

SUMMARY OF HOST COMMUNITY AGREEMENT

Below is a summary of the principal terms of the Host Community Agreement (the “**Agreement**”) between the Town of Milford (the “**Town**”) and Crossroads Massachusetts, LLC (d/b/a Foxwoods Massachusetts) (“**Foxwoods MA**”). The Agreement requires Foxwoods MA to develop a destination casino resort in the Town on property generally bounded by the Milford/Holliston boundary to the north, Route 16 to the east, I-495 to the south/southwest and open space to the west. *References contained herein to a “Section” or “Exhibit” are references to such section or exhibit of the Agreement.*

I. Summary of Economic Terms of the Agreement

Under the Agreement, Foxwoods MA is required to make substantial payments. Upfront and one-time payments total approximately \$33.1 million and annual payments to be made upon opening of the casino total approximately \$35 million.

<u>Total Upfront or One-time Payments</u>	<u>Amount</u>	<u>Use</u>
Upfront Direct Community Impact Payments: (Section 4.1 and Exhibit A)	\$1,061,000	For police (\$338,500) and fire (\$722,500); payable 12 months prior to casino opening. Amount increased annually by consumer price index.
Residence Impact Fund (Section 4.2)	\$1,000,000	Estimated cost for a new fire truck. Actual cost may vary.
Upfront Community Development Grant (Section 4.2 and Exhibit E)	\$2,500,000	Fund to compensate nearby residents for loss of home value, if any, experienced by homeowner upon sale of property.
Sewer extension for Milford residents (Exhibit D-3)	\$27,500,000	Payment to the Town; payable in 5 installments: (1) \$2.5 million within 30 days of issuance of first building permit; (2) \$5 million on first anniversary; (3) \$5 million on second anniversary; (4) \$7.5 million on third anniversary; and (5) \$7.5 million on fourth anniversary.
Total	\$1,100,000	Estimated benefit of extending public sewer to Milford residents located east of I-495.
	\$33,161,000	

<u>Projected Annual Payments</u>	<u>Amount</u>	<u>Use</u>
Annual Direct Community Impact Payments: (Section 4.1 and Exhibit A)		
Police and fire department employees ⁽¹⁾	\$2,435,000	Police (\$1,333,000) and fire (\$1,102,000) salaries, benefits, pension and overtime.
Police and fire department equipment	\$105,000	Police (\$92,000) and fire (\$13,000). Amount increased annually by consumer price index.
General administrative services	\$240,000	Amount increased annually by consumer price index.
School payments for “new” students in Milford Public School System	\$121,000	Estimate based on assumption of 20 “new” students being enrolled in Milford Public School System as a result of parent or guardian relocating residence to Milford to work at the project. Actual amount will vary.
School Aid Contribution (Section 4.4 and Exhibit D)	\$3,000,000	Estimated “loss” of school aid contribution received from the Commonwealth as a result of increased property assessed valuation and increased income of Town residents resulting from the project. Actual amount will vary.
Full real and personal property taxes as determined by the Board of Assessors ⁽²⁾ (Section 4.3)	\$25,000,000	Actual real and personal property taxes to be determined by Board of Assessors. If in any year the aggregate amount of such taxes is less than \$25,000,000, Foxwoods MA will pay to the Town the amount of any shortfall.
Annual Community Development Grant ⁽³⁾ (Section 4.2 and Exhibit E)	\$4,099,000	Amount assumes Foxwoods MA’s total annual gross gaming revenues are \$1 billion. Actual amount will vary.
Total	\$35,000,000	

(1) Increased annually by cost of living adjustment at same rate provided in collective bargaining agreement for such departments.
(2) Estimated assuming an \$856,553,000 assessed value of real and personal property at current rate of \$29.21 per \$1000 of assessed value. Actual assessment will vary.
(3) Payment is equal to 2% of Foxwoods MA’s gross gaming revenues in excess of \$500 million less the aggregate Annual Direct Community Impact Payments and School Aid Contribution paid for such year.

In addition to the above payments, Foxwoods MA is responsible to pay all costs incurred by the Town to its consultants in connection with the casino project and negotiating the Agreement as well as any on-going costs of such consultants.

II. Summary of Non-Economic Terms of the Agreement

The non-economic commitments of Foxwoods MA provided under the Agreement include the following:

A. The Casino Project (Exhibit F)	
<p>Foxwoods MA will construct a mixed-use commercial casino resort of approximately 980,000 square feet (excluding structured parking) totaling approximately \$1 billion. Components of the project include the following approximate minimum elements and sizes, comprised of the following:</p> <ul style="list-style-type: none"> • 205,000 square foot casino with no less than 6,700 and no more than 7,300 total gaming positions consisting of a mix of slot and video gaming machines, gaming tables and poker tables as is customary in the gaming industry and related support, security and customer service facilities; • Two or three mid-rise hotel room structures of 450,000 square feet (in aggregate) comprising an approximately 500-key, four-star hotel with amenities and finishes, characteristic of the upper upscale market segment; • 4,000 square foot spa/fitness facility; • Modern, finished meeting and convention space and related pre-function and back-of-house/food preparation areas totaling 30,000 square feet; • 55,000 square feet of dining service area allocated among not less than 10 distinctly branded restaurants or cafes; • 10,000 square feet of bar and lounge space; • 40,000 square feet of retail space; • 160,000 square feet of office and back of house space; • On-site licensed child care center of 3,000 square feet; • 30,000 square feet of central plant space; and • Parking, including valet parking drop off, bus drop off, bus parking, and structured parking for 5,400 vehicles. 	
B. Casino Management	
<i>Casino Manager (Section 6.1(h))</i>	<p>Operations of the casino will be managed by Foxwoods Massachusetts, LLC (the “Casino Manager”), an entity owned by the Mashantucket Pequot Gaming Enterprise, a business enterprise of the Mashantucket Pequot Tribal Nation (the “Tribal Nation”). For the term of the Agreement, Foxwoods MA will maintain a marketing or similar agreement with Foxwoods Resort Casino for purposes of branding of the casino, sharing customer information and joint marketing programs.</p>
C. Employment (Section 4.4 and Exhibit C)	
<i>Construction Jobs</i>	<p>Foxwoods MA will use its best efforts to create no fewer than 3,000 construction jobs at the project; participation goals of 15.3% minorities, 6.9% women, and 8% veterans.</p>
<i>Permanent Jobs</i>	<p>At opening, Foxwoods MA will use its best efforts to employ no fewer than 3,500 persons at the project; no fewer than 3,000 persons to be full time.</p>
<i>Recruitment and Employment of Town Residents</i>	<p>Foxwoods MA will provide a recruitment program in partnership with the Massachusetts Casino Careers Training Institute and will provide Town residents the first opportunity to learn about and apply for positions at the project.</p> <p>Foxwoods MA will hold at least two (2) events for Town residents to publicize its hiring needs at the project.</p> <p>Foxwoods MA will use its best efforts to strive to achieve labor participation goals so that no less than ninety-five percent (95%) of its workforce will be residents of the Town or residents located within a fifty (50) mile radius of the Town Hall.</p>
<i>Employment of Minorities; Women; Veterans; and Persons with Disabilities and IMAGE Enrollment</i>	<p>Foxwoods MA will use its best efforts to achieve labor participation goals for the utilization of minority persons, women, veterans and persons with disabilities and will implement a workforce development plan that: (i) incorporates an affirmative action program of equal opportunity by which Foxwoods MA guarantees to provide equal employment opportunities to all employees qualified for licensure in all employment categories, including persons with disabilities; (ii) utilizes the existing labor force in the Commonwealth; (iii) estimates the number of construction jobs a gaming establishment will generate and provides for equal employment opportunities and which includes specific goals for the utilization of Minorities, women and Veterans on those construction</p>

	jobs; (iv) identifies workforce training programs offered by Foxwoods MA; and (v) identifies the methods for accessing employment at the project. Additionally, Foxwoods MA will enroll in the “IMAGE” program in an effort to combat unlawful employment.
D. Business Utilization (Section 4.4 and Exhibit B)	
<i>Use of Local Businesses</i>	At least \$50 million of Foxwoods MA’s annual biddable goods and services will be prioritized for local procurement.
<i>Purchase of Local Business Gift Certificates/Vouchers</i>	Foxwoods MA will purchase at least \$50,000 per year in vouchers/gift certificates from businesses located in the Town but outside the project site for use in Foxwoods MA’s rewards/frequent guest/loyalty or similar program.
<i>Promotion of Local Businesses</i>	Foxwoods MA will contribute \$10,000 per year to the Milford Area Chamber of Commerce or a similar organization as directed by the Board of Selectmen for the purposes of promoting local businesses and tourism in the Town.
<i>Town Monitoring of Compliance (Section 6.1)</i>	Foxwoods MA is required to provide the Town detailed statistical reports covering Foxwoods MA’s employment, workforce and local business obligations to allow the Town to monitor compliance with its obligations.
E. Entertainment (Section 4.4 and Exhibit B)	
<i>Sponsorship of Local Events and Organizations</i>	Foxwoods MA agrees to contribute \$20,000 per year to the Town for the purpose of funding grants or other financial support to local concerts, exhibits, performing and/or visual arts programs, museums, cultural institutions, not-for-profit organizations and other local organizations, including, without limitation, the Claflin Hill Symphony Orchestra, Greater Milford Community Chorus, Milford Performing Arts Center, and/or Milford Cultural Council. The grants will be administered by the Board of Selectmen.
F. Ancillary Development (Exhibit D-1 and Exhibit D-2).	
<i>Expansion of Metro West Regional Transit Authority</i>	Annually, Foxwoods MA will pay \$100,000 to defray costs of the Town’s membership to, and the expanded service of, the Metro West Regional Transit Authority including service to the project and within the Town.
<i>Water Efficient Fixtures for Municipal Buildings</i>	Foxwoods MA will pay \$25,000 to identify and replace non-efficient water fixtures located within municipal buildings within the Town.
G. Responsible Gaming (Exhibit D)	
<i>Compulsive Gaming</i>	Foxwoods MA will train its employees on responsible gaming; post signage in English and Spanish with the toll-free Problem Gamblers Help Line number; adhere to the Massachusetts Gaming Commission’s voluntary self-limit or exclusion laws, regulations and policies; provide on-site location for guests to privately receive information on problem gambling and resources for treatment, counseling and prevention for compulsive gaming behaviors; have its employees participate annually in “Responsible Gaming Education Week” sponsored by the American Gaming Association or any successor or equivalent program; become a member of the Massachusetts Partnership for Responsible Gambling; and institute public health strategies determined by the Massachusetts Gaming Commission.
<i>Underage Gaming</i>	Foxwoods MA will train its employees to request and verify the identification of any patron that appears to be underage in accordance with industry standards and state law.
H. Infrastructure and Utility Improvements (Exhibit D)	
<i>Traffic Improvements (Exhibit D-1)</i>	Foxwoods MA will implement and fund all on and off-site traffic improvements including a new highway interchange from I-495 to Route 16 and traffic improvements at 7 local intersections. Foxwoods MA will implement a post-construction traffic monitoring program including installation of 6 permanent counting stations and a transportation demand management program to reduce single-occupant trips to the project. Estimated cost of improvements is \$120 million and estimated on-going cost is \$300,000/year.
<i>Water Improvements (Exhibit D-2)</i>	Foxwoods MA will implement and fund improvements of water production and distribution systems in the Town and implement an aggressive on-site water conservation program. Improvements include upgrades to existing production systems resulting in a

	net increase in capacity equal to, at least, 135% of estimated project demand; installation of new distribution infrastructure; funding water conservation measures; and post-construction monitoring of actual water usage. Estimated cost of improvements is \$3 million.
<i>Sewer Improvements (Exhibit D-3)</i>	Foxwoods MA will implement and fully fund substantial improvements to sewer collection and treatment systems and eliminate over 1 million gallons per day of inflow and infiltration from Town's sewer system. Improvements include extending public sewer to Milford residents located east of I-495; installation of two pumping stations; and post-construction monitoring of actual flow. Estimated cost of improvements is \$5 million.
<i>Stormwater Improvements (Exhibit D-4)</i>	Foxwoods MA's stormwater system will exceed state stormwater performance standards as well as comply with anticipated federal permit requirements and sustainable stormwater strategies.
<i>Noise, Lighting and Air Quality Standards (Exhibit D-5)</i>	Foxwoods MA will conduct pre- and post-construction noise studies and, if permitted, erect sound barriers on I-495. Foxwoods MA will also minimize light pollution of the project and perform air quality studies relating to the project. Foxwoods MA will also maintain a tree buffer between the project and the surrounding neighborhoods and use sustainable building strategies including 50% green roof coverage.
I. Other Obligations and Commitments	
<i>Non-Compete (Section 4.6 and Exhibit O)</i>	Subject to certain exceptions, for a period of 10 years, neither Foxwoods MA, the Casino Manager, the Tribal Nation, affiliates of the foregoing nor any direct or indirect owner of 10% or more of Foxwoods MA or the Casino Manager (excluding certain passive institutional investors) may compete with the project within the Commonwealth, unless the Town consents to such competition.
<i>Transfer Restrictions (Section 8.1 and Exhibits I-J)</i>	Subject to certain exceptions, neither Foxwoods MA, the Casino Manager, the Tribal Nation nor any direct or indirect owner of 10% or more of Foxwoods MA or the Casino Manager may transfer their ownership interest in Foxwoods MA or the Casino Manager unless the Town consents.
<i>Indemnification (Section 11)</i>	Foxwoods MA will indemnify the Town against any liabilities, losses, damages, costs, expenses and claims that relate to the development, construction or operation of the project unless the loss was caused by the Town's gross negligence or willful misconduct.
<i>Casino Manager Subordination Agreement (Exhibit S)</i>	Foxwoods MA's payment of management fees to the Casino Manager is subordinated to the Foxwoods MA's payments to the Town.
<i>Amendments (Sections 4.1 and 13.14)</i>	Foxwoods MA and the Town may amend the Agreement at any time by mutual written agreement. The Agreement may be amended to address any new rules, regulations or requirements adopted by the Commission or as may be necessary to comply with environmental permits and approvals. Additionally, on the first year anniversary of opening and annually thereafter, the Town and Foxwoods MA will review and negotiate in good faith the community impacts and payments to be made to mitigate such impacts. Any changes resulting from such negotiations will require that the Agreement be amended.

This document summarizes the principal terms of the Agreement. This summary is qualified in its entirety by the actual Agreement. A complete copy of the Agreement is available on the Town's website: www.milford.ma.us (click on "Casino") or on the website of the Massachusetts Gaming Commission: www.massgaming.com. Alternatively, a copy of the Agreement may be obtained from the Town Clerk's Office located at Town Hall, 52 Main Street, Milford, MA 01757. This summary has been approved by the Town Counsel and published in accordance with M.G.L. c. 23K, §15(13).