



**UPDATED**

**NOTICE OF MEETING and AGENDA  
February 18, 2014**

Pursuant to the Massachusetts Open Meeting Law, G.L. c. 30A, §§ 18-25, notice is hereby given of a meeting of the Massachusetts Gaming Commission. The meeting will take place:

Tuesday, February 18, 2014  
9:30 a.m.

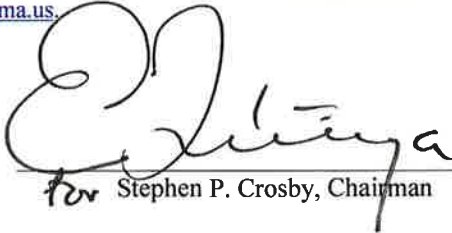
**Boston Convention and Exhibition Center**  
415 Summer Street, Room 151  
Boston, MA

**PUBLIC MEETING - #107**

1. Call to order
2. Category 1 Region B Surrounding Community and Impacted Live Entertainment Venue Petitions Decisions
3. Hanover Theater Impacted Live Entertainment Venue Designation
4. Other business – reserved for matters the Chair did not reasonably anticipate at the time of posting.

I certify that on this date, this Notice was posted as “Gaming Commission Meeting” at [www.massgaming.com](http://www.massgaming.com) and emailed to: [regs@sec.state.ma.us](mailto:regs@sec.state.ma.us), [melissa.andrade@state.ma.us](mailto:melissa.andrade@state.ma.us).

2/14/14  
(date)

  
for Stephen P. Crosby, Chairman

**Date Posted to Website:** February 14, 2014 at 9:30 a.m.



Massachusetts Gaming Commission

# ★ MAJESTIC THEATER ★

*Danny Eaton, Producing Director*

January 9, 2014

Massachusetts Gaming Commission  
84 State Street, 10<sup>th</sup> Floor  
Boston, MA 02109

Dear Massachusetts Gaming Commission,

The Majestic Theater in West Springfield, MA is requesting it be designated an Impacted Live Entertainment Venue as outlined in 205 CMR 126 because of the information detailed in the Phase 2 application submitted by MGM Springfield.

The Theater Project, Inc. dba Majestic Theater is a non-profit 501(c)(3) Massachusetts corporation established in 1993. The Theater Project, Inc. is a professional Equity SPT live theater producing locally at the Majestic since 1997. Our mission is to provide Western Massachusetts based actors, actresses and theater technicians a professional environment in which to perform – the Majestic Theater. Annually we employ over a hundred local theater actors, actresses and technicians providing them with the only opportunity to work and be paid to practice their craft. We have a Management and Box Office staff of twelve. The Theater Project, Inc. purchased the Majestic Theater building in 2003.

The Majestic has 240 seats in the performance theater. There are 70 seats in the Majestic Café that allows patrons to gather and have light refreshments prior to performances. The Theater Project, Inc. stages five Main Season productions which are a variety of Musicals, Comedies and Dramas from September through May with each production running for a minimum of 31 performances (see the enclosed brochure). We have over 4,200 subscribers – the largest subscriber base in Western MA – who annually purchase tickets to all five of the Main Season productions. Our single ticket prices for a Main Season production range from \$22 to \$29. In the summer we produce three plays as part of the Majestic Children's Theater which thousands of children from throughout the region attend with single ticket prices of \$8. We produce over fifty concerts and holiday specific productions during the Summer, Christmas holiday, St. Patrick's Day and Valentine's Day featuring local and regional artists with single ticket prices that range from \$15 to \$24 (see the enclosed brochure).

MGM Springfield's Phase 2 application states in 3-24-08 Exhibit B – Business Operations and Marketing Obligations, Section 2. Symphony Hall/City Stage, paragraph (b) –

(b) The Developer has entered into an agreement with the Springfield Parking Authority pursuant to which Developer agrees to, among other things, underwrite, co-promote, book and schedule a minimum of three (3) Events per calendar year at City Stage...for a minimum of five (5) years... The Developer will purchase such number of unsold tickets to Events as may be necessary to meet its underwriting commitment for Events.

★ **MAJESTIC THEATER • 131 Elm Street • P.O. Box 511 • West Springfield, MA 01089**  
**Box Office (413) 747-7797 • Fax (413) 781-5691 • [www.majestictheater.com](http://www.majestictheater.com)** ★

*The Theater Project, Inc. dba Majestic Theater is a non-profit corporation.*

# ★ MAJESTIC THEATER ★

*Danny Eaton, Producing Director*

City Stage on Bridge St. in Springfield is located on the opposite side of the Connecticut River from the Majestic Theater – a little more than a mile away. City Stage has two operating theater spaces – one with seating capacity of approximately 400 and another with seating capacity of 100. City Stage’s advertised single ticket prices range from \$24 - \$38. They offer Season subscription packages for their events.

City Stage does not produce their own productions or cast with local actors and actresses any of their productions. City Stage contracts with national touring production companies to present a variety of Musicals, Comedies and Dramas. No local actor, actress or theater professional that has worked at the Majestic Theater has ever worked at City Stage.

City Stage operates in a building owned by the Springfield Parking Authority. It is with the Springfield Parking Authority that MGM Springfield has reached their agreement detailed in 3-24-01 Exhibit B of their Phase 2 proposal.

MGM Springfield states in their Phase 2 application “CONCEPT” section 4-01-01 that they will run a trolley system that will “run regularly from MGM Springfield to other...attractions...City Stage.” In section 4-02-01 there is a prominent photograph of City Stage’s marquee under which MGM Springfield explains that their focus is to “Build on Existing Assets” noting that they will support efforts that “...has appropriately prioritized development plans...” that specifically include “...City Stage.” In section 4-05-01 MGM Springfield’s facilities drawings include an outdoor “Armory Dining Entertainment” area that will be used in the Summer which The Theater Project, Inc. knows will directly compete and negatively impact the Majestic Theater Summer Concert Series (see the enclosed brochure).

We believe that the partnership agreement that MGM Springfield has executed with City Stage (Springfield Parking Authority), and their detailed plans to support and build on the existing asset which is City Stage as stated in their Phase 2 application will adversely affect the Majestic Theater. The Majestic Theater regularly competes for audience for our Musicals, Comedies and Dramas with City Stage. When City Stage is supported by the massive infrastructure and resources of MGM – as MGM Springfield has clearly stated is their intention – it will result in the Majestic Theater becoming an Impacted Live Entertainment Venue.

Sincerely,



Danny Eaton  
President

Todd Kadis  
Treasurer

# MAJESTIC THEATER

2013~2014 Season



September 12 – October 27, 2013



*Contemporary Play*

**33 VARIATIONS**, by Moises Kaufman, combines music and passion to transport us from present day to 19th century Austria. In 1819 in Vienna, music publisher Anton Diabelli composed a simple waltz and offered it to the leading composers of the Austrian Empire, including Beethoven. The challenge for each was to write a variation on the theme - Beethoven composed 33! His Diabelli Variations have been described as "the greatest of all piano works." Dr. Katherine Brandt, a renowned musicologist, is determined to solve the mystery of why a "genius became obsessed with mediocrity." Though gravely ill, she travels to Bonn and the Beethoven archives. This is a play about passion, parenthood, and those moments of beauty that can transform a life. **33 VARIATIONS** is a funny, triumphant, and poignant piece of modern theater.



November 7 – December 15, 2013

## STICK FLY

*Comedy/Drama*

**STICK FLY** is the award winning play by Lydia R. Diamond. The affluent LeVay family is gathering for a weekend at their Martha's Vineyard summer home. Brothers Flip and Kent have each brought their respective ladies home for a first time family meeting. Joining the two couples is the demanding family patriarch, Dr. Joe LeVay, and Cheryl, the daughter of the family's long time housekeeper. As the two newcomers banter and butt heads over issues of race and privilege, longstanding family tensions begin to bubble under the surface. **STICK FLY** is a fascinating and arrestingly fresh dramatic comedy.



January 9 – February 16, 2014

## Educating Rita

*Comedy*

**EDUCATING RITA** is the funny and passionately serious play by Willy Russell (author of last Season's hit production BLOOD BROTHERS.) Frank is a disillusioned professor whose outlook on life has turned him to drink. Rita is a forthright 26-year-old hairdresser who is eager to learn anything and everything – and refuses to accept "no" for an answer. Their relationship as teacher and student slowly blossoms, giving Frank a renewed sense of self, and Rita the knowledge and skills she so craves. **EDUCATING RITA** is both hilarious and heartfelt.



MAJESTIC THEATER • 131 Elm Street • P.O. Box 511 • West Springfield, MA 01089  
(413) 747-7797 • [www.majestictheater.com](http://www.majestictheater.com)



February 27 – April 6, 2014

# HEROES

Comedy

**HEROES** by Gerald Sibleyras, and translated by Tom Stoppard, is the story of three French World War 1 veterans who pass their monotony-filled days in a military hospital engaging in verbal battles of long ago, military campaigns, and all the while grumbling about the staff. Henri is afflicted with a bad leg, Gustave suffers from agoraphobia, and Phillippe regularly passes out because of a small piece of shrapnel lodged in his brain. Their cantankerous camaraderie begins to strain, though, when Gustave dreams of freedom and hatches up an escape plan. **HEROES** is a brilliantly translated and award winning comedy that is both achingly funny and piercingly poignant.



# next to normal

April 17 – June 1, 2014

Musical

**NEXT TO NORMAL** is the Pulitzer Prize and Tony Award winning “emotional power house” of a contemporary musical from Tom Kitt and Brian Yorkey that has had audiences around the world standing and cheering its breathtaking honesty whenever it’s been performed. Diana and Dan Goodman have a teenage daughter, Natalie, a steady income, and a beautiful home – the seemingly typical suburban American family. Yet, behind the walls of their home, Diana is suffering from a worsening bi-polar disorder. While Dan struggles to hold the family together, Natalie tries to figure out how to escape her mother’s fate and how they can take care of themselves and each other. The New York Times wrote that **NEXT TO NORMAL** was “much more than a feel-good musical, it is a feel-everything musical.”



## MAJESTIC Café 2013-2014 Season Menu

**33 Variations** ~ Ham & Swiss on a Roll & Corn Chowder

**Stick Fly** ~ Roast Beef on a Roll & Vegetable Barley

**Educating Rita** ~ Beef Stew and a Roll & Wild Mushroom Soup

**Heroes** ~ Tuna Fish on a Roll & Loaded Potato Soup

**Next to Normal** ~ Chicken Salad on a Roll & Tomato Cheddar Soup

Assorted Desserts • Cookies • Cheese, Crackers & Grapes

Salted Jumbo Cashews • Popcorn • Candy • Soda • Beer • Wine

*The Majestic Café is open one hour before every performance and during intermissions.*



SEPTEMBER 2013							
SUN	MON	TUE	WED	THU	FRI	SAT	
1	2	3	4	5	6	7	
8	9	10	11	12	13	14	
				<b>33</b> 7:30	<b>33</b> 8:00	<b>33</b> 8:00	
15	16	17	18	19	20	21	
<b>33</b> 2:00			<b>33</b> 7:00	<b>33</b> 7:30	<b>33</b> 8:00	<b>33</b> 8:00	
22	23	24	25	26	27	28	
<b>33</b> 2:00			<b>33</b> 7:00	<b>33</b> 7:30	<b>33</b> 8:00	<b>33</b> 8:00	
29	30						
<b>33</b> 2:00 7:00							

OCTOBER 2013							
SUN	MON	TUE	WED	THU	FRI	SAT	
		1	2	3	4	5	
			<b>33</b> 7:00	<b>33</b> 7:30	<b>33</b> 8:00	<b>33</b> 8:00	
6	7	8	9	10	11	12	
<b>33</b> 2:00 7:00			<b>33</b> 7:00	<b>33</b> 7:30	<b>33</b> 8:00	<b>33</b> 2:00 8:00	
13	14	15	16	17	18	19	
<b>33</b> 2:00			<b>33</b> 7:00	<b>33</b> 7:30	<b>33</b> 8:00	<b>33</b> 8:00	
20	21	22	23	24	25	26	
<b>33</b> 2:00			<b>33</b> 7:00	<b>33</b> 7:30	<b>33</b> 8:00	<b>33</b> 8:00	
27	28	29	30	31			
<b>33</b> 2:00							

NOVEMBER 2013							
SUN	MON	TUE	WED	THU	FRI	SAT	
					1	2	
3	4	5	6	7	8	9	
				Stick Fly 7:30	Stick Fly 8:00	Stick Fly 8:00	
10	11	12	13	14	15	16	
Stick Fly 2:00		Stick Fly 7:00	Stick Fly 7:00	Stick Fly 7:30	Stick Fly 8:00	Stick Fly 8:00	
17	18	19	20	21	22	23	
Stick Fly 2:00			Stick Fly 7:00	Stick Fly 7:30	Stick Fly 8:00	Stick Fly 8:00	
24	25	26	27	28	29	30	
Stick Fly 2:00 7:00		Stick Fly 7:00			Stick Fly 8:00	Stick Fly 8:00	

DECEMBER 2013							
SUN	MON	TUE	WED	THU	FRI	SAT	
1	2	3	4	5	6	7	
Stick Fly 2:00 7:00			Stick Fly 7:00	Stick Fly 7:30	Stick Fly 8:00	Stick Fly 2:00 8:00	
8	9	10	11	12	13	14	
Stick Fly 2:00			Stick Fly 7:00	Stick Fly 7:30	Stick Fly 8:00	Stick Fly 8:00	
15	16	17	18	19	20	21	
Stick Fly 2:00							
22	23	24	25	26	27	28	
29	30	31					

JANUARY 2014							
SUN	MON	TUE	WED	THU	FRI	SAT	
			1	2	3	4	
5	6	7	8	9	10	11	
				Rita 7:30	Rita 8:00	Rita 8:00	
12	13	14	15	16	17	18	
Rita 2:00			Rita 7:00	Rita 7:30	Rita 8:00	Rita 8:00	
19	20	21	22	23	24	25	
Rita 2:00			Rita 7:00	Rita 7:30	Rita 8:00	Rita 8:00	
26	27	28	29	30	31		
Rita 2:00 7:00			Rita 7:00	Rita 7:30	Rita 8:00		

FEBRUARY 2014							
SUN	MON	TUE	WED	THU	FRI	SAT	
						1	
						Rita 8:00	
2	3	4	5	6	7	8	
Rita 2:00 7:00			Rita 7:00	Rita 7:30	Rita 8:00	Rita 2:00 8:00	
9	10	11	12	13	14	15	
Rita 2:00			Rita 7:00	Rita 7:30	Rita 8:00	Rita 8:00	
16	17	18	19	20	21	22	
Rita 2:00							
23	24	25	26	27	28		
				Heroes 7:30	Heroes 8:00		

MARCH 2014							
SUN	MON	TUE	WED	THU	FRI	SAT	
						1	
						Heroes 8:00	
2	3	4	5	6	7	8	
Heroes 2:00			Heroes 7:00	Heroes 7:30	Heroes 8:00	Heroes 8:00	
9	10	11	12	13	14	15	
Heroes 2:00			Heroes 7:00	Heroes 7:30	Heroes 8:00	Heroes 8:00	
16	17	18	19	20	21	22	
Heroes 2:00 7:00			Heroes 7:00	Heroes 7:30	Heroes 8:00	Heroes 8:00	
23	24	25	26	27	28	29	
Heroes 2:00&7:00			Heroes 7:00	Heroes 7:30	Heroes 8:00	Heroes 8:00	
30	31						
Heroes 2:00							

APRIL 2014							
SUN	MON	TUE	WED	THU	FRI	SAT	
		1	2	3	4	5	
			Heroes 7:00	Heroes 7:30	Heroes 8:00	Heroes 8:00	
6	7	8	9	10	11	12	
Heroes 2:00							
13	14	15	16	17	18	19	
				Normal 7:30	Normal 8:00	Normal 2:00 8:00	
20	21	22	23	24	25	26	
			Normal 7:00	Normal 7:30	Normal 8:00	Normal 8:00	
27	28	29	30				
Normal 2:00			Normal 7:00				

MAY 2014							
SUN	MON	TUE	WED	THU	FRI	SAT	
				1	2	3	
				Normal 7:30	Normal 8:00	Normal 8:00	
4	5	6	7	8	9	10	
Normal 2:00 7:00			Normal 7:00	Normal 7:30	Normal 8:00	Normal 8:00	
11	12	13	14	15	16	17	
Normal 2:00 7:00			Normal 7:00	Normal 7:30	Normal 8:00	Normal 2:00 8:00	
18	19	20	21	22	23	24	
Normal 2:00			Normal 7:00	Normal 7:30	Normal 8:00	Normal 8:00	
25	26	27	28	29	30	31	
Normal 2:00 June 1 Normal 2:00			Normal 7:00	Normal 7:30	Normal 8:00	Normal 8:00	



# EASTERN STATES EXPOSITION

3 January 2014

EUGENE J. CASSIDY, CFE  
PRESIDENT & CHIEF EXECUTIVE OFFICER

Via Certified Mail

Return Receipt Requested No. 7005 0390 0004 1384 0372

**Massachusetts Gaming Commission**  
84 State Street, 10th Floor  
Boston, MA 02109

RE: Application for Designation of Eastern States Exposition as an  
Impacted Live Entertainment Venue

Dear Commissioners:

This letter constitutes a written request by Eastern States Exposition ("ESE"), pursuant to M.G.L. c. 23K, §17(b) and 205 C.M.R. 126.01(1)-(2), for designation as an impacted live entertainment venue with respect to the gaming establishment proposed by MGM Springfield ("MGM") to be located in downtown Springfield, Massachusetts.

ESE is a Massachusetts non-profit agricultural, educational and entertainment organization founded in 1916 located on 175 acres in West Springfield, Massachusetts, with the Federal public charity designation 501 (c) 3. ESE hosts more than 100 events including live shows, trade shows, agricultural competitions and shows, and educational and entertainment events throughout the year, including the annual *Big E*, which is the largest cultural event on the Eastern Seaboard and the fifth (5<sup>th</sup>) largest fair in North America hosting nearly 1.5 million fairgoers annually. In addition, ESE operates the Storowton Village Museum including daily educational events and Storowton Tavern, both of which are open to the public year-round. ESE also presents live concerts, comedies and theatrical performances at its outdoor Xfinity Arena (the "Venue") at various times during the calendar year, including during the *Big E*. The Venue has a capacity of over 6,500 seats. The fairgrounds include the storied Coliseum, the seat of the regional AHL for generations until the mid-1970's, with seating capacity for 6,000.

As the Commission is aware, MGM has submitted an RFA-2 application seeking a category 1 license to operate a gaming establishment in Springfield, Massachusetts. The proposed location of the gaming establishment is in close proximity to the ESE Venue, being less than two miles away. As the Commission is further aware, it is typical of gaming establishments, such as the one with respect to which MGM has submitted its application, to host numerous "top-act" entertainment performances. It is also typical of contracts for such performances to contain limitations and restrictions prohibiting entertainers from performing within a certain radius from the gaming establishment venue, often for a significant length of time.

*Home of The Big E*



As such, ESE will likely be forced to compete with and be unable to secure and contract with top quality entertainers to perform at the Venue once MGM's gaming establishment is operational. As a result, ESE anticipates that the quality and number of live entertainment performances at the Venue will be negatively impacted and significantly compromised.

Accordingly, pursuant to M.G.L. c. 23K §17(b) and 205 C.M.R. 126.01(1)-(2), ESE hereby applies to the Commission for designation as an impacted live entertainment venue within the meaning of M.G.L. c. 23K §17(b) and 205 CMR 110.01(2). In connection with such designation, ESE respectfully requests that the Commission direct MGM to negotiate a signed agreement with ESE as an impacted live entertainment venue, and that no action be taken by the Commission on the MGM application for a category 1 license to operate a gaming establishment prior to the execution of that agreement, all as provided pursuant to the aforesaid statute and regulations.

Please contact the undersigned if you have questions or require any additional information in connection with this application.

Thank you for your assistance.

EASTERN STATES EXPOSITION



Eugene J. Cassidy,  
President and Chief Executive Officer



Ms. Jill Griffin, Director  
Workforce, Development and Supplier Diversity  
Massachusetts Gaming Commission  
84 State Street, 10<sup>th</sup> Floor  
Boston, MA 02109

February 11, 2014

**Re: Request for Impacted Live Entertainment Venue status by Eastern States Exposition (“ESE”)**

Dear: Ms. Griffin,

As requested, we are submitting this letter report with respect to a request by Eastern States Exposition (“ESE”) to be declared an Impacted Live Entertainment Venue (“ILEV”) as set out in MGL 205 CMR 126.01(2). ESE is an agricultural, educational and entertainment organization encompassing a 175 acre site located at 1305 Memorial Avenue, West Springfield, Massachusetts.

This report outlines the steps we took to conduct the analysis in addition to our conclusions.

**1. BACKGROUND**

The Eastern States Exposition, founded in 1916, is a non-profit agricultural, educational and entertainment organization that annually stages the fifth largest agricultural fair in North American (the “Big E”). The ESE generates 2.5 million visits/annually (1.5 million to the 17-day fair itself) and \$500 million in annual operating revenues. The ESE is situated on 175 acres in West Springfield, 1.9 miles away from the proposed MGM casino.

ESE claims that MGM’s agreements to underwrite a minimum number of events at the MassMutual Center, Symphony Hall, and CityStage will divert “top-act” entertainment to these competitive venues thereby reducing the number and quality of live performances ESE is able to offer.

ESE has the right to petition the Massachusetts Gaming Commission (the “Commission”) for declaration as an ILEV with respect to the Category 1 casino Application by Blue Tarp Redevelopment, LLC (“MGM”) for Springfield, Massachusetts.

ESE submitted a petition for consideration as an ILEV on January 3, 2014. MGM responded on January 13, 2014 with a blanket rebuttal that included two other Springfield-based ILEV petitioners (i.e., Majestic Theater and the Massachusetts Performing Arts Coalition on behalf of the Hanover Theater). Both ESE and MGM appeared at the Commission’s January 28, 2014 meeting to present their positions on ILEV designation.

## 2. OBJECTIVE AND SCOPE

The Commission engaged HLT<sup>1</sup> to assess ESE's petition for ILEV status, however ESE's petition is quite broad, addressing a range of operations, venues and activities on the ESE grounds. Therefore as a starting point, HLT first referenced the definition of ILEV as set out in MGL c23K (2), as follows:

*"not-for-profit or municipally-owned performance venue designed in whole or in part for the presentation of live concerts, comedy or theatrical performances, which the commission determines experiences, or is likely to experience, a negative impact from the development or operation of a gaming establishment."*

The HLT analysis is confined to those aspects of ESE operations that qualify under the definition of ILEV, as described in the following section.

To complete this assessment we:

- Reviewed MGL 205 CMR 126.01(2) regarding the process to determine an ILEV as well as the definition of an ILEV as set out in MGL c.23K (2).
- Reviewed ESE's petition and supporting documentation including the *"Economic Impact of Eastern States Exposition"* prepared by Regional Economic Models, Inc. (September, 2013).
- Reviewed MGM's response to ESE's petition and applicable sections of MGMs Application including the description of the proposed casino premises as well as the Host Community Agreement (that specifies the support of performance venues at Springfield Performing Arts Development Corporation ("SPADC") venues and MassMutual Center).
- Gathered background information on the program offerings of ESE.
- Attended the January 28, 2014 meeting of the Commission at which both ESE and MGM presented their positions on ILEV designation.

Upon completion of these steps we completed the following letter report.

## 3. DESCRIPTION OF EASTERN STATES EXPOSITION

The ESE is a multi-faceted operation dedicated to the "creative, industrial and agricultural resources of the Northeast." Financially self-sufficient, the ESE consists of various operating elements, including:

- The Big E annual fair—a 17-day event, in continuous operation, for more than 90 years that showcases New England agriculture and culture. The Big E uses the entire ESE site for a variety of programming purposes. The significance of the Big

---

<sup>1</sup> HLT Advisory is a Toronto-based consultancy focused on the gaming, tourism, accommodation and leisure industries. HLT has a significant public- and private sector client base within these industries and has completed a broad range of market assessment, bid process, economic impact and strategic planning engagements across North America as well as in Asia, Europe and the Caribbean.

E to overall ESE operations was best summarized by Eugene Cassidy (ESE CEO) at the January 28, 2014 Commission hearing where he stated that “82% of annual ESE revenue occurs during the 17-day Big E” and “without the fair and its ability to attract large crowds by offering an array of top quality live concerts and comedy performances and other year round scheduled events that provide the economic underpinning of our year around operation, the world of Agriculture, agricultural Best Practices and education and the Regional Economy suffers.”

- Entertainment Venues—These venues are primarily used to support the Big E but also host other events throughout the year, specifically:
  - The Coliseum – a 6,000 seat indoor arena hosting concerts, agricultural/equestrian events, animal shows (e.g. dog shows), sporting and entertainment events such as Symphony presentations, archery competitions and a 3-ring circus.
  - Xfinity Arena – a seasonal outdoor stage and arena with capacity for 6,500; generally used for musical/concerts acts.
- Trade and consumer show buildings—The ESE houses several buildings on the site that support Big E requirements and are used throughout the year, including:
  - The Better Living Center (123,000 sq. ft.)—used for hosting trade/consumer show events such as: The Original Western Massachusetts Home Show, Equine Affaire and the Springfield Sportsmen's Show.
  - The Mallary Complex (129,400 sq. ft.) used for hosting agricultural shows and sales & youth fairs. Mallary, in conjunction with other ESE buildings is used for large consumer shows such as Springfield Camping Show, and Equine Affaire.
  - The Young Building (55,000 sq. ft.)—hosts various antiques and collectibles shows, college fairs and craft shows.
  - The Stroh Building (28,000 sq. ft.)—hosts trade/consumer and craft shows.

We understand these buildings host the majority of the trade and consumer shows held in the Springfield area. The ESE buildings are much larger than the exhibit halls located at the MassMutual Center.

- Storrowtown Village Museum – a recreated village of nine 18th and 19th century buildings from Massachusetts and New Hampshire. Storrowtown hosts living history programs and educational events.

At the request of the Commission, ESE provided an event listing for 2013 and 2014. Outside of the live entertainment events taking place during the 17-day Big E fair, the majority of ESE events consist of:

- Agricultural, equine or animal focused events such as: Northeastern Poultry Congress, New England Spring Classic Dog Show, Massachusetts Morgan Horse Show.

- Convention/Trade Show/Consumer Show events such as: Auto Parts Swap n' Sell, Railroad Hobby Show, the Fiber Festival of New England, and the New England Powersports Expo.

It appears that the only ESE venues that meet the definition of ILEV as set out in MGL c23K (2) are the Coliseum and Xfinity Arena. Further, ESE's programming choices for these venues, with rare exceptions, suggest this qualification is only applicable during the Big E fair.

#### **4. THE MGM PROPOSAL**

MGM's proposal does not incorporate a live entertainment venue(s), opting instead to support existing Springfield entertainment venues and entertainment product (e.g., sports teams). MGM's Category 1 casino Application includes:

- An agreement with the Massachusetts Convention Center Authority ("MCCA"), the owners of the MassMutual Center (a multi-purpose convention center and arena complex with 80,000 sq. ft., of meeting/exhibit/ballroom space connected to an 8,000-seat arena), to underwrite a specified number of entertainment events at the arena for a minimum of eight years. The MassMutual Center arena, (see Appendix A), adjacent to the proposed MGM casino, is host to the Springfield Falcons (AHL Hockey) and Springfield Armor (NBA Development League) teams. In addition to the Armor and the Falcons, the arena also hosts concerts and sports and entertainment events such as the Harlem Globetrotters, Disney on Ice, and Justin Moore. In 2013, MGM sponsored the Professional Bull Riders as well as Pitbull at the venue.
- A Host Community Agreement with the City of Springfield to underwrite a specified number of events at Symphony Hall and CityStage. These two venues are owned and operated by the City through SPADC. Symphony Hall is the larger of the two venues located at 34 Court Street (see Appendix B) with a 2,611 seat auditorium, while CityStage (located at 150 Bridge Street) is more modestly sized at 479 seats. Symphony Hall is located adjacent to the proposed MGM casino and CityStage is located a few blocks away. Performances at the venues include: Man of La Mancha, St. Jude Concert for Kids and Todd Oliver and Friends, and The Irish Comedy Tour. In 2013, MGM sponsored the music act Boys II Men at Symphony Hall.

ESE's petition focuses on MGM's agreement with the above venues to underwrite, co-promote, book and schedule a minimum number of entertainment events annually at these venues (four at MassMutual Center and a combined six at Symphony Hall/CityStage). Appendix B of this letter contains a summary of the key elements of the Business Operations and Marketing Obligations contained in the Host Community Agreement between the City of Springfield and MGM as it relates to entertainment events at MassMutual Center, Symphony Hall, and CityStage.

The remainder of this letter report focuses on the potential impact that the agreements between MGM and each of the MCCA and SPADC may have on the live entertainment offering at ESE.

## 5. THE ISSUE & CONSIDERATIONS

ESE's January 3, 2014 petition for ILEV status requests that the Commission designate the entire ESE as an ILEV. The petition, ESE's subsequent response to MGM's rebuttal, an economic impact study prepared for the ESE by Regional Economic Models Inc. (with an apparent focus on the entire Big E, excluding the balance of ESE operations) and the January 28, 2014 presentation by ESE President Eugene Cassidy in front of the Commission, all speak to the value of the ESE and the potential negative impact from the development and operation of the proposed MGM Casino.

The ILEV legislation was intended to identify and protect venues that present *"live concerts, comedy or theatrical performances, which the commission determines experiences, or is likely to experience, a negative impact from the development or operation of a gaming establishment."* Therefore, the ESE as a whole does not qualify as an ILEV. The Xfinity Arena and Coliseum might be eligible.

In determining whether a petitioning venue qualifies for ILEV status, the Commission shall consider distance between venues, venue capacity, type of performances and any intentions with respect to operating restrictions (e.g., geographic exclusivity clauses for entertainers).

While MGM has not incorporated a performance venue within its proposed casino complex, MGM has entered into agreements with external live entertainment venues that are potentially competitive to the Xfinity Arena and the Coliseum (i.e., MassMutual Center, Symphony Hall and CityStage). Competitiveness is a function of:

1. Proximity—The Xfinity Arena and the Coliseum are located less than 2 miles from the MassMutual Center, Symphony Hall and CityStage.
2. Similar seating capacities—The Xfinity Arena and the Coliseum offer 6,500 and 6,000 seats respectively while MassMutual Center has 8,000 seats.
3. Similarity of performances—The MassMutual Center is capable of staging, and has historically staged, events that are similar to events held at both the Xfinity Arena and the Coliseum. Symphony Hall and CityStage are much less likely to offer competitive entertainment product.

Each of these competitive similarities are identified as considerations in MGL 205 CMR 126.01(2).

The agreement in place with MCCA obliges MGM to underwrite a minimum of four events each year at the MassMutual Center—including a variety of marketing/ promotion, co-promoting, booking and scheduling activities. The Host Community Agreement with the City of Springfield, through SPADC, obliges MGM to underwrite a minimum of three events

each at Symphony Hall and CityStage each year—including a variety of marketing/promotion, co-promoting, booking and scheduling activities—for at least five years.

MGM has offered the ESE a “Cross-Marketing and Non-Competition Agreement” that, among other commitments: 1) prevents MGM from imposing radius restrictions on any performer (this commitment is also imposed on ESE with respect to the MassMutual Center, Symphony Hall and CityStage) as well as 2) prevents MGM from booking “material ticketed” performers during the Big E.

Despite the restrictions suggested in the Cross-Marketing and Non-Competition Agreement, ESE believes that MGM’s support of these venues will put ESE at a competitive disadvantage in attracting and booking top-quality entertainment acts.

## 6. CONCLUSIONS

HLT believes that both the Xfinity Arena and the Coliseum buildings meet the definition of an ILEV to the extent that they offer live entertainment events during the Big E. However, the types of events ESE programs outside of the Big E do not appear to conflict with the live entertainment offerings proposed by MGM for MassMutual and Symphony Hall (e.g., Cirque du Soliel, Celebrity Tennis Event, Extreme Sports).

Therefore, based on ESE historical programming and the restrictions already offered by MGM during the Big E, HLT believes that the potential negative impact from the Casino development on live entertainment offerings at Xfinity Arena and the Coliseum is limited to none. The following should be taken into account:

- The majority of ESE revenue is generated during the Big E (Eugene Cassidy at the January 28, 2014 Commission meeting: “82% of our revenue is derived from the 17-day event”).

MGM acknowledges the value and importance of entertainment events to the Big E and has to enter into a broader agreement that would commit MGM to “not book material ticketed performances during the Big E Fair.” In our view, designation of ESE as an ILEV is not warranted as the likelihood of a negative impact (and the quantum of any impact) to Xfinity Arena and the Coliseum is relatively small. MGM could (and probably should) ensure the minimization of any impact through an extension of their offer of not booking “material ticketed performances during the Big E” by providing an exclusion period no less than 30 days before and 30 days after the Big E to ensure no overlap exists.

\* \* \* \* \*



Thank you for providing HLT the opportunity to assist you on this matter. Should you have any questions on this letter report, please do not hesitate to contact the under signed at (416) 924-7737.

Yours very truly,

**HLT Advisory Inc.**

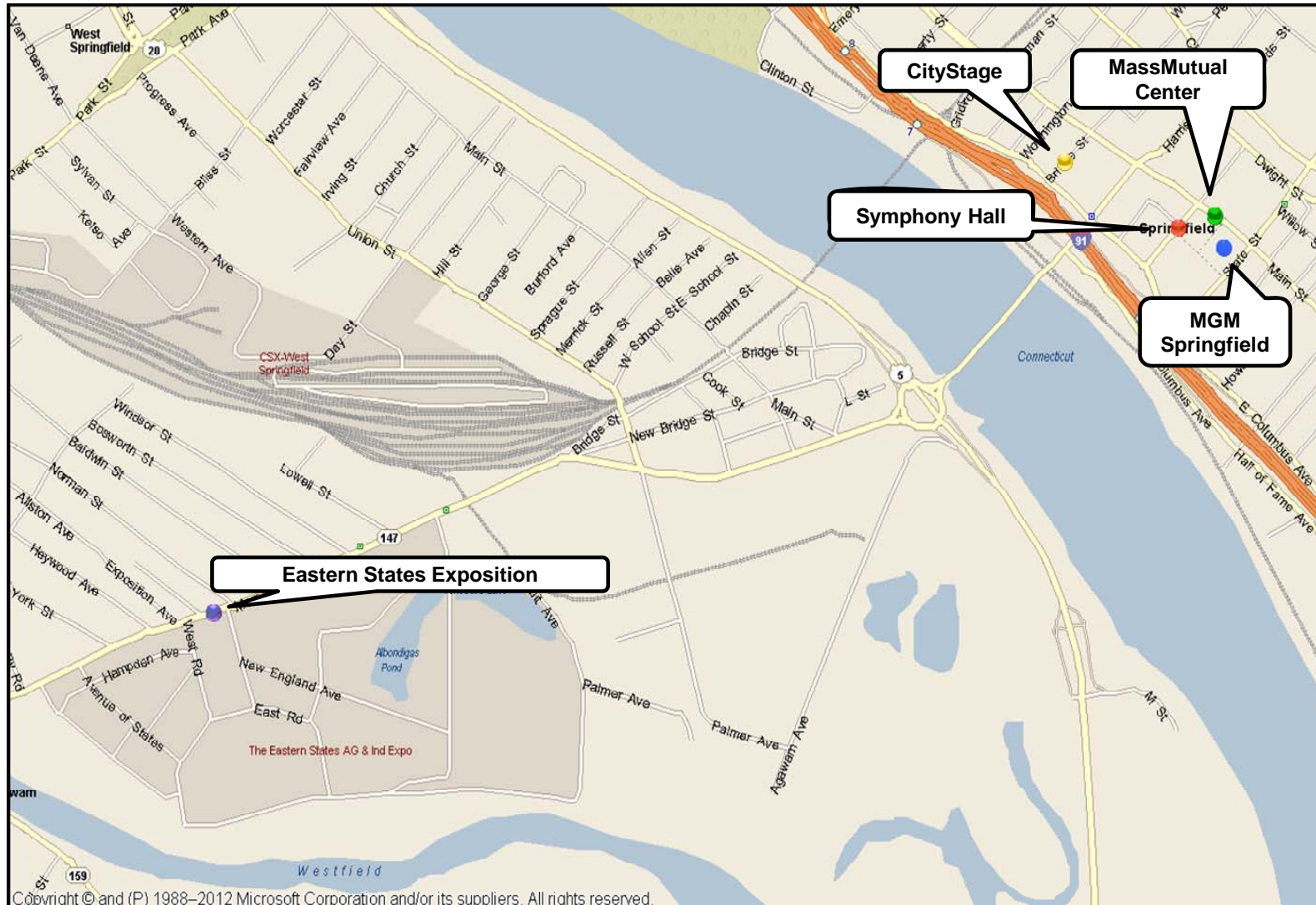
A handwritten signature in black ink, appearing to read 'Lyle Hall'.

Lyle Hall  
Managing Director

Encl: Appendix A – Map showing the location of the ESE in relation to MGM Springfield  
Appendix B – Summary of MGM HCA with respect to CityStage, Symphony Hall and  
MassMutual Center



**Appendix A: Map Showing the Location of the Eastern States Exposition in relation to MGM Springfield**



## Appendix B: Summary of MGM Host Community Agreement with respect to CityStage, Symphony Hall and MassMutual Center

Appendix B: Summary of Business Operations and Marketing Obligations contained within MGM Host Community Agreement (With respect to CityStage, Symphony Hall and MassMutual Center)			
	CityStage	Symphony Hall	MassMutual Center
Ownership/Management	Springfield Parking Authority/Springfield Performing Arts Development Corporation	City of Springfield/Springfield Performing Arts Development Corporation	Massachusetts Convention Centre Authority/Global Spectrum
Seats	2 Performance Halls: 479 seat Prestley Blake Theater, 83 seat Winifred Arms Studio	2,611	8,000 seat arena
Type of Events Held	<ul style="list-style-type: none"> <li>• Broadway musicals, music concerts, comedies, dramas, banquets/graduations, children's programming</li> </ul>	<ul style="list-style-type: none"> <li>• Home to Springfield Symphony Orchestra</li> <li>• Broadway musicals, music concerts, comedies, dramas, banquets/graduations, children's programming</li> </ul>	<ul style="list-style-type: none"> <li>• Home to Springfield Armor (NBA Development) and Springfield Falcons (AHL) teams</li> <li>• Music concerts, sporting events, children's events</li> </ul>
Examples of Events booked in 2014	<ul style="list-style-type: none"> <li>• The Irish Comedy Tour, Paul D'Angelo, Solid Gold: Remember the 50s</li> </ul>	<ul style="list-style-type: none"> <li>• Man of La Mancha, St. Jude Concert for Kids, Todd Oliver &amp; Friends, Springfield Symphony Orchestra</li> </ul>	<ul style="list-style-type: none"> <li>• Harlem Globetrotters, Disney on Ice, Justin Moore</li> </ul>
Key Elements of HCA	<ul style="list-style-type: none"> <li>• To underwrite, co-promote, book and schedule a minimum of 3 events per calendar year for a minimum of 5-years (following casino operations commencement).</li> <li>• Promotional Materials - signage, audio/video messaging, announcements               <ul style="list-style-type: none"> <li>• Direct marketing to MGM employees</li> <li>• Preferred lodging/f&amp;b rates to CityStage performers.</li> </ul> </li> <li>• Provide financial support (to fund two trolleys and subsidies for operating costs of the trolley) to the Pioneer Valley Transit Authority for the operation of a fare-based public trolley system throughout downtown Springfield connecting various venues including CityStage.</li> </ul>	<ul style="list-style-type: none"> <li>• To underwrite, co-promote, book and schedule a minimum of 3 events per calendar year for a minimum of 5-years (following casino operations commencement).</li> <li>• Promotional Materials - signage, audio/video messaging, announcements               <ul style="list-style-type: none"> <li>• Direct marketing to MGM employees</li> <li>• Preferred lodging/f&amp;b rates to Symphony Hall performers.</li> </ul> </li> <li>• Provide financial support (to fund two trolleys and subsidies for operating costs of the trolley) to the Pioneer Valley Transit Authority for the operation of a fare-based public trolley system throughout downtown Springfield connecting various venues including Symphony Hall.</li> </ul>	<ul style="list-style-type: none"> <li>• To underwrite, co-promote, book and schedule a minimum of 4 new entertainment events per calendar year (following casino operations commencement).</li> <li>• MGM will purchase a set number of unsold tickets to events as necessary to meeting its underwriting commitment.</li> <li>• The events will be of a quality booked by or on behalf of MGM at its other facilities in the U.S.</li> <li>• MGM will allow MassMutual Center use of its parking facility for events taking place at MassMutual Center</li> <li>• Promotional Materials - signage, audio/video messaging, announcements</li> <li>• Provide financial support (to fund two trolleys and subsidies for operating costs of the trolley) to the Pioneer Valley Transit Authority for the operation of a fare-based public trolley system throughout downtown Springfield connecting various venues including Symphony Hall.</li> </ul>
	<ul style="list-style-type: none"> <li>• MGM also agrees to underwrite, co-promote, book and schedule a minimum of two (2) Events per calendar year following the Operations Commencement Date, at either MassMutual, CityStage or Symphony Hall for a minimum of five (5) years following the Operations Commencement Date, prorated for the first year.</li> </ul>		

Source: HLT Advisory Inc. based on Exhibit B and Exhibit E of the Host Community Agreement between MGM and the City of Springfield and information contained on the CityStage/Symphony Hall and MassMutual Center websites.

Ms. Jill Griffin, Director  
Workforce, Development and Supplier Diversity  
Massachusetts Gaming Commission  
84 State Street, 10<sup>th</sup> Floor  
Boston, MA 02109

February 11, 2014

**Subject: Request for Impacted Live Entertainment Venue status by Theater Project Inc. dba Majestic Theater (“Majestic”)**

Dear: Ms. Griffin,

As requested, we are submitting this letter report with respect to a request by Theater Project Inc., (“Majestic”) to be declared an Impacted Live Entertainment Venue (“ILEV”) as set out in MGL 205 CMR 126.01(2). Majestic is the producer of live theater productions at, and the owner of, the Majestic Theater, located at 131 Elm Street, West Springfield, Massachusetts. This report outlines the steps we took to conduct the analysis together with our conclusions.

**1. BACKGROUND**

In accordance with MGL 205 CMR 126.01(2), Majestic has the right to petition the Massachusetts Gaming Commission (the “Commission”) for declaration as an ILEV with respect to the Category 1 casino application by Blue Tarp Redevelopment, LLC (“MGM”) for Springfield, Massachusetts. In accordance with MGL c23K (2) an ILEV is defined as a: *“not-for-profit or municipally-owned performance venue designed in whole or in part for the presentation of live concerts, comedy or theatrical performances, which the commission determines experiences, or is likely to experience, a negative impact from the development or operation of a gaming establishment.”*

Majestic submitted a petition for consideration as an ILEV on January 9, 2014. MGM responded on January 13, 2014 with a blanket rebuttal that included two other ILEV petitioners (Eastern States Exposition and the Massachusetts Performing Arts Coalition on behalf of the Hanover Theater). Both Majestic and MGM appeared at the Commission’s January 28, 2014 meeting to present their positions on ILEV designation.

**2. OBJECTIVE AND SCOPE**

The Commission engaged HLT<sup>1</sup> to assess Majestic’s request, specifically to determine if Majestic is likely to experience a negative impact from the development and operation of MGM’s proposed Category 1 casino. Majestic claims that an agreement between MGM and

---

<sup>1</sup> HLT Advisory is a Toronto-based consultancy focused on the gaming, tourism, accommodation and leisure industries. HLT has a significant public- and private sector client base within these industries and has completed a broad range of market assessment, bid process, economic impact and strategic planning engagements across North America as well as in Asia, Europe and the Caribbean.

the Springfield Performing Arts Development Corporation ("SPADC"), specifically the agreement to underwrite, co-promote, and book a minimum of three performances at CityStage (the smaller of two performance venues operated by SPADC), could harm both Majestic's market position and revenue base.

To complete this assessment we:

- Reviewed MGL 205 CMR 126.01(2) regarding the process to determine an ILEV as well as the definition of an ILEV set out in MGL c.23K (2).
- Reviewed Majestic's petition and support materials distributed at the Commission meeting on January 28, 2014.
- Reviewed applicable sections of MGMs Application including the description of the proposed casino premises as well as the Host Community Agreement (that specifies the support of performance venues at SPADC).
- Gathered background information on the program offerings of Majestic and neighbouring arts venues.
- Attended the January 28, 2014 meeting of the Commission at which both Majestic and MGM presented their positions on ILEV designation.

Upon completion of these steps we completed the following letter report.

### **3. THE MGM PROPOSAL**

MGM's proposal does not incorporate a live entertainment venue(s), opting instead to support existing Springfield entertainment venues and entertainment product (e.g., sports teams). MGM's Category 1 casino Application includes:

- A Host Community Agreement with the City of Springfield to underwrite a specified number of events at Symphony Hall and CityStage. These two venues are owned and operated by the City through the Springfield Performing Arts Development Corporation.
- A separate agreement with the MassMutual Center to underwrite a specified number of events at convention center and adjacent 8,000-seat arena.

The MassMutual Center, located at 1277 Main Street (see Appendix A), is adjacent to the proposed MGM casino. The Center is currently host to the Springfield Falcons (AHL Hockey) and Springfield Armor (NBA Development League) teams. The arena also hosts music concerts, sports and entertainment events such as: the Harlem Globetrotters, Disney on Ice, National Gymnastics, and Justin Moore. In 2013, MGM booked the Professional Bull Riders as well as Pitbull at the venue. The MassMutual Center is neither included in nor relevant to the Majestic petition.

Symphony Hall and CityStage are both operated by SPADC. Symphony Hall, located at 34 Court Street (see Appendix A) is adjacent to the proposed MGM casino and a few blocks away from CityStage (located at 150 Bridge Street). Symphony Hall, a 2,611 seat auditorium, is home to the Springfield Symphony Orchestra and offers a variety of programming theatrical and musical performances such as: Man of La Mancha, St. Jude

Concert for Kids and Todd Oliver and Friends. Symphony Hall, which is the larger of the two venues is not identified as being competitive to Majestic and, as such, is not a focus of the petition. CityStage and Symphony Hall offer theatrical performances between September and June.

Majestic’s petition focuses on CityStage and MGM’s agreement to underwrite, co-promote, book and schedule a minimum of three events per year for each of the next five years at this venue. The table below presents a summary of key elements of the Host Community Agreement between the City of Springfield and MGM as it relates to CityStage.

Summary of MGM Host Community Agreement with respect to CityStage	
CityStage	
Ownership/Management	Springfield Parking Authority/Springfield Performing Arts Development Corporation
Seats	2 Performance Halls: 479 seat Prestley Blake Theater, 83 seat Winifred Arms Studio
Type of Events Held	<ul style="list-style-type: none"> <li>• Broadway musicals, music concerts, comedies, dramas, banquets/graduations, children’s programming</li> </ul>
Examples of Events booked in 2014	<ul style="list-style-type: none"> <li>• The Irish Comedy Tour, Paul D’Angelo, Solid Gold: Remember the 50s</li> </ul>
Key Elements of HCA	<ul style="list-style-type: none"> <li>• To underwrite, co-promote, book and schedule a minimum of 3 events per calendar year each at CityStage for a minimum of 5-years (following casino operations commencement).</li> <li>• Promotional Materials - signage, audio/video messaging, announcements               <ul style="list-style-type: none"> <li>• Direct marketing to MGM employees</li> <li>• Preferred lodging/f&amp;b rates to CityStage performers.</li> </ul> </li> <li>• Provide financial support (to fund two trolleys and subsidies for operating costs of the trolley) to the Pioneer Valley Transit Authority for the operation of a fare-based public trolley system throughout downtown Springfield connecting various venues including CityStage.</li> <li>- MGM also agrees to underwrite, co-promote, book and schedule a minimum of two (2) Events per calendar year following the Operations Commencement Date, at either MassMutual, CityStage or Symphony Hall for a minimum of five (5) years following the Operations Commencement Date, prorated for the first year.</li> </ul>

*Source: HLT Advisory Inc. based on Exhibit B and Exhibit E of the Host Community Agreement between MGM and the City of Springfield and information contained on the CityStage/Symphony Hall website.*

The remainder of this letter report focuses on the potential impact of the Host Community Agreement between MGM and the City-owned Springfield Performing Arts Development Corporation on Majestic.

#### 4. DESCRIPTION OF THE MAJESTIC THEATER

The Majestic Theater is located 2.5 miles from the proposed MGM site and 2.3 miles from CityStage. The venue comprises a 240-seat performance theater and a 70-seat café. Majestic has traditionally hosted five main season productions (each running for a minimum of 31 performances) in the comedy, drama and musical genres. Additionally, the

theater produces children's themed plays, along with a variety of seasonal/holiday specific concert/event productions (e.g., Christmas, St. Patrick's, Valentine's Day).

Majestic is a Non-profit 501(c) (3) Massachusetts Corporation established in 1993 and has been producing local theatrical performances at the Majestic Theater since 1997. The Majestic Theater building was acquired by Majestic in 2003.

Currently, Majestic has over 4,200 annual subscribers to its theatrical programming. Ticket prices are relatively modest ranging from \$8 for children's programming to \$29 for a single adult ticket. Based on material presented to the Commission on January 28, 2014, Majestic's operating revenues (presumably largely comprised of ticket sales) have been stable over the past four years:

- FY 2013 - \$834,282
- FY 2012 - \$836,213
- FY 2011 - \$813,406
- FY 2010 - \$834,093

Although detailed financial statements were not provided we presume Majestic, like most not-for-profit and volunteer-based theater companies, operates on relatively thin margins where even a modest decrease in ticket sales/revenue could have a meaningful impact on any annual operating surplus.

## **5. THE ISSUE & CONSIDERATIONS**

In determining whether a petitioning venue qualifies for ILEV status, the Commission shall consider distance between venues, venue capacity, type of performances and any intentions with respect to operating restrictions (e.g., geographic exclusivity clauses for entertainers).

While MGM has not incorporated a performance venue within its proposed casino complex, MGM has entered into agreements with external venues, one of which is potentially competitive to Majestic (i.e., CityStage). Competitiveness is a function of:

1. Proximity—Majestic and CityStage are located only 2.2 miles apart
2. Similar seating capacities—479 seats at CityStage versus 270 seats at Majestic
3. Similarity of performances—both theaters present a range of drama, comedy, musical and children's performances at similar price points although the operating characteristics of each theater are substantially different, as described below.

Each of these competitive similarities are identified as considerations in MGL 205 CMR 126.01(2). From a proximity and seating capacity perspective the two theatres are competitive (or potentially competitive) in that they appeal to a theater-going audience. However, while the two theaters offer a range of drama, comedy, musical and children's performances the delivery model of performances at each theater is considerably different. Majestic produces its own shows while, CityStage operates more as a rental facility where touring shows, comprising professional/paid performers and technicians, are accommodated and where all ticket sales/profitability risk is born by the (mostly) non-local

producers/promoters. Majestic's business model places it at a greater risk for operating losses given its additional cost structure.

The Host Community Agreement with the City of Springfield, incorporating the SPADC, obliges MGM to underwrite a minimum of three events at CityStage each year—including a variety of marketing/ promotion, co-promotion, booking and scheduling activities—for at least five years. An identical arrangement exists for the other SPADC venue, Symphony Hall. The financial impacts to SPADC, as a result of the MGM agreement to underwrite a total of six events annually, are unknown as are the potential actions by SPADC as a result of a presumably enhanced financial position.

The Host Community Agreement is silent regarding the ability of the SPADC, as opposed to MGM, to impose geographic restrictions on talent.

## 6. CONCLUSIONS

Based on our review of Majestic's petition for ILEV status, we conclude that:

- Majestic and CityStage are potentially competitive from a proximity and seating capacity perspective.
- Majestic and CityStage both offer drama, comedy, musical and children's performances however the operating characteristics of the two theaters are quite different.
- MGM's decision to work with municipally-owned and not-for-profit local venues, rather than build new facilities to accommodate events, demonstrates sensitivity to the local arts/culture/entertainment sector. Any potentially competitive situation created with Majestic has likely occurred as an oversight.
- Any impact to Majestic is likely to be minimal although, if realized, will not be unimportant to this not-for-profit entity. The consistency in Majestic's historical revenues (as provided by Majestic at the January 28, 2014 Commission meeting) suggests any future impact will be relatively straight forward to determine.

In our view, designation of Majestic as an ILEV is not warranted as the likelihood of a negative impact (and the quantum of any impact) is relatively small. However, MGM could (and probably should) ensure the minimization of any impact through various actions ranging from supporting Majestic productions (e.g., MGM staff ticket purchases) to aligning calendars (e.g., avoiding conflicts with key Majestic performance dates such as opening nights) and, most importantly, ensuring the financial support of SPADC does not result in CityStage changing its operating model in a manner that might create future competition with Majestic.

\* \* \* \* \*



Thank you for providing HLT the opportunity to assist you on this matter. Should you have any questions on this letter report, please do not hesitate to contact the under signed at (416) 924-7737.

Yours very truly,

**HLT Advisory Inc.**

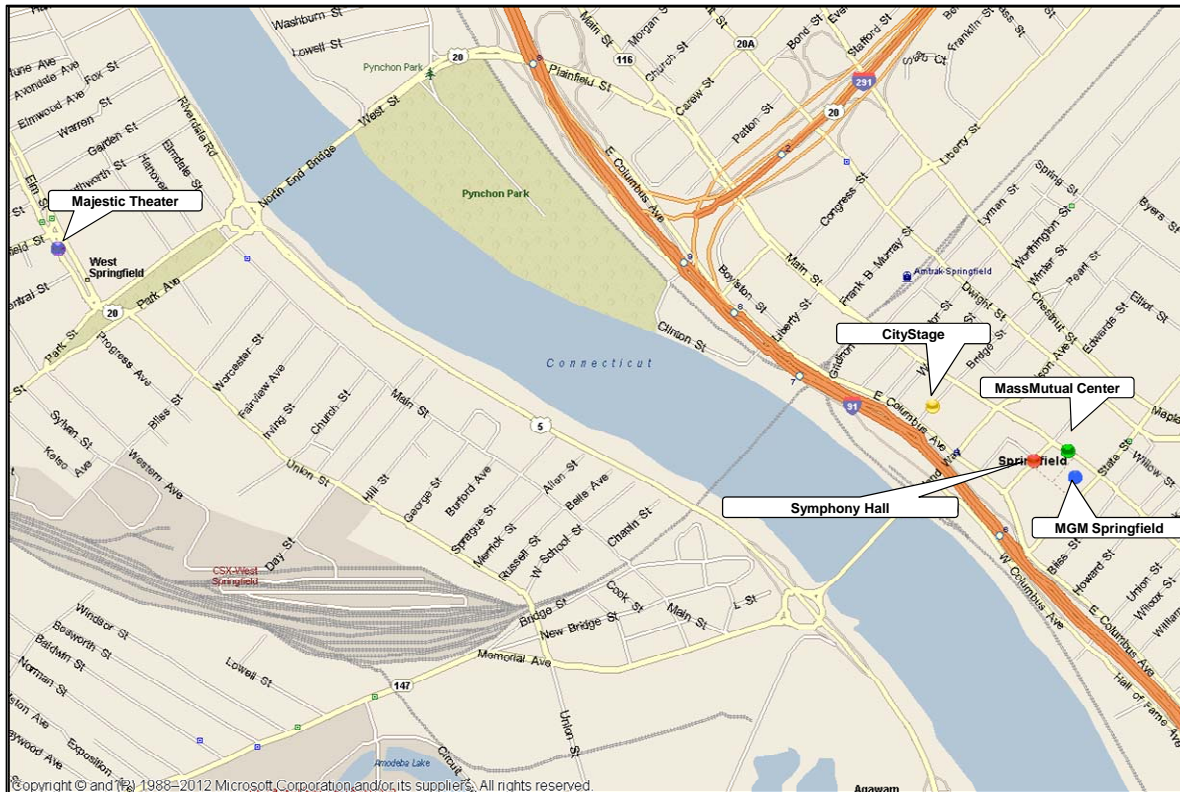
A handwritten signature in black ink, appearing to read 'Lyle Hall'.

Lyle Hall  
Managing Director

Encl: Appendix A – Map showing the location of the Majestic Theater, CityStage, Symphony Hall and MassMutual Center in relation to MGM Springfield



**Appendix A: Map Showing the Location of the Majestic Theater, CityStage, Symphony Hall and MassMutual Center in relation to MGM Springfield**



# MASSACHUSETTS GAMING COMMISSION ILEV PETITION ANALYSIS



**PETITIONER: EASTERN STATES EXPOSITION (ESE)**  
**APPLICANT: MGM SPRINGFIELD**

February 14, 2014

---

## INTRODUCTION AND OVERVIEW

---

The Live Entertainment Venue has submitted to the Commission a petition to be designated as a Impacted Live Entertainment Venue to the Applicant's proposed gaming establishment in accordance with G.L. c. 23K, §§ 4(33) and 17(a) and 205 CMR 126.01(2). The Applicant has submitted a response to the petition.

In making its determination, the Commission must consider the definition of impacted live entertainment venue as set forth in MGL C 23k, §2 (“a not-for-profit or municipally-owned performance venue designed in whole or in part for the presentation of live concerts, comedy or theatrical performances, which the commission determines experiences, or is likely to experience, a negative impact from the development or operation of a gaming establishment.”) and factors in G.L. c. 23K, §§ 4(39) including distance from the gaming establishment, venue capacity, and the type of performance offered by that venue.

In accordance with 205 CMR 126.01(2): “the commission will consider whether the applicant intends to include a geographic exclusivity clause in the contracts of entertainers at the proposed gaming establishment, or in some other way intends to limit the performance of entertainers within Massachusetts.”

The Commission must review, in accordance with G.L. c. 23K, §§ 4(33) and 17(a) and 205 CMR 125.01(2)(b), the Applicant's entire application; the Applicant's RFA-2 detailed plan of construction; any independent evaluations; any pertinent information received from the entertainment venue, the Applicant, the Applicant's host community, and the public; and any additional information that the Commission determined to be beneficial in making its determination. The Commission's regulations lay out the criteria that the Commission should consider in making its determination:

1. Not for profit/municipally owned venue
2. Type of performance
3. Proximity
4. Venue Capacity
5. Potential Negative Impacts
  - a. Applicant geographic exclusivity clause
  - b. Other

This document lays out the criteria and provides the legal framework that the Commission must consider, an executive summary of the issues, and pertinent information from the entertainment venue's petition, the Applicant's response, consultant analysis, relevant RFA-2 application question responses, and other relevant materials. Please see accompanying documents for full entertainment venue petition, applicant response, and consultant analysis.

---

# 1. VENUE OWNERSHIP

---

## **Legal Framework**

In determining whether a venue is a impacted live entertainment venue, the commission . . . will evaluate whether: . . . the venue meets the definition of ‘impacted live entertainment venue’ (“a not-for-profit or municipally-owned performance venue designed in whole or in part for the presentation of live concerts, comedy or theatrical performances, which the commission determines experiences, or is likely to experience, a negative impact from the development or operation of a gaming establishment.”) as set forth in G.L. c.23K, §2

## **Executive Summary**

By agreement of all parties, Eastern States Exposition (ESE) is a Massachusetts non-profit agricultural, educational and entertainment organization founded in 1916 located on 175 acres in West Springfield, Massachusetts, with the Federal public charity designation 501 (c) 3.

---

## 2. PROXIMITY

---

### **Legal Framework**

In determining whether a venue is a impacted live entertainment venue, the commission shall consider: . . . factors including, but not limited to, the venue's distance from the gaming establishment, venue capacity and the type of performances offered by that venue”)

### **Executive Summary**

By agreement of all parties, the Eastern States Exposition (ESE) is situated on 175 acres in West Springfield, approximately 1.9 miles away from the proposed MGM Springfield.

---

### 3. VENUE CAPACITY/TYPE OF PERFORMANCES

---

#### **Legal Framework**

In determining whether the venue is an ILEV the commission shall consider factors including, but not limited to, venue capacity and the type of performances offered by that venue”) a G.L. c.23K, §4(39): (“

#### **Executive Summary**

MGM Springfield is not building its own ticketed entertainment venue but instead has agreement with existing venues. The agreement in place with the MCCA obliges MGM to underwrite a minimum of four events each year at the MassMutual Center—including a variety of marketing/promotion, co-promoting, booking and scheduling activities. The Host Community Agreement with the City of Springfield, through SPADC, obliges MGM to underwrite a minimum of three events each at Symphony Hall and CityStage each year—including a variety of marketing/promotion, co-promoting, booking and scheduling activities—for at least five years.

ESE’s Xfinity Arena and the Coliseum offer 6,500 and 6,000 seats respectively while MassMutual Center has 8,000 seats. The MassMutual Center is capable of staging, and has historically staged, events that are similar to events held at both the Xfinity Arena and the Coliseum. Symphony Hall and CityStage are much less likely to offer competitive entertainment product. Each of these competitive similarities are identified as considerations in 205 CMR 126.01(2).

At the request of the Commission, ESE provided an event listing for 2013 and 2014. According to HLT, the types of events ESE programs outside of the Big E do not appear to conflict with the live entertainment offerings proposed by MGM for MassMutual and Symphony Hall (e.g., Cirque du Soleil, Celebrity Tennis Event, Extreme Sports). Outside of the live entertainment events taking place at the Xfinity Arena and the Coliseum during the 17-day Big E fair, the majority of ESE events consist of:

- Agricultural, equine or animal focused events such as: Northeastern Poultry Congress, New England Spring Classic Dog Show, Massachusetts Morgan Horse Show.
- Convention/Trade Show/Consumer Show events such as: Auto Parts Swap n’ Sell, Railroad Hobby Show, the Fiber Festival of New England, and the New England Powersports Expo.

## **A. ILEV PETITION**

---

ESE hosts more than 100 events including live shows, trade shows, agricultural competitions and shows, and educational and entertainment events throughout the year, including the annual BigE.-which is the largest cultural event on the Eastern Seaboard and the fifth (5th) largest fair in North America hosting nearly 1.5 million fairgoers annually. In addition, ESE operates the Storrowton Village Museum including daily educational events and Storrowton Tavern, both of which are open to the public year-round. ESE also presents live concerts, comedies and theatrical performances at its outdoor Xfinity Arena (the "Venue") at various times during the calendar year, including during the *Big E*. The Venue has a capacity of over 6,500 seats. The fairgrounds include the storied Coliseum, the seat of the regional AHL for generations until the mid-1970's, with seating capacity for 6,000.

## **B. APPLICANT RESPONSE**

---

ESE is home to more than 100 shows and events including The Big E, the largest fair in the Northeast, as well as Storrowton Village Museum and Storrowton Tavern, which are open year-round. The ESE was founded in 1916 and is a not-for-profit agricultural and educational institution. During The Big E, several free concerts are held at Xfinity Arena, which is located in The Big E's Outdoor Arena. The Xfinity Arena has seating for over 6,000. Previous acts include: Hunter Hayes, Symphonic Sounds of Elvis, Randy Houser, Kix Brooks, Austin Mahone and The Beach Boys.

The remainder of the year, the ESE hosts several other trade and hobby shows such as the Springfield Motorcycle Show, Auto Parts Swap N' Sell, Northeastern Poultry Congress Show, Railroad Hobby Show, Great Barrington Kennel Club Dog Show, Springfield RV, Camping & Outdoor Show, Springfield Sportsmen's Show and Kids Fun Fair & Traveling Zoo.

The only time that the ESE hosts concerts is during The Big E, with any and all other events primarily trade and hobby show driven. ..Moreover, live entertainment is ancillary to the ESE's offerings that include trade shows, agricultural competitions and the Big E as well as the Storrowtown Tavern and Village Museum. As such, it is not a live entertainment venue but rather a multi-faceted cultural venue that happens to include live entertainment at certain times during the year - clearly not the type of venue entitled to ILEV status.

## C. CONSULTANT ANALYSIS

---

THE MGM PROPOSAL to support existing Springfield entertainment venues and entertainment product (e.g., sports teams). MGM's Category 1 casino Application includes:

- An agreement with the Massachusetts Convention Center Authority ("MCCA"), the owners of the MassMutual Center (a multi-purpose convention center and arena complex with 80,000 sq. ft., of meeting/exhibit/ballroom space connected to an 8,000-seat arena), to underwrite a specified number of entertainment events at the arena for a minimum of eight years. The MassMutual Center arena, (see Appendix A), adjacent to the proposed MGM casino, is host to the Springfield Falcons (AHL Hockey) and Springfield Armor (NBA Development League) teams. In addition to the Armor and the Falcons, the arena also hosts concerts and sports and entertainment events such as the Harlem Globetrotters, Disney on Ice, and Justin Moore. In 2013, MGM sponsored the Professional Bull Riders as well as Pitbull at the venue.
- A Host Community Agreement with the City of Springfield to underwrite a specified number of events at Symphony Hall and CityStage. These two venues are owned and operated by the City through the Springfield Performing Arts Development Corporation ("SPADC"). Symphony Hall is the larger of the two venues located at 34 Court St. (see Appendix B) with a 2,611 seat auditorium, while CityStage (located at 150 Bridge St.) is more modestly sized at 479 seats. Symphony Hall is located adjacent to the proposed MGM casino and CityStage is located a few blocks away. Performances at the venues include: Man of La Mancha, St. Jude Concert for Kids and Todd Oliver and Friends, and The Irish Comedy Tour. In 2013, MGM sponsored the music act Boys II Men at Symphony Hall. ESE's petition focuses on MGM's agreement with the above venues to underwrite, co-promote, book and schedule a minimum number of entertainment events annually at these venues (four at MassMutual Center and a combined six at Symphony Hall/CityStage).

THE EASTERN STATES EXPOSITION: The ESE generates 2.5 million visits/annually (1.5 million to the 17-day fair itself) and \$500 million in annual operating revenues. The ESE is a multi-faceted operation dedicated to the "creative, industrial and agricultural resources of the Northeast." Financially self-sufficient, the ESE consists of various operating elements, including:

*The Big E annual fair*—a 17-day event, in continuous operation, for more than 90 years that showcases New England agriculture and culture. The Big E uses the entire ESE site for a variety of programming purposes. The significance of the Big E to overall ESE operations was best summarized by Eugene Cassidy (ESE CEO) at the January 28, 2014 Commission hearing where he stated that "82% of annual ESE revenue occurs during the 17-day Big E and "without the fair and its ability to attract large crowds by offering an array of top quality live concerts and comedy performances and other year round scheduled events that provide the economic underpinning of our year around operation, the world of Agriculture, agricultural Best Practices and education and the Regional Economy suffers."



*Entertainment Venues*—These venues are primarily used to support the Big E but also host other events throughout the year, specifically:

- o *The Coliseum* – a 6,000 seat indoor arena hosting concerts, agricultural/equestrian events, animal shows (e.g. dog shows), sporting and entertainment events such as Symphony presentations, archery competitions and a 3-ring circus.
- o *Xfinity Arena* – a seasonal outdoor stage and arena with capacity for 6,500. Generally used for musical/concerts acts.

*Trade and Consumer Show Buildings*—The ESE houses several buildings on the site that support Big E requirements and are used throughout the year, including:

- o *The Better Living Center* (123,000 sq. ft.)—used for hosting trade/consumer show events such as: The Original Western Massachusetts Home Show, Equine Affaire and the Springfield Sportsmen's Show.
- o *The Mallary Complex* (129,400 sq. ft.) used for hosting agricultural shows and sales & youth fairs. Mallary, in conjunction with other ESE buildings is used for large consumer shows such as Springfield Camping Show, and Equine Affaire.
- o *The Young Building* (55,000 sq. ft.)—hosts various antiques and collectibles shows, college fairs and craft shows.
- o *The Stroh Building* (28,000 sq. ft.)—hosts trade/consumer and craft shows. We understand these buildings host the majority of the trade and consumer shows held in the Springfield area. The ESE buildings are much larger than the exhibit halls located at the MassMutual Center.
- o *Storowtown Village Museum* – a recreated village of nine 18th and 19th century buildings from Massachusetts and New Hampshire. Storowtown hosts living history programs and educational events.

At the request of the Commission, ESE provided an event listing for 2013 and 2014. Outside of the live entertainment events taking place during the 17-day Big E fair, the majority of ESE events consist of:

- *Agricultural, equine or animal focused events* such as: Northeastern Poultry Congress, New England Spring Classic Dog Show, Massachusetts Morgan Horse Show.
- *Convention/Trade Show/Consumer Show* events such as: Auto Parts Swap n' Sell, Railroad Hobby Show, the Fiber Festival of New England, and the New England Powersports Expo.

*Similar seating capacities*—The Xfinity Arena and the Coliseum offer 6,500 and 6,000 seats respectively while MassMutual Center has 8,000 seats. The MassMutual Center is capable of staging, and has historically staged, events that are similar to events held at both the Xfinity Arena and the Coliseum. Symphony Hall and CityStage are much less likely to offer competitive entertainment product. Each of these competitive similarities are identified as considerations in 205 CMR 126.01(2)

---

## 4. POTENTIAL NEGATIVE IMPACT/ ENTERTAINER EXCLUSIVITY CLAUSE

---

### **Legal Framework**

In making its determination, the Commission must consider the definition of impacted live entertainment venue as set forth in MGL C 23k, §2 (“a not-for-profit or municipally-owned performance venue designed in whole or in part for the presentation of live concerts, comedy or theatrical performances, which the commission determines experiences, or is likely to experience, a negative impact from the development or operation of a gaming establishment.”)

### **Executive Summary**

ESE asserts that potential negative impact the agreements between MGM and each of the Massachusetts Convention Center Authority and Springfield Performing Arts Development Corp may have on the live entertainment offering at ESE. ESE further asserts that they will likely be forced to compete with and be unable to secure and contract with top quality entertainers to perform at the Venue once MGM's gaming establishment is operational. As a result, ESE anticipates that the quality and number of live entertainment performances at the Venue will be negatively impacted and significantly compromised.

MGM Springfield is not building its own ticketed entertainment venue. MGM states in their application that through cross-marketing relationships with other area entertainment venues, they anticipate that area entertainment venues will benefit from, rather than be negatively impacted by MGM Springfield. MGM Springfield also states in their application an intention to promote regional institutions and great cultural destinations in Western Massachusetts to the visitors and guest of MGM Springfield. MGM does not plan to impose radius restrictions that preclude performances at ESE.

HLT advises that the ILEV legislation was intended to identify and protect venues that present “live concerts, comedy or theatrical performances, which the commission determines experiences, or is likely to experience, a negative impact from the development or operation of a gaming establishment.” Therefore, the ESE as a whole does not qualify as an ILEV. The Xfinity Arena and Coliseum might be eligible. HLT believes that both the Xfinity Arena and the Coliseum buildings potentially meet the definition of an ILEV to the extent that they offer live entertainment events during the 17 days of the Big E. However, according to HLT, the types of events ESE programs outside of the Big E do not appear to conflict with the live entertainment offerings proposed by MGM for MassMutual and Symphony Hall (e.g., Cirque du Soliel, Celebrity Tennis Event, Extreme Sports). Therefore, based on ESE historical programming and the restrictions already offered by MGM during the Big E, HLT believes that the potential negative impact from the Casino development on live entertainment offerings at Xfinity Arena and the Coliseum is limited to none.

## A. ILEV PETITION

---

As the Commission is further aware, it is typical of gaming establishments, such as the one with respect to which MGM has submitted its application, to host numerous "top-act" entertainment performances. It is also typical of contracts for such performances to contain limitations and restrictions prohibiting entertainers from performing within a certain radius from the gaming establishment venue, often for a significant length of time. As such, ESE will likely be forced to compete with and be unable to secure and contract with top quality entertainers to perform at the Venue once MGM's gaming establishment is operational. As a result, ESE anticipates that the quality and number of live entertainment performances at the Venue will be negatively impacted and significantly compromised.

## B. APPLICANT RESPONSE

---

The only time that the ESE hosts concerts is during The Big E, with any and all other events primarily trade and hobby show driven. At the outset, MGM Springfield recognizes that the ESE and the Big E are important regional institutions and great cultural destinations that MGM Springfield desires to promote to the visitors and guest of MGM Springfield. To this end, MGM Springfield is willing to cross market and promote ESE and the Big E, will agree not to impose radius restrictions that preclude performances at ESE and will agree not to book material ticketed performances during the Big E Fair.

Indeed under these conditions, the ESE clearly stands to benefit from the Springfield project. Conversely, ESE is not likely to suffer nor has it provided any evidence that it will likely be negatively impacted as required by the Gaming Act and Impacted Live Entertainment Regulations (ILEV) Regulations.

Moreover, live entertainment is ancillary to the ESE's offerings that include trade shows, agricultural competitions and the Big E as well as the Storowtown Tavern and Village Museum. As such, it is not a live entertainment venue but rather a multi-faceted cultural venue that happens to include live entertainment at certain times during the year -clearly not the type of venue entitled to ILEV status. Finally, the Gaming Act provides a safety net for not for profit entertainment venues through a dedicated fund established by G.L. c. 23K, § 59(a)(2) to subsidize touring shows administered through the Massachusetts Cultural Council.

MGM Springfield's overall approach to entertainment venues is built on three main principles:

- *Do No Harm* -MGM Springfield will impose no punitive radius restrictions on any noncasino-affiliated Massachusetts-based entertainment venues; .

- *Co-Promote* -MGM Springfield will promote the programming provided by these Massachusetts-based entertainment venues, through cross-marketing on its website, social media, and other marketing channels; and
- *Leverage* -MGM Springfield will attempt to “block book” entertainment acts through not only the Springfield-based venues but in collaboration with other appropriate Massachusetts-based venues so that the region and Commonwealth might have access to certain musical and entertainment acts, which may only be feasible as part of a multiple venue tour. See MGM Springfield RFA-2 Application Attachment 5-19-01.

It is important for the MGC to recognize that MGM Springfield is not building its own ticketed entertainment venue. Through cross-marketing relationships with other area entertainment venues, we anticipate that area entertainment venues will benefit from, rather than be negatively impacted by MGM Springfield. MGM Springfield has put these principles into action over the last year.

As well documented in its RFA 2 application, MGM Springfield has endeavored to work collaboratively with a wide range of entertainment venues and organizations over the last several months including: Sponsorship and Marketing Agreement with Riverside Park Enterprises, Inc. (more commonly referred to as “Six Flags”); Non-exclusive Joint Marketing and Joint Cooperation Agreement with Springfield Performing Arts Development Corporation (operators of Symphony Hall and CityStage and a member of MPAC, the Massachusetts Performing Arts Collaborative); An Agreed Upon Non-exclusive Joint Marketing and Joint Cooperation Agreement with Massachusetts Convention Center Authority, owner of the MassMutual Center; Sponsorship Agreement with HWS Basketball, LLC in support of the Springfield Armor; Sponsorship of Falcons Hockey Entertainment, LLC (more commonly known as the “Springfield Falcons”); and A collaborative partnership with the Boston Symphony Orchestra with respect to its summer venue at Tanglewood.

MGM Springfield has offered ESE a Cross Marketing and Non-Competition Agreement that will serve to address ESE's concerns. Highlights of the proposed agreement include: MGM Springfield will promote ESE events through on-property marketing placements and signage on a monthly basis; MGM Springfield will make tickets of the annual BIG E Fair available for purchase online through the Project homepage, on-site at the Project, and to MGM employees through the M Life Insider Employee Portal or similar in-house employee portal and channels; MGM Springfield will send targeted e-mails promoting events at the Venue as designated by ESE in accordance with Section 1.1(a) to M Life members in the Springfield and surrounding areas, the number and frequency of which shall be determined in MGM’s reasonable discretion; MGM Springfield will promote events at ESE through its various social media channels (including Facebook and Twitter); and MGM Springfield will agree to participate in a marketing strategy meeting on periodic basis, to align event calendars, leverage each other’s contacts and

relationships, and to otherwise cross-promote each other's businesses. To address competition concerns the proposed Agreement includes the following provisions: MGM shall not enter into any agreement with any performer or show which, through a radius restriction or otherwise, precludes performances by that performer or show at the Venue. ESE shall refrain from entering into any agreement with any performer or show which precludes performances by that performer or show at the Project or the Springfield Sites.

In the event MGM fails to include such radius restriction exemption in any contract or otherwise inadvertently prohibits a performance in violation of this paragraph, MGM shall grant a waiver to such visiting performer or show at the written request of ESE. ESE shall not be entitled to any other remedy for breach of this Section 2.2. Except as mutually agreed by the Parties, MGM shall not book a material ticketed performance at the Project or the Springfield Sites during the period (typically September – October each year) of the ESE's annual Big E Fair.

Here, the only factors ESE relies upon and alleges to be the basis for ILEV status is potential increased competition to its ancillary live entertainment offerings. ESE does not meet the criteria for ILEV Status. While ESE is located approximately 2 miles from the proposed MGM Springfield site, ESE stands to benefit from the development of the project as opposed to suffer any negative impact. ESE alleges that it will be forced to compete to secure top quality entertainers and that the quality and number of live entertainment acts will be significantly impacted and compromised. Despite its dubious status as an ILEV under the statute and regulations, the proposed cross marketing and non-competition agreement more than addresses these issues and demonstrates the potential for MGM Springfield to greatly enhance the marketing of ESE events through its highly coveted advertising and other programs.

In its petition, ESE fails to acknowledge any benefit to its own offerings through the development of MGM Springfield whether a formal agreement is reached or not. For example, MGM Springfield has previously represented to the Big E and hereby commits that we will not prohibit any act from performing at the ESE as a condition of performing at one of the City Venues, and further that we not only leave open... but believe both facilities can mutually benefit from...block booking. Considering the lack of any evidence of negative impacts and the likeliness of positive impacts, ESE is not entitled to ILEV status under the Gaming Act or ILEV Regulations. Further, considering that live entertainment is ancillary to ESE's overall attractions including trade shows, agricultural competitions, and the Big E as well as the Storowtown Tavern and Village Museum, ESE should not be granted ILEV status based on the fact that it includes a smattering of live entertainment in the form of concerts, theater productions and other performances. Despite its not for profit status, ESE is a major attraction in the region and not likely to be negatively impacted by the opening of MGM Springfield.

Finally, the Gaming Act provides other remedies for not for profit entertainment venues to seek grant money through the Massachusetts Cultural Council if they wish to subsidize touring shows and artists: G.L. c. 23K, § 59(a)(2).

## **C. CONSULTANT ANALYSIS**

---

ESE claims that MGM's agreements to underwrite a minimum number of events at the MassMutual Center, Symphony Hall, and CityStage will divert "top-act" entertainment to these competitive venues thereby reducing the number and quality of live performances ESE is able to offer. ESE submitted a petition for consideration as an ILEV on January 3, 2014. MGM responded on January 13, 2014 with a blanket rebuttal that included two other Springfield-based ILEV petitioners (i.e., Majestic Theater and the Massachusetts Performing Arts Coalition)

ESE's petition is quite broad, addressing a range of operations, venues and activities on "not-for-profit or municipally-owned performance venue designed in whole or in part for the presentation of live concerts, comedy or theatrical performances, which the commission determines experiences, or is likely to experience, a negative impact from the development or operation of a gaming establishment."

ESE's January 3, 2014 petition for ILEV status requests that the Commission designate the entire ESE as an ILEV. The petition, ESE's subsequent response to MGM's rebuttal, an economic impact study prepared for the ESE by Regional Economic Models Inc. (with an apparent focus on the entire Big E, excluding the balance of ESE operations) and the January 28, 2014 presentation by ESE President Eugene Cassidy in front of the Commission, all speak to the value of the ESE and the potential negative impact from the development and operation of the proposed MGM Casino. The ILEV legislation was intended to identify and protect venues that present "live concerts, comedy or theatrical performances, which the commission determines experiences, or is likely to experience, a negative impact from the development or operation of a gaming establishment." Therefore, the ESE as a whole does not qualify as an ILEV. The Xfinity Arena and Coliseum might be eligible.

In determining whether a petitioning venue qualifies for ILEV status, the Commission shall consider distance between venues, venue capacity, type of performances and any intentions with respect to operating restrictions (e.g., geographic exclusivity clauses for entertainers). While MGM has not incorporated a performance venue within its proposed casino complex, MGM has entered into agreements with external live entertainment venues that are potentially competitive to the Xfinity Arena and the Coliseum (i.e., MassMutual Center, Symphony Hall and CityStage). MGM has offered the ESE a "Cross-Marketing and Non-Competition Agreement" that, among other commitments: 1) prevents MGM from imposing radius restrictions on any performer (this

commitment is also imposed on ESE with respect to the MassMutual Center, Symphony Hall and CityStage) as well as 2) prevents MGM from booking “material ticketed” performers during the Big E. Despite the restrictions suggested in the Cross-Marketing and Non-Competition Agreement, ESE believes that MGM’s support of these venues will put ESE at a competitive disadvantage in attracting and booking top-quality entertainment acts.

*CONCLUSIONS: In our view, designation of ESE as an ILEV is not warranted as the likelihood of a negative impact (and the quantum of any impact) to Xfinity Arena and the Coliseum is relatively small. HLT believes that both the Xfinity Arena and the Coliseum buildings meet the definition of an ILEV to the extent that they offer live entertainment events during the Big E. However, the types of events ESE programs outside of the Big E do not appear to conflict with the live entertainment offerings proposed by MGM for MassMutual and Symphony Hall (e.g., Cirque du Soleil, Celebrity Tennis Event, Extreme Sports). Therefore, based on ESE historical programming and the restrictions already offered by MGM during the Big E, HLT believes that the potential negative impact from the Casino development on live entertainment offerings at Xfinity Arena and the Coliseum is limited to none.*

The following should be taken into account: The majority of ESE revenue is generated during the Big E (Eugene Cassidy at the January 28, 2014 Commission meeting: “82% of our revenue is derived from the 17-day event”). MGM acknowledges the value and importance of entertainment events to the Big E and has to enter into a broader agreement that would commit MGM to “not book material ticketed performances during the Big E Fair.”

In our view, designation of ESE as an ILEV is not warranted as the likelihood of a negative impact (and the quantum of any impact) to Xfinity Arena and the Coliseum is relatively small. MGM could (and probably should) ensure the minimization of any impact through an extension of their offer of not booking “material ticketed performances during the Big E” by providing an exclusion period no less than 30 days before and 30 days after the Big E to ensure no overlap

## **D. APPLICATION**

---

1-3 From the very beginning, MGM Springfield was designed as the world’s first truly outward-looking city-integrated resort. With a nod to the City’s historic past, we wanted to recreate a unified Downtown that was capable of drawing visitors from near and far. Our “inside-out” design prioritizes “external” integration over “internal” integration and connects MGM Springfield to the streetscape, the local community and its businesses and citizens. In order to organically engage the community and create natural links to the outside, MGM Springfield’s casino is surrounded by numerous non-gaming activities, all of which are easily accessible by multiple entry points. MGM Springfield physically integrates the City’s heritage into modern architecture in a way that honors the City’s past and remains warm and inviting to visitors.

MGM Springfield's incorporation of the historic façade of 73 State Street, improvement of the riverfront experience and resurrection of the trolley bus system will sit as testimonies of historic Springfield in the new Downtown. MGM Springfield has been designed specially to produce a "LIVE, WORK, PLAY" atmosphere for the community. We have struck a very important balance that provides a unique and compelling destination that appeals to visitors and complements the region's assets to create the complete entertainment experience. We aim to create a "No Business Left Behind" mentality in which Springfield's existing businesses and tourist attractions benefit from the economic spill-over from MGM Springfield.

1-5 MGM Springfield has established numerous cross-marketing relationships in Springfield and throughout Western Massachusetts. These relationships aim to create a visitor experience that is amplified because of increased choice and opportunities for visitors. We intend to actively cross-market attractions such as the MassMutual Center, Springfield's Symphony Hall and CityStage, the Museum Quadrangle, the Basketball Hall of Fame, Six Flags New England in Agawam, a selection of golf courses and ski resorts, as well as other entertainment venues, including MPAC venues and Tanglewood. We have entered into or are pursuing joint marketing and cooperation agreements with all of these enterprises. In partnership with the Greater Springfield Convention and Visitors Bureau (GSCVB), of which we, the Museum Quadrangle and Basketball Hall of Fame are members, MGM Springfield intends to actively promote both organizations through in-house promotions and promotions among our employees. We will commit to hosting employee family events at each of the facilities and to buy blocks of tickets for customer events and promotions. In addition, we have entered into discussions with the Basketball Hall of Fame to develop a more substantial partnership.

1-6 MGM Resorts has a long history of working closely with tourism, convention and economic development agencies and associations to enhance the tourism experience in the markets in which we operate. Our marketing strategy to encourage visitors from outside of Massachusetts (both domestically and internationally) will include leveraging the MGM brand, including our Company's existing marketing relationships and expertise, our M life loyalty program, and transportation through collaborations with bus, train and airplane stakeholders. We intend to collaborate with local, regional and state tourism, convention and development agencies, including the Greater Springfield Convention and Visitors Bureau, MassPort and the Massachusetts Office of Travel and Tourism. We wish to partner with existing tourism and convention assets, in particular the MassMutual Center, to cross-market Springfield to out-of-state tourism and business customers and agencies. From a gaming perspective, MGM Springfield can leverage our national and global branch office network. MGM Springfield also will conduct an extensive marketing effort, leveraging the Company's existing relationships with national and international travel agencies (online and traditional), tour operators and airline and bus partners to develop marketing programs designed to bring more visitors to the destination. If awarded the license, MGM Springfield would like to lend our expertise and relationships, when



appropriate, to help both MOTT and MassPort devise ways to attract more Chinese visitors to Massachusetts. It is good business for MGM Springfield and good business for the Commonwealth.

2-35 MGM Springfield has commissioned a study from HR&A Advisors that details the economic benefits to the Commonwealth and the region. For purposes of its analysis, HR&A defined the region as the four counties comprising Western Massachusetts. The study evaluates a number of both positive and potentially negative economic factors resulting from the project. The HR&A study concludes that the economic impact of the Project is overwhelmingly positive as a result of positive economic factors, including the recapture of gaming revenue from surrounding states, visitor spending outside the Project at other regional businesses, spin-off benefits from new jobs created at MGM Springfield and ongoing spending by MGM Springfield with regional vendors, all of which far outweigh any potential negative impacts.

2.36 MGM Springfield anticipates approximately 50% of gaming revenue and more than 50% of non-gaming revenue will come from out-of-state visitors. Of those out-of-state visitors, MGM Springfield anticipates that over 70% will be derived from customers who will either are or will become M life members. Enclosed in the response are three tables that show anticipated out-of-state gaming and non-gaming revenues for the first five years of operation on best, average and worst case scenarios. MGM Springfield's marketing plan includes leveraging the M life loyalty program and cross-marketing with MGM Resorts' existing properties and customers residing out-of-state (including Connecticut, New York and Canada), collaborating with local, regional and national meeting and tourism partners, cross-marketing with other local entertainment venues and attractions – in particular the MassMutual Center – sponsoring and promoting regional special events and partnering with local, regional and national bus, train and airline operators. We intend to market to our rich M life database in strategically selected cities, and to work with both MOTT and MassPort to encourage greater international visitation to the Commonwealth. Currently, we have not targeted junket operators for MGM Springfield.

3-33 MGM Springfield will integrate with local entertainment venues through its proposed collaborations with the MassMutual Center, Symphony Hall/CityStage, the Massachusetts Performing Arts Coalition, Tanglewood, as well as other regional entertainment venues. MGM Springfield's approach will be to leverage our marketing strength and entertainment relationships in an attempt to "block book" entertainment acts not only for Springfield but also for other appropriate Massachusetts entertainment venues. MGM Springfield is committed to underwriting, co-promoting and booking at least a combined twelve events per year at MassMutual Center, Symphony Hall and CityStage. We will market these events aggressively to our M life database, and will use them as inducements to attract visitation to MGM Springfield. In Springfield, MGM Springfield has made a commitment to sponsor the MassMutual Center's two home teams – the Springfield Armor (NBA D-League) and Springfield Falcons (American

Hockey League). MGM Springfield will leverage these relationships to promote the games to our M life database and will benefit from patronage from event-goers before and after games. MGM Springfield was the lead sponsor for the MAAC Men's College Basketball Tournament that was held in March 2013 at the MassMutual Center.

4-14 One of the guiding principles of MGM Springfield is the embrace of the "Live, Work, Play" concept. MGM Springfield will strive to increase the appeal of Springfield and the South End for existing residents and to attract new young professionals to the City. MGM Springfield's amenity offerings will enhance the appeal of Springfield's existing entertainment options, such as the MassMutual Center, Symphony Hall and CityStage. Rather than just seeing a show at one of these venues, visitors can have a complete entertainment experience in the Downtown. Springfield's surrounding communities will benefit from the introduction of a portfolio of widely diverse restaurants. The overarching philosophy of our venues is to source locally grown fresh ingredients. The depth and availability of local providers allows MGM Springfield to introduce locally sourced materials at almost every level of our offerings. In doing so, we financially support local business owners and greatly reduce the carbon footprint of our finished product. Through national known celebrity chefs, local restaurateurs and locally sourced materials, we hope to help Springfield stand out as a destination for superior quality dining that will compel visitors to stay longer and dine. The MGM Springfield apartments will offer a new option for those residents that prefer to live in buildings with modern facilities. These apartments will target young professionals who want to live near MGM Springfield's ample supply of retail and entertainment options. MGM Springfield intends to serve the surrounding community by organizing events that promote regional businesses and artists in the Project's Outdoor Plaza. We hope to host events such as vendor showcases, farmers' markets, food/beer/wine festivals, arts & crafts fairs and live music from local artists. In addition, we anticipate that these and similar events will increase traffic at local restaurants and bars.

4-21 MGM Springfield will be a high-caliber facility built with a number of amenities that were strategically chosen to both increase visitation and complement the other amenities in Springfield and the region. For particulars, please refer to Attachments 4-01-01, 4-02-1, 4-14-01, 4-19-01, 4-20-01 and 4-33-01. We intend to lease a good portion of our retail space to Massachusetts-based businesses. In addition, some of our restaurants will be operated by Massachusetts-based entities. Our regional retail and restaurant operator partners are highlighted in Attachment 4-22-01 and we have discussed numerous potential ways to incorporate food, beverage and retail vendors into MGM-operated outlets in Attachment 4-11-01. While we are not physically including local operators inside the premises of our Project, we have demonstrated how we will cross-market with and promote local businesses in Attachments 3-14-01, 3-25-01 and 3-26-01, and we have included local agreements as part of our response to 3-24. For our busing programs, we expect to partner with both Tour & Travel as well as Line Run operators. In order to have a successful bus

program in the highly competitive North East market, operators advised us that our incentive package for players has to be appealing, including promotional credits, food and retail.

4-22 Non-gaming entities within the boundaries of the gaming establishment complex generally will be owned by MGM Springfield, with the principal exception of outsourced retail and potentially some of the food and beverage venues. Many of the outsourced retail and food and beverage venues will be managed by or in cooperation with local or regional partners. MGM Springfield envisions situations when MGM Springfield may wish to block rooms at neighboring hotels, particularly to accommodate gaming customers. In addition, there will be many situations when our hotel will be at capacity, and we will redirect our customers to area hotels or the GSCVB website. MGM Springfield intends to truly partner with the MassMutual Center to enhance and complement Springfield's existing convention and conference business. Our sales team and the MassMutual Center sales team will be working closely together, and MGM Springfield will work with the MassMutual Center and area hotels to block rooms for these groups. MGM Springfield believes it is essential to incorporate both regional restaurateurs and food and beverage vendors into MGM Springfield. Because of the outward-looking nature of MGM Springfield, local restaurants within walking distance of the resort will thrive. Just as important, restaurants and bars located on the public trolley route also will gain exposure to MGM Springfield's visitors. MGM Springfield has established numerous cross-marketing relationships in Springfield and throughout Western Massachusetts. We aim to create a visitor experience that is amplified because of increased choice and opportunities. We intend to cross-market attractions such as the Museum Quadrangle, Basketball Hall of Fame, Six Flags New England in Agawam, golf courses, ski resorts, Symphony Hall and City Stage as well as other entertainment venues.

4-33 MGM Springfield will build a 35,000 square-foot outdoor retail component that will be accessible from Main Street. We will strive to create an entertainment destination complex, which will attract millions of customers annually, that is outward-facing and designed to be a catalyst for the development of other retail activity. We intend to implement marketing programs that support surrounding restaurants and retail businesses. The "Outdoor Plaza" of retail will include a selection of local and regional retailers who will benefit from the traffic and visibility provided by their location. In addition, MGM Springfield will use the "Outdoor Plaza" to host community events that promote regional businesses. Attachment 4-11-01 provides further detail relating to our proposed retail program. As part of our "No Business Left Behind" approach, we will seek to partner with local retail businesses in terms of our own procurement activities, as well as the provision of retail services to MGM Springfield employees and guests. In addition, we will promote our neighboring businesses by placing local visitor and business guides, such as the GSCVA Visitors Guide, in our hotel rooms and public areas.

# MASSACHUSETTS GAMING COMMISSION ILEV PETITION ANALYSIS



**PETITIONER: THE MAJESTIC THEATER**  
**APPLICANT: MGM SPRINGFIELD**

February 14, 2014

---

## INTRODUCTION AND OVERVIEW

---

The Live Entertainment Venue has submitted to the Commission a petition to be designated as a Impacted Live Entertainment Venue to the Applicant’s proposed gaming establishment in accordance with G.L. c. 23K, §§ 4(33) and 17(a) and 205 CMR 126.01(2). The Applicant has submitted a response to the petition.

In making its determination, the Commission must consider the definition of impacted live entertainment venue as set forth in MGL C 23k, §2 (“a not-for-profit or municipally-owned performance venue designed in whole or in part for the presentation of live concerts, comedy or theatrical performances, which the commission determines experiences, or is likely to experience, a negative impact from the development or operation of a gaming establishment.”) and factors in G.L. c. 23K, §§ 4(39) including distance from the gaming establishment, venue capacity, and the type of performance offered by that venue.

In accordance with 205 CMR 126.01(2): “the commission will consider whether the applicant intends to include a geographic exclusivity clause in the contracts of entertainers at the proposed gaming establishment, or in some other way intends to limit the performance of entertainers within Massachusetts.”

The Commission must review, in accordance with G.L. c. 23K, §§ 4(33) and 17(a) and 205 CMR 125.01(2)(b), the Applicant’s entire application; the Applicant’s RFA-2 detailed plan of construction; any independent evaluations; any pertinent information received from the entertainment venue, the Applicant, the Applicant’s host community, and the public; and any additional information that the Commission determined to be beneficial in making its determination. The Commission’s regulations lay out the criteria that the Commission should consider in making its determination:

1. Not for profit/municipally owned venue
2. Type of performance
3. Proximity
4. Venue Capacity
5. Potential Negative Impacts
  - a. Applicant geographic exclusivity clause

This document lays out the criteria and provides the legal framework that the Commission must consider, an executive summary of the issues, and pertinent information from the entertainment venue’s petition, the Applicant’s response, consultant analysis, relevant RFA-2 application question responses, and other relevant materials. Please see accompanying documents for full entertainment venue petition, applicant response, and consultant analysis.

---

# 1. VENUE OWNERSHIP /TYPE OF PERFORMANCES

---

## Legal Framework

In determining whether a venue is a impacted live entertainment venue, the commission . . . will evaluate whether: . . the venue meets the definition of ‘impacted live entertainment venue’ (“a not-for-profit or municipally-owned performance venue designed in whole or in part for the presentation of live concerts, comedy or theatrical performances, which the commission determines experiences, or is likely to experience, a negative impact from the development or operation of a gaming establishment.”) as set forth in G.L. c.23K, §2

## Executive Summary

By agreement of all parties, The Majestic Theater in West Springfield, MA is a non-profit 501(c) (3) Massachusetts corporation established in 1993 and has been producing local theatrical performances at the Majestic Theater since 1997. The Majestic Theater. stages five main season productions which are a variety of Musicals, Comedies and Dramas from September through May utilizing predominately Western Massachusetts based actors and actresses. During the Summer The Majestic produces three children’s plays.

MGM Springfield’s proposal does not incorporate a live entertainment venue(s), opting instead to support existing Springfield entertainment venues and entertainment product (e.g., sports teams). MGM’s Category 1 Casino Application includes: A Host Community Agreement with the City of Springfield to underwrite a specified number of events at Symphony Hall and CityStage. These two venues are owned and operated by the City through the Springfield Performing Arts Development Corporation (“SPADC”).

## A. ENTERTAINMENT VENUE PETITION

---

The Theater Project, Inc. is a professional Equity SPT live theater producing locally at the Majestic since 1997. Our mission is to provide Western Massachusetts based actors, actresses and theater technicians a professional environment in which to perform- the Majestic Theater. Annually we employ over a hundred local theater actors, actresses and technicians providing them with the only opportunity to work and be paid to practice their craft.

The Theater Project, Inc. stages five Main Season productions which are a variety of Musicals, Comedies and Dramas from September through May with each production running for a minimum of 31 performances. In the summer we produce three plays as part of the Majestic

Children's Theater which thousands of children from throughout the region attend with single ticket prices of \$8. We produce over fifty concerts and holiday specific productions during the summer, Christmas holiday, St. Patrick's Day and Valentine's Day featuring local and regional artists with single ticket prices that range from \$15 to \$24.

City Stage does not produce their own productions or cast with local actors and actresses any of their productions. City Stage contracts with national touring production companies to present a variety of Musicals, Comedies and Dramas. No local actor, actress or theater professional that has worked at the Majestic Theater has ever worked at CityStage.

## **B. APPLICANT RESPONSE**

---

While Blue Tarp is committed to working collaboratively with these venues to address concerns, we dispute their eligibility for ILEV status under the applicable statutes and regulations. It is important for the MGC to recognize that Blue Tarp is not building its own ticketed entertainment venue. Through cross-marketing relationships with other area entertainment venues, we anticipate that area entertainment venues will benefit from, rather than be negatively impacted by MGM Springfield.

While the Majestic is located approximately 2.5 miles from the proposed MGM Springfield site and approximately 2 miles from CityStage, MGM and the Majestic are worlds apart when it comes to the type of entertainment to be offered through MGM Springfield and its partnering venues. The Majestic Theater is a classic theater that mainly hosts plays and showcases from local artists and actors/actresses. Upcoming shows include: 33 Variations by Moises Kaufman, Stick Fly by Lydia R. Diamond, Educating Rita by Willy Russell, Heros by Gerald Sibleyras, translated by Tom Stoppard and Next to Normal by Tom Kitt & Brian Yorkey. Entertainment typically offered by MGM involves internationally renowned acts such as Jon Bon Jovi, Beyonce, Maroon 5, Jay-Z and Carlos Santana, all of whom played an MGM arena in 2013. The Majestic focuses on traditional musicals, comedies and dramas that typically showcase local artists and actors/actresses.

Indeed, if at all appropriate to consider CityStage's impact on the Majestic, the Commission need not look further than the Majestic's own description of the existing differences between CityStage and the Majestic, differences that will likely grow under its Agreement with MGM Springfield: City Stage does not produce their own productions or cast with local actors and actresses any of their productions. City Stage contracts with national touring production companies to present a variety of Musicals, Comedies and Dramas. No local actor, actress or theater professional that has worked at the Majestic Theater has ever worked at City Stage. Petition of Majestic Theater, January 9, 2014. This is evident by the five most recent shows to take place at CityStage: Masters of Motown, Comedian Bobby Collins as part of the STAND UP

Comedy Series, Menopause The Musical, Broadway's Next Hit Musical, and Rocky Mountain High.

## **C. CONSULTANT ANALYSIS**

---

MGM's proposal does not incorporate a live entertainment venue(s), opting instead to support existing Springfield entertainment venues and entertainment product (e.g., sports teams).

MGM's Category 1 casino Application includes:

- A Host Community Agreement with the City of Springfield to underwrite a specified number of events at Symphony Hall and CityStage. These two venues are owned and operated by the City through the Springfield Performing Arts Development Corporation.
- A separate agreement with the MassMutual Center to underwrite a specified number of events at convention center and adjacent 8,000-seat arena. The MassMutual Center, located at 1277 Main Street (see Appendix A), is adjacent to the proposed MGM casino. The Center is currently host to the Springfield Falcons (AHL Hockey) and Springfield Armor (NBA Development League) teams. The arena also hosts music concerts, sports and entertainment events such as: the Harlem Globetrotters, Disney on Ice, National Gymnastics, and Justin Moore. In 2013, MGM booked the Professional Bull Riders as well as Pitbull at the venue. The MassMutual Center is neither included in nor relevant to the Majestic petition.

Symphony Hall and CityStage are both operated by SPADC. Symphony Hall, located at 34 Court St. (see Appendix A) is adjacent to the proposed MGM casino and a few blocks away from CityStage (located at 150 Bridge Street). Symphony Hall, a 2,611 seat auditorium, is home to the Springfield Symphony Orchestra and offers a variety of programming theatrical and musical performances such as: Man of La Mancha, St. Jude Concert for Kids and Todd Oliver and Friends. Symphony Hall, which is the larger of the two venues is not identified as being competitive to Majestic and, as such, is not a focus of the petition. City Stage and Symphony Hall offer theatrical performances between September and June.



---

## 2. PROXIMITY

---

### **Legal Framework**

In determining whether a venue is a impacted live entertainment venue, the commission shall consider: . . . factors including, but not limited to, the venue's distance from the gaming establishment, venue capacity and the type of performances offered by that venue”)

### **Executive Summary**

By agreement of all parties, The Majestic Theater, located in West Springfield, Massachusetts is approximately 2.5 miles from the proposed MGM Springfield site in Springfield.

---

## 3. VENUE CAPACITY

---

### Legal Framework

“In determining whether the venue is an ILEV the commission shall consider factors including, but not limited to, venue capacity and the type of performances offered by that venue” a G.L. c.23K, §4(39):

### Executive Summary

MGM’s proposal does not incorporate a live entertainment venue(s), opting instead to support existing Springfield entertainment venues and entertainment product (e.g., sports teams).

The Majestic Theater venue comprises a 240-seat performance theater and a 70-seat café. CityStage seating capacity is 479 seats.

## A. ILEV PETITION

---

We have a Management and Box Office staff of twelve. The Majestic has 240 seats in the performance theater. There are 70 seats in the Majestic Café that allows patrons to gather and have light refreshments prior to performances. We have over 4,200 subscribers- the largest subscriber base in Western MA- who annually purchase tickets to all five of the Main Season productions. Our single ticket prices for a Main Season production range from \$22 to \$29.

City Stage has two operating theater spaces - one with seating capacity of approximately 400 and another with seating capacity of 100. City Stage's advertised single ticket prices range from \$24- \$38. They offer Season subscription packages for their events.

## B. APPLICANT RESPONSE

---

The Majestic is an approximately 240-seat theater located in West Springfield, Massachusetts. Every season at the Majestic consists of five productions (including at least one musical) featuring local actors. In addition to the subscription season, the summer includes children’s theater, concerts, plays, open microphone nights, and improvisational comedy shows. In addition, the Majestic's size makes it significantly smaller (240 seats) than the other entertainment venues with which MGM has reached agreement: MassMutual Center (8,000 seats), Symphony Hall (2,611 seats), CityStage (479 seats). This would further suggest that MGM Springfield and the Majestic will not be competing for similar entertainment offerings.

## C. CONSULTANT ANALYSIS

---

From a proximity and seating capacity perspective the two theatres are competitive (or potentially competitive) in that they appeal to a theater-going audience. However, while the two theaters offer a range of drama, comedy, musical and children's performances the delivery model of performances at each theater is considerably different. Majestic produces its own shows while, CityStage operates more as a rental facility where touring shows, comprising professional/paid performers and technicians, are accommodated and where all ticket sales/profitability risk is born by the (mostly) non-local producers/promoters. Majestic's business model places it at a greater risk for operating losses given its additional cost structure.

---

## 4. POTENTIAL NEGATIVE IMPACT/ ENTERTAINER EXCLUSIVITY CLAUSE

---

### Legal Framework

In making its determination, the Commission must consider the definition of impacted live entertainment venue as set forth in MGL C 23k, §2 (“a not-for-profit or municipally-owned performance venue designed in whole or in part for the presentation of live concerts, comedy or theatrical performances, which the commission determines experiences, or is likely to experience, a negative impact from the development or operation of a gaming establishment.”)

### Executive Summary

MGM has indicated in their application and in the applicant response that they will not impose an entertainer exclusivity clause on their performers relative to non-casino venues. Majestic Theater is not concerned whether or not MGM would restrict any artist from performing at the Majestic as a condition of work with MGM. Majestic Theater’s talent pool is local talent in addition to talent from New York and Boston. Majestic Theater’s concern appears to be what they regard as the finite audience in Western Massachusetts. Majestic believes that MGM’s underwriting support for their “chief competitor” CityStage will impact them.

MGM Springfield argues in their response that it is highly unlikely that the Majestic will experience any negative impact in connection with MGM’s development of its destination resort casino in downtown Springfield (the “Project”). They also assert that speculative increased competition from an existing and well established entertainment venue does not satisfy or address any of the criteria set forth in the ILEV regulation.

HLT suggests that designation of Majestic as an ILEV is not warranted as the likelihood of a negative impact (and the quantum of any impact) is relatively small.

### A. ILEV PETITION

---

The Majestic Theater in West Springfield, MA is requesting it be designated an Impacted Live Entertainment Venue as outlined in 205 CMR 126 because of the information detailed in the Phase 2 application submitted by MGM Springfield. MGM Springfield's Phase 2 application states in 3-24-08 Exhibit B- Business Operations and Marketing Obligations, Section 2. Symphony Hall/City Stage, paragraph (b) The Developer has entered into an agreement with the Springfield Parking Authority pursuant to which Developer agrees to, among other things, underwrite, co-promote, book and schedule a minimum of three (3) Events per calendar year at City Stage ... for a minimum of five (5) years... The Developer will purchase such number of unsold tickets to Events as may be necessary to meet its underwriting commitment for Events.

The Majestic Theater regularly competes for audience for our Musicals, Comedies and Dramas with City Stage. City Stage on Bridge St. in Springfield is located on the opposite side of the Connecticut River from the Majestic Theater- a little more than a mile away. City Stage has two operating theater spaces - one with seating capacity of approximately 400 and another with seating capacity of 100. City Stage's advertised single ticket prices range from \$24- \$38. They offer Season subscription packages for their events. City Stage does not produce their own productions or cast with local actors and actresses any of their productions. City Stage contracts with national touring production companies to present a variety of Musicals, Comedies and Dramas. No local actor, actress or theater professional that has worked at the Majestic Theater has ever worked at City Stage. City Stage operates in a building owned by the Springfield Parking Authority. It is with the Springfield Parking Authority that MGM Springfield has reached their agreement detailed in 3- 24-01 Exhibit B of their Phase 2 proposal.

MGM Springfield states in their Phase 2 application "CONCEPT" section 4-01-01 that they will run a trolley system that will "run regularly from MGM Springfield to other. .. attractions ... City Stage." In section 4-02-01 there is a prominent photograph of City Stage's marquee under which MGM Springfield explains that their focus is to "Build on Existing Assets" noting that they will support efforts that " ... has appropriately prioritized development plans ... " that specifically include " ..City Stage." In section 4-05-01 MGM Springfield's facilities drawings include an outdoor "Armory Dining Entertainment" area that will be used in the Summer which The Theater Project, Inc. knows will directly compete and negatively impact the Majestic Theater Summer Concert Series (see the enclosed brochure).Summer Concert Series (see the enclosed brochure).B. Applicant Response

We believe that the partnership agreement that MGM Springfield has executed with City Stage (Springfield Parking Authority), and their detailed plans to support and build on the existing asset which is City Stage as stated in their Phase 2 application will adversely affect the Majestic Theater. The Majestic Theater regularly competes for audience for our Musicals, Comedies and Dramas with City Stage. When City Stage is supported by the massive infrastructure and resources of MGM- as MGM Springfield has clearly stated is their intention- it will result in the Majestic Theater becoming an Impacted Live Entertainment Venue.

## **B. APPLICANT RESPONSE**

---

Speculative increased competition from an existing and well established entertainment venue does not satisfy or address any of the criteria set forth in the ILEV regulation. Moreover, utilizing potential benefits to one local entertainment venue as grounds for ILEV status will provide a disincentive for applicants to negotiate any voluntary agreements at all.

It is highly unlikely that the Majestic will experience any negative impact in connection with MGM's development of its destination resort casino in downtown Springfield (the "Project")

including but not limited to MGM Springfield's partnership with CityStage for three (3) events per calendar year. The likely entertainment offerings by MGM Springfield are significantly different than productions historically showcased at the Majestic, which feature local actors and actresses. Further, MGM Springfield has previously represented to the Commission that it will not restrict bookings at any venue through the use of geographic restrictions on its own acts to the extent that the Majestic and MGM Springfield would be competing for shows or talent.

Finally, the Gaming Act provides a safety net for not for profit entertainment venues through a dedicated fund established by G.L. c. 23K, § 59(a)(2) to subsidize touring shows administered through the Massachusetts Cultural Council. It should be noted that while MGM opposes the Majestic's petition, we understand the importance of this theater to the local community and hope to integrate the Majestic into some of MGM's internal employee programs designed to support local public charities and events.

The Agreement and Blue Tarp's overall approach to venues in the vicinity of MGM Springfield project is built on three main principles:

- *Do No Harm* -Blue Tarp will impose no punitive radius restrictions on any non-casino-affiliated Massachusetts-based entertainment venues;
- *Co-Promote* -Blue Tarp will promote the programming provided by these Massachusetts-based entertainment venues, through cross-marketing on its Website, social media and through other marketing channels; and
- *Leverage* -Blue Tarp will attempt to "block book" entertainment acts through not only the Springfield-based venues but in collaboration with other appropriate Massachusetts-based venues so that the region and Commonwealth might have access to certain musical and entertainment acts, which may only be feasible as part of a multiple venue tour. See Blue Tarp RFA-2 Application Attachment 5-19-01.

Finally, to the extent that the Majestic does compete with MGM Springfield to attract similar performers, the Majestic is protected in two ways. First, MGM Springfield has previously represented and hereby commits that we will not prohibit any act from performing at the Majestic as a condition of performing at one of the City Venues, and further that we not only leave open... but believe both facilities can mutually benefit from...block booking. Second, the Gaming Act provides other remedies for not for profit entertainment venues to seek grant money through the Massachusetts Cultural Council if they wish to subsidize touring shows and artists:

G.L. c. 23K, § 59(a)(2). In sum, aside from proximity, the Majestic fails to meet any of the Gaming Act's and Commission's regulations for ILEV status.

## **C. CONSULTANT ANALYSIS**

---

*Please see attached detailed Consultant Analysis (dated February 11, 2014)*

Majestic claims that an agreement between MGM and the Springfield Performing Arts Development Corporation (“SPADC”), specifically the agreement to underwrite, co-promote, and book a minimum of three performances at SPADC, could harm both Majestic’s market position and revenue base.

Majestic’s operating revenues (presumably largely comprised of ticket sales) have been stable over the past five years: • FY 2013 -\$834,282 • FY 2012 -\$836,213 • FY 2011 -\$813,406 • FY 2010 -\$834,093 Although detailed financial statements were not provided we presume Majestic, like most not-for-profit and volunteer-based theater companies, operates on relatively thin margins where even a modest decrease in ticket sales/revenue could have a meaningful impact on any annual operating surplus.

MGM’s proposal does not incorporate a live entertainment venue(s), opting instead to support existing Springfield entertainment venues and entertainment product (e.g., sports teams). Majestic’s petition focuses on CityStage and MGM’s agreement to underwrite, co-promote, book and schedule a minimum of three events per year for each of the next five years at this venue. (See HLT Analysis page 3 for Summary of MGM Host Community Agreement with respect to CityStage) While MGM has not incorporated a performance venue within its proposed casino complex, MGM has entered into agreements with external venues, one of which is potentially competitive to Majestic (i.e., CityStage).

Competitiveness is a function of:

1. Proximity—Majestic and CityStage are located only 2.2 miles apart
2. Similar seating capacities—479 seats at CityStage versus 270 seats at Majestic
3. Similarity of performances—both theaters present a range drama, comedy, musical and children’s performances at similar price points. Each of these competitive similarities are identified as considerations in 205 CMR 126.01(2).

A further consideration is the different business models employed by each of Majestic and CityStage. We understand that while Majestic produces its own shows (i.e., employing local actors/actresses and technicians and taking risk in the production, marketing and staging performances), CityStage operates as a rental facility where all ticket sales/profitability risk is born by the (mostly) non-local producers/promoters. Majestic’s business model places it at a greater risk for operating losses given its additional cost structure.

The Host Community Agreement with the City of Springfield, incorporating the SPADC, obliges MGM to underwrite a minimum of three events at CityStage each year—including a variety of marketing/ promotion, co-promoting, booking and scheduling activities—for at least five years. An identical arrangement exists for the other SPADC venue, Symphony Hall. The financial impacts to SPADC, as a result of the MGM agreement to underwrite a total of six events

annually, are unknown as are the potential actions by SPADC as a result of a presumably enhanced financial position. The Host Community Agreement is silent regarding the ability of the SPADC, as opposed to MGM, to impose geographic restrictions on talent.

CONCLUSIONS Based on our review of Majestic's petition for ILEV status, we conclude that:

- Majestic and CityStage are potentially competitive from proximity and seating capacity perspective.
- Majestic and CityStage both offer drama, comedy, musical and children's performances however the operating characteristics of the two theaters are quite different.
- MGM's decision to work with municipally-owned and not-for-profit local venues, rather than build new facilities to accommodate events, demonstrates sensitivity to the local arts/culture/entertainment sector. Any potentially competitive situation created with Majestic has likely occurred as an oversight.
- Any impact to Majestic is likely to be minimal although, if realized, will not be unimportant to this not-for-profit entity. The consistency in Majestic's historical revenues (as provided by Majestic at the January 28, 2014 Commission meeting) suggests any future impact will be relatively straight forward to determine. In our view, designation of Majestic as an ILEV is not warranted as the likelihood of a negative impact (and the quantum of any impact) is relatively small.

However, MGM could (and probably should) ensure the minimization of any impact through various actions ranging from supporting Majestic productions (e.g., MGM staff ticket purchases) to aligning calendars (e.g., avoiding conflicts with key Majestic performance dates such as opening nights) and, most importantly, ensuring the financial support of SPADC does not result in CityStage changing its operating model in a manner that might create future competition with Majestic.



## D. APPLICATION

---

1-5 MGM Springfield has established numerous cross-marketing relationships in Springfield and throughout Western Massachusetts. These relationships aim to create a visitor experience that is amplified because of increased choice and opportunities for visitors. We intend to actively cross-market attractions such as the MassMutual Center, Springfield's Symphony Hall and CityStage, the Museum Quadrangle, the Basketball Hall of Fame, Six Flags New England in Agawam, a selection of golf courses and ski resorts, as well as other entertainment venues, including MPAC venues and Tanglewood. We have entered into or are pursuing joint marketing and cooperation agreements with all of these enterprises. In partnership with the Greater Springfield Convention and Visitors Bureau (GSCVB), of which we, the Museum Quadrangle and Basketball Hall of Fame are members, MGM Springfield intends to actively promote both organizations through in-house promotions and promotions among our employees. We will commit to hosting employee family events at each of the facilities and to buy blocks of tickets for customer events and promotions. In addition, we have entered into discussions with the Basketball Hall of Fame to develop a more substantial partnership.

1-6 MGM Resorts has a long history of working closely with tourism, convention and economic development agencies and associations to enhance the tourism experience in the markets in which we operate. Our marketing strategy to encourage visitors from outside of Massachusetts (both domestically and internationally) will include leveraging the MGM brand, including our Company's existing marketing relationships and expertise, our M life loyalty program, and transportation through collaborations with bus, train and airplane stakeholders. We intend to collaborate with local, regional and state tourism, convention and development agencies, including the Greater Springfield Convention and Visitors Bureau, MassPort and the Massachusetts Office of Travel and Tourism. We wish to partner with existing tourism and convention assets, in particular the MassMutual Center, to cross-market Springfield to out-of-state tourism and business customers and agencies. From a gaming perspective, MGM Springfield can leverage our national and global branch office network. MGM Springfield also will conduct an extensive marketing effort, leveraging the Company's existing relationships with national and international travel agencies (online and traditional), tour operators and airline and bus partners to develop marketing programs designed to bring more visitors to the destination. If awarded the license, MGM Springfield would like to lend our expertise and relationships, when appropriate, to help both MOTT and MassPort devise ways to attract more Chinese visitors to Massachusetts. It is good business for MGM Springfield and good business for the Commonwealth.

2.31 MGM Springfield, located in the South End of Downtown Springfield, will represent the finest urban resort, gaming and entertainment experience in New England. We will create a high-quality urban destination entertainment experience at the crossroads of New England. MGM Springfield will attract new tourists and residents to Western Massachusetts, revitalize the region's communities and businesses and forge strong physical connections to the areas many

existing attractions. As impressive as the unique brands of MGM Resorts are, it is the dedicated creative team that develops and executes complex strategic and operations plans that enhance our success. For example, 2011 marked the introduction of M life, our loyalty marketing program that rewards members for virtually every dollar they spend across our many iconic resorts. In addition, MGM Resorts has national and international reach through its marketing offices as well as marketing alliances. The breadth, depth and quality of our resorts and the experience planned for MGM Springfield make us the most compelling option to operate successfully in the competitive Northeast casino-resort market, particularly against mega-resorts such as Foxwoods and Mohegan Sun in Connecticut. The attached Business & Marketing Plan quantifies our key channels of business (M life, Air/Bus/Rail, Off-Site Events, Conventions, Tourists Outside of the MGM and Unrated/Untracked Guests) and discusses how we will approach attracting business from these channels.

2.36 MGM Springfield anticipates approximately 50% of gaming revenue and more than 50% of non-gaming revenue will come from out-of-state visitors. Of those out-of-state visitors, MGM Springfield anticipates that over 70% will be derived from customers who will either are or will become M life members. Enclosed in the response are three tables that show anticipated out-of-state gaming and non-gaming revenues for the first five years of operation on best, average and worst case scenarios. MGM Springfield's marketing plan includes leveraging the M life loyalty program and cross-marketing with MGM Resorts' existing properties and customers residing out-of-state (including Connecticut, New York and Canada), collaborating with local, regional and national meeting and tourism partners, cross-marketing with other local entertainment venues and attractions – in particular the MassMutual Center – sponsoring and promoting regional special events and partnering with local, regional and national bus, train and airline operators. We intend to market to our rich M life database in strategically selected cities, and to work with both MOTT and MassPort to encourage greater international visitation to the Commonwealth. Currently, we have not targeted junket operators for MGM Springfield.

2.37 MGM Springfield anticipates approximately 50% of gaming revenue and less than 50% of non-gaming revenue will come from in-state visitors. Of the in-state visitors, MGM Springfield anticipates that over 70% will be derived from customers who already are or will become M life members. Enclosed in the response are three tables that outline anticipated in-state gaming and non-gaming revenues for the first five years of operations in best, average and worst case scenarios. MGM Springfield's marketing plan includes leveraging the M life loyalty program and cross-marketing with MGM Resorts' existing properties and customers, collaborating with local and regional tourism agencies, cross-marketing with other local entertainment venues and attractions – in particular the MassMutual Center – sponsoring and promoting regional special events and partnering with local and regional bus operators.

3-1 In response to the question, we have attached a report from HR&A Advisors. The HR&A report contains an analysis of the economic benefits to the Commonwealth, regional and local level during both construction and operations. The report also addresses the impact on local and

regional businesses as well as cultural institutions. The report concludes that during construction, the Project will generate \$663.0 million of economic spending in Region B and an additional \$27.1 million of economic spending elsewhere in the Commonwealth. The Project is estimated to generate 4,600 construction jobs in Region B and an additional 40 jobs in the Commonwealth. All in, the Project is estimated to create over \$176 million of wages during construction. The report concludes that during the first stabilized year of operations, the Project will generate between \$470 and \$559 million of economic spending in Region B and an additional \$21 to \$25 million of economic spending elsewhere in the Commonwealth. The Project is estimated to generate between 4,660 and 5,470 permanent jobs in Region B and an additional 60 to 70 jobs in the Commonwealth. All in, the Project is estimated to create over \$174 and \$202 million of annual wages. While MGM Springfield has included a significant amount of retail and restaurant space within its proposed program, it does not include a performance venue. Instead, it plans to promote local entertainment a network of regional relationships. Most significantly, these include programming four annual events of MGM typical quality at the neighboring MassMutual Center, six total annual events of MGM typical quality at Springfield Symphony Hall/City Stage, plus an additional two events at either of the previous venues. In addition, MGM has formed or is seeking partnerships with regional organizations, festivals, entertainment venues, museums, visitors bureaus, chambers of commerce and attractions.

3-14 MGM Springfield will promote local businesses by leveraging its urban location, outward facing design and physical proximity to the numerous existing key assets and businesses in the greater Springfield area. Our Downtown integration plan intends to resurrect a trolley bus system that will run regularly from MGM Springfield through the Downtown area to other Springfield attractions, such as the Basketball Hall of Fame, Symphony Hall/City Stage and the City's museums. MGM Springfield will be promoting local businesses by not building amenities that directly compete with those in the region. Instead, we intend to cross-market with many of these entertainment venues such as Symphony Hall, CityStage, the Massachusetts Performing Arts Coalition and Tanglewood, as well as other regional entertainment venues. MGM Springfield and the MassMutual Center will undertake a joint marketing and cooperation initiative, in which MGM Resorts will leverage its convention and entertainment relationships to attract more conventions and entertainers to the MassMutual Center. MGM Springfield will leverage the abundant regional resources of Western Massachusetts by partnering with local and regional chefs and retailers, in addition to featuring local artisan farmers, organic production specialist, craft brewers and wine-makers on our menus.

3-25 MGM Springfield has established numerous cross-marketing relationships in Springfield and throughout Western Massachusetts. The goal of these relationships is to create a visitor experience that is amplified because of increased choice and opportunities for visitors. MGM Springfield has entered into cross-marketing agreements with the MassMutual Center, Symphony Hall and CityStage, which will see us promoting various events at all three venues including underwriting and booking a select number of events. In addition, MGM Springfield also has had productive discussions with the Massachusetts Performing Arts Coalition (MPAC)

and its member entertainment venues. In partnership with the Greater Springfield Convention and Visitors Bureau (GSCVB), of which we, the Museum Quadrangle and Basketball Hall of Fame are members, MGM Springfield will actively promote both organizations through in-house promotions and promotions among our employees. MGM Springfield has created a cross-marketing relationship with Six Flags New England to create a win-win situation for both organizations. MGM Springfield is committed to promoting the Franconia Golf Course and Veterans Golf Course to our guests, all of whom will be treated to preferred tee times at both golf courses. MGM Springfield has had initial discussions with Jiminy Peak Mountain Resort in The Berkshires. A relationship between the two entities would likely mutually beneficial, and provide tourism benefits for the region.

3-33 MGM Springfield will integrate with local entertainment venues through its proposed collaborations with the MassMutual Center, Symphony Hall/CityStage, the Massachusetts Performing Arts Coalition, Tanglewood, as well as other regional entertainment venues. MGM Springfield's approach will be to leverage our marketing strength and entertainment relationships in an attempt to "block book" entertainment acts not only for Springfield but also for other appropriate Massachusetts entertainment venues. MGM Springfield is committed to underwriting, co-promoting and booking at least a combined twelve events per year at MassMutual Center, Symphony Hall and CityStage. We will market these events aggressively to our M life database, and will use them as inducements to attract visitation to MGM Springfield. In Springfield, MGM Springfield has made a commitment to sponsor the MassMutual Center's two home teams – the Springfield Armor (NBA D-League) and Springfield Falcons (American Hockey League). MGM Springfield will leverage these relationships to promote the games to our M life database and will benefit from patronage from event-goers before and after games. MGM Springfield was the lead sponsor for the MAAC Men's College Basketball Tournament that was held in March 2013 at the MassMutual Center.

4-14 One of the guiding principles of MGM Springfield is the embrace of the "Live, Work, Play" concept. MGM Springfield will strive to increase the appeal of Springfield and the South End for existing residents and to attract new young professionals to the City. MGM Springfield's amenity offerings will enhance the appeal of Springfield's existing entertainment options, such as the MassMutual Center, Symphony Hall and CityStage. Rather than just seeing a show at one of these venues, visitors can have a complete entertainment experience in the Downtown. Springfield's surrounding communities will benefit from the introduction of a portfolio of widely diverse restaurants. The overarching philosophy of our venues is to source locally grown fresh ingredients. The depth and availability of local providers allows MGM Springfield to introduce locally sourced materials at almost every level of our offerings. In doing so, we financially support local business owners and greatly reduce the carbon footprint of our finished product. Through national known celebrity chefs, local restaurateurs and locally sourced materials, we hope to help Springfield stand out as a destination for superior quality dining that will compel visitors to stay longer and dine. The MGM Springfield apartments will offer a new option for those residents that prefer to live in buildings with modern facilities. These apartments will target

young professionals who want to live near MGM Springfield's ample supply of retail and entertainment options. MGM Springfield intends to serve the surrounding community by organizing events that promote regional businesses and artists in the Project's Outdoor Plaza. We hope to host events such as vendor showcases, farmers' markets, food/beer/wine festivals, arts & crafts fairs and live music from local artists. In addition, we anticipate that these and similar events will increase traffic at local restaurants and bars.

4-22 Non-gaming entities within the boundaries of the gaming establishment complex generally will be owned by MGM Springfield, with the principal exception of outsourced retail and potentially some of the food and beverage venues. Many of the outsourced retail and food and beverage venues will be managed by or in cooperation with local or regional partners. MGM Springfield envisions situations when MGM Springfield may wish to block rooms at neighboring hotels, particularly to accommodate gaming customers. In addition, there will be many situations when our hotel will be at capacity, and we will redirect our customers to area hotels or the GSCVB website. MGM Springfield intends to truly partner with the MassMutual Center to enhance and complement Springfield's existing convention and conference business. Our sales team and the MassMutual Center sales team will be working closely together, and MGM Springfield will work with the MassMutual Center and area hotels to block rooms for these groups. MGM Springfield believes it is essential to incorporate both regional restaurateurs and food and beverage vendors into MGM Springfield. Because of the outward-looking nature of MGM Springfield, local restaurants within walking distance of the resort will thrive. Just as important, restaurants and bars located on the public trolley route also will gain exposure to MGM Springfield's visitors. MGM Springfield has established numerous cross-marketing relationships in Springfield and throughout Western Massachusetts. We aim to create a visitor experience that is amplified because of increased choice and opportunities. We intend to cross-market attractions such as the Museum Quadrangle, Basketball Hall of Fame, Six Flags New England in Agawam, golf courses, ski resorts, Symphony Hall and City Stage as well as other entertainment venues.

4-23 One of the unique selling points of MGM Springfield is that visitors to the site will be able to seamlessly walk out of MGM Springfield and into the City via pedestrian connections to the MassMutual Center, the riverfront, Main Street and the South End. MGM Springfield will have easy access to two major highways with multiple on- and off-ramp locations as well as to several Downtown streets. Parking for charter and tour buses will be provided on the ground floor of the Project parking garage with a separate bus and delivery vehicle driveway on Union Street. Public bus service is also robust. There are four bus stops directly in front of the Project site, two inbound and two outbound, and several other stops on Main Street within walking distance of the site. Additionally, four other bus lines operate on Dwight Street and Chestnut Street, a block from the Project site. A rubber-wheeled trolley system is being proposed to link MGM Springfield to Union Station and other tourist destinations that could include the Basketball Hall of Fame, MassMutual Center, Quadrangle museum district and Worthington Street entertainment district.

4-33 MGM Springfield will build a 35,000 square-foot outdoor retail component that will be accessible from Main Street. We will strive to create an entertainment destination complex, which will attract millions of customers annually, that is outward-facing and designed to be a catalyst for the development of other retail activity. We intend to implement marketing programs that support surrounding restaurants and retail businesses. The “Outdoor Plaza” of retail will include a selection of local and regional retailers who will benefit from the traffic and visibility provided by their location. In addition, MGM Springfield will use the “Outdoor Plaza” to host community events that promote regional businesses. Attachment 4-11-01 provides further detail relating to our proposed retail program. As part of our “No Business Left Behind” approach, we will seek to partner with local retail businesses in terms of our own procurement activities, as well as the provision of retail services to MGM Springfield employees and guests. In addition, we will promote our neighboring businesses by placing local visitor and business guides, such as the GSCVA Visitors Guide, in our hotel rooms and public areas.

5-37 While the overwhelming majority of jobs are anticipated to be held by existing regional residents, approximately 10% of jobs will likely be held by people moving to the area due to the need for specialized knowledge and experience. While MGM Springfield will bring in these employees from its other operations and the hiring of outside experts, over the long term there will be opportunities for regional residents to move up within the organization. According to a study by HR&A Advisors, the firm estimates that 34% of new employees to the area will choose to reside in Springfield with the remainder outside of Springfield. Based on student/adult ratios and funding formulas, HR&A Advisors estimates that surrounding communities would bare a total cost of \$510,000 to \$590,000 annually for the new students. (Note, this analysis is conservative since it assumes all new residents settle in Springfield or one of the seven abutting communities.

COMMONWEALTH OF MASSACHUSETTS  
MASSACHUSETTS GAMING COMMISSION

*In the Matter of:*

BLUE TARP REDEVELOPMENT, LLC

**BLUE TARP REDEVELOPMENT, LLC'S OPPOSITION TO THE EASTERN STATES  
EXPOSITION'S PETITION FOR DESIGNATION AS AN IMPACTED LIVE  
ENTERTAINMENT VENUE**

Blue Tarp reDevelopment, LLC (hereinafter "MGM Springfield") hereby opposes the Petition of the Eastern States Exposition ("ESE") in West Springfield, Massachusetts for designation as an Impacted Live Entertainment Venue ("ILEV") because the petition fails to meet the statutory and regulatory requirements set forth in G.L c. 23K (the "Gaming Act") and 205 CMR 126.00, *et seq.* (the "ILEV Regulation").

**INTRODUCTION**

The ESE is a not-for-profit corporation that provides year-round opportunities for the development and promotion of agriculture, education, industry and family entertainment while preserving New England's heritage. Located in West Springfield, Massachusetts, on 175 acres, the ESE is home to more than 100 shows and events including The Big E, the largest fair in the Northeast, as well as Storowton Village Museum and Storowton Tavern, which are open year-round. The ESE was founded in 1916 and is a not-for-profit agricultural and educational institution. During The Big E, several free concerts are held at Xfinity Arena, which is located in The Big E's Outdoor Arena. The Xfinity Arena has seating for over 6,000. Previous acts include: Hunter Hayes, Symphonic Sounds of Elvis, Randy Houser, Kix Brooks, Austin Mahone and The Beach Boys. The remainder of the year, the ESE hosts several other trade and hobby shows such as the Springfield Motorcycle Show, Auto Parts Swap N' Sell, Northeastern Poultry

Congress Show, Railroad Hobby Show, Great Barrington Kennel Club Dog Show, Springfield RV, Camping & Outdoor Show, Springfield Sportsmen's Show and Kids Fun Fair & Traveling Zoo. The only time that the ESE hosts concerts is during The Big E, with any and all other events primarily trade and hobby show driven.

At the outset, MGM Springfield recognizes that the ESE and the Big E are important regional institutions and great cultural destinations that MGM Springfield desires to promote to the visitors and guest of MGM Springfield. To this end, MGM Springfield is willing to cross market and promote ESE and the Big E, will agree not to impose radius restrictions that preclude performances at ESE and will agree not to book material ticketed performances during the Big E Fair. *See* January 17, 2014 *Draft* Cross Marketing Agreement and Non-Competition attached hereto as Exhibit A. Indeed under these conditions, the ESE clearly stands to benefit from the Springfield project. Conversely, ESE is not likely to suffer nor has it provided any evidence that it will likely be negatively impacted as required by the Gaming Act and Impacted Live Entertainment Regulations (ILEV) Regulations. Moreover, live entertainment is ancillary to the ESE's offerings that include trade shows, agricultural competitions and the Big E as well as the Storowtown Tavern and Village Museum. As such, it is not a live entertainment venue but rather a multi-faceted cultural venue that happens to include live entertainment at certain times during the year - clearly not the type of venue entitled to ILEV status. Finally, the Gaming Act provides a safety net for not for profit entertainment venues through a dedicated fund established by G.L. c. 23K, § 59(a)(2) to subsidize touring shows administered through the Massachusetts Cultural Council.



## **ENTERTAINMENT AT MGM SPRINGFIELD**

MGM Springfield's overall approach to entertainment venues is built on three main principles:

- Do No Harm - MGM Springfield will impose no punitive radius restrictions on any non-casino-affiliated Massachusetts-based entertainment venues;
- Co-Promote - MGM Springfield will promote the programming provided by these Massachusetts-based entertainment venues, through cross-marketing on its website, social media, and other marketing channels; and
- Leverage - MGM Springfield will attempt to “block book” entertainment acts through not only the Springfield-based venues but in collaboration with other appropriate Massachusetts-based venues so that the region and Commonwealth might have access to certain musical and entertainment acts, which may only be feasible as part of a multiple venue tour.

*See MGM Springfield RFA-2 Application Attachment 5-19-01.*

It is important for the MGC to recognize that MGM Springfield is not building its own ticketed entertainment venue. Through cross-marketing relationships with other area entertainment venues, we anticipate that area entertainment venues will benefit from, rather than be negatively impacted by MGM Springfield.

MGM Springfield has put these principles into action over the last year. As well documented in its RFA 2 application, MGM Springfield has endeavored to work collaboratively with a wide range of entertainment venues and organizations over the last several months including:

- Sponsorship and Marketing Agreement with Riverside Park Enterprises, Inc. (more commonly referred to as “Six Flags”);
- Non-exclusive Joint Marketing and Joint Cooperation Agreement with Springfield Performing Arts Development Corporation (operators of Symphony Hall and CityStage and a member of MPAC, the Massachusetts Performing Arts Collaborative);
- An Agreed Upon Non-exclusive Joint Marketing and Joint Cooperation Agreement with Massachusetts Convention Center Authority, owner of the MassMutual Center;
- Sponsorship Agreement with HWS Basketball, LLC in support of the Springfield Armor;
- Sponsorship of Falcons Hockey Entertainment, LLC (more commonly known as the “Springfield Falcons”); and
- A collaborative partnership with the Boston Symphony Orchestra with respect to its summer venue at Tanglewood.

*See Blue Tarp RFA-2 Application Attachment 3-24-01.*

Further, in response to initial concerns raised by MPAC, MGM Springfield worked with MPAC to educate its members regarding MGM’s entertainment portfolio and commitment to working with existing venues to supplement rather than supplant their performances. Indeed, MGM Springfield will not negatively impact any of MPAC venues but rather stands to enhance their profile and offerings. This collaborative effort is formalized in a proposed a Live Entertainment Cooperation Agreement with MPAC. *See Blue Tarp RFA-2 Application Attachment 3-24-04.* Significantly, MGM Springfield was able to finalize an agreement with

MPAC on January 22, 2014 memorializing its commitment to cross market with MPAC venues including the Hanover Theater in Worcester. A copy of the MGM Springfield and MPAC Live Entertainment Cooperation Agreement is attached hereto as Exhibit B.

Consistent with MGM Springfield's approach to local and regional entertainment venues, MGM Springfield has offered ESE a Cross Marketing and Non-Competition Agreement that will serve to address ESE's concerns. Highlights of the proposed agreement include:

- MGM Springfield will promote ESE events through on-property marketing placements and signage on a monthly basis;
- MGM Springfield will make tickets of the annual BIG E Fair available for purchase online through the Project homepage, on-site at the Project, and to MGM employees through the M Life Insider Employee Portal or similar in-house employee portal and channels;
- MGM Springfield will send targeted e-mails promoting events at the Venue as designated by ESE in accordance with Section 1.1(a) to M Life members in the Springfield and surrounding areas, the number and frequency of which shall be determined in MGM's reasonable discretion;
- MGM Springfield will promote events at ESE through its various social media channels (including Facebook and Twitter); and
- MGM Springfield will agree to participate in a marketing strategy meeting on periodic basis, to align event calendars, leverage each other's contacts and relationships, and to otherwise cross-promote each other's businesses.

To address competition concerns the proposed Agreement includes the following provisions:

- MGM shall not enter into any agreement with any performer or show which, through a radius restriction or otherwise, precludes performances by that performer or show at the Venue. ESE shall refrain from entering into any agreement with any performer or show which precludes performances by that performer or show at the Project or the Springfield Sites. In the event MGM fails to include such radius restriction exemption in any contract or otherwise inadvertently prohibits a performance in violation of this paragraph, MGM shall grant a waiver to such visiting performer or show at the written request of ESE. ESE shall not be entitled to any other remedy for breach of this Section 2.2.
- Except as mutually agreed by the Parties, MGM shall not book a material ticketed performance at the Project or the Springfield Sites during the period (typically September – October each year) of the ESE’s annual Big E Fair.

*See Attachment A.*

### **STANDARD OF REVIEW**

The Gaming Act includes provisions to address negative impacts on live entertainment venues. G.L. c. 23K, § 4(39). ILEVs are defined in the statute as “a not-for-profit or municipally-owned performance venue designed in whole or in part for the presentation of live concerts, comedy or theatrical performances, which the commission determines experiences, or is likely to experience, a negative impact from the development or operation of a gaming establishment.” G.L. c. 23K, § 2. The Commission has authority to designate an ILEV and must consider the following facts including but not limited to "the venue’s distance from the gaming establishment, venue capacity and the type of performances offered by that venue. G.L. c. 23K, § 9. Gaming applicants are only permitted to build venues that have less than 1,000 seats or more than 3,500 seats. G.L. c. 23K, § 9. A requirement of receiving a gaming license under the

Gaming Act is that the applicant "provide to the commission signed agreements between the impacted live entertainment venues and the applicant setting forth the conditions to have a gaming establishment located in proximity to the impacted live entertainment venues; provided, however, that the agreement shall include, but not be limited to, terms relating to cross marketing, coordination of performance schedules, promotions and ticket prices." G.L. c. 23K, § 15(10).

Where a venue can demonstrate a negative impact by a casino development, they may seek designation as an ILEV pursuant to the provisions of the ILEV Regulation, which along with the governing sections of the Gaming Act, sets forth the process for determining ILEV status. Where the parties do not voluntarily agree to an ILEV designation, a venue desiring such status may petition to the Commission for such designation. *See* 205 CMR 126.01(2). "In determining whether a venue will be designated as an impacted live entertainment venue, the commission shall . . . consider factors including, but not limited to, the venue's distance from the gaming establishment, venue capacity and the type of performances offered by that venue." 205 CMR 126.01(2) In addition, "the commission will consider whether the applicant intends to include a geographic exclusivity clause in the contracts of entertainers at the proposed gaming establishment, or in some other way intends to limit the performance of entertainers within Massachusetts." *Id.*

Here, the only factors ESE relies upon and alleges to be the basis for ILEV status is potential increased competition to its ancillary live entertainment offerings.

## ARGUMENT

### ESE does not meet the criteria for ILEV Status.

While ESE is located approximately 2 miles from the proposed MGM Springfield site, ESE stands to benefit from the development of the project as opposed to suffer any negative impact. ESE alleges that it will be forced to compete to secure top quality entertainers and that the quality and number of live entertainment acts will be significantly impacted and compromised. Despite its dubious status as an ILEV under the statute and regulations, the proposed cross marketing and non-competition agreement more than addresses these issues and demonstrates the potential for MGM Springfield to greatly enhance the marketing of ESE events through its highly coveted advertising and other programs. In its petition, ESE fails to acknowledge any benefit to its own offerings through the development of MGM Springfield whether a formal agreement is reached or not. For example, MGM Springfield has previously represented to the Big E and hereby commits that we will not prohibit any act from performing at the ESE as a condition of performing at one of the City Venues, and further that we not only leave open... but believe both facilities can mutually benefit from...block booking. Considering the lack of any evidence of negative impacts and the likeliness of positive impacts, ESE is not entitled to ILEV status under the Gaming Act or ILEV Regulations. Further, considering that live entertainment is ancillary to ESE's overall attractions including trade shows, agricultural competitions, and the Big E as well as the Storrowtown Tavern and Village Museum, ESE should not be granted ILEV status based on the fact that it includes a smattering of live entertainment in the form of concerts, theater productions and other performances. Despite its not for profit status, ESE is a major attraction in the region and not likely to be negatively impacted by the opening of MGM Springfield.

Finally, the Gaming Act provides other remedies for not for profit entertainment venues to seek grant money through the Massachusetts Cultural Council if they wish to subsidize touring shows and artists: G.L. c. 23K, § 59(a)(2).

**CONCLUSION**

For all of the foregoing reasons, the Commission should deny ESE's petition for ILEV status.

Respectfully submitted,  
Blue Tarp reDevelopment, LLC

By Its Attorneys,



---

Seth N. Stratton (BBO# 661533)  
Fitzgerald Attorneys at Law, P.C.  
46 Center Square  
East Longmeadow, MA 01028  
Tel. (413) 486-1110  
Fax. (413) 486-1120  
[sns@fitzgeraldatlaw.com](mailto:sns@fitzgeraldatlaw.com)



---

Jed M. Nosal (BBO# 634287)  
Brown Rudnick LLP  
One Financial Center  
Boston, MA 02111  
Tel. (617) 856-8272  
Fax. (617) 289-0708  
[jnosal@brownrudnick.com](mailto:jnosal@brownrudnick.com)

**CERTIFICATE OF SERVICE**

I, Seth N. Stratton, hereby certify that on this 23rd day of January, 2014, I caused the foregoing to be served by first class mail to the following counsel of record:

Eugene J. Cassidy  
President and CEO  
Eastern States Exposition  
1305 Memorial Avenue  
West Springfield, MA 01089



---

Seth N. Stratton



## **EXHIBIT A**

## CROSS-MARKETING AND NON-COMPETITION AGREEMENT

This Cross-Marketing and Non-Competition Agreement (the “Agreement”) is entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2014 (the “Effective Date”), by and among the Eastern States Exposition, a Massachusetts non-profit corporation with an office at 1305 Memorial Avenue, West Springfield, Massachusetts (“ESE”) and Blue Tarp reDevelopment, LLC, a Massachusetts limited liability company with an office located at 1441 Main Street, Springfield, Massachusetts (“MGM”). ESE and MGM are hereinafter referred to from time to time each as a “Party” and collectively as the “Parties.”

### RECITALS

**WHEREAS**, certain provisions of Massachusetts General Laws chapter 23K (the “Gaming Statute”) have been enacted, in part, to both encourage cooperation among and prevent competition between institutions operated by municipally-owned and not-for-profit theatres and casino operators in the Commonwealth;

**WHEREAS**, MGM has proposed a destination resort casino development in downtown Springfield, Massachusetts (the “Project”);

**WHEREAS**, ESE owns and/or operates an outdoor arena consisting of approximately 6,500 seats known as the Xfinity Arena and a 6,000-seat indoor arena known as the Coliseum, both located on the fairgrounds located at 1305 Memorial Avenue, West Springfield, Massachusetts (collectively the “Venue”);

**WHEREAS**, pursuant to the Gaming Statute, MGM is prohibited from building a live entertainment venue that has between 1,000 and 3,500 seats at the Project;

**WHEREAS**, MGM has recognized the importance of maintaining and supporting municipally-owned and not-for-profit theatres and, thus, has chosen to utilize existing venues in Springfield, including the Springfield Symphony Hall, CityStage, and the MassMutual Center, all located in downtown Springfield, (collectively, the “Springfield Sites”) for live shows, concerts and other entertainment to be promoted in connection with the Project rather than construct any ticketed performance venue at the Project;

**WHEREAS**, MGM wishes to support rather than compete with local entertainment venues; and

**WHEREAS**, MGM has prepared and submitted a so-called “Phase 2 Application” with the Massachusetts Gaming Commission (the “Commission”) for a gaming license to construct and operate the Project;

**WHEREAS**, MGM and ESE desire to enter into the collaborative relationship described in Section 1 hereof;

**NOW THEREFORE**, in furtherance of the foregoing and in consideration of the agreements set forth below, and for ONE AND NO/100 DOLLARS (\$1.00) and other good and valuable

consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

## **AGREEMENTS**

### **1.0 Cross-Marketing and Promoting of the Venue.**

1.1 MGM agrees to work in good faith with ESE to cross-market with and promote the Venue as follows:

(a) MGM will promote Venue events through on-property marketing placements and signage (determined in MGM's sole and absolute discretion) at the Project on a monthly basis during the term of this Agreement. ESE shall designate (subject to reasonable approval rights of MGM) which Venue events shall be promoted, and shall provide digital content and/or print ready graphics for this purpose.

(b) MGM will make tickets of the annual BIG E Fair at the Venue available for purchase online through the Project homepage, on-site at the Project, and to MGM employees through the M Life Insider Employee portal or similar in-house employee portal and channels.

(c) MGM will send targeted e-mails promoting events at the Venue as designated by ESE in accordance with Section 1.1(a) to M Life members in the Springfield and surrounding areas, the number and frequency of which shall be determined in MGM's reasonable discretion.

(d) MGM will promote events at the Venue designated in accordance with Section 1.1(a) through its various social media channels (including Facebook and Twitter), the number and frequency of such social media posts shall be determined in MGM's reasonable discretion.

1.2 To ensure that the Parties are able to most effectively cross-market and promote one another on an ongoing basis, the Parties agree to participate in a marketing strategy meeting on periodic basis, to align event calendars, leverage each other's contacts and relationships, and to otherwise cross-promote each other's businesses.

### **2.0 Restrictions on Competition.**

2.1 MGM shall not enter into any agreement with any performer or show which, through a radius restriction or otherwise, precludes performances by that performer or show at the Venue. ESE shall refrain from entering into any agreement with any performer or show which precludes performances by that performer or show at the Project or the Springfield Sites. In the event MGM fails to include such radius restriction exemption in any contract or otherwise inadvertently prohibits a performance in violation of this paragraph, MGM shall grant a waiver to

such visiting performer or show at the written request of ESE. ESE shall not be entitled to any other remedy for breach of this Section 2.2.

2.2 Except as mutually agreed by the Parties, MGM shall not book a material ticketed performance at the Project or the Springfield Sites during the period (typically September – October each year) of the ESE’s annual Big E Fair.

### 3.0 Term and Termination.

The term of this Agreement shall commence on the Effective Date and shall continue until terminated by the mutual written agreement of all of the Parties.

### 4.0 Compliance Review.

ESE acknowledges that MGM is subject to the rules, regulations, and jurisdiction of various gaming regulatory bodies and agencies, and as such, is required to perform certain background investigations in connection with material contractual relationships. ESE agrees to cooperate with such background investigations, including the completion and execution of any standard MGM corporate background forms. ESE acknowledges that MGM and others of the MGM Resorts Group (as defined below) are engaged in businesses that are or may be subject to and exist because of privileged licenses or other permits issued by governmental authorities or other sovereigns. MGM may terminate this Agreement, without penalty or prejudice and without further liability to ESE, if any of the MGM Resorts Group: (i) is directed to cease doing business with ESE by any such authority or sovereign; or (ii) determines, in its sole and exclusive judgment, that ESE, ESE’s affiliates or any of its or their directors, officers, employees, agents or other representatives is, might be or is about to be engaged in or involved in any activity or relationship that could or does jeopardize any of the businesses or licenses of any of the MGM Resorts Group (including, without limitation, any denial, suspension or revocation, or the threat thereof). Further, ESE: (a) acknowledges that it is illegal for an applicant to whom a license has been denied, a licensee whose license has been revoked, or a business organization under such a person’s control (“Denied Entity”), to enter into, or attempt to enter into, a contract with any of the MGM Resorts Group without the prior approval of certain gaming commissions or licensing authorities; (b) represents and warrants that it is not a Denied Entity and is not under the control of a Denied Entity; and (c) agrees that any breach of the foregoing representation and warranty will allow MGM to immediately terminate this Agreement. “MGM Resorts Group” means MGM Resorts International and its subsidiaries, partnerships, joint ventures and other affiliates.

### 5.0 Successors and Assigns.

This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns as permitted hereunder.

6.0 Prohibition on Advertising and Press Releases.

6.1 Except with the prior written consent of MGM, which may be withheld in its sole and absolute discretion, the ESE acknowledges that it shall not advertise, publish or otherwise disclose in any press release or other form of distribution: (i) its association with MGM or the Project; or (ii) any aspects of this Agreement.

6.2 ESE may not use the MGM name, marks and/or logos without the express written permission of MGM.

7.0 Choice of Law.

This Agreement shall be governed by, and construed according to, the laws of the Commonwealth of Massachusetts, without regard to any choice of law provisions thereof which would require application of the laws of another jurisdiction.

8.0 Remedies.

In the event that either Party seeks the enforcement of the terms of this Agreement or seeks damages for a breach of any obligations hereunder, it is specifically understood and agreed that any and all such claims shall be submitted to final and binding arbitration to take place in Hampden County, Massachusetts, pursuant to the rules of the American Arbitration Association, and that the prevailing party shall recover its costs and reasonable attorney's fees incurred in such arbitration proceeding.

9.0 Governing Law.

The Parties shall perform all of their respective obligations under the Agreement in compliance with all applicable laws, ordinances, regulations, or codes. The Parties agree that all legal disputes hereunder shall be resolved applying Massachusetts law.

10.0 Severability; Captions.

In the event that any clause or provision of this Agreement should be held to be void, voidable, illegal, or unenforceable, the remaining portions of this Agreement shall remain in full force and effect. Headings or captions in this Agreement are added as a matter of convenience only and in no way define, limit or otherwise affect the construction or interpretation of this Agreement.

11.0 Interpretation.

This Agreement shall be given a fair and reasonable interpretation of the words contained in it without any weight being given to whether a provision was drafted by one Party or its counsel.

12.0 Entire Agreement; Amendment.

This Agreement contains all of the terms, promises, conditions and representations, made or entered into by and among the Parties, supersedes all prior discussions, agreements and memos, whether written or oral between and among the Parties, and constitutes the entire understanding of the Parties and shall be subject to modification or change only in writing and signed by all Parties.

13.0 Execution in Counterparts

This Agreement may be signed upon any number of counterparts with the same effect as if the signatures on all counterparts are upon the same instrument.

14.0 Authority.

Each Party represents and warrants to the other Parties that it has full power and authority to make this Agreement and to perform its obligations hereunder and that the person signing this Agreement on its behalf has the authority to sign and to bind that Party.

**SIGNATURE PAGE TO FOLLOW**

**IN WITNESS WHEREOF**, the Parties have executed this Agreement on the date first set forth above.

**EASTERN STATES EXPOSITION**

By: \_\_\_\_\_  
Eugene Cassidy,  
President

**BLUE TARP REDEVELOPMENT, LLC**

By: \_\_\_\_\_  
Its Authorized Agent

## **EXHIBIT B**



## **LIVE ENTERTAINMENT COOPERATION AGREEMENT**

This Live Entertainment Cooperation Agreement (the “Agreement”) is entered into as of the 22nd day of January, 2014 (the “Effective Date”), by and among the Massachusetts Performing Arts Coalition, Inc., 2 Southbridge Street, Worcester, MA 01608 (“MPAC”) and Blue Tarp reDevelopment, LLC (“MGM”). MPAC and MGM are hereinafter referred to from time to time each as a “Party” and collectively as the “Parties.”

### **RECITALS**

**WHEREAS**, certain provisions of Massachusetts General Laws chapter 23K (the “Gaming Statute”) have been enacted, in part, to both encourage cooperation among and prevent competition between institutions operated by municipally-owned and not-for-profit theatres and casino operators in the Commonwealth;

**WHEREAS**, MPAC represents the collective interests of certain non-profit and municipally-owned theatres in Massachusetts, including the Springfield Performing Arts Development Corporation, One Columbus Avenue, Springfield, MA 01103, as operator/manager of Symphony Hall, 34 Court Street, Springfield, MA (the “Springfield Venue”) and The Hanover Theatre, 2 Southbridge Street, Worcester, MA 01608 (the “Worcester Venue”) (collectively, the “Supported Venues”);

**WHEREAS**, the Springfield Venue owns and/or operates a 2600-seat theatre located at 34 Court Street, Springfield, MA (the “Venue Site”) which is in close proximity to MGM’s proposed casino development in Springfield (the “Project”);

**WHEREAS**, pursuant to the Gaming Statute, MGM is prohibited from building a live entertainment venue that has between 1,000 and 3,500 seats at the Project;

**WHEREAS**, MGM has recognized the importance of maintaining and supporting municipally-owned and not-for-profit theatres and, thus, has chosen to utilize existing venues in Springfield, including the Springfield Venue, for live shows, concerts and other entertainment to be promoted in connection with the Project rather than construct any ticketed performance venue at the Project;

**WHEREAS**, MGM wishes to support rather than compete with municipally-owned and not-for-profit theatres in the Commonwealth; and

**WHEREAS**, MGM has prepared and submitted a so-called “Phase 2 Application” with the Massachusetts Gaming Commission (the “Commission”) for a gaming license to construct and operate the Project;

**WHEREAS**, MGM and MPAC desire to enter into the collaborative relationship described in Section 1 hereof;

**NOW THEREFORE**, in furtherance of the foregoing and in consideration of the agreements set forth below, and for ONE AND NO/100 DOLLARS (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

## **AGREEMENTS**

### 1.0 Cross-Marketing and Promoting of the Supported Venues.

1.1 MGM agrees to work in good faith with MPAC to cross-market with and promote the Supported Venues as follows:

(a) MGM will promote the Supported Venues performances through on-property marketing placements and signage (determined in MGM's sole and absolute discretion) at the Project on a monthly basis during the term of this Agreement. MPAC shall designate which Supported Venues performances shall be promoted, and shall provide digital content and/or print ready graphics for this purpose.

(b) MGM will make tickets to performances at the Supported Venues, as designated by MPAC in accordance with Section 1.1(a), available for purchase online through the Project homepage and on-site at the Project.

(c) MGM will send targeted e-mails promoting the performances at the Supported Venues as designated by MPAC in accordance with Section 1.1(a) to M Life members in the Springfield and surrounding areas, the number and frequency of which shall be determined in MGM's sole and reasonable discretion.

(d) MGM will promote the Supported Venues performances designated in accordance with Section 1.1(a) through its various social media channels (including Facebook and Twitter), the number and frequency of such social media posts shall be determined in MGM's sole and reasonable discretion.

(e) Tickets to the Supported Venues performances designated in accordance with Section 1.1(a) will be sold to MGM employees through the M Life Insider Employee portal.

(f) MGM and MPAC will explore opportunities to block buy performances so that mutually desired performers could perform on consecutive nights at the Project and at one or more of the Supported Venues.

1.2 To ensure that the Parties are able to most effectively cross-market and promote one another on an ongoing basis, the Parties agree to participate in a marketing strategy meeting on at least an annual basis.

2.0 No Restrictions on Performances at Parties' Respective Venues.

2.1 MGM shall not enter into any agreement with any performer or show which, through a radius restriction or otherwise, precludes performances by that performer or show at any of the Supported Venues. MPAC shall require that the Supported Venues refrain from entering into any agreement with any performer or show which precludes performances by that performer or show at the Venue.

2.2 In the event MGM fails to include such radius restriction exemption in any contract, MGM shall grant a waiver to such visiting performer or show at the written request of MPAC. MPAC shall not be entitled to any other remedy for breach of Section 2.1.

3.0 Term and Termination.

The term of this Agreement shall commence on the Effective Date and shall continue until terminated by the mutual written agreement of all of the Parties.

4.0 Compliance Review.

MPAC acknowledges that MGM is subject to the rules, regulations, and jurisdiction of various gaming regulatory bodies and agencies, and as such, is required to perform certain background investigations in connection with material contractual relationships. MPAC agrees to cooperate with such background investigations, including the completion and execution of any standard MGM corporate background forms. MPAC acknowledges that MGM and others of the MGM Resorts Group (as defined below) are engaged in businesses that are or may be subject to and exist because of privileged licenses or other permits issued by governmental authorities or other sovereigns. MGM may terminate this Agreement, without penalty or prejudice and without further liability to MPAC, if any of the MGM Resorts Group: (i) is directed to cease doing business with MPAC by any such authority or sovereign; or (ii) determines, in its sole and exclusive judgment, that MPAC, MPAC's affiliates or any of its or their directors, officers, employees, agents or other representatives is, might be or is about to be engaged in or involved in any activity or relationship that could or does jeopardize any of the businesses or licenses of any of the MGM Resorts Group (including, without limitation, any denial, suspension or revocation, or the threat thereof). Further, MPAC: (a) acknowledges that it is illegal for an applicant to whom a license has been denied, a licensee whose license has been revoked, or a business organization under such a person's control ("Denied Entity"), to enter into, or attempt to enter into, a contract with any of the MGM Resorts Group without the prior approval of certain gaming commissions or licensing authorities; (b) represents and warrants that it is not a Denied Entity and is not under the control of a Denied Entity; and (c) agrees that any breach of the foregoing representation and warranty will allow MGM to immediately terminate this Agreement. "MGM Resorts Group" means MGM Resorts International and its subsidiaries, partnerships, joint ventures and other affiliates.

## 5.0 Successors and Assigns.

This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns as permitted hereunder.

## 6.0 Prohibition on Advertising and Press Releases.

6.1 Except with the prior written consent of MGM, which may be withheld in its sole and absolute discretion, the MPAC acknowledges that it shall not advertise, publish or otherwise disclose in any press release or other form of distribution: (i) its association with MGM or the Project; or (ii) any aspects of this Agreement.

6.2 MPAC may not use the MGM name, marks and/or logos without the express written permission of MGM.

6.3 Except with the prior written consent of MPAC, which may be withheld in its sole and absolute discretion, and in connection with MGM's application with the Massachusetts Gaming Commission, MGM acknowledges that it shall not advertise, publish or otherwise disclose in any press release or other form of distribution: (i) its association with MPAC or the Project; or (ii) any aspects of this Agreement.

6.4 MGM may not use the MPAC name, marks and/or logos without the express written permission of MPAC.

## 7.0 Choice of Law.

This Agreement shall be governed by, and construed according to, the laws of the Commonwealth of Massachusetts, without regard to any choice of law provisions thereof which would require application of the laws of another jurisdiction.

## 8.0 Remedies.

In the event that either Party seeks the enforcement of the terms of this Agreement or seeks damages for a breach of any obligations hereunder, it is specifically understood and agreed that any and all such claims shall be submitted to final and binding arbitration to take place in Hampden County, Massachusetts, pursuant to the rules of the American Arbitration Association, and that the prevailing party shall recover its costs and reasonable attorney's fees incurred in such arbitration proceeding.

## 9.0 Governing Law.

The Parties shall perform all of their respective obligations under the Agreement in compliance with all applicable laws, ordinances, regulations, or codes. The Parties agree that all legal disputes hereunder shall be resolved applying Massachusetts law.

10.0 Severability; Captions.

In the event that any clause or provision of this Agreement should be held to be void, voidable, illegal, or unenforceable, the remaining portions of this Agreement shall remain in full force and effect. Headings or captions in this Agreement are added as a matter of convenience only and in no way define, limit or otherwise affect the construction or interpretation of this Agreement.

11.0 Interpretation.

This Agreement shall be given a fair and reasonable interpretation of the words contained in it without any weight being given to whether a provision was drafted by one Party or its counsel.

12.0 Entire Agreement; Amendment.

This Agreement contains all of the terms, promises, conditions and representations, made or entered into by and among the Parties, supersedes all prior discussions, agreements and memos, whether written or oral between and among the Parties, and constitutes the entire understanding of the Parties and shall be subject to modification or change only in writing and signed by all Parties. Notwithstanding the foregoing, to the extent this Agreement conflicts with the provisions of a certain Non-Exclusive Joint Marketing and Joint Cooperation Agreement dated December 12, 2012 between Springfield Performing Arts Development Corporation and Blue Tarp reDevelopment, LLC (the Joint Marketing Agreement) as to the Springfield Venue, the Joint Marketing Agreement shall control.

13.0 Execution in Counterparts

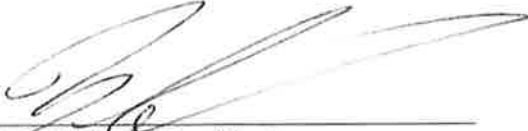
This Agreement may be signed upon any number of counterparts with the same effect as if the signatures on all counterparts are upon the same instrument.

14.0 Authority.

Each Party represents and warrants to the other Parties that it has full power and authority to make this Agreement and to perform its obligations hereunder and that the person signing this Agreement on its behalf has the authority to sign and to bind that Party.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement on the date first set forth above.

**MASSACHUSETTS PERFORMING ARTS COALITION, INC.**

By:   
Troy Siebels, President

**BLUE TARP REDEVELOPMENT, LLC**

By: \_\_\_\_\_

Its: \_\_\_\_\_

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first set forth above.

**MASSACHUSETTS PERFORMING ARTS COALITION, INC.**

By: \_\_\_\_\_  
Troy Siebels, President

**BLUE TARP REDEVELOPMENT, LLC**

By: Michael C. Math

Its: V.P. Global Gaming  
Development

COMMONWEALTH OF MASSACHUSETTS  
MASSACHUSETTS GAMING COMMISSION

*In the Matter of:*

BLUE TARP REDEVELOPMENT, LLC

**BLUE TARP REDEVELOPMENT, LLC'S OPPOSITION TO THE MAJESTIC  
THEATER'S PETITION FOR DESIGNATION AS AN IMPACTED LIVE  
ENTERTAINMENT VENUE**

Blue Tarp reDevelopment, LLC (hereinafter "MGM Springfield") hereby opposes the Petition of the Majestic Theater in West Springfield, Massachusetts ("Majestic") for Designation as an Impacted Live Entertainment Venue ("ILEV") because the petition fails to meet the statutory and regulatory requirements set forth in G.L c. 23K (the "Gaming Act") and 205 CMR 126.00, et seq. (the "ILEV Regulation").

**INTRODUCTION**

The Majestic is an approximately 240-seat theater located in West Springfield, Massachusetts. The Majestic Theater began as a movie house but has since been renovated and reimagined to bring live performance to the West Springfield area, giving local performance and technical artists the opportunity to perform. Every season at the Majestic consists of five productions (including at least one musical) featuring local actors. In addition to the subscription season, the summer includes children's theater, concerts, plays, open microphone nights, and improvisational comedy shows.

The Majestic Theater is a classic theater that mainly hosts plays and showcases from local artists and actors/actresses. Upcoming shows include: *33 Variations* by Moises Kaufman, *Stick Fly* by Lydia R. Diamond, *Educating Rita* by Willy Russell, *Heros* by Gerald Sibleyras, translated by Tom Stoppard and *Next to Normal* by Tom Kitt & Brian Yorkey.



It is highly unlikely that the Majestic will experience any negative impact in connection with MGM's development of its destination resort casino in downtown Springfield (the "Project") including but not limited to MGM Springfield's partnership with CityStage for three (3) events per calendar year. The likely entertainment offerings by MGM Springfield are significantly different than productions historically showcased at the Majestic, which feature local actors and actresses. Further, MGM Springfield has previously represented to the Commission that it will not restrict bookings at any venue through the use of geographic restrictions on its own acts to the extent that the Majestic and MGM Springfield would be competing for shows or talent. Finally, the Gaming Act provides a safety net for not for profit entertainment venues through a dedicated fund established by G.L. c. 23K, § 59(a)(2) to subsidize touring shows administered through the Massachusetts Cultural Council.

It should be noted that while MGM opposes the Majestic's petition, we understand the importance of this theater to the local community and hope to integrate the Majestic into some of MGM's internal employee programs designed to support local public charities and events.

### **ENTERTAINMENT AT MGM SPRINGFIELD**

MGM Springfield's overall approach to entertainment venues is built on three main principles:

- Do No Harm - MGM Springfield will impose no punitive radius restrictions on any non-casino-affiliated Massachusetts-based entertainment venues;
- Co-Promote - MGM Springfield will promote the programming provided by these Massachusetts-based entertainment venues, through cross-marketing on its website, social media and other marketing channels; and

- Leverage - MGM Springfield will attempt to “block book” entertainment acts through not only the Springfield-based venues but in collaboration with other appropriate Massachusetts-based venues so that the region and Commonwealth might have access to certain musical and entertainment acts, which may only be feasible as part of a multiple venue tour.

*See* MGM Springfield RFA-2 Application Attachment 5-19-01.

It is important for the MGC to recognize that MGM Springfield is not building its own ticketed entertainment venue. Through cross-marketing relationships with other area entertainment venues, we anticipate that area entertainment venues will benefit from, rather than be negatively impacted by MGM Springfield.

MGM Springfield has put these principles into action over the last year. As well documented in its RFA 2 application, MGM Springfield has endeavored to work collaboratively with a wide range of entertainment venues and organizations over the last several months including:

- Sponsorship and Marketing Agreement with Riverside Park Enterprises, Inc. (more commonly referred to as “Six Flags”);
- Non-exclusive Joint Marketing and Joint Cooperation Agreement with Springfield Performing Arts Development Corporation (operators of Symphony Hall and CityStage and a member of MPAC, the Massachusetts Performing Arts Collaborative);
- An Agreed Upon Non-exclusive Joint Marketing and Joint Cooperation Agreement with Massachusetts Convention Center Authority, owner of the MassMutual Center;

- Sponsorship Agreement with HWS Basketball, LLC in support of the Springfield Armor;
- Sponsorship of Falcons Hockey Entertainment, LLC (more commonly known as the “Springfield Falcons”); and
- A collaborative partnership with the Boston Symphony Orchestra with respect to its summer venue at Tanglewood.

*See Blue Tarp RFA-2 Application Attachment 3-24-01.*

Further, in response to initial concerns raised by MPAC, MGM Springfield worked with MPAC to educate its members regarding MGM’s entertainment portfolio and commitment to working with existing venues to supplement rather than supplant their performances. Indeed, MGM Springfield will not negatively impact any MPAC venues but rather stands to enhance their profile and offerings. This collaborative effort is memorialized in a proposed a Live Entertainment Cooperation Agreement with MPAC. *See Blue Tarp RFA-2 Application Attachment 3-24-04.* Significantly, MGM Springfield was able to finalize an agreement with MPAC on January 22, 2014 memorializing its commitment to cross-market with the MPAC venues including the Hanover Theater in Worcester. A copy of the MGM Springfield and MPAC Live Entertainment Cooperation Agreement is attached hereto as Exhibit A.

MGM Resorts’ history is rooted in many facets of the entertainment industry: movies, celebrities, superstar headliners, cutting-edge theatrical productions, championship boxing and premier sporting events, exciting nightlight, and some of the world’s finest restaurants and hotels. As a Company, MGM operates two arenas, with a third in partnership with AEG set to break-ground this year, and fifteen theaters and showrooms. MGM has also built relationships with entertainment partners such as, Cirque du Soleil, Live Nation, and ground breaking

nightclub promoters Light Group and Angel Management. *See* Blue Tarp RFA-2 Application at 2-31-01.

MGM has already demonstrated the power of the MGM Resorts brand in Springfield. In September 2013, MGM presented a two-day event that showcased the Professional Bull Riders (PBR) at the MassMutual Center. The Commodores performed for Springfield residents at the City's Fourth of July celebration at Riverfront Park. This past Memorial Day, Pitbull, an international star who has performed to sold-out crowds throughout the world, performed to a delighted crowd at the MassMutual Center. Most recently, Boyz II Men performed at Symphony Hall to a full house. *See* Blue Tarp RFA-2 Application at 3-26-01.

### **STANDARD OF REVIEW**

The Gaming Act includes provisions to address negative impacts on live entertainment venues. G.L. c. 23K, § 4(39). ILEVs are defined in the statute as “a not-for-profit or municipally-owned performance venue designed in whole or in part for the presentation of live concerts, comedy or theatrical performances, which the commission determines experiences, or is likely to experience, a negative impact from the development or operation of a gaming establishment.” G.L. c. 23K, § 2. The Commission has authority to designate an ILEV and must consider the following facts including but not limited to "the venue's distance from the gaming establishment, venue capacity and the type of performances offered by that venue. G.L. c. 23K, § 9. Gaming applicants are only permitted to build venues that have less than 1,000 seats or more than 3,500 seats. G.L. c. 23K, § 9. A requirement of receiving a gaming license under the Gaming Act is that the applicant "provide to the commission signed agreements between the impacted live entertainment venues and the applicant setting forth the conditions to have a

gaming establishment located in proximity to the impacted live entertainment venues; provided, however, that the agreement shall include, but not be limited to, terms relating to cross marketing, coordination of performance schedules, promotions and ticket prices.” G.L. c. 23K, § 15(10).

Where a venue can demonstrate a negative impact by a casino development, they may seek designation as an ILEV pursuant to the provisions of the ILEV Regulation, which along with the governing sections of the Gaming Act, sets forth the process for determining ILEV status. Where the parties do not voluntarily agree to a ILEV designation, a venue desiring such status may petition to the Commission for such designation. *See* 205 CMR 126.01(2). "In determining whether a venue will be designated as an impacted live entertainment venue, the commission shall . . . consider factors including, but not limited to, the venue's distance from the gaming establishment, venue capacity and the type of performances offered by that venue." 205 CMR 126.01(2). In addition, "the commission will consider whether the applicant intends to include a geographic exclusivity clause in the contracts of entertainers at the proposed gaming establishment, or in some other way intends to limit the performance of entertainers within Massachusetts." *Id.*

Here, the only factor the Majestic relies upon and alleges to be the basis for ILEV status is potential increased competition, not from MGM Springfield, but rather CityStage, as a result of MGM Springfield's voluntary agreement with CityStage for three (3) events per year.

### **ARGUMENT**

#### **The Majestic does not meet the criteria for ILEV Status.**

While the Majestic is located approximately 2.5 miles from the proposed MGM Springfield site and approximately 2 miles from CityStage, MGM and the Majestic are worlds

apart when it comes to the type of entertainment to be offered through MGM Springfield and its partnering venues. Entertainment typically offered by MGM involves internationally renowned acts such as Jon Bon Jovi, Beyonce, Maroon 5, Jay-Z and Carlos Santana, all of whom played an MGM arena in 2013. The Majestic focuses on traditional musicals, comedies and dramas that typically showcase local artists and actors/actresses. Significantly, the Majestic does not raise issue with MGM's overall entertainment plans or agreements with other venues except the agreement with CityStage. Speculative increased competition from an existing and well-established entertainment venue does not satisfy or address any of the criteria set forth in the ILEV regulation. Indeed, if at all appropriate to consider CityStage's impact on the Majestic, the Commission need not look further than the Majestic's own description of the existing differences between CityStage and the Majestic, differences that will likely grow under its Agreement with MGM Springfield:

City Stage does not produce their own productions or cast with local actors and actresses any of their productions. City Stage contracts with national touring production companies to present a variety of Musicals, Comedies and Dramas. No local actor, actress or theater professional that has worked at the Majestic Theater has ever worked at City Stage.

Petition of Majestic Theater, January 9, 2014. This is evident by the five most recent shows to take place at CityStage: *Masters of Motown*, *Comedian Bobby Collins as part of the STAND UP Comedy Series*, *Menopause The Musical*, *Broadway's Next Hit Musical*, and *Rocky Mountain High*.

Moreover, utilizing potential benefits to one local entertainment venue as grounds for ILEV status will provide a disincentive for applicants to negotiate any voluntary agreements at all. In addition, the Majestic's size makes it significantly smaller (240 seats) than the other entertainment venues with which MGM has reached agreement: MassMutual Center (8,000

seats), Symphony Hall (2,611 seats), CityStage (479 seats). This would further suggest that MGM Springfield and the Majestic will not be competing for similar entertainment offerings.

Finally, to the extent that the Majestic does compete with MGM Springfield to attract similar performers, the Majestic is protected in two ways. First, MGM Springfield has previously represented and hereby commits that we will not prohibit any act from performing at the Majestic as a condition of performing at one of the City Venues, and further that we not only leave open... but believe both facilities can mutually benefit from...block booking. Second, the Gaming Act provides other remedies for not for profit entertainment venues to seek grant money through the Massachusetts Cultural Council if they wish to subsidize touring shows and artists: G.L. c. 23K, § 59(a)(2). In sum, aside from proximity, the Majestic fails to meet any of the Gaming Act's and Commission's regulations for ILEV status.

Notwithstanding MGM Springfield's Opposition to the Majestic's formal petition, we understand the importance of this theater to the local community and hope to integrate the Majestic into some of MGM's internal employee programs designed to support local public charities and events

**CONCLUSION**

For all of the foregoing reasons, the Commission should deny the Majestic Theater's petition for ILEV status.

Respectfully submitted,  
Blue Tarp reDevelopment, LLC

By Its Attorneys,



---

Seth N. Stratton (BBO# 661533)  
Fitzgerald Attorneys at Law, P.C.  
46 Center Square  
East Longmeadow, MA 01028  
Tel. (413) 486-1110  
Fax. (413) 486-1120  
[sns@fitzgeraldatlaw.com](mailto:sns@fitzgeraldatlaw.com)



---

Jed M. Nosal (BBO# 634287)  
Brown Rudnick LLP  
One Financial Center  
Boston, MA 02111  
Tel. (617) 856-8272  
Fax. (617) 289-0708  
[jnosal@brownrudnick.com](mailto:jnosal@brownrudnick.com)



**CERTIFICATE OF SERVICE**

I, Seth N. Stratton, hereby certify that on this 23rd day of January, 2014, I caused the foregoing to be served by first class mail to the following counsel of record:

Danny Eaton            Todd Kadis  
President                Treasurer

MAJESTIC THEATER  
131 Elm Street  
West Springfield, MA 01089  
(413) 747-7797  
www.majestictheater.com



---

Seth N. Stratton

## **EXHIBIT A**

## **LIVE ENTERTAINMENT COOPERATION AGREEMENT**

This Live Entertainment Cooperation Agreement (the “Agreement”) is entered into as of the 22nd day of January, 2014 (the “Effective Date”), by and among the Massachusetts Performing Arts Coalition, Inc., 2 Southbridge Street, Worcester, MA 01608 (“MPAC”) and Blue Tarp reDevelopment, LLC (“MGM”). MPAC and MGM are hereinafter referred to from time to time each as a “Party” and collectively as the “Parties.”

### **RECITALS**

**WHEREAS**, certain provisions of Massachusetts General Laws chapter 23K (the “Gaming Statute”) have been enacted, in part, to both encourage cooperation among and prevent competition between institutions operated by municipally-owned and not-for-profit theatres and casino operators in the Commonwealth;

**WHEREAS**, MPAC represents the collective interests of certain non-profit and municipally-owned theatres in Massachusetts, including the Springfield Performing Arts Development Corporation, One Columbus Avenue, Springfield, MA 01103, as operator/manager of Symphony Hall, 34 Court Street, Springfield, MA (the “Springfield Venue”) and The Hanover Theatre, 2 Southbridge Street, Worcester, MA 01608 (the “Worcester Venue”) (collectively, the “Supported Venues”);

**WHEREAS**, the Springfield Venue owns and/or operates a 2600-seat theatre located at 34 Court Street, Springfield, MA (the “Venue Site”) which is in close proximity to MGM’s proposed casino development in Springfield (the “Project”);

**WHEREAS**, pursuant to the Gaming Statute, MGM is prohibited from building a live entertainment venue that has between 1,000 and 3,500 seats at the Project;

**WHEREAS**, MGM has recognized the importance of maintaining and supporting municipally-owned and not-for-profit theatres and, thus, has chosen to utilize existing venues in Springfield, including the Springfield Venue, for live shows, concerts and other entertainment to be promoted in connection with the Project rather than construct any ticketed performance venue at the Project;

**WHEREAS**, MGM wishes to support rather than compete with municipally-owned and not-for-profit theatres in the Commonwealth; and

**WHEREAS**, MGM has prepared and submitted a so-called “Phase 2 Application” with the Massachusetts Gaming Commission (the “Commission”) for a gaming license to construct and operate the Project;

**WHEREAS**, MGM and MPAC desire to enter into the collaborative relationship described in Section 1 hereof;

**NOW THEREFORE**, in furtherance of the foregoing and in consideration of the agreements set forth below, and for ONE AND NO/100 DOLLARS (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

## **AGREEMENTS**

### 1.0 Cross-Marketing and Promoting of the Supported Venues.

1.1 MGM agrees to work in good faith with MPAC to cross-market with and promote the Supported Venues as follows:

(a) MGM will promote the Supported Venues performances through on-property marketing placements and signage (determined in MGM's sole and absolute discretion) at the Project on a monthly basis during the term of this Agreement. MPAC shall designate which Supported Venues performances shall be promoted, and shall provide digital content and/or print ready graphics for this purpose.

(b) MGM will make tickets to performances at the Supported Venues, as designated by MPAC in accordance with Section 1.1(a), available for purchase online through the Project homepage and on-site at the Project.

(c) MGM will send targeted e-mails promoting the performances at the Supported Venues as designated by MPAC in accordance with Section 1.1(a) to M Life members in the Springfield and surrounding areas, the number and frequency of which shall be determined in MGM's sole and reasonable discretion.

(d) MGM will promote the Supported Venues performances designated in accordance with Section 1.1(a) through its various social media channels (including Facebook and Twitter), the number and frequency of such social media posts shall be determined in MGM's sole and reasonable discretion.

(e) Tickets to the Supported Venues performances designated in accordance with Section 1.1(a) will be sold to MGM employees through the M Life Insider Employee portal.

(f) MGM and MPAC will explore opportunities to block buy performances so that mutually desired performers could perform on consecutive nights at the Project and at one or more of the Supported Venues.

1.2 To ensure that the Parties are able to most effectively cross-market and promote one another on an ongoing basis, the Parties agree to participate in a marketing strategy meeting on at least an annual basis.

## 2.0 No Restrictions on Performances at Parties' Respective Venues.

2.1 MGM shall not enter into any agreement with any performer or show which, through a radius restriction or otherwise, precludes performances by that performer or show at any of the Supported Venues. MPAC shall require that the Supported Venues refrain from entering into any agreement with any performer or show which precludes performances by that performer or show at the Venue.

2.2 In the event MGM fails to include such radius restriction exemption in any contract, MGM shall grant a waiver to such visiting performer or show at the written request of MPAC. MPAC shall not be entitled to any other remedy for breach of Section 2.1.

## 3.0 Term and Termination.

The term of this Agreement shall commence on the Effective Date and shall continue until terminated by the mutual written agreement of all of the Parties.

## 4.0 Compliance Review.

MPAC acknowledges that MGM is subject to the rules, regulations, and jurisdiction of various gaming regulatory bodies and agencies, and as such, is required to perform certain background investigations in connection with material contractual relationships. MPAC agrees to cooperate with such background investigations, including the completion and execution of any standard MGM corporate background forms. MPAC acknowledges that MGM and others of the MGM Resorts Group (as defined below) are engaged in businesses that are or may be subject to and exist because of privileged licenses or other permits issued by governmental authorities or other sovereigns. MGM may terminate this Agreement, without penalty or prejudice and without further liability to MPAC, if any of the MGM Resorts Group: (i) is directed to cease doing business with MPAC by any such authority or sovereign; or (ii) determines, in its sole and exclusive judgment, that MPAC, MPAC's affiliates or any of its or their directors, officers, employees, agents or other representatives is, might be or is about to be engaged in or involved in any activity or relationship that could or does jeopardize any of the businesses or licenses of any of the MGM Resorts Group (including, without limitation, any denial, suspension or revocation, or the threat thereof). Further, MPAC: (a) acknowledges that it is illegal for an applicant to whom a license has been denied, a licensee whose license has been revoked, or a business organization under such a person's control ("Denied Entity"), to enter into, or attempt to enter into, a contract with any of the MGM Resorts Group without the prior approval of certain gaming commissions or licensing authorities; (b) represents and warrants that it is not a Denied Entity and is not under the control of a Denied Entity; and (c) agrees that any breach of the foregoing representation and warranty will allow MGM to immediately terminate this Agreement. "MGM Resorts Group" means MGM Resorts International and its subsidiaries, partnerships, joint ventures and other affiliates.

## 5.0 Successors and Assigns.

This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns as permitted hereunder.

## 6.0 Prohibition on Advertising and Press Releases.

6.1 Except with the prior written consent of MGM, which may be withheld in its sole and absolute discretion, the MPAC acknowledges that it shall not advertise, publish or otherwise disclose in any press release or other form of distribution: (i) its association with MGM or the Project; or (ii) any aspects of this Agreement.

6.2 MPAC may not use the MGM name, marks and/or logos without the express written permission of MGM.

6.3 Except with the prior written consent of MPAC, which may be withheld in its sole and absolute discretion, and in connection with MGM's application with the Massachusetts Gaming Commission, MGM acknowledges that it shall not advertise, publish or otherwise disclose in any press release or other form of distribution: (i) its association with MPAC or the Project; or (ii) any aspects of this Agreement.

6.4 MGM may not use the MPAC name, marks and/or logos without the express written permission of MPAC.

## 7.0 Choice of Law.

This Agreement shall be governed by, and construed according to, the laws of the Commonwealth of Massachusetts, without regard to any choice of law provisions thereof which would require application of the laws of another jurisdiction.

## 8.0 Remedies.

In the event that either Party seeks the enforcement of the terms of this Agreement or seeks damages for a breach of any obligations hereunder, it is specifically understood and agreed that any and all such claims shall be submitted to final and binding arbitration to take place in Hampden County, Massachusetts, pursuant to the rules of the American Arbitration Association, and that the prevailing party shall recover its costs and reasonable attorney's fees incurred in such arbitration proceeding.

## 9.0 Governing Law.

The Parties shall perform all of their respective obligations under the Agreement in compliance with all applicable laws, ordinances, regulations, or codes. The Parties agree that all legal disputes hereunder shall be resolved applying Massachusetts law.

10.0 Severability; Captions.

In the event that any clause or provision of this Agreement should be held to be void, voidable, illegal, or unenforceable, the remaining portions of this Agreement shall remain in full force and effect. Headings or captions in this Agreement are added as a matter of convenience only and in no way define, limit or otherwise affect the construction or interpretation of this Agreement.

11.0 Interpretation.

This Agreement shall be given a fair and reasonable interpretation of the words contained in it without any weight being given to whether a provision was drafted by one Party or its counsel.

12.0 Entire Agreement; Amendment.

This Agreement contains all of the terms, promises, conditions and representations, made or entered into by and among the Parties, supersedes all prior discussions, agreements and memos, whether written or oral between and among the Parties, and constitutes the entire understanding of the Parties and shall be subject to modification or change only in writing and signed by all Parties. Notwithstanding the foregoing, to the extent this Agreement conflicts with the provisions of a certain Non-Exclusive Joint Marketing and Joint Cooperation Agreement dated December 12, 2012 between Springfield Performing Arts Development Corporation and Blue Tarp reDevelopment, LLC (the Joint Marketing Agreement) as to the Springfield Venue, the Joint Marketing Agreement shall control.

13.0 Execution in Counterparts

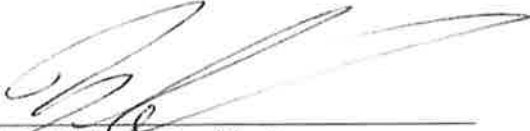
This Agreement may be signed upon any number of counterparts with the same effect as if the signatures on all counterparts are upon the same instrument.

14.0 Authority.

Each Party represents and warrants to the other Parties that it has full power and authority to make this Agreement and to perform its obligations hereunder and that the person signing this Agreement on its behalf has the authority to sign and to bind that Party.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement on the date first set forth above.

**MASSACHUSETTS PERFORMING ARTS COALITION, INC.**

By:   
Troy Siebels, President

**BLUE TARP REDEVELOPMENT, LLC**

By: \_\_\_\_\_

Its: \_\_\_\_\_



IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first set forth above.

**MASSACHUSETTS PERFORMING ARTS COALITION, INC.**

By: \_\_\_\_\_  
Troy Siebels, President

**BLUE TARP REDEVELOPMENT, LLC**

By: Michael C. Math

Its: V.P. Global Gaming  
Development

# **MASSACHUSETTS GAMING COMMISSION SURROUNDING COMMUNITY PETITION ANALYSIS**



**COMMUNITY: Town of Hampden**  
**APPLICANT: Blue Tarp Redevelopment LLC**

February 17, 2014

---

## INTRODUCTION AND OVERVIEW

---

The Community has submitted to the Commission a petition to be designated as a surrounding community to the Applicant's proposed gaming establishment in accordance with G.L. c. 23K, §§ 4(33) and 17(a) and 205 CMR 125.01(1)(c). The Applicant has submitted a response to the petition.

In making its determination, the Commission must consider the factors in G.L. c. 23K, §§ 4(33) and 17(a) including population, infrastructure, distance from the gaming establishment and political boundaries.

The Commission must review, in accordance with G.L. c. 23K, §§ 4(33) and 17(a) and 205 CMR 125.01(2)(b), the Applicant's entire application; the Applicant's RFA-2 detailed plan of construction; any independent evaluations; any pertinent information received from the Community, the Applicant, the Applicant's host community, and the public; and any additional information that the Commission determined to be beneficial in making its determination.

The Commission's regulations lay out the six criteria that the Commission should consider in making its determination:

1. Proximity
2. Transportation Infrastructure
3. Development
4. Operation
5. Other
6. Positive Impacts

This document lays out the six criteria and provides the legal framework that the Commission must consider, an executive summary of the issues, the Community's petition, the Applicant's response, RPA analysis, ENF analysis, consultant analysis, relevant RFA-2 application question responses, and other relevant materials.

---

# 1. PROXIMITY

---

## **Legal Framework**

Chapter 23K defined surrounding community as a “municipalities in proximity to a host community which the commission determines experience or are likely to experience impacts . . . .” In determining whether a community is a surrounding community, the commission . . . will evaluate whether: . . . The community is in proximity to the host community and the gaming establishment included in the RFA-2 Application, taking into account such factors as any shared border between the community and the host community; and the geographic and commuting distance between the community and the host community, between the community and the gaming establishment, and between residential areas in the community and the gaming establishment. 205 CMR 125.01(2)(b)(1)

During the Commission’s deliberation on surrounding communities policies, the Commission rejected establishing a mileage based threshold for determining which communities are surrounding communities. But noted that the legislature had offered amendments on such a mileage based standard (establishing a standard of 2 miles, 3 miles or 5 miles distance from a gaming facility as determination of surrounding community status or the need for a hearing.)<sup>1</sup>

## **Executive Summary**

### ***Community Petition***

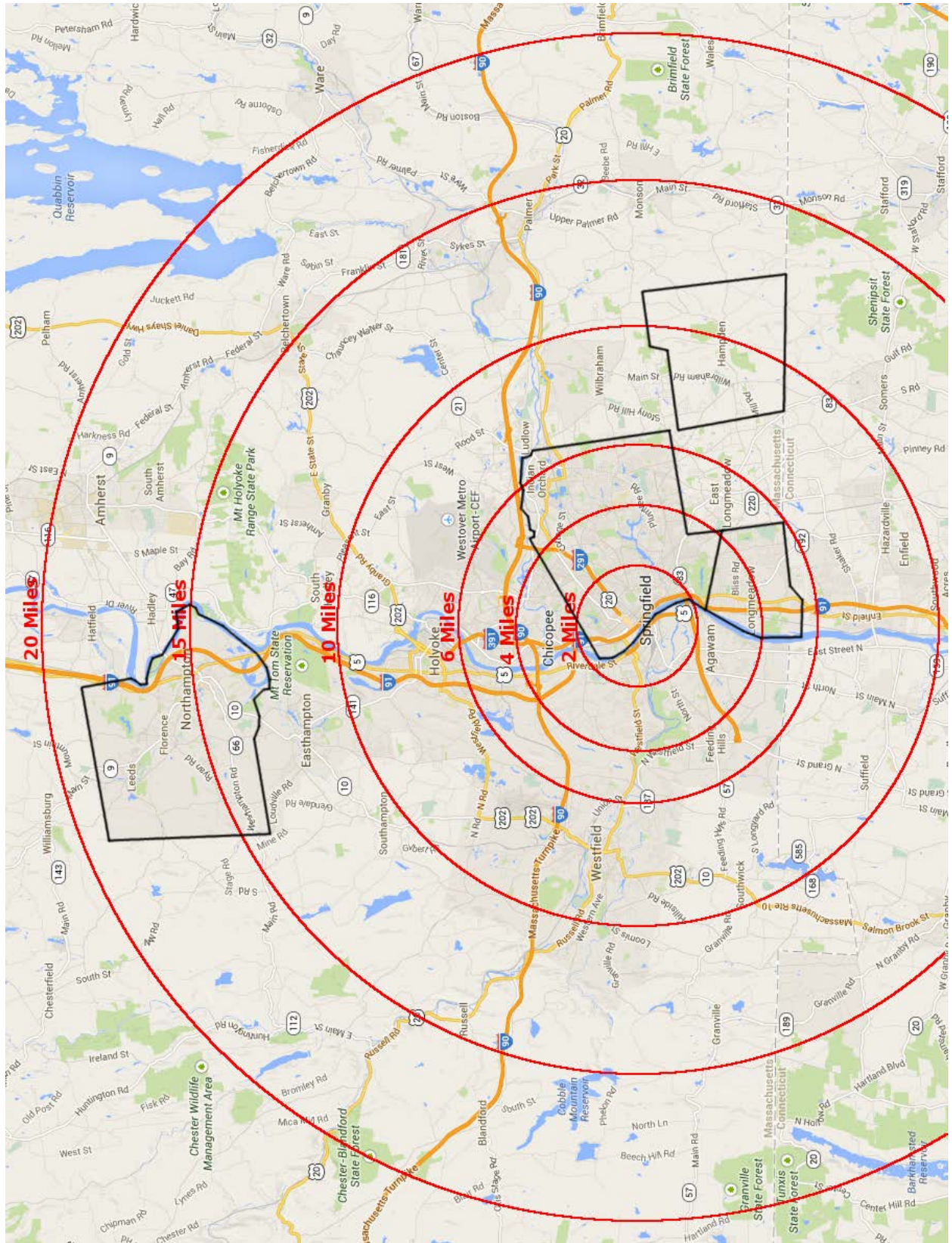
Hampden claims that the three-mile distance from its border to the border of Springfield and the eight-mile distance from its border to the site qualify Hampden as a surrounding community pursuant to 205 CMR 125.01(2)(b)(1).

### ***Applicant Response***

MGM claims that the 11-mile distance and 20 minute drive from the project site are outside any reasonable interpretation of the term “proximity” and also states Hampden is not “proximate enough” for surrounding community designation. MGM cites a statement by Ombudsman Ziemba regarding another community in which he indicated that a driving time of 18 minutes from project site to downtown does not constitute proximity.

---

<sup>11</sup> See “Surrounding Communities Amendments” document included in December 12, 2012 Commission Meeting Packet.



## **A. COMMUNITY PETITION**

---

The westerly border of Hampden is approximately three miles from the easterly border of Springfield which is approximately five miles from the location of the proposed casino. Pursuant to 205 CMR 125.01(2)(b)(l) the Town of Hampden claims that this geographic and commuting distance between Hampden and Springfield as host community and between Hampden and the actual gaming establishment qualify Hampden as a surrounding community.

## **B. APPLICANT RESPONSE**

---

The center of downtown Hampden is an approximately 11 mile drive from the Project site. The “door to door” drive takes approximately 20 minutes. While the Commission has made clear that there are no exact mileage measures for proximity, a community as distant as Hampden is from Springfield should not be deemed proximate enough to be designated a surrounding community. See, e.g., November 12, 2013 Hearing Tr., at 43 (Ziembra) (“The proponent notes that the project is located approximately 6.5 miles from the nearest city neighborhood and notes that the driving time to Fitchburg’s downtown, 18 minutes, is approximately the same time it takes to drive from the location of the project to the city of Worcester, which clearly is not in proximity to the project.” (emphasis added)). An 11 mile distance and 20 minute drive from the Project site is outside any reasonable interpretation of the term “proximity.”

## **C. RPA ANALYSIS**

---

No relevant documents

## **D. ENF ANALYSIS**

---

No relevant documents

## **E. CONSULTANT ANALYSIS**

---

No relevant documents

## **F. APPLICATION**

---

No relevant documents

## G. OTHER

---

### COMMISSION MEETING 1/28/2014

#### Community

:

13 MR. STRATTON: Thank you,  
 14 Commissioners. We hope to be brief here as  
 15 well. There are two issues raised by the town  
 16 in its petition in here today. And those are  
 17 proximity and operational impact to traffic  
 18 infrastructure.  
 19 Starting first with proximity, it's  
 20 MGM's position that -- that Hampden simply is  
 21 not proximate as contemplated under the Gaming  
 22 Act. The center of the town of Hampden is 11  
 23 miles and a 20-minute drive to the project  
 24 site. And I, with all due respect to the  
 67  
 1 town, our position, and you'll hear from Kevin  
 2 Dandrade, is that there really is no primary  
 3 route to downtown Springfield through Hampden.  
 4 That's simply unsubstantiated.  
 5 In fact, Hampden -- and it is a  
 6 beautiful community. It's holds the  
 7 distinction, I believe, is one of the few  
 8 remaining municipalities in the commonwealth  
 9 to have no traffic lights in -- in the entire  
 10 town. The idea that it will be a major  
 11 cut-through is simply unsubstantiated, and  
 12 Mr. Dandrade will address that further. So --  
 13 and with that, I'm going to pass it to  
 14 Mr. Dandrade.  
 15 But in summary, if you look at the  
 16 statutory threshold of proximity and you look  
 17 at the only alleged operational impact, we  
 18 feel that the town of Hampden, who has the  
 19 burden here, has not met that burden of  
 20 demonstrating a significant and adverse impact  
 21 from the project. And, Kevin, if you could --  
 22 COMMISSIONER MCHUGH: Counsel,  
 23 that's the second time you've mentioned this  
 24 statutory requirement for proximity. The  
 68  
 1 statute uses the term proximate to, or in  
 2 proximity to, that's a relative term. How do

3 you -- and -- and our regulations define it in  
 4 functional terms, not in geographical terms.  
 5 So help me, if you would, briefly, with your  
 6 statutory construction that somehow excludes a  
 7 town like Hampden.  
 8 MR. STRATTON: Sure, Commissioner.  
 9 So the definition of surrounding community  
 10 contemplates some level of proximity. And  
 11 that's essentially all that we're saying. We  
 12 understand that the regulations, and as the  
 13 commission has interpreted them, have  
 14 proximity as advisory to another factor. But  
 15 there is -- it's clearly contemplated under  
 16 the statute that there has to be some level of  
 17 geographic proximity to the project. And  
 18 that's -- that's all that we're saying, is  
 19 that, you have to get beyond that threshold.  
 20 If you're -- if you're -- in this instance  
 21 you're not adjacent, you're 11-mile drive and  
 22 you're 20 minutes away, that, that is not what  
 23 was contemplated under the statute to be a  
 24 proximate community.

Page 77

I would question the proximate part,  
 4 because there had been agreements signed with  
 5 communities that probably are a further  
 6 distance than the -- the number they then have  
 7 for Hampden, whether it's Ludlow, et cetera.  
 8 So I think our basis is the fact  
 9 that -- again, we did not throw a number out  
 10 there. We're not saying, we'll you gave  
 11 community A this, you gave community B this,  
 12 we should get the same. We're saying, we feel  
 13 there is an impact. We'd appreciate the  
 14 opportunity to discuss that. And if there is  
 15 not going to be a bilateral discussion,  
 16 unfortunately we have to go to you, who will  
 17 be, basically, our protectors in this. And we  
 18 ask for your guidance and your help in that.

## Applicant

MR. DANDRADE: Good morning,  
14 Mr. Chairman, members of the commission.  
My  
15 name is Kevin Dandrade. I'm principal with  
16 TEC, Inc. We are the traffic engineers for  
17 the project. I'm, personally, a professional  
18 traffic operations engineer, and I am joined  
19 by Rebecca Brown on our staff, who is also a  
20 professional traffic operations engineer.  
21 If I could provide some of that  
22 orientation that may help put that proximity  
23 and the potential for traffic into  
24 perspective. What you see in the dashed  
70  
1 outline is the town of Hampden in its  
2 relationship to downtown Springfield. This is  
3 a map that anyone can get by using Google  
Maps  
4 that looks at the routes coming from  
5 Connecticut, or from the east attempting to  
6 pass through the town of Hampden.  
7 When we do our analysis, when we  
8 look at the number of trips, and the number of  
9 trips that are going to be generated by MGM  
10 have already been endorsed by MassDOT as  
of  
11 that October, as part of our ongoing  
12 coordination with the agencies. We also went  
13 through an extensive peer-review process.  
But  
14 when you look at the potential for trips to  
15 come through, we look at a number of  
different  
16 things. And we've gone through a very  
17 fine-grained analysis of all the different  
18 components of what the project would entail.  
19 So we look the at casino patrons, casino  
20 employees, the retail component, the housing  
21 component, and the office, among the other  
22 entertainment options. We've separated them  
23 all out and done what we call gravity model,  
24 which looks principally at the populations in  
71  
1 the area and any competing factors. You  
know,  
2 are there competition for that type of use,  
3 land use to the south, to the east or  
4 elsewhere?

5 In looking at this exhibit, the  
6 green arrows represent the predominant travel  
7 trends that we expect from the Connecticut  
8 towns into the site. The larger arrow  
9 representing the travel up and down 91, the  
10 smaller arrows representing along 190 to 91,  
11 or along 83, which is almost a direct route  
12 into downtown Springfield.  
13 We have assigned traffic as part of  
14 our extensive models. These two binders here  
15 represent only two of the four volumes of the  
16 traffic study that has been included within  
17 the draft environmental impact report and the  
18 RFA2 response. Also, what you can see from  
19 this exhibit is that there are no  
20 state-numbered routes that pass through  
21 Hampden. And when looking at the colors of  
22 the map, you can see the densely-developed  
23 areas with -- that have the gray hue here, and  
24 then you see a significant amount of green  
72  
1 area here. That is representative of very low  
2 residential density.  
3 The selectmen have noted that  
4 there's the potential for trips to come from  
5 Monson. Monson has a low population. The  
6 population of Hampden is only 5,200 or so  
7 people. The routes from Summers and  
Stafford,  
8 some of those routes that come through those  
9 mountains in that area are gravel roads, so  
10 there's no predominant travel route to be  
11 expected to come through Hampden. And  
even  
12 though there may be no routes, there's also  
13 very limited population, when you talk about  
14 the total population that we're going to draw  
15 from, that even has the potential to come  
16 through.  
17 This shows the distribution of  
18 traffic that was refined through the GPI  
19 peer-review, Greenman-Pederson, Inc., for  
the  
20 pioneer valley planning commission. These  
21 were edits to our technical numbers for the  
22 distribution of that traffic. Hampden was  
23 never identified as a key route, as a key  
24 location for study because it is not expected



73  
1 to be impacted. Even the volumes going  
2 through Wilbraham, knowing that part of  
3 Monson  
4 is up in here, any of the potential patrons,  
5 employees, et cetera, from Monson, not only  
6 have a route through Hampden, but they have  
7 a  
8 route -- a more direct route through  
9 Wilbraham.  
10 The petition does not show any data.  
11 It does not show or quantify any difference of  
12 opinion that built -- could build upon any of  
13 the work that we've done, or that has been  
14 peer reviewed by other professionals. The  
15 allegation of assumption of traffic impacts is

16 flawed because there's just no population to  
17 draw from.  
18 When we look at the closest corner  
19 of Hampden, it's more than five miles away.  
20 There are no state routes proceeding through.  
21 And when we tried our hardest to try to find  
22 the greatest level of impact that we can  
23 project based on those population zones, it's  
24 a dozen trips in that peak hour on Friday, six  
25 in, six out.  
26 I'm confident that as the commission  
27 works with your own peer-review consultants,  
28 that you'll determine that this is not a  
29 significant and adverse impact to the town of  
30 Hampden. Thank you.

---

## 2. INFRASTRUCTURE

---

### Legal Framework

In determining whether a community is a surrounding community, the commission . . . will evaluate whether: . . . The transportation infrastructure in the community will be significantly and adversely affected by the gaming establishment, taking into account such factors as ready access between the community and the gaming establishment; projected changes in level of service at identified intersections; increased volume of trips on local streets; anticipated degradation of infrastructure from additional trips to and from a gaming establishment; adverse impacts on transit ridership and station parking impacts; significant projected vehicle trip generation weekdays and weekends for a 24 hour period; and peak vehicle trips generated on state and federal roadways within the community. 205 CMR 125.01(2)(b)(2)

### Executive Summary

#### *Community Petition:*

Allen Street is the direct route from Hampden into Springfield. Allen Street would also be the route of choice for travelers east and south of Hampden from communities such as Somers and Stafford Springs, Connecticut. As the map shows, Allen Street crosses into East Longmeadow and then into the south end of Springfield via Mill Street. Hampden therefore raises the concerns articulated in 205 CMR 125.01 (2) (b) (2) in that "the transportation infrastructure in the community will be significantly and adversely affected by the gaming establishment .... " This subsection requires consideration of the ready access of Hampden to the casino, changes in level of services at intersections along Allen Street and increased volume of trips on Allen Street and streets which feed into it. This increased travel will lead to the "derogation of infrastructure" in Hampden from the trips to and from the gaming establishment.

#### *Applicant Response:*

MGM's traffic consultant, The Engineering Corp. ("TEC"), has analyzed the concerns set forth in Hampden's petition and provided the response set forth in Exhibit A hereto (the "TEC Analysis"). As set forth in the TEC Analysis: (i) Hampden has not been identified by either the Massachusetts Department of Transportation, the Pioneer Valley Planning Commission ("PVPC"), or PVPC's traffic consultant as required traffic impact analysis; (ii) the sparse residential density of Hampden and its bordering communities along with its lack of desirable travel routes will not result in a noticeable number of "cut through" trips to MGM Springfield; (iii) the likely peak period vehicle trips through Hampden will be 12 per hour (roughly 6 in each direction) and significantly less off-peak. See Ex. A, TEC Analysis. Hampden presents no contradicting data or information. Accordingly, Hampden cannot meet its burden of showing a significant and adverse impact to the Town sufficient to designate it a surrounding community.

#### *RPA Analysis:*

As noted by MGC's consultant, Green International, "Greenman Pederson, Inc. (GPI) was retained by the PVPC to review the Applicant's traffic Study and review potential impacts on eight (8) communities in the PVPC region. Hampden was not one of the 8 communities included in the review."

***ENF Analysis:***

As noted by the MGC's traffic consultant, Green International, Inc., "MEPA has recently Issued the Certificate on the Draft EIR and determined that the project can move forward to the Final EIR stage. The Town of Hampden did not submit any comments to MEPA as part of the ENF review. The scope of the Final EIR does not specifically note any roadways in Hampden that need to be evaluated."

***Consultant Analysis:***

The updated TEC traffic study that was submitted to MEPA examined a relatively large study area, but did not include any specific locations in Hampden. The Hampden town center is located approximately 10 miles from the proposed casino site. Subsequent to the Hampden's filing of the petition, the applicant submitted additional information in response (to MEPA), including supplemental information relative to the anticipated traffic flow to and from the casino. Based on the travel forecasts developed by TEC, it is expected that seven (7) peak hour vehicle trips of casino related traffic would originate in Hampden (<1%). Taking into account the estimated traffic from Hampden, as well as Monson, Stafford (CT) and Somers (CT), TEC estimates that at most, 29 vehicles trips to and from the casino could potentially use Allen Street during the peak hour. This represents 2.3% of the total peak hour traffic generated by the casino project. TEC concludes that the traffic impact on Hampden as a result of the project is minimal.

...

MassDOT comments to date have been in relation to the ENF and Draft EIR filed by the Applicant. It appears that MassDOT has accepted TEC's overall traffic forecasts, including the number of trips and arrival/departure patterns. MassDOT has expressed concerns relative to traffic operations and specific potential impacts, but none of these comments relate to the Town of Hampden. In its comment letter, MassDOT focused largely on I-91 and also on TEC's forecasts methods. MassDOT did not mention any potential concern relative to the Town of Hampden, nor did MassDOT request that the Applicant include roadways in Hampden in any subsequent environmental studies. There are no State numbered routes in the town.

PVPC has also commented to MEPA and also completed an assessment of the proposed casino on their member communities<sup>2</sup>. Greenman Pederson, Inc. (GPI) was retained by the PVPC to review the Applicant's traffic study and review potential impacts on eight (8) communities in the PVPC region. Hampden was not one of the 8 communities included in the review.

**Allen Street does not connect directly to the downtown or casino site....**

---

<sup>2</sup> Greenman Pederson, Inc. *Technical Memorandum, Proposed MGM Development, Springfield, MA, Regional Traffic Impact Peer Review*, December, 20, 2013.

[T]he daily estimate of casino related traffic in Hampden would be less than 30 vehicle trips or one vehicle every two minutes. **This level of additional vehicle trips would not be expected to result in any noticeable change in traffic operations and LOS.**

**Assuming all additional casino related traffic in Hampden travels on Allen Street, this would result in a volume increase of approximately 5%. Based on location and current traffic conditions, the impact would be considered minimal and not noticeable to the typical motorist.**

While there is a potential for a small volume of casino-related traffic to travel to and through the Town of Hampden via its local roadways, it is not evident, based on the information that has been reviewed and evaluated, that the proposed casino in Springfield would cause a significant and adverse traffic impact in the Town of Hampden. Consequently, the surrounding community determination would need to be based on factors other than traffic.

....

## A. COMMUNITY PETITION

---

As is evident from the enclosed map, Allen Street is the direct route from Hampden into Springfield. Allen Street would also be the route of choice for travelers east and south of Hampden from communities such as Somers and Stafford Springs, Connecticut. As the map shows, Allen Street crosses into East Longmeadow and then into the south end of Springfield via Mill Street. Hampden therefore raises the concerns articulated in 205 CMR 125.01 (2) (b) (2) in that "the transportation infrastructure in the community will be significantly and adversely affected by the gaming establishment .... " This subsection requires consideration of the ready access of Hampden to the casino, changes in level of services at intersections along Allen Street and increased volume of trips on Allen Street and streets which feed into it. This increased travel will lead to the "derogation of infrastructure" in Hampden from the trips to and from the gaming establishment.

### ENF Certificate p9

The ENF indicates that the Study Area may be expanded based on requests by MasDOT, and/or municipalities. The project is expected to add traffic in the surrounding communities of Chicopee, Ludlow, Wilbraham, East Longmeadow, Longmeadow, Agawam, and West Springfield.

...

### DOT Memorandum

Based on the nature of the land use, the trip generation for the project is expected to be drawn from a wide area of western Massachusetts and the neighboring states of New York, Vermont, and Connecticut. The project abuts Interstate 91, which is a major travel route that provides connections to downtown Springfield, the regional highway network, points north and south of the Springfield, and points west across the Connecticut River.

...

The overall trip generation calculations for the project are based on the trips that would be generated by each use separately, and then a share-trip credit is assumed between some of the uses. The calculations are based on empirical data for casino, ITE Land Use Code (LUC) 310 for Hotel trips, ITE LUC 220 for residential apartments, and ITE LUC 820 for the Annory Square retail facility. According to the ENF Trip Generation Summary table, the project is expected to generate a total of 2,810 vehicle trips during the Friday PM peak hour and 3,162 vehicle trips during the Saturday PM peak hour. Assuming a 40 percent credit for multi-use trips, 5 percent credit for transit trips, and 10 percent for pass-by trips, the ENF asserts that the project is expected to generate 1,677 new primary trips during the Friday PM and 1, 718 new vehicle trips during the Saturday PM peak hour.

...

### Executive Office of Energy and Environmental Affairs Letter

Pages 6 and 7 of the ENF document present a detailed list of ramps and intersections that are to be included as part of the traffic impact assessment to be provided in the DEIR. We concur with

this list of proposed locations but would suggest that the following additional locations be included in the project proponent's defined study area:

...

Route 5 at Converse street and Englewood Road - Longmeadow

Route 5 at Forest Glen Road - Longmeadow

Draft EIR p5-10

Figure 5.2-1 Study Area

...

36. Longmeadow Street (US Route 5) I Forest Glen Road I Western Drive (Town of Longmeadow)

37. Longmeadow Street (US Route 5) I Converse Street I Englewood Road (Town of Longmeadow)

## B. APPLICANT RESPONSE

---

Hampden simply does not, and cannot, meet its burden of demonstrating a significant and adverse impact to its transportation infrastructure. Hampden claims that it has concerns with “the ready access of Hampden to the casino, changes in level of service at intersections along Allen Street and increased volume of trips and streets which feed into it.” Petition, at 1-2. These concerns are wholly unsupported by any data, studies or other factual information. As further explained below, they are also unfounded.

MGM’s traffic consultant, The Engineering Corp. (“TEC”), has analyzed the concerns set forth in Hampden’s petition and provided the response set forth in Exhibit A hereto (the “TEC Analysis”). As set forth in the TEC Analysis: (i) Hampden has not been identified by either the Massachusetts Department of Transportation, the Pioneer Valley Planning Commission (“PVPC”), or PVPC’s traffic consultant as required traffic impact analysis;<sup>9</sup> (ii) the sparse residential density of Hampden and its bordering communities along with its lack of desirable travel routes will not result in a noticeable number of “cut through” trips to MGM Springfield; (iii) the likely peak period vehicle trips through Hampden will be 12 per hour (roughly 6 in each direction) and significantly less off-peak. See Ex. A, TEC Analysis. Hampden presents no contradicting data or information. Accordingly, Hampden cannot meet its burden of showing a significant and adverse impact to the Town sufficient to designate it a surrounding community.

TEC Response to Town Assumption of Traffic Impacts Town of Hampden Request for Surrounding Community Designation MGM Springfield Development – Springfield, MA

.... The Town’s letter petition dated January 10, 2014 does not provide specific data or analysis to support such a claim. Our firm provided detailed trip generation and distribution data and analysis within the Draft

Environmental Impact Report (DEIR) and RFA-2 responses to the Massachusetts Gaming Commission, both issued by the Applicant and the project team within the past month.

Hampden has not been identified by TEC, the Pioneer Valley Planning Commission (PVPC), or the Massachusetts Department of Transportation (MassDOT) as a community that required specific impact analysis due to the lack of desirable travel routes through the town. This material was recently reviewed by PVPC’s peer review consultant, Greenman-Pedersen, Inc., who similarly had not identified any regional traffic issues for the Town of Hampden. This small town of approximately 5,200 residents is located well off other more desirable travel routes such as Route 83 in East Longmeadow or Route 190 in northern Connecticut.

The Town of Hampden identified Allen Street as the focus of their traffic concerns within their petition. TEC identified the populations of the towns surrounding Springfield as part of our “gravity” models, which assess the regional distribution of traffic based in part on U.S. Census data from 2010. The sparse residential density in Hampden and the surrounding towns of Monson, MA (to the east) and Stafford and Somers, CT (to the south), coupled with the indirect travel route through Hampden, will not result in a noticeable number of trips that would “cut through” the Town. There are vast undeveloped and mountainous areas to the east and south

of Hampden that will not contribute measureable populations and associated volume of traffic to Springfield Road in Hampden, which becomes Allen Street in East Longmeadow and Springfield. The fact that the Town of East Longmeadow and the City of Springfield have not identified concerns about the Allen Street corridor in this area is consistent with that conclusion. Attachment A provides a locus map that depicts the proximity of the Town of Hampden to the MGM site.

TEC has assumed that some of the trips from northern Connecticut will indeed traverse local streets in Massachusetts to visit the MGM facility. However, as a percentage of the regional trips, they are very low with a projection of only approximately 1.1% of MGM's overall site-generated trips from Somers and Stafford. Attachment B provides an excerpt from TEC's detailed traffic gravity models, which were included in the DEIR document to MEPA and referenced within the RFA-2 submittal.

Due to the more direct travel route via Route 83 in East Longmeadow, it is impractical to assume that a measureable amount of patrons will desire to divert further to the northeast to use Springfield Road / Allen Street. Therefore, the resident patrons from Hampden and a small number of those in southern Monson are expected to use Allen Street near the Town line. This is expected to be less than 12 vehicles per hour (roughly 6 entering and 6 exiting) during the peak Friday and Saturday periods. The traffic is expected to be even lower during other periods of the day. Therefore, we do not believe that the Town of Hampden will be noticeably or measurably impacted by the MGM development.



## C. RPA ANALYSIS

---

### *PIONEER VALLEY PLANNING COMMISSION – TRAFFIC IMPACT REVIEW*

As noted by MGC’s consultant, Green International Affiliates, Inc., “Greenman Pederson, Inc.(GPI) was retained by the PVPC to review the Applicant’s traffic Study and review potential impacts on eight (8) communities in the PVPC region. Hampden was not one of the 8 communities included in the review.”

Below are excerpts from the GPI review that did not include Hampden

As a destination resort-style casino, MGM Springfield will be a significant generator of new traffic to the area. According to the traffic study prepared by TEC, on a daily basis it is estimated that the Project will generate 19,673 new vehicle trips (10,178 entering and 9,495 exiting vehicles). On a peak hour basis the Project is estimated to generate 1,290 new vehicle trips on a typical Friday evening between 5:00-6:00 PM. It should be noted that Saturdays are actually the peak traffic day of the week for casino developments, with a peak generating hour of 10:00-11:00 PM, however the worse-case combination traffic hour of local roadway plus Project trips is actually 5:00-6:00 PM on Fridays. The majority of our review focuses on this Friday evening peak hour, while still considering that this hour is actually not the peak hour of the generator throughout the course of the week.

...

#### Overall MGM Springfield Trip Generation

...

It is TEC’s assertion that:

The Mohegan Sun Resort casino experienced trip rates higher than the MGM Grand Detroit, which were also on the upper end of the trip rate range. The casino, along with Foxwoods Casino, is located in a more rural/suburban location than the MGM Grand Detroit and the proposed MGM Springfield. In addition, these casinos do not have access to public transportation, which may be the cause for the higher trip rates.

GPI cannot concur with this assertion without further supporting evidence. While the MGM Springfield casino will have access to public transportation, it remains speculative to assume public transportation options are of sufficient convenience to sway a measurable amount of patrons/employees to switch to alternate modes of transportation; effectively lowering the vehicular trip generation rate as implied. Residents of the greater Springfield area regularly drive to these Connecticut casinos today and are likely to drive to the MGM Springfield casino as an alternative once opened.

...

Overall the trip generation rates asserted in the TIAPS appear reasonable given the unique nature of the facilities; however GPI does have concerns that the trip generation associated with the gaming portion of the site may be underrepresented. ...

Table 3 provides a comparison of the total trip generation of the proposed destination resort casino based on both TEC and GPI’s assertions.

**Table 3  
TOTAL TRIP GENERATION COMPARISON**

Time Period	TEC Vehicular Trips	GPI Vehicular Trips	Delta
<b>Friday:</b> <i>Evening Peak Hour (5-6PM)</i>	1,290	1,466	+176
<b>Saturday:</b> <i>Afternoon Peak Hour (2-3PM)</i>	1,312	1,501	+189

Note: Trips represent the vehicular trips/gaming position associated with all components of the proposed Project.

For comparison purposes **Table 4** provides a comparison of the overall trip generation rate (reflective of all uses) for MGM Springfield compared to other casino, or casino developments in the area.

**Table 4  
TOTAL VEHICULAR TRIP GENERATION RATE COMPARISON**

Time Period	ConnDOT	Milford Foxwoods	Suffolk Downs Caesars	Palmer Mohegan Sun	Wynn Everett	MGM Springfield TEC	MGM Springfield GPI
<b>Friday:</b> <i>Evening Peak Hour (5-6PM)</i>	0.34	0.30	0.31	0.53	0.44	0.34	0.38
<b>Saturday:</b> <i>Afternoon Peak Hour (2-3PM)</i>	0.36	0.38	0.32	0.49	0.51	0.34	0.39

Note: These rates account for vehicular trips/gaming position and do not account for additional person trips associated with transit.  
^ Palmer proposal included significant ancillary uses (Water park, Cineplex (1,800 seats) and 250ksf retail)

Figures 3 through 7 graphically present the results of the trip generation/distribution sensitivity analysis. The sensitivity analysis results in additional traffic projected into each of the eight communities as part of this review process. Figure 3 represents the percentage of overall traffic projected into each of the communities based on TEC’s assertions; Figure 4 represents these percentages based on GPI’s adjustments. Figure 5 presents Friday evening commuting peak hour vehicles entering into these communities based on TEC’s projections; Figure 6 presents these vehicles based on GPI’s adjustments. Figure 7 provides the delta of these Friday evening peak hour vehicle trips of GPI’s adjustments over TEC’s assertions.

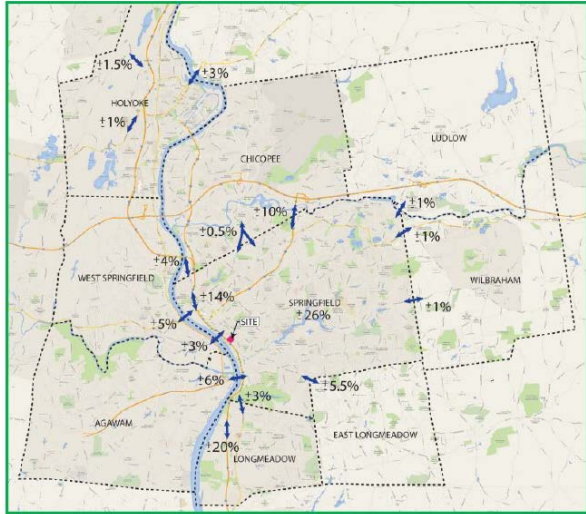


Figure 3

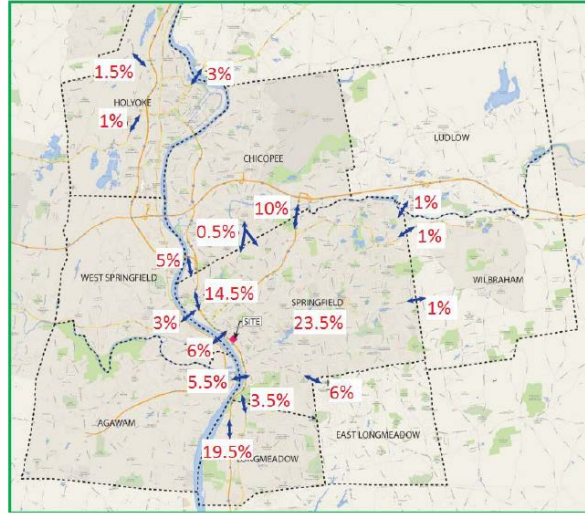


Figure 4

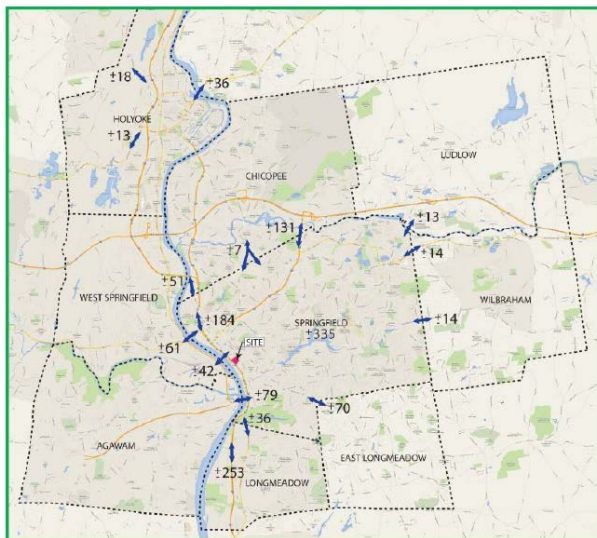


Figure 5

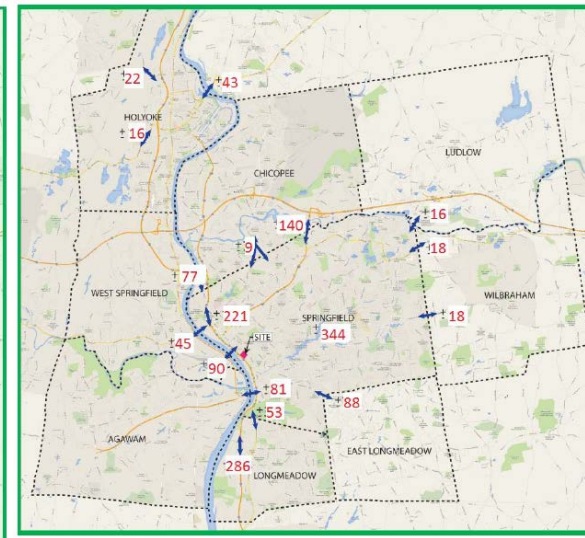


Figure 6

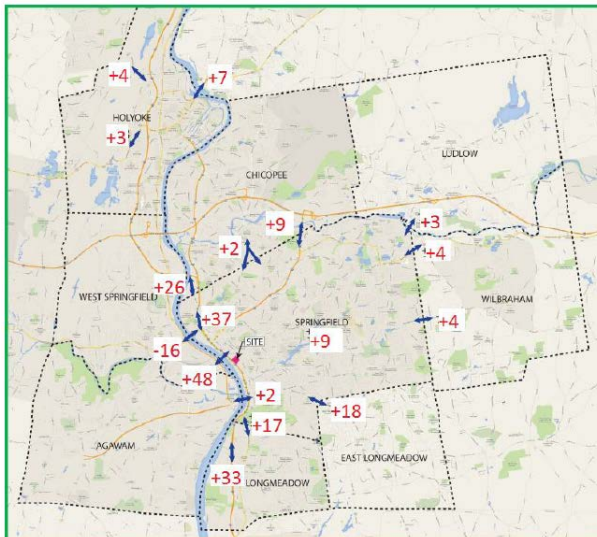


Figure 7

### Revitalization Potential

GPI would like to point out one additional caveat as it pertains to traffic impacts on abutting communities. The MGM Springfield casino proposal has been termed an urban casino. This is an appropriate classification, but one that may not completely capture the unique characteristics of this development proposal on the region. MGM Springfield is not just located in an urban context; it is reasonable to assert that it is to be located in the urban heart of greater Springfield and Pioneer Valley. Located just blocks from City Hall, it will be uniquely positioned to redefine downtown Springfield, more so than any other casino proposal considered in the Commonwealth. In fact this unique caveat of the project has been marketed as a factor in considering MGM Springfield:

...

While this may be an incredible incentive to consider MGM Springfield, it should be noted that the traffic impacts considered in the TIAPS is limited to impacts associated with the specific casino development proposal. If however this Project has the intended effect of being the catalyst to the revitalization of downtown Springfield, the traffic impacts considered may only represent an incremental portion of the greater traffic picture. ...

As part of their discussions with the eight affected communities, MGM has suggested the future involvement of the PVPC and GPI (or a similar consultant) to assist in the review and oversight of data collection required as part of the look-back methodology. In order to implement this approach, an agreement between MGM and the affected communities will be necessary as well as funding to support this work.

## **PIONEER VALLEY PLANNING COMMISSION – DEIR COMMENT LETTER**

The PVPC, working in concert with the Massachusetts Gaming Commission, engaged the services of the firm Greenman-Pedersen , Inc. (GPI) to conduct a peer review of the regional traffic impacts of the proposed MGM development. This review was performed to identify the potential traffic impacts of the proposed development on behalf of eight potentially impacted communities including: the Town of Agawam, City of Chicopee, Town of East Longmeadow, City of Holyoke, Town of Longmeadow, Town of Ludlow, Town of West Springfield and Town of Wilbraham. While independent of the MEPA review, the subject peer review did identify potential concerns with respect to the trip generation and trip distribution components of the proposed MGM Springfield development. As a result, comments emanating from the GPI Peer Review have been incorporated into this letter where appropriate .

### Trip Generation

The previously referenced Peer Review conducted by GPI identified a concern regarding the trip rates used to estimate vehicular trips associated with the gaming portion of the proposed MGM Springfield project. Specifically, the trip rate used in the DEIR is based on a rate derived from a similar facility operated by MGM in Detroit, Michigan. We would argue that the demographics of Detroit are much different than those of the greater Springfield area . Also of concern is the presence of 3 existing casinos within 1.5 miles of the MGM Grand facility in Detroit. As a result, we believe the trip generating characteristics of the proposed MGM Springfield development as reported in the DEIR may be lower than what could reasonably be expected for the greater Springfield area. GPI estimates that an additional 176 trips would likely be generated during the weekday evening peak hour as well as an additional 189 trips during the Saturday afternoon peak hour as a result of the gaming component of the proposed MGM Springfield development. Accordingly, we would request that the higher trip rates for gaming positions be utilized in future versions of the traffic analysis to be included in the Final Environmental Impact Report (FEIR).

...

### Parking

...

We'd also note that the DEIR also does not specify whether satellite parking lots and long term bicycle parking facilities are proposed as part of the MGM Springfield project. We believe it will be important to identify the location of any satellite parking areas associated with the MGM Springfield development in order to gage potential impacts on the City of Springfield as well as surrounding communities. Accordingly, we recommend that the FEIR identify any proposed satellite parking areas, the proposed number of spaces and how the project proponent intends to accommodate overflow parking for charter buses serving the casino development site.

...

### Traffic Monitoring

A strong commitment has been made by the project proponent to monitor the impacts of the proposed MGM Springfield development inclusive of the traffic, transit, and parking associated with MGM's proposed development.

...

Finally, we would request the following locations be added to the traffic monitoring plan outlined in the DEIR:

- The on and off ramps associated with 1-91 at Exit 7- Springfield
- The intersection of East Columbus Avenue with Boland Way- Springfield
- The intersection of West Columbus Avenue with the Memorial Bridge and Boland Way- Springfield
- Main Street at Harrison Street- Springfield
- Sumner Avenue at Belmont Street and Dickinson Street- Springfield
- State Street with Federal Street and Walnut Street- Springfield
- North End Bridge
- Memorial Bridge
- South End Bridge

...

#### MGM Project Proponent-PVTA Agreement

We understand that the project proponent and the Pioneer Valley Transit Authority (PVTA) do not yet have a formalized agreement regarding coordination of public transit services which would provide access to the MGM Springfield development. We encourage the finalization of such an agreement as it will help to ensure that adequate and reliable transit service to the MGM Springfield development can be realized.

...

## **Pioneer Valley Planning Commission – Review of Petition Response**

- In their opposition MGM asserts that GPI *recommended an across-the-board and shot-in-the-dark twenty percent (20%) upward adjustment in TEC’s trip generation rates for MGM Springfield, which does not even purport to be precise or founded on any quantitative data or analysis.* Further they assert this is based upon a GPI conclusion that *Given the magnitude of the potential regional impacts, GPI recommends that any surrounding community agreements be developed through a prism of conservatism to account for the larger transformative potential.* And *If however this Project has the intended effect of being the catalyst to the revitalization of downtown Springfield, the traffic impacts considered may only represent an incremental portion of the greater traffic picture.*
  - This position clearly conflates two separate and distinct arguments that GPI asserted in its December 20, 2013 memorandum of peer review findings
  - The two statements that MGM attributes to GPI above and on page 10 & 11 of their opposition statement are taken out of context. These statements were included in the peer review memorandum as part of a discussion of the larger revitalization potential of downtown Springfield which the MGM team is fond of citing in marketing the benefits of their proposal. These comments have nothing to do with GPI’s conclusions regarding the appropriateness of the trip generation rates included within the TEC traffic study nor are they simply the opining’s of GPI. They are intended to identify the potential for greater regional traffic increases occurring as the result of the revival of the urban core of the Pioneer Valley catalyzed by MGM Springfield.
  - GPI did not recommend an across-the-board 20% upward adjustment of the trip generation rates, rather a 20% upward adjustment of only the rates associated with the gaming portion of the site was deemed appropriate.
  - The 20% increase was not a shot-in-the-dark, or pulled out of thin air, rather a further refinement of the empirical data which the MGM team selected to support characterize this project.
    - It is critical to understand that when dealing with empirical data of this type the resulting methodologies are left to engineering discretion. Typically methodologies, such as those contained within the ITE Trip Generation Manual, are statistically analyzed and vetted through a scientific process. Empirical data is not subject to the same scrutiny, but rather used to provide a best estimate given the limited resources. For this reason the use of empirical data should be carefully understood and critiqued if appropriate. GPI has reviewed this data and suggested an upwards adjustment to account for uncontrolled variables, gaps in logic and to be more intune with experienced rates of the Connecticut Casinos and anticipated rates proposed by other Massachusetts Gaming facilities. The burden is on MGM to ensure the empirical data employed meets the burden of quantitative and qualitative analysis. To request additional quantitative data to support these assertions simply misses the

point and is diversionary to the credible points raised by GPI. To date MGM has not effectively countered any of these assertions.

- The empirical data collected at MGM Detroit and employed by TEC does not control for the 3 other major resort style casino’s located within 1.5 miles of MGM Detroit. It is unknown what the trip generation rates would be if there were only one major destination resort style casino in Detroit as there would be in Springfield. It is also unclear is what other controlling factors may need to be taken into account when comparing metropolitan areas of such different characteristics. MGM has recently made claims to marketshare of MGM Detroit, however these are self-made assertions with no vetting with any review team to GPI’s knowledge.
- The TEC team asserts that the gross trip generation rate per gaming position should be lower in MGM Springfield than experienced by the rural casinos in southern Connecticut. GPI cannot accept this assertion on face value. In fact it seems likely the ancillary uses (cinema, bowling alley, etc) in a Springfield location would draw at a higher rate than experienced in a rural setting due to the lower drive times etc. In other words it seems more likely that patrons would drive to Springfield for the ancillary uses alone than they would in a rural setting. For this reason one would expect the gross rate per gaming position of a Springfield Casino to be higher than the Suburban Connecticut Casinos.
- Weighing the information above in concert with the actual and anticipated gross trip generation rates per gaming position from other Massachusetts gaming proposals and that experienced by the Connecticut Casinos GPI recommended a 20% upwards adjustment of the gaming rate. This would result in a gross rate more in line with those experienced and anticipated at other proximate locations as demonstrated in the table below which was included in GPI’s review memorandum. Note that the Suffolk Downs proposed rate is reflective of an applied transit credit to account for the nearby MBTA blue line. The unadjusted rate is on the order of 0.40.

**Table 4**  
**TOTAL VEHICULAR TRIP GENERATION RATE COMPARISON**

Time Period	ConnDOT	Milford Foxwoods	Suffolk Downs Caesars	Palmer Mohegan Sun	Wynn Everett	MGM Springfield TEC	MGM Springfield GPI
<b>Friday:</b> <i>Evening Peak Hour (5-6PM)</i>	0.34	0.30	0.31	0.53	0.44	<b>0.34</b>	<b>0.38</b>
<b>Saturday:</b> <i>Afternoon Peak Hour (2-3PM)</i>	0.36	0.38	0.32	0.49	0.51	<b>0.34</b>	<b>0.39</b>



Note: These rates account for vehicular trips/gaming position and do not account for additional person trips associated with transit.  
^ Palmer proposal included significant ancillary uses (Water park, Cineplex (1,800 seats) and 250ksf retail)

I'd also like to add our concerns regarding the I-91 corridor. While TEC did correctly point out that MassDOT is in the process of developing an Alternatives Analysis for I-91 it was not made clear that the project study limits have yet to be finalized and may not in fact include an evaluation of Route 5 leading into the I-91 on and off ramps. We believe the development of a traffic simulation model for this area will be extremely valuable to assist in the identification of the impacts of vehicle queues associated with traffic operations along I-91 and over the South End Bridge. These queues have a negative impact on regional traffic flow and we believe the current isolated capacity analysis included as part of the DEIR, while completed according to accepted standards, does not offer the level of detail necessary to capture the impacts of regional congestion and the associated queues that occur in this area.

## **D. ENF ANALYSIS**

---

As noted by the MGC’s traffic consultant, Green International Affiliates, Inc., “MEPA has recently Issued the Certificate on the Draft EIR and determined that the project can move forward to the Final EIR stage. The Town of Hampden did not submit any comments to MEPA as part of the ENF review. The scope of the Final EIR does not specifically note any roadways in Hampden that need to be evaluated.”

### **DEIR**

#### **Traffic and Transportation**

The project will generate a significant level of traffic within the City of Springfield and the region. Trip generation is estimated at 19,673 adt on a Friday and 21,925 adt on a Saturday. Peak hour trips are estimated at 1,290 during the Friday evening peak and 1,312 during the Saturday midday peak. The DEIR describes how access will be provided to the site, includes a revised Traffic Impact Assessment (TIA), assesses the project's impact on traffic growth and operations, identifies roadway improvements, provides a TDM program to minimize single occupancy vehicle (SOY) trips and encourage use of alternative transportation, and identifies other measures to avoid, minimize and mitigate traffic impacts.

The majority of comments received on the DEIR are associated with traffic and transportation issues. Comments from MassDOT indicate that the DEIR provides a comprehensive assessment of the transportation impacts of the project based on a thorough analysis of existing and proposed conditions. The comments indicate that MassDOT concurs with most of the transportation findings in the DEIR and is generally satisfied with the proposed mitigation commitments. The letter identifies a number of issues that should be addressed in the FEIR. In addition, it notes the possibility that the project will require FHWA review and recommends the Proponent consult with FHWA.

Comments from PVPC, the City of Chicopee, the Town of West Springfield and the Town of Longmeadow identify some concerns with the traffic analysis and with the proposed approach to development of mitigation with surrounding communities. These commenters emphasize that necessary mitigation should be evaluated and constructed prior to occupation of the project. In addition, comments from existing businesses directly adjacent to the site (Red Rose Pizzeria, Colvest and Courthouse Square) express concern with the project's impacts on existing facilities, in particular traffic impacts.

The DEIR includes a revised TIA prepared in conformance with the EEA/MassDOT Guidelines for EIR/Environmental Impact Statement (EIS) Traffic Impact Assessments. The TIA includes an expanded Study Area (Figure 5.2-1) that extends into Longmeadow, Chicopee and West Springfield. The DEIR indicates that the Proponent has consulted with MassDOT, PVPC, the Pioneer Valley Transit Authority (PVRTA), and communities located within the Study Area regarding the data and analysis provided in the DEIR,. The TIAS uses a ten-year horizon period

(2024) for the majority of the study. A 20-year horizon is used for analysis of proposed roadway improvements that affect elements of the NHS.

As required, the analysis includes consideration of recent roadway improvements (e.g. State Street corridor and Agawam Rotary projects) and projects that are in the planning or construction phases (e.g. I-91 Corridor Study (Exits 1 to 5), Intelligent Transportation System (ITS) Improvement project, Rt5/Rt57 improvements, Memorial Rotary improvements, I-90/Burnett Road/I-291 in Chicopee, I-90 electronic tolling, Rt159 in Agawam, and Rt 5 Corridor Study in Longmeadow).

Trip generation estimates were developed for each of the land use categories associated with the project. As directed by MassDOT, trip generation data from several other casinos, including Sugarhouse Casino in Philadelphia and Detroit Mohegan Sun and Foxwoods in Connecticut, as well as trip rates identified in environmental reviews of other proposed casinos that are undergoing MEPA review were used to develop a trip generation rate for the casino. The MGM Grand Casino Detroit site was determined to be the most analogous to the proposed MGM Springfield casino in terms of surrounding demographics, location, size, and other amenities provided such as retail, restaurants, hotel, and convention center. Trip generation counts using Automatic Traffic Recorders (ATR) were collected at the MGM Grand Casino Detroit.

The majority of trips to the project site are assigned to the north along I-91 and I-291 and the south along I-91. Directional distribution of trips was developed using a detailed gravity model. Distribution of casino employee trips was based on US Census Bureau 2000 Journey-to-Work data for City of Springfield. Distribution of casino and hotel patron trips to and from the Project site was based on a detailed gravity model using economic marketing data supplied by MGM Resorts International and supplemented by US Census 2010 population data. They were adjusted to account for appropriate factors such as population, travel time and proximity to other potential casinos. Distribution of trips to and from the Armory Square retail block was based on a gravity model using US Census 2010 population data for municipalities within a 20-mile driving radius of the Project site.

The operations analysis indicates that the project will not degrade operations of I-91 and I-291. The DEIR indicates that the Proponent will work with MassDOT to deploy variable message signs along I-91 and I-291 to notify motorists of traffic conditions including detours, alternative routes during special events and availability of parking. I note that many comments were provided regarding the analysis of the I-291/Route 5 corridor and the advisability of re-analyzing operations within that area and considering additional mitigation.

Mitigation at some intersections is limited to traffic signal timings, coordination and offset timings, and clearance interval timing modifications to optimize intersection operations. These include: Dwight Street/Interstate 291 SB Ramps, Main Street/Harrison Avenue/Boland Way, East Columbus Avenue/West Columbus Avenue/Main Street/Longhill Street, Mill Street/Locust Street/Belmont Avenue/Fort Pleasant Avenue, Belmont Avenue/Sumner Avenue/Dickinson Street/Lenox Street, Park Avenue/Union Street (West Springfield), Memorial Avenue I Union Street (West Springfield), and Longmeadow Street (US Route 5)/Forest Glen Road/Western Drive (Longmeadow).

### **Transportation Monitoring Program**

The DEIR describes a Traffic Monitoring Program (TMP), which is intended to monitor traffic operations, parking occupancy, public transportation utilization, and pedestrian and bicycle use throughout construction and for a period of time following occupancy of the site. The DEIR includes a commitment to monitor during construction, six months after issuance of the casino occupancy permit, semi-annually for a period of two years following occupancy and annually for an additional five years (seven years total). Data and reports will be provided to the MassDOT District 2 office, the City of Springfield, PVPC and MassRIDES.

The DEIR indicates that, as part of a separate review process with adjacent municipalities, a framework for a "look back" methodology is being developed to monitor and assess needs for mitigation in or near the gateways to the adjacent municipalities. The DEIR indicates that FEIR will include a description of this methodology. I note that comments from municipalities have identified significant concerns with this proposed approach.

### **Construction Period Traffic Management**

The DEIR includes a commitment to prepare traffic management plans for the construction period for use by contractors. The DEIR indicates that the plans will depict the work zone, include advance warning signs, barrel and barrier placement, temporary pavement markings, and vehicular and pedestrian detours. Main Street, State Street and Union Street will remain open to through traffic with minimum 11-foot lanes at most times during construction. The roadways will maintain two-way traffic flow whenever feasible and require temporary lane closures as necessary. The DEIR does not specifically identify construction routes, haul zones or location of construction worker parking.

### **Traffic and Transportation**

I note that comments from PVPC and from municipalities question the methodology and assumptions of the traffic analysis, including the trip generation methodology. These comments are not consistent with MassDOT recommendations and comments. MassDOT has been involved in review of proposed >:casinos throughout the state and its comments indicate that, for the most part, the methodology is consistent with direction provided by MassDOT during consultation with the Proponent.

Comments from the Town of Longmeadow, Town of West Springfield and City of Chicopee, express reservations regarding the proposed "look-back" approach to roadway mitigation for communities that may be affected by project-generated traffic. The FEIR should respond to traffic issues identified in these letters and indicate whether it is considering alternative approaches to addressing these communities concerns. Comments from direct abutters to the site identify significant concerns with traffic impacts and effectiveness of proposed mitigation. The FEIR should clearly identify how access to these existing uses will be maintained, should include this access on site circulation plans and should include provide clear and direct responses to the issues identified in comment letters.

The FEIR should include additional analysis of traffic operations and, to the extent that the analysis demonstrates that it is warranted, identify mitigation for the following locations:

Longmeadow Street (Rt 5)/Forest Glen Road. The Town of Longmeadow has requested additional analysis Longmeadow Street (Rt 5) at Forest Glen Road, Longmeadow Street at Converse Street and Converse Street at Laurel Street. MassDOT comments note that this intersection could impact the ramps at I-91, Interchange 1 and that use of the Friday peak for analysis of this intersection may underestimate impacts. I encourage the Proponent to consult with MassDOT, PVPC, the City of Springfield and the Town of Longmeadow regarding the benefits of employing a simulation model to evaluate impacts and potential mitigation for the I-91/Rt 5 interchanges.

Comments from PVPC request that the alternative analysis that is being advanced by MassDOT for I-91 be addressed in the FEIR to assist in long range planning efforts. These comments note that the study limits have not been established and it is not clear whether the Route 5 corridor that flows into the I-91 ramp system will be included. In addition, PVPC identifies several locations that should be added to the study area for the TMP.

## **MassDOT – DEIR Comments**

The Office of Transportation Planning has reviewed the Draft Environmental Impact Report (DEIR) for the MGM Springfield project in Springfield. The proposed project entails the development of a residential, retail, dining and entertainment district in downtown Springfield. Upon completion, the project would create two separate "blocks" of development, referred to as the "Casino Block" and the "Retail Block." The development program has slightly changed from the one described in the ENF. According to the DEIR, the Casino Block would consist of 501,108 square feet (sf) of development, which would include:

- A hotel,
- 3,821 casino gaming positions,
- Retail and restaurant uses,
- Convention space,
- Office space, and
- 54 residential apartments.

The Retail Block would consist of approximately 159,397 sf of development that would include the following uses:

- Retail/restaurant space,
- A bowling alley,
- Office space,
- A radio station,
- An event plaza, and
- A multi-screen cinema.

The project site comprises approximately 14.5 acres bounded by Main Street to the northeast, Union Street to the southeast, East Columbus Avenue to the southwest, and State Street to the northwest. In addition, the site encompasses portions of Bliss Street and Howard Street within its boundaries. The site is currently occupied by several buildings and has a number of vacant lots, a majority of which are being used as surface parking lots. The existing buildings on site accommodate a variety of uses, including commercial, retail and residential space.

Based on information included in the DEIR, the project at full build is expected to generate approximately 24,851 new vehicle trips on an average weekday and 27,590 new vehicle trips on an average Saturday. The project is categorically included for the preparation of an Environmental Impact Report (EIR). The project requires a Vehicular Access Permit because of roadway improvements proposed at several locations under MassDOT jurisdiction to mitigate the project's traffic impacts.

The DEIR includes a transportation study prepared in conformance with EOEEA/MassDOT Guidelines for Transportation Impact Assessments. The study includes a comprehensive assessment of the transportation impacts of the project based on a thorough analysis of existing conditions, future No-Build conditions, and future Build conditions. The DEIR includes a

comprehensive mitigation program that is intended to offset most of the adverse impacts of the project. The mitigation program is multi-faceted and includes highway, transit, bicycle, and pedestrian improvements. The proponent has also committed to an aggressive transportation demand management (TDM) program to reduce automobile trip demand and further mitigate the impacts of the project. MassDOT is generally satisfied with the proponent's commitment to mitigation, and we concur with most of the DEIR transportation findings. However, MassDOT has a number of comments on the DEIR analysis, and issues that should be addressed in the FEIR, as noted below.

### **Trip Generation**

The overall trip generation calculation for the project is based on the trips that would be generated by each use separately, and then a share-trip credit is assumed between some of the uses. The calculations for the casino are based on empirical data, while calculations for other uses are based on the Institute of Transportation Engineers (ITE) Trip Generation Manual for ITE Land Use Code (LUC) 310 for Hotel trips, ITE LUC 220 for residential apartments, and ITE LUC 820 for the Armory Square retail facility. According to the DEIR Trip Generation Summary table, the project is expected to generate 24,851 new vehicle trips on an average Friday, including 1,581 vehicle trips during the Friday PM peak hour, and 27,590 new vehicle trips on an average Saturday, including 1,826 vehicle trips during the Saturday peak hour. Assuming credits for multi-purpose trips (i.e. trips to more than one land use on the project site) and multimodal trips, the DEIR asserts that the project is expected to generate 1,290 new primary trips during the Friday PM peak hour and 1,312 new vehicle trips during the Saturday PM peak hour.

As requested by MassDOT in our comment letter on the project's Environmental Notification Form (ENF), the DEIR has updated the trip generation summary to show all assumptions. The DEIR also provides information on the size, location, and traffic volume of the comparable casino sites that were used to establish a correlation between the number of gaming positions and trip generation. The trip generation has also been revised to account for mode share and credits for multi-purpose trips, transit trips, and hotel trips.

The DEIR also includes a temporal distribution of 24-hour traffic over the course of a week based on data collected at the MGM Casino in Detroit, which was used to determine the hourly distribution and peak-hour of casino traffic. Based in this information, the most critical peak analysis periods, which consist of the highest combination of existing roadway volumes and project site trips, were determined for the DEIR traffic operations analyses.

During the preparation of the DEIR, the proponent met on numerous occasions with MassDOT to discuss and reach a consensus on the comparables, the rates, and the appropriate credits. MassDOT is generally satisfied with the level of information provided on how the overall trip generation was derived for the project as a whole. However, the FEIR should include more detailed information on the employee demand distribution based on the nature of work shifts.

According to the DEIR, the proponent and/or its tenants will provide flexible schedules to a number of employees working at the site. The proponent should evaluate the impacts of instituting different shift schedules around the availability of transit services in order to maximize transit usage by employees.

### **Transit Demand and Mode Split**

The DEIR includes an analysis of the additional demand that would be generated by the project based on the frequency and the span of service of the existing Pioneer Valley Transit Authority bus routes. The proponent has also met with MassDOT to discuss and review the transit trip generation and trip assignments for the project. In order to estimate mode share and transit demand for MGM Springfield, the proponent used data collected on mode share for casino and hotel patrons and employees at MGM Detroit, as well as 2010 US Census Journey-to-Work data for workers in Springfield. To estimate mode share for the retail and residential components of the project, the proponent used a different methodology based on Transportation Impact Factors-Development Around Bus Transit Corridors presented in the ITE Trip Generation Manual Handbook, 2<sup>nd</sup> edition. In both cases, MassDOT believes that the methodologies used are generally acceptable, and that the DEIR includes sufficient documentation to justify the mode share and estimate transit demand.

### **Trip Distribution**

The DEIR includes gravity models, which provide trip distribution for the different land uses of the development program. The trip distribution for the casino component of the project is based on a detailed gravity model using economic marketing data supplied by MGM Resorts International, and supplemented by US Census 2010 population data for municipalities within a two-hour radius of the site. The gravity models for the remaining land uses were based on US Census 2010 data and/or US Census Journey-to-Work information for employees within Springfield. In all cases, the models were adjusted to reflect all appropriate factors such as population, travel time, and proximity of the projects to other potential casinos in Massachusetts. The results of the gravity models were used to determine trip characteristics for casino patrons, shoppers, and employees, and to create trip distribution networks for the different peak hours of the project. The DEIR provides all appropriate documentation of the trip distribution and assignment to the roadway network and the transit system.

### **Transportation Projects in the Study Area**

The DEIR includes a list of transportation projects currently planned or under consideration by MassDOT or others within the study area. Most of these projects were communicated to the proponent during the preparation of the DEIR. Some of these projects have progressed, others have been eliminated from further consideration, and the future of other projects is still uncertain. The FEIR should update the assumptions used in the TIA based on the latest information as provided below. Where these changes may impact planned mitigation or operations, the proponent should provide revised analysis and/or mitigation as appropriate.



- MassDOT has completed the installation of the ITS infrastructure on 1-91 and 1-291. There is a current year project #607422 to install a Real Time Traffic Management System (RRTM) on 1-90, 1-91 and 1-291 and various other locations. The proponent should incorporate this project with the proposed ITS elements of their proposed mitigation program.
- The feasibility of continuing Memorial A venue through the rotary was evaluated as part of the US Route 5/Route 147 Bridge Improvement project #605353 and found unsuitable for advancement. This improvement is no longer under consideration.
- The schedule for the 1-90 Interchange 6 project has been delayed and construction is not expected to begin in 2014, but may still be completed prior to the proposed opening of MGM Springfield.
- The MassDOT 1-91 Viaduct Project schedule may overlap with the construction of MGM Springfield; therefore, the proponent should closely coordinate the traffic management plan associated with the 1-91 Viaduct Project with any construction plans for the development. The proponent should also coordinate with the City of Springfield and the Massachusetts Environmental Policy Act (MEPA) Office to find out information about any land development projects that may affect the study area, and incorporate these into the FEIR analysis.

### **Project Permitting**

The FEIR should anticipate that additional federal permits may be required as a result of the proposed roadway improvements and/or impacts to historic resources. Therefore, MassDOT recommends that the proponent conduct preliminary consultation with the Federal Highway Administration (FHWA) on National Environmental Policy Act (NEPA) Class of Action or any other federal approvals. MassDOT is happy to participate in these discussions if desired.

The project proponent has identified a number of roadway modifications on- and off-site, on both local roadways and/or roadways under state jurisdictions. The DEIR is not clear on whether these roadways are on the National Highway System (NHS) or whether the proposed improvements would require design exceptions. Projects proposing design exceptions on NHS roadways must comply with NEPA. For example, the DEIR suggests that State Street is the only NHS roadway near the project in the City of Springfield; however, it does not provide NHS status for proposed improvements outside the project area, such as to the North End and Memorial Bridge Rotaries. The functional classification of these roadways and all pertinent permitting and/or approvals should be addressed in more detail in the FEIR. Similarly, modifications to the Interstate highway system, in this case I -91, which may need FHWA approval under the Interstate Access Policy, would be federal actions that trigger NEPA.

NEPA requires Section 106 compliance. For MassDOT Highway Division projects, Section 106 activities are carried out by the Highway Division's Cultural Resources Section (CRS). If applicable in this case, the Section 106 process would need further discussion with all interested parties. CRS review would include potential impacts to historic resources adjacent to project

mitigation locations, which were not included in the DEIR. Depending on the results of the consultations with FHW A, Section 106 and NEP A may be added to the list of required regulatory approvals on the federal level. Section 4(f) may also apply due to potential impacts to existing buildings, which may have historic value and the proposed changes to the Leonardo da Vinci playground, although these resources are not part of an existing transportation facility.

Since the project is no longer proposing a dock on the Connecticut River with associated improvements to the Connecticut River Bikeway, the proponent no longer expects to require a Section 404 permit from the US Army Corps of Engineers for alterations of wetland resources adjacent to the Connecticut River. Thus, if NEPA is triggered as discussed above, FHW A would be the lead federal agency for NEP A compliance.

MassDOT notes that the project's second site (the Retail Block) is not shown in all the figures in the DEIR, particularly the introductory Figures 3-1 and 3-2, nor are its boundaries given in the Project Description (Section 3.1 ). As it pertains to the discussion of historic resources, the Retail Block site does not appear in Figure 5.7-1 for historic sites. In light of the age of the buildings to be demolished, the proponent should consult with the appropriate agencies to clarify their historic status and document these discussions in the FEIR.

### **Traffic Operations**

The DEIR presents a comprehensive evaluation of traffic operations that includes a substantial number of intersections within the study area. This includes intersections that had been identified in the ENF, as well as additional intersections and roadway segments that were recommended for inclusion in MassDOT's ENF comment letter. The TIA includes capacity analyses and a summary of average and 95th percentile vehicle queues for these intersections. The TIA also presents merge and diverge for all ramp junctions, and analysis for all the weaving movements along the interstate system of I-90, I-91, and I-291 in the study area. MassDOT has reviewed the traffic impacts of the project on traffic operations in the vicinity of the project and its potential impacts on state highway locations including overall operation of the express highway system. Based on the DEIR review, the following concerns should be addressed in the FEIR.

- The Town of Longmeadow has requested consideration of a project to make intersection improvements at the intersections of Longmeadow Street (Route 5) at Forest Glen Road, Longmeadow Street at Converse Street and Converse Street at Laurel Street. The project was put on hold relative to the MassDOT project development process pending an I-91 corridor study, but based on the "Intersection Improvement Study" prepared by VHB for the town dated March 2011; it is likely that there is a need for improvements at these intersections. Because these Longmeadow intersections, and especially the Route 5 southbound queue at the Forest Glen intersection, could potentially impact the MassDOT jurisdiction ramps at I-91 Interchange 1, the proponent should confirm whether Friday PM Peak is the "critical" analysis period for the Route 5 corridor, and provide additional analyses as needed if the critical period is other than Friday PM. MassDOT data on Route

5 from 2009 indicates Friday traffic volumes are 18-20% below the other weekday volumes. Additionally, the proponent's analysis indicates better LOS and shorter queues on Route 5 SB toward the I-91 ramps than the earlier analysis performed for the town, but it appears to be due to a much larger volume of this regional traffic from the I-91 ramp turning left (511 vs. 250) onto Forest Glen and eventually Laurel Street, a residential street with smaller setbacks to dwellings than Route 5 or Converse Street.

- The study area in the vicinity of the MGM Casino project consists of street blocks with a number of closely spaced signalized and unsignalized intersections. MassDOT has identified a number of intersections within the study area for which the 95th percentile queues seem to exceed the available queue storage distances. These locations are generally under City of Springfield jurisdiction. A few intersections are under state jurisdiction or else have the potential to impact state highway operations. These queues could block upstream intersections and potentially impact overall system operations of the network. The FEIR should include a comparison of all queues with the available queue storage distances in order to determine where they may have a critical impact in overall traffic operations. While we understand that some of these conditions already exist and the feasibility of providing geometric improvements may be limited at some of these locations due to right-of-way constraints, the information would guide how to best optimize the overall network. In particular, MassDOT is concerned about the potential of systemwide deficiencies impacting operations at Union Street intersections with East and West Columbus Avenue, which could in turn impact operations of the I-91 northbound and southbound ramps. The same concerns apply for the intersection of West Columbus Avenue with Boland Way and the Memorial Bridge, where queuing could exacerbate existing congested conditions on the bridge.
- According to the capacity analysis, the unsignalized intersection of I-91 ramps with Plainfield Street is expected to operate at LOS F during the 2024 No-Build and 2024 Build conditions, with significant queuing on the I-91 northbound Exit 9 Off-Ramp southbound approach. In addition, the crash rate at this intersection is higher than the state and district averages. Even though it is an existing condition, trip distribution for the project indicates that approximately five percent of project-related traffic is expected to travel through this intersection to cross the North End Bridge towards Route 20. The proponent should therefore identify mitigation measures that would improve operating conditions.
- MassDOT also recommends that the West Street (US20)/Riverside Road intersection in Springfield at the North End Bridge be evaluated because of its close proximity to the West Street/Plainfield Street intersection. This is an NHS Route and the North End Bridge is under MassDOT jurisdiction.

Where appropriate, the FEIR should discuss how proposed system improvements and impacts to one mode can be measured relative to the improvements and impacts of the other modes.

### **Pedestrian Access**

The DEIR indicates that the project would provide pedestrian improvements to increase pedestrian safety and accessibility at a number of intersections and along roadways near the project area. These improvements would generally include pedestrian signal equipment, ADA compliant accessible ramps, sidewalk construction and other pedestrian amenities. These improvements are generally centered on the State Street and Union Street corridors. Given the multimodal nature of the project and the urban context of its location, MassDOT believes that the scope of the pedestrian improvements should increase to include additional intersections within walking distance of the project.

In the ENF comment letter, MassDOT requested that the DEIR provide a thorough inventory of all existing, planned, and proposed services, facilities, and routes for accessing the site. The FEIR should provide a more detailed pedestrian plan that identifies the existing pedestrian infrastructure and highlights the proposed improvements. The conceptual plans should preferably be 80-scale in order to verify the feasibility of constructing such improvements. The conceptual plans should clearly show proposed lane widths and offsets, layout lines and jurisdictions, and the land uses (including access drives) adjacent to areas where improvements are proposed.

**Bicycle Access** The DEIR proposes improvements to the existing bicycle network within the vicinity of the project. The DEIR did not include the level of detailed information and analysis on bicycle facilities and access that was requested; however, the proponent has proposed a comprehensive program for improving bicycle access the site. These accommodations consist for the most part of enhancements to the Connecticut Riverwalk and Bikeway, bicycle pavement markings and signage along a number of identified bicycle corridors, bicycle racks, bicycles and equipments for employees and residents, bicycle share programs, bicycle and pedestrian route maps, and showers and lockers for employees to further encourage walking or bicycling to and from work. Some of these accommodations need to be further described, and more details provided as to the feasibility of their implementation and the proponent's commitment to ensure the sustainability of these measures. For example, the DEIR is not clear on which party would be responsible for the bicycle share program and the details of its implementation.

As with the proposed pedestrian improvements, the FEIR should provide conceptual plans (preferably 80-scale) for any proposed improvements to bicycle facilities in order to verify the feasibility of constructing such improvements. The conceptual plans should clearly show roposed lane widths and offsets, layout lines and jurisdictions, locations ofbicycle racks, and the land uses (including access drives) adjacent to areas where improvements are proposed. The bicycle plan provided did not include sufficient details to ascertain the design standards described in our comment letter and required by MassDOT' s design guidance.

### **On- and Off-Site Improvements**

The DEIR includes a list of potential improvements comprising geometric modifications at a number of locations to improve safety and accommodate pedestrians; traffic signal coordination and optimization; queue detection along interstate ramps to improve mobility; way-finding signs to direct patrons to the most efficient access and egress points; and coordination with MassDOT

to deploy variable message signs on I-91 and I-291 in order to notify motorists of traffic conditions within the downtown area.

The proposed improvements are generally consistent with MassDOT standards, provide for multimodal travel in the study area, and are proposed at key intersections that interact with the Interstate system and along critical corridors that provide access to the site. For the most part, the proposed mitigation measures would improve LOS, reduce delay, and improve pedestrian and bicycle circulation. Nevertheless, some intersections and corridors are expected to continue to experience congested conditions, and the proposed improvements will need further refinements. MassDOT has reviewed these improvements and has the following comments that should be addressed in the FEIR.

#### Road Safety Audit

Several of the intersections where improvements are proposed are designated crash clusters. The proponent should be aware that Road Safety Audits (RSAs) will be required in order to assess safety issues and develop recommended mitigation measures for these locations. The proponent should also review all identified high crash locations in Springfield and in surrounding communities and determine whether any would be expected to accommodate significant volumes of casinorelated traffic. If so, the proponent should also prepare RSAs at these locations and determine whether mitigation is warranted.

#### East Columbus Avenue/Union Street/I 91 northbound on-ramp

The proponent has proposed to reconstruct the Union Street leg of the intersection under the I-91 overpass to provide a S-lane cross-section, including a 10-foot exclusive left-turn lane onto the I-91 northbound on-ramp, a 10-foot exclusive left-turn lane onto East Columbus Avenue, and an 11-foot through lane. This would require the narrowing of the shoulder to approximately 2 feet along each side of Union Street. An alternative cross section would provide a 4-lane cross section with wider travel lanes and bicycle lanes under the bridge. MassDOT requires more detailed information to ensure that the selected alternative is compatible with Complete Streets design standards. The proponent should provide more detailed conceptual plans than those presented in the DEIR for MassDOT review prior to the submission of the FEIR.

#### South Bridge and Memorial Bridge Rotaries

The DEIR includes conceptual plans for improvements at both the South End Bridge and Memorial Bridge rotaries. The improvements would consist generally of pavement markings, sign control, and striping modifications to better define lane utilization through the rotaries and improve safety. As part of improvements projects associated with the I-91 Viaduct Project, MassDOT is contemplating improvements at these locations. Should the MGM casino project proceed ahead of the MassDOT project, the proponent should commit to implementing these improvements as designed by MassDOT prior to site occupancy.

The proponent should continue consultation with MassDOT to refine the above and other improvements proposed at state highway locations. The FEIR should include sufficiently detailed conceptual plans (preferably 80-scale) for any proposed roadway improvements in order to verify the feasibility of constructing such improvements. The conceptual plans should clearly show proposed lane widths and offsets, layout lines, road jurisdictions, and the land uses (including access drives) adjacent to areas where improvements are proposed.

Any proposed mitigation within the state highway layout must be consistent with a Complete Streets design approach that provides adequate and safe accommodation for all roadway users, including pedestrians, bicyclists, and public transit riders. Guidance on Complete Streets design guidelines is included in the MassDOT Project Development and Design Guide. Where these criteria cannot be met, the proponent should provide the justification as to the reason why, and should work with the MassDOT Highway Division to obtain a design waiver.

### **Public Transportation**

The DEIR includes a comprehensive evaluation of the Pioneer Valley Transit Authority (PVTA) system, which provides public transportation in the vicinity of the site, downtown Springfield, and surrounding communities that will produce casino trips. The evaluation is based on a transit study that analyzes existing and future transit system conditions, bus frequency and capacity, projection of future demand, and identification of a transit mitigation plan to reduce site vehicular traffic. According to the study, PVTA currently possesses sufficient capacity to accommodate the projected ridership associated with the project without the need to add capacity. Nevertheless, the PVT A is currently conducting a Comprehensive Service Analysis (CSA), which will provide a detailed evaluation of the PVT A system and make recommendations to improve overall service for its host communities and riders.

According to the DEIR, the CSA is expected to result in changes to the PVT A system. These changes would entail increased frequencies on some routes, expanded service hours beyond the current service hours, and new weekend and holiday services in some additional communities. These service enhancements would improve transit access to the MGM Casino development and would enable both casino patrons and employees to take better advantage of the PVT A system as an alternative option to travel to the site.

The proponent should be mindful of these improvements and match the proposed PVTA expansion with a strong incentive program to encourage both employees and casino patrons to use the service. Such a commitment could be a model for other employers within the area and assist PVT A in increasing ridership, and collecting additional revenue, which could perhaps result in further improvement and expansion of the services. The DEIR commitment on transit lacks specifics to that end. The FEIR should clearly provide more information on employee shifts, how they align with the expanded service hours, the level of commitment to provide incentives to employees to use the system, and quantitative measures to achieve the 16 percent transit ridership identified as mode share.

The proponent has also committed to initiating and funding a trolley service that would connect the casino patrons to a number of key touristic destinations within the City of Springfield. The service will also make stops at some of the main transportation hubs such as Union Station to connect with the PVT A system. The proponent should closely coordinate with PVT A the trolley service routes, frequencies, and fare policy to ensure that the two services are complementary.

The FEIR should also identify any other system improvements that would further enhance employee and patron access to the proposed casino development, and should commit to funding these improvements. The FEIR should also provide additional information on site design and transit accommodation to demonstrate that the proponent is providing transit access that is at least as attractive and convenient as the access provided to travelers by automobile.

### **Parking**

According to the DEIR, the project would replace a substantial portion of the existing site surface parking, which has a total capacity of 1,000 on-street and off-street parking spaces, with a new parking garage that would provide 3,740 car parking spaces and 22 bus parking spaces. The DEIR includes a comprehensive analysis of parking demand for the project and the parking needs for the surrounding area. MassDOT is generally satisfied with the methodology used to determine the total parking required.

However, the proponent should further evaluate the proposed parking policies in order to minimize parking demand and automobile use. According to the DEIR, the project is proposing free parking for both casino patrons and employees, and the DEIR does not outline a comprehensive policy or program to limit employee parking on site. The proponent should consider means to limit this free on-site parking especially for employees. Options may include the provision of satellite parking for employees and patrons with shuttle services and/or public transportation for transfer to the site, and implementation of strong incentives to travel by modes other than automobile (as described below in the section on transportation demand management). These measures would assist in further site trip reduction in and around the project site and strengthen the overall TOM program.

### **Transportation Demand Management**

The OEIR includes a revised Transportation Demand Management (TOM) program that is generally responsive to MassOOT's comments on the ENF. The TOM plan has committed to a wide range of measures aimed at reducing trip generation and promoting the use of existing and new pedestrian, bicycle, and transit facilities. These measures are generally classified as follows: transit measures, pedestrian improvements, bicycle improvements, parking measures, and other measures. Some of the details of TDM proposal related to pedestrian, bicycle, transit, and parking were discussed above.

The FEIR should address in greater detail the specifics of some of the TOM measures to be implemented, especially those designed to ensure that patrons and employees use transit to the greatest degree possible. Specifically, the FEIR should describe how shifts will be scheduled so that as many employees as possible can utilize transit. The DEIR indicates that the casino facility would provide flexible hours for employees; however, the FEIR should provide more detail in order to demonstrate how the project would reach the 16 percent ridership expected to reduce site generation. The proponent is reminded that MassDOT concurrence with the trip generation rate for the project was partially based on the opportunity for multimodal transportation afforded to the site due to its urban location. Therefore, the proponent should be very specific on the incentive programs that would attract both casino patrons and employees to use other modes. The FEIR should clearly report on the proponent's discussions with the PVT A on plans to subsidize transit service enhancements and to provide transit incentives for employees to use the PVT A system.

The proponent has committed to hiring a full-time, dedicated Transportation Coordinator who will oversee, promote and implement the full TDM program. MassDOT recommends that the proponent develop a strong incentive program to encourage both casino patrons and employees to take advantage of the various automobile travel reduction initiatives. This should include financial incentives to encourage employees or customers to walk, bicycle, or ride public transit to the site.

The Transportation Coordinator should work closely with MassDOT and MassRides, the Commonwealth's travel options service, in order to develop the details of the TDM program and its implementation. The project proponent has consulted with MassRides during the preparation of the DEIR. The proponent has also committed to encourage ridesharing through the promotion of NuRide, the Commonwealth's web-based trip planning and ridematching service that enables participants to earn rewards for taking "green" trips. The proponent should continue its active coordination with MassRides, which is expected to play a key role on behalf of MassDOT in advising on and monitoring the implementation of the full range of TDM proposals to be undertaken by the proponent, and how the TDM program will be incorporated into the operations of the facility. The FEIR should propose a template for cataloguing, tracking, and evaluating the effectiveness of the various TDM measures during facility operations so that they can be regularly reviewed and updated as appropriate.

### **Transportation Monitoring Program**

As part of the project mitigation program, the proponent has committed to implementing a transportation monitoring program to be initiated upon occupancy of the project. The goals of the transportation monitoring program will be to evaluate the assumptions made in the EIRs and the adequacy of the transportation mitigation measures, and to determine the effectiveness of the TDM program. The project proponent shall propose in the FEIR an appropriate timeframe for the monitoring program, or commit to initiating the monitoring program upon MassDOT's request.



Due to the size of the project, MassDOT anticipates the need to monitor and update the TDM program as necessary before the project reaches full occupancy. If the traffic monitoring program indicates that the proposed mitigation is not effective in accommodating the future traffic volumes at key area intersections impacting the state highway system, the project proponent will be responsible for identifying and implementing operational improvements at these constrained locations. MassDOT is already anticipating some fluctuations in traffic along the three bridge crossings over the Connecticut River that provide access to the site due to the project's traffic or other MassDOT planned construction projects within the study area. The monitoring program would provide the opportunity for the proponent and/or MassDOT to implement appropriate improvements or adjustments that could entail traffic signal timing and phasing modifications, optimization of the coordinated/interconnected signal system, and/or further refinement of the TDM program to reduce site trip generation.

The proponent should continue consultation with appropriate MassDOT Divisions, including the Office of Transportation Planning, the Highway Division, and the PVT A during the preparation of the FEIR for the project. If you have any questions regarding these comments, please contact me at (857) 368-8862.

## E. CONSULTANT ANALYSIS

---

### Green Analysis

In response to the Massachusetts Gaming Commission’s (MGC) request, Green International Affiliates, Inc. (Green) has undertaken an evaluation of petitions by communities requesting to be designated as a *Surrounding Community* with respect to the casino proposals. As part of the development of casinos in Massachusetts, a community may be designated as a *Surrounding Community* in accordance with 250 CMR 125.00. The regulation specifies a number of considerations or factors to guide the determination of the designation and one of them includes various traffic related impact factors. A number of communities have petitioned the MGC requesting *Surrounding Community* designation. The petitions that were received relative to the proposed MGM Casino in Springfield and remain in the review process include the following communities: Hampden, Northampton, and Longmeadow. This Memorandum summarizes Green’s review of the traffic related factors relative to Hampden.

### **Evaluation Process**

Regulation 250 CMR 125.00 identifies various impact factors related to transportation and traffic that need to be considered in an evaluation. These impact factors include:

- Ready access– This impact factor looks at the physical link between the site and the community, as well as the approximate distance from the site to the center of the community.
- Projected Changes in Level of Service (LOS) – This impact factor defines the operating condition of a roadway or intersection from a traffic perspective. The levels range from LOS ‘A’ to LOS ‘F’ with the highest level (LOS ‘A’) indicating minimal or short motorist delays to the lower levels (LOS ‘E’ and LOS ‘F’) indicating very long motorist delays & potential capacity constraints. . A change from one LOS to another does not necessarily signify a traffic related problem, but roadways and intersections with a LOS ‘E’ or LOS ‘F’ are considered problematic and require further investigation. Most review agencies require that Private Developers try to mitigate their project impacts as seen by drops in LOS, particularly when reaching the lower levels of service and exhibiting congested conditions.
- Increased Traffic Volumes on Local Streets – This impact factor examines the level of traffic volume increases that are estimated to occur on local streets due to the project. For this factor, “local streets would consider both non-interstate and interstate highways, state highways, and major collector roads that pass through the community.
- Transportation Infrastructure – This impact factor considers degradation of infrastructure, in particular the condition of roadway pavement, as a result of the project from an increased

number of vehicles and/or the increased weight of vehicles (i.e. truck traffic during construction and from deliveries after construction).

- Significant Peak Vehicle Generation on State and Federal Highways – This impact factor will identify the estimated casino related traffic that is expected to be added onto State and Federal highways that would also be located in the potentially affected community.
- Adverse Impacts on Transit Ridership and Station Parking – This factor considers the increased transit use as a result of the project and its impacts on the current service in the community.

In relation to the ‘Transportation infrastructure’, the potential likelihood of construction related traffic using the roadway system located in the community petitioning for designation was ascertained as it is the heavier construction type vehicles that could affect the condition of road infrastructure.

In reviewing the factors described above relative to a proposed casino and its potential impacts to a subject community, information provided by the Applicant is initially reviewed. It should be noted that the Applicant’s initial traffic study may not extend into adjacent communities that are seeking Surrounding Community status. In those situations, we completed additional research relative to traffic levels, relative safety conditions, connectivity, and potential level of impact in the subject community. If available, written reviews completed by regional planning agencies (RPAs) and MassDOT (through the MEPA process) as they relate to the subject community were also taken into account.

While the above impact factors do not specifically cite safety, the issue of additional emergency response that may be required from a potential increase in vehicle crashes attributable to increased casino traffic has been raised in several petitions. Traffic studies typically predict changes in LOS and could recommend safety improvements to reduce the chance of future crashes, but it is difficult at best to predict crash occurrences in the future. However, a review of historical crash information either through the RPA or MassDOT records can be completed for the potential route(s) located in a particular community. Travel routes or locations that have been identified as a safety concern by the petitioning community have been considered in this review.

### **Petitioning Community: Hampden**

The Town of Hampden has submitted a petition to be designated as a “Surrounding Community” with respect to the proposed MGM Casino proposed in Springfield. The following summarizes our evaluation in regards to the traffic related factors described above.

#### **• Applicant Traffic Study**

The Applicant (MGM) has submitted a traffic study developed by their consultant (TEC), which provided an assessment of traffic conditions resulting from the proposed casino. The study was completed as part of the Applicant’s effort to obtain acceptance by the host community. It was later updated and

submitted as part of the Draft Environmental Impact Report (DEIR) to MEPA as part of the Commonwealth's Environmental Review Process.

The updated TEC traffic study that was submitted to MEPA examined a relatively large study area, but did not include any specific locations in Hampden. The Hampden town center is located approximately 10 miles from the proposed casino site. Subsequent to the Hampden's filing of the petition, the applicant submitted additional information in response (to MEPA), including supplemental information relative to the anticipated traffic flow to and from the casino. Based on the travel forecasts developed by TEC, it is expected that seven (7) peak hour vehicle trips of casino related traffic would originate in Hampden (<1%). Taking into account the estimated traffic from Hampden, as well as Monson, Stafford (CT) and Somers (CT), TEC estimates that at most, 29 vehicles trips to and from the casino could potentially use Allen Street during the peak hour. This represents 2.3% of the total peak hour traffic generated by the casino project. TEC concludes that the traffic impact on Hampden as a result of the project is minimal.

- **MassDOT /RPA Comments**

Comment letters and memoranda prepared by MassDOT and the area's regional planning agency, the Pioneer Valley Planning Commission (PVPC) were reviewed relative to potential traffic impacts from the proposed casino in Springfield.

MassDOT comments to date have been in relation to the ENF and Draft EIR filed by the Applicant. It appears that MassDOT has accepted TEC's overall traffic forecasts, including the number of trips and arrival/departure patterns. MassDOT has expressed concerns relative to traffic operations and specific potential impacts, but none of these comments relate to the Town of Hampden. In its comment letter, MassDOT focused largely on I-91 and also on TEC's forecasts methods. MassDOT did not mention any potential concern relative to the Town of Hampden, nor did MassDOT request that the Applicant include roadways in Hampden in any subsequent environmental studies. There are no State numbered routes in the town.

PVPC has also commented to MEPA and also completed an assessment of the proposed casino on their member communities<sup>3</sup>. Greenman Pederson, Inc. (GPI) was retained by the PVPC to review the Applicant's traffic study and review potential impacts on eight (8) communities in the PVPC region. Hampden was not one of the 8 communities included in the review. In their review, GPI raised a concern about the basis of the trip generation forecasts and suggested that the Applicant may have understated traffic generation from the project. However, GPI did generally concur with the estimated traffic patterns of arrival and departing trips. In the PVPC letter to MEPA, they reiterated these same GPI points among others. In our opinion, their concerns raised in the comment letter do not indicate that the project will result in a major impact on Hampden.

---

<sup>3</sup> Greenman Pederson, Inc. *Technical Memorandum, Proposed MGM Development, Springfield, MA, Regional Traffic Impact Peer Review*, December, 20, 2013.

In addition to the above, MEPA has recently issued the Certificate on the Draft EIR and determined that the project can move forward to the Final EIR stage. The Town of Hampden did not submit any comments to MEPA as part of the ENF review. The scope of the Final EIR does not specifically note any roadways in Hampden that need to be evaluated.

- **Green's Analysis**

As part of our evaluation, information contained in the TEC traffic study, along with information available from MassDOT and the PVPC were reviewed. Prior to the review of the impact factors with respect to Hampden's petition, a brief summary of information relative to the proposed MGM casino is provided.

The proposed casino in Springfield is to be located in the City block bordered by Main Street, Union Street, East Columbus Avenue, and State Street in downtown Springfield proximate to I-91. The access and egress relative to the casino is generally convenient to the entrance/exits from I-91. The proposed casino project, in total, is estimated to generate approximately 19,600 and 21,900 net vehicle trips onto the study area roadway system on a Friday and Saturday, respectively. Peak hour estimates are between 1,290 and 1,312 for Friday and Saturday, respectively. A large proportion of the estimated project traffic is expected to use the major highways in the region (I-91, I-291). As part of the forecasts, it is estimated that approximately 5.5% of the project traffic will travel to/from the southeast direction. For the most part this would include Route 83 through East Longmeadow and then further south into Connecticut. A portion of this traffic was assigned into and/or thru Hampden as well. The method used by TEC in estimating the travel patterns is based on population and available roadway network which is a typical method used in traffic studies.

The major roadway serving the Town of Hampden that one would use to travel towards Springfield is Allen Street, which is a two lane roadway. There is not any State numbered highway in Hampden. Based on historical PVPC data, Allen Street north of Somers Road carries approximately 6,000 vehicles over the course of an average day. An estimate of peak hour traffic was made assuming the peak hour represents approximately 9% of the average daily volume and results in a base peak hour flow of 540 vehicles on Allen Street, which is within the capacity of a two lane roadway. A review of previous traffic safety studies performed by PVPC for the region, including the list of the highest 100 crash locations revealed that none of the locations are in Hampden.

While Hampden and its major roads/intersections were not included in the detailed traffic impact analysis, it was estimated by TEC that less than 1% of the site trips would originate from or be destined to Hampden. Some additional amounts of traffic associated with Monson and two adjacent Connecticut communities could use Hampden roadways to access the Casino and this would amount to 29 PM peak hour added vehicle trips in a worse case scenario. Assuming all of these trips were to occur on Allen Street, it would result in a relative volume increase of approximately 5%.

The following summarizes our evaluation of the traffic impact factors from 250 CMR 125.00 as they relate to the Town of Hampden:

- Ready Access – The proposed casino site is situated approximately 10 miles from the center of Hampden. Allen Street would be used as a major route in Hampden to eventually reach Sumner Avenue or Route 83 and then to downtown Springfield. **Allen Street does not connect directly to the downtown or casino site.**
- Projected Changes Level of Service (LOS) – There was no analysis done or required as part of the MEPA process for Allen Street in Hampden. Based on information developed from PVPC’s record traffic data and the estimated trip forecasts prepared by the Applicant’s traffic engineer, the daily estimate of casino related traffic in Hampden would be less than 30 vehicle trips or one vehicle every two minutes. **This level of additional vehicle trips would not be expected to result in any noticeable change in traffic operations and LOS.**
- Increased Traffic Volumes on Local Streets – As noted above, the casino related traffic in Hampden is less than 30 vehicle trips during the peak hour and approximately one vehicle every 2 minutes. While some traffic increases will likely occur in Hampden due to the project including those trips made by residents south of the center, this added volume would be further dispersed as motorists travel onto Monson or continue south to Connecticut. **Assuming all additional casino related traffic in Hampden travels on Allen Street, this would result in a volume increase of approximately 5%. Based on location and current traffic conditions, the impact would be considered minimal and not noticeable to the typical motorist.**
- Transportation infrastructure – The Applicant has stated that construction related heavy vehicle traffic could be managed. While most of what has been documented to date has focused on the maintenance of traffic in the immediate construction zone, it is anticipated that the majority of construction related traffic would utilize major highways to access the site, particularly since the site is adjacent to I-91 and near I-291. **Heavy vehicle traffic impact and consequently, road infrastructure impact on Hampden’s major roadways, including Allen Street, would be negligible.**
- Significant Peak Vehicle Generation on State and Federal Highways – As stated above, there are no State or federal highways that traverse Hampden and consequently, there would be no significant peak vehicle generation impacts experienced in Hampden.
- Adverse Impact on Transit Ridership and Station Parking – There is no expected impact on transit or station parking as a result of the project that would affect the Town of Hampden.

### Concluding Opinion

While there is a potential for a small volume of casino-related traffic to travel to and through the Town of Hampden via its local roadways, it is not evident, based on the information that has been reviewed and evaluated, that the proposed casino in Springfield would cause a significant and adverse traffic impact in the Town of Hampden. Consequently, the surrounding community determination would need to be based on factors other than traffic.

## **F. APPLICATION**

---

### **2-28 Total Investment Outside the Property**

The total estimated investment in infrastructure is \$3.8 million for traffic-related improvements and \$2.4 million for utility improvements.

### **4-08 Parking**

A parking garage with 3,784 spaces will serve the hotel, restaurant and shopping areas, casino and other attractions. An additional 22 charter bus parking spaces will be provided within the parking garage and accessible through a separate bus-only entrance/exit driveway. The well-lit, safe (featuring cameras on all levels), architecturally finished, eight-story garage will be open to public and local business use free of charge from 8:00 a.m. to 5:00 p.m. Monday through Friday, providing high-quality and efficient parking in the heart of the City.

There will be direct physical connections between the parking garage and the hotel, casino and the Outdoor Plaza area.

### **4-09 Transportation Infrastructure**

MGM Springfield's transportation infrastructure has been designed to capitalize on the site's excellent existing accessibility attributes, including the redundant ramp access from I-91 and the important connections to downtown streets. Tour Bus - A separate drop-off / pick-up and overnight parking area that is envisioned for charter and tour buses will be located on the first floor of the MGM Springfield parking garage.

Taxi - Taxi pick-up and drop-off activities are anticipated to occur in the MGM Springfield hotel portecochere area at the front of the hotel. Additional taxi pick-up and drop-off activities are likely to occur along State Street, Main Street, and Union Street where major pedestrian access points are located. Valet - The hotel valet area will be located at the front of the hotel. A separate casino valet service will be located on the first floor of the MGM Springfield parking garage. Service Vehicle Parking - A service vehicle drop-off and pick-up area will be located in the basement of the self-parking garage.

### **4-23 Egress from Gaming Establishment Site**

One of the unique selling points of MGM Springfield is that visitors to the site will be able to seamlessly walk out of MGM Springfield and into the City via pedestrian connections to the MassMutual Center, the riverfront, Main Street and the South End. MGM Springfield will have easy access to two major highways with multiple on- and off-ramp locations as well as to several Downtown streets. Parking for charter and tour buses will be provided on the ground floor of the Project parking garage with a separate bus and delivery vehicle driveway on Union Street. Public bus service is also robust. There are four bus stops directly in front of the Project site, two

inbound and two outbound, and several other stops on Main Street within walking distance of the site. Additionally, four other bus lines operate on Dwight Street and Chestnut Street, a block from the Project site. A rubber-wheeled trolley system is being proposed to link MGM Springfield to Union Station and other tourist destinations that could include the Basketball Hall of Fame, MassMutual Center, Quadrangle museum district and Worthington Street entertainment district.

**MGM SPRINGFIELD**

---

**4-23-01 – EGRESS FROM GAMING ESTABLISHMENT SITE**

*Describe all adjacent streets, highways, buses and other public transportation facilities and how they will be utilized for access to and egress from the gaming establishment site.*

One of the unique selling points of MGM Springfield is that visitors to the site will be able to seamlessly walk out of MGM Springfield's egress points and into the City. The plan below shows access to the Project site from Union Station and pedestrian connections to the MassMutual Center, the riverfront, Main Street and the South End.

**HIGHWAY/ROAD**

MGM Springfield will have egress roadway to and from I-91. The primary means of access to a generated traffic using these

**INTERSTATE 91 CORRIDOR**

I-91 is a four- to six-lane north-south roadway. The posted speed zone. The freeway transects Downtown Springfield to surface roadways, including Columbus Avenue. I-91 is an egress roadway to and from I-91 (Bridge) and interchange 6 (in primary access for patrons at 5 (south of Broad Street) and as the site's primary access following describes how patrons site to and from the I-91 Corridor. The various access MGM Springfield site.

The Connecticut River resources. For years, both a physical and the Riverfront. MGM re-engaged Riverfront and point of pride for

**4-24 Adequacy of Existing Transportation Infrastructure**

Traffic will be accommodated at and near MGM Springfield's site through a series of traffic-related measures. Traffic will be distributed to multiple highway interchanges serving Downtown Springfield; this includes several options for interchange use along I-91 and I-291 to efficiently serve regional traffic and provide options for incident management around the City. Physical traffic mitigation measures will be constructed for motor-vehicle traffic as described in this section to provide more efficient lane use and traffic signal operations. Bicycle travel will be facilitated with new pavement markings and signs along critical roadway links as described later in this section. Public transport will be enhanced, including upgrades to bus stops on Main Street in front of MGM Springfield. MGM Springfield will provide funding to the Pioneer Valley Transit Authority (PVTA) for a Downtown trolley that will connect MGM Springfield with Union Station and other recreational and cultural amenities in Downtown Springfield. Transportation Demand Management measures (TDM) will be established to reduce the use of



single occupancy vehicles accessing the site, such as transit pass subsidies and carpool parking spaces, as described in this section.



**4-24-01 – ADEQUACY OF EXISTING INFRASTRUCTURE**

*Provide an analysis of the adequacy of the existing transportation facilities, including those for refueling, to deliver patrons to and from the gaming establishment complex and the measures the Applicant will take, including infrastructure and other improvements, to remedy any inadequacy.*

More information regarding provided in Attachments 4-0

**SUMMARY**

Traffic will be accommodated at and near the Project site through the following traffic-related features or measures:

- Distribution of traffic to multiple highway interchanges serving downtown Springfield, this includes several options for interchange use along I-91 and I-291 to efficiently serve regional traffic and provide options for incident management needs around the City.
- Construction of physical traffic mitigation measures for motor-vehicle traffic along East Columbus Avenue, West Columbus Avenue, Union Street, State Street and Main Street, as described in this section to provide more efficient lane use and traffic signal operations.
- Enhancing bicycle travel with new pavement markings and signs along critical roadway links as described later in this section.
- Providing seed funding to Pioneer Valley Transit Authority (PVTA) for a Downtown trolley that will connect the MGM site with Union Station and other recreational and cultural destinations in Downtown Springfield for a planned Friday/Saturday/Sunday operational schedule.
- Establishing Transportation Demand Management measures (TDM) to reduce the use of single occupancy vehicles accessing the site, such as carpool parking spaces, as described in this section.
- Guiding the public's use of preferred travel routes to the site through advertised directions, social media and highway signs.
- Implementing or funding other off-site improvements that may be identified by the Pioneer Valley Planning Commission (PVPC) and their consultant as part of the comprehensive regional peer review of traffic impacts that is on-going with most of the adjacent communities.

**MAJOR TRANSPORTATION AND CIRCULATION PLAN**

The MGM Springfield site is bordered by East Columbus Avenue, State Street, Main Street and Union Street. It was selected because it has significant potential for redevelopment and economic revitalization, and is able to be woven into the fabric of an increasingly vibrant Downtown. It lies in close proximity to many interstate highway ramps yet is intricately tied to the Downtown pedestrian experience along Main Street. The proposed uses, supply of parking and pedestrian access points are expected to complement and revitalize the adjacent businesses and uses in Springfield's Downtown, such as the MassMutual Center. A detailed Traffic Impacts and Access Study (TIAS) was prepared by TEC, Inc. as part of the Draft Environmental Impact Report (DEIR) and is provided as Attachment 4-24-02. This separate document is a requirement of the Massachusetts Environmental Policy Act (MEPA) review process.

The scope of the study is responsive to the requests from the Massachusetts Department of Transportation (MassDOT), the PVPC, the PVTA and several adjacent communities as identified during their review of the Environmental Notification Form (ENF). The MGM Springfield team met with representatives of these agencies on dozens of occasions to discuss the scope of the transportation study, refine assumptions and technical analyses, and discuss conceptual mitigation measures. Concurrent with the documentation of the DEIR for MEPA review, MGM Springfield has been working with PVPC and their peer review consultant to review potential traffic impacts in the adjacent communities.

**DEVELOPMENT PROGRAM**

The site currently is occupied by multiple commercial, municipal and retail establishments and for-fee surface parking fields and structures. We propose to raze a majority of the structures on the site to construct MGM Springfield.

**THE PROJECT'S**

The following intersections at the DEIR:

1. Burnett Road/Intersta
2. Dwight Street/Intersta
3. Dwight Street/Intersta
4. Main Street/Boland W
5. East Columbus Avenue
6. West Columbus Avenue
7. State Street/St. James !
8. State Street/Federal St
9. State Street/Chestnut !
10. State Street/Dwight St
11. State Street/Main Stre
12. State Street/Proposed
13. State Street/East Colu
14. State Street/West Colu
15. Main Street/Bliss Stre
16. East Columbus Avenue
17. Main Street/Howard S
18. East Columbus Avenue
19. Union Street/Main Str
20. Union Street/Armory !
21. Union Street/Armory !
22. Union Street/Propose
23. Union Street/Propose
24. Union Street/East Col
25. Union Street/West Co



**4-24-02 Attachment See Report Traffic Infrastructure (242 pages)**

**4-25 Adequacy of Existing Transportation Infrastructure**

MGM Springfield will stimulate the use of public transit to mitigate traffic flow around our Project. MGM Springfield's site is already readily accessible by Springfield's existing mass transit network, including Union Station and the public bus routes. Currently, several PVTA bus routes operate within the Project site's vicinity including lines on Main Street and Dwight and Chestnut Streets. MGM Springfield intends to enhance the use of public transportation via upgrades to bus stops on Main Street in front of MGM Springfield. MGM Springfield will provide funding for a rubber wheeled trolley system that will run from MGM Springfield to other Springfield attractions. The route will connect MGM Springfield to the proposed downtown transportation hub at Union Station. Other destinations are likely to include the Basketball Hall of Fame, the MassMutual Center, the Quadrangle Museum District and the Worthington Street entertainment district.

**4-26-01**

MGM Springfield will include a 3,740-space structured parking garage. The eight-level garage will hold the majority of on-site parking. Please refer to Attachment 4-05-01 for schematic plans

and Attachment 4-08-01 for a description of the number, location and accessibility of parking spaces for employees, patrons and buses. Given the size and height of the garage, it will be a prominent feature of the Project. It has therefore been intentionally located away from Main Street and the majority of the pedestrian related areas, yet is directly adjacent to the program elements with the largest anticipated visitor count. Further, to maximize its accessibility and minimize its visual impact, it will be located on the edge of the site closest to the highway and behind the outdoor retail area. The MGM Springfield garage is intended to be used by local businesses and the adjacent courthouse during the daytime hours for free. At the time that MGM Springfield's patron parking needs to be increased throughout the late afternoon, the local parking use is continually decreasing. MGM Springfield has coordinated with the Springfield Parking Authority (SPA) and other City staff to assess area-wide parking needs. There is sufficient parking supply in nearby SPA parking structures, such as the I-91 South, I-91 North, and Civic Center structures, to accommodate any overflow parking needs within a three block radius of the site. MGM Springfield will be coordinating with the City on way finding signs pointing drivers to the various parking facilities. Located on the west side of the site, the garage will have optimal vehicle egress:

- Self-park entry will be off the north end of East Columbus Avenue, with exits mid-block on East Columbus Avenue and at Union Street. This configuration will minimize the use of local streets and provide direct adjacency and access to I-91.
- Valet drop-off and pick-up will enter and exit next to the hotel drop-off with access off both State Street and East Columbus Avenue.
- Bus entry and exit will be located on Union Street and will be separated from the car circulation areas.
- The garage “speed ramp” configuration will allow access to all levels without circulating on the floors themselves. This layout will reduce travel times, energy use and noise associated with parking and vehicle circulation. The garage will directly abut the casino and entertainment facilities. Building cores and elevators will be located on both the Northwest and Southwest sides of the garage. These lobbies will lead directly to the hotel, casino, cinemas, bowling alley, retail shops and Outdoor Plaza. Exposed surfaces of the garage will be finished and detailed to reflect the design of the overall Project and to blend with the streetscape design intent. Various architectural treatments will be used to reduce the scale of the building. Lighting will be shielded to prevent light trespass to the maximum extent possible. LED lighting, or other approved high efficiency lighting, and controls will limit lighting use when lighting is not required. In addition, there will be a grade-level open-air parking lot adjoining the retail and public-amenity plaza with entrances and exits off Union Street. Please refer to Attachment 4-08-01 for further detailed information.

\*

### **5-01-01 Infrastructure Costs**

The research and studies completed for the Project have not identified any infrastructure costs that would be incurred by the Host Community of Springfield for either construction or operation of the gaming establishment. The research and studies completed for the Project have not identified any infrastructure costs that would be incurred by surrounding communities for either construction or operation of the gaming establishment.

### **5-02 Impacts and Costs**

In response to the question, we have attached reports from the following: HR&A Advisors – The HR&A report contains an analysis of the economic benefits at the Commonwealth, regional and local level. Contained within the HR&A report is an analysis of the local and regional social impacts from MGM Springfield conducted by the International Gaming Institute at the University of Nevada-Las Vegas. TEC – A traffic study from TEC is attached, which includes an analysis of the demands placed on area roads.

Part of this response is made up of the approximately 1,000-page DEIR, which addresses environmental, traffic, social and infrastructure impacts. In lieu of re-attaching the extremely lengthy document, we refer the reader to Attachment 4-73-01 where the DEIR can be found. As required by 205 CMR 118.01(5), a copy of the DEIR will be sent to the surrounding communities. Because it is not yet complete, we are unable to include the traffic study from GPI commissioned by the Pioneer Valley Planning Commission. The GPI report will provide an assessment of the impact of MGM Springfield on area roads.

### **5-33 Traffic Control Measures**

The MGM Springfield site has been designed to safely and efficiently process the patron, vendor and employee traffic in a way that takes advantage of the redundant ramp access from I-91 and the important connections to Downtown streets. Vehicles approaching the site along the major highways may be distributed throughout multiple highway ramps with the use of way-finding signage and Intelligent Transportation Systems (ITS) devices. We have outlined our traffic control measures, which include utilizing signage, information technology systems and parking facilities. Vehicular and pedestrian way-finding signage will be posted at major intersections between the site and the interstate highway system to give continuous guidance to travelers from the point that they leave the interstate highway system all the way to the site. Similarly, way-finding signs directing traffic to all major highways will be posted along routes leading from the site to the highways. In addition, vehicle queue detection devices can be installed on the major interstate highway exit ramps to reduce impacts to highway travel caused by queues extending back onto the highway. MGM Springfield will offer a variety of parking and drop-off/pick-up options for patrons and employees to help control traffic on site as well as a large self-parking garage with more than 3,700 parking spaces that will offer multiple points of egress to distribute traffic more evenly back onto local roadways and towards major highways. We are dedicated to providing multiple modes of transportation, including shuttles, limousines, automobiles, bicycles and pedestrian walkways to help mitigate vehicle trips. MGM Springfield will benefit from the PVRTA's pre-existing bus routes, and we are considering the option of incentivizing our employees' to use public transportation and carpool. MGM Springfield will offer an appealing charter bus drop-off.



**5-33-01 – TRAFFIC CONTROL MEASURES**

Describe the plans for traffic control measures the Applicant proposes for the gaming establishment complex and the surrounding areas, the expected total vehicle traffic generated by the site, and plans for mitigating vehicle trips to and from the site both during construction and operation of the facilities. Further, describe efforts to encourage public transportation options to access the site, and pedestrian access and amenities of the site and surrounding area.

**SITE ACCESS SUMMARY**

The MGM Springfield site has been designed to safely and efficiently process the patron, vendor and employee traffic in a way that takes advantage of the redundant ramp access from I-91 and the important connections to Downtown streets. Vehicles approaching the site along the major highways may be distributed throughout multiple highway ramps with the use of way-finding signage and Intelligent Transportation Systems (ITS) devices.

The following is a brief description of the major elements of site access:

- Patrons will access the casino, hotel and retail parking facility from State Street and East Columbus Avenue.
- I-91 Southbound traffic will be directed to use the Exit 7 off-ramp, turn left onto State Street and right into the site.
- I-91 Northbound traffic will be directed to use the Exit 6 off-ramp to East Columbus Avenue, and turn right onto Bliss Street.
- I-291 Southbound traffic will be directed to use either Exit 2 to Dwight Street or the I-91 Exit 6 off-ramp to Union Street.
  - The primary access point for the self-park garage will be located along Bliss Street and will be served by both East Columbus Avenue and State Street.
  - The egress points are located along Union Street, Howard Street, State Street and Bliss Street which distributes the impact of the exiting traffic.

- The secondary access and egress point for the valet parking area, the pick-up/drop-off zone and the hotel will be located along Bliss Street, just beyond the self-park access point.
- Patrons exiting the facility and destined for points to the south along I-91 have the option to use State Street to access West Columbus Avenue. They also will have the ability to exit the parking facility and turn right onto Union Street (westbound only), proceed under the I-91 bridge and turn left onto the I-91 southbound on-ramp.
- A small surface parking lot will be provided within the Outdoor Plaza block (please refer to Attachment 4-11-01 for a description of the Outdoor Plaza). Some of this parking will be used by existing landowners and as part of short-term visits or drop-off and pick-up activities associated with the retail and restaurant tenants.

Please refer to Attachment 4-23-01 for additional information on vehicular access to and egress from MGM Springfield

**TOTAL VEHICLE TRIPS**

Section 6.2.2.4 of the Draft Environmental Impact Report ("DEIR"), included as Attachment 5-33-02, provides an estimate of the vehicle trips to be generated by MGM Springfield, separated between casino patrons, hotel patrons, casino/hotel employees, office workers, apartment residents and Outdoor Plaza guests. The table below provides a summary estimate of the total traffic volumes expected to be generated by the site.

Time Period	SITE-GENERATED TRIPS		
	Entering Trips	Exiting Trips	Total Trips
Friday Daily	10,178	9,495	19,673
Friday Evening Peak Hour	730	560	1,290
Saturday Daily	11,229	10,696	21,925
Saturday Midday Peak Hour	740	572	1,312

**TRAFFIC CONTROL IN/AROUND MGM**

**SIGNAGE**

Vehicular and pedestrian way throughout the City of Springfield access the MGM Springfield along East and West Columbus Street, Chestnut Street, Map access to the site. These signs site and the interstate highway from the point that they leave site. Similarly, way-finding signs posted along routes leading to

**INFORMATION TECHNOLOGY**

As previously noted, the MGM and I-291 exits, as well as several for traffic detours to manage more evenly across roadways Signs (VMS) are currently in use. During special events, or when detour traffic, these signs may MGM Springfield to use alternate constructed connecting Bliss access into the MGM Springfield will be named MGM Drive with VMS boards along I-91.

Vehicle queue detection devices highway exit ramps to reduce extending back onto the highway long queues are forming on the can allow for additional green ramps to allow ramp traffic in addition, if the queue detection green times on the ramps, then drivers toward alternative routes



#### 6.2.2.4 Site-Generated Traffic

The Project consists of the following floor areas and uses:

- ◆ A 501,108 sf casino resort that includes space for back of the house, a plant, retail / restaurant uses, and banquet facilities, in addition to the 3,821 gaming positions;
- ◆ A 250-room multi-story hotel;
- ◆ 54 residential apartment units;
- ◆ A 4,000 sf employee daycare facility; and
- ◆ A 159,397 sf retail and entertainment center known as Armory Square, which will include multiple retail tenants, restaurants, an event plaza, general office space, a radio station, a multi-screen cinema and bowling alley.

The methodology used to calculate the proposed trip generation is described below.

#### Trip Generation Methodology

##### *Resort Casino with Hotel*

TEC reviewed a number of sources to estimate the trip generation of the casino, retail, restaurant, and banquet facilities contained within the proposed casino block. These sources included trip generation data from other casinos, such as:

- ◆ Mohegan Sun and Foxwoods in Connecticut;
- ◆ Tulalip Tribal Casino, Muckleshoot Indian Tribe Casino, Emerald Queen Casino in Washington;
- ◆ Spirit Mountain Casino and Chinook Winds Casino in Oregon;
- ◆ Jamul Indian Village Casino and Enterprise Rancheria Casino-Hotel in California;
- ◆ Harvey's Casino, Ameristar Casino, and Bluffs Run Casino in Iowa;
- ◆ Casino Queen in Illinois;
- ◆ St. Charles Casino in Missouri;
- ◆ Caesar's Resort Casino in multiple locations;
- ◆ Parx Philadelphia Casino & Race Track in Pennsylvania;
- ◆ Horseshoe Hammond Casino in Indiana;

## 8.2 Transportation

This section describes the traffic and transportation improvements and mitigation measures proposed to address the Project's impacts. These measures include multi-modal transportation infrastructure improvements and strategies and a Transportation Demand Management plan designed to reduce single-occupant vehicle trips to and from the site and encourage the use of alternative transportation modes by patrons and employees.

### 8.2.1 Intersection and Roadway Mitigation Summary

The following section provides a summary of measures that are recommended to improve the existing and future operations and safety of the study area intersections and roadways. Figures 6.2-26 through 6.2-30 provide a graphical depiction of the overall roadway, public transportation, and pedestrian and bicycle improvements proposed as mitigation for the Project. The approximate construction cost associated with implementation of all of these intersection and roadway mitigation measures is \$3.6 million. An estimate of the cost associated with each individual improvement measure is included in Appendix B-17.

#### Intersection Infrastructure

##### *Signal Timing Optimization*

Traffic signal timings, coordination and offset timings, and clearance interval timing modifications to optimize the operations of the intersection are recommended at the following locations:

- ◆ Dwight Street / Interstate 291 SB Ramps
- ◆ Main Street / Harrison Avenue / Boland Way
- ◆ East Columbus Avenue / West Columbus Avenue / Main Street / Longhill Street
- ◆ Mill Street / Locust Street / Belmont Avenue / Fort Pleasant Avenue
- ◆ Belmont Avenue / Sumner Avenue / Dickinson Street / Lenox Street
- ◆ Park Avenue / Elm Street / Union Street [West Springfield]
- ◆ Memorial Avenue / Union Street [West Springfield]
- ◆ Longmeadow Street (US Route 5) / Forest Glen Road / Western Drive (Longmeadow)

## **5-34 Traffic for Special Events**

MGM Springfield benefits from multiple options for highway access and street access that will distribute the impacts of traffic, both under normal operations and during major events. One key to the successful management of traffic is public information. MGM Springfield and its

consultants will work with the City and Commonwealth staff to identify measures to send traffic to the most appropriate route.

MGM Springfield does not include building space for major venues, such as high-capacity concerts and major shows that draw regional traffic. MGM Springfield will coordinate with the City, the managers of MassMutual Center and Symphony Hall and other major traffic generators identified by the City as part of the scheduling for any special events.

During peak arrival times associated with special events, traffic will be directed to the location of available parking whether it is on the MGM Springfield site or in adjacent municipal parking structures or surface lots. We have drafted alternative traffic and parking options that leverage the existing exits along I-91 and I-291.

## **G. OTHER**

---

No relevant documents



---

## 3. DEVELOPMENT

---

### Legal Framework

In determining whether a community is a surrounding community, the commission . . . will evaluate whether: . . . The community will be significantly and adversely affected by the development of the gaming establishment prior to its opening taking into account such factors as noise and environmental impacts generated during its construction; increased construction vehicle trips on roadways within the community and intersecting the community; and projected increased traffic during the period of construction. 205 CMR 125.01(2)(b)(3)

### Executive Summary

#### *Community Petition:*

Not Specifically Addressed.

#### *Applicant Reponse:*

No Response

#### *RPA Analysis:*

As noted by MGC's consultant, Green International, "Greenman Pederson, Inc.( GPI)was retained by the PVPC to review the Applicant's traffic Study and review potential impacts on eight (8) communities in the PVPC region. Hampden was not one of the 8 communities included in the review."

#### *ENF Analysis:*

As noted by the MGC's traffic consultant, Green International, Inc., "MEPA has recently Issued the Certificate on the Draft EIR and determined that the project can move forward to the Final EIR stage. The Town of Hampden did not submit any comments to MEPA as part of the ENF review. The scope of the Final EIR does not specifically note any roadways in Hampden that need to be evaluated."

#### *Consultant Analysis:*

The Applicant has stated that construction related heavy vehicle traffic could be managed. While most of what has been documented to date has focused on the maintenance of traffic in the immediate construction zone, it is anticipated that the majority of construction related traffic would utilize major highways to access the site, particularly since the site is adjacent to I-91 and near I-291. **Heavy vehicle traffic impact and consequently, road infrastructure impact on Hampden's major roadways, including Allen Street, would be negligible.**

## **A. COMMUNITY PETITION**

---

Not Specifically addressed.

As is evident from the enclosed map, Allen Street is the direct route from Hampden into Springfield. Allen Street would also be the route of choice for travelers east and south of Hampden from communities such as Somers and Stafford Springs, Connecticut. As the map shows, Allen Street crosses into East Longmeadow and then into the south end of Springfield via Mill Street. Hampden therefore raises the concerns articulated in 205 CMR 125.01 (2) (b) (2) in that "the transportation infrastructure in the community will be significantly and adversely affected by the gaming establishment .... " This subsection requires consideration of the ready access of Hampden to the casino, changes in level of services at intersections along Allen Street and increased volume of trips on Allen Street and streets which feed into it. This increased travel will lead to the "derogation of infrastructure" in Hampden from the trips to and from the gaming establishment.

## **B. APPLICANT RESPONSE**

---

Not addressed.

## **C. RPA ANALYSIS**

---

No relevant documents

## **D. ENF ANALYSIS**

---

### **DEIR**

#### **Construction Period**

The DEIR includes a discussion of construction phasing, identifies potential impacts associated with construction activities (including but not limited to noise, vibration, dust, and traffic flow disruptions) and proposes measures to avoid or eliminate these impacts including: equipment maintenance to minimize unnecessary noise; compliance with applicable codes for blasting use and prohibition on use of perchlorate-containing explosives; diesel equipment retrofits; participation in MassDEP's Clean Construction Equipment Initiative; limits on truck idling; site housekeeping, such as covered loads, street sweeping, water use for dust control and interim stabilization of surfaces not being worked; groundwater monitoring during any dewatering activities; waste separation, reclamation and recycling; and truck traffic management. The DEIR provides a general commitment to these measures. More detailed information is necessary on a number of these commitments including a traffic management plan (for site work and roadway improvements), identification of haul routes, location of construction worker parking areas or satellite parking areas, identification of blasting or ledge removal, specific measures to address noise and vibration during construction, in particular impacts on existing structures and historic resources, and a description of the diesel retrofit plan and participation in the Clean Construction Equipment Initiative.

#### **Construction Period Impacts**

The FEIR should include an updated construction schedule that clearly identifies construction periods associated with major elements of the project (e.g. demolition, construction of Casino Block, construction of Retail Block). The DEIR provides a general commitment to construction period mitigation measures. More detailed information is necessary on a number of these commitments including a traffic management plan (for site work and roadway improvements), identification of haul routes, location of construction worker parking areas or satellite parking areas, identification of blasting or ledge removal, specific measures to address noise and vibration during construction, in particular impacts on existing structures and historic resources, and description of the diesel retrofit plan and participation in the Clean Construction Equipment Initiative. The FEIR should include an updated section on construction period impacts, describe construction phasing and provide specific mitigation commitments.

## E. CONSULTANT ANALYSIS

---

### **Excerpt from Green International, Inc., report.**

- **Transportation infrastructure** – The Applicant has stated that construction related heavy vehicle traffic could be managed. While most of what has been documented to date has focused on the maintenance of traffic in the immediate construction zone, it is anticipated that the majority of construction related traffic would utilize major highways to access the site, particularly since the site is adjacent to I-91 and near I-291. **Heavy vehicle traffic impact and consequently, road infrastructure impact on Hampden’s major roadways, including Allen Street, would be negligible.**

## **F. APPLICATION**

---

### **2-08 Budget**

MGM Springfield’s budget represents a significant private investment for Western Massachusetts. The attached \$800 million budget itemizes hard construction costs, tenant fit-out costs, design/legal/professional fees, operating supplies and equipment, FF&E including gaming equipment, pre-opening expenses, land, licensing fee, capitalized interest, up-front costs pursuant to the Host Community Agreement and other project costs. The \$800 million budget is exclusive of working capital, which is accounted for in the cash flow statement.

### **2-10 Timeline for Construction**

MGM Springfield has provided a timeline for construction that entails a 27-month construction process requiring approximately 5.2 million construction person hours. Attachment 2-10-01 includes a detailed chart showing the different phases of construction including mobilization, demolition and prep work, podium construction, entertainment block construction, parking structure construction, hotel tower construction, venue fit-out for retail, venue fit-out for residential, central plan construction and miscellaneous construction. The projected opening date is subject to certain factors including the date of license award.

### **2-27 Capital Investment**

MGM Springfield’s budget represents a significant private investment for Western Massachusetts. The attached \$800 million budget itemizes hard construction costs, tenant fit-out costs, design/legal/professional fees, operating supplies and equipment, FF&E including gaming equipment, pre-opening expenses, land, licensing fee, upfront costs pursuant to the Host Community Agreement and other project costs. Total capital investment calculated in accordance with 205 CMR 122.0 is expected to exceed \$500 million.

MGM
SPRINGFIELD

**2-35-01 – NEW REVENUE**


*Describe and provide a completed study showing the overall economic benefit to the Commonwealth and the region from the Applicant's proposed gaming establishment, including in that study the way in which the facility will generate new revenues as opposed to taking revenues from other Massachusetts businesses.*

MGM Springfield has included a study from HR&A Advisors, contained in Attachment 2-18-02, that details the economic benefits to the Commonwealth and the region. For purposes of its analysis, HR&A defined the region as the four counties comprising Western Massachusetts.

MGM Springfield will achieve two important economic goals.

- Firstly, a portion of revenue currently going to casinos in other states will be brought back to Massachusetts; therefore, creating jobs in Massachusetts and benefiting vendors and area businesses in Massachusetts as opposed to Connecticut, Rhode Island or New York.
- Secondly, approximately 50% of MGM Springfield's visitors will be from outside of the Commonwealth and more than half will reside outside of Western Massachusetts. While in Western Massachusetts, these visitors will not only spend money at MGM Springfield, but also patronize other tourism amenities and attractions, thus creating economic benefit for the Commonwealth and the region.

By nature of MGM Springfield's outward-looking design and aggressive approach to regional partnerships, it will be well positioned to benefit surrounding businesses.



## **2-30 Construction**

Plan MGM Springfield has provided a timeline for construction that entails a 27-month construction process. The projected opening date is subject to certain factors including the date of license award. MGM Springfield will prepare Temporary Traffic Control Plans for use by contractors during construction of transportation and utility improvements. During construction, parking will be temporarily prohibited along the south side of State Street and west side of Main Street. Adequate parking is available within the I-91 South Garage to accommodate this loss of parking during construction. Additional parking accommodations will be made to compensate for the free parking lots currently available within the limits of the Site.

## **4-54 Sustainable Building Construction**

In conformance with smart growth strategies, MGM Springfield will minimize adverse environmental impacts by using an already-developed site and existing infrastructure. The site allows for the expanded use and upgrading of existing infrastructure, including roads, storms drains, sanitary sewers, water mains, natural gas mains, power lines, and telephone lines, present on and near the site so that adverse environmental impacts can be avoided for connection to these services. The nature of the Project also minimizes environmental impacts by allowing various uses to be located in close proximity on one general site, thereby allowing for the sharing of many common resources such as parking and infrastructure. This sharing of resources reduces the land mass required for the various commercial uses compared to locating each use on its own site.

We will implement development strategies that will substantially minimize and/or mitigate the impact of the Project on the environment and promote the comfort of the occupants and visitors. We will evaluate numerous facets in both the site design and building elements of the Project.

## **G. OTHER**

---

No relevant documents

---

## 4. OPERATION

---

### **Legal Framework**

In determining whether a community is a surrounding community, the commission . . . will evaluate whether: . . . The community will be significantly and adversely affected by the operation of the gaming establishment after its opening taking into account such factors as potential public safety impacts on the community; increased demand on community and regional water and sewer systems; impacts on the community from storm water run-off, associated pollutants, and changes in drainage patterns; stresses on the community's housing stock including any projected negative impacts on the appraised value of housing stock due to a gaming establishment; any negative impact on local, retail, entertainment, and service establishments in the community; increased social service needs including, but not limited to, those related to problem gambling; and demonstrated impact on public education in the community. 205 CMR 125.01(2)(b)(4)

### **Executive Summary**

#### ***Community Petition:***

Not Specifically Addressed.

#### ***Applicant Reponse:***

No Response

#### ***RPA Analysis:***

As noted by MGC's consultant, Green International, "Greenman Pederson, Inc.( GPI)was retained by the PVPC to review the Applicant's traffic Study and review potential impacts on eight (8) communities in the PVPC region. Hampden was not one of the 8 communities included in the review."

#### ***ENF Analysis:***

As noted by the MGC's traffic consultant, Green International, Inc., "MEPA has recently Issued the Certificate on the Draft EIR and determined that the project can move forward to the Final EIR stage. The Town of Hampden did not submit any comments to MEPA as part of the ENF review.

#### ***Consultant Analysis:***

#### **Mark Vander Linden, Director of Research and Problem Gambling**

Many studies have found a relationship between proximity to gambling venues and the prevalence of problem gambling.



It seems logical to conclude that the increase in persons with gambling disorders would create a burden on the town's social service agencies. However, as pointed out by Dr. Williams, the bulk of the impacts tend to be social/nonmonetary in nature because only the minority of problem gamblers seek or receive treatment, and only a minority typically have police/child welfare/employment involvement. That being said, it is difficult to accurately predict the actual impact as ultimately it will vary between jurisdictions depending on the type of gambling introduced and the magnitude of the change.

There does appear to be a positive correlation between casino proximity and increase in drunk driving incidents

Only a couple of studies reported a general increase in all categories of crime. Consistent with the notion that increases in crime are partly attributable to increased numbers of problem gamblers, most studies have found increases primarily in property offenses, particularly fraud, embezzlement, theft, and larceny (although two studies actually found reductions in these categories).

Several studies failed to find increased crime rates, or only found increases in some communities but not others. Dr. Williams concluded that although there are good theoretical reasons to expect a positive relationship between gambling introduction and crime, it may not always manifest itself.

Because the magnitude of the increase in crime is not large in most studies, the presence of any of these other moderating factors has potential to negate the increased crime effect.

The question, to what extent will the introduction of a gaming facility create negative impacts on any specific community is complex and difficult to answer. However, the Commission is currently working closely with SEIGMA/UMASS Amherst to conduct a controlled before-after comparison of changes in rates of problem gambling and numerous social and economic indices coincident with the introduction of a gaming facility. The ongoing findings of this study will provide the most accurate determination of what the true social and economic impact is on host and surrounding communities. A more precise understanding of the impacts will inform the best use of the **Public Health Trust Fund** which was created to assist social service and public health programs to mitigate the potential addictive nature of gambling and the **Community Mitigation Fund** which was created to assist the host and surrounding communities in offsetting costs related to the construction and operation of a gaming establishment.

#### LDS Consulting Group Housing and School Age Impact Study

Based on these materials and our independent evaluation, we find that the communities surrounding Springfield will not be significantly and adversely affected by the operation of a Category 1 gaming establishment after its opening due to housing or school impacts resulting from the facility. Furthermore, given the high unemployment and housing vacancy rates in the area, it is more likely than not that the Category 1 casino will be beneficial to the housing markets in these communities and therefore add to the real estate tax base as well as increase overall consumer spending in the area.

The application states that there will be 3,254 jobs created by the new Category 1 Casino. In addition, the host community agreement states that they will work to achieve 35% City of Springfield residents and no more than 10% (325 persons) of the workforce to be residents from outside of the City and surrounding area.

Springfield and the communities immediately physically adjacent to Springfield have a total of 15,222 unemployed persons or job seekers. In addition, Table 2 includes the two petitioners not immediately adjacent to Springfield, Hampden and Northampton, have a total of 961 unemployed or job seekers as of December 2013.

Therefore, as of December 2013, there are four times as many job seekers in the communities we examined as there are positions estimated to be created by the Springfield casino

[T]here are 11,237 vacant housing units in these communities that could be absorbed in the event workers do move to the area to work at the Subject Property. Springfield has the highest housing vacancy rate at 10% with (6,351 vacant units) and Longmeadow has the lowest ( 3% with 149 vacant units).

Therefore, as of the 2008-2012 ACS, there are 3.5 times as many vacant housing units in the communities we examined as there are new job positions estimated to be created by the Springfield casino.

LDS also examined the change in population by age from 2000 to 2010 for ages 0-14 for the three petitioner communities. LDS looked at this as an indicator of how many children may be entering the school system in the future. Table 6 below shows that the number of school age or potential school age children, decreased significantly from 2000 to 2010.

[B]ased on a shrinking household size and contracting school age populations in the petition communities, it is reasonable to conclude that the Category 1 casino will not adversely impact schools in the petition communities.

....

#### HLT ADVISORY ECONOMIC IMPACTS STUDY

The most significant direct benefit is MGM staff complement, assumed to include the projected 2,300 FTE jobs to support ongoing Casino operations. The increased payroll and spending potential will be a net benefit to the broader trade area including Hampden, where some MGM employees are likely to reside. Based on our review of the Hampden Petition, MGM's rebuttal and other information available to us as well as our knowledge of the gaming industry we believe the Town should experience some positive benefit as a result of the considerable staff complement (and concomitant payroll) of the Casino. Hampden should also experience at least a partial offset in vehicular traffic as Springfield area residents replace Connecticut gaming trips with trips to MGM Springfield.

**A. COMMUNITY PETITION**

---

Not addressed.

**B. APPLICANT RESPONSE**

Not addressed.

**C. RPA ANALYSIS**

N / A

As noted by MGC's consultant, Green International, "Greenman Pederson, Inc.( GPI)was retained by the PVPC to review the Applicant's traffic Study and review potential impacts on eight (8) communities in the PVPC region. Hampden was not one of the 8 communities included in the review."

## **D. ENF ANALYSIS**

---

As noted by the MGC’s traffic consultant, Green International, Inc., “MEPA has recently Issued the Certificate on the Draft EIR and determined that the project can move forward to the Final EIR stage. The Town of Hampden did not submit any comments to MEPA as part of the ENF review.

### **DEIR**

As Secretary of Energy and Environmental Affairs, I hereby determine that the Draft Environmental Impact Report (DEIR) submitted on this project adequately and properly complies with the Massachusetts Environmental Policy Act (G. L. c. 30, ss. 61-62I) and with its implementing regulations (301 CMR 11.00). The Proponent must prepare and submit for review a Final Environmental Impact Report (FEIR) in response to the Scope provided in this Certificate.

### **Environmental Impacts**

Potential environmental impacts are associated with land alteration, traffic, water supply and wastewater generation, waste site clean-up, and generation of Greenhouse Gas (GHG) emissions. The DEIR provides an updated estimate of environmental impacts based on the current project proposal and associated uses. The overall project has been reduced from 926,900 sf to 881,691 sf, a reduction of 45,209 sf. Impervious surfaces, compared to existing conditions, will be reduced by 1.8 acres (previously 1.3 acres). The project will generate a total of 24,851 average daily vehicle trips (adt) on a Friday (compared to 27,640 identified in the ENF) and 27,590 adt on a Saturday (compared to 29,860 identified in the ENF). When adjusted for mode share, vehicle trips are estimated at 19,673 adt on a weekday and 21,925 adt on a Saturday. Water demand is estimated at 246,646 gallons per day (GPD) and wastewater generation is estimated at 224,224 GPD. The number of parking spaces has been reduced by 1,060 to 3,740.

### **Water Supply**

Potable water will be provided by the Springfield Water and Sewer Commission (SWSC) through existing water distribution infrastructure within the site and in adjacent rights-of-way. The project will increase water use from 33,602 GPD to 246,646 GPD of water, an increase of 213,044 GPD. The DEIR identifies existing infrastructure and connections. It includes a letter from the SWSC, dated August 28, 2013, confirming that adequate supply and water distribution capacity is available to meet average water demand. The SWSC maintains a Water Management Act (WMA) registration of 39.1 million GPD for withdrawals from the Westfield River basin.

The DEIR indicates that the Proponent will continue to work with the SWSC to address any concerns regarding maximum day and peak hour demands.

### **Wastewater**

Existing wastewater demand will increase from 30,547 GPD to 224,224 GPD, an increase of 193,677 GPD. Wastewater will be discharged to the Springfield Regional Wastewater Treatment Facility (SRWTF) for treatment and discharge.

### **Wetlands and Waterways**

As currently proposed, the project will not directly impact wetlands or waterways.

The DEIR includes a Stormwater Management Plan (Appendix E) that demonstrates how project will be designed consistent with MassDEP Stormwater Management Standards.

### **Water Supply and Wastewater**

It should indicate if on-site storage will be incorporated into the site design to mitigate peak wastewater flows and any other mitigation to address potential impacts associated with peak flows such as back flow preventers for adjacent properties. The FEIR should include an update on its consultations with SWSC.

To minimize flows to CSO regulator 15B, MassDEP recommends that the Proponent consider directing site stormwater to the 60-inch by 80-inch combined sewer located downstream of regulator 15B. The FEIR should address this recommendation.

## E. CONSULTANT ANALYSIS

---

### **MARK VANDER LINDEN, DIRECTOR OF RESEARCH AND PROBLEM GAMBLING**

On January 10, 2014 the Massachusetts Gaming Commission (MGC) received a petition from the Town of Hampden to be designated a surrounding community by Blue Tarp reDevelopment, LLC. While no social impacts were identified in the petition, I'd like to highlight some which are commonly identified and may accompany gaming expansion. I provide a list of these impacts and review and summary of the evidence.

**Problem and disordered gambling:** One of the main negative impacts of gambling is problem or disordered gambling. There are a host of issues associated with problem gambling. Social impacts include things such as mental health problems, suicide, family/relationship problems and divorce. Many studies have found a relationship between proximity to gambling venues and the prevalence of problem gambling<sup>4</sup>

- In 1998, analysis of the U.S. Gambling Impact and Behavior Study data found that location of a casino within 50 miles was associated with approximately double the rate of pathological gambling (Gerstein et al., 1999).
- In a separate U.S. national-level study, Welte et al. (2004) determined that the location of a casino within 10 miles of an individual's home is independently associated with a 90% increase in the odds of being a problem or pathological gambler.
- Shaffer, LaBrie and LaPlante (2004) examined county-level prevalence estimates from the 2000/2001 survey in Nevada in relation to casino availability and found that the four counties with the greatest access to casinos had the highest problem gambling rates, and the four with the least availability had the lowest rates.

**Burden on social services:** It seems logical to conclude that the increase in persons with gambling disorders would create a burden on the City's social service agencies. However, as pointed out by Dr. Williams, the bulk of the impacts tend to be social/nonmonetary in nature because only the minority of problem gamblers seek or receive treatment, and only a minority typically have police/child welfare/employment involvement. That being said, it is difficult to accurately predict the actual impact as ultimately it will vary between jurisdictions depending on the type of gambling introduced and the magnitude of the change. For example, a new casino in a small community with limited prior exposure to gambling has a much larger impact than if the casino was introduced in a large city that already had easy access to gambling options to a range of gambling options.

**Crime:** Dr. Robert Williams conducted an exhaustive review of studies in the US and international jurisdictions regarding the relationship between casinos and increase in crime. He found the evidence is somewhat mixed concerning the impact that legal gambling introduction

---

<sup>4</sup> Williams, R.J., Volberg, R.A. & Stevens, R.M.G. (2012). *The Population Prevalence of Problem Gambling: Methodological Influences, Standardized Rates, Jurisdictional Differences, and Worldwide Trends*. Report prepared for the Ontario Problem Gambling Research Centre and the Ontario Ministry of Health and Long Term Care. May 8, 2012. <http://hdl.handle.net/10133/3068>

has on crime rates. The most common finding is that crime rates do indeed increase with increased gambling availability. The main caveat to studies with this finding is that some of them are not referring to aggregate crime rates. Rather, some are focusing on the impacts for specific types of crime, such as increased fatal alcohol-related traffic accidents following the introduction of casinos. Other studies are simply documenting that increased gambling at an individual level is associated with increased *likelihood* of committing gambling-related crime.

Only a couple of studies reported a general increase in all categories of crime. Consistent with the notion that increases in crime are partly attributable to increased numbers of problem gamblers, most studies have found increases primarily in property offenses, particularly fraud, embezzlement, theft, and larceny (although two studies actually found reductions in these categories).

Several studies failed to find increased crime rates, or only found increases in some communities but not others. Dr. Williams concluded that although there are good theoretical reasons to expect a positive relationship between gambling introduction and crime, it may not always manifest itself. There are many factors other than gambling that can potentially mediate this relationship, such as extensive prior exposure to gambling, a relatively small increase in the availability of gambling relative to population size, a temporal lag whereby crime increases take several years to occur, or the existence of jurisdictional policies that protect against the negative impacts of gambling (e.g., effective programs to prevent problem gambling, limits on the provision of readily available cheap alcohol in venues, enhanced security/policing in casinos, etc.). Because the magnitude of the increase in crime is not large in most studies, the presence of any of these other moderating factors has potential to negate the increased crime effect.

**Drunk driving incidents:** There does appear to be a positive correlation between casino proximity and increase in drunk driving incidents. Below are three studies that support this: There are three studies which address this.

- Cotti, C. and D.M.Walker. (2010). The Impact of Casinos on Fatal Alcohol-Related Traffic Accidents in the United States, found a strong link between the presence of a casino in a county and the number of alcohol-related fatal traffic accidents. However, the relationship is negatively related to the local-area (county) population.
- Spectrum Gaming Group (2009). Gambling in Connecticut: Analyzing the economic and social impacts. Found a positive correlation between driving-while-intoxicated arrests and legal gambling in Connecticut.
- A study done by Dr. Richard McGowan (2013)<sup>[1]</sup> found a positive correlation between drunk driving arrests for a county and the presence of a casino within that same county. Specifically the study concluded that casino gambling can have serious social costs on a community. In a review done by Williams he found two studies that supported a positive correlation between driving while intoxicated and the presence of a casino.

### **Social and Economic Impact of Gaming in Massachusetts**

The question, to what extent will the introduction of a gaming facility create negative impacts on any specific community is complex and difficult to answer. However, the Commission is

---

<sup>[1]</sup> McGowan, R. (2013). *Casino Gambling and Drunk Driving: How are Communities Impacted?* Gaming Law Review and Economics. November 10, 2013.

currently working closely with SEIGMA/UMASS Amherst to conduct a controlled before-after comparison of changes in rates of problem gambling and numerous social and economic indices coincident with the introduction of a gaming facility. The ongoing findings of this study will provide the most accurate determination of what the true social and economic impact is on host and surrounding communities. A more precise understanding of the impacts will inform the best use of the **Public Health Trust Fund** which was created to assist social service and public health programs to mitigate the potential addictive nature of gambling and the **Community Mitigation Fund** which was created to assist the host and surrounding communities in offsetting costs related to the construction and operation of a gaming establishment.



## **HLT: Town of Hampden Surrounding Community Status Petition**

As requested, we are submitting this letter report with respect to a request by the Town of Hampden (the “Town” or “Hampden”) to be declared a “Surrounding Community” as set out in MGL c. 23K 17(a) and 205 CMR 125.01(2). The Surrounding Community request is being made in conjunction an Application by Blue Tarp Redevelopment, LLC (“MGM”) for a casino (the “Casino”) in Springfield, Massachusetts. This report outlines the steps we took to conduct the analysis together with our conclusions.

### **1. BACKGROUND**

In accordance with the MGL c. 23K 17(a) and 205 CMR 125.01(2), any Massachusetts community has the right to petition the Commission for declaration as a Surrounding Community if the community can: 1) demonstrate negative impacts from a gaming development and 2) has requested and been denied Surrounding Community status by an Applicant. In consideration of a community petition, the Gaming Commission must consider various factors and evaluate:

- The community’s proximity to the host community and the gaming establishment.
- The impact on transportation infrastructure in the community by the gaming establishment.
- The noise, traffic and environmental impacts on the community during construction of the gaming establishment.
- The negative impact the gaming establishment could have on local retail, entertainment and service establishments in the community.
- Any other relevant potential impacts to the community.

The Town of Hampden requested that MGM declare the Town a Surrounding Community with respect to the Category 1 Application proposed for Springfield. The basis for the Town’s request for Surrounding Community status was twofold, adverse impact to highway infrastructure and proximity to the Casino:

- Infrastructure Impact - the Town claims “significant adverse impact on the highway infrastructure of the Town” caused by “significant traffic” to and from the Casino that will travel through the Town.
- Proximity - the Town claims that the westerly border of Hampden is approximately three miles from the easterly border of Springfield. The easterly border of Springfield is approximately five miles from the Casino site. The Town claims this geographic and commuting distance between the Town and the Casino qualifies it as a Surrounding Community.

MGM rejected the Town’s request. As a result, the Town petitioned the Commission to adjudicate its request for Surrounding Community status in a letter dated January 10, 2014 (the “Hampden Petition”). MGM subsequently responded to the Town’s petition in a document dated January 21, 2014. Both parties appeared before the Commission on January 28, 2014.

## 2. OBJECTIVE AND SCOPE

The Commission engaged HLT<sup>1</sup> to comment on the potential impacts that a Category 1 Casino, located in Springfield, might have on the local, retail, entertainment and service establishments in Hampden.

To complete this assessment we:

- Reviewed the petition and related correspondence between the Town, MGM and/or the Commission, including a January 15, 2014 letter TEC Inc., Response to Town of Hampden Surrounding Community Designation, submitted as part of the MGM response to Hampden petition.
- Reviewed applicable sections of MGM’s Category 1 Application including MGM Resorts International – Springfield Market Study Appendix Update, November 2013 prepared by Union Gaming Analytics and Regional Economic and Fiscal Impacts of Proposed MGM Springfield on Gaming Region B and the Commonwealth of Massachusetts prepared by HR&A Advisors.
- Reviewed the following background documents:
  - o Comprehensive Analysis: Projecting and Preparing for Potential Impact of Expanded Gaming on Commonwealth of Massachusetts, August 2008 (together with March 2010 update), by Spectrum Gaming Group, prepared for the Commonwealth of Massachusetts (the “Spectrum Report”).
  - o Massachusetts Statewide Gaming Report, June 2010, prepared by the Innovation Group for the Massachusetts Senate, Commonwealth of Massachusetts.

<sup>1</sup> HLT Advisory is a Toronto-based consultancy focused on the gaming, tourism, accommodation and leisure industries. HLT has a significant public- and private sector client base within these industries and has completed a broad range of market assessment, bid process, economic impact and strategic planning engagements across North America as well as in Asia, Europe and the Caribbean.

- o New England Casino Gaming Update, 2013 prepared by the Center for Policy Analysis, University of Massachusetts Dartmouth (the “Center for Policy Analysis Report”).
- Attended the Commission’s January 28, 2014 meeting where both the Town and MGM presented their respective positions on the issue.

Upon completion of these steps we completed the following letter report.

## 3. BASIS FOR THE HAMPDEN PETITION

The Town of Hampden is a community lying southeast of Springfield, east of East Hampden and bordering Connecticut. The Town, in its petition, points to two areas where it feels it qualifies for Surrounding Community status: impacts to transportation infrastructure and proximity to the Casino site.

- Proximity – the Town claims that it is approximately 8 miles east of the Casino site (“the westerly border of Hampden is approximately three miles from the easterly border of Springfield which is approximately five miles from the location of the proposed casino”), and this proximity qualifies the Town as a Surrounding Community.
- Transportation Infrastructure – The Town identifies Allen Street as the “direct route” from Hampden into Springfield. They also indicated that Allen Street would be “the route of choice” for travelers from communities such as Somers and Stafford Springs Connecticut to reach the Casino. The Town is concerned that the transportation infrastructure will be significantly and adversely affected by the Casino through: “ready access of Hampden to the casino, changes in the level of services at intersections along Allen Street, and increased volume of trips on Allen Street and the streets which feed into it”.

The Hampden Petition did not quantify the current or potential traffic volumes travelling Allen Street, nor did it mention any potential impact the Casino might have on the local retail, entertainment and service establishments in the community.

#### 4. ISSUES AND CONSIDERATIONS

HLT was retained to assess the potential impacts the Casino might have on the local retail, entertainment and service establishments in Hampden. Hampden did not raise this as an issue in its request for Surrounding Community status. The Town’s primary issue was the concern over additional traffic along Allen Street as a result of patronage to the proposed MGM Casino.

Two issues bear addressing:

- **Positive benefits will be generated despite the residential nature of the Town—** The most significant direct benefit is MGM staff complement, assumed to include the projected 2,300 FTE jobs to support ongoing Casino operations. The increased payroll and spending potential will be a net benefit to the broader trade area including Hampden, where some MGM employees are likely to reside.
- **Inbound travel to the MGM Casino will be partially offset by reduced outbound travel to Connecticut casinos—**The MGM Casino is expected to draw patrons to Springfield from a fairly wide trade area. For those inbound patrons located southeast of Springfield, Allen Street through Hampden would be a possible transportation option. In the same manner, this road may be currently used to carry Springfield and area residents southeast to the Connecticut casinos.

In 2013, the Center for Policy Analysis Report estimated that \$710 million in gaming revenue is generated by Massachusetts residents at casinos in Connecticut, Rhode Island and Maine. On a per capita basis, this equates to about \$149 of

gaming spending for each Massachusetts adult/annum. Assuming the adult population of the Springfield trade area<sup>2</sup> is 325,628, applying a \$149/adult average gaming spend results in \$48.5 million in annual gaming spending. Spending may actually be greater for the Springfield trade area given proximity to Connecticut or Rhode Island casinos when compared with communities further north.

A rough estimate of the number of people travelling from the Springfield market area to Connecticut casinos can be calculated by dividing the annual trade area spending of \$48.5 million by an average spend/casino visit (say \$100/visit to \$150/visit) resulting in a range of about 323,000 to 485,000 trips. On the assumption that casino gamers average two adults/vehicle for each trip, this rough estimate suggests there could be 162,000 to 243,000 fewer vehicle trips transporting Springfield trade area residents via Allen Street (and other nearby roadways) to and from Connecticut casinos.

## 5. CONCLUSION

Based on our review of the Hampden Petition, MGM's rebuttal and other information available to us as well as our knowledge of the gaming industry we believe the Town should experience some positive benefit as a result of the considerable staff complement (and concomitant payroll) of the Casino. Hampden should also experience at least a partial offset in vehicular traffic as Springfield area residents replace Connecticut gaming trips with trips to MGM Springfield.

\* \* \* \* \*

<sup>2</sup> The Springfield trade area was defined by HLT as a 30-minute drive time based on the "Local Market" as described in the UGA Market Study for MGM. HLT has extrapolated those zip codes (using Microsoft MapPoint mapping software) contained within the 30 minute drive-time local market area that lies north and west of Hampden where Allen Street intersects with East Longmeadow Road. HLT estimates these Springfield trade area residents would possibly use Allen Street to travel to Connecticut casinos. Adult Population estimates are based on US Census bureau 2012 population estimates (21+).

## **LDS Analysis**

As requested, we are submitting this letter report with respect to the City of Northampton, Town of Hampden and Town of Longmeadow in connection with their petitions to be designated as a “Surrounding Community” with regard to the proposed Category 1 gaming facility by Blue Tarp Development LLC (“MGM”) in West Springfield, MA (the “Subject Property”). This letter outlines the steps we took to conduct our analysis as well as our conclusions. The Subject Property will include:

- A 127,000 SF casino,
- A 250-room hotel,
- 46,000 SF of convention space,
- 68,000 SF of food and beverage space,
- 43,000 SF of retail,
- 37,000 SF, luxury movie theater,
- 18,000 SF, 15 lane bowling alley,
- 9,400 SF of spa/fitness/pool,
- 54 apartments, and
- 3,600 structured parking spaces and additional surface parking.

## **Background**

In accordance with the Massachusetts General Laws, c. 23K 17(a) and 205 CMR 125.01(2), any Massachusetts community has the right to petition the Massachusetts Gaming Commission (the “Commission”) for declaration as a Surrounding Community if the community can: 1) Demonstrate negative impact from a gaming development and 2) has requested and been denied Surrounding Community Status by an Applicant. In consideration of a community petition, the Commission must consider various factors and evaluate:

1. The community’s proximity to the host community and the gaming establishment.
2. The impact on transportation infrastructure in the community by the gaming establishment.
3. The noise, traffic and environmental impacts on the community during construction of the gaming establishment.
4. The negative impact the gaming establishment could have on local, retail, entertainment and service establishments in the community.
5. Any other relevant potential impacts to the community.

LDS has been asked to examine potential impacts to housing, schools and code enforcement in each community. Only one petition, the one from Longmeadow dated January 13, 2014, specifically mentioned a concern that could be related to housing. It was a reference on page 17 to code enforcement, which was also mentioned in the Municipal Resource, Inc. report in Exhibit 35 of their petition.

## **Methodology**

We have reviewed all or some of the following documents on this matter:

1. MGM Application

2. HR&A Impacts Study for housing and school age children impact
3. Host Community Agreement
4. Northampton Petition and Exhibits
5. Longmeadow Petition
6. Hampden Petition
7. Portion of the gaming legislation related to Surrounding Communities
8. Census ACS reports and Esri reports prepared by our office.

**Conclusion**

Based on these materials and our independent evaluation, we find that the communities surrounding Springfield will not be significantly and adversely affected by the operation of a Category 1 gaming establishment after its opening due to housing or school impacts resulting from the facility. Furthermore, given the high unemployment and housing vacancy rates in the area, it is more likely than not that the Category 1 casino will be beneficial to the housing markets in these communities and therefore add to the real estate tax base as well as increase overall consumer spending in the area.

**Research**

**Unemployment**

The application states that there will be 3,254 jobs created by the new Category 1 Casino. In addition, the host community agreement states that they will work to achieve 35% City of Springfield residents and no more than 10% (325 persons) of the workforce to be residents from outside of the City and surrounding area. We looked at current information available from the Massachusetts Department of Workforce and Labor Development below. Table 1 – Number of unemployed Persons in the Communities Adjacent to Springfield

Unemployment – Past 10 Years										
Year	Agawam	Chicopee	East Longmeadow	Holyoke	Longmeadow	Ludlow	Springfield	West Springfield	Wilbraham	Total
2013	1,116	2,301	478	1,579	378	946	6,896	1,084	444	15,222
2012	990	2,214	472	1,631	369	911	7,200	1,092	396	15,275
2011	1,080	2,454	489	1,692	389	1,025	7,883	1,173	437	16,622
2010	1,282	2,774	572	1,835	466	1,034	8,368	1,359	480	18,170
2009	1,241	2,740	523	1,842	444	1,039	7,563	1,281	474	17,147
2008	826	1,818	367	1,284	286	769	5,293	891	320	11,854
2007	696	1,571	318	1,082	255	625	4,623	706	275	10,151
2006	748	1,642	297	1,154	277	694	4,936	728	305	10,781
2005	737	1,605	325	1,224	271	645	4,812	779	285	10,683
2004	786	1,750	334	1,211	281	683	5,180	792	301	11,318
2003	875	1,880	359	1,300	304	745	5,409	839	313	12,024

**Table 2 Number of unemployed person’s in Petition Communities not adjacent to Springfield**

Unemployment-Past 10 Years			
Year	Hampden	Northampton	Total

<b>2013*</b>	176	785	961
<b>2012</b>	172	814	986
<b>2011</b>	184	866	1,050
<b>2010</b>	218	957	1,175
<b>2009</b>	206	967	1,173
<b>2008</b>	140	668	808
<b>2007</b>	115	594	709
<b>2006</b>	116	625	741
<b>2005</b>	126	603	729
<b>2004</b>	149	650	799
<b>2003</b>	148	666	814

Table 1 shows that as of December 2013 Springfield and the communities immediately physically adjacent to Springfield have a total of 15,222 unemployed persons or job seekers. In addition, Table 2 includes the two petitioners not immediately adjacent to Springfield, Hampden and Northampton, have a total of 961 unemployed or job seekers as of December 2013.

**Therefore, as of December 2013, there are four times as many job seekers in the communities we examined as there are positions estimated to be created by the Springfield casino.**

**Housing Vacancy Rates**

Table 3 compares housing vacancy rates for Springfield and the communities immediately physically adjacent to Springfield from the 2008-2012 ACS. Based on these communities, there are 11,237 vacant housing units in these communities that could be absorbed in the event workers do move to the area to work at the Subject Property. Springfield has the highest housing vacancy rate at 10% with (6,351 vacant units) and Longmeadow has the lowest ( 3% with 149 vacant units).

**Table 3 Housing Occupancy and Vacancy**

		Total Housing Units	Occupied Housing Units	Vacant Units
<b>Agawam</b>	Number	11,973	11,470	503
	Percent		96%	4%
<b>Chicopee</b>	Number	24,745	22,957	1,788
	Percent		93%	7%
<b>East Longmeadow</b>	Number	5,971	5,769	202
	Percent		97%	3%
<b>Holyoke</b>	Number	17,021	16,032	989
	Percent		94%	6%
<b>Longmeadow</b>	Number	5,956	5,807	149
	Percent		97%	3%
<b>Ludlow</b>	Number	8,415	8,029	386

	Percent	95%	5%
<b>Springfield</b>	Number	61,942	55,591
	Percent	90%	10%
<b>West Springfield</b>	Number	12,300	11,694
	Percent	95%	5%
<b>Wilbraham</b>	Number	5,571	5,308
	Percent	95%	5%
	<b>Total</b>	<b>153,894</b>	<b>142,657</b>
	<b>Average Percent</b>	<b>93%</b>	<b>7%</b>

Furthermore, if you examine the housing vacancy at the two petitioners not adjacent to Springfield, there are an additional 768 vacant units as shown on the table below:

**Table 4 Housing Occupancy and Vacancy**

		<b>Total Housing Units</b>	<b>Occupied Housing Units</b>	<b>Vacant Units</b>
<b>Hampden</b>	Number	1,912	1,880	32
	Percent		98%	2%
<b>Northampton</b>	Number	12,475	11,739	736
	Percent		94%	6%
	<b>Total</b>	<b>14,387</b>	<b>13,619</b>	<b>768</b>
	<b>Percent</b>		<b>95%</b>	<b>5%</b>

Therefore, as of the 2008-2012 ACS, there are 3.5 times as many vacant housing units in the communities we examined as there are new job positions estimated to be created by the Springfield casino.

The Municipal Resource, Inc. report attached to the Longmeadow petition states a need for a code compliance employee for 25 hours a week at a cost of \$117,000 a year. There is no explanation or rationale for reaching this statement/conclusion. Typically revenue from real estate taxes and building permit fees pay for the salaries of inspectional services departments. We took a snapshot of these two revenue categories from the MassDOR Website for the years 2010 and 2012 as follows:

**Table 5**

<b>Hampden Revenue Changes</b>		
	<b>RE Revenue</b>	<b>Licenses and Permits</b>
<b>2010</b>	\$ 9,498,370	\$ 7,720
<b>2012</b>	\$ 9,956,207	\$ 8,015



<b>Increase</b>	\$ 457,837	\$ 295
-----------------	------------	--------

It appears that both real estate taxes and license and permit revenues are increasing, most likely as a result of the improved economy. **Any new construction would generate both permit fees and real estate taxes which would most likely offset the cost of personnel. Therefore, in the absence of factual data on this issue by the petitioner and based on our research, we are not able to conclude a need for an additional inspectional services department staff in Longmeadow.**

Furthermore, while we have not checked with each individual community on production of new homes which could add additional product to the market, due to other work being performed in our office on a proposed assisted living facility in Northampton, we are aware of a planned development community that is adding a variety of new housing units that will further increase the supply of housing in the region. Village Hill Northampton is a 126 acre planned development community in conjunction with MassDevelopment, including:

- 77 units of mixed income rental housing. Hilltop Apartments:
- a 33 unit development that was rehabilitated in 2005;
- a the 40 unit mixed income Hillside Place which was constructed in 2009.;
- Eastview Townhomes includes 11 craftsman-style townhomes (Village Hill Northampton 2012).
- Four single-family developments.: 24 units at Pecoy at Village Hill Northampton Westview, 6 units at Beechwood Homes, 4 units at Laurel Street Row, and 11 units at Morningside.

**School Age Children/Household Size**

The next table examines in the change in family size from 2000 to 2010 based on the United States Census as reported by ESRI for Springfield and adjacent communities, as well as the two non-adjacent petitioners’ communities of Hampden and Northampton. It shows that for all but one community, that average household size has gone down and/or remained the same. This is indicative of two things, the aging baby boomer generation becoming empty nesters, and households are generally having fewer children.

**Table 6**

Change in Average Household Size					
	2000	2010	Change 2000-2010	% Change 2000-2010	
<b>Agawam</b>	2.44	2.38	-0.06	-2.46%	
<b>Chicopee</b>	2.32	2.28	-0.04	-1.72%	
<b>East Longmeadow</b>	2.65	2.61	-0.04	-1.51%	
<b>Hampden</b>	2.79	2.66	-0.13	-4.66%	
<b>Holyoke</b>	2.57	2.51	-0.06	-2.33%	
<b>Longmeadow</b>	2.66	2.66	0	0.00%	
<b>Ludlow</b>	2.55	2.46	-0.09	-3.53%	

<b>Northampton</b>	2.14	2.12	-0.02	-0.93%
<b>Springfield</b>	2.57	2.6	0.03	1.17%
<b>West Springfield</b>	2.33	2.33	0	0.00%
<b>Wilbraham</b>	2.71	2.63	-0.08	-2.95%
<b>Average</b>	2.52	2.48	-0.04	-1.77%

We also examined the change in population by age from 2000 to 2010 for ages 0-14 for the three petitioner communities. We looked at this as an indicator of how many children may be entering the school system in the future. Table 6 below shows that the number of school age or potential school age children, decreased significantly from 2000 to 2010.

Table 7

<b>Change in Population 2000-2010</b>			
<b>Ages 0-14</b>	2000	2010	Change
<b>Hampden</b>	1101	863	-238
<b>Longmeadow</b>	3457	3173	-284
<b>Northampton</b>	4064	3708	-356

**Therefore, based on a shrinking household size and contracting school age populations in the petition communities, it is reasonable to conclude that the Category 1 casino will not adversely impact schools in the petition communities.**

We would be pleased to answer any questions you have in this regard.

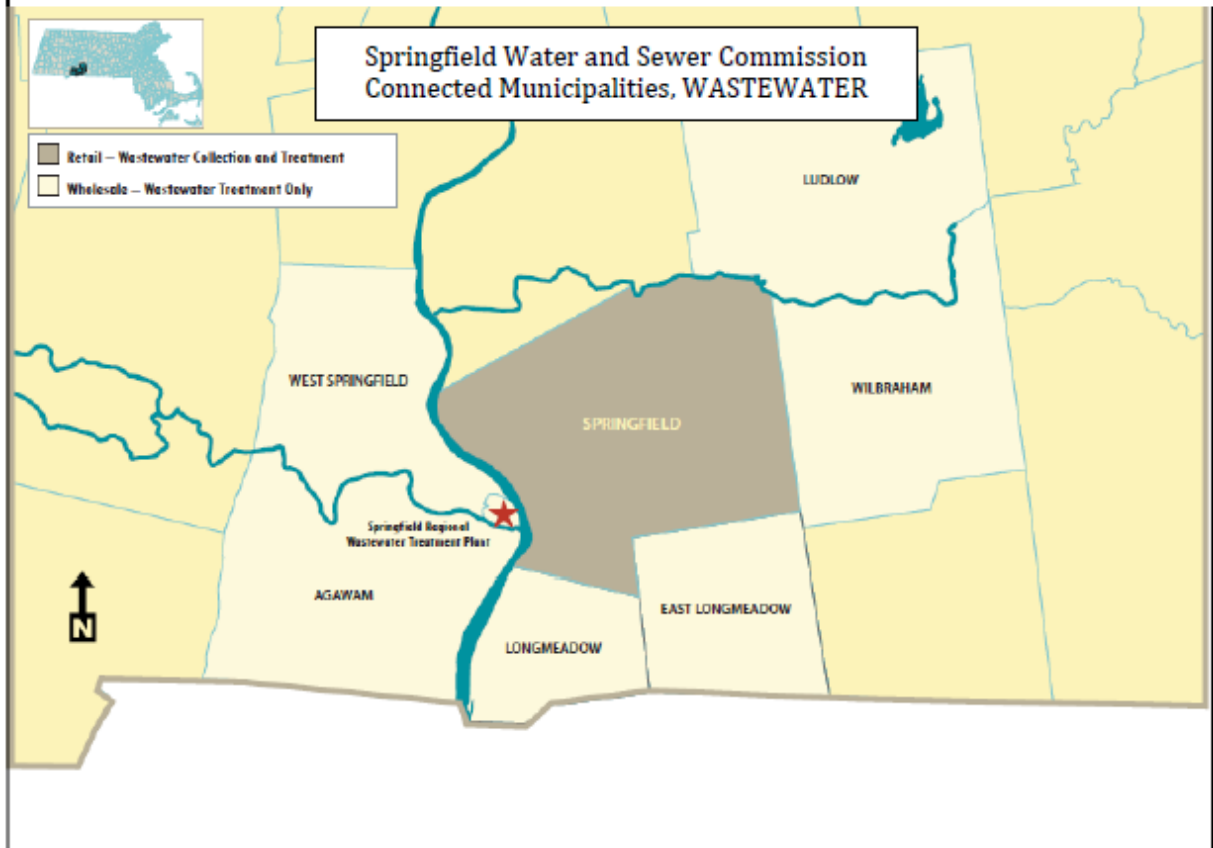
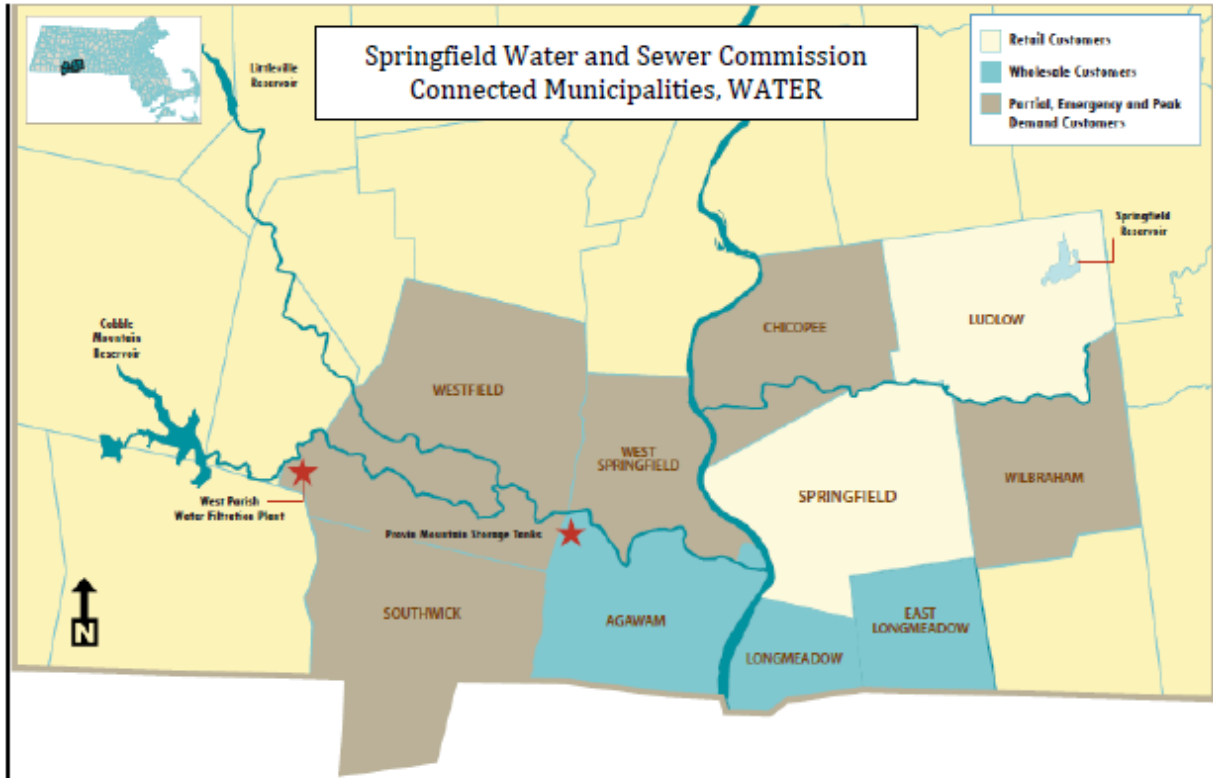
## **City Point Partners Surrounding Community Water and Wastewater Impacts**

Refer to my memo of February 6 addressing Water/Wastewater Impacts of MGM Casino on Longmeadow. As supported by that memo, any claim by the Town of Longmeadow that the proposed casino will have an impact the Town's water supply or wastewater disposal is invalid.

The Towns of Hampden and Northampton do not have any legitimate claim of water or sewer impact inasmuch as neither town is served by the Springfield Water and Sewer Commission. See the attached figure for reference.

Northampton draws its water from three surface reservoirs located in Conway and Whately, supplemented (about 1%) by 2 groundwater wells. It operates its own wastewater treatment plant.

Residential and commercial property in the Town of Hampden are primarily supplied by private wells for potable water and Title 5 systems for wastewater disposal.



## F. APPLICATION

---

### HR&A ADVISORS IMPACT STUDY

- Increased traffic was consistently one of the top concerns by surrounding communities. As with any other project of this scale, the proposed casino will generate more trips in the region. A comprehensive study of regional traffic impacts is expected to be completed in late December 2013. Managed by the Pioneer Valley Planning Commission, this study will inform the need for additional investments or payments by MGM to mitigate regional traffic impacts.
- Impacts on police, fire, and emergency services department in surrounding communities will be minimal and MGM is taking steps to set up a process to address concerns. The main impacts will be on departments in the City of Springfield. MGM is supporting Springfield department capacity with a \$2.5 million upfront payment and \$2.5 million in annual payments as part of the total funding package negotiated under the host community agreement. While AMR, the emergency services providers, operates on a fee-for-service model, MGM is working with the company to ensure the project receives adequate services without negatively impacting response times elsewhere in the community. Findings from the traffic study will help inform the extent of any impacts on regional fire and police departments.
- The proposed project will generate minimal impacts on regional crime rates. A study by the University of Nevada Las Vegas International Gaming Institute found that any proposed casinoresort would likely increase the total volume of crimes in the immediate area due to increased visitation, but this would have an insignificant effect on the crime rates overall when adjusted for the number of people drawn to the area. MGM is addressing these potential impacts through mitigation payments to the Springfield police department.
- The proposed project will generate a significant number of jobs for regional residents. The project will generate approximately 3,000 onsite jobs to support project operations. MGM estimates that 90% of the full-time jobs will be filled by local residents. In addition, HR&A estimates that the project will support approximately 2,650 additional jobs in the region<sup>2</sup> from indirect vendor spending, off-site visitor spending, and induced household spending by employees. A separate HR&A report on the economic and fiscal impacts of the proposed project on the region and Commonwealth of Massachusetts provides a more detailed assessment of the economic benefits to the region. Surrounding communities will receive much of these benefits due to their proximity to the project site.

- While the project will attract some new residents, the housing market is diverse and flexible enough to accommodate growth. MGM estimates that 225-265 employees will come from outside the region, which conservatively translates into the same number of new households. The impact on the housing market will depend on individual preferences to rent vs. own, family size, income, lifestyle preferences, etc. HR&A's review of the existing housing market suggests that it is flexible enough to handle additional demand.
- New households in surrounding communities could generate up to 105 new public school children, costing an estimated \$540,000. HR&A conservatively developed this estimate based on data on average local education costs in surrounding communities. MGM is working with surrounding communities to develop a future process that will measure impacts based on actual outcomes.

### Longmeadow

Longmeadow is located directly south of Springfield along the banks of the Connecticut River and bordering the State of Connecticut to the south.

Longmeadow has a total housing stock of 5,948 units. Approximately 90% of non-vacant units are owner occupied with an average home value of \$392,431. Longmeadow has the highest home values in the region and is the most affluent town. The other 10% of the units are renter occupied with an average rent of \$983 per month, according to 2005-2009 data from ESRI Business Analyst Online, developed based on the American Community Survey.

Longmeadow's municipal budget amounted to a grand total of \$51.8 million for FY2013, including \$4.5 million for public safety, including police and fire. The existing tax base for FY 2013 is \$43.9 million with rates on both residential and commercial properties at \$21.54 per \$1,000 of assessed value.

## **TOURISM DRAW**

### **1-02-01 Destination Resort**

Rather than building a large-scale retail center that would draw sales away from existing shopping centers in the area, we are excited about bringing a retail and dining experience that will fit into the fabric of Downtown and spur visitor spending along Main Street.

### **1-04 Competitive Environment**

MGM Springfield anticipates a very robust competitive environment over the next 10 years, which we feel we are uniquely qualified to overcome. MGM Resorts has a track record of developing and operating market-leading facilities in Las Vegas and competitive regional markets. In fact, we do not have any existing properties in monopoly or duopoly markets. MGM

Springfield directly competes or will compete with casinos and racinos in Connecticut (Mohegan Sun and Foxwoods), New York (Saratoga Casino and Raceway and Empire City Casino at Yonkers Raceway) and Rhode Island (Twin River Casino and Newport Grand). In addition, MGM Springfield will be in the same competitive marketplace as facilities in Massachusetts (Zone 1, Zone 2 and slots-only licenses). MGM Springfield's immediate competitive market includes approximately 33,000 slot machines/VLTs, over 1,100 table games and over 40,000 total gaming positions. Future competition includes legislative initiatives in Connecticut, Maine, New Hampshire, New York and Rhode Island. MGM Springfield will have several advantages that will allow it to be successful in this competitive environment. We believe that our site is strategic, and offers convenient access to both Hartford from the South and Albany from the West – two key feeder markets. MGM Springfield also is located about 30 minutes from the Worcester County line, which puts us a safe distance away from the other casinos and slot parlor in Massachusetts. This will help Massachusetts both generate more revenue from key out-of-state markets but also create less dilution on the facilities in the Boston Zone and Southeastern Zone. In addition, MGM Springfield is the only resort in the New England gaming market that can offer a true urban experience. We will offer amenities that are complementary and enhance local entertainment venues, amenities and attractions to create an “urban synergy” with the area's hotels, businesses, attractions, convention center and entertainment venues.

### **1-06 Collaborative Marketing**

MGM Resorts has a long history of working closely with tourism, convention and economic development agencies and associations to enhance the tourism experience in the markets in which we operate. Our marketing strategy to encourage visitors from outside of Massachusetts (both domestically and internationally) will include leveraging the MGM brand, including our Company's existing marketing relationships and expertise, our M life loyalty program, and transportation through collaborations with bus, train and airplane stakeholders. We intend to collaborate with local, regional and state tourism, convention and development agencies, including the Greater Springfield Convention and Visitors Bureau, MassPort and the Massachusetts Office of Travel and Tourism. We wish to partner with existing tourism and convention assets, in particular the MassMutual Center, to cross-market Springfield to out-of-state tourism and business customers and agencies. From a gaming perspective, MGM Springfield can leverage our national and global branch office network. MGM Springfield also will conduct an extensive marketing effort, leveraging the Company's existing relationships with national and international travel agencies (online and traditional), tour operators and airline and bus partners to develop marketing programs designed to bring more visitors to the destination. If awarded the license, MGM Springfield would like to lend our expertise and relationships, when appropriate, to help both MOTT and MassPort devise ways to attract more Chinese visitors to Massachusetts. It is good business for MGM Springfield and good business for the Commonwealth.

### **1-08 Broadening the Region's Tourism Appeal**

Since its founding, MGM Resorts has demonstrated a powerful commitment to the philosophy of corporate social responsibility. We recognize, and we actively embrace, that we can seek to maximize profits for our shareholders – our business owners – and at the same time conduct our

business in a responsible way. Responsibility to us means that: we comply with ethics and law in how we handle our business, and we strive to make a positive impact on our surrounding world. We seek to have positive relationships with our employees, our guests, our host communities and to protect the resources of our planet Earth. Beyond our sense of moral obligation, we believe that our social responsibility initiatives will enhance our competitiveness and position our Company for long-term economic growth, and also benefit our host communities. We hire and maintain a diverse, multi-racial and multi-cultural workforce which is reflective of our host communities. We similarly understand that our customer base is diverse, multi-racial, multi-cultural and increasingly global. However, we recognize that diversity without inclusion is incomplete. We cultivate respect for the humanity and contributions of every individual employee because our employees are the lifeblood of our business. We realize that to achieve the highest level of performance of our work teams, and to deliver genuinely superior service to our guests, we must motivate each employee to perform at the highest levels each and every day. We therefore foster an inclusive culture of excellence enterprise-wide aligned with our business mission – organized around universal employee engagement, individual responsibility, individual empowerment to express diverse opinions and perspectives, inspired leadership, consistent peak performance, team collaboration, innovation, accountability, and above all, positive recognition for a job well done. Diversity and inclusion promote greater unity in our Company around a shared common vision in achieving our business mission – which is to engage, entertain and inspire our guests during every interaction. MGM Springfield will advance this business model and work culture. MGM Resorts has maintained an over 30% representation of minorities in management and over 40% representation of women in management for the last five years. As a market leader in diversity and inclusion, in April 2013, MGM Resorts earned the Number One ranking on the “Top 10 Regional Companies” list compiled by DiversityInc, one of the nation’s leading resources on diversity best practices and trends. Additionally, DiversityInc recognized MGM Resorts as Number 8 on the 2013 “Top 10 Companies for Latinos.”

## **2-24 Customer Cross Marketing**

We will maximize MGM Springfield’s potential by leveraging the strength of the MGM Resorts brand, M life loyalty program, and our extensive customer database from our other properties, particularly those in Las Vegas. MGM Resorts’ national marketing network will heighten the exposure and prominence of MGM Springfield through marketing efforts directed at our large and expanding national customer database. MGM Springfield will be advertised via direct mail, email marketing, and in-room collateral to MGM Resorts guests and members of our M life loyalty program. MGM Springfield will leverage our deep relationships with primary air carriers. Markets of focus will be major to medium-sized cities with non-stop flights to one of the region’s or Commonwealth’s airports and an absence of a prestigious destination casino in their home market. Because MGM Resorts has established a large and loyal guest database, we can leverage those relationships to encourage these patrons to get on buses to visit our properties. MGM Resorts has successfully operated bus programs targeting M life members in our regional markets, and we intend to do the same for MGM Springfield.



## **2-36 Marketing to Out of State Visitors and use of Junkets**

MGM Springfield anticipates approximately 50% of gaming revenue and more than 50% of non-gaming revenue will come from out-of-state visitors. Of those out-of-state visitors, MGM Springfield anticipates that over 70% will be derived from customers who will either are or will become M life members. Enclosed in the response are three tables that show anticipated out-of-state gaming and non-gaming revenues for the first five years of operation on best, average and worst case scenarios. MGM Springfield’s marketing plan includes leveraging the M life loyalty program and cross-marketing with MGM Resorts’ existing properties and customers residing out-of-state (including Connecticut, New York and Canada), collaborating with local, regional and national meeting and tourism partners, cross-marketing with other local entertainment venues and attractions – in particular the MassMutual Center – sponsoring and promoting regional special events and partnering with local, regional and national bus, train and airline operators. We intend to market to our rich M life database in strategically selected cities, and to work with both MOTT and MassPort to encourage greater international visitation to the Commonwealth. Currently, we have not targeted junket operators for MGM Springfield.

## **4-22 Diversified Regional Tourism**

Non-gaming entities within the boundaries of the gaming establishment complex generally will be owned by MGM Springfield, with the principal exception of outsourced retail and potentially some of the food and beverage venues. Many of the outsourced retail and food and beverage venues will be managed by or in cooperation with local or regional partners. MGM Springfield envisions situations when MGM Springfield may wish to block rooms at neighboring hotels, particularly to accommodate gaming customers. In addition, there will be many situations when our hotel will be at capacity, and we will redirect our customers to area hotels or the GSCVB website. MGM Springfield intends to truly partner with the MassMutual Center to enhance and complement Springfield’s existing convention and conference business. Our sales team and the MassMutual Center sales team will be working closely together, and MGM Springfield will work with the MassMutual Center and area hotels to block rooms for these groups.

MGM Springfield believes it is essential to incorporate both regional restaurateurs and food and beverage vendors into MGM Springfield. Because of the outward-looking nature of MGM Springfield, local restaurants within walking distance of the resort will thrive. Just as important, restaurants and bars located on the public trolley route also will gain exposure to MGM Springfield’s visitors.

MGM Springfield has established numerous cross-marketing relationships in Springfield and throughout Western Massachusetts. We aim to create a visitor experience that is amplified because of increased choice and opportunities. We intend to cross-market attractions such as the Museum Quadrangle, Basketball Hall of Fame, Six Flags New England in Agawam, golf courses, ski resorts, Symphony Hall and City Stage as well as other entertainment venues.

## **MARKET CAPTURE**

### **2-26 Market Analysis**

As a trading center and center of industry, Springfield has long been a strategic location for the Commonwealth and for Western Massachusetts. MGM Springfield is the only resort in the New England gaming market that can offer a true urban experience. The market already contains successful isolated rural casinos. However, what the market does not have is an urban destination that contains more than just a resort. MGM Springfield will be part of Greater Springfield's integrated urban entertainment proposition, which no other location is able to offer. MGM Springfield benefits from both east-west and north-south highway networks as well as ingress/egress from multiple local streets. Springfield is a hub for bus and train service in addition to being located proximate to area airports including a commercial airport in Hartford and the regional airport in Worcester as examples. MGM Springfield is projected to recapture over \$80 million annually of Massachusetts resident gaming spend from neighboring states.

### **2-37 Marketing to In-State Visitors**

MGM Springfield anticipates approximately 50% of gaming revenue and less than 50% of non-gaming revenue will come from in-state visitors. Of the in-state visitors, MGM Springfield anticipates that over 70% will be derived from customers who already are or will become M life members. Enclosed in the response are three tables that outline anticipated in-state gaming and non-gaming revenues for the first five years of operations in best, average and worst case scenarios. MGM Springfield's marketing plan includes leveraging the M life loyalty program and cross-marketing with MGM Resorts' existing properties and customers, collaborating with local and regional tourism agencies, cross-marketing with other local entertainment venues and attractions – in particular the MassMutual Center – sponsoring and promoting regional special events and partnering with local and regional bus operators.

## **WORKING WITH LOCAL BUSINESSES**

### **1-05 Meeting Unmet Needs**

MGM Springfield has established numerous cross-marketing relationships in Springfield and throughout Western Massachusetts. These relationships aim to create a visitor experience that is amplified because of increased choice and opportunities for visitors. We intend to actively cross-market attractions such as the MassMutual Center, Springfield's Symphony Hall and CityStage, the Museum Quadrangle, the Basketball Hall of Fame, Six Flags New England in Agawam, a selection of golf courses and ski resorts, as well as other entertainment venues, including MPAC venues and Tanglewood. We have entered into or are pursuing joint marketing and cooperation agreements with all of these enterprises. In partnership with the Greater Springfield Convention and Visitors Bureau (GSCVB), of which we, the Museum Quadrangle and Basketball Hall of Fame are members, MGM Springfield intends to actively promote both organizations through in-house promotions and promotions among our employees. We will commit to hosting employee family events at each of the facilities and to buy blocks of tickets for customer events and promotions. In addition, we have entered into discussions with the Basketball Hall of Fame to develop a more substantial partnership.

### **3-14 Local Business Promotion**

MGM Springfield will promote local businesses by leveraging its urban location, outward facing design and physical proximity to the numerous existing key assets and businesses in the greater Springfield area. Our Downtown integration plan intends to resurrect a trolley bus system that will run regularly from MGM Springfield through the Downtown area to other Springfield attractions, such as the Basketball Hall of Fame, Symphony Hall/City Stage and the City's museums. MGM Springfield will be promoting local businesses by not building amenities that directly compete with those in the region. Instead, we intend to cross-market with many of these entertainment venues such as Symphony Hall, CityStage, the Massachusetts Performing Arts Coalition and Tanglewood, as well as other regional entertainment venues. MGM Springfield and the MassMutual Center will undertake a joint marketing and cooperation initiative, in which MGM Resorts will leverage its convention and entertainment relationships to attract more conventions and entertainers to the MassMutual Center. MGM Springfield will leverage the abundant regional resources of Western Massachusetts by partnering with local and regional chefs and retailers, in addition to featuring local artisan farmers, organic production specialist, craft brewers and wine-makers on our menus.

### **3-15 Local Suppliers**

MGM Springfield is dedicated to maximizing the participation of the region's existing workforce and businesses in the development of the Project.

MGM Springfield has been in discussions with the Carpenter's local 108 and the Massachusetts Building Trades Council and is committed to supporting their apprenticeship programs, directly and in conjunction with MGM Springfield's construction firms. This will ensure that our project has a qualified local pool of construction labor when we commence construction.

MGM Springfield is committed to employing local design professionals, contractors, suppliers and vendors for the development and operation of its Project. Accordingly, we are committed to actively engaging the City and region's business community, specifically minority business enterprises, women business enterprises and veteran business enterprises.

MGM Springfield will proactively educate regional and local businesses on the opportunities presented by the Company, and assist them in identifying strategies to fully participate in the economic development opportunities provided by the Company.

### **3-16 Local Business Owners**

In addition to our Global Procurement group, MGM Resorts has Purchasing teams at our Regional Properties and intends to have a dedicated purchasing team at MGM Springfield. MGM Resorts has established corporate purchasing policies and procedures that guide the procurement of goods and services, and MGM Springfield will also have certain requirements of our suppliers. Prior to launch, MGM Springfield would identify potential suppliers for upcoming bid opportunities with the help of the local business community and Chamber(s) of Commerce. We

would also review MGM Resorts' supplier database for potential suppliers. MGM Springfield already has begun to reach out to local and regional chambers of commerce and business groups. MGM has established a formal relationship with the Berkshire Chamber of Commerce (see Attachment 3-16-02) and has received the formal support of many other groups (see Attachment 3-16-03).

### **3-17 Assisting Businesses**

MGM Springfield is already providing financial assistance to local businesses via Common Capital, which is a community loan fund that provides loans and business assistance services to businesses impacted by the recent tornado and to promote business development and economic revitalization in the disaster designated counties. MGM Springfield has provided \$125,000 in funding to the Disaster Business Recovery Loan Fund. To lay the groundwork to maximize the opportunity to utilize Western Massachusetts' businesses, we have participated in numerous vendor outreach events. In addition to the vendor outreach events discussed here, we also have met with several local business groups and chambers of commerce to assist them in identifying the types of goods and services we will need in the future. Enclosed in our response is a list of local vendors with whom we have had productive discussions and/or established formal relationships. In Attachment 3-16-01, we outline MGM Springfield's process in assisting local businesses in identifying our current needs and how we will lay the groundwork for local businesses to work with us in the future.

### **3-21 Projected Benefit for Regional Businesses**

According to an independent analysis by HR&A Advisors, regional businesses are projected to experience increases in gross revenue. In the average case, the revenue increase is projected at \$72.3 million (2013\$) in Year 2.

The on-going operations of the Project will create revenues for regional businesses primarily through vendor/supplier purchases. These estimates were based on HR&A's independent analysis of MGM-provided profit-and-loss statement. In the Average Case, \$50.8 million (2013\$) is a product of MGM Springfield regional vendor spending with another \$7.2 million expected as a product of MGM Springfield spending on operations and maintenance in Year 2.

Additional revenues for regional businesses would come from the third party retail operating on-site. This includes 33,300 square feet of retail space plus a 2,900 square foot grocery space. As noted previously, HR&A estimated the third party retail spending by applying sales per square foot averages from the 2008 Urban Land Institute's Dollars and Cents Report to project industry sales for the third party retail space. In the stabilized year of the Average Case, this revenue is expected to amount to \$14.3 million (in 2013\$).

As discussed in greater detail in the HR&A report, these estimates likely greatly understate the positive impact on regional businesses once off-site out-of-state visitor spending, additional employee compensation spending and multiplier spending are factored into the equation.

### **3-24 Local Agreements**

Enclosed are the local agreements into which MGM Springfield has entered or proposed to expand gaming establishment draw. All of the enclosed agreements are located in Economic Development Binder 2 of 2.

### **3-25 Cross Marketing**

MGM Springfield has established numerous cross-marketing relationships in Springfield and throughout Western Massachusetts. The goal of these relationships is to create a visitor experience that is amplified because of increased choice and opportunities for visitors. MGM Springfield has entered into cross-marketing agreements with the MassMutual Center, Symphony Hall and CityStage, which will see us promoting various events at all three venues including underwriting and booking a select number of events. In addition, MGM Springfield also has had productive discussions with the Massachusetts Performing Arts Coalition (MPAC) and its member entertainment venues. In partnership with the Greater Springfield Convention and Visitors Bureau (GSCVB), of which we, the Museum Quadrangle and Basketball Hall of Fame are members, MGM Springfield will actively promote both organizations through in-house promotions and promotions among our employees. MGM Springfield has created a cross-marketing relationship with Six Flags New England to create a win-win situation for both organizations.

MGM Springfield is committed to promoting the Franconia Golf Course and Veterans Golf Course to our guests, all of whom will be treated to preferred tee times at both golf courses. MGM Springfield has had initial discussions with Jiminy Peak Mountain Resort in The Berkshires. A relationship between the two entities would likely mutually beneficial, and provide tourism benefits for the region.

### **3-33 Entertainment and Athletic Events**

MGM Springfield will integrate with local entertainment venues through its proposed collaborations with the MassMutual Center, Symphony Hall/CityStage, the Massachusetts Performing Arts Coalition, Tanglewood, as well as other regional entertainment venues. MGM Springfield's approach will be to leverage our marketing strength and entertainment relationships in an attempt to "block book" entertainment acts not only for Springfield but also for other appropriate Massachusetts entertainment venues. MGM Springfield is committed to underwriting, co-promoting and booking at least a combined twelve events per year at MassMutual Center, Symphony Hall and CityStage. We will market these events aggressively to our M life database, and will use them as inducements to attract visitation to MGM Springfield. In Springfield, MGM Springfield has made a commitment to sponsor the MassMutual Center's two home teams – the Springfield Armor (NBA D-League) and Springfield Falcons (American Hockey League). MGM Springfield will leverage these relationships to promote the games to our M life database and will benefit from patronage from event-goers before and after games. MGM Springfield was the lead sponsor for the MAAC Men's College Basketball Tournament that was held in March 2013 at the MassMutual Center.

#### **4-21 Tourism Diversity**

MGM Springfield will be a high-caliber facility built with a number of amenities that were strategically chosen to both increase visitation and complement the other amenities in Springfield and the region. For particulars, please refer to Attachments 4-01-01, 4-02-1, 4-14-01, 4-19-01, 4-20-01 and 4-33-01.

We intend to lease a good portion of our retail space to Massachusetts-based businesses. In addition, some of our restaurants will be operated by Massachusetts-based entities. Our regional retail and restaurant operator partners are highlighted in Attachment 4-22-01 and we have discussed numerous potential ways to incorporate food, beverage and retail vendors into MGM-operated outlets in Attachment 4-11-01.

While we are not physically including local operators inside the premises of our Project, we have demonstrated how we will cross-market with and promote local businesses in Attachments 3-14-01, 3-25-01 and 3-26-01, and we have included local agreements as part of our response to 3-24. For our busing programs, we expect to partner with both Tour & Travel as well as Line Run operators. In order to have a successful bus program in the highly competitive North East market, operators advised us that our incentive package for players has to be appealing, including promotional credits, food and retail.

#### **4-33 Stimulating Retail Activity**

MGM Springfield will build a 35,000 square-foot outdoor retail component that will be accessible from Main Street. We will strive to create an entertainment destination complex, which will attract millions of customers annually, that is outward-facing and designed to be a catalyst for the development of other retail activity. We intend to implement marketing programs that support surrounding restaurants and retail businesses. The “Outdoor Plaza” of retail will include a selection of local and regional retailers who will benefit from the traffic and visibility provided by their location. In addition, MGM Springfield will use the “Outdoor Plaza” to host community events that promote regional businesses. Attachment 4-11-01 provides further detail relating to our proposed retail program. As part of our “No Business Left Behind” approach, we will seek to partner with local retail businesses in terms of our own procurement activities, as well as the provision of retail services to MGM Springfield employees and guests. In addition, we will promote our neighboring businesses by placing local visitor and business guides, such as the GSCVA Visitors Guide, in our hotel rooms and public areas.

## **HIRING**

### **1-7 Diverse Workforce and Supplier Base**

Since its founding, MGM Resorts has demonstrated a powerful commitment to the philosophy of corporate social responsibility. We recognize, and we actively embrace, that we can seek to maximize profits for our shareholders – our business owners – and at the same time conduct our business in a responsible way. Responsibility to us means that: we comply with ethics and law in

how we handle our business, and we strive to make a positive impact on our surrounding world. We seek to have positive relationships with our employees, our guests, our host communities and to protect the resources of our planet Earth. Beyond our sense of moral obligation, we believe that our social responsibility initiatives will enhance our competitiveness and position our Company for long-term economic growth, and also benefit our host communities. We hire and maintain a diverse, multi-racial and multi-cultural workforce which is reflective of our host communities. We similarly understand that our customer base is diverse, multi-racial, multi-cultural and increasingly global. However, we recognize that diversity without inclusion is incomplete. We cultivate respect for the humanity and contributions of every individual employee because our employees are the lifeblood of our business. We realize that to achieve the highest level of performance of our work teams, and to deliver genuinely superior service to our guests, we must motivate each employee to perform at the highest levels each and every day. We therefore foster an inclusive culture of excellence enterprise-wide aligned with our business mission – organized around universal employee engagement, individual responsibility, individual empowerment to express diverse opinions and perspectives, inspired leadership, consistent peak performance, team collaboration, innovation, accountability, and above all, positive recognition for a job well done. Diversity and inclusion promote greater unity in our Company around a shared common vision in achieving our business mission – which is to engage, entertain and inspire our guests during every interaction. MGM Springfield will advance this business model and work culture. MGM Resorts has maintained an over 30% representation of minorities in management and over 40% representation of women in management for the last five years. As a market leader in diversity and inclusion, in April 2013, MGM Resorts earned the Number One ranking on the “Top 10 Regional Companies” list compiled by DiversityInc, one of the nation’s leading resources on diversity best practices and trends. Additionally, DiversityInc recognized MGM Resorts as Number 8 on the 2013 “Top 10 Companies for Latinos.”

### **3-01 Studies and Reports**

In response to the question, we have attached a report from HR&A Advisors. The HR&A report contains an analysis of the economic benefits to the Commonwealth, regional and local level during both construction and operations. The report also addresses the impact on local and regional businesses as well as cultural institutions. The report concludes that during construction, the Project will generate \$663.0 million of economic spending in Region B and an additional \$27.1 million of economic spending elsewhere in the Commonwealth. The Project is estimated to generate 4,600 construction jobs in Region B and an additional 40 jobs in the Commonwealth. All in, the Project is estimated to create over \$176 million of wages during construction. The report concludes that during the first stabilized year of operations, the Project will generate between \$470 and \$559 million of economic spending in Region B and an additional \$21 to \$25 million of economic spending elsewhere in the Commonwealth. The Project is estimated to generate between 4,660 and 5,470 permanent jobs in Region B and an additional 60 to 70 jobs in the Commonwealth. All in, the Project is estimated to create over \$174 and \$202 million of annual wages. While MGM Springfield has included a significant amount of retail and restaurant space within its proposed program, it does not include a performance venue. Instead, it plans to promote local entertainment a network of regional relationships. Most significantly, these include programming four annual events of MGM typical quality at the neighboring MassMutual Center, six total annual events of MGM typical quality at Springfield Symphony Hall/City Stage,

plus an additional two events at either of the previous venues. In addition, MGM has formed or is seeking partnerships with regional organizations, festivals, entertainment venues, museums, visitors bureaus, chambers of commerce and attractions.

### **3-02 Employees**

MGM Springfield will employ approximately 3,254 men and women. MGM Resorts has created a culture and an environment that encourages employees to make the most of their diverse perspectives and abilities to achieve truly rewarding careers. We will continue to provide superior training and quality benefits for MGM Springfield's employees. MGM Resorts is committed to continued economic development and growth in the communities in which we operate. We execute recruitment and training programs that positively impact our local economies and their residents. MGM Resorts emphasizes education and training to develop the skills so that employees may advance along their proper career paths.

### **3-04 Underemployment**

MGM Springfield has an extensive plan to focus on providing good job opportunities and training for those areas of Western Massachusetts that are experiencing high unemployment and underemployment. We have built relationships with a number of state, regional, city and private employment-support agencies so that they may partner with us to provide training and assistance to the region's unemployed and underemployed. With our help and involvement, these agencies will provide job-readiness and skills trainings, sourcing candidates and hosting career fairs. Each agency provides a unique opportunity to reach potential employees from various locations, demographics and socio-economic backgrounds. In addition to partnering with employment-support agencies, MGM Springfield has built relationships with cultural organizations throughout Western Massachusetts because MGM Springfield is committed to creating a diverse workforce. We are engaging in ongoing dialogue with organizations such as the Puerto Rican Cultural Center in Springfield, the Urban League of Springfield, the NAACP of Greater Springfield and the Massachusetts Latino Chamber of Commerce to receive support in sourcing a diverse workforce.

### **3-05 Experience with Hiring Unemployed and Underemployed**

MGM Resorts has a strong history of successful employment and training programs that have positive impacts on communities. Across our properties, we demonstrate our commitment to hire in areas and demographics of high unemployment and underemployment, as well as provide career opportunities for minorities, welfare-to-work participants and other target populations. Each effort is designed to meet the specific needs of the community and done with full partnership of local supporting agencies. In 1993, MGM Resorts helped build the Culinary Training Academy in Las Vegas, Nevada. In 2012, we partnered with the Red Cross to form The Boots to Business Program, which helps veterans transition from military service into management positions at our properties. In June 2013, we expanded our commitment to The Boots to Business Program through a grant of \$250,000 to the Red Cross Service to the Armed Forces (SAF) Giving Program. In Western Massachusetts, the grant will support the identification, recruitment and transition support for veterans into existing community-based employers. When MGM Resorts entered into the Detroit market, we realized that while a skilled



workforce existed, their skills were in the declining manufacturing sector and not in the hospitality industry. Before opening, MGM Grand Detroit committed to recruiting and training a workforce in areas of high unemployment and underemployment.

### **3-06 Plan for Workforce Development**

Attached is our plan for workforce development as set forth in the host community agreement. We have not included our workforce development plans in our surrounding community agreements but intend to include those labor forces in our overall workforce development strategy.

## **ECONOMIC IMPACT**

### **1-03-01 p. 7**

Through our retail offerings, MGM Springfield has struck a very important balance that provides a unique and compelling retail destination able to cater to regional customers, but without competing with local Massachusetts-based retail venues. For example, we specifically sought out a Mac reseller, as opposed to an anchor Apple store, which is an anchor in the neighboring and successful Holyoke Mall. Similarly, for women’s apparel we are targeting brands such as “Black and White,” which anchors Blue Back Square in West Hartford, Connecticut. Rather than being ad hoc, our retail strategy is very calculated to attract key target customer segments and not cannibalize existing Massachusetts businesses.

**SPRINGFIELD AND SURROUNDING COMMUNITIES ATTRACTIONS** The Greater Springfield area is rich in diversity of cultural attractions and recreational resources. These include the Basketball Hall of Fame, museums (such as the Dr. Seuss National Memorial Sculpture Garden), amusement parks, fairgrounds, colleges and outdoor activities. The site is located across the Connecticut River from the Big E fairgrounds, north of the Six Flags Amusement Park, within blocks of multiple museums and north of Forest Park Zoo. The wider Connecticut River valley includes agricultural and natural areas, many colleges, tourist attractions, music venues (such as Tanglewood) and historic sites.

### **2-18 Revenue Generation**

MGM Springfield has commissioned a gaming revenue study from Union Gaming Group (Attachment 2-18-03). The purpose of this study was to provide an independent perspective on the potential gaming revenue of MGM Springfield. MGM Springfield has commissioned an economic impact study from HR&A Advisors that includes projections of tax receipts for the City of Springfield and the Commonwealth, contained as Attachment 2-18-02. During the first stabilized year of operations in the Average Case, HR&A is projecting a net change in municipal revenue of approximately \$26.6 million (in 2013\$). Sources of tax revenue include payments resulting from MGM Springfield’s Host Community Agreement, hotel (excise) and meals taxes. The estimate does net out existing property taxes on the MGM Site. During the first stabilized year of operations in the Average Case, HR&A is projecting Commonwealth tax revenue of

\$128.1 million (in 2013\$). Sources of tax revenue include gaming, hotel (excise and sales), food & beverage, personal income tax and anticipated Commonwealth lottery proceeds. The above taxes were calculated from two sources – direct spending at MGM Springfield and by direct off-site spending by out-of-state visitors in either the City or Commonwealth. Note the above estimates do not include tax revenue resulting from indirect/induced impacts.

## **2-19 Projected Gaming Revenue**

Under the Average Case Scenario, MGM Springfield is projected to generate gaming revenue of \$412.2 million, \$485.0 million, \$499.5 million, \$512.0 million and \$524.8 million, respectively, during the first five years of operations.

## **2-20 Projected Non-Gaming Revenue**

Under the Average Case Scenario, MGM Springfield is projected to generate non-gaming revenue of \$105.3 million, \$123.5 million, \$127.2 million, \$130.3 million and \$133.6 million, respectively, during the first five years of operations. All other scenarios are detailed in our attached response.

## **2-21 Projected Tax Revenue to the Commonwealth**

According to a study by HR&A Advisors, under the Average Case Scenario, the tax revenue to the Commonwealth, including gaming taxes and fees directly resulting from MGM Springfield, is estimated to be \$111.9 million, \$128.1 million, \$128.7 million, \$128.8 million and \$128.9 million (in 2013\$), respectively during the first five years of operations.

For the Best Case Scenario, Commonwealth tax revenue is estimated to be \$118.9 million, \$136.1 million, \$136.8 million, \$136.9 million and \$137.0 million in 2013\$, respectively, during the first five years of operations.

For the Worst Case Scenario, Commonwealth tax revenue is estimated to be \$90.3 million, \$103.3 million, \$103.8 million, \$103.9 million and \$103.9 million in 2013\$, respectively, during the first five years of operations.

In Year 2 of operations for the Average Case, the estimated mix of Commonwealth taxes is as follows: Gaming Taxes/Fees (\$110.5 million), Sales Tax (\$7.4 million), Hotel Excise (\$1.6 million), Personal Income (\$4.7 million) and Commonwealth lottery proceeds (\$4.0 million).

The above taxes were calculated from two sources – direct spending at MGM Springfield and by direct off-site spending by out-of-state visitors in either the City or Commonwealth.

Note the above estimates do not include tax revenue resulting from indirect/induced impacts.

Note the above estimates do not include tax revenues received by the City of Springfield or surrounding communities.

### **2-31 Business Plan**

MGM Springfield, located in the South End of Downtown Springfield, will represent the finest urban resort, gaming and entertainment experience in New England. We will create a high-quality urban destination entertainment experience at the crossroads of New England. MGM Springfield will attract new tourists and residents to Western Massachusetts, revitalize the region's communities and businesses and forge strong physical connections to the areas many existing attractions. As impressive as the unique brands of MGM Resorts are, it is the dedicated creative team that develops and executes complex strategic and operations plans that enhance our success. For example, 2011 marked the introduction of M life, our loyalty marketing program that rewards members for virtually every dollar they spend across our many iconic resorts. In addition, MGM Resorts has national and international reach through its marketing offices as well as marketing alliances. The breadth, depth and quality of our resorts and the experience planned for MGM Springfield make us the most compelling option to operate successfully in the competitive Northeast casino-resort market, particularly against mega-resorts such as Foxwoods and Mohegan Sun in Connecticut. The attached Business & Marketing Plan quantifies our key channels of business (M life, Air/Bus/Rail, Off-Site Events, Conventions, Tourists Outside of the MGM and Unrated/Untracked Guests) and discusses how we will approach attracting business from these channels.

### **2-32 Maximum Facility Use**

MGM Springfield is uniquely positioned to meet the cyclical and seasonal nature of tourism through the wide range of marketing tactics detailed in the MGM Springfield Marketing Plan (documented in Attachments 2-31-01, 2-34-01, 2-36-01 and 2-37-01). Because MGM Springfield is a complete integrated resort offering a wide range of business options (casino, hotel, meetings, conventions, tours, community entertainment/event/attraction partners), we are able to use several “levers” to provide as much consistency in business volume as possible. Throughout the year (in particular during the winter months), MGM Springfield will promote special events in the region and work with attractions and venues. Enjoying good relationships with tour operators, as well as direct relationships with ski resorts, will help MGM Springfield to fill hotel rooms and provide a boost to regional visitation, enhancing the competitiveness of Massachusetts ski resorts relative to surrounding states.

With a database of more than 60 million customers and 31 million M life members, we are able to effectively shift business volumes around MGM Resorts' properties based on need through our M life marketing efforts. In fact, through the strategic planning process, seasonal/cyclical considerations are one of the driving forces behind our marketing tactics and they are reviewed and updated on a regular basis.

### **2-35 New Revenue**

MGM Springfield has commissioned a study from HR&A Advisors that details the economic benefits to the Commonwealth and the region. For purposes of its analysis, HR&A defined the

region as the four counties comprising Western Massachusetts. The study evaluates a number of both positive and potentially negative economic factors resulting from the project. The HR&A study concludes that the economic impact of the Project is overwhelmingly positive as a result of positive economic factors, including the recapture of gaming revenue from surrounding states, visitor spending outside the Project at other regional businesses, spin-off benefits from new jobs created at MGM Springfield and ongoing spending by MGM Springfield with regional vendors, all of which far outweigh any potential negative impacts.

### **3-28 Other Amenities**

Plans for attractions and amenities beyond hotel, gaming, restaurants and in-house entertainment are more extensively outlined in the attached response.

MGM Springfield intends to enter into an Art Display and Consignment Agreement with Studio 9, a non-profit art gallery in Downtown Springfield, operated by John Simpson, an art professor at the Commonwealth Honors College of the University of Massachusetts at Amherst. Under this agreement, MGM Springfield would display at any time original works of art created by Massachusetts high school and college students and other local and regional artists.

MGM Springfield will include a Luxury Cinema and Bowling Complex. The inclusion of these amenities is purposeful. MGM Resorts is committed to helping in the development of a proper “Live, Work, Play” environment in the heart of Springfield, which can only be achieved by developing amenities that attract people to the City.

### **3-33 Entertainment and Athletic Events**

MGM Springfield will integrate with local entertainment venues through its proposed collaborations with the MassMutual Center, Symphony Hall/CityStage, the Massachusetts Performing Arts Coalition, Tanglewood, as well as other regional entertainment venues.

MGM Springfield’s approach will be to leverage our marketing strength and entertainment relationships in an attempt to “block book” entertainment acts not only for Springfield but also for other appropriate Massachusetts entertainment venues.

MGM Springfield is committed to underwriting, co-promoting and booking at least a combined twelve events per year at MassMutual Center, Symphony Hall and CityStage. We will market these events aggressively to our M life database, and will use them as inducements to attract visitation to MGM Springfield.

In Springfield, MGM Springfield has made a commitment to sponsor the MassMutual Center’s two home teams – the Springfield Armor (NBA D-League) and Springfield Falcons (American Hockey League). MGM Springfield will leverage these relationships to promote the games to our M life database and will benefit from patronage from event-goers before and after games. MGM Springfield was the lead sponsor for the MAAC Men’s College Basketball Tournament that was held in March 2013 at the MassMutual Center.

#### **4-11 Non-Gaming Amenities**

We will offer a diverse range of entertainment options that will make MGM Springfield attractive to a broader demographic of gaming and non-gaming guests. MGM Springfield will deliver a portfolio of experiences that reflect the diversity and multiplicity of tastes and preferences in the local area. Restaurants from both celebrity chefs and up-and-coming local restaurateurs of distinction will incorporate the traditions, culture, spirit and energy of the surrounding communities. A restaurant strategy that reflects environmental stewardship and the principles of sustainability will be central to our decisions on concepts, partners and suppliers. MGM Springfield will have indoor and outdoor retail. There will be 8,000 square feet of branded retail integrated into the podium areas of the Project. In MGM’s “Outdoor Plaza”, there will be 35,000 square feet of leasable space that will include a mix of retail and additional food and beverage venues. The retail will focus on both national brands and retailers that are based in Western Massachusetts. These indoor and outdoor retailers will benefit from the traffic and visibility that the MGM Springfield location will provide. MGM Springfield will also include a Luxury Cinema and a Bowling Complex, both of which do not already exist in Downtown Springfield. The inclusion of this complex in the Project is purposeful. Many of these amenities will contribute to the development of a proper “Live, Work, Play” environment in the heart of Springfield, which can only be achieved by amenities that attract new working residents to the City. It is our goal that the construction of these non-gaming amenities will foster further economic development within the Downtown vicinity and the broader region.

#### **4-14 Serving the Surrounding Community**

One of the guiding principles of MGM Springfield is the embrace of the “Live, Work, Play” concept. MGM Springfield will strive to increase the appeal of Springfield and the South End for existing residents and to attract new young professionals to the City.

MGM Springfield’s amenity offerings will enhance the appeal of Springfield’s existing entertainment options, such as the MassMutual Center, Symphony Hall and CityStage. Rather than just seeing a show at one of these venues, visitors can have a complete entertainment experience in the Downtown.

Springfield’s surrounding communities will benefit from the introduction of a portfolio of widely diverse restaurants. The overarching philosophy of our venues is to source locally grown fresh ingredients. The depth and availability of local providers allows MGM Springfield to introduce locally sourced materials at almost every level of our offerings. In doing so, we financially support local business owners and greatly reduce the carbon footprint of our finished product. Through national known celebrity chefs, local restaurateurs and locally sourced materials, we hope to help Springfield stand out as a destination for superior quality dining that will compel visitors to stay longer and dine.

The MGM Springfield apartments will offer a new option for those residents that prefer to live in buildings with modern facilities. These apartments will target young professionals who want to live near MGM Springfield’s ample supply of retail and entertainment options. MGM Springfield intends to serve the surrounding community by organizing events that promote

regional businesses and artists in the Project’s Outdoor Plaza. We hope to host events such as vendor showcases, farmers’ markets, food/beer/wine festivals, arts & crafts fairs and live music from local artists. In addition, we anticipate that these and similar events will increase traffic at local restaurants and bars.

#### **4-14-01 OVERVIEW**

One of the guiding principles of MGM Springfield is the embrace of the “Live, Work, Play” concept. MGM Springfield will strive to increase the appeal of Springfield and the South End for existing residents and to attract new young professionals to the City. The development elements that focus most on this concept include: • 54 market-rate apartments • An Outdoor Plaza capable of hosting free entertainment and community events, including food-drive drop-off location, farmers’ markets, vendor fairs, art exhibitions, etc. • Ice skating rink • Luxury Cinema and Bowling Alley – neither is currently offered in Downtown Springfield • A retail program, envisioned to include access to a pharmacy and grocery services with a wide selection of fresh fruits and vegetables – both staples for healthy urban living • A selection of local and regional retail tenants, who will benefit economically from the traffic and visibility provided by MGM Springfield MGM Springfield’s amenity offerings, especially its restaurants, will enhance the appeal of the MassMutual Center, Symphony Hall and CityStage by enhancing the Downtown Springfield entertainment experience. Rather than just seeing a show at one of these venues, visitors instead can have a complete entertainment experience, coupling a concert or film with a meal at MGM Springfield.

**FOOD AND BEVERAGE** The surrounding communities of Springfield benefit in many ways by the introduction of a portfolio of widely diverse restaurants. The overarching philosophy of our venues is to source locally grown fresh ingredients. We are exploring relationships with local and regional farms, wineries and breweries in Western Massachusetts such as Berkshire Farms, Chase Hill Farms, Shepherds Gate, Berkshire Brewing Company, Echo Hill Winery and Amherst Brewery. The depth and availability of local providers allows MGM Springfield to introduce locally sourced materials at almost every level of our offerings. In addition to the obvious financial support for business owners, the use of local suppliers also helps reduce the carbon footprint of our finished product. The addition of nationally known celebrity chefs contributes to the cachet and credibility of the local dining scene. Helping Springfield stand out as a destination for superior quality dining will convince visitors to stay longer and dine. Both celebrity partners, Tom Colicchio and Bill Kim, have a broad range of media experience. Partnering with Massachusetts restaurateurs (Joe Frigo, Wayne Hooker and Anthony Ackil) exposes them to volumes of new consumers, thus enabling them to grow their business organically. The availability, approachability and quality of MGM Springfield’s offerings across all meal periods will encourage use from local businesses and tourists alike. The holistic approach to health and wellness in our menus will offer consumers options that are both expeditious and focused on nutrition. The synergy and dynamics of diverse restaurant offerings is good for hospitality businesses within walking distance of MGM Springfield. RETAIL Springfield has a rich history as an urban shopping center with numerous retail outlets on its streetscape. MGM Springfield’s retail offerings will add a fresh new dimension to that streetscape. As stated above, one of MGM Springfield’s significant contributions to the community will be to provide access to pharmacy and grocery services in the Downtown – both staples for healthy urban living. In addition, among the tenants will be a selection of local and

regional retailers that will benefit economically from the traffic and visibility provided by MGM Springfield.

**APARTMENTS** The MGM Springfield apartments will offer a new option for those residents that prefer to live in buildings with modern facilities. These apartments will target young and empty-nesters who want to live near MGM Springfield’s ample supply of entertainment options.

**OUTDOOR PLAZA** MGM Springfield will leverage its Outdoor Plaza to host community events that promote regional businesses – particularly during the warmer months. Some of the types of events could include: • Vendor showcases • Farmers’ markets • Food/beer/wine festivals • Arts and crafts fairs • Live music from local artists MGM Springfield envisions providing a variety of events that will provide a venue for regional businesses and artists to showcase their talents in front of a new audience.

**ENTERTAINMENT** MGM Springfield’s entertainment offerings in the Downtown area will increase traffic at local restaurants and bars by encouraging foot traffic through its outward-facing design. The Luxury Cinema and TAP 300 Bowling Complex are completely new features, as Downtown Springfield does not currently offer either a cinema or bowling alley. In addition, these venues will have regional appeal as they will offer a differentiated product to what is currently available in Western Massachusetts.

**ICE SKATING RINK** Like the Rockefeller Center’s ice rink in New York, the MGM Springfield ice skating rink will be an annual iconic attraction and a real sense of pride for the community. As many cities celebrate the lighting of their Christmas trees, we believe the unveiling of the ice rink will be an event families in the area look forward to annually

#### **4-15-01**

MGM Springfield will not include any significant live entertainment venues. The following entertainment elements are anticipated to be included in MGM Springfield and are discussed in more detail in 4-11-01. • Luxury cinema – several luxury movie theaters

- Bowling – state-of-the-art luxurious bowling experience
- The Armory - a multi-level, contemporary dining and entertainment venue set within the Armory’s historic walls that will include an exterior performance stage overlooking the Outdoor Plaza
- TAP - a classic American sports bar
- Belly Q2 - a unique pan-Asian dining and nightlife-lounge experience
- Ice rink (winter) – to be located each year in MGM Springfield’s Outdoor Plaza

#### **4-19 Qualities of Amenities**

When developing MGM Springfield’s amenities package, MGM Resorts worked toward creating experiences that are complementary to and will raise the profile of the area and its existing amenities. MGM Springfield’s presence in the market will broaden the City’s ability to attract more citywide meetings and convention business by offering consumers more rooms and a luxury product. MGM Springfield’s four-star hotel rooms will be positioned in the luxury segment, and the rates typically will be positioned higher than existing hotels in the market. This will increase Springfield’s appeal as a citywide convention market as the hotels will offer a greater diversity of price points. MGM Springfield’s food and beverage program will introduce

some of the area's best known restaurateurs to a wider audience and attract celebrity chefs to the Project. MGM Springfield will feature locally known food-and-beverage favorites, who will benefit from the expected eight million annual visitors to MGM Springfield. In cases where a local chef or restaurateur is not featured, MGM Springfield will endeavor to highlight locally sourced products and, when possible, actively feature these items on the menu. MGM Springfield will offer a luxury movie-theater experience with plush chairs and on-site dining as well as a bowling area that will function as much as a place to congregate as a traditional bowling center of yesteryear.

MGM Springfield's retail program will serve as the catalyst for the area along Main Street, creating the likely scenario where there will be more new retail opportunity for local businesses in the future.

#### **4-22-01**

**OVERVIEW** Non-gaming entities within the boundaries of the gaming establishment complex generally will be owned by MGM Springfield, with the principal exception of outsourced retail and potentially some of the food and beverage venues. Many of the outsourced retail and food and beverage venues will be managed by or in cooperation with local or regional partners. In this way, patrons will be able to experience aspects of the diversified regional tourism industry actually on property. These relationships with respect to retail and food and beverage are discussed in more detail in Attachment 4-11-01. MGM Springfield has entered into or anticipates entering into many partnerships and collaborations with a wide range of local hotel, dining, retail and entertainment facilities. These relationships have been documented in great detail in many other areas of this Application and are summarized below.

**HOTELS** Because of the close proximity and marketing relationship between MGM Springfield and the MassMutual Center, MGM Springfield will be able to attract additional business. As a result, and in collaboration with area hotels that are within walking distance or trolley ride from the MassMutual Center, MGM Springfield clearly will be able to benefit these properties by increasing their occupancy rates. Other businesses, including MGM Springfield, also will benefit from this increased visitation. MGM Springfield envisions situations during busier times of the year when MGM Springfield may wish to block rooms at neighboring hotels, particularly to accommodate gaming customers. In addition, because our sales team and the MassMutual Center sales team will be working so closely together, there will be other instances when, in order to accommodate large groups or groups seeking multiple hotel price points for their guests, MGM Springfield will work with the MassMutual Center and area hotels to block rooms for these groups. There will be many situations when our hotel will be at capacity. In these instances, we will direct callers to area hotels or the GSCVB Website. Particularly during the summer and during many weekends throughout the year, MGM Springfield's 250 hotel rooms will not be enough to meet the likely demand.

**CONVENTION FACILITIES** MGM Springfield intends to make the MassMutual Center a true partner in enhancing and complementing Springfield's existing convention and conference business. MGM Resorts is the worldwide leader in the convention and meeting industry and we anticipate working with the MassMutual Center to jointly market the City's convention and meeting space to regional convention planners. Please refer to Attachments 4-12-01, 4-13-01 and 3-26-01 for further information relating to the details of our partnership with the MassMutual Center.



**RESTAURANTS** MGM Springfield believes it is essential to incorporate both regional restaurateurs and food and beverage vendors into MGM Springfield. This situation will allow them to showcase their talents to millions of visitors each year. Because of the outward-looking nature of MGM Springfield, local restaurants within walking distance of the resort will thrive. Just as important, restaurants and bars located on the public trolley route also will gain exposure to MGM Springfield’s visitors. Depending on the season, restaurants and bars on Worthington Street, including Theodore’s Blues, Booze and BBQ and other local eateries, will benefit from the increased foot and trolley traffic. Although MGM Springfield does not plan to participate in a wide-ranging regional “comping” program, we may enter relationships with a limited number of restaurants in which our guests can receive what we call Express Comps to these outlets. In order to broaden the region’s appeal to our visitors, we will source locally and include a portfolio of local chefs and retailers within MGM Springfield. The overarching philosophy of our venues will be to source locally grown fresh ingredients. We intend to feature local and regional farms, wineries and breweries on our restaurant menus. MGM Springfield is exploring relationships with Berkshire Brewing Company, V-One Vodka, Berkshire Farms, Chase Hill Farms, Shepherds Gate, Echo Hill Winery and Amherst Brewery. The depth and availability of local providers allow MGM Springfield to introduce locally sourced materials at almost every level of our offerings.

**OUTDOOR PLAZA AND RETAIL PROGRAM** MGM Springfield will leverage its Outdoor Plaza to host community events that promote regional businesses – particularly during the warmer months. Some of these events could include: • Vendor showcases • Farmers’ markets • Food/beer/wine festivals • Arts and crafts fairs • Live music from local artists

MGM Springfield envisions a variety of events that will provide a venue for regional businesses and artists to showcase their talents in front of a new audience. Over time, we believe that the outward-facing design of the Outdoor Plaza’s retail block will allow for the natural evolution of a streetscape on Main and Union Streets where other retail, restaurant and bar facilities would open over time. Please refer to Attachments 4-11-01 and 4-33-01 for greater detail relating to MGM Springfield’s retail program and Outdoor Plaza.

**ENTERTAINMENT VENUES** MGM Springfield has established numerous cross-marketing relationships in Springfield and throughout Western Massachusetts. The goal of these relationships is to create a visitor experience that is amplified because of increased choice and opportunities for visitors. These relationships include cross-marketing attractions such as: • The Museum Quadrangle and Basketball Hall of Fame • Six Flags New England in Agawam • Golf courses • Ski resorts • The MassMutual Center • Symphony Hall and CityStage • Other entertainment venues, including MPAC venues and Tanglewood MGM Springfield will integrate with local entertainment venues through its joint marketing partnerships with the MassMutual Center and Symphony Hall/ CityStage, and through its proposed collaborations with the Massachusetts Performing Arts Coalition and Tanglewood, as well as other regional entertainment venues. These important partnerships are designed to attract new customers to the region for the mutual benefit of MGM Springfield and such venues. Please refer to Attachments 3-25-01 and 3-26-01 for more detailed information relating to these partnerships, and Attachment 3-33-01 for how MGM Springfield has already started to enhance the existing entertainment offerings in Springfield.

## **MITIGATION**

### **1-03-01 p. 8 “Do No Harm”**

Unlike the Mohegan Sun and Foxwoods entertainment venues in Connecticut that impose punitive radius restrictions, that at least in the case of Western Massachusetts, keep entertainment acts from performing in their venues, MGM Springfield will impose no such restrictions on any non-casino affiliated Massachusetts-based entertainment venues;

### **3-21 Projected Benefit for Regional Businesses**

According to an independent analysis by HR&A Advisors, regional businesses are projected to experience increases in gross revenue. In the average case, the revenue increase is projected at \$72.3 million (2013\$) in Year 2. The on-going operations of the Project will create revenues for regional businesses primarily through vendor/supplier purchases. These estimates were based on HR&A’s independent analysis of MGM-provided profit-and-loss statement. In the Average Case, \$50.8 million (2013\$) is a product of MGM Springfield regional vendor spending with another \$7.2 million expected as a product of MGM Springfield spending on operations and maintenance in Year 2. Additional revenues for regional businesses would come from the third party retail operating on-site. This includes 33,300 square feet of retail space plus a 2,900 square foot grocery space. As noted previously, HR&A estimated the third party retail spending by applying sales per square foot averages from the 2008 Urban Land Institute’s Dollars and Cents Report to project industry sales for the third party retail space. In the stabilized year of the Average Case, this revenue is expected to amount to \$14.3 million (in 2013\$). As discussed in greater detail in the HR&A report, these estimates likely greatly understate the positive impact on regional businesses once off-site out-of-state visitor spending, additional employee compensation spending and multiplier spending are factored into the equation.

### **3-30 Regional Economic Plan Coordination**

Springfield is one of the most economically challenged cities in the Commonwealth, and MGM Springfield intends to help the City restore its economic health by focusing on the development of a dynamic tourism and entertainment cluster. MGM Springfield will deliver investment, good jobs, training, enhanced regional entertainment, tourism growth and significant partnerships/marketing relationships with local and regional entertainment and cultural institutions. MGM Springfield is located within Springfield’s urban core and has been designed to complement existing architecture, to reconnect many of the City’s existing attractions and entertainment and cultural assets, and to partner with many of the City’s existing businesses. In support of the Rebuild Springfield Plan, MGM Springfield will develop 54 apartments, enhance the residential experience in the South End through a mix of commercial and retail options, partner with local institutions, increase walkability in the Downtown, and improve existing and introduce new public spaces. MGM Springfield aligns with the Pioneer Valley Plan For Progress and supports their seven overarching principles for successful economic development. These include urban investment, industry clusters, education and diversity. More than 50% of the project site is comprised of vacant buildings, parking lots and condemned buildings. Hospitality and tourism is a targeted industry cluster that can quickly create a large number of high-quality

jobs. MGM Springfield will create over 3,000 good-paying jobs and has already established a number of partnerships with local educational institutions and employment training and placement agencies. We have already taken steps to continue our commitment to hiring and training employees from diverse backgrounds, and MGM Springfield will have a workforce that reflects the region's diversity.

#### **4-30 Minimizing Noise and Lighting**

To address the potential concern of noise in the community related to the Project, a sound-level impact assessment was conducted, including the measurement of existing sound levels in the vicinity of the site and an estimate of future sound levels once the Project is in operation. The predicted future sound levels were compared to existing background levels, and impacts were evaluated against the Massachusetts Department of Environmental Protection (MassDEP) Noise Policy. The analysis indicates that predicted sound levels from Project-related mechanical equipment with appropriate noise mitigation will result in sound level increases that are at or below the limit established by the MassDEP Noise Policy. MGM Springfield is committed to making every reasonable effort to minimize the noise impact of construction activities.

#### **5-6 Mitigation**

MGM Springfield recognizes and acknowledges that the construction and operation of the Project will cause direct and indirect impacts on the City, which will require that the City and other governmental units of the City provide continuing mitigation of Community Impacts so that City residents, including the additional temporary and permanent workforce and the increased number of expected visitors to the City related to the Project, will receive substantially the same level of health, safety, welfare and educational services as are currently provided to City residents and visitors.

All financial commitments are summarized in the Concise Summary of HCA that was published in accordance with M.G.L. 23K, §15(13), and can be found in Attachment 5-05-02. MGM Springfield's payment to the City to allow for the mitigation of Police, Fire, EMS, and Education issues is shown in Section 4.1 and Exhibit A of the HCA. Per Section 4.11 of the HCA, MGM Springfield will cooperate in the preparation of a health impact assessment to be conducted by Partners for a Healthier Community, Inc. being funded by the Pew Trusts which will assess the health impacts of a casino located in the City. For additional steps that MGM Springfield is taking in the area of building awareness, prevention and treatment of problem gaming, please refer to Attachment 5-31-01. Please refer to Attachment 5-33-01 for all details relating to traffic mitigation.

MGM Springfield shall be responsible for the cost of the sewer and water main work as set forth in that certain April 24, 2013 letter to MGM Resorts Development, LLC from Timothy J. Williams of Allen & Major Associates, Inc., a copy of which is included as Schedule 1 to Exhibit E in the HCA (Attachment 5-04-01), as the same may be modified from time to time by agreement of MGM Springfield and the City. An outline of the mitigation agreement established between MGM Springfield and displaced tenants at the Project Site who agree to relocate within

the City, displaced tenants at the Project Site who agree to relocate within the Business Improvement District, and Union Station is enclosed in this response.

### **5-17 Mitigation**

We have conducted economic and social impact studies, which confirm that any adverse impact suffered by any community will likely be more than offset by the positive economic impacts that come from new employment and economic development, including our targeted \$50 million in annual local spending. With respect to traffic, our peer-reviewed studies and analyses have consistently projected that the traffic impact of MGM Springfield is largely complementary to the existing traffic flows, and the traffic is dispersed over various roadways, principally Interstates 91 and 291. Nonetheless MGM Springfield has proposed a surrounding community agreement structure that further protects communities through (i) both upfront and annual funding for surrounding communities' consultants, (ii) an annual minimum mitigation payment, and (iii) "look back" studies to determine any necessary further mitigation based on real data. With respect to the "look back" studies, MGM Springfield will fund a baseline study by a neutral and independent third party measuring the baseline conditions in each of the signatory communities. That same third party would then be funded to perform subsequent reviews of those same conditions following the opening of the project to the public. To the extent that these look back studies reveal a net significant adverse impact directly caused by the Project to those communities and Commonwealth mitigation funding is not available to address them, MGM Springfield will provide funding to mitigate those impacts. This method allows future mitigation payments to be based on actual impacts as they arise, rather than guesswork. It also protects a surrounding community from unfunded future impacts if an insufficient fixed impact fee had been negotiated upfront.

## **OTHER**

### **1-02 Efficient Infrastructure**

The MGM Springfield site will allow for the construction of a large casino with only limited improvements to existing water, sewer, and road networks surrounding the facility. The improvements to the water network include the replacement of mains dating back over 100 years. The proposed project will also utilize the existing sewer infrastructure available within the development parcels and in adjacent rights-of-way. Based on communications between the Developer and the Springfield Water & Sewer Commission (SWSC), the existing sewer system has the capacity to handle the projected average daily sewer flow, thus no improvements to the current sewer system are anticipated. While improvements at certain street intersections are anticipated, no new road lanes are needed beyond isolated turn lanes near or into the Springfield site. Finally, the addition of a casino to a big city like Springfield is likely to present only a marginal increase in the demands on local police, fire, and garbage collection services. My understanding is that the Developer and the city have quantified that incremental impact and that the Developer has committed to millions of dollars in both upfront and annual funding in its host

community agreement to reimburse the city for those costs. For these reasons, it can be said confidently that, from the perspective of Efficient Infrastructure, the MGM Springfield site is a superior location.

#### **4-30 Minimizing Noise and Lighting**

To address the potential concern of noise in the community related to the Project, a sound-level impact assessment was conducted, including the measurement of existing sound levels in the vicinity of the site and an estimate of future sound levels once the Project is in operation. The predicted future sound levels were compared to existing background levels, and impacts were evaluated against the Massachusetts Department of Environmental Protection (MassDEP) Noise Policy. The analysis indicates that predicted sound levels from Project-related mechanical equipment with appropriate noise mitigation will result in sound level increases that are at or below the limit established by the MassDEP Noise Policy.

MGM Springfield is committed to making every reasonable effort to minimize the noise impact of construction activities.

#### **4-35 Regional Water Facilities**

The Springfield Water and Sewer Commission (SWSC) supplies the City of Springfield with its drinking water. Springfield's primary water supply is the Cobble Mountain Reservoir. Waters flow from the Reservoir to the West Parish Water Filtration Plant in Westfield, where it is filtered and treated. The Ludlow Reservoir is maintained as an emergency water supply. We have evaluated the impact that MGM Springfield would have on the SWSC's water supply and infrastructure, taking into account the Project's cumulative demand for water. Based on the Massachusetts State Environmental Code, Title 5 (310 CMR 15.00) design flows for the proposed development, the site is anticipated to demand approximately 246,646 gallons per day of potable water. We have attached a letter from the SWSC, dated August 28, 2013, stating that the existing water distribution system has the capacity to handle the anticipated average daily demand. MGM Springfield is designed to reduce the aggregate use of water by 20% - 40% of the buildings baseline, and the consumption of potable water for irrigation by 50%. In addition, we plan to use water-efficient landscape techniques and plant native plant species as well as use wastewater reduction technologies during design and construction. We will continue to work with SWSC to ensure that MGM Springfield will not adversely impact the water distribution system during maximum day and peak hour demand periods.

#### **4-36 Sewage Facilities**

The Springfield Water and Sewer Commission (SWSC) is responsible for the City of Springfield's sewage. Currently, about one-third of the sewer system in the City of Springfield flows to a Combined Sewer Overflow (CSO) system. Wastewater is conveyed to the Springfield Regional Wastewater Treatment Facility (SRWTF), which treats wastewater from households, businesses and industries within Springfield and its surrounding member communities. We have evaluated the impact that MGM Springfield would have on the Springfield Water and Sewer

Commission's CSO infrastructure, taking into account the anticipated cumulative sewage generation. Based on the Massachusetts State Environmental Code Title 5 (310 CMR 15.00) design flows for the Project, the site is anticipated to generate approximately 224,224 gallons per day of sewage discharge. The Project will include conservation measures to reduce the effects of the development on the Springfield Water and Sewer Commission CSO system. The site design will incorporate Low Impact Development strategies and Sustainable Design Practices to reduce the anticipated impacts to the combined sewer system.

We will continue to work with the Springfield Water and Sewage Commission to ensure that MGM Springfield will not adversely impact the CSO system during maximum day and peak hour demand periods.

#### **4-66 Security of Premises**

We anticipate that the Security Department will include well over 100 full-time-equivalent professionals, which include positions such as Vice President/Director of Security, shift security managers and supervisors as well as offices.

The facility's security plan will be designed to monitor the security of a number of physical areas and key activities. Subject to modification, at any given time, Security Officers will be positioned in the casino, hotel, non-gaming areas, back-of-house, and elsewhere as needed.

#### **4-67 History of Security**

Our Security Departments have developed policies and procedures to prevent unlawful behavior at each of our properties and ensure the safety of our guests and employees. Security Departments across MGM Resorts properties use the Corporate Security Incident Guidelines as a basic measure of procedures and policies. These policies and procedures are continuously being refined for current best practices, and from a global perspective, our success in the Security area is measured by the guest experience. All Security Departments have a well-established communication network consisting of security and safety personnel from many levels and properties in and out of our company where information is exchanged providing the ability to identify and address security and safety concerns extremely efficiently and expeditiously. All Security Departments communicate regularly with local, state, and federal law enforcement through participation in monthly meetings and crime briefings. We participate with local, state, and federal agencies in joint training classes and exercises.

#### **4-72 EOEEA Certificate (ENF);**

ENF Comments (attachments to application)

4-72-02

#### **5-01 Infrastructure Costs**

The research and studies completed for the Project have not identified any infrastructure costs that would be incurred by the Host Community of Springfield or by the surrounding communities for either construction or operation of the gaming establishment.

### **5-31 Treatment and Prevention**

MGM Springfield's role in the treatment of problem gaming is to train employees in problem-gaming awareness, implement signage and advertising to increase the chances that the visitors and the general population are aware of problem gaming and make available information on resources for treatment. MGM Springfield will maintain a list of local MGC-accredited facilities in the region and the Commonwealth that treat problem gaming. MGM Springfield will rely on the Massachusetts Gaming Commission to determine what qualifies as an accredited facility/health care professional. MGM Springfield will include a list of these accredited treatment facilities on materials that will be distributed in a kiosk near the cage, be available in the brief intervention center and be prominently displayed in the gaming establishment and will make best efforts to keep the list up to date. MGM Springfield has identified the Massachusetts Council on Compulsive Gambling as a valuable resource in the area of health-professional education and treatment for problem gaming, and will work with the Council and the Massachusetts Gaming Commission to have health-care professionals receive the Training Certificate awarded by Council be accredited by the Commission. MGM Springfield will work with the communities, the Massachusetts Department of Public Health and groups such as the Council to facilitate interactions when necessary to ensure there is strong geographic diversification of health-care professionals accredited to treat problem-gaming-related mental health problems. MGM Springfield will offer an Employee Assistance Program that will include mental health support and treatment for a variety of issues, including problem gaming.

### **5-36 Housing**

According to a study by HR&A Advisors, the firm believes the regional housing market is diverse enough and has capacity for growth to support any new demand. If anything, the impact of this project on regional housing values will be positive as it will provide a significant boost to the regional economy. MGM Springfield estimates that the majority of the positions will be filled by regional residents who live within commuting distance of the project. Approximately 10% of employees may be brought in from out of the area and would therefore be looking to rent or purchase homes in the region – likely in surrounding communities. The impact on the housing market will depend upon individual preferences for housing type, location, family status, children, income, etc. in addition to availability on the market.

### **5-37 School Population**

While the overwhelming majority of jobs are anticipated to be held by existing regional residents, approximately 10% of jobs will likely be held by people moving to the area due to the need for specialized knowledge and experience. While MGM Springfield will bring in these employees from its other operations and the hiring of outside experts, over the long term there will be opportunities for regional residents to move up within the organization. According to a study by HR&A Advisors, the firm estimates that 34% of new employees to the area will choose to reside in Springfield with the remainder outside of Springfield. Based on student/adult ratios

and funding formulas, HR&A Advisors estimates that surrounding communities would bare a total cost of \$510,000 to \$590,000 annually for the new students. (Note, this analysis is conservative since it assumes all new residents settle in Springfield or one of the seven abutting communities).

### **5-38 Emergency Services Available**

A study by HR&A Advisors found the majority of impacts related to fire departments will be in the City of Springfield. MGM Springfield is providing upfront and annual funds via its Host Community Agreement for the purpose of mitigating impacts on fire services.

The findings from Local and Regional Impacts: Springfield Integrated Resort, October 4, 2013 prepared for MGM Resorts by the UNLV International Gaming Institute's review of crime literature support a view that any proposed casino-resort would increase the total volume of crimes in the immediate area based on the overall increase in projected visitation to the area, but that it will have an insignificant effect on the crime rates overall (when adjusted for the number of people drawn to the area). As such, the study asserts that resource requirements will be higher for local public safety services if Springfield adopts a casino-resort, but the probability of any nearby residents being victimized will remain unchanged. The study's findings show nothing that indicates surrounding communities' crime rates or crime levels will be affected by the opening of a Springfield casino. The City of Springfield contracts with American Medical Response (AMR) to provide ambulance transport services for medical emergencies. MGM Springfield has held meetings and entered into a Memorandum of Understanding with AMR to discuss the deployment of additional resources to serve the Project. Due to the availability of emergency medical services on-site at the Project and AMR's demand response business model, the Project is not projected to have any adverse impacts on emergency response times or the availability of services in surrounding communities.





**5-38-01 – EMERGENCY SERVICES**

*Provide an analysis of available police, fire and emergency medical services available to the gaming establishment complex, the adequacy of those resources, the steps the applicant plans to take to remedy any deficiencies, and the agreements the applicant has made with the service providers to ensure that the appropriate levels of protection are available.*

**FOREWORD**

Please note that more detailed information about public safety resources in surrounding communities is contained in the report called "Impacts of Proposed MGM Springfield Project on Surrounding Communities" conducted by HR&A Advisors (contained in Attachment 5-02-01).

**FIRE**



The majority of impacts related to fire departments will be in the City of Springfield. HR&A Advisors completed a study of the impacts of the proposed casino on the Springfield Fire Department in December 2012. The City of Springfield's Fire Department was founded in 1794, making it one of the oldest continually operating municipal fire departments in the United States. At the time of the study, it employed 230 officers and nine civilians in eight

stations across the City. The department employed eight engines, four ladders and one heavy rescue vehicle. An additional ladder vehicle was out of service due to fiscal constraints. The Department is the first responder for all fire and emergency calls, though the City contracts with American Medical Response to provide ambulance transport services.

MGM Springfield is taking steps to ensure that the Springfield Fire Department is equipped to handle potential increase in incidents in Springfield related to the Project. To this extent, the Host Community Agreement calls for a one-time payment of \$1 million for the purchase of two new chase vehicles, one new engine and a temporary fire inspector during the construction period (included in \$2.5 million Upfront Direct Community Payment). In addition, MGM Springfield is providing an annual payment of approximately \$450,000 to support equipment, training, and salaries for six new fire fighters (included in \$2.5 million Annual Direct Community Payment).

Increasing the capacity and resources of the Springfield Fire Department will help mitigate impacts on surrounding communities by ensuring that the City's department has the ability to handle incidents that may arise and will not increase the need for mutual aid.

Fire departments in surrounding communities most impacted by an increase in traffic, and thus likely traffic incidents, may need additional resources to mitigate these impacts. Further determination will be made based on findings in the traffic study and a proposed "look-back" process with surrounding communities.

**POLICE**



The findings from Local and October 4, 2013 prepared for Gaming Institute's review of casino-resort would increase based on the overall increase have an insignificant effect on number of people drawn to requirements will be higher a casino-resort, but the prob will remain unchanged. The surrounding communities' c opening of a Springfield casi



HR&A Advisors completed t the Springfield Police Depart maintains a police departme members and is headquarter Project. In Fiscal Year 2012, i million. The Project site is lo Downtown core along the C in Springfield. Although Sec it is the source of 10% of the Department's spending on o While the project benefits in taking steps to ensure that t handle potential increase in the casino. To this end, the F payment of over \$64,000 to f



**G. OTHER**

No relevant documents

---

## **5. OTHER**

---

### **Legal Framework**

In determining whether a community is a surrounding community, the commission . . . will evaluate whether: . . . The community will be significantly and adversely affected by any other relevant potential impacts that the commission considers appropriate for evaluation based on its review of the entire application for the gaming establishment. 205 CMR 125.01(2)(b)(5)

### **Executive Summary**

Neither the community nor the applicant believe that there will be any other relevant impacts on Hampden.

---

### **A. COMMUNITY PETITION**

Not addressed.

---

### **B. APPLICANT RESPONSE**

Not addressed.

---

### **C. RPA ANALYSIS**

No relevant documents

---

### **D. ENF ANALYSIS**

No relevant documents

---

### **E. CONSULTANT ANALYSIS**

No relevant documents

---

### **F. APPLICATION**

No relevant documents

---

### **G. OTHER**

No relevant documents

---

## **6. POSITIVE IMPACTS**

---

### **Legal Framework**

In determining whether a community is a surrounding community the commission may consider any positive impacts on a community that may result from the development and operation of a gaming establishment. 205 CMR 125.01(2)(c)

### **Executive Summary**

Neither the community nor the applicant dispute that there will be positive impacts on Hampden.

---

### **A. COMMUNITY PETITION**

Not addressed.

---

### **B. APPLICANT RESPONSE**

Not addressed.

---

### **C. RPA ANALYSIS**

No relevant documents

---

### **D. ENF ANALYSIS**

No relevant documents

---

### **E. CONSULTANT ANALYSIS**

No relevant documents

---

### **F. APPLICATION**

See application sections referenced above.

---

### **G. OTHER**

No relevant documents

# **MASSACHUSETTS GAMING COMMISSION SURROUNDING COMMUNITY PETITION ANALYSIS**



**COMMUNITY: Town of Longmeadow**  
**APPLICANT: Blue Tarp Redevelopment LLC**

February 17, 2014

---

## INTRODUCTION AND OVERVIEW

---

The Community has submitted to the Commission a petition to be designated as a surrounding community to the Applicant's proposed gaming establishment in accordance with G.L. c. 23K, §§ 4(33) and 17(a) and 205 CMR 125.01(1)(c). The Applicant has submitted a response to the petition.

In making its determination, the Commission must consider the factors in G.L. c. 23K, §§ 4(33) and 17(a) including population, infrastructure, distance from the gaming establishment and political boundaries.

The Commission must review, in accordance with G.L. c. 23K, §§ 4(33) and 17(a) and 205 CMR 125.01(2)(b), the Applicant's entire application; the Applicant's RFA-2 detailed plan of construction; any independent evaluations; any pertinent information received from the Community, the Applicant, the Applicant's host community, and the public; and any additional information that the Commission determined to be beneficial in making its determination.

The Commission's regulations lay out the six criteria that the Commission should consider in making its determination:

1. Proximity
2. Transportation Infrastructure
3. Development
4. Operation
5. Other
6. Positive Impacts

This document lays out the six criteria and provides the legal framework that the Commission must consider, an executive summary of the issues, the Community's petition, the Applicant's response, RPA analysis, ENF analysis, consultant analysis, relevant RFA-2 application question responses, and other relevant materials.

---

# 1. PROXIMITY

---

## Legal Framework

In determining whether a community is a surrounding community, the commission . . . will evaluate whether: . . . The community is in proximity to the host community and the gaming establishment included in the RFA-2 Application, taking into account such factors as any shared border between the community and the host community; and the geographic and commuting distance between the community and the host community, between the community and the gaming establishment, and between residential areas in the community and the gaming establishment. 205 CMR 125.01(2)(b)(1)

During the Commission’s deliberation on surrounding communities policies, the Commission rejected establishing a mileage based threshold for determining which communities are surrounding communities. But noted that the Legislature had offered amendments on such a mileage based standard (establishing a standard of 2 miles, 3 miles or 5 miles distance from a gaming facility as a determination of surrounding community status or the need for a hearing.)<sup>1</sup>

## Executive Summary

### *Longmeadow Argument*

Longmeadow submits that proximity should guide the review of impacts; that relevant points in Longmeadow are within the three-mile and five-mile “measuring sticks” identified by Ombudsman Ziemba; and that local roads in Longmeadow that are already designated by MassDOT as regional congestion bottlenecks would be significantly and adversely impacted by additional traffic generated by the casino.

Longmeadow shares an extensive border with Springfield. Longmeadow's center is only 3.6 miles, or seven minutes, from the site, and the intersection of Forest Glen Road and Longmeadow Street, near the shared border, is only 2.2 miles, or three minutes, from the proposed site.

Longmeadow states that it is the first and only community in Massachusetts that a traveler from the south is likely to reach before crossing into Springfield and reaching the site. Route 5 and I-91 pass through Longmeadow and provide direct access to the casino site.

### *MGM’s Response*

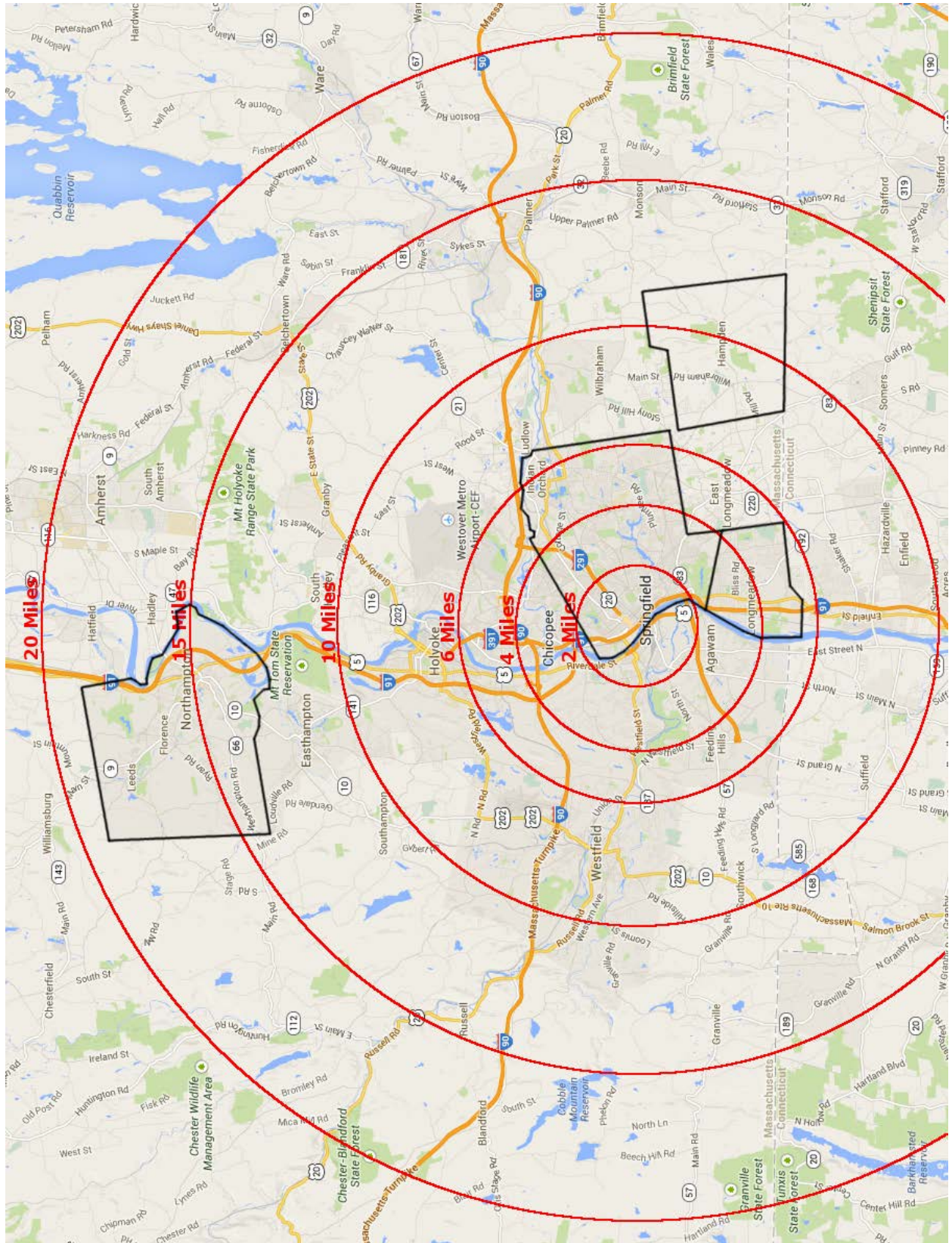
MGM Springfield concedes that Longmeadow is proximate but states that the Commission has been clear that proximity alone is not sufficient for surrounding community designation. MGM Springfield points to three statements made by Commissioners during public hearings. The Commissioners stated that proximity alone is not sufficient for designation; that impact must be

---

<sup>1</sup> See “Surrounding Communities Amendments” document included in December 12, 2012 Commission Meeting Packet.

considered. MGM Springfield states that impact should drive the inquiry, and on the question of impact, it claims that the facts do not support a conclusion of significant and adverse impact on Longmeadow.

MGM Springfield concedes that Longmeadow as an abutting community is closer to the Project site than some other communities and that the Commission could reasonably conclude that Longmeadow is proximate.





## A. COMMUNITY PETITION

---

### B. Proximity

Longmeadow should be designated a surrounding community to MGM Springfield based on proximity. Relevant factors for considering proximity include:

any shared border between the community and the host community; and the geographic and commuting distance between the community and the host community, between the community and the gaming establishment, and between residential areas in the community and the gaming establishment.

205 CMR 125.01(2)1.

MGC Ombudsman John S. Ziemba (“MGC Ombudsman Ziemba”) has noted that the “measuring stick of two, three and five miles could perhaps be instructive as to some of the range of considerations” to be reviewed for proximity. See Exhibit 10 at 14-15; see also Exhibit 14 (Surrounding Communities Amendments Proposed by the Massachusetts House and the Senate, from the December 12, 2012 MGC Meeting Packet). Additionally, MGC Chairman Crosby has noted that “maybe proximity can be sort of advisory to impacts ....” See Exhibit 10 at 16.

The MGM Springfield Site is located in the South End of Springfield. Longmeadow shares an extensive, direct border with the South End of Springfield. See Exhibit 2. Longmeadow is sandwiched between Springfield and the Connecticut border, on the same side of the Connecticut River. See Exhibits 2, 22.

Longmeadow Street (Route 5) and I-91, both of which pass directly through Longmeadow, provide direct access not only to Springfield in general, but to the MGM Springfield Site in particular. See *id.* Because of the Connecticut River to the west, direct transportation access to Springfield and the MGM Springfield Site passes through Longmeadow. Longmeadow is the first and only community in Massachusetts that a traveler from the south such as from the Connecticut/New York area is likely reach before crossing into Springfield and accessing the MGM Springfield Site.

The Massachusetts Department of Transportation (“MassDOT”) has specifically recognized that “Longmeadow St./Converse St. (U.S. 5) [is] a National Highway System arterial **with regional significance, especially as the only viable North-South alternative to travel on the Interstate in that area.**” Exhibit 37 (January 9, 2014 MassDOT Letter) (emphasis added). MassDOT has also “acknowledge[d] that the Longmeadow St. and Laurel St. corridors are listed as regional congestion ‘bottlenecks’ ....” *Id.* These are the local roads in Longmeadow that will be significantly and adversely impacted by the additional traffic generated by MGM Springfield, as discussed below.

The intersection of Forest Glen Road and Longmeadow Street, near the shared Longmeadow-Springfield border and included in the Massachusetts Environmental Policy Act (“MEPA”)

review, is a mere 2.2 miles, or three (3) minutes, from the proposed MGM Springfield Site in downtown Springfield. See Exhibit 15 (Map and Directions from Forest Glen Road/Longmeadow Street). Longmeadow's center is only 3.6 miles, or seven (7) minutes, from the MGM Springfield Site. See Exhibit 20 (Map and Directions from Longmeadow Center). Additional distances from locations identified in the MEPA review, GPI regional traffic peer review report, and PB study are discussed below in Section II.C below.

Accordingly, Longmeadow, its residential neighborhoods, and designated transportation infrastructure study areas are in close proximity to the adjacent Springfield border, with easy and short access to the MGM Springfield Site through local Longmeadow roads and/or I-91. Relevant points in Longmeadow are within the three (3) mile and five (5) mile "measuring sticks" identified by MGC Ombudsman Ziemba. Longmeadow respectfully submits that proximity should guide the review of the significant and adverse impacts from the proposed MGM Springfield resort casino.

## **B. APPLICANT RESPONSE**

---

### **C. Longmeadow’s Proximity is Insufficient to Give Rise to Surrounding Community Designation.**

MGM Springfield concedes that Longmeadow as an abutting community is closer to the Project site than some other communities and that the Commission could reasonably conclude that Longmeadow is proximate. But that does not end the inquiry. The Commission has been quite clear that proximity, standing alone, should not yield a surrounding community designation. *See* Nov. 21, 2013. Hearing Tr, at 14-15 (Ziamba) (“[J]ust because a community is within a mile or within three miles or within five miles that does not mean that one reaches surrounding community status by that designation...the Legislature actually rejected amendments that would have said exactly that....[the Legislature] asked us to take a look at the overall impacts...in concert with a review of the geographic proximity.”); Aug. 22, 2013 Hearing Tr., at 144 (Ziamba) (“[The Commission] noted that just because a community is geographically adjacent, that doesn’t mean that that community would be a surrounding community.”); June 26, 2012, Hearing Tr., at 72-73 (Zuniga) (“Because it is not necessarily geography, although that is a big factor, not necessarily just an abutter. It has to do with other factors like traffic and whatnot.”). Rather, it is *impact* that drives the inquiry; and when it comes to impact, for all of the reasons explained above, the Town cannot meet its burden of demonstrating significant and adverse impact based “understandable, predictable, knowable” facts.

**C. RPA ANALYSIS**

---

No relevant documents

**D. ENF ANALYSIS - NONE**

---

No relevant documents

**E. CONSULTANT ANALYSIS - NONE**

---

No relevant documents

**F. APPLICATION - NONE**

---

No relevant documents

**G. OTHER - NONE**

---

**Transcript:**

**Community**

Pg. 78

21 Brandon Moss. I'm

22 an attorney with Murphy, Hesse, Toomey &

23 Lehane.

Page 80

2 Just by way of geography, and I

3 don't think there's any -- any dispute here in  
4 terms of proximity, but Longmeadow is  
located

5 due south of the site. The site itself, you

6 know, is -- is in the south end of

7 Springfield, and Longmeadow is the closest

8 community to the south end of Springfield.

---

## 2. INFRASTRUCTURE

---

### Legal Framework

In determining whether a community is a surrounding community, the commission . . . will evaluate whether: . . . The transportation infrastructure in the community will be significantly and adversely affected by the gaming establishment, taking into account such factors as ready access between the community and the gaming establishment; projected changes in level of service at identified intersections; increased volume of trips on local streets; anticipated degradation of infrastructure from additional trips to and from a gaming establishment; adverse impacts on transit ridership and station parking impacts; significant projected vehicle trip generation weekdays and weekends for a 24 hour period; and peak vehicle trips generated on state and federal roadways within the community. 205 CMR 125.01(2)(b)(2)

### Executive Summary

#### *Community Petition*

*1. The RPA peer review conducted by GPI confirms Longmeadow is a surrounding community to MGM Springfield.*

During the fall of 2013, MGM strongly encouraged abutters to Springfield to participate in a regional traffic study being administered and coordinated by PVPC, the RP A for the Pioneer Valley. See Exhibit 4 (October 7, 2013 Letter from Michael Mathis, MGM Springfield)

MGM therefore highlighted the significance of the PVPC-overseen GPI study, which, as discussed below, confirms Longmeadow's status as a surrounding community. See

During the fall of 2013, GPI conducted a peer review of the regional traffic impacts of the proposed MGM Springfield resort casino, using the Travel, Impact, Access & Parking Study ("TIAPS") prepared by MGM's traffic consultant, The Engineering Corp. ("TEC").

Notably, GPI determined that the MGM Springfield trip generation data was too conservative. See *id.* at 9-14. Consequently, GPI adjusted the trips related to the gaming portion of MGM Springfield and concluded that such trips "should be at least 20% higher than as presented in the TIAPS." GPI similarly adjusted TEC's trip distribution methodology. *Id.* at 15-21. GPI concluded that, for the Friday Evening Peak Hour (5pm-6pm) alone, 23% of the trips to the MGM Springfield Site were projected into Longmeadow, consisting of 19.5% along I-91 and 3.5% along Longmeadow Street (Route 5). See *id.* at 18. <sup>3</sup> GPI's analysis of the Friday Evening Peak Hour shows that there are more vehicles passing to the MGM Springfield Site through Longmeadow than through any other community-including any of the other Springfield abutters that MGM designated as surrounding communities. See *id.*

Also, GPI calculated, for this one (1) hour Friday Evening Peak Hour period alone, 286 new trips on I-91 and 53 new trips on Longmeadow Street (Route 5). See *id.* at 20. GPI stated that these new trips would be occurring during "an already congested period." *Id.* at 26. Again, GPI's analysis of the Friday Evening Peak Hour shows that there are more vehicles passing to the MGM Springfield Site through Longmeadow than through any other community-including any of the other Springfield abutters that MGM designated as surrounding communities. See *id.* at 20.

GPI's assessment of Longmeadow confirms the significant and adverse transportation impact to Longmeadow from MGM Springfield. GPI specifically recognized adverse impacts from the MGM Springfield project via: (1) "traffic traveling directly to and from the Project site along Longmeadow Street (Route 5)"; and (2) "the impact to traffic along Route 5 that is incurred as the result of additional delay on I-91 as a result of Project traffic." *Id.* at 26. Aside from local roads, GPI recognized that "Longmeadow is uniquely impacted by longstanding bottlenecks along I-91 around the Longmeadow Curve (the interchange of Route 5/I-91)." *Id.*

GPI advised Longmeadow *to seek the following items of mitigation from MGM:*

- "to seek funds to upgrade signal equipment at the Longmeadow Street (Route 5) at Converse Street";
- "to seek funds to upgrade signal equipment at ... Longmeadow Street (Route 5) at Forest Glen Road";
- "to seek funds to upgrade signal equipment at ... Converse Street at Laurel Street"; and
- "monitoring was recommended for signalized locations along Longmeadow Street (Route 5), Shaker Road and Dwight Road as the most likely locations to experience impact as a result of the casino proposal."

*Id.* at 26.

In addition to recommending that Longmeadow seek financial mitigation and monitor the aforementioned local roads, GPI recommended that Longmeadow consult with MassDOT given the bottlenecks around I-91 around the Longmeadow Curve (Route 5/I-91 interchange). GPI stated: "*At a minimum MGM should prepare a detailed traffic simulation model (utilizing a program like VISSIM) to demonstrate the additional impact.*" *Id.* at 26 (emphasis in original).

As MassDOT recognized, the Longmeadow Street/Converse Street corridor has "regional significance" and is "the only viable North-South alternative to travel on" I-91 in the area of Longmeadow.

- Longmeadow Street (Route 5), which parallels I-91, before merging with I-91 at the so-called "Longmeadow Curve." Longmeadow Street (Route 5) is owned by Longmeadow. Longmeadow Street (Route 5), which crosses into Massachusetts at the Connecticut border, provides a direct route of access to and from Longmeadow and the MGM Springfield Site.

- Vehicles traveling to or from East Longmeadow travel along Longmeadow local roads, specifically Dickinson Street and Dwight Road, which also provide a direct route of access towards the MGM Springfield Site.

Here, two (2) of the intersections in Longmeadow-Longmeadow Street (Route 5) at Converse Street and Englewood Road and Longmeadow Street (Route 5) at Forest Glen Road-were included in the Traffic Impact Study Area as part of the MEPA review. See Exhibit 23 (Excerpts of Environmental Notification Form Certificate); Exhibit 24 (Excerpts of MassDOT Comments); Exhibit 25 at 4 (Excerpts PVPC Comments) (including these intersections); Exhibit 27 (Excerpts from Draft Environmental Impact Report) (including these intersections).

The Longmeadow Town Engineer has stated that there is a high crash rate within the Longmeadow Street (Route 5)/Converse Street corridor. See Exhibit 32 at 2. This is a "clear indication of over-capacity intersections and roadways." Id. In this corridor, there is extensive vehicle queuing during commuter peak hours (weekday mornings, 7am-9am and weekday evenings, 4pm-6pm). Id. The additional traffic from MGM Springfield will only add to the congestion and create an increased likelihood of collisions. Id.

Longmeadow's local roads-including Longmeadow Street (Route 5)-are used as a bypass from I-91. MassDOT has even confirmed as such. See Exhibit 37.

This alternative route is possible because Route 5 interchanges with I-91 Exit 1 in Massachusetts and I-91 Exit 49 in Connecticut, allowing a driver to easily bypass any backups on I-91 through Longmeadow local roads.

The increased traffic from new trips along I-91 attributed specifically to the MGM Springfield resort casino and its amenities create the strong likelihood of increased traffic bypassing I-91 due to increased congestion and increased accidents, through and along Longmeadow's local roads.

PB has noted that there is "very little reserve capacity" for the Longmeadow Street (Route 5)/Forest Glen Road intersection, based upon the volume/capacity ratio of 0.95. See Exhibit 35 at 2 (PB Study). PB concluded that that "[t]he additional demand estimated by GPI, or occurrences of even modestly higher demand than forecast, could degrade the LOS fairly rapidly given the intersection's high V/C [volume/capacity], as there is a non-linear relationship between V/C and delay when V/C is this high."

Further, PB stated that I-91 is forecast to operate at LOS F, which is "very poorly," in the vicinity of the Exits 1 to 3 interchange (*i.e.*, the so-called "Longmeadow Curve").

Additionally, "significant congestion on I-91 is likely to divert traffic to US-5, which is the only parallel route adjacent to the Interstate and therefore subject to trip diversion-particularly given the relatively easy access to/from US-5 at either end of Longmeadow." Id.

PB expressed concern about Longmeadow's unique impacts, which would not only be "recurring, daily impacts, but periodic severe impacts related to trip diversion from I-91." Id. Based on the crash

history between 2009 and 2011, there are forty-three (43) crashes on the Longmeadow segment of I-91 annually.

Given the existing conditions, PB concluded that "conditions will worsen with additional project-related trips"

PB has characterized mitigation measures to move traffic along the Longmeadow Street (Route 5) corridor as effectively as possible and safeguarding accessibility from side streets as **critical**. Id. at 3.

***Applicant Response:***

1. GPI's Across the Board Increase in MGM Springfield's Trip Generation Rates Is Arbitrary, Factually Unsupported and Contrary to the Gaming Act.
2. Even with GPI's Arbitrary Inflation of MGM Springfield Trip Generation Rates, Traffic Impact Is Insignificant.
3. Contrary to Longmeadow's Position, Interstate 91 Is Not a Town Road.
4. MGM Springfield Should Not Be Held Accountable for Longmeadow's Preexisting and Unaddressed Traffic Problems.

At the heart of the Town's Petition is the analysis performed by GPI (the "GPI Analysis") which recommended an across-the-board and shot-in-the-dark twenty percent (20%) upward adjustment in TEC's trip generation rates for MGM Springfield, which does not even purport to be precise or founded on any quantitative data or analysis. Rather, it was founded upon two qualitative factors highlighted by the Town in its Petition. GPI concluded: "Given the magnitude of the potential regional impacts, GPI recommends that any surrounding community agreements be developed through a prism of conservatism to account for the larger transformative potential this Project represents."

Neither GPI nor the Town offer any empirical or other basis for the 20% trip generation increase.

- (ii) GPI's revised trip distribution calculations for traffic through Longmeadow generally concurred with TEC's estimate to within 0.5 percent (3.0 percent by TEC versus 3.5 percent by GPI) which translates to a negligible 7 vehicle trips (roughly 4 entering and 3 exiting) on roadways in Longmeadow.
- (iii) Even assuming GPI's twenty percent increase in trip generation was accurate, this translates to only 53 MGM-related peak hour trips (roughly 27 entering and 26 exiting) within the Town – *less than one additional vehicle per minute, less than a two second increase in peak hour delays and less than a 1.7 percent (1.7%) increase in traffic volumes on Longmeadow Street (Route 5).*



TEC ultimately concludes as follows:

The responses documented in this letter are data-driven and quantitatively show that the MGM Springfield project will have an *insignificant* traffic impact within the Town. The TEC analysis, even while considering the higher rates proposed by GPI, shows that *there will be no change in LOS the gateway intersections within the Town and the average increase in intersection delay along Route 5 is approximately one (1) second per vehicle*, which will be unnoticeable to the area motorists.

I-91 is owned, operated, and maintained by the Massachusetts Department of Transportation (MassDOT), and the Town has no jurisdiction or responsibility over the state's highway infrastructure. MassDOT has exclusive authority over the operational use of, and any suggested changes to, the I-91 facility, which carries approximately 71,000 vehicles per weekday. As such, increases in traffic volumes on state owned roadway infrastructure should not be deemed increases in traffic volumes in the Town. Therefore, the only MGM Springfield related trips that will impact the Town of Longmeadow are the trips noted along Longmeadow Street (Route 5). The MGM Springfield related trips on Longmeadow Street (Route 5) will account for 3 to 3.5 percent of the total MGM Springfield trips, and represents a very small percentage of project-generated trips.

As noted above, and as conceded by the Town (*see* Pet., at 5), the Longmeadow Street and Laurel Street corridors well known regional congestion bottlenecks. Road widening has historically been proposed as a solution, but the Town has understandably been reluctant in the interest of preserving the Town's historic character. But this is not a problem of MGM's making and if the Town is *already* being impacted in this respect, that very same *preexisting* impact should not be grounds for finding the Town to be significantly and adversely impacted by the Project.

### ***RPA Analysis***

The PVPC, working in concert with the Massachusetts Gaming Commission, engaged the services of the firm Greenman-Pedersen, Inc. (GPI) to conduct a peer review of the regional traffic impacts of the proposed MGM development. This review was performed to identify the potential traffic impacts of the proposed development on behalf of eight potentially impacted communities including: the Town of Agawam, City of Chicopee, Town of East Longmeadow, City of Holyoke, Town of Longmeadow, Town of Ludlow, Town of West Springfield and Town of Wilbraham.

### ***Trip Generation***

The previously referenced Peer Review conducted by GPI identified a concern regarding the trip rates used to estimate vehicular trips associated with the gaming portion of the proposed MGM Springfield project.

Also of concern is the presence of 3 existing casinos within 1.5 miles of the MGM Grand facility in Detroit. As a result, we believe the trip generating characteristics of the proposed MGM Springfield development as reported in the DEIR may be lower than what could reasonably be expected for the greater Springfield area.

#### *Trip Distribution*

We believe the trip distribution estimates provided in the DEIR do not place enough weight on the potential impacts of project related traffic on several of the surrounding communities which participated in the peer review process. More specifically, the actual traffic impacts on the Towns of East Longmeadow and Longmeadow could be slightly higher (up to 0.5%) than is reported in the DEIR.

...

Similarly, it is not yet clear whether the MassDOT alternative study will include an analysis of the Route 5 corridor in the Town of Longmeadow as it connects and flows into the I-91 ramp system. While the DEIR did study this area in isolation, we believe it will be important and beneficial to include a study of this area working as a system through the application of a simulation model. As such, it is recommended that the development of a simulation model be coordinated between the MGM Springfield project proponent, MassDOT, the City of Springfield and the Town of Longmeadow.

...

#### *ENF Analysis*

##### *MGM DEIR Certificate*

The majority of comments received on the DEIR are associated with traffic and transportation issues. Comments from MassDOT indicate that the DEIR provides a comprehensive assessment of the transportation impacts of the project based on a thorough analysis of existing and proposed conditions.

The FEIR should include additional analysis of traffic operations and, to the extent that the analysis demonstrates that it is warranted, identify mitigation for the following locations:

#### *Consultant Analysis*

The updated traffic study that was submitted to MEPA as part of the Draft EIR examined a fairly large study area in relation to the potential casino impact. In Longmeadow, two specific locations were included in the study. These two locations are the intersections of Route 5 at Forest Glen Road/Western Drive and Route 5 at Converse Street/Englewood Road. Longmeadow is a community that abuts Springfield to the south. Based on the travel forecasts developed in the study, it is expected that a relatively small amount of casino related traffic would travel along Route 5 in Longmeadow during the Friday evening and Saturday midday

peak hours (estimated to be about 36 peak hour vehicle trips, total of both entering and exiting vehicles, during both Friday evening and Saturday afternoon). This represents a small percentage (2.8%) of the total peak hour traffic generated by the casino project. The study concludes that the traffic impact on Longmeadow as a result of the project is minimal and that the LOS between the 2024 No-Build and Build conditions will remain similar. It should be noted that signal timing adjustments are proposed by the Applicant at the Forest Glen Road/Western Drive intersection.

- RPA/MassDOT Comments

Comment letters and memoranda prepared by MassDOT and the area's regional planning agency, the Pioneer Valley Planning Commission (PVPC), were reviewed to obtain any further insights or concerns related to the proposed casino and the impact on Longmeadow.

MassDOT comments to date have been in relation to the ENF and Draft EIR filed by the Applicant. At this time, MassDOT appears generally comfortable with the Applicant's overall traffic forecasts including the number of trips and the regional arrival/departure patterns. However, there are some concerns expressed relative to traffic operations and particular impacts relating to Longmeadow Street (Route 5) in the Town of Longmeadow as they indicated there is likely a need for improvements at the locations studied in the DEIR. They have also indicated in their latest comment letter that Route 5 operations could potentially affect I-91, specifically Interchange #1. MassDOT has requested that these concerns among others be addressed in the Final EIR. In that comment letter, the MassDOT comments stated that the Applicant should confirm the critical analysis period used along Route 5. In the DEIR, the Applicant used Friday evening peak hour and Saturday midday peak hour as the critical analysis periods. According to the comment letter, Friday traffic volumes are 18-20% lower than other weekday volumes based on past MassDOT data for Route 5.

PVPC has also commented to MEPA that they have completed an assessment of the proposed casino on their member communities<sup>1</sup>. Greenman Pederson, Inc. (GPI) was specifically retained to review the Applicant's traffic study and review potential impact on eight (8) communities in the PVPC region. There were a number of items that the report prepared by GPI addressed. In relation to the traffic forecasts, GPI raised a concern about the basis of the trip generation forecasts and as a result, suggested that the Applicant may have understated traffic generation for the project. However, they did generally concur, for the most part, with the estimated traffic patterns of arrival and departing trips. PVPC reiterated these points, among others, in their letter to MEPA. In our opinion, their major concerns do not have a significant effect on reviewing the project's traffic impact on Longmeadow.

The Town of Longmeadow also submitted comments to MEPA as part of the ENF and DEIR review. The Town has also retained their own consultant in relation to the traffic review of the proposed casino.

In addition to the above, MEPA has recently issued a Certificate on the Draft EIR and found that the project can move forward to the Final EIR stage. But the Applicant will need to address

a number of issues including more analysis and development of mitigation (if determined warranted) at Longmeadow Street (Route 5) at Forest Glen Road; Longmeadow Street at Converse Street; and Converse Street at Laurel Street. This may require additional data collection and analysis. The Secretary also indicated that MassDOT stated that I-91 Interchange ramps could be impacted by the operations of these intersections and impacts may have been understated. The Secretary has encouraged the Applicant to consult with MassDOT, PVPC, the City of Springfield and the Town of Longmeadow regarding the evaluation of the I-91/Route 5 interchanges and the development of mitigation.

- GREEN Analysis

A greater proportion of the estimated project traffic is expected to use the major highways in the region (I-91, I-291). To and from the south, 19.6% of the project traffic is predicted to use I-91 while it is estimated that approximately 2.8% of the project traffic will travel to/from Route 5 in Longmeadow.

Route 5 is a two-lane principal arterial roadway that runs in a north-south direction and runs parallel to Interstate I-91. Based on available MassDOT traffic volume data, Route 5, just north of Converse Street, carried approximately 11,480 vehicles over the course of an average weekday in 2013.

The study estimated that just over 22% of the casino generated traffic would travel from south of Springfield. However, the majority of that traffic is expected to use I-91. Only 2.8% of the project traffic is projected to use Route 5. Based on the GPI review, the trip distribution for Route 5 used in the Applicant's study is slightly low and should be increased to 3.5%. Whether it's 2.8% or 3.5%, these percentages reflect the local trips to/from Longmeadow only – not trips from other communities or trips that divert from I-91 to Route 5 in an attempt to bypass any congestion or queuing on the highway. The added traffic on I-91 in Longmeadow is estimated by the Applicant to be approximately 300 peak hour trips. The Applicant's study has not completed a thorough analysis to evaluate the effect that this added traffic on I-91, combined with current poor operating conditions at the interchange ramps, would add to the diversion to the Route 5 corridor in general.

Using a 3.5% increase in traffic on Route 5 in conjunction with the higher overall estimated peak hour project traffic suggested by GPI, the estimated project traffic to use Route 5 would increase from about 36 vehicles (Applicant estimate) to about 52 vehicles (GPI estimate). However, even if GPI's estimate were assumed to be correct, which the Applicant disagrees with, the 52 additional vehicle trips (or about one vehicle trip per minute) would result in approximately 2.3% to 4.8% (depending on the peak hour and the particular studied intersection) increases to the Route 5 peak hour traffic volumes at the studied intersections when compared to existing conditions. It should be noted that the estimated peak hour site traffic noted above does not include any potential traffic diversion from I-91 to the Route 5 corridor in Longmeadow. Consequently, the potential exists for additional traffic to be diverted to Route 5 depending on the I-91 operations its level of congestion. According to numerous comments received on the Draft EIR, this issue has not yet been adequately addressed.

The Applicant's study also found that the two intersections analyzed in Longmeadow have crash rates higher than the Statewide and Districtwide average crash rates for signalized intersections.

There are two interchanges with Route 5 serving Longmeadow. I-91 also has an interchange located in close proximity to the project site. Route 5 parallels I-91 serving the Town. Motorists may use the combination of Route 5 and I-91 as a connection between the downtown or casino site and Longmeadow.

Based on the Applicant's study, the intersections analyzed in Longmeadow are anticipated to experience similar LOS when comparing the 2024 No-Build to the Build conditions. Signal timing modifications are proposed by the Applicant at the intersection of Route 5 at Forest Glen Road/Western Drive as a mitigation measure in order to maintain the similar LOS between Build and No-Build conditions.

Based on the Applicant's study, the level of additional vehicle trips would not be expected to result in any noticeable change in traffic operations. However, if the traffic diversion from I-91 onto Route 5 is substantive, it is possible for the levels of service to be impacted.

As noted above, the casino related traffic along Route 5 is at about 36 vehicle trips during the peak hour, based on the Applicant's study, which is approximately one vehicle every 2 minutes. If the estimate by GPI is used, the project traffic is to 4.8% in peak hour traffic volumes along Route 5 when compared to the existing conditions. Even if the Applicant's peak hour traffic projections using Route 5 were doubled, the increases would amount to approximately one additional trip per minute.

Considering the base traffic estimate, the level of increase in traffic would generally be considered small and not noticeable to the typical motorist. However, the potential effect of diverted traffic from I-91 due to congestion levels could add substantially more traffic onto Route 5.

GPI's review also highlighted concerns with the impacts that the project traffic may have on existing congestions problem along I-91 NB near Exit 1. They expressed concern that this may affect Route 5 traffic flow and operations. GPI stated that additional evaluation should be performed by the Applicant in this area and that the Town should consult with MassDOT regarding this issue. Based on Applicant's analyses, the existing LOS for merge and diverge ramp junctions (the LOS is based on criterion of density, which is expressed in terms of passenger cars per mile per lane as defined by the 2010 Highway Capacity Manual) at I-91 NB at Exit 3 is currently a LOS 'F'. This indicates congestion on the off-ramp could cause backups on I-91 NB reaching towards Exit 1, confirming GPI's concerns. However, when comparing the 2024 No-Build conditions (density of 34.6, LOS 'F') to the 2024 Build conditions (density of 36.2, LOS 'F'), the analyses indicates that the additional project traffic is expected to have a minimal impact on the existing congested condition. The Applicant does not present

information on I-91 queuing. While I-91 is a MassDOT highway serving the region as a whole and likely needs a regional level improvement, there is a legitimate question on whether the additional 300 casino related vehicle trips on I-91 will result in more diversion to Route 5 and creating new or exacerbating current operational or safety related issues.

In the Town's petition, the Town indicated that motorists on I-91 are using Route 5 to bypass congestion or queues related to crashes on I-91. The Town expressed concerns that the project traffic would increase the likelihood of traffic diversion to Route 5 from I-91.

Based on only the LOS analyses mentioned above and the existing traffic data collected by the Applicant, it appears that the project traffic is not anticipated to severely impact LOS, with or without mitigation. However, this conclusion is not straightforward given the effect I-91 operating conditions may have on the Route 5 corridor and has not been sufficiently addressed.

The level of traffic using I-91 in Longmeadow to/from the south on the State and Federal highways could be considered significant. We also recognize that this significant volume on State and Federal highways could affect Route 5 when I-91 operating conditions deteriorate because of the higher volumes.

While there is a potential for a small volume of casino-related traffic traveling to and through the Town of Longmeadow via Route 5 as estimated by the Applicant, the influence I-91 traffic operations has on Route 5 and the Town, however, is difficult to overlook. I-91 is a major route that traverses the Town and is expected to carry the major amount of project traffic to and from the south. However, traffic diversion from I-91 to Route 5 appears to occur on a fairly regular basis to avoid congestion and vehicle delay. Based on a review of all the most recent information, it can be concluded that the Applicant's study does not include sufficient analyses needed to fully address the concerns that the Town has expressed regarding traffic diversion from I-91 to Route 5.

As a result, based on all the above transportation related factors included in the regulations, it is reasonable to consider designating Longmeadow as a surrounding community based on the transportation factors.

### ***Application***

The total estimated investment in infrastructure is \$3.8 million for traffic-related improvements and \$2.4 million for utility improvements.

A parking garage with 3,784 spaces will serve the hotel, restaurant and shopping areas, casino and other attractions. An additional 22 charter bus parking spaces will be provided within the parking garage and accessible through a separate bus-only entrance/exit driveway.

MGM Springfield's transportation infrastructure has been designed to capitalize on the site's excellent existing accessibility attributes, including the redundant ramp access from I-91 and the important connections to downtown streets.

Traffic will be distributed to multiple highway interchanges serving Downtown Springfield; this includes several options for interchange use along I-91 and I-291 to efficiently serve regional traffic and provide options for incident management around the City.

MGM Springfield will provide funding for a rubber wheeled trolley system that will run from MGM Springfield to other Springfield attractions.

MGM Springfield will include a 3,740-space structured parking garage. The eight-level garage will hold the majority of on-site parking.

The research and studies completed for the Project have not identified any infrastructure costs that would be incurred by the Host Community of Springfield for either construction or operation of the gaming establishment. The research and studies completed for the Project have not identified any infrastructure costs that would be incurred by surrounding communities for either construction or operation of the gaming establishment.

The MGM Springfield site has been designed to safely and efficiently process the patron, vendor and employee traffic in a way that takes advantage of the redundant ramp access from I-91 and the important connections to Downtown streets.

MGM Springfield benefits from multiple options for highway access and street access that will distribute the impacts of traffic, both under normal operations and during major events.

## A. COMMUNITY PETITION

---

### C. Transportation Infrastructure

Aside from proximity, Longmeadow respectfully submits that it should be designated as a surrounding community based on significant and adverse transportation infrastructure impacts from MGM Springfield. Relevant factors to consider for transportation infrastructure impacts include:

ready access between the community and the gaming establishment; projected changes in level of service at identified intersections; increased volume of trips on local streets; anticipated degradation of infrastructure from additional trips to and from a gaming establishment; adverse impacts on transit ridership and station parking impacts; significant projected vehicle trip generation weekdays and weekends for a 24 hour period; and peak vehicle trips generated on state and federal roadways within the community.

205 CMR 125.01(2)2.

As MGC Chairman Crosby has recognized, "trading off positives against the visible negative consequences is a very, very tough proposition." Exhibit 10 at 39-40

#### **1. The RPA peer review conducted by GPI confirms Longmeadow is a surrounding community to MGM Springfield.**

##### *a. Overview of RPA involvement and MGM's reliance on GPI*

The MGC partnered with RPAs to provide technical and advisory services to potential surrounding communities, as part of a "streamlined method to help communities evaluate positive and negative impacts of gaming facilities." See Exhibit 9 (March 18, 2013 MGC Press Release). The MGC specifically recognized the involvement of the PVPC among the RPAs providing such services. See *id.* In particular, the RPAs assist studying potential developmental impacts upon surrounding communities and mitigation options. See *id.* at 2.

During the fall of 2013, MGM strongly encouraged abutters to Springfield to participate in a regional traffic study being administered and coordinated by PVPC, the RP A for the Pioneer Valley. See Exhibit 4 (October 7, 2013 Letter from Michael Mathis, MGM Springfield); Exhibit 5 (September 27, 2013 Memorandum from Timothy W. Brennan, Executive Director, PVPC). The scope of work for the PVPC describing the Traffic Impact Peer Review Services stated that "approximately 7 'surrounding communities' will be potential impacted by traffic and related transportation issues"-equivalent to the total number of direct abutters to Springfield, including Longmeadow. See Exhibit 5.

MGM described the PVPC-overseen regional traffic study as "the most effective and efficient way to address traffic concerns of local communities and to inform negotiations regarding mitigation of any demonstrated impact." See Exhibit 4. MGM invited Longmeadow to participate in this regional traffic study, which Longmeadow accepted. See *id.*



Aside from its representations to Longmeadow, **MGM has held out the significance of the GPI peer review to the MGC as part of its December 30, 2013 RFA-2 application.** See Exhibit 26 at 20 (Excerpt from Answer 3-01-1, "Impacts of Proposed MGM Springfield Project on Surrounding Communities"). Under the section, entitled "Potential Impacts on Surrounding Communities," under Traffic, MGM stated as follows:

**"Traffic**

The expected 8 million annual visitors will increase traffic in the region, mainly along major interstates and arterial roads. Through its outreach efforts, MGM is working with surrounding communities to identify corridors with the most adverse impacts and make appropriate investments to mitigate effects. MGM is also funding an independent regional traffic study managed by the Pioneer Valley Planning Commission. This report will have a detailed assessment of traffic impacts on surrounding communities and is expected to be completed in late December 2013."

See id. (emphasis added).

MGM therefore highlighted the significance of the PVPC-overseen GPI study, which, as discussed below, confirms Longmeadow's status as a surrounding community. See Exhibit 10 at 69 (MGC Commissioner Gayle Cameron recognized the significance of the RPAs). Following the completion of the GPI study, MGM has disavowed the significance of the GPI study, by adhering to a "look back" only approach. It appears that MGM's refusal to accept the GPI study arises because it confirms the significant and adverse impacts to Longmeadow's roads as a result of the proposed MGM Springfield.

*b. The GPI study confirms the significant and adverse impacts to Longmeadow.*

During the fall of 2013, GPI conducted a peer review of the regional traffic impacts of the proposed MGM Springfield resort casino, using the Travel, Impact, Access & Parking Study ("TIAPS") prepared by MGM's traffic consultant, The Engineering Corp. ("TEC"). See Exhibit 28. GPI's study was issued on December 20, 2013, after it appears that MGM had executed surrounding communities with most of Springfield's abutters.

GPI cautioned that: "Given the magnitude of the potential regional impacts, GPI recommends that any surrounding community agreements be developed through a prism of conservatism to account for the larger transformative potential this Project represents." Id. at 23-24 (emphasis in original). GPI also stated: "If however this Project has the intended effect of being the catalyst to the revitalization of downtown Springfield, the traffic impacts considered may only represent an incremental portion of the greater traffic picture." Id. (emphasis in original).

GPI recognized that "[a]s a destination resort-style casino, MGM Springfield will be a significant generator of new traffic to the area." Id. at 8 (emphasis added). Notably, GPI determined that the MGM Springfield trip generation data was too conservative. See id. at 9-14. Consequently, GPI adjusted the trips related to the gaming portion of MGM Springfield and concluded that such trips "should be at least 20% higher than as presented in the TIAPS." Id. At 9, 11-13 (emphasis added). For the Friday Evening Peak Hour (5pm to 6pm) alone, GPI calculated 1,466 new trips for the MGM Springfield Site (*i.e.*, an increase of 176 trips from TEC's calculation). See id. at 14. GPI also

calculated 1,501 new trips for the MGM Springfield Site for the Saturday Afternoon Peak Hour (2pm to 3pm) (*i.e.*, an increase of 189 trips from TEC's calculation). *Id.*

GPI similarly adjusted TEC's trip distribution methodology. *Id.* at 15-21. GPI concluded that, for the Friday Evening Peak Hour (5pm-6pm) alone, 23% of the trips to the MGM Springfield Site were projected into Longmeadow, consisting of 19.5% along I-91 and 3.5% along Longmeadow Street (Route 5). See *id.* at 18. <sup>3</sup> GPI's analysis of the Friday Evening Peak Hour shows that there are more vehicles passing to the MGM Springfield Site through Longmeadow than through any other community-including any of the other Springfield abutters that MGM designated as surrounding communities. See *id.*

Also, GPI calculated, for this one (1) hour Friday Evening Peak Hour period alone, 286 new trips on I-91 and 53 new trips on Longmeadow Street (Route 5). See *id.* at 20. GPI stated that these new trips would be occurring during "an already congested period." *Id.* at 26. Again, GPI's analysis of the Friday Evening Peak Hour shows that there are more vehicles passing to the MGM Springfield Site through Longmeadow than through any other community-including any of the other Springfield abutters that MGM designated as surrounding communities. See *id.* at 20.

GPI's assessment of Longmeadow confirms the significant and adverse transportation impact to Longmeadow from MGM Springfield. GPI specifically recognized adverse impacts from the MGM Springfield project via: (1) "traffic traveling directly to and from the Project site along Longmeadow Street (Route 5)"; and (2) "the impact to traffic along Route 5 that is incurred as the result of additional delay on I-91 as a result of Project traffic." *Id.* at 26. Aside from local roads, GPI recognized that "Longmeadow is uniquely impacted by longstanding bottlenecks along I-91 around the Longmeadow Curve (the interchange of Route 5/I-91)." *Id.*

GPI advised Longmeadow **to seek the following items of mitigation from MGM:**

- "to seek funds to upgrade signal equipment at the Longmeadow Street (Route 5) at Converse Street";
- "to seek funds to upgrade signal equipment at ... Longmeadow Street (Route 5) at Forest Glen Road";
- "to seek funds to upgrade signal equipment at ... Converse Street at Laurel Street"; and
- "monitoring was recommended for signalized locations along Longmeadow Street (Route 5), Shaker Road and Dwight Road as the most likely locations to experience impact as a result of the casino proposal."

*Id.* at 26.

In addition to recommending that Longmeadow seek financial mitigation and monitor the aforementioned local roads, GPI recommended that Longmeadow consult with MassDOT given the bottlenecks around I-91 around the Longmeadow Curve (Route 5/I-91 interchange). GPI stated: "**At a minimum MGM should prepare a detailed traffic simulation model (utilizing a program like VISSIM) to demonstrate the additional impact.**" *Id.* at 26 (emphasis in original). Other casino

license applicants in Massachusetts have been required to prepare similar traffic simulation modeling.

In summary, GPI performed a regional peer review study, which studied, quantified and analyzed the traffic impacts to Longmeadow and its transportation infrastructure, consistent with the RP A approach encouraged by the MGC and by MGM. Based upon this analysis and consistent with GPI's recommendations, Longmeadow's transportation infrastructure will clearly be significantly and adversely impacted from MGM Springfield.

## 2. Longmeadow Roadways

Put into context, the GPI study emphasizes the need for significant mitigation measures for Longmeadow roads, which are a vital means of access within Longmeadow in particular and within the region generally. Longmeadow's roads are in close proximity to, and provide necessary access to, Springfield and the proposed MGM Springfield Site.

As MassDOT recognized, the Longmeadow Street/Converse Street corridor has "regional significance" and is "the only viable North-South alternative to travel on" I-91 in the area of Longmeadow. See Exhibit 37. Because of the additional traffic expected from MGM Springfield, mitigation measures are necessary, particularly in light of the conditions that will be exacerbated as a direct result of MGM Springfield.

### *a. Overview of Local Roads*

There are a number of local roads owned by Longmeadow providing direct, immediate and easy access to the MGM Springfield Site:

- Longmeadow Street (Route 5), which parallels I-91, before merging with I-91 at the so-called "Longmeadow Curve." Longmeadow Street (Route 5) is owned by Longmeadow. Longmeadow Street (Route 5), which crosses into Massachusetts at the Connecticut border, provides a direct route of access to and from Longmeadow and the MGM Springfield Site.
  - The intersection of Longmeadow Street and Forest Glen Road/Western Drive, which GPI studied, is approximately 2.2 miles, or three (3) minutes to the MGM Springfield Site.
  - The intersection of Longmeadow Street and Converse Street/Englewood Road, which GPI studied, is approximately 2.6 miles, or four (4) minutes, to the MGM Springfield Site.
  - The intersection of Longmeadow Street and Bliss Road, which PB studied, is approximately 3.1 miles, or five (5) minutes, to the MGM Springfield Site.
- Vehicles traveling to or from East Longmeadow travel along Longmeadow local roads, specifically Dickinson Street and Dwight Road, which also provide a direct route of access towards the MGM Springfield Site.
  - The intersection of Dickinson Street and Converse Street is approximately 3.4 miles, or nine (9) minutes, to the MGM Springfield Site.

- The intersection of Dwight Road and Converse Street is approximately 4.5 miles, or eleven (11) minutes, to the MGM Springfield Site.

See Exhibit 15; Exhibit 16 (Map and Directions from Longmeadow Street/Converse Street to the MGM Springfield Site); Exhibit 18 (Map and Directions from Longmeadow Street/Bliss Road to MGM Springfield Site); Exhibit 19; Exhibit 21; Exhibit 22.

The inclusion of roadways in a municipality in the MEP A review is relevant to and may guide the surrounding community analysis. Compare Exhibit 10 at 65 (noting that the City of Fitchburg, Massachusetts did not have any roadways or locations included by MassDOT or the RPA in the MEPA process). Here, two (2) of the intersections in Longmeadow-Longmeadow Street (Route 5) at Converse Street and Englewood Road and Longmeadow Street (Route 5) at Forest Glen Road-were included in the Traffic Impact Study Area as part of the MEPA review. See Exhibit 23 (Excerpts of Environmental Notification Form Certificate); Exhibit 24 (Excerpts of MassDOT Comments); Exhibit 25 at 4 (Excerpts PVPC Comments) (including these intersections); Exhibit 27 (Excerpts from Draft Environmental Impact Report) (including these intersections).

In 2011, VHB conducted an evaluation of the same Longmeadow roads studied by GPI, using data collected by PVPC in 2002 and 2009. See Exhibit 32 (December 30, 2013 Report by Longmeadow Town Engineer Yem Lip, P.E.). The following determinations were made by VHB:

- The intersection of Longmeadow Street (Route 5) at Forest Glen/Western Drive has a Level of Service ("LOS") of D during morning peak hours and an LOS of C during peak hours.
- The northbound lane on Longmeadow Street (Route 5) has an LOS of F.
- In the Longmeadow Street (Route 5) at Converse Street/Englewood Road intersection, there is an LOS D on the westbound lane on Converse Street.
- For morning peak hours, the intersection of Converse Street at Laurel Street has an LOS of C and the Converse Street westbound lane has an LOS of D.

See Exhibit 32 at 2. Additionally, MassDOT has acknowledged that the Longmeadow Street (Route 5) and Laurel Street corridors-which were recommended for mitigation funding by GPI-are "regional congestion 'bottlenecks.'" Exhibit 37.

The Longmeadow Town Engineer has stated that there is a high crash rate within the Longmeadow Street (Route 5)/Converse Street corridor. See Exhibit 32 at 2. This is a "clear indication of over-capacity intersections and roadways." Id. In this corridor, there is extensive vehicle queuing during commuter peak hours (weekday mornings, 7am-9am and weekday evenings, 4pm-6pm). Id. The additional traffic from MGM Springfield will only add to the congestion and create an increased likelihood of collisions. Id.

#### *b. Local Longmeadow Roads are used as a Bypass to I-91*

The MGC recognized a "shortcut" from a major highway as being relevant to considering impacts to transportation infrastructure. See Exhibit 10 at 33, 38-39 (in the discussion of designating the Town of Bolton, Massachusetts as a surrounding community, referencing that Route 117 was "a very major route that people use as a 'shortcut' or ultimate way"). Longmeadow's local roads-including

Longmeadow Street (Route 5)-are used as a bypass from I-91. MassDOT has even confirmed as such. See Exhibit 37.

From the Massachusetts-Connecticut border, I-91 passes directly through Longmeadow. See generally Exhibits 15 to 22. However, as with any major highway, I-91 experiences backups from congestion and accidents. For example, during the winter, I-91 provides access to travelers from the Connecticut/New York area en route to and from ski resorts in Vermont, resulting in a common experience of backups on Friday and Sunday evenings on I-91.

As an "alternate route" to I-91, GPS devices direct drivers along Longmeadow Street (Route 5) via I-91 Exit 1, to avoid backups on I-91. This alternative route is possible because Route 5 interchanges with I-91 Exit 1 in Massachusetts and I-91 Exit 49 in Connecticut, allowing a driver to easily bypass any backups on I-91 through Longmeadow local roads. See Exhibit 17 (Map and Directions from Exit 49 on I-91 in Connecticut to I-91 Exit 1 in Massachusetts and onto MGM Springfield Site).

Accidents occurring on I-91 during the months of October 2013, November 2013, and January 2014 are reflective of the backups on Longmeadow's local roads due to drivers seeking alternative routes from I-91 and/or from the Massachusetts State Police intentionally directing traffic onto Longmeadow's local roads:

- On October 22, 2013, an individual was struck by a tractor trailer on I-91 Southbound in Longmeadow. The resulting closure of I-91 South occurred during early morning hours on a Tuesday. As was reported: "For hours, State Police closed a Section of I-91S between Massachusetts Exit 1 and Connecticut Exit 49. During that time, traffic was being diverted back onto I-91 North, and Exit 1 towards Route 5 south. Traffic could be seen backed up for miles from Springfield into Longmeadow." Exhibit 29 (October 22, 2013 WWLP Report) (emphasis added).
- In the evening on Sunday, November 10, 2013, an SUV struck a tractor trailer on I-91 near the Connecticut state line at the 2.2 mile marker, causing the SUV to burst into flames. As a result, all lanes of I-91 North were closed. Connecticut State Police directed drivers headed northbound onto Exit 49 in Connecticut (Route 5). According to a report from MassLive, "[p]olice in Longmeadow said the diverted traffic has caused serious back-ups on Route 5 and other streets in the town as drivers looked for alternate routes." Three (3) hours after the accident, "major traffic jams" in Longmeadow continued. Exhibit 30 (November 10, 2013 MassLive Website Articles) (emphasis added).
- Around 10:00 am on Thursday, January 2, 2014, a tractor trailer jack-knifed into a guardrail near I-91 Exit 1. As a result, the southbound lanes on I-91 were closed and "[s]outhbound traffic [was] detoured off Exit 1 and onto Route 5." Exhibit 31 (January 2, 2014 MassLive Website Articles) (emphasis added).

The increased traffic from new trips along I-91 attributed specifically to the MGM Springfield resort casino and its amenities create the strong likelihood of increased traffic bypassing I-91 due to increased congestion and increased accidents, through and along Longmeadow's local roads. These scenarios are relevant to Longmeadow's status as a surrounding community resulting from significant and adverse impacts on Longmeadow's transportation infrastructure.

**3. PB, the Town's traffic consultant, has also confirmed that Longmeadow will sustain a significant and adverse impact upon its transportation infrastructure.**

PB has noted that there is "very little reserve capacity" for the Longmeadow Street (Route 5)/Forest Glen Road intersection, based upon the volume/capacity ratio of 0.95. See Exhibit 35 at 2 (PB Study). PB concluded that "[t]he additional demand estimated by GPI, or occurrences of even modestly higher demand than forecast, could degrade the LOS fairly rapidly given the intersection's high V/C [volume/capacity], as there is a non-linear relationship between V/C and delay when V/C is this high." Id. PB noted that the Longmeadow Street (Route 5)/Forest Glen Road intersection necessitates that it operate optimally in light of the expected additional traffic to be carried. Id. at 3.

Further, PB stated that I-91 is forecast to operate at LOS F, which is "very poorly," in the vicinity of the Exits 1 to 3 interchange (*i.e.*, the so-called "Longmeadow Curve"). Id. at 3. PB concluded that MGM has not fully considered the effects of congestion in its analysis, and that mainline congestion would impact all Route 5 northbound traffic, either for I-91 or the collector-distributor lanes proceeding into downtown Springfield. Id. Additionally, "significant congestion on I-91 is likely to divert traffic to US-5, which is the only parallel route adjacent to the Interstate and therefore subject to trip diversion-particularly given the relatively easy access to/from US-5 at either end of Longmeadow." Id.

PB referred to the Converse Street/Longmeadow Street (Route 5) intersection as a "high crash rate location" based on MassDOT crash data. This was attributed to "the inability of the current signal to process the existing traffic demand, leading to significant queuing and the potential for collisions and other safety problems." Id. at 3.

PB expressed concern about Longmeadow's unique impacts, which would not only be "recurring, daily impacts, but periodic severe impacts related to trip diversion from I-91." Id. Based on the crash history between 2009 and 2011, there are forty-three (43) crashes on the Longmeadow segment of I-91 annually. Id. Heavy weekend traffic from Connecticut and New York travelers is already "commonplace," and additional stresses to the highway system also result from occasional events such as the "Big E." Id. When these events occur, "diversion of traffic to US-5 typically occurs, quickly overwhelming the local highway system." Id.

Given the existing conditions, PB concluded that "conditions will worsen with additional project-related trips" and the corresponding impact of gridlock conditions upon emergency responders. Id. Emergency responders will also be impacted on Longmeadow Street (Route 5), Longmeadow streets, and I-91. Id.

PB has characterized mitigation measures to move traffic along the Longmeadow Street (Route 5) corridor as effectively as possible and safeguarding accessibility from side streets as **critical**. Id. at 3. These mitigation measures include: "ensuring that the system can nimbly react to changes in traffic conditions and operate as efficiently as possible"; and "minimizing the adverse effects of traffic on residents." Id. at 4. Accordingly, PB has provided the following cost estimates based upon the transportation infrastructure requirements identified by GPI and from PB's analysis:

- "Replace or upgrade traffic signals and controller equipment, including possible incorporation of adaptive signal technologies to manage unpredictable changes in traffic conditions, at key locations on Route 5 in Longmeadow. Along with these signal upgrades, there are related

opportunities to make operational improvements at these intersections, such as turn lanes and geometric improvements. Based on GPI's analysis, we would recommend improvements at the following locations:

- US-5/Forest Glen Road- Replace signal controller and signal equipment, add pedestrian signals, construct a right turn lane from Forest Glen Road WB onto US-5 NB, and reconstruct intersection. \$1,900,000
- US-5/ Converse Street- Replace signal controller and signal equipment, add full detection, construct a right turn lane from Converse Street WB onto US-5 NB, and reconstruct intersection. \$1,100,000
- Converse Street at Laurel Street - Install new traffic signal and reconstruct intersection. \$700,000
- US-5/Bliss Drive- Upgrade signal controller, add full detection, add pedestrian signals and additional signal heads. \$300,000.
- Converse Street at Dickinson Street - Geometric improvements to provide a right turn lane from Converse Street WB to Dickinson Street NB. \$500,000
- Add neighborhood protection and traffic calming features to cross streets along US-5, as well as pedestrian improvements and enhanced crosswalk markings along US-5. \$250,000."

Id. at 4. PB separately advised Longmeadow to conduct ongoing monitoring and analysis of fifteen (15) locations within Longmeadow, at a yearly cost of \$200,000. Id.

The projected costs to address the transportation infrastructure from the significant and adverse impacts of MGM Springfield upon Longmeadow are substantial, only further confirming the obvious: Longmeadow is a surrounding community on the basis of transportation infrastructure. These traffic mitigation measures are necessitated by the volume of traffic passing through the Longmeadow corridor, specifically attributed to MGM Springfield. Given the nature of what has been regarded as necessary, by GPI and PB, Longmeadow, already near its levy limit under Proposition 2 ½, cannot be expected to absorb even the reasonable percentage of the cost of these projects that MGM should be required to assume.

## B. APPLICANT RESPONSE

---

### A. Longmeadow Has Not and Cannot Demonstrate a Significant and Adverse Impact to Its Transportation Infrastructure.

1. GPI's Across the Board Increase in MGM Springfield's Trip Generation Rates Is Arbitrary, Factually Unsupported and Contrary to the Gaming Act.
2. Even with GPI's Arbitrary Inflation of MGM Springfield Trip Generation Rates, Traffic Impact Is Insignificant.
3. Contrary to Longmeadow's Position, Interstate 91 Is Not a Town Road.
4. MGM Springfield Should Not Be Held Accountable for Longmeadow's Preexisting and Unaddressed Traffic Problems.

As noted above, pursuant to the Surrounding Community Regulation there are several factors the Commission is to consider under the traffic infrastructure prong of analysis. These include: (i) ready access between the community and the gaming establishment; (ii) projected changes in level of service at identified intersections; (iii) increased volume of trips on local streets; (iv) anticipated degradation of infrastructure from additional trips to and from a gaming establishment; (v) adverse impacts on transit ridership and station parking impacts; (vi) significant projected vehicle trip generation weekdays and weekends for a 24 hour period; and (vii) peak vehicle trips generated on state and federal roadways within the community. As will be explained further below, when the Commission considers these factors to determine whether any projected adverse impact to Longmeadow is *significant*, it becomes clear that there may be some negligible impact, but that such impact is far from *significant* as that term has been contemplated and interpreted to apply here. Dispensing with a few of these factors, the Town has not alleged, nor can it substantiate, infrastructure degradation, adverse impacts on transit ridership or station parking, and significant projected vehicle trip generation weekdays and weekends for a 24 hour period. Concededly, there is ready access between the community and the gaming establishment. Thus, the only contested factors for the Commission's consideration of significance are (1) projected changes in level of service (LOS) at identified intersections; (2) increased volume of trips on local streets and (3) peak vehicle trips generated on state and federal roadways within the community. As will be explained below and in the accompanying letter of TEC, Inc. (1) it is uncontested that there will be *no change in LOS* at any intersection; (2) there will be *negligible trip volume increase* on local streets; and (3) peak vehicle trips generated on Interstate 91 *will not significantly impact the Town*. Accordingly, when reasonably and logically applied, the traffic infrastructure factor militates against surrounding community designation.

#### 1. GPI's Across the Board Increase in MGM Springfield's Trip Generation Rates Is Arbitrary, Factually Unsupported and Contrary to the Gaming Act.

At the heart of the Town's Petition is the analysis performed by GPI (the "GPI Analysis") which recommended an across-the-board and shot-in-the-dark twenty percent (20%) upward adjustment in TEC's trip generation rates for MGM Springfield, which does not even purport to be precise



or founded on any quantitative data or analysis. Rather, it was founded upon two qualitative factors highlighted by the Town in its Petition. GPI concluded: “Given the magnitude of the potential regional impacts, GPI recommends that any surrounding community agreements be developed through a prism of conservatism to account for the larger transformative potential this Project represents.” Pet. Br., at 8. GPI also opined: “If however this Project has the intended effect of being the catalyst to the revitalization of downtown Springfield, the traffic impacts considered may only represent an incremental portion of the greater traffic picture.” *Id.* Neither GPI nor the Town offer any empirical or other basis for the 20% trip generation increase. Together GPI’s qualitative “prism of conservatism” and “revitalization catalyst” considerations fail to provide what the Town concedes to be the required “understandable, predictable, knowable” basis for the alleged impact. Pet. Br., at 2.

The “prism of conservatism” to address “larger transformative potential” is, frankly, difficult to understand. It is certainly not the objective non-speculative information on which the Commission seeks to rely. *See* Dec. 12, 2012 Hearing Tr., at p. 59-60. (Ziemba) (“I think the bottom line of the whole analysis is that what the Commission should take a look at is the true impacts or the objective impacts to the extent that they can be ascertained and projected.”).

The “revitalization catalyst” basis for the 20% increase fails to comport with the Gaming Act and the Commission’s mandate that traffic resulting from general economic development shall not be deemed a negative impact requiring mitigation. *See* Nov. 21, 2013 Hearing Tr., at 82-83 (McHugh) (“I just note that the concern about problems arising from the fact that there are 12 restaurants, I think was the number 12 restaurants or the business establishments that might be attended by people who were going to or from a gaming establishment is another example of something the legislation was designed to encourage. So, it’s a positive benefit. And one that we strongly encourage as well through the urging that cross-marketing and the like be undertaken. So, that really falls not in the negative category but in the positive.”).

Accordingly, the Commission would be well within its discretion to disregard GPI’s 20% upward adjustment in trip generation rates for MGM Springfield.

## **2. Even with GPI’s Arbitrary Inflation of MGM Springfield Trip Generation Rates, Traffic Impact Is Insignificant.**

MGM’s traffic consultant, TEC, Inc. (“TEC”), has analyzed the concerns set forth in Longmeadow’s Petition and provided the detailed response set forth in **Exhibit C** hereto (the “TEC Analysis”). As set forth in the TEC Analysis:

- (iv) GPI’s peer review letter relied upon by the Town failed to provide any quantitative data or evidence whatsoever to support its recommended twenty percent (20%) upward adjustment in TEC’s trip generation rates for MGM Springfield, which rates had been endorsed by MassDOT staff following extensive review between August and October 2013.
- (v) GPI’s revised trip distribution calculations for traffic through Longmeadow generally concurred with TEC’s estimate to within 0.5 percent (3.0 percent by TEC versus 3.5

percent by GPI) which translates to a negligible 7 vehicle trips (roughly 4 entering and 3 exiting) on roadways in Longmeadow.

- (vi) Even assuming GPI's twenty percent increase in trip generation was accurate, this translates to only 53 MGM-related peak hour trips (roughly 27 entering and 26 exiting) within the Town – *less than one additional vehicle per minute, less than a two second increase in peak hour delays and less than a 1.7 percent (1.7%) increase in traffic volumes on Longmeadow Street (Route 5).*
- (vii) Again, even assuming GPI's inflated projections are accurate, it does not constitute a significant impact: (a) the level of traffic increase is less than the seasonal variation in traffic on Route 5; (b) the Town will be considerably less impacted than several neighboring communities experiencing considerably higher cut-through trip; (c) the intersection of Longmeadow Street (Route 5) / Forest Glen Road / Western Drive will nonetheless operate at conditions similar to those experienced in the No-Build condition.
- (viii) Recent travel time data collected by TEC on the evening of Friday, January 17, 2014 demonstrates that northbound travel on I-91 is a more efficient route to the MGM site when compared to travel along Route 5 in Longmeadow, even during seasonally congested periods.

See **Ex. C**, TEC Analysis. Moreover, as TEC explains, PB has suggested traffic infrastructure improvements that are (i) unsubstantiated by any data, calculations or analysis connecting the need for such improvements to any traffic impact *caused by MGM Springfield*; (ii) excessive in comparison to the mitigation measures recommended by GPI in its peer review letter; and (iii) lack substantiation for the cost estimates, including what, if any, portion of such costs is attributable to *MGM-related* traffic impacts.

TEC ultimately concludes as follows:

The responses documented in this letter are data-driven and quantitatively show that the MGM Springfield project will have an *insignificant* traffic impact within the Town. The TEC analysis, even while considering the higher rates proposed by GPI, shows that *there will be no change in LOS the gateway intersections within the Town and the average increase in intersection delay along Route 5 is approximately one (1) second per vehicle*, which will be unnoticeable to the area motorists. If a similar level of traffic was being introduced for any other type of development project in the South End of Springfield or along Route 5 in Longmeadow, this level of impact would not normally require physical mitigation. The current highway-related congestion at the I-91 lane drop is being studied by MassDOT and is expected to be addressed as part of a future regional scale, publically-funded improvement project. Based on the tertiary impacts identified within the Town, TEC concludes that the Town will not experience any significant and adverse impact to its transportation infrastructure.

See *id.*, at 14.

### **3. Contrary to Longmeadow’s Position, Interstate 91 Is Not a Town Road.**

In its Petition, the Town employs sleight of hand. It argues that “GPI concluded that, for the Friday Evening Peak Hour (5pm-6pm) alone, 23% of the trips to the MGM Springfield Site were *projected into Longmeadow...*” and that “GPI’s analysis of the Friday Evening Peak Hour shoes that there are more vehicles passing to the MGM Springfield Site through Longmeadow than through any other community...” Pet, at 8. The Town does this by claiming that the 19.5% of traffic along I-91 and the 3.5% along Longmeadow Street as its own. *See id.* While it is technically true that I-91, a state-owned interstate highway, geographically transects the western edge of Longmeadow, to suggest that 23% of MGM Springfield’s traffic is passing through Longmeadow is disingenuous. As TEC explains:

I-91 is owned, operated, and maintained by the Massachusetts Department of Transportation (MassDOT), and the Town has no jurisdiction or responsibility over the state’s highway infrastructure. MassDOT has exclusive authority over the operational use of, and any suggested changes to, the I-91 facility, which carries approximately 71,000 vehicles per weekday. As such, increases in traffic volumes on state owned roadway infrastructure should not be deemed increases in traffic volumes in the Town. Therefore, the only MGM Springfield related trips that will impact the Town of Longmeadow are the trips noted along Longmeadow Street (Route 5). The MGM Springfield related trips on Longmeadow Street (Route 5) will account for 3 to 3.5 percent of the total MGM Springfield trips, and represents a very small percentage of project-generated trips.

Ex. C, at 3.

### **4. MGM Springfield Should Not Be Held Accountable for Longmeadow’s Preexisting and Unaddressed Traffic Problems.**

As noted above, and as conceded by the Town (*see* Pet., at 5), the Longmeadow Street and Laurel Street corridors well known regional congestion bottlenecks. Road widening has historically been proposed as a solution, but the Town has understandably been reluctant in the interest of preserving the Town’s historic character. But this is not a problem of MGM’s making and if the Town is *already* being impacted in this respect, that very same *preexisting* impact should not be grounds for finding the Town to be significantly and adversely impacted by the Project.

Accordingly, Hampden cannot meet its burden of showing a significant and adverse impact to the Town’s transportation infrastructure sufficient to designate it a surrounding community.

## C. RPA ANALYSIS

---

### **PIONEER VALLEY PLANNING COMMISSION – DEIR COMMENT LETTER**

The PVPC, working in concert with the Massachusetts Gaming Commission, engaged the services of the firm Greenman-Pedersen, Inc. (GPI) to conduct a peer review of the regional traffic impacts of the proposed MGM development. This review was performed to identify the potential traffic impacts of the proposed development on behalf of eight potentially impacted communities including: the Town of Agawam, City of Chicopee, Town of East Longmeadow, City of Holyoke, Town of Longmeadow, Town of Ludlow, Town of West Springfield and Town of Wilbraham. While independent of the MEPA review, the subject peer review did identify potential concerns with respect to the trip generation and trip distribution components of the proposed MGM Springfield development. As a result, comments emanating from the GPI Peer Review have been incorporated into this letter where appropriate .

#### Trip Generation

The previously referenced Peer Review conducted by GPI identified a concern regarding the trip rates used to estimate vehicular trips associated with the gaming portion of the proposed MGM Springfield project. Specifically, the trip rate used in the DEIR is based on a rate derived from a similar facility operated by MGM in Detroit, Michigan. We would argue that the demographics of Detroit are much different than those of the greater Springfield area . Also of concern is the presence of 3 existing casinos within 1.5 miles of the MGM Grand facility in Detroit. As a result, we believe the trip generating characteristics of the proposed MGM Springfield development as reported in the DEIR may be lower than what could reasonably be expected for the greater Springfield area. GPI estimates that an additional 176 trips would likely be generated during the weekday evening peak hour as well as an additional 189 trips during the Saturday afternoon peak hour as a result of the gaming component of the proposed MGM Springfield development. Accordingly, we would request that the higher trip rates for gaming positions be utilized in future versions of the traffic analysis to be included in the Final Environmental Impact Report (FEIR).

#### Trip Distribution

We believe the trip distribution estimates provided in the DEIR do not place enough weight on the potential impacts of project related traffic on several of the surrounding communities which participated in the peer review process. More specifically, the actual traffic impacts on the Towns of East Longmeadow and Longmeadow could be slightly higher (up to 0.5%) than is reported in the DEIR.

...

#### Interstate Route 91

The DEIR discusses the proposed improvements to the Route 1-91 viaduct in Springfield to be advanced independent of the proposed MGM Springfield development.

...

Similarly, it is not yet clear whether the MassDOT alternative study will include an analysis of the Route 5 corridor in the Town of Longmeadow as it connects and flows into the I-91 ramp

system. While the DEIR did study this area in isolation, we believe it will be important and beneficial to include a study of this area working as a system through the application of a simulation model. As such, it is recommended that the development of a simulation model be coordinated between the MGM Springfield project proponent, MassDOT, the City of Springfield and the Town of Longmeadow.

...

#### Traffic Monitoring

A strong commitment has been made by the project proponent to monitor the impacts of the proposed MGM Springfield development inclusive of the traffic, transit, and parking associated with MGM's proposed development.

...

Finally, we would request the following locations be added to the traffic monitoring plan outlined in the DEIR:

- The on and off ramps associated with 1-91 at Exit 7- Springfield
- The intersection of East Columbus Avenue with Boland Way- Springfield
- The intersection of West Columbus Avenue with the Memorial Bridge and Boland Way- Springfield
- Main Street at Harrison Street- Springfield
- Sumner Avenue at Belmont Street and Dickinson Street- Springfield
- State Street with Federal Street and Walnut Street- Springfield
- North End Bridge
- Memorial Bridge
- South End Bridge

...

#### MGM Project Proponent-PVTA Agreement

We understand that the project proponent and the Pioneer Valley Transit Authority (PVTA) do not yet have a formalized agreement regarding coordination of public transit services which would provide access to the MGM Springfield development. We encourage the finalization of such an agreement as it will help to ensure that adequate and reliable transit service to the MGM Springfield development can be realized.

...

## **Pioneer Valley Planning Commission – Review of Petition Response**

- In their opposition MGM asserts that GPI *recommended an across-the-board and shot-in-the-dark twenty percent (20%) upward adjustment in TEC’s trip generation rates for MGM Springfield, which does not even purport to be precise or founded on any quantitative data or analysis.* Further they assert this is based upon a GPI conclusion that *Given the magnitude of the potential regional impacts, GPI recommends that any surrounding community agreements be developed through a prism of conservatism to account for the larger transformative potential. And If however this Project has the intended effect of being the catalyst to the revitalization of downtown Springfield, the traffic impacts considered may only represent an incremental portion of the greater traffic picture.*
  - This position clearly conflates two separate and distinct arguments that GPI asserted in its December 20, 2013 memorandum of peer review findings
  - The two statements that MGM attributes to GPI above and on page 10 & 11 of their opposition statement are taken out of context. These statements were included in the peer review memorandum as part of a discussion of the larger revitalization potential of downtown Springfield which the MGM team is fond of citing in marketing the benefits of their proposal. These comments have nothing to do with GPI’s conclusions regarding the appropriateness of the trip generation rates included within the TEC traffic study nor are they simply the opining’s of GPI. They are intended to identify the potential for greater regional traffic increases occurring as the result of the revival of the urban core of the Pioneer Valley catalyzed by MGM Springfield.
  - GPI did not recommend an across-the-board 20% upward adjustment of the trip generation rates, rather a 20% upward adjustment of only the rates associated with the gaming portion of the site was deemed appropriate.
  - The 20% increase was not a shot-in-the-dark, or pulled out of thin air, rather a further refinement of the empirical data which the MGM team selected to support characterize this project.
    - It is critical to understand that when dealing with empirical data of this type the resulting methodologies are left to engineering discretion. Typically methodologies, such as those contained within the ITE Trip Generation Manual, are statistically analyzed and vetted through a scientific process. Empirical data is not subject to the same scrutiny, but rather used to provide a best estimate given the limited resources. For this reason the use of empirical data should be carefully understood and critiqued if appropriate. GPI has reviewed this data and suggested an upwards adjustment to account for uncontrolled variables, gaps in logic and to be more in tune with experienced rates of the Connecticut Casinos and anticipated rates proposed by other Massachusetts Gaming facilities. The burden is on MGM to ensure the empirical data employed meets the burden of quantitative and qualitative analysis. To request additional quantitative data to support these assertions simply misses the point and is

diversionary to the credible points raised by GPI. To date MGM has not effectively countered any of these assertions.

- The empirical data collected at MGM Detroit and employed by TEC does not control for the 3 other major resort style casino's located within 1.5 miles of MGM Detroit. It is unknown what the trip generation rates would be if there were only one major destination resort style casino in Detroit as there would be in Springfield. It is also unclear what other controlling factors may need to be taken into account when comparing metropolitan areas of such different characteristics. MGM has recently made claims to market share of MGM Detroit, however these are self-made assertions with no vetting with any review team to GPI's knowledge.
- The TEC team asserts that the gross trip generation rate per gaming position should be lower in MGM Springfield than experienced by the rural casinos in southern Connecticut. GPI cannot accept this assertion on face value. In fact it seems likely the ancillary uses (cinema, bowling alley, etc.) in a Springfield location would draw at a higher rate than experienced in a rural setting due to the lower drive times etc. In other words it seems more likely that patrons would drive to Springfield for the ancillary uses alone than they would in a rural setting. For this reason one would expect the gross rate per gaming position of a Springfield Casino to be higher than the Suburban Connecticut Casinos.
- Weighing the information above in concert with the actual and anticipated gross trip generation rates per gaming position from other Massachusetts gaming proposals and that experienced by the Connecticut Casinos GPI recommended a 20% upwards adjustment of the gaming rate. This would result in a gross rate more in line with those experienced and anticipated at other proximate locations as demonstrated in the table below which was included in GPI's review memorandum. Note that the Suffolk Downs proposed rate is reflective of an applied transit credit to account for the nearby MBTA blue line. The unadjusted rate is on the order of 0.40.

I'd also like to add our concerns regarding the I-91 corridor. While TEC did correctly point out that MassDOT is in the process of developing an Alternatives Analysis for I-91 it was not made clear that the project study limits have yet to be finalized and may not in fact include an evaluation of Route 5 leading into the I-91 on and off ramps. We believe the development of a traffic simulation model for this area will be extremely valuable to assist in the identification of the impacts of vehicle queues associated with traffic operations along I-91 and over the South End Bridge. These queues have a negative impact on regional traffic flow and we believe the current isolated capacity analysis included as part of the DEIR, while completed according to accepted standards, does not offer the level of detail necessary to capture the impacts of regional congestion and the associated queues that occur in this area.

**PIONEER VALLEY PLANNING COMMISSION – TRAFFIC IMPACT REVIEW CONDUCTED BY GPI**

As a destination resort-style casino, MGM Springfield will be a significant generator of new traffic to the area. According to the traffic study prepared by TEC, on a daily basis it is estimated that the Project will generate 19,673 new vehicle trips (10,178 entering and 9,495 exiting vehicles). On a peak hour basis the Project is estimated to generate 1,290 new vehicle trips on a typical Friday evening between 5:00-6:00 PM. It should be noted that Saturdays are actually the peak traffic day of the week for casino developments, with a peak generating hour of 10:00-11:00 PM, however the worse-case combination traffic hour of local roadway plus Project trips is actually 5:00-6:00 PM on Fridays. The majority of our review focuses on this Friday evening peak hour, while still considering that this hour is actually not the peak hour of the generator throughout the course of the week.

**Overall MGM Springfield Trip Generation**

Accounting for all proposed land uses, the trip generation rate employed for MGM Springfield is equivalent to 0.34 trips per gaming position during both the Friday evening commuting peak hour (5:00-6:00 PM) and the Saturday afternoon peak hour (2:00-3:00 PM). In the reviewer's opinion the most logical benchmark for comparison are the existing gaming facilities in southern Connecticut. While the experiences of casinos nationwide are relevant, the most relevant is the trip generation characteristics of facilities which share the same consumer base and are regionally proximate. Based on conversations with the Connecticut Department of Transportation a rate of 0.34 trips per gaming position is typically employed for planning purposes when estimating casino trips. This rate is based on experiences at Foxwoods Resort Casino in Ledyard, Connecticut and Mohegan Sun in Montville, Connecticut. Further, based on information provided by TEC the rate for Mohegan Sun in Connecticut is as high as 0.38 trips per gaming position.

It is TEC's assertion that:

The Mohegan Sun Resort casino experienced trip rates higher than the MGM Grand Detroit, which were also on the upper end of the trip rate range. The casino, along with Foxwoods Casino, is located in a more rural/suburban location than the MGM Grand Detroit and the proposed MGM Springfield. In addition, these casinos do not have access to public transportation, which may be the cause for the higher trip rates.

GPI cannot concur with this assertion without further supporting evidence. While the MGM Springfield casino will have access to public transportation, it remains speculative to assume public transportation options are of sufficient convenience to sway a measurable amount of patrons/employees to switch to alternate modes of transportation; effectively lowering the vehicular trip generation rate as implied. Residents of the greater Springfield area regularly drive to these Connecticut casinos today and are likely to drive to the MGM Springfield casino as an alternative once opened.

Furthermore, as a suburban/rural casino GPI would contend that this would make it less likely for trips to be made to the Connecticut facilities simply for the ancillary uses. For instance if one of these casinos were to contain a multiplex cinema as the proposed MGM Springfield does, it would appear less likely for a patron to drive to the remote Connecticut casinos to simply see a movie. In other words, patrons may



drive to the casinos in Connecticut to gamble and take advantage of the ancillary uses, but are likely not driving that distance regularly for the ancillary uses alone. Contrast that with the proposed MGM Springfield development. Given its proximity to the surrounding urban/suburban developments in the greater Springfield area, it appears far more likely that a cinema customer may drive to downtown Springfield to see a movie at the new facility without participating in any gaming activity. For this reason GPI would assert that the overall trip rate per gaming position would be expected to be higher for MGM Springfield per gaming position than at the Connecticut casinos. This gives further rationalization to increase in the trip generation rates associated with the gaming portion of the development as previously described.

Overall the trip generation rates asserted in the TIAPS appear reasonable given the unique nature of the facilities; however GPI does have concerns that the trip generation associated with the gaming portion of the site may be underrepresented. While GPI has critiqued the gaming portion of the trip generation methodology, we do concur with the other elements of the trip generation methodology employed. It is also important to note that to be conservative the TIAPS did not take a pass-by credit for the retail uses. Pass-by trips are not new trips, but rather vehicles already on the roadway network that visit the site on impulse on their way to another destination. In addition, a conservative transit credit of 5% was employed for Armory Square uses, and was not applied to the casino portion of the Project traffic. GPI would like to note that while the 5% transit credit is acceptable for the employees, assurances should be given to ensure that these transit services will be available for employees who need them. If transit services are available for only one leg of an employee's commute they are much less likely to utilize this service. It is understood that MGM has engaged the services of Nelson/Nygaard to study the potential impact of the Project on existing transit service provided by the Pioneer Valley Transit Authority (PVTA). GPI is also aware that MGM has engaged in discussions with PVTA regarding the level of support that could potentially be provided to enhance public transit operations.

Table 3 provides a comparison of the total trip generation of the proposed destination resort casino based on both TEC and GPI's assertions.

**Table 3**  
**TOTAL TRIP GENERATION COMPARISON**

Time Period	TEC Vehicular Trips	GPI Vehicular Trips	Delta
<b>Friday:</b> <i>Evening Peak Hour (5-6PM)</i>	1,290	1,466	+176
<b>Saturday:</b> <i>Afternoon Peak Hour (2-3PM)</i>	1,312	1,501	+189

Note: Trips represent the vehicular trips/gaming position associated with all components of the proposed Project.

For comparison purposes **Table 4** provides a comparison of the overall trip generation rate (reflective of all uses) for MGM Springfield compared to other casino, or casino developments in the area.

**Table 4**  
**TOTAL VEHICULAR TRIP GENERATION RATE COMPARISON**

Time Period	ConnDOT	Milford Foxwoods	Suffolk Downs Caesars	Palmer Mohegan Sun	Wynn Everett	MGM Springfield TEC	MGM Springfield GPI
<b>Friday:</b> <i>Evening Peak Hour (5-6PM)</i>	0.34	0.30	0.31	0.53	0.44	0.34	0.38
<b>Saturday:</b> <i>Afternoon Peak Hour (2-3PM)</i>	0.36	0.38	0.32	0.49	0.51	0.34	0.39

Note: These rates account for vehicular trips/gaming position and do not account for additional person trips associated with transit.  
 ^ Palmer proposal included significant ancillary uses (Water park, Cineplex (1,800 seats) and 250ksf retail)

Figures 3 through 7 graphically present the results of the trip generation/distribution sensitivity analysis. The sensitivity analysis results in additional traffic projected into each of the eight communities as part of this review process. Figure 3 represents the percentage of overall traffic projected into each of the communities based on TEC’s assertions; Figure 4 represents these percentages based on GPI’s adjustments. Figure 5 presents Friday evening commuting peak hour vehicles entering into these communities based on TEC’s projections; Figure 6 presents these vehicles based on GPI’s adjustments. Figure 7 provides the delta of these Friday evening peak hour vehicle trips of GPI’s adjustments over TEC’s assertions.

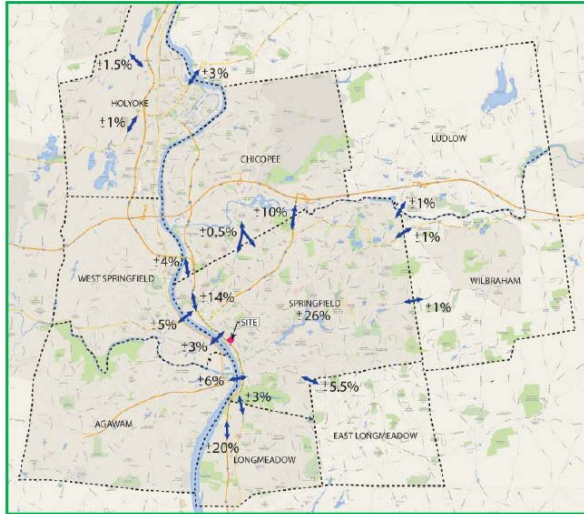


Figure 3

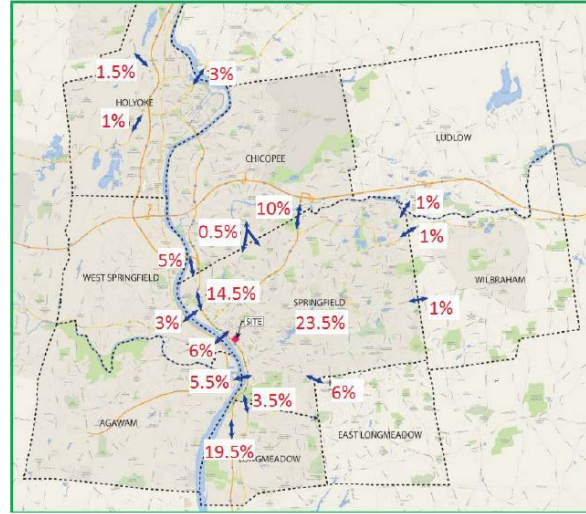


Figure 4

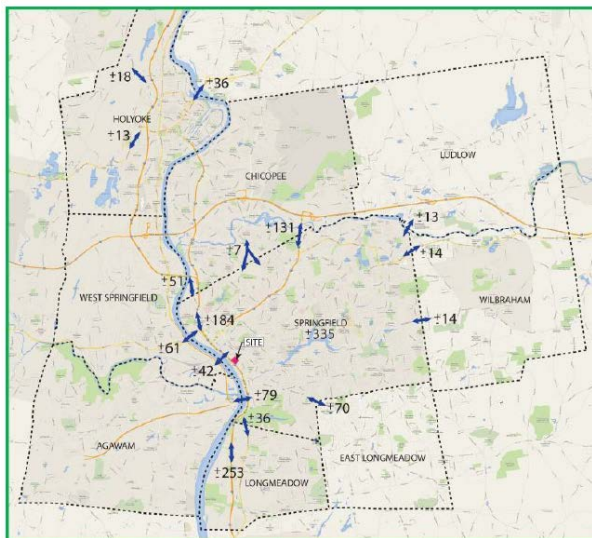


Figure 5

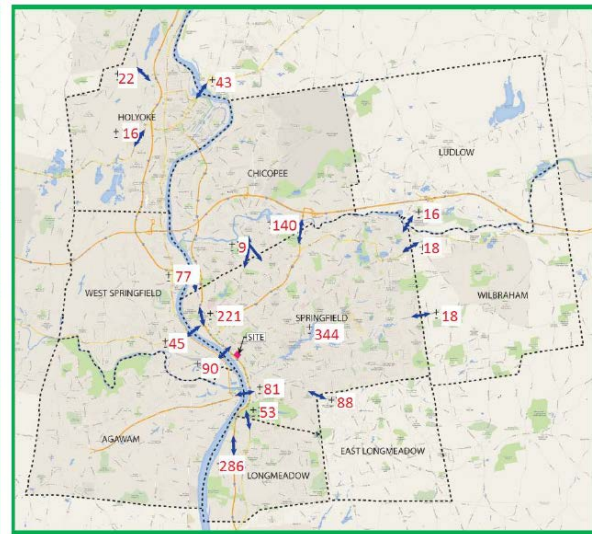


Figure 6

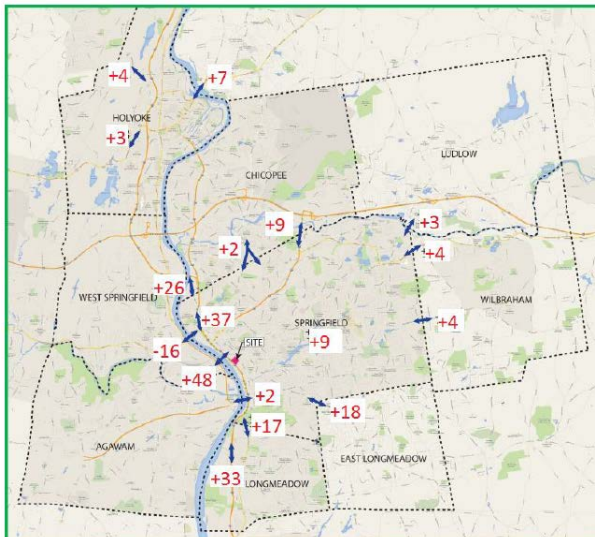


Figure 7

### Revitalization Potential

GPI would like to point out one additional caveat as it pertains to traffic impacts on abutting communities. The MGM Springfield casino proposal has been termed an urban casino. This is an appropriate classification, but one that may not completely capture the unique characteristics of this development proposal on the region. MGM Springfield is not just located in an urban context; it is reasonable to assert that it is to be located in the urban heart of greater Springfield and Pioneer Valley. Located just blocks from City Hall, it will be uniquely positioned to redefine downtown Springfield, more so than any other casino proposal considered in the Commonwealth. In fact this unique caveat of the project has been marketed as a factor in considering MGM Springfield:

MGM Springfield is the only Western Massachusetts resort-casino project that provides the region with the opportunity of a lifetime to revive its urban core. Additionally, MGM Springfield will provide connectivity to existing amenities throughout the area, many of which are the leading attractions in the region.

MGM Springfield celebrates Springfield as a "Gateway City" and with the millions of new visitors the project will draw to the area, we intend to return Springfield to the economic engine that it was once when Western Massachusetts flourished. Our unique urban design will encourage new tourism, culture and civic pride in Springfield and the region. MGM Springfield is simply the best choice to execute the turnaround this region has needed for many years.

While this may be an incredible incentive to consider MGM Springfield, it should be noted that the traffic impacts considered in the TIAPS is limited to impacts associated with the specific casino development proposal. If however this Project has the intended effect of being the catalyst to the revitalization of downtown Springfield, the traffic impacts considered may only represent an incremental portion of the greater traffic picture. The quantity of unoccupied or underutilized building and land space in downtown Springfield that may be reoccupied (as a welcomed secondary effect of the project) is unknown. While this “revitalized” traffic potentially occurs by-right within the City of Springfield, it is still new traffic as it pertains to impacts on the surrounding communities. These communities could potentially see no positive economic impact from this revitalization, but bear an increased burden as a result of additional impacts to infrastructure this traffic entails. Given the magnitude of the potential regional impacts, GPI recommends that any surrounding community agreements be developed through a prism of conservatism to account for the larger transformative potential this Project represents.

Relying on the look-back method to be the sole means of determining mitigation to address impacts on surrounding communities, as proposed by MGM, does not afford an appropriate level of conservatism for all communities. Please see the concerns regarding the look-back method as detailed in the final section of this memorandum. Exclusively regarding traffic, GPI believes a “hybrid” method would be appropriate in some circumstances. This hybrid-method should be a combination of upfront dollars to address specific infrastructure needs in combination with the look-back method for locations where the needs are less certain.

### Longmeadow

Longmeadow is impacted by Project traffic in two primary ways, traffic traveling directly to and from the Project site along Longmeadow Street (Route 5) and the impact to traffic along Route 5 that is incurred as the result of additional delay on I-91 as a result of Project traffic. Based on GPI's sensitivity analysis approximately 53 new vehicle trips are expected to utilize local roadways in Town during the Friday evening commuting peak hour. In addition however, Longmeadow is uniquely impacted by longstanding bottlenecks along I-91 around the Longmeadow Curve (the interchange of Route 5/I-91). MGM is projected to generate an additional 286 peak hour vehicle trips along this stretch of highway during the Friday evening commuting hour, an already congested period. GPI recommends that Longmeadow consult with MassDOT regarding these concerns. At a minimum MGM should prepare a detailed traffic simulation model (utilizing a program like VISSIM) to demonstrate the additional impact MGM traffic has on the longstanding regional bottlenecks in this area. The capacity analysis provided in the TIAPS is insufficient to understand the interaction various closely spaced highway elements have on one another. Highway Capacity Software (HCS+) analysis considers these elements in isolation, however clearly these elements impact one another quite regularly in a manner only simulation modeling can quantify. GPI recommends that this model include the entire I-91 corridor within the study area as well as both sides of the North End, Memorial and South End bridges. GPI has further advised Longmeadow to seek funds to upgrade signal equipment at the Longmeadow Street (Route 5) at Converse Street, Longmeadow Street (Route 5) at Forest Glen Road and Converse Street at Laurel Street intersections. In addition, monitoring was recommended for signalized locations along Longmeadow Street (Route 5), Shaker Road and Dwight Road as the most likely locations to experience impact as a result of the casino proposal.

### Look-Back

Finally, GPI wants to note our concerns regarding the look-back methodology to mitigate impacts from the proposed casino Project. The look-back methodology was an element that MGM has suggested to mitigate true impacts resulting from the proposed casino after construction is complete. Theoretically this could be a valuable tool to ensure that real impacts, as they materialize, are addressed. In reality however a clear and concise methodology has not been proposed. These communities are being asked to trust that MGM will engage them in good faith at a later date well after the conclusion of the MassGaming Commission process. Given the number of variables which would have to be monitored it is easy to contemplate a scenario where MGM may attempt to dispute any real responsibility related to traffic impacts. Besides deferring any mitigation for at least one year after grand opening of the casino Project, the look back methodology imposes a significant burden on the communities to determine impacts, rather than the applicant. These communities will not only need to monitor traffic conditions, but understand seasonal variation, keep close tabs on other development proposals and generally invest time and effort ensuring they are well prepared to justify mitigation requests. The scope of these studies has also not been defined, including such aspects as what time periods are under consideration, the independent party determining the rate at which regional traffic is growing or declining, and the role increases in crash frequency plays. An additional concern is the potential disincentive for local municipalities to fix their infrastructure in deference to potentially asserting MGM's responsibility. There are a number of issues which raise concerns about the actual effectiveness of the look-back methodology, which at its core seems to defer a community's ability to have the MassGaming Commission be the ultimate arbiter of necessary infrastructure mitigation. GPI views the look-back methodology to be a tool which should only be employed if there is genuine ambiguity about potential impacts at any given location. It is preferable to address locations where infrastructure needs and impacts are likely with specific mitigation from the onset, whether those locations were included for study in the TIAPS or not.

As part of their discussions with the eight affected communities, MGM has suggested the future involvement of the PVPC and GPI (or a similar consultant) to assist in the review and oversight of data collection required as part of the look-back methodology. In order to implement this approach, an agreement between MGM and the affected communities will be necessary as well as funding to support this work.

## **D. ENF ANALYSIS**

---

### **DEIR Certificate Issued**

#### **Traffic and Transportation**

The project will generate a significant level of traffic within the City of Springfield and the region. Trip generation is estimated at 19,673 adt on a Friday and 21,925 adt on a Saturday. Peak hour trips are estimated at 1,290 during the Friday evening peak and 1,312 during the Saturday midday peak. The DEIR describes how access will be provided to the site, includes a revised Traffic Impact Assessment (TIA), assesses the project's impact on traffic growth and operations, identifies roadway improvements, provides a TDM program to minimize single occupancy vehicle (SOV) trips and encourage use of alternative transportation, and identifies other measures to avoid, minimize and mitigate traffic impacts.

The majority of comments received on the DEIR are associated with traffic and transportation issues. Comments from MassDOT indicate that the DEIR provides a comprehensive assessment of the transportation impacts of the project based on a thorough analysis of existing and proposed conditions. The comments indicate that MassDOT concurs with most of the transportation findings in the DEIR and is generally satisfied with the proposed mitigation commitments. The letter identifies a number of issues that should be addressed in the FEIR. In addition, it notes the possibility that the project will require FHWA review and recommends the Proponent consult with FHWA.

Comments from PVPC, the City of Chicopee, the Town of West Springfield and the Town of Longmeadow identify some concerns with the traffic analysis and with the proposed approach to development of mitigation with surrounding communities. These commenters emphasize that necessary mitigation should be evaluated and constructed prior to occupation of the project. In addition, comments from existing businesses directly adjacent to the site (Red Rose Pizzeria, Colvest and Courthouse Square) express concern with the project's impacts on existing facilities, in particular traffic impacts.

The DEIR includes a revised TIA prepared in conformance with the EEA/MassDOT Guidelines for EIR/Environmental Impact Statement (EIS) Traffic Impact Assessments. The TIA includes an expanded Study Area (Figure 5.2-1) that extends into Longmeadow, Chicopee and West Springfield. The DEIR indicates that the Proponent has consulted with MassDOT, PVPC, the Pioneer Valley Transit Authority (PVTA), and communities located within the Study Area regarding the data and analysis provided in the DEIR. The TIAS uses a ten-year horizon period (2024) for the majority of the study. A 20-year horizon is used for analysis of proposed roadway improvements that affect elements of the NHS.

As required, the analysis includes consideration of recent roadway improvements (e.g. State Street corridor and Agawam Rotary projects) and projects that are in the planning or construction phases (e.g. I-91 Corridor Study (Exits 1 to 5), Intelligent Transportation System (ITS) Improvement project, Rt5/Rt57 improvements, Memorial Rotary improvements, I-

90/Burnett Road/I-291 in Chicopee, I-90 electronic tolling, Rt159 in Agawam, and Rt 5 Corridor Study in Longmeadow).

Trip generation estimates were developed for each of the land use categories associated with the project. As directed by MassDOT, trip generation data from several other casinos, including Sugarhouse Casino in Philadelphia and Detroit Mohegan Sun and Foxwoods in Connecticut, as well as trip rates identified in environmental reviews of other proposed casinos that are undergoing MEPA review were used to develop a trip generation rate for the casino. The MGM Grand Casino Detroit site was determined to be the most analogous to the proposed MGM Springfield casino in terms of surrounding demographics, location, size, and other amenities provided such as retail, restaurants, hotel, and convention center. Trip generation counts using Automatic Traffic Recorders (ATR) were collected at the MGM Grand Casino Detroit.

The majority of trips to the project site are assigned to the north along I-91 and I-291 and the south along I-91. Directional distribution of trips was developed using a detailed gravity model. Distribution of casino employee trips was based on US Census Bureau 2000 Journey-to-Work data for City of Springfield. Distribution of casino and hotel patron trips to and from the Project site was based on a detailed gravity model using economic marketing data supplied by MGM Resorts International and supplemented by US Census 2010 population data. They were adjusted to account for appropriate factors such as population, travel time and proximity to other potential casinos. Distribution of trips to and from the Armory Square retail block was based on a gravity model using US Census 2010 population data for municipalities within a 20-mile driving radius of the Project site.

The operations analysis indicates that the project will not degrade operations of I-91 and I-291. The DEIR indicates that the Proponent will work with MassDOT to deploy variable message signs along I-91 and I-291 to notify motorists of traffic conditions including detours, alternative routes during special events and availability of parking. I note that many comments were provided regarding the analysis of the I-291/Route 5 corridor and the advisability of re-analyzing operations within that area and considering additional mitigation.

Mitigation at some intersections is limited to traffic signal timings, coordination and offset timings, and clearance interval timing modifications to optimize intersection operations. These include: Dwight Street/Interstate 291 SB Ramps, Main Street/Harrison Avenue/Boland Way, East Columbus Avenue/West Columbus Avenue/Main Street/Longhill Street, Mill Street/Locust Street/Belmont Avenue/Fort Pleasant Avenue, Belmont Avenue/Sumner Avenue/Dickinson Street/Lenox Street, Park Avenue/Union Street (West Springfield), Memorial Avenue I Union Street (West Springfield), and Longmeadow Street (US Route 5)/Forest Glen Road/Western Drive (Longmeadow).

### **Transportation Monitoring Program**

The DEIR describes a Traffic Monitoring Program (TMP), which is intended to monitor traffic operations, parking occupancy, public transportation utilization, and pedestrian and bicycle use throughout construction and for a period of time following occupancy of the site. The DEIR includes a commitment to monitor during construction, six months after issuance of the



casino occupancy permit, semi-annually for a period of two years following occupancy and annually for an additional five years (seven years total). Data and reports will be provided to the MassDOT District 2 office, the City of Springfield, PVPC and MassRIDES.

The DEIR indicates that, as part of a separate review process with adjacent municipalities, a framework for a "look back" methodology is being developed to monitor and assess needs for mitigation in or near the gateways to the adjacent municipalities. The DEIR indicates that FEIR will include a description of this methodology. I note that comments from municipalities have identified significant concerns with this proposed approach.

Comments from PVPC request that the alternative analysis that is being advanced by MassDOT for I-91 be addressed in the FEIR to assist in long range planning efforts. These comments note that the study limits have not been established and it is not clear whether the Route 5 corridor that flows into the I-91 ramp system will be included. In addition, PVPC identifies several locations that should be added to the study area for the TMP.

## **MassDOT – DEIR Comments**

The Office of Transportation Planning has reviewed the Draft Environmental Impact Report (DEIR) for the MGM Springfield project in Springfield. The proposed project entails the development of a residential, retail, dining and entertainment district in downtown Springfield. Upon completion, the project would create two separate "blocks" of development, referred to as the "Casino Block" and the "Retail Block." The development program has slightly changed from the one described in the ENF. According to the DEIR, the Casino Block would consist of 501,108 square feet (sf) of development, which would include:

- A hotel,
- 3,821 casino gaming positions,
- Retail and restaurant uses,
- Convention space,
- Office space, and
- 54 residential apartments.

The Retail Block would consist of approximately 159,397 sf of development that would include the following uses:

- Retail/restaurant space,
- A bowling alley,
- Office space,
- A radio station,
- An event plaza, and
- A multi-screen cinema.

The project site comprises approximately 14.5 acres bounded by Main Street to the northeast, Union Street to the southeast, East Columbus Avenue to the southwest, and State Street to the northwest. In addition, the site encompasses portions of Bliss Street and Howard Street within its boundaries. The site is currently occupied by several buildings and has a number of vacant lots, a majority of which are being used as surface parking lots. The existing buildings on site accommodate a variety of uses, including commercial, retail and residential space.

Based on information included in the DEIR, the project at full build is expected to generate approximately 24,851 new vehicle trips on an average weekday and 27,590 new vehicle trips on an average Saturday. The project is categorically included for the preparation of an Environmental Impact Report (EIR). The project requires a Vehicular Access Permit because of roadway improvements proposed at several locations under MassDOT jurisdiction to mitigate the project's traffic impacts.

The DEIR includes a transportation study prepared in conformance with EOEEA/MassDOT Guidelines for Transportation Impact Assessments. The study includes a comprehensive assessment of the transportation impacts of the project based on a thorough analysis of existing conditions, future No-Build conditions, and future Build conditions. The DEIR includes a

comprehensive mitigation program that is intended to offset most of the adverse impacts of the project. The mitigation program is multi-faceted and includes highway, transit, bicycle, and pedestrian improvements. The proponent has also committed to an aggressive transportation demand management (TDM) program to reduce automobile trip demand and further mitigate the impacts of the project. MassDOT is generally satisfied with the proponent's commitment to mitigation, and we concur with most of the DEIR transportation findings. However, MassDOT has a number of comments on the DEIR analysis, and issues that should be addressed in the FEIR, as noted below.

### **Trip Generation**

The overall trip generation calculation for the project is based on the trips that would be generated by each use separately, and then a share-trip credit is assumed between some of the uses. The calculations for the casino are based on empirical data, while calculations for other uses are based on the Institute of Transportation Engineers (ITE) Trip Generation Manual for ITE Land Use Code (LUC) 310 for Hotel trips, ITE LUC 220 for residential apartments, and ITE LUC 820 for the Armory Square retail facility. According to the DEIR Trip Generation Summary table, the project is expected to generate 24,851 new vehicle trips on an average Friday, including 1,581 vehicle trips during the Friday PM peak hour, and 27,590 new vehicle trips on an average Saturday, including 1,826 vehicle trips during the Saturday peak hour. Assuming credits for multi-purpose trips (i.e. trips to more than one land use on the project site) and multimodal trips, the DEIR asserts that the project is expected to generate 1,290 new primary trips during the Friday PM peak hour and 1,312 new vehicle trips during the Saturday PM peak hour.

As requested by MassDOT in our comment letter on the project's Environmental Notification Form (ENF), the DEIR has updated the trip generation summary to show all assumptions. The DEIR also provides information on the size, location, and traffic volume of the comparable casino sites that were used to establish a correlation between the number of gaming positions and trip generation. The trip generation has also been revised to account for mode share and credits for multi-purpose trips, transit trips, and hotel trips.

The DEIR also includes a temporal distribution of 24-hour traffic over the course of a week based on data collected at the MGM Casino in Detroit, which was used to determine the hourly distribution and peak-hour of casino traffic. Based in this information, the most critical peak analysis periods, which consist of the highest combination of existing roadway volumes and project site trips, were determined for the DEIR traffic operations analyses.

During the preparation of the DEIR, the proponent met on numerous occasions with MassDOT to discuss and reach a consensus on the comparables, the rates, and the appropriate credits. MassDOT is generally satisfied with the level of information provided on how the overall trip generation was derived for the project as a whole. However, the FEIR should include more detailed information on the employee demand distribution based on the nature of work shifts.

According to the DEIR, the proponent and/or its tenants will provide flexible schedules to a number of employees working at the site. The proponent should evaluate the impacts of instituting different shift schedules around the availability of transit services in order to maximize transit usage by employees.

...

### **Trip Distribution**

The DEIR includes gravity models, which provide trip distribution for the different land uses of the development program. The trip distribution for the casino component of the project is based on a detailed gravity model using economic marketing data supplied by MGM Resorts International, and supplemented by US Census 2010 population data for municipalities within a two-hour radius of the site. The gravity models for the remaining land uses were based on US Census 2010 data and/or US Census Journey-to-Work information for employees within Springfield. In all cases, the models were adjusted to reflect all appropriate factors such as population, travel time, and proximity of the projects to other potential casinos in Massachusetts. The results of the gravity models were used to determine trip characteristics for casino patrons, shoppers, and employees, and to create trip distribution networks for the different peak hours of the project. The DEIR provides all appropriate documentation of the trip distribution and assignment to the roadway network and the transit system.

### **Transportation Projects in the Study Area**

The DEIR includes a list of transportation projects currently planned or under consideration by MassDOT or others within the study area. Most of these projects were communicated to the proponent during the preparation of the DEIR. Some of these projects have progressed, others have been eliminated from further consideration, and the future of other projects is still uncertain. The FEIR should update the assumptions used in the TIA based on the latest information as provided below. Where these changes may impact planned mitigation or operations, the proponent should provide revised analysis and/or mitigation as appropriate.

- MassDOT has completed the installation of the ITS infrastructure on 1-91 and 1-291. There is a current year project #607422 to install a Real Time Traffic Management System (RRTM) on 1-90, 1-91 and 1-291 and various other locations. The proponent should incorporate this project with the proposed ITS elements of their proposed mitigation program.
- The feasibility of continuing Memorial A venue through the rotary was evaluated as part of the US Route 5/Route 147 Bridge Improvement project #605353 and found unsuitable for advancement. This improvement is no longer under consideration.
- The schedule for the 1-90 Interchange 6 project has been delayed and construction is not expected to begin in 2014, but may still be completed prior to the proposed opening of MGM Springfield.

- The MassDOT 1-91 Viaduct Project schedule may overlap with the construction of MGM Springfield; therefore, the proponent should closely coordinate the traffic management plan associated with the 1-91 Viaduct Project with any construction plans for the development. The proponent should also coordinate with the City of Springfield and the Massachusetts Environmental Policy Act (MEPA) Office to find out information about any land development projects that may affect the study area, and incorporate these into the FEIR analysis.

### **Project Permitting**

The FEIR should anticipate that additional federal permits may be required as a result of the proposed roadway improvements and/or impacts to historic resources. Therefore, MassDOT recommends that the proponent conduct preliminary consultation with the Federal Highway Administration (FHWA) on National Environmental Policy Act (NEPA) Class of Action or any other federal approvals. MassDOT is happy to participate in these discussions if desired.

The project proponent has identified a number of roadway modifications on- and off-site, on both local roadways and/or roadways under state jurisdictions. The DEIR is not clear on whether these roadways are on the National Highway System (NHS) or whether the proposed improvements would require design exceptions. Projects proposing design exceptions on NHS roadways must comply with NEPA. For example, the DEIR suggests that State Street is the only NHS roadway near the project in the City of Springfield; however, it does not provide NHS status for proposed improvements outside the project area, such as to the North End and Memorial Bridge Rotaries. The functional classification of these roadways and all pertinent permitting and/or approvals should be addressed in more detail in the FEIR. Similarly, modifications to the Interstate highway system, in this case I -91, which may need FHWA approval under the Interstate Access Policy, would be federal actions that trigger NEPA.

NEPA requires Section 106 compliance. For MassDOT Highway Division projects, Section 106 activities are carried out by the Highway Division's Cultural Resources Section (CRS). If applicable in this case, the Section 106 process would need further discussion with all interested parties. CRS review would include potential impacts to historic resources adjacent to project mitigation locations, which were not included in the DEIR. Depending on the results of the consultations with FHWA, Section 106 and NEPA may be added to the list of required regulatory approvals on the federal level. Section 4(f) may also apply due to potential impacts to existing buildings, which may have historic value and the proposed changes to the Leonardo da Vinci playground, although these resources are not part of an existing transportation facility.

Since the project is no longer proposing a dock on the Connecticut River with associated improvements to the Connecticut River Bikeway, the proponent no longer expects to require a Section 404 permit from the US Army Corps of Engineers for alterations of wetland resources adjacent to the Connecticut River. Thus, if NEPA is triggered as discussed above, FHWA would be the lead federal agency for NEPA compliance.

MassDOT notes that the project's second site (the Retail Block) is not shown in all the figures in the DEIR, particularly the introductory Figures 3-1 and 3-2, nor are its boundaries given in the Project Description (Section 3.1). As it pertains to the discussion of historic resources, the Retail Block site does not appear in Figure 5.7-1 for historic sites. In light of the age of the buildings to be demolished, the proponent should consult with the appropriate agencies to clarify their historic status and document these discussions in the FEIR.

### **Traffic Operations**

The DEIR presents a comprehensive evaluation of traffic operations that includes a substantial number of intersections within the study area. This includes intersections that had been identified in the ENF, as well as additional intersections and roadway segments that were recommended for inclusion in MassDOT's ENF comment letter. The TIA includes capacity analyses and a summary of average and 95th percentile vehicle queues for these intersections. The TIA also presents merge and diverge for all ramp junctions, and analysis for all the weaving movements along the interstate system of I-90, I-91, and I-291 in the study area. MassDOT has reviewed the traffic impacts of the project on traffic operations in the vicinity of the project and its potential impacts on state highway locations including overall operation of the express highway system. Based on the DEIR review, the following concerns should be addressed in the FEIR.

- The Town of Longmeadow has requested consideration of a project to make intersection improvements at the intersections of Longmeadow Street (Route 5) at Forest Glen Road, Longmeadow Street at Converse Street and Converse Street at Laurel Street. The project was put on hold relative to the MassDOT project development process pending an I-91 corridor study, but based on the "Intersection Improvement Study" prepared by VHB for the town dated March 2011; it is likely that there is a need for improvements at these intersections. Because these Longmeadow intersections, and especially the Route 5 southbound queue at the Forest Glen intersection, could potentially impact the MassDOT jurisdiction ramps at I-91 Interchange 1, the proponent should confirm whether Friday PM Peak is the "critical" analysis period for the Route 5 corridor, and provide additional analyses as needed if the critical period is other than Friday PM. MassDOT data on Route 5 from 2009 indicates Friday traffic volumes are 18-20% below the other weekday volumes. Additionally, the proponent's analysis indicates better LOS and shorter queues on Route 5 SB toward the I-91 ramps than the earlier analysis performed for the town, but it appears to be due to a much larger volume of this regional traffic from the I-91 ramp turning left (511 vs. 250) onto Forest Glen and eventually Laurel Street, a residential street with smaller setbacks to dwellings than Route 5 or Converse Street.

...

### Road Safety Audit

Several of the intersections where improvements are proposed are designated crash clusters. The proponent should be aware that Road Safety Audits (RSAs) will be required in order to assess

safety issues and develop recommended mitigation measures for these locations. The proponent should also review all identified high crash locations in Springfield and in surrounding communities and determine whether any would be expected to accommodate significant volumes of casino related traffic. If so, the proponent should also prepare RSAs at these locations and determine whether mitigation is warranted.

...

### **Parking**

According to the DEIR, the project would replace a substantial portion of the existing site surface parking, which has a total capacity of 1,000 on-street and off-street parking spaces, with a new parking garage that would provide 3,740 car parking spaces and 22 bus parking spaces. The DEIR includes a comprehensive analysis of parking demand for the project and the parking needs for the surrounding area. MassDOT is generally satisfied with the methodology used to determine the total parking required.

However, the proponent should further evaluate the proposed parking policies in order to minimize parking demand and automobile use. According to the DEIR, the project is proposing free parking for both casino patrons and employees, and the DEIR does not outline a comprehensive policy or program to limit employee parking on site. The proponent should consider means to limit this free on-site parking especially for employees. Options may include the provision of satellite parking for employees and patrons with shuttle services and/or public transportation for transfer to the site, and implementation of strong incentives to travel by modes other than automobile (as described below in the section on transportation demand management). These measures would assist in further site trip reduction in and around the project site and strengthen the overall TOM program.

...

### **Transportation Monitoring Program**

As part of the project mitigation program, the proponent has committed to implementing a transportation monitoring program to be initiated upon occupancy of the project. The goals of the transportation monitoring program will be to evaluate the assumptions made in the EIRs and the adequacy of the transportation mitigation measures, and to determine the effectiveness of the TDM program. The project proponent shall propose in the FEIR an appropriate timeframe for the monitoring program, or commit to initiating the monitoring program upon MassDOT's request.

...

## **Longmeadow’s Review Comments on the Draft Environmental Impact Report for the Proposed MGM Springfield Development Project, EEA # 15033.**

Dear Secretary Sullivan:

The Town of Longmeadow has the following review comments on the Draft Environmental Impact Report (DEIR) submitted for the above-cited project. The proposed project is a multi-use development consisting of approximately 881,691 square foot of gross total area. This includes a 250 room hotel, 3,821 casino gaming positions, 54 residential apartments, and 159,397 sf of space that includes retail, restaurant, convention, office space, a bowling alley and a multi-screen cinema. A new multi-level parking garage with approximately 3,800 parking spaces is also proposed as part of the project.

### **Introduction and Context**

There is a long history and lengthy documentation on the congestion and delays on Longmeadow Street (Route 5), in Longmeadow due to traffic issues on Interstate 91 and the accidents attributed to the Longmeadow Curve on I-91. Longmeadow Street is a major alternative by-pass route to I-91 and is highlighted on commercial software such MapQuest and Google Maps, as an alternative to I-91 in this area if the State.

Studies have acknowledged that the construction of the MGM Springfield Casino in Downtown Springfield will increase traffic through Longmeadow for various reasons. The key question is where that traffic will go and what the impact is on the Longmeadow community. Although there is existing congestion and associated impacts, construction of the casino will worsen this congestion and the associated impacts. Due to the current highway and local roadway geometries, any increase in traffic in or through Longmeadow will add additional pressure on the Town's public services and public infrastructure, and thereby impact Longmeadow and its residents. In many cases, this will transform operations from an acceptable situation into one that requires mitigation, and we feel strongly that MGM Springfield needs to be made responsible for those impacts and the associated mitigation.

National publications state that, unless mitigated, an increase of traffic may decrease the level of public safety by impeding the ability of fire and life safety vehicles to respond to an incident. Statistically, the increase in traffic on I-91 due to the casino will lead to a higher incidence of traffic crashes on I-91. The Town of Longmeadow Fire Department- which responds to traffic incidents on I-91-will therefore need to respond to incidents more frequently and during nontraditional peak time periods. Because of the increase of traffic on I-91 due to Casino, the localized congestion issues associated with Longmeadow Curve will overwhelm the Route 5 and I-91 interchange area more frequently, exacerbating the existing geometric deficiencies of this interchange. This will lead to additional traffic diverting to Route 5 through Longmeadow as a by-pass route, as well as existing traffic on Route 5 backing up because of congestion entering the interchange.

To maintain an adequate level of safety for the traveling public through Longmeadow, a series of road and intersection improvements have been proposed that are inadequate to address the



current casino issue, and our comments below reflect additional mitigation measures that are necessary. We also strongly believe that it is important that these impacts be mitigated proactively by implementing improvements before the casino opens, rather than employing the "look back" approach that has been suggested by casino representatives, since this will require that residents and road users endure multiple years of impacts before any concrete measures can be taken to mitigate those impacts. Rather than debate the level of congestion, we believe it is more prudent to provide the tools to mitigate and monitor the congestion in order to adequately respond to incidents, including both physical improvements to the infrastructure and ongoing monitoring to identify and characterize the ongoing impacts.

### **Specific Recommendations**

The following section presents a summary of the DEIR findings regarding the potential traffic impacts of the proposed MGM Springfield Casino on the Town of Longmeadow and specific recommendations for improvements that can mitigate those impacts.

The DEIR includes traffic studies undertaken by TEC on behalf of MGM Springfield. The TEC Traffic Study also includes traffic impact mitigation measures. However, based upon VHB's earlier (2011) evaluation of the streets in question, using data provided by PVPC, and representing traffic patterns in 2009 and 2002, we believe that the mitigation measures proposed by TEC will be inadequate to fully mitigate the negative traffic impact to the Town.

The DEIR does not include all of the findings presented by GPI, the independent third-party peer reviewer that was selected by PVPC, and approved and funded by the MGM casino proponents. Specifically, the rate of trips per hour on I-91 and Route 5, used as a benchmark by GPI, was 20% higher than that of TEC. GPI's report highlighted the impacts to Longmeadow, including:

- Traffic impact to I-91 of 286 additional trips during the peak hour (the largest single increase on any facility within the region)
- Traffic impact to Longmeadow St/Route 5 of 53 additional trips during the peak hour
- Impact to Level of Service at the intersection of Longmeadow St/Route 5 at Converse St
- Impact to Level of Service at the intersection of Longmeadow St/Route 5 at Forest Glen Rd
- Impact to Level of Service at the intersection of Longmeadow S/Route 5 and Laurel St
- General traffic impact to Longmeadow St/Route 5 as a result of additional delays on I-91 due to the casino. GPI predicts that the traffic spillover from I-91 could be significantly higher than current trip-generation models suggest.

Based on the prior evaluation of the three aforementioned intersections, using data collected by PVPC in 2009 and 2002, the following determinations were made:

- Intersection of Route 5 at Forest Glen/Western Dr has an overall Level of Service of D in morning peak hours and Level of Service of C during evening peak hours. The northbound lane on Route 5 has a Level of Service of F.

- Route 5 at Converse St/Englewood Rd has an overall Level of Service of B for both morning and evening peak hours with a Level of Service of D on the westbound lane on Converse St.
- Converse St at Laurel St has an overall Level of Service of C and B for morning and evening peak hours respectively. The Converse St westbound lane has a Level of Service of D.

Presently, there is a high crash rate within the Longmeadow St/Converse St corridor, which is a clear indication of over capacity roadways and intersections. Additionally, extensive vehicle queuing has been observed during commuter peak hours (weekday mornings 7:00am-9:00am, and weekday evenings 4:00pm-6:00pm) The additional traffic from the casino's operation will only add to the congestion, raise the likelihood of crashes, and increase emergency response time of public safety vehicles and first responders.

In January 2013, the Town of Longmeadow Engineering Department proposed the following projects at the three intersections noted above, to be paid for through TIP funds: roadway widenings, additional lanes, and new traffic and pedestrian signals. In contrast, the TEC-proposed mitigation plan merely calls for optimizing signal timing and signal-phasing modifications. We strongly believe that these intersection improvements need to be included in the mitigation for the MGM Springfield Casino. While these improvements were "nice to have" before, the additional traffic, congestion, and safety impacts associated with the casino make them critical to the future of Longmeadow. In short, the improvements are needed to mitigate the impacts of the casino development in advance of the facility opening.

In addition to these physical improvements, we also believe that it is critical to install video surveillance on Longmeadow Street, using a series of close circuit television cameras (CCTV) that would be connected to the Longmeadow police and fire station. CCTV cameras at intersections and along roadway segments have become common in many highly traveled areas and will provide the Town with the ability to quickly respond to congestion and incidents by altering the traffic signal timings and by directing public safety vehicles. This surveillance system will also help the Town identify additional problem areas that may require mitigation in the future.

An increase in the traffic volume on I-91 in Longmeadow, is simply put, an increase in the overall traffic volume in Longmeadow, and it is important that proper mitigation measures be put in place to address these impacts. Moreover, because reconfiguration of the problematic I-91 Longmeadow Curve has been put off, seemingly indefinitely, it translates directly to an overall negative traffic impact to all Longmeadow roads, and even more directly to an increase to the traffic on Route 5, as spillover becomes even more of an issue. To properly understand the operation of this Interchange 1, 2, and 3 area where Route 5 and I-91 come together near the Longmeadow/Springfield border, we believe MGM should be required to develop a simulation model in coordination with MassDOT and the Town of Longmeadow to assess the episodic impacts of I-91 congestion on local roads. While the DEIR considers this area in isolation, only a simulation will allow us to truly understand the impacts and develop appropriate mitigation measures.

**Conclusion**

In the future, as the Springfield economy continues to improve, as predicted by MGM Springfield's claim that their development represents an "opportunity of a lifetime to revive its urban core," it is only natural to assume that traffic flow will increase as this new development occurs. The current infrastructure will be insufficient to effectively handle this increase in traffic flow, even if signal timing and phasing modifications are made. In order to maintain an adequate level of public safety and traffic operations for the Town of Longmeadow, the traffic issues associated with MGM Springfield Casino must be mitigated in advance of the casino opening and then monitored, rather than asking residents, visitors, and other travelers to endure the associated negative impacts during an ill-conceived look back.

Thank you for your consideration of these comments.

## **E. CONSULTANT ANALYSIS**

---

### **Green Surrounding Community Traffic Evaluation - Longmeadow**

In response to the Massachusetts Gaming Commission’s (MGC) request, Green International Affiliates, Inc. (Green) has undertaken an evaluation of petitions by communities requesting to be designated as a *Surrounding Community* with respect to the casino proposals. As part of the development of casinos in Massachusetts, a community may be designated as a *Surrounding Community* in accordance with 250 CMR 125.00. The regulation specifies a number of considerations or factors to guide the determination of the designation and one of them includes various traffic related impact factors. A number of communities have petitioned the MGC requesting *Surrounding Community* designation. The petitions that were received relative to the proposed MGM Casino in Springfield and remain in the review process include the following communities: Hamden, Northampton, and Longmeadow. This Memorandum summarizes Green’s review of the traffic related factors relative to Longmeadow.

#### **Evaluation Process**

Regulation 250 CMR 125.00 identifies various impact factors related to transportation and traffic that need to be considered in an evaluation. These impact factors include:

Ø Ready Access – This impact factor looks at the physical link between the site and the community, as well as the approximate distance from the site to the center of the community.

Ø Projected Changes in Level of Service (LOS) – This impact factor defines the operating condition of a roadway or intersection from a traffic perspective. The levels range from LOS ‘A’ to LOS ‘F’ with the highest level (LOS ‘A’) indicating minimal or short motorist delays to the lower levels (LOS ‘E’ and LOS ‘F’) indicating very long motorist delays & potential capacity constraints. A change from one LOS to another does not necessarily signify a traffic related problem, but roadways and intersections with a LOS ‘E’ or LOS ‘F’ are considered problematic and require further investigation. Most review agencies require that Private Developers try to mitigate their project impacts as seen by drops in LOS, particularly when reaching the lower levels of service and exhibiting congested conditions.

Ø Increased Traffic Volumes on Local Streets – This impact factor examines the level of traffic volume increases that are estimated to occur on local streets due to the project. For this factor, “local streets would consider both non-interstate and interstate highways, state highways, and major collector roads that pass through the community.

Ø Transportation Infrastructure – This impact factor considers degradation of the transportation infrastructure, in particular the condition of roadway pavement, as a result of the project from an increased number of vehicles and/or the increased weight of vehicles (i.e. truck traffic during construction and from deliveries after construction).

Ø Significant Peak Vehicle Trips Generation on State and Federal Highways – This impact factor will identify the estimated casino related traffic that is expected to be added onto State and Federal highways that would also be located in the potentially affected community.

Ø Impacts on Transit Ridership and Station Parking – This factor considers the increased transit use as a result of the project and its impacts on the current service in the community.

In relation to the Transportation Infrastructure, the potential likelihood of construction related truck traffic or the post construction goods delivery routes using the roadway system located in the community petitioning for designation was ascertained as it is the heavier type vehicles that could affect the condition of road infrastructure.

In reviewing the factors described above, relative to a proposed casino and its potential impacts to a subject community, information provided by the Applicant is initially reviewed. It should be noted that the Applicant’s initial traffic study might not have extended into adjacent communities that are seeking Surrounding Community status. In those situations, we completed additional research relative to traffic levels, relative safety conditions, connectivity, and potential level of impact in the subject community. If available, written reviews and comments completed by regional planning agencies (RPAs) and MassDOT (through the MEPA process) relating to the subject community were also taken into account.

While the above impact factors do not specifically cite safety, the issue of additional emergency casino traffic has been raised in several petitions. Traffic studies typically predict changes in LOS and recommend safety improvements to reduce the likelihood of future accidents, but it is difficult, at best, to predict future crash occurrences. However, a review of historical crash information either through the RPA, MassDOT records or other sources can be completed for the potential route(s) located in a particular community. Travel routes or locations that have been identified as a safety concern based on historical data by the petitioning community and have been considered in this review.

### **Petitioning Community: Longmeadow**

The Town of Longmeadow has submitted a petition to be designated as a “Surrounding Community” with respect to the proposed MGM Casino to be located in Springfield. The following summarizes our review with respect to the above factors.

#### **• Applicant Traffic Study**

The Applicant (MGM) has submitted a traffic study by their consultant (TEC) that provided their assessment of traffic conditions resulting from the proposed casino. The study was completed as part of the Applicant’s effort to obtain acceptance by the host community. It was

later updated and submitted as part of the Draft Environmental Impact Report (DEIR) to MEPA through the State’s environmental review process.

The updated traffic study that was submitted to MEPA as part of the Draft EIR examined a fairly large study area in relation to the potential casino impact. In Longmeadow, two specific locations were included in the study. These two locations are the intersections of Route 5 at Forest Glen Road/Western Drive and Route 5 at Converse Street/Englewood Road. Longmeadow is a community that abuts Springfield to the south. Based on the travel forecasts developed in the study, it is expected that a relatively small amount of casino related traffic would travel along Route 5 in Longmeadow during the Friday evening and Saturday midday peak hours (estimated to be about 36 peak hour vehicle trips, total of both entering and exiting vehicles, during both Friday evening and Saturday afternoon). This represents a small percentage (2.8%) of the total peak hour traffic generated by the casino project. The study concludes that the traffic impact on Longmeadow as a result of the project is minimal and that the LOS between the 2024 No-Build and Build conditions will remain similar. It should be noted that signal timing adjustments are proposed by the Applicant at the Forest Glen Road/Western Drive intersection.

#### • RPA/MassDOT Comments

Comment letters and memoranda prepared by MassDOT and the area’s regional planning agency, the Pioneer Valley Planning Commission (PVPC), were reviewed to obtain any further insights or concerns related to the proposed casino and the impact on Longmeadow.

MassDOT comments to date have been in relation to the ENF and Draft EIR filed by the Applicant. At this time, MassDOT appears generally comfortable with the Applicant’s overall traffic forecasts including the number of trips and the regional arrival/departure patterns. However, there are some concerns expressed relative to traffic operations and particular impacts relating to Longmeadow Street (Route 5) in the Town of Longmeadow as they indicated there is likely a need for improvements at the locations studied in the DEIR. They have also indicated in their latest comment letter that Route 5 operations could potentially affect I-91, specifically Interchange #1. MassDOT has requested that these concerns, among others, be addressed in the Final EIR. In that comment letter, the MassDOT stated that the Applicant should confirm the critical analysis period used along Route 5. In the DEIR, the Applicant used Friday evening peak hour and Saturday midday peak hour as the critical analysis periods. According to the comment letter, Friday traffic volumes are 18-20% lower than other weekday volumes based on past MassDOT data for Route 5.

PVPC has also commented to MEPA that they have completed an assessment of the proposed casino on their member communities<sup>1</sup>. Greenman Pederson, Inc. (GPI) was specifically retained to review the Applicant’s traffic study and review potential impact on eight (8) communities in the PVPC region. There were a number of items that the report prepared by GPI addressed. In relation to the traffic forecasts, GPI raised a concern about the basis of the trip generation forecasts and as a result, suggested that the Applicant may have understated traffic generation for the project. However, they did generally concur, for the most part, with

the estimated traffic patterns of arrival and departing trips. PVPC reiterated these points, among others, in their letter to MEPA. In our opinion, their major concerns do not have a significant effect on reviewing the project's traffic impact on Longmeadow.

The Town of Longmeadow also submitted comments to MEPA as part of the ENF and DEIR review. The Town has also retained their own consultant in relation to the traffic review of the proposed casino.

In addition to the above, MEPA has recently issued a Certificate on the Draft EIR and found that the project can move forward to the Final EIR stage. But the Applicant will need to address a number of issues including more analysis and development of mitigation (if determined warranted) at Longmeadow Street (Route 5) at Forest Glen Road; Longmeadow Street at Converse Street; and Converse Street at Laurel Street. This may require additional data collection and analysis. The Secretary also indicated that MassDOT stated that I-91 Interchange ramps could be impacted by the operations of these intersections and impacts may have been understated. The Secretary has encouraged the Applicant to consult with MassDOT, PVPC, the City of Springfield and the Town of Longmeadow regarding the evaluation of the I-91/Route 5 interchanges and the development of mitigation.

#### • **GREEN Analysis**

As part of the Green analysis, information contained in the Applicant's traffic study, as well as other information available through MassDOT and the PVPC were reviewed in relation to the above factors required for consideration in accordance with the regulations.

The proposed casino in Springfield is to be located in the City block bordered by Main Street, Union Street, East Columbus Avenue, and State Street in downtown Springfield, proximate to I-91. The access and egress, relative to the casino, is generally convenient to the entrance/exits, to/from I-91. The proposed casino project, in total, is estimated to generate approximately 19,600 and 21,900 net vehicle trips onto the roadway system over the course of the day (Friday and Saturday, respectively). Peak hour vehicle trips were estimated at 1,290 for Fridays and 1,312 for Saturdays. A greater proportion of the estimated project traffic is expected to use the major highways in the region (I-91, I-291). To and from the south, 19.6% of the project traffic is predicted to use I-91 while it is estimated that approximately 2.8% of the project traffic will travel to/from Route 5 in Longmeadow. The study method, referred to as the gravity model, was used to estimating the travel patterns based on population and the available roadway network. There are two locations along Route 5 in Longmeadow that were included to date in the Applicant's traffic study. These two locations are the intersections of Route 5 at Forest Glen Road/Western Drive and Route 5 at Converse Street/Englewood Road

Route 5 is a two-lane principal arterial roadway that runs in a north-south direction and runs parallel to Interstate I-91. Based on available MassDOT traffic volume data, Route 5, just north of Converse Street, carried approximately 11,480 vehicles over the course of an average weekday in 2013. Other major roadways serving the Town that motorists could use to travel towards Springfield would eventually connect to Route 5. These roadways include Route 192,

Bliss Road, Converse Street, and Forest Glen Road. It appears likely that residents traveling north from the eastern part of the Town would use Frank Smith Road, Converse Street and Dickinson Street for access towards Springfield.

The study estimated that just over 22% of the casino generated traffic would travel from the south of Springfield. However, the majority of that traffic is expected to use I-91. Only 2.8% of the project traffic is projected to use Route 5. Based on the GPI review, the trip distribution for Route 5 used in the Applicant's study is slightly low and should be increased to 3.5%. Whether it's 2.8% or 3.5%, these percentages reflect the local trips to/from Longmeadow only – not trips from other communities or trips that divert from I-91 to Route 5 in an attempt to bypass any congestion or queuing on the highway. The added traffic on I-91 in Longmeadow is estimated by the Applicant to be approximately 300 peak hour trips. The Applicant's study has not completed a thorough analysis to evaluate the effect that this added traffic on I-91, combined with current poor operating conditions at the interchange ramps, would add to the diversion to the Route 5 corridor in general.

Using a 3.5% increase in traffic on Route 5 in conjunction with the higher overall estimated peak hour project traffic suggested by GPI, the estimated project traffic to use Route 5 would increase from about 36 vehicles (Applicant estimate) to about 52 vehicles (GPI estimate). However, even if GPI's estimate were assumed to be correct, which the Applicant disagrees with, the 52 additional vehicle trips (or about one vehicle trip per minute) would result in approximately 2.3% to 4.8% (depending on the peak hour and the particular studied intersection) increases to the Route 5 peak hour traffic volumes at the studied intersections when compared to existing conditions. It should be noted that the estimated peak hour site traffic noted above does not include any potential traffic diversion from I-91 to the Route 5 corridor in Longmeadow. Consequently, the potential exists for additional traffic to be diverted to Route 5 depending on the I-91 operations its level of congestion. According to numerous comments received on the Draft EIR, this issue has not yet been adequately addressed.

The Applicant's study also found that the two intersections analyzed in Longmeadow have crash rates higher than the Statewide and Districtwide average crash rates for signalized intersections.

The following summarizes our analysis against the regulatory factors in 250 CMR 125.00:

Ø Ready Access – The proposed casino site is situated approximately 3.5 miles from the center of Longmeadow and located just over 2 miles away measured from the Town line of Longmeadow/Springfield. I-91 is under MassDOT jurisdiction and is a major regional route passing through Longmeadow. There are two interchanges with Route 5 serving Longmeadow. I-91 also has an interchange located in close proximity to the project site. Route 5 parallels I-91 serving the Town. Motorists may use the combination of Route 5 and I-91 as a connection between the downtown or casino site and Longmeadow.

Ø Projected Changes in Level of Service (LOS) – Based on the Applicant's study, the intersections analyzed in Longmeadow are anticipated to experience similar LOS when



comparing the 2024 No-Build to the Build conditions. Signal timing modifications are proposed by the Applicant at the intersection of Route 5 at Forest Glen Road/Western Drive as a mitigation measure in order to maintain the similar LOS between Build and No-Build conditions. The Applicant's study represents that only a slight increase in delay is expected even without mitigation at this intersection. Mitigation is not proposed for the intersection of Route 5 at Converse Street/Englewood Street. Based on the Applicant's study, the level of additional vehicle trips would not be expected to result in any noticeable change in traffic operations. However, if the traffic diversion from I-91 onto Route 5 is substantive, it is possible for the levels of service to be impacted.

Ø Increased Traffic Volumes on Local Streets – As noted above, the casino related traffic along Route 5 is at about 36 vehicle trips during the peak hour, based on the Applicant's study, which is approximately one vehicle every 2 minutes. If the estimate by GPI is used, the project traffic is to 4.8% in peak hour traffic volumes along Route 5 when compared to the existing conditions. Even if the Applicant's peak hour traffic projections using Route 5 were doubled, the increases would amount to approximately one additional trip per minute. These projections either by the Applicant or the PVPC consultant represent base estimates of Route 5 use and essentially represent trips originating in or destined for Longmeadow. Again, these estimates do not reflect the potential increase of traffic on Route 5 related to traffic diverted from I-91 onto Route 5 as a result of the I-91 congestion levels. Considering the base traffic estimate, the level of increase in traffic would generally be considered small and not noticeable to the typical motorist. However, the potential effect of diverted traffic from I-91 due to congestion levels could add substantially more traffic onto Route 5.

GPI's review also highlighted concerns with the impacts that the project traffic may have on existing congestions problem along I-91 NB near Exit 1. They expressed concern that this may affect Route 5 traffic flow and operations. GPI stated that additional evaluation should be performed by the Applicant in this area and that the Town should consult with MassDOT regarding this issue. Based on Applicant's analyses, the existing LOS for merge and diverge ramp junctions (the LOS is based on criterion of density, which is expressed in terms of passenger cars per mile per lane as defined by the 2010 Highway Capacity Manual) at I-91 NB at Exit 3 is currently a LOS 'F'. This indicates congestion on the off-ramp could cause backups on I-91 NB reaching towards Exit 1, confirming GPI's concerns. However, when comparing the 2024 No-Build conditions (density of 34.6, LOS 'F') to the 2024 Build conditions (density of 36.2, LOS 'F'), the analyses indicates that the additional project traffic is expected to have a minimal impact on the existing congested condition. The Applicant does not present information on I-91 queuing. **While I-91 is a MassDOT highway serving the region as a whole and likely needs a regional level improvement, there is a legitimate question on whether the additional 300 casino related vehicle trips on I-91 will result in more diversion to Route 5 and creating new or exacerbating current operational or safety related issues.**

In the Town's petition, the Town indicated that motorists on I-91 are using Route 5 to bypass congestion or queues related to crashes on I-91. The Town expressed concerns that the project traffic would increase the likelihood of traffic diversion to Route 5 from I-91. While the Town's claim may be valid due to past experiences, it is also possible that the existing traffic

data collected by Applicant already reflects this pattern of traffic diversion as the Turning Movement Counts (TMC) were taken during the peak hours in which congestion would be expected on I-

91. What is unknown is whether or not congestion actually existed on I-91 at the time the TMC counts were taken to truly confirm that the existing counts included the bypass traffic. Based on only the LOS analyses mentioned above and the existing traffic data collected by the Applicant, it appears that the project traffic is not anticipated to severely impact LOS, with or without mitigation. However, this conclusion is not straightforward given the effect I-91 operating conditions may have on the Route 5 corridor and has not been sufficiently addressed.

Ø Transportation Infrastructure – The Applicant has stated that construction related heavy vehicle traffic could be managed. While most of the documentation to date has focused on the maintenance of traffic in the immediate construction zone, it would be anticipated that the majority of construction materials and the larger construction related traffic would utilize the major highways to reach the site, particularly the adjacent I-91 and the nearby I-291. At this time it is not specifically known where materials would be obtained from, however, it is anticipated that most longer haul trips would be via these two major highways. In addition, construction related traffic and the facility where materials are procured from would be controlled, to a large degree, by the Applicant. In addition, normal post-construction goods movement can also be controlled and most, if not all heavy truck deliveries to the casino, would be expected to use I-91 to reach the site. Thus, the heavy vehicle traffic impact and consequently, potential road infrastructure impact on Longmeadow’s roadways, including Route 5, should be minimal.

Ø Significant Peak Vehicle Trips Generation on State and Federal Highways – As stated above, I-91 is expected to carry the majority of the project traffic originating south of Massachusetts while Route 5 is expected to carry a minimal volume of traffic that would primarily be traveling from the Longmeadow area as well as from Enfield and Somers in Connecticut. In total, between 22 and 23 percent of the casino traffic will use both I-91 and Route 5. The level of traffic using I-91 in Longmeadow to/from the south on the State and Federal highways could be considered significant. We also recognize that this significant volume on State and Federal highways could affect Route 5 when I-91 operating conditions deteriorate because of the higher volumes.

Ø Impacts on Transit Ridership / Station Parking – PTVA Bus Route G5 traverses along the major roadways within Longmeadow, including Route 5. The Applicant provided an estimate on additional ridership that is expected to be generated by the project. According to the Applicant, the estimated new ridership has a minimal impact (10 or less) on occupancy capacity.

## **Concluding Opinion**

While there is a potential for a small volume of casino-related traffic traveling to and through the Town of Longmeadow via Route 5 as estimated by the Applicant, the influence I-91 traffic

operations has on Route 5 and the Town, however, is difficult to overlook. I-91 is a major route that traverses the Town and is expected to carry the major amount of project traffic to and from the south. However, traffic diversion from I-91 to Route 5 appears to occur on a fairly regular basis to avoid congestion and vehicle delay. Based on a review of all the most recent information, it can be concluded that the Applicant's study does not include sufficient analyses needed to fully address the concerns that the Town has expressed regarding traffic diversion from I-91 to Route 5.

As a result, based on all the above transportation related factors included in the regulations, it is reasonable to consider designating Longmeadow as a surrounding community based on the transportation factors.

## **F. APPLICATION**

---

### **2-28 Total Investment Outside the Property**

The total estimated investment in infrastructure is \$3.8 million for traffic-related improvements and \$2.4 million for utility improvements.

### **4-08 Parking**

A parking garage with 3,784 spaces will serve the hotel, restaurant and shopping areas, casino and other attractions. An additional 22 charter bus parking spaces will be provided within the parking garage and accessible through a separate bus-only entrance/exit driveway. The well-lit, safe (featuring cameras on all levels), architecturally finished, eight-story garage will be open to public and local business use free of charge from 8:00 a.m. to 5:00 p.m. Monday through Friday, providing high-quality and efficient parking in the heart of the City.

There will be direct physical connections between the parking garage and the hotel, casino and the Outdoor Plaza area.

### **4-09 Transportation Infrastructure**

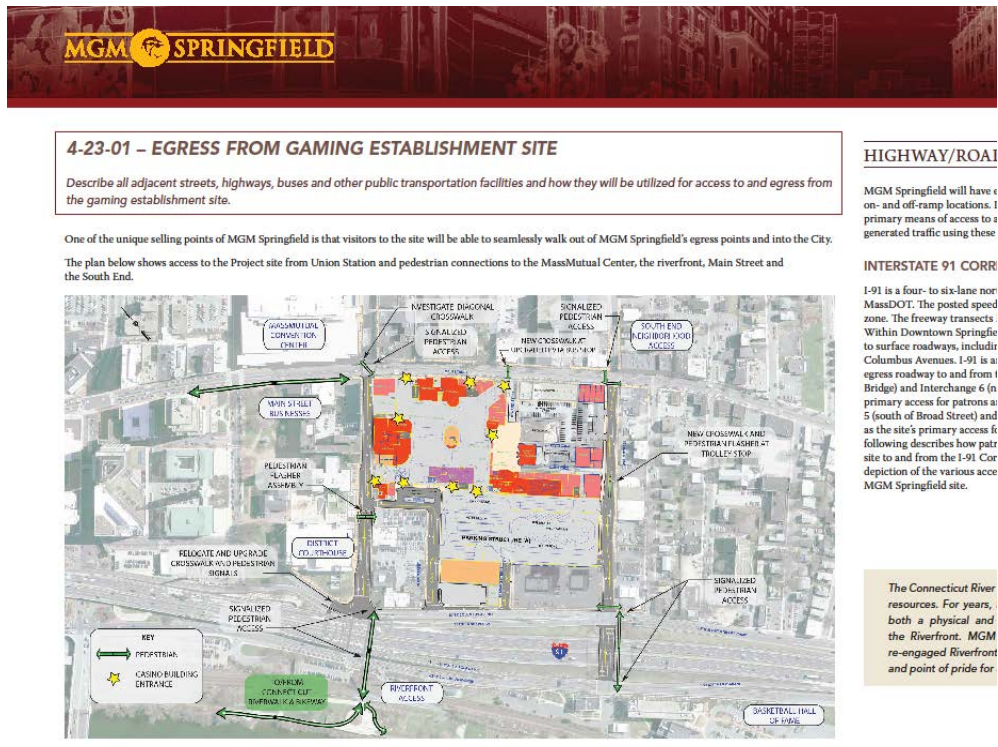
MGM Springfield's transportation infrastructure has been designed to capitalize on the site's excellent existing accessibility attributes, including the redundant ramp access from I-91 and the important connections to downtown streets. Tour Bus - A separate drop-off / pick-up and overnight parking area that is envisioned for charter and tour buses will be located on the first floor of the MGM Springfield parking garage.

Taxi - Taxi pick-up and drop-off activities are anticipated to occur in the MGM Springfield hotel portecochere area at the front of the hotel. Additional taxi pick-up and drop-off activities are likely to occur along State Street, Main Street, and Union Street where major pedestrian access points are located. Valet - The hotel valet area will be located at the front of the hotel. A separate casino valet service will be located on the first floor of the MGM Springfield parking garage. Service Vehicle Parking - A service vehicle drop-off and pick-up area will be located in the basement of the self-parking garage.

### **4-23 Egress from Gaming Establishment Site**

One of the unique selling points of MGM Springfield is that visitors to the site will be able to seamlessly walk out of MGM Springfield and into the City via pedestrian connections to the MassMutual Center, the riverfront, Main Street and the South End. MGM Springfield will have easy access to two major highways with multiple on- and off-ramp locations as well as to several Downtown streets. Parking for charter and tour buses will be provided on the ground floor of the Project parking garage with a separate bus and delivery vehicle driveway on Union Street. Public bus service is also robust. There are four bus stops directly in front of the Project site, two

inbound and two outbound, and several other stops on Main Street within walking distance of the site. Additionally, four other bus lines operate on Dwight Street and Chestnut Street, a block from the Project site. A rubber-wheeled trolley system is being proposed to link MGM Springfield to Union Station and other tourist destinations that could include the Basketball Hall of Fame, MassMutual Center, Quadrangle museum district and Worthington Street entertainment district.



**4-24 Adequacy of Existing Transportation Infrastructure**

Traffic will be accommodated at and near MGM Springfield's site through a series of traffic-related measures. Traffic will be distributed to multiple highway interchanges serving Downtown Springfield; this includes several options for interchange use along I-91 and I-291 to efficiently serve regional traffic and provide options for incident management around the City. Physical traffic mitigation measures will be constructed for motor-vehicle traffic as described in this section to provide more efficient lane use and traffic signal operations. Bicycle travel will be facilitated with new pavement markings and signs along critical roadway links as described later in this section. Public transport will be enhanced, including upgrades to bus stops on Main Street in front of MGM Springfield. MGM Springfield will provide funding to the Pioneer Valley Transit Authority (PVTA) for a Downtown trolley that will connect MGM Springfield with Union Station and other recreational and cultural amenities in Downtown Springfield. Transportation Demand Management measures (TDM) will be established to reduce the use of

single occupancy vehicles accessing the site, such as transit pass subsidies and carpool parking spaces, as described in this section.



**4-24-01 – ADEQUACY OF EXISTING INFRASTRUCTURE**

*Provide an analysis of the adequacy of the existing transportation facilities, including those for refueling, to deliver patrons to and from the gaming establishment complex and the measures the Applicant will take, including infrastructure and other improvements, to remedy any inadequacy.*

---

**SUMMARY**

Traffic will be accommodated at and near the Project site through the following traffic-related features or measures:

- Distribution of traffic to multiple highway interchanges serving downtown Springfield, this includes several options for interchange use along I-91 and I-291 to efficiently serve regional traffic and provide options for incident management needs around the City.
- Construction of physical traffic mitigation measures for motor-vehicle traffic along East Columbus Avenue, West Columbus Avenue, Union Street, State Street and Main Street, as described in this section to provide more efficient lane use and traffic signal operations.
- Enhancing bicycle travel with new pavement markings and signs along critical roadway links as described later in this section.
- Providing seed funding to Pioneer Valley Transit Authority (PVTA) for a Downtown trolley that will connect the MGM site with Union Station and other recreational and cultural destinations in Downtown Springfield for a planned Friday/Saturday/Sunday operational schedule.
- Establishing Transportation Demand Management measures (TDM) to reduce the use of single occupancy vehicles accessing the site, such as carpool parking spaces, as described in this section.
- Guiding the public's use of preferred travel routes to the site through advertised directions, social media and highway signs.
- Implementing or funding other off-site improvements that may be identified by the Pioneer Valley Planning Commission (PVPC) and their consultant as part of the comprehensive regional peer review of traffic impacts that is on-going with most of the adjacent communities.

**MAJOR TRANSPORTATION AND CIRCULATION PLAN**

The MGM Springfield site is bordered by East Columbus Avenue, State Street, Main Street and Union Street. It was selected because it has significant potential for redevelopment and economic revitalization, and is able to be woven into the fabric of an increasingly vibrant Downtown. It lies in close proximity to many interstate highway ramps yet is intricately tied to the Downtown pedestrian experience along Main Street. The proposed uses, supply of parking and pedestrian access points are expected to complement and revitalize the adjacent businesses and uses in Springfield's Downtown, such as the MassMutual Center. A detailed Traffic Impacts and Access Study (TIAS) was prepared by TEC, Inc. as part of the Draft Environmental Impact Report (DEIR) and is provided as Attachment 4-24-02. This separate document is a requirement of the Massachusetts Environmental Policy Act (MEPA) review process.

The scope of the study is responsive to the requests from the Massachusetts Department of Transportation (MassDOT), the PVPC, the PVTA and several adjacent communities as identified during their review of the Environmental Notification Form (ENF). The MGM Springfield team met with representatives of these agencies on dozens of occasions to discuss the scope of the transportation study, refine assumptions and technical analyses, and discuss conceptual mitigation measures. Concurrent with the documentation of the DEIR for MEPA review, MGM Springfield has been working with PVPC and their peer review consultant to review potential traffic impacts in the adjacent communities.

**THE PROJECT'S**

The following intersections at the DEIR:

1. Burnett Road/Intersta
2. Dwight Street/Intersta
3. Dwight Street/Intersta
4. Main Street/Boland W
5. East Columbus Avenue
6. West Columbus Avenue
7. State Street/St. James !
8. State Street/Federal St
9. State Street/Chestnut !
10. State Street/Dwight St
11. State Street/Main Stre
12. State Street/Proposed
13. State Street/East Colu
14. State Street/West Colu
15. Main Street/Bliss Stre
16. East Columbus Avenue
17. Main Street/Howard S
18. East Columbus Avenue
19. Union Street/Main Str
20. Union Street/Armory !
21. Union Street/Armory !
22. Union Street/Propose
23. Union Street/Propose
24. Union Street/East Col
25. Union Street/West Co

**DEVELOPMENT PROGRAM**

The site currently is occupied by multiple commercial, municipal and retail establishments and for-fee surface parking fields and structures. We propose to raze a majority of the structures on the site to construct MGM Springfield.

**4-24-02 Attachment See Report Traffic Infrastructure (242 pages)**

**4-25 Adequacy of Existing Transportation Infrastructure**

MGM Springfield will stimulate the use of public transit to mitigate traffic flow around our Project. MGM Springfield's site is already readily accessible by Springfield's existing mass transit network, including Union Station and the public bus routes. Currently, several PVTA bus routes operate within the Project site's vicinity including lines on Main Street and Dwight and Chestnut Streets. MGM Springfield intends to enhance the use of public transportation via upgrades to bus stops on Main Street in front of MGM Springfield. MGM Springfield will provide funding for a rubber wheeled trolley system that will run from MGM Springfield to other Springfield attractions. The route will connect MGM Springfield to the proposed downtown transportation hub at Union Station. Other destinations are likely to include the Basketball Hall of Fame, the MassMutual Center, the Quadrangle Museum District and the Worthington Street entertainment district.

**4-26-01**

MGM Springfield will include a 3,740-space structured parking garage. The eight-level garage will hold the majority of on-site parking. Please refer to Attachment 4-05-01 for schematic plans

and Attachment 4-08-01 for a description of the number, location and accessibility of parking spaces for employees, patrons and buses. Given the size and height of the garage, it will be a prominent feature of the Project. It has therefore been intentionally located away from Main Street and the majority of the pedestrian related areas, yet is directly adjacent to the program elements with the largest anticipated visitor count. Further, to maximize its accessibility and minimize its visual impact, it will be located on the edge of the site closest to the highway and behind the outdoor retail area. The MGM Springfield garage is intended to be used by local businesses and the adjacent courthouse during the daytime hours for free. At the time that MGM Springfield's patron parking needs to be increased throughout the late afternoon, the local parking use is continually decreasing. MGM Springfield has coordinated with the Springfield Parking Authority (SPA) and other City staff to assess area-wide parking needs. There is sufficient parking supply in nearby SPA parking structures, such as the I-91 South, I-91 North, and Civic Center structures, to accommodate any overflow parking needs within a three block radius of the site. MGM Springfield will be coordinating with the City on way finding signs pointing drivers to the various parking facilities. Located on the west side of the site, the garage will have optimal vehicle egress:

- Self-park entry will be off the north end of East Columbus Avenue, with exits mid-block on East Columbus Avenue and at Union Street. This configuration will minimize the use of local streets and provide direct adjacency and access to I-91.
- Valet drop-off and pick-up will enter and exit next to the hotel drop-off with access off both State Street and East Columbus Avenue.
- Bus entry and exit will be located on Union Street and will be separated from the car circulation areas.
- The garage “speed ramp” configuration will allow access to all levels without circulating on the floors themselves. This layout will reduce travel times, energy use and noise associated with parking and vehicle circulation. The garage will directly abut the casino and entertainment facilities. Building cores and elevators will be located on both the Northwest and Southwest sides of the garage. These lobbies will lead directly to the hotel, casino, cinemas, bowling alley, retail shops and Outdoor Plaza. Exposed surfaces of the garage will be finished and detailed to reflect the design of the overall Project and to blend with the streetscape design intent. Various architectural treatments will be used to reduce the scale of the building. Lighting will be shielded to prevent light trespass to the maximum extent possible. LED lighting, or other approved high efficiency lighting, and controls will limit lighting use when lighting is not required. In addition, there will be a grade-level open-air parking lot adjoining the retail and public-amenity plaza with entrances and exits off Union Street. Please refer to Attachment 4-08-01 for further detailed information.

### **5-01-01 Infrastructure Costs**

The research and studies completed for the Project have not identified any infrastructure costs that would be incurred by the Host Community of Springfield for either construction or operation of the gaming establishment. The research and studies completed for the Project have not identified any infrastructure costs that would be incurred by surrounding communities for either construction or operation of the gaming establishment.

### **5-02 Impacts and Costs**

In response to the question, we have attached reports from the following: HR&A Advisors – The HR&A report contains an analysis of the economic benefits at the Commonwealth, regional and local level. Contained within the HR&A report is an analysis of the local and regional social impacts from MGM Springfield conducted by the International Gaming Institute at the University of Nevada-Las Vegas. TEC – A traffic study from TEC is attached, which includes an analysis of the demands placed on area roads.

Part of this response is made up of the approximately 1,000-page DEIR, which addresses environmental, traffic, social and infrastructure impacts. In lieu of re-attaching the extremely lengthy document, we refer the reader to Attachment 4-73-01 where the DEIR can be found. As required by 205 CMR 118.01(5), a copy of the DEIR will be sent to the surrounding communities. Because it is not yet complete, we are unable to include the traffic study from GPI commissioned by the Pioneer Valley Planning Commission. The GPI report will provide an assessment of the impact of MGM Springfield on area roads.

### **5-33 Traffic Control Measures**

The MGM Springfield site has been designed to safely and efficiently process the patron, vendor and employee traffic in a way that takes advantage of the redundant ramp access from I-91 and the important connections to Downtown streets. Vehicles approaching the site along the major highways may be distributed throughout multiple highway ramps with the use of way-finding signage and Intelligent Transportation Systems (ITS) devices. We have outlined our traffic control measures, which include utilizing signage, information technology systems and parking facilities. Vehicular and pedestrian way-finding signage will be posted at major intersections between the site and the interstate highway system to give continuous guidance to travelers from the point that they leave the interstate highway system all the way to the site. Similarly, way-finding signs directing traffic to all major highways will be posted along routes leading from the site to the highways. In addition, vehicle queue detection devices can be installed on the major interstate highway exit ramps to reduce impacts to highway travel caused by queues extending back onto the highway. MGM Springfield will offer a variety of parking and drop-off/pick-up options for patrons and employees to help control traffic on site as well as a large self-parking garage with more than 3,700 parking spaces that will offer multiple points of egress to distribute traffic more evenly back onto local roadways and towards major highways. We are dedicated to providing multiple modes of transportation, including shuttles, limousines, automobiles, bicycles and pedestrian walkways to help mitigate vehicle trips. MGM Springfield will benefit from the PVRTA's pre-existing bus routes, and we are considering the option of incentivizing our employees' to use public transportation and carpool. MGM Springfield will offer an appealing charter bus drop-off.





**5-33-01 – TRAFFIC CONTROL MEASURES**

Describe the plans for traffic control measures the Applicant proposes for the gaming establishment complex and the surrounding areas, the expected total vehicle traffic generated by the site, and plans for mitigating vehicle trips to and from the site both during construction and operation of the facilities. Further, describe efforts to encourage public transportation options to access the site, and pedestrian access and amenities of the site and surrounding area.

**SITE ACCESS SUMMARY**

The MGM Springfield site has been designed to safely and efficiently process the patron, vendor and employee traffic in a way that takes advantage of the redundant ramp access from I-91 and the important connections to Downtown streets. Vehicles approaching the site along the major highways may be distributed throughout multiple highway ramps with the use of way-finding signage and Intelligent Transportation Systems (ITS) devices.

The following is a brief description of the major elements of site access:

- Patrons will access the casino, hotel and retail parking facility from State Street and East Columbus Avenue.
- I-91 Southbound traffic will be directed to use the Exit 7 off-ramp, turn left onto State Street and right into the site.
- I-91 Northbound traffic will be directed to use the Exit 6 off-ramp to East Columbus Avenue, and turn right onto Bliss Street.
- I-291 Southbound traffic will be directed to use either Exit 2 to Dwight Street or the I-91 Exit 6 off-ramp to Union Street.
  - The primary access point for the self-park garage will be located along Bliss Street and will be served by both East Columbus Avenue and State Street.
  - The egress points are located along Union Street, Howard Street, State Street and Bliss Street which distributes the impact of the exiting traffic.

- The secondary access and egress point for the valet parking area, the pick-up/drop-off zone and the hotel will be located along Bliss Street, just beyond the self-park access point.
- Patrons exiting the facility and destined for points to the south along I-91 have the option to use State Street to access West Columbus Avenue. They also will have the ability to exit the parking facility and turn right onto Union Street (westbound only), proceed under the I-91 bridge and turn left onto the I-91 southbound on-ramp.
- A small surface parking lot will be provided within the Outdoor Plaza block (please refer to Attachment 4-11-01 for a description of the Outdoor Plaza). Some of this parking will be used by existing landowners and as part of short-term visits or drop-off and pick-up activities associated with the retail and restaurant tenants.

Please refer to Attachment 4-23-01 for additional information on vehicular access to and egress from MGM Springfield

**TOTAL VEHICLE TRIPS**

Section 6.2.2.4 of the Draft Environmental Impact Report ("DEIR"), included as Attachment 5-33-02, provides an estimate of the vehicle trips to be generated by MGM Springfield, separated between casino patrons, hotel patrons, casino/hotel employees, office workers, apartment residents and Outdoor Plaza guests. The table below provides a summary estimate of the total traffic volumes expected to be generated by the site.

Time Period	SITE-GENERATED TRIPS		
	Entering Trips	Exiting Trips	Total Trips
Friday Daily	10,178	9,495	19,673
Friday Evening Peak Hour	730	560	1,290
Saturday Daily	11,229	10,696	21,925
Saturday Midday Peak Hour	740	572	1,312

**TRAFFIC CONTROL IN/AROUND MGM**

**SIGNAGE**

Vehicular and pedestrian way throughout the City of Springfield access the MGM Springfield along East and West Columbus Street, Chestnut Street, Map access to the site. These signs site and the interstate highway from the point that they leave site. Similarly, way-finding signs posted along routes leading to

**INFORMATION TECHNOLOGY**

As previously noted, the MGM and I-291 exits, as well as several for traffic detours to manage more evenly across roadway Signs (VMS) are currently in use. During special events, or when detour traffic, these signs may MGM Springfield to use alternate constructed connecting Bliss access into the MGM Springfield will be named MGM Drive with VMS boards along I-91.

Vehicle queue detection device highway exit ramps to reduce extending back onto the highway long queues are forming on the can allow for additional green ramps to allow ramp traffic in addition, if the queue detection green times on the ramps, then drivers toward alternative routes



#### 6.2.2.4 Site-Generated Traffic

The Project consists of the following floor areas and uses:

- ◆ A 501,108 sf casino resort that includes space for back of the house, a plant, retail / restaurant uses, and banquet facilities, in addition to the 3,821 gaming positions;
- ◆ A 250-room multi-story hotel;
- ◆ 54 residential apartment units;
- ◆ A 4,000 sf employee daycare facility; and
- ◆ A 159,397 sf retail and entertainment center known as Armory Square, which will include multiple retail tenants, restaurants, an event plaza, general office space, a radio station, a multi-screen cinema and bowling alley.

The methodology used to calculate the proposed trip generation is described below.

#### Trip Generation Methodology

##### *Resort Casino with Hotel*

TEC reviewed a number of sources to estimate the trip generation of the casino, retail, restaurant, and banquet facilities contained within the proposed casino block. These sources included trip generation data from other casinos, such as:

- ◆ Mohegan Sun and Foxwoods in Connecticut;
- ◆ Tulalip Tribal Casino, Muckleshoot Indian Tribe Casino, Emerald Queen Casino in Washington;
- ◆ Spirit Mountain Casino and Chinook Winds Casino in Oregon;
- ◆ Jamul Indian Village Casino and Enterprise Rancheria Casino-Hotel in California;
- ◆ Harvey's Casino, Ameristar Casino, and Bluffs Run Casino in Iowa;
- ◆ Casino Queen in Illinois;
- ◆ St. Charles Casino in Missouri;
- ◆ Caesar's Resort Casino in multiple locations;
- ◆ Parx Philadelphia Casino & Race Track in Pennsylvania;
- ◆ Horseshoe Hammond Casino in Indiana;

## 8.2 Transportation

This section describes the traffic and transportation improvements and mitigation measures proposed to address the Project's impacts. These measures include multi-modal transportation infrastructure improvements and strategies and a Transportation Demand Management plan designed to reduce single-occupant vehicle trips to and from the site and encourage the use of alternative transportation modes by patrons and employees.

### 8.2.1 Intersection and Roadway Mitigation Summary

The following section provides a summary of measures that are recommended to improve the existing and future operations and safety of the study area intersections and roadways. Figures 6.2-26 through 6.2-30 provide a graphical depiction of the overall roadway, public transportation, and pedestrian and bicycle improvements proposed as mitigation for the Project. The approximate construction cost associated with implementation of all of these intersection and roadway mitigation measures is \$3.6 million. An estimate of the cost associated with each individual improvement measure is included in Appendix B-17.

#### Intersection Infrastructure

##### *Signal Timing Optimization*

Traffic signal timings, coordination and offset timings, and clearance interval timing modifications to optimize the operations of the intersection are recommended at the following locations:

- ◆ Dwight Street / Interstate 291 SB Ramps
- ◆ Main Street / Harrison Avenue / Boland Way
- ◆ East Columbus Avenue / West Columbus Avenue / Main Street / Longhill Street
- ◆ Mill Street / Locust Street / Belmont Avenue / Fort Pleasant Avenue
- ◆ Belmont Avenue / Sumner Avenue / Dickinson Street / Lenox Street
- ◆ Park Avenue / Elm Street / Union Street [West Springfield]
- ◆ Memorial Avenue / Union Street [West Springfield]
- ◆ Longmeadow Street (US Route 5) / Forest Glen Road / Western Drive (Longmeadow)

## **5-34 Traffic for Special Events**

MGM Springfield benefits from multiple options for highway access and street access that will distribute the impacts of traffic, both under normal operations and during major events. One key to the successful management of traffic is public information. MGM Springfield and its

consultants will work with the City and Commonwealth staff to identify measures to send traffic to the most appropriate route.

MGM Springfield does not include building space for major venues, such as high-capacity concerts and major shows that draw regional traffic. MGM Springfield will coordinate with the City, the managers of MassMutual Center and Symphony Hall and other major traffic generators identified by the City as part of the scheduling for any special events.

During peak arrival times associated with special events, traffic will be directed to the location of available parking whether it is on the MGM Springfield site or in adjacent municipal parking structures or surface lots. We have drafted alternative traffic and parking options that leverage the existing exits along I-91 and I-291.

## G. OTHER

---

### TEC Report

TEC Response to Town Assumption of Traffic Impacts Town of Longmeadow

Dear Attorney Stratton,

On behalf of Blue Tarp reDevelopment, LLC (“MGM” or “Applicant”), TEC, Inc., is pleased to submit this narrative regarding the allegations contained within the Petition for Designation as a Surrounding Community (the “Petition”) from the Town of Longmeadow (the “Town”) issued to the Massachusetts Gaming Commission on January 13, 2014. The Town claims that they will be significantly and adversely impacted by the new vehicle trips associated with the Applicant’s casino proposal. The purpose of this letter is to provide data and analysis to refute those claims and provide a factual basis for the Commission’s review and pending determination.

TEC has completed an extensive level of transportation analysis as part of the MGM Springfield development project to date. This has involved extensive reviews by the Massachusetts Department of Transportation (MassDOT), the Pioneer Valley Planning Commission (PVPC), the Pioneer Valley Transit Authority (PVTA), the City of Springfield and their consultants, and several adjacent communities. The traffic analysis has been prepared, discussed, refined, and finalized over the past many months as we worked with the agencies to define the potential impacts of the project.

The Town defines the following major issues within the Petition:

- Sharing of Traffic Data & Reports
- Proximity
- Roadway Jurisdiction
- Desire for Transportation Improvements
- Potential for Cut-Through Traffic
- Trip Distribution
- Traffic Safety & Emergency Response
- PVPC & GPI Peer Review
- Intersection Operations
- Suggested Traffic Mitigation Measures

These items are discussed in detail on the following pages. In general, we believe the MGC will determine that the Petition is qualitative and subjective and is not founded in recently collected data or detailed analysis. Upon review of this letter and the materials originally filed with the

RFA-2 submittal, we trust that the MGC will find that the projected impacts within the Town are isolated and insignificant.

In addition, it is important to note that while we disagree with the approach taken by PVPC's peer review consultant, Greenman-Pedersen, Inc. ("GPI"), in recommending a twenty percent (20%) increase in the trip generation calculations for the reasons further explained below, even with the increases to trip generation suggested by GPI, the detailed analysis indicates there will be no change in level of service at the gateway intersections within the Town and the average increase in intersection delay along Route 5 will be less than two (2) seconds per vehicle. Knowing that traffic is further distributed away from the Route 5 corridor beyond these gateway intersections, there is no anticipated change in level of service at any other intersection in Town. Thus, there is no significant traffic impact to the Town under any scenario.

### **Sharing of Traffic Data & Reports**

The Petition claims that the Town made repeated requests to MGM to provide copies of its traffic engineering data during October 2013 and November 2013. The Petition states that traffic data was provided on Wednesday, November 26, 2013 and that no additional data was provided until December 31, 2013. Longmeadow makes claims that MGM withheld information intentionally from the Town. However, the Town has not recognized that the PVPC peer review process was developed to allow TEC to work closely with GPI to review traffic calculations and analysis as they were being completed. Therefore, all materials submitted to GPI for review were considered draft versions. Simultaneously, TEC was working closely with MassDOT in regular coordination sessions to present, review, and refine calculations and analysis. In order to avoid circulation of multiple versions of calculations, the traffic data was not released for review by the neighboring municipalities until it had been thoroughly vetted by TEC, GPI, and MassDOT. It is important to note, however, that the Town of Longmeadow was invited to attend the regular coordination meetings with MassDOT and chose not to attend the final meeting on October 25, 2013 when the draft results of the capacity and queue analysis were presented.

MGM held a public meeting with all of the neighboring municipalities on September 26, 2013, at which time TEC presented all of its calculations for trip generation and trip distribution. A follow-up meeting was held with these municipalities on November 14, 2013 to provide an update on the traffic operations analysis and discuss the "look-back" approach. The final coordination meeting with MassDOT occurred on October 25, 2013, which resulted in some minor refinements in the traffic calculations and analysis based on comments from MassDOT representatives. A draft copy of all traffic calculations and analysis was provided to GPI on November 14, 2013. This information was in the form of worksheets and hand calculations, and did not include a narrative to describe the methodology by which it was calculated or a summary of the results. This narrative was completed in draft format on Wednesday, November 27, 2013, and shared with GPI, PVPC, and all of the neighboring municipalities via the PVPC's FTP site on this same date, as soon as it was prepared. TEC immediately notified

Stephen Crane of the Town of Longmeadow as soon as the materials were fully posted on the FTP site (See **Attachment A**).

The narrative and calculations submitted to the neighboring municipalities on November 27, 2013 represents a draft of the full text and Appendices included within the MGM Springfield DEIR submitted to the Massachusetts Environmental Policy Act (MEPA) office on December 16,

2013. Only minor refinements of the text and formatting on the document occurred between November 27 and December 16. Therefore, the Town has been in possession of all traffic-related documentation and analysis conducted by MGM and TEC since November 27.

Epsilon Associates, MGM Springfield’s consultant for the MEPA process, sent a copy of the final DEIR to the Town on December 20, 2013. A copy of the transmittal letter is included in **Attachment A**.

### **Proximity**

The proximity of the Town to Springfield has no bearing on the potential level of traffic impact because there are multiple alternative routes for traffic rather than using the roadways owned by the Town.

### **Roadway Jurisdiction**

The Town has stated in its Petition that should be designated as a “surrounding community” on the basis that there are “more vehicles passing to the MGM Springfield site through Longmeadow than through any other community – including any of the other Springfield abutters that MGM designated as surrounding communities”.<sup>1</sup> This statement by the Town is misleading in that the Town has claimed negative impacts for traffic on state-maintained roadway infrastructure (Interstate 91 or I-91). The Town clarifies within the next paragraph that 286 new Friday evening peak hour trips will be on I-91 through Longmeadow, with only 53 new trips on Longmeadow Street (Route 5). I-91 is owned, operated, and maintained by the Massachusetts Department of Transportation (MassDOT), and the Town has no jurisdiction or responsibility over the state’s highway infrastructure. MassDOT has exclusive authority over the operational use of, and any suggested changes to, the I-91 facility, which carries approximately 71,000 vehicles per weekday. As such, increases in traffic volumes on state-owned roadway infrastructure should not be deemed increases in traffic volumes in the Town. Therefore, the only MGM Springfield related trips that will impact the Town of Longmeadow are the trips noted along Longmeadow Street (Route 5). The MGM Springfield related trips on Longmeadow Street (Route 5) will account for 3 to 3.5 percent of the total MGM Springfield trips, and represents a very small percentage of project-generated trips.

<sup>1</sup> Blue Tarp redevelopment, LLC / Petition for Designation as a Surrounding Community – Town of Longmeadow; Page 8, Paragraph 3; Murphy, Hesse, Toomey, & Lehane, LLP; Quincy, MA; January 13, 2014.

### **Desire for Infrastructure Improvements**

The Town of Longmeadow has expressed concern over traffic impacts along Longmeadow Street (Route 5), mainly on the basis of longstanding congestion problems along this corridor. The Town has expressed a desire for MGM Springfield to provide funding for improvements along the Route 5 corridor to address these existing roadway deficiencies and increase capacity. We understand that the Town recently petitioned MassDOT to advance a state/federally-funded improvement along Route 5 between Forest Glen Road and Converse Street intersections. This establishes the Town’s independent desire for, and need for, improvements along Route 5. The

Town did not provide a copy of the 2011 Route 5 intersection study to TEC during the preparation of our traffic analysis. Furthermore, we understand that PVPC does not currently have a copy of this study. TEC’s data and analysis is based on more recent traffic counts.

**Potential for Cut-Through Traffic**

Longmeadow’s Petition claims that “Longmeadow’s roads are in close proximity to, and provide necessary access to, Springfield and the proposed MGM Springfield Site.” However, as indicated on the Locus Map included as **Attachment B**, there are multiple alternative routes through other municipalities that provide access between the MGM Springfield site and all of the municipalities bordering Longmeadow. These alternatives include Route 83 through East Longmeadow and Routes 190, 192, 220 and Brainard Road through Enfield, CT. These routes provide shorter (distance) and faster (travel time) alternatives to accessing the MGM Springfield site than traveling through Longmeadow roadways.

In addition, Longmeadow claims that Longmeadow Street (Route 5) is regularly used as an alternative to I-91 and that global-positioning-system (GPS) devices direct drivers along Longmeadow Street to avoid back-ups on I-91. The use of Longmeadow Street (Route 5) to access the MGM Springfield site is not a viable “routine” detour route because it is limited to one travel lane in each direction and there are several signalized traffic signals within the Town of Longmeadow. Due to the location of the lane-drop on I-91, the only potential for routine diversion would occur in the northbound direction. Although there are reports of Longmeadow Street (Route 5) being used as a detour to I-91 in both directions during crash events on I-91, these occasions are sporadic and do not represent a regularly occurring event. The existing condition along Longmeadow Street will not be changed as a result of the MGM Springfield development.

Subsequent to receipt of the Petition, TEC collected travel time data along I-91 northbound and Route 5 northbound to factually document the route characteristics from the south. Data for each route was collected by two teams of data technicians during the Friday evening peak hours (5:00 PM to 7:00 PM) on January 17, 2014. This peak period is consistent with the Town’s concern about bypassing ski-related traffic coming from Connecticut and New York and should provide a conservative approach given the additional influence of the long weekend with the Martin Luther King, Jr. holiday.

The following table summarizes the data from the travel time assessment over the two-hour period:

	<u>I-91 Northbound</u>	<u>Route 5 Northbound</u>	<u>Difference</u>
Number of runs:	9	8	
Average Travel Time:	16 min 11 sec	19 min 51 sec	3 min 40 sec

As seen above, motorists attempting to use Route 5 to “bypass” the I-91 lane drop encounter additional delays with stopped delay at local intersections and other existing congestion in Longmeadow within the singular through lane. During this period, mapping tools such as Google Maps displayed congested roadway links in a red color on I-91 northbound from the lane drop southerly to Route 220 and on Route 5 northbound approaching Bliss Road. This data



demonstrates that there is no benefit to route diversion and the future MGM trips will most likely stay on I-91. Understandably, if the I-91 queue ends north of the Route 5 interchange in Enfield, motorists will not be encouraged to leave I-91 and the highway travel time will be even faster. The travel time data sheets are provided in **Attachment C**.

The Petition references “vehicle trips to and from East Longmeadow towards downtown Springfield travel along Dwight Road and Dickinson Street”, both of which are located in Longmeadow.” TEC has prepared a location map, included as **Attachment B**, to highlight each of the major roadways through Longmeadow from East Longmeadow, MA; and Enfield and Somers, CT. This map includes travel distance and travel time along each of the routes between these municipalities and the MGM Springfield site. The majority of development within East Longmeadow is located east of Route 83. Therefore, it is expected that the majority of MGM related trips to/from East Longmeadow will travel via Route 83. Traveling from the center of East Longmeadow to the MGM Springfield site via Route 83 is approximately 5.4 miles and 14 minutes based on Google Maps. In comparison, traveling from the center of East Longmeadow to the MGM Springfield site via Dickinson Street and Dwight Road is approximately 6.5 to 6.8 miles, and 16 to 17 minutes. Because the use of these roads as a cut-through route results in a 20 to 25 percent longer route, it is unlikely that vehicle trips to/from East Longmeadow will use Dickinson Street or Dwight Road to travel to/from MGM Springfield. Any increase in trips on Dickinson Street or Dwight Road as a result of MGM Springfield will be trip to/from locations within the Town of Longmeadow.

**It is important to note that GPI’s revised trip distribution calculations for traffic through Longmeadow included within their peer review generally concurred with TEC’s estimate to within 0.5 percent (3.0 percent by TEC versus 3.5 percent by GPI).** These trip distribution calculations did not identify potential cut-through traffic from neighboring communities on Dwight Road or Dickinson Street. In fact, the majority of the trips along roadways within the Town of Longmeadow would be trips to/from residential locations within the Town of Longmeadow. Only 0.6 percent of MGM Springfield trips (7 peak hour trips) are expected to utilize roadways under the jurisdiction of the Town of Longmeadow to travel between the site and neighboring communities. **Attachment D** provides an excerpt from TEC’s detailed traffic gravity models, which were included in the DEIR document to MEPA and referenced within the RFA-2 submittal.

Due to the more direct travel route via Route 83 in East Longmeadow, it is impractical to assume that a measureable amount of patrons will desire to divert further to the southwest to travel through Longmeadow. In addition, due to multiple routes providing access to I-91 south of the Town border, it is impractical to assume that a measurable amount of patrons will divert further northeast to travel through Longmeadow. Therefore, only the residents of Longmeadow and a very small portion of the residents from northeast Enfield, CT and western Somers, CT are expected to use Longmeadow roadways to travel to/from MGM Springfield. This is expected to be less than 7 vehicles per hour (roughly 4 entering and 3 exiting) during the peak Friday and Saturday periods. The traffic is expected to be even lower during other periods of the day. Therefore, we do not believe that the Town will be noticeably or measurably impacted by the MGM development.

### **Trip Distribution**

Within a footnote on page 8 of the Petition, the Town notes that prior studies prepared for applications by Penn National Gaming, Inc. (PNG) and MGM Springfield contained higher distributions of traffic from “I-91 Points South” than reflected in MGM Springfield’s DEIR. The Petition includes a copy of PNG’s Traffic Study from December 2012 submitted to the City of Springfield as part of its RFQ process as Exhibit 12, showing evidence of a higher distribution of traffic estimated along I-91 South. It should be noted that this study is for an entirely separate casino proposal that may experience different trip distribution patterns due to different mix of casino, retail, restaurant, entertainment, office, residential, and other uses. In addition, this traffic study provided very limited data to support this trip distribution and has not been given the same level of scrutiny as the trip distribution estimates included within MGM Springfield’s DEIR, which were heavily reviewed by GPI and MassDOT. Longmeadow’s Petition goes on to state that MGM has not explained the justification for the downward movement of its trip distribution analysis. Based on comments received by MassDOT on the Environmental Notification Form (ENF) prepared by for the MGM Springfield, the trip distribution was refined by creating detailed gravity models that accounted for surrounding population densities, travel time, distance, and availability of competing opportunities. These gravity models and trip distribution assumptions were comprehensively reviewed by MassDOT and GPI, and **GPI found these distributions to be accurate within 0.5 percent.**

### **Traffic Safety & Emergency Response**

Municipal Resources, Inc. (MRI) conducted a study for the Town to assess the potential additional expenses to the Town required for emergency response and management, which was included as Exhibit 36 of the Petition.<sup>2</sup> MRI claims that the proposed MGM Springfield will result in “an additional 3 (actually 2.6) accidents on I91, requiring response from the Longmeadow Fire Department, and an additional 3 (actually 3.1) accidents on Route 5, requiring both Police and Fire response in Longmeadow”. However, MRI does not provide any

<sup>2</sup> Information Request re: Public Safety & Community Service Impact Costing; Municipal Resources, Inc.; Meredith, NH; December 17, 2013.

calculations or evidence to support this estimate. MRI’s assumption of the increase in accidents is based solely on the percentage volume increase on these roadways applied to the current occurrence of collisions. There is no evidence to support that there is a linear relationship to traffic volumes and the occurrence of collisions on I-91, Route 5, or any other roadway.

Longmeadow’s Petition describes three collisions on I-91 that resulted in traffic detours onto Route 5 in October 2013, November 2013, and January 2014.<sup>3</sup> The first collision occurred at 2:30 AM on a Tuesday morning as a result of a woman walking along I-91 (which is illegal) being struck by a vehicle; the second occurred on a Sunday evening when a vehicle struck a truck and burst into flames; and the last occurred at 10 AM on a Thursday when a truck jack-knifed due to inclement weather conditions. None of these collisions occurred during peak traffic periods, indicating that traffic volumes and congestion are not likely a contributing factor to collisions on I-91.

PVPC prepared a study in response to a request from the City of Springfield entitled “The Impact of the Big E on Interstate Crashes”, included as **Attachment E**, which evaluated whether the considerable traffic volume increases during the annual Eastern States Exposition (Big E) in the Town of West Springfield influenced the occurrence of crashes on Interstate 91.<sup>4</sup>

This report concluded that “the available crash data does not show a relation between traffic congestion caused by the special event of the Big E and an increase of crashes on I-91.” The Big E is estimated to draw approximately 65,400 visitors per day on an average weekday (Monday through Thursday) and 106,500 visitors per day on an average weekend day (Friday through Sunday) based on 2013 attendance data posted on the Big E’s website.<sup>5</sup> (See **Attachment F**) Based on visitation analysis performed by MGM Resorts International, the proposed MGM Springfield is estimated to generate 19,010 visitors per day on a weekday (Monday through Thursday) and 26,640 visitors per day on a weekend day (Friday through Sunday).<sup>6</sup> The MGM Springfield visitation represents 25 to 29 percent of the visitation generated by the Big E. If a major traffic generator like the Big E does not result in an increase in collisions on I-91, it is reasonable to assume that a development that draws 70 to 75 percent fewer visitors also will not result in an increase in collisions on I-91.

The Town’s Petition claims that there is a high crash rate at the intersection of Longmeadow Street (Route 5) / Converse Street based on statements made by the Town’s Engineer, Yem Lip, P.E., in a memorandum to the Town Manager, Stephen Crane, on December 20, 2013 (Included as Exhibit 32 of the Petition).<sup>7</sup> Mr. Lip suggests that the crash rate “is a clear indication of over-capacity intersections and roadways.” However, this memorandum does not

<sup>3</sup> Blue Tarp redevelopment, LLC / Petition for Designation as a Surrounding Community – Town of Longmeadow; Page 12; Murphy, Hesse, Toomey, & Lehane, LLP; Quincy, MA; January 13, 2014.

<sup>4</sup> The Impact of the Big E on Interstate Crashes; Pioneer Valley Planning Commission; October 2013.

<sup>5</sup> <http://www.thebige.com/FAIR/generalinfo/Attendance2012.asp>

<sup>6</sup> MGM Springfield Visitation Analysis Performed for use in Traffic Study; Jacob Oberman, MGM Resorts International; November 2012.

<sup>7</sup> RE: MGM Casino DEIR; Yem Lipp, P.E., Town Engineer, Town of Longmeadow, MA to Stephen Crane, Town Manager, Town of Longmeadow; Dated December 30, 2013.

provide any evidence to support the claim that this intersection experiences a high crash rate. The Draft Environmental Impact Report (DEIR) prepared for MEPA review of the MGM Springfield project in December 2013 includes an evaluation of the collision occurrence of all intersections within the study area, including the intersection of Longmeadow Street (Route 5)

/ Converse Street.<sup>8</sup> The analysis indicates that an average of six collisions per year occurred at this intersection over the three-year study period. Generally, a minimum of five collisions per year of a particular type are required to indicate a collision pattern warranting safety improvements. The crash rate for this intersection is 0.79 crashes per million entering vehicles (MEV) (See **Attachment G**), which is lower than the statewide average of 0.80 and the district-wide average of 0.82 for signalized intersections, indicating there is not a high crash rate at this location.

In addition, over 70 percent (17 of 24) of the collisions at this intersection occurred outside of peak commuter periods (weekdays 6 AM to 9 AM and 3 PM to 6 PM), indicating that traffic congestion does not appear to be a contributing factor to collisions

at this location. Therefore, there is no evidence to support that the MGM Springfield development would result in an increase in collisions at this intersection.

### **PVPC & GPI Peer Review**

The Town utilizes GPI's peer review letter as the basis for the majority of its arguments that the Town will experience significant traffic impacts associated with the MGM Springfield.<sup>9</sup> GPI's letter states that "If however this Project has the intended effect of being the catalyst to the revitalization of downtown Springfield, the traffic impacts considered may only represent an incremental portion of the greater traffic picture." The Town relies on this to suggest that TEC may have underestimated the traffic impact of MGM Springfield. However, it is important to note that MGM Springfield is not responsible for mitigating traffic impacts generated by other development projects that may occur due to the revitalization of downtown Springfield. Any future development that occurs will be required to mitigate its own traffic impacts.

Furthermore, TEC has not ignored that additional growth and development may occur in the surrounding area due to the revitalization of downtown Springfield. For example, although traffic volumes in the area have indicated a downward trend over the last 10 years as evidenced by MassDOT historic count data and Longmeadow Town Engineer's own statements (See Exhibit 32 of the Petition), TEC has projected traffic volumes to a 2024 design year condition using a 0.5 percent per year annual growth rate, representing a total growth of 5.6 percent on all roadways within the study area. Given the current saturation of the residential neighborhoods and limited potential for additional commercial or retail development within the Town, it is unlikely that the Town will realize such a growth rate. Therefore, the 2024 Build traffic volume projections included in MGM Springfield's DEIR likely represent a conservative (worse than actual) condition.

<sup>8</sup> Draft Environmental Impact Report, EEA #15033, MGM Springfield; Epsilon Associates, Inc.; December 16, 2013.

<sup>9</sup> Proposed MGM Development, Springfield, MA, Regional Traffic Impact Peer Review; Greenman-Pedersen, Inc.; December 20, 2013.

The Petition also notes that GPI's study concluded that the trip generation calculations included within MGM Springfield's DEIR should be at least 20 percent higher than presented in the study. It is important to clarify that GPI's statement relates only to the casino-related trips to the MGM Springfield site. GPI's peer review provides concurrence with the trip generation assumptions for the Armory Square retail, office, and residential components of the project. In addition, **GPI's peer review letter did not provide any materials or evidence to support this 20 percent increase in casino trips.** In a response letter dated December 26, 2013 (See **Attachment H**), TEC requested further substantiation by GPI with calculations and detailed descriptions of any applicable data used to estimate this 20 percent increase.<sup>10</sup> To date, no such data has been provided to support this recommendation.

Within TEC's December 26, 2013 response letter to GPI's peer review, TEC notes the following regarding the trip generation estimate:

· **The MGM trip generation rates were endorsed by MassDOT staff following extensive review between August and October 2013.** MassDOT acknowledged that the downtown setting proposed by MGM offers a unique opportunity to reduce trip generation rates due to the potential for shared trips and the benefits of public transportation.

· GPI suggested that MGM Springfield is more comparable to Mohegan Sun and Foxwoods in Connecticut than to MGM Grand in Detroit, Michigan on the basis that it is geographically closer and has more similar competing opportunities. GPI discounts the applicability of MGM Detroit data by stating that Detroit is 3.8 times larger by land area and 1.5 times as dense. Detroit is the 11<sup>th</sup> highest metro area in the nation, while Springfield is the 65<sup>th</sup>. When applying the same comparison of MGM Springfield to Mohegan Sun and Foxwoods, it draws concern over the foundation of GPI's opinion. Mohegan Sun and Foxwoods do not rank on the list of the nation's highest metro areas because the populations of these communities are so small. In addition, the demographics of these areas are in no way comparable. The populations surrounding the Connecticut casinos are lower, the incomes are higher, and there is significantly less ethnic diversity in the areas surrounding Mohegan Sun and Foxwoods.

· GPI argues that because there are three other casinos (4 total) in the Detroit area, the trip rates may be lower than would be experienced in Springfield. However, as GPI states, the Detroit metro area has 6 times the population of Springfield, and therefore can accommodate 4 casinos to serve the larger population. Moreover, the GPI report does not appear to factor in the success of the MGM Grand Detroit facility and the related impact of using its already inflated visitation counts as the baseline for the MGM Springfield project. MGM's Detroit facility captures over 40% of the Detroit gaming market, already over 20% more than its 1/3 market share, i.e., for purposes of using it

<sup>10</sup> Response to GPI Regional Traffic Impact Peer Review Memorandum, MGM Springfield Development; TEC, Inc.; December 26, 2013.

for Springfield projections, we believe the 20% of “conservatism” requested by GPI is already factored in.

· GPI opines that residents of the greater Springfield area regularly drive to Mohegan and Foxwoods and will likely drive to the MGM Springfield casino as patrons once open. TEC has not assigned a credit for those trips that are intercepted from Connecticut and kept in the Pioneer Valley. TEC applied a conservatively low transit credit for transit-related trips despite the fact that there are eight (8) bus lines that surround the MGM site. This will provide a considerable benefit for the employee population and a modest level of patron trips.

· GPI also states that the casino in Springfield is likely to draw more traffic than Connecticut casinos because people will drive to the movies, bowling, and restaurants for the sole purpose of traveling to these uses in Springfield, whereas they would not in Connecticut. This is precisely the reason why TEC calculated trips for these uses separately and assumed only a modest shared-trip credit between the casino and Armory Square. Therefore, we have accounted for this unique urban reality in our projections. In addition, many of the trips from the

surrounding area are already present on the roadway network and will be shared with other downtown uses, for which we have not applied a credit. Further, GPI does not appear to factor in the very successful entertainment venues in the Connecticut gaming facilities, which we believe drive significant visitation that could match or exceed the visitation to the MGM Springfield non-gaming amenities. Mohegan Sun, for example, features a successful, regional destination-level 12,000 seat concert venue which is home to entertainment acts and a women's professional basketball team.

**GPI demonstrates in Table 4 of their peer review that TEC's trip rate calculations are nearly identical to those from ConnDOT** (both are 0.34 per gaming position during the Friday PM and 0.34 versus 0.36 in Saturday midday). Therefore, GPI's suggested 20% increase appears arbitrary, especially in the context of MGM Grand Detroit's market share (as discussed above), and should be further substantiated with calculations and a detailed description of any assumptions based on recent and applicable data sources.

**The Town notes that GPI recommended adjustments to TEC's trip distribution percentages. The adjustments result in a 0.5 percent change in the total MGM Springfield trips along roadways under the jurisdiction of the Town (3.0 percent by TEC versus 3.5 percent by GPI). This equates to an additional 7 vehicle trips (roughly 4 entering and 3 exiting) on roadways in Longmeadow. This has a negligible impact to the capacity of the intersections.**

**Despite TEC's disagreement with the 20 percent increase in trip generation suggested by GPI, GPI's analysis indicates that only a total of 53 MGM-related trips (roughly 27 entering and 26 exiting) are expected to travel on roadways under the jurisdiction of the Town. This equates to less than one additional vehicle per**

**minute and represents less than a 1.7 percent increase in traffic volumes on Longmeadow Street (Route 5). This level of traffic increase is less than the seasonal variation in traffic on Route 5 and does not constitute a measurable impact.**

The Town argues that based on GPI's peer review, more MGM vehicles will pass through Longmeadow than through any other community. However, the Town fails to recognize that the majority of these trips will be traveling on I-91, which is a state owned and operated roadway and is not under the jurisdiction of the Town. TEC has estimated that the MGM project's total trip distribution along I-91 at the Connecticut state line is approximately 20% of the total trips generated by the site. This equates to an increase of only 2.6% to 3.7% above the existing traffic volumes along I-91 in this area during the peak hours.

Based on GPI's review, only 3.5 percent of MGM's total trips will travel along infrastructure owned and operated by the Town, including the Route 5 corridor. In addition, only 0.6 percent (7 trips) of MGM's total trips represent cut-through traffic from other municipalities traveling through Longmeadow to access the MGM Springfield site. The remaining trips through Longmeadow to/from MGM Springfield will be from residents of the Town. **Therefore, the Town will be considerably less impacted than the neighboring communities of Agawam,**

**West Springfield, and Chicopee that will see considerably higher cut- through trips from other municipalities passing through their communities.**

### **Intersection Operations**

The Petition makes several references to a study completed by Vanasse Hangen Brustlin, Inc. (VHB) in 2011, which utilized traffic counts collected in 2002 and 2009 as the basis for its evaluation of traffic operations along the Longmeadow Street (Route 5) corridor. This study is out of date and based on traffic volumes that do not represent current conditions, as evidenced by the Town Engineer’s own statement that “There has been a trend over the past 6-8 years whereby traffic on RT-5 has been decreasing while I-91 has seen a slight increase in traffic.”<sup>11</sup>

As such, traffic operations analysis within VHB’s study does not reflect current operating conditions, which have improved due to reductions in traffic volumes over the last several years.

MassDOT’s guidelines for the preparation of a traffic studies require traffic volume counts used for traffic analysis in planning and design efforts to be no more than three years old and preferably less than two years old. The volumes collected for VHB’s study are 4 to 11 years old, and therefore are not suitable for planning and design purposes.

The traffic volumes utilized within the DEIR prepared for the MGM Springfield were collected in 2012 and 2013, and are more reflective of current traffic conditions than the VHB data. MassDOT and GPI both provided concurrence with the methodology used to collect this data

<sup>11</sup> RE: MGM Casino DEIR; Yem Lipp, P.E., Town Engineer, Town of Longmeadow, MA to Stephen Crane, Town Manager, Town of Longmeadow; Dated December 30, 2013.

and the results of the Traffic Impact and Access Study included within the MGM Springfield DEIR. Despite historic trends acknowledged by the Town’s Engineer and evidence by MassDOT count data of decreasing traffic volumes along Route 5 over the last 8 years, the volumes utilized in the DEIR were projected to 2024 conditions using a 0.5 percent per year growth rate. Therefore, the results of the capacity and queue analysis contained within the DEIR are likely to represent a conservative (worse than expected) condition.

The Town’s Petition notes that VHB’s study showed that the intersection of Longmeadow Street (Route 5) / Forest Glen Road / Western Drive operates at level-of-service (LOS) D during the weekday morning peak hour and LOS C during the weekday evening peak hours based on counts collected in 2009 or earlier. The MGM Springfield DEIR, which is based on current traffic counts, indicates that this intersection is anticipated to operate at overall LOS C or better during the peak hours under 2024 Build conditions, which includes traffic generated by MGM Springfield and a conservative (higher than anticipated) growth rate of 0.5 percent per year (See **Attachment I**). Generally, a LOS D or better is considered acceptable when considering overall intersection operations and a LOS C is desirable. Although LOS A or B represents good operating conditions, it may also be an indication of overdesign of infrastructure and the creation of excess pavement to accommodate traffic volumes. **Therefore, the intersection of Longmeadow Street (Route 5) / Forest Glen Road / Western Drive is anticipated to operate at optimal conditions, balancing traffic flow with pavement area, under**

**2024 conditions with the proposed MGM Springfield traffic. This is not representative of an adverse traffic condition.**

The Petition claims that VHB’s outdated study indicates a LOS F on the northbound approach on Longmeadow Street (Route 5), but does not indicate at which intersection this is occurring. The MGM Springfield DEIR indicates that all movements on Longmeadow Street (Route 5) at the intersections of Converse Street and Western Drive / Forest Glenn Road are anticipated to operate acceptable levels of service (LOS D or better) under 2024 Build conditions with the proposed MGM Springfield traffic. **The additional traffic generated by the MGM Springfield is not expected to increase delay on any movement through these intersections by more than two seconds per vehicle.**

The Petition makes further statements that there is an LOS D on the Converse Street westbound approach to Longmeadow Street (Route 5) and the Converse Street westbound approach to Laurel Street and the intersection of Converse Street / Laurel Street operates at LOS C as the basis for recommending the Town be granted surrounding community designation by MGM Springfield. First, LOS D or better is typically considered acceptable and LOS C is desirable for overall intersection operations. In addition, the traffic volumes used as the basis for this analysis are outdated and do not represent current traffic conditions. **The updated traffic counts included within the MGM Springfield DEIR indicate the**

**Converse Street westbound approach to Longmeadow Street (Route 5) will operate at LOS C under 2024 Build conditions with MGM Springfield traffic. This level of operation does not indicate a traffic operating condition warranting improvements or mitigation. Furthermore, the additional traffic generated by the MGM Springfield**

**is not expected to increase delay on any movement through these intersections by more than one second per vehicle.**

The Petition identifies capacity issues along the Route 5 corridor during the weekday morning peak hours. The MGM Springfield development will not be contributing a noticeable level of traffic to the area roadways during the morning peak hours. The scope of the DEIR, as identified by MEPA and MassDOT, appropriately identified analysis conditions only during the weekday evening and Saturday peak periods. **Any suggested impacts during the weekday morning period are not founded in data and are unreasonable.**

### **Proposed Mitigation**

The Town’s Petition quotes a statement by GPI that “Longmeadow is uniquely impacted by longstanding bottlenecks along I-91 around the Longmeadow Curve.” This statement clearly indicates that there are existing capacity constraints on I-91, which require improvements. In fact, MassDOT has recognized the need for improvements along the I-91 Corridor and is currently undergoing a study to develop improvement measures to address these existing deficiencies.

Further demonstrating the existing need for infrastructure improvements within the Town, the Town has applied to MassDOT for funding for improvements at the Longmeadow Street / Forest Glen Road, Longmeadow Street / Converse Street, Columbus Avenue / Forest Glen Road, and



Converse Street / Laurel Street. Within a January 9, 2014 letter to the Town Select Board, MassDOT states that “there is a demonstrated need for improvements, especially at the Longmeadow St./Forest Glen Road intersection at the Springfield city line”, and goes on to state “the Highway Division further acknowledges that Longmeadow St. and Laurel St.

corridors are listed as regional congestion ‘bottlenecks’ in the Bottleneck Report prepared by PVPC and endorsed by the PVMPO on March 2, 2011.” These statements by MassDOT clearly indicate that the infrastructure deficiencies to which Longmeadow refers in its Petition are existing transportation deficiencies and not in any way due to additional traffic generated by the MGM Springfield development. GPI’s peer review indicated, and the Town’s ’s Petition concurred, that the MGM Springfield development will result in an increase of 53 vehicle trips through the Longmeadow Street / Forest Glen Road intersection, which will be the most likely intersection to be impacted within the Town. Lesser increases in traffic volumes would be expected through other intersections as this traffic disperses throughout the Town. **This level of volume increase represents less than one additional vehicle per minute through the intersection during the peak hour and is less than a 1.7 percent increase in volumes through the intersection.**

MassDOT’s January 9, 2014 to the Town also indicates that “Our reservation in advancing the requested project approval as a MassDOT-advertised project is based only the potential that the Interstate 91 (I-91) study mentioned in my earlier letter could result in recommendations for changes to I-91 interchanges that may alter the base conditions of the project area and potentially affect any design being advance by the town for the adjacent intersections.” In other words, improvements along the I-91 corridor by MassDOT may eliminate the need for

infrastructure improvements along the Longmeadow Street (Route 5) corridor. Furthermore, it would be inappropriate for further study by the Town and MGM because the potential alternatives for a regional-scale improvement to the Longmeadow Curve are being pursued by MassDOT.

The Town’s Petition notes that GPI has recommended in their peer review letter that the Town seek funds to upgrade signal equipment at the intersections of Longmeadow Street / Converse Street, Longmeadow Street / Forest Glen Road, and Converse Street / Laurel Street. Longmeadow implies that GPI has suggested that MGM should fully fund these signal equipment upgrades. However, as documented within GPI’s peer review, VHB’s 2011 traffic study, and statements from the Longmeadow Town Engineer, there are existing deficiencies at these intersections that necessitate these improvements. MGM will contribute only 1.7 percent of the trips through these intersections and therefore, should not be responsible for fully funding these improvements.

Parsons-Brinckerhoff (PB) has provided the Town with a list of infrastructure improvements within the Town that PB feels is necessary to accommodate traffic conditions and future growth within the area. The Town erroneously refers to these improvements as “mitigation measures” multiple times within the Petition. To be categorized as a “mitigation measure”, an improvement must be necessary to mitigate the direct impacts of a particular development.

The improvements recommended by PB are recommended to addressing existing infrastructure deficiencies, not to mitigate the impacts of the MGM Springfield development. **As evidenced by TEC’s traffic impact analysis and GPI’s peer review, the intersections within the**

**Town will experience very minimal impacts equating to delay increases of less than two seconds per vehicle during the peak hours through the study area**

**intersections.** PB's list of suggested improvement measures is excessive in comparison to the mitigation measures recommended by GPI in its peer review letter, and PB has not provided evidence to support a need for these improvements as mitigation for the MGM Springfield development.

**Furthermore, PB has not provided any information or analysis to substantiate the list of improvement measures that PB has proposed, nor has PB provided any calculations to substantiate the cost estimates associated with each of these measures.**

**Conclusions**

The responses documented in this letter are data-driven and quantitatively show that the MGM Springfield project will have an insignificant traffic impact within the Town. The TEC analysis, even while considering the higher rates proposed by GPI, shows that there will be no change in level of service at the gateway intersections within the Town and the average increase in intersection delay along Route 5 will be less than two (2) seconds per vehicle, which will be unnoticeable to the area motorists. If a similar level of traffic was being introduced for any other type of development project in the South End of Springfield or along Route 5 in Longmeadow, this level of impact would not normally require physical mitigation. The current

highway-related congestion at the I-91 lane drop is being studied by MassDOT and is expected to be addressed as part of a future regional-scale, publically-funded improvement project. Based on the tertiary impacts identified within the Town, TEC concludes that the Town will not experience any significant and adverse impact to its transportation infrastructure.

Should you have any questions or need any supplemental information or analysis, please do not hesitate to contact me or Rebecca Brown at (978) 794-1792. Thank you for your consideration.

Attachments:

A – Correspondence with Town of Longmeadow

B – Longmeadow, MA Locus Map

C – I-91 & Route 5 Travel Time Data

D – MGM-Related Trip Increase Potential in Longmeadow, MA (extracted from TEC's DEIR analysis)

E – Impact of the Big E on Interstate Crashes (by PVPC) F – Comparison of MGM Daily Visitation to Big E

G – Crash Rate Worksheet for Longmeadow Street (Route 5) / Converse Street

H – TEC Response to GPI Peer Review dated December 26, 2013

I – LOS Summary Table from MGM Springfield DEI

## Transcript

### Community

P Longmeadow's roads, Longmeadow's  
20 local roads, are used to access Springfield.  
21 They're used as a bypass. Whether it's the  
22 accidents that happen every couple weeks,  
23 whether it's congestion, the roads to the site  
24 are recognized as going through Longmeadow. 80

Pg. 86

The next slide shows what the GPI  
14 study focused on. And it was a 29-page  
15 report. It wasn't -- it wasn't -- it was --  
16 it was -- it was quite a bit of detail. It  
17 confirmed and identified roadway impacts on  
18 Longmeadow's local roads, and I'm not talking  
19 about 91. It also recommended specific  
20 mitigation measures for Longmeadow's local  
21 roads. And it did, to the extent there was a  
22 concern with 91, it did recommend that there  
23 be a simulation model be done through MassDOT  
24 and MGM being involved for the Longmeadow  
Pg. 87

1 Curve that we talked about.  
2 In terms of next slide, the -- MGM  
3 fails to account for the fact that  
4 Longmeadow's local roads are -- they are  
5 alternates, and they are viable alternates.  
6 They are the only viable north-south  
7 alternative to travel on the interstate in  
8 that area, and there are already bottlenecked.  
9 MassDOT, which we've provided in our petition,  
10 specifically said in no uncertain terms, that  
11 Longmeadow Street, Laurel Street corridors are  
12 listed as regional congestion bottlenecks.  
13 And it specifically recognized the fact that  
14 Longmeadow Street and Converse Street, which  
15 go through the town, which are the routes to  
16 this casino, are arterial roads with -- with  
17 regional significance. Next slide.  
18 The GPI study recommended three  
19 specific measures be taken, in terms of  
20 seeking funds for signalized intersections.  
21 Longmeadow Street at Converse Street,  
22 Longmeadow Street at Forest Glen Road, and  
23 Converse Street at Laurel Street. And I know  
24 its report, G -- MGM, or its opposition, MGM  
Pg. 88

1 tries to distort, tries to unreasonably  
2 condense the GPI report and that -- that's not  
3 right.  
4 The GPI report devoted seven pages

5 to taking MGM's trip generation analysis and  
6 saying that that was actually too low. That  
7 it faulted MGM for relying on Detroit. No one  
8 can say. No one can say that Springfield is  
9 Detroit. They have different land areas.  
10 They have different populations. They have  
11 different roads. And, most importantly,  
12 Detroit has four casinos. This will be the  
13 first casino in western Massachusetts, which  
14 we understand is likely to happen. But this  
15 is one casino and they're -- it's -- it's not  
16 a fair comparison.

17 GPI, Jason DeGray is here in the  
18 room today. I don't know if the commission  
19 had any questions for him, but he is here in  
20 the room. And he looked at and made a  
21 determination that that amount -- those trip  
22 generation numbers were too low so there was  
23 an adjustment. And this wasn't pulling 20  
24 percent out of the sky. What it was, was  
Pg. 89

1 looking at Connecticut, the casinos in  
2 Connecticut, and viewing those as a comparator  
3 to what -- to Longmeadow's -- or, I'm sorry,  
4 to MGM's trip generation, and actually saying  
5 that even those numbers were too low, because  
6 unlike someone who -- who might not go to the  
7 movies in the Connecticut, this is a gaming  
8 establishment in the broadest possible sense.  
9 Our statute, The Expanded Gaming  
10 Act, doesn't view the gaming establishment as  
11 electronic gaming and tables. It recognizes  
12 it to be the gaming and the nongaming  
13 amenities are part of the establishment. And  
14 this GPI report recognized that the movie  
15 theater, for example, might be a draw to  
16 someone, to Springfield, a new trip. And the  
17 percentages are -- are high. There's  
18 approximately -- the highest percentage of  
19 traffic is coming from the south. And we are  
20 talking about just in one hour alone, 286 cars  
21 on 91, 53 cars just during that one hour on a  
22 Friday evening, 53 cars going on Longmeadow's  
23 roads.

24 And I'd also point out that what  
Pg. 90

1 it -- it fails to account -- what MGM fails to  
2 account for is that congestion is a way of  
3 life, unfortunately, in western Massachusetts,  
4 in this area. And with the congestion, which

5 isn't measured as specific episodic events,  
 6 folks go through drivers go through, whether  
 7 they -- they know the roads or their devices  
 8 tell them to, they go through Longmeadow  
 9 roads, and there's backups, and they're slow.  
 10 One of the select board members on the way to  
 11 work had -- had indicated to us that it's --  
 12 it's not an easy drive into work in downtown  
 13 Springfield, because of the backups on the  
 14 roads. The next slide.  
 15 Any -- aside from GPI we also had  
 16 Parsons Brinckerhoff, another traffic engineer  
 17 to look at the recommendations. There's very  
 18 little reserve capacity for the Longmeadow  
 19 Street, Forest Glen Road intersection. And  
 20 so, if there's even a modestly higher demand  
 21 than forecast, that's going to create a  
 22 problem.

23 The -- there are a number of  
 24 recommendations and on the screen, I won't  
 Pg. 91

1 read through them, but there's several  
 2 intersections that were recommended. This  
 3 isn't something as simple as just changing  
 4 some signalized intersections. To address and  
 5 to get a flexible, functional, responsive  
 6 roadway network, work is necessary, and that's  
 7 laid out in the Parsons Brinckerhoff report,  
 8 and it's laid out on the slide.  
 9 This whole idea of Springfield being  
 10 a catalyst, that's a separate section in the  
 11 GPI report. That's on pages 23 and 24.  
 12 That's two sections after the use of a  
 13 20-percent upward adjustment on -- on MGM's  
 14 numbers. But even MGM, even its numbers  
 15 recognizes its numbers that traffic will be  
 16 going through Longmeadow.

17 The next slide also identifies a  
 18 number of intersections that should be  
 19 monitored as part of this. Or a number of  
 20 roadways, Shaker Road, Dwight Road,  
 Longmeadow  
 21 Street. And this is GPI's exact words, these  
 22 are the most likely locations to experience  
 23 impact as a result of the casino proposal.  
 24 Again, I think one thing I do want  
 Pg. 92

1 to emphasize with MGM's response is they talk  
 2 about what's acceptable. That's an issue for  
 3 negotiation. That's an issue for arbitration.  
 4 That is not an issue for designating, because  
 5 these impacts are clear. Traffic and  
 6 transportation alone are reasons to view  
 7 Longmeadow as a surrounding community.  
 8 The next -- the next slide shows two  
 9 additional intersections that were in the MEPA

10 study. And I know when there were -- the  
 11 Category 2 licenses before this commission a  
 12 few months ago, one of the focal points was,  
 13 well they're not -- there was intersections  
 14 within a municipality that were being studied.  
 15 We have two of those here. Longmeadow Street  
 16 at Converse Street, Englewood Road,  
 Longmeadow

17 Street at Forest Glen Road. And both of those  
 18 intersections, those areas were identified as  
 19 areas that required mitigation. Mitigation  
 20 because of MGM. The next slide.

21 The next slide puts this all in  
 22 perspective in terms of where everything is.  
 23 Right here along the border is Forest Glen,  
 24 Longmeadow Street, we have Converse Road.  
 Pg. 93

1 Bliss Road was another area that was  
 2 identified for mitigation. These are all  
 3 along Route 5, and all leading into the quote,  
 4 unquote Longmeadow Curve.

5 I also want to point the  
 6 commission's attention to the star at the --  
 7 the top of the slide. That star where the red  
 8 pointer is, is significant because of the next  
 9 slide. This is taken only three weeks ago.  
 10 That's a stream of traffic is going on to  
 11 Longmeadow's roads. This was a holiday week.  
 12 It was January 2, 2014. And traffic, because  
 13 of an incident on 91, was routed onto  
 14 Longmeadow streets. Those cars made it -- one  
 15 could argue might even be an action shot right  
 16 now, because the cars in this photo are moving  
 17 as quickly as they did in real life. They sat  
 18 and they slogged along. Unfortunately, due to  
 19 the periodic incidents, due to the congestion  
 20 that occurs, this is what happens.

21 And what's going to happen here with  
 22 MGM Springfield, and we again recognize that  
 23 it's likely to happen and be built, is the  
 24 fact that you're adding -- MGM's expecting  
 Pg. 94

1 20,000 cars to visit the site. But even in  
 2 that hour alone, we're talking, using GPI's  
 3 numbers, 286 cars on 91, 53 cars on Route 5,  
 4 and that's adding quite a bit. Again, I must  
 5 emphasize we're looking for MGM to assume a  
 6 reasonable percentage of responsibility. Not  
 7 to fix exiting problems, but it's clear that  
 8 MGM -- it's clear that MGM's causing  
 9 additional cars, but for this casino that  
 10 would not be going to the site.  
 11 There's -- there's a fundamental  
 12 misunderstanding, I think of -- of  
 13 Massachusetts municipal law, and Massachusetts  
 14 municipal contracts practicing, when

15 Longmeadow can't just assume the costs to make  
16 these mitigation measures and then seek  
17 reimbursement. Not when it's near the tax  
18 levy. The legislature, and through  
19 Proposition 2-1/2, there's limits in terms of  
20 Longmeadow's ability to just assume the  
21 expense and then seek reimbursement, so we're  
22 seeking funds. And, again, that's for down  
23 the road. But we're seeking funds so that  
24 when the light switch gets turned on at MGM  
Pg. 95  
1 Springfield, these roadways are ready to  
2 accept this additional traffic, because,  
3 otherwise, Longmeadow is going to experience

4 significant and adverse impacts.  
5 I know there were some -- the next  
6 slide. There were some additional impacts  
7 that we studied as part of our 244-page  
8 submission. We had an expert who looked at  
9 police and fire, EMS. Longmeadow, it can't be  
10 disputed, response of the fire and EMS  
11 response to incidents on 91, the police  
12 response to incidents on -- on Longmeadow's  
13 local roads. These are incident -- these are  
14 impacts that were specifically studied by our  
15 consultant within Longmeadow. The reliance on  
16 nonregional

## Applicant

Page 100

6 In terms of proximity, we can see  
7 this -- that the -- what I've characterized  
8 earlier, and with Commissioner McHugh  
9 discussed to be what we view to be the  
10 statutory threshold on proximity. With  
11 Longmeadow this is all about traffic, and  
12 that's while I'll be brief. I'm going to turn  
13 it, in a moment, over to Kevin Dandrade, our  
14 traffic consultant. Longmeadow is traffic,  
15 traffic, traffic is the argument.  
16 You know, I'm a -- I'm a town  
17 resident. I live in Longmeadow, and, again, I  
18 appreciate the efforts the town's making, but  
19 I'm familiar with the traffic in Longmeadow.  
20 Traffic's been an issue in Longmeadow for a  
21 long time. It's part of -- the town has  
22 fought to preserve its -- it is very unique  
23 and attractive New England character. It has  
24 one- one-land roads, and it -- it does have traffic

101  
1 issues. Those are preexisting.  
2 And what our position is, and you'll  
3 hear from Mr. Dandrade, that what -- despite  
4 their arguments to the contrary, what  
5 Longmeadow's is really looking for MGM to do  
6 is to solve the preexisting issues that  
7 Longmeadow has long had. And there's no  
8 recognition that the percentage, the very --  
9 our position is negligible percentage increase  
10 in the traffic to Longmeadow.  
11 There's two phrases from a legal  
12 standpoint that I think are dispositive here,  
13 and I'd like them to inform the commission's  
14 consideration in this petition, and's the  
15 phrase significant and adverse. You've heard  
16 that they're -- we can see that traffic will  
17 go through Longmeadow. Yes, traffic will go  
18 through Longmeadow. There's a small  
19 percentage that will. It's not significant  
20 and it's not adverse, and you'll hear from  
21 Mr. Dandrade why.  
22 The other phrase that I think is  
23 important is -- and this is a phrase raised  
24 and highlighted by Longmeadow is

102  
1 understandable, predictable and knowable  
2 impacts. That's a standard the town embraces  
3 but can't meet. They have studies and  
4 reports, but they're -- they're missing causal  
5 link between what they claim to be the  
6 negative impacts and MGM's operations. It's

7 simply not there. For instance -- and they  
8 bear the burden on that.  
9 For instance, the MRI report which  
10 you've just heard about, MRI's not here today,  
11 but it's essentially a price list. If you  
12 want to do these things in town, here's what  
13 they'll cost. Well, there's no analysis or  
14 suggestion that there's a understandable,  
15 predictable and knowable link to MGM's  
16 operation and these perceived impacts. And  
17 that's the problem. The town claims to have  
18 significant and adverse impact. And I don't  
19 think they do so in bad faith, but their  
20 arguments are nonetheless based on guesswork  
21 and speculation. And that doesn't meet the  
22 standard when you're at this stage before the  
23 commission.  
24 Without anything further, I'm going

103  
1 to turn it over to Mr. Dandrade, who can  
2 address the traffic impact on Longmeadow.  
3 MR. DANDRADE: Thank you,  
4 Attorney Stratton. Mr. Chairman, members of  
5 commission, again, Kevin Dandrade, principal  
6 of TEC representing MGM. What I'd like to do  
7 is to go through a fact-based presentation to  
8 you of what our detailed analysis concludes.  
9 And I hope that you will agree with me in  
10 finding that there is no significant and  
11 adverse impact with the town of Longmeadow.  
12 To orient you, similar to what we  
13 did for Northampton, outlined in the white  
14 dash is the boarder of Longmeadow. We can  
15 see, as Longmeadow's counsel has pointed out,  
16 that there are two interchanges that serve  
17 Route 5, neither of which are within the  
18 town's boundaries. One is at Exit 49 in  
19 Enfield, Connecticut, the next one is at Exit  
20 1 in Springfield, so there's no direct highway  
21 access between 91 and Route 5 within the town  
22 borders.

23 The arrows indicate the predominant  
24 travel trends for those coming from the  
104  
1 northern Connecticut towns around,  
2 essentially, Longmeadow, through East  
3 Longmeadow here where we've assigned some  
4 traffic along 190, and then the greatest  
5 percentage coming from the south occurs on  
6 I-91.

7 Shown in red is the constricted

8 Route 5 corridor where that is representing,  
9 essentially, the trips that are originating  
10 from within Longmeadow and a very small  
11 percentage of those trips that may come from  
12 northern part of Enfield. Next slide, please.  
13 This is a snapshot from MassDOT's  
14 roadway jurisdiction map. The only roadway  
15 that is not town-owned is I-91. Massachusetts  
16 Department of Transportation has exclusive  
17 authority over what happens within that state  
18 highway layout from an operations perspective,  
19 a maintenance perspective or any improvements  
20 of the highway in that location. The lane  
21 drop curves somewhere in this location near  
22 the northerly end, northwest corner of  
23 Longmeadow. That is an existing condition,  
24 and that is something that the state and the  
105

1 regional planning commission had been studying  
2 and are continuing to study over the next  
3 year, where they just recently brought on  
4 another consultant to look at the regional  
5 scale improvements to the I-91 facility. Next  
6 slide, please.

7 As part of the existing conditions,  
8 we also collected additional travel time data.  
9 Looking at the northbound movement of traffic  
10 from Connecticut towards the MGM site, again,  
11 we show Exit 49 on the bottom of the picture  
12 here. Exit 1 and the MGM site further to the  
13 north. We did this just over a week ago on  
14 the Friday preceding the Martin Luther King,  
15 Jr. holiday weekend, which is one of the  
16 busiest ski weekends of the year. We did it  
17 knowing that there would be additional  
18 congestion on I-91 northbound. When you look  
19 at data sources that are available, whether  
20 it's through Google Maps or elsewhere, looking  
21 at traffic conditions, this is a case where  
22 I-91 was backed up from the lane drop all the  
23 way through that Route 5 interchange at Exit  
24 49.

106  
1 What it shows is that even when it's  
2 backed up that far and traffic has the ability  
3 to jump off of 91, it takes longer to go via  
4 Route 5 than it does to simply stay on 91  
5 northbound and go through the lane drop. It's  
6 just over three-and-a-half minutes longer to  
7 deviate away from the I-91 corridor.

8 In reference to the peer-review

9 efforts that have been done to date, we have  
10 worked extensively with not only MassDOT, but  
11 the the pioneer valley planning commission,  
12 PVPC, and their consultant GPI. One of the  
13 things that was mentioned a moment ago was  
how

14 we're interpreted that peer-review study.  
15 We've done extensive research and data  
16 collection of our own. We've met with MassDOT  
17 on several occasions to view the trip  
18 generation characteristics, knowing that  
19 they're not only looking in it for this region  
20 and this application, but statewide,  
21 commonwealth-wide.

22 When he look at the data that we  
23 collected in Detroit, Michigan, yes, there are  
24 four casinos within that area. But the  
107

1 population area that serves those four casino  
2 areas is much greater than four times the  
3 population of the Springfield area.  
4 MGM Detroit has a 40-percent share  
5 of that business. So the trip generation  
6 characteristics, and Rebecca and I have worked  
7 with a data consultant out there to look at  
8 every singling driveway that serves the MGM  
9 facility, as well as the adjacent facilities  
10 that could contribute traffic for -- destined  
11 for the MGM. That data shows that it's  
12 conservative because they have a greater share  
13 of that market.

14 And we also compared it against two  
15 other known data sources that have been not  
16 only referenced within our report, but others  
17 like Suffolk Downs in looking at its  
18 relationship to the Horseshoe Hammond Casino  
19 in Indiana just over the -- outside the  
20 borders of Illinois, and The Sugar House  
21 Casino in Philadelphia.

22 The rates that we've employed for  
23 the casino operation in Springfield are  
24 20 percent higher than those other data  
108

1 sources. The reason we've selected those is  
2 that they represent an urban community that  
3 has great access to public transportation and  
4 a network of streets that can serve a casino  
5 like that. It is in a mixed-use environment,  
6 which is a very important aspect of our  
7 facility.

8 If you recall from the presentation

9 I gave to you on November 7th, one of the  
10 greatest benefits of the sighting of the MGM  
11 site, is the fact that it's downtown. We have  
12 that access to walking, to biking, to public  
13 transportation. That is not a Mohegan Sun,  
14 and it is not a Foxwoods. And to simply add  
15 arbitrarily another 20 percent on top of the  
16 expensive research that we've already done,  
17 just to view it through, quote, the prism of  
18 conservatism, is not appropriate. So as we've  
19 worked with PVPC and GPI to ask for the  
20 foundation for their assumption that it is yet  
21 another 20-percent higher, it's not  
22 substantiated. We did receive a follow-up  
23 packet on January 6th from GPI that give some  
24 additional background on their distribution  
109

1 comments for how traffic's moving away from  
2 the development, but there's no additional  
3 data to substantiate that extra 20 percent,  
4 and therefore we completely disagree with that  
5 opinion. Again, it's just not founded in  
6 data.

7 CHAIRMAN CROSBY: Could you just  
8 back up? I want to make sure I understand  
9 this right. So this is saying that for every  
10 gaming position the -- the first box, MGM  
11 Grand, Friday evening peak hour, you'll had a  
12 quarter of a trip for every gaming position.  
13 So if you have a hundred gaming positions,  
14 you'd add 25 trips --

15 MR. DANDRADE: Exactly.

16 CHAIRMAN CROSBY: -- during that  
17 period of time. Okay.

18 MR. DANDRADE: It's the  
19 relationship -- the rate of how many trips we  
20 expect to generate. And this is something --  
21 I put the note at the bottom, but this trip  
22 rate was endorsed by MassDOT back in October,  
23 because it allowed us to finish with the rest  
24 of our analysis and we did it in steps.

110

1 But we went through a very  
2 fine-grained analysis of all the different  
3 types of trips, whether it's the casino  
4 employees or patrons, or the retail  
5 restaurants. When you aggregate all the  
6 different types of uses, the rate that we came  
7 up with for the entire project was slightly  
8 higher than what was approved in the DEIR for  
9 Suffolk Downs, so it is consistent with

10 another urban model.

11 COMMISSIONER MCHUGH: So how many --  
12 how gaming positions are there, about 4,000,  
13 right?

14 MR. DANDRADE: Just under, yes.

15 COMMISSIONER MCHUGH: Yes. So it's  
16 a thousand trips an hour that we're talking  
17 about on Friday?

18 MR. DANDRADE: For the casino only.  
19 But we've added the other, and we've itemized  
20 the other types of trips. So we've gone  
21 through a much more extensive assessment of  
22 what this site in particular is going to  
23 generate with an extreme level of  
24 conservatism.

111

1 Keep in mind, that we have not taken  
2 credit that any of these trips are just going  
3 to pass by the site, that they're already on  
4 I-91 for another reason. We've assumed that  
5 they're all entirely new. We haven't taken  
6 any credit for the existing uses that reside  
7 on the sites today, the -- the 50 parcels that  
8 are being consolidated. And we also have not  
9 taken any credit for the interception of trips  
10 that are currently going down to Connecticut  
11 to the casino and now staying in the pioneer  
12 valley.

13 So those are three major elements of  
14 conservatism that have been already built into  
15 our numbers that more than account for that  
16 extra 20 percent that has been arbitrarily  
17 suggested.

18 COMMISSIONER MCHUGH: But the 26 is  
19 the net, right?

20 MR. DANDRADE: Twenty-six is the  
21 casino rate only. So on top of that, we've  
22 suggested additional trips associated with the  
23 retail, the restaurant, the housing, the  
24 office, and the entertainment that are layered  
112

1 on top of that. This is really meant to  
2 represent the factor that folks in the area  
3 may not be as familiar with, which is the  
4 casino-specific trip generation.  
5 So in the end, when we look at how  
6 many trips in total are generated by the site  
7 with the mix of all the uses, it's roughly  
8 1,300 trips per hour. And that's a sum of all  
9 the ins, all of the outs in every single  
10 direction.



11 COMMISSIONER ZUNIGA: And is that  
12 number the town suggests -- or the PVPC  
13 suggests should be increased by 20 percent for  
14 the purpose of conservatism?

15 MR. DANDRADE: Exactly.

16 COMMISSIONER ZUNIGA: That's the  
17 number that they suggest should be 20 percent  
18 higher?

19 MR. DANDRADE: Yeah. So even with  
20 the conservative assumptions that we've  
21 already discussed, they've suggested yet  
22 another 20 percent. But we've also shown that  
23 it is comparable with the Connecticut DOT  
24 assessment of the rates for the casino. It is  
113

1 almost spot on. So as another level of  
2 comparison, it's very important to understand  
3 that our numbers are solid, and it does not  
4 require that extra 20 percent that has been  
5 suggested.

6 When we look at the distribution,  
7 and this is what we originally presented  
8 within our draft environmental impact report,  
9 and this is a -- you know, a report that was  
10 just not dropped one particular day. This was  
11 an iterative process in working with MassDOT,  
12 PVPC, City of Springfield and many others to  
13 look at the quantitative impacts of project.  
14 We had proposed 3 percent of traffic, given  
15 the populations in this area that might want  
16 to go through those gateway intersections in  
17 the town of Longmeadow. Next slide, please.  
18 The GPI peer review suggested that  
19 by -- be increased by 3-1/2 percent.

20 CHAIRMAN CROSBY: So that's via  
21 Route 5?

22 MR. DANDRADE: Via Route 5.

23 CHAIRMAN CROSBY: Right.

24 MR. DANDRADE: Essentially, what  
114

1 they've done is they've substantiated the  
2 distribution of our trips within  
3 half-a-percent over the entire network of  
4 streets.

5 The benefit of us being in the urban  
6 downtown and having that spider web of streets  
7 that goes out in every single direction means  
8 that we have the ability to distribute trips  
9 and to soften the impacts in any of those  
10 particular communities. So that  
11 half-a-percent change, when you consider our

12 numbers for what we would generate, would be  
13 on the scale of five or six trips. Next  
14 slide, please.

15 Given their extra 20 percent, and  
16 given their change from three to  
17 3-1/2 percent, it's now 53 trips over the  
18 course of an entire hour. That's the sum of  
19 all the ins and the outs. So what we're  
20 talking about is less than one car per minute,  
21 and when you separate it in the ins and outs,  
22 it's roughly a car every two minutes. Next  
23 slide, please.

24 Now what is the impact of that

Pg. 115

1 additional trip characteristic? Yes. We are  
2 going to generate traffic in Longmeadow, but  
3 it is an insignificant level of traffic. Our  
4 quantitative analysis shows that there's no  
5 change in the level of service, and all that's  
6 required is some retiming of signals to  
7 essentially balance the green times, who's  
8 getting what green time. And the difference  
9 in delay is expected to be less than two  
10 seconds per vehicle. That's going to be  
11 unnoticeable to the average motorist. And  
12 even when considering the GPI's suggested  
13 inflation of those numbers, it's still less  
14 than two seconds of average delay. Next  
15 slide.

16 When we look at the safety aspects,  
17 and the town has presented, I think, a very  
18 appropriate photo, because when you look at  
19 the safety characteristics that deal with the  
20 Longmeadow Curve, there's some very important  
21 pieces to consider, data. When you look at  
22 the stratification of those accidents, the  
23 crashes that occur, they are not occurring  
24 during congestive peak periods, they're  
Pg. 116

1 occurring outside of those periods. The  
2 picture that was shown to you on January 2nd,  
3 that was a blizzard event. And there's no  
4 question that when I-91 it shuts down in  
5 between Exits 49 and 1, the traffic is going  
6 to move in a different direction. They've  
7 already can see that that is what happens  
8 today. It will happen tomorrow, and it will  
9 happen well into the future, regardless of  
10 what MassDOT may do within the city of  
11 Springfield, either to change the Exit 1  
12 configuration, anything with a viaduct because

13 anytime you have a closure of a highway in  
 14 between two interchanges, traffic going to go  
 15 somewhere else. That is not expected to  
 16 change as a result of the MGM development.  
 17 In fact, PVPC did a study on behalf  
 18 of the City of Springfield, that looked at the  
 19 crash characteristics on 91 during The Big E,  
 20 and there was absolutely no correlation  
 21 between that extra congestion that occurs  
 22 during The Big E and an increase in the crash  
 23 trend. In fact, it was a drop. So that's  
 24 important for the commission to consider when  
 Pg. 117

1 looking at the safety aspects, is that there's  
 2 no correlation with the crashes occurring  
 3 during the congested peak periods, and it's  
 4 actually a drop when looking at a comparison  
 5 to The Big E. And we're going to be a  
 6 fraction of that traffic. Next slide, please.  
 7 In summary, we have done a very  
 8 data-drive and quantitative analysis and  
 9 quantitative analysis of the impacts, and  
 10 there are no perceivable traffic impacts  
 11 within the town of Longmeadow. Just because  
 12 we studied it doesn't mean there's an impact.  
 13 And, you know, I know the commission knows  
 14 that, and your peer-review consultants can  
 15 also help you to understand this level of  
 16 increase in traffic.  
 17 We're talking about changing the  
 18 traffic stream on a Friday peak period by  
 19 1.7 percent. That's that one car, roughly, a  
 20 minute. There's no change in those two  
 21 gateway locations in the town of Longmeadow,  
 22 knowing that once you get through those two  
 23 gateway intersections, traffic only further  
 24 distributes from there. And there's no  
 Pg. 118

1 perceivable change in level service anywhere  
 2 within the town of Longmeadow, based on the  
 3 populations that we're drawing from. There  
 4 are other more convenient and attractive  
 5 routes.  
 6 The I-91 congestion, Longmeadow's  
 7 counsel points to a letter from January 9th.  
 8 It is a one-page letter. I implore you to  
 9 read that in its entirety. All they're  
 10 suggesting is that the town has suggested and  
 11 requested funding to look at those same two  
 12 gateway intersections using public funding.  
 13 It appears that the district is just

14 suggesting that as they evaluate the other  
 15 regional scale improvements between Exits 1  
 16 and the viaduct, that they just pause, just to  
 17 make sure that nobody wastes time and money in  
 18 looking at the Route 5 corridor. That is part  
 19 of a long-term regional scale improvement, and  
 20 has never been suggested by PVPC or MassDOT  
 21 that, that will be put on the shoulders of  
 22 MGM.

23 In summary, in my professional  
 24 opinion, the town of Longmeadow will not be  
 Pg. 119

1 significantly or adversely impacted by the MGM  
 2 development. Thank you.

3 CHAIRMAN CROSBY: Okay.

4 COMMISSIONER ZUNIGA: Before leave  
 5 Mr --

6 CHAIRMAN CROSBY: Commissioner.

7 COMMISSIONER ZUNIGA: -- Dandrade,  
 8 can you go back a couple of slides, please.  
 9 Yeah. Can you help me understand what is that  
 10 retiming option in the middle that you alluded  
 11 to?

12 MR. DANDRADE: Certainly. If you  
 13 kept the timings that exist within the  
 14 controller that runs the signal, if you kept  
 15 those exactly the same, on the Friday peak  
 16 period at the first intersection, right at the  
 17 town city line, Longmeadow Street, which is  
 18 Route 5 and Forest Glen, this VC ratio  
 19 represents what's called the volume to  
 20 capacity ratio. It's saying -- essentially  
 21 saying how saturated the intersection is with  
 22 traffic. The delay is just under 30 seconds,  
 23 and it's just under level C. By us adding  
 24 traffic with no changes at all, it changes it  
 Pg. 120

1 by 1 percent here, adds couple seconds and  
 2 still maintains the same level of service.  
 3 With minor timing revisions, we bring it down  
 4 a little bit, but it's still essentially the  
 5 same number. It's a negligible impact to the  
 6 intersection.

7 COMMISSIONER ZUNIGA: So the third  
 8 column would be to figuring out the optimal  
 9 time between red lights and yellow lights, if  
 10 you will --

11 MR. DANDRADE: Exactly.

12 COMMISSIONER ZUNIGA: -- in each of  
 13 those intersections?

14 MR. DANDRADE: And that's something

15 that's normally done as part of a routine  
16 maintenance activity anyway for a  
17 municipality. And, frankly, is something  
18 that's good to review once a year, once every  
19 other year. Is it always done that way? And  
20 I'm not just talking about Longmeadow, but  
21 lots of municipalities? No. But could it be  
22 optimized? Yes. But we're talking about with  
23 only a second of average delay. It's --  
24 COMMISSIONER ZUNIGA: Fair enough.  
121

1 MR. DANDRADE: -- essentially taking  
2 a few seconds from one approach and giving it  
3 to another.

4 COMMISSIONER ZUNIGA: Thank you.

5 COMMISSIONER MCHUGH: You've taken  
6 I-91 out of the equation because Mass --  
7 MassDOT's going to take care of it, right?

8 MR. DANDRADE: Well we -- we are  
9 still in the review process with MassDOT.  
10 What I can testify to is that in all of our  
11 conversations and within the quantitative  
12 analysis that they've asked us to do, they  
13 asked us to go down to Exit 1, and to study  
14 the merges, the diverges, the weaving  
15 sections, all the way from there up to and  
16 beyond the site to the north. But the idea of  
17 the lane constriction at the Longmeadow Curve  
18 has never come up. It's really just for us to  
19 analyze, which we've done, but never with the  
20 idea of mitigating for that existing  
21 condition.

22 COMMISSIONER MCHUGH: But if -- but  
23 if you've taken into account, and maybe I  
24 missed it when you were talking, have you  
122

1 taken into account the impact of the  
2 additional trips per hour on I-91, on the  
3 congestion on Route 5?

4 MR. DANDRADE: Yes. And knowing  
5 that the situation that I described before for  
6 that Martin Luther --

7 COMMISSIONER MCHUGH: Right.

8 MR. DANDRADE: -- King, Jr. holiday  
9 weekend --

10 COMMISSIONER MCHUGH: Right.

11 MR. DANDRADE: -- that is the  
12 anomaly. That is the case where traffic is  
13 backed up on those few, very popular holiday  
14 ski weekends where it backs up beyond that  
15 interchange. During most cases, when you're

16 traveling north on 91, you can't see the back  
17 of the -- the red lights in order to influence  
18 you to even think about getting off. But if  
19 you did, it's going to take you a few more  
20 minutes, so you're only going to do that once  
21 and you're never going to do it again. But  
22 that extra volume has been contemplated with  
23 all of our analysis that has been submitted.  
24 COMMISSIONER MCHUGH: And as we go  
123

1 through the analysis, we'll see how you took  
2 that into account?

3 MR. DANDRADE: That's correct.

4 COMMISSIONER ZUNIGA: You highlight  
5 an earlier site, a lane drop --

6 MR. DANDRADE: Yes.

7 COMMISSIONER ZUNIGA: -- that occurs  
8 just outside of the Longmeadow. Is that -- is  
9 that, essentially, a lane that exists that  
10 merges into less lanes at that particular  
11 point?

12 MR. DANDRADE: Yes. As you come  
13 across the Connecticut line, and just before  
14 you get to Exit 1, there are three travel  
15 lanes on I-91 northbound that go down to and  
16 merge into two.

17 COMMISSIONER ZUNIGA: Fair enough.  
18 Thank you.

19 MR. STRATTON: Commissioners, in  
20 summary, if you look at regulations,  
21 specifically with respect to operational  
22 impact on traffic infrastructure, one -- one  
23 of the key points is changes in level of  
24 service. I think it's abundantly clear from  
124

1 Mr. Dandrade's presentation that there will be  
2 no change in level of service in the town.  
3 And as a result, there is no significant and  
4 adverse impact to traffic infrastructure.

5 With respect to the other impacts,  
6 we do address those in the papers submitted to  
7 the commission. We won't take time to go  
8 through each of those, unless the commission  
9 has specific questions with respect to those  
10 other impacts. But we believe they'll  
11 likewise either be negligible or simply  
12 haven't been demonstrated. And unless there  
13 are further questions, we'll rest with our  
14 presentation.

15 CHAIRMAN CROSBY: Okay.

16 MR. MOSS: Mr. Chairman, if I may,

17 the town manager has some information as to  
18 the -- the slide that had some information  
19 about timing, just very briefly, if he may?  
20 CHAIRMAN CROSBY: Yeah, just  
21 quickly. Thank you.  
22 MR. CRANE: Sure. Thank you.  
23 CHAIRMAN CROSBY: Pull the mic over.  
24 MR. CRANE: Sure. Members of the  
125  
1 commission, thank you for your time. I think  
2 to respond to what TEC was saying,  
3 Mr. Dandrade was saying, the -- one of the  
4 reasons why -- one of the core parts of our  
5 petition is that our traffic signals need to  
6 be upgraded to achieve the optimal timing and  
7 the flexibility in the timing that would be  
8 needed to not only handle the additional  
9 increases, excuse me, that are generated that  
10 they -- that have been -- that are known and

11 predictable by all the engineers' estimations,  
12 but also the episodic incidences that we  
13 highlight in the slide that have not really  
14 been studied at any level, which we are  
15 obviously deeply concerned about. And, for  
16 better or worse, Longmeadow's traffic signal  
17 equipment is outdated.  
18 And so, this additional demand on  
19 our road network, as highlighted by GPI, has  
20 really initiated this need to make these  
21 signal upgrades, and we simply are asking for  
22 a reasonable share of that. Thank you.  
23 CHAIRMAN CROSBY: Anybody else?  
24 Thank you very much. We will take this into  
126  
1 consideration and be back to you as soon as we  
2 can

---

## 3. DEVELOPMENT

---

### **Legal Framework**

In determining whether a community is a surrounding community, the commission . . . will evaluate whether: . . . The community will be significantly and adversely affected by the development of the gaming establishment prior to its opening taking into account such factors as noise and environmental impacts generated during its construction; increased construction vehicle trips on roadways within the community and intersecting the community; and projected increased traffic during the period of construction. 205 CMR 125.01(2)(b)(3)

### **Executive Summary**

#### ***Community Petition***

Not addressed.

#### ***Applicant Response***

##### 4. There Will Be No Significant Impact from Project Development

Though the Town has understandably not raised the issue of development impacts, and thus the Commission would be well within its discretion in not considering such factor, it should be clear to the Commission that there will be no significant impact to the Town from the development phase. The Commission has made clear that casino resort developers can, through a series of precautions that are common practice in the construction industry, alleviate any potential for negative impacts associated with development and construction.

(detailing mitigation measures to reduce impact of construction on local communities, including traffic controls, staging and temporary improvements). MGM has also previously represented that it will, and hereby further commits to, require its general contractor and any subcontractors to use only major roadways to avoid congestion and to submit construction delivery plans and schedules for MGM Springfield approval, all to further mitigate any potential community impact.

#### ***ENF Analysis***

The DEIR provides a general commitment to construction period mitigation measures. More detailed information is necessary on a number of these commitments including a traffic management plan (for site work and roadway improvements), identification of haul routes, location of construction worker parking areas or satellite parking areas, identification of blasting or ledge removal, specific measures to address noise and vibration during construction, in particular impacts on existing structures and historic resources, and description of the diesel

retrofit plan and participation in the Clean Construction Equipment Initiative. The FEIR should include an updated section on construction period impacts, describe construction phasing and provide specific mitigation commitments.

MGM Springfield has provided a timeline for construction that entails a 27-month construction process requiring approximately 5.2 million construction person hours.

Plan MGM Springfield has provided a timeline for construction that entails a 27-month construction process. The projected opening date is subject to certain factors including the date of license award. MGM Springfield will prepare Temporary Traffic Control Plans for use by contractors during construction of transportation and utility improvements.

### ***Consultant Analysis***

Transportation Infrastructure – The Applicant has stated that construction related heavy vehicle traffic could be managed. While most of the documentation to date has focused on the maintenance of traffic in the immediate construction zone, it would be anticipated that the majority of construction materials and the larger construction related traffic would utilize the major highways to reach the site, particularly the adjacent I-91 and the nearby I-291. At this time it is not specifically known where materials would be obtained from, however, it is anticipated that most longer haul trips would be via these two major highways. In addition, construction related traffic and the facility where materials are procured from would be controlled, to a large degree, by the Applicant. In addition, normal post-construction goods movement can also be controlled and most, if not all heavy truck deliveries to the casino, would be expected to use I-91 to reach the site. Thus, the heavy vehicle traffic impact and consequently, potential road infrastructure impact on Longmeadow's roadways, including Route 5, should be minimal.

## **A. COMMUNITY PETITION**

---

Not addressed.

## **B. APPLICANT RESPONSE**

---

### ***4. There Will Be No Significant Impact from Project Development.***

Though the Town has understandably not raised the issue of development impacts, and thus the Commission would be well within its discretion in not considering such factor, it should be clear to the Commission that there will be no significant impact to the Town from the development phase. The Commission has made clear that casino resort developers can, through a series of precautions that are common practice in the construction industry, alleviate any potential for negative impacts associated with development and construction. *See* Nov. 21, 2013 Hearing Tr., at 42 (Zuniga) (“Construction traffic [impact]...[is] fairly reasonable to mitigate with scheduling times, etc.”); *Id.* (Crosby) (“[T]he applicant can even tell them which roads you can use, use such and such roads. That was a general point through all of these that our consultants made. The development, the construction traffic tended to be (A) not that big a deal on its face and be something that could be managed. But (B) would tend to use the bigger road anyway and (C) could be managed by the applicant. I agree...”). MGM Springfield has vast development experience and is quite capable of and has already committed to instituting certain policies and practices in construction to minimize any negative impacts on adjacent communities. *See* RFA-2, Attachment 2-30-01 (CONFIDENTIAL) (detailing mitigation measures to reduce impact of construction on local communities, including traffic controls, staging and temporary improvements). MGM has also previously represented that it will, and hereby further commits to, require its general contractor and any subcontractors to use only major roadways to avoid congestion and to submit construction delivery plans and schedules for MGM Springfield approval, all to further mitigate any potential community impact.

## **C. RPA ANALYSIS - NONE**

---

No relevant documents

## **D. ENF ANALYSIS**

---

### **DEIR**

#### **Construction Period**

The DEIR includes a discussion of construction phasing, identifies potential impacts associated with construction activities (including but not limited to noise, vibration, dust, and traffic flow disruptions) and proposes measures to avoid or eliminate these impacts including: equipment maintenance to minimize unnecessary noise; compliance with applicable codes for blasting use and prohibition on use of perchlorate-containing explosives; diesel equipment retrofits; participation in MassDEP's Clean Construction Equipment Initiative; limits on truck idling; site housekeeping, such as covered loads, street sweeping, water use for dust control and interim stabilization of surfaces not being worked; groundwater monitoring during any dewatering activities; waste separation, reclamation and recycling; and truck traffic management. The DEIR provides a general commitment to these measures. More detailed information is necessary on a number of these commitments including a traffic management plan (for site work and roadway improvements), identification of haul routes, location of construction worker parking areas or satellite parking areas, identification of blasting or ledge removal, specific measures to address noise and vibration during construction, in particular impacts on existing structures and historic resources, and a description of the diesel retrofit plan and participation in the Clean Construction Equipment Initiative.

#### **Construction Period Impacts**

The FEIR should include an updated construction schedule that clearly identifies construction periods associated with major elements of the project (e.g. demolition, construction of Casino Block, construction of Retail Block). The DEIR provides a general commitment to construction period mitigation measures. More detailed information is necessary on a number of these commitments including a traffic management plan (for site work and roadway improvements), identification of haul routes, location of construction worker parking areas or satellite parking areas, identification of blasting or ledge removal, specific measures to address noise and vibration during construction, in particular impacts on existing structures and historic resources, and description of the diesel retrofit plan and participation in the Clean Construction Equipment Initiative. The FEIR should include an updated section on construction period impacts, describe construction phasing and provide specific mitigation commitments.

#### **Construction Period Traffic Management**

The DEIR includes a commitment to prepare traffic management plans for the construction period for use by contractors. The DEIR indicates that the plans will depict the work zone, include advance warning signs, barrel and barrier placement, temporary pavement markings, and vehicular and pedestrian detours. Main Street, State Street and Union Street will remain open to through traffic with minimum 11-foot lanes at most times during construction. The roadways will maintain two-way traffic flow whenever feasible and require temporary lane



closures as necessary. The DEIR does not specifically identify construction routes, haul zones or location of construction worker parking.

### **Traffic and Transportation**

I note that comments from PVPC and from municipalities question the methodology and assumptions of the traffic analysis, including the trip generation methodology. These comments are not consistent with MassDOT recommendations and comments. MassDOT has been involved in review of proposed >:casinos throughout the state and its comments indicate that, for the most part, the methodology is consistent with direction provided by MassDOT during consultation with the Proponent.

Comments from the Town of Longmeadow, Town of West Springfield and City of Chicopee, express reservations regarding the proposed "look-back" approach to roadway mitigation for communities that may be affected by project-generated traffic. The FEIR should respond to traffic issues identified in these letters and indicate whether it is considering alternative approaches to addressing these communities concerns. Comments from direct abutters to the site identify significant concerns with traffic impacts and effectiveness of proposed mitigation. The FEIR should clearly identify how access to these existing uses will be maintained, should include this access on site circulation plans and should include provide clear and direct responses to the issues identified in comment letters.

The FEIR should include additional analysis of traffic operations and, to the extent that the analysis demonstrates that it is warranted, identify mitigation for the following locations:

Longmeadow Street (Rt 5)/Forest Glen Road. The Town of Longmeadow has requested additional analysis Longmeadow Street (Rt 5) at Forest Glen Road, Longmeadow Street at Converse Street and Converse Street at Laurel Street. MassDOT comments note that this intersection could impact the ramps at I-91, Interchange 1 and that use of the Friday peak for analysis of this intersection may underestimate impacts. I encourage the Proponent to consult with MassDOT, PVPC, the City of Springfield and the Town of Longmeadow regarding the benefits of employing a simulation model to evaluate impacts and potential mitigation for the I-91/Rt 5 interchanges.

## **E. CONSULTANT ANALYSIS**

---

### **Green Traffic Analysis**

...

Transportation Infrastructure – The Applicant has stated that construction related heavy vehicle traffic could be managed. While most of the documentation to date has focused on the maintenance of traffic in the immediate construction zone, it would be anticipated that the majority of construction materials and the larger construction related traffic would utilize the major highways to reach the site, particularly the adjacent I-91 and the nearby I-291. At this time it is not specifically known where materials would be obtained from, however, it is anticipated that most longer haul trips would be via these two major highways. In addition, construction related traffic and the facility where materials are procured from would be controlled, to a large degree, by the Applicant. In addition, normal post-construction goods movement can also be controlled and most, if not all heavy truck deliveries to the casino, would be expected to use I-91 to reach the site. Thus, the heavy vehicle traffic impact and consequently, potential road infrastructure impact on Longmeadow's roadways, including Route 5, should be minimal.

...

## **F. APPLICATION**

---

### **2-08 Budget**


MGM Springfield’s budget represents a significant private investment for Western Massachusetts. The attached \$800 million budget itemizes hard construction costs, tenant fit-out costs, design/legal/professional fees, operating supplies and equipment, FF&E including gaming equipment, pre-opening expenses, land, licensing fee, capitalized interest, up-front costs pursuant to the Host Community Agreement and other project costs. The \$800 million budget is exclusive of working capital, which is accounted for in the cash flow statement.

### **2-10 Timeline for Construction**

MGM Springfield has provided a timeline for construction that entails a 27-month construction process requiring approximately 5.2 million construction person hours. Attachment 2-10-01 includes a detailed chart showing the different phases of construction including mobilization, demolition and prep work, podium construction, entertainment block construction, parking structure construction, hotel tower construction, venue fit-out for retail, venue fit-out for residential, central plan construction and miscellaneous construction. The projected opening date is subject to certain factors including the date of license award.

### **2-27 Capital Investment**

MGM Springfield’s budget represents a significant private investment for Western Massachusetts. The attached \$800 million budget itemizes hard construction costs, tenant fit-out costs, design/legal/professional fees, operating supplies and equipment, FF&E including gaming equipment, pre-opening expenses, land, licensing fee, upfront costs pursuant to the Host Community Agreement and other project costs. Total capital investment calculated in accordance with 205 CMR 122.0 is expected to exceed \$500 million.



**2-35-01 – NEW REVENUE**


*Describe and provide a completed study showing the overall economic benefit to the Commonwealth and the region from the Applicant's proposed gaming establishment, including in that study the way in which the facility will generate new revenues as opposed to taking revenues from other Massachusetts businesses.*

MGM Springfield has included a study from HR&A Advisors, contained in Attachment 2-18-02, that details the economic benefits to the Commonwealth and the region. For purposes of its analysis, HR&A defined the region as the four counties comprising Western Massachusetts.

MGM Springfield will achieve two important economic goals.

- Firstly, a portion of revenue currently going to casinos in other states will be brought back to Massachusetts; therefore, creating jobs in Massachusetts and benefiting vendors and area businesses in Massachusetts as opposed to Connecticut, Rhode Island or New York.
- Secondly, approximately 50% of MGM Springfield's visitors will be from outside of the Commonwealth and more than half will reside outside of Western Massachusetts. While in Western Massachusetts, these visitors will not only spend money at MGM Springfield, but also patronize other tourism amenities and attractions, thus creating economic benefit for the Commonwealth and the region.

By nature of MGM Springfield's outward-looking design and aggressive approach to regional partnerships, it will be well positioned to benefit surrounding businesses.



## **2-30 Construction**

Plan MGM Springfield has provided a timeline for construction that entails a 27-month construction process. The projected opening date is subject to certain factors including the date of license award. MGM Springfield will prepare Temporary Traffic Control Plans for use by contractors during construction of transportation and utility improvements. During construction, parking will be temporarily prohibited along the south side of State Street and west side of Main Street. Adequate parking is available within the I-91 South Garage to accommodate this loss of parking during construction. Additional parking accommodations will be made to compensate for the free parking lots currently available within the limits of the Site.

## **4-54 Sustainable Building Construction**

In conformance with smart growth strategies, MGM Springfield will minimize adverse environmental impacts by using an already-developed site and existing infrastructure. The site allows for the expanded use and upgrading of existing infrastructure, including roads, storms drains, sanitary sewers, water mains, natural gas mains, power lines, and telephone lines, present on and near the site so that adverse environmental impacts can be avoided for connection to these services. The nature of the Project also minimizes environmental impacts by allowing various uses to be located in close proximity on one general site, thereby allowing for the sharing of many common resources such as parking and infrastructure. This sharing of resources reduces the land mass required for the various commercial uses compared to locating each use on its own site.

We will implement development strategies that will substantially minimize and/or mitigate the impact of the Project on the environment and promote the comfort of the occupants and visitors. We will evaluate numerous facets in both the site design and building elements of the Project.

## **G. OTHER**

---

None

---

## 4. OPERATION

---

### Legal Framework

In determining whether a community is a surrounding community, the commission . . . will evaluate whether: . . . The community will be significantly and adversely affected by the operation of the gaming establishment after its opening taking into account such factors as potential public safety impacts on the community; increased demand on community and regional water and sewer systems; impacts on the community from storm water run-off, associated pollutants, and changes in drainage patterns; stresses on the community's housing stock including any projected negative impacts on the appraised value of housing stock due to a gaming establishment; any negative impact on local, retail, entertainment, and service establishments in the community; increased social service needs including, but not limited to, those related to problem gambling; and demonstrated impact on public education in the community. 205 CMR 125.01(2)(b)(4)

### Executive Summary

#### *Community Petition*

Significant and adverse operational impacts and other impacts include: "potential public safety impacts on the community"; "increased demand on community and regional water and sewer systems"; "increased social service needs"; and "any other relevant potential impacts that the commission considers appropriate for evaluation based on its review of the entire application for the gaming establishment."

The Longmeadow Fire Department ("Fire Department") provides emergency medical services and fire incident responses. See Exhibit 1 at 79. The Fire Department is responsible for responding to incidents occurring on I-91

MRI reviewed the traffic impact data and concluded that an additional three (3) incidents on I-91 and an additional three (3) incidents on Longmeadow Street (Route 5) would occur annually as a result of MGM Springfield, necessitating a Fire Department response. See Exhibit 36 (MRI Study) at 2. Based on this predicted response volume, the cost to Longmeadow would be \$9,720 annually, less any potential insurance reimbursements. *Id.* at 2, 5-7.

MRI has determined that the cost of an additional police officer from Friday evenings through Monday morning would be \$211,575 annually. See Exhibit 36 at 4. To accommodate this additional officer, a police cruiser, at a one (1) time cost of \$35,000, will also be required. See *id.* at 4. These expenditures are justified based on the proximity and predicted impacts from MGM Springfield, as well as the current staffing of the Police Department.

MRI has estimated the cost of a DUI incident to be \$4,500.00. Exhibit 35 at 3. Given the close proximity of Longmeadow to the MGM Springfield Site, along with the direct transportation infrastructure, Longmeadow has a reasonable expectation that its Police Department will expend its resources responding to and handling DUIs from patrons traveling from or to MGM Springfield.

Longmeadow receives its water supply and wastewater treatment from the Springfield Water and Sewer Commission. The MGM Springfield resort casino will also be receiving water and waste treatment from the Springfield Water and Sewer Commission.

At the present time, the capacity for the Springfield Water and Sewer Commission to handle the MGM Springfield resort casino and amenities is an unknown, because construction has not yet commenced.

Finally, MRI has studied and quantified costs from code enforcement, social welfare, public works, and health officer impacts. Exhibit 35. These additional personnel costs are a necessary given the staffing of the corresponding Town departments. See Exhibit 1. Given Longmeadow's budget and the Proposition 2½ constraints, these personnel costs cannot be fully absorbed by Longmeadow.

### ***Applicant Response***

Longmeadow's assertion that the Town will experience significant and adverse public safety impacts as a result of the Project fails on a number of fronts: (i) historical traffic data during peak congestion periods on I-91 directly contradict Longmeadow's accident rate projections; (ii) the significant public safety funding MGM Springfield will provide to the City of Springfield through the Host Community Agreement (HCA) is likely to reduce demand on the Longmeadow Fire Department's (LFD) minimal mutual aid obligations to Springfield; and (iii) given the resource investment, security measures, and economic development associated with the Project, any concerns that Longmeadow's crime rates or crime levels will increase is unfounded.

Moreover, Town's accident projections are directly contradicted by historical crash data compiled during the road system's peak congestion period—the 17 days of the Eastern States Exposition's Big E fair. This data, compiled by PVPC at the request of the City of Springfield (attached hereto as Exhibit D) found no direct correlation between increased traffic during the Big E fair and any corresponding increase in crash trends. For instance, PVCP found that the 2007 average daily crash rate on I-91 was .5 crashes per day, which rate actually *dropped* to .29 crashes per day during the Big E fair. MGM's visitation projections are substantially lower than those for the Big E fair. In 2013, the Big E's average weekday visitation (Monday-Thursday) equaled 65,400 and average weekend visitation (Friday-Sunday) equaled 106,500. *See* 2013 Big E attendance figures attached hereto as Exhibit E. By comparison, MGM's average projected weekday visitation is only 19,000, or sixty-nine percent (69%) lower than the Big E's and MGM's average projected weekend visitation is only 26,700, or seventy-five percent (75%) lower than the Big E's. *See* MGM Springfield Visitation Analysis attached hereto as Exhibit F.

Town does not and cannot substantiate the claim that the Project would result in more mutual aid calls. And the Town fails to acknowledge that the significant increase in public safety funding that MGM will provide to Springfield under the HCA is likely to reduce demand on Longmeadow's mutual aid obligations.<sup>8</sup>

*iii. Crime Rates in Longmeadow Are Unlikely to Increase as a Result of the Project.*

Longmeadow asserts that impacts related to the Project will require it to place an additional police officer on duty from Friday evening through Monday morning, and purchase an additional police cruiser to accommodate that officer.

Moreover, studies indicate that the Project will not result in an increase in crime rates. A review of crime literature by the UNLV International Gaming Institute (the "UNLV Study") found that a proposed resort casino will have an insignificant effect on the crime rates overall, when adjusted for the number of people drawn to the area. *See* RFA-2, Attachment 3-01-01 attached hereto as Exhibit G. The UNLV Study supports a view that while a proposed casino resort would increase the total volume of crimes in the immediate area based on the overall increase in projected visitation, the probability of any nearby residents being victimized will remain unchanged. *Id.* The study concludes that given the resource investment and economic development associated with a resort casino, there is no indication that an adjacent community's crime rates or crime levels will be affected. *Id.*

Longmeadow also ignores the significant increase in funding MGM Springfield will provide to the Springfield Police Department through the HCA and the effect this funding will have on mitigating any potential public safety impacts.<sup>10</sup>

MGM will staff its own Security Department with well over 100 full-time-equivalent professionals, including positions such as Vice President/Director of Security, shift security managers and supervisors as well as officers.

Aug. 28, 2013 SWSC letter attached hereto as Exhibit H (confirming capacity for average wastewater flows and providing information to mitigate potential issues associated with peak flows).

**The Town Has Failed to Substantiate Any Significant and Knowable Personnel Costs Related to Code Enforcement, Social Welfare, Public Works or Health.**

In the penultimate paragraph of its Petition, the Town half-heartedly suggests that it will be impacted by personnel costs for code enforcement, social welfare, public works and a health officer. *See* Pet., at 17. The Town disingenuously states that "MRI has studied and quantified costs" for such personnel, thereby suggesting that this consultant performed some analysis or study concluding that such personnel would be needed to mitigate MGM-related impacts. Not so. MRI's report provided no such analysis or substantiation whatsoever. Indeed, MRI includes in its report under each of these items that its *assumptions* for each such personnel cost item were that the Town will contract with such personnel.



***Consultant Analysis – Mark Vander Linden***

**Burden on social services:** It seems logical to conclude that the increase in persons with gambling disorders would create a burden on the Longmeadow's social service agencies. However, as pointed out by Dr. Williams, co-principal investigator on MGC's SEIGMA project, the bulk of the impacts tend to be social/nonmonetary in nature because only the minority of problem gamblers seek or receive treatment, and only a minority typically have police/child welfare/employment involvement. That being said, it is difficult to accurately predict the actual impact as ultimately it will vary between jurisdictions depending on the type of gambling introduced and the magnitude of the change. For example, a new casino in a small community with limited prior exposure to gambling has a much larger impact than if the casino was introduced in a large city that already had easy access to gambling options to a range of gambling options.

**Traffic and drunk driving incidents:** There does appear to be a positive correlation between casino proximity and increase in drunk driving incidents.

While not mentioned specifically in the Longmeadow's petition, there are other social impacts that may accompany gaming expansion that warrant consideration. I provide a list of commonly identified impacts and review and summary of the evidence.

**Problem and disordered gambling:** One of the main negative impacts of gambling is problem or disordered gambling. There are a host of issues associated with problem gambling. Social impacts include things such as mental health problems, suicide, family/relationship problems and divorce. Many studies have found a relationship between proximity to gambling venues and the prevalence of problem gambling

**Crime:** Dr. Robert Williams conducted an exhaustive review of studies in the US and international jurisdictions regarding the relationship between casinos and increase in crime. He found the evidence is somewhat mixed concerning the impact that legal gambling introduction has on crime rates. The most common finding is that crime rates do indeed increase with increased gambling availability. The main caveat to studies with this finding is that some of them are not referring to aggregate crime rates. Rather, some are focusing on the impacts for specific types of crime, such as increased fatal alcohol-related traffic accidents following the introduction of casinos. Other studies are simply documenting that increased gambling at an individual level is associated with increased likelihood of committing gambling-related crime.

Only a couple of studies reported a general increase in all categories of crime. Consistent with the notion that increases in crime are partly attributable to increased numbers of problem gamblers, most studies have found increases primarily in property offenses, particularly fraud, embezzlement, theft, and larceny (although two studies actually found reductions in these categories).

Several studies failed to find increased crime rates, or only found increases in some communities but not others. Dr. Williams concluded that although there are good theoretical reasons to expect a positive relationship between gambling introduction and crime, it may not always manifest itself. There are many factors other than gambling that can potentially mediate this relationship, such as extensive prior exposure to gambling, a relatively small increase in the availability of gambling relative to population size, a temporal lag whereby crime increases take several years to occur, or the existence of jurisdictional policies that protect against the negative impacts of gambling (e.g., effective programs to prevent problem gambling, limits on the provision of readily available cheap alcohol in venues, enhanced security/policing in casinos, etc.). Because the magnitude of the increase in crime is not large in most studies, the presence of any of these other moderating factors has potential to negate the increased crime effect.

### Social and Economic Impact of Gaming in Massachusetts

The question, to what extent will the introduction of a gaming facility create negative impacts on any specific community is complex and difficult to answer. However, the Commission is currently working closely with SEIGMA/UMASS Amherst to conduct a controlled before-after comparison of changes in rates of problem gambling and numerous social and economic indices coincident with the introduction of a gaming facility. The ongoing findings of this study will provide the most accurate determination of what the true social and economic impact is on host and surrounding communities. A more precise understanding of the impacts will inform the best use of the Public Health Trust Fund which was created to assist social service and public health programs to mitigate the potential addictive nature of gambling and the Community Mitigation Fund which was created to assist the host and surrounding communities in offsetting costs related to the construction and operation of a gaming establishment.

### *Consultant Analysis – LDS*

#### LDS Consulting Group Housing and School Age Impact Study

Based on these materials and our independent evaluation, we find that the communities surrounding Springfield will not be significantly and adversely affected by the operation of a Category 1 gaming establishment after its opening due to housing or school impacts resulting from the facility. Furthermore, given the high unemployment and housing vacancy rates in the area, it is more likely than not that the Category 1 casino will be beneficial to the housing markets in these communities and therefore add to the real estate tax base as well as increase overall consumer spending in the area.

The application states that there will be 3,254 jobs created by the new Category 1 Casino. In addition, the host community agreement states that they will work to achieve 35% City of Springfield residents and no more than 10% (325 persons) of the workforce to be residents from outside of the City and surrounding area.

Springfield and the communities immediately physically adjacent to Springfield have a total of 15,222 unemployed persons or job seekers. In addition, Table 2 includes the two petitioners not immediately adjacent to Springfield, Hampden and Northampton, have a total of 961 unemployed or job seekers as of December 2013.

Therefore, as of December 2013, there are four times as many job seekers in the communities we examined as there are positions estimated to be created by the Springfield casino

[T]here are 11,237 vacant housing units in these communities that could be absorbed in the event workers do move to the area to work at the Subject Property. Springfield has the highest housing vacancy rate at 10% with (6,351 vacant units) and Longmeadow has the lowest ( 3% with 149 vacant units).

Therefore, as of the 2008-2012 ACS, there are 3.5 times as many vacant housing units in the communities we examined as there are new job positions estimated to be created by the Springfield casino.

LDS also examined the change in population by age from 2000 to 2010 for ages 0-14 for the three petitioner communities. LDS looked at this as an indicator of how many children may be entering the school system in the future. Table 6 below shows that the number of school age or potential school age children, decreased significantly from 2000 to 2010.

[B]ased on a shrinking household size and contracting school age populations in the petition communities, it is reasonable to conclude that the Category 1 casino will not adversely impact schools in the petition communities.

### ***Consultant Analysis – HLT***

Longmeadow acknowledges in their petition that as a predominantly residential suburb, the Town is unlikely to benefit from any “positive commercial impacts” resulting from operation of the MGM Casino and instead will face additional traffic as a result of Casino patronage.

Positive benefits will be generated despite the residential nature of the Town— The most significant direct benefit is the MGM staff complement, assumed to include the projected 2,300 FTE jobs to support ongoing Casino operations. The increased payroll and spending potential will be a net benefit to the broader trade area including Longmeadow, where some MGM employees are likely to reside.

The Center for Policy Analysis Report estimated that \$710 million in gaming revenue is generated by Massachusetts residents at casinos in Connecticut, Rhode Island and Maine. On a per capita basis, this equates to about \$149 of gaming spending for each Massachusetts adult/annum. Assuming the adult population of the Springfield trade area<sup>2</sup> is 331,044, applying a \$149/adult average gaming spend results in \$49.3 million in annual gaming spend. Spending may actually be greater for the Springfield trade area given proximity to Connecticut or Rhode Island casinos when compared with communities further north.

Based on our review of the Town’s petition, MGM’s rebuttal and other information available to us as well as our knowledge of the gaming industry we agree with Longmeadow that there will not be negative impacts on the Town’s local retail, entertainment and service establishments. The Town should experience some positive benefit as a result of the considerable staff complement (and concomitant payroll) of the Casino. Longmeadow should also experience at least a partial offset in vehicular traffic as Springfield area residents replace Connecticut gaming trips with trips to MGM Springfield.

### ***Application***

Impacts on police, fire, and emergency services department in surrounding communities will be minimal and MGM is taking steps to set up a process to address concerns.

- The proposed project will generate minimal impacts on regional crime rates. A study by the University of Nevada Las Vegas International Gaming Institute found that any

proposed casinoresort would likely increase the total volume of crimes in the immediate area due to increased visitation, but this would have an insignificant effect on the crime rates overall when adjusted for the number of people drawn to the area. MGM is addressing these potential impacts through mitigation payments to the Springfield police department.

The proposed project will generate a significant number of jobs for regional residents. The project will generate approximately 3,000 onsite jobs to support project operations. MGM estimates that 90% of the full-time jobs will be filled by local residents. In addition, HR&A estimates that the project will support approximately 2,650 additional jobs in the region<sup>2</sup> from indirect vendor spending, off-site visitor spending, and induced household spending by employees.

- While the project will attract some new residents, the housing market is diverse and flexible enough to accommodate growth. MGM estimates that 225-265 employees will come from outside the region, which conservatively translates into the same number of new households. The impact on the housing market will depend on individual preferences to rent vs. own, family size, income, lifestyle preferences, etc. HR&A's review of the existing housing market suggests that it is flexible enough to handle additional demand.
- New households in surrounding communities could generate up to 105 new public school children, costing an estimated \$540,000. HR&A conservatively developed this estimate based on data on average local education costs in surrounding communities. MGM is working with surrounding communities to develop a future process that will measure impacts based on actual outcomes.

Longmeadow has a total housing stock of 5,948 units. Approximately 90% of non-vacant units are owner occupied with an average home value of \$392,431

We believe that our site is strategic, and offers convenient access to both Hartford from the South and Albany from the West – two key feeder markets. MGM Springfield also is located about 30 minutes from the Worcester County line, which puts us a safe distance away from the other casinos and slot parlor in Massachusetts.

We will maximize MGM Springfield's potential by leveraging the strength of the MGM Resorts brand, M life loyalty program, and our extensive customer database from our other properties, particularly those in Las Vegas.

#### ***Consultant Analysis – City Point Partners***

The MGM Springfield Casino will not impact the ability of SWSC to deliver water and sewer services to the Town of Longmeadow.

## A. COMMUNITY PETITION

---

### D. Operational and Other Impacts

Finally, Longmeadow respectfully submits that it should be designated as a surrounding community based on operational and other impacts from MGM Springfield, which will produce significant and adverse impacts. Significant and adverse operational impacts and other impacts include: "potential public safety impacts on the community"; "increased demand on community and regional water and sewer systems"; "increased social service needs"; and "any other relevant potential impacts that the commission considers appropriate for evaluation based on its review of the entire application for the gaming establishment." 205 CMR 125.01(2)5 (emphasis added).<sup>4</sup>

#### 1. Longmeadow Fire Department

The Longmeadow Fire Department ("Fire Department") provides emergency medical services and fire incident responses. See Exhibit 1 at 79. The Fire Department is responsible for responding to incidents occurring on I-91. See Exhibit 33 (Memorandum from Longmeadow Fire Chief Eric Madison). During Fiscal Year 2013, there were twenty-two (22) responses by the Fire Department on I-91. *Id.* For example, for the November 10, 2013 incident involving an SUV-tractor trailer collision on I-91, the Longmeadow Fire Department responded. See Exhibit 30. Approximately twenty-three (23%) percent of the accidents on I-91 occur after 11:00 p.m. and before 7:00a.m., which impacts the minimum overtime paid. See Exhibit 33.

MRI reviewed the traffic impact data and concluded that an additional three (3) incidents on I-91 and an additional three (3) incidents on Longmeadow Street (Route 5) would occur annually as a result of MGM Springfield, necessitating a Fire Department response. See Exhibit 36 (MRI Study) at 2. Based on this predicted response volume, the cost to Longmeadow would be \$9,720 annually, less any potential insurance reimbursements. *Id.* at 2, 5-7.

The Fire Department also responds to mutual aid requests. Exhibit 33. The cost for the Fire Department to respond to a mutual aid call is estimated at \$1,520.00 per call. See Exhibit 36 at 5-6.

#### 2. Longmeadow Police Department

The Longmeadow Police Department ("Police Department") operates on a "4/2" shift during evenings. See Exhibit 34 (Memorandum from Longmeadow Police Chief Robert F. Siano). *Id.* at 1. Under this staffing arrangement, three (3) patrol officers and one (1) supervisor are on duty four (4) nights per week, and on two (2) nights per week, there are two (2) patrol officers and one (1) supervisor. *Id.* This staffing arrangement rotates, and is not tied to any specific day of the week. *Id.* During a twenty-four (24) hour shift, four (4) or five (5) officers are on duty, depending on injury, vacation, and the like. *Id.*

MRI has determined that the cost of an additional police officer from Friday evenings through Monday morning would be \$211,575 annually. See Exhibit 36 at 4. To accommodate this additional officer, a police cruiser, at a one (1) time cost of \$35,000, will also be required. See *id.* at 4. These expenditures are justified based on the proximity and predicted impacts from MGM Springfield, as well as the current staffing of the Police Department.

MRI calculated an additional three (3) accidents on Longmeadow Street (Route 5) as a result of MGM Springfield. See *id.* at 2. As the November 10, 2013 incident reflects, Longmeadow's local roads can be adversely impacted due to accidents occurring on I-91, as traffic is diverted from the highway, implicating involvement from the Police Department. See Exhibit 30. The estimated cost to Longmeadow from calling in an additional police shift is \$5,000.00 per incident with a shutdown of I-91—which is not an uncommon occurrence as reflected by the October 2013, November 2013, and January 2014 incidents on I-91. See Exhibit 36 at 3.

Finally, a Driving Under the Influence ("DUI") incident consumes substantial resources for the Police Department, from the officers responding to the scene, to cell monitoring, transporting an arrestee to a hospital and waiting the with arrestee, and involvement in the court process. See Exhibit 34 at 1-2; Exhibit 35 at 3. MRI has estimated the cost of a DUI incident to be \$4,500.00. Exhibit 35 at 3. Given the close proximity of Longmeadow to the MGM Springfield Site, along with the direct transportation infrastructure, Longmeadow has a reasonable expectation that its Police Department will expend its resources responding to and handling DUIs from patrons traveling from or to MGM Springfield.

### **Water supply and wastewater treatment**

Longmeadow receives its water supply and wastewater treatment from the Springfield Water and Sewer Commission. The MGM Springfield resort casino will also be receiving water and waste treatment from the Springfield Water and Sewer Commission. This use of shared resources must be considered in light of the size of the MGM Springfield project, which includes a 125,000 square foot casino; 250 key hotel with amenities; spa and fitness facility; convention space; back-of-house/food preparation areas; dining and beverage service area with at least seven (7) "distinctly branded restaurants, lounges or cafes"; retail space; apartment units; on- and offsite executive offices and back of house space; mid-rise retail outbuildings, including a cinema multiplex, bowling alley, at least two (2) restaurants or sports bars, and additional retail space; an outdoor public plaza for events and concerts, including an ice skating rink; a child care center; and rehabbed office space. Exhibit 5.

At the present time, the capacity for the Springfield Water and Sewer Commission to handle the MGM Springfield resort casino and amenities is an unknown, because construction has not yet commenced. MGM has included utility infrastructure as a "look back" study area in the five (5) surrounding community agreements that it has executed with Springfield's abutters. Accordingly, water and sewer impacts are necessary considerations for a surrounding community agreement with MGM.

### **Code enforcement, Social welfare, public works, and health officers**

Finally, MRI has studied and quantified costs from code enforcement, social welfare, public works, and health officer impacts. Exhibit 35. These additional personnel costs are a necessary given the staffing of the corresponding Town departments. See Exhibit 1. Given Longmeadow's budget and the Proposition 2½ constraints, these personnel costs cannot be fully absorbed by Longmeadow.

## **B. APPLICANT RESPONSE**

---

### **1. Alleged Public Safety Impacts to the Town Are Speculative, at Best.**

Longmeadow's assertion that the Town will experience significant and adverse public safety impacts as a result of the Project fails on a number of fronts: (i) historical traffic data during peak congestion periods on I-91 directly contradict Longmeadow's accident rate projections; (ii) the significant public safety funding MGM Springfield will provide to the City of Springfield through the Host Community Agreement (HCA) is likely to reduce demand on the Longmeadow Fire Department's (LFD) minimal mutual aid obligations to Springfield; and (iii) given the resource investment, security measures, and economic development associated with the Project, any concerns that Longmeadow's crime rates or crime levels will increase is unfounded.

#### **i. The Town's Accident Rate Projections Are Unfounded.**

Longmeadow's primary argument is that increased traffic from MGM Springfield will cause approximately three (3) additional accidents each year on I-91 and approximately three (3) additional accidents each year on Longmeadow Street (Route 5) which will place a financial strain on LFD and the Longmeadow Police Department (LPD). *See Pet.*, at 15. The Town explains that LFD is responsible for incidents on both roadways and that it costs LFD approximately \$1,620 per response (amounting to \$9,720 annually) . *Id.* The Town further explains that LPD is responsible for incidents on Route 5, and that it costs LPD \$150 per response (or \$450 in projected increased annual costs) and \$5,000 to call in an additional police shift in the event I-91 is closed down and traffic is diverted onto Route 5. *Id.*

This is conjecture. The Town relies on the accident projections of its consultant, Municipal Resources, Inc. (MRI). Without citing the data or methodology by which it arrived at its projections, MRI simply concludes:

Based upon *traffic impact data provided as part of the approval process*, it is expected that the additional traffic introduced into the regional network can be expected to result in an additional 3 (actually 2.6) accidents on I91, requiring response from the Longmeadow Fire Department, and an additional 3 (actually 3.1) accidents on Route 5, requiring both Police and Fire response in Longmeadow. *Id.*, Ex. 36, at 2 (emphasis added). Longmeadow also fails to provide any data to suggest that MGM will directly cause a shutdown of I-91. Instead, the town references anecdotal news accounts of previous incidents on the highway. *See Pet.*, at 16.

Moreover, Town's accident projections are directly contradicted by historical crash data compiled during the road system's peak congestion period—the 17 days of the Eastern States Exposition's Big E fair. This data, compiled by PVPC at the request of the City of Springfield (attached hereto as **Exhibit D**) found no direct correlation between increased traffic during the Big E fair and any corresponding increase in crash trends. For instance, PVCP found that the 2007 average daily crash rate on I-91 was .5 crashes per day, which rate actually *dropped* to .29 crashes per day during the Big E fair. MGM's visitation projections are substantially lower than those for the Big E fair. In 2013, the Big E's average weekday visitation (Monday-Thursday)

equaled 65,400 and average weekend visitation (Friday-Sunday) equaled 106,500. *See* 2013 Big E attendance figures attached hereto as **Exhibit E**. By comparison, MGM’s average projected weekday visitation is only 19,000, or sixty-nine percent (69%) lower than the Big E’s and MGM’s average projected weekend visitation is only 26,700, or seventy-five percent (75%) lower than the Big E’s. *See* MGM Springfield Visitation Analysis attached hereto as **Exhibit F**.

**ii. The Town’s Claim of Increased Mutual Aid Costs Is Unfounded.**

The Town asserts that LFD’s mutual aid obligations cost LFD approximately \$1,520 per call and that the Town responded to seven (7) mutual aid calls in 2013. *See* Pet., at 15. Notably, however, the Town does not specify the community to which it responded. Indeed, information provided to MGM Springfield indicates that LFD only responded to one (1) mutual aid call to Springfield in 2013. Furthermore, the Town does not and cannot substantiate the claim that the Project would result in more mutual aid calls. And the Town fails to acknowledge that the significant increase in public safety funding that MGM will provide to Springfield under the HCA is likely to reduce demand on Longmeadow’s mutual aid obligations.<sup>8</sup>

**iii. Crime Rates in Longmeadow Are Unlikely to Increase as a Result of the Project.**

Longmeadow asserts that impacts related to the Project will require it to place an additional police officer on duty from Friday evening through Monday morning, and purchase an additional police cruiser to accommodate that officer. *See* Pet., at 16.9 Again without providing any data to substantiate its claims, the Town speculatively asserts “these expenditures are justified based on the proximity and predicted impacts from MGM Springfield, as well as the current staffing of the police department.” *Id.*, at 16. Longmeadow makes a similarly unsubstantiated assertion relative to cases of driving under the influence (“DUI”): “Given the close proximity of Longmeadow to the MGM Springfield Site, along with the direct transportation infrastructure, Longmeadow has a reasonable expectation that its Police Department will expend its resources responding to and handling DUIs from patrons traveling from or to MGM Springfield.” *Id.* Absent specific data demonstrating a causal link between the Project and these projections, Longmeadow cannot possibly demonstrate a significant and adverse impact on public safety as a result of the MGM project.

Moreover, studies indicate that the Project will not result in an increase in crime rates. A review of crime literature by the UNLV International Gaming Institute (the “UNLV Study”) found that a proposed resort casino will have an insignificant effect on the crime rates overall, when adjusted for the number of people drawn to the area. *See* RFA-2, Attachment 3-01-01 attached hereto as **Exhibit G**. The UNLV Study supports a view that while a proposed casino resort would increase the total volume of crimes in the immediate area based on the overall increase in projected visitation, the probability of any nearby residents being victimized will remain unchanged. *Id.* The study concludes that given the resource investment and economic development associated with a resort casino, there is no indication that an adjacent community’s crime rates or crime levels will be affected. *Id.*

Longmeadow also ignores the significant increase in funding MGM Springfield will



provide to the Springfield Police Department through the HCA and the effect this funding will have on mitigating any potential public safety impacts.<sup>10</sup> As with the Fire Department, MGM's commitment to enhancing the resources and capacity of the Springfield Police Department will ensure that adjacent communities, such as Longmeadow, do not experience significant and adverse public safety impact as a result of the Project.

The impact of this funding is even more significant given the location of Project and the additional security resources MGM will bring to bear at that location. The Project site is located in Sector E1, which includes Springfield's Downtown core along the Connecticut River. *See* RFA-2, Attachment 3-01-01, HR&A Study, **Ex. G**. Sector E1 is one of the busiest in Springfield and currently the source of 10% of the Springfield's calls for service and 20% of its Police Department's spending on overtime, according to 2012 data. *Id.* Additionally, MGM will staff its own Security Department with well over 100 full-time-equivalent professionals, including positions such as Vice President/Director of Security, shift security managers and supervisors as well as officers. *See* RFA-2 Application, Section at 4-66. The facility's security plan will be designed to monitor the security of a number of physical areas and key activities. *Id.* All MGM security departments communicate regularly with local, state, and federal law enforcement through participation in monthly meetings and crime briefings. *Id.* MGM also participates with local, state, and federal agencies in joint training classes and exercises. *Id.* Given that this flood of new surveillance, manpower, funding, and other public safety resources will be directed at one of the City's most troubled areas, MGM Springfield's investment will create a ripple effect in crime reduction, which will benefit the entire region, including Longmeadow.

Finally, the jobs and economic development created by MGM Springfield's \$800 million urban renewal project will have a positive impact on public safety throughout the region. The Project will create approximately 2,000 construction jobs and 3,000 permanent jobs, ninety percent (90%) of which will come from the Greater Springfield area. *See* MGM Application, Section 3-2. Permanent jobs will cover a wide spectrum of career and occupational opportunities from entry level to management, including administration, finance, legal, hotel operations and engineering. The average total compensation will be about \$50,000, including tips and benefits. Given a positive correlation between unemployment and crime rates, the thousands of direct and indirect jobs created by Project, especially among unemployed and underemployed populations, will help reduce overall crime rates in the region.

Given that the Town fails to substantiate any of its claims with respect to increased public safety demand, and in considering the mitigating factors outline above, the Town has failed meet its burden of demonstrating a significant and adverse public safety impact.

### **There Will Be No Water and Sewer Capacity Problems.**

The Town raises concerns over the capacity of the Springfield Water and Sewer Commission ("SWSC") to handle MGM Springfield's needs concurrently with the Town's. As an initial matter, the Town asserts that the SWSC's capacity to do so is "unknown" because construction has not yet begun. Accordingly, this is not a knowable and predictable impact sufficient to give rise to surrounding community designation. Nonetheless, the concern is unfounded. *See* Aug. 28, 2013 SWSC letter attached hereto as **Exhibit H** (confirming capacity for average wastewater flows and providing information to mitigate potential issues associated with peak flows).

**The Town Has Failed to Substantiate Any Significant and Knowable Personnel Costs Related to Code Enforcement, Social Welfare, Public Works or Health.**

In the penultimate paragraph of its Petition, the Town half-heartedly suggests that it will be impacted by personnel costs for code enforcement, social welfare, public works and a health officer. *See* Pet., at 17. The Town disingenuously states that “MRI has studied and quantified costs” for such personnel, thereby suggesting that this consultant performed some analysis or study concluding that such personnel would be needed to mitigate MGM-related impacts. Not so. MRI’s report provided no such analysis or substantiation whatsoever. Indeed, MRI includes in its report under each of these items that its *assumptions* for each such personnel cost item were that the Town will contract with such personnel. MRI *never* studies whether or concludes that such personnel would be necessary. The only thing the Town has done here, like with its wish list of traffic infrastructure improvements is present to the Commission what the items cost, not substantiate why they are purportedly required to mitigate knowable and predictable impacts for which MGM should be held responsible.

In any event, the Commission has made clear that the community mitigation fund which it will administer is available for exactly this purpose – to address unknown or unforeseen costs associated with health, social welfare and other related matters.

**C. RPA ANALYSIS- NONE**

---

No relevant documents

## **D. ENF ANALYSIS**

---

### **DEIR**

As Secretary of Energy and Environmental Affairs, I hereby determine that the Draft Environmental Impact Report (DEIR) submitted on this project adequately and properly complies with the Massachusetts Environmental Policy Act (G. L. c. 30, ss. 61-62I) and with its implementing regulations (301 CMR 11.00). The Proponent must prepare and submit for review a Final Environmental Impact Report (FEIR) in response to the Scope provided in this Certificate.

### **Environmental Impacts**

Potential environmental impacts are associated with land alteration, traffic, water supply and wastewater generation, waste site clean-up, and generation of Greenhouse Gas (GHG) emissions. The DEIR provides an updated estimate of environmental impacts based on the current project proposal and associated uses. The overall project has been reduced from 926,900 sf to 881,691 sf, a reduction of 45,209 sf. Impervious surfaces, compared to existing conditions, will be reduced by 1.8 acres (previously 1.3 acres). The project will generate a total of 24,851 average daily vehicle trips (adt) on a Friday (compared to 27,640 identified in the ENF) and 27,590 adt on a Saturday (compared to 29,860 identified in the ENF). When adjusted for mode share, vehicle trips are estimated at 19,673 adt on a weekday and 21,925 adt on a Saturday. Water demand is estimated at 246,646 gallons per day (GPD) and wastewater generation is estimated at 224,224 GPD. The number of parking spaces has been reduced by 1,060 to 3,740.

### **Water Supply**

Potable water will be provided by the Springfield Water and Sewer Commission (SWSC) through existing water distribution infrastructure within the site and in adjacent rights-of-way. The project will increase water use from 33,602 GPD to 246,646 GPD of water, an increase of 213,044 GPD. The DEIR identifies existing infrastructure and connections. It includes a letter from the SWSC, dated August 28, 2013, confirming that adequate supply and water distribution capacity is available to meet average water demand. The SWSC maintains a Water Management Act (WMA) registration of 39.1 million GPD for withdrawals from the Westfield River basin.

The DEIR indicates that the Proponent will continue to work with the SWSC to address any concerns regarding maximum day and peak hour demands.

### **Wastewater**

Existing wastewater demand will increase from 30,547 GPD to 224,224 GPD, an increase of 193,677 GPD. Wastewater will be discharged to the Springfield Regional Wastewater Treatment Facility (SRWTF) for treatment and discharge.

### **Wetlands and Waterways**

As currently proposed, the project will not directly impact wetlands or waterways.

The DEIR includes a Stormwater Management Plan (Appendix E) that demonstrates how project will be designed consistent with MassDEP Stormwater Management Standards.

### **Water Supply and Wastewater**

It should indicate if on-site storage will be incorporated into the site design to mitigate peak wastewater flows and any other mitigation to address potential impacts associated with peak flows such as back flow preventers for adjacent properties. The FEIR should include an update on its consultations with SWSC.

To minimize flows to CSO regulator 15B, MassDEP recommends that the Proponent consider directing site stormwater to the 60-inch by 80-inch combined sewer located downstream of regulator 15B. The FEIR should address this recommendation.

## E. CONSULTANT ANALYSIS

---

### ***MARK VANDER LINDEN, DIRECTOR OF RESEARCH AND PROBLEM GAMBLING***

On January 13, 2014 the Massachusetts Gaming Commission (MGC) received a petition from the Town of Longmeadow to be designated as a surrounding community by Blue Tarp reDevelopment, LLC. In the petition, Longmeadow generally claims “increased social service needs” could accompany a casino in close proximity to their residents. Additionally, Longmeadow argues that “given the close proximity of Longmeadow to the MGM Springfield Site, Longmeadow has a reasonable expectation that its Police Department will expend its resources responding to and handling DUIs from patrons traveling from or to MGM Springfield”.

In a response to the Longmeadow petition, Blue Tarp reDevelopment, LLC does not specifically address the concerns expressed about the potential social impacts.

Blue Tarp reDevelopment’s RFA-2 application mentions numerous measures to address a social service needs including:

- A “Responsible Gaming Resource Center, an on-site brief intervention facility in which information about referrals to an independent substance abuse, compulsive gambling and mental health counseling service will be provided”
- Prominent display of signage advertising the toll-free phone number and the Massachusetts Self-Exclusion program.
- “Signage and advertising to increase the chances that the visitors and the general population are aware of problem gaming and make available information on resources for treatment”
- A commitment to “work with communities, the Massachusetts Department of Public Health and groups such as the Council to facilitate interactions when necessary to ensure there is strong geographic diversification of healthcare professionals accredited to treat problem gaming related mental health problems”.
- Collaboration with the Massachusetts Council on Compulsive Gambling.
- Adoption of the American Gaming Association (AGA) Code of Conduct for Responsible Gaming.

#### **A review of evidence about social impacts claimed by Longmeadow**

**Burden on social services:** It seems logical to conclude that the increase in persons with gambling disorders would create a burden on the Longmeadow’s social service agencies. However, as pointed out by Dr. Williams, co-principal investigator on MGC’s SEIGMA project, the bulk of the impacts tend to be social/nonmonetary in nature because only the minority of problem gamblers seek or receive treatment, and only a minority typically have police/child welfare/employment involvement. That being said, it is difficult to accurately predict the actual impact as ultimately it will vary between jurisdictions depending on the type of gambling introduced and the magnitude of the change. For example, a new casino in a small community with limited prior exposure to gambling has a much larger impact than if the casino was introduced in a large city that already had easy access to gambling options to a range of gambling options.

**Traffic and drunk driving incidents:** There does appear to be a positive correlation between casino proximity and increase in drunk driving incidents. Below are three studies that support this: There are three studies which address this.

- Cotti, C. and D.M.Walker. (2010). The Impact of Casinos on Fatal Alcohol-Related Traffic Accidents in the United States, found a strong link between the presence of a casino in a county and the number of alcohol-related fatal traffic accidents. However, the relationship is negatively related to the local-area (county) population.
- Spectrum Gaming Group (2009). Gambling in Connecticut: Analyzing the economic and social impacts. Found a positive correlation between driving-while-intoxicated arrests and legal gambling in Connecticut.
- A study done by Dr. Richard McGowan (2013)<sup>[1]</sup> found a positive correlation between drunk driving arrests for a county and the presence of a casino within that same county. Specifically the study concluded that casino gambling can have serious social costs on a community. In a review done by Williams he found two studies that supported a positive correlation between driving while intoxicated and the presence of a casino.

While not mentioned specifically in the Longmeadow’s petition, there are other social impacts that may accompany gaming expansion that warrant consideration. I provide a list of commonly identified impacts and review and summary of the evidence.

**Problem and disordered gambling:** One of the main negative impacts of gambling is problem or disordered gambling. There are a host of issues associated with problem gambling. Social impacts include things such as mental health problems, suicide, family/relationship problems and divorce. Many studies have found a relationship between proximity to gambling venues and the prevalence of problem gambling<sup>2</sup>

- In 1998, analysis of the U.S. Gambling Impact and Behavior Study data found that location of a casino within 50 miles was associated with approximately double the rate of pathological gambling (Gerstein et al., 1999).
- In a separate U.S. national-level study, Welte et al. (2004) determined that the location of a casino within 10 miles of an individual’s home is independently associated with a 90% increase in the odds of being a problem or pathological gambler.
- Shaffer, LaBrie and LaPlante (2004) examined county-level prevalence estimates from the 2000/2001 survey in Nevada in relation to casino availability and found that the four counties with the greatest access to casinos had the highest problem gambling rates, and the four with the least availability had the lowest rates.

**Crime:** Dr. Robert Williams conducted an exhaustive review of studies in the US and international jurisdictions regarding the relationship between casinos and increase in crime. He found the evidence is somewhat mixed concerning the impact that legal gambling introduction has on crime rates. The most common finding is that crime rates do indeed increase with increased gambling availability. The main caveat to studies with this finding is that some of them are not referring to aggregate crime rates. Rather, some are focusing on the impacts for specific types of crime, such as increased fatal alcohol-related traffic accidents following the introduction of casinos. Other studies are simply documenting that increased gambling at an individual level is associated with increased *likelihood* of committing gambling-related crime.

<sup>[1]</sup> McGowan, R. (2013). *Casino Gambling and Drunk Driving: How are Communities Impacted?* Gaming Law Review and Economics. November 10, 2013.

<sup>2</sup> Williams, R.J., Volberg, R.A. & Stevens, R.M.G. (2012). *The Population Prevalence of Problem Gambling: Methodological Influences, Standardized Rates, Jurisdictional Differences, and Worldwide Trends*. Report prepared for the Ontario Problem Gambling Research Centre and the Ontario Ministry of Health and Long Term Care. May 8, 2012. <http://hdl.handle.net/10133/3068>

Only a couple of studies reported a general increase in all categories of crime. Consistent with the notion that increases in crime are partly attributable to increased numbers of problem gamblers, most studies have found increases primarily in property offenses, particularly fraud, embezzlement, theft, and larceny (although two studies actually found reductions in these categories).

Several studies failed to find increased crime rates, or only found increases in some communities but not others. Dr. Williams concluded that although there are good theoretical reasons to expect a positive relationship between gambling introduction and crime, it may not always manifest itself. There are many factors other than gambling that can potentially mediate this relationship, such as extensive prior exposure to gambling, a relatively small increase in the availability of gambling relative to population size, a temporal lag whereby crime increases take several years to occur, or the existence of jurisdictional policies that protect against the negative impacts of gambling (e.g., effective programs to prevent problem gambling, limits on the provision of readily available cheap alcohol in venues, enhanced security/policing in casinos, etc.). Because the magnitude of the increase in crime is not large in most studies, the presence of any of these other moderating factors has potential to negate the increased crime effect.

### **Social and Economic Impact of Gaming in Massachusetts**

The question, to what extent will the introduction of a gaming facility create negative impacts on any specific community is complex and difficult to answer. However, the Commission is currently working closely with SEIGMA/UMASS Amherst to conduct a controlled before-after comparison of changes in rates of problem gambling and numerous social and economic indices coincident with the introduction of a gaming facility. The ongoing findings of this study will provide the most accurate determination of what the true social and economic impact is on host and surrounding communities. A more precise understanding of the impacts will inform the best use of the **Public Health Trust Fund** which was created to assist social service and public health programs to mitigate the potential addictive nature of gambling and the **Community Mitigation Fund** which was created to assist the host and surrounding communities in offsetting costs related to the construction and operation of a gaming establishment.

## **HLT: Town of Longmeadow Surrounding Community Status Petition**

As requested, we are submitting this letter report with respect to a request by the Town of Longmeadow (the “Town” or “Longmeadow”) to be declared a “Surrounding Community” as set out in MGL c. 23K 17(a) and 205 CMR 125.01(2). The Surrounding Community request is being made in response to an Application by Blue Tarp Redevelopment, LLC (“MGM”) for a casino (the “Casino”) in Springfield, Massachusetts. This report outlines the steps we took to conduct the analysis together with our conclusions.

### **1. BACKGROUND**

In accordance with MGL c. 23K 17(a) and 205 CMR 125.01(2), any Massachusetts community has the right to petition the Commission for declaration as a Surrounding Community if the community can: 1) demonstrate negative impacts from a gaming development and 2) has requested and been denied Surrounding Community status by an Applicant. In consideration of a community petition, the Gaming Commission must consider various factors and evaluate:

- The community’s proximity to the host community and the gaming establishment.
- The impact on transportation infrastructure in the community by the gaming establishment.
- The noise, traffic and environmental impacts on the community during construction of the gaming establishment.
- The negative impact the gaming establishment could have on local retail, entertainment and service establishments in the community.
- Any other relevant potential impacts to the community.

The Town of Longmeadow requested that MGM declare the Town a Surrounding Community with respect to the Category 1 Application proposed for Springfield. The basis for the Town’s request for Surrounding Community status is so that it can address “understandable, predictable, knowable impacts from the proposed MGM Springfield resort casino”. The Town has highlighted three areas where it feels it qualifies as a Surrounding Community:

- Proximity – The Town shares an “extensive, direct border” with the southern edge of Springfield.
- Transportation Infrastructure – the Town believes it will encounter “significant and adverse transportation infrastructure impacts from MGM Springfield”.
- Operational and Other impacts – the Town believes MGM Springfield will produce “significant and adverse impacts” to: public safety, increased demand on water and sewer resources, increased social service needs.

MGM rejected the Town’s request. As a result, the Town petitioned the Commission to adjudicate its request for Surrounding Community status in a letter dated January 13, 2014 (the “Longmeadow Petition”). MGM subsequently responded to the Town’s petition in a document dated January 23, 2014. Both parties appeared before the Commission on January 28, 2014.



## 2. OBJECTIVE AND SCOPE

The Commission engaged HLT<sup>1</sup> to comment on the potential impacts that a Category 1 Casino, located in Springfield, might have on the local retail, entertainment and service establishments in Longmeadow.

To complete this assessment we:

- Reviewed the Petition and related correspondence between the Town, MGM and/or the Commission.
- Reviewed applicable sections of MGM’s Category 1 Application including MGM Resorts International – Springfield Market Study Appendix Update, November 2013 prepared by Union Gaming Analytics (the “UGA Market Study”) and Regional Economic and Fiscal Impacts of Proposed MGM Springfield on Gaming Region B and the Commonwealth of Massachusetts prepared by HR&A Advisors.
- Reviewed the following background documents:
  - o Comprehensive Analysis: Projecting and Preparing for Potential Impact of Expanded Gaming on Commonwealth of Massachusetts, August 2008 (together with March 2010 update), by Spectrum Gaming Group, prepared for the Commonwealth of Massachusetts (the “Spectrum Report”).
  - o Massachusetts Statewide Gaming Report, June 2010, prepared by the Innovation Group for the Massachusetts Senate, Commonwealth of Massachusetts.
  - o New England Casino Gaming Update, 2013 prepared by the Center for Policy Analysis, University of Massachusetts Dartmouth (the “Center for Policy Analysis Report”).

<sup>1</sup> HLT Advisory is a Toronto-based consultancy focused on the gaming, tourism, accommodation and leisure industries. HLT has a significant public- and private-sector client base within these industries and has completed a broad range of market assessment, bid process, economic impact and strategic planning engagements across North America as well as in Asia, Europe and the Caribbean.

- Attended the Commission’s January 28, 2014 meeting where both the Town and MGM presented their respective positions on the issue.
- Accessed other information and benchmarks in our files relevant to this situation.

Upon completion of these steps we completed the following letter report.

## 3. BASIS FOR THE LONGMEADOW PETITION

The Town of Longmeadow is a “predominantly residential, suburban community of approximately 15,385 residents...known for its tree-lined streets, open space and natural location.” Longmeadow consists of a multitude of single family homes, two shopping areas, and a not-for-profit educational institution. The Town points to three areas justifying Surrounding Community status:

- Proximity - The Town shares a border along the southern edge of Springfield.

- Transportation Infrastructure - The Town identifies Longmeadow Street (Route 5) and I-91 as two roadways that pass through the Town and will provide direct access to the MGM casino.
- Operational and Other Impacts – The Town identifies adverse impacts to its Fire Department and Police Departments in addressing accidents and impaired driving incidents along I-91 and Route 5. As a result of MGM Casino operations, the Town believes an average of six additional incidents would occur annually along Route 5 and I-91 necessitating fire department response.

The Longmeadow Petition states that “because of Longmeadow’s predominant residential character, it is highly unlikely that MGM Springfield will produce a positive commercial impact.”

#### 4. ISSUES AND CONSIDERATIONS

HLT was retained to assess the potential impact the MGM Casino might have on the local retail, entertainment and service establishments in Longmeadow. Longmeadow acknowledges in their petition that as a predominantly residential suburb, the Town is unlikely to benefit from any “positive commercial impacts” resulting from operation of the MGM Casino and instead will face additional traffic as a result of Casino patronage.

Two issues bear addressing:

- **Positive benefits will be generated despite the residential nature of the Town—**The most significant direct benefit is the MGM staff complement, assumed to include the projected 2,300 FTE jobs to support ongoing Casino operations. The increased payroll and spending potential will be a net benefit to the broader trade area including Longmeadow, where some MGM employees are likely to reside.
- **Inbound travel to the MGM Casino will be partially offset by reduced outbound travel to Connecticut casinos—**The MGM Casino is expected to draw patrons to Springfield from a fairly wide trade area. For those inbound patrons located south and east of Springfield, I-91 and Route 5 would be likely transportation options. In the same manner, these roads are currently used to carry Springfield and area residents south to Connecticut casinos.

The Center for Policy Analysis Report estimated that \$710 million in gaming revenue is generated by Massachusetts residents at casinos in Connecticut, Rhode Island and Maine. On a per capita basis, this equates to about \$149 of gaming spending for each Massachusetts adult/annum. Assuming the adult population of the Springfield trade area<sup>2</sup> is 331,044, applying a \$149/adult average gaming spend results in \$49.3 million in annual gaming spend. Spending may actually be greater for the Springfield trade area given proximity to Connecticut or Rhode Island casinos when compared with communities further north.

A rough estimate of the number of people travelling from the Springfield market area to Connecticut casinos can be calculated by dividing the annual trade area spending of \$49.3 million by an average spend/casino visit (say \$100/visit to \$150/visit) resulting in a range of about 329,000 to 493,000 trips. On the assumption that casino gamers average two adults/vehicle for each trip, this rough estimate

suggests there could be 165,000 to 247,000 fewer vehicle trips transporting Springfield trade area residents via I91 and Route 5 (as well as other nearby roadways) to and from Connecticut casinos.

## **5. CONCLUSION**

Based on our review of the Town’s petition, MGM’s rebuttal and other information available to us as well as our knowledge of the gaming industry we agree with Longmeadow that there will not be negative impacts on the Town’s local retail, entertainment and service establishments. The Town should experience some positive benefit as a result of the considerable staff complement (and concomitant payroll) of the Casino. Longmeadow should also experience at least a partial offset in vehicular traffic as Springfield area residents replace Connecticut gaming trips with trips to MGM Springfield.

<sup>2</sup> The Springfield trade area was defined by HLT as a 30-minute drive time based on the “Local Market” as described in the UGA Market Study for MGM. HLT has extrapolated those zip codes (using Microsoft MapPoint mapping software) contained within the 30-minute drive-time local market area that lie north of Route 5 where it intersects with the Longmeadow boundary. HLT estimates these residents would be the most likely to use the I-91/Route 5 corridor to travel to Connecticut casinos. Adult Population estimates are based on US Census bureau 2012 population estimates (21+).

### **HLT Advisory Inc.**

Lyle Hall  
Managing Director

## **LDS Analysis**

As requested, we are submitting this letter report with respect to the City of Northampton, Town of Hampden and Town of Longmeadow in connection with their petitions to be designated as a “Surrounding Community” with regard to the proposed Category 1 gaming facility by Blue Tarp Development LLC (“MGM”) in West Springfield, MA (the “Subject Property”). This letter outlines the steps we took to conduct our analysis as well as our conclusions. The Subject Property will include:

- A 127,000 SF casino,
- A 250-room hotel,
- 46,000 SF of convention space,
- 68,000 SF of food and beverage space,
- 43,000 SF of retail,
- 37,000 SF, luxury movie theater,
- 18,000 SF, 15 lane bowling alley,
- 9,400 SF of spa/fitness/pool,
- 54 apartments, and
- 3,600 structured parking spaces and additional surface parking.

## **Background**

In accordance with the Massachusetts General Laws, c. 23K 17(a) and 205 CMR 125.01(2), any Massachusetts community has the right to petition the Massachusetts Gaming Commission (the “Commission”) for declaration as a Surrounding Community if the community can: 1) Demonstrate negative impact from a gaming development and 2) has requested and been denied Surrounding Community Status by an Applicant. In consideration of a community petition, the Commission must consider various factors and evaluate:

1. The community’s proximity to the host community and the gaming establishment.
2. The impact on transportation infrastructure in the community by the gaming establishment.
3. The noise, traffic and environmental impacts on the community during construction of the gaming establishment.
4. The negative impact the gaming establishment could have on local, retail, entertainment and service establishments in the community.
5. Any other relevant potential impacts to the community.

LDS has been asked to examine potential impacts to housing, schools and code enforcement in each community. Only one petition, the one from Longmeadow dated January 13, 2014, specifically mentioned a concern that could be related to housing. It was a reference on page 17 to code enforcement, which was also mentioned in the Municipal Resource, Inc. report in Exhibit 35 of their petition.

## **Methodology**

We have reviewed all or some of the following documents on this matter:

1. MGM Application

2. HR&A Impacts Study for housing and school age children impact
3. Host Community Agreement
4. Northampton Petition and Exhibits
5. Longmeadow Petition
6. Hampden Petition
7. Portion of the gaming legislation related to Surrounding Communities
8. Census ACS reports and Esri reports prepared by our office.

**Conclusion**

Based on these materials and our independent evaluation, we find that the communities surrounding Springfield will not be significantly and adversely affected by the operation of a Category 1 gaming establishment after its opening due to housing or school impacts resulting from the facility. Furthermore, given the high unemployment and housing vacancy rates in the area, it is more likely than not that the Category 1 casino will be beneficial to the housing markets in these communities and therefore add to the real estate tax base as well as increase overall consumer spending in the area.

**Research**

**Unemployment**

The application states that there will be 3,254 jobs created by the new Category 1 Casino. In addition, the host community agreement states that they will work to achieve 35% City of Springfield residents and no more than 10% (325 persons) of the workforce to be residents from outside of the City and surrounding area. We looked at current information available from the Massachusetts Department of Workforce and Labor Development below. Table 1 – Number of unemployed Persons in the Communities Adjacent to Springfield

Unemployment – Past 10 Years										
Year	Agawam	Chicopee	East Longmeadow	Holyoke	Longmeadow	Ludlow	Springfield	West Springfield	Wilbraham	Total
2013	1,116	2,301	478	1,579	378	946	6,896	1,084	444	15,222
2012	990	2,214	472	1,631	369	911	7,200	1,092	396	15,275
2011	1,080	2,454	489	1,692	389	1,025	7,883	1,173	437	16,622
2010	1,282	2,774	572	1,835	466	1,034	8,368	1,359	480	18,170
2009	1,241	2,740	523	1,842	444	1,039	7,563	1,281	474	17,147
2008	826	1,818	367	1,284	286	769	5,293	891	320	11,854
2007	696	1,571	318	1,082	255	625	4,623	706	275	10,151
2006	748	1,642	297	1,154	277	694	4,936	728	305	10,781
2005	737	1,605	325	1,224	271	645	4,812	779	285	10,683
2004	786	1,750	334	1,211	281	683	5,180	792	301	11,318
2003	875	1,880	359	1,300	304	745	5,409	839	313	12,024

**Table 2 Number of unemployed person’s in Petition Communities not adjacent to Springfield**

Unemployment-Past 10 Years			
Year	Hampden	Northampton	Total
2013*	176	785	961
2012	172	814	986
2011	184	866	1,050
2010	218	957	1,175
2009	206	967	1,173
2008	140	668	808
2007	115	594	709
2006	116	625	741
2005	126	603	729
2004	149	650	799
2003	148	666	814

Table 1 shows that as of December 2013 Springfield and the communities immediately physically adjacent to Springfield have a total of 15,222 unemployed persons or job seekers. In addition, Table 2 includes the two petitioners not immediately adjacent to Springfield, Hampden and Northampton, have a total of 961 unemployed or job seekers as of December 2013.

**Therefore, as of December 2013, there are four times as many job seekers in the communities we examined as there are positions estimated to be created by the Springfield casino.**

**Housing Vacancy Rates**

Table 3 compares housing vacancy rates for Springfield and the communities immediately physically adjacent to Springfield from the 2008-2012 ACS. Based on these communities, there are 11,237 vacant housing units in these communities that could be absorbed in the event workers do move to the area to work at the Subject Property. Springfield has the highest housing vacancy rate at 10% with (6,351 vacant units) and Longmeadow has the lowest ( 3% with 149 vacant units).

**Table 3 Housing Occupancy and Vacancy**

		Total Housing Units	Occupied Housing Units	Vacant Units
<b>Agawam</b>	Number	11,973	11,470	503
	Percent		96%	4%
<b>Chicopee</b>	Number	24,745	22,957	1,788
	Percent		93%	7%
<b>East Longmeadow</b>	Number	5,971	5,769	202
	Percent		97%	3%
<b>Holyoke</b>	Number	17,021	16,032	989

	Percent	94%	6%
<b>Longmeadow</b>	Number	5,956	5,807
	Percent	97%	3%
<b>Ludlow</b>	Number	8,415	8,029
	Percent	95%	5%
<b>Springfield</b>	Number	61,942	55,591
	Percent	90%	10%
<b>West Springfield</b>	Number	12,300	11,694
	Percent	95%	5%
<b>Wilbraham</b>	Number	5,571	5,308
	Percent	95%	5%
	<b>Total</b>	<b>153,894</b>	<b>142,657</b>
	<b>Average Percent</b>	<b>93%</b>	<b>7%</b>

Furthermore, if you examine the housing vacancy at the two petitioners not adjacent to Springfield, there are an additional 768 vacant units as shown on the table below:

**Table 4 Housing Occupancy and Vacancy**

		<b>Total Housing Units</b>	<b>Occupied Housing Units</b>	<b>Vacant Units</b>
<b>Hampden</b>	Number	1,912	1,880	32
	Percent		98%	2%
<b>Northampton</b>	Number	12,475	11,739	736
	Percent		94%	6%
	<b>Total</b>	<b>14,387</b>	<b>13,619</b>	<b>768</b>
	<b>Percent</b>		<b>95%</b>	<b>5%</b>

**Therefore, as of the 2008-2012 ACS, there are 3.5 times as many vacant housing units in the communities we examined as there are new job positions estimated to be created by the Springfield casino.**

The Municipal Resource, Inc. report attached to the Longmeadow petition states a need for a code compliance employee for 25 hours a week at a cost of \$117,000 a year. There is no explanation or rationale for reaching this statement/conclusion. Typically revenue from real estate taxes and building permit fees pay for the salaries of inspectional services departments. We took a snapshot of these two revenue categories from the MassDOR Website for the years 2010 and 2012 as follows:

**Table 5**

<b>Hampden Revenue Changes</b>		
RE Revenue	Licenses	and Permits

<b>2010</b>	\$ 9,498,370	\$ 7,720
<b>2012</b>	\$ 9,956,207	\$ 8,015
<b>Increase</b>	\$ 457,837	\$ 295

It appears that both real estate taxes and license and permit revenues are increasing, most likely as a result of the improved economy. **Any new construction would generate both permit fees and real estate taxes which would most likely offset the cost of personnel. Therefore, in the absence of factual data on this issue by the petitioner and based on our research, we are not able to conclude a need for an additional inspectional services department staff in Longmeadow.**

Furthermore, while we have not checked with each individual community on production of new homes which could add additional product to the market, due to other work being performed in our office on a proposed assisted living facility in Northampton, we are aware of a planned development community that is adding a variety of new housing units that will further increase the supply of housing in the region. Village Hill Northampton is a 126 acre planned development community in conjunction with MassDevelopment, including:

- 77 units of mixed income rental housing. Hilltop Apartments:
- a 33 unit development that was rehabilitated in 2005;
- a the 40 unit mixed income Hillside Place which was constructed in 2009.;
- Eastview Townhomes includes 11 craftsman-style townhomes (Village Hill Northampton 2012).
- Four single-family developments.: 24 units at Pecoy at Village Hill Northampton Westview, 6 units at Beechwood Homes, 4 units at Laurel Street Row, and 11 units at Morningside.

**School Age Children/Household Size**

The next table examines in the change in family size from 2000 to 2010 based on the United States Census as reported by ESRI for Springfield and adjacent communities, as well as the two non-adjacent petitioners’ communities of Hampden and Northampton. It shows that for all but one community, that average household size has gone down and/or remained the same. This is indicative of two things, the aging baby boomer generation becoming empty nesters, and households are generally having fewer children.

**Table 6**

<b>Change in Average Household Size</b>				
	<b>2000</b>	<b>2010</b>	<b>Change 2000-2010</b>	<b>% Change 2000-2010</b>
<b>Agawam</b>	2.44	2.38	-0.06	-2.46%
<b>Chicopee</b>	2.32	2.28	-0.04	-1.72%
<b>East Longmeadow</b>	2.65	2.61	-0.04	-1.51%
<b>Hampden</b>	2.79	2.66	-0.13	-4.66%
<b>Holyoke</b>	2.57	2.51	-0.06	-2.33%



<b>Longmeadow</b>	2.66	2.66	0	0.00%
<b>Ludlow</b>	2.55	2.46	-0.09	-3.53%
<b>Northampton</b>	2.14	2.12	-0.02	-0.93%
<b>Springfield</b>	2.57	2.6	0.03	1.17%
<b>West Springfield</b>	2.33	2.33	0	0.00%
<b>Wilbraham</b>	2.71	2.63	-0.08	-2.95%
<b>Average</b>	2.52	2.48	-0.04	-1.77%

We also examined the change in population by age from 2000 to 2010 for ages 0-14 for the three petitioner communities. We looked at this as an indicator of how many children may be entering the school system in the future. Table 6 below shows that the number of school age or potential school age children, decreased significantly from 2000 to 2010.

Table 7

<b>Change in Population 2000-2010</b>			
<b>Ages 0-14</b>	2000	2010	Change
<b>Hampden</b>	1101	863	-238
<b>Longmeadow</b>	3457	3173	-284
<b>Northampton</b>	4064	3708	-356

**Therefore, based on a shrinking household size and contracting school age populations in the petition communities, it is reasonable to conclude that the Category 1 casino will not adversely impact schools in the petition communities.**

We would be pleased to answer any questions you have in this regard.

## City Point Partners Surrounding Community Water and Wastewater Impacts

### LONGMEADOW CLAIMS

In its petition for Designation as a Surrounding Community, Longmeadow voices concerns (through Murphy, Hesse, Toomey & Lehane, LLP) about the MGM Springfield Casino’s impact on water and sewer service. The Springfield Water and Sewer Commission (SWSC) provides water and sewer service to Longmeadow. The Town concerns are presented on page 16 of the petition<sup>1</sup>:

*Page 16: As a continuation of **II. ARGUMENT; D. Operational and Other Impacts; 3. Additional Impacts**, “Longmeadow receives its water supply and wastewater treatment from the Springfield Water and Sewer Commission. The MGM Springfield resort casino will also be receiving water and waste treatment from the Springfield Water and Sewer Commission. This use of shared resources must be considered in light of the size of the MGM Springfield project, [Proposition 1.] which includes a 125,000 square foot casino;*

*250 key hotel with amenities, spa and fitness facility; convention space; back-of-house/food preparation areas; dining and beverage service area with at least seven (7) “distinctly branded restaurants, lounges or cafes; retail space; apartment units; on- and off-site executive offices and back of house space; mid-rise retail outbuildings, including a cinema multiplex, bowling alley, at least two (2) restaurants or sports bars, and additional retail space; an outdoor public plaza for events and concerts, including an if skating rink, a child care center; and rehabbed office space.*

*At the present time, the capacity for the Springfield Water and Sewer Commission to handle the MGM Springfield resort casino and amenities is an unknown, because construction has not yet commenced. [Proposition 2.] MGM has included utility infrastructure as a “look back” study area in the five (5) surrounding community agreements that it has executed with Springfield’s abutters. Accordingly, water and sewer impacts are necessary considerations for a surrounding community agreement with MGM. [Proposition 3.]*

**Proposition 1.** I would agree with this statement if it is shown that MGM’s water and sewer demands tax the ability of the SWSC to deliver water and sewer services to the City and the surrounding communities (including Longmeadow) that it serves. This is not the case.

<sup>1</sup> The underlining and identification of propositions is mine.

**Proposition 2.** The capacity of the SWSC to handle casino water and sewer demands is known. The Application projects demands and demonstrates the capacity exists to manage the

incremental demands through evidence including plant records, water withdrawals, and other data.

**Proposition 3.** Water and Sewer Impacts are necessary considerations and have been considered in some detail.

**CONCLUSION:** The MGM Springfield Casino will not impact the ability of SWSC to deliver water and sewer services to the Town of Longmeadow.

## DISCUSSION

The Springfield Water and Sewer Commission is an entity created by the City of Springfield. The governing body of the Commission is a three-member Board of Commissioners appointed by the Mayor of Springfield and approved by the City Council. The Commission sells water wholesale to several towns including Longmeadow. It collects and treats wastewater from several towns including Longmeadow. The SWSC provides these services to Longmeadow under intermunicipal agreements with the Town.

### Water

The Draft EIR included in the MGM application notes that SWSC maintains a Water Management Act (WMA) Registration of 39.1 million gallons per day (MGD) for its water withdrawals in the Westfield River basin. The system-wide average demands as published in the SWSC Annual Reports are:

2010	34.0 MGD
2011	35.4 MGD
2012	31.2 MGD

MGM provides a table (Exhibit 4-35-03) presenting the estimate for water and wastewater flows. The wastewater flows are derived from 15 CMR 15.203 (Title 5) by accumulating flows from the various casino uses (e.g., restaurants, office space, theaters). The title 5 flow for each use is multiplied by the appropriate units (e.g., seats, square feet, etc.) to estimate a total flow for that use. The accumulation of each use yields the total wastewater flow. Title 5 flows however are not average flows, but are more representative of peak daily flows.<sup>2</sup> MGM then estimates water flow (demand), which is generally greater than wastewater flows (not all water use goes to the sewer). MGM aggregate water flows are estimated to be 10% greater than the wastewater flows.

<sup>2</sup> 315 CMR 15,203 notes, “Design flow is equivalent to estimated generated flow for the proposed use plus a factor representing flow variations.”

The total flows are presented as follows:

Average Day gallons

Peak Day gallons

Peaking  
Factor

Wastewater	224,233	1,255,654	5.6
Water	246,646	369,969	1.5

The DEIR shows existing water use for the proposed site to be 33,602 gallon per day (gpd). The increase in water use is thus approximately 213,000 gpd or 0.213 MGD. Average available capacity is about 4 to 6 MGD based upon the WMA authorized withdrawal and the annual average demands presented above. One can see that the impact of the projected casino demands is well within the available capacity of the system.

**Wastewater**

The projected casino wastewater flows are presented above. The projected peak flow is substantially overstated inasmuch as the Title 5 flows are representative of peak day flows. The peaking factor used includes spike flows that will not be contributed by the casino complex, namely infiltration and inflow. Further, it is not possible that a peak day wastewater flow would exceed a peak day water demand.

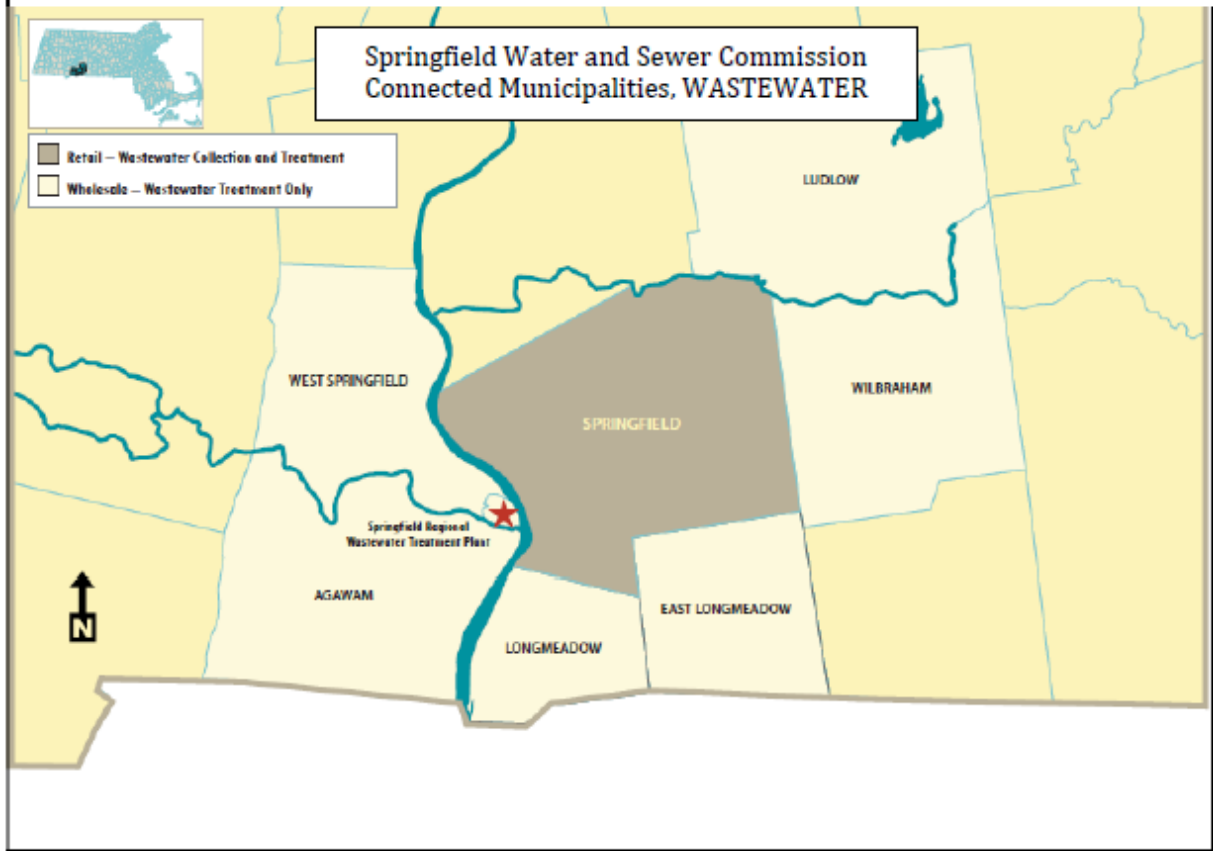
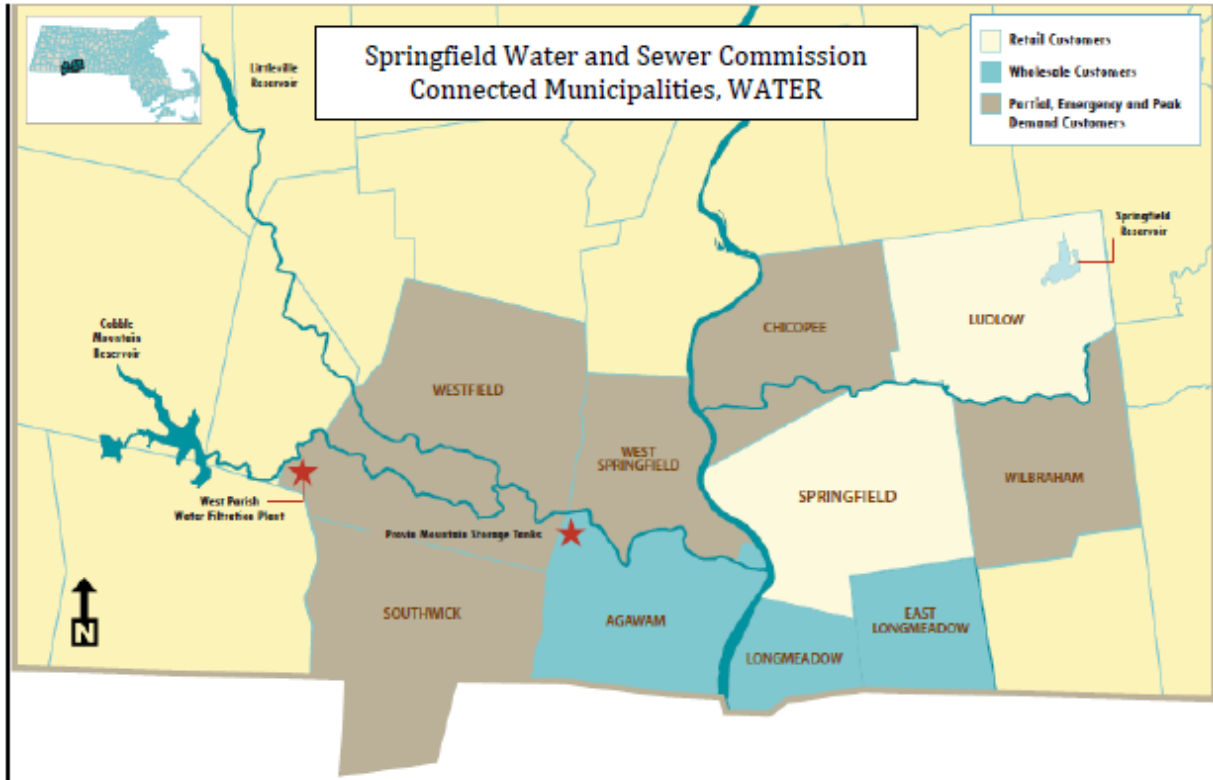
Be that as it may, The Springfield Regional Wastewater Treatment Plant is designed to treat 67 MGD of wastewater, and currently processes an average of 47 MGD (2012 SWSC Annual Report). The projected incremental increase in wastewater flows from the casino is (0.224 MGD, less existing flows of 0.030 MGD) 0.221 MGD, well within the available system capacity.

Refer to my memo of February 6 addressing Water/Wastewater Impacts of MGM Casino on Longmeadow. As supported by that memo, any claim by the Town of Longmeadow that the proposed casino will have an impact the Town’s water supply or wastewater disposal is invalid.

The Towns of Hampden and Northampton do not have any legitimate claim of water or sewer impact inasmuch as neither town is served by the Springfield Water and Sewer Commission. See the attached figure for reference.

Northampton draws its water from three surface reservoirs located in Conway and Whately, supplemented (about 1%) by 2 groundwater wells. It operates its own wastewater treatment plant.

Residential and commercial property in the Town of Hampden are primarily supplied by private wells for potable water and Title 5 systems for wastewater disposal.



## F. APPLICATION

---

### HR&A ADVISORS IMPACT STUDY

- Increased traffic was consistently one of the top concerns by surrounding communities. As with any other project of this scale, the proposed casino will generate more trips in the region. A comprehensive study of regional traffic impacts is expected to be completed in late December 2013. Managed by the Pioneer Valley Planning Commission, this study will inform the need for additional investments or payments by MGM to mitigate regional traffic impacts.
- Impacts on police, fire, and emergency services department in surrounding communities will be minimal and MGM is taking steps to set up a process to address concerns. The main impacts will be on departments in the City of Springfield. MGM is supporting Springfield department capacity with a \$2.5 million upfront payment and \$2.5 million in annual payments as part of the total funding package negotiated under the host community agreement. While AMR, the emergency services providers, operates on a fee-for-service model, MGM is working with the company to ensure the project receives adequate services without negatively impacting response times elsewhere in the community. Findings from the traffic study will help inform the extent of any impacts on regional fire and police departments.
- The proposed project will generate minimal impacts on regional crime rates. A study by the University of Nevada Las Vegas International Gaming Institute found that any proposed casinosort would likely increase the total volume of crimes in the immediate area due to increased visitation, but this would have an insignificant effect on the crime rates overall when adjusted for the number of people drawn to the area. MGM is addressing these potential impacts through mitigation payments to the Springfield police department.
- The proposed project will generate a significant number of jobs for regional residents. The project will generate approximately 3,000 onsite jobs to support project operations. MGM estimates that 90% of the full-time jobs will be filled by local residents. In addition, HR&A estimates that the project will support approximately 2,650 additional jobs in the region<sup>2</sup> from indirect vendor spending, off-site visitor spending, and induced household spending by employees. A separate HR&A report on the economic and fiscal impacts of the proposed project on the region and Commonwealth of Massachusetts provides a more detailed assessment of the economic benefits to the region. Surrounding communities will receive much of these benefits due to their proximity to the project site.

- While the project will attract some new residents, the housing market is diverse and flexible enough to accommodate growth. MGM estimates that 225-265 employees will come from outside the region, which conservatively translates into the same number of new households. The impact on the housing market will depend on individual preferences to rent vs. own, family size, income, lifestyle preferences, etc. HR&A's review of the existing housing market suggests that it is flexible enough to handle additional demand.
- New households in surrounding communities could generate up to 105 new public school children, costing an estimated \$540,000. HR&A conservatively developed this estimate based on data on average local education costs in surrounding communities. MGM is working with surrounding communities to develop a future process that will measure impacts based on actual outcomes.

### Longmeadow

Longmeadow is located directly south of Springfield along the banks of the Connecticut River and bordering the State of Connecticut to the south.

Longmeadow has a total housing stock of 5,948 units. Approximately 90% of non-vacant units are owner occupied with an average home value of \$392,431. Longmeadow has the highest home values in the region and is the most affluent town. The other 10% of the units are renter occupied with an average rent of \$983 per month, according to 2005-2009 data from ESRI Business Analyst Online, developed based on the American Community Survey.

Longmeadow's municipal budget amounted to a grand total of \$51.8 million for FY2013, including \$4.5 million for public safety, including police and fire. The existing tax base for FY 2013 is \$43.9 million with rates on both residential and commercial properties at \$21.54 per \$1,000 of assessed value.

## **TOURISM DRAW**

### **1-02-01 Destination Resort**

Rather than building a large-scale retail center that would draw sales away from existing shopping centers in the area, we are excited about bringing a retail and dining experience that will fit into the fabric of Downtown and spur visitor spending along Main Street.

### **1-04 Competitive Environment**

MGM Springfield anticipates a very robust competitive environment over the next 10 years, which we feel we are uniquely qualified to overcome. MGM Resorts has a track record of developing and operating market-leading facilities in Las Vegas and competitive regional markets. In fact, we do not have any existing properties in monopoly or duopoly markets. MGM Springfield directly competes or will compete with casinos and racinos in Connecticut (Mohegan Sun and Foxwoods), New York (Saratoga Casino and Raceway and Empire City Casino at Yonkers Raceway) and Rhode Island (Twin River Casino and Newport Grand). In addition,

MGM Springfield will be in the same competitive marketplace as facilities in Massachusetts (Zone 1, Zone 2 and slots-only licenses). MGM Springfield’s immediate competitive market includes approximately 33,000 slot machines/VLTs, over 1,100 table games and over 40,000 total gaming positions. Future competition includes legislative initiatives in Connecticut, Maine, New Hampshire, New York and Rhode Island. MGM Springfield will have several advantages that will allow it to be successful in this competitive environment. We believe that our site is strategic, and offers convenient access to both Hartford from the South and Albany from the West – two key feeder markets. MGM Springfield also is located about 30 minutes from the Worcester County line, which puts us a safe distance away from the other casinos and slot parlor in Massachusetts. This will help Massachusetts both generate more revenue from key out-of-state markets but also create less dilution on the facilities in the Boston Zone and Southeastern Zone. In addition, MGM Springfield is the only resort in the New England gaming market that can offer a true urban experience. We will offer amenities that are complementary and enhance local entertainment venues, amenities and attractions to create an “urban synergy” with the area’s hotels, businesses, attractions, convention center and entertainment venues.

### **1-06 Collaborative Marketing**

MGM Resorts has a long history of working closely with tourism, convention and economic development agencies and associations to enhance the tourism experience in the markets in which we operate. Our marketing strategy to encourage visitors from outside of Massachusetts (both domestically and internationally) will include leveraging the MGM brand, including our Company’s existing marketing relationships and expertise, our M life loyalty program, and transportation through collaborations with bus, train and airplane stakeholders. We intend to collaborate with local, regional and state tourism, convention and development agencies, including the Greater Springfield Convention and Visitors Bureau, MassPort and the Massachusetts Office of Travel and Tourism. We wish to partner with existing tourism and convention assets, in particular the MassMutual Center, to cross-market Springfield to out-of-state tourism and business customers and agencies. From a gaming perspective, MGM Springfield can leverage our national and global branch office network. MGM Springfield also will conduct an extensive marketing effort, leveraging the Company’s existing relationships with national and international travel agencies (online and traditional), tour operators and airline and bus partners to develop marketing programs designed to bring more visitors to the destination. If awarded the license, MGM Springfield would like to lend our expertise and relationships, when appropriate, to help both MOTT and MassPort devise ways to attract more Chinese visitors to Massachusetts. It is good business for MGM Springfield and good business for the Commonwealth.

### **1-08 Broadening the Region’s Tourism Appeal**

Since its founding, MGM Resorts has demonstrated a powerful commitment to the philosophy of corporate social responsibility. We recognize, and we actively embrace, that we can seek to maximize profits for our shareholders – our business owners – and at the same time conduct our business in a responsible way. Responsibility to us means that: we comply with ethics and law in how we handle our business, and we strive to make a positive impact on our surrounding world.



We seek to have positive relationships with our employees, our guests, our host communities and to protect the resources of our planet Earth. Beyond our sense of moral obligation, we believe that our social responsibility initiatives will enhance our competitiveness and position our Company for long-term economic growth, and also benefit our host communities. We hire and maintain a diverse, multi-racial and multi-cultural workforce which is reflective of our host communities. We similarly understand that our customer base is diverse, multi-racial, multi-cultural and increasingly global. However, we recognize that diversity without inclusion is incomplete. We cultivate respect for the humanity and contributions of every individual employee because our employees are the lifeblood of our business. We realize that to achieve the highest level of performance of our work teams, and to deliver genuinely superior service to our guests, we must motivate each employee to perform at the highest levels each and every day. We therefore foster an inclusive culture of excellence enterprise-wide aligned with our business mission – organized around universal employee engagement, individual responsibility, individual empowerment to express diverse opinions and perspectives, inspired leadership, consistent peak performance, team collaboration, innovation, accountability, and above all, positive recognition for a job well done. Diversity and inclusion promote greater unity in our Company around a shared common vision in achieving our business mission – which is to engage, entertain and inspire our guests during every interaction. MGM Springfield will advance this business model and work culture. MGM Resorts has maintained an over 30% representation of minorities in management and over 40% representation of women in management for the last five years. As a market leader in diversity and inclusion, in April 2013, MGM Resorts earned the Number One ranking on the “Top 10 Regional Companies” list compiled by DiversityInc, one of the nation’s leading resources on diversity best practices and trends. Additionally, DiversityInc recognized MGM Resorts as Number 8 on the 2013 “Top 10 Companies for Latinos.”

### **2-24 Customer Cross Marketing**

We will maximize MGM Springfield’s potential by leveraging the strength of the MGM Resorts brand, M life loyalty program, and our extensive customer database from our other properties, particularly those in Las Vegas. MGM Resorts’ national marketing network will heighten the exposure and prominence of MGM Springfield through marketing efforts directed at our large and expanding national customer database. MGM Springfield will be advertised via direct mail, email marketing, and in-room collateral to MGM Resorts guests and members of our M life loyalty program. MGM Springfield will leverage our deep relationships with primary air carriers. Markets of focus will be major to medium-sized cities with non-stop flights to one of the region’s or Commonwealth’s airports and an absence of a prestigious destination casino in their home market. Because MGM Resorts has established a large and loyal guest database, we can leverage those relationships to encourage these patrons to get on buses to visit our properties. MGM Resorts has successfully operated bus programs targeting M life members in our regional markets, and we intend to do the same for MGM Springfield.

### **2-36 Marketing to Out of State Visitors and use of Junkets**

MGM Springfield anticipates approximately 50% of gaming revenue and more than 50% of non-gaming revenue will come from out-of-state visitors. Of those out-of-state visitors, MGM Springfield anticipates that over 70% will be derived from customers who will either are or will become M life members. Enclosed in the response are three tables that show anticipated out-of-state gaming and non-gaming revenues for the first five years of operation on best, average and worst case scenarios. MGM Springfield’s marketing plan includes leveraging the M life loyalty program and cross-marketing with MGM Resorts’ existing properties and customers residing out-of-state (including Connecticut, New York and Canada), collaborating with local, regional and national meeting and tourism partners, cross-marketing with other local entertainment venues and attractions – in particular the MassMutual Center – sponsoring and promoting regional special events and partnering with local, regional and national bus, train and airline operators. We intend to market to our rich M life database in strategically selected cities, and to work with both MOTT and MassPort to encourage greater international visitation to the Commonwealth. Currently, we have not targeted junket operators for MGM Springfield.

#### **4-22 Diversified Regional Tourism**

Non-gaming entities within the boundaries of the gaming establishment complex generally will be owned by MGM Springfield, with the principal exception of outsourced retail and potentially some of the food and beverage venues. Many of the outsourced retail and food and beverage venues will be managed by or in cooperation with local or regional partners. MGM Springfield envisions situations when MGM Springfield may wish to block rooms at neighboring hotels, particularly to accommodate gaming customers. In addition, there will be many situations when our hotel will be at capacity, and we will redirect our customers to area hotels or the GSCVB website. MGM Springfield intends to truly partner with the MassMutual Center to enhance and complement Springfield’s existing convention and conference business. Our sales team and the MassMutual Center sales team will be working closely together, and MGM Springfield will work with the MassMutual Center and area hotels to block rooms for these groups.

MGM Springfield believes it is essential to incorporate both regional restaurateurs and food and beverage vendors into MGM Springfield. Because of the outward-looking nature of MGM Springfield, local restaurants within walking distance of the resort will thrive. Just as important, restaurants and bars located on the public trolley route also will gain exposure to MGM Springfield’s visitors.

MGM Springfield has established numerous cross-marketing relationships in Springfield and throughout Western Massachusetts. We aim to create a visitor experience that is amplified because of increased choice and opportunities. We intend to cross-market attractions such as the Museum Quadrangle, Basketball Hall of Fame, Six Flags New England in Agawam, golf courses, ski resorts, Symphony Hall and City Stage as well as other entertainment venues.

## **MARKET CAPTURE**

### **2-26 Market Analysis**

As a trading center and center of industry, Springfield has long been a strategic location for the Commonwealth and for Western Massachusetts. MGM Springfield is the only resort in the New England gaming market that can offer a true urban experience. The market already contains successful isolated rural casinos. However, what the market does not have is an urban destination that contains more than just a resort. MGM Springfield will be part of Greater Springfield's integrated urban entertainment proposition, which no other location is able to offer. MGM Springfield benefits from both east-west and north-south highway networks as well as ingress/egress from multiple local streets. Springfield is a hub for bus and train service in addition to being located proximate to area airports including a commercial airport in Hartford and the regional airport in Worcester as examples. MGM Springfield is projected to recapture over \$80 million annually of Massachusetts resident gaming spend from neighboring states.

### **2-37 Marketing to In-State Visitors**

MGM Springfield anticipates approximately 50% of gaming revenue and less than 50% of non-gaming revenue will come from in-state visitors. Of the in-state visitors, MGM Springfield anticipates that over 70% will be derived from customers who already are or will become M life members. Enclosed in the response are three tables that outline anticipated in-state gaming and non-gaming revenues for the first five years of operations in best, average and worst case scenarios. MGM Springfield's marketing plan includes leveraging the M life loyalty program and cross-marketing with MGM Resorts' existing properties and customers, collaborating with local and regional tourism agencies, cross-marketing with other local entertainment venues and attractions – in particular the MassMutual Center – sponsoring and promoting regional special events and partnering with local and regional bus operators.

## **WORKING WITH LOCAL BUSINESSES**

### **1-05 Meeting Unmet Needs**

MGM Springfield has established numerous cross-marketing relationships in Springfield and throughout Western Massachusetts. These relationships aim to create a visitor experience that is amplified because of increased choice and opportunities for visitors. We intend to actively cross-market attractions such as the MassMutual Center, Springfield's Symphony Hall and CityStage, the Museum Quadrangle, the Basketball Hall of Fame, Six Flags New England in Agawam, a selection of golf courses and ski resorts, as well as other entertainment venues, including MPAC venues and Tanglewood. We have entered into or are pursuing joint marketing and cooperation agreements with all of these enterprises. In partnership with the Greater Springfield Convention and Visitors Bureau (GSCVB), of which we, the Museum Quadrangle and Basketball Hall of Fame are members, MGM Springfield intends to actively promote both organizations through in-house promotions and promotions among our employees. We will commit to hosting employee family events at each of the facilities and to buy blocks of tickets for customer events and promotions. In addition, we have entered into discussions with the Basketball Hall of Fame to develop a more substantial partnership.

### **3-14 Local Business Promotion**

MGM Springfield will promote local businesses by leveraging its urban location, outward facing design and physical proximity to the numerous existing key assets and businesses in the greater Springfield area. Our Downtown integration plan intends to resurrect a trolley bus system that will run regularly from MGM Springfield through the Downtown area to other Springfield attractions, such as the Basketball Hall of Fame, Symphony Hall/City Stage and the City’s museums. MGM Springfield will be promoting local businesses by not building amenities that directly compete with those in the region. Instead, we intend to cross-market with many of these entertainment venues such as Symphony Hall, CityStage, the Massachusetts Performing Arts Coalition and Tanglewood, as well as other regional entertainment venues. MGM Springfield and the MassMutual Center will undertake a joint marketing and cooperation initiative, in which MGM Resorts will leverage its convention and entertainment relationships to attract more conventions and entertainers to the MassMutual Center. MGM Springfield will leverage the abundant regional resources of Western Massachusetts by partnering with local and regional chefs and retailers, in addition to featuring local artisan farmers, organic production specialist, craft brewers and wine-makers on our menus.

### **3-15 Local Suppliers**

MGM Springfield is dedicated to maximizing the participation of the region’s existing workforce and businesses in the development of the Project.

MGM Springfield has been in discussions with the Carpenter’s local 108 and the Massachusetts Building Trades Council and is committed to supporting their apprenticeship programs, directly and in conjunction with MGM Springfield’s construction firms. This will ensure that our project has a qualified local pool of construction labor when we commence construction.

MGM Springfield is committed to employing local design professionals, contractors, suppliers and vendors for the development and operation of its Project. Accordingly, we are committed to actively engaging the City and region’s business community, specifically minority business enterprises, women business enterprises and veteran business enterprises.

MGM Springfield will proactively educate regional and local businesses on the opportunities presented by the Company, and assist them in identifying strategies to fully participate in the economic development opportunities provided by the Company.

### **3-16 Local Business Owners**

In addition to our Global Procurement group, MGM Resorts has Purchasing teams at our Regional Properties and intends to have a dedicated purchasing team at MGM Springfield. MGM Resorts has established corporate purchasing policies and procedures that guide the procurement of goods and services, and MGM Springfield will also have certain requirements of our suppliers. Prior to launch, MGM Springfield would identify potential suppliers for upcoming bid opportunities with the help of the local business community and Chamber(s) of Commerce. We

would also review MGM Resorts' supplier database for potential suppliers. MGM Springfield already has begun to reach out to local and regional chambers of commerce and business groups. MGM has established a formal relationship with the Berkshire Chamber of Commerce (see Attachment 3-16-02) and has received the formal support of many other groups (see Attachment 3-16-03).

### **3-17 Assisting Businesses**

MGM Springfield is already providing financial assistance to local businesses via Common Capital, which is a community loan fund that provides loans and business assistance services to businesses impacted by the recent tornado and to promote business development and economic revitalization in the disaster designated counties. MGM Springfield has provided \$125,000 in funding to the Disaster Business Recovery Loan Fund. To lay the groundwork to maximize the opportunity to utilize Western Massachusetts' businesses, we have participated in numerous vendor outreach events. In addition to the vendor outreach events discussed here, we also have met with several local business groups and chambers of commerce to assist them in identifying the types of goods and services we will need in the future. Enclosed in our response is a list of local vendors with whom we have had productive discussions and/or established formal relationships. In Attachment 3-16-01, we outline MGM Springfield's process in assisting local businesses in identifying our current needs and how we will lay the groundwork for local businesses to work with us in the future.

### **3-21 Projected Benefit for Regional Businesses**

According to an independent analysis by HR&A Advisors, regional businesses are projected to experience increases in gross revenue. In the average case, the revenue increase is projected at \$72.3 million (2013\$) in Year 2.

The on-going operations of the Project will create revenues for regional businesses primarily through vendor/supplier purchases. These estimates were based on HR&A's independent analysis of MGM-provided profit-and-loss statement. In the Average Case, \$50.8 million (2013\$) is a product of MGM Springfield regional vendor spending with another \$7.2 million expected as a product of MGM Springfield spending on operations and maintenance in Year 2.

Additional revenues for regional businesses would come from the third party retail operating on-site. This includes 33,300 square feet of retail space plus a 2,900 square foot grocery space. As noted previously, HR&A estimated the third party retail spending by applying sales per square foot averages from the 2008 Urban Land Institute's Dollars and Cents Report to project industry sales for the third party retail space. In the stabilized year of the Average Case, this revenue is expected to amount to \$14.3 million (in 2013\$).

As discussed in greater detail in the HR&A report, these estimates likely greatly understate the positive impact on regional businesses once off-site out-of-state visitor spending, additional employee compensation spending and multiplier spending are factored into the equation.

### **3-24 Local Agreements**

Enclosed are the local agreements into which MGM Springfield has entered or proposed to expand gaming establishment draw. All of the enclosed agreements are located in Economic Development Binder 2 of 2.

### **3-25 Cross Marketing**

MGM Springfield has established numerous cross-marketing relationships in Springfield and throughout Western Massachusetts. The goal of these relationships is to create a visitor experience that is amplified because of increased choice and opportunities for visitors. MGM Springfield has entered into cross-marketing agreements with the MassMutual Center, Symphony Hall and CityStage, which will see us promoting various events at all three venues including underwriting and booking a select number of events. In addition, MGM Springfield also has had productive discussions with the Massachusetts Performing Arts Coalition (MPAC) and its member entertainment venues. In partnership with the Greater Springfield Convention and Visitors Bureau (GSCVB), of which we, the Museum Quadrangle and Basketball Hall of Fame are members, MGM Springfield will actively promote both organizations through in-house promotions and promotions among our employees. MGM Springfield has created a cross-marketing relationship with Six Flags New England to create a win-win situation for both organizations.

MGM Springfield is committed to promoting the Franconia Golf Course and Veterans Golf Course to our guests, all of whom will be treated to preferred tee times at both golf courses. MGM Springfield has had initial discussions with Jiminy Peak Mountain Resort in The Berkshires. A relationship between the two entities would likely mutually beneficial, and provide tourism benefits for the region.

### **3-33 Entertainment and Athletic Events**

MGM Springfield will integrate with local entertainment venues through its proposed collaborations with the MassMutual Center, Symphony Hall/CityStage, the Massachusetts Performing Arts Coalition, Tanglewood, as well as other regional entertainment venues. MGM Springfield's approach will be to leverage our marketing strength and entertainment relationships in an attempt to "block book" entertainment acts not only for Springfield but also for other appropriate Massachusetts entertainment venues. MGM Springfield is committed to underwriting, co-promoting and booking at least a combined twelve events per year at MassMutual Center, Symphony Hall and CityStage. We will market these events aggressively to our M life database, and will use them as inducements to attract visitation to MGM Springfield. In Springfield, MGM Springfield has made a commitment to sponsor the MassMutual Center's two home teams – the Springfield Armor (NBA D-League) and Springfield Falcons (American Hockey League). MGM Springfield will leverage these relationships to promote the games to our M life database and will benefit from patronage from event-goers before and after games. MGM Springfield was the lead sponsor for the MAAC Men's College Basketball Tournament that was held in March 2013 at the MassMutual Center.

### **4-21 Tourism Diversity**

MGM Springfield will be a high-caliber facility built with a number of amenities that were strategically chosen to both increase visitation and complement the other amenities in Springfield and the region. For particulars, please refer to Attachments 4-01-01, 4-02-1, 4-14-01, 4-19-01, 4-20-01 and 4-33-01.

We intend to lease a good portion of our retail space to Massachusetts-based businesses. In addition, some of our restaurants will be operated by Massachusetts-based entities. Our regional retail and restaurant operator partners are highlighted in Attachment 4-22-01 and we have discussed numerous potential ways to incorporate food, beverage and retail vendors into MGM-operated outlets in Attachment 4-11-01.

While we are not physically including local operators inside the premises of our Project, we have demonstrated how we will cross-market with and promote local businesses in Attachments 3-14-01, 3-25-01 and 3-26-01, and we have included local agreements as part of our response to 3-24. For our busing programs, we expect to partner with both Tour & Travel as well as Line Run operators. In order to have a successful bus program in the highly competitive North East market, operators advised us that our incentive package for players has to be appealing, including promotional credits, food and retail.

### **4-33 Stimulating Retail Activity**

MGM Springfield will build a 35,000 square-foot outdoor retail component that will be accessible from Main Street. We will strive to create an entertainment destination complex, which will attract millions of customers annually, that is outward-facing and designed to be a catalyst for the development of other retail activity. We intend to implement marketing programs that support surrounding restaurants and retail businesses. The “Outdoor Plaza” of retail will include a selection of local and regional retailers who will benefit from the traffic and visibility provided by their location. In addition, MGM Springfield will use the “Outdoor Plaza” to host community events that promote regional businesses. Attachment 4-11-01 provides further detail relating to our proposed retail program. As part of our “No Business Left Behind” approach, we will seek to partner with local retail businesses in terms of our own procurement activities, as well as the provision of retail services to MGM Springfield employees and guests. In addition, we will promote our neighboring businesses by placing local visitor and business guides, such as the GSCVA Visitors Guide, in our hotel rooms and public areas.

## **HIRING**

### **1-7 Diverse Workforce and Supplier Base**

Since its founding, MGM Resorts has demonstrated a powerful commitment to the philosophy of corporate social responsibility. We recognize, and we actively embrace, that we can seek to maximize profits for our shareholders – our business owners – and at the same time conduct our business in a responsible way. Responsibility to us means that: we comply with ethics and law in

how we handle our business, and we strive to make a positive impact on our surrounding world. We seek to have positive relationships with our employees, our guests, our host communities and to protect the resources of our planet Earth. Beyond our sense of moral obligation, we believe that our social responsibility initiatives will enhance our competitiveness and position our Company for long-term economic growth, and also benefit our host communities. We hire and maintain a diverse, multi-racial and multi-cultural workforce which is reflective of our host communities. We similarly understand that our customer base is diverse, multi-racial, multi-cultural and increasingly global. However, we recognize that diversity without inclusion is incomplete. We cultivate respect for the humanity and contributions of every individual employee because our employees are the lifeblood of our business. We realize that to achieve the highest level of performance of our work teams, and to deliver genuinely superior service to our guests, we must motivate each employee to perform at the highest levels each and every day. We therefore foster an inclusive culture of excellence enterprise-wide aligned with our business mission – organized around universal employee engagement, individual responsibility, individual empowerment to express diverse opinions and perspectives, inspired leadership, consistent peak performance, team collaboration, innovation, accountability, and above all, positive recognition for a job well done. Diversity and inclusion promote greater unity in our Company around a shared common vision in achieving our business mission – which is to engage, entertain and inspire our guests during every interaction. MGM Springfield will advance this business model and work culture. MGM Resorts has maintained an over 30% representation of minorities in management and over 40% representation of women in management for the last five years. As a market leader in diversity and inclusion, in April 2013, MGM Resorts earned the Number One ranking on the “Top 10 Regional Companies” list compiled by DiversityInc, one of the nation’s leading resources on diversity best practices and trends. Additionally, DiversityInc recognized MGM Resorts as Number 8 on the 2013 “Top 10 Companies for Latinos.”

### **3-01 Studies and Reports**

In response to the question, we have attached a report from HR&A Advisors. The HR&A report contains an analysis of the economic benefits to the Commonwealth, regional and local level during both construction and operations. The report also addresses the impact on local and regional businesses as well as cultural institutions. The report concludes that during construction, the Project will generate \$663.0 million of economic spending in Region B and an additional \$27.1 million of economic spending elsewhere in the Commonwealth. The Project is estimated to generate 4,600 construction jobs in Region B and an additional 40 jobs in the Commonwealth. All in, the Project is estimated to create over \$176 million of wages during construction. The report concludes that during the first stabilized year of operations, the Project will generate between \$470 and \$559 million of economic spending in Region B and an additional \$21 to \$25 million of economic spending elsewhere in the Commonwealth. The Project is estimated to generate between 4,660 and 5,470 permanent jobs in Region B and an additional 60 to 70 jobs in the Commonwealth. All in, the Project is estimated to create over \$174 and \$202 million of annual wages. While MGM Springfield has included a significant amount of retail and restaurant space within its proposed program, it does not include a performance venue. Instead, it plans to promote local entertainment a network of regional relationships. Most significantly, these include programming four annual events of MGM typical quality at the neighboring MassMutual Center, six total annual events of MGM typical quality at Springfield Symphony Hall/City Stage, plus an additional two events at either of the previous venues. In addition, MGM has formed or



is seeking partnerships with regional organizations, festivals, entertainment venues, museums, visitors bureaus, chambers of commerce and attractions.

### **3-02 Employees**

MGM Springfield will employ approximately 3,254 men and women. MGM Resorts has created a culture and an environment that encourages employees to make the most of their diverse perspectives and abilities to achieve truly rewarding careers. We will continue to provide superior training and quality benefits for MGM Springfield’s employees. MGM Resorts is committed to continued economic development and growth in the communities in which we operate. We execute recruitment and training programs that positively impact our local economies and their residents. MGM Resorts emphasizes education and training to develop the skills so that employees may advance along their proper career paths.

### **3-04 Underemployment**

MGM Springfield has an extensive plan to focus on providing good job opportunities and training for those areas of Western Massachusetts that are experiencing high unemployment and underemployment. We have built relationships with a number of state, regional, city and private employment-support agencies so that they may partner with us to provide training and assistance to the region’s unemployed and underemployed. With our help and involvement, these agencies will provide job-readiness and skills trainings, sourcing candidates and hosting career fairs. Each agency provides a unique opportunity to reach potential employees from various locations, demographics and socio-economic backgrounds. In addition to partnering with employment-support agencies, MGM Springfield has built relationships with cultural organizations throughout Western Massachusetts because MGM Springfield is committed to creating a diverse workforce. We are engaging in ongoing dialogue with organizations such as the Puerto Rican Cultural Center in Springfield, the Urban League of Springfield, the NAACP of Greater Springfield and the Massachusetts Latino Chamber of Commerce to receive support in sourcing a diverse workforce.

### **3-05 Experience with Hiring Unemployed and Underemployed**

MGM Resorts has a strong history of successful employment and training programs that have positive impacts on communities. Across our properties, we demonstrate our commitment to hire in areas and demographics of high unemployment and underemployment, as well as provide career opportunities for minorities, welfare-to-work participants and other target populations. Each effort is designed to meet the specific needs of the community and done with full partnership of local supporting agencies. In 1993, MGM Resorts helped build the Culinary Training Academy in Las Vegas, Nevada. In 2012, we partnered with the Red Cross to form The Boots to Business Program, which helps veterans transition from military service into management positions at our properties. In June 2013, we expanded our commitment to The Boots to Business Program through a grant of \$250,000 to the Red Cross Service to the Armed Forces (SAF) Giving Program. In Western Massachusetts, the grant will support the identification, recruitment and transition support for veterans into existing community-based employers. When MGM Resorts entered into the Detroit market, we realized that while a skilled workforce existed, their skills were in the declining manufacturing sector and not in the

hospitality industry. Before opening, MGM Grand Detroit committed to recruiting and training a workforce in areas of high unemployment and underemployment.

### **3-06 Plan for Workforce Development**

Attached is our plan for workforce development as set forth in the host community agreement. We have not included our workforce development plans in our surrounding community agreements but intend to include those labor forces in our overall workforce development strategy.

## **ECONOMIC IMPACT**

### **1-03-01 p. 7**

Through our retail offerings, MGM Springfield has struck a very important balance that provides a unique and compelling retail destination able to cater to regional customers, but without competing with local Massachusetts-based retail venues. For example, we specifically sought out a Mac reseller, as opposed to an anchor Apple store, which is an anchor in the neighboring and successful Holyoke Mall. Similarly, for women's apparel we are targeting brands such as "Black and White," which anchors Blue Back Square in West Hartford, Connecticut. Rather than being ad hoc, our retail strategy is very calculated to attract key target customer segments and not cannibalize existing Massachusetts businesses.

**SPRINGFIELD AND SURROUNDING COMMUNITIES ATTRACTIONS** The Greater Springfield area is rich in diversity of cultural attractions and recreational resources. These include the Basketball Hall of Fame, museums (such as the Dr. Seuss National Memorial Sculpture Garden), amusement parks, fairgrounds, colleges and outdoor activities. The site is located across the Connecticut River from the Big E fairgrounds, north of the Six Flags Amusement Park, within blocks of multiple museums and north of Forest Park Zoo. The wider Connecticut River valley includes agricultural and natural areas, many colleges, tourist attractions, music venues (such as Tanglewood) and historic sites.

### **2-18 Revenue Generation**

MGM Springfield has commissioned a gaming revenue study from Union Gaming Group (Attachment 2-18-03). The purpose of this study was to provide an independent perspective on the potential gaming revenue of MGM Springfield. MGM Springfield has commissioned an economic impact study from HR&A Advisors that includes projections of tax receipts for the City of Springfield and the Commonwealth, contained as Attachment 2-18-02. During the first stabilized year of operations in the Average Case, HR&A is projecting a net change in municipal revenue of approximately \$26.6 million (in 2013). Sources of tax revenue include payments resulting from MGM Springfield's Host Community Agreement, hotel (excise) and meals taxes. The estimate does net out existing property taxes on the MGM Site. During the first stabilized year of operations in the Average Case, HR&A is projecting Commonwealth tax revenue of \$128.1 million (in 2013). Sources of tax revenue include gaming, hotel (excise and sales), food

& beverage, personal income tax and anticipated Commonwealth lottery proceeds. The above taxes were calculated from two sources – direct spending at MGM Springfield and by direct off-site spending by out-of-state visitors in either the City or Commonwealth. Note the above estimates do not include tax revenue resulting from indirect/induced impacts.

## **2-19 Projected Gaming Revenue**

Under the Average Case Scenario, MGM Springfield is projected to generate gaming revenue of \$412.2 million, \$485.0 million, \$499.5 million, \$512.0 million and \$524.8 million, respectively, during the first five years of operations.

## **2-20 Projected Non-Gaming Revenue**

Under the Average Case Scenario, MGM Springfield is projected to generate non-gaming revenue of \$105.3 million, \$123.5 million, \$127.2 million, \$130.3 million and \$133.6 million, respectively, during the first five years of operations. All other scenarios are detailed in our attached response.

## **2-21 Projected Tax Revenue to the Commonwealth**

According to a study by HR&A Advisors, under the Average Case Scenario, the tax revenue to the Commonwealth, including gaming taxes and fees directly resulting from MGM Springfield, is estimated to be \$111.9 million, \$128.1 million, \$128.7 million, \$128.8 million and \$128.9 million (in 2013), respectively during the first five years of operations.

For the Best Case Scenario, Commonwealth tax revenue is estimated to be \$118.9 million, \$136.1 million, \$136.8 million, \$136.9 million and \$137.0 million in 2013\$, respectively, during the first five years of operations.

For the Worst Case Scenario, Commonwealth tax revenue is estimated to be \$90.3 million, \$103.3 million, \$103.8 million, \$103.9 million and \$103.9 million in 2013\$, respectively, during the first five years of operations.

In Year 2 of operations for the Average Case, the estimated mix of Commonwealth taxes is as follows: Gaming Taxes/Fees (\$110.5 million), Sales Tax (\$7.4 million), Hotel Excise (\$1.6 million), Personal Income (\$4.7 million) and Commonwealth lottery proceeds (\$4.0 million).

The above taxes were calculated from two sources – direct spending at MGM Springfield and by direct off-site spending by out-of-state visitors in either the City or Commonwealth.

Note the above estimates do not include tax revenue resulting from indirect/induced impacts.

Note the above estimates do not include tax revenues received by the City of Springfield or surrounding communities.

## **2-31 Business Plan**

MGM Springfield, located in the South End of Downtown Springfield, will represent the finest urban resort, gaming and entertainment experience in New England. We will create a high-quality urban destination entertainment experience at the crossroads of New England. MGM Springfield will attract new tourists and residents to Western Massachusetts, revitalize the region's communities and businesses and forge strong physical connections to the areas many existing attractions. As impressive as the unique brands of MGM Resorts are, it is the dedicated creative team that develops and executes complex strategic and operations plans that enhance our success. For example, 2011 marked the introduction of M life, our loyalty marketing program that rewards members for virtually every dollar they spend across our many iconic resorts. In addition, MGM Resorts has national and international reach through its marketing offices as well as marketing alliances. The breadth, depth and quality of our resorts and the experience planned for MGM Springfield make us the most compelling option to operate successfully in the competitive Northeast casino-resort market, particularly against mega-resorts such as Foxwoods and Mohegan Sun in Connecticut. The attached Business & Marketing Plan quantifies our key channels of business (M life, Air/Bus/Rail, Off-Site Events, Conventions, Tourists Outside of the MGM and Unrated/Untracked Guests) and discusses how we will approach attracting business from these channels.

## **2-32 Maximum Facility Use**

MGM Springfield is uniquely positioned to meet the cyclical and seasonal nature of tourism through the wide range of marketing tactics detailed in the MGM Springfield Marketing Plan (documented in Attachments 2-31-01, 2-34-01, 2-36-01 and 2-37-01). Because MGM Springfield is a complete integrated resort offering a wide range of business options (casino, hotel, meetings, conventions, tours, community entertainment/event/attraction partners), we are able to use several “levers” to provide as much consistency in business volume as possible. Throughout the year (in particular during the winter months), MGM Springfield will promote special events in the region and work with attractions and venues. Enjoying good relationships with tour operators, as well as direct relationships with ski resorts, will help MGM Springfield to fill hotel rooms and provide a boost to regional visitation, enhancing the competitiveness of Massachusetts ski resorts relative to surrounding states.

With a database of more than 60 million customers and 31 million M life members, we are able to effectively shift business volumes around MGM Resorts' properties based on need through our M life marketing efforts. In fact, through the strategic planning process, seasonal/cyclical considerations are one of the driving forces behind our marketing tactics and they are reviewed and updated on a regular basis.

## **2-35 New Revenue**

MGM Springfield has commissioned a study from HR&A Advisors that details the economic benefits to the Commonwealth and the region. For purposes of its analysis, HR&A defined the region as the four counties comprising Western Massachusetts. The study evaluates a number of

both positive and potentially negative economic factors resulting from the project. The HR&A study concludes that the economic impact of the Project is overwhelmingly positive as a result of positive economic factors, including the recapture of gaming revenue from surrounding states, visitor spending outside the Project at other regional businesses, spin-off benefits from new jobs created at MGM Springfield and ongoing spending by MGM Springfield with regional vendors, all of which far outweigh any potential negative impacts.

### **3-28 Other Amenities**

Plans for attractions and amenities beyond hotel, gaming, restaurants and in-house entertainment are more extensively outlined in the attached response.

MGM Springfield intends to enter into an Art Display and Consignment Agreement with Studio 9, a non-profit art gallery in Downtown Springfield, operated by John Simpson, an art professor at the Commonwealth Honors College of the University of Massachusetts at Amherst. Under this agreement, MGM Springfield would display at any time original works of art created by Massachusetts high school and college students and other local and regional artists.

MGM Springfield will include a Luxury Cinema and Bowling Complex. The inclusion of these amenities is purposeful. MGM Resorts is committed to helping in the development of a proper “Live, Work, Play” environment in the heart of Springfield, which can only be achieved by developing amenities that attract people to the City.

### **3-33 Entertainment and Athletic Events**

MGM Springfield will integrate with local entertainment venues through its proposed collaborations with the MassMutual Center, Symphony Hall/CityStage, the Massachusetts Performing Arts Coalition, Tanglewood, as well as other regional entertainment venues.

MGM Springfield’s approach will be to leverage our marketing strength and entertainment relationships in an attempt to “block book” entertainment acts not only for Springfield but also for other appropriate Massachusetts entertainment venues.

MGM Springfield is committed to underwriting, co-promoting and booking at least a combined twelve events per year at MassMutual Center, Symphony Hall and CityStage. We will market these events aggressively to our M life database, and will use them as inducements to attract visitation to MGM Springfield.

In Springfield, MGM Springfield has made a commitment to sponsor the MassMutual Center’s two home teams – the Springfield Armor (NBA D-League) and Springfield Falcons (American Hockey League). MGM Springfield will leverage these relationships to promote the games to our M life database and will benefit from patronage from event-goers before and after games. MGM Springfield was the lead sponsor for the MAAC Men’s College Basketball Tournament that was held in March 2013 at the MassMutual Center.

#### **4-11 Non-Gaming Amenities**

We will offer a diverse range of entertainment options that will make MGM Springfield attractive to a broader demographic of gaming and non-gaming guests. MGM Springfield will deliver a portfolio of experiences that reflect the diversity and multiplicity of tastes and preferences in the local area. Restaurants from both celebrity chefs and up-and-coming local restaurateurs of distinction will incorporate the traditions, culture, spirit and energy of the surrounding communities. A restaurant strategy that reflects environmental stewardship and the principles of sustainability will be central to our decisions on concepts, partners and suppliers. MGM Springfield will have indoor and outdoor retail. There will be 8,000 square feet of branded retail integrated into the podium areas of the Project. In MGM’s “Outdoor Plaza”, there will be 35,000 square feet of leasable space that will include a mix of retail and additional food and beverage venues. The retail will focus on both national brands and retailers that are based in Western Massachusetts. These indoor and outdoor retailers will benefit from the traffic and visibility that the MGM Springfield location will provide. MGM Springfield will also include a Luxury Cinema and a Bowling Complex, both of which do not already exist in Downtown Springfield. The inclusion of this complex in the Project is purposeful. Many of these amenities will contribute to the development of a proper “Live, Work, Play” environment in the heart of Springfield, which can only be achieved by amenities that attract new working residents to the City. It is our goal that the construction of these non-gaming amenities will foster further economic development within the Downtown vicinity and the broader region.

#### **4-14 Serving the Surrounding Community**

One of the guiding principles of MGM Springfield is the embrace of the “Live, Work, Play” concept. MGM Springfield will strive to increase the appeal of Springfield and the South End for existing residents and to attract new young professionals to the City.

MGM Springfield’s amenity offerings will enhance the appeal of Springfield’s existing entertainment options, such as the MassMutual Center, Symphony Hall and CityStage. Rather than just seeing a show at one of these venues, visitors can have a complete entertainment experience in the Downtown.

Springfield’s surrounding communities will benefit from the introduction of a portfolio of widely diverse restaurants. The overarching philosophy of our venues is to source locally grown fresh ingredients. The depth and availability of local providers allows MGM Springfield to introduce locally sourced materials at almost every level of our offerings. In doing so, we financially support local business owners and greatly reduce the carbon footprint of our finished product. Through national known celebrity chefs, local restaurateurs and locally sourced materials, we hope to help Springfield stand out as a destination for superior quality dining that will compel visitors to stay longer and dine.

The MGM Springfield apartments will offer a new option for those residents that prefer to live in buildings with modern facilities. These apartments will target young professionals who want to live near MGM Springfield’s ample supply of retail and entertainment options. MGM Springfield intends to serve the surrounding community by organizing events that promote regional businesses and artists in the Project’s Outdoor Plaza. We hope to host events such as

vendor showcases, farmers’ markets, food/beer/wine festivals, arts & crafts fairs and live music from local artists. In addition, we anticipate that these and similar events will increase traffic at local restaurants and bars.

#### **4-14-01 OVERVIEW**

One of the guiding principles of MGM Springfield is the embrace of the “Live, Work, Play” concept. MGM Springfield will strive to increase the appeal of Springfield and the South End for existing residents and to attract new young professionals to the City. The development elements that focus most on this concept include: • 54 market-rate apartments • An Outdoor Plaza capable of hosting free entertainment and community events, including food-drive drop-off location, farmers’ markets, vendor fairs, art exhibitions, etc. • Ice skating rink • Luxury Cinema and Bowling Alley – neither is currently offered in Downtown Springfield • A retail program, envisioned to include access to a pharmacy and grocery services with a wide selection of fresh fruits and vegetables – both staples for healthy urban living • A selection of local and regional retail tenants, who will benefit economically from the traffic and visibility provided by MGM Springfield MGM Springfield’s amenity offerings, especially its restaurants, will enhance the appeal of the MassMutual Center, Symphony Hall and CityStage by enhancing the Downtown Springfield entertainment experience. Rather than just seeing a show at one of these venues, visitors instead can have a complete entertainment experience, coupling a concert or film with a meal at MGM Springfield.

**FOOD AND BEVERAGE** The surrounding communities of Springfield benefit in many ways by the introduction of a portfolio of widely diverse restaurants. The overarching philosophy of our venues is to source locally grown fresh ingredients. We are exploring relationships with local and regional farms, wineries and breweries in Western Massachusetts such as Berkshire Farms, Chase Hill Farms, Shepherds Gate, Berkshire Brewing Company, Echo Hill Winery and Amherst Brewery. The depth and availability of local providers allows MGM Springfield to introduce locally sourced materials at almost every level of our offerings. In addition to the obvious financial support for business owners, the use of local suppliers also helps reduce the carbon footprint of our finished product. The addition of nationally known celebrity chefs contributes to the cachet and credibility of the local dining scene. Helping Springfield stand out as a destination for superior quality dining will convince visitors to stay longer and dine. Both celebrity partners, Tom Colicchio and Bill Kim, have a broad range of media experience. Partnering with Massachusetts restaurateurs (Joe Frigo, Wayne Hooker and Anthony Ackil) exposes them to volumes of new consumers, thus enabling them to grow their business organically. The availability, approachability and quality of MGM Springfield’s offerings across all meal periods will encourage use from local businesses and tourists alike. The holistic approach to health and wellness in our menus will offer consumers options that are both expeditious and focused on nutrition. The synergy and dynamics of diverse restaurant offerings is good for hospitality businesses within walking distance of MGM Springfield. RETAIL Springfield has a rich history as an urban shopping center with numerous retail outlets on its streetscape. MGM Springfield’s retail offerings will add a fresh new dimension to that streetscape. As stated above, one of MGM Springfield’s significant contributions to the community will be to provide access to pharmacy and grocery services in the Downtown – both staples for healthy urban living. In addition, among the tenants will be a selection of local and

regional retailers that will benefit economically from the traffic and visibility provided by MGM Springfield.

**APARTMENTS** The MGM Springfield apartments will offer a new option for those residents that prefer to live in buildings with modern facilities. These apartments will target young and empty-nesters who want to live near MGM Springfield’s ample supply of entertainment options.

**OUTDOOR PLAZA** MGM Springfield will leverage its Outdoor Plaza to host community events that promote regional businesses – particularly during the warmer months. Some of the types of events could include: • Vendor showcases • Farmers’ markets • Food/beer/wine festivals • Arts and crafts fairs • Live music from local artists MGM Springfield envisions providing a variety of events that will provide a venue for regional businesses and artists to showcase their talents in front of a new audience.

**ENTERTAINMENT** MGM Springfield’s entertainment offerings in the Downtown area will increase traffic at local restaurants and bars by encouraging foot traffic through its outward-facing design. The Luxury Cinema and TAP 300 Bowling Complex are completely new features, as Downtown Springfield does not currently offer either a cinema or bowling alley. In addition, these venues will have regional appeal as they will offer a differentiated product to what is currently available in Western Massachusetts.

**ICE SKATING RINK** Like the Rockefeller Center’s ice rink in New York, the MGM Springfield ice skating rink will be an annual iconic attraction and a real sense of pride for the community. As many cities celebrate the lighting of their Christmas trees, we believe the unveiling of the ice rink will be an event families in the area look forward to annually

#### **4-15-01**

MGM Springfield will not include any significant live entertainment venues. The following entertainment elements are anticipated to be included in MGM Springfield and are discussed in more detail in 4-11-01. • Luxury cinema – several luxury movie theaters

- Bowling – state-of-the-art luxurious bowling experience
- The Armory - a multi-level, contemporary dining and entertainment venue set within the Armory’s historic walls that will include an exterior performance stage overlooking the Outdoor Plaza
- TAP - a classic American sports bar
- Belly Q2 - a unique pan-Asian dining and nightlife-lounge experience
- Ice rink (winter) – to be located each year in MGM Springfield’s Outdoor Plaza

#### **4-19 Qualities of Amenities**

When developing MGM Springfield’s amenities package, MGM Resorts worked toward creating experiences that are complementary to and will raise the profile of the area and its existing amenities. MGM Springfield’s presence in the market will broaden the City’s ability to attract more citywide meetings and convention business by offering consumers more rooms and a luxury product. MGM Springfield’s four-star hotel rooms will be positioned in the luxury segment, and the rates typically will be positioned higher than existing hotels in the market. This will increase Springfield’s appeal as a citywide convention market as the hotels will offer a greater diversity of price points. MGM Springfield’s food and beverage program will introduce



some of the area's best known restaurateurs to a wider audience and attract celebrity chefs to the Project. MGM Springfield will feature locally known food-and-beverage favorites, who will benefit from the expected eight million annual visitors to MGM Springfield. In cases where a local chef or restaurateur is not featured, MGM Springfield will endeavor to highlight locally sourced products and, when possible, actively feature these items on the menu. MGM Springfield will offer a luxury movie-theater experience with plush chairs and on-site dining as well as a bowling area that will function as much as a place to congregate as a traditional bowling center of yesteryear.

MGM Springfield's retail program will serve as the catalyst for the area along Main Street, creating the likely scenario where there will be more new retail opportunity for local businesses in the future.

#### **4-22-01**

**OVERVIEW** Non-gaming entities within the boundaries of the gaming establishment complex generally will be owned by MGM Springfield, with the principal exception of outsourced retail and potentially some of the food and beverage venues. Many of the outsourced retail and food and beverage venues will be managed by or in cooperation with local or regional partners. In this way, patrons will be able to experience aspects of the diversified regional tourism industry actually on property. These relationships with respect to retail and food and beverage are discussed in more detail in Attachment 4-11-01. MGM Springfield has entered into or anticipates entering into many partnerships and collaborations with a wide range of local hotel, dining, retail and entertainment facilities. These relationships have been documented in great detail in many other areas of this Application and are summarized below.

**HOTELS** Because of the close proximity and marketing relationship between MGM Springfield and the MassMutual Center, MGM Springfield will be able to attract additional business. As a result, and in collaboration with area hotels that are within walking distance or trolley ride from the MassMutual Center, MGM Springfield clearly will be able to benefit these properties by increasing their occupancy rates. Other businesses, including MGM Springfield, also will benefit from this increased visitation. MGM Springfield envisions situations during busier times of the year when MGM Springfield may wish to block rooms at neighboring hotels, particularly to accommodate gaming customers. In addition, because our sales team and the MassMutual Center sales team will be working so closely together, there will be other instances when, in order to accommodate large groups or groups seeking multiple hotel price points for their guests, MGM Springfield will work with the MassMutual Center and area hotels to block rooms for these groups. There will be many situations when our hotel will be at capacity. In these instances, we will direct callers to area hotels or the GSCVB Website. Particularly during the summer and during many weekends throughout the year, MGM Springfield's 250 hotel rooms will not be enough to meet the likely demand.

**CONVENTION FACILITIES** MGM Springfield intends to make the MassMutual Center a true partner in enhancing and complementing Springfield's existing convention and conference business. MGM Resorts is the worldwide leader in the convention and meeting industry and we anticipate working with the MassMutual Center to jointly market the City's convention and meeting space to regional convention planners. Please refer to Attachments 4-12-01, 4-13-01 and 3-26-01 for further information relating to the details of our partnership with the MassMutual Center.

**RESTAURANTS** MGM Springfield believes it is essential to incorporate both regional restaurateurs and food and beverage vendors into MGM Springfield. This situation will allow them to showcase their talents to millions of visitors each year. Because of the outward-looking nature of MGM Springfield, local restaurants within walking distance of the resort will thrive. Just as important, restaurants and bars located on the public trolley route also will gain exposure to MGM Springfield’s visitors. Depending on the season, restaurants and bars on Worthington Street, including Theodore’s Blues, Booze and BBQ and other local eateries, will benefit from the increased foot and trolley traffic. Although MGM Springfield does not plan to participate in a wide-ranging regional “comping” program, we may enter relationships with a limited number of restaurants in which our guests can receive what we call Express Comps to these outlets. In order to broaden the region’s appeal to our visitors, we will source locally and include a portfolio of local chefs and retailers within MGM Springfield. The overarching philosophy of our venues will be to source locally grown fresh ingredients. We intend to feature local and regional farms, wineries and breweries on our restaurant menus. MGM Springfield is exploring relationships with Berkshire Brewing Company, V-One Vodka, Berkshire Farms, Chase Hill Farms, Shepherds Gate, Echo Hill Winery and Amherst Brewery. The depth and availability of local providers allow MGM Springfield to introduce locally sourced materials at almost every level of our offerings.

**OUTDOOR PLAZA AND RETAIL PROGRAM** MGM Springfield will leverage its Outdoor Plaza to host community events that promote regional businesses – particularly during the warmer months. Some of these events could include: • Vendor showcases • Farmers’ markets • Food/beer/wine festivals • Arts and crafts fairs • Live music from local artists

MGM Springfield envisions a variety of events that will provide a venue for regional businesses and artists to showcase their talents in front of a new audience. Over time, we believe that the outward-facing design of the Outdoor Plaza’s retail block will allow for the natural evolution of a streetscape on Main and Union Streets where other retail, restaurant and bar facilities would open over time. Please refer to Attachments 4-11-01 and 4-33-01 for greater detail relating to MGM Springfield’s retail program and Outdoor Plaza.

**ENTERTAINMENT VENUES** MGM Springfield has established numerous cross-marketing relationships in Springfield and throughout Western Massachusetts. The goal of these relationships is to create a visitor experience that is amplified because of increased choice and opportunities for visitors. These relationships include cross-marketing attractions such as: • The Museum Quadrangle and Basketball Hall of Fame • Six Flags New England in Agawam • Golf courses • Ski resorts • The MassMutual Center • Symphony Hall and CityStage • Other entertainment venues, including MPAC venues and Tanglewood MGM Springfield will integrate with local entertainment venues through its joint marketing partnerships with the MassMutual Center and Symphony Hall/ CityStage, and through its proposed collaborations with the Massachusetts Performing Arts Coalition and Tanglewood, as well as other regional entertainment venues. These important partnerships are designed to attract new customers to the region for the mutual benefit of MGM Springfield and such venues. Please refer to Attachments 3-25-01 and 3-26-01 for more detailed information relating to these partnerships, and Attachment 3-33-01 for how MGM Springfield has already started to enhance the existing entertainment offerings in Springfield.

## **MITIGATION**

### **1-03-01 p. 8 “Do No Harm”**

Unlike the Mohegan Sun and Foxwoods entertainment venues in Connecticut that impose punitive radius restrictions, that at least in the case of Western Massachusetts, keep entertainment acts from performing in their venues, MGM Springfield will impose no such restrictions on any non-casino affiliated Massachusetts-based entertainment venues;

### **3-21 Projected Benefit for Regional Businesses**

According to an independent analysis by HR&A Advisors, regional businesses are projected to experience increases in gross revenue. In the average case, the revenue increase is projected at \$72.3 million (2013\$) in Year 2. The on-going operations of the Project will create revenues for regional businesses primarily through vendor/supplier purchases. These estimates were based on HR&A’s independent analysis of MGM-provided profit-and-loss statement. In the Average Case, \$50.8 million (2013\$) is a product of MGM Springfield regional vendor spending with another \$7.2 million expected as a product of MGM Springfield spending on operations and maintenance in Year 2. Additional revenues for regional businesses would come from the third party retail operating on-site. This includes 33,300 square feet of retail space plus a 2,900 square foot grocery space. As noted previously, HR&A estimated the third party retail spending by applying sales per square foot averages from the 2008 Urban Land Institute’s Dollars and Cents Report to project industry sales for the third party retail space. In the stabilized year of the Average Case, this revenue is expected to amount to \$14.3 million (in 2013\$). As discussed in greater detail in the HR&A report, these estimates likely greatly understate the positive impact on regional businesses once off-site out-of-state visitor spending, additional employee compensation spending and multiplier spending are factored into the equation.

### **3-30 Regional Economic Plan Coordination**

Springfield is one of the most economically challenged cities in the Commonwealth, and MGM Springfield intends to help the City restore its economic health by focusing on the development of a dynamic tourism and entertainment cluster. MGM Springfield will deliver investment, good jobs, training, enhanced regional entertainment, tourism growth and significant partnerships/marketing relationships with local and regional entertainment and cultural institutions. MGM Springfield is located within Springfield’s urban core and has been designed to complement existing architecture, to reconnect many of the City’s existing attractions and entertainment and cultural assets, and to partner with many of the City’s existing businesses. In support of the Rebuild Springfield Plan, MGM Springfield will develop 54 apartments, enhance the residential experience in the South End through a mix of commercial and retail options, partner with local institutions, increase walkability in the Downtown, and improve existing and introduce new public spaces. MGM Springfield aligns with the Pioneer Valley Plan For Progress and supports their seven overarching principles for successful economic development. These include urban investment, industry clusters, education and diversity. More than 50% of the project site is comprised of vacant buildings, parking lots and condemned buildings. Hospitality and tourism is a targeted industry cluster that can quickly create a large number of high-quality

jobs. MGM Springfield will create over 3,000 good-paying jobs and has already established a number of partnerships with local educational institutions and employment training and placement agencies. We have already taken steps to continue our commitment to hiring and training employees from diverse backgrounds, and MGM Springfield will have a workforce that reflects the region's diversity.

#### **4-30 Minimizing Noise and Lighting**

To address the potential concern of noise in the community related to the Project, a sound-level impact assessment was conducted, including the measurement of existing sound levels in the vicinity of the site and an estimate of future sound levels once the Project is in operation. The predicted future sound levels were compared to existing background levels, and impacts were evaluated against the Massachusetts Department of Environmental Protection (MassDEP) Noise Policy. The analysis indicates that predicted sound levels from Project-related mechanical equipment with appropriate noise mitigation will result in sound level increases that are at or below the limit established by the MassDEP Noise Policy. MGM Springfield is committed to making every reasonable effort to minimize the noise impact of construction activities.

#### **5-6 Mitigation**

MGM Springfield recognizes and acknowledges that the construction and operation of the Project will cause direct and indirect impacts on the City, which will require that the City and other governmental units of the City provide continuing mitigation of Community Impacts so that City residents, including the additional temporary and permanent workforce and the increased number of expected visitors to the City related to the Project, will receive substantially the same level of health, safety, welfare and educational services as are currently provided to City residents and visitors.

All financial commitments are summarized in the Concise Summary of HCA that was published in accordance with M.G.L. 23K, §15(13), and can be found in Attachment 5-05-02. MGM Springfield's payment to the City to allow for the mitigation of Police, Fire, EMS, and Education issues is shown in Section 4.1 and Exhibit A of the HCA. Per Section 4.11 of the HCA, MGM Springfield will cooperate in the preparation of a health impact assessment to be conducted by Partners for a Healthier Community, Inc. being funded by the Pew Trusts which will assess the health impacts of a casino located in the City. For additional steps that MGM Springfield is taking in the area of building awareness, prevention and treatment of problem gaming, please refer to Attachment 5-31-01. Please refer to Attachment 5-33-01 for all details relating to traffic mitigation.

MGM Springfield shall be responsible for the cost of the sewer and water main work as set forth in that certain April 24, 2013 letter to MGM Resorts Development, LLC from Timothy J. Williams of Allen & Major Associates, Inc., a copy of which is included as Schedule 1 to Exhibit E in the HCA (Attachment 5-04-01), as the same may be modified from time to time by agreement of MGM Springfield and the City. An outline of the mitigation agreement established between MGM Springfield and displaced tenants at the Project Site who agree to relocate within

the City, displaced tenants at the Project Site who agree to relocate within the Business Improvement District, and Union Station is enclosed in this response.

### **5-17 Mitigation**

We have conducted economic and social impact studies, which confirm that any adverse impact suffered by any community will likely be more than offset by the positive economic impacts that come from new employment and economic development, including our targeted \$50 million in annual local spending. With respect to traffic, our peer-reviewed studies and analyses have consistently projected that the traffic impact of MGM Springfield is largely complementary to the existing traffic flows, and the traffic is dispersed over various roadways, principally Interstates 91 and 291. Nonetheless MGM Springfield has proposed a surrounding community agreement structure that further protects communities through (i) both upfront and annual funding for surrounding communities' consultants, (ii) an annual minimum mitigation payment, and (iii) "look back" studies to determine any necessary further mitigation based on real data. With respect to the "look back" studies, MGM Springfield will fund a baseline study by a neutral and independent third party measuring the baseline conditions in each of the signatory communities. That same third party would then be funded to perform subsequent reviews of those same conditions following the opening of the project to the public. To the extent that these look back studies reveal a net significant adverse impact directly caused by the Project to those communities and Commonwealth mitigation funding is not available to address them, MGM Springfield will provide funding to mitigate those impacts. This method allows future mitigation payments to be based on actual impacts as they arise, rather than guesswork. It also protects a surrounding community from unfunded future impacts if an insufficient fixed impact fee had been negotiated upfront.

## **OTHER**

### **1-02 Efficient Infrastructure**

The MGM Springfield site will allow for the construction of a large casino with only limited improvements to existing water, sewer, and road networks surrounding the facility. The improvements to the water network include the replacement of mains dating back over 100 years. The proposed project will also utilize the existing sewer infrastructure available within the development parcels and in adjacent rights-of-way. Based on communications between the Developer and the Springfield Water & Sewer Commission (SWSC), the existing sewer system has the capacity to handle the projected average daily sewer flow, thus no improvements to the current sewer system are anticipated. While improvements at certain street intersections are anticipated, no new road lanes are needed beyond isolated turn lanes near or into the Springfield site. Finally, the addition of a casino to a big city like Springfield is likely to present only a marginal increase in the demands on local police, fire, and garbage collection services. My understanding is that the Developer and the city have quantified that incremental impact and that the Developer has committed to millions of dollars in both upfront and annual funding in its host

community agreement to reimburse the city for those costs. For these reasons, it can be said confidently that, from the perspective of Efficient Infrastructure, the MGM Springfield site is a superior location.

#### **4-30 Minimizing Noise and Lighting**

To address the potential concern of noise in the community related to the Project, a sound-level impact assessment was conducted, including the measurement of existing sound levels in the vicinity of the site and an estimate of future sound levels once the Project is in operation. The predicted future sound levels were compared to existing background levels, and impacts were evaluated against the Massachusetts Department of Environmental Protection (MassDEP) Noise Policy. The analysis indicates that predicted sound levels from Project-related mechanical equipment with appropriate noise mitigation will result in sound level increases that are at or below the limit established by the MassDEP Noise Policy.

MGM Springfield is committed to making every reasonable effort to minimize the noise impact of construction activities.

#### **4-35 Regional Water Facilities**

The Springfield Water and Sewer Commission (SWSC) supplies the City of Springfield with its drinking water. Springfield's primary water supply is the Cobble Mountain Reservoir. Waters flow from the Reservoir to the West Parish Water Filtration Plant in Westfield, where it is filtered and treated. The Ludlow Reservoir is maintained as an emergency water supply. We have evaluated the impact that MGM Springfield would have on the SWSC's water supply and infrastructure, taking into account the Project's cumulative demand for water. Based on the Massachusetts State Environmental Code, Title 5 (310 CMR 15.00) design flows for the proposed development, the site is anticipated to demand approximately 246,646 gallons per day of potable water. We have attached a letter from the SWSC, dated August 28, 2013, stating that the existing water distribution system has the capacity to handle the anticipated average daily demand. MGM Springfield is designed to reduce the aggregate use of water by 20% - 40% of the buildings baseline, and the consumption of potable water for irrigation by 50%. In addition, we plan to use water-efficient landscape techniques and plant native plant species as well as use wastewater reduction technologies during design and construction. We will continue to work with SWSC to ensure that MGM Springfield will not adversely impact the water distribution system during maximum day and peak hour demand periods.

#### **4-36 Sewage Facilities**

The Springfield Water and Sewer Commission (SWSC) is responsible for the City of Springfield's sewage. Currently, about one-third of the sewer system in the City of Springfield flows to a Combined Sewer Overflow (CSO) system. Wastewater is conveyed to the Springfield Regional Wastewater Treatment Facility (SRWTF), which treats wastewater from households, businesses and industries within Springfield and its surrounding member communities. We have evaluated the impact that MGM Springfield would have on the Springfield Water and Sewer

Commission's CSO infrastructure, taking into account the anticipated cumulative sewage generation. Based on the Massachusetts State Environmental Code Title 5 (310 CMR 15.00) design flows for the Project, the site is anticipated to generate approximately 224,224 gallons per day of sewage discharge. The Project will include conservation measures to reduce the effects of the development on the Springfield Water and Sewer Commission CSO system. The site design will incorporate Low Impact Development strategies and Sustainable Design Practices to reduce the anticipated impacts to the combined sewer system.

We will continue to work with the Springfield Water and Sewage Commission to ensure that MGM Springfield will not adversely impact the CSO system during maximum day and peak hour demand periods.

#### **4-66 Security of Premises**

We anticipate that the Security Department will include well over 100 full-time-equivalent professionals, which include positions such as Vice President/Director of Security, shift security managers and supervisors as well as offices.

The facility's security plan will be designed to monitor the security of a number of physical areas and key activities. Subject to modification, at any given time, Security Officers will be positioned in the casino, hotel, non-gaming areas, back-of-house, and elsewhere as needed.

#### **4-67 History of Security**

Our Security Departments have developed policies and procedures to prevent unlawful behavior at each of our properties and ensure the safety of our guests and employees. Security Departments across MGM Resorts properties use the Corporate Security Incident Guidelines as a basic measure of procedures and policies. These policies and procedures are continuously being refined for current best practices, and from a global perspective, our success in the Security area is measured by the guest experience. All Security Departments have a well-established communication network consisting of security and safety personnel from many levels and properties in and out of our company where information is exchanged providing the ability to identify and address security and safety concerns extremely efficiently and expeditiously. All Security Departments communicate regularly with local, state, and federal law enforcement through participation in monthly meetings and crime briefings. We participate with local, state, and federal agencies in joint training classes and exercises.

#### **4-72 EOEEA Certificate (ENF);**

ENF Comments (attachments to application)

4-72-02

#### **5-01 Infrastructure Costs**

The research and studies completed for the Project have not identified any infrastructure costs that would be incurred by the Host Community of Springfield or by the surrounding communities for either construction or operation of the gaming establishment.

### **5-31 Treatment and Prevention**

MGM Springfield's role in the treatment of problem gaming is to train employees in problem-gaming awareness, implement signage and advertising to increase the chances that the visitors and the general population are aware of problem gaming and make available information on resources for treatment. MGM Springfield will maintain a list of local MGC-accredited facilities in the region and the Commonwealth that treat problem gaming. MGM Springfield will rely on the Massachusetts Gaming Commission to determine what qualifies as an accredited facility/health care professional. MGM Springfield will include a list of these accredited treatment facilities on materials that will be distributed in a kiosk near the cage, be available in the brief intervention center and be prominently displayed in the gaming establishment and will make best efforts to keep the list up to date. MGM Springfield has identified the Massachusetts Council on Compulsive Gambling as a valuable resource in the area of health-professional education and treatment for problem gaming, and will work with the Council and the Massachusetts Gaming Commission to have health-care professionals receive the Training Certificate awarded by Council be accredited by the Commission. MGM Springfield will work with the communities, the Massachusetts Department of Public Health and groups such as the Council to facilitate interactions when necessary to ensure there is strong geographic diversification of health-care professionals accredited to treat problem-gaming-related mental health problems. MGM Springfield will offer an Employee Assistance Program that will include mental health support and treatment for a variety of issues, including problem gaming.

### **5-36 Housing**

According to a study by HR&A Advisors, the firm believes the regional housing market is diverse enough and has capacity for growth to support any new demand. If anything, the impact of this project on regional housing values will be positive as it will provide a significant boost to the regional economy. MGM Springfield estimates that the majority of the positions will be filled by regional residents who live within commuting distance of the project. Approximately 10% of employees may be brought in from out of the area and would therefore be looking to rent or purchase homes in the region – likely in surrounding communities. The impact on the housing market will depend upon individual preferences for housing type, location, family status, children, income, etc. in addition to availability on the market.

### **5-37 School Population**

While the overwhelming majority of jobs are anticipated to be held by existing regional residents, approximately 10% of jobs will likely be held by people moving to the area due to the need for specialized knowledge and experience. While MGM Springfield will bring in these employees from its other operations and the hiring of outside experts, over the long term there will be opportunities for regional residents to move up within the organization. According to a study by HR&A Advisors, the firm estimates that 34% of new employees to the area will choose to reside in Springfield with the remainder outside of Springfield. Based on student/adult ratios



and funding formulas, HR&A Advisors estimates that surrounding communities would bare a total cost of \$510,000 to \$590,000 annually for the new students. (Note, this analysis is conservative since it assumes all new residents settle in Springfield or one of the seven abutting communities).

### **5-38 Emergency Services Available**

A study by HR&A Advisors found the majority of impacts related to fire departments will be in the City of Springfield. MGM Springfield is providing upfront and annual funds via its Host Community Agreement for the purpose of mitigating impacts on fire services.

The findings from Local and Regional Impacts: Springfield Integrated Resort, October 4, 2013 prepared for MGM Resorts by the UNLV International Gaming Institute's review of crime literature support a view that any proposed casino-resort would increase the total volume of crimes in the immediate area based on the overall increase in projected visitation to the area, but that it will have an insignificant effect on the crime rates overall (when adjusted for the number of people drawn to the area). As such, the study asserts that resource requirements will be higher for local public safety services if Springfield adopts a casino-resort, but the probability of any nearby residents being victimized will remain unchanged. The study's findings show nothing that indicates surrounding communities' crime rates or crime levels will be affected by the opening of a Springfield casino. The City of Springfield contracts with American Medical Response (AMR) to provide ambulance transport services for medical emergencies. MGM Springfield has held meetings and entered into a Memorandum of Understanding with AMR to discuss the deployment of additional resources to serve the Project. Due to the availability of emergency medical services on-site at the Project and AMR's demand response business model, the Project is not projected to have any adverse impacts on emergency response times or the availability of services in surrounding communities.



**5-38-01 – EMERGENCY SERVICES**

*Provide an analysis of available police, fire and emergency medical services available to the gaming establishment complex, the adequacy of those resources, the steps the applicant plans to take to remedy any deficiencies, and the agreements the applicant has made with the service providers to ensure that the appropriate levels of protection are available.*

**FOREWORD**

Please note that more detailed information about public safety resources in surrounding communities is contained in the report called "Impacts of Proposed MGM Springfield Project on Surrounding Communities" conducted by HR&A Advisors (contained in Attachment 5-02-01).

**FIRE**



The majority of impacts related to fire departments will be in the City of Springfield. HR&A Advisors completed a study of the impacts of the proposed casino on the Springfield Fire Department in December 2012. The City of Springfield's Fire Department was founded in 1794, making it one of the oldest continually operating municipal fire departments in the United States. At the time of the study, it employed 230 officers and nine civilians in eight

stations across the City. The department employed eight engines, four ladders and one heavy rescue vehicle. An additional ladder vehicle was out of service due to fiscal constraints. The Department is the first responder for all fire and emergency calls, though the City contracts with American Medical Response to provide ambulance transport services.

MGM Springfield is taking steps to ensure that the Springfield Fire Department is equipped to handle potential increase in incidents in Springfield related to the Project. To this extent, the Host Community Agreement calls for a one-time payment of \$1 million for the purchase of two new chase vehicles, one new engine and a temporary fire inspector during the construction period (included in \$2.5 million Upfront Direct Community Payment). In addition, MGM Springfield is providing an annual payment of approximately \$450,000 to support equipment, training, and salaries for six new fire fighters (included in \$2.5 million Annual Direct Community Payment).

Increasing the capacity and resources of the Springfield Fire Department will help mitigate impacts on surrounding communities by ensuring that the City's department has the ability to handle incidents that may arise and will not increase the need for mutual aid.

Fire departments in surrounding communities most impacted by an increase in traffic, and thus likely traffic incidents, may need additional resources to mitigate these impacts. Further determination will be made based on findings in the traffic study and a proposed "look-back" process with surrounding communities.

**POLICE**



The findings from Local and October 4, 2013 prepared for Gaming Institute's review of casino-resort would increase based on the overall increase have an insignificant effect on number of people drawn to requirements will be higher a casino-resort, but the problem will remain unchanged. The surrounding communities' opening of a Springfield casino



HR&A Advisors completed the Springfield Police Department maintains a police department members and is headquarters Project. In Fiscal Year 2012, million. The Project site is located Downtown core along the City in Springfield. Although Section it is the source of 10% of the Department's spending on

While the project benefits from taking steps to ensure that it handle potential increase in the casino. To this end, the \$ payment of over \$64,000 to

**G. OTHER**

---

## **5. OTHER**

---

### **Legal Framework**

In determining whether a community is a surrounding community, the commission . . . will evaluate whether: . . . The community will be significantly and adversely affected by any other relevant potential impacts that the commission considers appropriate for evaluation based on its review of the entire application for the gaming establishment. 205 CMR 125.01(2)(b)(5)

### **Executive Summary**

Neither the community nor the applicant believe that there will be any other relevant impacts on Northampton.

### **A. COMMUNITY PETITION**

---

Not addressed.

### **B. APPLICANT RESPONSE**

---

Not addressed.

### **C. RPA ANALYSIS**

---

No relevant documents

### **D. ENF ANALYSIS**

---

No relevant documents

### **E. CONSULTANT ANALYSIS**

---

No relevant documents

### **F. APPLICATION**

---

No relevant documents

### **G. OTHER**

---

No relevant documents

---

## 6. POSITIVE IMPACTS

---

### Legal Framework

In determining whether a community is a surrounding community the commission may consider any positive impacts on a community that may result from the development and operation of a gaming establishment. 205 CMR 125.01(2)(c)

### Executive Summary

#### *Community Petition*

Here, the costs associated with the necessary transportation infrastructure upgrades necessitated by MGM Springfield cannot be offset by any asserted positive impacts. This is particularly apparent because Longmeadow is predominantly residential and unlikely to realize any positive economic impact that would address its address its transportation needs as a result of MGM Springfield.

The nature of the vague, generalized positive impacts suggested by MGM provide no means for Longmeadow to expend the necessary funds outside of cutting municipal services and/or seeking a tax override given the constraints imposed by Proposition 2½.

#### *Applicant Response*

Longmeadow on the one hand claims to be so proximate that it will suffer a great deal of harm in from traffic and public safety impacts but, on the other hand, asserts that it will be immune from any of the positive impacts of the largest private development project in the history of Western Massachusetts – bringing with it 2,000 local construction jobs, 3,000 permanent jobs, \$50 million annual in local spending on vendors and suppliers -- simply because of its “predominant residential character.” This is shortsighted at best. Longmeadow has a proud history as a thriving and affluent suburb of Springfield. But to continue to have a healthy “suburb,” you need to have a healthy “urb.” The notion that there is no upside to Longmeadow associated with a game-changing urban redevelopment project defies logic and the public policy behind the Gaming Act. MGM Springfield will undoubtedly have regional spin-off benefits in the form of economic development, real estate value appreciation, increased state and local tax revenues and community development and philanthropic initiatives, as has been the case on other regions in which it operates. See Letter from Gulfport, Mississippi Mayor, Billy Hewes, attached hereto as Exhibit I and Letter from Henderson, Nevada Mayor, Andy Hafen, attached hereto as Exhibit J.

## A. COMMUNITY PETITION

---

Here, the costs associated with the necessary transportation infrastructure upgrades necessitated by MGM Springfield cannot be offset by any asserted positive impacts. This is particularly apparent because Longmeadow is predominantly residential and unlikely to realize any positive economic impact that would address its address its transportation needs as a result of MGM Springfield. See Exhibit 1 at 10. For example, the funds required to upgrade signal equipment at intersections and monitoring-as GPI, the peer reviewer retained by PVPC, the Regional Planning Agency ("RPA")- must be appropriated from Longmeadow's General Fund.

The nature of the vague, generalized positive impacts suggested by MGM provide no means for Longmeadow to expend the necessary funds outside of cutting municipal services and/or seeking a tax override given the constraints imposed by Proposition 2 ½. See Exhibit 1 at 10, 44. In short, Longmeadow seeks a surrounding community designation consistent with: (1) M.G.L. c. 23K, § 15(7), which requires MGM to "commit to a community mitigation plan" in light of infrastructure costs to Longmeadow from constructing and operating MGM Springfield; and (2) M.G.L. c. c. 23K, § 15(9), which requires MGM to pay "a community impact fee" and stipulate to share responsibilities, "including stipulations of known impacts from the development and operation of MGM Springfield.

## B. APPLICANT RESPONSE

---

### **D. Longmeadow Will Experience Positive Impacts from MGM Springfield.**

Longmeadow on the one hand claims to be so proximate that it will suffer a great deal of harm in from traffic and public safety impacts but, on the other hand, asserts that it will be immune from any of the positive impacts of the largest private development project in the history of Western Massachusetts – bringing with it 2,000 local construction jobs, 3,000 permanent jobs, \$50 million annual in local spending on vendors and suppliers -- simply because of its “predominant residential character.” This is shortsighted at best. Longmeadow has a proud history as a thriving and affluent suburb of Springfield. But to continue to have a healthy “suburb,” you need to have a healthy “urb.” The notion that there is no upside to Longmeadow associated with a game-changing urban redevelopment project defies logic and the public policy behind the Gaming Act. MGM Springfield will undoubtedly have regional spin-off benefits in the form of economic development, real estate value appreciation, increased state and local tax revenues and community development and philanthropic initiatives, as has been the case on other regions in which it operates. *See* Letter from Gulfport, Mississippi Mayor, Billy Hewes, attached hereto as **Exhibit I** and Letter from Henderson, Nevada Mayor, Andy Hafen, attached hereto as **Exhibit J**.

### **C. RPA ANALYSIS**

---

No relevant documents

### **D. ENF ANALYSIS**

---

No relevant documents

### **E. CONSULTANT ANALYSIS**

---

No relevant documents

### **F. APPLICATION**

---

See sections included in prior sections.

# **MASSACHUSETTS GAMING COMMISSION SURROUNDING COMMUNITY PETITION ANALYSIS**



**COMMUNITY:** City of Northampton  
**APPLICANT:** Blue Tarp Redevelopment LLC

February 17, 2014

---

## INTRODUCTION AND OVERVIEW

---

The Community has submitted to the Commission a petition to be designated as a surrounding community to the Applicant's proposed gaming establishment in accordance with G.L. c. 23K, §§ 4(33) and 17(a) and 205 CMR 125.01(1)(c). The Applicant has submitted a response to the petition.

In making its determination, the Commission must consider the factors in G.L. c. 23K, §§ 4(33) and 17(a) including population, infrastructure, distance from the gaming establishment and political boundaries.

The Commission must review, in accordance with G.L. c. 23K, §§ 4(33) and 17(a) and 205 CMR 125.01(2)(b), the Applicant's entire application; the Applicant's RFA-2 detailed plan of construction; any independent evaluations; any pertinent information received from the Community, the Applicant, the Applicant's host community, and the public; and any additional information that the Commission determined to be beneficial in making its determination.

The Commission's regulations lay out the six criteria that the Commission should consider in making its determination:

1. Proximity
2. Transportation Infrastructure
3. Development
4. Operation
5. Other
6. Positive Impacts

This document lays out the six criteria and provides the legal framework that the Commission must consider, an executive summary of the issues, the Community's petition, the Applicant's response, RPA analysis, ENF analysis, consultant analysis, relevant RFA-2 application question responses, and other relevant materials.



---

# 1. PROXIMITY

---

## Legal Framework

Chapter 23K defined surrounding community as a “municipalities in proximity to a host community which the commission determines experience or are likely to experience impacts . . . .” In determining whether a community is a surrounding community, the commission . . . will evaluate whether: . . . The community is in proximity to the host community and the gaming establishment included in the RFA-2 Application, taking into account such factors as any shared border between the community and the host community; and the geographic and commuting distance between the community and the host community, between the community and the gaming establishment, and between residential areas in the community and the gaming establishment. 205 CMR 125.01(2)(b)(1)

During the Commission’s deliberation on surrounding communities policies, the Commission rejected establishing a mileage based threshold for determining which communities are surrounding communities. But noted that the legislature had offered amendments on such a mileage based standard (establishing a standard of 2 miles, 3 miles or 5 miles distance from a gaming facility as determination of surrounding community status or the need for a hearing.)<sup>1</sup>

## Executive Summary

### *Northampton’s Petition*

- Northampton is located geographically proximate to the proposed gaming establishment and the host community of Springfield, particularly when taking into account the unique nature of the Pioneer Valley economy and population. . . . With its main downtown parking area just one mile from the Route 91 exit, it can take less than twenty minutes from getting in one’s car at the proposed casino site to parking in the Northampton downtown parking lots.
- Mileage from the proposed gaming establishment *alone*, while instructive, cannot be the dispositive factor in determining proximity, particularly in Western Massachusetts where the population is less concentrated than in the eastern part of the Commonwealth.
- in considering the concept of 'geographic proximity,' the Commission did not rule out the possibility that a community could be designated as a surrounding community, even with extreme geographic distances between the municipality and the gaming establishment:
- Individuals in Western Massachusetts are accustomed to traveling longer distances for recreational, shopping, and employment purposes than those in Eastern Massachusetts.

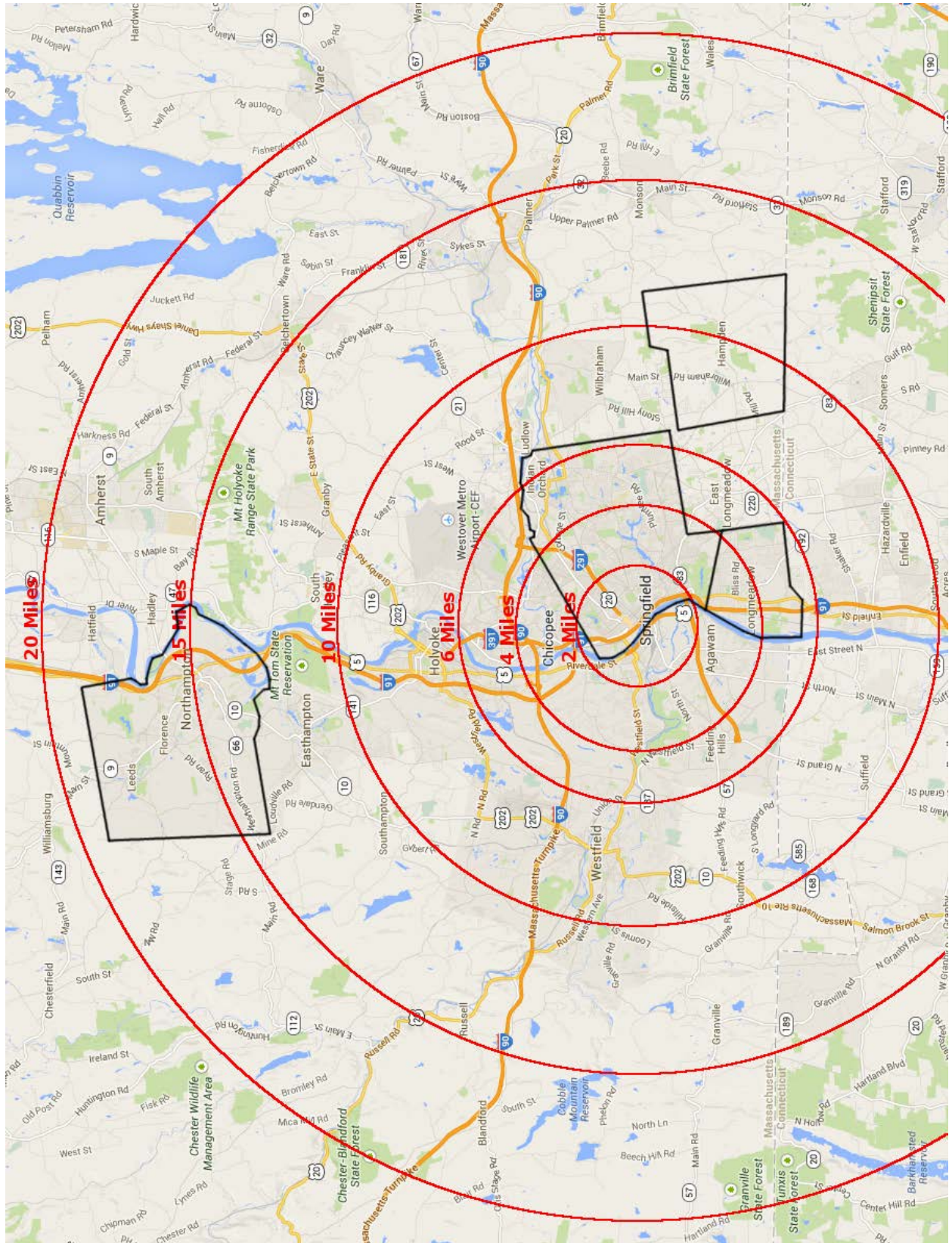
---

<sup>11</sup> See “Surrounding Communities Amendments” document included in December 12, 2012 Commission Meeting Packet.

- Notwithstanding the above, the Commission has made it clear that ultimately the determinative factor for designation as a surrounding community is *impact* and *not proximity*.
- The Camoin Report makes clear Springfield is located within the Northampton Trade Area and shares a customer base with Northampton.
- In addition, Northampton and Springfield share a common transportation and tourism infrastructure. Both are served by the Pioneer Valley Transit Authority as their primary mass transportation provider.

### ***MGM's Response***

- The center of downtown Northampton is approximately 18 miles from MGM Springfield's Project site. The "door to door" drive without traffic takes 20 to 30 minutes. Such a distance should not be deemed proximate.
- while the Commission has made clear that there are no exact mileage measures for proximity, it cannot be the case that a community as distant as Northampton is from Springfield was contemplated to be a proximate community when the Surrounding Community Regulation was promulgated.
- Importantly, while there is no fixed distance contained in the Gaming Act or the Surrounding Community Regulation and the Commission may wish to consider proximity among other factors, some level of proximity must be established in order for a municipality to meet the threshold statutory definition of surrounding community contained in G.L. c. 23K, § 2. An 18 mile distance and 20-30 minute drive from the Project is outside any reasonable interpretation of the term "proximity".



## A. COMMUNITY PETITION

---

Lastly, by MGM's own logic, it cannot contend that Northampton will materially benefit from its Springfield development, having already determined that “Northampton and Springfield are not proximate enough to significantly and adversely impact one another.” Despite its assertions to the contrary, MGM cannot argue on one hand that Springfield and Northampton are proximate enough for the casino to *benefit* Northampton, while at the same time arguing that they are not proximate enough to *adversely impact* each other.

### B. Northampton is in sufficient proximity of the proposed gaming establishment.

#### 1. Northampton is geographically proximate to the proposed MGM development.

Northampton is located geographically proximate to the proposed gaming establishment and the host community of Springfield, particularly when taking into account the unique nature of the Pioneer Valley economy and population. At an approximately 18-mile drive from the site of the proposed gaming establishment, a majority of the customers to Northampton come from the south (i.e., the Greater Springfield area) due to the ease of access (I-91 corridor), population centers, and overall market proximity. With its main downtown parking area just one mile from the Route 91 exit, it can take less than twenty minutes from getting in one's car at the proposed casino site to parking in the Northampton downtown parking lots.

Proximity and economic impact are related where the casino, in drawing spending to the City of Springfield, will siphon off a portion of that spending from the Northampton Trade Area. By redirecting spending in the Northampton Trade Area to the casino, it will reduce the amount of spending that Northampton Trade Area residents would otherwise spend in the City.

Mileage from the proposed gaming establishment *alone*, while instructive, cannot be the dispositive factor in determining proximity, particularly in Western Massachusetts where the population is less concentrated than in the eastern part of the Commonwealth.

The Commission itself has stated that each community will be evaluated independently. While the Commission has made reference to the one (1), two (2), and five (5) mile distances that were proposed in certain amendments to the proposed Expanded Gaming Act legislation, the Commission is reminded that amendments were likewise proposed that considered communities within a twenty (20) mile radius as potential surrounding communities. <sup>ss</sup> Moreover, in considering the concept of 'geographic proximity,' the Commission did not rule out the possibility that a community could be designated as a surrounding community, even with extreme geographic distances between the municipality and the gaming establishment:

“If a Community is one mile away from a gaming facility, it is likely to experience impacts. If a community is 50 miles away from a gaming facility, it is less likely to experience impacts. However, even within those extremes, arguments are possible that communities may or may not experience some impacts. For example, venue operators very far from Connecticut casinos have indicated their business is impacted.”

The Pioneer Valley counties of Hampden, Hampshire, and Franklin take up 23.6% of the land area in Massachusetts but account for just 10.6% of the population. Individuals in Western Massachusetts

are accustomed to traveling longer distances for recreational, shopping, and employment purposes than those in Eastern Massachusetts. This must be taken into account in determining proximity for purposes of designation as a surrounding community.

Northampton is located within the same New England City and Town Area as the host community of Springfield, as determined by the White House Office of Management and Budget. particularly relevant is the definition of such an Area: “a geographic entity associated with at least one core of 10,000 or more population, plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties.”

Notwithstanding the above, the Commission has made it clear that ultimately the determinative factor for designation as a surrounding community is *impact* and *not proximity*. Indeed, at the Commission's November 21, 2013 meeting, Chairman Crosby clarified: “[w]hat the Legislature and we are concerned about is impacts ... [a]nd maybe proximity can be sort of advisory to impacts but it is impacts not proximity which are really determinative here.”

While communities in closer proximity to the proposed casino site may face other impacts, positive and negative, Northampton is unique in that it will suffer economically because Northampton will have to compete for the same market participant consumers that have caused the City to flourish in the past years. With the development and operation of the proposed MGM gaming establishment, it is unlikely that Northampton will be able to preserve the character of its downtown and its income base absent sufficient funds and procedures in place to mitigate the effects of the MGM project.

2. Northampton is in the proximate economic market of the MGM development, and shares a common tourism and transportation infrastructure with Springfield.

The Camoin Report makes clear Springfield is located within the Northampton Trade Area and shares a customer base with Northampton. As noted above, a majority of the customers to Northampton come from the south due to ease of access, population centers, and overall market proximity. Therefore, the proximity of Northampton to Springfield will play a large role in how the casino impacts spending.

In addition, Northampton and Springfield share a common transportation and tourism infrastructure. Both are served by the Pioneer Valley Transit Authority as their primary mass transportation provider. Further, they are both represented in the Pioneer Valley Planning Commission, which, among other responsibilities, is tasked with “[b]ringing a regional and inter-regional perspective to the region's transportation, housing, economic development, historic preservation, pollution control, and resource management and protection planning ... [and] [fostering cooperative efforts among municipalities to achieve better land development, public service, and financial efficiency.” In addition, the Greater Springfield Convention and Visitors Bureau, Inc. promotes tourism in the region which includes both Northampton and Springfield. This demonstrates that Northampton and Springfield share common economic ties and that their infrastructure and tourism industry are inextricably linked.

Furthermore, the legislative history of the bill itself is instructive in determining the economic market area of a casino. The early versions of the gaming bill in the Massachusetts Senate all included the provision that “[n]o gaming establishment shall be located within forty (40) miles of any other gaming establishment in the commonwealth.” The purpose of this provision was to “maximize the benefits,” or to put it more plainly-to maximize profits. If a forty-mile radius is the minimum distance required to protect the gaming developers from an over-saturated market, then Northampton's economic market should be held to a similar proximity, and, at eighteen (18) miles away, should be deemed proximate to the Springfield market.

## **B. APPLICANT RESPONSE**

---

### **A. Northampton Is Not Proximate As Contemplated Under M.G.L. Ch. 23K.**

The center of downtown Northampton is approximately 18 miles from MGM Springfield’s Project site. The “door to door” drive without traffic takes 20 to 30 minutes. Such a distance should not be deemed proximate. *See* Nov. 21, 2013 Hearing Tr., at pp. 43-44 (Ziemba) (“the driving time to Fitchburg’s downtown, **18 minutes**, is approximately the same time it takes to drive from the location of the project to the city of Worcester, **which clearly is not in proximity to the project.**”(emphasis added)). In addition, while the Commission has made clear that there are no exact mileage measures for proximity, it cannot be the case that a community as distant as Northampton is from Springfield was contemplated to be a proximate community when the Surrounding Community Regulation was promulgated. *See* Nov. 21, 2013 Hearing Tr., at pp. 14-15 (Ziemba) (“[T]he Commission rejected establishing a mileage-based threshold for determining which communities are surrounding communities.... But...the

Legislature did include those amendments of the two-mile, three-mile and five-mile standard as perhaps an indication that they meant to have some limit to the outward geographic proximity...this measuring stick of two, three and five miles could perhaps be instructive as to some of the range of considerations that... [the Commission can] take a look at.”). Importantly, while there is no fixed distance contained in the Gaming Act or the Surrounding Community Regulation and the Commission may wish to consider proximity among other factors, some level of proximity must be established in order for a municipality to meet the threshold statutory definition of surrounding community contained in G.L. c. 23K, § 2. An 18 mile distance and 20-30 minute drive from the Project is outside any reasonable interpretation of the term “proximity”.

Moreover, in the context of Northampton’s Petition, proximity must be considered in the context of the impact alleged by Northampton – operational impact to its retail and entertainment business. *See* Feb. 28, 2013, Hearing Tr. at p. 57 (Ziemba) (“[W]e believe that when the Commission sits down to make a surrounding community designation, it will consider what the definition of a surrounding community is. And that is to make sure that the community is both in proximity and impacted and not either/or[,] or some combination of everything.”). Thus, Northampton all but concedes that it is not proximate in failing to assert any potential adverse impact other than its strained and unsubstantiated argument that Northampton’s distant restaurants and entertainment venues will suffer “grave and substantial” financial impact from competition sparked by the Project.

**C. RPA ANALYSIS**

---

No relevant documents

**D. ENF ANALYSIS**

---

No relevant documents

**E. CONSULTANT ANALYSIS**

---

No relevant documents

**F. APPLICATION**

---

No relevant documents

**G. OTHER**

---

**TRANSCRIPT**

**Community**

MR. FIALKY

Pg. 12

5 Unlike many other communities  
6 throughout the commonwealth that have  
7 petitioned for surrounding community  
8 designation, Northampton, located  
9 approximately 18 miles north of the proposed  
10 MGM development, does not claim to be  
burdened

11 by impacts on transportation infrastructure or  
12 traffic.

Pg. 17

8 Rather, Northampton's position is  
9 that mileage from the proposed gaming  
10 establishment alone, while instructive, cannot  
11 be the dispositive factor in determining  
12 proximity, especially in light of the result  
13 in impacts. And particularly in western  
14 Massachusetts, where the population is simply  
15 less concentrated than the eastern part of the  
16 commonwealth, such that lengthy travel times  
17 for restaurants, for leisure and for  
18 entertainment are commonplace. And such that  
19 the economic markets of Springfield and  
20 Northampton are intricately connected.

Pg. 20

15We

16 are a retail, shopping, a dining, an  
17 entertainment destination for the pioneer  
18 valley. A 10-minute drive -- a 20-minute  
19 drive from Springfield, I know they're going  
20 to focus a lot on that 18 miles.

Pg. 25

19 Here you have map, and I just direct  
20 your attention to the map. In green is the  
21 city of Northampton, in orange is a trade  
22 area, we call it a Northampton trade area,  
23 it's a 25-minute drive time. As mentioned by  
24 both the mayor and both legal counsel,  
26

1 Northampton is known as tourism destination.  
2 500,000 residents visit -- I'm sorry, 500,000  
3 visitors come in and spend time there. MGM  
4 explicitly acknowledges the fact of the  
5 tourism destination status. I'm referencing  
6 page five of the opposition brief quoting, MGM  
7 Springfield has long recognized that  
8 Northampton is an important regional tourist  
9 destination, end quote.

Pg. 17

MR. FIALKY

3 In addition, Springfield and  
4 Northampton share a common transportation and  
5 tourism infrastructure. Both are served by  
6 the Pioneer Valley Transit Authority, as their  
7 Mass. transportation provider.

**Applicant**

MR. STRATTON

That's right, it  
7 would be Commissioner. The -- it's 18 miles  
8 away. It's a -- a I think 20-minute drive as  
9 some may accomplish. I think it could be  
10 closer to 25 or 30, depending on how you  
11 drive. It's the -- it's the seat of another  
12 county. The -- we're not going to focus a lot  
13 on proximity. We -- we do believe, though,  
14 that there is a statutory threshold of  
15 proximity under the definition of surrounding

16 community, and that Northampton simply doesn't  
17 meet it.

18 Moving on to assuming that  
19 Northampton were to surmount that threshold,  
20 it really is impacts. And as you've heard  
21 from Northampton, the only impact they're  
the only impact they're  
22 raising is operational impacts to  
23 entertainment, retail and entertainment



---

## **2. INFRASTRUCTURE**

---

### **Legal Framework**

In determining whether a community is a surrounding community, the commission . . . will evaluate whether: . . . The transportation infrastructure in the community will be significantly and adversely affected by the gaming establishment, taking into account such factors as ready access between the community and the gaming establishment; projected changes in level of service at identified intersections; increased volume of trips on local streets; anticipated degradation of infrastructure from additional trips to and from a gaming establishment; adverse impacts on transit ridership and station parking impacts; significant projected vehicle trip generation weekdays and weekends for a 24 hour period; and peak vehicle trips generated on state and federal roadways within the community. 205 CMR 125.01(2)(b)(2)

### **Executive Summary**

The community, the applicant, and the Commission's traffic consultants believe that there will be no impact on transportation infrastructure in Northampton.

## **A. COMMUNITY PETITION**

---

Unlike many other communities throughout the Commonwealth that have petitioned for ‘Surrounding Community’ status, Northampton does not claim to be burdened by impacts on its infrastructure (e.g. traffic impacts). Unfortunately, the City instead anticipates a grave and substantial impact on its finances and local businesses due to the erosion of its status as the sole destination market in the Pioneer Valley, which forms the core and fabric of Northampton’s economy.

## **B. APPLICANT RESPONSE**

---

MGM Springfield’s planned destination resort casino in the City Springfield approximately 18 miles south of Northampton (the “Project”) will not significantly and adversely impact Northampton, either during development or operation, in the areas of traffic, noise, the environment, public safety, water infrastructure, housing or social services. Indeed, the City has *only* alleged that it will be significantly and adversely impacted through a purported negative impact on its retail, entertainment and services establishments.

## C. RPA ANALYSIS

---

### **PIONEER VALLEY PLANNING COMMISSION**

The PVPC, working in concert with the Massachusetts Gaming Commission, engaged the services of the firm Greenman-Pedersen , Inc. (GPI) to conduct a peer review of the regional traffic impacts of the proposed MGM development. This review was performed to identify the potential traffic impacts of the proposed development on behalf of eight potentially impacted communities including: the Town of Agawam, City of Chicopee, Town of East Longmeadow, City of Holyoke, Town of Longmeadow, Town of Ludlow, Town of West Springfield and Town of Wilbraham.

The PVPC review did not analyze traffic impacts on the City of Northampton.

## **D. ENF ANALYSIS**

---

No relevant documents

## E. CONSULTANT ANALYSIS

---

### GREEN: NORTHAMPTON TRAFFIC EVALUATION

---

In response to the Massachusetts Gaming Commission’s (MGC) request, Green International Affiliates, Inc. (Green) has undertaken an evaluation of petitions by communities requesting to be designated as a *Surrounding Community* with respect to the casino proposals. As part of the development of casinos in Massachusetts, a community may be designated as a *Surrounding Community* in accordance with 250 CMR 125.00. The regulation specifies a number of considerations or factors to guide the determination of the designation and one of them includes various traffic related impact factors. A number of communities have petitioned the MGC requesting *Surrounding Community* designation. The petitions that were received relative to the proposed MGM Casino in Springfield and remain in the review process include the following communities: Hamden, Northampton, and Longmeadow. This Memorandum summarizes Green’s review of the traffic related factors relative to Northampton.

#### Evaluation Process

Regulation 250 CMR 125.00 identifies various impact factors related to transportation and traffic that need to be considered in an evaluation. These impact factors include:

- Ready Access– This impact factor looks at the physical link between the site and the community, as well as the approximate distance from the site to the center of the community.
- Projected Changes in Level of Service (LOS) – This impact factor defines the operating condition of a roadway or intersection from a traffic perspective. The levels range from potential capacity constraints. . A change from one LOS to another does not necessarily signify a traffic related problem, but roadways and intersections with a LOS ‘E’ or LOS ‘F’ are considered problematic and require further investigation. Most review agencies require that Private Developers try to mitigate their project impacts as seen by drops in LOS, particularly when reaching the lower levels of service and exhibiting congested conditions.
- Increased Traffic Volumes on Local Streets – This impact factor examines the level of traffic volume increases that are estimated to occur on local streets due to the project. For this factor, “local streets” consider both non--interstate and interstate highways, state highways, and major collector roads that pass through the community.
- Transportation Infrastructure – This impact factor considers degradation of infrastructure, in particular the condition of roadway pavement, as a result of the project from an increased number of vehicles and/or the increased weight of vehicles (i.e. truck traffic during construction and from deliveries after construction).

- Significant Peak Vehicle Generation on State and Federal Highways – This impact factor will identify the estimated casino related traffic that is expected to be added onto State and Federal highways that would also be located in the potentially affected community.
- Adverse Impacts on Transit Ridership and Station Parking – This factor considers the increased transit use as a result of the project and its impacts on the current service in the community.

In relation to the ‘Transportation infrastructure’, the potential likelihood of construction related traffic using the roadway system located in the community petitioning for designation was ascertained as it is the heavier construction type vehicles that could affect the condition of road infrastructure.

In reviewing the factors described above relative to a proposed casino and its potential impacts to a subject community, information provided by the Applicant is initially reviewed. It should be noted that the Applicant’s initial traffic study may not extend into adjacent communities that are seeking Surrounding Community status. In those situations, we completed additional research relative to traffic levels, relative safety conditions, connectivity, and potential level of impact in the subject community. If available, written reviews completed by regional planning agencies (RPAs) and MassDOT (through the MEPA process), as they relate to the subject community, were also taken into account.

While the above impact factors do not specifically cite safety, the issue of additional emergency and could recommend safety improvements to reduce the chance of future crashes, but it is difficult at best to predict crash occurrences in the future. However, a review of historical crash information either through the RPA or MassDOT records can be completed for the potential route(s) located in a particular community. Travel routes or locations that have been identified as a safety concern by the petitioning community have been considered in this review.

### **Petitioning Community: Northampton**

The City of Northampton has submitted a petition to be designated as a “Surrounding Community” with respect to the proposed MGM Casino proposed in Springfield. The following summarizes our evaluation in regards to the traffic related factors described above.

#### **• Applicant Traffic Study**

The Applicant (MGM) has submitted a traffic study developed by their consultant (TEC), which provided an assessment of traffic conditions resulting from the proposed casino. The study was completed as part of the Applicant’s effort to obtain acceptance by the host community. It was later updated and submitted as part of the Draft Environmental Impact Report (DEIR) to MEPA as part of the Commonwealth’s Environmental Review Process.

The updated TEC traffic study that was submitted to MEPA as part of the Draft EIR examined a relatively large study area, but did not include any specific locations in Northampton. Northampton is located approximately 18 miles from the proposed casino site. Subsequent to the Northampton's filing of the petition, the applicant submitted additional information in response (to MEPA), including supplemental information relative to the anticipated traffic flow to and from the casino. Based on the travel forecasts developed by TEC, it is expected that 15 to 16 casino related vehicle trips would originate in Northampton (1.2% of the total) during either the Friday commute peak hour or the Saturday midday peak hour. Taking into account the estimated traffic from Northampton, as well as some of the nearby communities in which motorists would likely travel through Northampton to reach I-91 and then the casino, TEC estimates that at most, less than 30 vehicles trips to and from the casino could potentially travel through the City. There are several I-91 interchanges serving Northampton so the potential casino related traffic would be dispersed and its impact on individual streets would be minimal.

• **MassDOT /RPA Comments**

Comment letters and memoranda prepared by MassDOT and the area's regional planning agency, the Pioneer Valley Planning Commission (PVPC) were reviewed relative to potential traffic impacts from the proposed casino in Springfield.

MassDOT comments to date have been in relation to the ENF and Draft EIR filed by the Applicant (TEC traffic study). It appears that MassDOT has accepted TEC's overall traffic forecasts, including the number of trips and arrival/departure patterns. MassDOT has expressed concerns relative to traffic operations and specific potential impacts, but none of these comments relate to the City of Northampton. In its comment letter, MassDOT focused primarily on I-91 and also on TEC's forecasts methods. MassDOT did not express any potential concern relative to the City of Northampton, nor did MassDOT request that the Applicant include roadways in Northampton in any subsequent environmental studies. There are several State numbered routes in the City including Route 9, Route 5 and Route 10.

PVPC has also commented to MEPA and also completed an assessment of the proposed casino on their member communities<sup>1</sup>. Greenman Pederson, Inc. (GPI) was retained by the PVPC to review the Applicant's traffic study and review potential impacts on eight (8) communities in the PVPC region. Northampton was not one of the 8 communities included in the review. In their review, GPI raised a concern about the basis of the trip generation forecasts and suggested that the Applicant may have understated traffic generation from the project. However, GPI did generally concur with the estimated traffic patterns of arrival and departing trips. In the PVPC letter to MEPA, they reiterated these same GPI points, among others. In our opinion, their concerns raised in the comment letter do not indicate that the project will result in a major traffic impact on Northampton. The City of Northampton did not submit any comments to MEPA as part of the ENF review.



In addition to the above, MEPA has recently issued the Certificate on the Draft EIR and determined that the project can move forward to the Final EIR stage. The scope of the Final EIR does not specifically note any roadways in Northampton that need to be evaluated.

#### • Green's Analysis

As part of our evaluation, information contained in the TEC traffic study, along with information available from MassDOT and the PVPC were reviewed. Prior to the review of the impact factors with respect to Northampton's petition, a brief summary of information relative to the proposed MGM casino is provided.

The proposed casino in Springfield is to be located in the City block bordered by Main Street, Union Street, East Columbus Avenue, and State Street in downtown Springfield proximate to I--91. The access and egress relative to the casino is generally convenient to the entrance/exits from I--91. The proposed casino project, in total, is estimated to generate approximately 19,600 and 21,900 net vehicle trips onto the study area roadway system on a Friday and Saturday, respectively. Peak hour estimates are 1,290 and 1,312 for Friday and Saturday, respectively. A large proportion of the estimated project traffic is expected to use the major highways in the region (I--91, I--291). While I--91 north is expected to be used as the major route to and from the casino, less than 5% of the project's traffic is forecasted to be on I--91 north of Holyoke. Casino related traffic would connect with the Mass Turnpike and other local connections into nearby communities including Holyoke. Ultimately, only 2% or less of the project traffic is likely to travel between I--91 and Northampton or communities near Northampton. The method used by TEC in estimating the travel patterns is based on population and available roadway network which is a typical method used in traffic studies. There is general concurrence that the trip distribution method was reasonable.

Only 2% of the projected casino traffic, estimated to be less than 30 vehicle trips, would be added to the City's roadway network. The major roadway serving the Northampton that one would use to travel towards Springfield is I--91, a major regional interstate highway. The City is served by several interchanges with I--91. In addition to I--91, there are several State numbered routes that traverse through the City including Route 5, Route 9 and Route 10. There are three interchanges on I--91 that serve Northampton and connect with either Route 5 (two locations) and Route 9 that would disperse this volume further. Current PM peak hour traffic volumes on these routes vary from approximately 3,500 vehicles on I--91 to 1,000 to 1,600 vehicles on Routes 5 and 9. The added traffic volumes due to the Springfield casino would amount to one percent or less on these routes. This is considered to be minimal.

The following summarizes our evaluation of the traffic impact factors from 250 CMR 125.00 as they relate to the Town of Northampton:

➤ Ready Access – The proposed casino site is situated approximately 18 miles from the center of Northampton. I--91, a major regional interstate route, would be used from Northampton to eventually reach downtown Springfield. A number of local arterials in Northampton connect with I--91.

- Projected Changes Level of Service (LOS) – There was no analysis done or required as part of the MEPA process for roadways in Northampton including I--91. Based on the estimated trip forecasts prepared by the Applicant's traffic engineer, the daily estimate of casino related traffic in Northampton would be less than 30 vehicle trips or one vehicle every two minutes. **This level of additional vehicle trips would not be expected to result in any noticeable change in traffic operations and LOS on any of its arterials or at the interchanges with I--91.**
  
- Increased Traffic Volumes on Local Streets – As noted above, the casino related traffic in Northampton is less than 30 vehicle trips during the peak hour and approximately one vehicle every 2 minutes. While traffic increases will likely occur in Northampton due to the project including those trips made by residents of Northampton or nearby communities, this added
  
- Transportation Infrastructure – The Applicant has stated that construction related heavy vehicle traffic could be managed. While most of what has been documented to date has focused on the maintenance of traffic in the immediate construction zone, it is anticipated that the majority of construction related traffic would utilize major highways to access the site, particularly since the site is adjacent to I--91 and near I--291. **Heavy vehicle traffic impact and consequently, road infrastructure impact on Northampton's major roadways, including Route 5 and Route 9, would be negligible.**
  
- Significant Peak Vehicle Generation on State and Federal Highways – As stated above, there are a number of State or federal highways that traverse Northampton including I--91, Route 5 and Route 9. The estimated traffic volumes on these routes in Northampton are expected to be relatively small (less than 30 vehicle trips in peak hours). Consequently, there would be no significant peak traffic impacts experienced in Northampton.
  
- Adverse Impact on Transit Ridership and Station Parking – There is no expected impact on transit or station parking as a result of the project that would affect the City of Northampton.

### **Concluding Opinion**

While there is a potential for a small volume of casino--related traffic to travel to and through the City of Northampton via its local roadways, it is not evident, based on the information that has been reviewed and evaluated, that the proposed casino in Springfield would cause a significant and adverse traffic impact in the City of Northampton. Consequently, the surrounding community determination would need to be based on factors other than traffic.

## **F. APPLICATION**

---

### **2-28 Total Investment Outside the Property**

The total estimated investment in infrastructure is \$3.8 million for traffic-related improvements and \$2.4 million for utility improvements.

### **4-08 Parking**

A parking garage with 3,784 spaces will serve the hotel, restaurant and shopping areas, casino and other attractions. An additional 22 charter bus parking spaces will be provided within the parking garage and accessible through a separate bus-only entrance/exit driveway. The well-lit, safe (featuring cameras on all levels), architecturally finished, eight-story garage will be open to public and local business use free of charge from 8:00 a.m. to 5:00 p.m. Monday through Friday, providing high-quality and efficient parking in the heart of the City.

There will be direct physical connections between the parking garage and the hotel, casino and the Outdoor Plaza area.

### **4-09 Transportation Infrastructure**

MGM Springfield's transportation infrastructure has been designed to capitalize on the site's excellent existing accessibility attributes, including the redundant ramp access from I-91 and the important connections to downtown streets. Tour Bus - A separate drop-off / pick-up and overnight parking area that is envisioned for charter and tour buses will be located on the first floor of the MGM Springfield parking garage.

Taxi - Taxi pick-up and drop-off activities are anticipated to occur in the MGM Springfield hotel portecochere area at the front of the hotel. Additional taxi pick-up and drop-off activities are likely to occur along State Street, Main Street, and Union Street where major pedestrian access points are located. Valet - The hotel valet area will be located at the front of the hotel. A separate casino valet service will be located on the first floor of the MGM Springfield parking garage. Service Vehicle Parking - A service vehicle drop-off and pick-up area will be located in the basement of the self-parking garage.

### **4-23 Egress from Gaming Establishment Site**

One of the unique selling points of MGM Springfield is that visitors to the site will be able to seamlessly walk out of MGM Springfield and into the City via pedestrian connections to the MassMutual Center, the riverfront, Main Street and the South End. MGM Springfield will have easy access to two major highways with multiple on- and off-ramp locations as well as to several Downtown streets. Parking for charter and tour buses will be provided on the ground floor of the Project parking garage with a separate bus and delivery vehicle driveway on Union Street. Public bus service is also robust. There are four bus stops directly in front of the Project site, two

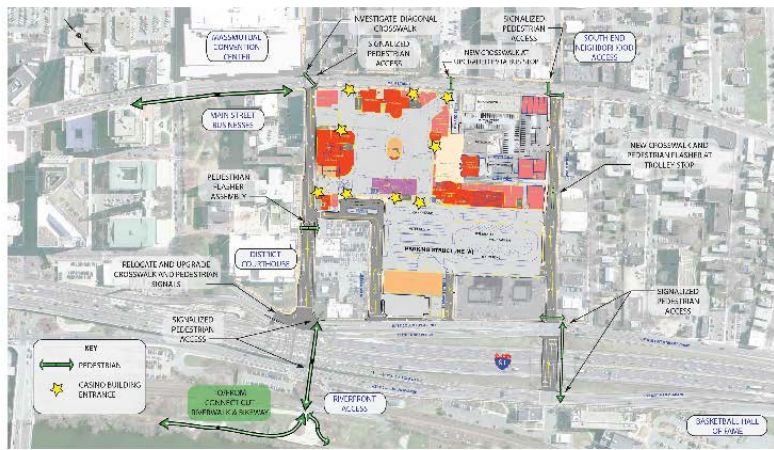
inbound and two outbound, and several other stops on Main Street within walking distance of the site. Additionally, four other bus lines operate on Dwight Street and Chestnut Street, a block from the Project site. A rubber-wheeled trolley system is being proposed to link MGM Springfield to Union Station and other tourist destinations that could include the Basketball Hall of Fame, MassMutual Center, Quadrangle museum district and Worthington Street entertainment district.



**4-23-01 – EGRESS FROM GAMING ESTABLISHMENT SITE**

Describe all adjacent streets, highways, buses and other public transportation facilities and how they will be utilized for access to and egress from the gaming establishment site.

One of the unique selling points of MGM Springfield is that visitors to the site will be able to seamlessly walk out of MGM Springfield's egress points and into the City. The plan below shows access to the Project site from Union Station and pedestrian connections to the MassMutual Center, the riverfront, Main Street and the South End.



**HIGHWAY/ROAD**

MGM Springfield will have on- and off-ramp locations. Primary means of access to a generated traffic using these

**INTERSTATE 91 CORridor**

I-91 is a four- to six-lane north-south roadway. The posted speed zone. The freeway transects Downtown Springfield to surface roadways, including Columbus Avenue. I-91 is an egress roadway to and from I-91 (Bridge) and interchange 6 (its primary access for patrons at 5 (south of Broad Street) and as the site's primary access following describes how patrons site to and from the I-91 Corridor. The various access MGM Springfield site.

The Connecticut River resources. For years, both a physical and the Riverfront. MGM re-engaged Riverfront and point of pride for



**4-24 Adequacy of Existing Transportation Infrastructure**

Traffic will be accommodated at and near MGM Springfield's site through a series of traffic-related measures. Traffic will be distributed to multiple highway interchanges serving Downtown Springfield; this includes several options for interchange use along I-91 and I-291 to efficiently serve regional traffic and provide options for incident management around the City. Physical traffic mitigation measures will be constructed for motor-vehicle traffic as described in this section to provide more efficient lane use and traffic signal operations. Bicycle travel will be facilitated with new pavement markings and signs along critical roadway links as described later in this section. Public transport will be enhanced, including upgrades to bus stops on Main Street in front of MGM Springfield. MGM Springfield will provide funding to the Pioneer Valley Transit Authority (PVTA) for a Downtown trolley that will connect MGM Springfield with Union Station and other recreational and cultural amenities in Downtown Springfield. Transportation Demand Management measures (TDM) will be established to reduce the use of

single occupancy vehicles accessing the site, such as transit pass subsidies and carpool parking spaces, as described in this section.



**4-24-01 – ADEQUACY OF EXISTING INFRASTRUCTURE**

*Provide an analysis of the adequacy of the existing transportation facilities, including those for refueling, to deliver patrons to and from the gaming establishment complex and the measures the Applicant will take, including infrastructure and other improvements, to remedy any inadequacy.*

More information regarding provided in Attachments 4-0

**SUMMARY**

Traffic will be accommodated at and near the Project site through the following traffic-related features or measures:

- Distribution of traffic to multiple highway interchanges serving downtown Springfield, this includes several options for interchange use along I-91 and I-291 to efficiently serve regional traffic and provide options for incident management needs around the City.
- Construction of physical traffic mitigation measures for motor-vehicle traffic along East Columbus Avenue, West Columbus Avenue, Union Street, State Street and Main Street, as described in this section to provide more efficient lane use and traffic signal operations.
- Enhancing bicycle travel with new pavement markings and signs along critical roadway links as described later in this section.
- Providing seed funding to Pioneer Valley Transit Authority (PVTA) for a Downtown trolley that will connect the MGM site with Union Station and other recreational and cultural destinations in Downtown Springfield for a planned Friday/Saturday/Sunday operational schedule.
- Establishing Transportation Demand Management measures (TDM) to reduce the use of single occupancy vehicles accessing the site, such as carpool parking spaces, as described in this section.
- Guiding the public's use of preferred travel routes to the site through advertised directions, social media and highway signs.
- Implementing or funding other off-site improvements that may be identified by the Pioneer Valley Planning Commission (PVPC) and their consultant as part of the comprehensive regional peer review of traffic impacts that is on-going with most of the adjacent communities.

**MAJOR TRANSPORTATION AND CIRCULATION PLAN**

The MGM Springfield site is bordered by East Columbus Avenue, State Street, Main Street and Union Street. It was selected because it has significant potential for redevelopment and economic revitalization, and is able to be woven into the fabric of an increasingly vibrant Downtown. It lies in close proximity to many interstate highway ramps yet is intricately tied to the Downtown pedestrian experience along Main Street. The proposed uses, supply of parking and pedestrian access points are expected to complement and revitalize the adjacent businesses and uses in Springfield's Downtown, such as the MassMutual Center. A detailed Traffic Impacts and Access Study (TIAS) was prepared by TEC, Inc. as part of the Draft Environmental Impact Report (DEIR) and is provided as Attachment 4-24-02. This separate document is a requirement of the Massachusetts Environmental Policy Act (MEPA) review process.

The scope of the study is responsive to the requests from the Massachusetts Department of Transportation (MassDOT), the PVPC, the PVTA and several adjacent communities as identified during their review of the Environmental Notification Form (ENF). The MGM Springfield team met with representatives of these agencies on dozens of occasions to discuss the scope of the transportation study, refine assumptions and technical analyses, and discuss conceptual mitigation measures. Concurrent with the documentation of the DEIR for MEPA review, MGM Springfield has been working with PVPC and their peer review consultant to review potential traffic impacts in the adjacent communities.

**DEVELOPMENT PROGRAM**

The site currently is occupied by multiple commercial, municipal and retail establishments and for-fee surface parking fields and structures. We propose to raze a majority of the structures on the site to construct MGM Springfield.

**THE PROJECT'S**

The following intersections at the DEIR:

1. Burnett Road/Intersta
2. Dwight Street/Intersta
3. Dwight Street/Intersta
4. Main Street/Boland W
5. East Columbus Avenue
6. West Columbus Avenue
7. State Street/St. James !
8. State Street/Federal St
9. State Street/Chestnut !
10. State Street/Dwight St
11. State Street/Main Stre
12. State Street/Proposed
13. State Street/East Colu
14. State Street/West Colu
15. Main Street/Bliss Stre
16. East Columbus Avenue
17. Main Street/Howard S
18. East Columbus Avenue
19. Union Street/Main Str
20. Union Street/Armory !
21. Union Street/Armory !
22. Union Street/Propose
23. Union Street/Propose
24. Union Street/East Col
25. Union Street/West Co



**4-24-02 Attachment See Report Traffic Infrastructure (242 pages)**

**4-25 Adequacy of Existing Transportation Infrastructure**

MGM Springfield will stimulate the use of public transit to mitigate traffic flow around our Project. MGM Springfield's site is already readily accessible by Springfield's existing mass transit network, including Union Station and the public bus routes. Currently, several PVTA bus routes operate within the Project site's vicinity including lines on Main Street and Dwight and Chestnut Streets. MGM Springfield intends to enhance the use of public transportation via upgrades to bus stops on Main Street in front of MGM Springfield. MGM Springfield will provide funding for a rubber wheeled trolley system that will run from MGM Springfield to other Springfield attractions. The route will connect MGM Springfield to the proposed downtown transportation hub at Union Station. Other destinations are likely to include the Basketball Hall of Fame, the MassMutual Center, the Quadrangle Museum District and the Worthington Street entertainment district.

**4-26-01**

MGM Springfield will include a 3,740-space structured parking garage. The eight-level garage will hold the majority of on-site parking. Please refer to Attachment 4-05-01 for schematic plans

and Attachment 4-08-01 for a description of the number, location and accessibility of parking spaces for employees, patrons and buses. Given the size and height of the garage, it will be a prominent feature of the Project. It has therefore been intentionally located away from Main Street and the majority of the pedestrian related areas, yet is directly adjacent to the program elements with the largest anticipated visitor count. Further, to maximize its accessibility and minimize its visual impact, it will be located on the edge of the site closest to the highway and behind the outdoor retail area. The MGM Springfield garage is intended to be used by local businesses and the adjacent courthouse during the daytime hours for free. At the time that MGM Springfield's patron parking needs to be increased throughout the late afternoon, the local parking use is continually decreasing. MGM Springfield has coordinated with the Springfield Parking Authority (SPA) and other City staff to assess area-wide parking needs. There is sufficient parking supply in nearby SPA parking structures, such as the I-91 South, I-91 North, and Civic Center structures, to accommodate any overflow parking needs within a three block radius of the site. MGM Springfield will be coordinating with the City on way finding signs pointing drivers to the various parking facilities. Located on the west side of the site, the garage will have optimal vehicle egress: • Self-park entry will be off the north end of East Columbus Avenue, with exits mid-block on East Columbus Avenue and at Union Street. This configuration will minimize the use of local streets and provide direct adjacency and access to I-91. • Valet drop-off and pick-up will enter and exit next to the hotel drop-off with access off both State Street and East Columbus Avenue. • Bus entry and exit will be located on Union Street and will be separated from the car circulation areas. • The garage “speed ramp” configuration will allow access to all levels without circulating on the floors themselves. This layout will reduce travel times, energy use and noise associated with parking and vehicle circulation. The garage will directly abut the casino and entertainment facilities. Building cores and elevators will be located on both the Northwest and Southwest sides of the garage. These lobbies will lead directly to the hotel, casino, cinemas, bowling alley, retail shops and Outdoor Plaza. Exposed surfaces of the garage will be finished and detailed to reflect the design of the overall Project and to blend with the streetscape design intent. Various architectural treatments will be used to reduce the scale of the building. Lighting will be shielded to prevent light trespass to the maximum extent possible. LED lighting, or other approved high efficiency lighting, and controls will limit lighting use when lighting is not required. In addition, there will be a grade-level open-air parking lot adjoining the retail and public-amenity plaza with entrances and exits off Union Street. Please refer to Attachment 4-08-01 for further detailed information.

\*

### **5-01-01 Infrastructure Costs**

The research and studies completed for the Project have not identified any infrastructure costs that would be incurred by the Host Community of Springfield for either construction or operation of the gaming establishment. The research and studies completed for the Project have not identified any infrastructure costs that would be incurred by surrounding communities for either construction or operation of the gaming establishment.

### **5-02 Impacts and Costs**

In response to the question, we have attached reports from the following: HR&A Advisors – The HR&A report contains an analysis of the economic benefits at the Commonwealth, regional and local level. Contained within the HR&A report is an analysis of the local and regional social impacts from MGM Springfield conducted by the International Gaming Institute at the University of Nevada-Las Vegas. TEC – A traffic study from TEC is attached, which includes an analysis of the demands placed on area roads.

Part of this response is made up of the approximately 1,000-page DEIR, which addresses environmental, traffic, social and infrastructure impacts. In lieu of re-attaching the extremely lengthy document, we refer the reader to Attachment 4-73-01 where the DEIR can be found. As required by 205 CMR 118.01(5), a copy of the DEIR will be sent to the surrounding communities. Because it is not yet complete, we are unable to include the traffic study from GPI commissioned by the Pioneer Valley Planning Commission. The GPI report will provide an assessment of the impact of MGM Springfield on area roads.

### **5-33 Traffic Control Measures**

The MGM Springfield site has been designed to safely and efficiently process the patron, vendor and employee traffic in a way that takes advantage of the redundant ramp access from I-91 and the important connections to Downtown streets. Vehicles approaching the site along the major highways may be distributed throughout multiple highway ramps with the use of way-finding signage and Intelligent Transportation Systems (ITS) devices. We have outlined our traffic control measures, which include utilizing signage, information technology systems and parking facilities. Vehicular and pedestrian way-finding signage will be posted at major intersections between the site and the interstate highway system to give continuous guidance to travelers from the point that they leave the interstate highway system all the way to the site. Similarly, way-finding signs directing traffic to all major highways will be posted along routes leading from the site to the highways. In addition, vehicle queue detection devices can be installed on the major interstate highway exit ramps to reduce impacts to highway travel caused by queues extending back onto the highway. MGM Springfield will offer a variety of parking and drop-off/pick-up options for patrons and employees to help control traffic on site as well as a large self-parking garage with more than 3,700 parking spaces that will offer multiple points of egress to distribute traffic more evenly back onto local roadways and towards major highways. We are dedicated to providing multiple modes of transportation, including shuttles, limousines, automobiles, bicycles and pedestrian walkways to help mitigate vehicle trips. MGM Springfield will benefit from the PVRTA's pre-existing bus routes, and we are considering the option of incentivizing our employees' to use public transportation and carpool. MGM Springfield will offer an appealing charter bus drop-off.



**5-33-01 – TRAFFIC CONTROL MEASURES**

Describe the plans for traffic control measures the Applicant proposes for the gaming establishment complex and the surrounding areas, the expected total vehicle traffic generated by the site, and plans for mitigating vehicle trips to and from the site both during construction and operation of the facilities. Further, describe efforts to encourage public transportation options to access the site, and pedestrian access and amenities of the site and surrounding area.

**SITE ACCESS SUMMARY**

The MGM Springfield site has been designed to safely and efficiently process the patron, vendor and employee traffic in a way that takes advantage of the redundant ramp access from I-91 and the important connections to Downtown streets. Vehicles approaching the site along the major highways may be distributed throughout multiple highway ramps with the use of way-finding signage and Intelligent Transportation Systems (ITS) devices.

The following is a brief description of the major elements of site access:

- Patrons will access the casino, hotel and retail parking facility from State Street and East Columbus Avenue.
- I-91 Southbound traffic will be directed to use the Exit 7 off-ramp, turn left onto State Street and right into the site.
- I-91 Northbound traffic will be directed to use the Exit 6 off-ramp to East Columbus Avenue, and turn right onto Bliss Street.
- I-291 Southbound traffic will be directed to use either Exit 2 to Dwight Street or the I-91 Exit 6 off-ramp to Union Street.
  - The primary access point for the self-park garage will be located along Bliss Street and will be served by both East Columbus Avenue and State Street.
  - The egress points are located along Union Street, Howard Street, State Street and Bliss Street which distributes the impact of the exiting traffic.

- The secondary access and egress point for the valet parking area, the pick-up/drop-off zone and the hotel will be located along Bliss Street, just beyond the self-park access point.
- Patrons exiting the facility and destined for points to the south along I-91 have the option to use State Street to access West Columbus Avenue. They also will have the ability to exit the parking facility and turn right onto Union Street (westbound only), proceed under the I-91 bridge and turn left onto the I-91 southbound on-ramp.
- A small surface parking lot will be provided within the Outdoor Plaza block (please refer to Attachment 4-11-01 for a description of the Outdoor Plaza). Some of this parking will be used by existing landowners and as part of short-term visits or drop-off and pick-up activities associated with the retail and restaurant tenants.

Please refer to Attachment 4-23-01 for additional information on vehicular access to and egress from MGM Springfield

**TOTAL VEHICLE TRIPS**

Section 6.2.2.4 of the Draft Environmental Impact Report ("DEIR"), included as Attachment 5-33-02, provides an estimate of the vehicle trips to be generated by MGM Springfield, separated between casino patrons, hotel patrons, casino/hotel employees, office workers, apartment residents and Outdoor Plaza guests. The table below provides a summary estimate of the total traffic volumes expected to be generated by the site.

Time Period	SITE-GENERATED TRIPS		
	Entering Trips	Exiting Trips	Total Trips
Friday Daily	10,178	9,495	19,673
Friday Evening Peak Hour	730	560	1,290
Saturday Daily	11,229	10,696	21,925
Saturday Midday Peak Hour	740	572	1,312

**TRAFFIC CONTROL IN/AROUND MGM**

**SIGNAGE**

Vehicular and pedestrian way throughout the City of Springfield access the MGM Springfield along East and West Columbus Street, Chestnut Street, Map access to the site. These signs site and the interstate highway from the point that they leave site. Similarly, way-finding signage along routes leading to

**INFORMATION TECHNOLOGY**

As previously noted, the MGM and I-291 exits, as well as signs for traffic detours to manage more evenly across roadways. Signs (VMS) are currently in use. During special events, or when detour traffic, these signs may be used to direct traffic. MGM Springfield will use the constructed connecting Bliss access into the MGM Springfield will be named MGM Drive. VMS boards along I-91.

Vehicle queue detection devices highway exit ramps to reduce extending back onto the highway long queues are forming on the ramp can allow for additional green ramps to allow ramp traffic in addition, if the queue detection green times on the ramps, then drivers toward alternative routes.





#### 6.2.2.4 Site-Generated Traffic

The Project consists of the following floor areas and uses:

- ◆ A 501,108 sf casino resort that includes space for back of the house, a plant, retail / restaurant uses, and banquet facilities, in addition to the 3,821 gaming positions;
- ◆ A 250-room multi-story hotel;
- ◆ 54 residential apartment units;
- ◆ A 4,000 sf employee daycare facility; and
- ◆ A 159,397 sf retail and entertainment center known as Armory Square, which will include multiple retail tenants, restaurants, an event plaza, general office space, a radio station, a multi-screen cinema and bowling alley.

The methodology used to calculate the proposed trip generation is described below.

#### Trip Generation Methodology

##### *Resort Casino with Hotel*

TEC reviewed a number of sources to estimate the trip generation of the casino, retail, restaurant, and banquet facilities contained within the proposed casino block. These sources included trip generation data from other casinos, such as:

- ◆ Mohegan Sun and Foxwoods in Connecticut;
- ◆ Tulalip Tribal Casino, Muckleshoot Indian Tribe Casino, Emerald Queen Casino in Washington;
- ◆ Spirit Mountain Casino and Chinook Winds Casino in Oregon;
- ◆ Jamul Indian Village Casino and Enterprise Rancheria Casino-Hotel in California;
- ◆ Harvey's Casino, Ameristar Casino, and Bluffs Run Casino in Iowa;
- ◆ Casino Queen in Illinois;
- ◆ St. Charles Casino in Missouri;
- ◆ Caesar's Resort Casino in multiple locations;
- ◆ Parx Philadelphia Casino & Race Track in Pennsylvania;
- ◆ Horseshoe Hammond Casino in Indiana;

## 8.2 Transportation

This section describes the traffic and transportation improvements and mitigation measures proposed to address the Project's impacts. These measures include multi-modal transportation infrastructure improvements and strategies and a Transportation Demand Management plan designed to reduce single-occupant vehicle trips to and from the site and encourage the use of alternative transportation modes by patrons and employees.

### 8.2.1 Intersection and Roadway Mitigation Summary

The following section provides a summary of measures that are recommended to improve the existing and future operations and safety of the study area intersections and roadways. Figures 6.2-26 through 6.2-30 provide a graphical depiction of the overall roadway, public transportation, and pedestrian and bicycle improvements proposed as mitigation for the Project. The approximate construction cost associated with implementation of all of these intersection and roadway mitigation measures is \$3.6 million. An estimate of the cost associated with each individual improvement measure is included in Appendix B-17.

#### Intersection Infrastructure

##### *Signal Timing Optimization*

Traffic signal timings, coordination and offset timings, and clearance interval timing modifications to optimize the operations of the intersection are recommended at the following locations:

- ◆ Dwight Street / Interstate 291 SB Ramps
- ◆ Main Street / Harrison Avenue / Boland Way
- ◆ East Columbus Avenue / West Columbus Avenue / Main Street / Longhill Street
- ◆ Mill Street / Locust Street / Belmont Avenue / Fort Pleasant Avenue
- ◆ Belmont Avenue / Sumner Avenue / Dickinson Street / Lenox Street
- ◆ Park Avenue / Elm Street / Union Street [West Springfield]
- ◆ Memorial Avenue / Union Street [West Springfield]
- ◆ Longmeadow Street (US Route 5) / Forest Glen Road / Western Drive (Longmeadow)

## **5-34 Traffic for Special Events**

MGM Springfield benefits from multiple options for highway access and street access that will distribute the impacts of traffic, both under normal operations and during major events. One key to the successful management of traffic is public information. MGM Springfield and its

consultants will work with the City and Commonwealth staff to identify measures to send traffic to the most appropriate route.

MGM Springfield does not include building space for major venues, such as high-capacity concerts and major shows that draw regional traffic. MGM Springfield will coordinate with the City, the managers of MassMutual Center and Symphony Hall and other major traffic generators identified by the City as part of the scheduling for any special events.

During peak arrival times associated with special events, traffic will be directed to the location of available parking whether it is on the MGM Springfield site or in adjacent municipal parking structures or surface lots. We have drafted alternative traffic and parking options that leverage the existing exits along I-91 and I-291.

## **G. OTHER**

---

No relevant documents

---

## **3. DEVELOPMENT**

---

### **Legal Framework**

In determining whether a community is a surrounding community, the commission . . . will evaluate whether: . . . The community will be significantly and adversely affected by the development of the gaming establishment prior to its opening taking into account such factors as noise and environmental impacts generated during its construction; increased construction vehicle trips on roadways within the community and intersecting the community; and projected increased traffic during the period of construction. 205 CMR 125.01(2)(b)(3)

### **Executive Summary**

Neither the community nor the applicant believe that there will be an impact on Northampton from the development of the MGM facility.

## **A. COMMUNITY PETITION**

---

Unlike many other communities throughout the Commonwealth that have petitioned for ‘Surrounding Community’ status, Northampton does not claim to be burdened by impacts on its infrastructure (e.g. traffic impacts). Unfortunately, the City instead anticipates a grave and substantial impact on its finances and local businesses due to the erosion of its status as the sole destination market in the Pioneer Valley, which forms the core and fabric of Northampton’s economy.

## **B. APPLICANT RESPONSE**

---

MGM Springfield’s planned destination resort casino in the City Springfield approximately 18 miles south of Northampton (the “Project”) will not significantly and adversely impact Northampton, either during development or operation, in the areas of traffic, noise, the environment, public safety, water infrastructure, housing or social services. Indeed, the City has *only* alleged that it will be significantly and adversely impacted through a purported negative impact on its retail, entertainment and services establishments.

## **C. RPA ANALYSIS**

---

No relevant documents

## **D. ENF ANALYSIS**

---

No relevant documents

## **E. CONSULTANT ANALYSIS**

---

No relevant documents

## **F. APPLICATION**

---

### **2-08 Budget**

MGM Springfield’s budget represents a significant private investment for Western Massachusetts. The attached \$800 million budget itemizes hard construction costs, tenant fit-out costs, design/legal/professional fees, operating supplies and equipment, FF&E including gaming equipment, pre-opening expenses, land, licensing fee, capitalized interest, up-front costs pursuant to the Host Community Agreement and other project costs. The \$800 million budget is exclusive of working capital, which is accounted for in the cash flow statement.

### **2-10 Timeline for Construction**

MGM Springfield has provided a timeline for construction that entails a 27-month construction process requiring approximately 5.2 million construction person hours. Attachment 2-10-01 includes a detailed chart showing the different phases of construction including mobilization, demolition and prep work, podium construction, entertainment block construction, parking structure construction, hotel tower construction, venue fit-out for retail, venue fit-out for residential, central plan construction and miscellaneous construction. The projected opening date is subject to certain factors including the date of license award.

### **2-27 Capital Investment**

MGM Springfield’s budget represents a significant private investment for Western Massachusetts. The attached \$800 million budget itemizes hard construction costs, tenant fit-out costs, design/legal/professional fees, operating supplies and equipment, FF&E including gaming equipment, pre-opening expenses, land, licensing fee, capitalized interest, upfront costs pursuant to the Host Community Agreement and other project costs. Total capital investment calculated in accordance with 205 CMR 122.0 is expected to exceed \$500 million.

**MGM SPRINGFIELD**
2-35-01

**2-35-01 – NEW REVENUE**


*Describe and provide a completed study showing the overall economic benefit to the Commonwealth and the region from the Applicant's proposed gaming establishment, including in that study the way in which the facility will generate new revenues as opposed to taking revenues from other Massachusetts businesses.*

MGM Springfield has included a study from HR&A Advisors, contained in Attachment 2-18-02, that details the economic benefits to the Commonwealth and the region. For purposes of its analysis, HR&A defined the region as the four counties comprising Western Massachusetts.

MGM Springfield will achieve two important economic goals.

- Firstly, a portion of revenue currently going to casinos in other states will be brought back to Massachusetts; therefore, creating jobs in Massachusetts and benefiting vendors and area businesses in Massachusetts as opposed to Connecticut, Rhode Island or New York.
- Secondly, approximately 50% of MGM Springfield's visitors will be from outside of the Commonwealth and more than half will reside outside of Western Massachusetts. While in Western Massachusetts, these visitors will not only spend money at MGM Springfield, but also patronize other tourism amenities and attractions, thus creating economic benefit for the Commonwealth and the region.

By nature of MGM Springfield's outward-looking design and aggressive approach to regional partnerships, it will be well positioned to benefit surrounding businesses.



Courtesy of Wood Museum of Springfield History

1

## **2-30 Construction**

Plan MGM Springfield has provided a timeline for construction that entails a 27-month construction process. The projected opening date is subject to certain factors including the date of license award. MGM Springfield will prepare Temporary Traffic Control Plans for use by contractors during construction of transportation and utility improvements. During construction, parking will be temporarily prohibited along the south side of State Street and west side of Main Street. Adequate parking is available within the I-91 South Garage to accommodate this loss of parking during construction. Additional parking accommodations will be made to compensate for the free parking lots currently available within the limits of the Site.

## **4-54 Sustainable Building Construction**

In conformance with smart growth strategies, MGM Springfield will minimize adverse environmental impacts by using an already-developed site and existing infrastructure. The site allows for the expanded use and upgrading of existing infrastructure, including roads, storms drains, sanitary sewers, water mains, natural gas mains, power lines, and telephone lines, present on and near the site so that adverse environmental impacts can be avoided for connection to these services. The nature of the Project also minimizes environmental impacts by allowing various uses to be located in close proximity on one general site, thereby allowing for the sharing of many common resources such as parking and infrastructure. This sharing of resources reduces the land mass required for the various commercial uses compared to locating each use on its own site.



We will implement development strategies that will substantially minimize and/or mitigate the impact of the Project on the environment and promote the comfort of the occupants and visitors. We will evaluate numerous facets in both the site design and building elements of the Project.

## **G. OTHER**

---

No relevant documents

---

## 4. OPERATION

---

### Legal Framework

In determining whether a community is a surrounding community, the commission . . . will evaluate whether: . . . The community will be significantly and adversely affected by the operation of the gaming establishment after its opening taking into account such factors as potential public safety impacts on the community; increased demand on community and regional water and sewer systems; impacts on the community from storm water run-off, associated pollutants, and changes in drainage patterns; stresses on the community's housing stock including any projected negative impacts on the appraised value of housing stock due to a gaming establishment; any negative impact on local, retail, entertainment, and service establishments in the community; increased social service needs including, but not limited to, those related to problem gambling; and demonstrated impact on public education in the community. 205 CMR 125.01(2)(b)(4)

### Executive Summary

#### *Northampton's Petition*

- [A]pproximately seventeen percent (17%) of the City's total retail sales come from out-of-town visitors to the City. If the MGM project is approved and developed, some of that entertainment and recreation discretionary spending basket will instead be spent at the gaming establishment,
- These services to be provided by MGM will compete directly with Northampton's business owners for the limited dollars available for consumer discretionary spending in the region.
- The City nonetheless draws most of its customer base from south of the City. The MGM development will draw from a far larger market area (the "Casino Trade Area"), and Camoin estimates that approximately 4.04% of all recreational and entertainment spending within the Casino Trade Area will be spent at the MGM facility.
- All told, on a range of "low case" to "high case" estimates, Northampton can be expected to lose between \$4.4 million to \$8.8 million annually in sales, severely impacting the small businesses in the City already surviving on wafer-thin margins.
- City will directly lose between \$137,000 and \$274,000 in tax and other revenue annually,
- It is forecasted that Northampton would thus lose as much as an additional \$323,190 annually in property tax revenue and \$316,596 annually in associated occupancy tax revenue as a result of this loss of future development in Northampton.
- This representation of negligible cross-promotion directly contravenes the amenities-rich MGM development proposal, and the track record of the industry itself—providing a *de*

*facto* disincentive for casinos patrons to frequent entertainment amenities outside the casino facility, much less in other communities.

- Indeed, the proposed MGM development model is to provide restaurant, entertainment and lodging amenities to meet all of its customers' needs within the gaming establishment and adjacent facilities so that they do not need to leave the casino.

### ***MGM's Response***

- There is *no zero sum game* for consumer dollars as between Northampton and MGM Springfield – i.e., consumer demand is *not inelastic*.
- Despite some overlap, MGM Springfield and Northampton have *materially different* consumer bases.
- MGM Springfield's ability to attract customers for extended stays based on the availability of other regional tourist attractions and entertainment and retail venues, including Northampton, is *crucial to MGM Springfield's success*.
- A thriving Northampton and a thriving Springfield *are not mutually exclusive*. Empirical evidence suggests just the opposite—that both economies can be *mutually successful*, particularly as Springfield adds employment opportunities.
- MGM Springfield *should not be penalized* for embracing and pursuing the policy objectives of Chapter 23K by revitalizing Springfield as a retail and entertainment destination.
- Impacts to Northampton from a revitalized City of Springfield as a destination, as opposed to from the Project itself, cannot be attributed to MGM for the purposes of surrounding community designation.

### ***HLT Review***

In our view Camoin has significantly overestimated the negative impacts on the City due to the:

- Failure to take into account the repatriation of gaming spending (and non-gaming related expenditures such as travel, hotel and entertainment) by Massachusetts residents that is currently being spent at casinos located outside Massachusetts, namely in Connecticut and Rhode Island.
- Incorrect assumption that 100% of any gaming spending (and non-gaming related expenditures) will be generated at the expense of existing spending on a range of leisure activities defined by Camoin (e.g., eating and drinking, entertainment, books).
- Failure to consider any positive impacts from the MGM Casino (e.g., Casino spending on goods and services, increased visitation to the area).

Based on our review of the materials submitted and our experience in the gaming industry we cannot determine that the City will experience negative impacts from the proposed MGM Casino on its local retail, entertainment and service establishments. In fact, we believe it likely that the MGM Casino could generate positive economic impacts from increased visitation, employment and purchase of goods and services in the area.

### *LDS Analysis*

Based on these materials and our independent evaluation, we find that the communities surrounding Springfield will not be significantly and adversely affected by the operation of a Category 1 gaming establishment after its opening due to housing or school impacts resulting from the facility. Furthermore, given the high unemployment and housing vacancy rates in the area, it is more likely than not that the Category 1 casino will be beneficial to the housing markets in these communities and therefore add to the real estate tax base as well as increase overall consumer spending in the area.

The application states that there will be 3,254 jobs created by the new Category 1 Casino. In addition, the host community agreement states that they will work to achieve 35% City of Springfield residents and no more than 10% (325 persons) of the workforce to be residents from outside of the City and surrounding area.

Springfield and the communities immediately physically adjacent to Springfield have a total of 15,222 unemployed persons or job seekers. In addition, Table 2 includes the two petitioners not immediately adjacent to Springfield, Hampden and Northampton, have a total of 961 unemployed or job seekers as of December 2013.

Therefore, as of December 2013, there are four times as many job seekers in the communities we examined as there are positions estimated to be created by the Springfield casino

[T]here are 11,237 vacant housing units in these communities that could be absorbed in the event workers do move to the area to work at the Subject Property. Springfield has the highest housing vacancy rate at 10% with (6,351 vacant units) and Longmeadow has the lowest ( 3% with 149 vacant units).

Therefore, as of the 2008-2012 ACS, there are 3.5 times as many vacant housing units in the communities we examined as there are new job positions estimated to be created by the Springfield casino.

LDS also examined the change in population by age from 2000 to 2010 for ages 0-14 for the three petitioner communities. LDS looked at this as an indicator of how many children may be entering the school system in the future. Table 6 below shows that the

number of school age or potential school age children, decreased significantly from 2000 to 2010.

[B]ased on a shrinking household size and contracting school age populations in the petition communities, it is reasonable to conclude that the Category 1 casino will not adversely impact schools in the petition communities.

## A. COMMUNITY PETITION

---

Consumer discretionary spending is the driving force behind Northampton's economy. ...[A]pproximately seventeen percent (17%) of the City's total retail sales come from out-of-town visitors to the City. If the MGM project is approved and developed, some of that entertainment and recreation discretionary spending basket will instead be spent at the gaming establishment, significantly and negatively impacting the City's small businesses, which will in turn have a significant and adverse impact on the city's employment rate, tax collections, and future property development.

In considering whether a community will be adversely affected by the operation of the proposed gaming establishment under the fourth criterion noted above, the Commission takes into account, among other things, "any negative impact on local, retail, entertainment, and service establishments in the community...". It is this consideration that primarily concerns the City, and for which it should be designated as a surrounding community. Unlike many other municipalities throughout Massachusetts, and Western Massachusetts in particular, designated or petitioning for designation as a "surrounding community," the City of Northampton will be uniquely and adversely impacted not by traffic or infrastructure, but more significantly, by the disruption to its core economy.

### **A. The operation of the MGM gaming establishment will cause substantial and net adverse impact resulting in lost sales, jobs, earnings, and tax revenue.**

#### ***1. The MGM Development will impact Northampton's existing customer base.***

As noted above, the Commission shall evaluate the impacts of the operation of a gaming establishment including "any negative impact on local, retail, entertainment, and service establishments in the community." Known for its food service establishments, which range from fine dining to counter service, entertainment venues, indoor and outdoor sporting activities and trails, galleries, retail shops, and a variety of lodging accommodations, Northampton is the cultural and consumer epicenter of the Pioneer Valley. In fact, Northampton currently has a new hotel in the permitting process which seeks to offer over one hundred rooms and an accompanying four thousand (4,000) square-foot restaurant.

The scale of MGM's plans for its proposed gaming establishment demonstrates that the project would be far more than a casino. Rather, MGM Springfield would be a "resort casino," complete with all the amenities and leisure activities that complement gaming, including entertainment, dining, and shopping, which together would create an attractive "destination" environment that would directly compete with other centers of activity in the Pioneer Valley, namely Northampton.

Indeed, MGM plans to develop a resort that encompasses much more than gaming. According to the Host Community Agreement, this investment would include:

- 125,000 square feet of gaming area (3,000 slot and video stations and 75 tables);
- 250-room four-star hotel;
- 7,000-square-foot spa with rooftop outdoor swimming pool and 8,000-square-foot rooftop garden;
- 45,000-square-foot conference facility;
- 54 apartment units;

- 125,000 square feet of office;
- An entertainment hub including 8-screen Cinema, 18-lane bowling, a minimum of 7 restaurants, and approximately 27,000 square feet of retail space;
- A physical connection to the MassMutual Center, which will partner with MGM on entertainment; and
- Parking for buses and 3,600 personal vehicles.

These services to be provided by MGM will compete directly with Northampton's business owners for the limited dollars available for consumer discretionary spending in the region.

In addition to any entertainment contained within the Casino and associated facilities, the Casino has entered into agreements to market, co-sponsor, and underwrite 12 major events per year at the MassMutual Center, Symphony Hall, and City Stage venues in Springfield. The added clout of the casino, together with its likely favorable ticket pricing in attracting attendees into these events, creates additional competition for the City of Northampton as a destination and will increase the cost to Northampton venues in attracting performers and concertgoers.

***2. The MGM Development will result in \$4.4 Million to \$8.8 Million in Lost Sales, 90 to 180 lost jobs, and \$1.6 to \$3.2 Million in lost earnings in Northampton.***

As discussed in greater detail in the Camoin Report, while Northampton services customers throughout the Pioneer Valley (the "Northampton Trade Area") and beyond, the City nonetheless draws most of its customer base from south of the City. The MGM development will draw from a far larger market area (the "Casino Trade Area"), and Camoin estimates that approximately 4.04% of all recreational and entertainment spending within the Casino Trade Area will be spent at the MGM facility. However, since the Northampton Trade Area is wholly subsumed within the Casino Trade Area, recreational spending in Northampton will suffer immensely as a direct result of the MGM development. This will result in 4.04% to 8.08% of food/beverage, lodging and retail sales being transferred from the Northampton Trade Area to the gaming establishment, an amount equal to over \$40 million to \$80 million per year.

The impact on Northampton will be especially significant given Northampton's role in the Northampton Trade Area. As well, by redirecting spending in the Northampton Trade Area to the casino, it will reduce the amount of spending that Northampton Trade Area residents would otherwise spend in the City.

All told, on a range of "low case" to "high case" estimates, Northampton can be expected to lose between \$4.4 million to \$8.8 million annually in sales, severely impacting the small businesses in the City already surviving on wafer-thin margins. Moreover, the impact would correlate directly to individuals and would result in a loss of between 90 to 180 jobs, and thus a loss of between \$1.6 million to \$3.2 million in earnings annually.

***3. The City of Northampton will lose between \$137,000 and \$274,000 in lost tax and other revenue annually (\$3,700,000 to \$7,400,000 over a 20-year period).***

In addition to the economic impacts Northampton will face as a result of lost sales, jobs, and earnings as described above, the City treasury will likewise suffer a direct loss of tax and parking revenue. As the Camoin Report details, Northampton's vibrant economy fuels much needed City tax revenues. Sources of revenue include meals taxes from the 103 restaurant, bar, and food retailers throughout the City, as well room occupancy taxes from the City's lodging establishments. Given the large amount of recreational spending in the City, Northampton also relies upon fees associated with parking in the City's municipal

parking lots, as well as metered locations. As the Camoin Report shows, these revenues will all decrease proportionately as a result of the MGM development.

Moreover, the City is expected to lose property tax revenues as a result of the MGM development. Northampton assesses the values of real property on an income generation model. As such, there is a direct correlation between business sales and the rent charged by property owners to commercial tenants. Accordingly, with the decreased sales forecasted, and further described above, there would be a decrease in property taxes, especially for the "mixed use" units located in the City's downtown, anticipated to be the hardest hit by decreased sales resulting from the MGM development.

In sum, the City will directly lose between \$137,000 and \$274,000 in tax and other revenue annually, and \$3,700,000 to \$7,400,000 over a 20-year period, as a result of the MGM project.

***4. The City will lose nearly \$640,000 in tax revenue as a result in the redirection of future investment and development dollars.***

As the Camoin report confirms, Northampton is currently considered a prime location for real estate development in light of a low tax rate, significant number of annual visitors, and a thriving retail environment. By way of example, there is currently \$21 million of development underway with respect to two large hotel development projects in Northampton.

As MGM and Springfield develop casino amenities such as retail stores, hotels, restaurants, and other hospitality services, investments that otherwise would have been made in Northampton would instead be diverted to Springfield. Again, while this end result would undeniably be a good thing for Springfield, it would unfortunately be at Northampton's expense.

As the Camoin Report explains, while not every future development in Northampton would be impacted as Springfield evolves into a more popular tourist destination, the actual impact would nonetheless be substantial. It is forecasted that Northampton would thus lose as much as an additional \$323,190 annually in property tax revenue and \$316,596 annually in associated occupancy tax revenue as a result of this loss of future development in Northampton.

***5. Northampton will not experience any positive impact; patrons from outside the Pioneer Valley attracted to the MGM facility will not benefit Northampton.***

Clearly MGM anticipates attracting current residents of the Pioneer Valley as casino patrons. Moreover, while MGM would undoubtedly expect to attract patrons from outside the region, the proposed Springfield resort casino cannot be expected to have any positive impact on Northampton's economy.

MGM avers that Northampton will benefit to some extent from its development, noting that it intends to:

“promote Northampton and its wonderful and dynamic downtown area to [MGM's] multiple day visitors, and intend to provide the Northampton Visitor's Guide to our concierge and customer service employees to promote to [MGM's] guests.”

This representation of negligible cross-promotion directly contravenes the amenities-rich MGM development proposal, and the track record of the industry itself—providing a *de facto* disincentive for casinos patrons to frequent entertainment amenities outside the casino facility, much less in other communities.



Indeed, the proposed MGM development model is to provide restaurant, entertainment and lodging amenities to meet all of its customers' needs within the gaming establishment and adjacent facilities so that they do not need to leave the casino. For this reason, the proposed nongaming investments in the City of Springfield are not merely negotiated bonuses for Springfield—the Casino has a vested interest in the creation of a successful destination area which suggests a high likelihood of competition for Northampton.

“The tourist ... does not generally spend much in the communities surrounding a resort-style casino.” This business paradigm is readily acknowledged in the industry; Steve Wynn, stated in an address to Bridgeport, Connecticut businesspersons in 1990: “There is no reason on earth for any of you to expect for more than a second that just because there are people here, they're going to run into your restaurants and stores just because we build this building [casino] here.”

***6. The policy objectives of Chapter 23K support designation as a surrounding community.***

“[P]romoting local small businesses and the tourism industry, including the development of new and existing small business and tourism amenities such as lodging, dining, retail and cultural and social facilities, is fundamental to the policy objectives of [Chapter 23K].”<sup>53</sup> Additionally, the legislature established that a key component in awarding a gaming license is the recognition of the importance of unique cultural and social resources.<sup>54</sup> As an established cultural, social, and economic center for decades, the public policy considerations set forth in Chapter 23K seem to speak directly of protecting Northampton's interests and weigh decidedly in favor of designating Northampton as a surrounding community.

Thus, while the City recognizes that the MGM project certainly could result in material and positive impacts for Springfield, this unfortunately will come at the expense of the City of Northampton. Individuals who have spent decades shopping or having dinner in Northampton followed by a musical performance, for example, may now instead spend their discretionary dollars at the MGM casino. The legislature contemplated the likely impact of casinos on small business retail, when the Senate defeated an amendment that would have banned casinos from operating retail businesses because “we’re not interested in trying to kill the goose that lays that golden egg . . . . [W]e want to make sure these entities remain viable, that they are going to produce revenue for the commonwealth.”

## B. APPLICANT RESPONSE

---

MGM Springfield’s planned destination resort casino in the City Springfield approximately 18 miles south of Northampton (the “Project”) will not significantly and adversely impact Northampton, either during development or operation, in the areas of traffic, noise, the environment, public safety, water infrastructure, housing or social services. Indeed, the City has *only* alleged that it will be significantly and adversely impacted through a purported negative impact on its retail, entertainment and services establishments. This novel and speculative argument is based entirely on a flawed economic theory and study, both of which fail to recognize a single benefit that the Project will bring to the region. Quite to the contrary, the Project will be a boon to the regional retail, restaurant, entertainment and tourism economies in Western Massachusetts and will compliment and supplement regional tourism. As such, Northampton stands to *benefit*, rather than suffer, from the Project.

The City’s Petition, and the economic analysis report by Camoin Associates that supports it (the “Camoin Report”), fail to recognize the Project’s beneficial regional impact and are fundamentally flawed in several key respects:

- There is *no zero sum game* for consumer dollars as between Northampton and MGM Springfield – i.e., consumer demand is *not inelastic*.
- Despite some overlap, MGM Springfield and Northampton have *materially different* consumer bases.
- MGM Springfield’s ability to attract customers for extended stays based on the availability of other regional tourist attractions and entertainment and retail venues, including Northampton, is *crucial to MGM Springfield’s success*.
- A thriving Northampton and a thriving Springfield *are not mutually exclusive*. Empirical evidence suggests just the opposite—that both economies can be *mutually successful*, particularly as Springfield adds employment opportunities.
- MGM Springfield *should not be penalized* for embracing and pursuing the policy objectives of Chapter 23K by revitalizing Springfield as a retail and entertainment destination.
- Impacts to Northampton from a revitalized City of Springfield as a destination, as opposed to from the Project itself, cannot be attributed to MGM for the purposes of surrounding community designation.

Northampton effectively claims a monopoly as the self-proclaimed “place to be” and “oasis in ... a generally economically challenged region.” (Pet. Br. at 1.) Thus, the request to mitigate adverse impact is really a thinly veiled request to be compensated if beneficial competition relieves that claimed monopoly. Not only is the suggestion of a Northampton entertainment and retail monopoly unsupported factually, the request that MGM Springfield compensate the City for breaking up its purported stranglehold on entertainment by offering additional choices to consumers seeks implementation of bad public policy.

Northampton also claims to be sufficiently proximate to Springfield to experience negative impacts. While perhaps not the “sole destination market in the Pioneer Valley” or the “consumer epicenter of the Pioneer Valley” as it claims (Pet. Br., at 1,9), Northampton is concededly an important regional

destination city that, together with Springfield, can mutually benefit from the increased multi-day visitors MGM Springfield seeks to attract.<sup>1</sup> Nonetheless, Northampton is far from a neighbor to Springfield. Indeed, approximately eighteen (18) miles and a twenty (20) to thirty (30) minute drive away, it lacks proximity as contemplated by the Gaming Act and the Surrounding Community Regulation. As will be explained further below, Northampton has not and cannot substantiate the “grave and substantial” financial impact it claims, and thus, its Petition should be rejected.

### **B. Northampton Cannot Demonstrate a Significant and Adverse Operational Impact From Retail, Restaurant and Entertainment Competition.**

As explained in the January 19, 2014 memorandum of HR&A Advisors, Inc. responding to the Camoin Report attached hereto as **Exhibit B** the (“HR&A Response”), and as further set

forth below, Northampton’s claim of harm to its retail, restaurant and entertainment businesses is fundamentally flawed and cannot be substantiated.

In its review of the Camoin Study, which underlies the City’s application, HR&A Advisors, concludes the following:

The economic and fiscal impact study of MGM’s proposed project on the City of Northampton is flawed in its narrow focus on select economic issues, while ignoring other sources of benefits that will accrue to the City of Northampton such as jobs for residents and spending at local businesses, and its “zero sum game” assumption that asserts that new economic activity in entertainment, recreation, and retail sectors in Downtown Springfield will subtract from activity in Downtown Northampton. Further, the study ignores the positive regional economic benefits of the Massachusetts’ resident spending that will be recaptured from casinos in nearby states and the new out-of-state visitation that MGM Springfield will attract. HR&A’s study of the economic and fiscal impact of the project on the region demonstrates a range of net positive benefits that will accrue to the regional economy, including in the City of Northampton.

#### ***1. Northampton’s Alleged Impact Is Based on a False Premise of a Zero Sum Game for Consumer Dollars.***

Northampton’s underlying concern, which is at the heart of all of its arguments, is that “MGM will compete directly with Northampton’s business owners for the limited dollars available for consumer discretionary spending in the region.” Pet. Br., at 10. This is based on the Camoin Report’s conclusion that “residents only have so much money to spend on recreation and entertainment and related goods and therefore the Casino will not create ‘new dollars’ to be spent but will merely transfer this spending from other goods and services to the Casino.” Camoin Report, at 14. There are several reasons why Northampton’s fundamental and empirically unsupported premise of inelastic consumer demand in the region is wrong. *See* HR&A Response.

First, MGM Springfield intends to, and to succeed must, stem the outflow of consumer dollars to tribal casinos in Connecticut. Massachusetts residents have long exported gaming revenue to surrounding New England states, adding hundreds of millions of dollars to other states’ coffers. “Mass. residents spent close to \$1 billion last year at New England casinos, continuing in a trend of increased spending over the past several years that beat out every other state in the area.”<sup>14</sup> Repatriating out-of-state revenue from Bay State residents in particular is a major goal of the Gaming Act and of the MGM Springfield proposal. As it details in its RFA-2 response, MGM Springfield will leverage its substantial M life database and employ strategies such as busing programs and collaborations with area venues and attractions, to recapture Bay State spending currently going to casinos in nearby states.<sup>15</sup> Second, MGM Springfield intends to, and to succeed must, attract new consumers from out of state. MGM Springfield’s RFA-2

proposal is premised on generating over fifty (50%) of its revenue from customers from outside of Western Massachusetts, with approximately half of its customers projected to come from out-of-state. *See* MGM Springfield RFA-2 Traffic Study, Section 5-02-02, Table 6-2-9 and Section 2-36-01 (CONFIDENTIAL). The Commission has recognized that resort casinos will generate new tourism in Massachusetts. *See* March 12, 2013 Hearing Tr. at pp. 56-57 [Cameron] (“I can give you a couple of examples of the casino industry increasing tourism. I was involved in New Jersey in hosting or our organization hosting national conferences. And if we held them in Atlantic City, we would triple our enrollment...It really

does make it more attractive for people when they’re traveling and when they’re attending a conference to do it in a location where there are casinos.”). Third, once operational, MGM Springfield will spend roughly \$50 million annually with regional vendors, resulting in increased dollars for consumer spending in the local economy. *See* MGM Springfield RFA-2, Section 3-16. To ensure that annual expenditure extends to all areas of Western Massachusetts, MGM Springfield has spent significant time meeting with various chambers of commerce throughout the region.<sup>16</sup> While MGM Springfield has not yet had an opportunity to meet with the Greater Northern Chamber of Commerce to extend a similar offer, the company has committed to similar outreach as evidenced by the letter MGM Springfield recently sent to them attached hereto as **Exhibit C**.

Fourth, MGM Springfield will employ approximately 3,000 people with an average compensation of about \$50,000 per full-time employee, approximately 10% (or 300) of which will be new participants in the regional economy from out-of-state. The region, including Northampton, will undeniably benefit from the influx of employee wages, and concomitant increase consumer spending power. *See* HR&A Response. Springfield is the largest gateway city in the Commonwealth and, as such, its economic health is critical to the region. With an unemployment rate presently above 11%, Springfield, and the rest of the region, will benefit from the \$100 million plus in annual salary and benefits that MGM Springfield will pump into the regional economy.

Finally, Northampton does not and cannot demonstrate that existing local retail and entertainment dollars that are spent at MGM Springfield would otherwise be spent in Northampton. The tastes and preferences of the typical Northampton patron and the typical MGM Springfield patron may be, and likely are, substantially different. As discussed above, Northampton markets itself as a “rural, lifestyle” setting and one of the “best small towns” in the country. Given such positioning, the City has not, and likely cannot, explain why the placement of an urban casino resort in Springfield, one of the largest cities in New England, is a substitute for the self-proclaimed small-town, rural and arts-focused Northampton tourist experience.

## ***2. Northampton and Springfield Tourism and Hospitality Can Grow Together.***

The City maintains that the growth in tourism in Springfield, which MGM Springfield hopes to hasten with its project, will be at the cost of Northampton, i.e., that a resurgent Springfield necessarily means a declining Northampton. Historical data simply does not support this contention. According to data collected by the Census, over the past 15 years, Springfield’s and Northampton’s tourism and hospitality market can both grow. In 2000, the Census reported that Springfield’s total accommodation and food service sales were \$148 million.<sup>17</sup> In 2010, that figure grew to \$222 million, a 21% increase (when accounting for inflation).<sup>18</sup> In 2000, the U.S. Census reported that Northampton’s total accommodation and food service sales were \$57.8 million.<sup>19</sup> In 2010, that figure grew to \$81.7 million, a 12% increase (when accounting for inflation).<sup>20</sup> If the City’s contentions that the Western Massachusetts tourism market is fixed

and that the growth of Springfield’s tourism industry comes at the cost of Northampton’s were correct, then there *could not be* such growth in both cities over that same period of time. One need not look outside of New England to find an example of the successful symbiotic relationship that Northampton and Springfield could continue to enjoy. Kennebunkport, Maine and Portland, Maine are within roughly a half an hour from one another. Both have numerous quality restaurants, bars and boutique retailers. Portland offers coastal urban energy and Kennebunkport is a relaxed upscale town providing the best of Maine in beautiful environment. The communities are about 25 miles apart and together create a powerful draw. Tourists often stay in Kennebunkport and visit Portland for a day. Alternatively, Portland business travelers regularly visit Kennebunkport for a relaxed lunch or dinner. Portland was revitalized in the 1990s as a result of local public and private leadership paving the way for opening a new L.L. Bean store downtown, refurbishing a street of historic buildings, and building a farmers market which, in turn, supported housing development. Those efforts catalyzed the economic renaissance of Portland and the restoration of its historic “seaport district.” Equally important, local destination communities such as Kennebunkport (and Freeport and Booth Bay) were enhanced by Portland’s resurgence, not diminished.<sup>21</sup> Each of Kennebunkport and Portland would be economically weaker without the other. There are similar examples of other “B” New England cities that declined and then returned to prosperity through local leadership and development initiatives – i.e., Portsmouth, Providence and Burlington, which are now gems that benefit their respective regions. Any notion that smaller regional destinations suffer as a result of these revivals is baseless. Springfield is seeking to follow the same path. Northampton will be better off for it.

### ***3. Northampton Ignores MGM Springfield’s Unique Casino Model and Regional Cross-Marketing Plans.***

Northampton incorrectly asserts that “consistent with longstanding casino industry practices, [MGM] seeks to provide entertainment amenities as a disincentive for casino patrons to visit other entertainment and retail venues.” Pet. Br., at 2. The City apparently did not take the time to review MGM Springfield’s proposals and plans prior to filing this Petition. The MGM Springfield operating model bucks the longstanding casino industry trend and turns the traditional casino model inside out to encourage community integration and spur further development. As discussed in detail in its RFA-2 response, specifically Section 1-03, MGM Springfield’s Project is a truly innovative outward facing urban resort, which integrates with the surrounding downtown environment.

Moreover, exactly the opposite of what Northampton claims, MGM Springfield is using existing entertainment venues rather than providing its own. As referenced in its RFA-2 Response, Section 3-24-01, MGM Springfield has entered into various agreements with existing local venues and attractions – Symphony Hall, City Stage, MassMutual Center and Six Flags- all of which have long co-existed in the Western Massachusetts tourism market with Northampton venues. To be clear, MGM Springfield has not planned for any ticketed entertainment venues on its Project site.

MGM Springfield has also performed extensive regional outreach to establish relationships with other regional attractions to encourage multi-day visits to the region by out-of state patrons. Contrary to Northampton’s assertion that MGM Springfield’s model is set up so that “patrons do not need to leave the casino,” as referenced in its RFA-2 Response, Section 1-02-01, MGM Springfield intends to resurrect a free trolley system so that patrons do exactly that within Springfield and can easily be exposed to the rich offerings in Springfield. Branching out beyond Springfield, MGM Springfield is engaged in discussions with or has entered into agreements with Six Flags New England (Agawam), Tanglewood (Lenox), Jiminy Peak (Hancock) and several regional golf courses.

### ***4. Northampton’s Unfounded Fears Are Based on False Assumptions.***

Without any factual support, Northampton claims that MGM Springfield will use its “likely favorable ticket pricing” in attracting attendees to venues in Springfield, which will create additional competition for Northampton as a destination and increase the cost to Northampton venues to attract performers. Pet. Br., at 10. First and foremost, to the extent a live entertainment venue alleges a negative impact, the proper method for addressing such concerns is through a petition filed under G.L. c. 23K, § 17(b) and 205 CMR 126.01 (Determination of Impacted Live Entertainment Venues). The City cannot seek surrounding community status on alleged impact to live entertainment venues. MGM Springfield is aware of no timely petitions filed pursuant to G.L. c. 23K § 17(a) and 205 CMR 126.00. Nevertheless, the City offers no basis for its assertion of “favorable ticket pricing,” nor can it.

The City also cites the potential of MGM Springfield including so-called radius restriction clauses in its agreements with performers. *Id.*, at n. 35. MGM Springfield has been clear in its outreach to regional venues and in its RFA-2 Application to the Commission that it will not incorporate radius restrictions that limit performers’ ability to perform at other regional venues.

***5. Even if Direct Competition Results, Such Competition Comports with the Underlying Goals of the Gaming Act and Should Not Be Deemed an “Adverse Impact” to Be Mitigated.***

It is clear that economic competition is a goal of the Gaming Act. *See* Oct. 16, 2012 Hearing Tr., at 90 (Crosby) (“It’s a competitive environment. That’s what America’s all about...To the extent that we can promote competition, that is clearly in the public interest.”). It would, therefore, be illogical to consider that very competition to be an adverse impact to be mitigated under the Act.

Spectrum Gaming Group (the “Commonwealth’s Consultant”) conducted an extensive study on which the Commonwealth relied in establishing gaming in Massachusetts. The 2008 study, “Comprehensive Analysis: Projecting and Preparing for Potential Impact of Expanded Gaming on Commonwealth of Massachusetts,” Prepared for the Commonwealth of Massachusetts, Deval L. Patrick, Governor, Timothy P. Murray, Lieutenant Governor, August 1, 2008 (the “Commonwealth Study”), addresses and rejects the precise arguments raised by Northampton. For example, the Commonwealth Study recognized the importance of out-of-state tourism to any successful project proposal, a concept that the City does not even acknowledge in its inelastic demand argument. “One of the major recommendations in this report is that casino development be designed to increase tourism, including the frequency of visitation, increase in the length of visitors’ stays, expansion of the traditional core demographic base, and targeting additional markets including convention attendees.” *Id.*, at p. 148. The Commonwealth’s Consultant further determined “that the most effective means of ameliorating any negative substitution is to authorize only destination casinos that have developed plans and strategies to grow the visitor base, expand employment and engage in joint marketing opportunities with other local businesses.” *Id.*, at p. 155. Finally, commenting on varying studies in this area, the consultant dismissed the adverse substitution impact being alleged by the City and its consultant.

These results represent good news to Massachusetts businesses. Based on the most comprehensive study to date, which uses a nation-wide county-level sample, **there is no evidence of a significant substitution effect for employment and earnings between the casino sector and entertainment/hospitality sectors.** The empirical evidence suggests that there is a moderate complementary effect. These results are based on solid, peer-reviewed academic research. However, as noted previously, these nationwide results will not necessarily be borne out in Massachusetts, but policy makers and voters can be optimistic about casinos because there is little evidence to support a substitution effect.

*Id.* at 153-154 (emphasis in original).

Moreover, to the extent that Northampton is concerned with the resurgence of the City of Springfield itself, the competition between these cities for consumer dollars cannot be attributed to MGM Springfield for the purposes of measuring impact under the Surrounding Community Regulation. For instance, the Camoin Report concludes that “the proposed non-gaming investments in the City of Springfield are not merely negotiated bonuses for Springfield – the Casino has a vested interest in the creation of a successful destination area – which suggests a high likelihood of competition for Northampton.” Camoin Report, at 11. The Camoin Report is right that MGM Springfield has a vested interest in the successful creation of Springfield as a destination, but to the extent that it is successful in encouraging new businesses, retailers, entertainers and service providers to establish themselves in Springfield and revitalize downtown, that success should not be deemed a negative impact to another community under the operational impact factor of the Surrounding Community Regulation.

Indeed, the Town of Sterling argued in their Surrounding Community petition with respect to Cordish’s application for a slot parlor in Leominster that there was potential for a significant decline in the utilization of local restaurants as patrons choose among the several restaurants to be located at the facility instead of patronizing Sterling establishments. *See Town of Sterling Surrounding Community Petition Analysis*, at p. 45. The Commission rejected this argument and did not designate the Town of Sterling a Surrounding Community. *See Nov. 21, 2013 Hearing Tr. at pp. 82-85.*)

## **C. RPA ANALYSIS**

---

No relevant documents



## **D. ENF ANALYSIS**

---

### **DEIR**

As Secretary of Energy and Environmental Affairs, I hereby determine that the Draft Environmental Impact Report (DEIR) submitted on this project adequately and properly complies with the Massachusetts Environmental Policy Act (G. L. c. 30, ss. 61-62I) and with its implementing regulations (301 CMR 11.00). The Proponent must prepare and submit for review a Final Environmental Impact Report (FEIR) in response to the Scope provided in this Certificate.

### **Environmental Impacts**

Potential environmental impacts are associated with land alteration, traffic, water supply and wastewater generation, waste site clean-up, and generation of Greenhouse Gas (GHG) emissions. The DEIR provides an updated estimate of environmental impacts based on the current project proposal and associated uses. The overall project has been reduced from 926,900 sf to 881,691 sf, a reduction of 45,209 sf. Impervious surfaces, compared to existing conditions, will be reduced by 1.8 acres (previously 1.3 acres). The project will generate a total of 24,851 average daily vehicle trips (adt) on a Friday (compared to 27,640 identified in the ENF) and 27,590 adt on a Saturday (compared to 29,860 identified in the ENF). When adjusted for mode share, vehicle trips are estimated at 19,673 adt on a weekday and 21,925 adt on a Saturday. Water demand is estimated at 246,646 gallons per day (GPD) and wastewater generation is estimated at 224,224 GPD. The number of parking spaces has been reduced by 1,060 to 3,740.

### **Water Supply**

Potable water will be provided by the Springfield Water and Sewer Commission (SWSC) through existing water distribution infrastructure within the site and in adjacent rights-of-way. The project will increase water use from 33,602 GPD to 246,646 GPD of water, an increase of 213,044 GPD. The DEIR identifies existing infrastructure and connections. It includes a letter from the SWSC, dated August 28, 2013, confirming that adequate supply and water distribution capacity is available to meet average water demand. The SWSC maintains a Water Management Act (WMA) registration of 39.1 million GPD for withdrawals from the Westfield River basin.

The DEIR indicates that the Proponent will continue to work with the SWSC to address any concerns regarding maximum day and peak hour demands.

### **Wastewater**

Existing wastewater demand will increase from 30,547 GPD to 224,224 GPD, an increase of 193,677 GPD. Wastewater will be discharged to the Springfield Regional Wastewater Treatment Facility (SRWTF) for treatment and discharge.

### **Wetlands and Waterways**

As currently proposed, the project will not directly impact wetlands or waterways.

The DEIR includes a Stormwater Management Plan (Appendix E) that demonstrates how project will be designed consistent with MassDEP Stormwater Management Standards.

### **Water Supply and Wastewater**

It should indicate if on-site storage will be incorporated into the site design to mitigate peak wastewater flows and any other mitigation to address potential impacts associated with peak flows such as back flow preventers for adjacent properties. The FEIR should include an update on its consultations with SWSC.

To minimize flows to CSO regulator 15B, MassDEP recommends that the Proponent consider directing site stormwater to the 60-inch by 80-inch combined sewer located downstream of regulator 15B. The FEIR should address this recommendation.

## E. CONSULTANT ANALYSIS

---

### ***MARK VANDER LINDEN, DIRECTOR OF RESEARCH AND PROBLEM GAMBLING***

On January 9, 2014 the Massachusetts Gaming Commission (MGC) received a petition from the City of Northampton for surrounding community designation by Blue Tarp reDevelopment, LLC. In their statement of reasons they cite numerous ways they will be impacted should MGM locate a gaming facility in Springfield, MA. These reasons include:

1. Northampton is geographically proximate to the proposed MGM development. Proximity and economic impact are related where the casino will siphon off a portion of that spending from the Northampton Trade Area. By redirecting spending in the Northampton Trade Area to the Casino, it will reduce the amount of spending that Northampton Trade Area residents would otherwise spend in the City.
2. Northampton is in the proximate economic market of the MGM development and shares a common tourism and transportation infrastructure with Springfield.

Below, I provide a summary of research and conclusions (Williams, Rehm, Stevens,2011) in response to general economic reasons cited by Northampton that may provide some assistance as the Commission considers the petition.

**Economic Impacts:** There are several possibilities concerning the potential impact of gambling on other industries. The proposed resort casino in in Springfield by MGM will offer a hotel, restaurants, and entertainment in addition to their traditional gambling activities. These associated amenities could potentially compete with similar businesses in the local area. On the other hand, it is possible that local hotels, restaurants and entertainment venues might benefit from the ‘overflow’ and/or in situations where the casino does not offer these associated amenities. Another argument is that the discretionary consumer spending is limited and that increased gambling expenditure necessarily reduces expenditure on other goods/businesses. A counter-argument is that adding a new and interesting service/good to the economy could increase overall consumer expenditure at the expense of savings. Finally, it is also possible that increased utilization of existing money could increase overall business revenue with no negative impact on other industries. This occurs if gambling revenue is re-circulated within the local economy at a more rapid rate than revenue from other industries. Not surprisingly, then, the evidence is mixed on the impact of gambling on other businesses.

Positive impacts on businesses have been most commonly reported with destination casinos that draw their patronage from outside the immediate area, require overnight stays, and are located in tourist areas offering other entertainment and sightseeing opportunities. Specific sectors that benefit most consistently are hotels, restaurants, lounges, and other types of entertainment. These positive local impacts are especially enhanced when the number of visitors is large relative to the population of the local area, when baseline levels of economic activity are low, when casino supplies are purchased locally; and when employee wages are spent in the local area. However, most of these studies have focused on the benefits of casino gambling to local businesses without examining whether there is offsetting loss of business revenue in the regions/jurisdictions from which the visitors/tourists originated. A larger geographic focus is necessary to address the more important question of whether gambling can spur economic growth in the absence of substitution/cannibalization. Several studies have examined this issue on a larger geographic scale and have reported gambling introduction to increase overall business revenue on a state-wide level. However, the most recent and thorough analysis of these findings is that if this stimulating effect exists, it only lasts a few years. A number of studies have found that the introduction of gambling has no

significant impact (either positive or negative) on other industries. In some cases this lack of impact is attributed to the fact that gambling constituted too small a part of the jurisdictional economy to have significant jurisdiction-wide impacts.

While not mentioned specifically in the Northampton's petition, there are social impacts that may accompany gaming expansion that warrant consideration. I provide a list of commonly identified impacts and review and summary of the evidence.

**Problem and disordered gambling:** One of the main negative impacts of gambling is problem or disordered gambling. There are a host of issues associated with problem gambling. Social impacts include things such as mental health problems, suicide, family/relationship problems and divorce. Many studies have found a relationship between proximity to gambling venues and the prevalence of problem gambling<sup>2</sup>

- In 1998, analysis of the U.S. Gambling Impact and Behavior Study data found that location of a casino within 50 miles was associated with approximately double the rate of pathological gambling (Gerstein et al., 1999).
- In a separate U.S. national-level study, Welte et al. (2004) determined that the location of a casino within 10 miles of an individual's home is independently associated with a 90% increase in the odds of being a problem or pathological gambler.
- Shaffer, LaBrie and LaPlante (2004) examined county-level prevalence estimates from the 2000/2001 survey in Nevada in relation to casino availability and found that the four counties with the greatest access to casinos had the highest problem gambling rates, and the four with the least availability had the lowest rates.

**Crime:** Dr. Robert Williams conducted an exhaustive review of studies in the US and international jurisdictions regarding the relationship between casinos and increase in crime. He found the evidence is somewhat mixed concerning the impact that legal gambling introduction has on crime rates. The most common finding is that crime rates do indeed increase with increased gambling availability. The main caveat to studies with this finding is that some of them are not referring to aggregate crime rates. Rather, some are focusing on the impacts for specific types of crime, such as increased fatal alcohol-related traffic accidents following the introduction of casinos. Other studies are simply documenting that increased gambling at an individual level is associated with increased *likelihood* of committing gambling-related crime.

Only a couple of studies reported a general increase in all categories of crime. Consistent with the notion that increases in crime are partly attributable to increased numbers of problem gamblers, most studies have found increases primarily in property offenses, particularly fraud, embezzlement, theft, and larceny (although two studies actually found reductions in these categories).

Several studies failed to find increased crime rates, or only found increases in some communities but not others. Dr. Williams concluded that although there are good theoretical reasons to expect a positive relationship between gambling introduction and crime, it may not always manifest itself. There are many factors other than gambling that can potentially mediate this relationship, such as extensive prior exposure to gambling, a relatively small increase in the availability of gambling relative to population size, a

---

<sup>2</sup> Williams, R.J., Volberg, R.A. & Stevens, R.M.G. (2012). *The Population Prevalence of Problem Gambling: Methodological Influences, Standardized Rates, Jurisdictional Differences, and Worldwide Trends*. Report prepared for the Ontario Problem Gambling Research Centre and the Ontario Ministry of Health and Long Term Care. May 8, 2012. <http://hdl.handle.net/10133/3068>

temporal lag whereby crime increases take several years to occur, or the existence of jurisdictional policies that protect against the negative impacts of gambling (e.g., effective programs to prevent problem gambling, limits on the provision of readily available cheap alcohol in venues, enhanced security/policing in casinos, etc.). Because the magnitude of the increase in crime is not large in most studies, the presence of any of these other moderating factors has potential to negate the increased crime effect.

**Drunk driving incidents:** There does appear to be a positive correlation between casino proximity and increase in drunk driving incidents. Below are three studies that support this: There are three studies which address this.

- Cotti, C. and D.M.Walker. (2010). The Impact of Casinos on Fatal Alcohol-Related Traffic Accidents in the United States, found a strong link between the presence of a casino in a county and the number of alcohol-related fatal traffic accidents. However, the relationship is negatively related to the local-area (county) population.
- Spectrum Gaming Group (2009). Gambling in Connecticut: Analyzing the economic and social impacts. Found a positive correlation between driving-while-intoxicated arrests and legal gambling in Connecticut.
- A study done by Dr. Richard McGowan (2013)<sup>[1]</sup> found a positive correlation between drunk driving arrests for a county and the presence of a casino within that same county. Specifically the study concluded that casino gambling can have serious social costs on a community. In a review done by Williams he found two studies that supported a positive correlation between driving while intoxicated and the presence of a casino.

### **Social and Economic Impact of Gaming in Massachusetts**

The question, to what extent will the introduction of a gaming facility create negative impacts on any specific community is complex and difficult to answer. However, the Commission is currently working closely with SEIGMA/UMASS Amherst to conduct a controlled before-after comparison of changes in rates of problem gambling and numerous social and economic indices coincident with the introduction of a gaming facility. The ongoing findings of this study will provide the most accurate determination of what the true social and economic impact is on host and surrounding communities. A more precise understanding of the impacts will inform the best use of the **Public Health Trust Fund** which was created to assist social service and public health programs to mitigate the potential addictive nature of gambling and the **Community Mitigation Fund** which was created to assist the host and surrounding communities in offsetting costs related to the construction and operation of a gaming establishment.

---

<sup>[1]</sup> McGowan, R. (2013). *Casino Gambling and Drunk Driving: How are Communities Impacted?* Gaming Law Review and Economics. November 10, 2013.

## **HLT: City of Northampton Surrounding Community Status Petition**

### **1. BACKGROUND**

In accordance with the MGL c. 23K 17(a) and 205 CMR 125.01(2), any Massachusetts community has the right to petition the Commission for declaration as a Surrounding Community if the community can: 1) demonstrate negative impacts from a gaming development and 2) has requested and been denied Surrounding Community status by an Applicant. In consideration of a community petition, the Gaming Commission must consider various factors and evaluate:

- The community's proximity to the host community and the gaming establishment.
- The impact on transportation infrastructure in the community by the gaming establishment.
- The noise, traffic and environmental impacts on the community during construction of the gaming establishment.
- The negative impact the gaming establishment could have on local retail, entertainment and service establishments in the community.
- Any other relevant potential impacts to the community.

The City of Northampton requested that MGM declare the City a Surrounding Community with respect to the Category 1 Application proposed for Springfield. The basis for the City's request is that:

- The City is located approximately 19 miles from the proposed MGM Casino site and considers itself proximate to the host community (Springfield).
- MGM's Springfield Casino will create negative impacts on local retail, entertainment, and service establishments in the community.

MGM rejected the City's request. As a result, the City petitioned the Commission to adjudicate its request for Surrounding Community status in a letter dated December 27, 2013 (the "Northampton Petition"). MGM subsequently responded to the City's petition in a document dated January 21, 2014. Both parties appeared before the Commission on January 28, 2014.

### **2. OBJECTIVE AND SCOPE**

The Commission engaged HLT<sup>1</sup> to assess the City’s request specifically with respect to any negative impacts on the City’s local retail, entertainment and service establishments.

HLT’s mandate was to:

- Conduct a peer review of the Camoin Associates economic impact study that was prepared for the City of Northampton and submitted with the petition.
- Comment on the potential impacts that a Category 1 Casino, located in Springfield, might have on the City’s local retail, entertainment and service establishments based on HLT’s extensive gaming industry experience and relevant examples.

To complete this assessment we:

- Reviewed the Petition and related correspondence between the City, MGM and/or the Commission.
- Reviewed applicable sections of MGM’s Category 1 Application including MGM Resorts International – Springfield Market Study Appendix Update, November 2013 prepared by Union Gaming Analytics and Regional Economic and Fiscal Impacts of Proposed MGM Springfield on Gaming Region B and the Commonwealth of Massachusetts prepared by HR&A Advisors.
- Reviewed the economic impact study submitted with the City’s petition specifically Economic & Fiscal Impact Analysis of the Proposed MGM Casino on the City of Northampton, MA, December 2013, prepared by Camoin Associates (“Camoin” or the “Camoin Report”).
- Reviewed the rebuttal to the City’s petition prepared by MGM including the appended memo from HR&A entitled HR&A Comments on Economic & Fiscal Impact Analysis of the Proposed MGM Casino on the City of Northampton, MA dated January 21, 2014.
- Conducted selected interviews with economic development and chamber of commerce representatives in two Massachusetts communities (described more fully later in this report).

<sup>1</sup> HLT Advisory is a Toronto-based consultancy focused on the gaming, tourism, accommodation and leisure industries. HLT has a significant public- and private sector client base within these industries and has completed a broad range of market assessment, bid process, economic impact and strategic planning engagements across North America as well as in Asia, Europe and the Caribbean.

- Attended the Commission’s January 28, 2014 meeting where both the City and MGM presented their respective positions on the issue.

Upon completion of these steps we completed the following letter report.

### **3. PEER REVIEW**

Camoin Associates was retained by the City to estimate the reduction in visitor spending (and, flowing from that, loss of employment in and revenue to the City) as a result of MGM’s proposed Casino.

According to the Camoin Report, the City serves as a “major center of activity for residents, students, visitors and tourists”, and is a “well known tourism hotspot with significant offerings of lodging, entertainment and dining.”

Camoin concludes that between \$4.1 and \$8.3 million of current direct spending on “recreational” products and services in the City will be transferred to the MGM Springfield casino. This conclusion is drawn from estimates of overall casino spending within the casino trade area and the impact on the Northampton trade area (as defined by Camoin). Camoin also projects that transferred spending will create job losses for between 87 and 175 people as well as a reduction in direct annual revenue to the City of between \$137,000 and \$274,000 (i.e., related to meals, occupancy, parking and property taxes/fees).

In our view Camoin has significantly overestimated the negative impacts on the City due to the:

- Failure to take into account the repatriation of gaming spending (and non-gaming related expenditures such as travel, hotel and entertainment) by Massachusetts residents that is currently being spent at casinos located outside Massachusetts, namely in Connecticut and Rhode Island.
- Incorrect assumption that 100% of any gaming spending (and non-gaming related expenditures) will be generated at the expense of existing spending on a range of leisure activities defined by Camoin (e.g., eating and drinking, entertainment, books).
- Failure to consider any positive impacts from the MGM Casino (e.g., Casino spending on goods and services, increased visitation to the area).

Additionally, a number of methodological inconsistencies in the Camoin Report create difficulty in interpreting the conclusions. Our comments relating to these points are detailed below:

#### **Repatriation of Gaming Spending by Massachusetts Residents**



The Camoin Report cites various studies as a basis for estimating the gaming and non- gaming revenue likely to be generated at MGM’s Springfield Casino. The MGM Application provides additional market analysis and corresponding estimates of gaming and non- gaming revenue. Each of these studies also identifies significant existing gaming spending by Massachusetts residents that occurs at out-of-state casinos. However, Camoin neither acknowledges nor incorporates this fact within its projections, instead assuming that 100%

of the gaming and non-gaming revenue at the MGM Casino is new spending by residents of the trade area.

The Center for Policy Analysis Report estimated that Massachusetts residents spend \$710 million annually at six casinos located in Connecticut (i.e., Foxwoods and Mohegan Sun), Rhode Island (i.e., Twin River, Newport Grand) and Maine (i.e., Hollywood Bangor, Oxford Casino). Dividing the adult population in Massachusetts (21+) into the estimated out-of- state gaming revenue generated by Massachusetts residents equates to a spend of \$149 per adult.

Existing Casino Gross Gaming Revenue Generated from Massachusetts - 2012	
States Generating Casino Revenue From Massachusetts Residents (2012)	Gaming Revenue
Connecticut	\$439,335,091
Rhode Island	\$268,169,485
Maine	\$2,840,627
<b>Total Gaming Revenue</b>	<b>\$710,345,203</b>
<b>Massachusetts Adult Population (2012)</b>	<b>4,777,290</b>
<b>Average Casino Gaming Revenue/Adult</b>	<b>\$148.7</b>

*Source: Center for Policy Analysis, University of Massachusetts Dartmouth "New England Casino Gaming Update 2013", and HLT Advisory based on US Census Bureau.*

Applying the per capita spending of \$149 to the Northampton trade area population of 322,320 adults, suggests almost \$50 million in out-of-state gaming spending by Massachusetts residents will be repatriated to Massachusetts from the Northampton trade area alone.<sup>2, 3</sup>

<sup>2</sup>The Camoin Report did not provide a population estimate for the Northampton Trade Area, which was defined as a 25-minute drive-time polygon from the City of Northampton. As such, HLT recreated this 25-minute drive- time polygon using Microsoft MapPoint mapping software and extrapolating the zip codes contained within this drive-time.

<sup>3</sup> Additionally, the \$148.70 state-wide per capita spending estimate is almost certainly conservative when applied to the Northampton trade area as proximity to a casino increases both propensity to gamble as well as frequency of visitation. As the City of Northampton, and

the surrounding trade area, are located within a 1.5 hour drive time of both Mohegan Sun and Foxwoods Casinos in Connecticut. The proximity to these gaming establishments likely results in a greater spend per adult than the state average.

City of Northampton and Northampton Trade Area - Current Casino Spending (2012)			
	City of Northampton	Rest of Trade Area	Total Trade Area*
Adults	22,111	300,209	322,320
Gaming Spending/Adult	\$148.7	\$148.7	\$148.7
Total Gaming Spending	\$3,287,739	\$44,638,694	\$47,926,432

*Source: HLT Advisory Inc. based on Microsoft MapPoint, US Census Bureau, Center for Policy Analysis, University of Massachusetts Dartmouth "New England Casino Gaming Update 2013", and HLT estimates.*

*\*Note: Northampton Trade Area defined as a 25 minute drivetime around the City. Map of trade area is shown in Appendix A.*

Camoin’s failure to take the existing spending by Massachusetts and Northampton trade area residents into account, improperly, and significantly, overstates the “new” spending attributed to the MGM Springfield Casino. Further, repatriation of gaming spending by Massachusetts residents to a nearer Massachusetts casino (i.e., MGM Springfield), resulting in fewer out-of-state trips, may also disproportionately reduce the amounts spent on non-gaming activities (e.g. food and beverage, lodging, retail).

**Incrementality of Gaming Spending**

A more significant shortcoming in the Camoin analysis is the assumption that any dollar spent by a Northampton trade area resident at the MGM Casino will come at the expense of existing spending on retail, entertainment and service establishments in the City. No empirical evidence supports a 100% trade-off between dollars spent at a casino and dollars spent on retail, entertainment and services. In fact, while some market overlap undoubtedly exists, for the most part it would be reasonable to assume that the Casino market and Northampton’s traditional customer base are largely dissimilar.

**Positive Benefits**

The Camoin Report fails to acknowledge the possibility of positive economic impacts from the development and operation of the MGM Casino. In our view the positive impacts could be significant, including:

- Direct employment—MGM’s staff complement is projected at 2,300 FTE jobs to support ongoing Casino operations. While only a few of these individuals may actually live in the City (or choose to relocate to Northampton) given the distance, the increased payroll and spending potential will be a net benefit to the broader Northampton trade area.
- New visitors to the area—MGM’s market and financial advisors (Union Gaming Group) and economic impact advisors (HR&A) reference 4 million potential out-of-

state visits to the MGM Casino per annum. These new visitors represent a market opportunity for Northampton retail, entertainment and service establishments. Active marketing by Northampton businesses, independently or in tandem with MGM, could increase visitation to the City.

- Purchase of goods and services from regional suppliers—MGM estimates the annual value of goods and services to support Casino operations is \$50 million.

Had the Camoin Report quantified—and included—the positive economic benefits to the City, the net effect would have been considerably lower negative impacts. In fact, we believe the City could more likely experience positive economic benefit from the MGM Casino.

### **Other Comments on the Camoin Report**

A description of the “Scope of Services” to be provided by Camoin is set out in the Addendum to Application for Community Disbursement; Exhibit A, dated December 27, 2013. Based on this Scope of Services, Camoin appears to have identified only negative impacts from a Springfield Casino. The Project Understanding section of the Scope of Services concludes with the following statement:

“The City would like the consultant to assess these issues and provide an expert report that will show the extent of any adverse economic impacts to the community”

In addition, Task 3 (Resident and Visitor Spending Inventory – Current and Future) states:

“We will also show how these spending figures would grow over time absent the Casino development.” (Underline included in original Camoin document.)

Task 4 (Casino-Related Changes to Spending Patterns) states:

“The high and low cases will be quantified as dollars currently spent in the City that will in future be spent at the Casino (hereafter the ‘Spending Change’).”

The “Spending Change” referred to in Task 4 is the basis for calculating the economic impacts (i.e., jobs, government revenue) contained in the Camoin Report. The Spending Change, as defined in the Scope of Services, omits consideration of any positive benefits accruing to Northampton either through additional visitation to the region or as a result of Casino employment, associated payroll and general procurement.

The Camoin Report also contains several methodological inconsistencies/issues that may affect the conclusions as well as posing challenges for the reader in interpreting data, including:

- Much of the data presented is undated (e.g., ESRI data tables on pages 10 and 14).

- Adjustments may be required for inflation/future growth. For example, the Camoin Report calculates the Strategic Market Advisors’ gaming revenue estimates for 2019 as a percentage of ESRI’s actual recreational spending data (presumably from 2012, perhaps earlier). This could have the result of overstating the negative impact (i.e., gaming revenue as a percentage of recreational spending).
  - Contradictions in trade area definition. The Camoin Report identifies the Northampton trade area as a 25-minute drive-time polygon on page 4 and a 25- mile drive-time trade area on page 10. A 25-minute drive-time polygon would likely be wholly contained within a 25-mile radius.
  - Population figures are not provided for the defined trade areas.
- These issues are provided for background.

**4. COMPARABLE COMMUNITIES**

The Camoin Report identifies Northampton as a “premier destination in the Pioneer Valley, attracting residents, students, visitors and tourists for its varied offerings from unique retail stores, top notch restaurants, and high quality entertainment and music venues.” The Report also refers to the City as “the place to be” with “unique character and charm.” The City’s primary concern and the reason underlying the petition for Surrounding Community status is a belief that the MGM Casino (and its contained retail, entertainment and F&B options) will harm businesses in the City offering similar goods and services through lost visitation and, subsequently, lost revenues.

One means of examining the potential impacts on a smaller community from the introduction of a destination casino, is a comparison with comparable communities<sup>4</sup>. To this end, we noted that the City of Northampton was ranked by American Style magazine as one of the “Top 25 Small Cities for Art” in their June 2012 subscriber ranking of arts communities throughout the country. Given Northampton’s inclusion on the list, HLT referenced the “Top 25 Small Cities for Art” and identified those cities located within 25 miles of a casino. The table below identifies five cities on the “Top 25” list within such a range.

City	State	Nearest Casino	Location	Approx. Distance (Miles)	# Slots	# Tables
Santa Fe	New Mexico	Buffalo Thunder Resort & Casino	Santa Fe, NM	15	1,200	18
Northampton	Massachusetts	MGM Springfield (Proposed)	Springfield, MA	19	3,000	100
Sedona	Arizona	Twin Arrows Navajo Casino Resort	Falstaff, AZ	22	1,100	30
New Hope	Pennsylvania	Parx Casino	Philadelphia, PA	23	3,361	166
Annapolis	Maryland	Maryland Live!	Hanover, MD	25	4,341	174

*Source: HLT Advisory Inc. based on communities identified by American Style Magazine as "Top 25 Small Cities for Art", June 2012, Issue 80, Summer 2012 and information provided by various State gaming commissions/agencies, casino websites, Massachusetts RFA applicant submissions. Distances are approximate and generated using Microsoft MapPoint software. Note: MGM Springfield site is mapped from the corner of State St. and Main St., Springfield.*

Two cities stand out as the closest comparable communities to Northampton based on: distance to the nearest casino, type of casino (e.g. commercial resort casino), and size of casino terms of number of slots and tables:

- **New Hope, Pennsylvania** – located approximately 23 miles from Parx Casino in Bensalem (3,361 slot machines and 166 tables, opened in 2009) as shown in Appendix B1. New Hope is a borough of 2,528 people (U.S. Census 2010) known as an arts and crafts destination and is home to a number of galleries, including the Bucks County Gallery of Fine Art, the Bucks County Classical Arts Center, and a number of other contemporary arts and craft venues. The Borough also offers theatrical entertainment at the Bucks County Playhouse, ghost tours around the Borough and the Bucks County Children’s Museum. Retail offerings range from boutique apparel and accessories, to culinary shops. New Hope also has an extensive array of antique stores.
- **Annapolis, Maryland** – located approximately 25 miles from Maryland Live! Casino in Hanover, Maryland (4,341 slots and 174 tables, opened in 2012) as shown in Appendix B2. Annapolis, the state capital, is a reasonably small city with a population of 38,620 (U.S. Census estimate for 2012). Annapolis is known for an abundance of 18th century architecture, including three historic homes (of the country’s founding fathers) open to the public. The city is also home to the Banneker-Douglas Museum which is the state’s official repository for African-

<sup>4</sup> Camoin’s “Scope of Services” as set out in the Addendum to Application for Community Disbursement includes a reference to applying “case study research on already existing casino in other states.” The Camoin Report did not include any such comparables.

American history. Live theatrical and music offerings include the Annapolis Opera, Annapolis Symphony Orchestra, the Ballet Theatre of Maryland, and the Rams Head Onstage. The city is also home to the U.S. Naval Academy which is the training ground for officers of the U.S. Navy and Marine Corps. Annapolis has numerous boutiques and specialty shops and is home to 25 art galleries and studios including the Elizabeth Myers Mitchell Gallery fine arts museum.

To obtain a perspective on any impacts on these two communities from the introduction of casino gaming, HLT spoke with John Burke (Manager of the Borough of New Hope), Sanja Giandomenico (Manager of Programs and Operations at Annapolis Economic Development Corporation) and Phyllis Schisler (Research Manager, Anne Arundel Economic Development Corporation).

The representatives of Annapolis and Anne Arundel Economic Development were unaware of any statistics, studies or evidence (anecdotal or factual) to suggest the recently-opened

Maryland Live! Casino had had any impact on Annapolis. The representative of New Hope was more definitive in his view that the casino (due to distance and a substantially different clientele) has had no negative impact on New Hope. From these conversations, which reinforce HLT's broader understanding of casino impacts, we can conclude that:

- the Parx and Maryland Live! Casinos appear to have had limited impact on New Hope and Annapolis;
- the casino clientele and the historical visitor base in New Hope and Annapolis is different;
- since no studies have been completed to quantify the impact of the casino on either community (and none appear to have been discussed) this suggests limited perception of impact; and
- the location of the casinos (23 and 25 miles away from New Hope and Annapolis, respectively) could be viewed as too far away to be considered competitive to the communities.

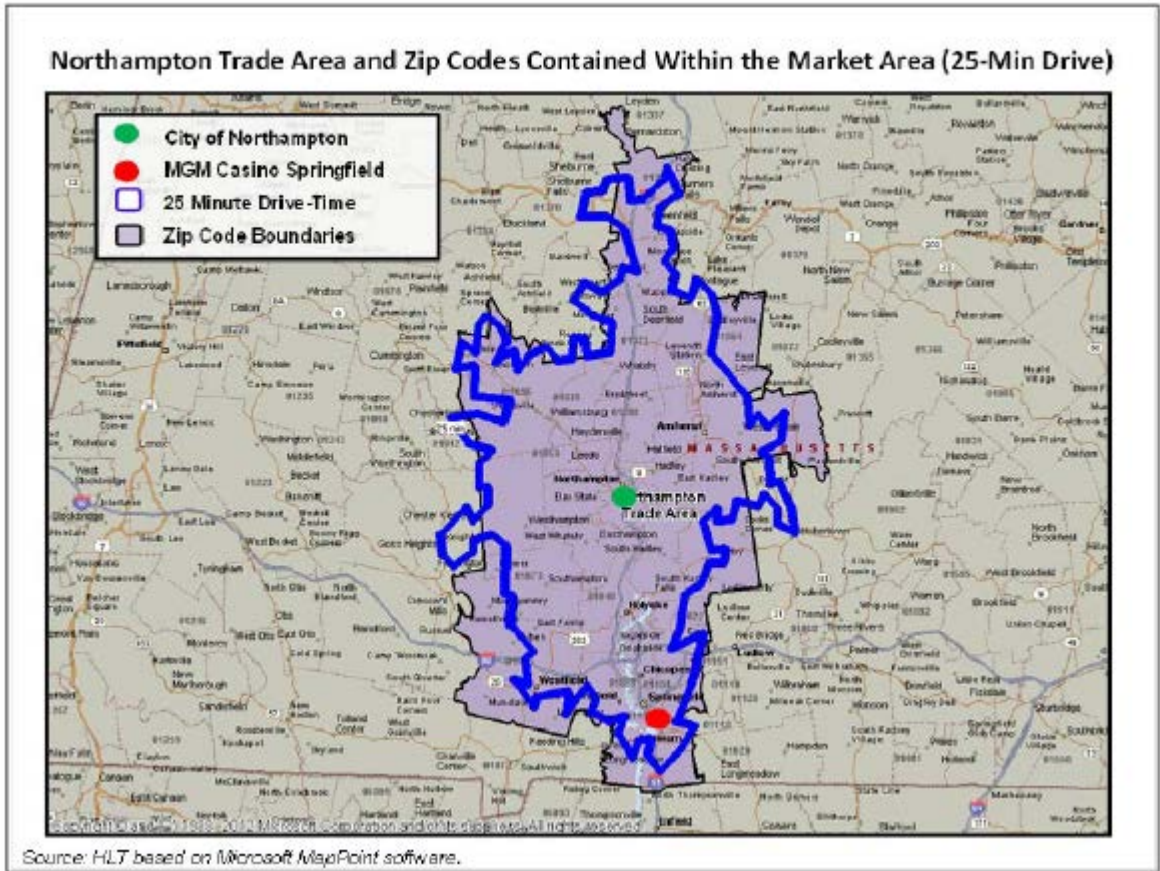
The experience of these two comparable communities suggests limited impact from the casino operating in the wide trade area.

## **5. CONCLUSION**

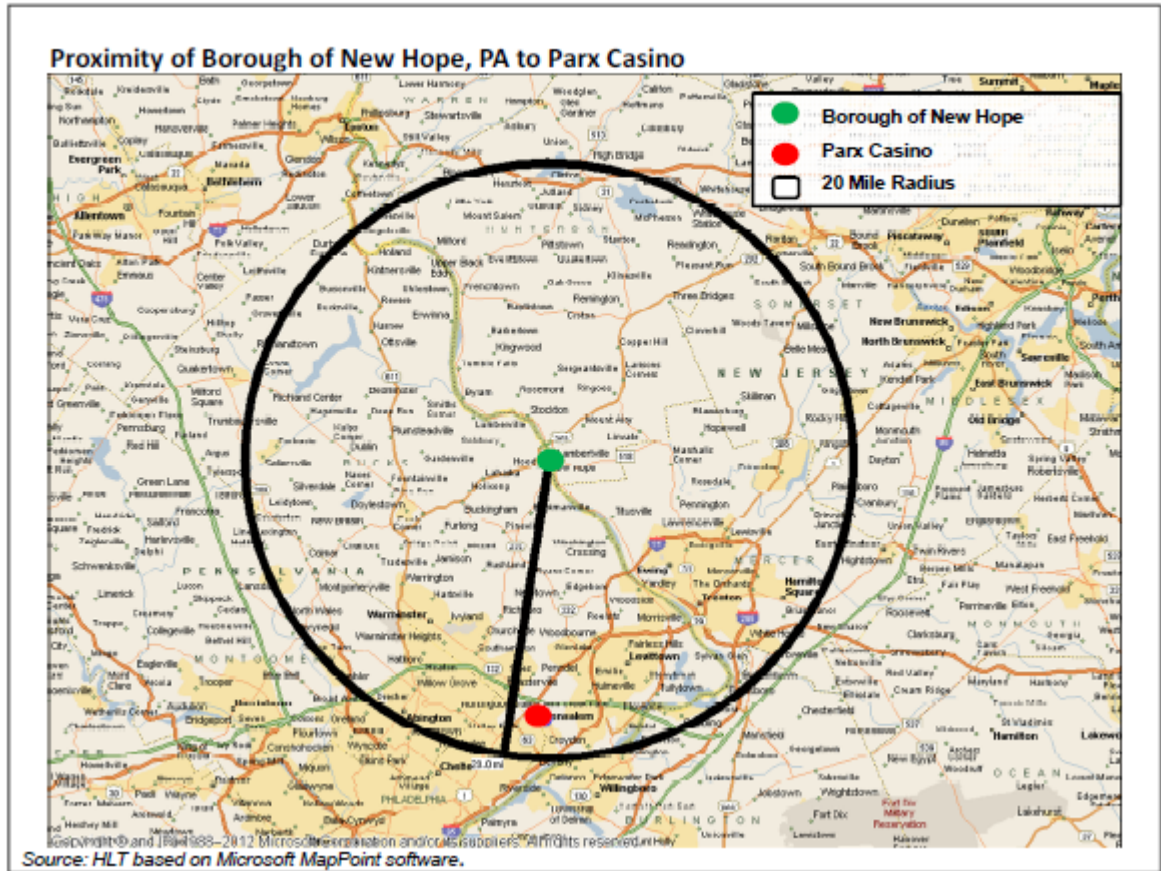
Based on our review of the materials submitted and our experience in the gaming industry we cannot determine that the City will experience negative impacts from the proposed MGM Casino on its local retail, entertainment and service establishments. In fact, we believe it likely that the MGM Casino could generate positive economic impacts from increased visitation, employment and purchase of goods and services in the area.

Encl: Appendix A – HLT's recreated Northampton trade area map  
Appendix B1 – Map showing proximity of New Hope, PA to Parx Casino  
Appendix B2 – Map showing proximity of Annapolis, MD to Maryland Live! Casino

### Appendix A: HLT’s Recreated Northampton Trade Area Map

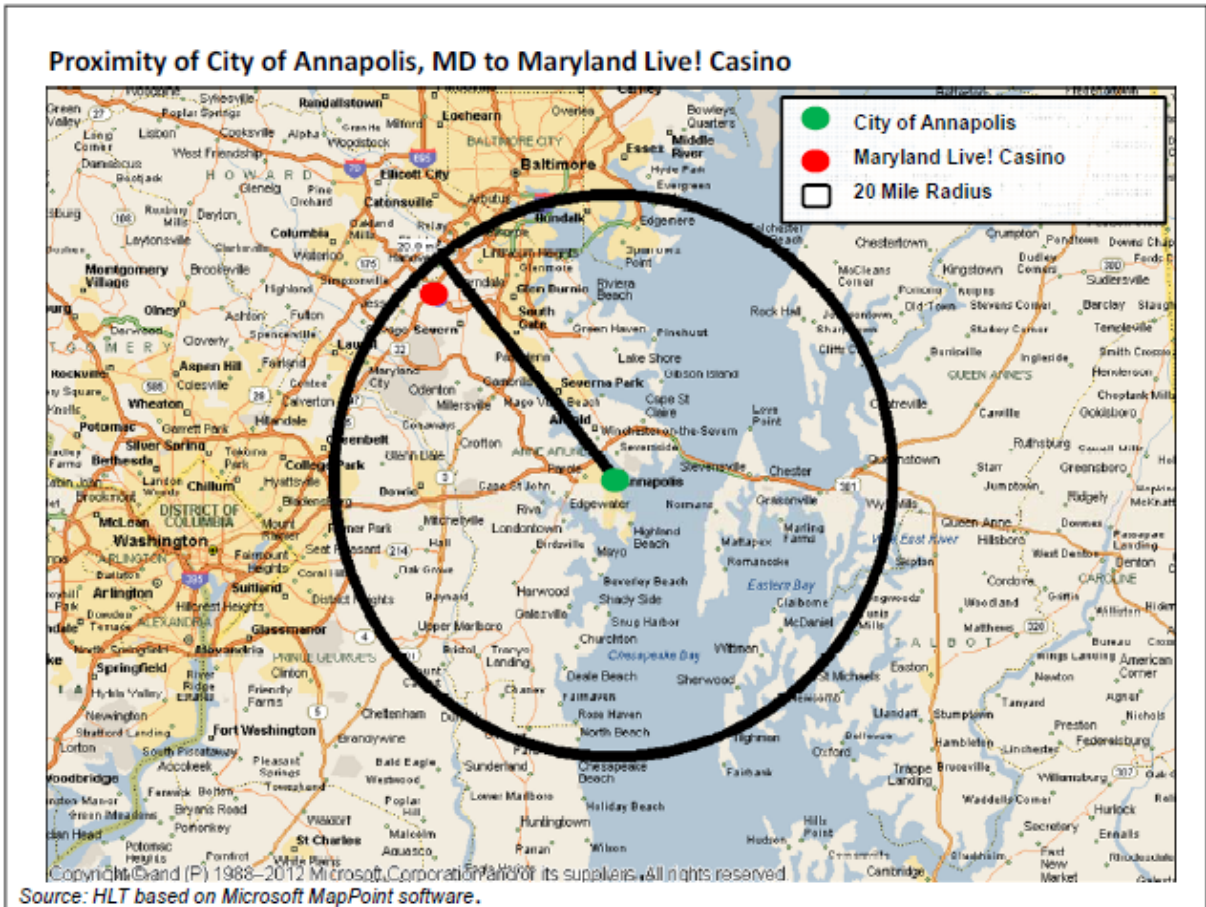


### Appendix B1: Map Showing Proximity of New Hope, PA to Parx Casino





### Appendix B2: Map Showing Proximity of Annapolis, MD to Maryland Live! Casino



## **LDS Analysis**

As requested, we are submitting this letter report with respect to the City of Northampton, Town of Hampden and Town of Longmeadow in connection with their petitions to be designated as a “Surrounding Community” with regard to the proposed Category 1 gaming facility by Blue Tarp Development LLC (“MGM”) in West Springfield, MA (the “Subject Property”). This letter outlines the steps we took to conduct our analysis as well as our conclusions. The Subject Property will include:

- A 127,000 SF casino,
- A 250-room hotel,
- 46,000 SF of convention space,
- 68,000 SF of food and beverage space,
- 43,000 SF of retail,
- 37,000 SF, luxury movie theater,
- 18,000 SF, 15 lane bowling alley,
- 9,400 SF of spa/fitness/pool,
- 54 apartments, and
- 3,600 structured parking spaces and additional surface parking.

## **Background**

In accordance with the Massachusetts General Laws, c. 23K 17(a) and 205 CMR 125.01(2), any Massachusetts community has the right to petition the Massachusetts Gaming Commission (the “Commission”) for declaration as a Surrounding Community if the community can: 1) Demonstrate negative impact from a gaming development and 2) has requested and been denied Surrounding Community Status by an Applicant. In consideration of a community petition, the Commission must consider various factors and evaluate:

1. The community’s proximity to the host community and the gaming establishment.
2. The impact on transportation infrastructure in the community by the gaming establishment.
3. The noise, traffic and environmental impacts on the community during construction of the gaming establishment.
4. The negative impact the gaming establishment could have on local, retail, entertainment and service establishments in the community.
5. Any other relevant potential impacts to the community.

LDS has been asked to examine potential impacts to housing, schools and code enforcement in each community. Only one petition, the one from Longmeadow dated January 13, 2014, specifically mentioned a concern that could be related to housing. It was a reference on page 17 to code enforcement, which was also mentioned in the Municipal Resource, Inc. report in Exhibit 35 of their petition.

## **Methodology**

We have reviewed all or some of the following documents on this matter:

1. MGM Application

2. HR&A Impacts Study for housing and school age children impact
3. Host Community Agreement
4. Northampton Petition and Exhibits
5. Longmeadow Petition
6. Hampden Petition
7. Portion of the gaming legislation related to Surrounding Communities
8. Census ACS reports and Esri reports prepared by our office.

**Conclusion**

Based on these materials and our independent evaluation, we find that the communities surrounding Springfield will not be significantly and adversely affected by the operation of a Category 1 gaming establishment after its opening due to housing or school impacts resulting from the facility. Furthermore, given the high unemployment and housing vacancy rates in the area, it is more likely than not that the Category 1 casino will be beneficial to the housing markets in these communities and therefore add to the real estate tax base as well as increase overall consumer spending in the area.

**Research**

**Unemployment**

The application states that there will be 3,254 jobs created by the new Category 1 Casino. In addition, the host community agreement states that they will work to achieve 35% City of Springfield residents and no more than 10% (325 persons) of the workforce to be residents from outside of the City and surrounding area. We looked at current information available from the Massachusetts Department of Workforce and Labor Development below. Table 1 – Number of unemployed Persons in the Communities Adjacent to Springfield

Unemployment – Past 10 Years										
Year	Agawam	Chicopee	East Longmeadow	Holyoke	Longmeadow	Ludlow	Springfield	West Springfield	Wilbraham	Total
2013	1,116	2,301	478	1,579	378	946	6,896	1,084	444	15,222
2012	990	2,214	472	1,631	369	911	7,200	1,092	396	15,275
2011	1,080	2,454	489	1,692	389	1,025	7,883	1,173	437	16,622
2010	1,282	2,774	572	1,835	466	1,034	8,368	1,359	480	18,170
2009	1,241	2,740	523	1,842	444	1,039	7,563	1,281	474	17,147
2008	826	1,818	367	1,284	286	769	5,293	891	320	11,854
2007	696	1,571	318	1,082	255	625	4,623	706	275	10,151
2006	748	1,642	297	1,154	277	694	4,936	728	305	10,781
2005	737	1,605	325	1,224	271	645	4,812	779	285	10,683
2004	786	1,750	334	1,211	281	683	5,180	792	301	11,318
2003	875	1,880	359	1,300	304	745	5,409	839	313	12,024

**Table 2 Number of unemployed person’s in Petition Communities not adjacent to Springfield**

Unemployment-Past 10 Years			
Year	Hampden	Northampton	Total

<b>2013*</b>	176	785	961
<b>2012</b>	172	814	986
<b>2011</b>	184	866	1,050
<b>2010</b>	218	957	1,175
<b>2009</b>	206	967	1,173
<b>2008</b>	140	668	808
<b>2007</b>	115	594	709
<b>2006</b>	116	625	741
<b>2005</b>	126	603	729
<b>2004</b>	149	650	799
<b>2003</b>	148	666	814

Table 1 shows that as of December 2013 Springfield and the communities immediately physically adjacent to Springfield have a total of 15,222 unemployed persons or job seekers. In addition, Table 2 includes the two petitioners not immediately adjacent to Springfield, Hampden and Northampton, have a total of 961 unemployed or job seekers as of December 2013.

**Therefore, as of December 2013, there are four times as many job seekers in the communities we examined as there are positions estimated to be created by the Springfield casino.**

**Housing Vacancy Rates**

Table 3 compares housing vacancy rates for Springfield and the communities immediately physically adjacent to Springfield from the 2008-2012 ACS. Based on these communities, there are 11,237 vacant housing units in these communities that could be absorbed in the event workers do move to the area to work at the Subject Property. Springfield has the highest housing vacancy rate at 10% with (6,351 vacant units) and Longmeadow has the lowest ( 3% with 149 vacant units).

**Table 3 Housing Occupancy and Vacancy**

		Total Housing Units	Occupied Housing Units	Vacant Units
<b>Agawam</b>	Number	11,973	11,470	503
	Percent		96%	4%
<b>Chicopee</b>	Number	24,745	22,957	1,788
	Percent		93%	7%
<b>East Longmeadow</b>	Number	5,971	5,769	202
	Percent		97%	3%
<b>Holyoke</b>	Number	17,021	16,032	989
	Percent		94%	6%
<b>Longmeadow</b>	Number	5,956	5,807	149
	Percent		97%	3%
<b>Ludlow</b>	Number	8,415	8,029	386

	Percent	95%	5%
<b>Springfield</b>	Number	61,942	55,591
	Percent	90%	10%
<b>West Springfield</b>	Number	12,300	11,694
	Percent	95%	5%
<b>Wilbraham</b>	Number	5,571	5,308
	Percent	95%	5%
	<b>Total</b>	<b>153,894</b>	<b>142,657</b>
	<b>Average Percent</b>	<b>93%</b>	<b>7%</b>

Furthermore, if you examine the housing vacancy at the two petitioners not adjacent to Springfield, there are an additional 768 vacant units as shown on the table below:

**Table 4 Housing Occupancy and Vacancy**

		<b>Total Housing Units</b>	<b>Occupied Housing Units</b>	<b>Vacant Units</b>
<b>Hampden</b>	Number	1,912	1,880	32
	Percent		98%	2%
<b>Northampton</b>	Number	12,475	11,739	736
	Percent		94%	6%
	<b>Total</b>	<b>14,387</b>	<b>13,619</b>	<b>768</b>
	<b>Percent</b>		<b>95%</b>	<b>5%</b>

**Therefore, as of the 2008-2012 ACS, there are 3.5 times as many vacant housing units in the communities we examined as there are new job positions estimated to be created by the Springfield casino.**

The Municipal Resource, Inc. report attached to the Longmeadow petition states a need for a code compliance employee for 25 hours a week at a cost of \$117,000 a year. There is no explanation or rationale for reaching this statement/conclusion. Typically revenue from real estate taxes and building permit fees pay for the salaries of inspectional services departments. We took a snapshot of these two revenue categories from the MassDOR Website for the years 2010 and 2012 as follows:

**Table 5**

<b>Hampden Revenue Changes</b>		
	<b>RE Revenue</b>	<b>Licenses and Permits</b>
<b>2010</b>	\$ 9,498,370	\$ 7,720
<b>2012</b>	\$ 9,956,207	\$ 8,015

<b>Increase</b>	\$ 457,837	\$ 295
-----------------	------------	--------

It appears that both real estate taxes and license and permit revenues are increasing, most likely as a result of the improved economy. **Any new construction would generate both permit fees and real estate taxes which would most likely offset the cost of personnel. Therefore, in the absence of factual data on this issue by the petitioner and based on our research, we are not able to conclude a need for an additional inspectional services department staff in Longmeadow.**

Furthermore, while we have not checked with each individual community on production of new homes which could add additional product to the market, due to other work being performed in our office on a proposed assisted living facility in Northampton, we are aware of a planned development community that is adding a variety of new housing units that will further increase the supply of housing in the region. Village Hill Northampton is a 126 acre planned development community in conjunction with MassDevelopment, including:

- 77 units of mixed income rental housing. Hilltop Apartments:
- a 33 unit development that was rehabilitated in 2005;
- a the 40 unit mixed income Hillside Place which was constructed in 2009.;
- Eastview Townhomes includes 11 craftsman-style townhomes (Village Hill Northampton 2012).
- Four single-family developments.: 24 units at Pecoy at Village Hill Northampton Westview, 6 units at Beechwood Homes, 4 units at Laurel Street Row, and 11 units at Morningside.

**School Age Children/Household Size**

The next table examines in the change in family size from 2000 to 2010 based on the United States Census as reported by ESRI for Springfield and adjacent communities, as well as the two non-adjacent petitioners’ communities of Hampden and Northampton. It shows that for all but one community, that average household size has gone down and/or remained the same. This is indicative of two things, the aging baby boomer generation becoming empty nesters, and households are generally having fewer children.

**Table 6**

Change in Average Household Size					
	2000	2010	Change 2000-2010	% Change 2000-2010	
<b>Agawam</b>	2.44	2.38	-0.06	-2.46%	
<b>Chicopee</b>	2.32	2.28	-0.04	-1.72%	
<b>East Longmeadow</b>	2.65	2.61	-0.04	-1.51%	
<b>Hampden</b>	2.79	2.66	-0.13	-4.66%	
<b>Holyoke</b>	2.57	2.51	-0.06	-2.33%	
<b>Longmeadow</b>	2.66	2.66	0	0.00%	
<b>Ludlow</b>	2.55	2.46	-0.09	-3.53%	

<b>Northampton</b>	2.14	2.12	-0.02	-0.93%
<b>Springfield</b>	2.57	2.6	0.03	1.17%
<b>West Springfield</b>	2.33	2.33	0	0.00%
<b>Wilbraham</b>	2.71	2.63	-0.08	-2.95%
<b>Average</b>	2.52	2.48	-0.04	-1.77%

We also examined the change in population by age from 2000 to 2010 for ages 0-14 for the three petitioner communities. We looked at this as an indicator of how many children may be entering the school system in the future. Table 6 below shows that the number of school age or potential school age children, decreased significantly from 2000 to 2010.

Table 7

<b>Change in Population 2000-2010</b>			
<b>Ages 0-14</b>	2000	2010	Change
<b>Hampden</b>	1101	863	-238
<b>Longmeadow</b>	3457	3173	-284
<b>Northampton</b>	4064	3708	-356

**Therefore, based on a shrinking household size and contracting school age populations in the petition communities, it is reasonable to conclude that the Category 1 casino will not adversely impact schools in the petition communities.**

We would be pleased to answer any questions you have in this regard.

## **City Point Partners Surrounding Community Water and Wastewater Impacts**

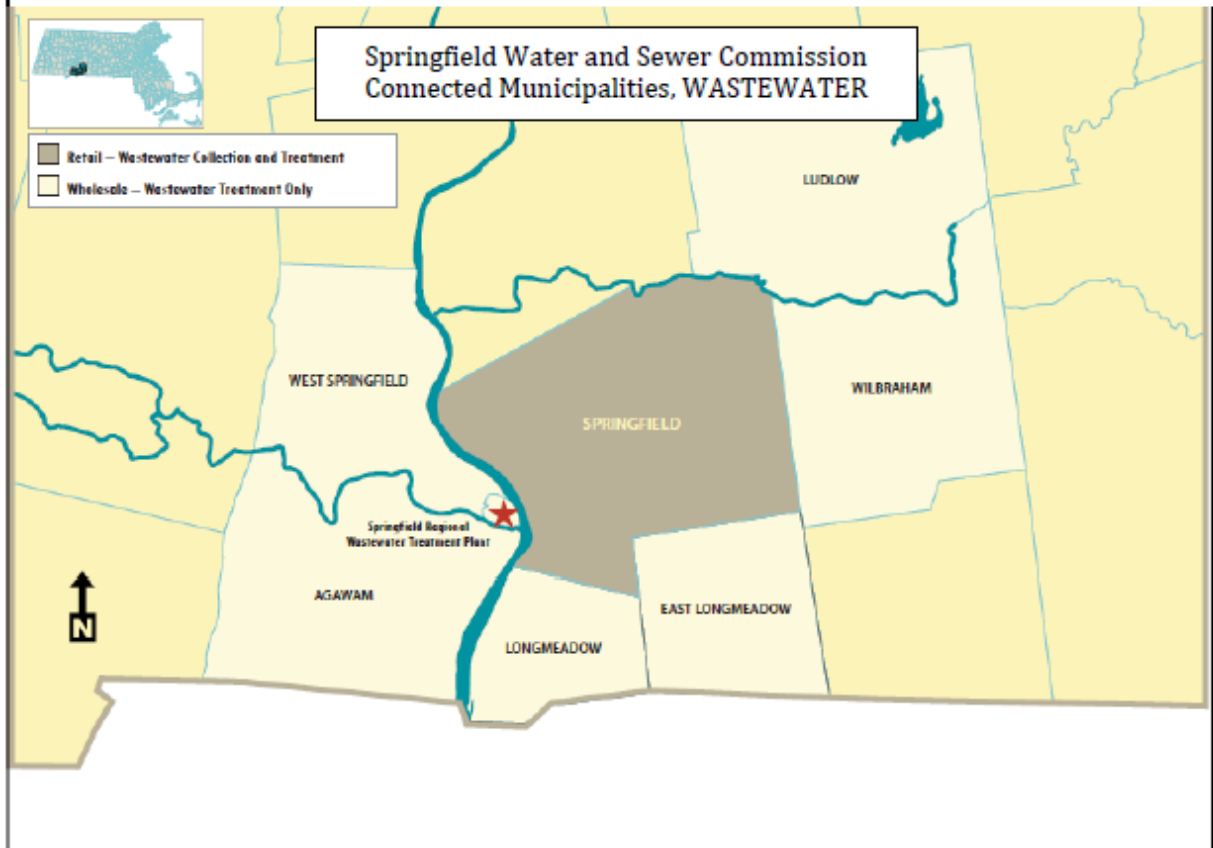
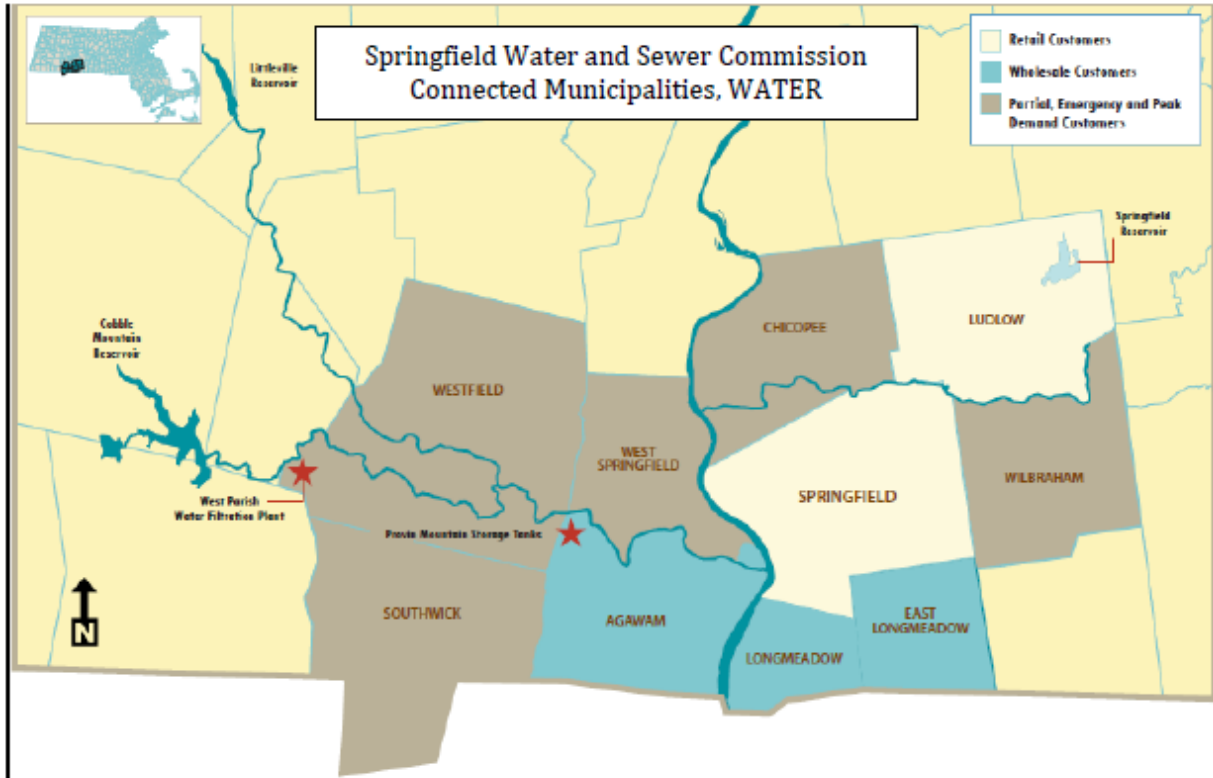
Refer to my memo of February 6 addressing Water/Wastewater Impacts of MGM Casino on Longmeadow. As supported by that memo, any claim by the Town of Longmeadow that the proposed casino will have an impact the Town's water supply or wastewater disposal is invalid.

The Towns of Hampden and Northampton do not have any legitimate claim of water or sewer impact inasmuch as neither town is served by the Springfield Water and Sewer Commission. See the attached figure for reference.

Northampton draws its water from three surface reservoirs located in Conway and Whately, supplemented (about 1%) by 2 groundwater wells. It operates its own wastewater treatment plant.

Residential and commercial property in the Town of Hampden are primarily supplied by private wells for potable water and Title 5 systems for wastewater disposal.





## F. APPLICATION

---

### HR&A ADVISORS IMPACT STUDY

- Increased traffic was consistently one of the top concerns by surrounding communities. As with any other project of this scale, the proposed casino will generate more trips in the region. A comprehensive study of regional traffic impacts is expected to be completed in late December 2013. Managed by the Pioneer Valley Planning Commission, this study will inform the need for additional investments or payments by MGM to mitigate regional traffic impacts.
- Impacts on police, fire, and emergency services department in surrounding communities will be minimal and MGM is taking steps to set up a process to address concerns. The main impacts will be on departments in the City of Springfield. MGM is supporting Springfield department capacity with a \$2.5 million upfront payment and \$2.5 million in annual payments as part of the total funding package negotiated under the host community agreement. While AMR, the emergency services providers, operates on a fee-for-service model, MGM is working with the company to ensure the project receives adequate services without negatively impacting response times elsewhere in the community. Findings from the traffic study will help inform the extent of any impacts on regional fire and police departments.
- The proposed project will generate minimal impacts on regional crime rates. A study by the University of Nevada Las Vegas International Gaming Institute found that any proposed casinosort would likely increase the total volume of crimes in the immediate area due to increased visitation, but this would have an insignificant effect on the crime rates overall when adjusted for the number of people drawn to the area. MGM is addressing these potential impacts through mitigation payments to the Springfield police department.
- The proposed project will generate a significant number of jobs for regional residents. The project will generate approximately 3,000 onsite jobs to support project operations. MGM estimates that 90% of the full-time jobs will be filled by local residents. In addition, HR&A estimates that the project will support approximately 2,650 additional jobs in the region<sup>2</sup> from indirect vendor spending, off-site visitor spending, and induced household spending by employees. A separate HR&A report on the economic and fiscal impacts of the proposed project on the region and Commonwealth of Massachusetts provides a more detailed assessment of the economic benefits to the region. Surrounding communities will receive much of these benefits due to their proximity to the project site.

- While the project will attract some new residents, the housing market is diverse and flexible enough to accommodate growth. MGM estimates that 225-265 employees will come from outside the region, which conservatively translates into the same number of new households. The impact on the housing market will depend on individual preferences to rent vs. own, family size, income, lifestyle preferences, etc. HR&A’s review of the existing housing market suggests that it is flexible enough to handle additional demand.
- New households in surrounding communities could generate up to 105 new public school children, costing an estimated \$540,000. HR&A conservatively developed this estimate based on data on average local education costs in surrounding communities. MGM is working with surrounding communities to develop a future process that will measure impacts based on actual outcomes.

## **TOURISM DRAW**

### **1-02-01 Destination Resort**

Rather than building a large-scale retail center that would draw sales away from existing shopping centers in the area, we are excited about bringing a retail and dining experience that will fit into the fabric of Downtown and spur visitor spending along Main Street.

### **1-04 Competitive Environment**

MGM Springfield anticipates a very robust competitive environment over the next 10 years, which we feel we are uniquely qualified to overcome. MGM Resorts has a track record of developing and operating market-leading facilities in Las Vegas and competitive regional markets. In fact, we do not have any existing properties in monopoly or duopoly markets. MGM Springfield directly competes or will compete with casinos and racinos in Connecticut (Mohegan Sun and Foxwoods), New York (Saratoga Casino and Raceway and Empire City Casino at Yonkers Raceway) and Rhode Island (Twin River Casino and Newport Grand). In addition, MGM Springfield will be in the same competitive marketplace as facilities in Massachusetts (Zone 1, Zone 2 and slots-only licenses). MGM Springfield’s immediate competitive market includes approximately 33,000 slot machines/VLTs, over 1,100 table games and over 40,000 total gaming positions. Future competition includes legislative initiatives in Connecticut, Maine, New Hampshire, New York and Rhode Island. MGM Springfield will have several advantages that will allow it to be successful in this competitive environment. We believe that our site is strategic, and offers convenient access to both Hartford from the South and Albany from the West – two key feeder markets. MGM Springfield also is located about 30 minutes from the Worcester County line, which puts us a safe distance away from the other casinos and slot parlor in Massachusetts. This will help Massachusetts both generate more revenue from key out-of-state markets but also create less dilution on the facilities in the Boston Zone and Southeastern Zone. In addition, MGM Springfield is the only resort in the New England gaming market that can offer a true urban experience. We will offer amenities that are complementary and enhance local entertainment venues, amenities and attractions to create an “urban synergy” with the area’s hotels, businesses, attractions, convention center and entertainment venues.

### **1-06 Collaborative Marketing**

MGM Resorts has a long history of working closely with tourism, convention and economic development agencies and associations to enhance the tourism experience in the markets in which we operate. Our marketing strategy to encourage visitors from outside of Massachusetts (both domestically and internationally) will include leveraging the MGM brand, including our Company's existing marketing relationships and expertise, our M life loyalty program, and transportation through collaborations with bus, train and airplane stakeholders. We intend to collaborate with local, regional and state tourism, convention and development agencies, including the Greater Springfield Convention and Visitors Bureau, MassPort and the Massachusetts Office of Travel and Tourism. We wish to partner with existing tourism and convention assets, in particular the MassMutual Center, to cross-market Springfield to out-of-state tourism and business customers and agencies. From a gaming perspective, MGM Springfield can leverage our national and global branch office network. MGM Springfield also will conduct an extensive marketing effort, leveraging the Company's existing relationships with national and international travel agencies (online and traditional), tour operators and airline and bus partners to develop marketing programs designed to bring more visitors to the destination. If awarded the license, MGM Springfield would like to lend our expertise and relationships, when appropriate, to help both MOTT and MassPort devise ways to attract more Chinese visitors to Massachusetts. It is good business for MGM Springfield and good business for the Commonwealth.

### **1-08 Broadening the Region's Tourism Appeal**

Since its founding, MGM Resorts has demonstrated a powerful commitment to the philosophy of corporate social responsibility. We recognize, and we actively embrace, that we can seek to maximize profits for our shareholders – our business owners – and at the same time conduct our business in a responsible way. Responsibility to us means that: we comply with ethics and law in how we handle our business, and we strive to make a positive impact on our surrounding world. We seek to have positive relationships with our employees, our guests, our host communities and to protect the resources of our planet Earth. Beyond our sense of moral obligation, we believe that our social responsibility initiatives will enhance our competitiveness and position our Company for long-term economic growth, and also benefit our host communities. We hire and maintain a diverse, multi-racial and multi-cultural workforce which is reflective of our host communities. We similarly understand that our customer base is diverse, multi-racial, multi-cultural and increasingly global. However, we recognize that diversity without inclusion is incomplete. We cultivate respect for the humanity and contributions of every individual employee because our employees are the lifeblood of our business. We realize that to achieve the highest level of performance of our work teams, and to deliver genuinely superior service to our guests, we must motivate each employee to perform at the highest levels each and every day. We therefore foster an inclusive culture of excellence enterprise-wide aligned with our business mission – organized around universal employee engagement, individual responsibility, individual empowerment to express diverse opinions and perspectives, inspired leadership, consistent peak performance, team collaboration, innovation, accountability, and above all,

positive recognition for a job well done. Diversity and inclusion promote greater unity in our Company around a shared common vision in achieving our business mission – which is to engage, entertain and inspire our guests during every interaction. MGM Springfield will advance this business model and work culture. MGM Resorts has maintained an over 30% representation of minorities in management and over 40% representation of women in management for the last five years. As a market leader in diversity and inclusion, in April 2013, MGM Resorts earned the Number One ranking on the “Top 10 Regional Companies” list compiled by DiversityInc, one of the nation’s leading resources on diversity best practices and trends. Additionally, DiversityInc recognized MGM Resorts as Number 8 on the 2013 “Top 10 Companies for Latinos.”

### **2-24 Customer Cross Marketing**

We will maximize MGM Springfield’s potential by leveraging the strength of the MGM Resorts brand, M life loyalty program, and our extensive customer database from our other properties, particularly those in Las Vegas. MGM Resorts’ national marketing network will heighten the exposure and prominence of MGM Springfield through marketing efforts directed at our large and expanding national customer database. MGM Springfield will be advertised via direct mail, email marketing, and in-room collateral to MGM Resorts guests and members of our M life loyalty program. MGM Springfield will leverage our deep relationships with primary air carriers. Markets of focus will be major to medium-sized cities with non-stop flights to one of the region’s or Commonwealth’s airports and an absence of a prestigious destination casino in their home market. Because MGM Resorts has established a large and loyal guest database, we can leverage those relationships to encourage these patrons to get on buses to visit our properties. MGM Resorts has successfully operated bus programs targeting M life members in our regional markets, and we intend to do the same for MGM Springfield.

### **2-36 Marketing to Out of State Visitors and use of Junkets**

MGM Springfield anticipates approximately 50% of gaming revenue and more than 50% of non-gaming revenue will come from out-of-state visitors. Of those out-of-state visitors, MGM Springfield anticipates that over 70% will be derived from customers who will either are or will become M life members. Enclosed in the response are three tables that show anticipated out-of-state gaming and non-gaming revenues for the first five years of operation on best, average and worst case scenarios. MGM Springfield’s marketing plan includes leveraging the M life loyalty program and cross-marketing with MGM Resorts’ existing properties and customers residing out-of-state (including Connecticut, New York and Canada), collaborating with local, regional and national meeting and tourism partners, cross-marketing with other local entertainment venues and attractions – in particular the MassMutual Center – sponsoring and promoting regional special events and partnering with local, regional and national bus, train and airline operators. We intend to market to our rich M life database in strategically selected cities, and to work with both MOTT and MassPort to encourage greater international visitation to the Commonwealth. Currently, we have not targeted junket operators for MGM Springfield.

### **4-22 Diversified Regional Tourism**

Non-gaming entities within the boundaries of the gaming establishment complex generally will be owned by MGM Springfield, with the principal exception of outsourced retail and potentially some of the food and beverage venues. Many of the outsourced retail and food and beverage venues will be managed by or in cooperation with local or regional partners. MGM Springfield envisions situations when MGM Springfield may wish to block rooms at neighboring hotels, particularly to accommodate gaming customers. In addition, there will be many situations when our hotel will be at capacity, and we will redirect our customers to area hotels or the GSCVB website. MGM Springfield intends to truly partner with the MassMutual Center to enhance and complement Springfield's existing convention and conference business. Our sales team and the MassMutual Center sales team will be working closely together, and MGM Springfield will work with the MassMutual Center and area hotels to block rooms for these groups.

MGM Springfield believes it is essential to incorporate both regional restaurateurs and food and beverage vendors into MGM Springfield. Because of the outward-looking nature of MGM Springfield, local restaurants within walking distance of the resort will thrive. Just as important, restaurants and bars located on the public trolley route also will gain exposure to MGM Springfield's visitors.

MGM Springfield has established numerous cross-marketing relationships in Springfield and throughout Western Massachusetts. We aim to create a visitor experience that is amplified because of increased choice and opportunities. We intend to cross-market attractions such as the Museum Quadrangle, Basketball Hall of Fame, Six Flags New England in Agawam, golf courses, ski resorts, Symphony Hall and City Stage as well as other entertainment venues.

## **MARKET CAPTURE**

### **2-26 Market Analysis**

As a trading center and center of industry, Springfield has long been a strategic location for the Commonwealth and for Western Massachusetts. MGM Springfield is the only resort in the New England gaming market that can offer a true urban experience. The market already contains successful isolated rural casinos. However, what the market does not have is an urban destination that contains more than just a resort. MGM Springfield will be part of Greater Springfield's integrated urban entertainment proposition, which no other location is able to offer. MGM Springfield benefits from both east-west and north-south highway networks as well as ingress/egress from multiple local streets. Springfield is a hub for bus and train service in addition to being located proximate to area airports including a commercial airport in Hartford and the regional airport in Worcester as examples. MGM Springfield is projected to recapture over \$80 million annually of Massachusetts resident gaming spend from neighboring states.

### **2-37 Marketing to In-State Visitors**

MGM Springfield anticipates approximately 50% of gaming revenue and less than 50% of non-gaming revenue will come from in-state visitors. Of the in-state visitors, MGM Springfield anticipates that over 70% will be derived from customers who already are or will become M life members. Enclosed in the response are three tables that outline anticipated in-state gaming and

non-gaming revenues for the first five years of operations in best, average and worst case scenarios. MGM Springfield’s marketing plan includes leveraging the M life loyalty program and cross-marketing with MGM Resorts’ existing properties and customers, collaborating with local and regional tourism agencies, cross-marketing with other local entertainment venues and attractions – in particular the MassMutual Center – sponsoring and promoting regional special events and partnering with local and regional bus operators.

## **WORKING WITH LOCAL BUSINESSES**

### **1-05 Meeting Unmet Needs**

MGM Springfield has established numerous cross-marketing relationships in Springfield and throughout Western Massachusetts. These relationships aim to create a visitor experience that is amplified because of increased choice and opportunities for visitors. We intend to actively cross-market attractions such as the MassMutual Center, Springfield’s Symphony Hall and CityStage, the Museum Quadrangle, the Basketball Hall of Fame, Six Flags New England in Agawam, a selection of golf courses and ski resorts, as well as other entertainment venues, including MPAC venues and Tanglewood. We have entered into or are pursuing joint marketing and cooperation agreements with all of these enterprises. In partnership with the Greater Springfield Convention and Visitors Bureau (GSCVB), of which we, the Museum Quadrangle and Basketball Hall of Fame are members, MGM Springfield intends to actively promote both organizations through in-house promotions and promotions among our employees. We will commit to hosting employee family events at each of the facilities and to buy blocks of tickets for customer events and promotions. In addition, we have entered into discussions with the Basketball Hall of Fame to develop a more substantial partnership.

### **3-14 Local Business Promotion**

MGM Springfield will promote local businesses by leveraging its urban location, outward facing design and physical proximity to the numerous existing key assets and businesses in the greater Springfield area. Our Downtown integration plan intends to resurrect a trolley bus system that will run regularly from MGM Springfield through the Downtown area to other Springfield attractions, such as the Basketball Hall of Fame, Symphony Hall/City Stage and the City’s museums. MGM Springfield will be promoting local businesses by not building amenities that directly compete with those in the region. Instead, we intend to cross-market with many of these entertainment venues such as Symphony Hall, CityStage, the Massachusetts Performing Arts Coalition and Tanglewood, as well as other regional entertainment venues. MGM Springfield and the MassMutual Center will undertake a joint marketing and cooperation initiative, in which MGM Resorts will leverage its convention and entertainment relationships to attract more conventions and entertainers to the MassMutual Center. MGM Springfield will leverage the abundant regional resources of Western Massachusetts by partnering with local and regional chefs and retailers, in addition to featuring local artisan farmers, organic production specialist, craft brewers and wine-makers on our menus.

### **3-15 Local Suppliers**

MGM Springfield is dedicated to maximizing the participation of the region's existing workforce and businesses in the development of the Project.

MGM Springfield has been in discussions with the Carpenter's local 108 and the Massachusetts Building Trades Council and is committed to supporting their apprenticeship programs, directly and in conjunction with MGM Springfield's construction firms. This will ensure that our project has a qualified local pool of construction labor when we commence construction.

MGM Springfield is committed to employing local design professionals, contractors, suppliers and vendors for the development and operation of its Project. Accordingly, we are committed to actively engaging the City and region's business community, specifically minority business enterprises, women business enterprises and veteran business enterprises.

MGM Springfield will proactively educate regional and local businesses on the opportunities presented by the Company, and assist them in identifying strategies to fully participate in the economic development opportunities provided by the Company.

### **3-16 Local Business Owners**

In addition to our Global Procurement group, MGM Resorts has Purchasing teams at our Regional Properties and intends to have a dedicated purchasing team at MGM Springfield. MGM Resorts has established corporate purchasing policies and procedures that guide the procurement of goods and services, and MGM Springfield will also have certain requirements of our suppliers. Prior to launch, MGM Springfield would identify potential suppliers for upcoming bid opportunities with the help of the local business community and Chamber(s) of Commerce. We would also review MGM Resorts' supplier database for potential suppliers. MGM Springfield already has begun to reach out to local and regional chambers of commerce and business groups. MGM has established a formal relationship with the Berkshire Chamber of Commerce (see Attachment 3-16-02) and has received the formal support of many other groups (see Attachment 3-16-03).

### **3-17 Assisting Businesses**

MGM Springfield is already providing financial assistance to local businesses via Common Capital, which is a community loan fund that provides loans and business assistance services to businesses impacted by the recent tornado and to promote business development and economic revitalization in the disaster designated counties. MGM Springfield has provided \$125,000 in funding to the Disaster Business Recovery Loan Fund. To lay the groundwork to maximize the opportunity to utilize Western Massachusetts' businesses, we have participated in numerous vendor outreach events. In addition to the vendor outreach events discussed here, we also have met with several local business groups and chambers of commerce to assist them in identifying the types of goods and services we will need in the future. Enclosed in our response is a list of local vendors with whom we have had productive discussions and/or established formal



relationships. In Attachment 3-16-01, we outline MGM Springfield's process in assisting local businesses in identifying our current needs and how we will lay the groundwork for local businesses to work with us in the future.

### **3-21 Projected Benefit for Regional Businesses**

According to an independent analysis by HR&A Advisors, regional businesses are projected to experience increases in gross revenue. In the average case, the revenue increase is projected at \$72.3 million (2013\$) in Year 2.

The on-going operations of the Project will create revenues for regional businesses primarily through vendor/supplier purchases. These estimates were based on HR&A's independent analysis of MGM-provided profit-and-loss statement. In the Average Case, \$50.8 million (2013\$) is a product of MGM Springfield regional vendor spending with another \$7.2 million expected as a product of MGM Springfield spending on operations and maintenance in Year 2.

Additional revenues for regional businesses would come from the third party retail operating on-site. This includes 33,300 square feet of retail space plus a 2,900 square foot grocery space. As noted previously, HR&A estimated the third party retail spending by applying sales per square foot averages from the 2008 Urban Land Institute's Dollars and Cents Report to project industry sales for the third party retail space. In the stabilized year of the Average Case, this revenue is expected to amount to \$14.3 million (in 2013\$).

As discussed in greater detail in the HR&A report, these estimates likely greatly understate the positive impact on regional businesses once off-site out-of-state visitor spending, additional employee compensation spending and multiplier spending are factored into the equation.

### **3-24 Local Agreements**

Enclosed are the local agreements into which MGM Springfield has entered or proposed to expand gaming establishment draw. All of the enclosed agreements are located in Economic Development Binder 2 of 2.

### **3-25 Cross Marketing**

MGM Springfield has established numerous cross-marketing relationships in Springfield and throughout Western Massachusetts. The goal of these relationships is to create a visitor experience that is amplified because of increased choice and opportunities for visitors. MGM Springfield has entered into cross-marketing agreements with the MassMutual Center, Symphony Hall and CityStage, which will see us promoting various events at all three venues including underwriting and booking a select number of events. In addition, MGM Springfield also has had productive discussions with the Massachusetts Performing Arts Coalition (MPAC) and its member entertainment venues. In partnership with the Greater Springfield Convention and Visitors Bureau (GSCVB), of which we, the Museum Quadrangle and Basketball Hall of Fame are members, MGM Springfield will actively promote both organizations through in-house

promotions and promotions among our employees. MGM Springfield has created a cross-marketing relationship with Six Flags New England to create a win-win situation for both organizations.

MGM Springfield is committed to promoting the Franconia Golf Course and Veterans Golf Course to our guests, all of whom will be treated to preferred tee times at both golf courses. MGM Springfield has had initial discussions with Jiminy Peak Mountain Resort in The Berkshires. A relationship between the two entities would likely mutually beneficial, and provide tourism benefits for the region.

### **3-33 Entertainment and Athletic Events**

MGM Springfield will integrate with local entertainment venues through its proposed collaborations with the MassMutual Center, Symphony Hall/CityStage, the Massachusetts Performing Arts Coalition, Tanglewood, as well as other regional entertainment venues. MGM Springfield's approach will be to leverage our marketing strength and entertainment relationships in an attempt to "block book" entertainment acts not only for Springfield but also for other appropriate Massachusetts entertainment venues. MGM Springfield is committed to underwriting, co-promoting and booking at least a combined twelve events per year at MassMutual Center, Symphony Hall and CityStage. We will market these events aggressively to our M life database, and will use them as inducements to attract visitation to MGM Springfield. In Springfield, MGM Springfield has made a commitment to sponsor the MassMutual Center's two home teams – the Springfield Armor (NBA D-League) and Springfield Falcons (American Hockey League). MGM Springfield will leverage these relationships to promote the games to our M life database and will benefit from patronage from event-goers before and after games. MGM Springfield was the lead sponsor for the MAAC Men's College Basketball Tournament that was held in March 2013 at the MassMutual Center.

### **4-21 Tourism Diversity**

MGM Springfield will be a high-caliber facility built with a number of amenities that were strategically chosen to both increase visitation and complement the other amenities in Springfield and the region. For particulars, please refer to Attachments 4-01-01, 4-02-1, 4-14-01, 4-19-01, 4-20-01 and 4-33-01.

We intend to lease a good portion of our retail space to Massachusetts-based businesses. In addition, some of our restaurants will be operated by Massachusetts-based entities. Our regional retail and restaurant operator partners are highlighted in Attachment 4-22-01 and we have discussed numerous potential ways to incorporate food, beverage and retail vendors into MGM-operated outlets in Attachment 4-11-01.

While we are not physically including local operators inside the premises of our Project, we have demonstrated how we will cross-market with and promote local businesses in Attachments 3-14-01, 3-25-01 and 3-26-01, and we have included local agreements as part of our response to 3-24. For our busing programs, we expect to partner with both Tour & Travel as well as Line Run operators. In order to have a successful bus program in the highly competitive North East

market, operators advised us that our incentive package for players has to be appealing, including promotional credits, food and retail.

### **4-33 Stimulating Retail Activity**

MGM Springfield will build a 35,000 square-foot outdoor retail component that will be accessible from Main Street. We will strive to create an entertainment destination complex, which will attract millions of customers annually, that is outward-facing and designed to be a catalyst for the development of other retail activity. We intend to implement marketing programs that support surrounding restaurants and retail businesses. The “Outdoor Plaza” of retail will include a selection of local and regional retailers who will benefit from the traffic and visibility provided by their location. In addition, MGM Springfield will use the “Outdoor Plaza” to host community events that promote regional businesses. Attachment 4-11-01 provides further detail relating to our proposed retail program. As part of our “No Business Left Behind” approach, we will seek to partner with local retail businesses in terms of our own procurement activities, as well as the provision of retail services to MGM Springfield employees and guests. In addition, we will promote our neighboring businesses by placing local visitor and business guides, such as the GSCVA Visitors Guide, in our hotel rooms and public areas.

## **HIRING**

### **1-7 Diverse Workforce and Supplier Base**

Since its founding, MGM Resorts has demonstrated a powerful commitment to the philosophy of corporate social responsibility. We recognize, and we actively embrace, that we can seek to maximize profits for our shareholders – our business owners – and at the same time conduct our business in a responsible way. Responsibility to us means that: we comply with ethics and law in how we handle our business, and we strive to make a positive impact on our surrounding world. We seek to have positive relationships with our employees, our guests, our host communities and to protect the resources of our planet Earth. Beyond our sense of moral obligation, we believe that our social responsibility initiatives will enhance our competitiveness and position our Company for long-term economic growth, and also benefit our host communities. We hire and maintain a diverse, multi-racial and multi-cultural workforce which is reflective of our host communities. We similarly understand that our customer base is diverse, multi-racial, multi-cultural and increasingly global. However, we recognize that diversity without inclusion is incomplete. We cultivate respect for the humanity and contributions of every individual employee because our employees are the lifeblood of our business. We realize that to achieve the highest level of performance of our work teams, and to deliver genuinely superior service to our guests, we must motivate each employee to perform at the highest levels each and every day. We therefore foster an inclusive culture of excellence enterprise-wide aligned with our business mission – organized around universal employee engagement, individual responsibility, individual empowerment to express diverse opinions and perspectives, inspired leadership, consistent peak performance, team collaboration, innovation, accountability, and above all, positive recognition for a job well done. Diversity and inclusion promote greater unity in our Company around a shared common vision in achieving our business mission – which is to

engage, entertain and inspire our guests during every interaction. MGM Springfield will advance this business model and work culture. MGM Resorts has maintained an over 30% representation of minorities in management and over 40% representation of women in management for the last five years. As a market leader in diversity and inclusion, in April 2013, MGM Resorts earned the Number One ranking on the “Top 10 Regional Companies” list compiled by DiversityInc, one of the nation’s leading resources on diversity best practices and trends. Additionally, DiversityInc recognized MGM Resorts as Number 8 on the 2013 “Top 10 Companies for Latinos.”

### **3-01 Studies and Reports**

In response to the question, we have attached a report from HR&A Advisors. The HR&A report contains an analysis of the economic benefits to the Commonwealth, regional and local level during both construction and operations. The report also addresses the impact on local and regional businesses as well as cultural institutions. The report concludes that during construction, the Project will generate \$663.0 million of economic spending in Region B and an additional \$27.1 million of economic spending elsewhere in the Commonwealth. The Project is estimated to generate 4,600 construction jobs in Region B and an additional 40 jobs in the Commonwealth. All in, the Project is estimated to create over \$176 million of wages during construction. The report concludes that during the first stabilized year of operations, the Project will generate between \$470 and \$559 million of economic spending in Region B and an additional \$21 to \$25 million of economic spending elsewhere in the Commonwealth. The Project is estimated to generate between 4,660 and 5,470 permanent jobs in Region B and an additional 60 to 70 jobs in the Commonwealth. All in, the Project is estimated to create over \$174 and \$202 million of annual wages. While MGM Springfield has included a significant amount of retail and restaurant space within its proposed program, it does not include a performance venue. Instead, it plans to promote local entertainment a network of regional relationships. Most significantly, these include programming four annual events of MGM typical quality at the neighboring MassMutual Center, six total annual events of MGM typical quality at Springfield Symphony Hall/City Stage, plus an additional two events at either of the previous venues. In addition, MGM has formed or is seeking partnerships with regional organizations, festivals, entertainment venues, museums, visitors bureaus, chambers of commerce and attractions.

### **3-02 Employees**

MGM Springfield will employ approximately 3,254 men and women. MGM Resorts has created a culture and an environment that encourages employees to make the most of their diverse perspectives and abilities to achieve truly rewarding careers. We will continue to provide superior training and quality benefits for MGM Springfield’s employees. MGM Resorts is committed to continued economic development and growth in the communities in which we operate. We execute recruitment and training programs that positively impact our local economies and their residents. MGM Resorts emphasizes education and training to develop the skills so that employees may advance along their proper career paths.

### **3-04 Underemployment**

MGM Springfield has an extensive plan to focus on providing good job opportunities and training for those areas of Western Massachusetts that are experiencing high unemployment and underemployment. We have built relationships with a number of state, regional, city and private

employment-support agencies so that they may partner with us to provide training and assistance to the region's unemployed and underemployed. With our help and involvement, these agencies will provide job-readiness and skills trainings, sourcing candidates and hosting career fairs. Each agency provides a unique opportunity to reach potential employees from various locations, demographics and socio-economic backgrounds. In addition to partnering with employment-support agencies, MGM Springfield has built relationships with cultural organizations throughout Western Massachusetts because MGM Springfield is committed to creating a diverse workforce. We are engaging in ongoing dialogue with organizations such as the Puerto Rican Cultural Center in Springfield, the Urban League of Springfield, the NAACP of Greater Springfield and the Massachusetts Latino Chamber of Commerce to receive support in sourcing a diverse workforce.

### **3-05 Experience with Hiring Unemployed and Underemployed**

MGM Resorts has a strong history of successful employment and training programs that have positive impacts on communities. Across our properties, we demonstrate our commitment to hire in areas and demographics of high unemployment and underemployment, as well as provide career opportunities for minorities, welfare-to-work participants and other target populations. Each effort is designed to meet the specific needs of the community and done with full partnership of local supporting agencies. In 1993, MGM Resorts helped build the Culinary Training Academy in Las Vegas, Nevada. In 2012, we partnered with the Red Cross to form The Boots to Business Program, which helps veterans transition from military service into management positions at our properties. In June 2013, we expanded our commitment to The Boots to Business Program through a grant of \$250,000 to the Red Cross Service to the Armed Forces (SAF) Giving Program. In Western Massachusetts, the grant will support the identification, recruitment and transition support for veterans into existing community-based employers. When MGM Resorts entered into the Detroit market, we realized that while a skilled workforce existed, their skills were in the declining manufacturing sector and not in the hospitality industry. Before opening, MGM Grand Detroit committed to recruiting and training a workforce in areas of high unemployment and underemployment.

### **3-06 Plan for Workforce Development**

Attached is our plan for workforce development as set forth in the host community agreement. We have not included our workforce development plans in our surrounding community agreements but intend to include those labor forces in our overall workforce development strategy.

## **ECONOMIC IMPACT**

### **1-03-01 p. 7**

Through our retail offerings, MGM Springfield has struck a very important balance that provides a unique and compelling retail destination able to cater to regional customers, but without competing with local Massachusetts-based retail venues. For example, we specifically sought out a Mac reseller, as opposed to an anchor Apple store, which is an anchor in the neighboring and

successful Holyoke Mall. Similarly, for women’s apparel we are targeting brands such as “Black and White,” which anchors Blue Back Square in West Hartford, Connecticut. Rather than being ad hoc, our retail strategy is very calculated to attract key target customer segments and not cannibalize existing Massachusetts businesses.

**SPRINGFIELD AND SURROUNDING COMMUNITIES ATTRACTIONS** The Greater Springfield area is rich in diversity of cultural attractions and recreational resources. These include the Basketball Hall of Fame, museums (such as the Dr. Seuss National Memorial Sculpture Garden), amusement parks, fairgrounds, colleges and outdoor activities. The site is located across the Connecticut River from the Big E fairgrounds, north of the Six Flags Amusement Park, within blocks of multiple museums and north of Forest Park Zoo. The wider Connecticut River valley includes agricultural and natural areas, many colleges, tourist attractions, music venues (such as Tanglewood) and historic sites.

### **2-18 Revenue Generation**

MGM Springfield has commissioned a gaming revenue study from Union Gaming Group (Attachment 2-18-03). The purpose of this study was to provide an independent perspective on the potential gaming revenue of MGM Springfield. MGM Springfield has commissioned an economic impact study from HR&A Advisors that includes projections of tax receipts for the City of Springfield and the Commonwealth, contained as Attachment 2-18-02. During the first stabilized year of operations in the Average Case, HR&A is projecting a net change in municipal revenue of approximately \$26.6 million (in 2013\$). Sources of tax revenue include payments resulting from MGM Springfield’s Host Community Agreement, hotel (excise) and meals taxes. The estimate does net out existing property taxes on the MGM Site. During the first stabilized year of operations in the Average Case, HR&A is projecting Commonwealth tax revenue of \$128.1 million (in 2013\$). Sources of tax revenue include gaming, hotel (excise and sales), food & beverage, personal income tax and anticipated Commonwealth lottery proceeds. The above taxes were calculated from two sources – direct spending at MGM Springfield and by direct off-site spending by out-of-state visitors in either the City or Commonwealth. Note the above estimates do not include tax revenue resulting from indirect/induced impacts.

### **2-19 Projected Gaming Revenue**

Under the Average Case Scenario, MGM Springfield is projected to generate gaming revenue of \$412.2 million, \$485.0 million, \$499.5 million, \$512.0 million and \$524.8 million, respectively, during the first five years of operations.

### **2-20 Projected Non-Gaming Revenue**

Under the Average Case Scenario, MGM Springfield is projected to generate non-gaming revenue of \$105.3 million, \$123.5 million, \$127.2 million, \$130.3 million and \$133.6 million, respectively, during the first five years of operations. All other scenarios are detailed in our attached response.

## **2-21 Projected Tax Revenue to the Commonwealth**

According to a study by HR&A Advisors, under the Average Case Scenario, the tax revenue to the Commonwealth, including gaming taxes and fees directly resulting from MGM Springfield, is estimated to be \$111.9 million, \$128.1 million, \$128.7 million, \$128.8 million and \$128.9 million (in 2013\$), respectively during the first five years of operations.

For the Best Case Scenario, Commonwealth tax revenue is estimated to be \$118.9 million, \$136.1 million, \$136.8 million, \$136.9 million and \$137.0 million in 2013\$, respectively, during the first five years of operations.

For the Worst Case Scenario, Commonwealth tax revenue is estimated to be \$90.3 million, \$103.3 million, \$103.8 million, \$103.9 million and \$103.9 million in 2013\$, respectively, during the first five years of operations.

In Year 2 of operations for the Average Case, the estimated mix of Commonwealth taxes is as follows: Gaming Taxes/Fees (\$110.5 million), Sales Tax (\$7.4 million), Hotel Excise (\$1.6 million), Personal Income (\$4.7 million) and Commonwealth lottery proceeds (\$4.0 million).

The above taxes were calculated from two sources – direct spending at MGM Springfield and by direct off-site spending by out-of-state visitors in either the City or Commonwealth.

Note the above estimates do not include tax revenue resulting from indirect/induced impacts.

Note the above estimates do not include tax revenues received by the City of Springfield or surrounding communities.

## **2-31 Business Plan**

MGM Springfield, located in the South End of Downtown Springfield, will represent the finest urban resort, gaming and entertainment experience in New England. We will create a high-quality urban destination entertainment experience at the crossroads of New England. MGM Springfield will attract new tourists and residents to Western Massachusetts, revitalize the region's communities and businesses and forge strong physical connections to the areas many existing attractions. As impressive as the unique brands of MGM Resorts are, it is the dedicated creative team that develops and executes complex strategic and operations plans that enhance our success. For example, 2011 marked the introduction of M life, our loyalty marketing program that rewards members for virtually every dollar they spend across our many iconic resorts. In addition, MGM Resorts has national and international reach through its marketing offices as well as marketing alliances. The breadth, depth and quality of our resorts and the experience planned for MGM Springfield make us the most compelling option to operate successfully in the competitive Northeast casino-resort market, particularly against mega-resorts such as Foxwoods and Mohegan Sun in Connecticut. The attached Business & Marketing Plan quantifies our key channels of business (M life, Air/Bus/Rail, Off-Site Events, Conventions, Tourists Outside of the

MGM and Unrated/Untracked Guests) and discusses how we will approach attracting business from these channels.

### **2-32 Maximum Facility Use**

MGM Springfield is uniquely positioned to meet the cyclical and seasonal nature of tourism through the wide range of marketing tactics detailed in the MGM Springfield Marketing Plan (documented in Attachments 2-31-01, 2-34-01, 2-36-01 and 2-37-01). Because MGM Springfield is a complete integrated resort offering a wide range of business options (casino, hotel, meetings, conventions, tours, community entertainment/event/attraction partners), we are able to use several “levers” to provide as much consistency in business volume as possible. Throughout the year (in particular during the winter months), MGM Springfield will promote special events in the region and work with attractions and venues. Enjoying good relationships with tour operators, as well as direct relationships with ski resorts, will help MGM Springfield to fill hotel rooms and provide a boost to regional visitation, enhancing the competitiveness of Massachusetts ski resorts relative to surrounding states.

With a database of more than 60 million customers and 31 million M life members, we are able to effectively shift business volumes around MGM Resorts’ properties based on need through our M life marketing efforts. In fact, through the strategic planning process, seasonal/cyclical considerations are one of the driving forces behind our marketing tactics and they are reviewed and updated on a regular basis.

### **2-35 New Revenue**

MGM Springfield has commissioned a study from HR&A Advisors that details the economic benefits to the Commonwealth and the region. For purposes of its analysis, HR&A defined the region as the four counties comprising Western Massachusetts. The study evaluates a number of both positive and potentially negative economic factors resulting from the project. The HR&A study concludes that the economic impact of the Project is overwhelmingly positive as a result of positive economic factors, including the recapture of gaming revenue from surrounding states, visitor spending outside the Project at other regional businesses, spin-off benefits from new jobs created at MGM Springfield and ongoing spending by MGM Springfield with regional vendors, all of which far outweigh any potential negative impacts.

### **3-28 Other Amenities**

Plans for attractions and amenities beyond hotel, gaming, restaurants and in-house entertainment are more extensively outlined in the attached response.

MGM Springfield intends to enter into an Art Display and Consignment Agreement with Studio 9, a non-profit art gallery in Downtown Springfield, operated by John Simpson, an art professor at the Commonwealth Honors College of the University of Massachusetts at Amherst. Under this agreement, MGM Springfield would display at any time original works of art created by Massachusetts high school and college students and other local and regional artists.



MGM Springfield will include a Luxury Cinema and Bowling Complex. The inclusion of these amenities is purposeful. MGM Resorts is committed to helping in the development of a proper “Live, Work, Play” environment in the heart of Springfield, which can only be achieved by developing amenities that attract people to the City.

### **3-33 Entertainment and Athletic Events**

MGM Springfield will integrate with local entertainment venues through its proposed collaborations with the MassMutual Center, Symphony Hall/CityStage, the Massachusetts Performing Arts Coalition, Tanglewood, as well as other regional entertainment venues.

MGM Springfield’s approach will be to leverage our marketing strength and entertainment relationships in an attempt to “block book” entertainment acts not only for Springfield but also for other appropriate Massachusetts entertainment venues.

MGM Springfield is committed to underwriting, co-promoting and booking at least a combined twelve events per year at MassMutual Center, Symphony Hall and CityStage. We will market these events aggressively to our M life database, and will use them as inducements to attract visitation to MGM Springfield.

In Springfield, MGM Springfield has made a commitment to sponsor the MassMutual Center’s two home teams – the Springfield Armor (NBA D-League) and Springfield Falcons (American Hockey League). MGM Springfield will leverage these relationships to promote the games to our M life database and will benefit from patronage from event-goers before and after games. MGM Springfield was the lead sponsor for the MAAC Men’s College Basketball Tournament that was held in March 2013 at the MassMutual Center.

### **4-11 Non-Gaming Amenities**

We will offer a diverse range of entertainment options that will make MGM Springfield attractive to a broader demographic of gaming and non-gaming guests. MGM Springfield will deliver a portfolio of experiences that reflect the diversity and multiplicity of tastes and preferences in the local area. Restaurants from both celebrity chefs and up-and-coming local restaurateurs of distinction will incorporate the traditions, culture, spirit and energy of the surrounding communities. A restaurant strategy that reflects environmental stewardship and the principles of sustainability will be central to our decisions on concepts, partners and suppliers. MGM Springfield will have indoor and outdoor retail. There will be 8,000 square feet of branded retail integrated into the podium areas of the Project. In MGM’s “Outdoor Plaza”, there will be 35,000 square feet of leasable space that will include a mix of retail and additional food and beverage venues. The retail will focus on both national brands and retailers that are based in Western Massachusetts. These indoor and outdoor retailers will benefit from the traffic and visibility that the MGM Springfield location will provide. MGM Springfield will also include a Luxury Cinema and a Bowling Complex, both of which do not already exist in Downtown Springfield. The inclusion of this complex in the Project is purposeful. Many of these amenities

will contribute to the development of a proper “Live, Work, Play” environment in the heart of Springfield, which can only be achieved by amenities that attract new working residents to the City. It is our goal that the construction of these non-gaming amenities will foster further economic development within the Downtown vicinity and the broader region.

#### **4-14 Serving the Surrounding Community**

One of the guiding principles of MGM Springfield is the embrace of the “Live, Work, Play” concept. MGM Springfield will strive to increase the appeal of Springfield and the South End for existing residents and to attract new young professionals to the City.

MGM Springfield’s amenity offerings will enhance the appeal of Springfield’s existing entertainment options, such as the MassMutual Center, Symphony Hall and CityStage. Rather than just seeing a show at one of these venues, visitors can have a complete entertainment experience in the Downtown.

Springfield’s surrounding communities will benefit from the introduction of a portfolio of widely diverse restaurants. The overarching philosophy of our venues is to source locally grown fresh ingredients. The depth and availability of local providers allows MGM Springfield to introduce locally sourced materials at almost every level of our offerings. In doing so, we financially support local business owners and greatly reduce the carbon footprint of our finished product. Through national known celebrity chefs, local restaurateurs and locally sourced materials, we hope to help Springfield stand out as a destination for superior quality dining that will compel visitors to stay longer and dine.

The MGM Springfield apartments will offer a new option for those residents that prefer to live in buildings with modern facilities. These apartments will target young professionals who want to live near MGM Springfield’s ample supply of retail and entertainment options. MGM Springfield intends to serve the surrounding community by organizing events that promote regional businesses and artists in the Project’s Outdoor Plaza. We hope to host events such as vendor showcases, farmers’ markets, food/beer/wine festivals, arts & crafts fairs and live music from local artists. In addition, we anticipate that these and similar events will increase traffic at local restaurants and bars.

#### **4-14-01 OVERVIEW**

One of the guiding principles of MGM Springfield is the embrace of the “Live, Work, Play” concept. MGM Springfield will strive to increase the appeal of Springfield and the South End for existing residents and to attract new young professionals to the City. The development elements that focus most on this concept include: • 54 market-rate apartments • An Outdoor Plaza capable of hosting free entertainment and community events, including food-drive drop-off location, farmers’ markets, vendor fairs, art exhibitions, etc. • Ice skating rink • Luxury Cinema and Bowling Alley – neither is currently offered in Downtown Springfield • A retail program, envisioned to include access to a pharmacy and grocery services with a wide selection of fresh fruits and vegetables – both staples for healthy urban living • A selection of local and regional retail tenants, who will benefit economically from the traffic and visibility provided by MGM Springfield MGM Springfield’s amenity offerings, especially its restaurants, will enhance the appeal of the MassMutual Center, Symphony Hall and CityStage by enhancing the Downtown

Springfield entertainment experience. Rather than just seeing a show at one of these venues, visitors instead can have a complete entertainment experience, coupling a concert or film with a meal at MGM Springfield.

**FOOD AND BEVERAGE** The surrounding communities of Springfield benefit in many ways by the introduction of a portfolio of widely diverse restaurants. The overarching philosophy of our venues is to source locally grown fresh ingredients. We are exploring relationships with local and regional farms, wineries and breweries in Western Massachusetts such as Berkshire Farms, Chase Hill Farms, Shepherds Gate, Berkshire Brewing Company, Echo Hill Winery and Amherst Brewery. The depth and availability of local providers allows MGM Springfield to introduce locally sourced materials at almost every level of our offerings. In addition to the obvious financial support for business owners, the use of local suppliers also helps reduce the carbon footprint of our finished product. The addition of nationally known celebrity chefs contributes to the cachet and credibility of the local dining scene. Helping Springfield stand out as a destination for superior quality dining will convince visitors to stay longer and dine. Both celebrity partners, Tom Colicchio and Bill Kim, have a broad range of media experience. Partnering with Massachusetts restaurateurs (Joe Frigo, Wayne Hooker and Anthony Ackil) exposes them to volumes of new consumers, thus enabling them to grow their business organically. The availability, approachability and quality of MGM Springfield’s offerings across all meal periods will encourage use from local businesses and tourists alike. The holistic approach to health and wellness in our menus will offer consumers options that are both expeditious and focused on nutrition. The synergy and dynamics of diverse restaurant offerings is good for hospitality businesses within walking distance of MGM Springfield. **RETAIL** Springfield has a rich history as an urban shopping center with numerous retail outlets on its streetscape. MGM Springfield’s retail offerings will add a fresh new dimension to that streetscape. As stated above, one of MGM Springfield’s significant contributions to the community will be to provide access to pharmacy and grocery services in the Downtown – both staples for healthy urban living. In addition, among the tenants will be a selection of local and regional retailers that will benefit economically from the traffic and visibility provided by MGM Springfield.

**APARTMENTS** The MGM Springfield apartments will offer a new option for those residents that prefer to live in buildings with modern facilities. These apartments will target young and empty-nesters who want to live near MGM Springfield’s ample supply of entertainment options.

**OUTDOOR PLAZA** MGM Springfield will leverage its Outdoor Plaza to host community events that promote regional businesses – particularly during the warmer months. Some of the types of events could include: • Vendor showcases • Farmers’ markets • Food/beer/wine festivals • Arts and crafts fairs • Live music from local artists MGM Springfield envisions providing a variety of events that will provide a venue for regional businesses and artists to showcase their talents in front of a new audience.

**ENTERTAINMENT** MGM Springfield’s entertainment offerings in the Downtown area will increase traffic at local restaurants and bars by encouraging foot traffic through its outward-facing design. The Luxury Cinema and TAP 300 Bowling Complex are completely new features, as Downtown Springfield does not currently offer either a cinema or bowling alley. In addition,

these venues will have regional appeal as they will offer a differentiated product to what is currently available in Western Massachusetts.

**ICE SKATING RINK** Like the Rockefeller Center’s ice rink in New York, the MGM Springfield ice skating rink will be an annual iconic attraction and a real sense of pride for the community. As many cities celebrate the lighting of their Christmas trees, we believe the unveiling of the ice rink will be an event families in the area look forward to annually

#### **4-15-01**

MGM Springfield will not include any significant live entertainment venues. The following entertainment elements are anticipated to be included in MGM Springfield and are discussed in more detail in 4-11-01.

- Luxury cinema – several luxury movie theaters
- Bowling – state-of-the-art luxurious bowling experience
- The Armory - a multi-level, contemporary dining and entertainment venue set within the Armory’s historic walls that will include an exterior performance stage overlooking the Outdoor Plaza
- TAP - a classic American sports bar
- Belly Q2 - a unique pan-Asian dining and nightlife-lounge experience
- Ice rink (winter) – to be located each year in MGM Springfield’s Outdoor Plaza

#### **4-19 Qualities of Amenities**

When developing MGM Springfield’s amenities package, MGM Resorts worked toward creating experiences that are complementary to and will raise the profile of the area and its existing amenities. MGM Springfield’s presence in the market will broaden the City’s ability to attract more citywide meetings and convention business by offering consumers more rooms and a luxury product. MGM Springfield’s four-star hotel rooms will be positioned in the luxury segment, and the rates typically will be positioned higher than existing hotels in the market. This will increase Springfield’s appeal as a citywide convention market as the hotels will offer a greater diversity of price points. MGM Springfield’s food and beverage program will introduce some of the area’s best known restaurateurs to a wider audience and attract celebrity chefs to the Project. MGM Springfield will feature locally known food-and-beverage favorites, who will benefit from the expected eight million annual visitors to MGM Springfield. In cases where a local chef or restaurateur is not featured, MGM Springfield will endeavor to highlight locally sourced products and, when possible, actively feature these items on the menu. MGM Springfield will offer a luxury movie-theater experience with plush chairs and on-site dining as well as a bowling area that will function as much as a place to congregate as a traditional bowling center of yesteryear.

MGM Springfield’s retail program will serve as the catalyst for the area along Main Street, creating the likely scenario where there will be more new retail opportunity for local businesses in the future.

#### **4-22-01**

**OVERVIEW** Non-gaming entities within the boundaries of the gaming establishment complex generally will be owned by MGM Springfield, with the principal exception of outsourced retail and potentially some of the food and beverage venues. Many of the outsourced retail and food and beverage venues will be managed by or in cooperation with local or regional partners. In this

way, patrons will be able to experience aspects of the diversified regional tourism industry actually on property. These relationships with respect to retail and food and beverage are discussed in more detail in Attachment 4-11-01. MGM Springfield has entered into or anticipates entering into many partnerships and collaborations with a wide range of local hotel, dining, retail and entertainment facilities. These relationships have been documented in great detail in many other areas of this Application and are summarized below.

**HOTELS** Because of the close proximity and marketing relationship between MGM Springfield and the MassMutual Center, MGM Springfield will be able to attract additional business. As a result, and in collaboration with area hotels that are within walking distance or trolley ride from the MassMutual Center, MGM Springfield clearly will be able to benefit these properties by increasing their occupancy rates. Other businesses, including MGM Springfield, also will benefit from this increased visitation. MGM Springfield envisions situations during busier times of the year when MGM Springfield may wish to block rooms at neighboring hotels, particularly to accommodate gaming customers. In addition, because our sales team and the MassMutual Center sales team will be working so closely together, there will be other instances when, in order to accommodate large groups or groups seeking multiple hotel price points for their guests, MGM Springfield will work with the MassMutual Center and area hotels to block rooms for these groups. There will be many situations when our hotel will be at capacity. In these instances, we will direct callers to area hotels or the GSCVB Website. Particularly during the summer and during many weekends throughout the year, MGM Springfield's 250 hotel rooms will not be enough to meet the likely demand.

**CONVENTION FACILITIES** MGM Springfield intends to make the MassMutual Center a true partner in enhancing and complementing Springfield's existing convention and conference business. MGM Resorts is the worldwide leader in the convention and meeting industry and we anticipate working with the MassMutual Center to jointly market the City's convention and meeting space to regional convention planners. Please refer to Attachments 4-12-01, 4-13-01 and 3-26-01 for further information relating to the details of our partnership with the MassMutual Center.

**RESTAURANTS** MGM Springfield believes it is essential to incorporate both regional restaurateurs and food and beverage vendors into MGM Springfield. This situation will allow them to showcase their talents to millions of visitors each year. Because of the outward-looking nature of MGM Springfield, local restaurants within walking distance of the resort will thrive. Just as important, restaurants and bars located on the public trolley route also will gain exposure to MGM Springfield's visitors. Depending on the season, restaurants and bars on Worthington Street, including Theodore's Blues, Booze and BBQ and other local eateries, will benefit from the increased foot and trolley traffic. Although MGM Springfield does not plan to participate in a wide-ranging regional "comping" program, we may enter relationships with a limited number of restaurants in which our guests can receive what we call Express Comps to these outlets. In order to broaden the region's appeal to our visitors, we will source locally and include a portfolio of local chefs and retailers within MGM Springfield. The overarching philosophy of our venues will be to source locally grown fresh ingredients. We intend to feature local and regional farms, wineries and breweries on our restaurant menus. MGM Springfield is exploring relationships with Berkshire Brewing Company, V-One Vodka, Berkshire Farms, Chase Hill Farms, Shepherds Gate, Echo Hill Winery and Amherst Brewery. The depth and availability of local providers allow MGM Springfield to introduce locally sourced materials at almost every level of our offerings.

**OUTDOOR PLAZA AND RETAIL PROGRAM** MGM Springfield will leverage its Outdoor Plaza to host community events that promote regional businesses – particularly during the warmer months. Some of these events could include: • Vendor showcases • Farmers’ markets • Food/beer/wine festivals • Arts and crafts fairs • Live music from local artists

MGM Springfield envisions a variety of events that will provide a venue for regional businesses and artists to showcase their talents in front of a new audience. Over time, we believe that the outward-facing design of the Outdoor Plaza’s retail block will allow for the natural evolution of a streetscape on Main and Union Streets where other retail, restaurant and bar facilities would open over time. Please refer to Attachments 4-11-01 and 4-33-01 for greater detail relating to MGM Springfield’s retail program and Outdoor Plaza.

**ENTERTAINMENT VENUES** MGM Springfield has established numerous cross-marketing relationships in Springfield and throughout Western Massachusetts. The goal of these relationships is to create a visitor experience that is amplified because of increased choice and opportunities for visitors. These relationships include cross-marketing attractions such as: • The Museum Quadrangle and Basketball Hall of Fame • Six Flags New England in Agawam • Golf courses • Ski resorts • The MassMutual Center • Symphony Hall and CityStage • Other entertainment venues, including MPAC venues and Tanglewood MGM Springfield will integrate with local entertainment venues through its joint marketing partnerships with the MassMutual Center and Symphony Hall/ CityStage, and through its proposed collaborations with the Massachusetts Performing Arts Coalition and Tanglewood, as well as other regional entertainment venues. These important partnerships are designed to attract new customers to the region for the mutual benefit of MGM Springfield and such venues. Please refer to Attachments 3-25-01 and 3-26-01 for more detailed information relating to these partnerships, and Attachment 3-33-01 for how MGM Springfield has already started to enhance the existing entertainment offerings in Springfield.

## **MITIGATION**

### **1-03-01 p. 8 “Do No Harm”**

Unlike the Mohegan Sun and Foxwoods entertainment venues in Connecticut that impose punitive radius restrictions, that at least in the case of Western Massachusetts, keep entertainment acts from performing in their venues, MGM Springfield will impose no such restrictions on any non-casino affiliated Massachusetts-based entertainment venues;

### **3-21 Projected Benefit for Regional Businesses**

According to an independent analysis by HR&A Advisors, regional businesses are projected to experience increases in gross revenue. In the average case, the revenue increase is projected at \$72.3 million (2013\$) in Year 2. The on-going operations of the Project will create revenues for regional businesses primarily through vendor/supplier purchases. These estimates were based on HR&A’s independent analysis of MGM-provided profit-and-loss statement. In the Average Case, \$50.8 million (2013\$) is a product of MGM Springfield regional vendor spending with another \$7.2 million expected as a product of MGM Springfield spending on operations and maintenance in Year 2. Additional revenues for regional businesses would come from the third party retail operating on-site. This includes 33,300 square feet of retail space plus a 2,900 square

foot grocery space. As noted previously, HR&A estimated the third party retail spending by applying sales per square foot averages from the 2008 Urban Land Institute's Dollars and Cents Report to project industry sales for the third party retail space. In the stabilized year of the Average Case, this revenue is expected to amount to \$14.3 million (in 2013\$). As discussed in greater detail in the HR&A report, these estimates likely greatly understate the positive impact on regional businesses once off-site out-of-state visitor spending, additional employee compensation spending and multiplier spending are factored into the equation.

### **3-30 Regional Economic Plan Coordination**

Springfield is one of the most economically challenged cities in the Commonwealth, and MGM Springfield intends to help the City restore its economic health by focusing on the development of a dynamic tourism and entertainment cluster. MGM Springfield will deliver investment, good jobs, training, enhanced regional entertainment, tourism growth and significant partnerships/marketing relationships with local and regional entertainment and cultural institutions. MGM Springfield is located within Springfield's urban core and has been designed to complement existing architecture, to reconnect many of the City's existing attractions and entertainment and cultural assets, and to partner with many of the City's existing businesses. In support of the Rebuild Springfield Plan, MGM Springfield will develop 54 apartments, enhance the residential experience in the South End through a mix of commercial and retail options, partner with local institutions, increase walkability in the Downtown, and improve existing and introduce new public spaces. MGM Springfield aligns with the Pioneer Valley Plan For Progress and supports their seven overarching principles for successful economic development. These include urban investment, industry clusters, education and diversity. More than 50% of the project site is comprised of vacant buildings, parking lots and condemned buildings. Hospitality and tourism is a targeted industry cluster that can quickly create a large number of high-quality jobs. MGM Springfield will create over 3,000 good-paying jobs and has already established a number of partnerships with local educational institutions and employment training and placement agencies. We have already taken steps to continue our commitment to hiring and training employees from diverse backgrounds, and MGM Springfield will have a workforce that reflects the region's diversity.

### **4-30 Minimizing Noise and Lighting**

To address the potential concern of noise in the community related to the Project, a sound-level impact assessment was conducted, including the measurement of existing sound levels in the vicinity of the site and an estimate of future sound levels once the Project is in operation. The predicted future sound levels were compared to existing background levels, and impacts were evaluated against the Massachusetts Department of Environmental Protection (MassDEP) Noise Policy. The analysis indicates that predicted sound levels from Project-related mechanical equipment with appropriate noise mitigation will result in sound level increases that are at or below the limit established by the MassDEP Noise Policy. MGM Springfield is committed to making every reasonable effort to minimize the noise impact of construction activities.

## **5-6 Mitigation**

MGM Springfield recognizes and acknowledges that the construction and operation of the Project will cause direct and indirect impacts on the City, which will require that the City and other governmental units of the City provide continuing mitigation of Community Impacts so that City residents, including the additional temporary and permanent workforce and the increased number of expected visitors to the City related to the Project, will receive substantially the same level of health, safety, welfare and educational services as are currently provided to City residents and visitors.

All financial commitments are summarized in the Concise Summary of HCA that was published in accordance with M.G.L. 23K, §15(13), and can be found in Attachment 5-05-02. MGM Springfield's payment to the City to allow for the mitigation of Police, Fire, EMS, and Education issues is shown in Section 4.1 and Exhibit A of the HCA. Per Section 4.11 of the HCA, MGM Springfield will cooperate in the preparation of a health impact assessment to be conducted by Partners for a Healthier Community, Inc. being funded by the Pew Trusts which will assess the health impacts of a casino located in the City. For additional steps that MGM Springfield is taking in the area of building awareness, prevention and treatment of problem gaming, please refer to Attachment 5-31-01. Please refer to Attachment 5-33-01 for all details relating to traffic mitigation.

MGM Springfield shall be responsible for the cost of the sewer and water main work as set forth in that certain April 24, 2013 letter to MGM Resorts Development, LLC from Timothy J. Williams of Allen & Major Associates, Inc., a copy of which is included as Schedule 1 to Exhibit E in the HCA (Attachment 5-04-01), as the same may be modified from time to time by agreement of MGM Springfield and the City. An outline of the mitigation agreement established between MGM Springfield and displaced tenants at the Project Site who agree to relocate within the City, displaced tenants at the Project Site who agree to relocate within the Business Improvement District, and Union Station is enclosed in this response.

## **5-17 Mitigation**

We have conducted economic and social impact studies, which confirm that any adverse impact suffered by any community will likely be more than offset by the positive economic impacts that come from new employment and economic development, including our targeted \$50 million in annual local spending. With respect to traffic, our peer-reviewed studies and analyses have consistently projected that the traffic impact of MGM Springfield is largely complementary to the existing traffic flows, and the traffic is dispersed over various roadways, principally Interstates 91 and 291. Nonetheless MGM Springfield has proposed a surrounding community agreement structure that further protects communities through (i) both upfront and annual funding for surrounding communities' consultants, (ii) an annual minimum mitigation payment, and (iii) "look back" studies to determine any necessary further mitigation based on real data. With respect to the "look back" studies, MGM Springfield will fund a baseline study by a neutral and independent third party measuring the baseline conditions in each of the signatory communities. That same third party would then be funded to perform subsequent reviews of those same conditions following the opening of the project to the public. To the extent that these



look back studies reveal a net significant adverse impact directly caused by the Project to those communities and Commonwealth mitigation funding is not available to address them, MGM Springfield will provide funding to mitigate those impacts. This method allows future mitigation payments to be based on actual impacts as they arise, rather than guesswork. It also protects a surrounding community from unfunded future impacts if an insufficient fixed impact fee had been negotiated upfront.

## **OTHER**

### **1-02 Efficient Infrastructure**

The MGM Springfield site will allow for the construction of a large casino with only limited improvements to existing water, sewer, and road networks surrounding the facility. The improvements to the water network include the replacement of mains dating back over 100 years. The proposed project will also utilize the existing sewer infrastructure available within the development parcels and in adjacent rights-of-way. Based on communications between the Developer and the Springfield Water & Sewer Commission (SWSC), the existing sewer system has the capacity to handle the projected average daily sewer flow, thus no improvements to the current sewer system are anticipated. While improvements at certain street intersections are anticipated, no new road lanes are needed beyond isolated turn lanes near or into the Springfield site. Finally, the addition of a casino to a big city like Springfield is likely to present only a marginal increase in the demands on local police, fire, and garbage collection services. My understanding is that the Developer and the city have quantified that incremental impact and that the Developer has committed to millions of dollars in both upfront and annual funding in its host community agreement to reimburse the city for those costs. For these reasons, it can be said confidently that, from the perspective of Efficient Infrastructure, the MGM Springfield site is a superior location.

### **4-30 Minimizing Noise and Lighting**

To address the potential concern of noise in the community related to the Project, a sound-level impact assessment was conducted, including the measurement of existing sound levels in the vicinity of the site and an estimate of future sound levels once the Project is in operation. The predicted future sound levels were compared to existing background levels, and impacts were evaluated against the Massachusetts Department of Environmental Protection (MassDEP) Noise Policy. The analysis indicates that predicted sound levels from Project-related mechanical equipment with appropriate noise mitigation will result in sound level increases that are at or below the limit established by the MassDEP Noise Policy.

MGM Springfield is committed to making every reasonable effort to minimize the noise impact of construction activities.

### **4-35 Regional Water Facilities**

The Springfield Water and Sewer Commission (SWSC) supplies the City of Springfield with its drinking water. Springfield's primary water supply is the Cobble Mountain Reservoir. Waters flow from the Reservoir to the West Parish Water Filtration Plant in Westfield, where it is filtered and treated. The Ludlow Reservoir is maintained as an emergency water supply. We have evaluated the impact that MGM Springfield would have on the SWSC's water supply and infrastructure, taking into account the Project's cumulative demand for water. Based on the Massachusetts State Environmental Code, Title 5 (310 CMR 15.00) design flows for the proposed development, the site is anticipated to demand approximately 246,646 gallons per day of potable water. We have attached a letter from the SWSC, dated August 28, 2013, stating that the existing water distribution system has the capacity to handle the anticipated average daily demand. MGM Springfield is designed to reduce the aggregate use of water by 20% - 40% of the buildings baseline, and the consumption of potable water for irrigation by 50%. In addition, we plan to use water-efficient landscape techniques and plant native plant species as well as use wastewater reduction technologies during design and construction. We will continue to work with SWSC to ensure that MGM Springfield will not adversely impact the water distribution system during maximum day and peak hour demand periods.

#### **4-36 Sewage Facilities**

The Springfield Water and Sewer Commission (SWSC) is responsible for the City of Springfield's sewage. Currently, about one-third of the sewer system in the City of Springfield flows to a Combined Sewer Overflow (CSO) system. Wastewater is conveyed to the Springfield Regional Wastewater Treatment Facility (SRWTF), which treats wastewater from households, businesses and industries within Springfield and its surrounding member communities. We have evaluated the impact that MGM Springfield would have on the Springfield Water and Sewer Commission's CSO infrastructure, taking into account the anticipated cumulative sewage generation. Based on the Massachusetts State Environmental Code Title 5 (310 CMR 15.00) design flows for the Project, the site is anticipated to generate approximately 224,224 gallons per day of sewage discharge. The Project will include conservation measures to reduce the effects of the development on the Springfield Water and Sewer Commission CSO system. The site design will incorporate Low Impact Development strategies and Sustainable Design Practices to reduce the anticipated impacts to the combined sewer system.

We will continue to work with the Springfield Water and Sewer Commission to ensure that MGM Springfield will not adversely impact the CSO system during maximum day and peak hour demand periods.

#### **4-66 Security of Premises**

We anticipate that the Security Department will include well over 100 full-time-equivalent professionals, which include positions such as Vice President/Director of Security, shift security managers and supervisors as well as offices.

The facility's security plan will be designed to monitor the security of a number of physical areas and key activities. Subject to modification, at any given time, Security Officers will be positioned in the casino, hotel, non-gaming areas, back-of-house, and elsewhere as needed.

#### **4-67 History of Security**

Our Security Departments have developed policies and procedures to prevent unlawful behavior at each of our properties and ensure the safety of our guests and employees. Security Departments across MGM Resorts properties use the Corporate Security Incident Guidelines as a basic measure of procedures and policies. These policies and procedures are continuously being refined for current best practices, and from a global perspective, our success in the Security area is measured by the guest experience. All Security Departments have a well-established communication network consisting of security and safety personnel from many levels and properties in and out of our company where information is exchanged providing the ability to identify and address security and safety concerns extremely efficiently and expeditiously. All Security Departments communicate regularly with local, state, and federal law enforcement through participation in monthly meetings and crime briefings. We participate with local, state, and federal agencies in joint training classes and exercises.

#### **4-72 EOEEA Certificate (ENF);**

ENF Comments (attachments to application)

4-72-02

#### **5-01 Infrastructure Costs**

The research and studies completed for the Project have not identified any infrastructure costs that would be incurred by the Host Community of Springfield or by the surrounding communities for either construction or operation of the gaming establishment.

#### **5-31 Treatment and Prevention**

MGM Springfield's role in the treatment of problem gaming is to train employees in problem-gaming awareness, implement signage and advertising to increase the chances that the visitors and the general population are aware of problem gaming and make available information on resources for treatment. MGM Springfield will maintain a list of local MGC-accredited facilities in the region and the Commonwealth that treat problem gaming. MGM Springfield will rely on the Massachusetts Gaming Commission to determine what qualifies as an accredited facility/health care professional. MGM Springfield will include a list of these accredited treatment facilities on materials that will be distributed in a kiosk near the cage, be available in the brief intervention center and be prominently displayed in the gaming establishment and will make best efforts to keep the list up to date. MGM Springfield has identified the Massachusetts Council on Compulsive Gambling as a valuable resource in the area of health-professional education and treatment for problem gaming, and will work with the Council and the Massachusetts Gaming Commission to have health-care professionals receive the Training Certificate awarded by Council be accredited by the Commission. MGM Springfield will work with the communities, the Massachusetts Department of Public Health and groups such as the Council to facilitate interactions when necessary to ensure there is strong geographic

diversification of health-care professionals accredited to treat problem-gaming-related mental health problems. MGM Springfield will offer an Employee Assistance Program that will include mental health support and treatment for a variety of issues, including problem gaming.

### **5-36 Housing**

According to a study by HR&A Advisors, the firm believes the regional housing market is diverse enough and has capacity for growth to support any new demand. If anything, the impact of this project on regional housing values will be positive as it will provide a significant boost to the regional economy. MGM Springfield estimates that the majority of the positions will be filled by regional residents who live within commuting distance of the project. Approximately 10% of employees may be brought in from out of the area and would therefore be looking to rent or purchase homes in the region – likely in surrounding communities. The impact on the housing market will depend upon individual preferences for housing type, location, family status, children, income, etc. in addition to availability on the market.

### **5-37 School Population**

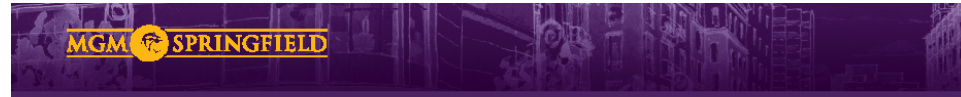
While the overwhelming majority of jobs are anticipated to be held by existing regional residents, approximately 10% of jobs will likely be held by people moving to the area due to the need for specialized knowledge and experience. While MGM Springfield will bring in these employees from its other operations and the hiring of outside experts, over the long term there will be opportunities for regional residents to move up within the organization. According to a study by HR&A Advisors, the firm estimates that 34% of new employees to the area will choose to reside in Springfield with the remainder outside of Springfield. Based on student/adult ratios and funding formulas, HR&A Advisors estimates that surrounding communities would bare a total cost of \$510,000 to \$590,000 annually for the new students. (Note, this analysis is conservative since it assumes all new residents settle in Springfield or one of the seven abutting communities).

### **5-38 Emergency Services Available**

A study by HR&A Advisors found the majority of impacts related to fire departments will be in the City of Springfield. MGM Springfield is providing upfront and annual funds via its Host Community Agreement for the purpose of mitigating impacts on fire services.

The findings from Local and Regional Impacts: Springfield Integrated Resort, October 4, 2013 prepared for MGM Resorts by the UNLV International Gaming Institute's review of crime literature support a view that any proposed casino-resort would increase the total volume of crimes in the immediate area based on the overall increase in projected visitation to the area, but that it will have an insignificant effect on the crime rates overall (when adjusted for the number of people drawn to the area). As such, the study asserts that resource requirements will be higher for local public safety services if Springfield adopts a casino-resort, but the probability of any nearby residents being victimized will remain unchanged. The study's findings show nothing

that indicates surrounding communities’ crime rates or crime levels will be affected by the opening of a Springfield casino. The City of Springfield contracts with American Medical Response (AMR) to provide ambulance transport services for medical emergencies. MGM Springfield has held meetings and entered into a Memorandum of Understanding with AMR to discuss the deployment of additional resources to serve the Project. Due to the availability of emergency medical services on-site at the Project and AMR’s demand response business model, the Project is not projected to have any adverse impacts on emergency response times or the availability of services in surrounding communities.



**5-38-01 – EMERGENCY SERVICES**

*Provide an analysis of available police, fire and emergency medical services available to the gaming establishment complex, the adequacy of those resources, the steps the applicant plans to take to remedy any deficiencies, and the agreements the applicant has made with the service providers to ensure that the appropriate levels of protection are available.*

**FOREWORD**

Please note that more detailed information about public safety resources in surrounding communities is contained in the report called "Impacts of Proposed MGM Springfield Project on Surrounding Communities" conducted by HR&A Advisors (contained in Attachment 5-02-01).

**FIRE**



The majority of impacts related to fire departments will be in the City of Springfield. HR&A Advisors completed a study of the impacts of the proposed casino on the Springfield Fire Department in December 2012. The City of Springfield’s Fire Department was founded in 1794, making it one of the oldest continually operating municipal fire departments in the United States. At the time of the study, it employed 230 officers and nine civilians in eight

stations across the City. The department employed eight engines, four ladders and one heavy rescue vehicle. An additional ladder vehicle was out of service due to fiscal constraints. The Department is the first responder for all fire and emergency calls, though the City contracts with American Medical Response to provide ambulance transport services.

MGM Springfield is taking steps to ensure that the Springfield Fire Department is equipped to handle potential increase in incidents in Springfield related to the Project. To this extent, the Host Community Agreement calls for a one-time payment of \$1 million for the purchase of two new chase vehicles, one new engine and a temporary fire inspector during the construction period (included in \$2.5 million Upfront Direct Community Payment). In addition, MGM Springfield is providing an annual payment of approximately \$450,000 to support equipment, training, and salaries for six new fire fighters (included in \$2.5 million Annual Direct Community Payment).

Increasing the capacity and resources of the Springfield Fire Department will help mitigate impacts on surrounding communities by ensuring that the City’s department has the ability to handle incidents that may arise and will not increase the need for mutual aid.

Fire departments in surrounding communities most impacted by an increase in traffic, and thus likely traffic incidents, may need additional resources to mitigate these impacts. Further determination will be made based on findings in the traffic study and a proposed "look-back" process with surrounding communities.

**POLICE**



The findings from Local and October 4, 2013 prepared for Gaming Institute’s review of casino-resort would increase based on the overall increase have an insignificant effect o number of people drawn to t requirements will be higher i a casino-resort, but the prob will remain unchanged. The surrounding communities’ c opening of a Springfield casi



HR&A Advisors completed t the Springfield Police Depart maintains a police departme members and is headquarter Project. In Fiscal Year 2012, i million. The Project site is lo Downtown core along the Co in Springfield. Although See it is the source of 10% of the Department’s spending on o

While the project benefits fr taking steps to ensure that tl handle potential increase in the casino. To this end, the f payment of over \$64,000 to f



## **G. OTHER**

---

### **HR&A Memorandum on Northampton Impacts**

On behalf of MGM Resorts International, HR&A Advisors, Inc. (HR&A) conducted a review of the *Economic & Fiscal Impact Analysis of the Proposed MGM Casino on the City of Northampton, MA* report dated December 2013 and submitted as part of the Appendix to the Petition of the City of Northampton for Designation as a Surrounding Community.

HR&A is an industry leader in economic development, real estate and public policy consulting. Headquartered in New York City, the firm has served a diversity of clients since 1976, and the firm's professionals play a critical role in many of the leading public-private and economic development projects throughout the country. HR&A has supported MGM's application for a license since November 2012.

The purpose of this memorandum is to review and comment on the methodology used by Camoin Associates in its study.

### **PROPOSED PROJECT**

MGM is applying for a Category 1 gaming license in Massachusetts Gaming Region B, which would permit the company to develop a destination resort casino in the South End of Downtown Springfield. The project would induce a private investment of approximately \$800 million and include approximately 845,000 square feet of gaming, hotel, convention, food and beverage, retail, residential and entertainment uses.

### **ECONOMIC AND FISCAL IMPACTS ON THE CITY OF NORTHAMPTON, MA**

The Camoin study asserts that the development of a resort casino in Springfield will cause a loss of \$4.4-\$8.8 million in economic spending from the City of Northampton's economy. This loss in economic activity is estimated to result in lost tax revenues of \$0.14-\$0.27 million. This analysis is based on an assumption that the region has a closed economy and the amount of consumer recreational spending available is fixed, suggesting that the opening of a new entertainment and retail project in Springfield is at the expense of entertainment and retail activities in Northampton.

### **RESPONSE TO STUDY CONCLUSIONS**

In the following paragraphs, HR&A describes its concerns and flaws with and Camoin approach. It is based on findings from the economic and fiscal impact study we conducted on behalf of MGM as part of its response to the Commonwealth's RFA-II submitted in December 2013. The analysis considered impacts on Hampden County and the rest of Region B, which includes Hampshire, Franklin, and Berkshire Counties. Springfield is located in Hampden County and Northampton is located in Hampshire County.

### **#1 The Northampton study fails to consider the positive benefits that will accrue to the City from MGM’s vendor spending and employee compensation.**

MGM estimates operating vendor spending \$50 million annually in the region. Based on an analysis of likely vendor relationships, HR&A estimated that \$14 million of this direct spending would accrue to the rest of Region B outside of Hampden County. A portion of this will accrue to Northampton businesses through contracts, partnerships, etc. Further, HR&A estimated that the project would generate an additional \$14 million in employee compensation to employees residing in the rest of Region B outside of Hampden County. Given the area’s population density, many of these are likely to be in Hampshire County.

In addition to the direct spending described above, HR&A’s economic impact study found that spending from project operations <sup>1</sup> would have ripple effects in the rest of Region B outside Hampden County. **These include an additional \$14 million in multiplier spending,<sup>2</sup> 230 jobs, and \$6 million in wages.** Both the direct and indirect spending would support new tax revenues to local governments through shares of sales taxes and additional spinoff economic activity.

Furthermore, the Camion study does not address the one-time positive economic impacts to the region during the construction phase..

### **#2 The Northampton study assumes that there will be no spillover effects from out of state visitors.**

The Camoin study does not assume that Northampton would benefit from any out of state visitors attracted by the Casino. Based on MGM’s market analysis, an estimated 4 million annual visitors will come to the casino from out of state. HR&A estimated that these visitors would spend at least \$50 million in Hampden County. While it is difficult to estimate the precise number that would also visit Hampshire County, given the City’s historic downtown and regionally recognized mix of stores and restaurants, it is highly likely.

<sup>1</sup> Assumes average revenue scenario based on MGM’s pro forma.

<sup>2</sup> Multiplier spending estimated using nationally recognized IMPLAN input-output model for counties in Region B. It includes indirect spending from business activity and induced spending from household compensation.

### **#3 The Northampton study assumes that consumers in the study area have a fixed amount of “recreational spending” and there will be no induced demand.**

This assumption contradicts assumptions in the statewide market study conducted by the Spectrum Gaming Group in 2008 that informed the rationale for much of the structure of the casino legislation. SGG states that “the introduction of new goods to the menu of available options for consumers may lead consumers to increase their overall expenditures. This effect

would tend to lessen the amount of expenditures lost to competing industries.” (SGG 2008, p, 141)

HR&A estimated that the Project would generate a total of nearly ***\$60 million in new spending in Hampshire, Franklin and Berkshire counties from a range of sources***, including recaptured gaming revenues, recaptured food and beverage revenues, vendor spending, employee compensation, and spinoff activity. ***HR&A believes this figure is conservative and is in addition to the \$740 million in new spending in Hamden County.***

The significance of the recaptured gaming revenues is that they represent spending by regional residents that currently takes place outside of the Commonwealth. Thus, communities in the Commonwealth are missing out on both the direct impacts and multiplier impacts of this spending. A 2010 SGG study estimated that 46.7% of the spending at Massachusetts casinos will be Massachusetts’ resident spending that is being recaptured from casinos in nearby states. (SGG 2010, p, 67) While this spending will have direct impacts on MGM Springfield, regional communities, including Northampton, will benefit from the spinoff activity in vendor spending, employee compensation, etc.

A literature review of studies of the impact of casinos on local spending and induced demand for gaming by local residents found that the development of new casinos can replace other entertainment spending in the region. However, as indicated in the Spectrum study, a portion of this spending will be shifted from other spending, not just recreation. These studies found that the extent to which local gaming revenues results from substitution varies by geography.

To take into account substitution spending, HR&A subtracted 30-75% of regional gaming spend from the total new regional spending. ***The result is still a net positive of \$40-\$48 million in new spending in Franklin, Hampden, and Hampshire counties on top of \$666-\$711 million in new spending in Hampden County.***

#### **#4 The Northampton study assumes that the 12 shows per year in Springfield would cannibalize from its own local music industry.**

As part of its agreement with the City of Springfield, MGM is programming 12 shows per years in the 2,611 seat Symphony Hall, the 8,000 seat Mass Mutual Center and the more intimate City Stage. Current entertainment at these venues includes a mix of minor league sports teams, country music artists, off-Broadway shows, and orchestral music performances. In contrast, the City of Northampton has a regionally renowned music scene, attracting acts ranging from jazz and folk performers to rock and children’s music at venues including the Iron Horse Music Hall, Pearl Street Nightclub, and the Northampton Center for the Arts. Given the magnitude of the scene with hundreds of shows and thousands visitors per year, it seems unlikely that an additional 12 shows in Springfield would produce negative impacts. It should also be noted that a portion of these 12 shows may represent acts that would have previously taken place at venues at the Connecticut

casinos. Notably, MGM excluded a concert venue within its project footprint in favor of enhancing the City of Springfield’s existing and underutilized resources.



## CONCLUSION

The economic and fiscal impact study of the MGM’s proposed project on the City of Northampton is flawed in its narrow focus on select economic issues, while ignoring other sources of benefits that will accrue to the City of Northampton such as jobs for residents and spending at local businesses, and its “zero sum game” assumption that asserts that new economic activity in entertainment, recreation, and retail sectors in Downtown Springfield will subtract from activity in Downtown Northampton. Further, the study ignores the positive regional ripple effects of the Massachusetts’ resident spending that will be recaptured from casinos in nearby states and the new out-of-state visitation that MGM Springfield will attract. HR&A’s study of the economic and fiscal impact of the project on the region demonstrates a range of net positive benefits that will accrue to the regional economy, including in the City of Northampton.

## Sources

*Appendix to the Petition of the City of Northampton for Designation as a Surrounding Community*

*Spectrum Gaming Group. Comprehensive Analysis: Projecting and Preparing for Potential Impact of*

*Expanded Gaming on Commonwealth of Massachusetts (2008)*

*Spectrum Gaming Group. Market Analysis, Gross Gaming Revenue Projections: An Update (2010) HR&A Advisors, Inc. Regional Economic and Fiscal Impacts of Proposed MGM*

*Springfield on Gaming*

*Region B and the Commonwealth of Massachusetts*

## Transcript

### Community

Pg. 12

MR. FIALKY:

1 city of Northampton. Northampton is widely  
2 acknowledged as the premier culture and visit  
3 -- visitation destination in the pioneer  
4 valley, attracting residents, students,  
5 visitors and tourists from varied offerings  
6 from art galleries, distinctive retail stores,  
7 renowned restaurants, high quality  
8 entertainment music venues, as well as  
9 boutique hotels. The city's received dozens  
10 of national awards distinguishing its unique  
11 character, its charm, and its economic success  
12 in an otherwise often economically-challenged  
13 region.

Pg. 14

20 For decades, Northampton has been  
21 the sole destination in the pioneer valley,  
22 for a day of shopping or for a night out on  
23 the town. Thus, a new MGM development,  
24 complete with its proposed retail, hotel,  
15  
1 restaurant, entertainment and other amenities,  
2 whether by design or by effect, will  
3 ultimately compete directly against the basis  
4 of Northampton's small business economy.  
5 Northampton does not argue that its  
6 entire customer base will be lost to MGM.  
7 However, the Camoiner -- the Camoin report  
8 nonetheless shows that substantial patronage  
9 will indeed be cannibalized, resulting in  
10 significant lost sales, lost jobs, and current

Pg 26

MR. N'DOLO:

Our analysis confirms this  
11 characterization on page 10 of our report. We  
12 show empirically and factually there's a  
13 retail surplus within the city. A retail  
14 surplus is when you have more being spent at  
15 businesses than residents spend.  
16 So, for example, under the full  
17 service restaurant category, we showed a total  
18 of \$35 million in business at Northampton  
19 res -- sorry, at Northampton establishments.  
20 However, empirically, residents of Northampton  
21 are only spending about \$21 million on  
22 full-service restaurants. Therefore, there's

11 and future tax revenue.

12 Moreover, Northampton will not  
13 derive any benefit from the MGM development,  
14 which, consistent with longstanding casino  
15 industry practices, seeks to provide one-stop  
16 shopping, restaurant, retail and entertainment  
17 amenities. All of which would result in a de  
18 facto disincentive for out-of-town casino  
19 patrons to visit other entertainment and  
20 retail venues, much less other destination  
21 communities such as Northampton.  
22 And while MGM has made overtures of  
23 cross-promotion between the two cities as our  
24 brief details, token offers, such as the  
16

1 inclusion of Northampton brochures at the MGM  
2 concierge desk, can hardly be expected to  
3 offset MGM's vested interest in attracting and  
4 retaining destination consumers as a draw to  
5 its gaming operations versus sending them off  
6 to Northampton to enjoy similar entertainment  
7 amenities.

8 Rather, Northampton will need to  
9 undertake costly new and continued, value-wide  
10 marketing efforts to retain customers in  
11 businesses. These new advertising expenses  
12 will become a new necessity of the city's  
13 economic survival. And, in addition,  
14 Northampton will be challenged to replace tax  
15 and fee revenue lost to business contraction.

23 a surplus of \$14 million. Well, where's that  
24 coming from? That's coming from outside the  
27

1 city into the city. We have all these  
2 different categories that each are tens of  
3 millions of dollars. You can tell very --  
4 very clearly, millions of dollars are coming  
5 in based on the entertainment venue and other  
6 amenities of the area. The next slide,  
7 please.

8 I have now overlaid, and this is  
9 kind of an important slide to understand  
10 methodologically, the orange, in the middle of  
11 course, is overlaid by the blue area. This is

12 a casino trade area. It's a 60-minute drive  
13 time from the casino.  
14 Excuse me. We were not provided by  
15 a market analysis by MGM, but we found one  
16 that had been previously done by Strategic  
17 Market Advisors. They defined this 20-minute  
18 drive time is a combination of the primary and  
19 secondary market trade areas. And, according  
20 to Strategic Market Advisors, represents  
21 77 percent of the patrons of the casino. So  
22 while the casino may draw from further away  
23 than this 60-minute drive time here, this  
24 is -- you know, essentially, it's primary and  
28  
1 secondary trade areas.  
2 MGM explicitly states in its  
3 opposition brief, page six, quoting, MGM  
4 Springfield explained its marketing plan and  
5 projections, which were based on bringing up  
6 to 50 percent of its customers from outside  
7 western Massachusetts. So if 50 percent -- if  
8 up to 50 percent of its customers are coming  
9 from outside western Massachusetts, then, by  
10 definition, 50 percent, and possibly much  
11 more, are coming from within western  
12 Massachusetts. This is consistent with the  
13 Strategic Market Advisors' report, and  
14 certainly with our findings.  
15 There's a couple of points to  
16 consider here that are -- that are real  
17 important. As we noted on page two and three  
18 of our report, as more and more casinos are  
19 developed in the northeast, and I'm from  
20 Saratoga Springs, New York, and we're, of  
21 course, considering our own, the market gets  
22 divided up and gets subdivided up and further  
23 subdivided up. And so, the market area of  
24 each casino, in fact, in effect shrinks. And  
29  
1 in doing so, in effect, the biggest win for  
2 Massachusetts ceases to be the attraction of  
3 residents from outside Massachusetts, and, in  
4 fact, relies on retaining Massachusetts'  
5 resident spending that is currently leaving.  
6 So, in effect, the economic impact  
7 in the state of Massachusetts, while  
8 substantial, is a matter of recapture of  
9 dollars. It's a matter of reallocating how  
10 consumer spending patterns occur in the  
11 region. One of those consumer spending  
12 patterns that will be changing, of course, is  
13 how the Northampton trade area, again the  
14 orange area, how their residents spend money.  
15 The next slide, please.  
16 So, if from a technical point of  
17 view, and I'll just mention that these --

18 these circles are not drawn to scale. They  
19 just -- you know, to give you the -- the order  
20 of logic behind it. We want -- we've done an  
21 empirical and rational way to go about  
22 estimating these impacts.  
23 So here's what we did, we know that  
24 the casino trade area has a total of  
30  
1 \$8.5 billion in recreational spending. If we  
2 assume that 342 million of that in a given  
3 year is spent at the casino, which we feel is  
4 a very, very conservative assumption, that  
5 represents 4 percent of total recreational  
6 spending in the trade area, in the casino  
7 trade area.  
8 Now, as a very, very conservative,  
9 low-case measure, what we said is, if that  
10 4 percent spend that's being pulled out of the  
11 trade area is spread evenly across the entire  
12 trade area, and it's conservative because, of  
13 course, the closer you get to the casino, you  
14 would assume that the higher percentage of  
15 spending would be -- climb close to the  
16 casino. That, in fact, if that 4 percent  
17 happens within, then we have one billion of  
18 dollars of recreational spending in the  
19 Northampton market area. 4 percent of that  
20 market area is, of course, \$40 million.  
21 Now, the city represents 10 percent  
22 of the spending within the Northampton trade  
23 area. So we simply applied 10 percent to that  
24 spending, that \$40 million going to the  
31  
1 casino, and we said the low case is  
2 \$4 million. That's \$4 million of spending  
3 that goes -- that is currently in the city and  
4 is now moving to the casino.  
5 COMMISSIONER ZUNIGA: Can you  
6 explain where that 8 billion comes from?  
7 MR. N'DOLO: Yes?  
8 CHAIRMAN CROSBY: Sure.  
9 MR. N'DOLO: Thank you. Thank you,  
10 Mr. Chairman. Yes. \$8 billion, it is from  
11 Esri Business Analyst Online. This is a data  
12 provider that we have. It's based on the  
13 consumer expenditure surveys that occur. This  
14 is a federal level data that they collect.  
15 Esri repackages the data and we collect that  
16 from our proprietary source.  
17 COMMISSIONER ZUNIGA: But what --  
18 what does that apply to?  
19 MR. N'DOLO: Oh --  
20 COMMISSIONER ZUNIGA: Yeah. What  
21 area -- what area are you -- are you  
22 describing, when you describe 8 billion?  
23 MR. N'DOLO: It is the -- it's the

24 casino trade area. It's the 60-minute drive  
32  
1 time from the city of Springfield.  
2 COMMISSIONER ZUNIGA: The revenue  
3 projections that I've seen are much lower for  
4 Massachusetts compared to that number.  
5 MR. N'DOLO: This is not -- this is  
6 not casino spending. Okay. This is spending  
7 on all types of recreational categories,  
8 because, remember, we're trying to get --  
9 we're trying to gauge the substitution effect.  
10 Right now you don't have a casino in  
11 Northampton -- or in Springfield, rather, but  
12 there's all kinds of recreational spending  
13 that's occurring. That's on anything from  
14 concerts to outdoor recreation, to meals, to  
15 basically entertainment of all types. So it's  
16 not casino spending. We're not saying that  
17 \$8.5 billion is going to happen at the casino.  
18 We're saying of all types of recreational  
19 spending, \$8.5 billion.  
20 COMMISSIONER ZUNIGA: And that was  
21 the blue area that you highlighted in your  
22 previous slide?  
23 MR. N'DOLO: Yes. The 60-minute  
24 blue area.  
33  
1 CHAIRMAN CROSBY: And the 60-minute  
2 blue area represented, in your calculation,  
3 70 percent of the casino's revenue, so there's  
4 23 percent coming from somewhere else. How  
5 does that relate to this chart?  
6 MR. N'DOLO: Thank you. So, first  
7 of all, 77 percent is not our number. That's  
8 the Strategic Market Advisors. That's the  
9 report that we found that had previously been  
10 prepared.  
11 CHAIRMAN CROSBY: Yep.  
12 MR. N'DOLO: We did not prepare  
13 those numbers. We're just using those  
14 numbers.  
15 CHAIRMAN CROSBY: Right. But --  
16 MR. N'DOLO: In this particular  
17 case --  
18 CHAIRMAN CROSBY: -- you're using  
19 them -- you're using them to make your case  
20 so --  
21 MR. N'DOLO: Exactly.  
22 CHAIRMAN CROSBY: -- they're  
23 effectively your numbers.  
24 MR. N'DOLO: Thank you. But I'm not  
34  
1 -- you know, I'm using them as -- as the  
2 number we're looking at.  
3 CHAIRMAN CROSBY: Yeah.  
4 MR. N'DOLO: That matter, what we're

5 looking at are the primary trade areas. Okay.  
6 As I mentioned, the city of Northampton trade  
7 area at 25 minutes is not the area where they  
8 get all of their resident -- I'm sorry, all of  
9 their visitors. That's their primary. They  
10 get the majority, if you wish.  
11 CHAIRMAN CROSBY: Yeah.  
12 MR. N'DOLO: So what we're doing is,  
13 we're comparing the majority of Northampton's  
14 visitors to the majority area of the casino's  
15 visitors. So, logically, we're only focusing  
16 on that spending. Now, Northampton will pull  
17 from farther away, but it gets more and more  
18 diffuse when get beyond the primary --  
19 CHAIRMAN CROSBY: No. But, I mean,  
20 the -- the -- the casino is bringing in  
21 another -- another 23 percent of its business  
22 from somewhere else outside the blue primary  
23 market -- excuse me, primary market area.  
24 MR. N'DOLO: Yes.  
35  
1 CHAIRMAN CROSBY: Will -- are -- are  
2 you positing that that 23 percent will have no  
3 impact on Northampton? In other words,  
4 there's -- the new money in, there's 23  
5 percent.  
6 MR. N'DOLO: Mm-hmm.  
7 CHAIRMAN CROSBY: Does that have a  
8 ripple effect, an offset to these numbers?  
9 MR. N'DOLO: It's a -- that's a very  
10 good question. It is not contemplated in our  
11 numbers. That is not something that we  
12 calculated.  
13 CHAIRMAN CROSBY: Okay.  
14 MR. N'DOLO: So to be -- to be  
15 absolutely direct and fair, that's -- that's  
16 correct. Now, if you do a  
17 back-of-the-envelope look at that and you say,  
18 well, we have 23 percent of the patrons, you  
19 look at the total spend at the casino, how  
20 much of that's spent. And, of course,  
21 economic impacts, when you think about them,  
22 they tend to be concentrated nearer the  
23 source, right, of course. So as you get  
24 further and further away you get, you know,  
36  
1 the halo. So there's likely to be some  
2 impact.  
3 Now, I've done some very, very  
4 back-of-the-envelope calculations. The impact  
5 of that additional spend that could be  
6 occurring from the outside of western  
7 Massachusetts, folks coming in, getting up to  
8 Northampton is going to be some small fraction  
9 of the numbers we're reporting. To be fair,  
10 it's not zero.

11 CHAIRMAN CROSBY: Okay.  
12 MR. N'DOLO: But it's -- it's a  
13 small fraction of our numbers.  
14 CHAIRMAN CROSBY: Okay.  
15 MR. N'DOLO: Thank you for the  
16 question. May I continue?  
17 CHAIRMAN CROSBY: Sure.  
18 MR. N'DOLO: Thank you. Next slide,  
19 please. So if you look at the low case, we  
20 have a 4 percent decrease, that's \$4 million.  
21 And, again, as I mentioned earlier, we're  
22 saying that's the conservative case simply  
23 because we're assuming that, that 4-percent  
24 takeout of the trade area is happening in a  
37  
1 very uniform way across the trade area. Of  
2 course, the Northampton trade area includes  
3 the city of Springfield. So the customers  
4 that are most proximate to the casino are in  
5 the Northampton trade area, so we can only  
6 assume that the takeout for those people is  
7 going to be higher than the average for the  
8 whole trade area. So our high case is the  
9 \$8-million figure. Again, access, proximity,  
10 accessibility and so on. I do want -- if you  
11 can go to the next slide, please. In the  
12 interest of time, I'm trying to get through  
13 this quickly here.  
14 CHAIRMAN CROSBY: Yeah. There's  
15 one -- there's one other factor, just as I'm  
16 thinking about this.  
17 MR. N'DOLO: Yes.  
18 CHAIRMAN CROSBY: Of the 77 percent,  
19 again taking -- for the sake of discussion  
20 using that number, some substantial portion of  
21 that will be people that are presently leaving  
22 that area to go to --  
23 COMMISSIONER ZUNIGA: Connecticut.  
24 CHAIRMAN CROSBY: Connecticut.  
38  
1 Right. Right? That's one of the whole  
2 targets here.  
3 MR. N'DOLO: Mm-hmm.  
4 CHAIRMAN CROSBY: So there -- there  
5 is the impact of 23 percent as an offset,  
6 whatever that is, modest or not, but of that  
7 77 it's got to be something like a third or  
8 something of that anyway, is folks who are now  
9 leaving Massachusetts and going to  
10 Connecticut. So there's also got to be some  
11 offset for another third who now stay in  
12 Massachusetts. People don't drive from new --  
13 Northampton to go gambling in Foxwoods.  
14 Right?  
15 MR. N'DOLO: Yes. Yeah, I'm sorry.  
16 Was there a question?

17 CHAIRMAN CROSBY: Yeah. So I'm --  
18 I'm just asking about offsets to these  
19 numbers, and I'm now thinking there's at least  
20 two categories of offset that aren't -- that  
21 aren't calculated in this.  
22 MR. N'DOLO: That's right. Bear in  
23 mind, of course, that as you have a casino in  
24 proximity -- let's say, for instance, you have  
39  
1 a hypothetical couple that lives in -- in and  
2 around Northampton that travels to Foxwood.  
3 Of course, to do so they got to climb in their  
4 car and drive a couple hours and so on. They  
5 may go twice a year. That same couple, of  
6 course only logically speaking, would -- was  
7 most likely go to the casino more often than  
8 that if it's in Springfield. Convenience  
9 factor, right? Instead of going a couple  
10 times, they might go four times a year or six  
11 times a year.  
12 And, again, the idea of these  
13 impacts, are your sponging up those  
14 recreational dollars. So, again, while there  
15 is a recapture, most of what's happening is a  
16 reallocation of existing recreational  
17 spending. Your point is taken, though.  
18 CHAIRMAN CROSBY: Okay.  
19 MR. N'DOLO: All right. So our  
20 major findings here. We applied the standard  
21 modeling that economists do when they look at  
22 these types of -- types of studies. And what  
23 we found is between 90 and 180 jobs would be  
24 lost in the city, and that corresponds to  
40  
1 earnings of 1.6 to 3.2 million.  
2 Now, the city itself, of course  
3 relies on its economy as a tax base. Our  
4 report goes into detail about exactly how we  
5 calculated this, but just as an indication --  
6 I apologize, I've been talking quite quickly  
7 here. But as -- as an indication, of course,  
8 the -- the city could lose between -- lose  
9 50 -- up to \$53,000 a year meals tax, \$43,000  
10 in occupancy tax, \$48,000 in other fee  
11 revenue, \$130,000 in direct property tax  
12 revenue. If you take all those numbers and  
13 you go out 20 years and you inflate at  
14 3 percent, you know, an average inflation  
15 rate, you're looking at between 3.6 million  
16 and \$7.3 million of lost revenues to the city.  
17 So these are, obviously, substantial numbers.  
18 Now, what's not included in these,  
19 and I -- I'm remiss for not having it put in  
20 this slide, is that none of these numbers  
21 reflect lost future development. So I'll just  
22 speak one moment about this. Currently, the

23 city of Northampton has two major retail --  
 24 I'm sorry, tourist-related projects. Both  
 41  
 1 happen to be flagged hotels, big-name hotels  
 2 that are coming in. These have quite  
 3 substantial property tax revenues attached to  
 4 them, and, of course, occupancy tax revenues.  
 5 Those two projects alone, when built and fully  
 6 occupied, represent about \$640,000 a year in  
 7 tax capacity between property tax, occupant  
 8 tax and meal tax, a very significant amount.  
 9 Now, if you're a hotel developer and  
 10 you're now faced with an environment where you  
 11 have a operating casino in the city of  
 12 Springfield, where are you more likely to put  
 13 your next hotel, in the city of Northampton or  
 14 the city of Springfield? Well, likely, of  
 15 course, you're going to rely on existing  
 16 market demand around the casino and be more  
 17 likely to place your hotel there. Again, none  
 18 of those numbers are up here in -- in the

19 numbers that we report. I just want to call  
 20 your attention there's additional economic and  
 21 fiscal impacts associated with that.  
 22 The final slide is just a  
 23 conclusion. Again, the idea of finite  
 24 discretionary, that should say discretionary  
 42  
 1 disposable income, being reallocated changing  
 2 consumer patterns as being a -- sort of the  
 3 underlying assumption behind the legislation  
 4 having unintended consequences for the city of  
 5 Northampton. These type of businesses,  
 6 retail, tours and business, tend to operate on  
 7 very thin margins. And what, in fact, what  
 8 happen is not only the job losses we're  
 9 talking, but potentially an endangerment of  
 10 the status of Northampton as a tourism  
 11 destination. So a clear and present danger to  
 12 the city. Thank you very much. I appreciate  
 13 the allowance of time.

## Applicant

Pg. 45

MR. STRATTON

This issue

1 of regional and statewide substitution was  
 2 studied and debated during the legislative  
 3 process. As MGM cited in its papers, the  
 4 independent studies authored by Spectrum and  
 5 Innovation provided reassurance to legislators  
 6 that this scenario of competition would be  
 7 mit -- mitigated by economic development  
 8 opportunities. The multiplier effect and the  
 9 safeguards in the legislation. So I think  
 10 this scenario was contemplated and addressed  
 11 in the statute.

12 Finally, Northampton seeks to  
 13 attribute growth in Springfield in the retail,  
 14 restaurant and entertainment industries, and  
 15 any new investment in Springfield, directly to  
 16 MGM as a negative impact that needs to be  
 17 mitigated. And we respectfully submit that  
 18 that would really turn the statute on its  
 19 head. Northampton's position is not only  
 20 flawed from a policy level, but it's flawed  
 21 factually in that it fails to account for  
 22 MGM's business model, it's likely regional  
 23 impact. And to address that, I'm going to  
 24 turn the microphone over to Mr. Mathis.

Pg. 47

MR. MATHIS

8 I'll start with what we think are  
 9 fundamental flaws in the Camoin report. And,  
 10 Mr. Chairman, you point out a few of them.  
 11 The biggest flaw is that it's not based on our  
 12 own program. It's based on the Penn National  
 13 proposal that was submitted in Springfield.  
 14 And with all due respect to that team, our  
 15 proposal's very, very different.  
 16 A few key factors is our -- our plan  
 17 to bring more of our revenue from outside of  
 18 western Mass. We've got 50 percent of our

19 revenue, this is demonstrated in the  
 20 submission in the RFA in terms of our business  
 21 plan from outside of western Massachusetts. A  
 22 third of that being from Connecticut. We  
 23 anticipate more than 50 percent of our  
 24 nongaming revenue will be from outside of  
 48  
 1 western Massachusetts. And I think that  
 2 speaks to our plan through out database, which  
 3 is not -- which is not accounted for in the --  
 4 in the report, our robust Mlife 60-million  
 5 customer database.  
 6 We plan to bring customers from

7 outside the market into the market. These are  
8 new customers or repatriated customers, and we  
9 plan to have them stay longer. And as they  
10 stay longer, our anticipation is that they  
11 will explore western Mass. So I think the  
12 analysis that says that a customer that's in  
13 Connecticut is an hour-and-a-half away from  
14 Northampton, who will be drawn to our  
15 property, is flawed. We will get them to our  
16 -- to Springfield, and then, at that point it  
17 becomes a 25-minute trip, 20-minute trip and  
18 not a 90-minute trip. So I think the fact  
19 that that's not accounted for is an important  
20 flaw.  
21 The other thing that's not accounted  
22 for is the significant unemployment that  
23 exists in this market. We plan on -- my  
24 colleague, Kelley Tucky, presented to you last  
49  
1 week, we plan on creating 3,000 direct jobs,  
2 2,200 indirect jobs. That's over a hundred  
3 million dollars of new payroll in a  
4 deeply-depressed economy that will be in that  
5 market. So with all due respect to the Camoin  
6 report, there's no reflection of the  
7 additional payroll that now will be available  
8 to be spent in Northampton.  
9 Beyond that, I really want to touch  
10 on -- on three points in addition to what Seth  
11 said, which is that Northampton is extremely  
12 unique, and I find ironic that they showed a  
13 video that demonstrated how unique they are.  
14 We're not going to recreate five, five  
15 colleges in Springfield. We're not going to  
16 recreate trails or the his -- the historic

17 district in Springfield.  
18 In all our -- our meetings, and it  
19 really is the basis of their report, there is  
20 a fixed zero-sum assumption in their -- in  
21 their proposal, that there are fixed dollars  
22 in western Mass., and they're unapologetic,  
23 incredibly unapologetic, about their assertion  
24 that Northampton has a monopoly on  
50  
1 those dollars. We don't believe that's the  
2 case. 3 We provided you empirical evidence  
4 from the census that showed in 2000 the total  
5 accommodation of food services sales, this is  
6 on page 15 of our opposition, and per the 2000  
7 census Springfield's total of food services  
8 sales were \$148 million. In 2010, the next  
9 census, that number grew to \$222 million.  
10 Springfield's tourism -- food and beverage  
11 tourism grew over that period of time. It's  
12 not surprising that in that same window in  
13 Northampton that number grew from \$57.8  
14 million to \$81. million. In other words, both  
15 communities, tourism, economic, entertainment,  
16 food, leisure, tourism can grow together. And  
17 we think we're going to be a catalyst to make  
18 that happen further. So empirical evidence  
19 that -- that undercuts the zero-sum gain  
20 concept.  
21 Again, our marketing plan, I think,  
22 which we've provided in our RFA, relies on  
23 bringing at least 50 percent of our revenues  
24 from outside of the market. That's not  
51  
1 accounted for as an offset.

---

## 5. OTHER

---

### Legal Framework

In determining whether a community is a surrounding community, the commission . . . will evaluate whether: . . . The community will be significantly and adversely affected by any other relevant potential impacts that the commission considers appropriate for evaluation based on its review of the entire application for the gaming establishment. 205 CMR 125.01(2)(b)(5)

### Executive Summary

Neither the community nor the applicant believe that there will be any other relevant impacts on Northampton.

### **A. COMMUNITY PETITION**

---

Not addressed.

### **B. APPLICANT RESPONSE**

---

Not addressed.

### **C. RPA ANALYSIS**

---

No relevant documents

### **D. ENF ANALYSIS**

---

No relevant documents

### **E. CONSULTANT ANALYSIS**

---

No relevant documents

### **F. APPLICATION**

---

No relevant documents

### **G. OTHER**

---

No relevant documents



---

## 6. POSITIVE IMPACTS

---

### Legal Framework

In determining whether a community is a surrounding community the commission may consider any positive impacts on a community that may result from the development and operation of a gaming establishment. 205 CMR 125.01(2)(c)

### Executive Summary

#### *Northampton's Petition*

- This representation of negligible cross-promotion directly contravenes the amenities-rich MGM development proposal, and the track record of the industry itself—providing a *de facto* disincentive for casinos patrons to frequent entertainment amenities outside the casino facility, much less in other communities.
- Indeed, the proposed MGM development model is to provide restaurant, entertainment and lodging amenities to meet all of its customers' needs within the gaming establishment and adjacent facilities so that they do not need to leave the casino.

#### *MGM's Response*

- Northampton is well-situated to continue to capitalize on a lucrative niche market that will be enhanced by MGM Springfield's presence – out-of-state and international visitors associated with area prep school, colleges and universities.
- MGM Springfield plans to create 3,000 direct permanent jobs. Reducing unemployment and increasing the employable workforce are goals of MGM's pre-hire plan in collaboration with a number of local partners, including colleges, career centers, employment agencies, cultural organizations and trade schools where the unemployed seek training and assistance.

## A. COMMUNITY PETITION

---

*5. Northampton will not experience any positive impact; patrons from outside the Pioneer Valley attracted to the MGM facility will not benefit Northampton.*

Clearly MGM anticipates attracting current residents of the Pioneer Valley as casino patrons. Moreover, while MGM would undoubtedly expect to attract patrons from outside the region, the proposed Springfield resort casino cannot be expected to have any positive impact on Northampton's economy.

MGM avers that Northampton will benefit to some extent from its development, noting that it intends to:

“promote Northampton and its wonderful and dynamic downtown area to [MGM's] multiple day visitors, and intend to provide the Northampton Visitor's Guide to our concierge and customer service employees to promote to [MGM's] guests.”

This representation of negligible cross-promotion directly contravenes the amenities-rich MGM development proposal, and the track record of the industry itself—providing a *de facto* disincentive for casinos patrons to frequent entertainment amenities outside the casino facility, much less in other communities.

Indeed, the proposed MGM development model is to provide restaurant, entertainment and lodging amenities to meet all of its customers' needs within the gaming establishment and adjacent facilities so that they do not need to leave the casino. For this reason, the proposed nongaming investments in the City of Springfield are not merely negotiated bonuses for Springfield—the Casino has a vested interest in the creation of a successful destination area which suggests a high likelihood of competition for Northampton.

“The tourist ... does not generally spend much in the communities surrounding a resort-style casino.” This business paradigm is readily acknowledged in the industry; Steve Wynn, stated in an address to Bridgeport, Connecticut businesspersons in 1990: “There is no reason on earth for any of you to expect for more than a second that just because there are people here, they're going to run into your restaurants and stores just because we build this building [casino] here.”

## **B. APPLICANT RESPONSE**

---

### **C. Northampton Will Experience Substantial Positive Impact from MGM Springfield.**

The City claims that it “will not derive any benefit from the MGM development.” Pet. Br., at 2. That view is shortsighted and ignores, as explained above, the positive regional impact MGM Springfield will have from the general influx of new consumers and consumer spending in the region. There are also positive benefits unique to the Northampton area.

#### ***1. Increased Visitation Related to Out-of-State and International Students.***

Northampton is well-situated to continue to capitalize on a lucrative niche market that will be enhanced by MGM Springfield’s presence – out-of-state and international visitors associated with area prep school, colleges and universities. Betsy Wall, Director of the Massachusetts Office of Travel and Tourism, explained to the Commission as follows: [T]he international visitor is highly sought after...On the tourism side, the President of the United States has already designated and we completely concur that the emerging markets on the international side are India, Brazil and China. In Massachusetts, we have unique opportunities in all three of those markets of our international students. We have just over 41,000 international students in Massachusetts right now. And those numbers are going up every year. The estimate...is that every international student brings a family member to Massachusetts for 47 nights through a calendar year. So, there's significant visitation...They come and they tour the colleges. They revisit the colleges or prep schools in some cases. They come back and stay. And if you have come as far as China to deliver your child, you're not just dropping them at the curb and going. Sometimes the parents will stay.

\* \* \*

[A]s you well know Western Mass., particularly the Pioneer Valley, the sliver where all the colleges are is already a fairly international part of the world with faculty and students from all over the place, and just by definition a transient population, people coming and going.

\* \* \*

The top five markets, international markets send students to Massachusetts, awkwardly phrased. But of the five countries that send international students to Massachusetts, top four out of five are Asia. March 12, 2013 Hearing Tr., at pp. 35-36, 55-56, 62. *See also Id.*, at 51 (Stebbins) (“I think I was blown away by the emerging market out of China, which has grown over 120 percent I guess since the previous year. A lot of that can be attributed to not only foreign visitors, but foreign students coming here with parents. I probably, like everybody else, am blown away by the 47 nights that they generate per school year.”); *Id.*, at 62-63 (Crosby) (“That’s huge. It’s right where the sweet spot is for the big money in gambling. The whole idea of promoting – These developers, casino operators are so far beyond anything I can imagine in terms of the sophistication of their marketing, but they do have these as you said these loyalty programs and these relationship programs. And so do you.”). As MGM markets to and attracts consumers from this niche market, Northampton will certainly benefit as well given that it is already a well-established destination within such market.

#### ***2. A Larger and Better-Trained Workforce in the Entertainment, Restaurant and Hospitality Industries.***

MGM Springfield plans to create 3,000 direct permanent jobs. Reducing unemployment and increasing the employable workforce are goals of MGM’s pre-hire plan in collaboration with a number of local partners, including colleges, career centers, employment agencies, cultural organizations and trade schools where the unemployed seek training and assistance. *See* RFA-2 Application, Section 3-04-01. The benefits of MGM’s extensive pre-hire training program will be the creation of permanent resources for the region in the form of improved workforce skills, including vocational training for hospitality and other related careers. *See* RFA-2 Application, Section 3-08-01. Accordingly, rather than poaching skilled labor from Northampton’s businesses, as the City fears, MGM will create an expanded pool of well-trained workers. This will be mutually beneficial to Northampton as the pool of trained and skilled employees in the areas where Northampton businesses’ needs and MGM Springfield’s needs overlap – i.e., hospitality, restaurant and retail – significantly expands in the region.

### **C. RPA ANALYSIS**

---

No relevant documents

### **D. ENF ANALYSIS**

---

No relevant documents

### **E. CONSULTANT ANALYSIS**

---

No relevant documents

### **F. APPLICATION**

---

See application sections referenced above.

### **G. OTHER**

---

No relevant documents