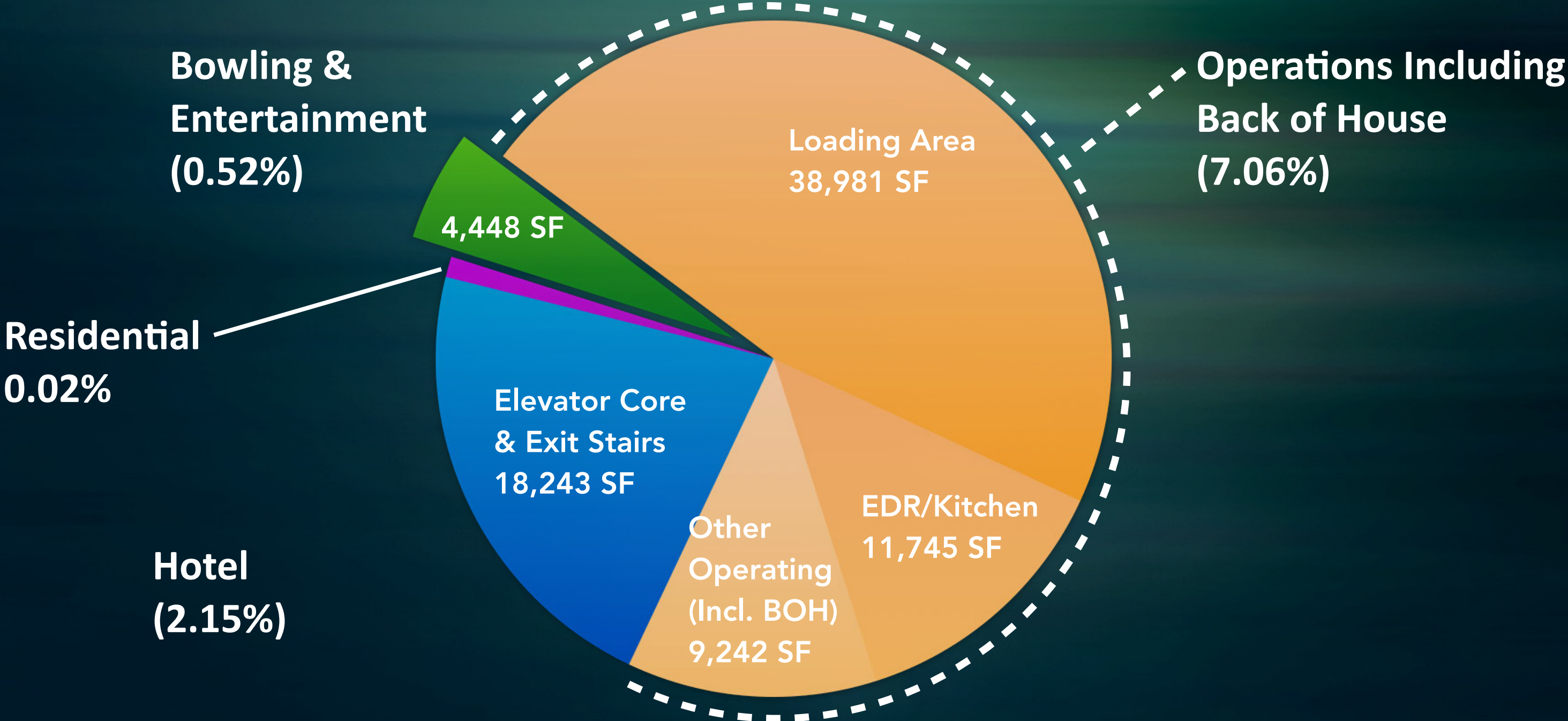
18,000 SF - 15 Lanes



Current Plans

12,382 SF - 10 Lanes

9.71% BREAKDOWN

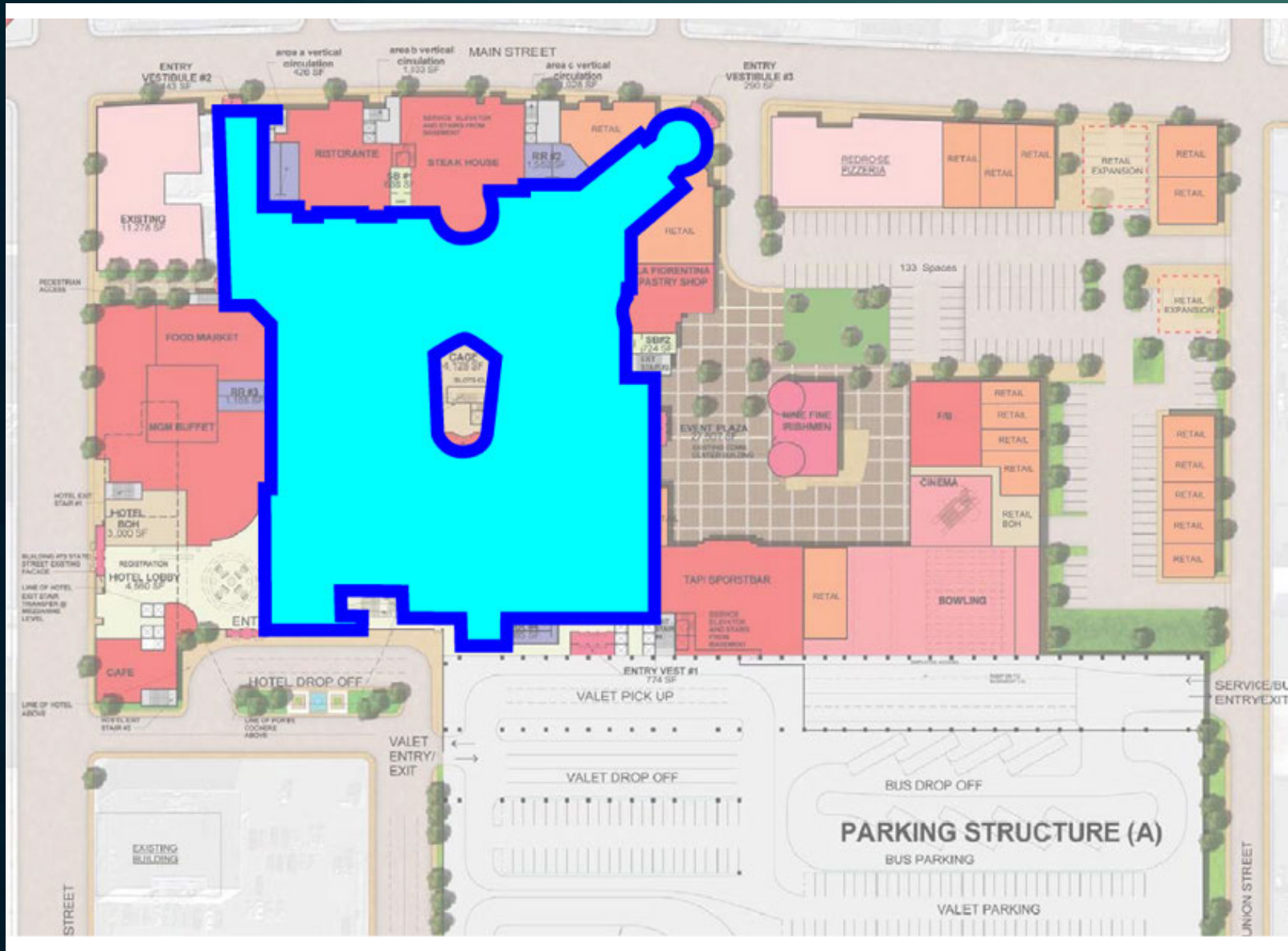


Note:
Bowling reduction is 5,618 SF. 4,448 is shown to capture the net increase in other amenities including Food & Beverage, Retail, Terrace and Convention spaces.

HCA DESIGN COMPARISON

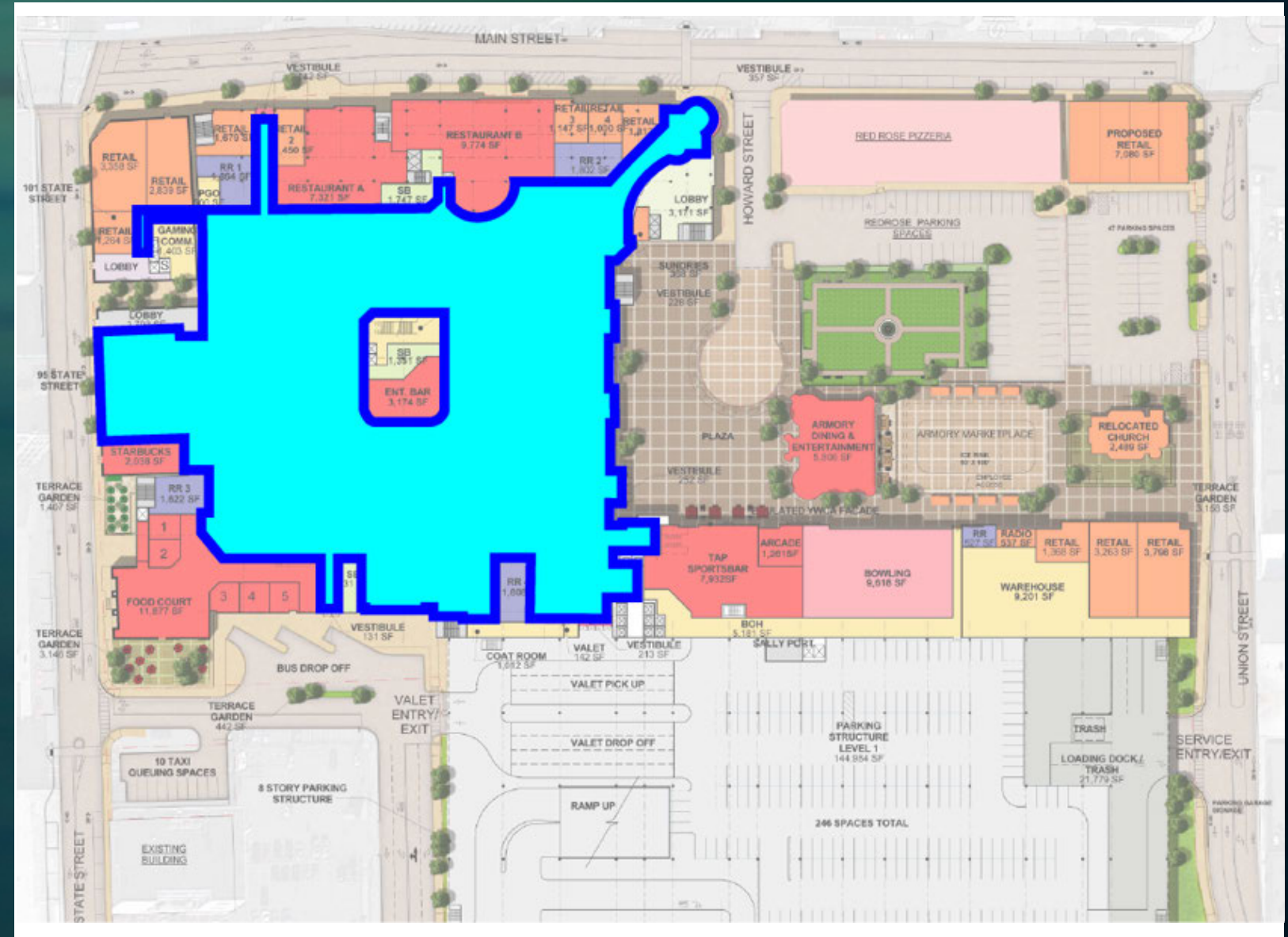
- Casino
- 250 Four Star Hotel Rooms
- Retail Stores
- Restaurants / Food Outlets
- Banquet Area
- Child Care Center
- Ice Skating Rink
- Parking
- Movie Theater / Bowling

GAMING AREA COMPARISON



Host Community Agreement

126,701 SF



Current Plans

126,262 SF

Casinos bet on growth in table games, removing slot machines to make room

- The Washington Post
June 7, 2015



MILLENNIAL PRIORITIES FOR AN ENTERTAINMENT ENVIRONMENT

Free Wi-Fi	71%
Access To A Charging Port For My Phone	68%
Allow Me To Influence/co-create The Experience	40%
Provide A Way For Me To Ask And Answer Questions	34%
Demonstrate Something Good My Money Is Going Toward	33%
Incorporate Compelling/interactive Online Content	28%
And Connect Me To Other Consumers Of This Experience	24%

* marketresearch.org April 28, 2015

Is Your Casino Optimized for Millennials?

- marketingresearch.org

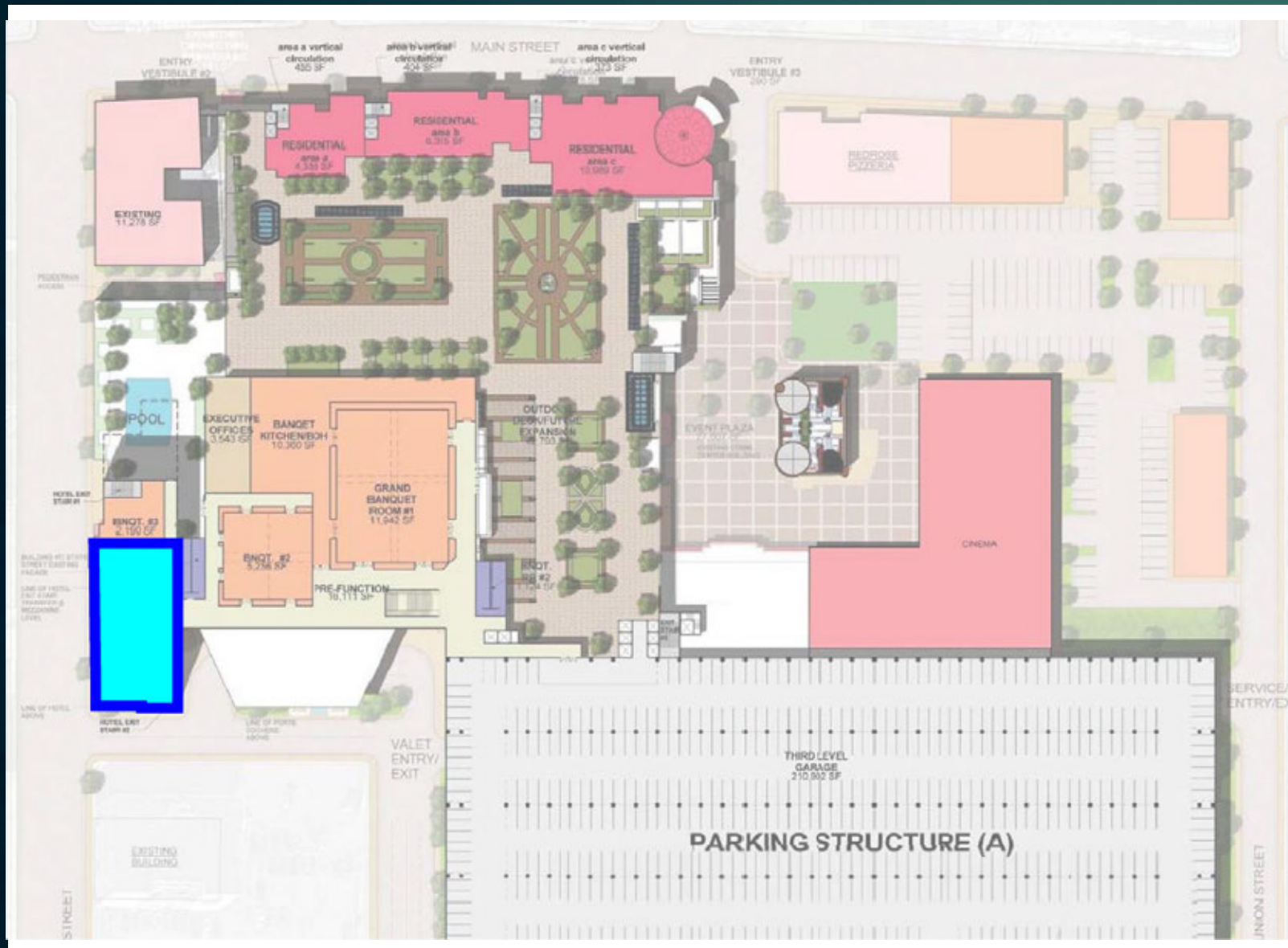
April 28, 2015

“**Slots** in particular are widely viewed by younger consumers as being antisocial, non-intuitive and **generally boring.**”

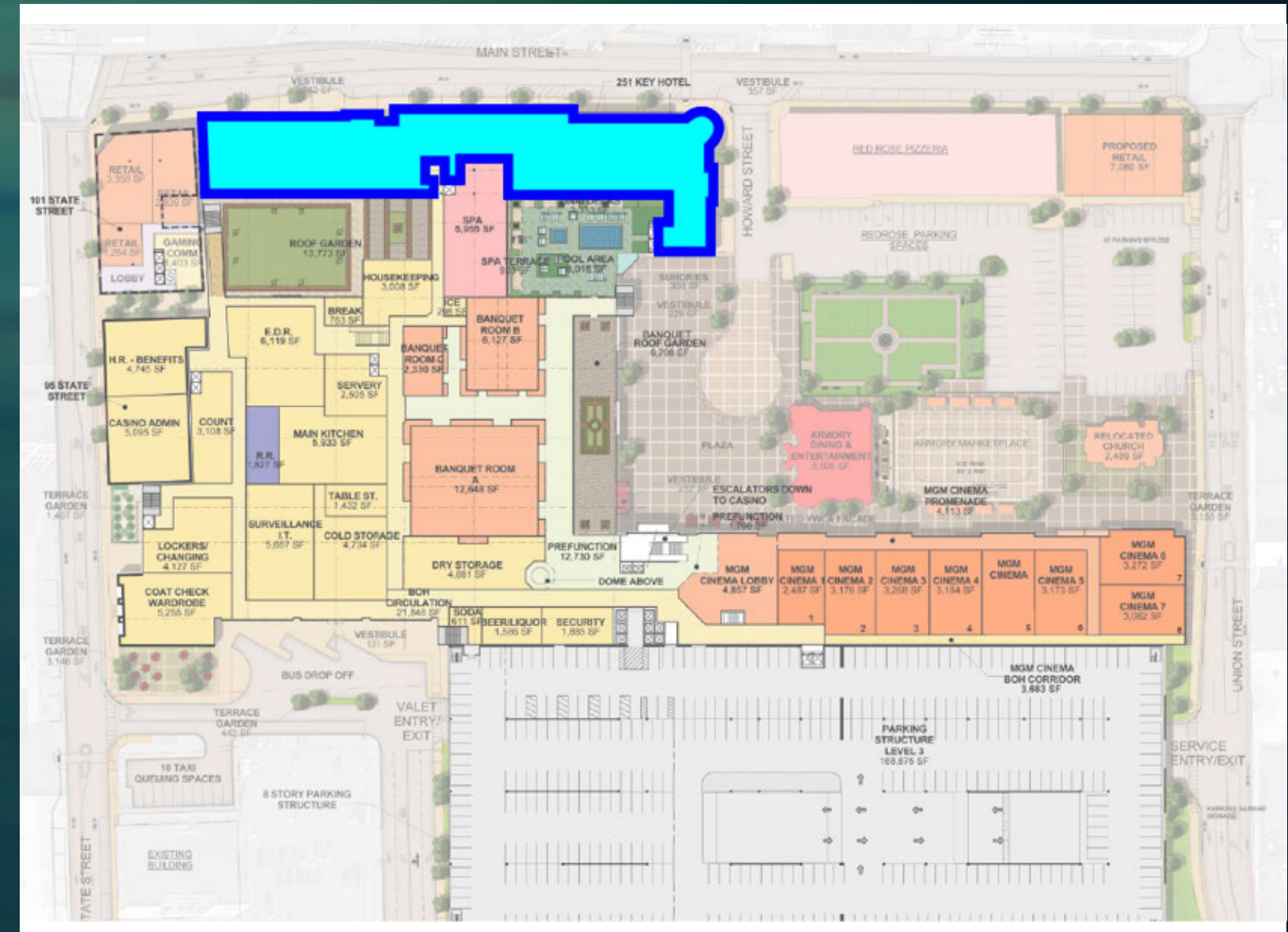
“There is **less resistance to table games** such as blackjack or poker among Millennials, especially males. Perhaps this is because of a **more inherently social experience** and the feeling that skill is involved in the game itself. Also, table games continue to be romanticized by Hollywood, keeping them **more current** in the mindset of **younger consumers.**”



HOTEL COMPARISON



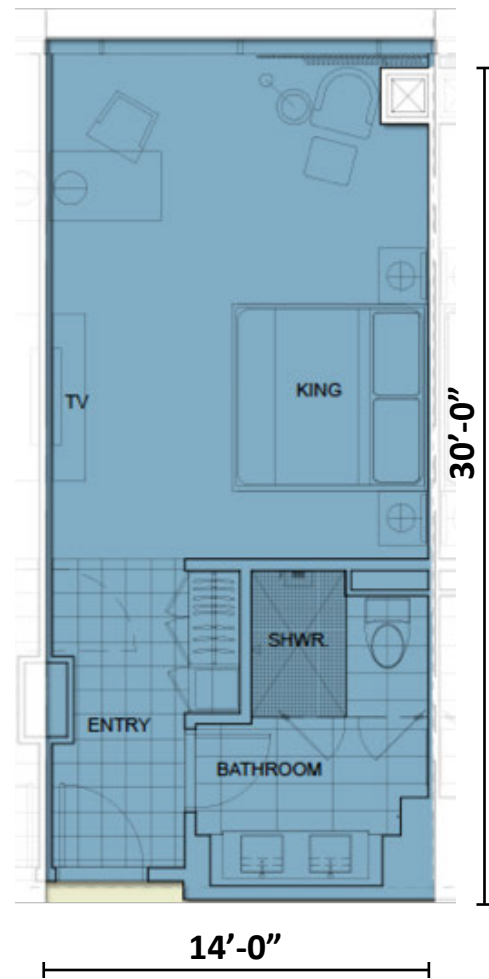
Host Community Agreement
250 4-Star Rooms



Current Plans
251 4-Star Rooms

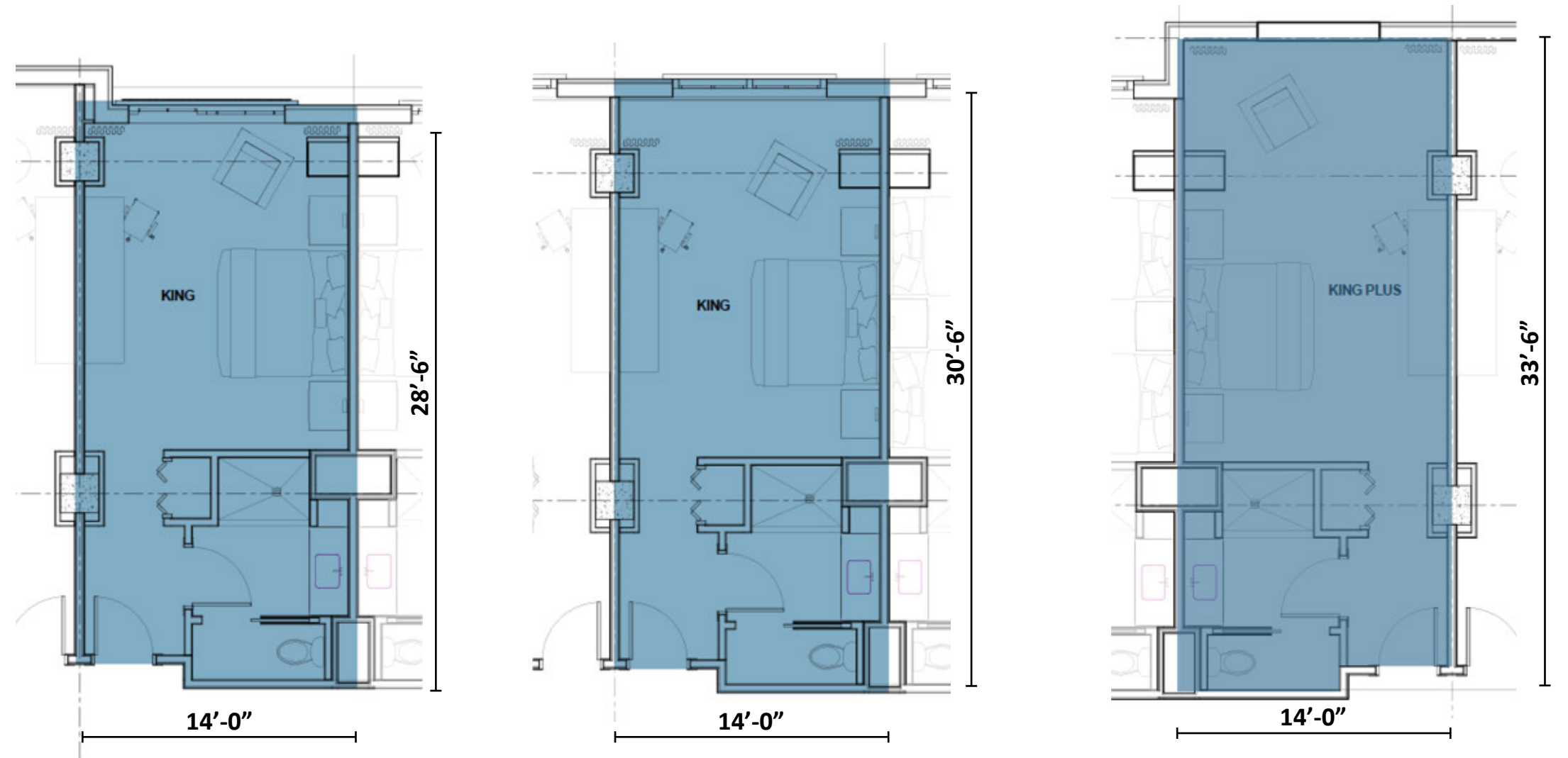
GUESTROOM COMPARISON

Prior Typical Room



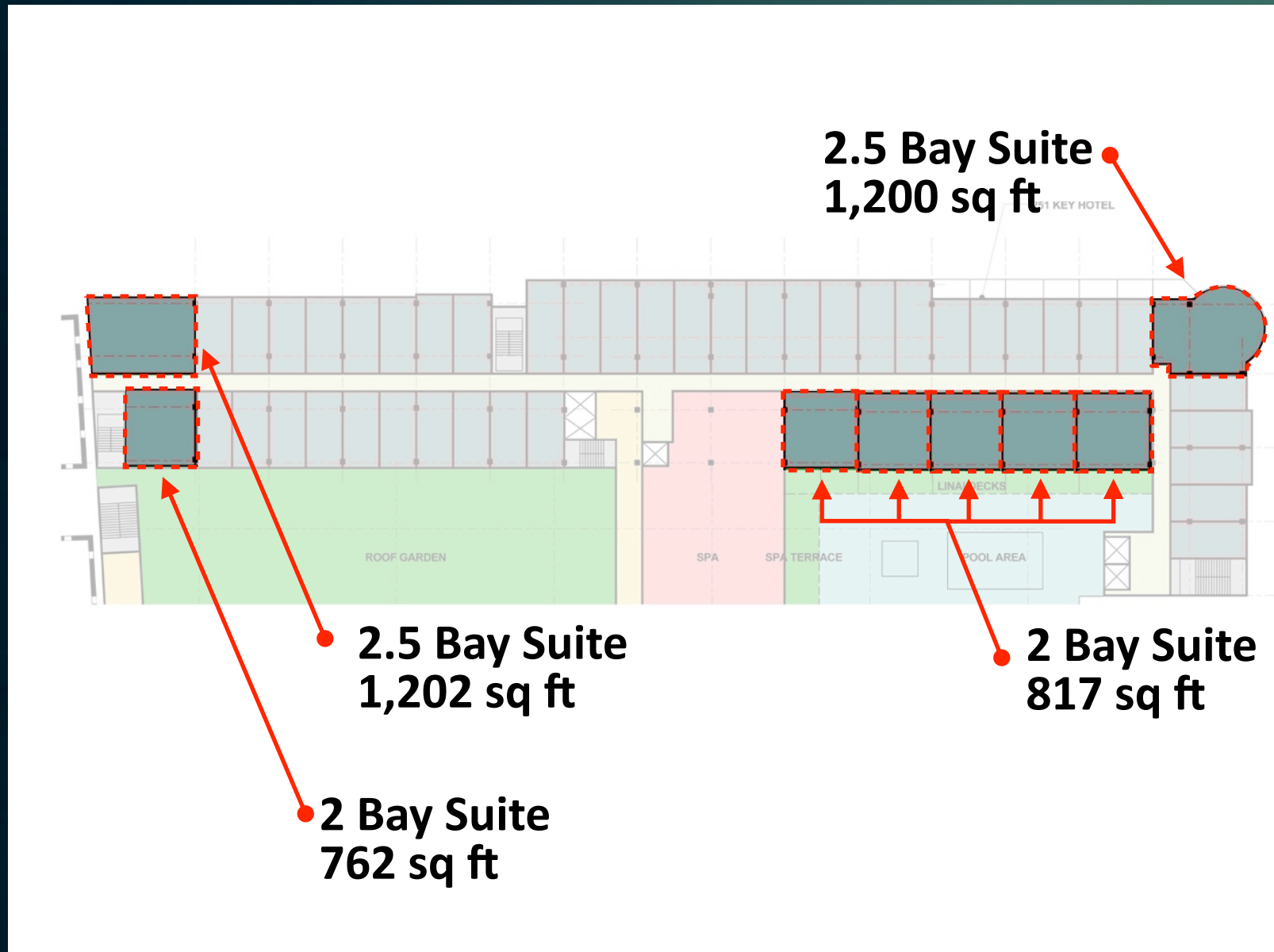
14' wide by 30'-0" long.

Current Typical Rooms

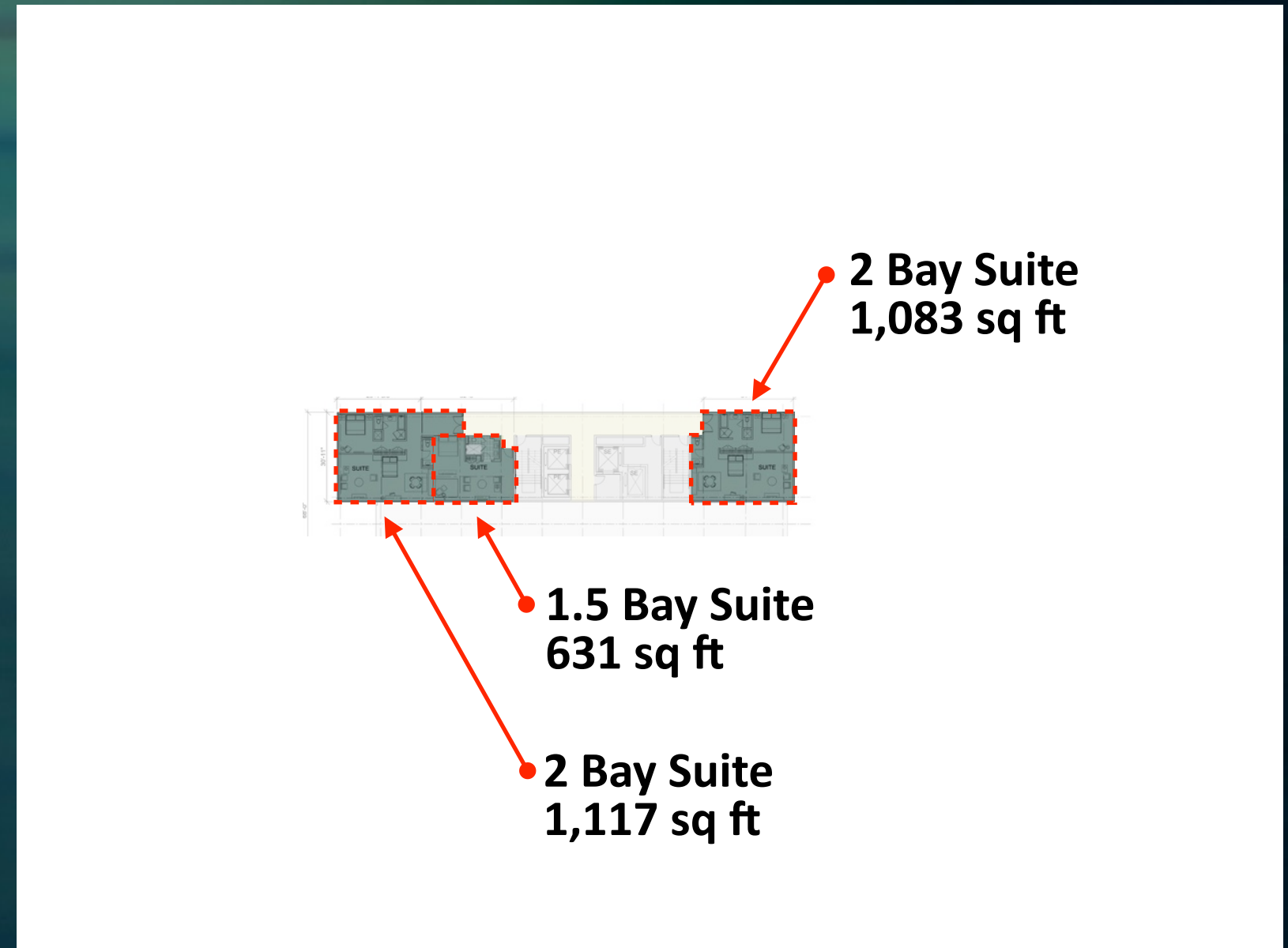


14' wide. Lengths vary from 28'-6" to 33'-6".

GUESTROOM COMPARISON



Current Suites



Prior Suites

CONDÉ NAST TOP 10 HOTELS IN BOSTON



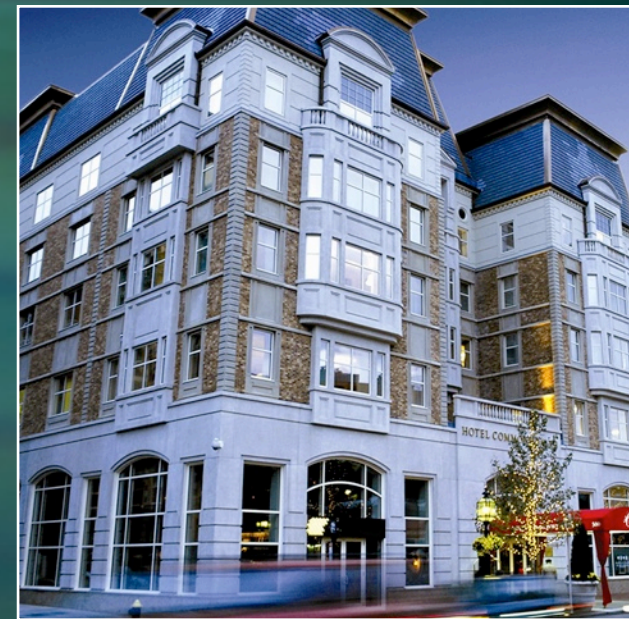
1. Fairmont Battery Wharf, Boston



2. XV Beacon



3. Four Seasons Hotel Boston



4. Hotel Commonwealth



5. InterContinental Boston



6. The Liberty (Luxury Collection)



7. Mandarin Oriental, Boston



8. Millennium Bostonian Hotel, Boston



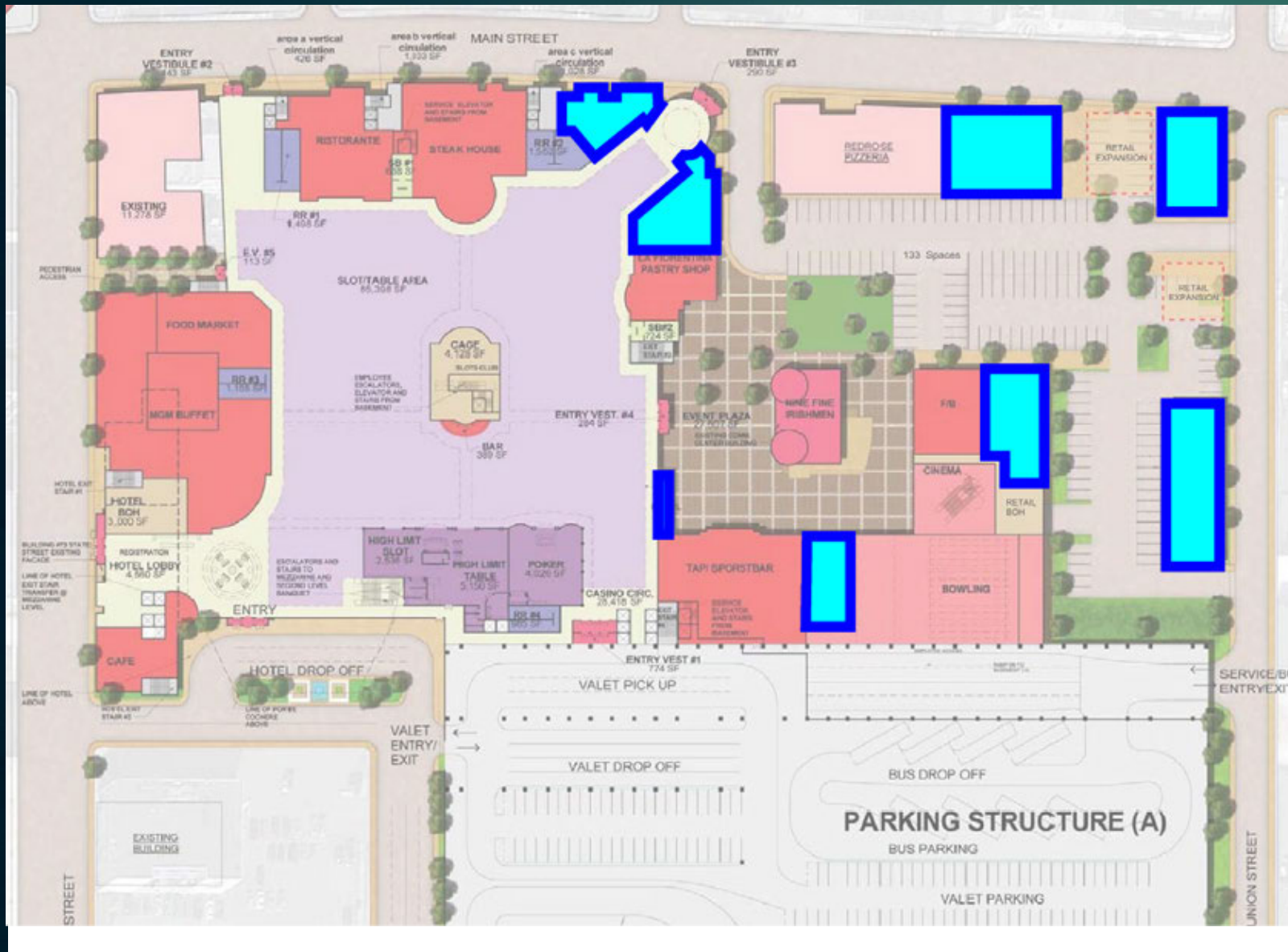
9. Nine Zero Hotel, Boston



10. Ritz-Carlton, Boston Common

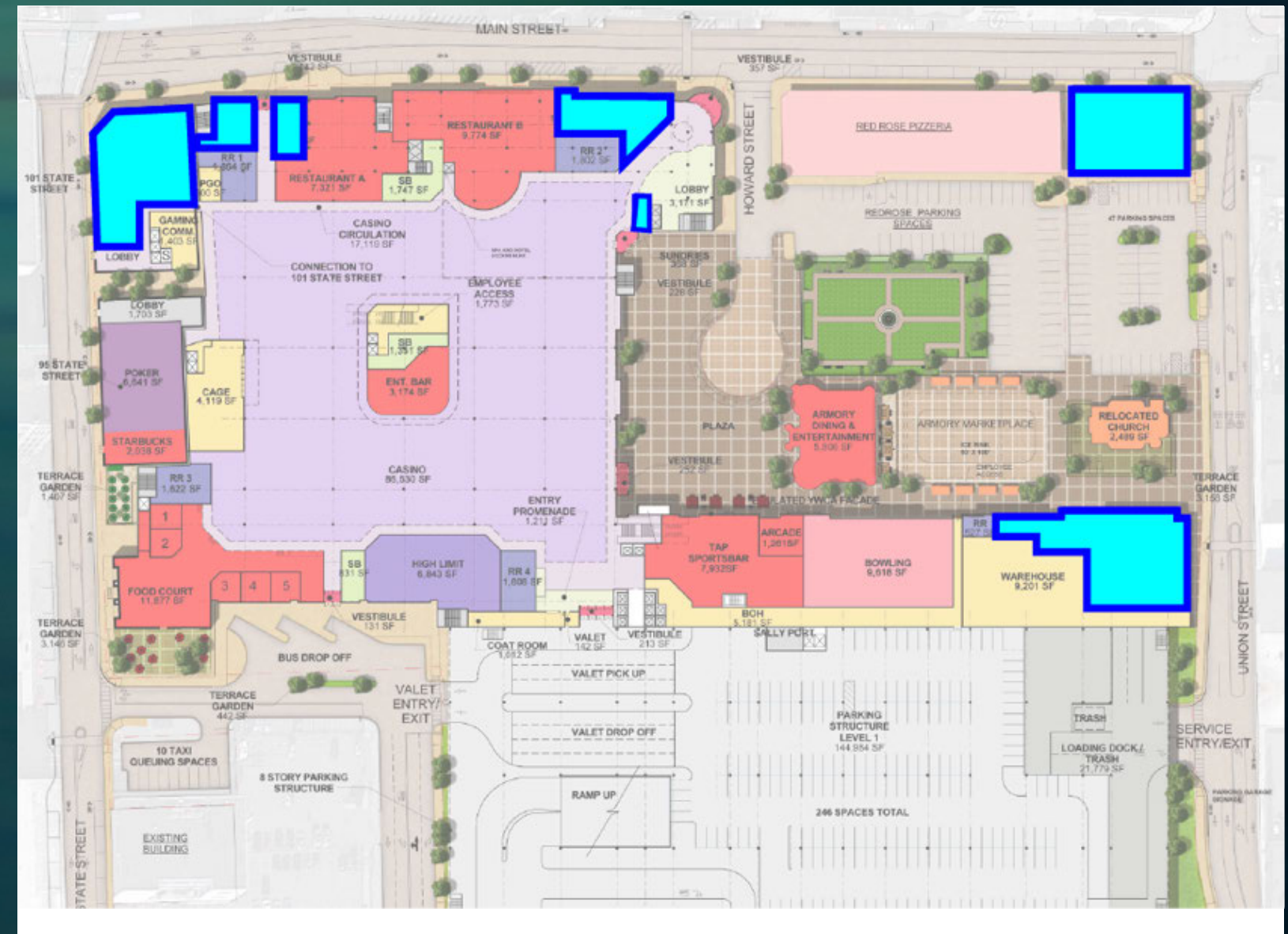


RETAIL COMPARISON



Host Community Agreement

27,982 SF

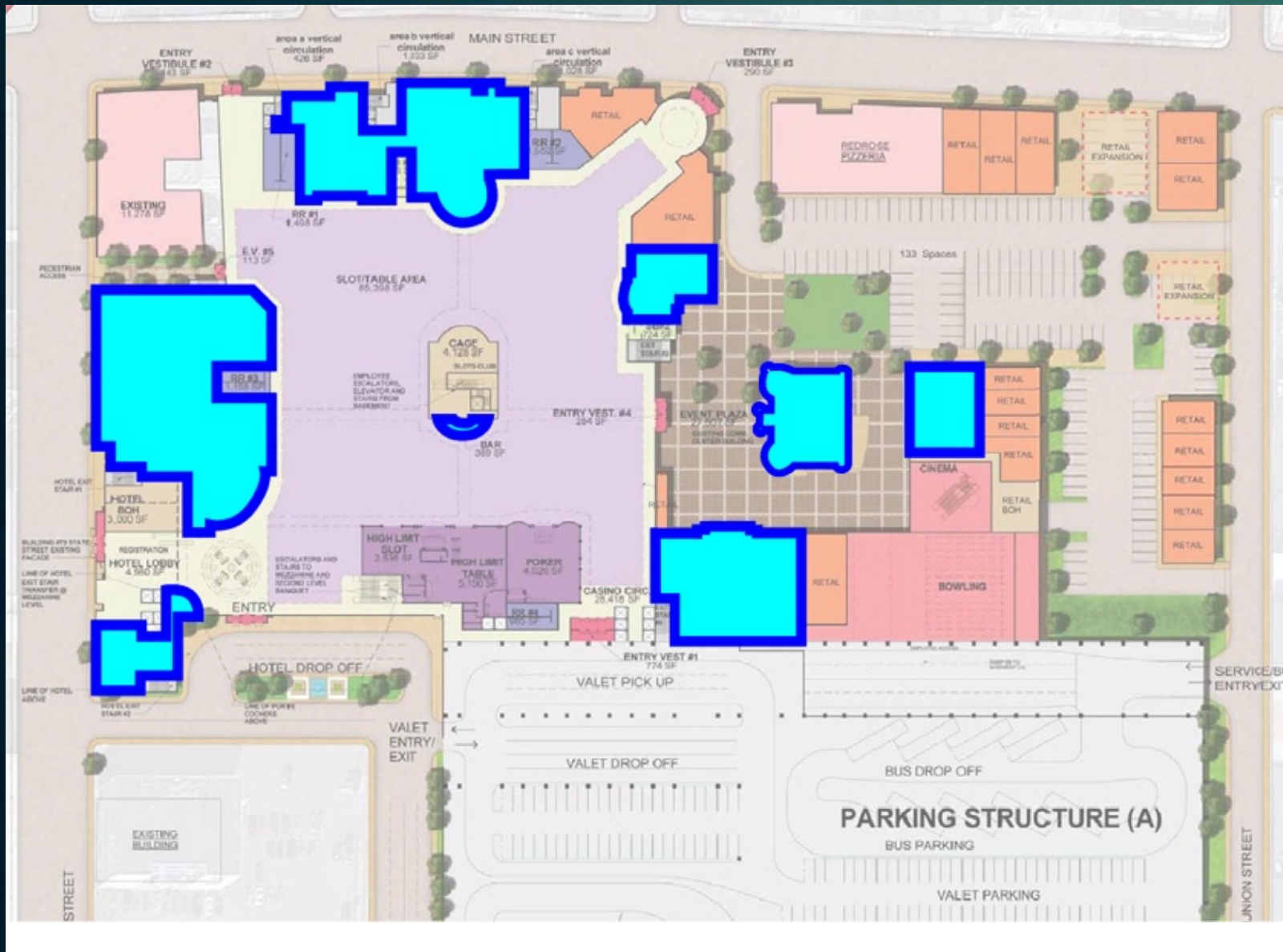


Current Plans

31,250 SF

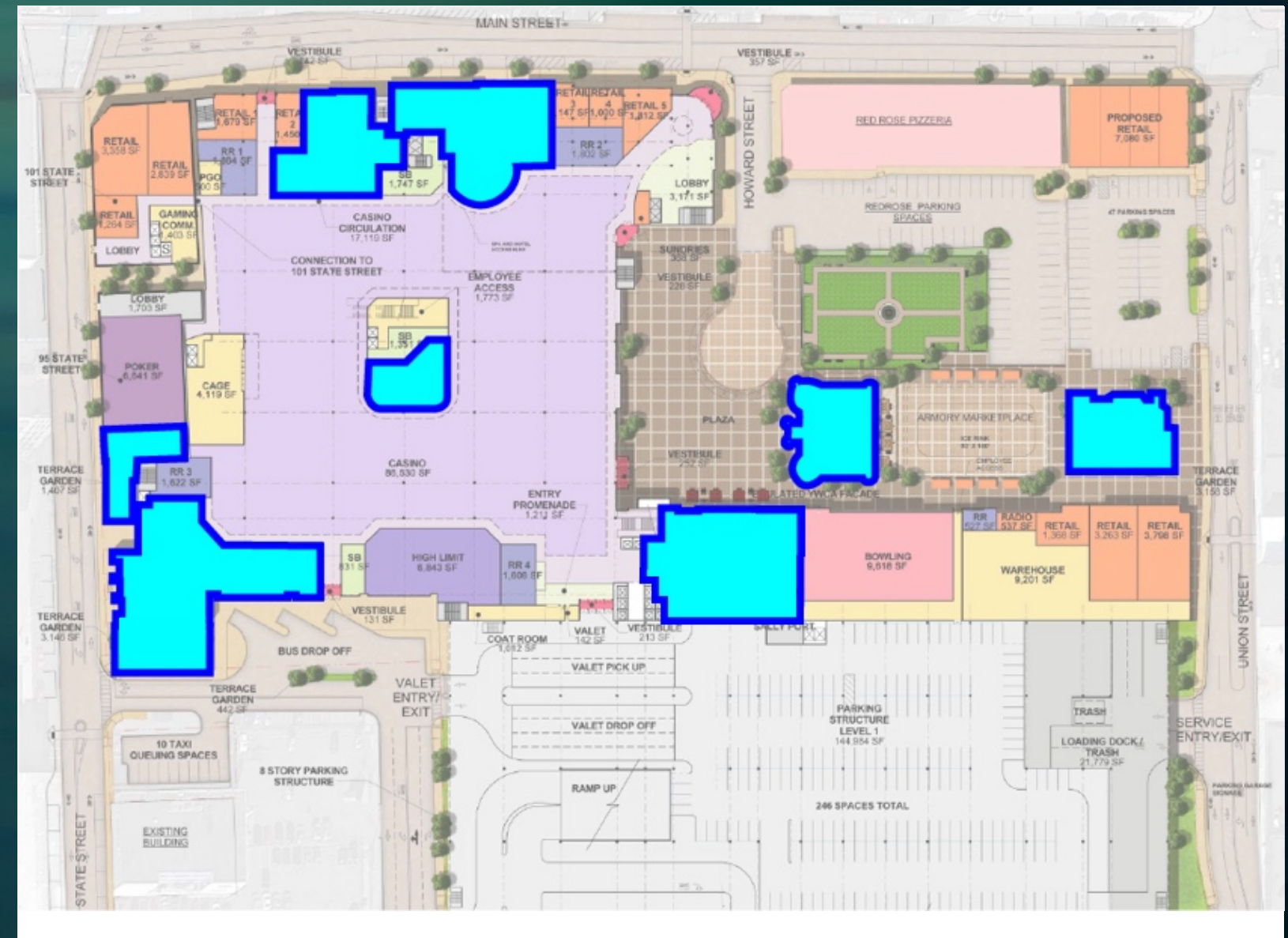


RESTAURANT / FOOD OUTLETS



Host Community Agreement

72,750 SF



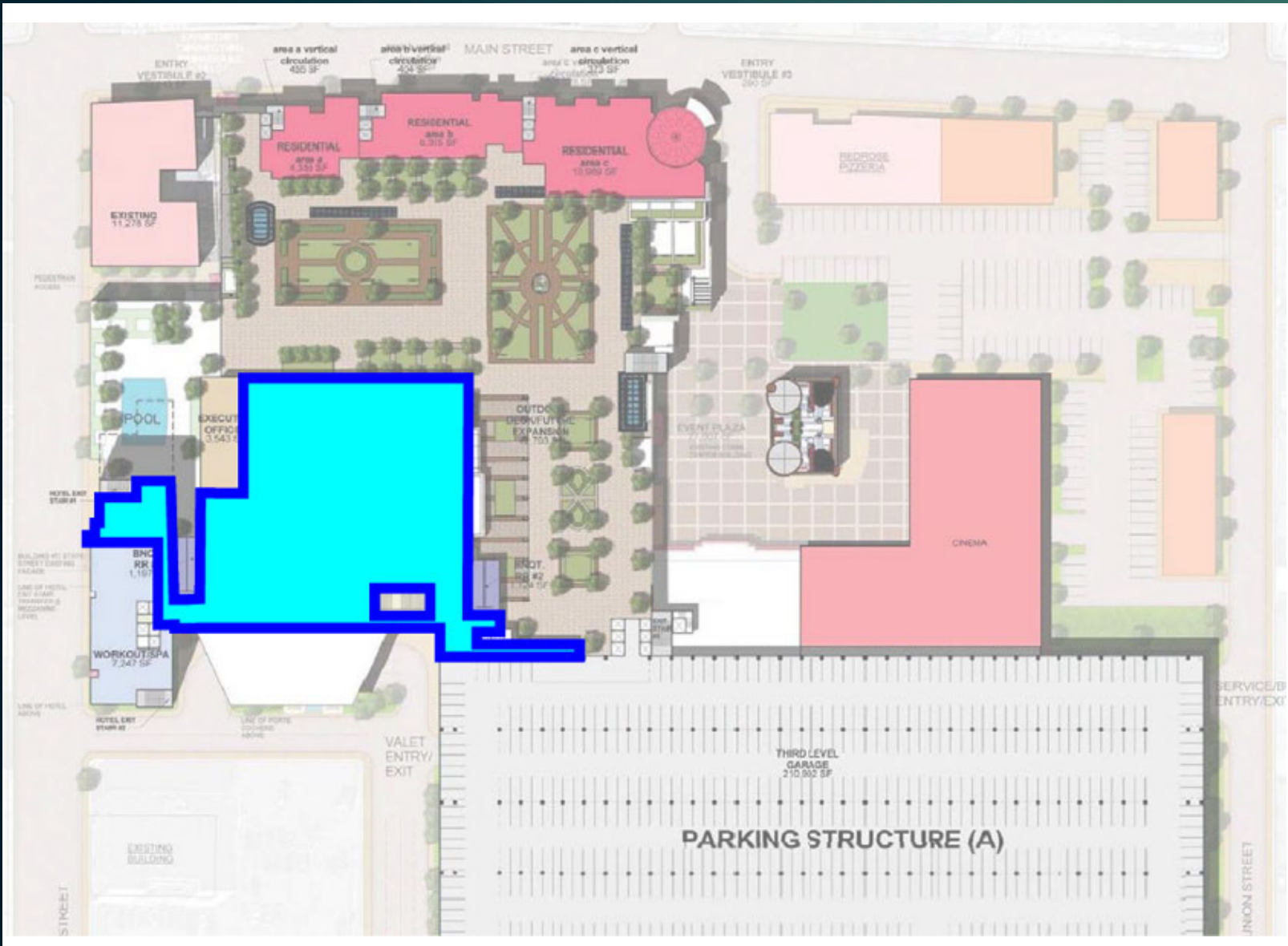
Current Plans

73,107 SF

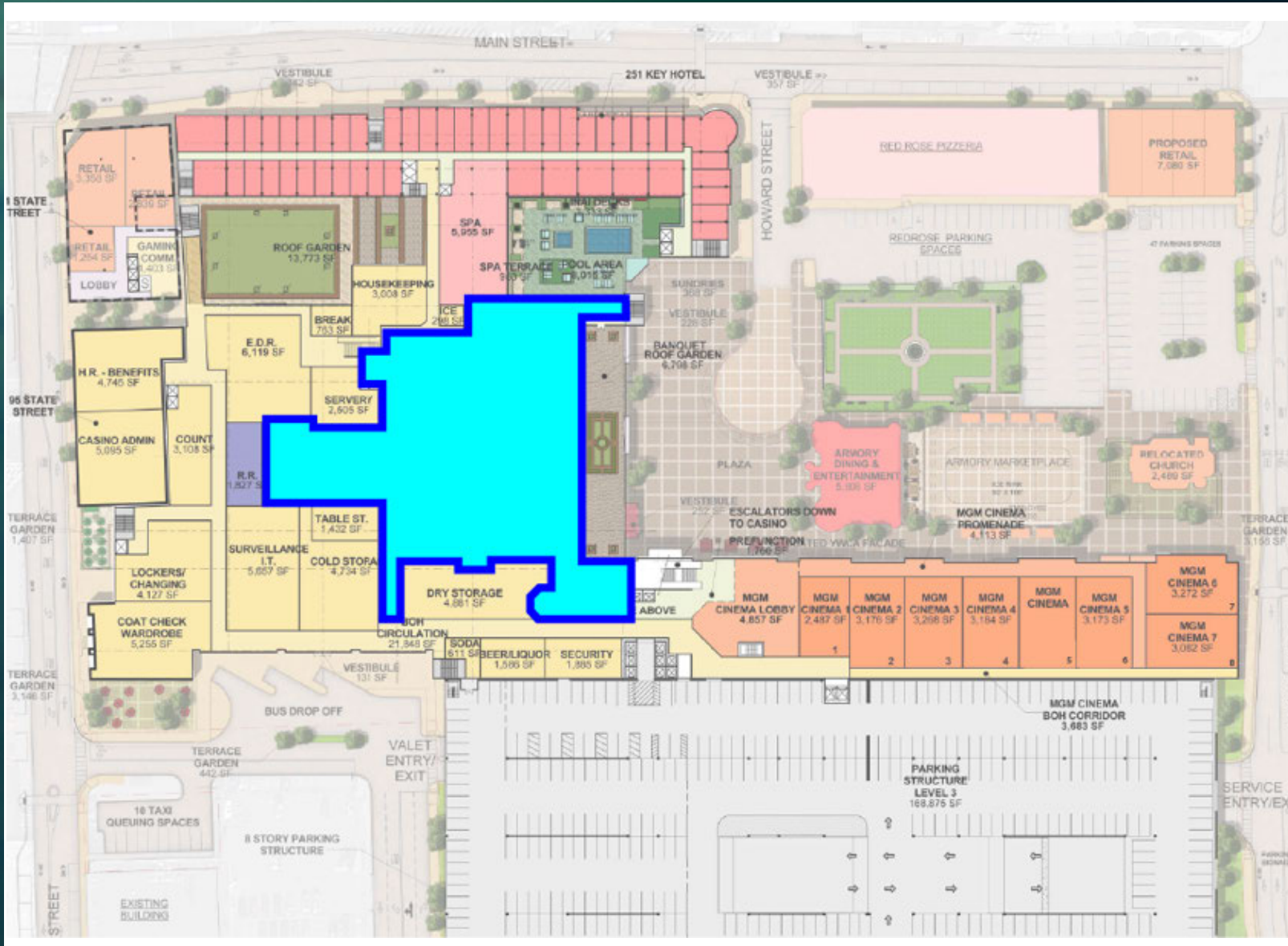
RESTAURANT / FOOD OUTLETS



BANQUET AREA COMPARISON



Host Community Agreement
45,859 SF

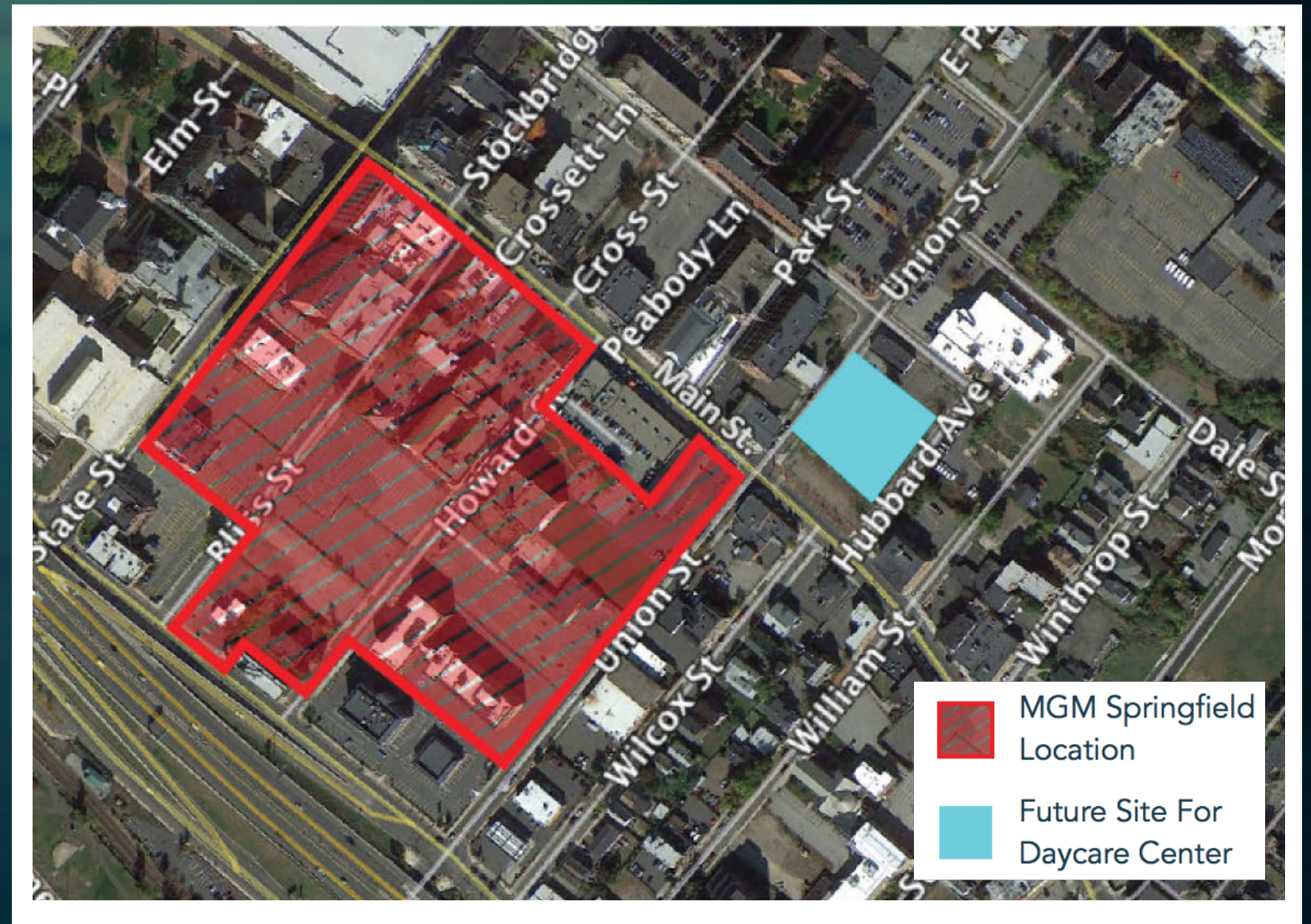


Current Plans
43,705 SF

CHILD CARE CENTER

HCA - 3,000 SF

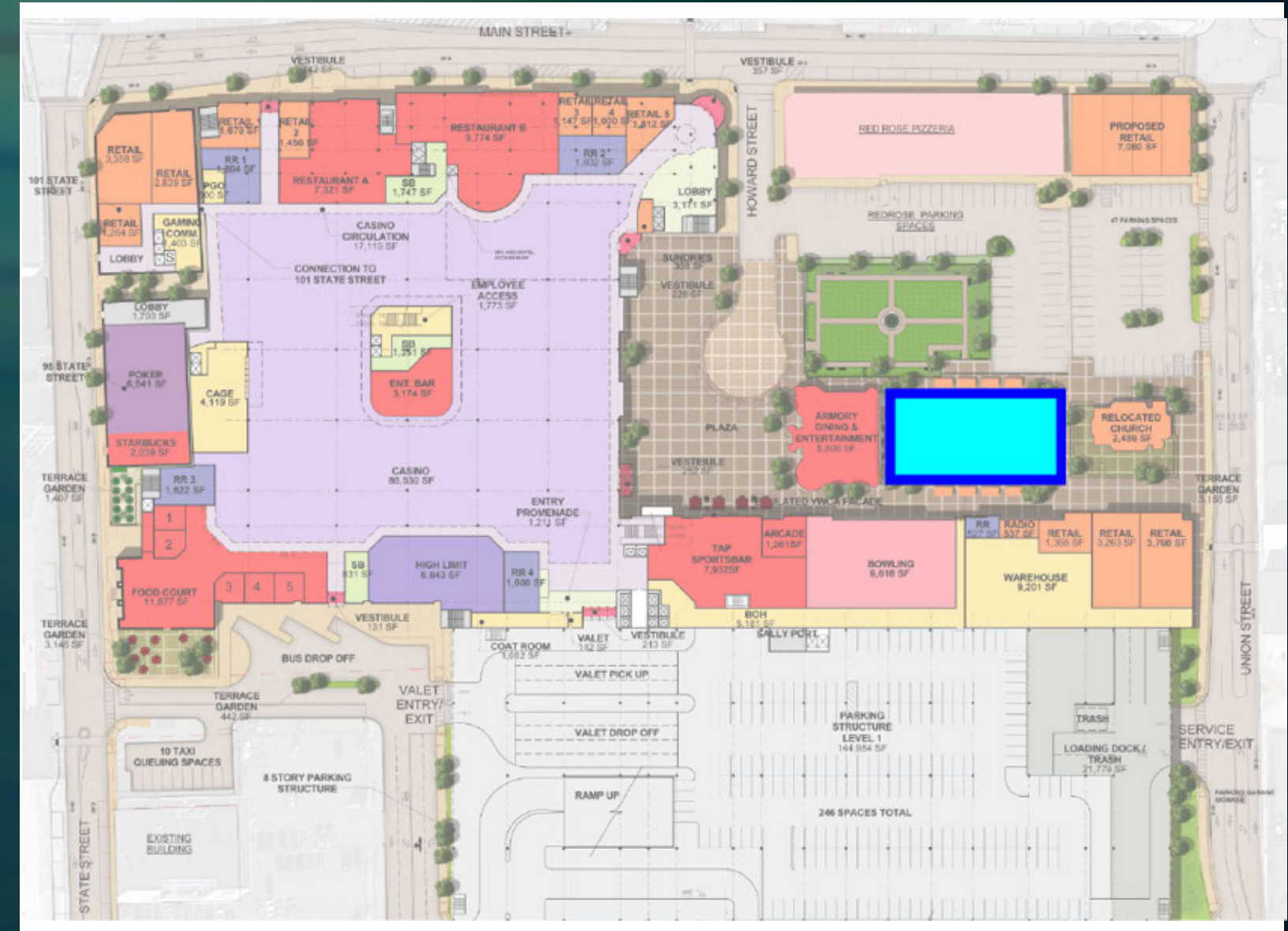
Current - 6,000 SF



ICE SKATING RINK



Host Community Agreement

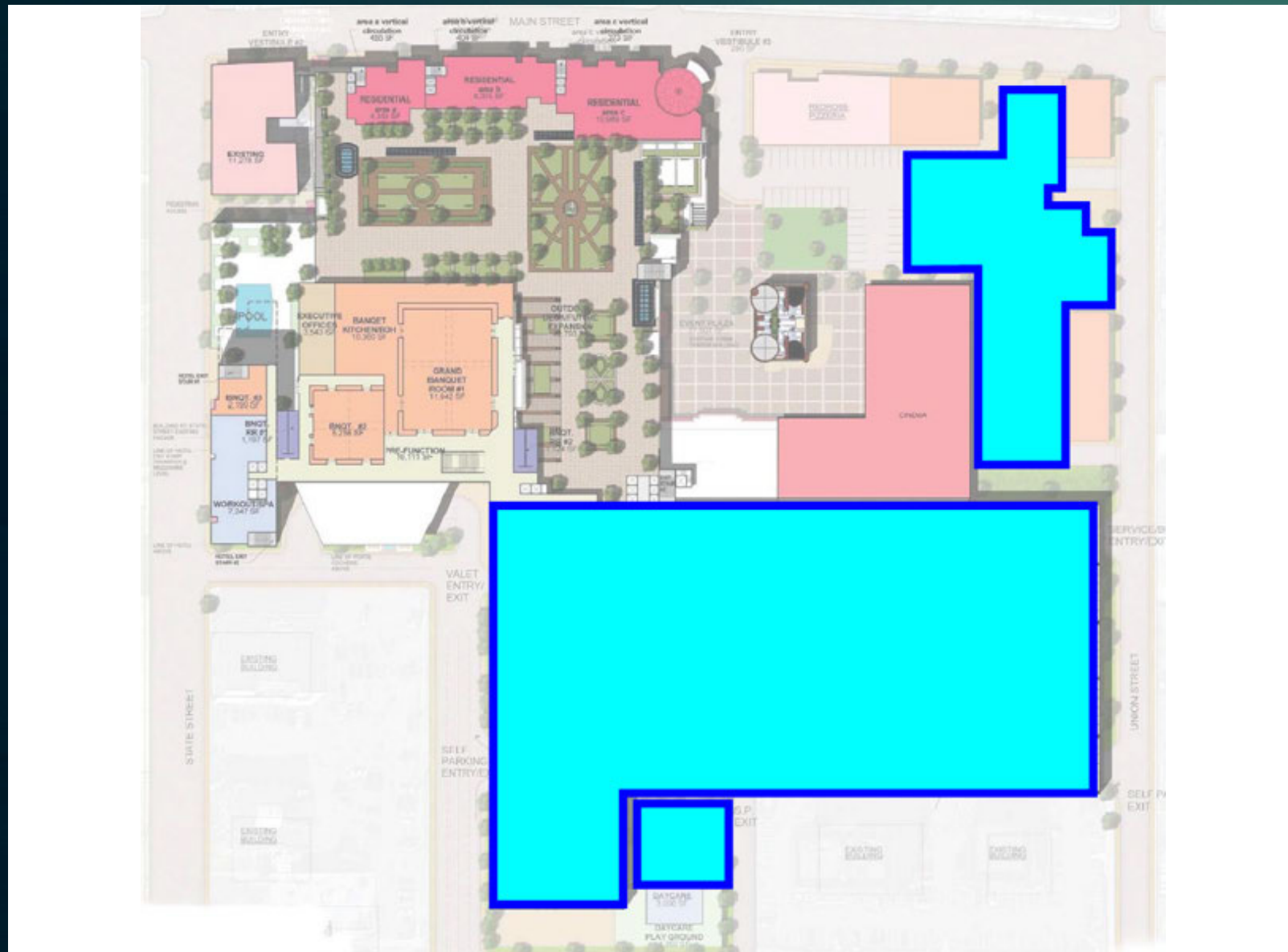


Current Plans

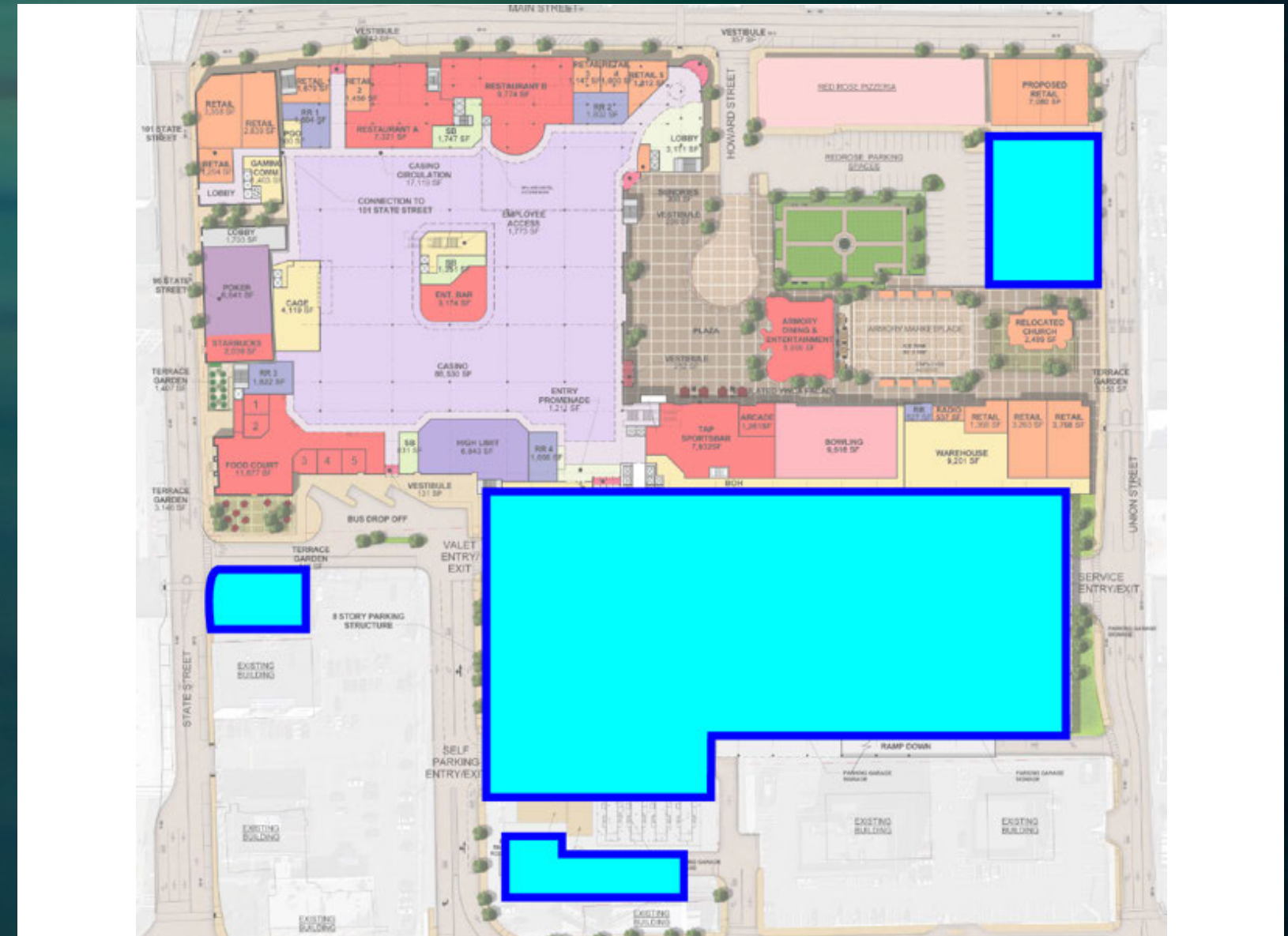
ICE SKATING RINK



PARKING COMPARISON

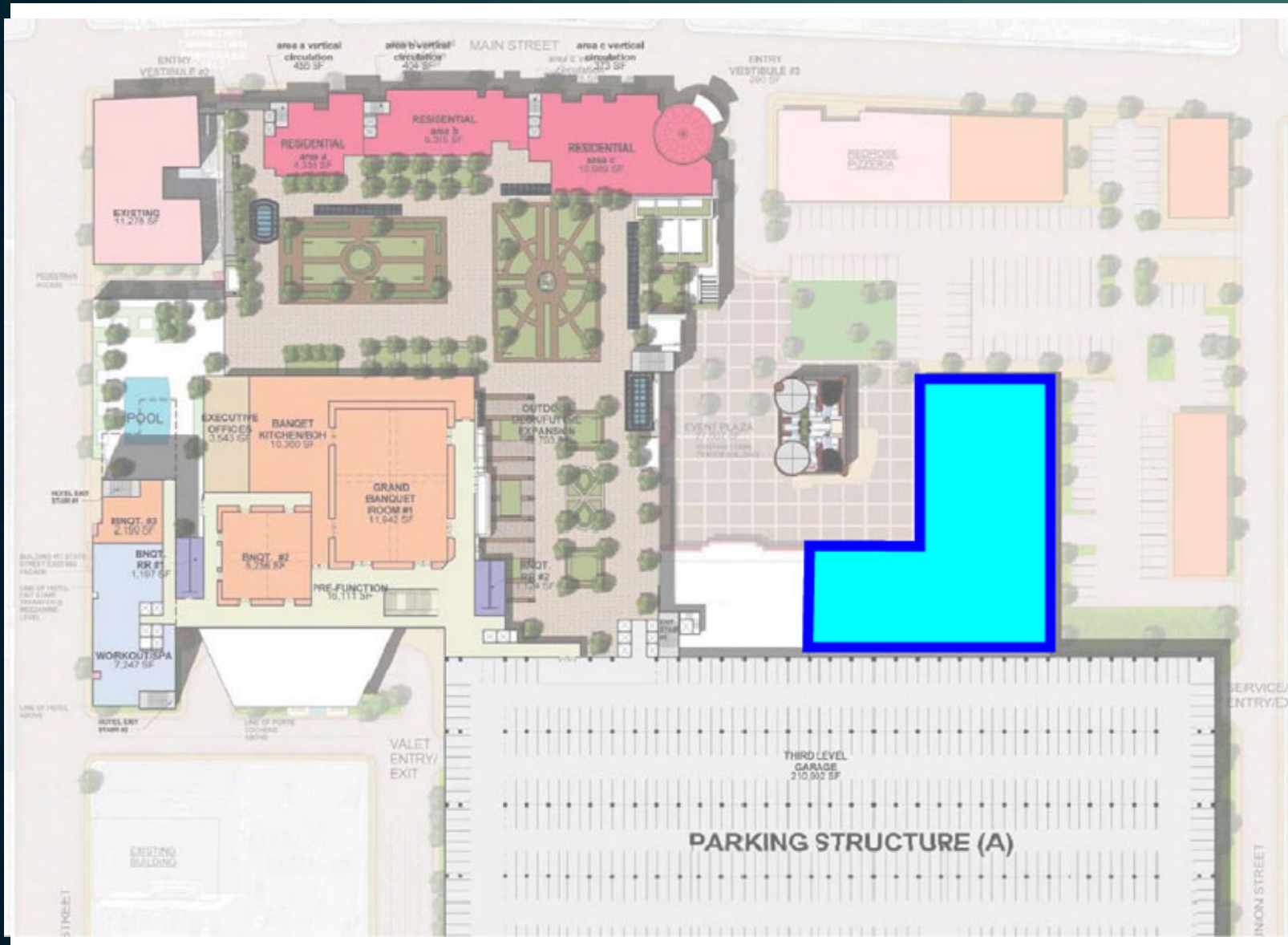


Host Community Agreement
No More Than 3,600 Spaces

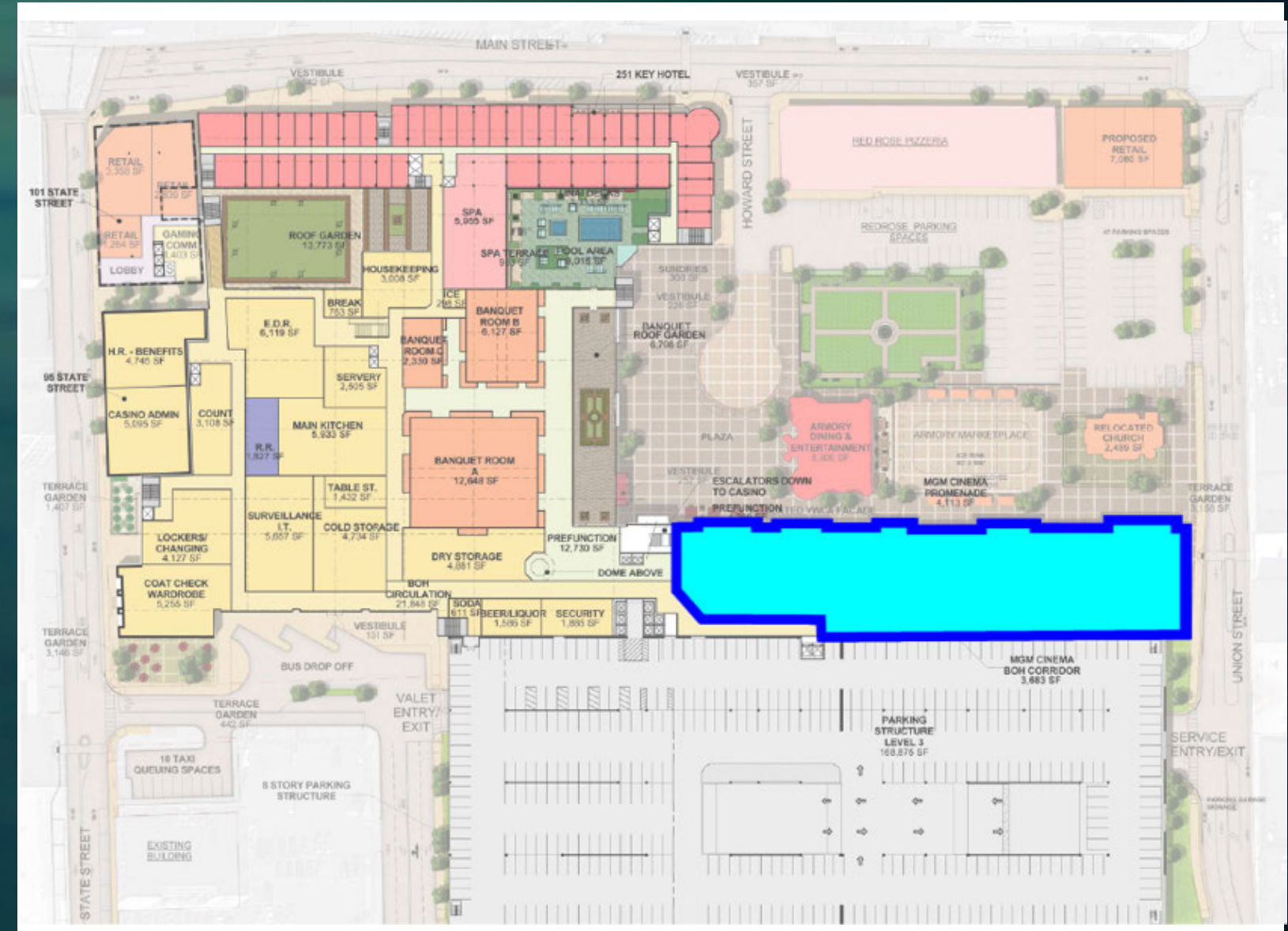


Current Plans
3,375 Garage Spaces
86 Surface Spaces

CINEMA COMPARISON



Host Community Agreement
37,327 SF

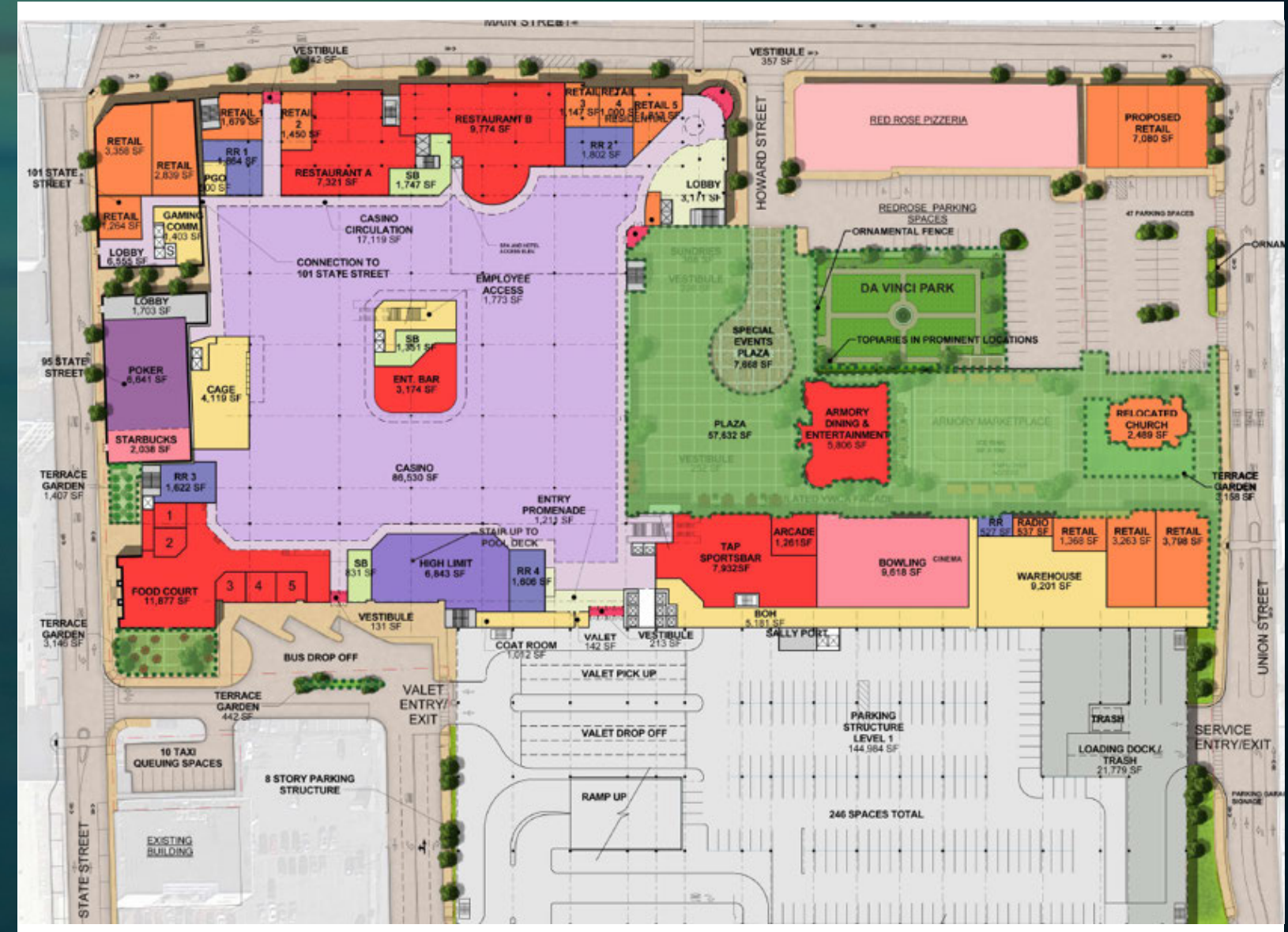


Current Plans
37,465 SF

MGM SPRINGFIELD



Host Community Agreement



Current Plans

AERIAL VIEW



Previous Rendering



Current Rendering

Brian Packer

Vice President - Construction/Development



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Luxury Destination

CURRENT PARKING COORDINATION SUMMARY:

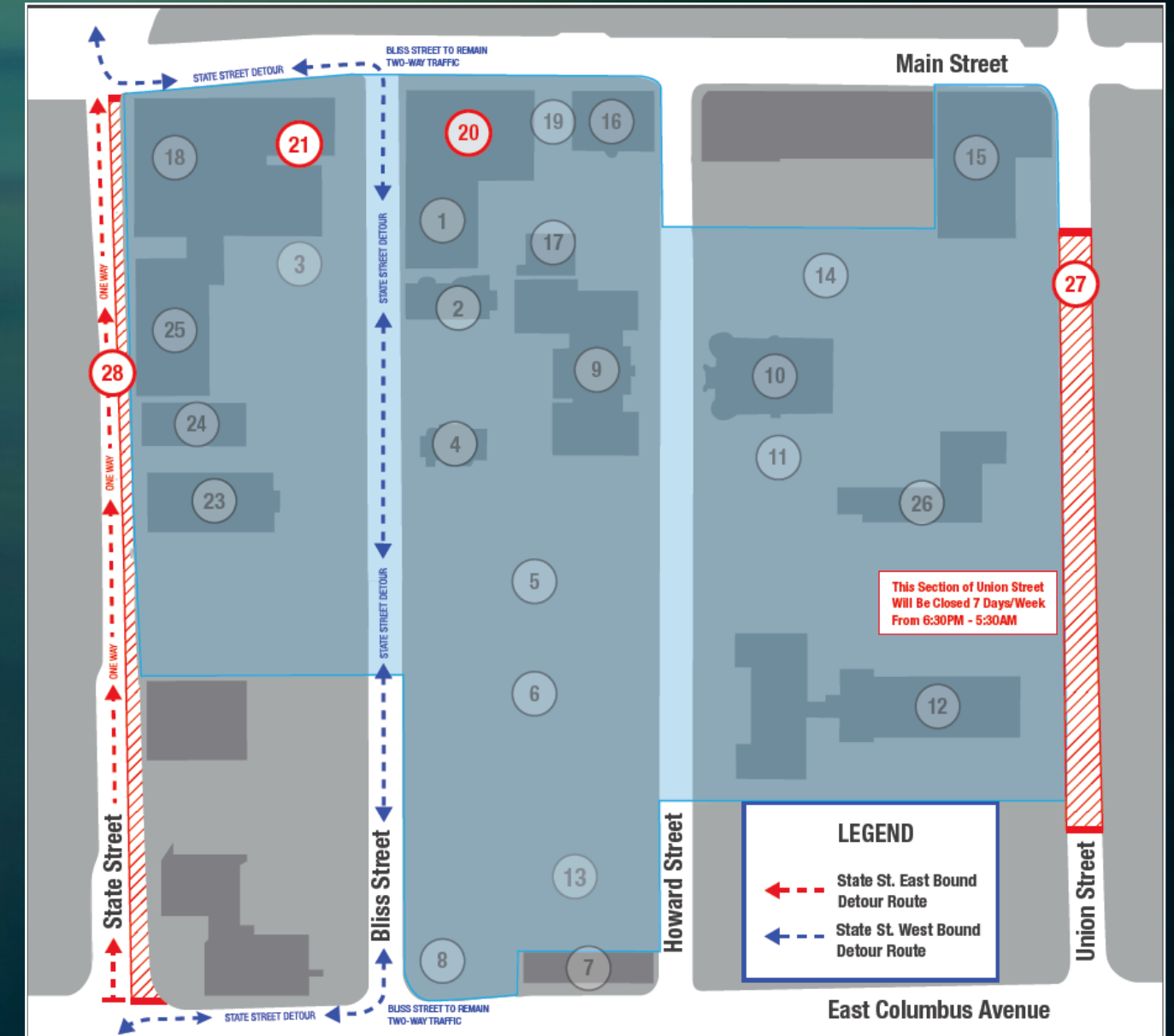
- Caring Health is currently parking in 40 spots at 99 Union Street. 51 new spaces for their employees and patients are opening week of 11/30 at corner of Union and Main.
- 113 parkers utilizing Civic Center Garage.
- 25 additional parkers have requested subsidized rate at Civic Center Garage. Details currently being finalized between MGM and Springfield Parking Authority.
- Civic Center Garage has excess capacity if need arises.

ABUTTER NOTIFICATION

- Email notifications to abutters distributed every two weeks.

MGM SPRINGFIELD CONSTRUCTION ACTIVITIES - 10/27/15-11/11/15		
WORK HOURS: 7:00 AM - 7:00 PM		
FOR CONSTRUCTION-RELATED INQUIRES PLEASE CONTACT: JMARTIN@DVNPT.NET		
CONSTRUCTION ACTIVITY		
REFERENCE #	LOCATION	STATUS
1	15 Bliss Street (VFW)	No work anticipated
2	19 Bliss Street (Springfield Rescue Mission)	No work anticipated
3	16-30 Bliss Street (State-Bliss Parking Garage)	No work anticipated
4	33-37 Bliss Street (French Spiritualist Church)	No work anticipated
5	53-57 Bliss Street (48 Howard Street) (Auto Park)	No work anticipated
6	61 Bliss Street (52-62 Howard Street)	No work anticipated
7	1317-1343 East Columbus Avenue	
8	1357 East Columbus Avenue	
9	22-30 Howard Street (YWCA Building)	
10	29 Howard Street (Armory)	
11	37 Howard Street	
12	59 Howard Street (Zanetti School)	
13	82 Howard Street (Rectory)	
14	Howard Street (DaVinci Park)	
15	1008-1028 Main Street (Dave's Furniture)	

REFERENCE #	LOCATION
1	15 Bliss Street (VFW)
2	19 Bliss Street (Springfield Rescue Mission)
3	16-30 Bliss Street (State-Bliss Parking Garage)
4	33-37 Bliss Street (French Spiritualist Church)
5	53-57 Bliss Street (48 Howard Street) (Auto Park)

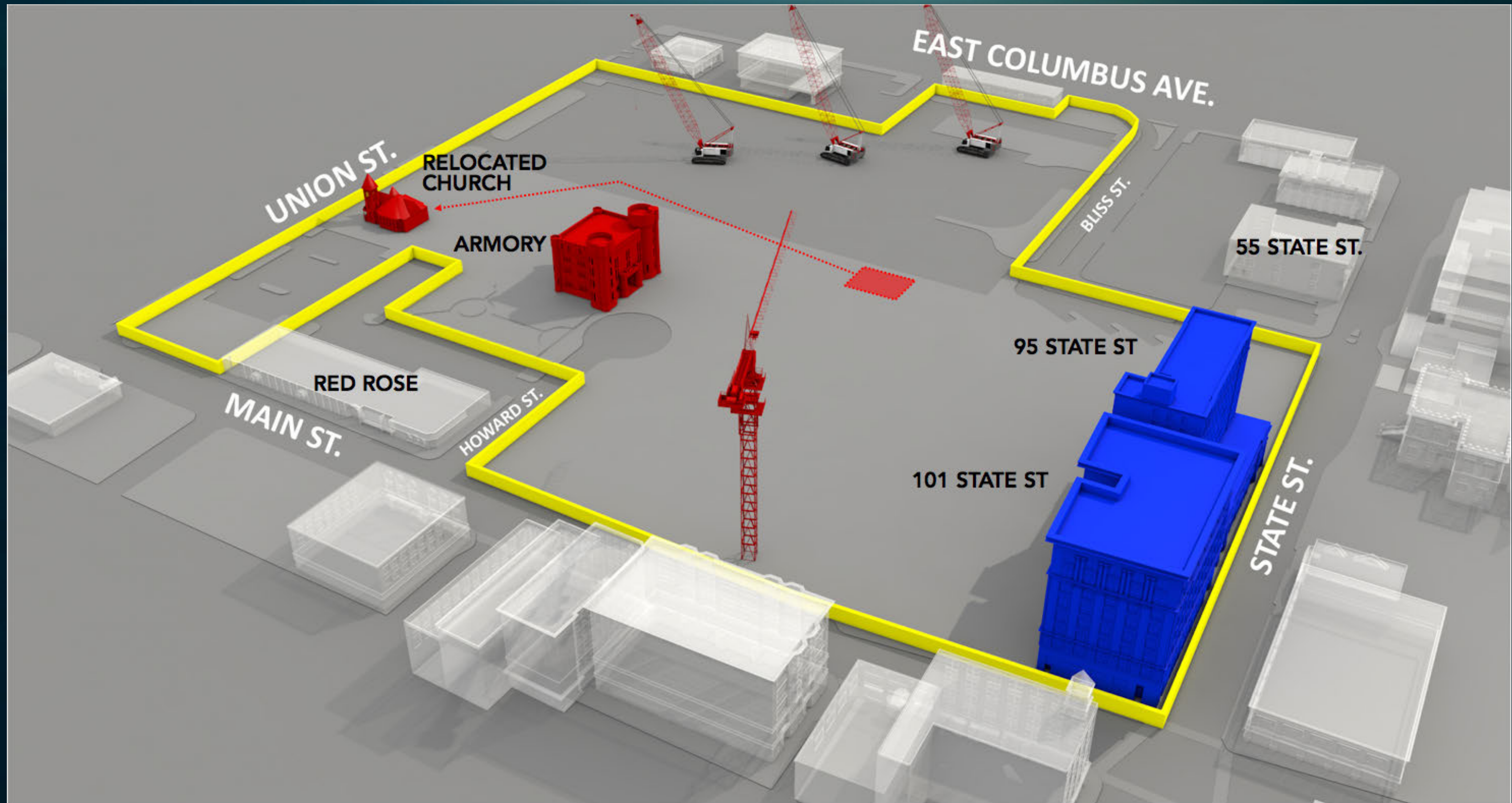


MGM SPRINGFIELD CONSTRUCTION LABOR

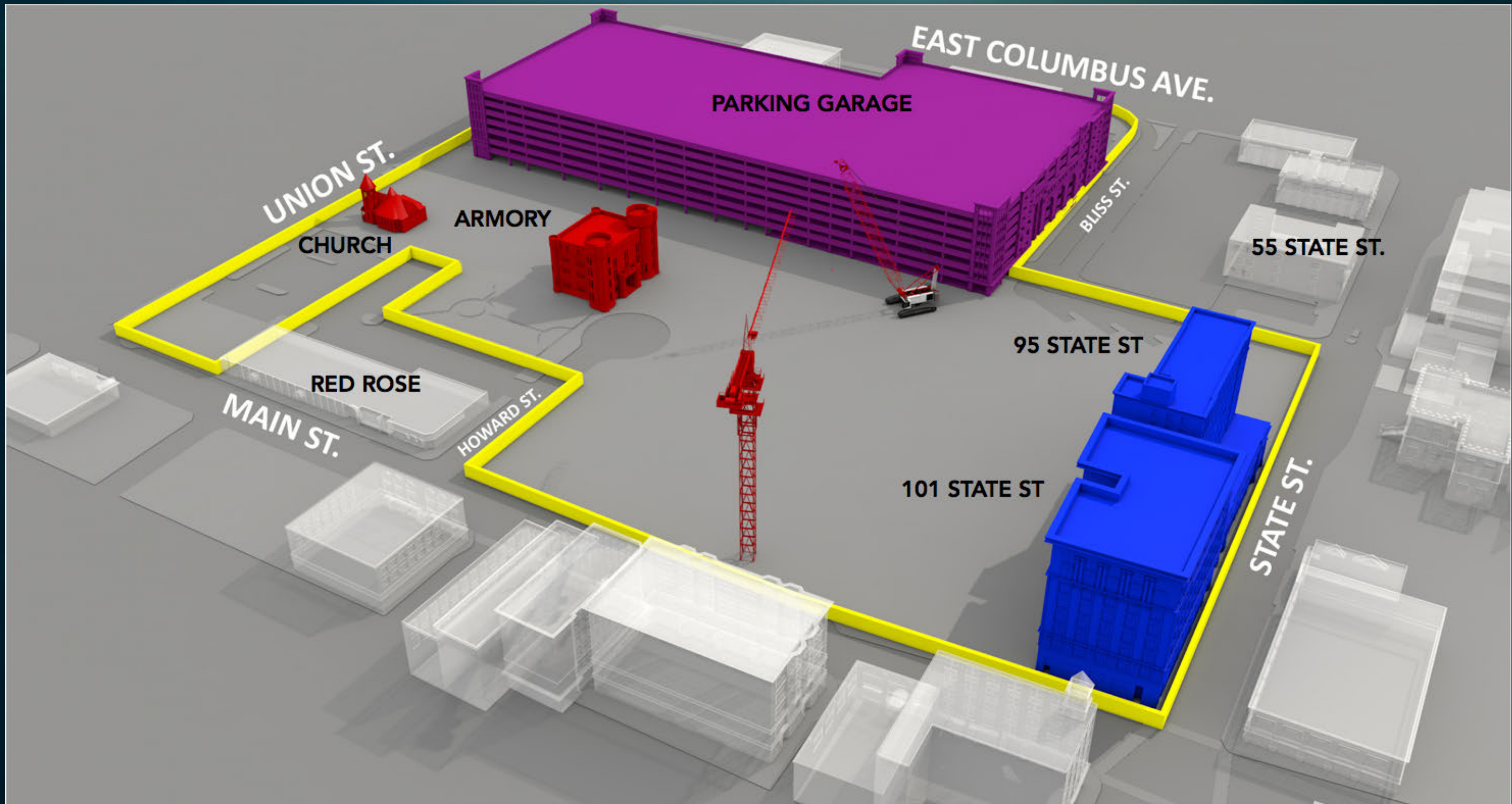
MGM SPRINGFIELD, INCLUDING OFFSITE RESIDENTIAL, WILL BE CONSTRUCTED UNDER THE PROJECT LABOR AGREEMENT

- Asbestos Workers #6
- Bricklayers' #1
- Bricklayers Local #3
- Carpenters - Local #108
- Floorcoverers Local #2168
- International Brotherhood of Electrical Workers – IBEW Local #7
- International Union Elevator Constructors Local #41
- International Union of Operating Engineers – IUOE Local #4
- International Union of Operating Engineers – IUOE Local #98
- Ironworkers' #7
- International Union of Painters and Allied Trades – IUPAT Glazers Local #1333
- International Union of Painters and Allied Trades – IUPAT - District #11
- Laborers Local #243
- Laborers Local #39
- Laborers Local #596
- Laborers Local #999
- Laborers International Unions of North America – LIUNA Building Wreckers Local #1421
- Painters and Allied Trades District Council #35
- Plumbers & Pipefitters #104
- Roofers #248
- Sheet Metal Workers #17
- Sheet Metal Workers #63
- Sprinkler Fitters #669
- Teamsters' #404

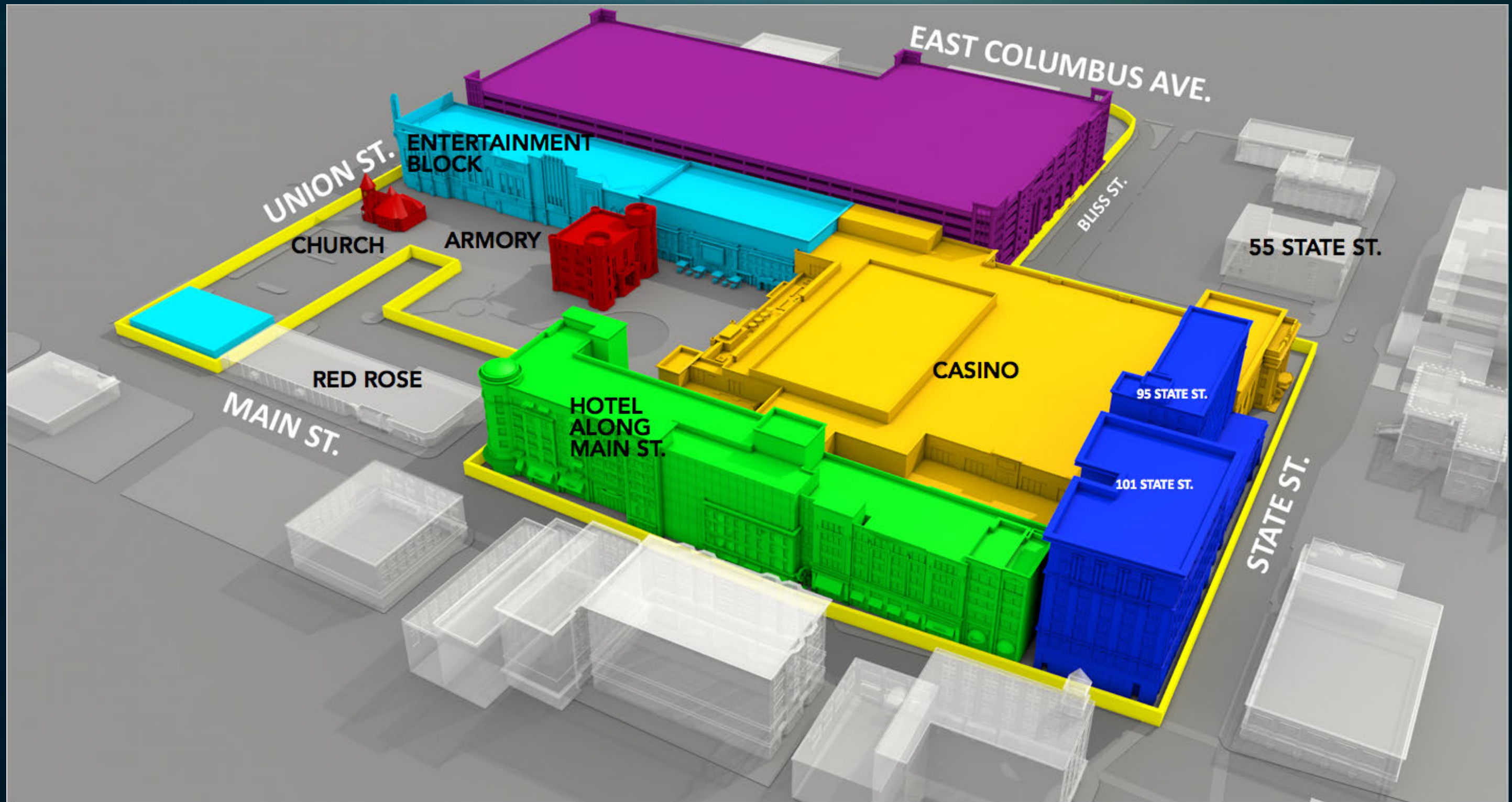
ENABLING / CHURCH RELOCATION



PARKING GARAGE



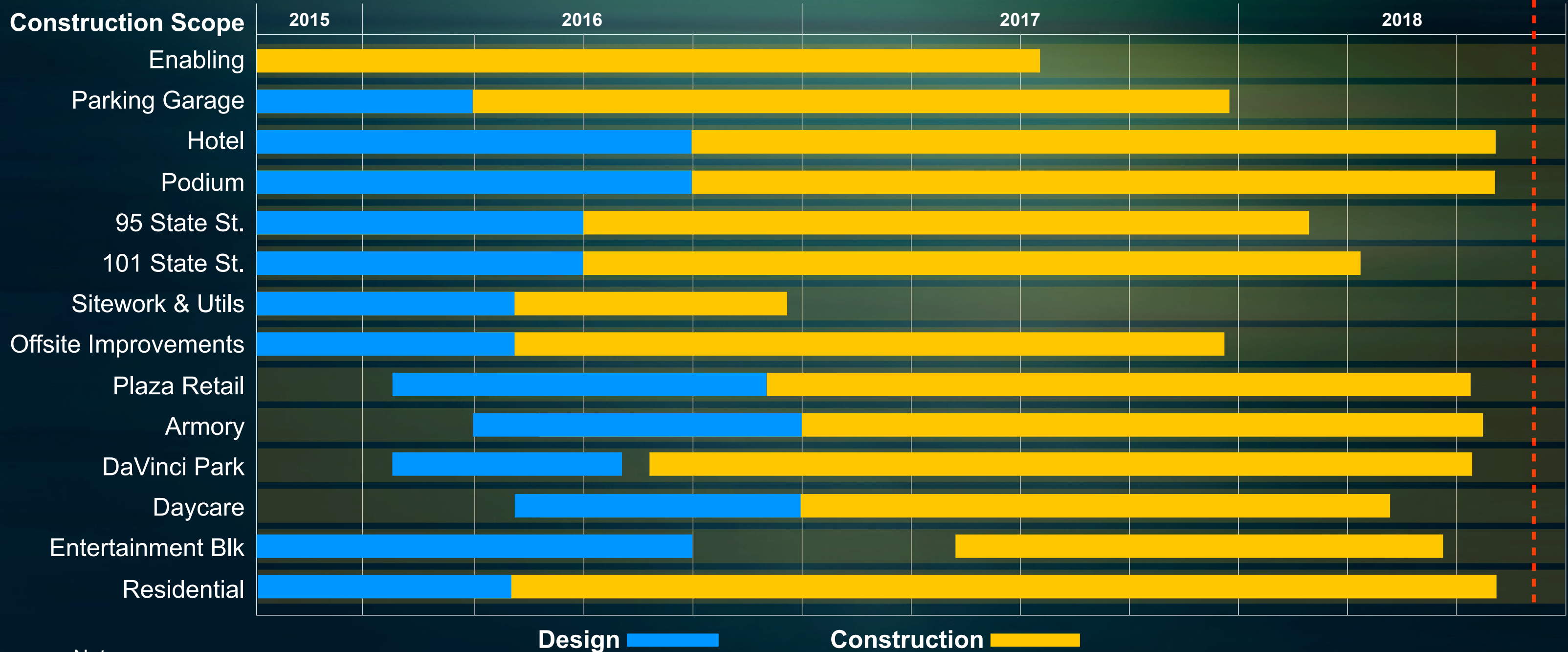
HOTEL & CASINO



PROJECT MILESTONES

Anticipated Opening Date - September 2018

Sept 2018 ●



Notes:

(1) Residential commitment will be constructed at a minimum of two (2) locations and the completion date listed is the outside date of the second location.

DEMOLITION & ABATEMENT



UTILITY WORK



10 MILL STREET MISSION - CONSTRUCTION



10 MILL STREET MISSION - COMPLETION



CONSTRUCTION STATISTICS

- The Total Design And Construction Spend Through 3rd quarter 2015: **\$23.6M**
- More Than **675** Construction Workers Have Worked On-site To Date
- **34** Western Massachusetts Construction Companies Participating In Project To Date



WESTERN MASSACHUSETTS CONSTRUCTION COMPANIES PARTICIPATING IN PROJECT TO DATE

Company	Location	Company	Location
Allied Fire Protection, Inc.	Springfield, MA 01107	T & M Equipment Corporation	Springfield, MA 01104
American Environmental, Inc.	Holyoke, MA 01040	T.J. Conway Company	Springfield, MA 01101
Ayala Excavating and Trucking, LLC	Springfield, MA 01107	Titan Roofing Company	Springfield, MA 01104
Ayotte & King For Tile, Inc	Chicopee, MA 01020	Universal Electric Co.	Springfield, MA 01104
Bay State Elevator Co.	Agawam, MA 01001	Unwin Overhead Doors	Chicopee MA 010131`
Chandler Architectural Products	West Springfield, MA 01089	Valet Park of America	Springfield, MA 01105
CK Flooring Solutions, Inc.	Chicopee, MA 01020	William Roberts Electric Co., Inc.	Wilbraham, MA 01095
CMJ, LLC	Springfield, MA 01101	Willow Tree Outdoor, LLC	Springfield MA 01105
Collins Electrical	Chicopee, MA 01020	Champlain Masonry, Inc.	Pittsfield, MA 01201
Connecticut Drywall Finishing, Inc.	West Springfield, MA 01089	Commonwealth Guardrail, Inc.	Westfield, MA 01085
Fontaine Bros. Inc.	Springfield, MA 01104	Dublin Steel Corporation	Palmer, MA 01069
Harry Grodsky & Co.	Springfield, MA 01101	Gagliarducci Construction, Inc.	Indian Orchard, MA 01151
Kittredge Equipment Company, Inc.	Agawam, MA 01001	Performance Testing & Balancing LLC	South Hampton, MA 01073
Northeast Steel Erectors	Agawam, MA 01001	Stained Glass Resources, Inc.	Hampden, MA 01036
O'Reilly, Talbot & Okun Associates	Springfield, MA 01103	Superior Caulking & Waterproofing Co., Inc	Palmer, MA 01069
Professional Drywall Construction Inc.	West Springfield, MA 01089	Triton Leasing and Rental, Inc.	Feeding Hills, MA 01030
RoadSafe Traffic Systems	Springfield, MA 01104	Ultimate Abatement Company, Inc.	Plainfield, MA 01070

WESTERN MASSACHUSETTS CONSTRUCTION COMPANIES PARTICIPATING IN PROJECT TO DATE

Company	Location
Allied Fire Protection, Inc.	Springfield, MA 01107
American Environmental, Inc.	Holyoke, MA 01040
Ayala Excavating and Trucking, LLC	Springfield, MA 01107
Ayotte & King For Tile, Inc	Chicopee, MA 01020
Bay State Elevator Co.	Agawam, MA 01001
Chandler Architectural Products	West Springfield, MA 01089
CK Flooring Solutions, Inc.	Chicopee, MA 01020
CMJ, LLC	Springfield, MA 01101
Collins Electrical	Chicopee, MA 01020
Connecticut Drywall Finishing, Inc.	West Springfield, MA 01089
Fontaine Bros. Inc.	Springfield, MA 01104
Harry Grodsky & Co.	Springfield, MA 01101
Kittredge Equipment Company, Inc.	Agawam, MA 01001
Northeast Steel Erectors	Agawam, MA 01001
O'Reilly, Talbot & Okun Associates	Springfield, MA 01103
Professional Drywall Construction Inc.	West Springfield, MA 01089
RoadSafe Traffic Systems	Springfield, MA 01104

Company	Location
T & M Equipment Corporation	Springfield, MA 01104
T.J. Conway Company	Springfield, MA 01101
Titan Roofing Company	Springfield, MA 01104
Universal Electric Co.	Springfield, MA 01104
Unwin Overhead Doors	Chicopee MA 010131`
Valet Park of America	Springfield, MA 01105
William Roberts Electric Co., Inc.	Wilbraham, MA 01095
Willow Tree Outdoor, LLC	Springfield MA 01105
Champlain Masonry, Inc.	Pittsfield, MA 01201
Commonwealth Guardrail, Inc.	Westfield, MA 01085
Dublin Steel Corporation	Palmer, MA 01069
Gagliarducci Construction, Inc.	Indian Orchard, MA 01151
Performance Testing & Balancing LLC	South Hampton, MA 01073
Stained Glass Resources, Inc.	Hampden, MA 01036
Superior Caulking & Waterproofing Co., Inc	Palmer, MA 01069
Triton Leasing and Rental, Inc.	Feeding Hills, MA 01030
Ultimate Abatement Company, Inc.	Plainfield, MA 01070

Seth Stratton

Vice President & General Counsel

- MGM Springfield



An MGM Resorts
Luxury Destination

PROJECT COSTS / OTHER COMMITMENTS

- Overall Investment
- \$50 Million Of Annual Spend Locally
- \$25 Million In Annual Payments To City Of Springfield
- 3,000 Operational Jobs
- 2,000 Construction Workers
- Riverfront
- Springfield Union Station
- MassMutual Center / Entertainment

PROJECT COST

- Current Estimate - \$950MM+

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MGM official: Massachusetts casino will cost over \$950M

Posted: Nov 18, 2015 3:50 PM PST
Updated: Nov 18, 2015 3:50 PM PST

SPRINGFIELD, Mass. (AP) - The price tag for MGM's planned resort casino in Springfield is rising.

The Las Vegas casino giant had budgeted the cost of the downtown casino, hotel and [entertainment](#) complex at \$800 million. Now MGM Resorts International President Bill Hornbuckle says that cost has ballooned to over \$950 million, even after a proposed re-design.

Hornbuckle disclosed the new estimate Wednesday at a city forum meant to explain the controversial [design](#) changes. Among the proposals is the elimination of a 25-story hotel tower and an overall reduction in the size of the development.

Hornbuckle also disputed reports that the reduction represents a 14 percent cut in total square footage. He said it was closer to 10 percent and would largely impact backroom functions like the employee [dining](#) area and loading docks.



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NOVEMBER 2015 ESTIMATE

Ref	Description	Original Estimate	November 2015 Estimate
1	Building / Construction / Design	\$397.3	\$495.4
2	FF&E	107.5	74.9
3	OSE	31.5	43.7
	Subtotal of Eligible Capital Costs	\$536.3	\$614.1
4	Land	\$50.1	\$51.3
5	Off-site Parcel Improvements	11.0	11.4
6	License/ Application Fees	85.0	85.0
7	Pre-opening Expenses / Host Community Costs	35.2	110.1
8	Financing Costs / Capitalized Interest	58.0	45.0
9	Project Contingency ⁽¹⁾	24.4	35.0 - 55.1
	Subtotal of Ineligible Costs	\$263.7	\$337.8 - \$357.9
	Total	\$800.0	\$951.9 - \$972.0

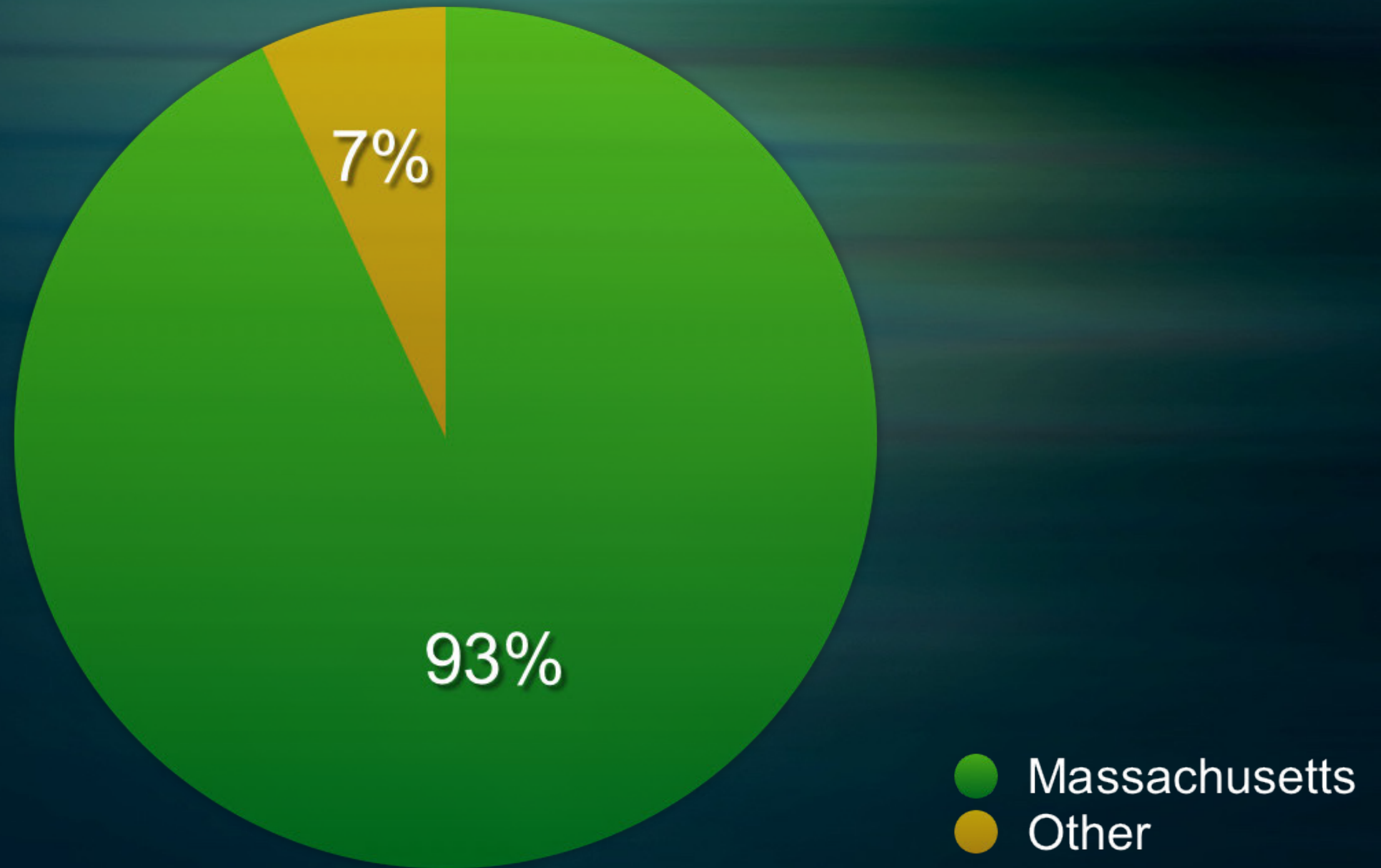
Notes:

(1) Contingency, subtotal of ineligible costs and total high ranges will change. Majority of contingency will be spent on Eligible Capital Costs.

(2) Original estimate included Cage Cash / Working Capital of \$25.0M for a total of \$825M.

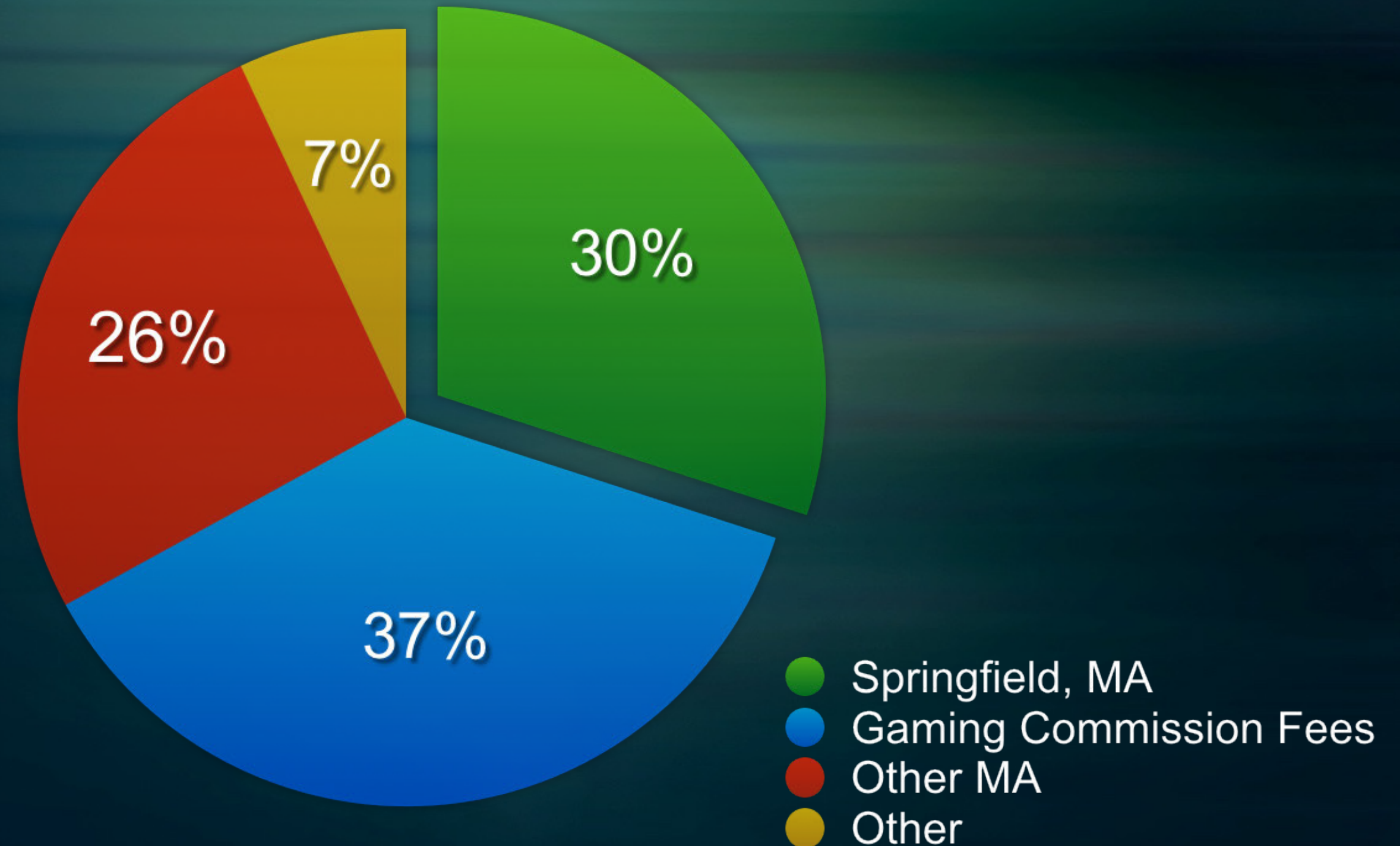
TOTAL CASH SPENT TO DATE

\$235 million
(as of 10/30/2015)



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\$235 million
(as of 10/30/2015)



ANNUAL PAYMENTS

- Average of \$25M in annual payments

Rank	Taxpayer	2015 Tax Liability
1	Western Massachusetts Electric Company	\$10.7M
2	Columbia/Bay State Gas Company	\$4.3M
3	Massachusetts Mutual Life Insurance	\$3.2M
4	Pearson	\$1.9M
5	Verizon/New England Telephone	\$1.6M

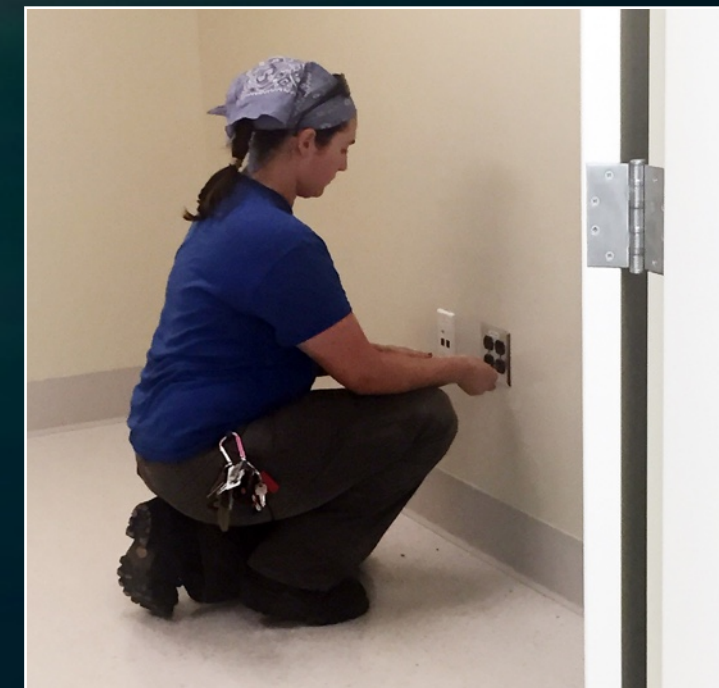
3,000 OPERATIONAL JOBS/ 2,000 CONSTRUCTION WORKERS

MGM Springfield hires 4, including former political aspirant Chelan Brown

- MASSLIVE
February 3, 2015



MGM Springfield had announced the hiring of, from left to right, Marikate Murren as Director, Training and Workforce Development; Anita Bird as Human Resources Specialist; Amanda Gagnon as Executive Assistant to the President, Vice President and General Counsel; and Chelan Brown as the Manager of the MGM Springfield Community Office. (Photos Provided)



RIVERFRONT



SPRINGFIELD UNION STATION



\$7.5 MILLION OVER THE NEXT 15 YEARS



MASSMUTUAL CENTER



CITY STAGE & SYMPHONY HALL



Jed Nosal

Outside Counsel - Brown Rudnick LLP



An MGM Resorts
Luxury Destination

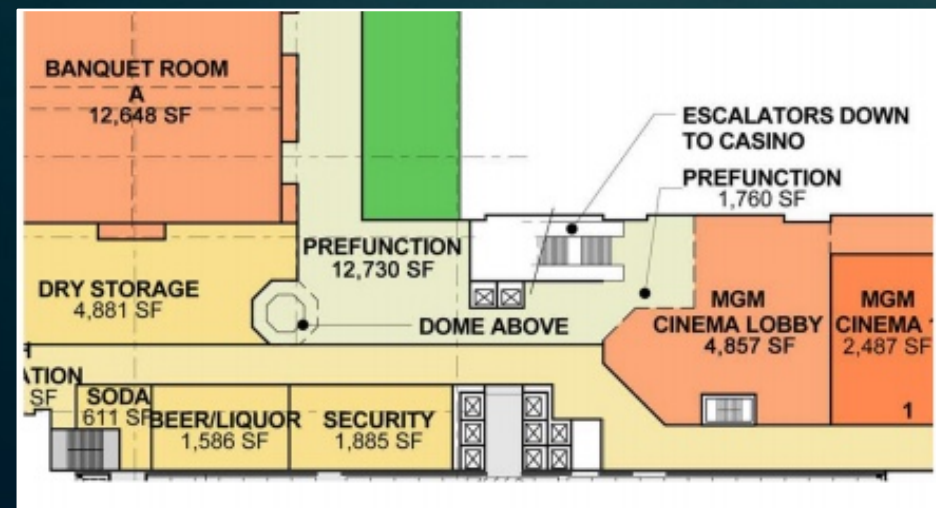
3 HISTORICAL MOA



An MGM Resorts
Luxury Destination

MASS HISTORICAL COMMISSION MOA

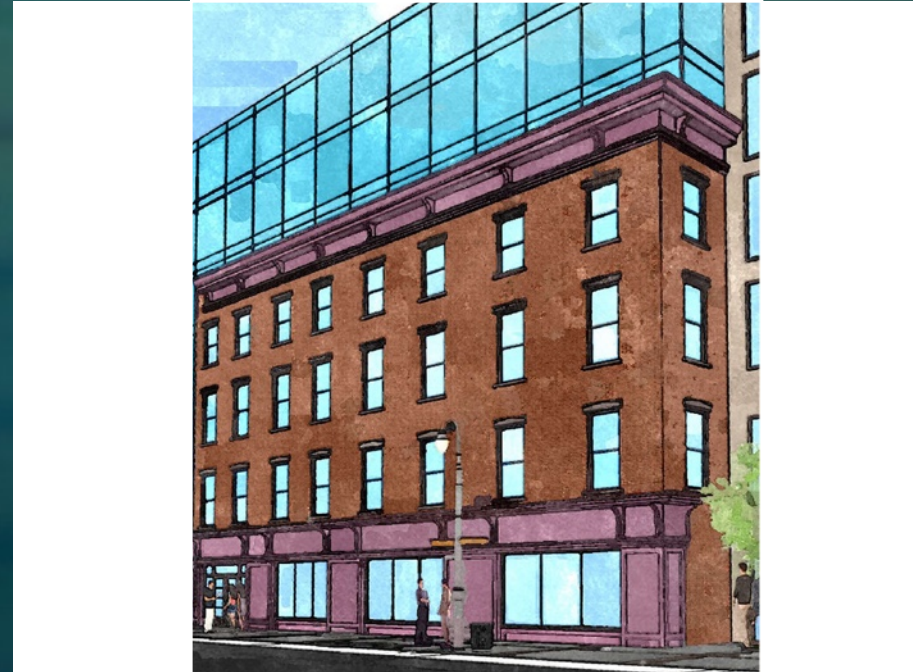
- Summary of Revised MHC MOA
 - SHC Changes
 - Trust Changes
 - MHC Changes
- Request for Approval and Signature
- Next Steps



HISTORIC PRESERVATION IMPROVEMENTS



73 State Street Dome & Facade



Retain facade Of Union House/Chandler Hotel



YWCA Facade Emulated



Church Retained By Armory Entertainment Block



95 State Street Retained & Renovated



101 State Facade Protected Along State & Main St.

4 SECTION 61 UPDATE



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Luxury Destination

SECTION 61 FINDINGS

- The Section 61 Findings are the Commission's findings on the external environmental impacts and required mitigation as a condition of licensure under 205 CMR 105
- Section 61 Requisites
 - MEPA Certificate (Issued on 12/31/14)
 - NPC (Issued on 11/25/15)
 - MHC MOA (Presented for Signature on 12/3/15 and incorporated by Reference)
 - MassDOT Section 61 Findings (to be issued in first quarter of 2016 and incorporated by reference)
- Draft Section 61 Findings – Highlights
- Approval and Next Steps

5 CONCLUSION



An MGM Resorts
Luxury Destination

Mike Mathis

President - MGM Springfield



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Luxury Destination

LOOKING FORWARD: FINAL DESIGN REVIEW

- Site Plan submission is complete and MGM is coordinating with the City Council to accomplish Site Plan Review and Approval during January.
- Following Site Plan Approval, MGM will present Final Design for Commission approval.
- Key aspects of design important to Commission on which we will focus:
 - High caliber Gaming Establishment with quality amenities
 - Emphasis on culture and history of Springfield
 - Public outdoor amenities
 - Respecting existing street edges, offering multiple entry points and fronting restaurants and shops on main commercial spine
 - Garage with free parking and cladded facades
 - Partnerships with and marketing of existing local venues and businesses
 - Limiting the size of MGM's hotel, conference space and entertainment facilities
 - Sustainable development practices
 - Effective security, monitoring, surveillance and emergency procedures
 - Compatibility with surroundings through site access and traffic management

RECAP AND REQUEST

- Objectives: alleviate confusion, answer questions and reaffirm commitment
- Recap: What do we promise?
 - An inside-out integrated destination resort casino
 - Thousands of construction and operational jobs
 - Combined hundreds of millions annually in state gaming taxes, local taxes and payments and local vendor spending
 - An opportunity to put the once great City of Springfield back on the map
- Request: Two important approvals from the Commission:
 - MHC MOA
 - Section 61 findings