

THE COMMONWEALTH OF MASSACHUSETTS
MASSACHUSETTS GAMING COMMISSION
PUBLIC MEETING #102

CHAIRMAN

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COMMISSIONERS

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BOSTON EXHIBITION AND CONVENTION CENTER

415 Summer Street, Room 157

Boston, Massachusetts

1 P R O C E E D I N G S:

2

3 CHAIRMAN CROSBY: Welcome everybody.

4 I am pleased to call to order what I think is
5 the 102nd meeting of the Massachusetts Gaming
6 Commission. We're at the Boston Convention
7 Center.

8 Out of the 102 we've had, I think
9 this will be one of the most exciting. Welcome
10 to everybody here, one of the most important.
11 This is what we have been waiting for for a
12 long time.

13 One administrative matter, there are
14 a lot of folks here who are anxious to see the
15 proceedings. We are glad to have you here.
16 Public participation has been an important part
17 of this process from the beginning. However,
18 we do have to have the doorways, the walkways
19 free and clear.

20 So, the group of folks that are
21 standing in the doorway there, you're going to
22 have to move along the sides. There will be
23 security people from the convention center
24 whose job it is to make sure that we obey the

1 rules and don't take any risks. So, they will
2 be keeping you to the sides. We are anxious
3 have you here, as I said, but do keep the
4 doorways and the walkways clear.

5 In general, we try to recognize and
6 welcome VIPs. Sometimes when you don't know
7 all of the VIPs out there, you need to do what
8 my former boss, Chancellor Keith Motley did.
9 One time he said all of you VIPs out there
10 welcome. So, I will however -- I do want to
11 recognize our two mayors, our two host
12 community mayors, Mayor DeMaria from Everett
13 and Mayor Rizzo from Revere.

14

15 (Audience Applause)

16

17 CHAIRMAN CROSBY: I guess I asked
18 for that one. I gather that Mayor Rizzo is
19 running for governor.

20 We are ready to start our first
21 presentation from Mohegan Sun Massachusetts.
22 They will have 90 minutes pretty much to do
23 with as they wish. We will ask questions for
24 clarification, if we have any but that will be

1 about it. We are looking forward to hearing
2 what you have to say and seeing and hearing
3 what you believe is important. So, I guess
4 you're first, Kevin Brown.

5 MR. BROWN: Thank you, Mr. Chairman.

6

7 (Audience Applause)

8

9 CHAIRMAN CROSBY: Excuse me, Mr.

10 Brown, just one thing. Just in the interest of
11 time, I know you want to express your
12 appreciation and you're welcome to do it, but
13 they do have a 90-minute agenda. I know it's
14 going to be cram packed. Your applause is
15 going to take up some of that time. I just
16 give you a heads-up on that. It probably would
17 be best if you could keep it to yourselves
18 until the end.

19 MR. BROWN: Mr. Chairman, on that
20 note, I will not reintroduce the Mayor of
21 Revere. Ladies and gentlemen of the
22 Commission, my name is Kevin Brown. And as the
23 chairman of the Mohegan Tribal Council and the
24 Mohegan Gaming Authority, I speak for our

1 entire team when I say it's a distinct honor to
2 be here to present our project proposal to you.
3 And to thank you for your diligence in this
4 effort, particularly over what has become a
5 challenging couple of months for all of us.

6 Today I am joined by a number of our
7 Tribal Council members and Tribal elders who
8 are in the audience. And they come really to
9 bring a couple of messages; one to reinforce
10 those thanks for the measured approach that
11 you've put into this entire process. But also
12 to reinforce something we been saying pretty
13 regularly and that is we are the home team.

14 As a kid, I went to my first
15 ballgame at Fenway Park on Carl Yastrzemski's
16 birthday and sat in the right-field bleachers
17 at Fenway Park for my first professional game.
18 I went to the Garden where I sat behind a
19 cement pylon where actually you had to lean to
20 be able to see the court in the old Garden. I
21 went to my first pro football game at Schaefer
22 Stadium, sat in the cold bleacher seats.

23 The point of all of it is this
24 marriage of Mohegan Sun Massachusetts with

1 Revere it isn't like it feels like home, it is
2 home. This is where we are from.

3 In our presentation today, you're
4 going to hear from a number of folks that are
5 hardworking, straight talking and diligent
6 individuals who have helped make Mohegan Sun a
7 world renowned and expected brand. But they're
8 just a few of the folks that really bring all
9 of that home to us.

10 It's a team of teams. And as you
11 can see, and as you've watched develop, we've
12 merged an incredible team of teams. Not the
13 least of which is the team that comes with the
14 population of Revere represented right here in
15 this room. We are extremely excited. They
16 spark a pride and an excitement in us about the
17 possibilities that we can take this historic
18 New England resort town and take it into a
19 brighter future.

20

21 (Video plays)

22

23 MR. ETESS: Thank you. Chairman
24 Crosby, Commissioners, it's great to be here

1 again to see you all again. My name is
2 Mitchell Etes. And I have the good fortune to
3 be Chief Executive Officer of Mohegan Tribal
4 Gaming Authority.

5 This is such an exciting day. It's
6 amazing. And we are thrilled to be here, to
7 have this opportunity to share our vision, our
8 values and our detailed plans of how we're
9 going to build a remarkable resort and operate
10 it just about 10 minutes from here on the
11 historic grounds of Suffolk Downs.

12 As you know, more than anybody, the
13 last two months have been a complete whirlwind
14 for us. The more time I spend with this
15 project and the more we're involved with it,
16 the more we meet with the people of Revere, the
17 more excited we get.

18 We believe and the next 90 minutes
19 are going to prove to you that we are without a
20 doubt your best choice to be the licensee for
21 Region A. Why? We think we bring a very
22 unique combination to the table. Yes, we're a
23 national and internationally recognized gaming
24 brand. We operate in multiple jurisdictions.

1 We opened the first casino in
2 Pennsylvania under their gaming law. We
3 operate the busiest arena of its size in the
4 world, the Mohegan Sun Arena. We're also a
5 local company. We have old-fashioned New
6 England know-how and New England value.

7 We are hard-working and down to
8 earth. We follow a strict code of ethics with
9 values that harken back to the tribe's
10 heritage. We're already part of this community
11 and have been for years. These are very
12 important points.

13 But the fact is, we have amassed an
14 amazing team of local talent for this project.
15 Let me introduce to you some of the folks that
16 are going to be sharing our plans with you
17 today. You already met our Chairman, Kevin
18 Brown. Here we have Gene Kohn and Hugh
19 Trumbull of our world renowned architects Kohn,
20 Pedersen and Fox who built Mohegan Sun in
21 Connecticut.

22 We've got Todd Finard, the CEO of
23 Finard Properties. Bethany Seidel who is the
24 Vice President of Marketing and Promotions at

1 Mohegan Sun in Connecticut who is going to help
2 me talk about some of our marketing plans. And
3 Kawel LauBach who is the Chief Human Resources
4 officer for the Authority.

5 We believe our team extends beyond
6 these folks and the folks behind them. Our
7 team reaches into every aspect of the community
8 and a lot of them are here today. We've got
9 Mayor Rizzo and members of the city counsel who
10 have been so amazingly supportive of this
11 project and are anticipating the transformation
12 that it will bring to Revere.

13 Joe Spaulding is here today. He is
14 the President and CEO of Citi Center Performing
15 Arts. He's our local entertainment partner.
16 Of course, you've got the team from Suffolk
17 Downs, Richard Fields, Joe O'Donnell, Chip
18 Tuttle and Charlie Baker. But our team extends
19 beyond that.

20 To name a few, municipal leaders
21 from not only Revere but the entire North
22 Shore; tourism agencies from Boston to Salem
23 and everywhere in between; members of organized
24 labor including the Greater Boston Labor

1 Council and the Building Construction Trades
2 Council Metropolitan area; more than 100 local
3 businesses, numerous Chambers of Commerce and
4 of course the entire Suffolk Downs family whose
5 jobs will be preserved if we get this license.
6 Our whole team is here.

7 We will bring New England know-how
8 to this project. We assembled a team of
9 professionals who share our values and
10 approach.

11 We've worked incredibly nonstop for
12 the last two and half months to design our
13 project. We were able to submit our RFA-2
14 application flawlessly. This group knows how
15 to work together and they've already shown they
16 can get things done.

17 Combined, this team has over a
18 century of experience bringing projects like
19 this one right here to life. Each brings deep
20 expertise in their area. All have a track
21 record of active involvement in their community
22 and are committed to doing the right thing.
23 Rather than me go on, we have prepared this
24 brief video of introduction.

1 (Video plays)

2

3 MR. ETESS: It's true truly an
4 awesome team. But really our team's experience
5 and expertise is nothing compared to the
6 location of our site.

7 Our property is not only the center
8 of New England, it's the center of the entire
9 world. Our location allows us to drive the
10 most gaming revenue and therefore the most tax
11 revenue and that's what's important here. At
12 the center of all of this is Revere.

13 We are really excited to work with
14 the people of Revere to make their city even
15 more compelling than it was back in its heyday.
16 We're going to customize from the ground up
17 like what you see here an amazing experience
18 for an audience of international tourists, out-
19 of-state visitors, residents of Massachusetts
20 and Bostonians of all income levels and still
21 have almost half of our land available for
22 green space.

23 Revere's got a warm hospitable and
24 inclusive hometown feel, and a history of

1 tourism and gaming that provides the ideal
2 setting to top off the experience. We've got
3 beachfront views, easy accessibility. That
4 history of tourism dates back to being
5 America's first public beach.

6 We're at the center of an
7 unprecedented array of transportation options
8 which is really incredible. Our location is
9 great and it's easy to get to. And having a
10 property that's easy to get to is critical to
11 create and sustain gaming revenue.

12 Our location offers multimodal
13 transportation, which is a huge asset. You can
14 drive right in because our location is
15 accessible from two major highways, the Pike
16 and 93. And 95 that provides access from
17 everywhere. My mother could get on the highway
18 in Florida and drive up here, probably not
19 advisable but anybody can get here via 95.

20 Route 1 adds convenience and Route
21 1A brings you right to our doorstep. That's
22 really just the beginning. Public
23 transportation that's available to our site I
24 think it is unprecedented in our industry. The

1 blue T line brings you right to our property to
2 one of our two main entrances that we created,
3 one specifically just for the T. Four bus
4 lines also come right to the property.

5 But you know we are also the gateway
6 to the world. Revere is located just miles
7 from Logan airport, as you know. A free
8 shuttle operation from Logan to the blue line
9 so gamers won't even have to get on the highway
10 to come over to our property. With Mohegan Sun
11 Massachusetts in Revere, people are going to
12 welcome that lay over and they might not even
13 mind that missed connection. Plus Logan
14 provides super easy access for national and
15 international travelers and gamers alike.

16 Let's take a step back and look at
17 the market as a whole. This is a great market
18 that's why we are so interested in this. And
19 everybody is. That's why the Commonwealth is
20 doing this. More than 20 million people a year
21 visit the Commonwealth. And 9.5 million people
22 live within two hours of our site. There is no
23 doubt Mohegan Sun Massachusetts will extend
24 people's stay in the Boston area and create

1 even more visits to the Commonwealth.

2 And Boston, of course, can be
3 reached by air from all over the United States.
4 And our design team you're going to meet in a
5 few moments is creating an international
6 tourist destination. It's going to capitalize
7 on our location next to Logan.

8 We are great at regional marketing.
9 We've got an already existing database that
10 we're going to tell you more about, but we also
11 have an international reach. As operators, we
12 are going to be successful in marketing not
13 only to the regional and northeast market, but
14 to the national and international markets as
15 well.

16 So, you've heard a little bit about
17 our site and our team. Let's talk a little bit
18 more about this project that's incredible right
19 over here. As a company, we don't believe in
20 cookie-cutter projects. We didn't build a
21 Mohegan Sun, per se in Wilkes-Barre,
22 Pennsylvania. We didn't recreate the resorts
23 in Atlantic City into a Mohegan Sun property.

24 We think it's better to create

1 something that works for your site, for your
2 individual market. A destination that's
3 appropriate that belongs in its surroundings.
4 Our design team has created a property that is
5 going to allow us to leverage our knowledge of
6 the region and yet create something that will
7 be appealing to guests from all over. It will
8 be a dynamic property interacting with the
9 community. And it's going to create that Wow
10 experience that you all have been talking about
11 and looking for since this process began.

12 And when you combine the environment
13 and the amenities that we are going to create,
14 and you're going to hear about with a one-of-a-
15 kind hospitality that we are famous for, you
16 get an unparalleled combination for success.

17 We know how this market works. We
18 have 17 years of experience in New England
19 destination casino and that know-how. We have
20 that database of millions of customers in the
21 Northeast market. We already get 20,000 New
22 England visitors a day to our property in
23 Connecticut. After 17 years, the Northeast
24 knows what Mohegan Sun is. They know what to

1 expect. And they're going to seek out Mohegan
2 Sun driving more revenue for the Commonwealth.

3 We are going to bring gaming and
4 non-gaming amenities together to create a very
5 unique experience. It's going to be an amazing
6 inspirational escape for all. And to tell you
7 a little bit about that is our world renowned
8 architect Gene Kohn of Kohn, Pederson and Fox.
9 Gene.

10 MR. KOHN: Thank you. Mr. Chairman
11 and Commissioners, it is a pleasure to be here.
12 Kohn, Pederson and Fox is a global firm and
13 working in 26 countries currently. But I must
14 say, I personally most enjoy being back East
15 and particularly New York and New England.
16 I've been teaching at Harvard both the business
17 school and the graduate school of design for
18 the last eight or 10 years. And I am doing it
19 again this year. So, I'd love to be involved
20 with the project in Revere as well as being up
21 at Harvard. So, I'm in Boston a great deal.

22 The challenge of designing a major
23 resort in Revere is an exciting one, and one
24 that requires, I think, a very special

1 approach. Normally when one thinks about
2 gambling or gaming, one thinks about Las Vegas
3 first maybe and then maybe other places, but
4 certainly Vegas. And one thinks about large
5 slabs of buildings, towers, sitting on bases
6 with the casino, restaurants, etc. surrounded
7 by cars. Maybe there's a fountain or some
8 other feature on the street but basically
9 that's the way Vegas developed. And frankly,
10 we have done a major project there. So, we do
11 lots of towers around the world.

12 But it seemed to us that that
13 approach for here was totally not correct.
14 Revere, which was I believe settled in 1630 has
15 remained a city -- it wasn't a city then maybe,
16 but a city with basically low scale and more
17 residential. So, to design a building that is
18 going to fit that environment was really our
19 challenge.

20 We approached it on the basis of
21 horizontal. We were influenced by one of the
22 view from our side of the beach and the morning
23 sunrise, about a beach when it's more active
24 during the day, by Suffolk Downs the great

1 horizontal space and a very exciting racetrack.
2 And of course all of the qualities and the
3 history of Revere were part of that design.

4 So, that led us to then trying to do
5 a scheme, as I said, that that is strictly
6 horizontal. When you think about horizontal
7 buildings, you can create spaces within for
8 people. So, the building helps to form the
9 space, whereas again with a tower, and we've
10 done many, they sit in a thin space.

11 So, we thought for Revere and for
12 this scale that that approach was going to be
13 key. And the structures of the hotels are
14 going to be above the base which contains
15 primarily the gaming and restaurants and
16 shopping and spas, etc. are not very tall, as
17 you can see, six, seven, eight floors max, but
18 very strong in their horizontality.

19 In looking at the diagram of the
20 plan, it's a very well-knit together plan that
21 allows you to enjoy one if you're in a casino
22 or the restaurants at the face the casino, if
23 you're in the hotel above, view of maybe races
24 from May to November at Suffolk Downs would be

1 very exciting to have a lunch and watch that.
2 Or even just to enjoy the beauty of the green
3 when it's not being used or maybe when the
4 horses are practicing.

5 So, that red indicates basically
6 that view, as you'll see in more detail, the
7 casino and the elements related to it. The
8 brown is the retail, restaurants, other
9 facilities that people can enjoy. And then
10 eventually there's a great spa and meeting
11 rooms, etc., all knit together forming a very
12 exciting place.

13 There are some great building in
14 history or spaces, and I've enjoyed them
15 personally. The Royal Crescent in Bath,
16 England in the upper left is a great space that
17 is crescent shape. And we see, for example the
18 racetrack which you see in the lower right.
19 The Piazza Navona in Italy, most exciting space
20 for people even cars at that point.

21 But these shapes and spaces that end
22 in a crescent are really exciting. Then for
23 our entrance, Lucca has a marvelous kind of
24 circular space for buildings of modest height.

1 All of these are good examples for the kind of
2 concept we were going for.

3 So, you see a lot of the earlier
4 model and one finished model there, which shows
5 how the crescent shape of the casino receives
6 the racetrack. How great green space comes
7 off. And how the entrance, which is also
8 circular works off that green space to the
9 upper left. Then the lovely base you see out
10 viewing towards the beach and the sea all
11 working together in a very exciting space.

12 The umbrella is kind of -- I was in
13 Italy just a week or two ago in Florence just
14 at the end of the holidays, and all the streets
15 were --

16 CHAIRMAN CROSBY: Excuse me, Mr.
17 Kohn, could I just interrupt for one second. I
18 just got a text from somebody who's watching
19 online. And they said they're not able to hear
20 very well.

21 So, I don't know whether this will
22 make a difference but we do want to make sure
23 that our audience that's watching on the Web
24 can hear and see. So, just be careful to speak

1 clearly right into the mic. And also maybe our
2 technical people can make sure that we are
3 transmitting as well as possible.

4 MR. KOHN: Thank you.

5 CHAIRMAN CROSBY: Sorry.

6 MR. KOHN: Getting back to the
7 umbrella. I was in Italy the end of the
8 holidays in Florence and the streets were lined
9 with these lovely umbrellas hanging down
10 creating a very exciting kind of environment.
11 And when you see the beaches, you see these
12 bright umbrellas, always kind of signifying sun
13 instead of rain and joy. So, that has become
14 kind of a theme for us because of our location
15 near the beach.

16 Finally, the umbrella becomes part
17 of the architecture, the grand entrance with
18 these tremendous umbrellas in concrete, very
19 beautiful forms that will attract you and bring
20 you into this marvelous space.

21 So for me, whether you come from
22 Revere, whether you're from Boston or New
23 Hampshire or New York, Chicago or as far away
24 as Shanghai, whether you come for lunch, to

1 meet a friend for dinner, whether you come to
2 game, whether you come for one day and one
3 night or whether you come for a weekend, I
4 honestly believe this resort will provide the
5 excitement and joy of a holiday each time
6 you're there for no matter how long.

7 So, to look at further details, I am
8 going to introduce my partner Hugh Trumbull who
9 will go through that. Thank you.

10 MR. TRUMBULL: I would like to speak
11 to you a little bit more about the elevations,
12 the plans and the massing. It really
13 reinforced the thoughts that Gene has just
14 presented to you.

15 First up is to look at the overall
16 elevation along Winthrop Avenue. As Gene had
17 spoke of, we are very keen to really emphasize
18 the horizontal, keeping the buildings low, two
19 hotels, one facing out towards the racetrack
20 that you have here, the smaller one towards the
21 beach of Revere. They really sit on top of the
22 podium, this horizontal datum and talk to one
23 another and create a place, an environment
24 where people gather and enjoy activities.

1 Along that horizontal is really this
2 new invention of this umbrella canopy that runs
3 through the whole project. It brings the scale
4 down and makes it quite intimate to the local
5 environment.

6 Below that canopy is a wonderful
7 limestone base and a fieldstone below that that
8 snuggles into the landscape. We built it up
9 with berms and green to really bolster Winthrop
10 Avenue and to make it a real boulevard.

11 The slide that you see before you is
12 really a very simple diagram to explain how the
13 component parts come together. Numbered in
14 orange is the casino hotel and the casino
15 itself that face back toward the Suffolk Downs
16 racetrack. So, the top of the page is the
17 boutique hotel with its associated meeting and
18 spa spaces that look back over toward the
19 environment of the beach.

20 Center stage is a retail spine
21 flanked by that umbrella that we talked about
22 that links the entrance from the T and the bus
23 station at one end at Beachmont and runs right
24 through the complex to the great porte-cochere

1 space that occupies this really wonderful room
2 at the center of the environment.

3 One of the things that's not
4 rendered on the page in color is really the
5 parking, which sits below. It's a three-story
6 parking garage completely hidden from view and
7 surrounded by landscaped.

8 Along this spine here, we have a
9 wetlands reserve which is Sales Creek. What
10 we've done is we've split the earth, we've
11 lifted it up and found a new ground plain for
12 the casino. This allows Sales Creek to really
13 slide right through and flow completely free
14 through the site. That is really the first
15 step to our sustainable program, one which
16 we're looking to achieve LEED Gold or even
17 better.

18 I'd like you to just look at the
19 plan for a moment and to look at the fact that
20 what we have on the plan is a site that is 50
21 percent green. The figure of the building is
22 really not one which is an object but one that
23 deflects and makes spaces and makes rooms.

24 It's very important to us because

1 what it really does is it engages the
2 environment. It engages the principal assets
3 of Revere and the local town. As Gene had
4 talked about, the casino here is this fan
5 shaped room that looks back to the field of the
6 racetrack.

7 To the top of the page is a
8 promenade of retail that runs along this also
9 shallow concave space that is making the room
10 for Winthrop Avenue.

11 And lastly, there's this great
12 porte-cochere which really takes the entry
13 garden and pulls it up and really makes it part
14 of the interior experience. Lastly, at the top
15 of the page is this wonderful little pavilion
16 that reaches out to the beach as one comes off
17 of the train station here or arrives by bus or
18 walks from the beach.

19 What I'd like to do is take you on a
20 quick little tour of a series of renderings
21 that take you around the building, first from
22 Beachmont station all the way around to the
23 porte-cochere. What we're really excited about
24 is this pavilion. It's very exciting. It

1 really brings you in.

2 One of the other things that it does
3 is it describes and makes a plaza in the
4 foreground. And that plaza receives people,
5 pedestrians coming from the T, coming from the
6 bus station and starts the garden that leads to
7 Winthrop Avenue. At the end of the access, you
8 see the boutique hotel, smaller in scale.

9 Coming to the other end of that
10 intersection, the boutique hotel gravitates and
11 anchors the corner the big sweep of the façade
12 pulls back and is really reminiscent of
13 something appropriate to a coastal sea town. A
14 beautiful garden that one can scroll down
15 Winthrop Avenue, move in through the garden and
16 really feel comfortable. It's an amazing
17 transformation of what Winthrop Avenue is today
18 very, very new. The canopy reaches back over
19 to the beach.

20 Welcome to Mohegan Sun. This is the
21 wonderful garden that brings you up to the
22 porte-cochere. To the right is the casino
23 hotel. To the left is the spa hotel. Arriving
24 underneath the wonderful umbrellas, here we are

1 in the porte-cochere. It's a wonderful room.
2 It's absolutely spectacular. The canopies are
3 free to define the room above. Limestone base
4 surrounds the room and a garden occupies the
5 center stage.

6 To the right is the entry to the
7 casino hotel and to the casino itself. To the
8 left is the entry to the spa hotel and to the
9 meeting rooms. Both entries leading to this
10 wonderful retail spine that we showed you.

11 A landscaped roof deck, wow. This
12 is really intense. Behind us we have this
13 boutique hotel that looks out over the garden
14 and you have to the left is a greenhouse that
15 is part of our farm to table restaurant program
16 and a path that leads over to the casino hotel.
17 If you look closely, you can see the skyline of
18 Boston in the distance.

19 Now we've moved to the interior.
20 This is a beginning study of what we see here
21 is a dynamic mix between the umbrellas that
22 come down from above, the garden that's in the
23 foreground, the bars, the restaurants, the
24 gaming all coming together to create a

1 synergistic environment. And to talk to you
2 more about that Todd Finard.

3 MR. FINARD: Thank you, Hugh. Mr.
4 Chairman, Commissioners, my name is Todd Finard
5 and I am the CEO of Finard Properties.
6 Eighteen years after Suffolk Downs opened its
7 doors, my grandfather bought a small factory in
8 Waltham. And with that factory he began our
9 family's real estate development company.
10 Sixty-one years subsequent to that opening, we
11 got to be involved in a lot of fascinating
12 projects throughout New England and beyond.

13 But unequivocally this is the most
14 thrilling and transformative thing we've ever
15 worked on before. This is absolutely
16 stupendous. And our job within this incredible
17 team is to add those elements, infuse the
18 project with the elements that turn this from a
19 casino and a gaming project into a full-fledged
20 resort experience.

21 We get to do all of the fun stuff.
22 We get to do things like the retail offerings,
23 the culinary specialties, the hospitality and
24 entertainment spaces. Our team's sole focus

1 has been working to sort of pull this whole
2 program together so that this place becomes a
3 perfect destination for everything, girls'
4 night out, your uncle's 60th birthday party,
5 everything in between.

6 Fundamentally, we get it. It's
7 gaming. And there is nothing like the rush of
8 a gaming floor. You've got 4000 slot machines,
9 100 table games, 20 poker tables. In and of
10 itself that's exciting. But all of the
11 ancillary energy, the fun stuff that's our
12 focus.

13 Everything we program into the
14 retail, the hospitality and the entertainment
15 is going to need to be extraordinary if we hope
16 to host all of these new special moments at
17 Suffolk Downs like they've hosted in the past.

18 I love how Bob Neumeier put it in
19 the video, what we do here will make Revere
20 remarkable again. There is no room for cookie-
21 cutter. Mitchell said it wonderfully. Every
22 element has to be considered.

23 So, I will start by talking about
24 the dining. I hope you had lunch before

1 because I'm about to make you hungry.

2 Think about all of the incredible
3 talent that hails from this part of the world,
4 from Massachusetts and the surrounding region.
5 This is kind of how we break it down, how we
6 look at it.

7 I hope you've had in the past a 10
8 oranges taco at La Verdad or Barbara Lynch
9 makes this sweet potato brioche at Number 9
10 Park that's just ridiculous, Ming Tsai's butter
11 fish at Blue Ginger. These things are coming
12 from our area. We love these things. These
13 are incredible things. And our main focus is
14 to infuse these within this project.

15 If you're a foodie this is a
16 wonderful place to be from, but what we will
17 embark upon is infusing this project with that
18 Massachusetts spirit and put it on display in a
19 very real way.

20 Given that the casino is going to
21 cater to the slots player all of the way up to
22 the high-stakes player, the food is going to
23 have to reflect this as well. So, the
24 hamburger that you grab and go is going to have

1 to be just as good, just as special as that
2 locally sourced seafood and sushi. These are
3 the kinds of things that we get to wake up in
4 the middle of the night thinking about.

5 So, move from food to shopping, we
6 can talk about the 150,000 square feet of
7 world-class shops. You see the renderings.
8 This is not a mall. It is not a shopping
9 center. This is an experience. Notable big
10 brands are going to bring people in and sort of
11 set the tone for the fashion.

12 And then the specialty shops are
13 going to infuse this with all of that local and
14 regional flavor. They're going to give it the
15 soul that we talk about.

16 Based upon our preliminary
17 conversations, I'll tell you this is not a
18 question of who's coming but how do we fit
19 them? How do we weave them in in the most
20 dynamic mix possible? Again, what keeps us up
21 at night.

22 Move over to the nightlife, speaking
23 of night, and we're going to have intimate
24 lounges. We're going to have these high-octane

1 dance clubs. And we're going to have casual
2 pubs. All of it is going to get weaved
3 together.

4 Then we're going to come up with
5 this captivating night life. So, if you're
6 like a Pitbull, Beyoncé, Lady Gaga person,
7 there's something for you. And if you're like
8 a Sinatra, Tom Jones, kind of Michael Bublé,
9 then we've got something for you too. If you
10 were to look at my iPod mix, it's embarrassing.
11 And I'd tell you it's my kid's music, but it's
12 actually mine. I won't ask you what's on
13 yours.

14 The point is, we need to cater to a
15 wide range of tastes and styles. And our two
16 hotel design didn't to happen by accident. It
17 is an intentional detail that will allow us to
18 cater to these different crowds.

19 Again, the renderings only start to
20 tell the story. So, let's talk about the
21 hotels for just a minute. The sparkling glass
22 façade, the landscaped roof deck, the cabanas
23 by the pool, Hugh and Gene did a great job
24 talking about it. This is going to rise up in

1 the 325-room casino hotel. It's going to rise
2 above the racetrack, peer back to the south
3 over the Boston city skyline, look to the north
4 over the Revere Beach Parkway and the Revere
5 Beach coastline. It's going to be proximate
6 and focused around the casino. Think of like a
7 Sinatra and Katy Perry kind of melding
8 together.

9 The boutique resort hotel is going
10 to be 175 keys of hip and cool and unique
11 energy, most of all unique. Again, I'm beating
12 this music metaphor to death, but it's kind of
13 like Jay-Z and sort of a Dropkick Murphys in
14 one.

15 You'll come upstairs after an
16 afternoon in the spa, maybe you just saw Billy
17 Joel play an acoustic set downstairs or maybe
18 you just finished your company's annual retreat
19 and you've got to go up to the room. We're
20 going to have these technologically wired
21 spaces that will host all of this. It's going
22 to be pretty stupendous.

23 Every detail that's considered here,
24 thread-count of the sheets, the music that

1 greets the guests, it's going to be an
2 experience, a remarkable and memorable
3 experience.

4 Look, at the end of the day, this
5 project has got to yield something so much
6 bigger than just a casino. It's got to have
7 soul. It's got to be authentic. Cutting and
8 pasting a design from another market, it's not
9 going to yield that kind of authentic
10 experience.

11 Our team and our not properties, New
12 England Development, Mohegan Sun, KPF, Elkus
13 Manfredi, if you look at the projects that
14 we've done over the past decades, they create
15 experiences.

16 I thank you for your time. And I
17 hope that we have a chance to bring this all to
18 Revere and to the market. I want to hand it
19 over to Mitchell to talk a little bit about
20 entertainment.

21 MR. ETESS: Thank you, Todd. I will
22 not talk about any music metaphors. But
23 entertainment is critical in our industry
24 today. The casino business has changed. The

1 idea of having of a buffet and a steakhouse and
2 a few slots and tables and doing well is over.

3 We are in the entertainment
4 business. That's what you're into now. And
5 we're going to do that. Todd told you that
6 we're going to have a great variety of clubs
7 and lounges so we can provide a lot of
8 different offerings to a lot of different
9 demographics.

10 We're also going to provide a lot of
11 entertainment. Probably about 20 shows a year
12 or so in our multipurpose room. But the
13 strength of our entertainment program at
14 Mohegan Sun Massachusetts is clearly our
15 partnership with the Citi Center for the
16 Performing Arts. And the way we're going to
17 interact with the entire arts community with
18 all of the Citi Center venues and the Strand
19 Theater. We're going to send our guests to
20 local venues. And we're going to have
21 transportation back and forth.

22 Citi Center is our partner. They're
23 going to operate our live entertainment venue.
24 We're going to collaborate on booking and

1 marketing and presenting and co-presenting
2 events at their different venues.

3 There is no doubt that when you
4 combine the amazing power of the buying power
5 of Citi Center with the power of our
6 organization, which as I mentioned before
7 operates the number one arena of its size in
8 the world and has a myriad of venues in
9 different states, we're going to have great
10 buying power. And we're going to greatly
11 enhance the entertainment offering in the
12 entire Boston region. It's going to be
13 special.

14 Now we are going to change gears a
15 little bit. I hope by now you have gotten the
16 idea that we have put a great team together
17 that can really build a remarkable facility
18 that can make something very special for the
19 Commonwealth. So, it's time to talk a little
20 bit about us and our approach.

21 We're going to work to continue to
22 weave ourselves into the fabric of the greater
23 Boston area. We intend to face outwards, to
24 interact with the community. We are going to

1 have revenues and customers going back and
2 forth into the surroundings. Our Momentum
3 Dollars Program that you're going to hear about
4 later is going to directly drive millions of
5 dollars into the community because our guests
6 are going to be able to redeem their Mohegan
7 Sun Momentum dollars at these local merchants
8 and actually spend their comp. points in the
9 community.

10 As members of the community, we
11 believe in this. We have a history of
12 hundreds, literally hundreds of years of
13 working with our communities here in New
14 England. We've got a track record of doing
15 this. So, now let's take a look.

16

17 (Video plays)

18

19 MS. SEIDEL: As you can see we take
20 great pride in becoming part of our community.
21 I'm Bethany Seidel, Vice President of Marketing
22 and Promotions for Mohegan Sun. And I would
23 love to tell you about our pledge to Revere.

24 Because we care deeply and

1 personally about the social capital and
2 vitality of the communities in which we live
3 and we work, we have the highest ethical
4 standards and practices and a deep respect for
5 all people and the environment.

6 As a Mohegan Tribal member, I know
7 that this an integral part of who we are. It's
8 what we do. It's the Mohegan Sun way. We
9 invest in programs that elevate the quality of
10 life and benefit our neighbors. We believe
11 that this is an important part of being a
12 responsible member of the community. It is in
13 our best interest to take care of the
14 communities in which we live.

15 When it comes to Revere, we have the
16 most generous plan, thousands of quality jobs.
17 Mohegan Sun Massachusetts plans to yield 2500
18 construction jobs and 4000 permanent jobs with
19 75 percent of the permanent jobs coming from
20 within 15 miles. We will practice hiring and
21 training preferences for the local community.

22 We are providing tens of millions of
23 dollars in new revenue to assist with the local
24 economy annually. A minimum of \$25 million in

1 the first three years, a minimum of \$28 million
2 in years four to six with a potential of \$40
3 million when we reach a billion in gaming
4 revenues.

5 Preopening payments will fund
6 improvements and new construction in the local
7 community, with \$2 million for the renovation
8 of Harry Dela Russo Stadium and \$1 million for
9 the construction of a new youth center.

10 And we're not bringing a traffic
11 problem. We're bringing a traffic solution.
12 With \$40 million for local transportation
13 infrastructure, addressing pre-existing
14 problems all with private financing making this
15 a reality. Please know that peak traffic times
16 for Mohegan Sun do not coincide with peak
17 traffic times that are locally in the area now.

18 Let's not forget our support for our
19 local business community. We are committed to
20 purchasing \$10 million a year for Revere
21 businesses with \$50 million annually from
22 businesses located within 15 miles including
23 women- and veteran-owned businesses. And
24 through our agreement with the Greater New

1 England Minority Supplier Development Council,
2 a special focus on minority businesses. And we
3 support the Commonwealth's compact and its
4 diversity pledge. As I said before, we see
5 ourselves as part of the Revere community.
6 We're family.

7 We are also dedicated to preserving
8 thoroughbred racing. In fact, Suffolk Downs's
9 survival is dependent on Mohegan Sun
10 Massachusetts. If we get the license in
11 Revere, Suffolk Downs stays in business. Our
12 ground lease payments generate ensure the much-
13 needed revenue stream for Suffolk Downs, thus
14 preserving a 70-year-old racetrack tradition
15 and history of thoroughbred racing. This will
16 directly preserve 800 local jobs. That's 800
17 local jobs that are vital to the region from
18 trainers, jockeys and all those who rely on
19 this historic track.

20 Mohegan Sun takes responsibility.
21 Sustainability is important to us and it's in
22 our DNA. A commitment and persistent follow-
23 through when it comes to doing the right thing
24 on social and environmental issues. We are

1 proactive rather the reactive. We look to keep
2 problems from developing rather than waiting
3 for a solution to be called upon.

4 We actively seek opportunities for
5 action that further the common interest and
6 social good. Mitigating the social and
7 physical side effects of gaming is vital to us
8 as a business and as human beings. As a
9 result, responsible gaming is of the utmost
10 importance to us at Mohegan Sun.

11 We uphold rigid standards and safe
12 gaming experience that protect the community.
13 Our comprehensive responsible gaming program is
14 ready for implementation in Massachusetts.

15 There are many initiatives we take
16 to support the problem gambling initiative. As
17 an industry leader in ensuring fair and safe
18 gaming, we support and track voluntary self-
19 exclusion. We are one of founding members of
20 the Massachusetts Partnership for Responsible
21 Gambling and have been involved for 13 years
22 with the Massachusetts Council on Compulsive
23 Gambling.

24 Our plan outlines 24 policies, and

1 we have a history of proactively providing
2 materials and placing information in strategic
3 locations throughout our properties.

4 Integrated within the program will be self-
5 assessment and mini counseling kiosks. They
6 will be available to all of our guests.

7 We will monitor alcohol consumption
8 to avoid gamer intoxication. We provide rides
9 to our customers who are unable to drive home
10 safely.

11 And let's talk about our commitment
12 to the environment. As Hugh mentioned earlier
13 in his presentation LEED Gold or higher is the
14 only option for Mohegan Sun Massachusetts. We
15 are devoted to clean energy strategies and
16 practices. Our project will be energy
17 efficient.

18 We're environmentally conscious and
19 committed to the health of our employees and to
20 the health of our guests. We take an
21 integrated, interdisciplinary approach to
22 sustainability. Our commitment to protecting
23 Belle Isle Marsh includes improving the quality
24 of storm water runoff. Native plantings will

1 enhance and restore riverfront areas.

2 We are consulting with resource
3 agencies regarding any environmental mitigation
4 requirements. Over half of our site is
5 dedicated to green buffers. Our porte-cochere
6 is a landscaped outdoor room. And we have
7 landscaped roofs as well.

8 Our gas-fired cogeneration plant and
9 solar panel field can cut energy usage by 30
10 percent. 4200 parking spaces are below the
11 building and will not increase impervious
12 space. Parking level three will include earth
13 berms with natural plantings. Our greenhouse
14 will use hydroponic technology and grow
15 vegetables for our restaurants.

16 Our agreement with Harvest Power in
17 Waltham will enable us to recycle our food
18 waste into energy. Our overall effect and feel
19 of the interior of the project is one of space
20 and surprise. And we will make the most of
21 natural glass and natural light. Our indoor
22 plaza will open up onto an outdoor terrace with
23 views of Revere Beach.

24 And I'd like to pass it back to

1 Mitchell so he can explain some more to you.

2 MR. ETESS: Thank you, Bethany.

3 With any luck, by now you're getting the idea
4 of the kind of company we are to our values, to
5 the type of remarkable experience we're going
6 to create here if given the opportunity in
7 Revere.

8 But really at the heart of the
9 legislation here is economic benefits to the
10 Commonwealth. It's about putting people to
11 work.

12 Overall, Mohegan Sun Massachusetts
13 is going to be a huge prosperity creator for
14 the region, but it goes beyond just job
15 creation. Our city integrated approach begins
16 with tremendous relationships with our host
17 community, the region and the Commonwealth.
18 It's all going to lead to a really drastically
19 improved quality of life. We're not the only
20 people that believe that. Let's hear how many
21 people in the area believe our project will
22 impact the region in a positive way in their
23 own words.

24 (Video plays)

1 MR. ETESS: This is about driving
2 the economy. It's about being an economic
3 engine. There's no doubt about it. Mohegan
4 Sun Massachusetts is going to mean hiring local
5 workers, partnering with local businesses,
6 providing direct economic stimulus into the
7 region.

8 We're going to work closely with the
9 New England Minority Business Development
10 Council. We also believe in promoting tourism
11 and the convention business in Massachusetts.
12 We took the fact that Boston will now be a
13 gaming destination with all of the other
14 amazing assets. Just think about what an
15 amazing convention destination Boston will
16 become, extremely competitive with any place in
17 the country. And we're going to encourage
18 movement back and forth between our casino and
19 the local area attractions. We're going to
20 work the state to help maximize those
21 conventions.

22 There's a tremendous amount of
23 economic benefits. Of course, you all know
24 them because you've read through all of our

1 papers, but we felt that if we did not put at
2 least a few bar charts in a 90-minute
3 presentation, we'd be exiled from corporate
4 America.

5 So, we have three quick bar charts
6 for you. One is some immediate economic
7 impacts during the construction period. You
8 can see the total economic activity in Suffolk
9 County as well as the entire Commonwealth in
10 terms of salaries and wages and total economic
11 activity.

12 Here is in our first year of
13 operation. You have the same metrics. You
14 have the total salaries and wages just in
15 Suffolk County and then in the entire
16 Commonwealth, both in salaries and total
17 economic activity.

18 This one is really the big one as
19 was said in the previous video. This is the
20 gaming tax revenue generated by Mohegan Sun
21 Massachusetts, which is forecast to be the
22 highest in the Commonwealth, \$217 million you
23 can see in our first year of operation. As you
24 will hear briefly, we really do not inflate our

1 estimates. We're going to generate the most
2 tax revenue for the Commonwealth.

3 I think for the last -- I must have
4 said it three times or four times in the last
5 few minutes about our player's club program,
6 about the Momentum Program, how we're going out
7 into the community.

8 Let me tell you a little bit how
9 that works. As you know, in a loyalty program
10 at a casino, you earn points as you go. You
11 earn comp. dollars. In our case it's called
12 Momentum dollars. And you spend them at your
13 leisure. In most casinos, in fact even in
14 Connecticut you spend your dollars on the
15 property.

16 We're extending that program out
17 into the local community. We have already
18 signed up businesses to participate in this
19 where our guests can take their Momentum cards
20 and go into the businesses and spend the
21 Momentum dollars in those businesses.

22 When we sent our RFA-2 application
23 into you, we had 60 businesses already signed
24 up. Now it's over 100 and growing. Those are

1 millions and millions of dollars, comp. dollars
2 earned at the casino that are directly going
3 out into the community. This is not
4 speculative. This is a program where we have
5 people signed up. It's something that's
6 already done.

7 Speaking of something that's already
8 done, it's our agreement with the lottery. We
9 already have our signed agreement with the
10 lottery. It will be a mutually beneficial
11 relationship. We will co-market together.
12 Obviously, we will be a licensed vendor and we
13 will be selling lottery tickets and be a vendor
14 of the lottery in Massachusetts. And that is
15 again an example, we're doing our homework.
16 We're not speculating. We're not telling you
17 we're going to do things. We're getting things
18 done. We're getting the papers signed.

19 We create a great experience at
20 Mohegan Sun. We firmly believe that every
21 place has tables and slots. It's beyond the
22 physical surroundings that make people come
23 back. We believe at the base of our
24 experience, in fact, we say at the core of our

1 success are our employees.

2 Our company operates on the build to
3 last principle. And we have four core values.
4 One of the main ones is developing dedicated
5 and passionate employees, because we know they
6 are the people at the end of the day that
7 create the experience that makes people come
8 back that drives revenue to the property and
9 therefore, in this case, the Commonwealth.

10 So now let's take a look at why we
11 believe we are the employer of choice.

12

13 (Video plays)

14

15 MR. LAUBACH: Chairman,
16 Commissioners, my name is Kawel LauBach. I am
17 the chief human resources officer for Mohegan
18 Sun. It is my pleasure to introduce to you
19 briefly our culture at Mohegan Sun, just in
20 case you missed Undercover Boss this past
21 Friday, and to tell you why we are the right
22 employer.

23 We are the right employer because we
24 are focused on guest service strategy that

1 begins with our employee. We hire like our
2 business depends on it, because it does. We
3 take a leading-edge behavioral approach and
4 hire committed people. In fact, 90 percent of
5 our supervisory and management positions were
6 filled by internal promotions.

7 It is important to note that over 50
8 percent of our day-one team members are still
9 employed today. We train from the heart by
10 providing team members with skills to be
11 successful in the position. From leadership
12 development, tuition reimbursement to the very
13 first day where our orientation blows -- Excuse
14 me. -- blows the lights out.

15 We provide an outstanding work
16 environment because we realize that providing
17 exceptional service internally translates to
18 exceptional service externally. We provide
19 fitness centers, on-site pharmacies, relaxing
20 break areas that have pool tables, Ping-Pong
21 tables, video games, free meals.

22 But most important, we provide a
23 relationship of mutual respect to our team. We
24 protect that culture. Every business decision

1 that we make has that foremost in mind.

2 We are the right employer because we
3 are diverse. As it has been mentioned, Mohegan
4 Sun is a minority-owned and operated by the
5 Mohegan Tribe of Indians. We are committed to
6 developing and maintaining a diverse workforce
7 in every community in which we operate.

8 Currently, our Connecticut and
9 Pennsylvania properties have a combined
10 diversity percentage of 41 percent. This has
11 been achieved in demographics that are far less
12 diverse than the Boston area. To give you a
13 perspective, Northeast Pennsylvania has less
14 than four percent diverse applicants.

15 If you were to add our managed
16 property in Atlantic City, our diversity rate
17 reaches nearly 50 percent, 50 percent. And our
18 team members are represented in nearly equal
19 part female to male. Our entire team is
20 committed to diversity including our senior
21 leadership who participate in the diversity
22 committee and is responsible for administering
23 our diversity plan.

24 Our diversity plan for Mohegan Sun

1 Massachusetts contains goals agreed upon in our
2 host community agreement with Revere and in
3 alignment with our core business strategies.
4 Hiring goals related to the Revere community
5 including our effort to provide outreach to the
6 Spanish-speaking residents.

7 We ensure that diversity is an
8 integral part of the way we work. And we run
9 awareness programs, initiatives and actively
10 participate in community groups such as
11 American Legion, the NAACP, Rainbow Alliance,
12 Latino Chamber of Commerce to name a few.

13 The truly outstanding contributing
14 factor to our diversity is our hiring process
15 and the concentration on soft skills versus
16 technical. A resume and experience is always
17 secondary to a friendly smile, thus opening the
18 door to many who wouldn't apply.

19 We are the right employer because
20 our employees love their work. In a survey
21 conducted independently by Sterling Research,
22 94 percent, 94 percent of our employees either
23 agreed or strongly agreed that they enjoy
24 working for our organization. In the most

1 recent 2013 Northeast Hospitality Comp. data
2 survey it was reported that hospitality
3 companies saw approximately 40 percent turnover
4 rate.

5 Comparably Mohegan Sun Connecticut
6 had but a mere five percent turnover in the
7 same timeframe. And our Pennsylvania operation
8 had only 23 percent. So, it can be reasonably
9 deducted that our team not only love their job
10 but they stay and develop their careers with
11 us.

12 Finally, Mohegan Sun pays a leading-
13 edge wage and propose no differently for
14 Mohegan Sun Massachusetts. We have
15 approximated average wages including fringe
16 benefits around \$56,000.

17 We are the employer of choice
18 because of our convenient location. As we
19 mentioned, we are going to make every
20 reasonable effort to hire 75 percent of our
21 workforce from approximately 15 miles in
22 radius, ensuring direct proximity to the blue
23 line, the MBTA buses that will provide
24 alternate means of transportation similar to

1 how Suffolk Downs has operated since the 1930s
2 and it's a low cost means of transportation.

3 And we are the right employer
4 because of our labor collaboration. We are
5 committed to providing existing Suffolk Downs
6 and prior Wonderland employees one of the first
7 opportunities to apply for these positions of
8 Mohegan Sun Massachusetts.

9 We are the only applicant in the
10 eastern region who has a detailed project labor
11 agreement with both the building and
12 construction trades as well as the New England
13 Regional Council of Carpenters, with over 70
14 pages submitted to you, the Commission.

15 We are the only applicant who has a
16 signed memorandum of agreement signed by a
17 conglomeration of four separate unions the
18 IBEW, the UAW, Teamsters and (INAUDIBLE)
19 representing the interest of an additional six
20 unions in the Boston/Revere area. We are also
21 the only applicant in the eastern region who
22 have submitted letters of support, eight
23 letters of support to be exact. Letters from
24 the IBEW local 103, Laborers local 22,

1 Teamsters local 25, Sheet Metal Workers local
2 17, UFCW local 1445, New England Regional
3 Council of Carpenters, building and
4 construction trades and the entire Boston labor
5 Council AFL-CIO.

6 Now to discuss Mohegan Sun as a
7 right revenue generator, I'd like to
8 reintroduce Bethany Seidel.

9 MS. SEIDEL: We have a track record
10 of proven success. We're a highly respected
11 brand and we've whet the appetite already for
12 Massachusetts and Mohegan Sun.

13 We currently work in a competitive
14 environment and we get the kind of financial
15 results you are looking for. You've received
16 projections and they're conservative because we
17 do not inflate our estimates. We consistently
18 exceed them. Our approach is team based and
19 it's built to last. We are not a one-man show.

20 Mohegan Sun is an extremely well-
21 known brand where it matters the most in the
22 Northeast. We know these guests better than
23 anyone. We have been doing this for 17 years.
24 As strategic marketers, we've optimized our

1 formula for revenue driving success. We know
2 how to meet the needs and wants of our guests
3 in the Northeast and beyond.

4 And it's location, location,
5 location. We thrive in this environment and
6 have a database of millions that comes with it.
7 Our complete product offering creates a unique
8 guest experience that maximizes revenues.

9 We already operate regionally in
10 competitive markets like Atlantic City,
11 Pennsylvania and Connecticut. The other
12 applicant is not in this business. And we've
13 got momentum in Massachusetts. Our Momentum
14 Loyalty Program is innovative, revenue-
15 generating, loyalty building and portable.
16 With a loyalty program as compelling as ours,
17 our guests are eager to be rewarded and
18 recognized for their patronage. Momentum gives
19 guests the control and the choice to select
20 rewards they want when they want them.

21 And driving the power of Momentum is
22 our database consisting of nearly 5,000,000
23 customers in the Northeast alone. We also have
24 an international database that includes Mexico,

1 China and the Middle East. What better way to
2 increase tourism and visitation than a pre-
3 existing audience. We are the only applicant
4 with that type of regional experience, the only
5 one. This is what we do. This is what we
6 excel at. And this is why we are able to drive
7 the market share we do in our respective
8 markets.

9 Currently, our Massachusetts
10 Momentum members represent nearly 1 million
11 gaming trips a year, generating over \$130
12 million in gaming activity. We have an instant
13 and active database with our multi-property
14 loyalty program and communicate with millions
15 directly through personal relationships, email,
16 direct mail, phone and mobile offerings.

17 These are people in your region and
18 in your neighborhoods, people we already know
19 and who would love to escape right here to
20 Mohegan Sun, right here on the North Shore.

21 The day we open, we will have
22 members with Momentum dollars ready to be
23 redeemed. Of the 3.7 million adults within 60
24 miles of Revere, 670,000 or one in every six

1 are in our database already. Based on activity
2 that is occurring right now, we know the guest
3 value, when they visit, how often, what games
4 they play and what they like.

5 This valuable revenue driving
6 information cannot be matched by a more general
7 Vegas casino and database. With that list, our
8 database, we immediately drive revenues from in
9 and out of the region. And we are legally
10 bound to protect Massachusetts by preventing
11 revenue from leaving the state because of our
12 management agreement with Brigade Capital.

13 I'd like to invite Mitchell back to
14 expand on how we will exceed your expectations.

15 MR. ETESS: Thanks Bethany. One out
16 of six adults are in our database, that's why a
17 \$15 billion investment fund wants to be part of
18 this project. That's why we are going to
19 exceed your expectations. I'm looking at the
20 five of you. So, that means he is probably the
21 one person in the database.

22 But we will exceed your expectations
23 and we have exceeded your expectations. Let's
24 look at Pennsylvania. When Pennsylvania

1 studied their casinos, their task force
2 projected that in a stabilized year, Mohegan
3 Sun at Pocono Downs would generate
4 approximately \$131.4 million in revenue. In
5 the year ending August 31, 2013, we generated
6 \$221.6 million in revenue. That's 69 percent
7 more than the Commonwealth of Pennsylvania
8 estimated.

9 We know how to get it done. We
10 know how to exceed expectations. That's what
11 we try to do. In New Jersey, we went in and
12 purchased a percentage and were brought into
13 Resorts International to manage that casino to
14 help revive the regional casino in Atlantic
15 City that was one of the older casinos in
16 Atlantic City.

17 We renovated it. We went in there.
18 From the time period of July to the end of the
19 year after we opened the renovation, our
20 revenues in that property grew by 11.5 percent.
21 The revenues in all of the other casinos in
22 Atlantic City declined by .9 percent, plus
23 11.5, minus .9. It's a tough market but we
24 know how to get it done.

1 In Connecticut, it's another success
2 story. Mohegan Sun Connecticut is the highest
3 grossing casino of casino Wynn in the Western
4 Hemisphere. And that includes Las Vegas, it is
5 in the Western Hemisphere. We opened in the
6 shadows of what was at that time the highest
7 grossing, most powerful casino in the world. I
8 don't want to say the name out loud, but it
9 starts with an F, Foxwoods. And we eclipsed
10 them. Our property is wildly successful.

11 If you want big players from all
12 over the country, we've got them in our
13 database. They are our customers. That's how
14 you are the highest grossing casino in the
15 Western Hemisphere. You want regional
16 customers to come to the Commonwealth instead
17 of going to Connecticut and to Rhode Island,
18 we've got them too. They are already our
19 customers. It's as simple as that. It's a
20 proven formula. It works in all of our
21 markets. It's going to work here in
22 Massachusetts. And it can also help us with
23 the power of that database fend off competition
24 should there be some from neighboring states

1 like New Hampshire, because we know what it
2 takes to get it done.

3 We'd like to think our game is
4 different. It's how we generate more. We
5 provide great experiences to our guests. Our
6 guests have a wide range of preferences and we
7 know what they are. From two-dollar poker to
8 slots to a private high-end gaming room for the
9 highest player.

10 No matter where we go, we put
11 facilities in place that work for that market.
12 You can't do the same thing everywhere. And of
13 course, every casino has slots and blackjack,
14 but as I explained to you before, our roll of
15 play creates an amazing experience starting
16 with our employees, going to the surroundings
17 that make people come back and sets the stage
18 for that Wow experience.

19 I mentioned our four core values.
20 We have four of them. You know about our
21 dedicated and passionate employees. The first
22 one is blow away the customer. The second one
23 is driving the bottom line performance. And
24 the one you aren't aware of is continually

1 striving for perfection.

2 And that's what this slide is all
3 about because you have to continue to evolve
4 your product. You have to evolve, especially
5 in a repeat guest market. You have to evolve
6 your marketing program. You have to evolve
7 your property. You have to change the clubs.
8 You have to change restaurants. You have to
9 make sure you're giving your guests what they
10 want.

11 You have to monitor your service
12 scores. You have to monitor your guests
13 expectations. We constantly strive for
14 perfection. We do that. That is our goal.
15 That's how we'll drive market share. That's
16 how we'll be successful for you if you give us
17 the chance here in the Commonwealth.

18 So, at the end of the day, I can't
19 believe we are at the end, you've got a very
20 difficult task ahead of you. Our goal has been
21 to make this an easy choice for you. And to
22 make it even easier, we let David Letterman
23 help us.

24 We're going to give you the top 10

1 reasons why we are the right choice for the
2 Commonwealth in no particular order. One, we
3 have that New England know-now, yet we are that
4 internationally and nationally recognized brand
5 respected by Wall Street and respected for the
6 way we operate.

7 We have that welcoming accessible
8 location in Revere with a long history of
9 gaming and hospitality. You can look over
10 there and you can see those slides and you know
11 we have the Wow that this market wants and that
12 the Commonwealth deserves.

13 We can get up and running quickly.
14 Our project is on a clean site, easy to build
15 on, no environmental problems. Our projections
16 estimate that we will be up and running six
17 months earlier. That's a half a year earlier
18 than the other applicant.

19 We are the maximum tax generator.
20 Let's face it, we are here to generate revenues
21 for the Commonwealth. And we showed you that
22 \$217 million.

23 We have a history of integrity and
24 longevity. We don't fight with our neighbors.

1 We actually fight (SIC) with our neighbors as
2 Chairman Brown said in the video. We work with
3 our local communities and we have a track
4 record of doing that.

5 We are a highly respected successful
6 brand. We have a tremendous amount of
7 awareness in the Commonwealth and around the
8 Boston area. We've been advertising at Fenway
9 Park and at the Garden with the Celtics and the
10 Bruins and on TV around here for years. People
11 know what Mohegan Sun is. There's instant
12 brand awareness.

13 And of course, our database as I
14 mentioned before because it's up and running
15 quickly as well that already has those
16 customers that we can market to immediately.

17 We have a comprehensive mitigation
18 program, the most lucrative host community
19 agreement in the Commonwealth. We are taking
20 care of all of the problems. Mayor Rizzo has
21 got a tremendous amount to work with. And we
22 are proud to have dedicated all of those funds.

23 The continuity of Suffolk Downs, we
24 cannot stress it enough. Without the revenues

1 associated from the ground lease, the owners of
2 Suffolk Downs will not be able to sustain the
3 losses any longer. They have already submitted
4 a letter to you committing to 15 years of
5 racing from the time we get our license. And
6 that is from the time we get our license, so
7 that's maybe more like 17 years of racing.
8 That is the continuity of Suffolk Downs.

9 Last but not least Mohegan Sun is
10 the destination the Commonwealth needs. It's
11 the destination for everyone, the international
12 high-roller, the national gamer from Chicago,
13 the region, the market, we know how to do that.
14 We know how to perform. You give us the
15 chance, we promise, we will not let you down.

16 Thank you for your attention. And
17 I'll turn it over for a few closing words once
18 again to Chairman Brown.

19 MR. BROWN: I feel kind of like the
20 straight man right now. But I think the point,
21 Mr. Chairman, members of the Commission, is
22 that we've demonstrated for you today clearly
23 that we have both the passion and the
24 professionalism that make us the team of

1 choice. That we are ideally suited to win this
2 gaming license for Massachusetts.

3 We'd be truly honored to have the
4 opportunity to bring our project here, to bring
5 our team's vision to life. A vision for the
6 people of Revere. A vision that makes Revere
7 remarkable again.

8

9 (Video plays)

10

11 MR. BROWN: I suppose in conclusion
12 it would only be right to thank all of you for
13 your support for this project and to thank the
14 Commission for their time. We stand ready to
15 answer any questions that you might have.

16 CHAIRMAN CROSBY: Thank you. I
17 think it's safe to say that was well done.
18 Thank you. Commissioners any questions? That
19 is just exactly 90 minutes. Thank you very
20 much. Commissioners, any questions? There
21 will be more. Thank you all very much.

22 This has been a long and arduous
23 process for everybody. We are getting to the
24 end.

1 This is really the official kickoff
2 of the final decision-making process. We
3 deeply appreciate the work that you all have
4 put into this. We deeply appreciate all of you
5 being involved and expressing your opinions.

6 We will put our shoulders to the
7 wheel and we will do our very best to make the
8 best decision for the people of the
9 Commonwealth. Thank you very much for coming.

10 We will reconvene at 3:30 for the
11 presentation from Wynn Resorts.

12

13 (A recess was taken)

14

15 CHAIRMAN CROSBY: Ladies and
16 gentlemen, we are ready to reconvene the 102nd
17 meeting of the Massachusetts Gaming Commission
18 here at the Massachusetts Convention Center.
19 We are pleased to welcome our second set of
20 presenters today, Wynn Resorts and Mayor
21 DeMaria. I don't know who is leading off here.
22 Mayor DeMaria, you have 90 minutes and welcome
23 aboard.

24 THE HON. CARLO DEMARIA: Thank you,

1 Mr. Chairman.

2 That was little better than earlier
3 I guess. It's been a long road for the city of
4 Everett, over 14 maybe 16 months since we
5 started this agreement with the Wynn group.

6 On a Saturday in June on the 22nd,
7 my community went out and voted. Nearly 90
8 percent of the residents voted in favor of a
9 game institution on the water of the Boston
10 Harbor in the city of Everett. We are minutes,
11 seconds from Boston Garden, the North End,
12 South End, downtown Boston. It's a great,
13 great location.

14 Twenty years I've been in city
15 government, 14 years as an alderman and the
16 last six years as mayor. In 2011, I put
17 together a group, hired a planning firm and
18 looked at this area of Everett, this lower
19 Broadway area of Everett filled with used car
20 lots still today, scrapyards, just an old
21 industrial section of the city of Everett.
22 Blighted properties, contaminated properties,
23 and I said we have to do something better. We
24 have to envision what we want here.

1 We did some roundtables with
2 residents. And they wanted hotels, and they
3 wanted marinas and they wanted better
4 businesses for their children. They wanted
5 something when their kids graduated from
6 college they had somewhere to go and get a job.
7 And we couldn't provide that in Everett.

8 But we have the resources, the
9 proximity to Boston. We are not 10, 20 miles
10 away from Boston, we are Boston, we are on the
11 border. But we don't have the infrastructure.
12 We don't have the commuter rail line. We don't
13 have the silver line extension. We don't have
14 a key station in the city. We don't have
15 anything. We don't even have a hotel in the
16 city of Everett.

17 We talked about this Wow factor for
18 a lot of times. I hear this Wow factor. Well,
19 for the city of Everett this would be the first
20 hotel. This will be someone who can clean up a
21 contaminated site that no one else wants to
22 touch. No one else wants to come in here. In
23 the last eight years as mayor all I've got
24 approached were was bioenergy facilities or

1 other retail outlets or other industrial uses,
2 things that I didn't want to bring to my city.

3 For once I have someone who will
4 clean up the land, build a hotel, hopefully
5 with a marina someday with a water taxi shuttle
6 service. So, if I wanted to come to the
7 convention center, I can jump on the water taxi
8 at the Wynn Resorts and come right here to the
9 Boston Convention Center. And hopefully
10 conventioners when they come into Boston, will
11 come more to Boston because they can get on a
12 boat and come over to the Wynn Hotel in
13 Everett.

14 And I feel that this facility will
15 be the catalyst for our whole area. If you
16 look at the map of the city of Everett and you
17 see the Monsanto site, you also see the GE
18 Parkland. Contaminated land the GE left after
19 building whatever they built during the war,
20 Airforce Road and left another 70 acres of land
21 just kind of contaminated.

22 What I would like to do if this were
23 to come to fruition is to use the revenues to
24 clean up that land, to clean up the banks of

1 the Mystic River so we can spawn new
2 development, more housing, more residential --
3 same thing -- more uses for our community that
4 generate more jobs, more taxes for our city,
5 more infrastructure improvements.

6 This is a development that can do
7 it. This is the only development that can do
8 that for the city of Everett. I want to thank
9 the Wynn group for allowing me a couple minutes
10 to address you Mr. Chairman, Your Honor,
11 members of the board here.

12 This is an important day for the
13 city of Everett. I'm not going to say Everett
14 is the center of the universe. We're not the
15 center of the universe. This will restore
16 access to the waterfront. The people of
17 Everett have not been able to access the
18 waterfront for over decades, decades. We'll
19 finally be able to restore the access to the
20 waterfront, have pedestrian paths connect to
21 our bike paths to bring us all of the way into
22 Boston and North to Nahant Beach.

23 This is a tremendous project for the
24 city of Everett. And if you look, if you do

1 your due diligence in your voting on this and
2 you look lower Broadway master plan the city of
3 Everett envisioned and it talks all of this.
4 It talks about this area in particular.

5 This will generate more jobs not
6 just in this facility but what it does for that
7 whole area. We have hundreds of acres of land
8 that are just underutilized that about this
9 property that I know if this would be built
10 that those properties will be turned over to
11 better, higher uses that will generate more
12 taxes for the city of Everett and clean up that
13 whole city area.

14 We have the power plants. We have
15 the Exxon. We have the LNG facility. We have
16 a scrapyard right on the waterfront. That's a
17 deep-water dock. That could be someday a
18 terminal, a cruise terminal. It could be
19 something better than what it is now.

20 This could really lead to that.
21 This could help us transform that whole area,
22 clean that area up and really have more for our
23 community. So, I ask you when you make your
24 decision that you really think about the

1 thousands of residents they came out and 90
2 percent of them -- we're not all in favor of
3 gaming, but they came out because they wanted
4 something to transform their community. They
5 wanted something to really say -- finally put
6 Everett on the map.

7 Again, I thank you for your
8 indulgence. As you can tell, I fully support
9 this facility. And all of my residents that
10 came out today -- Unfortunately, we are a blue-
11 collared community. So, most of us are working
12 this afternoon. So, this is who came out that
13 took a day off to come here. We fully support
14 this. And we hope that you see that not only
15 is Wynn the best suited operator in the
16 business, but this is the most desirable
17 community that wants it and that can really
18 transform the city of Everett.

19 And I would implore you, and I think
20 you've come out to the site, but to walk that
21 site and walk that area of Everett and look at
22 that lower Broadway master plan. This can
23 really change our committee. Thank you for
24 your time, and I really appreciate it.

1 MR. MADDOX: Good afternoon, my name
2 is Matt Maddox. I am the president of Wynn
3 Resorts. It's good to see everyone again.

4 Before Mr. Wynn stands up, I'm going
5 to spend a little bit of time talking about the
6 economic impact and how Wynn believes it can
7 deliver on the numbers and the jobs that were
8 promised in our application.

9 So, if you look on the first slide,
10 we are talking about a \$1.6 billion project.
11 To put that in perspective, the city of
12 Boston's five-year capital plan is \$1.8
13 billion, 90 percent of the city of Boston's
14 five-year capital plan. When you think about
15 jobs, we're looking at 6000 long-term jobs,
16 4000 direct at Wynn and 2000 induced. In
17 addition, we have 4000 construction jobs.

18 That would put Wynn in one of the
19 top 10 employers in the city of Boston. We
20 would be right behind Boston College at 4100
21 employees, slightly larger than Tufts Medical
22 Center at 3700 employees. If I back out
23 universities and hospitals, it would look
24 something like this: State Street 7800,

1 Fidelity 5500 employees, Wynn 4000 just edging
2 out John Hancock at 3300.

3 This is a project that is going to
4 drive significant jobs and significant
5 earnings. The household earnings associated
6 with these jobs are over \$270 million. We are
7 known as having the largest payroll in the
8 industry. And it's not because we pay
9 everybody a lot more, but our tipped positions
10 make 30 to 40 percent more than our
11 competitors. It's the premium business. Our
12 employees make more at Wynn because our
13 customers and who we are.

14 Those household earnings are more
15 than the entire business payroll of the city of
16 Everett. They are at about \$180 million. Lots
17 of people talk about tax revenues and tax
18 generation. We've estimated \$267 million in
19 taxes annually recurring that includes the
20 sales tax and food and beverage tax, over \$200
21 million in gaming tax. The city of Boston's
22 budget is \$2.6 billion. So, it's 10 percent of
23 the city of Boston's budget.

24 I will get into how we think we can

1 generate those taxes in the next slide, but the
2 last point I want to make is on visitation.
3 We're expecting seven million visitors, which
4 is a little over 20,000 a day. That is more
5 than the 4.5 million in annual attendance for
6 the Red Sox, the Bruins, the Patriots and the
7 Celtics combined. So, this is a very real
8 business that is going to be an enormous
9 economic engine to the region.

10 If you look at the next slide,
11 again, for those the numbers to come true --
12 because everybody seems to throw up numbers and
13 to put numbers out there that are pretty
14 similar. For those numbers to come true, you
15 have to trust that the operator is going to be
16 able to generate those revenues.

17 We estimate that a regional casino
18 focused on the regional business will make
19 about \$500 million in gaming revenue in Region
20 A, because make no mistake, Region A is highly
21 competitive. You have casinos in Rhode Island.
22 You have casinos in Connecticut. It is not a
23 monopoly. It is highly competitive. And the
24 pie doesn't always get bigger. Typically, the

1 revenues shift around.

2 So, what we've done in our forecast
3 as you'll see, we've taken \$500 million
4 standard regional forecast, but we say we are
5 going to make over \$800 million in gaming
6 revenue. The extra \$300 million that's the
7 premium business. Domestic customers that are
8 \$250,000 to \$500,000 customers. International
9 customers that generate millions and millions
10 of dollars each trip.

11 So, our database, people like to
12 talk about the database, think about the Wynn
13 database, \$5.5 billion with a B, \$5.5 billion
14 in gaming revenue in 2013 from our
15 international customers, \$5.5 billion. That
16 with all the things that Boston has, all of the
17 20 million visitors that is how we believe we
18 can drive the extra \$300 million. It's not
19 just from the region. It's taking money from
20 outside the region and bringing it here.

21 Look at our history, Mr. Wynn will
22 go through the full 40-year history, but I
23 would just like to point out Wynn Las Vegas.
24 When it opened, we generated two times more

1 than the average Las Vegas strip property in
2 terms of revenue. Just so you know, and I
3 think if you did some homework, most casinos
4 make their money in the first couple of years
5 and then start to decline over time. Less
6 capital investment, more competition, the
7 revenues usually don't go up.

8 If you look at Wynn Las Vegas, we're
9 almost double where we were when we opened.
10 And we have a 300 percent premium to the market
11 today. So, we have continued to take share.
12 We've continued to improve our product. And we
13 continue to be the number one operator in Las
14 Vegas. And it's the same story in Macau.

15 When we opened in Macau, Macau had a
16 55 percent revenue growth rate that year, the
17 largest in Macau modern history. But that
18 wasn't just a year-one aberration. Fast
19 forward to today, a billion dollars to \$5
20 billion in gaming revenue. Our places get
21 better over time, and we outpace the market by
22 multiples in a competitive market. Again,
23 Massachusetts will be a competitive market.
24 And Wynn has always out performed in its

1 markets.

2 I think it's important to talk about
3 the financial strength of the company. We will
4 not be owned by a hedge fund or have any
5 liquidity deadlines or timelines. We are very
6 cautious when it comes to our balance sheet.
7 We have \$2.7 billion of cash on hand and \$2.4
8 billion in the bank. The other \$300 million is
9 working capital on the floors, \$2.4 billion in
10 the bank.

11 I'd like to point out a chart that
12 shows net debt to EBITDA. What that means is
13 how much debt do you have compared to how much
14 cash flow. As you can see, in 2007 most of the
15 industry was pretty good, including Wynn. We
16 were at only three times that's investment
17 grade.

18 In 2010, the heart of the recession
19 the domestic operators go to almost 10 times
20 leverage, junk status. What happens to Wynn?
21 We improve, because Mr. Wynn anticipated
22 problems. In 2008, we paid down debts. We
23 raised equity and we became investment grade
24 status.

1 And today, we still outpace all of
2 our competitors. If you look on the next
3 slide, we have 30 times more cash on hand at
4 \$2.4 billion compared to our Region A
5 competition. We generate over 12 times more
6 cash flow. And it's not that we're bigger and
7 that bigger is better. What's important is
8 that when you have financial stability it
9 guarantees on-time construction and completion.
10 It guarantees employee jobs. And it guarantees
11 brand protection.

12 The balance sheet is actually the
13 backbone of a great organization. Because as
14 sure as all of us know there are great times in
15 the economy. There are average times in the
16 economy. And there are bad times in the
17 economy. That's a fact. So, I think you
18 should judge people on what do they do in the
19 bad times. What happens when things get tough.

20 If you look on the next slide,
21 here's what Wynn did. Mr. Wynn, myself, all of
22 us took 15 percent pay cuts, management reduced
23 our salaries, no bonuses and we didn't lay
24 anyone off. We protected 99 percent of our

1 people in the down times. This is in Las
2 Vegas.

3 Our competitors in Las Vegas did not
4 do that. They laid off thousands and thousands
5 of people, because they didn't have the balance
6 sheet to support when times get tough. In
7 fact, our competitor in Region A had 8700
8 employees in 2007 and today has around 5540
9 employees, 3000 less employees from the peak,
10 very similar story in Las Vegas for everyone
11 except Wynn. We protected our people. We
12 invested in our people.

13 Finally, we have a long successful
14 track record of accessing capital. We've
15 raised over \$19 billion in the last few years.
16 We raise money in the three to four percent
17 range. And we are the owner, the operator and
18 the financier. With that, I turn it over to
19 Mr. Wynn.

20 MR. WYNN: Am I speaking properly in
21 the microphone, Mr. Chairman?

22 CHAIRMAN CROSBY: You are.

23 MR. WYNN: It's very nice to be
24 here. We're excited to be here. Our

1 presentation, my portion of it is going to be a
2 bit different than the lovely job that Mitchell
3 Etes and his friends did earlier today. Maybe
4 it's because we've been at it longer, and we've
5 had job fairs in Everett and we've been before
6 this Commission before, but I'm ashamed to
7 admit that at the moment I have no video.

8 I'll try and overcome that
9 tremendous deficit in the next few minutes and
10 instead I'm going to deal with some of the
11 practical realities of how to get where the
12 legislation and this Commission have announced
13 they want to see this industry go.

14 I think it's time today to get down
15 to the nitty-gritty of how it's done. The
16 nitty-gritty of exactly what it takes to bring
17 people from outside the region into the region.
18 Tourism is about bringing people from over
19 there to over here.

20 I tend to be a simple approach type
21 of person. So, my language and my thought
22 process is simple. To get people to come from
23 over there to over here, what's here has to be
24 better than what's there. Makes sense so far.

1 If what's better here is better than
2 over there, then that carries with it certain
3 irrefutable and immutable implications. If
4 what's better is here, it has to be better
5 here. So, let's talk about what's better here.

6 Incidentally, I thank Mayor DeMaria
7 for coming today. He's been a great partner.
8 When I first came a year ago when Matt
9 introduced me to him, I thought well, we are
10 going to be the piñata, they'll think gaming is
11 the answer to everything. Will we be treated
12 fairly?

13 The mayor was a very tough
14 negotiator on behalf of his voters. But at the
15 end of the day, he took a long-term approach to
16 our partnership in Everett. And for that we
17 are very grateful. We came up with all of the
18 money, the 30 odd million. We came up with the
19 40 odd million in traffic mitigation just like
20 the Mohegan Sun people talked about this
21 morning. Actually, everything they've talked
22 about, we've done already in Everett.

23 We've had the job fairs. We've made
24 the arrangements with the citizens for their

1 employees. Our impact to the region is
2 positive by any rational measurement. But we
3 are going to be very nice. We're not going to
4 ask the people of Somerville to pay us.

5 The neighboring communities have a
6 very aggressive attitude towards us, as one
7 might expect and which is understandable. And
8 I have every hope that we will come to a
9 reasonable resolution of those differences
10 shortly, but we are very glad to be in the
11 neighborhood.

12 So, now let's get down to what we're
13 going to do. One of the things that we really
14 love and we're going to show you these slides,
15 as I said, I'm short a video, but we do have
16 some pictures.

17 You have in front of you books that
18 have colored pictures so that you can see them
19 up close. But for the audience there are
20 rather large pieces of renderings here. One of
21 them is a view of the whole project. And it's
22 interesting because the project is different
23 than Suffolk. And it is different for reasons
24 that are very specific and practical and I'm

1 going to get into that.

2 Mayor DeMaria pointed out that
3 Everett is on the water. And the waterfront
4 development is very important to everybody in
5 the Boston metropolitan area. The use of the
6 harbor is a wonderfully popular, wonderfully
7 popular dynamic at the moment. From Hingham to
8 Rows Wharf the boats are crowded every day as
9 people (A) avoid traffic, but (B) enjoy the
10 harbor and the excitement and the fun of
11 waterfront transportation.

12 We have jumped into that. We have
13 jumped into that party with a lot of
14 enthusiasm. And we are taking advantage of our
15 location on the Mystic River to have waterfront
16 development, recreational waterfront
17 development that's rather extensive and
18 waterfront transportation.

19 And we built a dock, an arrangement
20 so we're going to conduct our boats and our
21 water transportation with great enthusiasm to
22 add to the fun of a process that is already
23 highly regarded and highly valued by the
24 citizens of the region.

1 Waterfront transportation is a big
2 deal for the Wynn Resort at Everett. I guess
3 if you want to have waterfront activity at
4 Suffolk Downs, you need a landing craft or a
5 duck boat and you better get a fast start and
6 hit Revere Beach at full speed.

7 You can go up Dana Avenue where my
8 entire family was born and I played stickball
9 before I was 10 years old and then make a turn
10 and go up Shirley Avenue and get to Suffolk
11 Downs with the duck boat. But Everett, you can
12 take the boat right to the casino. And we're
13 looking forward to that.

14 I brought with me today, and I think
15 it's here visibly, a presentation to the
16 Commission. I love it very much. It was
17 18,000 pages. I am so attached to this
18 remarkable volume of work, which each and every
19 page, which I am sure each of you have read to
20 the letter, each and every page contains a
21 myriad of wonderments and revelations of gaming
22 that I'm sure you will enjoy. I am so attached
23 to it that I take it with me everywhere I go
24 now. And I hardly notice that it weighs 225

1 pounds.

2 Enough clowning around. How to
3 bring people from over there to over here. I
4 listened this morning -- earlier this afternoon
5 to a fine gentleman who teaches at Harvard as
6 an architect. And he talked about the
7 horizontality of the development at Suffolk
8 Downs. The horizontality, meaning the spread
9 of it. And he bragged about the fact that it
10 wasn't a high-rise building. I think he called
11 it a cookie-cutter.

12 I'd like to deal with that
13 horizontality and the cookie-cutter high-rise
14 for a moment. If something here is better than
15 there, it's because it's user-friendly. At the
16 heart of our 18,000 page presentation is one
17 executive summary that repeats itself and
18 repeats itself like Cole Porter's lyrics,
19 repeats and repeats in my ear. There is no
20 substitute for guest experience.

21 All of the technology, all of the
22 related ancillary issues have to do with one
23 thing only, the guest experience. To the
24 extent that the guest experiences is positive

1 and wonderful, then people come back again and
2 again. They're even willing to pay more money
3 in the future to offset the rising costs of
4 business and wages. And they tell their
5 friends.

6 So, let's talk about the cookie-
7 cutter high-rise building versus horizontality.
8 When something is spread out horizontally, that
9 means you have to walk further to get to it.
10 The housekeeping people have to walk further.
11 The room-service people have to walk further.
12 The baggage people have to walk further. And
13 the aging population has to walk further.

14 A long time ago in the arch of our
15 experience, we learned that we do not want to
16 make people walk further. We want to make them
17 walk less. So, we went vertically with the
18 buildings because that was much more user-
19 friendly.

20 Today is January 22. We were
21 informed two months ago by the Forbes people
22 about this year's awarding of the Forbes five-
23 star awards for hospitality, food and beverage.
24 They asked us not to say anything until January

1 22 when they make the public announcements.

2 Ironically, serendipitously today is
3 January 22. This morning Forbes made their
4 announcements. That in Macau, Encore and Wynn,
5 in Las Vegas, Encore and Wynn are the
6 recipients of Mobil five-star awards for the
7 spa, the restaurants and the hotels, in two
8 facilities and 50 five stars. The president of
9 Forbes told me Mr. Wynn, I am proud to tell you
10 that's the most in the world.

11 You got enough developer-speak
12 earlier today to last all of us the rest of our
13 lives. Developer-speak is where the developer
14 stands up, and it's very important in
15 developer-speak, you have to use the word
16 world-class at least 100 times. You have to
17 say five, six, seven, eight stars. You say
18 world-class over and over again until everybody
19 is convinced that you mean it.

20 The fact of the matter is there is
21 only one five-star multiple establishment in
22 the gaming industry in the world today by
23 Forbes and that's Wynn.

24 Thank you. I bring this up not for

1 the obvious reason of self-promotion, but to
2 make the point the five-star ratings and
3 there's another 16 stars in Las Vegas for all
4 of the restaurants, so 66 altogether. The
5 reason to bring it up is because that is an
6 effect not a cause. The effect of good
7 management and a meticulous attention to
8 detail.

9 God lives in the detail in this
10 business. It's great to have expectations and
11 great ideas and tremendous enthusiasm. A
12 casino in Revere where my entire family is
13 from, the only reason I'm not from Revere is
14 during the war, my dad was physically disabled.
15 So, he had a defense job at Marlin Firearms in
16 New Haven.

17 So, in 1942 on January 27, I was
18 born in New Haven instead of like the rest of
19 my kinfolk in Revere. Family was brought up on
20 Dana Street, 11 Dana Street in my Aunt Bessie's
21 house. She had a yarn shop on Shirley Avenue.

22 The five stars are an effect. I
23 know the casino in Revere will be good for
24 Revere just as the casino in Everett will be

1 good for Everett. Naturally, that's true.
2 We've all made the same arrangements with the
3 local communities to favor them in the jobs.
4 Nothing else would be sensible or fair.

5 But this is about Massachusetts and
6 the ability of one of us to create a
7 destination resort that will resound outside
8 this region. And God lives in the details of
9 that assignment.

10 I talked about vertical versus
11 horizontal development. Anybody who has been
12 at this business for a long time knows that you
13 go vertical instead of horizontal to be user-
14 friendly, to be able to deliver food in 15
15 minutes at room service.

16 Imagine in your mind that in hotels
17 of 500 and 1000 rooms that everybody wants
18 breakfast within the same 75- to 80-minute
19 period. And yet the tables of this restaurant,
20 so to speak, are separated by hundreds of
21 meters.

22 The room-service elevators and the
23 room-service carts have to be all set the night
24 before. And all of the employees have to get

1 up those elevators at the same time. And you
2 have to have separate elevators for the
3 housekeeping because at the very same time
4 that's when housekeeping is loading the
5 elevators for the day for the ladies who are
6 the maids and have quotas of rooms to do.

7 So, you need separate elevators for
8 the housekeeping, separate elevators on this
9 vertical building so that everything gets done.
10 So that the rooms get made up and the food and
11 the breakfast gets there warm. And the toast
12 is still warm with the butter on it.

13 God lives in the details in these
14 buildings. I remember reviewing our
15 competitor's application and it says they're
16 going to build a three-star hotel. A three-
17 star hotel I will define. We don't have any
18 three-star facilities or rooms, never had one.

19 A three-star facility is a bathroom
20 of 50 or 60 feet with a single potty out in the
21 open, a combination shower and tub, a single
22 sink. Five-star hotels have separate water
23 closets with bidets and sometimes with Johns
24 and sometimes bidets. They have two sinks and

1 makeup areas. They have a separate shower and
2 a separate tub. And a five-star bathroom is at
3 least 160 feet.

4 The room is twice the size of a
5 three-star room. The room that has been
6 submitted to you for Suffolk Downs is 350 or 60
7 feet. We are almost twice as big at 650 feet,
8 the smallest room we have. And there's
9 pictures of the rooms there and the suites on
10 our submissions to you and the pictures you
11 have in front of us.

12 We have won every design award that
13 can be won both in landscape architecture and
14 interior designs over the past 45 and 46 years
15 that I've been in this business. Every single
16 award that can be won, we have won in Biloxi,
17 Mississippi, in Atlantic City, New Jersey, in
18 Las Vegas and Macau. We have been consistent
19 in our pursuit of excellence all of these years
20 because we understood what it took to create a
21 good guest experience.

22 I listened this morning to another
23 comment that was made about knowing the
24 customer. Make no mistake about it, you all

1 know on this Commission that before we showed
2 up in Everett, Suffolk Downs was going to be a
3 box of slots.

4 They bragged about it, phased
5 development. First slot machines and then
6 later on we'll get around to a hotel. When we
7 showed up that changed.

8 Caesars all of a sudden found
9 religion and built a tower, one of those
10 cookie-cutter towers. Then Caesars went away
11 and now the folks at Mohegan Sun have the
12 presence of mind to say they're going to do it
13 all at once. And that's the way it should be.
14 But a three-star hotel is not going to bring
15 anybody from outside the region into the
16 region.

17 What's interesting about this
18 conversation is that everybody who knows about
19 tourism knows that you don't build a three-star
20 hotel in 2014 in our industry anymore. It's
21 yesterday's newspaper that doesn't get the job
22 done and it's a misfire. In plain language,
23 it's a misfire, just like a three-star bathroom
24 is a misfire and a 350 square-foot room is a

1 misfire.

2 The hotel that we put that's there
3 that we guarantee to build is the finest hotel
4 room on the Eastern United States of America.
5 There is no room in Philadelphia, New York,
6 Boston, Chicago like that room. That's because
7 the casino allows us to build it.

8 Which leads me, Commissioners, to
9 this next point. When we opened the Mirage --
10 And I use Las Vegas as an example because the
11 principles are the same. When we opened Las
12 Vegas, the Mirage in 1989 on November 22, the
13 anniversary of the Kennedy assassination -- And
14 I remember covering Kennedy as the news
15 director of a radio station at the University
16 of Pennsylvania. And I got to know Senator
17 Kennedy. I was so in love with Kennedy, I
18 learned to talk like him. I tried to dress
19 like Kennedy when I was young. I got the suit
20 I combed the hair like Kennedy. My mother and
21 father loved Kennedy.

22 When I opened the hotel on November
23 22, '89 with Siegfried and Roy at my side,
24 Caesars Palace had the record in the state of

1 Nevada history for revenue, \$400 million. It's
2 a highly competitive market, 70 hotels on the
3 strip, no monopoly, no duopoly, 70 hotels.

4 Caesars Palace had the record at
5 \$400 million and nobody had ever been nearest
6 400 except Caesars. That was the glass
7 ceiling.

8 We opened the Mirage. And in 1990
9 the first full-year of operation we broke the
10 \$500 million mark. What's interesting and the
11 point I want to make sequentially here is that
12 the non-casino revenue was \$600 million. And
13 then when we opened the Mirage and everybody
14 said when we opened Bellagio they said nobody
15 could ever beat the \$500 million.

16 Bellagio went to \$600 million its
17 first full-year and broke another state history
18 record in Nevada. But what's again important
19 is that Bellagio had \$800 million of non-casino
20 revenue. Again, the non-casino revenue
21 exceeded the casino revenue in the largest most
22 successful casino hotel on the strip.

23 When we opened Wynn in '05, we broke
24 through the first \$700 million mark. What was

1 interesting and again like a recurring theme
2 that repeats and repeats at night in my ear,
3 the non-casino revenue was \$900 million.

4 This year, I forgive Mr. Etes for
5 not knowing the numbers. I am going to reveal
6 them early, we broke through the \$800 million
7 mark and did \$853 million, a little less than
8 the Mohegan Sun. But Mohegan Sun's entire
9 revenue with \$1.1 billion, 950 in gaming and a
10 couple of hundred million in non-gaming.

11 Our non-gaming revenue alone equaled
12 all of the revenue of Mohegan Sun at \$1.1
13 billion. The total revenue was \$2 billion.
14 So, here we have Mirage, Bellagio, Wynn, Wynn
15 and Encore breaking state records for revenue
16 over and over again but always being exceeded
17 in revenue by the non-casino revenue. Why,
18 those aren't coincidences, Commissioners.
19 That's a causal effect.

20 It's the non-casino stuff that does
21 it. It's the place, the magic of the place
22 that does it. And in order to make the place
23 magic, you've got to know how. Damn it, you
24 have to know how.

1 So, you don't build three-stars, you
2 build five-stars if you want to bring people
3 from over there to here. If you want to make
4 people have a good experience, you make it easy
5 for them to get to the room. With all due
6 respect to the gentleman from Harvard, you go
7 up, you don't go out, because it's the guests
8 that matters. It's the employees and their
9 ability to deliver service that matters.

10 If we as designers -- And
11 incidentally, there's a third-party owner of
12 that casino in Suffolk. There's a third-party
13 hotel operator. There's even a third-party
14 retail operator. All of which is a
15 coordination nightmare. Everybody has their
16 own gig.

17 We've got one gig, customer service,
18 guest experience. We own the restaurants. We
19 operate the hotel. We operate the casino. We
20 don't go looking for other people, because we
21 can afford and we know how to do it ourselves.
22 It's cold, it's straight, it's hard-nosed. And
23 I'm being hard-nosed today because today is not
24 about theater.

1 Today is about how do we get a
2 destination resort up and running in
3 Massachusetts. And I'm excited to want to do
4 it. You've got to be able to -- Wynn Resorts
5 is for Mohegan Sun and Foxwoods their worst
6 nightmare, their worst nightmare. They don't
7 want us here.

8 They don't want us paying 25 percent
9 of tax on table winnings when they pay nothing
10 in Connecticut. What do you think they're
11 going to do when it comes time to move a big
12 customer, pay 25 percent to Massachusetts or
13 shuttle them off to Mohegan Sun in Connecticut
14 where they pay nothing. Side letters apart,
15 economic reality is economic reality.

16 But if Wynn Resorts is selected, we
17 have only one interest, this casino in
18 Massachusetts. We don't give a damn about
19 Connecticut.

20 If that isn't a reason for us to be
21 favorably considered, I submit that it's our
22 credentials at the end that would give any
23 reasonable body the comfort to know that we can
24 keep our promise. Naturally, we had the same

1 relationship with our community, that same warm
2 and wonderful relationship that the Mohegan Sun
3 people demonstrated with the folks from Revere,
4 my family's hometown.

5 Our impact to Revere is tremendous.
6 Our impact to Somerville is terrific. I know
7 that the adjacent communities all want us to
8 pay them money, but we are being generous.
9 We're not going to charge Somerville any money.
10 That's a joke. That's a joke. But the impact
11 to Revere, to Somerville, to all of our
12 adjacent communities is truly positive because
13 employees will come from there as well.

14 And when you bring people from
15 outside the region into the region, we know
16 from studies by the federal government when
17 they did their federal gaming study in all of
18 the different jurisdictions that sales tax went
19 up everywhere because people came from outside
20 the region into the region. It wasn't a zero-
21 sum game. It was a gain where benefits were
22 spread across the community.

23 Anti-gaming people like to say prior
24 to the federal study, the divorces would go and

1 bankruptcy will go up. And in fact, the
2 federal study showed that bankruptcies went
3 down because of economic activity where casinos
4 were legalized. And divorces went down because
5 people had jobs and they were happy which
6 contributed to their family life.

7 I think we're going to have a
8 wonderful effect on the neighborhood if we get
9 to build our hotel. We're spending a fortune
10 on landscaping to make that former Monsanto
11 site beautiful. We've built a retail center --
12 A lot was mentioned, I remember one of the
13 cursory remarks today was we're going to bring
14 the primary tenants in.

15 I want to tell you, Commissioners,
16 all of the primary tenants that they are
17 aspiring to get are with us now. They go
18 wherever we go, Chanel, Gucci, Armani, Louis
19 Vuitton, you name them, they're in my hotels.
20 And they can't wait to know where we're going
21 next, because they call me up. Rolex, Cartier,
22 Piaget, every single one of them are with us.

23 And we have 90- or 100,000 feet of
24 retail. It's on the plan. But you can see

1 that we built this beautiful retail center so
2 that we can have a recreational impact on the
3 shoreline, on the waterfront.

4 And we made a promenade on the
5 waterfront. And out at the end, we built a
6 winter garden. A beautiful winter garden in
7 which we have put -- One of the factors you
8 mentioned was the Wow factor. That phrase is
9 something we sort of invented. I think the
10 first time was with the volcano and the atrium
11 at the Mirage and the sharks behind the front
12 desk and the white tigers. Then there was the
13 pirate show at Treasure Island that we put in.
14 Then the fountains at Bellagio and the Chihuly
15 chandelier and the garden, the conservatory at
16 Bellagio. To have a Lake of Dreams at Wynn
17 that whole Tree of Fortune that comes out of
18 the floor in Macau.

19 In Las Vegas, and we're building
20 another hotel in Macau called the Wynn Palace.
21 It's a \$4 billion deal with a six million feet.
22 It's half finished. And it's whole theme is
23 flowers. And I'm so in love with that idea
24 that I want to use it in Boston.

1 In order to test it out -- See, we
2 test everything. We build markups. We spend
3 nine, \$10 million on model rooms and model
4 buildings. We even modeled full-size a casino.
5 In Las Vegas now there's a 35,000 square-foot
6 building and 5000 foot of the casino exists.
7 Every suite and every room exists.

8 We even modeled the room for here.
9 And I think I just got a signal from Michael
10 that we've managed to find a video to show you
11 the room, the actual room not maybe, the actual
12 room. Not a picture, we're going to show you
13 the room in a minute.

14 Not yet, Mike. I'm sorry. I jumped
15 on the cue, my fault. We model everything.
16 And we intend to populate and we tested this
17 out in Las Vegas, we said if we want to make
18 people see something -- And that's the whole
19 idea is you don't copy anything. You do new
20 things. So, we decided we got with Preston
21 Bailey who is the world's greatest floral
22 designer. And we got with Preston a year ago.
23 And we started working on an idea that we
24 tested and we installed the week before

1 Christmas in Las Vegas.

2 We took and built 100 percent out of
3 flowers a 28-foot wide carousel with four
4 horses all made of flowers, of orchids and
5 mums. And the horses go up and down and the
6 carousel goes around to calliope music. And at
7 the other end, we put this hot air balloon all
8 colored in flowers 30 feet tall.

9 In the winter garden here, you've
10 heard of a Fabergé egg. Carl Fabergé made them
11 in Russia. They're each about a foot tall.
12 They were pieces of jewelry and they were
13 shaped like an egg with beautiful designs. And
14 the egg would open and inside the Fabergé egg
15 was a surprise. Something happened that was
16 animated.

17 We're making in our winter garden a
18 30- or 40-foot Fabergé egg with a Phoenix
19 that's inside. And we're going to change and
20 put in different sculptures in our winter
21 garden every month. These are the kind of
22 things that warm people's hearts that they
23 haven't seen before. And they're consistent
24 with our tempo of our place.

1 So, that's who we are. We know how
2 to do this. We've been doing it for a long
3 time. And we are dying to do it in Boston.
4 We're dying to do it in Everett in this
5 metropolitan area. And we can bring people
6 from over there to here.

7 There isn't a player in the United
8 States of America that doesn't know our company
9 and isn't dying to come and visit a new Wynn
10 Resort if we build one. And \$1.6 billion is a
11 lot of money, but it makes sense in Boston
12 because of the nature and the culture of the
13 city. It is an attraction.

14 We are part of a scene that can be
15 sold to people all over the world. All of the
16 local folks will come automatically, of course.
17 Not good news for Foxwoods and the Indians but
18 good news for us. But I understand that the
19 casino in Foxwoods it to be owned by a hedge
20 fund.

21 Ours would be owned by us, operated
22 by us in a manner consistent, totally
23 consistent and hopefully even better because we
24 do try and get better each time with our

1 history as a company.

2 Now, since we found the video, I'd
3 like to take advantage of two friends of mine.
4 The guy who spoke earlier today threw around
5 the name of Frank Sinatra and everybody else.
6 I spent four years with Frank and Dean doing TV
7 commercials and having a lot of fun in Atlantic
8 City. So, I thought I would take advantage of
9 that since we whipped up a video as a defensive
10 mechanism and use Frank and Dean and see the
11 rooms, the rooms of the hotel the Wynn at
12 Everett. Okay, Mike, now. Thank you for your
13 time.

14

15 (Video plays)

16

17 CHAIRMAN CROSBY: Thank you, folks.

18 We do appreciate you're coming. You're

19 standing up. I gather you're finished.

20 MR. WYNN: We take questions, Sir.

21 CHAIRMAN CROSBY: Do I have any

22 questions, anybody?

23 MR. WYNN: We're a little confused

24 about our role exactly, but we are delighted to

1 take questions.

2 CHAIRMAN CROSBY: I think we're very
3 happy. I think we have no questions. I don't
4 see any.

5 I want to say Mr. Wynn and to your
6 team and to Mayor, thank you very much. This
7 is an incredibly impressive display. This is
8 an incredibly important opportunity for
9 Massachusetts. We take this incredibly
10 seriously.

11 This is the beginning of the end.
12 This is the beginning of the final evaluation
13 process. We will do everything within our
14 power to evaluate these proposals carefully and
15 do the best we can for the people of
16 Massachusetts. We very much thank you for your
17 interest in coming here.

18 With that, do I have a motion to
19 adjourn?

20 COMMISSIONER CAMERON: So moved.

21 CHAIRMAN CROSBY: Second?

22 COMMISSIONER STEBBINS: Second.

23 CHAIRMAN CROSBY: All in favor, aye.

24 COMMISSIONER MCHUGH: Aye.

1 COMMISSIONER CAMERON: Aye.

2 COMMISSIONER ZUNIGA: Aye.

3 COMMISSIONER STEBBINS: Aye.

4 CHAIRMAN CROSBY: We have a
5 unanimous adjournment. We have a Commission
6 meeting tomorrow at 9:30. We will start with
7 the MGM presentation then have a regular
8 Commission meeting. Thank you all for coming.

9

10 (Meeting adjourned at 4:22 p.m.)

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1 ATTACHMENTS:

- 2 1. Massachusetts Gaming Commission January
3 22, 2014 Notice of Meeting and Agenda

4

5 GUEST SPEAKERS:

6 MOHEGAN SUN MASSACHUSETTS:

7 Kevin P. Brown, Mohegan Tribal Gaming Authority

8 Mitchell Grossinger Etess, Mohegan Tribal

9 Gaming Authority

10 Todd B. Finard, Finard Properties

11 A. Eugene Kohn, Kohn, Pederson & Fox Associates

12 Kawel B. LauBach, Mohegan Tribal Gaming

13 Authority

14 Bethany Seidel, Mohegan Sun

15 Hugh Trumbull, III, Kohn, Pederson & Fox

16 Associates

17

18 WYNN RESORTS:

19 Matt Maddox, Wynn Resorts

20 Steve Wynn, Wynn Resorts

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C E R T I F I C A T E

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I, Laurie J. Jordan, an Approved Court Reporter, do hereby certify that the foregoing is a true and accurate transcript from the record of the proceedings.

I, Laurie J. Jordan, further certify that the foregoing is in compliance with the Administrative Office of the Trial Court Directive on Transcript Format.

I, Laurie J. Jordan, further certify I neither am counsel for, related to, nor employed by any of the parties to the action in which this hearing was taken and further that I am not financially nor otherwise interested in the outcome of this action.

Proceedings recorded by Verbatim means, and transcript produced from computer.

WITNESS MY HAND this 24th day of January, 2014.

LAURIE J. JORDAN My Commission expires:
Notary Public May 11, 2018