



Meeting Minutes

Date: April 26-28, 2016

Place: The Shaw's Conference Center
1 Feinberg Way
Brockton, MA

Present: Chairman Stephen P. Crosby
Commissioner Gayle Cameron
Commissioner Lloyd Macdonald
Commissioner Bruce Stebbins
Commissioner Enrique Zuniga

**Time entries are linked to
corresponding section in
Commission meeting video**

Category 1 Region C License Application Evaluation Presentations, Deliberations, and Determination

Call to Order (Tuesday April 26, 2016)
See transcript pages 2-12

[10:00 a.m.](#) Chairman Crosby called to order the 188th Commission meeting.

Chairman Crosby provided an outline of the evaluation and deliberation process. He noted that there is one applicant – Mass Gaming and Entertainment, LLC (MG&E”), under consideration. He acknowledged the applicant, staff, consultants, and officials from the host and surrounding communities for their hard work, and the public for their comments.

He provided a summary of the process which included the following: the Investigations and Enforcement Bureau (“IEB”) will provide an update on suitability of the applicant; the legal team will provide an overview of the governing law; the commissioners will present on the following topic areas: Commissioner Zuniga –Finance, Commissioner Stebbins – Economic Development, Commissioner Macdonald – Building and Site Design, Commissioner Cameron – Mitigation, and Chairman Crosby – Overview of Project; written evaluation reports will be available on the MGC website; discussion of letter from MG&E; the applicant will be offered an opportunity to

submit for review any material errors; the Commission will review material errors; and the Commissioners will deliberate and vote on whether to award a license. If a license is awarded, the applicant can provide responses to proposed conditions and the Commission will conduct a final vote.

Suitability Update

See transcript pages 12-56

[10:11 a.m.](#) IEB Director Karen Wells provided an update on suitability of the applicant, MG&E, for a Category 1 license. She stated that MG&E and partner George Carney were previously found suitable under prior applications. She stated that the Commission continued to find the applicant suitable in May 2015 as part of the Region C process. Director Wells reported on infractions at casino properties. Attorney John Donnelly, representing MG&E, responded to casino infractions and noted corrective actions taken. Director Wells stated that should the Commission award a license, she would recommend that they require a license condition for strict oversight.

Outline of Governing Law

See transcript pages 56-60

[11:03 a.m.](#) Deputy General Counsel Todd Grossman provided an outline of the law governing the process for awarding a gaming license.

11:07 a.m. The Commission took a brief recess.
11:17 a.m. The meeting resumed.

Finance

See transcript pages 61-144

See also presentation materials on the MGC website

[11:17 a.m.](#) Commissioner Enrique Zuniga presented on the finance section of the MG&E application. He provided an applicant summary and noted that MG&E is owned by Rush Street Gaming, which operates other casinos. He also provided comparisons to MGM Springfield and Wynn Everett. He provided a summary of the state gaming objectives. He acknowledged a team of advisors which included: Rob Scarpelli, Katia Muro, and Matthew Klas from HLT Advisory. He stated that the finance team framework included assessment in the following areas: Financial Capability, Investment Plan, Market Assessment, and Operations Plan. Commissioner Zuniga presented on financial strength and investment plan. Rob Scarpelli presented on the market assessment methodology.

12:58 p.m. The Commission took a brief recess due to technical difficulties.
1:02 p.m. The meeting resumed.

[1:02 p.m.](#) Commissioner Zuniga continued his presentation and provided a summary of the operations plan. He stated that the overall rating for finance was sufficient/very good.

1:17 p.m. The Commission recessed for lunch.
2:02 p.m. The meeting resumed.

Economic Development

See transcript pages 145-190

See also presentation materials on the MGC website

[2:02 p.m.](#) Commissioner Stebbins presented on the economic development section of the MG&E application. He noted that they looked at three criteria groups: job creation, support for external businesses, and regional tourism and attractions. He acknowledged a team of advisors which included: Nancy Snyder from the Commonwealth Corporation, Pat Moscaritolo from the Boston Convention and Visitors Bureau, Jill Griffin from MGC, Lyle Hall and Adam Black from HLT Advisory, and Lynn Brown a former director at the Boston Federal Reserve Bank. He stated that the review consisted of a presentation by the applicant, site visits, and interviews of key stakeholders. He provided a project comparison to the applicant's other casino properties.

He provided a summary of the following criteria areas: job creation, support for external businesses, and tourism and attractions. He proposed license conditions and stated that the overall rating for economic development was sufficient.

2:53 p.m. The Commission took a brief recess.

3:01 p.m. The meeting resumed.

Building & Site Design

See transcript pages 191-236

See also presentation materials on the MGC website

[3:01 p.m.](#) Commissioner Macdonald presented on the building and site design section of the MG&E application. He noted significant historical events in the City of Brockton and its current economic and social data points. He acknowledged a team of advisors which included Rick Moore from City Point Partners, Ray Porfilio and Chip Pinkham from Epstein Joslin Architects, and Frank Tramontozzi and Jason Sobel from Green International Affiliates.

He provided a summary of the following criteria areas: creativity in design, gaming establishment of high caliber with quality amenities in partnerships with local facilities, compatibility with surroundings, sustainable development, security, and permitting and other. He proposed license conditions and stated that the overall rating for building and design was sufficient.

The Commission meeting recessed until April 27, 2016 at 10:00 a.m.

See transcript pages 236-237

[4:07 p.m.](#) *A motion to temporarily adjourn was made by Commissioner Cameron. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

Call to Order (Wednesday April 27, 2016)

See transcript page 2

[10:01 a.m.](#) Chairman Crosby reconvened the 188th Commission meeting.

Mitigation

See transcript pages 2-66

See also presentation materials on the MGC website

[10:01 a.m.](#) Commissioner Cameron presented on the mitigation section of the MG&E application. Commissioner Cameron acknowledged a team of advisors which included: Mark Vander Linden from MGC, Jeffrey Marotta from Problem Gambling Solutions, Rick Moore from City Point Partners, and Frank Tramontozzi and Jason Sobel from Green International. She provided an overview of the evaluation ratings and schedule. She also noted that the evaluation process included review of documents, input from public meetings, presentations, site visits, and research.

She provided a summary of the following criteria areas: community support, responsible gaming, and protect and enhance the lottery. Rick Moore presented on traffic and off-site impacts. Commissioner Cameron proposed license conditions and stated that the overall rating for mitigation was sufficient.

11:11 a.m. The Commission took a brief recess.

11:21 a.m. The meeting resumed.

Overview of Project

See transcript pages 67-90

See also presentation materials on the MGC website

[11:21 a.m.](#) Chairman Crosby presented on the general overview, or “wow factor”, section of the MG&E application. He acknowledged a team of advisors which included: Phil Clay from City Planning, Liz Devlin from FLUX Boston, John Harthorne from MassChallenge, John Mullin from UMass Amherst, Lily Mendez-Morgan from the Massachusetts Red Cross, and Joe Thompson from the Massachusetts Museum of Contemporary Art.

He provided a summary of the following criteria areas: looking outward, marketing the Massachusetts brand, destination resort, and diverse workforce and supplier base. He stated that the overall rating for overview was insufficient.

Claims of Material Errors

See transcript pages 90-121

[11:44 a.m.](#) Chairman Crosby reported that the Commission received claims of material errors from MG&E. Commissioners Stebbins and Macdonald read into the record, and responded to, claims of material errors from their presentations on April 26, 2016.

12:00 p.m. The Commission recessed for lunch.

1:04 p.m. The meeting resumed.

[1:05 p.m.](#) Commissioner Zuniga read into the record, and responded to, claims of material errors from his presentation on April 26, 2016.

Considerations Unique to Region C

See transcript pages 121-151

[1:28 p.m.](#) Commissioner Zuniga presented on the competitive environment which included: market assessment, size and scope of the Taunton casino, unknowns that are critical, state tax rate, and unknowns in neighboring states.

[2:04 p.m.](#) Chairman Crosby reported on a letter received from MG&E regarding a tribal challenge to the award of a Region C license and payment of the \$85 million licensing fee.

The Commission meeting recessed until April 28, 2016 at 10:30 a.m.

See transcript pages 152-153

[2:08 p.m.](#) *A motion to adjourn was made by Commissioner Macdonald. Motion seconded by Commissioner Cameron. Motion passed unanimously.*

Call to Order (Thursday, April 28, 2016)

See transcript page 2

[10:30 a.m.](#) Chairman Crosby reconvened the 188th Commission meeting.

Suitability Update

See transcript pages 2-17

[10:30 a.m.](#) IEB Director Karen Wells provided an update on suitability of the applicant MG&E which included recent findings for pending matters before the Pennsylvania Gaming Control Board. She stated that the fines assessed were in line with similar fines for similar offenses at other casinos. She confirmed her recommendation that MG&E remains suitable. Attorney John Donnelly responded to the offenses.

Claims of Material Errors

See transcript pages 17-22

[10:50 a.m.](#) Chairman Crosby reported that the Commission received claims of material errors from MG&E. Commissioner Cameron and Chairman Crosby responded to claims of material errors from their presentations on April 27, 2016.

Discussion on Sections of the Application

See transcript pages 22-74

[10:56 a.m.](#) Commissioners discussed the five sections of the application (Finance, Economic Development, Site and Building Design, Mitigation, and Overview) and assessments.

11:53 a.m. The Commission took a short recess.

12:16 p.m. The meeting resumed.

[12:19 p.m.](#) Attorney John Donnelly provided a brief statement to the Commission.

Deliberation

See transcript pages 74-121

[12:21 p.m.](#) General Counsel Catherine Blue reported on the standards under M.G.L. c. 23K §19 for making a decision.

[12:22 p.m.](#) The Commissioners began deliberations.

1:01 p.m. The Commission took a brief recess.

1:06 p.m. The meeting resumed.

[1:06 p.m.](#) The Commissioners resumed deliberations.

Determination

See transcript pages 121-125

[1:33 p.m.](#) *Commissioner Cameron moved that the Commission vote to deny the application of MG&E. Motion seconded by Commissioner Zuniga. Roll call vote: Commissioner Cameron – Aye, Commissioner Macdonald – Opposed, Commissioner Stebbins – Aye, Commissioner Zuniga – Aye, and Chairman Crosby – Aye. Motion passed 4 to 1.*

[1:34 p.m.](#) Attorney Scott Strusiner, on behalf of Rush Street Gaming, thanked the host community, Mayor of Brockton, his team of staff and consultants, and the Gaming Commission for their hard work. He stated that although they disagree with the decision, they respect the process and the spirit of trying to be good public servants.

Other Business Not Reasonably Anticipated

See transcript page 125

[1:37 p.m.](#) *Having no further business, a motion to adjourn was made by Commissioner Cameron. Motion seconded by Commissioner Macdonald. Motion passed unanimously.*

List of Documents and Other Items Used

1. Massachusetts Gaming Commission, Notice of Meeting and Agenda, April 26-28, 2016
2. Massachusetts Gaming Commission, Evaluation Reports and Presentations: Finance, Economic Development, Building and Site Design, Mitigation, and Overview/General
3. Letter from John Donnelly to the Massachusetts Gaming Commission, dated April 22, 2016 regarding Mass Gaming & Entertainment
4. Email from Rush Street Gaming to the Massachusetts Gaming Commission, dated April 27, 2016, with attachments
5. Email from Rush Street Gaming to the Massachusetts Gaming Commission, dated April 28, 2016, with attachments
6. Letter from Mayor Bill Carpenter to the Massachusetts Gaming Commission, dated 4/27/16
7. Letter from Stand UP Brockton regarding response to Mayor Bill Carpenter's Letter
8. Written Public Comments

/s/ Catherine Blue

Catherine Blue, Assistant Secretary