



Region B - Local Community Mitigation Advisory Committee Minutes

DRAFT

Date/Time: September 25, 2017 – 2:00 p.m. – 3:30 p.m.

Place: Pioneer Valley Planning Commission, 60 State Street, 2nd Fl., Springfield

Members Present:	Jill Payne, Chair Timothy Brennan Stephen N. Foley Kate Kane	Andrew Smith Marc Strange Rick Sullivan	Attendees: John Ziemba Joseph Delaney Mary Thurlow
Members Absent:	Representatives from Chicopee, East Longmeadow, Ludlow, Wilbraham, West Springfield and Ellen Patashnick		

Call to Order

Jill McCarthy Payne, the chair, called the meeting to order and introduced herself. She then asked each member to introduce themselves. The chair then requested for an approval of minutes from the November 7, 2016 meeting. With corrections noted, the minutes were unanimously approved. The chair then turned the meeting to John Ziemba.

Mr. Ziemba gave a brief overview of the roles and membership of the committees under the Gaming Policy Advisory Committee as shown on a highlighted in a multi-level chart. Mr. Ziemba discussed the calendar and the annual series of meetings held for the discussion of the Community Mitigation Fund. He noted the different concerns as the casinos go from the construction state to the operational state and how that impacts the needs of the communities. He noted that some questions linger from last year regarding use of the fund and asked the members to consider whether those questions should be taken up this year or next year.

Mr. Ziemba introduced Joe Delaney, the Commission Construction Project Oversight Manager. Mr. Ziemba noted that Mr. Delaney is the member of the Commission who is on-site at the construction sites. Mr. Delaney then gave an informative PowerPoint presentation on the progress of construction of the two casinos.

Rick Sullivan asked if any work was being done regarding the Amelia Earhart pumping station. Mr. Delaney indicated that the pumping station was not part of this project.

Mr. Delaney then discussed the proposed pedestrian bridge and the complexity of building a bridge over water and the cost of permitting required. He noted that the proposed pedestrian bridge could conceivably connect to the T station. However, a large amount of funding would be required from many parties. Wynn is currently doing a study on the pedestrian bridge.

Mr. Sullivan asked about the use of Sullivan Square.

Mr. Delaney noted that this project is specifically not using Sullivan Square in its transportation plans and that the focus is on the Malden and Wellington transit areas.

Mr. Foley mentioned the DEP, Coast Guard and Army Corp of Engineers would need to be a part of the pedestrian bridge, just to name a few.

Mr. Ziemba then directed members to the memorandum on policy questions.

Mr. Ziemba noted that the Guidelines for 2017 placed a proposed maximum limit on the use of funds to \$3.4 million dollars. The Commission authorized the use of approximately \$2.2M in 2017. Mr. Ziemba explained that the Western MA Alcohol and Addiction Center through the Hampden County Sheriff's Department had been authorized for lease reimbursement for fiscal 2017; however, HCSD was required to reapply every year. Due to the transitions at the time the applications were due (February 1), the Sheriff's department did not make the deadline. Because the deadline is a regulatory requirement, there is no flexibility for late applications. The Sheriff's department can apply this year and the funding can be made available as it is still in the same fiscal year.

Mr. Sullivan asked whether the Sheriff's department can back spend the funds. Mr. Ziemba said that was allowed.

Mr. Ziemba noted that there had not been any significant impacts concerning crime as a result of the Plainridge Park Casino opening. Traffic impacts are one of the major concerns. Transportation in general is the first and foremost concern overall.

Mr. Ziemba noted that the casinos will not be operational until September 2018. There would not be significant new funds for the 2018 Community Mitigation Fund until that time. Last year communities recommended that a conservative approach be taken to insure that funds would be available. Mr. Ziemba asked members to consider this and whether the committee recommends continuing with the same limits. He noted that some communities have expended their planning dollars that were set aside in the reserve funds and that more robust planning may be necessary when the casinos are operational.

He noted that there was still difficulty in evaluating grants against each other and that the guidelines for the specific and general evaluation questions needed more clarification and the elimination of redundancy.

Question 5. How and when should the CMF guidelines reflect the work of the Lower Mystic Regional Working Group?

Mr. Ziemba noted that the focus of this group was the strain on transportation. The LMRWG meetings regarding concerning transportation issues end this year. A determination needs to be discuss as to how the Commission uses the recommendations made by the LMRWG.

6. Should the Commission revisit its guideline regarding grants involving private parties?

Under the statute, private parties are not allowed to directly receive funds for mitigation. Springfield structured the mitigation for Main Street by making the transportation a regional benefit which is managed by the City of Springfield.

7. How should the 2018 CMF Guidelines treat multi-year grant requests?

Mr. Ziemba mentioned that the treatment of multi-year grant requests would be similar to that of the Sheriff's department, which was already discussed.

8. How should the status of Region C and current litigation involving the potential tribal casino impact the 2018 CMF Guidelines?

The tribe has made no progress in resolving issues concerning their development of a casino in Region C. The courts found that the development was not in accordance with Federal law.

11. Should the 2018 CMF be used to support and help leverage resources to help residents of the Springfield or Everett areas obtain their high school or work readiness credentials to be eligible for employment? If so, at what level?

The Commission this past year authorized almost \$400,000 in Region B although the guidelines had \$200,000 per region.

12. Should the Commission place a limit on grants in each gaming region based on the projected tax revenues generated for the CMF by the gaming facility in that region? If so, should such limit be instituted during the construction period or when the Category 1 facilities are operational?

Mr. Ziemba reminded the members that the Category 2 facility does not pay into the community mitigation fund. Mr. Sullivan asked what the taxes paid by a tribal casino; Mr. Ziemba noted that the tribe would pay 17.5% taxes on the gross gaming revenue and 6.5% tribal taxes to the Community Mitigation Fund; he reminded the committee that the surrounding communities for the Tribal facility do not have surrounding community agreements like the Category 1 communities.

Mr. Foley asked if the Aquinnah were moving forward. Mr. Ziemba said that they are moving forward.

1. Should the Commission expressly authorize joint applications by communities?

The Commission authorized a joint application this past year. The two communities where required to spend down their reserve and notify the Commission the breakdown of what each community is spending from their reserves.

2. Should the Commission allow funding to pay for a portion of the construction costs of transportation projects?

To date the CMF has funded planning and design. Mr. Ziemba mentioned that to pay for some of the bigger projects, if all the funds available from the CMF were spent in Region A on transportation, it still wouldn't be enough for the amount of work that needs to be done. How do we take into consideration other sources of money such as TIP Funding? The bulk if transportation funding would have to come from DOT.

4. Should communities be limited to only one (1) Specific Impact Grant?

There needs to be a greater demonstration of the relationship between the community and the casino.

Mr. Smith mentioned that communities shouldn't become hooked on casino money; you don't want transportation projects dependent on those funds. Perhaps we should think of an alternative to gas taxes. He would like to see ways to creatively work on climate change and its relation to transportation.

Mr. Ziemba mentioned the commission assistance in funding bike lanes and its focus on alternative modes of transportation. The difficult part in funding some projects is to make direct correlation to the casino. A concern mentioned was that sometimes statistics aren't there so correlating the relationship to the casino facility cannot always easily be made.

Mr. Foley asked whether there was increased rail traffic and asked the Chair if she had heard anything. Mr. Brennan mentioned that MGM is connecting up to the local facilities including Union Station through trolley services.

Mr. Delaney mentioned that there are some great ideas regarding transportation projects but sometimes there is no correlation to the casinos.

3. How should the Commission approach issues that may arise in 2018 resulting from the operations of the first Category 1 casino (public safety, hiring, education, business issues)?

Mr. Ziemba discussed how there will be new issues arising when the casinos are operational. Some of these issues relate to housing, gentrification, etc. He noted hearing a question that if the casino results in 1 person moving into the area with a family how should the community deal with the additional schooling costs?

6. How can the applications been amended to require applicants to more clearly demonstrate the nexus between the request and casino related impacts?

7. What language needs to be included to ensure that all entities and departments (e.g. redevelopment authorities/agencies) apply through a community itself?

He noted that governmental agencies can apply only if it is for a regional purpose. In regard to application involving one community, the community would be responsible for managing the grant.

8. Should the Commission extend the previously authorized reserves for the 2018 Community Mitigation Fund program and allow communities to continue to access whatever portion of the original \$100,000 that remains unexpended.

Mr. Sullivan mentioned the Longmeadow curve. He stated he was cautiously optimistic and that it was a long range via duct project.

Mr. Ziemba then focused the meeting on the next month's agenda. One of the items will be the annual election of the chair and members to the Subcommittee on community Mitigation.

The Chair is considering running for another year and will present at the next meeting.

Members were asked to email the chair or Mr. Ziemba of their interest and to find out more about the positions and their time commitments. Mr. Ziemba echoed that the subcommittee representative has to be a member from a surrounding community.

Mr. Ziemba asked that members contact Jill or him via email with any questions.

Mr. Smith asked a question about National Grid.

The Chair asked if there was any further discussion. There being none, the Chair motioned to adjourn the meeting and Mr. Sullivan seconded the adjournment at 3:30 p.m.

/s/ Mary S. Thurlow
Mary S. Thurlow, Secretary

List of Documents and Other Items Used on September 25, 2017

1. Notice of meeting and agenda
2. Membership list
3. Draft minutes from the November 7, 2016 meeting
4. M.G.L. c. 23K, Section 68
5. 2018 Memorandum on Policy Questions



Review of Policy Questions discussed by the Local Community Mitigation Advisory Committees and the Subcommittee on Community Mitigation Relative to The 2018 Community Mitigation Fund ("CMF") Guidelines

Policy Questions That Remain From Prior Years

1. Should the Commission place an overall limit on grants for the 2018 CMF?

Background: Given that MGM Springfield is expected to open late in 2018 and that Wynn Boston Harbor is expected to open in mid-2019, the CMF will not see new revenues for a significant period of time. Approximately \$10 million in funding remains unallocated, assuming continuation of previously authorized reserves and further funding of prior awards.

2017 Results: The Commission anticipated authorizing no more than \$3.4M out of the 2017 CMF. The Commission awarded a total of \$2,207,106.03 of new grant funding. It also authorized \$298,397.92 in grants from the previous awarded reserves for a total of \$2,505,503.95.

2. Should the Commission place a per grant limit for 2018 CMF awards?

Background: As noted, given that MGM Springfield is expected to open late in 2018 and that Wynn Boston Harbor is expected to open in mid-2019, the CMF will not see new revenues for a significant period of time.

2017 Results: The Guidelines set specific limits for grant requests \$400,000 for Specific Impact Grants; \$150,000 for Transportation Planning Grants; \$200,000 for each Region A and B for Workforce Development; and \$200,000 for Tribal Technical Assistance. However, the Commission reserved their ability to authorize funding beyond the amounts.

3. If an overall limit is included, how should the Commission and staff evaluate competitive grants?

Background: It is difficult to make determinations between applications that may not be easily compared, given the wide range of potential mitigation requests.

2017 Results: The review team based their recommendations on specific criteria required of all applications and additional criteria depending upon the type of grant required.



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4. Should the Commission revisit its determination to authorize planning grants, which require an in-kind match?

Background: In recognition that transportation projects may take many years to plan, the Commission authorized first transportation planning grants in its 2016 CMF Guidelines and funded several projects. In addition, pursuant to its 2015 and 2016 CMF Guidelines, communities may utilize up to \$50,000 of their CMF reserves for planning purposes.

2017 Results: The Guidelines required in-kind services of planning funds.

5. How and when should the CMF guidelines reflect the work of the Lower Mystic Regional Working Group?

Background: As a result of the Wynn MEPA review, the Massachusetts Department of Transportation established a working group to study the regional transportation needs of the Sullivan Square area and I-93 area near Sullivan Square. The recommendations of this group are purely advisory to all parties and are not expected until the late 2018, or early 2019 near the February 1 CMF application deadline.

2017 Results: The Lower Mystic Regional Workforce Group results were not reflected; because the report was not anticipated to be made by the February 1, 2017 deadline.

6. Should the Commission revisit its guideline regarding grants involving private parties?

Background: The 2016 Community Mitigation Fund (“CMF”) Guidelines specified that “[p]rivate non-governmental parties may not directly apply for Community Mitigation Funds. However, governmental entities may apply to the Commission for funds to mitigate impacts to private parties provided that such funding is for a ‘public purpose’ and not for the direct benefit or maintenance of the private party.” The 2016 CMF Guidelines also specified that the Commission did not anticipate awarding any grants involving private non-governmental parties unless the applicant governmental entity, licensee, or both provided significant funds. Questions about this guideline involve the difficulty of ensuring that funding requests are for a public purpose and that any awards would be consistent with the Commonwealth’s Constitution. Further, the funding matching requirement also is potentially difficult.

2017 Results: The 2017 Guidelines stated that “[t]he Commission will not fund any applications for assistance to non-governmental entities unless the applicant governmental entity or the licensee or both provide significant funding to match or partially match the assistance required from the 2017 Community Mitigation Fund. Any such application for assistance to non-governmental entities by a host community must demonstrate that the host community, the licensee, or both will match the assistance required from the 2017 Community Mitigation Fund.” There was one application

submitted on behalf of a private entity. However, no action was taken on that application as of this date.

7. How should the 2018 CMF Guidelines treat multi-year grant requests?

Background: Some 2016 and 2017 awards anticipate future grant requests. Some grants may not be able to be completed in a given fiscal year.

2017 Results: Not specifically addressed. Currently communities are required to apply each year. Each Grant has a 4-year contract limit, some grants were limited to one year, subject to a request for an extension that would be subject to Commission approval.

8. How should the status of Region C and current litigation involving the potential tribal casino impact the 2018 CMF Guidelines?

Background: It may be unlikely that communities in Region C will experience significant construction or operational impacts by February 1, 2018, the statutory CMF deadline. Communities have expressed the need for technical assistance funding to help evaluate potential impacts.

2017 Results: \$200,000 of funding was set aside for use in Fiscal Year 2018 if there is a more clear determination on Region C status.

9. Should the Commission require a dollar for dollar match for its CMF grants?

Background: In recognition of local funding constraints and relative differences between host and surrounding community agreements, the 2016 CMF Guidelines only required an in-kind match for all communities.

2017 Results: In-kind services or funds were required for Transportation Grants; Workforce Development Projects need to provide detail on in-kind services or workforce funds; and applications involving non-governmental entities require the applicant governmental entity or the licensee or both to provide significant funding to match or partially match.

10. Should communities be reimbursed for the cost of administering CMF grants?

Background: Payment of such costs was not allowed under the 2016 CMF Guidelines, which instead required an in-kind match by communities.

2017 Results: In the 2017 Guidelines, Communities were not able to seek reimbursement.

11. Should the 2018 CMF be used to support and help leverage resources to help residents of the Springfield or Everett areas obtain their high school or work readiness credentials to be eligible for employment? If so, at what level?

Background: The Expanded Gaming Act places a priority on the hiring of the unemployed, underemployed, minority individuals, women and veterans at the gaming facilities. It is estimated that 21,000 individuals are on wait lists in MA seeking admission into Adult Basic Education Classes and English Learning language programs, with significant needs for resources in MA Gateway Cities like Springfield and Everett. Both the union construction and the casino operational jobs require a high school diploma or equivalency. The 2016 CMF Guidelines did not include a specific allocation for funding work readiness programs related to the gaming facilities. Workforce training, economic development, and other job promotion activities are eligible activities under the state appropriated Gaming Economic Development Fund, which is funded through gaming taxes from Category 1 facilities when they are operational.

2017 Results: The Guidelines allowed these applications. Two educational programs in Region B (totaling \$371,833.03) and one in Region A (totaling \$200,000) are being initiated. The Commission approved more funding than specified in the guidelines, given the pressing need for such funding.

12. Should the Commission place a limit on grants in each gaming region based on the projected tax revenues generated for the CMF by the gaming facility in that region? If so, should such limit be instituted during the construction period or when the Category 1 facilities are operational?

Background: The 2016 CMF Guidelines placed no regional limitation on grants for Category 1 facilities but did state that “no more than \$500,000 may be expended for operational impacts related to the Category 2 gaming facility, unless otherwise determined by the Commission.” The CMF is currently funded through a percentage of the license fees paid by both Category 1 facilities (\$7.5 million each from MGM Springfield and Wynn Boston Harbor) and the Category 2 facility (\$2.5 million from Plainridge Park). Once operational, 6.5% of the revenues from the tax on the gross gaming revenues from each Category 1 facility will be placed into the CMF. Plainridge Park, now operational, is not required to pay into the CMF, instead paying into the Gaming Local Aid Fund and the Race Horse Development Fund. Any operational Tribal Facility in Taunton would also be required to pay 6.5% of the revenues from the tax on its gross gaming revenues into the CMF; it is not required to pay a license fee).

2017 Results: Not addressed in the Guidelines.

13. Should the Commission allow the Hampden County Sheriff’s Department to reapply for its FY17 lease assistance?

Background: The Commission awarded \$280,000 to HCSD in lease assistance from the Community Mitigation Fund in 2016 “for Fiscal Year 2017” which was further extended by the Commission into July 2017. Pursuant to the grant letter, “the Commission authorized up to \$280,000 in funding for the cost of the first year of lease assistance for the Western Massachusetts Correctional Addiction Center (“WMCAC”).... In order to access lease

assistance funding in future years, HCSD would need to reapply for such future year's funding.... the Sheriff's Office will be eligible for no more than five years of lease assistance totaling no more than \$2,000,00."

2017 Results: Due to transitions at the Sheriff's Department, the Department missed the deadline for re-applying for its grant but expressed the continued need for assistance.

2018 POLICIES TO BE ADDRESSED

1. Should the Commission expressly authorize joint applications by communities?

Background: In 2017 the Commission received and funded a joint grant application by Revere and Saugus. At that time, the 2017 Guidelines did not specify if and how joint applications could be funded. They were required to specify how they would each allocate their reserves to meet grant requirements.

2. Should the Commission allow funding to pay for a portion of the construction costs of transportation projects?

Background: To date, the Commission has only authorized funding for the planning or design of transportation projects.

3. How should the Commission approach issues that may arise in 2018 resulting from the operations of the first Category 1 casino (public safety, hiring, education, business issues)?

Background: The Commission has not witnessed large scale potential impacts resulting from the Plainridge facility. However, planning is necessary soon to be able to evaluate mitigation applications involving any operational impacts at the full casino facilities.

4. Should communities be limited to only one (1) Specific Impact Grant?

Background: The 2017 guidelines specified that Specific Impact Grants were limited to \$400K but did not specify that only one application was allowed.

5. Are the grant limitations (\$400K for a specific impact grant, \$150K for a transportation grant) sufficient for the 2018 program?

Background: While there is a limit on the amount of funds until the full casinos are operational, communities have expressed an interest in more funding for some grants.

6. How can the applications be amended to require applicants to more clearly demonstrate the nexus between the request and casino related impacts?

Background: This is a very common issue in the review of the applications.

7. What language needs to be included to ensure that all entities and departments (e.g. redevelopment authorities/agencies) apply through a community itself?

Background: In the last two cycles, entities within communities have applied, rather than the community itself. The communities were required to assume responsibility for those applications.

8. Should the Commission extend the previously authorized reserves for the 2018 Community Mitigation Fund program and allow communities to continue to access whatever portion of the original \$100,000 that remains unexpended.

Background: Some communities have expended some or all of their reserves. In Region A, 7 communities have allocated their entire reserve and one has allocated a portion; in Region B, currently 1 has allocated its entire reserve and 2 have used a portion; and for Category 2 communities, 2 have allocated their reserve and 2 have used a portion of their reserve.

9. Are the same general analysis factors used in 2017 going to be used for 2018 evaluation?

“The Commission may specify factors that it and staff will utilize in evaluating competitive grants. The following are factors that may be used when the Commission and staff evaluate competitive grants: (i) a demonstration that the impact is being caused by the proposed gaming facility; (ii) the significance of the impact to be remedied; (iii) the potential for the proposed mitigation measure to address the impact; (iv) the feasibility and reasonableness of the proposed mitigation measure; (v) that any programs to assist non-governmental entities is for a demonstrated public purpose and not for the benefit or maintenance of a private party; (vi) the significance of any matching funds; (vii) regional benefits from a mitigation award; (viii) funds from host or surrounding community agreements are not available to fund the proposed mitigation measure; and (ix) that such mitigation measure is not already required to be completed by the licensee pursuant to any regulating requirements or pursuant to any agreements between such licensee and applicant.”

Background: The factors used in 2017 may need further refinement.

10. Should the Commission authorize more funding for non-transportation related planning for those communities that have expended their reserves?

Background: In 2017, communities could apply for transportation planning. However, no general planning application (except for uses of reserve funds for planning) was authorized under the Guidelines. In at least one instance, a planning application was not funded because it was not deemed transportation planning. Some communities have fully utilized their reserves and thus cannot use reserve for additional planning.