

1 THE COMMONWEALTH OF MASSACHUSETTS
2 MASSACHUSETTS GAMING COMMISSION
3 PUBLIC MEETING #152
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6 CHAIRMAN

7 Stephen P. Crosby
8

9 COMMISSIONERS

10 Gayle Cameron

11 Bruce W. Stebbins

12 Enrique Zuniga
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19 May 14, 2015 10:30 a.m. - 2:11 p.m.

20 HYNES CONVENTION CENTER

21 900 Boylston Street, Room 210

22 Boston, Massachusetts
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P R O C E E D I N G S :

CHAIRMAN CROSBY: We are good to go. We are convening the 152nd public meeting of the Massachusetts Gaming Commission at the Hynes Auditorium on May 14 at about 10:30. We will start, as always, with the approval of minutes. In the absence of, I guess he's Secretary, we'll ask our Treasurer to do the honors.

COMMISSIONER ZUNIGA: Sure. Mr. Chairman the minutes for the meeting April 30 have been submitted are in the packet. I will make a motion to approve them as presented subject to the usual typographical and mechanical corrections and additional comments.

COMMISSIONER STEBBINS: Second.

CHAIRMAN CROSBY: Any discussion? They look fine to me. All in favor, aye.

COMMISSIONER CAMERON: Aye.

COMMISSIONER ZUNIGA: Aye.

COMMISSIONER STEBBINS: Aye.

CHAIRMAN CROSBY: Opposed? The ayes have it unanimously. Next up is Director

1 Wells, Investigations and Enforcement Bureau.

2 MS. WELLS: Good morning, Mr.
3 Chairman and Commissioners. The first item on
4 the agenda is just the reporting out of the
5 temporary licenses that have been granted by
6 the IEB.

7 I have a memo in your packet before
8 you. Over the last two weeks, we have granted
9 two key gaming employee licenses, one for Gary
10 Pecorello who is a Player Services Director at
11 the Penn facility in Plainville, and also
12 Valerie Bisset the Slot Operations Manager at
13 the Plainville Gaming and Redevelopment
14 facility in Plainville.

15 Additionally, we gave a temporary
16 license to Interblock USA, which is a primary
17 gaming vendor that manufactures gaming
18 equipment. As noted in the memo, the
19 applications were deemed complete by the
20 Division of Licensing. The petitioner, Penn
21 National certified and the IEB has found after
22 reviewing the proposed operational plan that
23 the temporary licenses are necessary for the
24 operation of the gaming establishment given

1 their proposed opening date of June 24.

2 This was not designed to circumvent
3 normal licensing procedures. The IEB also
4 found the licenses are reasonably likely to
5 issue upon completion of the investigations.
6 That was just a report out to the Commission.

7 COMMISSIONER STEBBINS: Karen, are
8 any of these other employees licensed in other
9 jurisdictions?

10 MS. WELLS: Yes. I don't have --
11 Actually, I'll have to get back to you. I
12 think they may be, but I'll have to double-
13 check with the State Police on that.

14 COMMISSIONER STEBBINS: Okay.

15 MS. WELLS: The next item on the
16 agenda before the Commission is just an update
17 on Region C. As you know, we did have the
18 suitability determination for Mass Gaming and
19 Entertainment.

20 I do have one small update. I was
21 contacted by the attorney for the Rush Street
22 Properties, Mr. Donnelly who was before you at
23 the last meeting. In the spirit of ongoing
24 suitability, I just wanted to report out that

1 he had noted to us and self-reported to the IEB
2 regarding an issue with the vendor in their
3 facility in Illinois. So, we'll follow up with
4 that issue and report out as appropriate.

5 Notably and interesting in Illinois,
6 unlike Massachusetts, the gaming board does not
7 vet vendors to the casinos. They rely on the
8 casinos to do that vetting.

9 CHAIRMAN CROSBY: They don't do any
10 vetting at all of any vendors.

11 MS. WELLS: At least the secondary
12 vendors. I'd have a check on the primaries.
13 They leave that to the casinos. The Rush
14 Street Property that vetting process is farmed
15 out to a third-party vendor by the casino. So,
16 they have a third-party vendor that does that
17 vetting.

18 So, we'll follow up on that process.
19 That may make them be newsworthy in that
20 jurisdiction. I just wanted the Commission to
21 be aware that was self-reported and we'll
22 follow up on that issue.

23 The other update that I have for the
24 Commission, which the letter is also in your

1 packet is that the Crossroads Massachusetts,
2 LLC, their request for a gaming license in
3 Region C has been withdrawn. So, they have
4 submitted that request to the Commission. So,
5 they are withdrawing from the process. The
6 letter is in your packet and part of the
7 Commission record and they have certified that
8 the IEB.

9 The next issue for the Commission
10 with respect to Region C is regarding the KG
11 Urban, New Bedford application. Just to give
12 the Commission an update, we did have the due
13 date to have the three pieces into the
14 Commission identifying their equity and their
15 operator and their organizational structure.

16 And they have reported to the IEB
17 that the structure is going to be -- they will
18 use the Foxwoods, LLC entity that was already
19 deemed suitable by the Commission as their
20 operator.

21 There have been some changes in
22 that. I'll be having a conference call with
23 them later today about their structure. And I
24 will report out as appropriate. As to their

1 equity, they're planning on partnering with
2 GLPI. which is the REIT that spun off from the
3 Penn National group.

4 And they've identified that that is
5 their partner and they're going to have a REIT
6 leaseback arrangements with the property.
7 Although they've given us the general terms of
8 that, their term sheet has not been finalized.
9 So as far as identifying qualifiers, although I
10 have a general idea of what I would expect that
11 I would deem necessary for submission of
12 applications, given that the term sheet hasn't
13 been finalized, I'm hesitant to finalize the
14 recommendation for the determination of those
15 qualifiers.

16 So, right now I'm somewhat in a
17 holding pattern until I can get the term sheet
18 on the agreement between the parties. That
19 still has not been finalized.

20 COMMISSIONER ZUNIGA: Do you have a
21 sense as to when these terms might be finalized
22 or executed?

23 MS. WELLS: I'm not sure. I know
24 that Mr. Conroy is here. He may be able to

1 address that to the Commission.

2 COMMISSIONER ZUNIGA: I had another
3 question. Maybe we can ask that in a little
4 bit.

5 CHAIRMAN CROSBY: Let's ask him.

6 COMMISSIONER ZUNIGA: Yes.
7 Actually, I'd be interested in asking whether
8 they have a sense in terms of timing when that
9 term sheet or those terms would be final.

10 MR. BUTERA: Thank you. It's great
11 to be back here in Boston.

12 MR. STERN: Good morning, Mr.
13 Chairman, Commissioner Cameron, Commissioner
14 Zuniga, Commissioner Stebbins. My name is
15 Andrew Stern and I'm the operating partner of
16 KG Urban.

17 By the way, I do quickly want to say
18 thank you to the Commissioners, to all of you,
19 Mr. Chairman and the rest of the Commissioners
20 and I hope someone will pass this on to
21 Commissioner McHugh as well, for first the
22 January extension, which we told the Commission
23 would allow us to actually sign a letter of
24 intent with Foxwoods so we would have an

1 operator.

2 That would then allow us, we hoped
3 at the time, to get a then recalcitrant mayor
4 to the table and get an HCA done. As you know,
5 we came back with both of those at the very
6 12th hour on March 19.

7 I want to thank you as well for the
8 additional extension we were granted on March
9 19, which we then told the Commission now that
10 we had the operating agreement and the host
11 community agreement, not just having a host
12 community agreement, but also having terms to
13 show prospective equity investors, who
14 obviously wanted to know the answer to two
15 questions, what can you build? And what will
16 your local payments to the municipality be?
17 The equivalent of what are your real estate
18 taxes and what is your density going to be able
19 be.

20 What we did begin to find with that
21 45-day extension was that we really needed to
22 be both lucky and good. In order to do that we
23 were going to need somebody on our team who not
24 only had experience of the banking sector and

1 as a gaming CEO but also was from
2 Massachusetts.

3 And we began talking to Scott
4 Butera, who is sitting next to me who is
5 originally from the Boston area. And from
6 running Foxwoods for many years, he's quite
7 familiar with the Massachusetts market.

8 And it was Scott who really began to
9 help us make our case to the various potential
10 development partners and equity providers. And
11 it is not a coincidence that in showing up with
12 GLPI, we have a company whose executives
13 already knew the Massachusetts market, which
14 meant that we didn't have to start from
15 scratch, either with Scott or with he and us
16 with GLPI.

17 So, to discuss the situation with
18 GLPI, we are probably talking about at this
19 point, it's really about numbers. The
20 structure is the structure that they do with
21 their deals because they're a gaming REIT. And
22 we're essentially down to brass tacks on the
23 numbers and the term sheet.

24 CHAIRMAN CROSBY: The answer to

1 Commissioner Zuniga's question is what?

2 MR. STERN: Scott, what would you --

3 MR. BUTERA: Thanks, Andrew. As
4 Andrew said, a couple of things. One, I've
5 worked with GLPI quite a bit over the years.
6 In fact, they were you may recall our financier
7 in Milford in that initiative if that ever went
8 forward.

9 So, the structure of the deal is
10 very well defined. We are down to negotiating
11 the final economics, which essentially would be
12 what our rate is going to be and what our fees
13 are going to be.

14 So, I would say that that's
15 something that can be done imminently. Like I
16 said, the actual structure has been defined.
17 We have the term sheet that's detailed with the
18 exception of the two economic measures. So,
19 it's in negotiation but I wouldn't expect it'd
20 be something that would take a great deal of
21 time.

22 COMMISSIONER CAMERON: Because
23 certainly, we gave you an extension but that's
24 not unlimited. And we're unable to have a

1 scope of licensing meeting I understand, which
2 means IEB cannot continue with their
3 suitability investigation.

4 All of your qualifiers have to be
5 identified. And until they see a term sheet,
6 it is my understanding that that can't be done.
7 So, we have a process here. And it's really
8 important to us that you take that seriously
9 and understand that we are really waiting on
10 you in order to finish the work we need to do
11 in order to move the process forward.

12 MR. BUTERA: I absolutely understand
13 it. I'm a little bit new to this effort.
14 Obviously, these folks have been working on
15 this for years. And I've recently joined.

16 We have been working a great deal on
17 this. Obviously, I came in on a number of
18 fronts. One was to provide a little bit of
19 expertise on the operating side of the
20 development as well as the development itself
21 as well as the financing. So, we brought a lot
22 of that together very quickly.

23 And we really are down to just
24 finalizing the final economic terms. I

1 absolutely appreciate the need to move quickly
2 and we will.

3 COMMISSIONER CAMERON: The second
4 piece of that would be once that scope of
5 licensing meeting occurs and all of the
6 qualifiers are finalized, they would need to
7 get that paperwork in quickly. So, we just
8 urge you to assist with that as well.

9 MR. BUTERA: And we are all very
10 aware of that. Most of the people have been
11 through this process. The good news is we've
12 all been through it. GLPI, their principles
13 have been through it although they haven't been
14 as many, but they are fully prepared to move
15 expeditiously to get that paperwork in.

16 COMMISSIONER CAMERON: Great, thank
17 you.

18 MR. STERN: Commissioner Cameron,
19 I'd just also add to that on the heels of
20 submitting the letter on the May 4 deadline, we
21 delivered that draft term sheet to Attorney
22 Wells, I think, within 36 hours of that
23 although it's not complete, so she would have
24 the structure. Then we got GLPI's executive

1 and General Counsel once we signed the letters,
2 Steve Snyder and their General Counsel onto a
3 scoping meeting call with Karen Wells and our
4 attorneys on Thursday. So, we've been pushing
5 very hard and are very mindful of this
6 Commission's processes.

7 COMMISSIONER CAMERON: Thank you.

8 COMMISSIONER ZUNIGA: The term
9 sheet, it occurs to me is perhaps a lot more
10 similar to actual financing that takes place on
11 the deal ultimately. From my perspective,
12 we've always been very interested upfront in
13 the amount of equity that will be placed,
14 ultimately placed as part of the deal.

15 You mentioned in your remarks, Mr.
16 Butera that the fees were being finalized.
17 What about percent ownership and equity
18 sources? In addition to the term sheet, I
19 understand you sent us a letter from the KG
20 Urban principals that they were prepared to do
21 contributions.

22 But that piece is the one that I
23 find to be the most relevant at this point, not
24 necessarily the final financing but those

1 equity terms. Understanding who is going to be
2 paid last and who bears the ultimate risk of
3 these operations and what percent contribution
4 they bring. So, that then Director Wells and
5 her team can start making those determinations
6 of the qualifier entities and qualifier
7 individuals.

8 MR. BUTERA: In order to understand
9 the GLPI sale and leaseback structure, it's a
10 little bit different than your traditional
11 financing. In traditional financing obviously
12 you have a fixed income or debt component and
13 then you have an equity component and kind of
14 stacks up.

15 The way a REIT works is they
16 actually purchase all of the real estate
17 assets. So, you almost kind of divide up the
18 assets of the enterprise. And you take all of
19 the real estate and agree on that. And then
20 you take everything that's non-real estate like
21 the license or the furniture and fixtures, the
22 equipment and then that's separately owned.
23 So, GLPI will actually be purchasing all of the
24 real estate assets 100 percent.

1 CHAIRMAN CROSBY: A clarification,
2 by the real estate assets, so they will build
3 the building? They will build and own the
4 building? That will be part of their
5 financing?

6 MR. BUTERA: That's correct. It's
7 anything that qualifies as a real estate asset
8 under the REIT rules. They'll actually pay for
9 the development of and then ultimately own it
10 and then lease it back to us.

11 COMMISSIONER ZUNIGA: What percent
12 of the overall is that? Have you calculated
13 that?

14 MR. BUTERA: I don't have the exact
15 percentage but it's a substantial majority. It
16 would be everything with the exception of the
17 actual license and what in the amenity package
18 wouldn't qualify as real estate. So, slot
19 machines are clearly not real estate.
20 Furniture and fixtures, if it's attached it is.
21 The REIT rules are pretty specifically defined.
22 Anything that would qualify as real estate,
23 they will pay for on market terms, including
24 the land.

1 So, the principals of KG Urban and
2 will fund whatever GLPI wouldn't be able to
3 fund under that structure.

4 MR. STERN: Including the license
5 obviously.

6 COMMISSIONER ZUNIGA: Understood,
7 understood. It's that percentage. It's that
8 figure that I believe we are interested in.

9 CHAIRMAN CROSBY: This is sort of
10 drifting into the RFA-2 piece of it. It's a
11 fine line, but given the uncertainty of what we
12 are dealing with and our need to make a
13 decision about is this substantially complete
14 or not, there's a lot of gray area out here.
15 That's why we are probing on issues which maybe
16 ordinarily maybe we wouldn't be getting to
17 until later down the road.

18 Did you want to finish?

19 COMMISSIONER ZUNIGA: No. that's
20 okay.

21 CHAIRMAN CROSBY: I just want to
22 reinforce the flavor of what both Commissioner
23 Cameron and Commissioner Zuniga have said. We
24 have established a principle here in our

1 operations going way back that promoting
2 competition is a very, very high priority. And
3 it's in the best interest of the Commonwealth
4 to have as much competition for these licenses
5 as possible.

6 Given that as a priority, we try to
7 be as flexible as we can within our rules and
8 within an overall fairness to give as many
9 competitors a chance to get to the table as
10 possible. Ergo our extensions and so forth
11 when in good-faith, it looks like people
12 probably would make it.

13 However, our patience is not
14 unlimited and our predisposition to competition
15 is not infinite. And it is time to get this
16 going and to meet deadlines rather than miss
17 them.

18 And you know you need to take this
19 into -- You're giving a message to the world,
20 to us as well each time deadlines are met, each
21 time parties can't get to the table and so
22 forth. Just as a word to the wise, this has
23 got to get moving pretty quickly.

24 MR. STERN: Mr. Chairman, there's

1 been a discussion of a "roll up our sleeves"
2 meeting to try to get this thing done as early
3 as next week.

4 The answer to your original question
5 that was asked here, that's what we're really
6 pushing for. We want to get this done and move
7 along with our new partners, I don't want to
8 say as badly as the Commission does, but as
9 badly as the Commission does and as quickly as
10 the Commission wants to finish.

11 COMMISSIONER CAMERON: Thank you.
12 That's helpful.

13 CHAIRMAN CROSBY: Are you finished?
14 Thank you. Director Wells, welcome back.

15 MS. WELLS: That was the last item
16 on the agenda. I don't know if any of the
17 Commissioners have any questions for me.

18 CHAIRMAN CROSBY: So, we need to
19 make -- You're telling us objectively here are
20 the pieces.

21 MS. WELLS: Correct.

22 CHAIRMAN CROSBY: The three pieces,
23 the organization chart, the operator and the
24 financing are there in some form or other.

1 MS. WELLS: Correct.

2 CHAIRMAN CROSBY: And now we have to
3 decide is this substantially complete or not,
4 right?

5 MS. WELLS: Correct.

6 COMMISSIONER CAMERON: I have one
7 question, Director. Did we miss anything that
8 you need in order to move this process along in
9 a timely manner and be fair to everyone?

10 MS. WELLS: No, I don't I think so.
11 I think that at this point the objective of
12 setting the deadline and sort of locking in the
13 deal so that the IEB knows what we are dealing
14 with that objective has been met.

15 My concern is scheduling, because
16 every week or two or three or four that goes by
17 that there's a delay is going to delay things
18 as far as completion on the backend. So, I
19 just want the Commission to be aware of that as
20 far as timeframe for the RFA-2 process.

21 COMMISSIONER CAMERON: When you say
22 scheduling, you're talking about the ability to
23 have all of the information you need to deem it
24 substantially -- no, all of the information you

1 need in order to move ahead with the background
2 investigations, correct?

3 MS. WELLS: Correct.

4 COMMISSIONER CAMERON: So, you are
5 concerned about weeks slipping. So, you need a
6 definitive answer on qualifiers and then that
7 paperwork submitted in a timely fashion.

8 MS. WELLS: Correct.

9 CHAIRMAN CROSBY: Because the
10 scheduling implications are that the referendum
11 is scheduled in June now. And we ordinarily
12 like to have the suitability determination
13 completed before that. That's already probably
14 off the table.

15 MS. WELLS: That is not going to
16 happen.

17 CHAIRMAN CROSBY: Right. And we
18 can't receive the final RFA-2s until the
19 suitability determinations are made. So, the
20 scheduling implications of slippage are
21 substantial and affect a multitude of parties
22 and processes.

23 MS. WELLS: Correct.

24 COMMISSIONER ZUNIGA: Can I step

1 back a little bit? We've always had this
2 notion of a scope of licensing meeting with the
3 IEB --

4 MS. WELLS: Right.

5 COMMISSIONER ZUNIGA: -- prior to
6 the deadline as a recommendation. But
7 ultimately soon after the deadline for a real
8 determination of who will be qualified or not
9 or who will be a qualifier, what entity has to
10 qualify, what principles of what entity, etc.

11 Is it fair to say that you don't
12 have the ability to do that scope of licensing
13 meeting currently?

14 MS. WELLS: We have met. So, it's
15 not as if the applicant hasn't come in and
16 we've had conversations about the scope of
17 licensing.

18 I think I am 95 to 99 percent sure
19 what I would do based on what I know now. But
20 the term sheet, I don't think it would be
21 appropriate for me to make a final
22 determination without looking at the term sheet
23 because that could change. I have an idea of
24 what I expect the term sheet to read as far as

1 the numbers because there are no numbers in the
2 term sheet. It's just sort of the parameters.

3 So, I would like to look at that.
4 That may inform the decision. As far as doing
5 a thorough and comprehensive job that term
6 sheet, I think, is appropriate before making a
7 final determination, although I'm fairly
8 confident what the outcome is going to be as
9 far as the scope of licensing decisions.

10 COMMISSIONER ZUNIGA: So, is it fair
11 to say that the litmus test, if you will, is
12 that executed term sheet which the applicant
13 tells us is imminent as early as a week from
14 now.

15 MS. WELLS: Correct. Then it's a
16 matter of the parties submitting the BED's, the
17 PHDF's for applicants that have already been
18 found suitable. What we did with the Mass
19 Gaming and Entertainment, we had a protocol for
20 updating the information. As you know, the
21 information on those qualifiers is now quite
22 old. So, we have to update the information.
23 So, there's information they'd have to submit
24 even if they've been deemed suitable before.

1 And as we did with Mass Gaming and
2 Entertainment, the operating company we'd have
3 to look for any kind of regulatory violations,
4 we look at their structure. There's been a
5 change in their structure with the LLC. I
6 would like to take a look at that. There is
7 work to be done on that end as well.

8 COMMISSIONER ZUNIGA: Back on the
9 point about the 99, 95 percent. For you to be
10 100 percent, if there is such a thing, sure
11 that they are substantially complete and I know
12 there's leeway in substantial, do you need that
13 term sheet?

14 MS. WELLS: That's a different
15 analysis. We're talking about determination of
16 qualifiers. When the Commission was talking
17 about substantially complete, they were talking
18 about those three prongs of the deal put
19 together. The Commission never actually said
20 that all qualifiers had to have their BED's in
21 by a certain date. So, I want the applicant
22 understand what we had said.

23 COMMISSIONER ZUNIGA: Those three
24 things included the equity portion, which you

1 cannot currently determine.

2 MS. WELLS: Right. So, the issue is
3 is an equity contributor necessarily a
4 qualifier or not? And there is a potential
5 argument for example that GLPI is not a
6 qualifier, potentially. I am leaning towards
7 that GLPI is a qualifier. Their principals
8 would be a qualifier, but I'd like to take it
9 back to look at the term sheet and hear the
10 company out before making a final
11 determination. So, that's the issue. I have
12 the piece, is the piece a qualifier or not is
13 the decision that needs to be made and then go
14 forward from there.

15 COMMISSIONER CAMERON: So, it's
16 impossible for you right now to talk about a
17 timeline for completion until you have the
18 entire picture. Would that be accurate?

19 MS. WELLS: Right. For example, if
20 the applicant didn't get a term sheet in for
21 six weeks and then took another four weeks
22 after that to get the materials in, that would
23 affect the timeline.

24 However, if they got the materials

1 in -- got the term sheet in a week and
2 submitted the materials at the same time that's
3 a very different story. I am relaying to you
4 that I'm relying on them in order to give you a
5 more accurate timeline.

6 COMMISSIONER ZUNIGA: Can I stay on
7 the GLPI for a little bit? Maybe those
8 principals were already found suitable in a
9 prior iteration of this and know how to fill
10 out those BED's. Could they submit them to you
11 even if you have not --

12 MS. WELLS: We discussed that. I've
13 thrown that out as an option to the applicant
14 that that potentially could defray the impact
15 or the delay in the term sheet if they
16 submitted the materials ahead of time. That's
17 up to them.

18 CHAIRMAN CROSBY: That would be an
19 easy step for the applicant to facilitate this
20 process. You probably have a pretty good idea
21 of who the qualifiers are going to be.

22 You know who the qualifiers are.
23 You know who you are negotiating with. You
24 could give us the background forms on people

1 ASAP. And if you happen to give us one too
2 many or one too few that's not a big deal, but
3 it gets our process rolling. And it gives you
4 a little more room on your term sheet. That
5 would be a healthy piece of advice.

6 MS. WELLS: Yes. And we've had that
7 discussion.

8 CHAIRMAN CROSBY: You have?

9 MS. WELLS: Yes.

10 CHAIRMAN CROSBY: Okay, good. So,
11 we have two things on the table. One is
12 specifically is the issue -- Crossroads has
13 withdrawn. So, that's the end of it. So, now
14 there is the Mass Gaming proposal, which we've
15 already deemed substantially complete. And now
16 there is KG Urban that purports to be
17 substantially complete and we would permit them
18 to go forward in closing up on the suitability
19 and the RFA-2 process.

20 And then generally, we've got to
21 talk a little bit more about the schedule. But
22 on the substantially complete, do we let KG
23 Urban go forward? Where are you all coming
24 down?

1 COMMISSIONER CAMERON: I am inclined
2 after listening to them today and listening to
3 Director Wells to value the competition in this
4 process. I think they have made a good-faith
5 effort to put the pieces together. And they
6 make assurances today that they understand the
7 importance of completing the deal and getting
8 the paperwork in so that we can move our
9 process along.

10 So, I am comfortable at this point
11 voting for this applicant to move ahead in the
12 process.

13 COMMISSIONER ZUNIGA: I'm perhaps on
14 the other side of that. I've seen a lot of
15 terms in draft that until they are executed
16 they aren't real, not necessarily in this
17 experience but in my prior experience. There's
18 nothing like having to ink a deal, whatever
19 those terms may be in terms of ownership and
20 participation. I'm not talking about full
21 financing. We've never let the Phase 1 be one
22 in which the applicant had to bring their full
23 financing package. There's an understanding
24 that that has to be done for much later.

1 And I understand the differences
2 between going to the bank and borrow, put a
3 mortgage on something and structure something
4 with a REIT. But every other applicant came to
5 Director Wells with an entity that was owned by
6 parties. And those parties knew how much they
7 owned, what percentage --

8 CHAIRMAN CROSBY: When you're saying
9 entity, you mean --

10 COMMISSIONER ZUNIGA: Every other
11 applicant.

12 CHAIRMAN CROSBY: In this case for
13 Region C.

14 COMMISSIONER ZUNIGA: Right, for
15 Region C wholly-owned by another subsidiary or
16 partly owned someone else. And that's the
17 piece that I think is missing here, which is I
18 believe is critical.

19 Having said that, if they are really
20 a week away from that I would hate close the
21 door on something if there really is because
22 there is a lot of gray in here. There's recent
23 terms, there's draft terms, etc.

24 But I really want to get us away

1 from this is yet another time in which we just
2 need a little bit more time. And then we are
3 here two weeks later or a month later or six
4 weeks later and the terms have been hashed out
5 but they have not been signed.

6 So, if I could get us to agree that
7 if this is imminent as in next week will the
8 IEB get a percentage certain that the
9 contribution from this applicant has been
10 inked, signed on. That's what I would be
11 comfortable with moving ahead at this time.
12 Otherwise, it's still just an agreement, a
13 verbal agreement, an agreement in spirit as far
14 as I can see.

15 CHAIRMAN CROSBY: Commissioner
16 Stebbins, do you have thoughts?

17 COMMISSIONER CAMERON: My only point
18 was I think we have always relied on ongoing
19 suitability. And there are many points in the
20 process where we will expect deliverables. And
21 at this point, what we are saying is they're
22 moving forward but we expect those
23 deliverables. And they did respond to that
24 today in a way that I thought presented a good-

1 faith effort in moving forward.

2 COMMISSIONER ZUNIGA: I'm just
3 saying that I may be disagreeing with that.

4 COMMISSIONER STEBBINS: I would echo
5 Commissioner Cameron. I appreciate the
6 comments today and so much of the progress that
7 they've made. I may need to have a further
8 conversation with you about defining GLPI as a
9 qualifier, the REIT as a qualifier.

10 But for the purposes of competition,
11 I want to hear back from you how the scoping
12 meeting goes, continual updates. Any signs of
13 slippage is not a good mark in the process and
14 something we revisit maybe two weeks from
15 today. But I am pleased with the progress
16 that's being made. Hopefully, we can keep
17 moving this along in the spirit of competition.

18 CHAIRMAN CROSBY: What I think at
19 this stage of the game what we need to know at
20 this stage of the game is there a plausible
21 package here. And there is a plausible
22 package. As best as we can tell at a cursory
23 look, the players who are at the table and the
24 approximate structure that they're talking

1 about is a plausible structure. We've had
2 other ones that were not plausible structures.
3 And one them backed out and we've kicked others
4 out that were not plausible.

5 Whether this deal sticks, God knows.
6 It could die tomorrow. Even if there were a
7 signed term sheet, the deal may still fall
8 apart. But the barrier, the hang-up for us the
9 compromise is a whole lot of people is not the
10 exact financial structure. We'll get to that.

11 RFA-2 we will determine whether or
12 not there's enough equity there to make us feel
13 comfortable that this is a solid deal. And
14 that the terms are reasonable and the rate that
15 they're paying on their debt is something they
16 can genuinely finance and so forth and so on.
17 We'll get to that.

18 But as long as it's plausible now
19 and they're working hard to get it done, which
20 they are which doesn't mean it'll be next week,
21 but they are as interested as we are in getting
22 this done. The barrier to us is the
23 qualifiers.

24 The barrier to us is not the

1 specific deals. As long as it's fundamentally
2 plausible, the specific terms of the term sheet
3 are not the barrier to us. The barrier are the
4 qualifiers. So, we can do the background
5 checks and get this process going down the
6 road.

7 COMMISSIONER ZUNIGA: But in order
8 to determine those qualifiers, Director Wells
9 needs those terms.

10 CHAIRMAN CROSBY: All I'm saying is
11 precisely yes. Exactly every single one of
12 them, is it going to be 12 or 11 or 21 or 19,
13 we don't know for sure. But if we had 19 of
14 the 21 in hand now, because you know one way or
15 the other they're going to be there, then we
16 can get moving. And if another one comes in
17 later on, we can deal with that.

18 But if everything gets held up until
19 the term sheet is done and the term sheet
20 delays, then the term she becomes a serious
21 barrier to our operations. But I think you've
22 laid out an alternative here, which is give us
23 the qualifiers and give them to us quickly and
24 get the term sheet done as quickly as you can.

1 That lets us move this process
2 forward. It doesn't unfairly compromise the
3 interest of the other bidder who is doing the
4 job. It doesn't screw up the whole process.
5 It doesn't further compromise all of
6 Southeastern Mass. and our ability to make a
7 decision if IEB can be doing their job.

8 So, I would take sort of both
9 points. I do agree, I think you do too really
10 as you usually are, you're more rigorous from a
11 financial standpoint than the rest of us. But
12 I think you are still saying okay, don't keep
13 pushing us too hard. But if you really are
14 moving down the road, we are okay -- I'm okay
15 with substantially complete.

16 I would say I'm with the sense of
17 this that yes, for the purposes that we have
18 used to identify substantially complete, for
19 the principles that we've established in other
20 loosey-goosey proposals that we've considered
21 substantially complete that were not really
22 very well fine-tuned, in the interest of
23 competition that we should say all right, let's
24 go. This is substantially complete but there

1 is a very high premium on getting those
2 qualifiers in, whether the term sheet is done
3 or not so that the whole compromise is not --
4 the whole process is not compromised by their
5 inability to get a deal done.

6 COMMISSIONER ZUNIGA: I will go
7 along with that. I get that point. And I
8 think that's a good characterization. I would
9 still like to stress to the applicant that
10 whether it's the term sheet or those
11 qualifiers, ideally both, imminently at the
12 discretion of Director Wells to report back to
13 us as early as next Commission meeting in two
14 weeks where they are would be a very high
15 priority of this Commission.

16 CHAIRMAN CROSBY: Okay. I think we
17 do need to vote on this, right? Does someone
18 care to -- maybe you spoke first Commissioner
19 Cameron.

20 COMMISSIONER CAMERON: Yes. Mr.
21 Chair, I would move that we consider this
22 applicant KG Urban substantially complete at
23 this point to move forward in the process.

24 CHAIRMAN CROSBY: Second?

1 COMMISSIONER ZUNIGA: Would you
2 accept a modifier to that?

3 COMMISSIONER CAMERON: Of course.

4 CHAIRMAN CROSBY: Of course without
5 even knowing what it is.

6 COMMISSIONER CAMERON: Well, he's
7 allowed to make it, whether or not we agree is
8 a different point.

9 COMMISSIONER ZUNIGA: With the
10 condition to come back in two weeks and report
11 to Director Wells or have Director Wells report
12 back to this Commission whether they have made
13 incremental progress in either or both the term
14 sheet or the submission of additional
15 qualifiers as discussed here.

16 COMMISSIONER CAMERON: Yes, I would
17 agree.

18 CHAIRMAN CROSBY: Do you second with
19 that?

20 COMMISSIONER ZUNIGA: I second that.

21 CHAIRMAN CROSBY: Any further
22 discussion? All in favor, aye.

23 COMMISSIONER CAMERON: Aye.

24 COMMISSIONER ZUNIGA: Aye.

1 COMMISSIONER STEBBINS: Aye.

2 CHAIRMAN CROSBY: Opposed? The ayes
3 have it unanimously. Don't go away because I
4 think there are two other topics that relate to
5 this that I think just for purposes of
6 everybody's knowledge we need to talk a little
7 bit about.

8 One is the schedule in general. And
9 since we don't know when we're going to our
10 qualifiers or how many there are going to be,
11 we can't speak with any degree of certainty.
12 It will not be prior to the June 23 election.
13 That you can count on.

14 I think if we take the applicant at
15 face value and they are moving very quickly.
16 And in a week or two we start getting this
17 done, then I don't want to put anybody on the
18 spot. To try to create a sense of
19 expectations, is it a reasonable assumption
20 that come September we ought to be able to --
21 that if in the next 10 to 15 days you get most
22 of what you need, is it a reasonable
23 assumption, a reasonable aspiration for us that
24 by September you could have the suitability

1 determination made?

2 MS. WELLS: That's possible. Part
3 of it depends on what we find. If there's an
4 adjudicatory hearing, then that would extend
5 the process.

6 CHAIRMAN CROSBY: I understand that.
7 I'm only trying to set general expectations.
8 And your ability to deliver on a deadline is
9 primarily a function of other people. And I
10 fully appreciate that.

11 So, this just to sort of try to get
12 a sense here. If things go along reasonably
13 well, there's a pretty good shot that we can
14 have the suitability determination done by
15 September. That is one of the many gating
16 mechanisms for when the RFA-2s can be
17 submitted.

18 COMMISSIONER CAMERON: Mr. Chair,
19 can I make a point here? In thinking about the
20 schedule that is our own regulation that we
21 decided early on to separate completely the
22 process (A) from (B).

23 I think that it may be worth a
24 discussion to talk about say for example

1 sometime in August we can get the RFA-2s
2 completed and move this process along. It's
3 just a thought. That was our own doing. I
4 don't think there's another jurisdiction that
5 separates it out.

6 CHAIRMAN CROSBY: You're saying it's
7 not cast in stone that we couldn't receive
8 completed RFA-2s prior to the suitability
9 determination.

10 COMMISSIONER CAMERON: Correct.

11 CHAIRMAN CROSBY: The real gating
12 item would be you have to make a suitability
13 determination before you made the decision on
14 the award.

15 COMMISSIONER CAMERON: Of course.

16 CHAIRMAN CROSBY: That's a good
17 point.

18 COMMISSIONER CAMERON: Well, in
19 advance.

20 CHAIRMAN CROSBY: So, I take that
21 point. That's a good point. This is a
22 deadline of our own making and one that we can
23 certainly talk about and get other people's
24 comments on it.

1 For the moment leaving that one in
2 place, the question is when do we get the RFA-
3 2s out there. We've been talking about this.
4 I don't know what you've been discussing, if
5 anything, with the other bidders, RFA-2s?

6 MS. WELLS: I have not had
7 discussions about the RFA-2s.

8 CHAIRMAN CROSBY: At least the
9 Brockton bidder is presumably ready to go to
10 work on the RFA-2, which is the second phase
11 application for people watching, the site-
12 specific application. And presumably the other
13 bidder is awfully close to moving on that.

14 We have said that we are revising
15 the RFA-2 application to make it a more
16 rational and well-articulated and less
17 duplicative mechanism. We have said -- We've
18 referred to it as tweaking, I think. We're not
19 making any substantive, serious content changes
20 to what will be required to be submitted to us.

21 We are simply changing the format of
22 that based on the experience that we now have
23 using it in a couple of earlier situations.
24 This is all by the way of saying that if you

1 are an applicant for Region C who wants to get
2 moving on RFA-2, the fact that we've not giving
3 you the revised form yet shouldn't be a
4 barrier.

5 The work, the material that you are
6 going to need to submit in your RFA-2 is the
7 same material for the very most part that you
8 submitted last time. We will get the revised
9 actual form of the RFA-2 done we hope in a
10 couple of weeks.

11 All of the Commissioners are working
12 on their share of the 160 odd whatever it is
13 questions. But I just want to make it clear to
14 the applicants that the fact that we can't give
15 you the final form shouldn't be a delay in your
16 going ahead and doing the work to fill out the
17 form when you get it in a couple of weeks.

18 COMMISSIONER CAMERON: I think we
19 can probably say definitively that we should
20 have it done in two weeks. I can't imagine
21 that there are any issues that would preclude
22 us from doing that.

23 CHAIRMAN CROSBY: That's mostly up
24 to the Commissioners and our consultants. So,

1 if we can get our work done in the next few
2 days, we are presumptively for sure it's the
3 28th that we would get the actual form
4 available for people. But I didn't want the
5 lack of the revised form to in anyway be a
6 deterrent here or a slowdown.

7 COMMISSIONER ZUNIGA: I'm done with
8 the finance provision. They were really
9 tweaks. My hope and read is that it will save
10 us a go-around. We had a couple of go-arounds
11 with the prior applicants to clarify this. We
12 termed requests for clarification, because
13 people saw budget line items and they
14 interpreted it differently among themselves.
15 And what we tried to insert here is consistency
16 so that we could compare apples to apples a lot
17 easier.

18 COMMISSIONER STEBBINS: Same here.
19 We are close to putting in our changes. A lot
20 of it is just as you pointed out Mr. Chairman,
21 eliminating the duplication. I would argue
22 that all of the questions are rational, but
23 just tweaking it so information -- just making
24 sure that questions are clear, information

1 doesn't need to be kind of cut and paste and
2 dubbed into two different answers and kind of
3 realigning some of our questions. It's our
4 goal in two weeks to have a conversation, all
5 of us agree on what the questions are and if
6 the revisions are okay. I don't see a problem
7 in meeting that deadline.

8 COMMISSIONER CAMERON: Yes, we are
9 very close.

10 CHAIRMAN CROSBY: Nancy, do you know
11 what the story is with Jim's?

12 MS. STACK: I think they are
13 actually in very good shape at this point.

14 MR. ZIEMBA: I want to raise one
15 consideration that I know that's been
16 contemplated, at least in Jim's division, is
17 that previously in all of our Category 1
18 competitions, most every facility if not every
19 facility put forward a draft environmental
20 impact report as part of their RFA-2 filing.
21 And when our consultants reviewed those
22 filings, it was in the context of significant
23 amounts of information related to traffic and
24 otherwise when they were reviewing the

1 applications.

2 We do not know currently whether or
3 not the applicants are planning to -- what
4 their schedule is for filing of the RFA-2. Our
5 regulation calls for only the ENF certificate,
6 which can be much less significant in terms of
7 information than the RFA-2. And by the July 10
8 deadline, I believe both of the applicants
9 would certainly meet the ENF certificate.

10 But what would additionally be filed
11 is sort of an unknown right now. And what
12 level of response by our consultants would be
13 required in the absence of the draft
14 environmental impact report being filed.
15 That's one consideration going into these
16 questions for consideration next week -- next
17 meeting.

18 COMMISSIONER ZUNIGA: Remind me
19 generally, prior Category 1 -- prior applicants
20 were in very different stages in their EIRs
21 preparation and submission. But for the most
22 part by the time we got to RFA-2 submission,
23 they were mostly done with the DEIR?

24 MR. ZIEMBA: For the Category 1s, I

1 believe that all of them in some iteration had
2 filed their draft environmental impact reports.
3 For the Category 2s in the middle of the
4 process, I believe, we received DEIRs from at
5 least two of the applicants. One had finalized
6 it.

7 COMMISSIONER CAMERON: Based on the
8 projects, etc. So, are you suggesting that
9 that is really a schedule driver? If we want
10 to have the ability to look at a lot of the
11 details let's say of traffic and building and
12 site design having a DEIR would be very
13 helpful.

14 MR. ZIEMBA: It certainly would be
15 very helpful. Can we act in the absence of
16 one, we have not done so for Category 1s in the
17 past. But that's part of the consideration
18 that we would be thinking about in terms of
19 these questions for the next meeting.

20 CHAIRMAN CROSBY: But we could
21 decouple them like Commissioner Cameron said
22 about another issue. We could decouple the
23 submission of the RFA-2 from getting the DEIR
24 subsequent so we could start our evaluation

1 with the rest of the RFA-2 awaiting the DEIR.
2 They don't have to be packaged together.

3 MR. ZIEMBA: All of this deserves
4 some consideration.

5 CHAIRMAN CROSBY: As I said, I'm
6 just trying to create a sense of expectations
7 for everybody involved that's not anywhere
8 close to locked in stone. The big variable
9 here -- How many months was it typically for us
10 in our other three licenses between the time
11 the RFA-2s came in and were completed and our
12 decisions were made? What's the range?

13 COMMISSIONER ZUNIGA: Ten months
14 maybe.

15 MR. DAY: Actually, it ranged from
16 about four months to eight and a half.

17 CHAIRMAN CROSBY: Region A was
18 presumably --

19 MR. DAY: Region A arbitrations
20 added for Region A.

21 CHAIRMAN CROSBY: So, this is the
22 point I wanted to make. The really big
23 variable once the RFA-2s are done and our
24 ability to make a license award is the

1 negotiations between the applicants and the
2 surrounding communities and the ILEVs, the
3 impacted live entertainment venues, essentially
4 the surrounding communities. Those dates are
5 beyond our control.

6 As we experience in the eight and a
7 half months it took us to make a final decision
8 in Region A because surrounding community
9 issues went on and on and on, which is fine.
10 If it does, it does. But those are deadlines
11 which are beyond the Commission's control.
12 Those are up to the applicant, fundamentally
13 the applicant and the surrounding communities.

14 Left to our own devices, within four
15 months probably from the time we get our
16 application we can have this done. But it
17 could extend if the applicants and the
18 surrounding communities can't get their acts
19 together. So, left to our own devices we ought
20 to be able to have this done by the end of the
21 year, give or take. Whether we make that
22 deadline or not is really not in our hands
23 going forward.

24 COMMISSIONER CAMERON: I think there

1 are a lot of successful models out there for
2 surrounding communities, nearby community
3 agreements, and experience on both teams with
4 doing it successfully with negotiating
5 successfully. I think that will help.

6 COMMISSIONER ZUNIGA: This is only
7 my read from seeing how some of these
8 surrounding community agreements were being
9 executed in the past. Hopefully, there's a lot
10 of lessons learned from a lot of parties, but
11 that applicants turn their attention to
12 surrounding communities only after they had
13 reached a host community agreement and had a
14 vote, which was a big, big milestone to be
15 accomplished first and foremost. Otherwise,
16 there was no real project.

17 And if that is soon to be
18 accomplished here, I would encourage all the
19 applicants to get on that surrounding community
20 bandwagon, if you will, soon.

21 CHAIRMAN CROSBY: Right, that's what
22 I was getting at. Thank you. Anything else
23 that we need to talk about with Region C?

24 MR. ZIEMBA: Mr. Chairman, you

1 referenced that potentially we'd like some
2 comments on our deadlines. We'll probably
3 discuss this at the next meeting. Is that
4 something we'd ask our applicants to weigh in
5 more formally?

6 CHAIRMAN CROSBY: Sure. Yes.
7 That's very much our style and very much
8 appreciated. So, we'll be trying to fine-tune
9 those aspects of the deadlines that we can
10 control as soon as we can. At the moment, the
11 major item is the qualifiers and term sheet.

12 Yes, starting two weeks from now --
13 So, if anybody, particularly applicants have
14 comments or suggestions on how we handle the
15 interplay of these variables apropos of the
16 schedule, please let us know.

17 COMMISSIONER ZUNIGA: Perhaps this
18 will be too aggressive to try to put something
19 for next meeting but could we work to have our
20 best-case, worst-case perhaps middle-of-the-
21 road schedule subject to a number of these
22 moving pieces and the feedback and comments we
23 can get from applicants?

24 I think it would be like we've done

1 in the past to at least predict the next
2 deadline of RFA-2 would be very helpful.

3 CHAIRMAN CROSBY: We could try to do
4 that.

5 MR. ZIEMBA: Yes.

6 CHAIRMAN CROSBY: Okay. Anything
7 else on Region C or IEB?

8 MS. WELLS: All set. Thank you very
9 much.

10 COMMISSIONER CAMERON: Thank you.

11 CHAIRMAN CROSBY: Do you have any
12 opinions on deflate gate?

13 MS. WELLS: No comment.

14 CHAIRMAN CROSBY: Next up Research
15 and Responsible Gaming, Director Vander Linden.

16 MR. VANDER LINDEN: Good morning,
17 Commissioners. I'm fortunate to be joined with
18 me this morning as we talk about the crime
19 measures by three distinguished persons.
20 Behind me we have Chief Alfred. He's the
21 police chief for the Plainville Police
22 Department.

23 We also have who you know quite
24 well, Detective Lieutenant Brian Connors. He's

1 our commanding officer of the Gaming
2 Enforcement Unit for the Massachusetts Gaming
3 Commission. To my right we have Christopher
4 Bruce whom I will provide a more thorough
5 overview of what his position and
6 qualifications are here in just a moment.

7 Since its inception, the
8 Massachusetts Gaming Commission has taken a
9 very close look and intense effort in wanting
10 to understand what are the social and economic
11 impacts of expanded gaming in Massachusetts.
12 We want to know both what are the positive
13 impacts. We also want to know what are the
14 negative and unintended consequences and
15 impacts that expanded gaming will bring to the
16 state.

17 Crime impacts, I would say transcend
18 both of those issues. Crime impacts are social
19 impacts as well as economic impacts. Through
20 my two years here as we've gone through many
21 processes with our communities, what I can say
22 definitively is there is a lot of interest in
23 communities wanting to know what will the crime
24 impacts be when the casino would come to their

1 community.

2 What I can also say definitively is
3 that there isn't a lot of good evidence that
4 would give us a solid idea of what those crime
5 impacts would be. It just simply doesn't
6 exist. We've done research looking at
7 jurisdictions across the country and around the
8 world to try to answer this question.

9 And I think when that became
10 apparent, we wanted to try to approach this
11 issue in a different way. That being led by
12 Commissioner Cameron who said let's try to take
13 a slightly different approach with this. Let's
14 not -- Let's break this piece out and let's try
15 to get a very crystal clear picture of what are
16 the crime impacts that are a result of expanded
17 gaming in Massachusetts.

18 Whereas other studies really had a
19 difficult time trying to draw its causality if
20 there were crime increases in specific type of
21 crime, drawing causality to casino gambling or
22 to gambling in general. We want to be able to
23 do a much better job than that.

24 The person who rose to the surface

1 as the person who would be most qualified to do
2 that is Christopher Bruce. I'm going to read
3 his description, his bio to you just very
4 briefly. Then I'm going to turn it over to
5 Christopher and talk about the work that we're
6 doing here today that we're doing in
7 Massachusetts.

8 Christopher Bruce has been a crime
9 analyst in Danvers. He's been a crime analyst
10 in Cambridge, Massachusetts at their police
11 departments. Throughout his career, he's been
12 extremely active in the crime analyst
13 community. He has been president of the
14 International Association of Crime Analysts.
15 He's been vice president at the same
16 organization.

17 He was also president of the
18 Massachusetts Association of Crime Analysts
19 from 2000 to 2004. He does numerous
20 presentations. He also teaches at Pippin
21 University and Western Oregon University. He
22 is a currently the director -- analytical
23 director for the data driven approach as to
24 crime and traffic safety program. In this, he

1 provides workshops, training and technical
2 assistance to agencies seeking to analyze and
3 reduce their crime and collision hotspots.

4 He's presented and published
5 numerous articles on this topic. Actually, too
6 numerous really to go into a lot of detail. I
7 am personally thrilled that we have the
8 opportunity to work with Christopher. I think
9 that hopefully what you will see is that this
10 is not us just trying to capture secondary data
11 and process that.

12 We want to take a much closer look,
13 which is to the credit of a lot of our
14 stakeholders, it's to the credit of Chief
15 Alfred behind me, to the other police
16 departments that we've had the opportunity to
17 work with. It seems to me that we have a large
18 buy-in with the approach that we are taking on
19 this issue.

20 So, with that I will let Christopher
21 talk about our approach.

22 MR. BRUCE: Thank you, Mark. I want
23 to commend the Gaming Commission not just
24 because they contracted me, but just in general

1 for the approach that you've all taken to this
2 particular issue.

3 I think what we've typically seen on
4 evaluative research for any type of change like
5 the introduction of gaming facilities has
6 largely been based on broad level crime
7 statistics published through national programs
8 like the UCR. And what you've all asked me to
9 do is to take a much more detailed look at all
10 of the data that's being collected by the
11 police agencies in the affected areas and look
12 at the different changes on all issues of
13 public safety, not just crime but all types of
14 other calls for service, disorder and of course
15 traffic collisions.

16 That's really what my profession,
17 crime analysis, is all about. We deal with
18 four major areas that are up on the screen
19 there people, places, patterns and problems.
20 The work of a crime analyst who work in police
21 departments are to identify things like repeat
22 offenders and repeat victims. That would be
23 people.

24 Patterns of activity, multiple

1 crimes committed by the same person or some
2 sort of common causal factor. Long-term and
3 chronic problems and hotspots places where a
4 lot of activity occurs.

5 So, I'm going to be bringing the
6 various techniques of those types of analysis
7 to this particular project.

8 As I said, previous studies have --
9 You don't need to be able to read it, but it's
10 just a data table from a typical study on
11 casinos and crime using very broad level crime
12 statistics. And the reason I think that most
13 studies have done that is because those
14 statistics are readily available. They're the
15 only thing readily available really for crime
16 statistics in the nation or even in the state.

17 When the analyses of previous casino
18 impacts have gone into more detail, they've
19 generally been for one city alone because it's
20 very difficult if you've never worked with the
21 data, you wouldn't know that it's extremely
22 difficult to get data out of the typical police
23 records management system and into a format
24 that is suitable for analysis.

1 The researchers that have done that
2 previously for certain areas have basically
3 concentrated on one city like Philadelphia or
4 one jurisdiction. Whereas this project is
5 synthesizing data sets from multiple
6 jurisdictions, in the case of the Plainville
7 project six adjacent agencies and I think we'll
8 have a similar number in Springfield and
9 Everett.

10 These agencies are using different
11 systems to manage their data. They have some
12 common standards in crime and collisions
13 because of state and national standards, but
14 there aren't standards in other areas. So,
15 analyzing this is largely a process of fusing
16 these different data sets together into a
17 common data set with common definitions. So,
18 it's a bit of a project to set that up. Can
19 you go forward please?

20 This project is going involve a much
21 more, I think, detailed analysis of the impacts
22 of gaming facilities than has been done in the
23 past. We are going to be looking at changes
24 not only in crimes but in non-crime incidents

1 such as noise complaints, youth disorder,
2 animal calls, anything really that occurs that
3 doesn't rise to a crime level but that police
4 respond to.

5 It's of course also going to include
6 a crime analysis and an analysis of collisions.
7 And we're not going to be looking at the volume
8 of changes in these areas, we're going to be
9 looking at the changes in hotspots. We're
10 going to be looking at the changes in patterns.

11 So, it may be that the volume
12 remains consistent but we see shifts in
13 geography or shifts in time as to police
14 activity. These are all things that of course
15 police agencies have to account for. I'll be
16 able to look at specific incidents that are
17 definitely related to the casinos through a
18 coding mechanism that I'll talk about, but
19 we'll also be looking at specific patterns and
20 problems that develop. And hopefully provide
21 the police agencies in the affected areas the
22 detail they need to make effective decisions
23 about how to respond.

24 It's not just about assessing

1 whether something went up or went down. It's
2 about providing the level of detail necessary
3 for the police departments to take the
4 appropriate steps and identify the resources
5 they need to counteract any increases that they
6 see. Go forward, please.

7 As I said, we're getting started
8 right there in the Plainville area. Those six
9 agencies are involved. And these are the major
10 project areas that we are looking at. The
11 first part is extracting data from each police
12 agency's computer aided dispatch and records
13 management system.

14 These are very complex data systems
15 that require some level of knowledge to
16 understand how the architecture works and how
17 to get the data out of those. That's been sort
18 of the first phase. And it's been difficulty
19 even for me with the experience that I have
20 just learning the vagaries of the different
21 records management systems.

22 But I got the data out, and based on
23 that we're going to be establishing a baseline
24 report for the normal level of activity and the

1 normal types of activity that these agencies
2 experience per season, per month, per day of
3 the week, per hour of the day, etc. in order to
4 then assess what happens afterwards. Once the
5 casino opens are there any changes to that
6 normal.

7 CHAIRMAN CROSBY: I just want to
8 interrupt on one point. You pointed out that
9 you will be establishing a baseline data
10 against which we will be more matching what
11 we're talking about, which is exactly comparable
12 to what we're doing for every other social and
13 economic impact.

14 Our social economic impact of gaming
15 in Massachusetts, which we'll be talking about
16 in the next couple of meetings is doing the
17 same thing for all of the other variables
18 whether it's problem gambling or business
19 starts or unemployment and so forth.

20 So, this is a piece of a larger
21 study of establishing the clear and
22 understandable baseline against which
23 longitudinally we can assess changes that are
24 happening for everything not just crime.

1 MR. BRUCE: And I envision working
2 very closely with SEIGMA to make sure that we
3 are using the same research methodologies after
4 the data is prepared.

5 We are working with agencies to
6 train them to record incidents that are
7 specifically related to the presence of the
8 casino -- And I'll talk about what that means
9 in a second. -- to analyze the changes, what
10 changes after the casinos open. Again, as I
11 say in my last bullet point, working with
12 SEIGMA to integrate the analysis of public
13 safety issues with other social and economic
14 impacts that they're tasked with analyzing.

15 This is just a typical schematic of
16 a police data system, part of a police data
17 system. Everyone is a little bit different.
18 So, I've had to do a connection to them and
19 extract the data.

20 A big part of that is translating
21 multiple codes or multiple data sets into a
22 common library. So, for instance, no police
23 department uses the same list of calls for
24 service types than any other police department

1 uses. So, in order to be able to analyze for a
2 region, we've got to be able to translate what
3 they do use and do a common set of codes.

4 And on the slide you have --
5 Actually, I'm sorry. This was a late addition.
6 On the slide here, you can see that Plainville
7 on the left-hand side calls a burglary a
8 burglary, whereas Attleboro on the right-hand
9 side calls it B and E NR or B and E residence
10 and so forth. So, it's just a matter of trying
11 to fuse all of these data sets into the same
12 thing. It takes a while, but once it's set up,
13 it works perfectly going forward.

14 COMMISSIONER ZUNIGA: So long as
15 they don't change it.

16 MR. BRUCE: They might but I'll be
17 accounting for that obviously, yes.
18 Occasionally, they add a new code or subtract a
19 code too. But whatever they choose to do,
20 we'll translate it into some common
21 definitions.

22 So, based on the calls for service
23 data that I've already received from some of
24 the agencies, this is an example of sort of a

1 baseline report for one particular variable.
2 This is just total incidents of a variety of
3 types. It's not an exhaustive list.

4 But going over the past five years,
5 the normal deviation that they see in those
6 incidents. That figure at the end, the CV
7 coefficient, the variation is a statistic that
8 helps determine how much variability there is
9 in a particular incident from year-to-year.

10 And in the case of Plainville, which
11 is what we're looking at, it's very low in all
12 cases. That's a good thing. It means that the
13 baseline is going to be actually quite
14 representative of what's normal. So, it offers
15 a good basis for comparison.

16 If these calls for service class
17 were just all over the place swinging wildly
18 from one year to the next, it would be very
19 hard to establish whether any changes that we
20 see in 2015 are related to the casinos or not.
21 But their numbers are good. Keep moving
22 forward please.

23 COMMISSIONER ZUNIGA: I actually had
24 a question on that. What if you have a very

1 say, city with a high coefficient of
2 variability prior to the introduction of
3 casinos, are there externalities, let's say
4 other factors that need to be analyzed and
5 whittled out of the data?

6 MR. BRUCE: Absolutely. That's part
7 of this process of course. To take an example,
8 a lot of police activity is self-directed.
9 Drunk driving enforcement for instance or drug
10 enforcement or liquor violation enforcement, we
11 don't generally speaking know about those
12 incidents unless the police are proactively
13 doing something and therefore making arrests.

14 So, you might see an agency that one
15 year they do a certain amount of drunk driving
16 enforcement. The next year they get a grant
17 from the state to do a bunch of more
18 enforcement. So, their numbers go way up that
19 year. The next year they don't have the grant
20 and they go way down. So, it's all been driven
21 by what the police are choosing to do.

22 In that case, we wouldn't be able to
23 use drunk driving arrest statistics as a good
24 baseline to compare future activity. We'd have

1 to look towards a more complex data set like
2 the number of collisions that are caused by
3 drunk drivers or that might be the only thing
4 in that particular case.

5 The same with drugs, we can't
6 necessarily look at drug incidents as a good
7 baseline measure because it's all based on
8 police enforcement. But we can look at
9 overdoses or medical aid calls that involve
10 drugs or traffic collisions involving somebody
11 under the influence of drugs.

12 So, anytime that we have an
13 unreliable statistic that way, we shouldn't use
14 that to compare changes. We should look deeper
15 for a better statistic. And fortunately we are
16 collecting the level of detail from these
17 systems to enable us to do that. Does that
18 answer your question?

19 COMMISSIONER ZUNIGA: Yes, very
20 much. Let me just follow up a little bit. How
21 do you account for externalities to the police
22 activity? I'm just brainstorming a little bit
23 here. Game day in Foxboro, it occurs to me
24 that may have a big impact potentially on the

1 activity around that whole area. Whereas every
2 other day would be a lot more close to whatever
3 baseline, etc.

4 So, just help me conceptually
5 understand whether and how, if you will, you'll
6 be able to account for those kind of
7 externalities.

8 MR. BRUCE: Sure. The point that
9 you're making gets to the deeper point which is
10 that just because something does increase after
11 the introduction of the casino doesn't mean
12 it's casino related. And we're certainly not
13 making that assumption in any part of the
14 analysis.

15 We can help control for that by the
16 use first of all with controlled areas. Some
17 places that are far enough away that they
18 probably are not being impacted by the casino
19 and yet we can look and determine what their
20 statistics do during the same time period. And
21 thus determine whether there's something unique
22 about the Plainville area, which is probably in
23 that case the casino that would cause the
24 increase.

1 Your specific example about game day
2 in Foxboro should remain consistent going
3 forward unless they see much greater attendance
4 at the games or something like that in which
5 case that's a question we'd definitely have to
6 ask. Sometimes we just can't account for it.
7 Sometimes we just can't get to data set that
8 would help us control for other causes of
9 increases and decreases.

10 CHAIRMAN CROSBY: Like snow.

11 MR. BRUCE: Like snow. That's
12 actually a very good example. So, although in
13 that particular case I suppose we probably
14 could get that data set. But looking at the
15 overall increases and decreases after the
16 casino is introduced is only part of the
17 project. And we would only draw conclusions
18 based on increases if we could specifically tie
19 those increases in some way to the presence of
20 the casino.

21 And what you're seeing on the screen
22 here will actually help us do that little bit.
23 This is where we're asking the agencies to do a
24 little investigation on each incident and

1 determine whether or not it is casino related.

2 And it could be casino related
3 through a variety of different mechanisms that
4 you can see here, where if they make an arrest
5 of somebody or have a suspect that the offender
6 was in the area to use the casino or the victim
7 was in the area to use the casino.

8 The incident occurred on casino
9 property. It involved an employee or a
10 contractor of the casino. It involved a
11 vehicle seeing entering or leaving the casino
12 property. Or it occurred on the property of an
13 ancillary business, a business that opens just
14 to service, primarily to service the casino
15 customers. And that will be somewhat difficult
16 to track, but we are working on the mechanism
17 for that.

18 So, this won't tell the whole story
19 because there are going to be many cases in
20 which we don't know whether it's casino
21 related. Mostly because we don't know who the
22 offender is or where the offender is coming
23 from. The typical burglary or clearance rate
24 or theft clearance rate hovers between 10 and

1 20 percent in most agencies. So, you're
2 talking about a large number where we don't
3 know specifically.

4 But of the ones that we do know, if
5 we can determine that a large percentage of
6 them are casino related by the use of this flag
7 then that will give credence to any major
8 increase in that category that we see in the
9 area being casino related. Does that make
10 sense?

11 So, if we see a 20 percent increase
12 in burglaries in Plainville after the casino
13 was introduced, and when we analyze the
14 burglary arrests we find that 50 percent of the
15 increase involves people who were in town to
16 use the casino, offenders were in town to use
17 the casino, that gives credence to a large part
18 of the increase being related to the casino.

19 It's not a perfect analysis. And
20 there is no perfect analysis in this. But at
21 least it helps us come up with a logical
22 determination of what's happening in the data.

23 So, we're working on different ways
24 that they can record this information in their

1 existing systems.

2 Some examples of things we might
3 see, and this is not in any way set in stone,
4 but this is what other agencies have reported
5 to me that they've seen, other crime analysts
6 that I've talked to across the country. Now
7 it's important to recognize that many of these
8 increases or possible increases that we see on
9 the screen are largely related to simply the
10 presence of so many additional people in an
11 area.

12 It'd be the same if we were building
13 a Walmart or a movie theater or some other
14 major entertainment venue. There will be some
15 crimes probably that are specifically related
16 to gambling. But I think most of the increases
17 that we are likely to see are just going to be
18 related to increased traffic, increased people
19 in these communities.

20 So, that might include theft from
21 vehicles from the casino parking lot and
22 surrounding parking lots. Thefts from vehicles
23 are a constant problem for many Massachusetts
24 communities. Anywhere you have a major

1 commercial entertainment venue, it's something
2 to watch for.

3 Forged checks and fraudulent credit
4 cards used in areas businesses increased.
5 There's increases in lost property calls for
6 service. General increases in the traffic
7 collisions just because of the number of cars.
8 Stolen vehicles may be recovered in casino and
9 nearby parking lots. Drug and alcohol-related
10 medical aids at nearby hotels.

11 These are just some examples of
12 things we'll be testing for. But we're not
13 going into this with any prejudice. There's
14 not even really any hypotheses. That's sort of
15 the difference between research and crime
16 analysis.

17 Crime analysis, we just take the
18 full data set and we ask what's different,
19 what's changed, what's new no matter what
20 category we're talking about. So, we're
21 approaching this with a very open mind.

22 So, among other things, we're
23 measuring changes. So, we'll be looking at how
24 things like traffic collisions compare to

1 baseline. We'll be looking at mapping. So,
2 we'll be creating hotspot maps of different
3 types of calls for service and crime. And
4 looking at how those change after the
5 introduction of the casino.

6 On this particular map, although you
7 can't really see the streets all that well, but
8 most of those hotspots are on Route 1 going up
9 towards Plainville. So, that'll be interesting
10 to see whether we see volume changes there.

11 COMMISSIONER ZUNIGA: Is that
12 collisions or any kind? I'm just curious.

13 MR. BRUCE: These are just
14 collisions, yes. And then we want to do,
15 again, a very in-depth analysis of what's
16 happening. I don't want to just report to you
17 that burglaries or thefts from vehicles went up
18 20 percent in Plainville and the surrounding
19 area.

20 I want to be able to say these are
21 the specific places they're happening. These
22 are the times they're happening. This what is
23 being stolen. This is what we know about the
24 offenders. This is what we know about the

1 victims. That will give the police departments
2 more information they need to make effective
3 response decisions to the increases.

4 Most of the agencies in the area, in
5 this particularly area at least, Attleboro is
6 the one exception, don't have full-time or even
7 part-time crime analysts on their staff. So, I
8 think that they'll be relying a lot on our
9 analysis to help determine what the changes
10 are. So, obviously we'll make that as
11 objective and useful as possible.

12 So, I hope that's given you a decent
13 overview of what we're doing here with this
14 particular project. It's a very emergent
15 design. So, as I say, we don't go into this
16 with preconceived notions or hypotheses but
17 just look at what the data tells us after the
18 changes are made.

19 And I'll be bringing all of the
20 techniques I know as an analyst and whatever my
21 colleagues who work in areas that have casinos
22 can help me with to do this analysis.

23 So, we will start seeing some
24 results in about two months I suppose. Once a

1 month has passed maybe after Plainridge Park
2 opens we should be able to start doing some
3 baseline comparisons at least for the summer
4 months.

5 And Mark wanted me to emphasize that
6 we'll have the baseline report done probably
7 about the first week of June.

8 COMMISSIONER CAMERON: Great. Thank
9 you, Christopher. I've just got a couple of
10 comments. First of all, I am just very
11 grateful to this group of chiefs who readily
12 decided to help us with this project. What we
13 did is rather than mandate something we went
14 out, we had a meeting and we said we need to
15 help.

16 This is what we are trying to
17 accomplish. This has never been done well,
18 because there was no baseline and because these
19 records management systems do not speak the
20 same language. So, it's very difficult to
21 analyze.

22 So one of the chiefs, recommended
23 Christopher. So, we did our due diligence,
24 thought that Christopher would be perfect for

1 this project. There were additional meetings
2 in which lots of good ideas surfaced on how to
3 move forward, really how to get this project
4 going.

5 And the other thing that I am most
6 interested in is -- The research is terrific.
7 It will be very valuable. But the real-time
8 information to put good law-enforcement
9 solutions in place, to collaborate, I think
10 that piece is critical. And we made a
11 commitment to keep it safe and secure if we're
12 going to have expanded gaming in the
13 Commonwealth. That's one of our
14 responsibilities. And I'm really very hopeful
15 that this is one tool in which to do that.

16 And couldn't be more pleased with
17 the collaboration and the real efforts. You
18 have to open up your police department and let
19 Christopher in and let him look at your
20 information and trust that it will be used
21 wisely for the right purposes.

22 So, I'm very, very thankful and I
23 really look forward to this. And we'll tweak
24 it. We'll take it to Springfield. We'll take

1 it to Everett. I know Everett is already
2 interested in this project because they want to
3 make sure their efforts will indeed fit in with
4 this project.

5 So, we've gotten some information,
6 some ideas about how to do that moving it
7 forward. But this piece is I see it working
8 very well. And we see two of our folks here in
9 uniform who have been collaborating with this
10 project and others by the way, everything that
11 will happen to open this facility.

12 So, I thank you Christopher. And I
13 know we're on the right track with this.

14 MR. BRUCE: Thank you.

15 CHAIRMAN CROSBY: It shouldn't go
16 unnoted that we have a Commissioner who is a
17 very distinguished senior law enforcement
18 official who brings some credibility and
19 knowledge and discipline to this process. It
20 probably would have been hard -- I see Chief
21 Alfred nodding his head. It would have been
22 hard had Commissioner Cameron not been part of
23 this team to spearhead the effort.

24 COMMISSIONER ZUNIGA: I would say a

1 lot not just some credibility and experience.

2 CHAIRMAN CROSBY: I wouldn't want to
3 get her head too big.

4 COMMISSIONER ZUNIGA: I think this
5 is great. It's a great presentation. It's
6 very easy for me to follow and sounds like
7 you've thought a lot about the moving pieces
8 and the stakeholders with your advice and that
9 of others.

10 I'm particularly really glad to see
11 that the research is but a tool that will feed
12 real action and response in real-time. Because
13 it's one thing to do research for research
14 purposes, but if there is a way to mitigate,
15 intervene, correct, fine-tune in real-time,
16 that's a fantastic use of the research piece.
17 So, I'm really glad to see that.

18 CHAIRMAN CROSBY: That's a really
19 good point. This is really a model. This one
20 set of data is a model for this entire project,
21 as I said. And the Legislature deserves
22 credit.

23 They did set out the mandate that we
24 do this baseline study. And that we

1 longitudinally study impact on each of these
2 variables both for the purposes of research and
3 for the purposes of informing the way we deal
4 with it.

5 So, if find out that there are some
6 kind of crime increases due to the casino, we
7 can come to strategies quickly. We've got data
8 to reinforce those strategies. We find out
9 that bankruptcies do increase, we find out that
10 domestic violence rates do increase, whatever,
11 we'll have the data to drive our actions. So,
12 it's a very good point.

13 The research will be fascinating and
14 important and interesting for decision-makers
15 around the world probably, but it will drive
16 our actions and this a very practical. I
17 really can't wait for the public to understand
18 the extent to which we will understand what is
19 happening here whether it's crime rates or any
20 other impact of gambling as this unfolds across
21 the Commonwealth.

22 I do have one question. Did I
23 interrupt you, Commissioner?

24 COMMISSIONER STEBBINS: No. I have

1 a couple questions.

2 CHAIRMAN CROSBY: Let me just
3 finish. Does the reporting officer have to
4 collect new data? Are you adding new data
5 points to the paperwork that the officer on the
6 street needs to report?

7 MR. BRUCE: Assuming the agencies
8 agree to it, yes. That's what we are
9 proposing. We don't want to obviously step on
10 officer's discretion. They'll have a good
11 sense. Obviously, if they're responding to an
12 incident involving community members that
13 clearly doesn't have anything to do with the
14 casino, we're not asking them to fill out
15 something for every report.

16 But especially when they have out-
17 of-town people that they're contacting whether
18 in a traffic collision or involving some other
19 police incident, we'll be asking them to ask
20 those people are you in the area to make use of
21 the casino. If so, make an annotation in their
22 report to that -- record that additional piece
23 of information.

24 I'm drafting a proposal for a couple

1 of mechanisms by which they can do that.
2 Hopefully, they don't find it too onerous to do
3 that. It does put a little bit of burden on
4 them to do that.

5 CHAIRMAN CROSBY: This is what I
6 wanted to get at. The devil really -- Where
7 the rubber meets the road, so to speak, in our
8 ability to collect this data is if the officer
9 on the street buys into this program.

10 Everybody's busy. And cops are busy
11 like everybody else is busy and have a lot of
12 paperwork to fill out anyway. Chief Alfred,
13 you are going to have your folks doing this.
14 Has there been any discussion with the unions
15 or the officers on the street? How do you
16 manage that critical piece of the dataflow?
17 How do you make that happen? Feel free to come
18 up Chief, if you'd like to. Come up to a mic
19 if you'd like to.

20 CHIEF ALFRED: Mostly through
21 training. And remember the officers in the
22 community have a vested interest in also
23 identifying what goes on in their community to
24 the effect of Plainridge.

1 Even something as simple as a tab
2 put on our reports that says Plainridge and
3 they can simply click that and identify or flag
4 the report. We've already had that discussion.
5 Something as simple as that so there's nothing
6 too crazy. They just have to click a tab like
7 that and flag that report that it's related to
8 Plainridge.

9 CHAIRMAN CROSBY: So, it's not a big
10 deal. You're not asking about lot of data
11 points. There's not going to be new form that
12 they have to fill out. It's simply telling us
13 that this particular event was Plainridge
14 related.

15 CHIEF ALFRED: Correct. An example,
16 some things don't always arise to be a crime,
17 it could be a domestic argument where they
18 would ask what's the argument over. And they
19 ascertain that it involves something to do with
20 the racino, then again it would be a domestic
21 report, but we would be able to then flag it
22 and say it is related.

23 CHAIRMAN CROSBY: Okay. Great.

24 COMMISSIONER CAMERON: If I can add,

1 the speed of the leader. These chiefs have
2 willingly bought in to participating in this.
3 And officers know when something is important
4 to their chief. So, that's another way of
5 getting some buy-in.

6 And certainly, we'll have training
7 that will be interactive training. What do you
8 think? This is what we're thinking. How do
9 you think it'll work? That kind of training.

10 CHAIRMAN CROSBY: That's great. The
11 feedback from the folks on the street, I think,
12 will be really, really helpful to us. It's
13 critical.

14 And we ought to just for the record
15 try to think of something along the way here to
16 do for the officers in these communities who
17 are going to be a part of this. Maybe it's
18 just a thank you note, but somewhere along the
19 line, we ought to think of something to
20 recognize that they are a critical, critical
21 link to this process.

22 COMMISSIONER CAMERON: Coffee and
23 donuts wasn't enough. I agree.

24 CHAIRMAN CROSBY: I didn't mean just

1 for chiefs, I mean all of them.

2 COMMISSIONER CAMERON: Thank you,
3 Chief.

4 CHAIRMAN CROSBY: Thank you very
5 much. I agree it's really a terrific
6 presentation, really clear and very exciting.

7 COMMISSIONER STEBBINS: I would just
8 add a comment. Christopher relative to when I
9 was reading through the presentation one of the
10 things that brought my attention was casino-
11 related flags. I think the Chief was just
12 getting at, his officers are going to have a
13 good sense from what would be a normal crime
14 statistic in the community as to whether it is
15 actually casino-related. But it's good to go
16 through the presentation and see that when
17 you're thinking casino-related flags, there's a
18 direct correlation to the casino. It happens
19 on the property. It happens with a vendor. It
20 happens with an employee.

21 Throughout the host and surrounding
22 community meetings that we had and the input
23 that we had from the community, one of the big
24 flags that kept getting raised was a concern

1 over a spike in DUI cases.

2 And from your comments this morning
3 that's more of, and I'm not the criminal public
4 safety expert here, Commissioner Cameron is, so
5 I apologize if I get terminology wrong, in that
6 it is more of a proactive enforcement piece
7 than some of the other crime stats which are
8 going to be much more reactive. But that's a
9 critical element in the comments that came up
10 from residents not only of Plainville but the
11 surrounding communities.

12 How can we dive into those -- What
13 would be your thoughts of diving into those
14 numbers a little bit more as they become aware.
15 We're not just waiting for a collision,
16 obviously. We're tying it back to a regular
17 police stop if we see erratic behavior. How
18 can we gauge that crime statistic itself maybe
19 in a better fashion as we proceed?

20 MR. BRUCE: Assume we're looking at
21 the number of DUI stops or arrests that our
22 police make is going to give a misleading
23 pictures clearly. If there's increased focus
24 on DUI as a problem and the police agencies

1 therefore devote more resources to it, they're
2 going to make more stops.

3 In many communities in the
4 Commonwealth, I hope this isn't a terribly
5 shocking statement but the average police
6 officer working on a four to midnight shift, if
7 he really wants to make a DUI arrest that
8 night, he can make one.

9 So, if there's an increased effort
10 to find drunk drivers, then obviously we're
11 going to see the numbers go up. So, it's not
12 the DUI incidents or arrests that we should be
13 focusing on to determine any level of increase,
14 but collisions that have DUI as a related
15 variable.

16 Again fortunately, the data sets for
17 collision recording are specific enough that we
18 can ascertain that from the data.

19 So, if agencies anticipate the
20 problem and start doing additional enforcement
21 just as the casinos open, it may be that we
22 never see an increase because the preemptive
23 enforcement counteracts any increase that we
24 would expect to see. That's going to be really

1 difficult to ascertain.

2 But in all cases, we are looking at
3 outcome measures. What the police do is
4 important for various types of analysis, but in
5 determining the impacts of the casinos on
6 public safety, we need to always look at the
7 outcomes, not the numbers of interceptions that
8 the police made of drunk drivers but the number
9 that have gotten into accidents. That'll be
10 the true measure of public safety changes.
11 Does that make sense?

12 COMMISSIONER STEBBINS: Yes, it
13 does. Thank you.

14 CHAIRMAN CROSBY: Anything else?
15 Thank you very much gentlemen. It's great.

16 It's 12:00. This is a pretty good
17 breaking point. Shall we take an hour, take a
18 one-hour break. So, we will reconvene here at
19 1:00.

20

21 (A recess was taken)

22

23 CHAIRMAN CROSBY: We will reconvene
24 the 152nd meeting of the Massachusetts Gaming

1 Commission at about 1:00. We have some changes
2 in the order of our schedule. We'll start out
3 with General Counsel Blue of the legal
4 department.

5 MS. BLUE: Good afternoon,
6 Commissioners. The first item on our list from
7 the legal division is the exemption delegation.

8 And I think if you recall at our
9 meeting last time, we discussed the delegation
10 of authority to the IEB to grant petitions for
11 exemptions from nongaming vendor licensing and
12 registration requirements under the catchall
13 provision, which is called 6(n). And that's an
14 exemption rule that's in the public interest.

15 Commissioner McHugh requested that
16 we put something in writing. And in your
17 package is a memo requesting the delegation and
18 explaining the purpose of the delegation. We
19 think this will be helpful because it will free
20 up a little bit more of the IEB's time. It
21 will also create less of a process for bringing
22 these in front of the full Commission for
23 review.

24 We don't know how many of these that

1 we will see. The legal department will help
2 the IEB in monitoring these. But we think that
3 there should be enough of them that this will
4 be very helpful.

5 CHAIRMAN CROSBY: Comments?

6 COMMISSIONER ZUNIGA: Yes. I think
7 having the director have the discretion to
8 grant that waiver would be a major help for
9 Director Wells in her ability to manage a lot
10 of what she has on her plate in terms of
11 workload and priorities, slippage of qualifiers
12 and things like that. So, I am okay with this.
13 I was last time. I know Commissioner McHugh
14 was and now he's not here but he wanted to see
15 it in writing. And I think the memo here
16 explains it really well.

17 CHAIRMAN CROSBY: Can you give me an
18 example of what such a thing might be?

19 MS. BLUE: What has come up, for
20 example, is an entity that wishes to put
21 advertising in the casino as opposed to a
22 casino buying advertising. We have, I think,
23 it's 13 exemptions in this section, 12 of which
24 are very specific, one of which is advertising,

1 but it is drafted in such a way that it assumes
2 the casino is buying advertising.

3 Well, people who want to put
4 advertising say in the racing program, it
5 doesn't necessarily make sense to license them
6 as a nongaming vendor. So, they could fall
7 under this section. The IEB could approve it.

8 CHAIRMAN CROSBY: Right. Okay.

9 COMMISSIONER CAMERON: I'm sure that
10 you say in the memo, legal will work
11 concurrently to make sure they are sound
12 decisions.

13 MS. BLUE: We will.

14 COMMISSIONER ZUNIGA: And if there's
15 always any doubt, you come back right here,
16 right? That's the whole point.

17 MS. BLUE: That's right. If there
18 were a question that we were uncomfortable
19 with, we would bring the petition to the
20 Commission.

21 COMMISSIONER STEBBINS: Do we have a
22 defined form or requirements for what the
23 petition needs to look like?

24 MS. BLUE: We don't. We'll take it

1 in a letter. I would imagine some of these
2 will be small type businesses and I don't want
3 them to be sort of caught up in a form. As
4 long as they can explain in a letter to us what
5 they are doing and what they need that'll be
6 fine.

7 CHAIRMAN CROSBY: So, you wanted to
8 know when Plainridge returned. Steve is here.
9 Is that who you were talking about?

10 MR. DAY: No. I was talking about
11 the architects.

12 CHAIRMAN CROSBY: Any other
13 thoughts, questions?

14 COMMISSIONER STEBBINS: I think this
15 will help expedite the process and to our
16 General Counsel's point just kind of folks who
17 are providing services that are kind of in that
18 category of businesses anyways to kind of
19 quickly move through the process and not hold
20 our licensee up.

21 CHAIRMAN CROSBY: Do you want to
22 move to that effect?

23 COMMISSIONER STEBBINS: Mr. Chair, I
24 move that the Commission delegate to the

1 Director of IEB the authority to accept and
2 grant or deny a petition for exemption under
3 205 CMR 134.04 subsection 6(n) from the
4 nongaming vendor requirements under 205 CMR
5 134.

6 COMMISSIONER CAMERON: Second.

7 CHAIRMAN CROSBY: Any further
8 discussion? All in favor, aye.

9 COMMISSIONER CAMERON: Aye.

10 COMMISSIONER ZUNIGA: Aye.

11 COMMISSIONER STEBBINS: Aye.

12 CHAIRMAN CROSBY: Opposed? The ayes
13 have it unanimously.

14 MS. BLUE: Thank you. The next item
15 in your package is a policy. The policy is
16 entitled the review of executive session
17 minutes. The purpose of this policy is that --
18 and all commissions and agencies that operate
19 under the open meeting law need to have a
20 policy like this. Basically, what this is is
21 this provides a process for the regular review
22 of any minutes that are taken in executive
23 session and then delegates to the General
24 Counsel the authority to review those minutes

1 and determine whether they should be released.

2 Now if you look at the statute, the
3 first to paragraphs in the policy basically
4 follow the statute. The open meeting law
5 statute requires that executive session minutes
6 can be kept confidential until such time as the
7 need for the executive session disappears.
8 That's really what I will be evaluating for
9 executive session minutes.

10 So, to the extent that it's
11 investigatory, for example, and to the extent
12 the investigation has been completed and
13 determined then it might be the time to release
14 those minutes.

15 But the open meeting law
16 contemplates that at some point for almost all
17 executive session minutes they will become
18 public like other minutes.

19 So, this sets up the policy. The
20 idea would be that I would review any executive
21 session minutes quarterly. I would determine
22 whether anything needed to be redacted. I
23 would consult with the appropriate other
24 parties, if there are other parties to

1 determine whether they still had ongoing
2 issues. And then I would prepare them to be
3 made public. And we would post them along with
4 our other minutes.

5 COMMISSIONER CAMERON: So, for
6 example, if the issue in executive session was
7 investigative in nature, you'd check to make
8 sure there was no issue with the case still
9 pending or that that could reveal something
10 that you wouldn't want revealed before a case
11 is adjudicated. Is that what you're saying?

12 MS. BLUE: That's correct. And I
13 would also check, for example, if other law
14 enforcement agencies were involved, I would run
15 it by them as well to make sure that we weren't
16 doing anything that impacted their
17 investigation. Then I would file a report.
18 I'll come to the Commission and report on what
19 I've released.

20 CHAIRMAN CROSBY: Is this just
21 prophylactic or have we had requests?

22 MS. BLUE: We have not had requests.
23 But we think this is important to have in
24 place.

1 CHAIRMAN CROSBY: Yes, I agree.

2 Other comments? Do we need to vote on this?

3 MS. BLUE: Yes. We will put this
4 with the rest of our policies.

5 CHAIRMAN CROSBY: Commissioner
6 Stebbins?

7 COMMISSIONER STEBBINS: Mr. Chair, I
8 move that the Commission adopt the policy
9 relative to minutes of executive sessions of
10 the Commission as prescribed in the memo in the
11 packet.

12 CHAIRMAN CROSBY: Second?

13 COMMISSIONER ZUNIGA: Second.

14 CHAIRMAN CROSBY: Further
15 discussion? All in favor, aye.

16 COMMISSIONER CAMERON: Aye.

17 COMMISSIONER ZUNIGA: Aye.

18 COMMISSIONER STEBBINS: Aye.

19 CHAIRMAN CROSBY: Opposed? The ayes
20 have it unanimously.

21 MS. BLUE: Thank you. And then
22 finally, we have the amended small business
23 impact statement for regulation 205 CMR 14.
24 This is a racing regulation. It came before

1 the Commission a very long time ago
2 particularly because the racing regulations
3 have to go to Legislature and this one has gone
4 through.

5 This was part of the regulations
6 that we did or in conjunction with the Race
7 Horse Development Fund regulation. And this
8 section 14 gives the Commission a little bit
9 more flexibility in terms of licensing, in
10 terms of dates, in terms of requiring when
11 bonds come in and checks are paid and things
12 like that.

13 We didn't put a copy of that
14 regulation in your packet but we did provide
15 one here today. It has been approved. It has
16 gone through the legislative process. Now by
17 having the amended small business impact
18 statement, we will file it for final
19 promulgation. So, that's where we are. But it
20 has been a very long time since you've seen it.
21 And there are no changes in it since you've
22 last seen it.

23 CHAIRMAN CROSBY: Questions,
24 comments? You need a motion on this too,

1 right?

2 MS. BLUE: Yes.

3 CHAIRMAN CROSBY: Commissioner
4 Stebbins?

5 COMMISSIONER STEBBINS: Sure. Mr.
6 Chairman, I move that the Commission approve
7 the amended small business impact statement
8 relative to proposed regulations in 205 CMR 14
9 supplemental license procedures.

10 CHAIRMAN CROSBY: Second?

11 COMMISSIONER CAMERON: Second.

12 CHAIRMAN CROSBY: Further
13 discussion? All in favor, aye.

14 COMMISSIONER CAMERON: Aye.

15 COMMISSIONER ZUNIGA: Aye.

16 COMMISSIONER STEBBINS: Aye.

17 CHAIRMAN CROSBY: Opposed? The ayes
18 have it unanimously.

19 MS. BLUE: Thank you. That
20 concludes legal's presentation.

21 CHAIRMAN CROSBY: Are you going to
22 talk about the letter?

23 MS. BLUE: Yes, with Executive
24 Director Day as part of his. Thank you.

1 MR. DAY: If we could have the Penn
2 representatives come up.

3 CHAIRMAN CROSBY: We are now on item
4 six.

5 MR. DAY: If you could take a look
6 at item 6(a) tab. As we're getting seated, at
7 the Commission's last meeting we presented a
8 report comparing the RFA-2 proposal to the
9 final floor plan as was received from our
10 architect, and concluded that the attached
11 plans are generally consistent with and
12 reflecting a similar quality of the design
13 included in the RFA-2 application.

14 What we have today is we have
15 joining us Jack Rauen from Penn, Mike McGrew VP
16 for construction, Darlene Whitmore, the project
17 architect and Dane from Pinck and Company, Dane
18 Wigfall. What we want to do is have some
19 additional facts presented to the Commission to
20 share with you the areas that you're
21 specifically interested in according to our
22 regulation.

23 The areas we'll focus and take into
24 consideration that's on the list that's

1 included in CMR 205 151. And for ongoing
2 construction and those areas that are sensitive
3 will not be a part of the presentation.

4 Following the presentation, we are
5 requesting that the Commission accept Ray
6 Porfilio's recommendations and conclusions.
7 So, that's the architect the last time and his
8 memorandum is included in the packet. And he
9 has two recommendations and a conclusion at the
10 end of that memorandum that hopefully you will
11 have enough information at that point to
12 approve the floor plan pending final
13 inspection. And delegate to Commissioner
14 Cameron the authority to approve the remaining
15 areas of the floor plan based on the site final
16 inspection by MGC staff.

17 That's kind of what we're here for
18 and what we hope to and I know I'd like to have
19 Counsel Blue add a little comment.

20 MS. BLUE: Before we consider the
21 Plainridge floor plan today, I wanted to update
22 the Commission on a matter that arose late
23 yesterday. Late in the day yesterday, we
24 received a letter from the counsel for the

1 Mashpee Wampanoag Tribe expressing concerns
2 that they had about the Commission's regulation
3 205 CMR 143. And that is the regulation that
4 pertains to slot machines.

5 Their concern is regarding slot
6 machines, the amount of gaming positions and
7 the definitions of electronic table games. We
8 are reviewing their letter. We have not
9 reviewed it entirely. They also sent this
10 letter to the Attorney General's office. And
11 they asked the Attorney General's office to
12 review the Commission's regulation on these
13 issues.

14 I spoke to the Attorney General's
15 office yesterday. And I let them know that we
16 look forward to working collaboratively with
17 them and to answer any questions they have
18 about our regulation. I also explained to the
19 Attorney General's office that the purpose of
20 the Commission's review of the floor plan today
21 was not about that regulation. It was in fact
22 about the floor plan and about our preopening
23 certification process and the compliance with
24 that regulation.

1 I further assured the Attorney
2 General's office that the Commission's review
3 and possible approval of the floor plan did not
4 and would not prejudice any matters that the
5 Tribe had regarding the regulation. And that
6 it would not impact any of those discussions
7 that we would have with the Attorney General's
8 office.

9 I know that the letter, it will be
10 posted so that we can have that conversation.
11 And we also meet with the Attorney General's
12 office promptly to discuss any concerns or
13 questions that they have.

14 CHAIRMAN CROSBY: I just had a
15 chance to read it this morning since we just
16 got it yesterday afternoon. And I agree with
17 you obviously completely.

18 First of all, it doesn't have
19 reference to what we are doing here today. Two
20 is that we will of course collaborate
21 completely with the Attorney General in taking
22 a look at this. But also just for the record,
23 we've discussed this at a very robust, very
24 public, very rigorous conversation. We had an

1 extended period of time for public comment.

2 This was done about a year ago.

3 And as with all of our regs. we go
4 through a very careful thorough legal review
5 and analysis within the context of the broad
6 authority the Legislature gave us to interpret
7 and implement that law.

8 Having said that as I said, we'll
9 completely collaborate with the AG to look into
10 this. But for the record, it's pretty clear
11 that there was a long and rigorous comment
12 period a long time ago. And as usual, we
13 operate under a very strict and rigorous legal
14 review of our own.

15 COMMISSIONER ZUNIGA: I couldn't
16 agree more. And my recollection is that there
17 were a series of discussions, not just one, and
18 the normal review of the promulgation of
19 regulations. We had a number -- And now our
20 legal team has to go back and search those
21 times and meetings and all that, which is
22 commendable but there were more than a couple
23 of lengthy discussions and analyses and
24 documents that we considered.

1 CHAIRMAN CROSBY: If I remember
2 correctly, one of the significant data points
3 in that long conversation was that nobody
4 objected to it.

5 Okay. Thank you for that sidebar.

6 MR. DAY: Chairman and members of
7 the Commission, also the process of the
8 approval of the floor plan and its
9 consideration and ultimately the final
10 inspection that's all part of the operations
11 certificate approval that the Commission will
12 hopefully be able to grant as we get toward the
13 end of June. With that I turn this over to
14 Jack and his team.

15 MR. RAUEN: Thank you, Rick. Good
16 afternoon. Always a pleasure to come here and
17 speak with you about our project.

18 Before I turn the conversation over
19 Michael and Darlene, I wanted to make just a
20 couple of brief comments on the report of Ray
21 Porfilio, the consulting architect.

22 We take note of and certainly agree
23 with some of the more significant comments in
24 that report, specifically that the plan is

1 unchanged from that which we put forth in the
2 RFA-2. That's always our goal. The program is
3 appropriate for its intended use, we certainly
4 agree with that. And the finishes and quality
5 are appropriate and consistent with the RFA-2.

6 We were glad to see them draw those
7 conclusions because those were three big things
8 on our objectives. Also, we are very pleased
9 that he's recommending to you today to approve
10 our floor plan as consistent with the RFA-2.

11 Finally, this is our second
12 opportunity to work with Ray. He is thorough,
13 diligent, carries out his charge very well.
14 And we appreciate his efforts and the
15 conclusions that he drew. With that I'll turn
16 it over to Michael and Darlene to review the
17 floor plan.

18 MR. MCGREW: Thank you,
19 Commissioners. I appreciate the opportunity to
20 present this to you again and get some
21 clarification to some areas on the floor plan
22 and give a little more detail.

23 The first slide that we're going to
24 look at is the overall floor plan. This is

1 basically to give you orientation again to the
2 site. I know you're very familiar with the
3 site, but -- Rick, may I have the pointer
4 please? Do you by chance have that?

5 To give you the overall orientation
6 again. Basically, this plan shows the overall
7 first level of the facility. This is the
8 existing racing building. This is the new
9 portion of the casino that was constructed.

10 And then this is the parking structure with the
11 valet entrance here, also an entrance here and
12 an entrance from the garage.

13 We'll go onto the next slide which
14 shows more in detail. This also, starting with
15 the entrance into the facility, basically three
16 major hindrances. Entrance from the garage
17 here and one thing I want to point out at each
18 one of these entrances is the security podium
19 which is located right at each entry for
20 carding and entrance into the facility.

21 The main entry here and valet, also
22 there is a security podium here. The racing
23 entry on this side, which allows people to go
24 to live racing in this direction and then also

1 come up to the casino. Our security point
2 there is right as you enter the casino floor at
3 the top of the ramp.

4 The other elements on this drawing
5 and blow up to help you understand are the
6 kiosk locations. We have the lottery kiosks
7 throughout the facility. We try to point them
8 out scattered throughout the facility in
9 locations where easy access.

10 Another area we want to point out is
11 the local artist display. We have met with
12 her. We've looked at this location where 85
13 percent of our customers come through. Paula
14 DeSimone, that will be the location for her
15 display. And then we have artists of the
16 future display, which will be on the racing
17 side and be on the location as soon as you
18 enter on the left on the racing facility.

19 CHAIRMAN CROSBY: That's a display
20 that will turn over from time to time?

21 MR. MCGREW: Yes. Annually it will
22 be turned over. There will be a program. The
23 program will still be developed in the future.
24 The nice thing about that is that it's in a

1 location where the minors can get into because
2 that building you're not carded over 21 until
3 you get into the casino. So, the program can
4 be any age level of program.

5 Does anybody have any questions?

6 COMMISSIONER STEBBINS: Yes, I do.
7 I'm assuming all of the lottery kiosks and Keno
8 locations are consistent with Penn's agreement
9 with Mass. Lottery?

10 MR. MCGREW: One other thing I'd
11 like to point out is the GameSense location.
12 Actually, if we go to the next
13 slide --

14 CHAIRMAN CROSBY: I'm just going to
15 finish up on this one too. I just want to
16 point out for the record that there are seven
17 lottery kiosks. And that was done and worked
18 out with the lottery in answer to that
19 question. This is all apropos of the mandate
20 in the law that we do everything we can in
21 collaboration with our licensees to protect
22 lottery revenue. So, I think having seven
23 kiosks there well-positioned is a great part of
24 that.

1 MR. MCGREW: Thank you. Anymore
2 questions?

3 MR. DAY: Just for a clarification,
4 everybody nodded but on the question from
5 Commissioner Stebbins was are those lottery
6 machines and placements in compliance with your
7 agreement with the lottery?

8 MR. MCGREW: To my knowledge, yes.
9 They've been working that out with Lance and
10 the operations on locations, which actually
11 Darlene has worked very closely with him on
12 locating and placement.

13 MR. DAY: Thank you.

14 COMMISSIONER CAMERON: The agreement
15 itself says prominent places. It's not
16 specific in the agreement itself.

17 MS. WHITMORE: We put them in the
18 entryways, prominently on the casino floor and
19 then in the food venues.

20 COMMISSIONER STEBBINS: It appears
21 to be able to play Keno while you're sitting at
22 the Flutie's bar or other areas.

23 MR. MCGREW: On this plan as well
24 the GameSense location is right where you come

1 in entering from the garage where 85 percent of
2 our patrons will come in. We think it is a
3 very good location.

4 We met with them, went over their
5 program. And as you'll see in some later
6 slides, a better blow-up of that and detail of
7 that where that location is in the layout.

8 We can go to the next slide. This
9 next slide basically blows up the gaming area.
10 To define the gaming area, we put a red line
11 around total gaming floor to show where the
12 actual gaming floor goes all the way around the
13 facility. It's kind of a line that just
14 follows the path where works out of the
15 restaurants and so forth where all of the
16 gaming devices are.

17 Also wanted to show that at every
18 major entry point, we have security at these
19 key locations to also ensure that before
20 anybody enters a gaming floor that they're
21 properly identified and carded.

22 CHAIRMAN CROSBY: I was first
23 puzzled by what these little red dots were.
24 But I guess they're the lottery kiosks, but

1 you're missing some of them.

2 MS. WHITMORE: This slide just
3 represents the gaming area. We couldn't get
4 the other stuff to white out. So, this is just
5 the gaming area for this slide. And the
6 previous slide is the one that just shows where
7 the monitors --

8 CHAIRMAN CROSBY: There's a bunch of
9 little red dots on this one too. And I
10 couldn't figure out what they were.

11 MS. WHITMORE: The red dots are the
12 lottery terminals, yes. And some of those are
13 not on the gaming floor. Some of them are in
14 the entryways.

15 CHAIRMAN CROSBY: Oh, I see.

16 COMMISSIONER ZUNIGA: I realize that
17 this question may be for Lance or may be for
18 even later, have you determined the hours of
19 operations of the food and entertainment venues
20 at this point?

21 MR. MCGREW: Yes, they have. I'm
22 not privy to that. Obviously, that's
23 operations side.

24 MR. RAUEN: That's a good question

1 for Lance.

2 MR. MCGREW: Yes. That would be a
3 good question for Lance. This is the entry
4 from the garage. As you can see here, this is
5 the GameSense area. We have a floor layout
6 where we have, based on the program elements
7 that we discussed in our meetings, they have a
8 nice inviting entry to come in, kind of open.
9 Then they also have an area in the back that if
10 they need to sit down and talk with anyone,
11 they can talk in the back area, very
12 comfortable.

13 And it has their GameSense kiosk
14 located here. And there is also a GameSense
15 kiosk located over at the entry to the casino
16 by the racing area.

17 COMMISSIONER STEBBINS: Am I looking
18 at this, are we expecting the only access to
19 that back area, which I guess is an EMT space,
20 is through the GameSense space?

21 MS. WHITMORE: Yes.

22 MR. MCGREW: Yes.

23 COMMISSIONER STEBBINS: So, if I
24 need medical attention, I'm going through the

1 GameSense space?

2 MR. MCGREW: This is where they'll
3 house their equipment and then they'll be out
4 on the floor. They would have to go through
5 the GameSense space to get that access. This
6 location was worked out with the Plainville
7 Fire Department.

8 CHAIRMAN CROSBY: Mark has reviewed
9 this as well. So, presumably -- I agree that's
10 looks a little bit funny but EMT has to go
11 through something to get there. I assume Mark
12 must have reviewed that.

13 COMMISSIONER STEBBINS: Okay.

14 MR. MCGREW: The next slide goes
15 back to the venues as we have presented before.
16 We have Revolutions which is the bar stage
17 area. In this area, we have the food court
18 made up of three venues The Bean, The Slice and
19 B Good. We have Flutie's Sports Pub and then
20 we have the Slack's Oyster Bar and Grill which
21 is located at the racing building. Any
22 questions here?

23 Go to the next slide, this here is
24 an overall floor plan of the upper floor level.

1 Basically, this is the multipurpose room. And
2 then this is the simulcast area over here.

3 The next slide actually shows a
4 better roll up of the gaming area, racing
5 gaming area. So, we can go to the next slide
6 which gives a better detail. This is on the
7 first level live racing. Then this is the
8 simulcast on the second level. The main entry
9 for the live racing as soon as you come in that
10 main entry, you go directly into there. The
11 track is orientated on this side and then the
12 simulcast is on the second level on the east
13 side.

14 COMMISSIONER ZUNIGA: That north
15 entry on the top left of that drawing is that
16 entry if you went the other way, you went to
17 the corridor out to the casino, right?

18 MR. MCGREW: Yes. When you go
19 right, you go out to the casino. When you go
20 left you go to live racing. Very open and
21 inviting space. The way we had to do the
22 walkway is we made it real wide at the entry
23 and then narrowed it down into the casino.
24 Very inviting and open.

1 The next slides that you'll be
2 seeing are from the interior finishes and I'll
3 let --

4 MR. RAUEN: Commissioner Stebbins,
5 no matter how many times we look at these
6 plans, we always come up with something. And I
7 never noticed that you have to go through
8 GameSense or there would be traffic from EMT
9 through GameSense. I'm not sure at this late
10 juncture if we can do anything about it, but
11 that's worth a look. Let us take a look and
12 make sure that it's not disruptive and what
13 type of activity that would be in the EMT and
14 if we have any other options.

15 COMMISSIONER STEBBINS: Okay. I
16 appreciate that. Thank you, Jack.

17 MR. MCGREW: We'll go to the next
18 slide which will show you some photographs that
19 Darlene can comment on relative to our
20 finishes.

21 MS. WHITMORE: Good afternoon.
22 Sunday, this is as of Sunday the progress we've
23 made in construction that will show you the
24 imagery of what's happening with our concept

1 and design that has been actually built.

2 This view is as you're coming in
3 from the parking garage entry. Actually, I'm
4 sorry. It's a view from Flutie's towards the
5 parking garage entry. You see illuminated
6 feature columns that have this stone, the dark
7 sparkly stone cladding them. And a zebra wood
8 finish on the stepping wood ceiling elements
9 and the water is reflected into the carpet.
10 Those are the materials we used and the concept
11 in our RFA and built for them.

12 So, if you go to the next slide --
13 COMMISSIONER ZUNIGA: Before you do
14 that, I'm just curious what is that element on
15 the left. There's a slot machine on the left.
16 And then there's something right next to it if
17 you continue down the corridor. Is that a
18 kiosk?

19 CHAIRMAN CROSBY: A kiosk of some
20 sort.

21 MS. WHITMORE: They're in the
22 process of installing the games. So, that's
23 the slot machine. It hasn't been placed yet.
24 It's sitting on the floor. These are the bases

1 and these are the slot machines.

2 And the slot machine is just sitting
3 there. There's a bunch of bases over here.
4 They haven't set the machine yet. So, they're
5 in the process of building and setting the
6 machines at the same time.

7 MR. RAUEN: We can't tell what that
8 other piece is if you go down the walkway
9 carpet further down. I'm sure it's some kind
10 of construction material.

11 COMMISSIONER ZUNIGA: Some cardboard
12 or something. It looks like there's been so
13 much progress.

14 MS. WHITMORE: Right, there has
15 been. As you can see we have the metal
16 chandeliers this photo also. One of them, the
17 last was going in yesterday.

18 If you go to the next slide, this is
19 Revolution 1776. It's from the bar looking
20 towards Flutie's. You can see Flutie's is the
21 same zebra wood elements from the ceiling. As
22 you're coming into the facility, we used that
23 same material at Flutie's. These are the
24 museum style cases that I discussed at the last

1 meeting where Flutie's uniforms from his
2 various career will be displayed in these cases
3 right here.

4 And these are the clouds, we call
5 them. And that's just an element in the
6 ceiling for acoustics and we have lights up
7 here. And this is this stage. So, that's the
8 view from the bar. As you can see, it's a very
9 open plan. No matter where you stand, you can
10 look around and see pretty much the whole
11 casino and you'll know where you're going to
12 be.

13 If you go to the next slide, this is
14 a view from the food court. You can see
15 Revolution 1776 is here. This is the food
16 court. You're looking toward the main entry.
17 These are the illuminated feature columns as
18 you're entering the facility here. And we also
19 have the same elements coming in from the porte
20 cochere entry.

21 If you go to the next slide, this is
22 in the food court looking towards Revolution
23 1776. So, you can see it's a circular stage
24 platform. These are going to be illuminated

1 light-changing elements around the bar. This
2 in the cardboard is a metal railing. It's
3 really pretty, but you can't see it in this
4 picture.

5 If you go to the next slide, this is
6 coming in from the parking garage entry looking
7 towards Flutie's. So, we have the illuminated
8 columns. This is this beautiful zebra wood
9 ceiling elements, very highly reflective and
10 the stone on the sides of the columns. And
11 you're looking towards Flutie's which is also
12 the same stone that's in the columns at the
13 portal where the Heisman trophy display case
14 will be at the main entry.

15 Next slide. That might be it.
16 That's it, okay. Does anybody have any
17 questions?

18 CHAIRMAN CROSBY: Any more questions
19 or comments?

20 COMMISSIONER ZUNIGA: It looks like
21 there's been a lot of progress.

22 MR. RAUEN: The building has taken
23 on life and energy. And between the interior
24 design elements and the slot machines

1 themselves, it's a beautiful place.

2 COMMISSIONER ZUNIGA: Sure looks
3 like it.

4 CHAIRMAN CROSBY: Okay. Do we need
5 to do anything? Do we need to accept this?

6 MR. DAY: Yes. I'm hoping that the
7 Commission would accept the architect's
8 recommendations and conclusions of the floor
9 plan, and hopefully delegate to Commissioner
10 Cameron the final approval.

11 CHAIRMAN CROSBY: Commissioner
12 Stebbins, we'll go with you today.

13 COMMISSIONER STEBBINS: Mr. Chair, I
14 ask that -- Do we want to include some type of
15 acknowledgement or incorporation of the memo
16 from our consultant as well?

17 MR. DAY: Yes. It's included in the
18 packet as well, yes.

19 COMMISSIONER STEBBINS: Mr.
20 Chairman, I ask that the Commission give
21 approval to the prescribed gaming floor of
22 Plainridge Park and the elements included in
23 the packet including the memo and
24 recommendations from Ray Porfilio and Epstein

1 Joslin Architects, Inc.

2 CHAIRMAN CROSBY: Second?

3 COMMISSIONER ZUNIGA: Second.

4 CHAIRMAN CROSBY: Any discussion?

5 All in favor, aye.

6 COMMISSIONER CAMERON: Aye.

7 COMMISSIONER ZUNIGA: Aye.

8 COMMISSIONER STEBBINS: Aye.

9 CHAIRMAN CROSBY: Opposed? The ayes
10 have it unanimously.

11 COMMISSIONER ZUNIGA: There was
12 another request for a motion in there that I'll
13 be happy to make if that's okay, Mr. Chairman
14 that the Commission delegate any, to
15 Commissioner Cameron any tweaks or changes as
16 they evolve from the implementation of this
17 plan.

18 CHAIRMAN CROSBY: Tweaks or changes,
19 okay. Do I have a second?

20 COMMISSIONER STEBBINS: Second.

21 CHAIRMAN CROSBY: Any further
22 discussion? All in favor, aye.

23 COMMISSIONER ZUNIGA: Aye.

24 COMMISSIONER STEBBINS: Aye.

1 CHAIRMAN CROSBY: Opposed? The ayes
2 have it. Commissioner Cameron I think recused
3 herself from that vote.

4 MR. DAY: Thank you very much.

5 MR. CHAIRMAN: What's next?

6 MR. DAY: I'm waiting for Mr.
7 Grossman beside me. The next item is tab (b)
8 training assistance emergency regulation.
9 While Todd's coming up, you have under that tab
10 is staff is recommending an amendment to CMR
11 134.03 by adding paragraph two that allows
12 Plainridge Park Casino to utilize employees
13 from other Penn or affiliated properties to
14 assist and train their new employees during
15 preopening and for a short period after
16 opening.

17 That's provided there are some
18 conditions, PCP must identify personnel in
19 advance, they must provide an ID that is
20 distinguishable from other employees. They
21 must attest the employees are in good standing
22 if those employees are licensed. And they must
23 be accompanied by a licensed employee anytime
24 they are in a restricted area.

1 The foundation for the reason that
2 we are proposing this amendment or emergency
3 amendment to our regulations is that our
4 regulation approach and scheme overall did not
5 contemplate startup operations and the need for
6 mass hiring and training.

7 It is evident that if PCP -- I think
8 that's a drug -- PPC is not able to use
9 experienced personnel to train, it will result
10 in a hardship to the operation. The proposal
11 maintains the regulatory scheme and provides
12 PCP the flexibility they need to get ready to
13 open. I'm sure Attorney Grossman might as well
14 have a comment or two.

15 MR. GROSSMAN: I could but I don't
16 know if I have too much to add. That sums it
17 up. Essentially, there is just this class of
18 individuals who we need to be saying do not
19 have to be licensed or registered because
20 they're just there to train other people.

21 COMMISSIONER STEBBINS: I understand
22 the scope of the regulation. And I think when
23 we've looked back on some of the earlier
24 discussions we had about training entities, we

1 recognize from other jurisdictions that each
2 licensee to a degree likes to do some of their
3 own training to incorporate new employees to
4 the Penn way or to the MGM way or to the Wynn
5 way, and fully would've expected folks to come
6 in from out of town.

7 And I think this is a great solution
8 to keep, as Director Day says, to our
9 regulatory commitments but at the same time
10 give our licensee the flexibility to train
11 people. And we know there's a huge dose of
12 training coming between now and opening day on
13 June 24. So, it makes sense.

14 MR. DAY: Thank you, Commissioner
15 Stebbins. I also add that it is time
16 restricted. It basically is for a 60-day
17 period. Then it would be over. And it's not
18 renewable.

19 CHAIRMAN CROSBY: Who on our staff
20 would be sort of tracking that? Whose job is
21 it to make sure for example when 60 days are
22 up?

23 MR. DAY: IEB. They'll also have to
24 have a separate badge. And Penn is going to go

1 with a different color. So, it'll actually be
2 evident from just walking by. It'll be our
3 regulatory staff and our agents that are on-
4 site.

5 CHAIRMAN CROSBY: All right. Any
6 discussion. questions?

7 COMMISSIONER ZUNIGA: So, we need to
8 promulgate this by emergency?

9 MR. DAY: Yes, we do.

10 COMMISSIONER ZUNIGA: And at the
11 same time, regular promulgation or given the
12 temporary nature of this we'll be done with
13 that?

14 MR. DAY: At the same time regular
15 process. And as this moves forward, we'll look
16 at how it comes out in the end. We may have to
17 come back to the Commission for some tweaks to
18 prepare for future use by the casinos.

19 COMMISSIONER ZUNIGA: Fair enough.
20 I'd be happy to move, Mr. Chairman, that we
21 adopt on an emergency basis the proposed
22 regulation submitted in the packet 205 CMR 134
23 licensing and registration of employees,
24 vendors, junket and representatives and labor

1 organizations as amended by subsections
2 134.03(1) and (2) as presented here in the
3 packet today. And at the same time move that
4 this regulation started the normal promulgation
5 process.

6 CHAIRMAN CROSBY: Second?

7 COMMISSIONER STEBBINS: Second.

8 CHAIRMAN CROSBY: Further

9 discussion? All in favor, aye.

10 COMMISSIONER CAMERON: Aye.

11 COMMISSIONER ZUNIGA: Aye.

12 COMMISSIONER STEBBINS: Aye.

13 CHAIRMAN CROSBY: Opposed? The ayes
14 have it unanimously. Good job, Todd.

15 MR. DAY: Mr. Chairman, that gets us
16 to tab (c) and Doug O'Donnell is here to
17 present two requests from Suffolk Downs. One
18 is a request for capital improvement trust fund
19 monies and the second is a request for
20 promotional fund monies. I wasn't ignoring Dr.
21 Lightbaum. As she comes up following Doug she
22 will be asking the Commission to cancel and add
23 some race days.

24 DR. LIGHTBAUM: Doug is going to

1 talk to you about the capital improvement and
2 promotional funds requests from Suffolk Downs.

3 As you guys have had some of these
4 come before you, this one we don't have enough
5 money to completely pay it off. Doug will get
6 into the financial details, but one thing we
7 were wondering was if you were comfortable with
8 it, approving payment as the money comes in of
9 the rest of it so we wouldn't have to come
10 before you each time a chunk of money came in
11 to pay it off.

12 I did get a chance to talk to Derek
13 about it and he agreed that was okay. I'm not
14 sure legally if Catherine might have any
15 comments on that.

16 MR. DAY: Basically, Alex, what it
17 would be is the same request which has been
18 previously approved.

19 DR. LIGHTBAUM: Right.

20 MR. DAY: It's actually just an
21 expense disbursement, rather than dispensing.

22 DR. LIGHTBAUM: Yes.

23 CHAIRMAN CROSBY: This is one of
24 these funds that they give us the money and we

1 give it back to them, right?

2 DR. LIGHTBAUM: Right.

3 MR. DAY: Both of them are.

4 DR. LIGHTBAUM: Both of them are.

5 So, I'll let Doug go ahead and describe the
6 finances.

7 MR. O'DONNELL: Good afternoon,
8 Commissioners. As Alex just mentioned, we have
9 two memorandums in front of you both pertaining
10 to Suffolk Downs with their promotional trust
11 fund and a capital improvement trust fund.

12 The first one being the capital
13 improvement trust fund. The original request
14 for consideration, which was submitted by
15 Suffolk Downs and approved by Dixon Salo, the
16 architectural firm, was \$4 million.

17 To date we have reimbursed \$3
18 million and change which will leave a balance
19 on the project of \$923,000. And the monies in
20 the capital improvement trust fund as of May 4
21 was \$325,754.35 which is what the request for
22 reimbursement is.

23 So, what we essentially have been
24 doing is when that money builds up they will in

1 turn request reimbursement. And that's when we
2 come to the Commission. If we were to avoid
3 that one extra piece as Alex had mentioned, we
4 could basically approve it, because the monies
5 have already been paid for. This has been paid
6 in full, the \$4 million.

7 So, it's a matter of building up
8 money in that capital improvement trust fund to
9 disperse it to the tracks. We have a stack of
10 paperwork for this particular project. It's
11 probably a foot thick.

12 So, what we are doing today, we will
13 need your approval to reimburse that money to
14 Suffolk Downs for this capital improvement
15 trust fund.

16 COMMISSIONER ZUNIGA: Remind me that
17 the money that comes to this fund ultimately
18 lags in time, right? It comes out of activity
19 that has already also taken place?

20 MR. O'DONNELL: Correct.

21 COMMISSIONER ZUNIGA: To some
22 degree.

23 MR. O'DONNELL: The money that go to
24 the cap fund are from the breaks, the simulcast

1 breaks and live racing. As that money builds,
2 when they paid their bills to the Commission,
3 that money is allocated for this capital
4 improvement trust fund. And as that builds up,
5 we will then disperse it when it's a sizable
6 amount.

7 COMMISSIONER ZUNIGA: If there is
8 let's say very few racing days this next coming
9 year, would that affect the monies that
10 ultimately come to this fund?

11 MR. O'DONNELL: Very minimal. Live
12 racing does not have a huge impact on the
13 amount of money that goes into the fund.

14 COMMISSIONER ZUNIGA: It's mostly
15 simulcasting.

16 MR. O'DONNELL: Correct.

17 COMMISSIONER STEBBINS: Doug, just
18 so I'm clear, I'm not sure how long it took us
19 to accumulate the \$325,000 request there, but
20 do you see two more similar requests to
21 essentially -- We approve today. We're a third
22 of the way there. Do we make two more payments
23 of roughly about the same amount of money?

24 MR. O'DONNELL: Yes. On the

1 average, you're looking at monies in this cap
2 fund on an annual basis between \$750- and
3 \$900,000, in and around there.

4 CHAIRMAN CROSBY: That's when you
5 were having racing though.

6 MR. O'DONNELL: That includes
7 simulcast. It's based on the handle. So, yes.
8 Once this 325 is dispersed that will give us a
9 balance of \$597,000 to fulfill the contract.
10 And once that is paid off that contract will be
11 done.

12 COMMISSIONER STEBBINS: Okay. Thank
13 you.

14 CHAIRMAN CROSBY: If we went along
15 with the suggestion to delegate out, on the one
16 sense it seems obvious, but what would be the
17 check and balance on that? You would receive
18 the, two of you, one of you would receive the
19 request. And if you thought this was
20 appropriate, you'd have to run that by Derek?

21 DR. LIGHTBAUM: Yes.

22 CHAIRMAN CROSBY: So, it would be at
23 least two different parties involved in
24 authorizing a check.

1 COMMISSIONER ZUNIGA: Yes. I think
2 for our ability for the money that's the check.
3 The other check is what Doug and Alex have
4 already done, which is corroborate that the
5 expenditures have taken place and indeed they
6 have.

7 COMMISSIONER CAMERON: I think we
8 could delegate it to the Executive Director who
9 in turn could make sure not only do the numbers
10 work on the racing side but that our CFAO is an
11 agreement.

12 COMMISSIONER ZUNIGA: Yes.

13 CHAIRMAN CROSBY: It's fine. It
14 makes all the sense in the world, but those are
15 pretty good size checks to be writing. And we
16 want to make sure there's more than one person
17 who is checking just for appearances if nothing
18 else.

19 MR. O'DONNELL: With each project,
20 whether it's a cap fund or a promo fund, all
21 invoices and checks are submitted to us. So,
22 we know the monies have been paid and the
23 checks have cleared. So, we know that it's
24 been paid in full prior to us disbursing any

1 money.

2 CHAIRMAN CROSBY: Right. That's
3 what needed to happen. I'm really thinking
4 about writing checks to somebody. When we
5 write a check to somebody for \$320,000, we want
6 to make sure it's going to the right person.
7 So, I think Commissioner Cameron's idea is a
8 good idea, to make the delegation to the
9 Executive Director. And he can handle however
10 he wishes.

11 MR. O'DONNELL: We also have here
12 another memorandum regarding the promotional
13 trust fund. It's basically the same situation.
14 The original request for consideration was
15 \$475,000. To date they've been reimbursed
16 \$207,000 leaving a balance on the project of
17 \$267,000. As of 5/4/15 there was approximately
18 \$88,000 in the trust fund.

19 So again, it will take another two
20 or three requests for reimbursements to fulfill
21 this particular project and have it closed out.

22 CHAIRMAN CROSBY: Okay. Any more
23 questions or anything?

24 COMMISSIONER ZUNIGA: Can we

1 reference the project number in the votes here
2 to make sure we are talking about these
3 particular projects?

4 CHAIRMAN CROSBY: Yes, both for
5 purposes of these and for the delegation. Do
6 you want to make that motion?

7 COMMISSIONER ZUNIGA: Sure. I'll
8 move Mr. Chairman that the Commission approve
9 the current requests and delegate to Director
10 Day subsequent requests for disbursements from
11 the capital improvement trust fund monies for
12 project SCI 2012-2 request from Suffolk Downs
13 as presented and discussed here today.

14 And I would further move that the
15 Commission approved the current request from
16 Suffolk Downs for the promotional trust fund
17 monies project SPT 2010-1 as presented here
18 today and further delegate to Director Day
19 approval of subsequent requests for this
20 project as presented here today.

21 COMMISSIONER CAMERON: Second.

22 CHAIRMAN CROSBY: Further
23 discussion? All in favor, aye.

24 COMMISSIONER CAMERON: Aye.

1 COMMISSIONER ZUNIGA: Aye.

2 COMMISSIONER STEBBINS: Aye.

3 CHAIRMAN CROSBY: Opposed? The ayes
4 have it unanimously.

5 MR. DAY: Thank you, Commissioners.
6 That gets us to racing days.

7 DR. LIGHTBAUM: Plainridge Park has
8 requested canceling Monday, June 22 and
9 Wednesday, June 24 due to the casino opening
10 obviously, the soft opening and then the
11 regular opening and would like to reschedule
12 those on Sunday, June 21 and Tuesday, June 23.

13 They've also asked to reschedule the
14 days, the six days that we canceled at the
15 beginning of the meet due to the severe winter
16 weather that we had and giving the horses more
17 time to get ready to race. They're proposing
18 to race those races on alternating Tuesdays
19 beginning in September. So, September 8 and
20 22nd, October 6 and 20th, and then November 3rd
21 and 17th. Steve O'Toole is here if he has
22 anything to add.

23 MR. O'TOOLE: Good afternoon
24 Commissioners. So, as Alex pointed out --

1 pretty much laid it all out. The only thing
2 that I would point out is in Alex's
3 recommendation that the Sunday before the
4 controlled demonstration at Plainridge would be
5 post time 1:00. So, we would continue with
6 Sundays at one. And then moving back from the
7 casino opening on Wednesday the 24th, we'd go
8 on the 23rd. That would be at 4:00, our usual
9 afternoon post time.

10 The cancellation request earlier, a
11 few months ago helped out the horsemen very
12 much. And the fields have been decent size.
13 And it looks like in the proposed dates, the
14 alternating Tuesdays gives us a three-week --
15 three day a week schedule and followed by a
16 four-day schedule and then a three-day
17 schedule. So, if there is a problem with
18 filling cards, I think there'll be the ability
19 to by the week out having the extra day. So,
20 it has worked out pretty well.

21 COMMISSIONER CAMERON: I see that
22 the Harness Horseman's Association has been
23 consulted and agree with these changes.

24 MR. O'TOOLE: Yes. Whenever we do

1 dates like that we usually take into
2 consideration. Although this particular year,
3 they were so grateful to have those early dates
4 canceled, it was pretty much whatever you
5 think.

6 As it wound out and as we worked the
7 schedule, it just seemed to be a nice time to
8 put in the extra days because there is stake
9 races scheduled I believe on those Mondays just
10 before the Tuesdays. So, that throws some
11 extra horses in the mix.

12 COMMISSIONER CAMERON: I note the
13 new letterhead too. It looks sharp.

14 MR. O'TOOLE: Thank you.

15 DR. LIGHTBAUM: I did confirm with
16 the horsemen that they were onboard with this
17 also.

18 COMMISSIONER CAMERON: Thank you.

19 COMMISSIONER ZUNIGA: Makes a lot of
20 sense. I'm just curious if changes to the
21 schedules have an effect on pari-mutuel
22 customers elsewhere.

23 MR. O'TOOLE: It does have some
24 effect. The earlier we get our changes out,

1 the simulcasting community does a very good job
2 with the group emails and everything getting
3 the word out, the schedules altered and
4 publicized and everything. Every track does
5 not like to interrupt their continuity and
6 change the schedules. We try change our
7 schedules as little as possible.

8 Sometimes with mandatory dates and
9 with the heat and weather and things like that
10 cancellations do come up. But the added dates
11 are always widely advertised and simulcast
12 directors do a good job getting that word out.

13 COMMISSIONER ZUNIGA: Great.

14 CHAIRMAN CROSBY: Further
15 discussion? Commissioner Cameron?

16 COMMISSIONER CAMERON: Mr. Chair, I
17 more that we approve the request by Plainridge
18 Park Casino to change their racing dates to
19 accommodate the opening at Plainridge, as well
20 as the new dates which would make up for the
21 dates because the weather was not cooperating
22 at the beginning of the race season so they
23 added dates.

24 CHAIRMAN CROSBY: As detailed in --

1 COMMISSIONER CAMERON: -- as the
2 memo dated May 11, yes.

3 CHAIRMAN CROSBY: Second?

4 COMMISSIONER ZUNIGA: Second.

5 CHAIRMAN CROSBY: Any further
6 discussion? All in favor, aye.

7 COMMISSIONER CAMERON: Aye.

8 COMMISSIONER ZUNIGA: Aye.

9 COMMISSIONER STEBBINS: Aye.

10 CHAIRMAN CROSBY: Opposed? The ayes
11 have it unanimously.

12 COMMISSIONER CAMERON: Thank you.

13 MR. DAY: Mr. Chairman that's the
14 last item I have.

15 CHAIRMAN CROSBY: All right. We are
16 to Director Griffin.

17 MS. GRIFFIN: Commissioners, good
18 afternoon. Before we start I wanted to
19 introduce to you to the Mass. Gaming
20 Commission's first intern. This is Corrine
21 Reynolds. She's a recent grad of Michigan
22 State University. And she'll be supporting the
23 work of the access and opportunity committee.

24 CHAIRMAN CROSBY: Go Spartans.

1 Welcome.

2 MS. GRIFFIN: You'll remember that
3 in December of last year, the Commission voted
4 to establish an access and opportunity
5 committee. This is a new initiative developed
6 to support the Commission's ongoing commitment
7 to achieve diversity within this new expanded
8 gaming industry.

9 And the committee's primary function
10 is to monitor diversity in the construction,
11 workforce and supplier base of these licensees,
12 and also to make related recommendations to the
13 Commission and the licensees around diversity.

14 I'm joined today by Ron Marlow,
15 chair of the Mass Gaming access and opportunity
16 committee. You may know that he is the new
17 Undersecretary of the Executive Office of Labor
18 and Workforce Development and the former
19 Assistant Secretary for Access and Opportunity
20 at the Executive Office Administration and
21 Finance. He's been a longtime friend of the
22 Commission regarding issues of diversity. And
23 has been generous in his time advising the
24 Commission regarding diversity.

1 So, we are here today to provide you
2 an update on the activity since that December 4
3 meeting. I'm going to just briefly speak about
4 the establishment of the committee and then
5 turn the mic over to Ron to give you some
6 meeting highlights and talk more broadly.

7 The Commission invited 10
8 individuals with expertise in labor, workforce
9 development and supplier diversity to join the
10 statewide committee including representatives
11 from the Commonwealth's Office of Supplier
12 Diversity, the Executive Office of Labor and
13 Workforce Development, the Policy Group on
14 Tradeswomen's Issues, the New England Regional
15 Council of Carpenters, and the state Office of
16 Veterans Affairs.

17 We've established two regional
18 subcommittees that include each licensee for
19 the full resort casinos, the local unions,
20 community organizing groups like the Pioneer
21 Valley project, One Everett and the Black
22 Economic Justice Institute as well as community
23 nonprofits like the Urban League, the Mass.
24 Minority Contractors Association and the Latino

1 Chamber of Commerce.

2 The meetings alternate between
3 Region A and Region B. And we use technology
4 to ensure participation. So, on Tuesday we had
5 our second meeting of the committee. And it
6 was held at the UMass center in Springfield.
7 Two Commissioners, Commissioner Stebbins and
8 Commissioner Zuniga participated. Thank you
9 for that.

10 Now I'm going to turn the mic over
11 to Ron and ask him to add some perspective.

12 MR. MARLOW: Thank you, Jill. Good
13 afternoon, Commissioners. First of all, let me
14 say thank you for being willing to move the
15 agenda around so that I could get here and
16 participate. Secondly, let me say Chairman
17 Crosby I thought we were good friends until you
18 uttered goes Spartans and (INAUDIBLE) but that
19 is quite alright.

20 But more importantly, let me say
21 thank you to the Commissioners and the
22 Commission for establishing an access and
23 opportunity committee. An access and
24 opportunity committee is not a new idea, but it

1 is an idea that was resurrected in the last
2 executive administration as a means for
3 understanding and driving towards collective
4 goals around diversity and inclusion.

5 Clearly Director Griffin in bringing
6 that idea before the Commission and the
7 Commission embracing it recognize that there is
8 some value not only in helping facilitate
9 achieving our diversity and inclusion goals,
10 but more importantly in aiding in transparency
11 around our efforts to get to those goals.

12 And even more important than that
13 creating a space in which individuals and
14 organizations who are typically on opposite
15 sides or feel like they're on opposite sides of
16 an issue in a tug and pull battle to try to get
17 a project done but to try to do it as
18 inclusively as possible. An AOC gives an
19 opportunity for those folks to come together to
20 establish relationships, to work together and
21 to strive in common objective to reach and
22 attain our goals.

23 As Director Griffin mentioned, there
24 have two meetings already. The first one

1 primarily organizational but well attended gave
2 both of the licensees, MGM Springfield and Wynn
3 Everett an opportunity to introduce their teams
4 to the committee. It gave them an opportunity
5 to start to sketch out, if you will, the
6 diversity and inclusion objectives that were
7 contained and have been embedded in their
8 application and now their license.

9 And more importantly or equally
10 important, it gave Wynn and MGM an opportunity
11 to meet those individuals and those
12 organizations who will be their colleagues in
13 this effort.

14 And by colleagues what I mean is
15 this, will there be pushes and nudges to ensure
16 that the licensees achieve and exceed their
17 goals, yes. But more importantly and I think
18 this was evident in Tuesday's meeting in which
19 we know already that MGM has already reached
20 out to the PGTI group to start to talk about
21 ways in which they can work together to recruit
22 more women into the trades so that we can
23 achieve the goals not only on the project, but
24 on other projects that take place in

1 Springfield, Boston and in between.

2 That is part of what the AOC is all
3 about is developing those partnerships and
4 relationships again in common pursuit of goals
5 and objectives.

6 I think we are off to a very
7 terrific start keeping in mind that both
8 projects are in very early stages. And there's
9 always an anxiety around what the numbers say.
10 Sometimes that anxiety precedes actual
11 activity, but it is a good way of ensuring that
12 the licensees know that not only are their
13 efforts being watched by the Commission, not
14 only are their efforts being watched by the
15 Director Griffin, but their efforts are being
16 watched by communities written in large in both
17 the greater Boston community as expressed in
18 Everett and the greater Springfield community
19 and downtown Springfield. But again that this
20 is not adversarial, it is in partnership.

21 Again, I would say thank you to the
22 Commission for having both the foresight and
23 the courage. As you know, this is a brand new
24 experiment in Massachusetts. And any time you

1 introduce an element that wasn't on the table
2 at the very beginning, there can be some nerves
3 frayed.

4 But the courage that you displayed
5 in creating an additional tool and that's what
6 the AOC is a tool in reaching our collective
7 objectives around diversity and inclusion.

8 Again, thank you to the Commission
9 for doing that. And I say thank you for giving
10 me the opportunity to lend time and effort in
11 chairing the AOC. My goal is to make sure that
12 voices are heard, objectives are achieved and
13 the Commission is done proud by the work of the
14 AOC. And I'll stop there.

15 CHAIRMAN CROSBY: Thank you, Ron.

16 COMMISSIONER ZUNIGA: Well, I want
17 to say thank you. You keep thanking us, but we
18 should be thanking you over and over again. I
19 saw you in action on Tuesday mediating a group
20 of multiple perspectives and other
21 expectations.

22 Some update that is not quite what
23 they wish they had because the projects are in
24 early stages but doing a great job at that.

1 One of my takeaways is even though it's early,
2 it's great that we have this. It's critical
3 that we stick to this try to avoid canceling,
4 postponing any of these meetings, because the
5 trend, the behavior or the relationship over
6 time will hopefully also go a long way in
7 achieving all of those goals that you
8 described.

9 MR. MARLOW: Commissioner, thank
10 you. And again, I said this at the first
11 meeting. I do believe Director Griffin is a
12 Yoda disciple because she can get you to do
13 things that you would not normally do. I would
14 not normally drive to Springfield in the middle
15 of the day. Thank you, Commissioner.

16 COMMISSIONER STEBBINS: I would just
17 echo Commissioner Zuniga. We are thankful that
18 this administration saw the wisdom in engaging
19 Ron in his new capacity. And we are also
20 grateful for the time that he is giving us in
21 chairing the AOC. It was a good meeting. It
22 was active participation by everyone.

23 These open meetings. So anybody
24 even if they're not on the committees is

1 invited to attend and participate. Ron did a
2 great job in allowing anybody who was there who
3 was not a member of the committee to weigh in.
4 We think that's important.

5 And I was impressed by some of the
6 activities of our licensees. As it's been
7 pointed, it's still very early on in the
8 process, but MGM is boiling down the numbers to
9 the firm they hired to the erect the fence to
10 track diversity even in some of these very
11 early contracts that they're awarding.

12 Then we heard stories of Wynn
13 representatives going around to laundromats in
14 Everett to post posters targeted to women and
15 minority and veterans to think about a career
16 in construction and taking advantage of these
17 two big projects as a way to jumpstart a new
18 career a new opportunity for them.

19 So great work, Ron runs a great
20 meeting. I find that if you've been to Penn
21 State, driven by Penn State, thought of Penn
22 State, you are in good graces with Ron. It was
23 good.

24 MR. MARLOW: Thank you,

1 Commissioner.

2 COMMISSIONER CAMERON: Secretary
3 Marlow, I want to thank you as well for this
4 good work. And I just had a question really
5 off-topic. This is great work in construction
6 and in gaming. I just wondered if there's any
7 work being done around public safety in the
8 Commonwealth to increase numbers and be more
9 inclusive.

10 MR. MARLOW: That's a good question.
11 I'll go back to my colleagues and come up with
12 an answer and get that back to you directly.
13 Thank you.

14 COMMISSIONER CAMERON: Great. Civil
15 service needs to be looked down and a couple of
16 other things. I just wondered if anything was
17 being done.

18 MR. MARLOW: I can tell you this
19 broadly speaking, Governor Baker is even more
20 laser focused than Governor Patrick was on
21 questions of diversity and inclusion. It is
22 something that he is holding secretaries
23 responsible for.

24 So, while I don't the specifics in

1 the public safety realm, I am pretty confident
2 that as we look up his goal is to increase the
3 diversity within the executive branch so that
4 it even better reflects the diversity in the
5 Commonwealth. So, while I can't give you
6 specifics take that as a general concept.

7 COMMISSIONER CAMERON: Thank you.

8 CHAIRMAN CROSBY: Ron, how was the
9 attendance at this meeting? That's one of the
10 proofs in the pudding.

11 MR. MARLOW: I was actually at the
12 Urban League of Eastern Mass. yesterday. And I
13 teased Darnell Williams to say Darnell, I'm not
14 quite sure how you missed the Boston meeting
15 but made it out to Springfield. So, it must be
16 something about Springfield.

17 I was very surprised. I believe
18 there were 28 or so individuals in the room.
19 Many of them who traveled from Boston and bore
20 the traffic of 128, because once you get to the
21 Pike it's smooth sailing. So, it was very well
22 attended. I think that is a testament to the
23 work you've done, the Commission in terms of
24 highlighting the importance of diversity

1 inclusion.

2 I think it's testament to the work
3 that Jill has done in recruiting individuals
4 who are committed to rolling up their sleeves
5 and working in partnership. Anyone can throw
6 stones. It takes a little bit more to do
7 partnership. So, it was very well attended.

8 If it wasn't for the fact we had a
9 slightly bigger room than we did for the first
10 meeting, it would have been exactly like the
11 first meeting.

12 CHAIRMAN CROSBY: You made a point
13 just to reinforce it and you said that
14 sometimes at the outset of these things there's
15 a little anxiety because this is all going to
16 be about finger-pointing. And it's important
17 to make clear to our licensees and they will
18 learn I hope with experience that this is a
19 tool as you said. This is a way to help.

20 There was an extraordinary story
21 when the folks at Plainridge were having a hard
22 time meeting their objectives for women in the
23 construction process. And rather than them
24 being defensive about it and rather than trying

1 to explain away the numbers or the hide the
2 numbers, they reached out to our effective AOC
3 and said can you help us? How do we do this
4 better?

5 That's what's supposed to be
6 happening here. So, if we can keep that tone
7 that this about being honest and assume the
8 commitment of good faith and roll up our
9 sleeves and work together to make it happen.
10 This is really great. And I second everybody
11 else's endorsement of Secretary Marlow.

12 MR. MARLOW: Just do me one favor,
13 next time you say go Spartans, follow up with
14 go Nittany Lions.

15 CHAIRMAN CROSBY: I'm actually for
16 the Iowa Hawkeyes, don't get me wrong. I just
17 like the Big Ten, anybody in the Big Ten.

18 MR. MARLOW: All right, go Big Ten.

19 CHAIRMAN CROSBY: Next time it'll be
20 go Hawkeyes.

21 MR. MARLOW: Thank you,
22 Commissioners.

23 MS. GRIFFIN: Can I just close by
24 saying that the meetings take place on the

1 second Tuesday of every month. And we'll be
2 meeting at the Carpenters Union in Dorchester
3 in June.

4 CHAIRMAN CROSBY: If you haven't
5 been in that building, it's worth just going to
6 see that building.

7 MS. GRIFFIN: It's a beautiful
8 building.

9 CHAIRMAN CROSBY: Before you leave,
10 I saw some emails. I see Liz sitting back
11 there. I saw some emails going back and forth
12 about some award by some woman construction
13 worker or something? What was that? Did that
14 have anything to do with us?

15 MS. GRIFFIN: This is a national
16 organization and a resource that Liz Skidmore
17 has alerted us to that highlights women in the
18 construction trades. Every Tuesday they
19 highlight a woman in the trades. It's
20 something that the local community and in
21 Massachusetts and greater Boston were talking
22 about doing something like that locally.

23 CHAIRMAN CROSBY: Okay. That's
24 good.

1 MR. MARLOW: Thank you,
2 Commissioners.

3 COMMISSIONER CAMERON: Thank you.

4 CHAIRMAN CROSBY: Thank you. Is
5 that it for today?

6 MR. DAY: It is.

7 CHAIRMAN CROSBY: And I think we've
8 covered everything. Anything else anybody?
9 All right. Thank you all very much. Do we
10 have a motion to adjourn?

11 COMMISSIONER ZUNIGA: Motion to
12 adjourn.

13 CHAIRMAN CROSBY: All in favor, aye.

14 COMMISSIONER CAMERON: Aye.

15 COMMISSIONER ZUNIGA: Aye.

16 COMMISSIONER STEBBINS: Aye.

17 CHAIRMAN CROSBY: Thank you.

18

19 (Meeting adjourned at 2:11 p.m.)

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1 ATTACHMENTS:

- 2 1. Massachusetts Gaming Commission May
3 14, 2015 Notice of Meeting and Agenda
- 4 2. Massachusetts Gaming Commission April
5 30, 2015 Meeting Minutes
- 6 3. Massachusetts Gaming Commission May 14,
7 2015 Memorandum Re: Temporary Primary
8 Vendor and Key Gaming Employee Licenses
9 Issued
- 10 4. May 11, 2015 Letter from Law Office of
11 Robert L. Allen Re: Crossroads
12 Massachusetts, LLC
- 13 5. Massachusetts Gaming Commission Region C -
14 List of Request for Extensions
- 15 6. May 4, 2015 Letter from New Bedford Mayor
16 Jonathan F. Mitchell
- 17 7. Presentation: Analyzing the Effects of
18 Casinos on Public Safety (Christopher
19 Bruce)
- 20 8. Plainridge Park Casino Floor Plan
- 21 9. March 31, 2015 Revised April 10, 2015
22 Memorandum of Epstein Joslin Architects,
23 Inc. (Ray Porfilio)
- 24

- 1 10. 205 CMR 134 Licensing and Registration of
2 Employees, Vendors, Junket Enterprises and
3 Representatives, and Labor Organizations
- 4 11. May 14, 2015 Massachusetts Gaming
5 Commission Memorandum Re: Suffolk Downs
6 Request for Capital Improvement Trust Fund
7 Monies with attachment
- 8 12. May 14, 2015 Massachusetts Gaming
9 Commission Memorandum Re: Suffolk Downs
10 Request for Promotional Trust Fund Monies
11 with attachment
- 12 13. Massachusetts Gaming Commission May 12,
13 2015 Memorandum Re: Plainridge Park
14 Casino, Rescheduling Live Racing Days with
15 attachments
- 16 14. Massachusetts Gaming Commission May 14,
17 2015 Memorandum Re: Delegation of
18 Authority to the Director of the IEB
19 Investigations and Enforcement Bureau
- 20 15. Executive Session Minutes Policy
21
22
23
24

1 GUEST SPEAKERS:

2 Scott Butera, Consultant to New Bedford Project

3 Andrew Stern, KG Urban

4 Chief Alfred, Plainville Police Department

5 Christopher Bruce, Consultant in Crime Analysis

6 Michael McGrew, Penn National

7 Jack Rauen, Penn National

8 Darlene Whitmore, JCJ Architecture

9 Ron Marlow, Office of Labor and Workforce

10 Development

11 Steve O'Toole, Plainridge Park Casino

12

13

14 MASSACHUSETTS GAMING COMMISSION STAFF:

15 Catherine Blue, General Counsel

16 Richard Day, Executive Director

17 Jill Griffin, Director Workforce Supplier and

18 Diversity Development

19 Todd Grossman, Deputy General Counsel

20 Dr. Alex Lightbaum, Interim Director Racing

21 Doug O'Donnell, Financial Analyst

22 John Ziemba, Ombudsman

23 Karen Wells, Director IEB

24

C E R T I F I C A T E

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 16th day of May, 2015.



LAURIE J. JORDAN
Notary Public

My Commission expires:
May 11, 2018