

September 15, 2017

Bruce W. Stebbins, Commissioner Massachusetts Gaming Commission 101 Federal Street, 12th Floor Boston, MA 02110

RE: Gaming Economic Development Fund

Dear Commissioner Stebbins:

Thank you for initiating this discussion of how to best leverage the Gaming Economic Development Fund (the "Fund") to ensure that MGM Springfield's success translates into economic opportunities for the entire region. Of the twelve revenue streams created by the Gaming Revenue Fund, we believe that this Fund, in particular, could have a transformative impact in a gateway city and region – Springfield and Western Massachusetts.

Projects like MGM Springfield cannot exist in a vacuum. The spinoff effect – regional job growth and new business development – is critical to sustaining MGM's success and reinforcing the transformative benefit of our development for Springfield as a gateway city and hub of a vibrant region. For this reason, we strongly urge the Commission to view the Fund holistically and recommend to the Legislature appropriations to support comprehensive initiatives that complement and enhance our unprecedented investment in Western Massachusetts. As the region succeeds, so does MGM Springfield, thereby promoting increased tax reinvestment in the Fund. It is, therefore, critically important that appropriations from the Fund leverage and support the regions in which the casino developments generating the source funding are located.

Strategic Plan

We suggest funding projects and initiatives that are part of a comprehensive strategic plan including the following elements: (i) increased availability of air, rail and bus transit; (ii) regional marketing initiatives; (iii) business finance incentive programs and (iv) perhaps most importantly, investment in capital improvement projects that spur further commercial development.

i. Increased Transit

The Fund should help to facilitate enhanced access to a gateway region for visitors, employees, and residents alike. The recent completion of Union Station and the imminent completion of the I-91 viaduct project are both positive steps in this direction. Western Massachusetts is located in the heart of the Knowledge Corridor and close to rail, airports, and major highways. Supporting further investment in these assets will only enhance the region's potential for additional growth and development. An example of an innovative suggestion that could be part of an overall strategic development plan is the City of Chicopee's proposal to secure state matching funding to expand commercial air service to Westover Airport. Moreover, supporting studying the feasibility of more frequent and efficient passenger rail service between Eastern and Western Massachusetts is an important piece of any strategic development plan for this region.

ii. Regional Marketing

With assets such as the Basketball Hall of Fame, the Springfield Museums (including the newly opened Amazing World of Dr. Seuss), Six Flags New England, and the Big E, Western Massachusetts is poised to become one of the premier tourism destinations in the Northeast. It is critical, therefore, to support a coordinated marketing effort that helps knit these assets together with a powerful and unified message. The Greater Springfield Convention and Visitor's Bureau plays a key role in this regard and funding to increase its marketing budget is an important step.

iii. New Business Development

Incentives for new and innovative businesses to choose to locate in Knowledge Corridor generally, and Springfield specifically, will spur continued growth and visitation to the region. Creative programs, such as business incubators and small business finance funds should be supported as part of a strategic plan. Organizations such as DevelopSpringfield and MassDevelopment should be looked to as partners on innovative business growth initiatives.

iv. Capital Projects

The most important opportunity presented by the Fund is to support the type of key capital projects and infrastructure improvement projects that can transform an area, but that are often not possible absent a public-private partnership. The Legislature exhibited wisdom and forethought in providing for gaming tax revenue to be reinvested in the very communities generating such revenue. Careful consideration should be given to identify and support physical construction projects such as public parking, mixed use redevelopments, traffic infrastructure improvements, public space creation and other urban renewal and redevelopment projects that drive growth and visitation.

We urge the Commission and the Legislature to be thoughtful and strategic, while exercising careful discretion. It is important to ensure that the Fund is not squandered, but rather maximizes the potential to achieve and exceed the underlying policy objective of generating true economic development that leverages word class casino projects committed to regional growth.

We at MGM believe this is the beginning of an exciting conversation and offer our experts and strategic resources to help build a plan that can be presented to the Legislature for consideration. We look forward to partnering with the Commission and legislative leaders to share our strategic vision and best practices to benefit all residents and businesses throughout the region.

Sincerely

Seth N. Stratton

Vice President & Legal Counsel

cc:

Mayor Domenic J. Sarno

Secretary Jay Ash

Michael Knapik, Director, Governor's Western Massachusetts Office

Representative Joseph F. Wagner

Senator Eric P. Lesser