



Subcommittee on Community Mitigation

Pursuant to the Massachusetts Open Meeting Law, G.L. c. 30A, §§ 18-25, notice is hereby given of a meeting of the *Subcommittee on Community Mitigation* established pursuant to M.G.L. c. 23K § 68.

The meeting will take place: **Wednesday, October 2, 2019 @ 11:00 a.m.**
Massachusetts Gaming Commission
101 Federal Street, 12th floor
Boston, MA 02110

Public Meeting:

1. Welcome/Opening Comments
2. Approval of Minutes from the November 26, 2018 Meeting - **Vote**
3. Update on Project Monitoring and Research
4. Discussion of 2020 Community Mitigation Fund Policy Questions
5. Review of 2019 Awards (time permitting)
6. Next steps
7. Other Business – reserved for matters not reasonably anticipated at the time of posting.

I certify that on this date, this Notice was posted as “Subcommittee on Community Mitigation” at www.massgaming.com and emailed to: regs@sec.state.ma.us, and melissa.andrade@state.ma.us.

9/27/19
(date)

John S. Ziembra, Ombudsman

Date Posted to Website: Friday, September 27, 2019



Massachusetts Gaming Commission



Subcommittee on Community Mitigation Meeting Minutes

Date/Time: November 26, 2018 @ 11:00 a.m.

Place: Massachusetts Gaming Commission

Members Present: Bruce Stebbins
Sean Cronin
Eric Demas
Ron Hogan
Carmina Fernandes
Haskell Kennedy
John Robertson

Attendees: Catherine Rollins
John Ziemba
Joe Delaney

Call to Order

11:00 a.m. Ombudsman John Ziemba introduced Commissioner Bruce Stebbins as the Subcommittee representative for the Commission. Commissioner Stebbins will be replacing former Commissioner Lloyd MacDonald. Ombudsman Ziemba gave a brief overview of Commissioner Stebbins' background.

Ombudsman Ziemba summarized the successful opening of MGM Springfield and described the efforts that were made by the staff to ensure a smooth process.

Ombudsman Ziemba described how the construction is progressing of Encore Boston Harbor. He then introduced Joe Delaney, Construction Project Oversight Manager, to remark about the status of the facility.

Mr. Delaney stated that June 24, 2019, is on the schedule as an opening date for Encore Boston Harbor. The project is approximately 80% complete and noted that the Temporary Certificate of Occupancy is expected in December. He also reported that there are about 1,300 workers on-site daily, and floors 5 – 9 of the hotel are ready to be turned over from Suffolk Construction to Encore to furnish. Also, slot machines are scheduled for installation on the gaming floor in mid-January, with the entire gaming floor slated to be completed in March. Lastly, he stated that offsite roadway work is ongoing.

Election of Chair of the Subcommittee on Community Mitigation

11:15 a.m. *Ms. Fernandes moved to elect Commissioner Stebbins as Chair of the Subcommittee on Community Mitigation. Mr. Robertson seconded the motion. The motion passed unanimously.*

Approval of Minutes from the December 18, 2017 Subcommittee Meeting

11:20 a.m. The minutes from the previous meeting were unable to be approved but will be kept on record, as there was no quorum from the previous meeting. The minutes will be kept in draft form.

Community Mitigation Fund Overview

11:21 a.m. Ombudsman Ziembra provided an overview of the Community Mitigation Fund and noted that comments received were posted publicly. He noted that he will bring them to the Commission meeting on December 13th. The one comment that was received came from the Mayor Carlo DeMaria of Everett.

Ombudsman Ziembra posed the question of either maintaining February 1st as the application deadline or of adding more dates throughout the year. One reason for this question is because some impacts are not known by February 1st. The Commission asked for comments on this item. Commissioner Stebbins asked the committee for thoughts or ideas on this. Mr. Hogan asked Ombudsman Ziembra if there could be any flexibility on the February 1st date. Ombudsman Ziembra responded that there is no flexibility there, as the statute dictates this deadline. A statutory change would be necessary.

Ms. Fernandes asked if an impacted business could apply after February 1st. Ombudsman Ziembra replied that any impacted companies would need to wait until next year's grant round as the February 1st date is statutory.

Next, Ombudsman Ziembra reviewed the Non-Transportation Planning Grants. The new guidelines eliminate much of the language that may be confusing to entities that could lead them to believe that the fund could be allocated to specific businesses. Mr. Hogan expressed concern about the Constitutional provisions. He noted that the purpose of the statute is to generate jobs for the state and to promote economic development.

Mr. Demas then expressed his concern that the casino is impacting residents, as property values are going up. Particularly affected are lower-income residents. Ombudsman Ziembra mentioned that a potential impact to schools is mentioned in the Gaming Act.

Ombudsman Ziembra stated that if communities can put together a comprehensive package, the assistance can be very successful. He also

suggested that the Commission could reach out to the licensees to see if they could share best practices with local businesses. Potentially that could help the companies market themselves in a way that complements the existence of the casino.

Ms. Fernandes asked which communities can access some of the studies that have already concluded. Ombudsman Ziemba replied that there is a great deal of data on the Commission's website that will be sent out to all the members. Ombudsman Ziemba added that there is a plan to put the data into an easily digestible format.

Next, the Ombudsman stated that, in general, the Commission recommends that \$5.2M remaining from the payments from licensees can be allocated in 2019. By this time next year, with the anticipated revenues from Springfield and Everett, the Commission could have an additional six months' worth of income from Encore Boston Harbor for this plan. He stated that we could have \$10M or more in the fund by this time next year. He noted that optimization of marketing by the casinos typically would take a couple of years; however, the Commission can weigh the information at this time next year. He further stated that last year, there was a recommendation that the Commission split the fund by region. He described how the new guidelines include a system to do this. He added that the slots facility does not pay into the Community Mitigation Fund, but it does pay into local aid and the Race Horse Development Fund.

Ombudsman Ziemba stated that splitting the fund in half seems fair for the remainder of the \$5.2M. Under the plan what the west generates from Springfield will be allocated to that region for 2019.

A concern was raised regarding the length of time that monies remain in the Community Mitigation Fund and potential for that money becoming unavailable. Ombudsman Ziemba responded by describing the system of fund distribution.

There was discussion around circumstances potentially arising where the Commission could be unable to make awards at a particular level in a specific region (\$4 million for example). Ombudsman Ziemba proposed a solution of holding the funds for up to two years and returning them to the general Community Mitigation Fund. The funds would then remain in the region for a period of three years; then unspent funds would go back to the central fund to be divided again. The Commission reserved the ability to reconcile going into the next year and adjust in future rounds.

Both proposals will be brought to the Commission on the scheduled December 13th Commission meeting.

Ombudsman Ziemba updated the members that under the proposed Guidelines, the Commission would continue with Workforce Development Pilot Grants. He recommended that the Commission proceed with the \$300,000 per region for the next program. Jill Griffin, Director of Workforce, Supplier and Diversity Development, reviewed the funds that the program will distribute per area. She described funds first being allocated to education through Springfield Public Schools, then to the dealer school, and lastly to the line cook training program.

Next, Ombudsman Ziemba turned the committee's attention to the Transit Project(s) of Regional Significance. He focused specifically on the connector bridge. The goal is to connect the facility to more transit options, and this will get cars off the road and benefit surrounding communities. There is a potential that the Commission could pay for a small percentage of the costs, and the remainder could be federally funded.

The Ombudsman then reviewed the list of prior grants with the committee. He asked that everyone provide feedback at the next meeting. He then asked for any questions from the committee members, to which there were none.

Ethics Training

11:58 a.m. MGC Deputy General Counsel Todd Grossman provided the committee with ethics training, with focus on the Massachusetts Conflict of Interest Law. He reviewed a PowerPoint presentation that was included in the committee's meeting packet. He stated that as a member of this committee, members are state employees. As committee members are not compensated, they are considered to be Special State Employees.

Mr. Grossman then explained two core elements of the Conflict of Interest Law, which are the elements of Financial and Appearance of conflicts of interest. He stated that the law focuses on the potential for the two areas of personal and professional life to intersect, as this is where the conflict of interest law applies. The "appearance" element dictates that members may not act in such a manner that as a reasonable person may conclude that one is behaving with bias in one's job.

Next Steps

12:24 p.m. Commissioner Stebbins stated that Commission staff is working on the vacancies in the committee. He is also considering taking the committee on a tour to see MGM Springfield. He then updated the members on the Gaming Public Advisory Committee (GPAC) meeting taking place tomorrow. Finally, he noted that the Commission is going to double their efforts to work with the Governor's office on appointments.

Ms. Fernandes asked if the Commission could provide her with additional recent revenue numbers since MGM Springfield's opening. Ombudsman Ziemba reviewed the current statistics with the committee with a revenue chart that was included in the committee's meeting packet. He explained that the first week yielded \$9.456M of Gross Gaming Revenue (GGR). Taxes were roughly \$2.6M. September totaled \$27.9M, with taxes at approximately \$6.7M. October totaled \$22.2M, and taxes were \$5M or \$6M. Mr. Hogan then asked what the projected GGR was for MGM Springfield. The Ombudsman answered that it is projected to be \$400M after full optimization.

12:29 p.m. *Commissioner Stebbins made a motion to adjourn. Ms. Fernandes seconded the motion.
The motion passed unanimously.*

/s/ Shara N. Bedard
Secretary

List of Documents and Other Items Used

1. Notice of Meeting and Agenda dated November 20, 2018
2. Draft Meeting Minutes dated December 18, 2017
3. Memo re: 2019 Community Mitigation Fund Draft Guidelines
4. Annual Summary 2018 re Transportation
5. 2019 Community Mitigation Fund BD-19-1068-1068C-22137 (Updated Redline Comparison)
6. 2019 Community Mitigation Fund Awards (Summary of Grants)
7. PowerPoint Presentation: Conflict of Interest Training for Special State Employees
8. Determination Letters from the Massachusetts State Ethics Commission
9. House Docket No. 10, filed on January 23, 2017



DRAFT FOR DISCUSSION PURPOSES ONLY

Review of Policy Questions to be discussed by the Local Community Mitigation Advisory Committees and the Subcommittee on Community Mitigation Relative to The 2020 Community Mitigation Fund (“CMF”) Guidelines

1. Should the Commission place an overall limit on grants for the 2020 CMF?

Background: Because MGM Springfield opened on August 24, 2018 and Encore Boston Harbor opened on June 23, 2019, the CMF will have significant additional funding in the near term. In the 2019 Community Mitigation Fund Guidelines, the Commission determined that revenues generated by the facility in each Category 1 region would be allocated for awards in that gaming region, provided that slots related impacts are funded from all regions and provided that unused allocations revert back to statewide use after three years.

2019 Results: The Commission anticipated authorizing no more than \$6.7 million out of the 2019 CMF. The Commission awarded a total of \$3,682,946.50 of new grant funding. It also authorized \$75,000 from a previously awarded reserve and \$200,000 carryover from a prior year approved use (Tribal casino technical assistance) for an expended total of \$15,874,524.85 of the original \$17.5 million (placed into the CMF from a portion of the license fees). In addition to the approximate \$1.6 million in authorization available from the original \$17.5 million CMF, MGM Springfield revenues resulted in the placement of approximately \$1.65 million into the CMF by December 31, 2018. Furthermore, approximately \$2.3 million in additional funding was placed into the CMF in 2019 from fines issued by the Commission.

2. Should the Commission place a per grant limit for 2020 CMF awards?

Background: As noted above, with both casinos now open and generating tax revenue there will be more available dollars for these awards. Region A will have approximately 6 months of revenue from Encore Boston Harbor and Region B will have a year of revenue.

2019 Results: The Guidelines set specific limits for grant requests \$500,000 for Specific Impact Grants; \$200,000 for Transportation Planning Grants; \$300,000 for each Region A and B for Workforce Development; \$50,000 Non-Transportation Planning and \$200,000 for Tribal Technical Assistance and \$500,000 for Transit Project(s) of Regional Significance for each region. However, the Commission reserved its ability to authorize funding beyond the amounts. Communities have expressed an interest in more funding for some



Massachusetts Gaming Commission

grants. In 2018, certain applications involving multiple communities were allowed to request additional funding beyond the base funding limits.

3. Should the Commission continue to place a limit on grants in each gaming region based on the projected tax revenues generated for the CMF by the gaming facility in that region?

Background: Both MGM Springfield and Encore Boston Harbor are now operational and will generate new funds into the CMF by the February 1, 2020 deadline. If a limit on grants is established now based on revenue generated, only approximately 6 months' worth of contributions into the fund would be available for Region A by the February 1, 2020 application deadline. Large scale projects may require more funding than one region may have available and require funding from federal and other state agencies. In 2019 Region A used \$2,750,489 from its portion (\$2,600,000) of the 2019 CMF allocation. Region B used \$1,132,458 from its \$4,100,000. Funding for the Region C SRPEDD grant of \$200,000 would be split by region A and B as the Category 2 casino does not pay into the Community Mitigation Fund.

2019 Results: The 2019 CMF Guidelines stated that: “[t]he Commission intends to allocate 2019 CMF funding based on need in the regions that reflects the proportion of funds paid into the Community Mitigation Fund from the taxes generated by the MGM Springfield or Encore Boston Harbor facilities. This allocation takes into account mitigation needs outside Region A and Region B, and includes a method to utilize unspent allocations.

For the 2019 year, the Commission plans to allocate the \$5.2 million remaining CMF funds equally between the two regions, Region A and Region B, after accounting for grants that will be made for Category 2 impacts. Thus, by way of example, if the Commission awards \$200,000 for Category 2 impacts in 2019, \$5 million would be available to be split equally between Region A and Region B (i.e. \$2.5million for each region). Please note that these Guidelines establish a maximum target of \$500K for Category 2 impacts. Therefore, for another example, at the Category 2 maximum, approximately \$4.7 million would be available to be split between Region A and B (\$5.2 million - \$500K Category 2 impacts = \$4.7 million (\$2.35 million for Region A and \$2.35 million for Region B)).

In addition to the funds remaining in the account, as noted, it is expected that MGM Springfield will generate an additional \$1.5 million by December 31, 2018. It is the Commission’s intention to allocate these MGM Springfield generated funds to Region B. It is the Commission’s further intention that any unused funds allocated to each Category 1 Region will be set aside for that Region for a period of three years. After the three-year period, the funds shall be allocated back into a combined general fund for all regions and for Category 2 impacts.”

4. Should the 2020 CMF continue to be used to support and leverage resources to help residents of the Springfield or Everett areas obtain their high school or work readiness credentials to be eligible for employment? If so, at what level

Background: The Expanded Gaming Act places a priority on the hiring of the unemployed, underemployed, minority individuals, women and veterans at the gaming facilities. It had

been estimated that 21,000 individuals were on wait lists in MA seeking admission into Adult Basic Education Classes and English Learning language programs, with significant needs for resources in MA Gateway Cities like Springfield and Everett. Both the union construction and the casino operational jobs require a high school diploma or equivalency. The 2019 CMF Guidelines did include a specific allocation for funding work readiness programs related to the gaming facilities. Workforce training, economic development, and other job promotion activities are eligible activities under the state appropriated Gaming Economic Development Fund, which is funded through gaming taxes from Category 1 facilities when they are operational.

2019 Results: The Guidelines allowed these applications. Two workforce programs in Region A (totaling \$513,400) and one in Region B (totaling \$300,000) are being initiated. The Commission approved more funding than specified in the Guidelines, given the pressing need for such funding.

5. Should the Commission allow funding to pay for a portion of the construction costs of transportation projects? Should the Guidelines require collaboration with MassDOT in transportation planning grants or any construction?

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

6. Should the Commission authorize the use of funds for large transportation projects or economic development projects? If so, what would be the limit per application and per region? Should such grants require a dollar for dollar match (waivable by the Commission)? There are several funding streams for gaming related needs of communities including, but not limited to, the Community Mitigation Fund and the Gaming Economic Development Fund.

Background: See the language for these two funds attached.

7. How should the Commission approach issues that may arise in late 2019 resulting from the operations of the Category 1 casinos (public safety, hiring, education, business issues)?

Background: The Commission has not witnessed large scale potential impacts resulting from the Plainridge facility. However, planning is necessary now to be able to evaluate mitigation applications involving any operational impacts at the full casino facilities. It is unclear if some impacts from the Encore Boston Harbor and MGM Springfield facility will be fully understood by the February 1, 2020 application deadline.

M.G.L. c. 23K §68 states that “funds may be expended from the Community Mitigation Fund, ...including, but not limited to, the impact on local resources as a result of new housing construction and potential necessary changes to affordable housing laws, increased education costs and curriculum changes due to population changes in the region, development and maintenance of infrastructure related to increased population and utilization in the region and public safety impacts resulting from the facility and ways to address that impact.” In regard to impacts on businesses, should the

Commission now or in future years consider funding requests from communities to assist (e.g. through promotion activities) all businesses / large groups of businesses in close proximity to the gaming facility? Will operational impacts from the two Category 1 casinos become readily apparent and quantifiable by the application deadline?

8. Should the Commission authorize partial reimbursement or reimbursement for police patrols as part of the 2020 Guidelines?

Background: In 2019 the Commission received one request for a grant for “late night/early morning peak days of week patrol mitigation ...to prevent driving under the influence during the previously unanticipated hours (between 2:00 AM – 4:00 AM ...) during which customers may leave the casino after consuming alcohol.” Because only grants for construction related impacts were authorized in Region A in 2019, this funding request was deemed ineligible for funding under the Guidelines. However, since now casinos in both regions A and B are open, operational related impacts will be evaluated under the 2020 Community Mitigation Fund Guidelines. The Commission would need to determine how requests for specific patrols (e.g. patrols between 2:00 a.m. and 4:00 a.m.) and for general public safety requests will be evaluated.

9. How should the Commission use the information received from the annual look back studies, traffic studies, housing studies and research studies that have not been conducted by the Commission in any determination of mitigation requests?

Background: Many studies and reports relative to Plainridge Park, MGM Springfield, and Encore Boston Harbor will be completed by the Commission’s research team in the near term. More information on the status of the Commission’s research can be found at <https://massgaming.com/about/research-agenda/>. In addition to the Commission’s research, other research mandated under surrounding community agreements will also soon be completed. Further research mandated under applicable MEPA reviews will also be completed in the near term. Individual communities and entities have also commissioned their own gaming related research.

10. How should the status of Region C and current litigation involving the potential tribal casino impact the 2020 CMF Guidelines?

Background: It may be unlikely that communities in Region C will experience significant construction or operational impacts by February 1, 2020, the statutory CMF deadline. Communities have expressed the need for technical assistance funding to help evaluate potential impacts.

2019 Results: \$200,000 of funding was set aside for use in Fiscal Year 2019 if there is a more clear determination on Region C / Tribal Casino status.

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

Background: The 2019 CMF Guidelines only required an in-kind match for Workforce Development applicants.

2019 Results: In-kind services or funds were required of the Workforce Development Projects and require the applicant to provide detail on in-kind services or workforce funds.

12. Should the Commission extend the previously authorized reserves for the 2020 Community Mitigation Fund program and allow communities to continue to access whatever portion of the original \$100,000 that remains unexpended.

Background: Some communities have expended some or all of their reserves. In Region A, 9 communities have allocated their entire reserve and 2 have not requested funding. In Region B, currently 6 have allocated their entire reserve, 1 has used a portion and 4 have not requested funding. For Category 2 communities, 3 have allocated their reserve, 2 have used a portion of their reserve and 1 has not requested any funding.

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

Background: In 2017, communities could apply for transportation planning. However, no general planning application (except for uses of reserve funds for planning) was authorized under the Guidelines. In 2018 and 2019, the Commission authorized funding for non-transportation planning. Some communities have fully utilized their reserves and thus cannot use reserve for additional planning.

14. The Commission determined that communities are not eligible for reimbursement of administrative costs related to the preparation of Community Mitigation Fund applications. Workforce Program applications, due to the nature of the programs, are eligible for such costs.

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

2019 Results: In the 2019 Guidelines, administrative costs were allowed for Workforce Pilot Program applications only.

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

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

2019 Results: The 2019 Guidelines stated that “[t]he Commission will not fund any applications for assistance to non-governmental entities.”

16. Should the Commission continue to expressly authorize joint applications by communities?

Background: In 2019 the Commission authorized Joint Transportation, Non-Transportation Planning and Transit Project(s) of Regional Significance applications.

2019 Results: During the CMF Review of applications by the Commission, it was requested that a similar incentive program be evaluated for joint Workforce Development Applications. The Commission mentioned the benefit of one integrated whole workforce development program for each region and creating joint applications may ensure that there is no duplicity in the use of resources.

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

Background: The 2019 Guidelines specified that Specific Impact Grants were limited to \$500,000 and specified that only one application was allowed, subject to a waiver. There was no prohibition against requesting funding for multiple areas within the \$500,000 limit.

18. Are the same general analysis factors used in 2019 going to be used for 2020 evaluation? Understanding that there can be delays in implementation of some of the grants projects, and some communities anticipate yearly grant applications for completion of certain projects, should the Commission authorize unspent, unallocated funds which remain in one region to be moved to a general fund after a certain number of years?

Background: The Commission will evaluate any funding requests in the context of any host or surrounding community agreements. Factors used by the Commission to evaluate grant applications may include but not be limited to:

- A demonstration that the impact is being caused by the proposed gaming facility;
- The significance of the impact to be remedied;
- The potential for the proposed mitigation measure to address the impact;
- The feasibility and reasonableness of the proposed mitigation measure;
- A demonstration that any program to assist non-governmental entities is for a demonstrated public purpose and not for the benefit or maintenance of a private party;
- The significance of any matching funds for workforce development pilot program activities or planning efforts, including but not limited to the ability to compete for state or federal workforce, transportation or other funds;
- Any demonstration of regional benefits from a mitigation award;
- A demonstration that other funds from host or surrounding community agreements are not available to fund the proposed mitigation measure;
- A demonstration that such mitigation measure is not already required to be completed by the licensee pursuant to any regulatory requirements or pursuant to any agreements between such licensee and applicant; and

- The inclusion of a detailed scope, budget, and timetable for each mitigation request.

Supplemental Guidelines Used To Evaluate Workforce Development Applications

- ❖ Does the application develop a pilot program that seeks to address any claimed impacts?
- ❖ Does the proposal include a program in Region A or Region B that structures intentional connections among adult basic education, occupational training, and post-secondary education programs?
- ❖ Does the proposal seek to assist low-skilled adults in obtaining education and career training to enable them to join the regional labor market?
- ❖ Does the proposal seek to address the anticipated goals of the program (see pages 12 and 13 of these Guidelines)?
- ❖ Will the participants receive industry-recognized or academic credentials needed to work in the most in-demand casino –related occupations within the region?
- ❖ A governmental entity applying for workforce development funds will also need to provide detail on what it will contribute to the workforce development project such as in-kind services or workforce development funds
- ❖ Is the Applicant collaborating with others to provide a regional approach?
- ❖ Does the Applicant address issues related to a gaming facility?

Background: The factors used in 2020 may need further refinement.

Section 59: Gaming Economic Development Fund

Section 2DDDD. There shall be established and set up on the books of the commonwealth a separate fund to be known as the Gaming Economic Development Fund. The fund shall be credited with revenues transferred to it from the Gaming Revenue Fund established in section 59 of chapter 23K. Amounts credited to the fund shall be expended, subject to appropriation, to support economic development and job growth including, but not limited to: (1) workforce training, including transfers to the Workforce Competitiveness Trust Fund established in section 2WWW of chapter 29; (2) tourism promotion, including regional tourism promotion agencies and cultural and recreational attraction promotion; (3) summer jobs; (4) the Massachusetts marketing partnership established in section 13A of chapter 23A; (5) higher education scholarships; (6) regional economic development initiatives; (7) support for small businesses, including small business lending; (8) green jobs promotion; (9) science, technology, engineering and mathematics career pipeline initiatives; and (10) agricultural development programs, including youth agricultural education.

Section 61: Community Mitigation Fund

Section 61. (a) There shall be established and set up on the books of the commonwealth a separate fund to be known as the Community Mitigation Fund. The fund shall consist of monies transferred under section 59 and all other monies credited or transferred to the fund from any other fund or source.

(b) The commission shall administer the fund and, without further appropriation, shall expend monies in the fund to assist the host community and surrounding communities in offsetting costs related to the construction and operation of a gaming establishment including, but not limited to, communities and water and sewer districts in the vicinity of a gaming establishment, local and regional education, transportation, infrastructure, housing, environmental issues and public safety, including the office of the county district attorney, police, fire and emergency services. The commission may, at its discretion, distribute funds to a governmental entity or district other than a single municipality in order to implement a mitigation measure that affects more than 1 municipality; provided, however, that such entity or district shall submit a written request for funding in the same manner as a municipality would be required to submit such a request under subsection (c).

(c) Parties requesting appropriations from the fund shall submit a written request for funding to the commission before February 1 of each year. The commission may hold a public hearing in the region of a gaming establishment to provide parties with the opportunity to provide further information about their request for funds and shall distribute funds to requesting parties based on demonstrated need.

2019 Community Mitigation Fund Awards

GRANTS AWARDED	2019 TYPE OF APPLICATION	AWARD	DESCRIPTION
City of Everett	Specific	\$182,088.90	The grant will provide funding for the Everett Police Department to pay the salaries of officers that were trained at Northern Essex Community College. These new officers will be used to make up for the loss of officers transferred to the Gaming Enforcement Unit.
Hampden County Sheriff's Dept.	Specific	\$400,000.00	The grant will provide funding for lease assistance for the Western Massachusetts Recovery & Wellness Center for FY2020. The center was forced to move after 29 years of operation at 26 Howard Street due to its placement within the physical footprint of MGM Springfield.
Hampden County DA	Specific	\$100,000.00	The grant will provide funding for personnel to mitigate the increase in caseloads as a result of MGM Springfield's opening.
City of Springfield - Police	Specific	\$228,457.68	The grant will provide funding for specific equipment for the Springfield Police Department to address public safety needs relating to the opening of MGM Springfield casino
City of Boston	Transportation	\$200,000.00	The grant will provide funding for a portion of the design cost of improvement to Sullivan Square and Rutherford Avenue. Boston noted that approximately 70% of the traffic generated by Encore Boston Harbor has been projected to go through Sullivan Square.
City of Lynn	Transportation	\$200,000.00	The grant will provide funding for a traffic analysis, functional design report and conceptual design development for the Route 107 corridor. Route 107 connects Revere, Everett and Boston to the south, along with Salem and Peabody to the north, with casino patrons and employees expected to use Route 107 to access the casino.
City of Medford	Transportation	\$200,000.00	The grant will provide funding to design a multi-use boardwalk under the Route 28 bridge. A completed boardwalk could provide Encore Boston Harbor employees and patrons safer access the casino's shuttles from Station Landing to the facility without having to navigate Wellington Circle or cross Route 28 at grade on foot or by bicycle.
City of Everett / City of Somerville	Transportation	\$425,000.00	The grant will provide funding to advance the planning and design of the MBTA Silver Line bus rapid transit service from Chelsea through Everett along the MBTA Commuter Rail right-of-way to Sullivan Square and then to Somerville. An extension of the Silver Line with a stop at Encore Boston Harbor would provide significant regional transportation benefits and could

2019 Community Mitigation Fund Awards

GRANTS AWARDED	2019 TYPE OF APPLICATION	AWARD	DESCRIPTION
			also significantly help reduce traffic related to Encore Boston Harbor.
City of Revere/Town of Saugus	Transportation	\$425,000.00	The grant will provide funding to further advance the planning and design of improvements along the Route 1 project corridor. Environmental Impact Reports prepared for Encore Boston Harbor envisioned approximately 9% of the traffic would be using the Route 1 corridor to get to/from the casino.
City of Everett / City of Somerville	Transit	\$400,000.00	The grant will provide funding to fully design a connection from Draw 7 Park in Somerville across the MBTA tracks to the Assembly Square Orange Line Station head house. The MBTA head house expansion is part of a broader effort to connect pedestrians and bicyclists to a regional pathway network and to provide a way over the Mystic River from Everett, opening new transportation options to thousands of people.
Pioneer Valley Transit Authority	Transit	\$25,000.00	The grant will provide funding to improve the utilization of the current Loop Service and to assist in the PVRTA's marketing and advertising efforts.
City of Boston	Workforce Development	\$213,400.00	The grant will provide funding to support the next phase of the Greater Boston Casino Pipeline Initiative to create a pipeline of job seekers to resolve the backfill needs of local hospitality employers as talent migrates to Encore, as well as to help workers gain employment at Encore.
Holyoke Community College	Workforce Development	\$300,000.00	The grant will provide funding for the continuation of the Work Ready program, which will enroll up to 200 individuals in the gaming school through scholarships, up to 70 individuals in certificate training, 180 in English literacy for the workplace, and 100 individuals in Adult Basic Education classes in order to get them into the pipeline for skills training and job placement.
Masshire MetroNorth Workforce Board	Workforce Development	\$300,000.00	The grant will provide funding for a project whereby local residents are engaged and referred to services aimed at preparing them for career opportunities in the hospitality and gaming sector.
City of Chelsea / City of Everett	Non-Transportation Planning	\$105,000.00	The grant will provide funding for the creation of a trilingual Enterprise Center at the Chelsea Campus of Bunker Hill Community College (BHCC). The center will provide skills training and services to entrepreneurs, existing businesses, and workers, initially focusing on the hospitality sector. The initiative will create a pipeline of workers and

2019 Community Mitigation Fund Awards

GRANTS AWARDED	2019 TYPE OF APPLICATION	AWARD	DESCRIPTION
			businesses to support and provide services to the Encore Boston Harbor casino and its guests, and provide a skilled workforce to backfill jobs within the communities that become vacant as workers are hired by the casino.
Town of Chicopee / City of Springfield	Non-Transportation Planning	\$50,000.00	The grant will provide funding to help implement potential projects outlined in "Reinvesting the Gaming Economic Development Fund" and "Implementation Blueprint, An Economic Development Strategy for the Renaissance of a Great American Downtown: Springfield, MA", with an emphasis on downtown Springfield development and a development program for the Westover Metropolitan Airport.
City of Northampton	Non-Transportation Planning	\$29,000.00	The grant will provide funding for continued marketing activities building upon the activities already funded by the Commission, which include an evaluation of the marketing campaign performance from 2019 and planning for 2020, campaign planning activities and monitoring and measuring the response and feedback posted on the "Northampton Live" web site.
City of Revere	Non-Transportation Planning	\$50,000.00	The grant will provide funding for a tourism video that will promote the City of Revere as a destination and also will feature Encore Boston Harbor Casino as a nearby major attraction.
Town of Saugus	Non-Transportation Planning	\$50,000.00	The grant will provide funding for a tourism video that will promote the Town of Saugus as a destination and also will feature Encore Boston Harbor Casino as a nearby major attraction.
Southeastern Regional Planning & Economic Development (SPREDD)	Tribal Gaming Technical Assistance	\$200,000.00	The grant will provide funding for requests for studies to assist communities in geographic proximity to the potential Tribal Gaming facility in Taunton with regard to traffic capacity and operational impacts, should the construction of the Tribal Gaming facility move forward. This continuation of a prior year grant would require a separate Commission vote to proceed depending on the status of the proposed Tribal facility.
Town of Foxborough / Town of Plainville / Town of Wrentham	Reserve	\$75,000.00	The grant will provide funding to hire a professional marketing consultant/firm to prepare a marketing, strategic and creative plan for the destination marketing of the Towns of Foxborough, Plainville, and Wrentham. The towns envision the regional approach benefitting Plainridge Park Casino by attracting more tourists, business travelers and visitors to the region,

2019 Community Mitigation Fund Awards

GRANTS AWARDED	2019 TYPE OF APPLICATION	AWARD	DESCRIPTION
			along with establishing the area as a destination for overnight stays.



19

COMMUNITY
MITIGATION
FUND

**2019 COMMUNITY MITIGATION FUND GUIDELINES
BD-19-1068-1068C-1068L-33629**

Appendix A

Table of Contents

What is the Community Mitigation Fund?..... 1

When Is the Application Deadline? 1

Who Can Apply? 1

Does a Community Need to Be a Designated Host or 2

Surrounding Community to Apply? 2

What Cannot Be Funded? 2

Guidance to Ensure Funding is Used for Public Purposes 3

Related to Gaming Facility Impacts 3

How Much Funding Is and Will Be Available? 3

Joint Applications 4

Limitations 6

One-Time 2015/2016 Reserves 6

What are the Reserve Amounts? 7

Specific Impact Grants - What Specific Impacts Can Be Funded? 7

Hampden County Sheriff’s Department – Specific Impact Grant 8

2019 Non-Transportation Planning Grant..... 9

Transportation Planning Grants 9

Transit Project(s) of Regional Significance 10

Limitations/Specific Requirements on Planning Applications 11

Tribal Gaming Technical Assistance Grant 11

Workforce Development Pilot Program Grant..... 12

What Should Be Included in the Applications? 13

How Will the Commission Decide on Applications? 13

When Will the Commission Make Decisions? 15

Is There a Deadline for the Use of the One-Time 2015/2016 Reserve? 15

Waivers and Variances 16

Who Should Be Contacted for Any Questions? 16

Where Should the Application Be Sent? 17



Massachusetts Gaming Commission



19

COMMUNITY
MITIGATION
FUND

2019 COMMUNITY MITIGATION FUND GUIDELINES BD-19-1068-1068C-1068L-33629

What is the Community Mitigation Fund?

The Expanded Gaming Act, M.G.L. c. 23K, created the Community Mitigation Fund (“CMF”) to help entities offset costs related to the construction and operation of a gaming establishment.

When Is the Application Deadline?

February 1, 2019. M.G.L. c. 23K, § 61 states that “parties requesting appropriations from the fund shall submit a written request for funding to the Commission by February 1.”

Who Can Apply?

M.G.L. c. 23K, § 61 states the Commission shall expend monies in the fund to assist the host and surrounding communities ... “including, but not limited to, communities and water and sewer districts in the vicinity of a gaming establishment, local and regional education, transportation, infrastructure, housing, environmental issues and public safety, including the office of the county district attorney, police, fire, and emergency services.” The Commission may also distribute funds to a governmental entity or district other than a single municipality in order to implement a mitigation measure that affects more than one community.

Applications involving a mitigation measure impacting only one community shall only be submitted by the authorized representatives of the community itself. Governmental entities within communities such as redevelopment authorities or non-regional school districts shall submit applications through such community rather than submitting applications independent of the community.

Private non-governmental parties may not apply for Community Mitigation Funds. Governmental entities may apply to the Commission for funds to mitigate impacts provided that the funding is used for a “public purpose” and not the direct benefit or maintenance of a private party or private parties.

The Community Mitigation Fund may be used to offset costs related to both Category 1 full casino facilities (MGM Springfield and Encore Boston Harbor), the state’s Category 2 slots-only facility (Plainridge Park), and may be utilized, pursuant to these Guidelines, for a program of technical assistance for communities that may be impacted by the potential Tribal gaming facility in Taunton.



Massachusetts Gaming Commission

Does a Community Need to Be a Designated Host or Surrounding Community to Apply?

No. The Commission’s regulations and M.G.L. c. 23K, § 61 do not limit use of Community Mitigation Funds to only host or surrounding communities. The Commission’s regulation, 205 CMR 125.01(4), states that “[a]ny finding by the commission that a community is not a surrounding community for purposes of the RFA-2 application shall not preclude the community from applying to and receiving funds from the Community Mitigation Fund established by M.G.L. c. 23K, § 61....”

What Cannot Be Funded?

2019 Community Mitigation Fund may not be used for the mitigation of:

Category 1 Gaming Facilities:

- Any operational related impacts in Region A except Police Training Costs;
- impacts that are projected or predicted but that are not occurring or have not occurred by February 1, 2019;**
- impacts that are the responsibility (e.g. contractual, statutory, regulatory) of parties involved in the construction of gaming facilities (such as damage caused to adjoining buildings by construction equipment, spills of construction-related materials outside of work zones, personal injury claims caused by construction equipment or vehicles);
- the cost of the preparation of a grant application;
- requests related to utility outages, such as the mitigation of business interruptions;
- police training costs in Region B; and
- other impacts determined by the Commission.

Category 2 Gaming Facilities:

- impacts that are projected or predicted but that are not occurring or have not occurred by February 1, 2019;**
- impacts that are the responsibility (e.g. contractual, statutory, regulatory) of parties involved in the construction of gaming facilities (such as damage caused to adjoining buildings by construction equipment, spills of construction-related materials outside of work zones, personal injury claims caused by construction equipment or vehicles);
- the cost of the preparation of a grant application;
- requests related to utility outages, such as the mitigation of business interruptions;
- police training costs; and
- other impacts determined by the Commission

**These limitations do not apply to transportation planning grants, non-transportation planning grants, workforce development pilot program grants, transit project(s) of regional significance grants, tribal gaming technical assistance grants, and grants for police training costs.

Please note that the Commission may determine to expand the eligible uses of funds for the 2019 program or other future programs when impacts are more clearly identifiable. The Commission will also consult with mitigation advisory committees established in M.G.L. c. 23K in determining such uses.

Guidance to Ensure Funding is Used for Public Purposes Related to Gaming Facility Impacts

The Commission strongly encourages applicants to ensure that the impacts are directly related to the gaming facility and that the public purpose of such mitigation is readily apparent. The Commission will not fund any applications for assistance for non-governmental entities.

Please note that as stated by the Commonwealth's Comptroller's Office: "The Anti-Aid Amendment of the Massachusetts Constitution prohibits 'public money or property' from aiding non-public institutions.... Article 46 has been interpreted to allow the expenditure of public funds to non-public recipients solely for the provision of a 'public purposes' [sic] and not for the direct benefit or maintenance of the non-public entity."

Any governmental entity seeking funding for mitigation is required to ensure that any planned use of funding is in conformity with the provisions of the Massachusetts Constitution and with all applicable laws and regulations, including but not limited to, Municipal Finance Law and public procurement requirements.

How Much Funding Is and Will Be Available?

In sum, a total of \$17.5 million from the current licensees was deposited in the Community Mitigation Fund for use until Category 1 gross gaming revenues are generated, or thereafter (if all such funds are not used prior to that date). After the deduction of purposes approved in 2015, 2016, 2017, and 2018 the fund has approximately \$5.2 million available.¹

This is the first year the Community Mitigation Fund will be receiving 6.5% of the revenues from the tax on gross gaming revenues from the Region B Category 1 (full casino) licensee, MGM Springfield. MGM Springfield is now operational and will generate new funds into the CMF. Encore Boston Harbor is not scheduled to open until mid-2019. The Commission is conservatively anticipating that an additional \$1.5M will be placed in the CMF from MGM Springfield revenues by December 31, 2018.

¹These Guidelines do not describe revenue estimates from the potential Tribal facility in Taunton or the participation of a Region C facility, as no Region C license or Tribal facility has yet been fully authorized. Further, after the initial deposit, no further contributions from the Slots licensee will be made to the fund. As of the date of these Guidelines, the total may or may not be reduced based on a pending decision on a City of Springfield application that was placed on hold in 2018.

Once both the MGM Springfield and Encore Boston Harbor facilities are operational, and their marketing plans are optimized approximately \$18 million generated by these two facilities may be annually deposited into the Community Mitigation Fund using a conservative estimate provided by the Commission’s financial consultants.

Amount Remaining	\$5.2 Million
New CMF funding for Region B - MGM Springfield - Western Massachusetts	Estimate of \$1.5 Million (the Commission plans to use the actual amount of new funds placed in the CMF by December 31, 2018 capped @ \$1.5M)
Total Amount Available for 2019	\$6.7 Million

Allocation by Region

The Commission intends to allocate 2019 CMF funding based on need in the regions that reflects the proportion of funds paid into the Community Mitigation Fund from the taxes generated by the MGM Springfield or Encore Boston Harbor facilities. This allocation takes into account mitigation needs outside Region A and Region B, and includes a method to utilize unspent allocations.

For the 2019 year, the Commission plans to allocate the \$5.2 million remaining CMF funds equally between the two regions, Region A and Region B, after accounting for grants that will be made for Category 2 impacts. Thus, by way of example, if the Commission awards \$200,000 for Category 2 impacts in 2019, \$5 million would be available to be split equally between Region A and Region B (i.e. \$2.5million for each region). Please note that these Guidelines establish a maximum target of \$500K for Category 2 impacts. Therefore, for another example, at the Category 2 maximum, approximately \$4.7 million would be available to be split between Region A and B (\$5.2 million - \$500K Category 2 impacts = \$4.7 million (\$2.35 million for Region A and \$2.35 million for Region B)).

In addition to the funds remaining in the account, as noted, it is expected that MGM Springfield will generate an additional \$1.5 million by December 31, 2018. It is the Commission’s intention to allocate these MGM Springfield generated funds to Region B. It is the Commission’s further intention that any unused funds allocated to each Category 1 Region will be set aside for that Region for a period of three years. After the three-year period, the funds shall be allocated back into a combined general fund for all regions and for Category 2 impacts.

Joint Applications

The Commission continues to support regional approaches to mitigation needs and recognizes that some mitigation requires the commitment of more than one community. The 2019 Guidelines for the Community Mitigation Fund allow multiple communities to submit a joint application. In the event that any of the applicant communities has not expended its One-Time 2015/2016 Reserve (“reserve” or “reserves”), the application must detail how the reserves will be allocated between the applicant communities to meet any reserve expenditure requirement. For example, transportation planning grants require that reserves be used prior to the receipt of new planning funds. In the event of a joint application for a \$200,000 planning

grant, the joint application shall specify how the applicant communities will allocate/use a total of \$100,000 in reserves between the communities. The application must specify which community will be the fiscal agent for the grant funds. All communities will be held responsible for compliance with the terms contained in the grant.

In order to further regional cooperation the applications for transportation planning grants and non-transportation planning grants that involve more than one community for the same planning projects may request grant assistance that exceeds the limits specified in these Guidelines (\$200,000 for transportation planning grants and \$50,000 for non-transportation planning grants). The additional funding may be requested only for the costs of a joint project being proposed by more than one community, not similar projects. Eligible communities may request additional funding for joint projects based on the below table.

	Base Funding	Regional Planning Incentive Award	Total Allowable Request
Non-Transportation Planning Projects Involving Two (2) Communities	\$50,000 for each community	\$5,000	$\$50,000 \times 2 \text{ communities}$ $\underline{\$100,000 + \$5,000 =}$ $\underline{\$105,000}$
Non-Transportation Program Involving Three (3) or More	\$50,000 for each community	\$10,000	$\$50,000 \times 3 \text{ communities}$ $\underline{\$150,000 + \$10,000 =}$ $\underline{\$160,000}$
Transportation Planning Projects Two (2) Communities	\$200,000 for each community	\$25,000	$\$200,000 \times 2 \text{ communities}$ $\underline{\$400,000 + \$25,000 =}$ $\underline{\$425,000}$
Transportation Planning Projects Three (3) or more	\$200,000 for each community	\$50,000	$\$200,000 \times 3 \text{ communities}$ $\underline{\$600,000 + \$50,000}$ $\underline{\$650,000}$

*Although the base amount for such grants would increase with applications involving four or more communities (e.g. \$200,000 Transportation Planning Grant per community X 4 communities = \$800,000) the amount of the Regional Planning Incentive Award will not exceed \$50,000 (e.g. 4 community transportation planning grants would not exceed \$850,000 = 4 x \$200,000 base award plus \$50,000 Regional Planning Incentive Award).

Please note that communities can apply for a portion of the planning grants for single community applications while allocating a portion for joint projects. For example, a community could apply for one \$100,000 base Transportation Planning Grant leaving \$100,000 for a joint application involving another community. In this example the community could be eligible for \$100,000 for the single community project, \$100,000 for a joint project, and a \$25,000 Regional Planning Incentive Award amount shared with a second community.

Applications seeking a Regional Planning Incentive Award amount shall allocate at least fifty percent (50%) of the base funding level towards a joint project. For example, at least \$100,000 of a \$200,000 Transportation Planning Grant seeking an additional Regional Planning Incentive Award amount shall be for the joint project with another community. No community is eligible for more than one Transportation Regional Planning Incentive Award. No community is eligible for more than one Non-Transportation Regional Planning Incentive Award.

Limitations

Because the Community Mitigation Fund needs to be available until all the facilities are operational, the Commission anticipates authorizing no more than \$6.7 million in awards out of the 2019 Community Mitigation Fund, including potential future awards of previously authorized grants. No application for a Specific Impact Grant shall exceed \$500,000, unless a waiver has been granted by the Commission. No community is eligible for more than one Specific Impact Grant, unless a waiver has been granted by the Commission. However, communities may apply for multiple purposes in one application.

Of that amount, for 2019, no more than \$500,000 may be expended for operational impacts related to the Category 2 gaming facility, unless otherwise determined by the Commission.

One-Time 2015/2016 Reserves

In 2015 and 2016, a Reserve Fund was established for communities that may not have been able to demonstrate significant impacts by the submittal deadline date. The Commission reserved \$100,000 for the following communities which were either a host community, designated surrounding community, a community which entered into a nearby community agreement with a licensee, a community that petitioned to be a surrounding community to a gaming licensee, or a community that is geographically adjacent to a host community:

Region A: Boston, Cambridge, Chelsea, Everett, Lynn, Malden, Medford, Melrose, Revere, Saugus, Somerville

Region B: Agawam, Chicopee, East Longmeadow, Hampden, Holyoke, Longmeadow, Ludlow, Northampton, Springfield, West Springfield, Wilbraham

Category 2 – Slots: Attleboro, Foxboro, Mansfield, North Attleboro, Plainridge, Wrentham

In many cases, communities may not be in a position to access their 2015/2016 Reserves by the February 1, 2019 deadline. Therefore, the Commission has extended such Reserves for the 2019 Community Mitigation Fund Program. Communities may continue to access whatever portion of the original \$100,000 that remains unexpended. **The above communities do not need to submit any new application to keep their Reserves. These reserves have automatically been extended by action of the Commission.**

The criteria for the use of the Reserves remain the same. This Reserve can be used to cover impacts that may arise in 2019 or thereafter. It may also be used for planning, either to

determine how to achieve further benefits from a facility or to avoid or minimize any adverse impacts.

Funds will be distributed as the needs are identified. Communities that utilize the Reserve are not prohibited from applying for funding for any specific mitigation request.

What are the Reserve Amounts?

Can a community apply for mitigation of a specific impact even though it has not fully utilized its One-Time 2015/2016 Reserve?

Yes. However, if a Specific Impact Grant application is successful, a portion of the One-Time Reserve will be used as an offset against the amount requested for the specific impact. The reserve amount will be reduced by fifty thousand dollars (\$50,000.00) assuming the specific impact request is at least that amount.

Specific Impact Grants - What Specific Impacts Can Be Funded?

The 2019 Community Mitigation Fund for mitigation of specific impacts may be used only to mitigate impacts that either have occurred or are occurring as of the February 1, 2019 application date and police training costs in Region A that occur prior to the opening of Region A Category 1 facility. Although the definition in the Commission's regulations (for the purpose of determining which communities are surrounding communities) references predicted impacts, the 2019 program is limited to only those impacts that are being experienced or were experienced by the time of the February 1, 2019 application date and police training costs in Region A that occur prior to the opening of both Category 1 facilities.

The Commission has determined that the funding of unanticipated impacts will be a priority under the annual Community Mitigation Fund. Thus the Commission will review funding requests in the context of any host or surrounding community agreement to help determine funding eligibility.² The Community Mitigation Fund is not intended to fund the mitigation of specific impacts already being funded in a Host or Surrounding Community Agreement.

No application for the mitigation of a specific impact shall exceed \$500,000. However, communities and governmental entities may ask the Commission to waive this funding cap. Any community and governmental entity seeking a waiver should include a statement in its application specifying the reason for its waiver request, in accordance with the waiver guidance included in these Guidelines.

Allowable impacts for funding are as follows:

Category 1 Gaming Facility (Region A): In recognition that no Category 1 gaming facility will be operational by February 1, 2019 in Region A, the Commission has determined that the 2019

² The Commission is aware of the difference in bargaining power between host and surrounding communities in negotiating agreements and will take this into account when evaluating funding applications.

Community Mitigation Fund is available only to mitigate impacts related to the construction of Category 1 gaming facilities. This limitation does not apply to planning activities funded under the 2015/2016 One-Time Reserve Grant, 2018 Non-Transportation Planning Grant, 2018 Transportation Planning Grant, Transit Project(s) of Regional Significance or the 2018 Workforce Development Pilot Program Grant, or police training costs. No application for police training costs shall include costs for personnel while such personnel are serving in a gaming enforcement unit. No application for police training costs shall include costs for overtime incurred to backfill a position due to a transfer of personnel to a gaming enforcement unit.

The Commission's regulation 205 CMR 125.07 defines construction period impacts as:

“The community will be significantly and adversely affected by the development of the gaming establishment prior to its opening taking into account such factors as noise and environmental impacts generated during its construction; increased construction vehicle trips on roadways within the community and intersecting the community; and projected increased traffic during the period of construction.”

Category 2 Gaming Facility and Region B Category 1 Gaming Facility: In recognition that the Category 2 gaming facility in Plainville opened during calendar year 2015 and the MGM Springfield Category 1 facility opened during calendar year 2018, the Commission will make available funding to mitigate operational related impacts that are being experienced or were experienced from that facility by the February 1, 2019 date. The Commission will make available up to \$500,000 in total for applications for the mitigation of operational impacts relating to the Plainridge facility.

The Commission's regulation 205 CMR 125.01 2(b)4 defines operational impacts as:

“The community will be significantly and adversely affected by the operation of the gaming establishment after its opening taking into account such factors as potential public safety impacts on the community; increased demand on community and regional water and sewer systems; impacts on the community from storm water runoff, associated pollutants, and changes in drainage patterns; stresses on the community's housing stock including any projected negative impacts on the appraised value of housing stock due to a gaming establishment; any negative impact on local, retail, entertainment, and service establishments in the community; increased social service needs including, but not limited to, those related to problem gambling; and demonstrated impact on public education in the community.”

Although these definitions include the types of operational impacts that may be funded, it is not limited to those. The determination will be made by the Commission after its review.

Hampden County Sheriff's Department – Specific Impact Grant

In 2016 the Commission awarded the Hampden County Sheriff's Department (“HCS D”) funds to offset increased rent for the Western Massachusetts Correctional Alcohol Center (“WMCAC”). In providing assistance, the Commission stated that the amount of assistance shall not exceed

\$2,000,000 in total for five years or \$400,000 per fiscal year. A provision in the grant required HCSD to reapply each year. Each grant application may not exceed \$400,000 per year. Any such lease assistance shall be included in the Region B allocation of funds.

2019 Non-Transportation Planning Grant

The Commission will make available funding for certain planning activities for all communities that previously qualified to receive funding from the One-Time 2015/2016 Reserve Fund, and have already allocated and received Commission approval of the use of its reserve. No application for this 2019 Non-Transportation Planning Grant shall exceed Fifty Thousand Dollars (\$50,000). Applications involving transportation planning or design are not eligible for the 2019 Non-Transportation Planning Grant. Communities requesting transportation planning should instead apply for Transportation Planning Grant funds.

Eligible planning projects must have a defined area or issue that will be investigated as well as a clear plan for implementation of the results. The planning project must be clearly related to addressing issues or impacts directly related to the gaming facility. Applicants will be required to submit a detailed scope, budget, and timetable for the planning effort prior to funding being awarded. Each community applying for a 2019 Non-Transportation Planning Grant will also need to provide detail on what it will contribute to the project such as in-kind services or planning funds. Planning projects may include programs created by communities to provide technical assistance and promotion for groups of area businesses.

Communities that utilize this 2019 Non-Transportation Planning Grant are not prohibited from applying for funding for any specific mitigation request.

Transportation Planning Grants

The Commission will make available funding for certain transportation planning activities for all communities eligible to receive funding from the Community Mitigation Fund in Regions A & B and for the Category 2 facility, including each Category 1 and Category 2 host community and each designated surrounding community, each community which entered into a nearby community agreement with a licensee, and any community that petitioned to be a surrounding community to a gaming licensee, each community that is geographically adjacent to a host community.

The total funding available for Transportation Planning Grants will likely not exceed \$1,000,000. No application for a Transportation Planning Grant shall exceed \$200,000.

Eligible transportation planning projects must have a defined area or issue that will be investigated as well as a clear plan for implementation of the results. Transportation Planning Grant funds may be sought to expand a planning project begun with reserve funds or to fund an additional project once the reserves have been exhausted.

Eligible transportation planning projects must have a defined area or issue that will be investigated as well as a clear plan for implementation of the results.

Eligible expenses to be covered by the Transportation Planning Grant include, but not necessarily limited to:

- Planning consultants/staff
- Data gathering/surveys
- Data analysis
- Design
- Engineering review/surveys
- Public meetings/hearings
- Final report preparation

The transportation planning projects must be clearly related to addressing transportation issues or impacts directly related to the gaming facility. Applicants will be required to submit a detailed scope, budget, and timetable for the transportation planning effort prior to funding being awarded.

Communities that requested and received the One-Time 2015/2016 Reserve Grant must first expend those funds before accessing any Transportation Planning Grant funds. Transportation Planning Grant funds may be sought to expand a planning project begun with reserve funds or to fund an additional project once the reserves have been exhausted.

In addition to the specific impact grant factors further defined in section [*“How Will the Commission Decide on Applications?”*](#), the Commission will also consider whether the applicant demonstrates the potential for such transportation project that is the subject of a CMF application to compete for state or federal transportation funds.

Applicants may, but are not required, to include a description of how the project meets the evaluation standards for the Fiscal Year 2019 TIP criteria for the Boston MPO Region or the Pioneer Valley Planning Commission’s transportation evaluation criteria, or other regional transportation project evaluation standard, whichever may be most applicable.

Transit Project(s) of Regional Significance

Although the Commission intends to continue authorizing grants for transportation planning and design through its transportation planning grants, the Commission does not intend to expand these grants to include the cost of the construction of transportation projects in the 2019 CMF. Instead, the Commission intends to consider such expansion once more funding is placed into the fund from the taxes on the gaming revenue for Region A and Region B licensees once they both are operational. However, in 2019, the Commission will consider funding no more than one project that offers significant transit benefits in each Category 1 region and one project related to the Category 2 facility. Applicants should demonstrate how the funds will be used to expand regional transit connections. The Commission intends that any CMF assistance provided will only be for a percentage of the costs of any such project and that significant other federal, state, local, private or other funding will be available to pay for the costs of any such project.

Such project may anticipate contributions from the CMF in future rounds. However, applicants should understand that any future year awards shall be at the discretion of the Commission in future years. Given the likely complexity of any such transit project(s) applications, applicants

may consult with Commission staff before and during the CMF review on such projects. The Commission anticipates authorizing no more than \$500,000 in grants for Transit Project(s) of Regional Significance. Applicants may include a request to use funding from previously awarded CMF Reserves in any description of significant other federal, state, local, or private contributions. Similarly, applicants may include contributions from gaming licensees and private contributions.

Limitations/Specific Requirements on Planning Applications

The Commission will fund no application for more than two years for any municipal employee. The CMF will not pay the full cost of any municipal employee. The municipality would need to provide the remaining amount of any employee cost and certify that all such expenses are casino related. For non-personnel costs, each community applying for planning funds will also need to provide detail on what it will contribute to the planning project such as in-kind services or planning funds.

Pursuant to the Guidelines, the Commission will evaluate requests for planning funds (including the use of One-Time 2015-2016 Reserve, Non-Transportation Planning Grant, Transportation Planning Grant and Transit Project(s) of Regional Significance) after taking into consideration input the applicant has received from the local Regional Planning Agency ("RPA") or any such interested parties. Although there is no prerequisite for using RPA's for planning projects, consultation with RPA's is required to enable the Commission to better understand how planning funds are being used efficiently across the region of the facility. Please provide details about the applicant's consultation with the RPA or any such interested parties. Applicants should provide detail regarding consultations with nearby communities to determine the potential for cooperative regional efforts regarding planning activities.

Tribal Gaming Technical Assistance Grant

The Commission may make available no more than \$200,000 in technical assistance funding to assist in the determination of potential impacts that may be experienced by communities in geographic proximity to the potential Tribal Gaming facility in Taunton. Said technical assistance funding may be made through Southeastern Regional Planning and Economic Development District ("SRPEDD"), the regional planning agency that services such communities or a comparable regional entity. Such funding will only be made available, after approval of any application by SRPEDD or a comparable regional entity, if it is determined by the Commission that construction of such gaming facility will likely commence prior to or during Fiscal Year 2020. Any such application by SRPEDD or a comparable regional entity must demonstrate that any studies of impacts will address the technical assistance needs of the region which may include but not be limited to the communities that are geographically adjacent to Taunton. Such funding shall not be used to study impacts on or provide technical assistance to Taunton, as funding has been provided in the Intergovernmental Agreement By and Between the Mashpee Wampanoag Tribe and the City of Taunton. Any such program of technical assistance may be provided by SRPEDD itself or through a contract with SRPEDD.

Workforce Development Pilot Program Grant

For fiscal year 2020, the Commission will make available funding for certain career pathways workforce development pilot programs in Regions A and B for service to residents of communities of such Regions, including each Category 1 host community and each designated surrounding community, each community which entered into a nearby community agreement with a licensee, any community that petitioned to be a surrounding community to a gaming licensee, and each community that is geographically adjacent to a host community.

The total funding available for grants will likely not exceed \$600,000. No application for a grant in each Region shall exceed \$300,000 unless otherwise determined by the Commission. One grant will be considered for each Region. Each governmental entity applying for workforce development funds will also need to provide detail on what it will contribute to the workforce development project such as in-kind services or workforce development funds.

Eligible career pathways workforce development proposals must include a regional consortium approach to improve the skills, knowledge, and credential attainment of each Region A and Region B residents interested in a casino career, focusing on increasing industry-recognized and academic credentials needed to work in the most in-demand occupations related to the expanded gaming industry or a focus on occupations that could be in high demand from the casino, potentially negatively impacting the regional business community. This could include a focus on hospitality, culinary, cash handling, or customer service, etc.

Goals include:

- To help low-skilled adults earn occupational credentials, obtain well-paying jobs, and sustain rewarding careers in sectors related to hospitality and casino careers.
- To get students with low basic skills into for-credit career and technical education courses to improve their educational and employment outcomes.
- To deliver education and career training programs that can be completed in two years or less and prepare program participants for employment in high-wage, high-skill occupations related to the casino.
- To align and accelerate ABE, GED, and developmental programs and provide nontraditional students the supports they need to complete postsecondary credentials of value in the regional labor market.
- To mitigate a strain in existing resources and a potential impact to the regional labor market.

Eligible activities include: a program in Region A or Region B that structures intentional connections among adult basic education, occupational training, and post-secondary education programs designed to meet the needs of both adult learners and employers, post-secondary vocational programs, registered apprenticeships, courses leading to college credits or industry-recognized certificates, Adult Basic Education (“ABE”) and vocationally based English for

Speakers of Other Languages (“ESOL”) training programs, Contextualized Learning, Integrated Education & Training, and Industry-recognized Credentials.

- **A consortium application is required.** However, governmental entities eligible to receive funds would include but not be limited to: host communities, communities which were each either a designated surrounding community, a community which entered into a nearby community agreement with a licensee, a community that is geographically adjacent to the host community of a gaming licensee, a community that petitioned to be a surrounding community to a gaming licensee state agencies, state agencies, and regional employment boards. The Commission shall evaluate the use of host community agreement funds in evaluating funding requests for workforce development pilot program grant funds. Applicants should consider leveraging other funding resources.

What Should Be Included in the Applications?

- ★ Applicants are required to complete the 2019 Specific Impact Grant Application, the 2019 Transportation Planning Grant Application, the 2019 Workforce Development Pilot Program Grant Application, the 2019 Non-Transportation Planning Grant Application, 2019 Transit Project(s) of Regional Significance Grant Application, or 2019 Reserve Planning Application/Tribal Gaming Technical Assistance Grant Application, and may also submit additional supporting materials of a reasonable length.
- ★ Applicants will need to describe how the specific mitigation, planning, workforce development pilot program or regional transit project request will address any claimed impacts and provide justification of any funds requested. Unlike existing surrounding community agreements which were based on anticipated impacts, any Specific Impact Grant will be based on impacts that have occurred or are occurring, as described previously.
- ★ Applicants will need to describe if and how such impacts were addressed or not addressed in any host or surrounding community agreements. Applicants may include a letter of support from the applicable gaming licensee. However, this is not necessary, as the Commission will request the licensee’s opinion regarding each Application.

How Will the Commission Decide on Applications?

Similar to the Commission’s surrounding community review process, the Commission will ask each licensee to review and comment on any requests for funding.

The Commission will evaluate the submittal by the community, any input received from the community and interested parties (such as regional planning agencies), the responses of the licensee, Commission consultant reviews, and any other sources determined by the Commission. Commission Staff may consider information from the report issued by the Lower Mystic Regional Workforce Group in its evaluation of transportation planning grants.

The Commission will evaluate any funding requests in the context of any host or surrounding community agreements. Factors used by the Commission to evaluate grant applications may include but not be limited to:

- A demonstration that the impact is being caused by the proposed gaming facility;
- The significance of the impact to be remedied;
- The potential for the proposed mitigation measure to address the impact;
- The feasibility and reasonableness of the proposed mitigation measure;
- A demonstration that any program to assist non-governmental entities is for a demonstrated public purpose and not for the benefit or maintenance of a private party;
- The significance of any matching funds for workforce development pilot program activities or planning efforts, including but not limited to the ability to compete for state or federal workforce, transportation or other funds;
- Any demonstration of regional benefits from a mitigation award;
- A demonstration that other funds from host or surrounding community agreements are not available to fund the proposed mitigation measure;
- A demonstration that such mitigation measure is not already required to be completed by the licensee pursuant to any regulatory requirements or pursuant to any agreements between such licensee and applicant; and
- The inclusion of a detailed scope, budget, and timetable for each mitigation request.

Supplemental Guidelines Used To Evaluate Workforce Development Applications

- ❖ Does the application develop a pilot program that seeks to address any claimed impacts?
- ❖ Does the proposal include a program in Region A or Region B that structures intentional connections among adult basic education, occupational training, and post-secondary education programs?
- ❖ Does the proposal seek to assist low-skilled adults in obtaining education and career training to enable them to join the regional labor market?
- ❖ Does the proposal seek to address the anticipated goals of the program (see pages 12 and 13 of these Guidelines)?
- ❖ Will the participants receive industry-recognized or academic credentials needed to work in the most in-demand casino –related occupations within the region?
- ❖ A governmental entity applying for workforce development funds will also need to provide detail on what it will contribute to the workforce development project such as in-kind services or workforce development funds

- ❖ Is the Applicant collaborating with others to provide a regional approach?
- ❖ Does the Applicant address issues related to a gaming facility?

The Commission may ask Applicants for supplementary materials, may request a meeting with Applicants, and reserves the ability to host a hearing or hearings on any application.

The Commission's deliberations on Community Mitigation Fund policies will also be aided through input from the Gaming Policy Advisory Committee, the Community Mitigation Subcommittee, and any Local Community Mitigation Advisory Committees as established pursuant to M.G.L. c. 23K.

The Commission reserves the ability to determine a funding limit below what is detailed in these Guidelines, as only Region B contributions to the Community Mitigation Fund are currently being made until the Region A facility is operational. The Commission also reserves the ability to determine a funding limit above what is detailed in these Guidelines. The Commission notes that it plans to target its funding decisions based on the regional allocations described earlier. However, the Commission reserves the right to make determinations that do not strictly adhere or adhere to such targets. In the event the Commission awards are not in such adherence, the Commission may make appropriate adjustments in future guidelines to bring regional allocations into more congruity with such targets.

The Commission reserves the ability to fund only portions of requested projects and to fund only a percentage of amounts requested. The Commission also reserves the ability to place conditions on any award.

- **There is limited funding available. The Commission therefore reserves the right to determine which requests to fund based on its assessment of a broad range of factors including the extent of public benefit each grant is likely to produce.**

When Will the Commission Make Decisions?

The Commission anticipates making funding decisions on any requests for grant assistance before July 2019, after a comprehensive review and any additional information requests.

Is There a Deadline for the Use of the One-Time 2015/2016 Reserve?

There is no deadline. Funds may be used on a rolling basis when specific impacts are determined or the specific planning activity is determined. Once known, communities should contact the Ombudsman's Office, which will assist the community in providing the needed information. Communities with specific impacts will, at the time the impacts are known, complete the Specific Impact Grant Application or the Planning Project Grant Application in its entirety. Communities with requests for planning funds will provide similar information to the Commission: a description of the planning activity, how the planning activity relates to the development or operation of the gaming facility, how the planning funds are proposed to be used, consultation with the Regional Planning Agency, other funds being used, and how

planning will help the community determine how to achieve further benefits from a facility or to avoid or minimize any adverse impacts. The Commission will fund no application for more than two years for any municipal employee. The CMF will not pay the full cost of any municipal employee. The municipality would need to provide the remaining amount of any employee cost and certify that all such expenses are casino related. Each Community applying for planning funds will also need to provide detail on what it will contribute to the planning project such as in-kind services or planning funds. Please note that such details do not need to be determined by the February 1, 2019 application date. Commission approvals of the use of the One-Time 2015/2016 Reserve will also be on a rolling basis corresponding to the rolling determinations of use by communities.

Waivers and Variances

(a) General. The Commission may in its discretion waive or grant a variance from any provision or requirement contained in these Guidelines, not specifically required by law, where the Commission finds that:

1. Granting the waiver or variance is consistent with the purposes of M.G.L. c. 23K;
2. Granting the waiver or variance will not interfere with the ability of the Commission to fulfill its duties;
3. Granting the waiver or variance will not adversely affect the public interest; and
4. Not granting the waiver or variance would cause a substantial hardship to the community, governmental entity, or person requesting the waiver or variance.

(b) Filings. All requests for waivers or variances shall be in writing, shall set forth the specific provision of the Guidelines to which a waiver or variance is sought, and shall state the basis for the proposed waiver or variance.

(c) Determination. The Commission may grant a waiver or variance, deny a waiver or variance, or grant a waiver or variance subject to such terms, conditions and limitations as the commission may determine.

Who Should Be Contacted for Any Questions?

As the 2019 Community Mitigation Fund program is just in the fifth year of the program for the Commission, communities and other parties may have a number of questions. They are encouraged to contact the Commission's Ombudsman with any questions or concerns. The Commission's Ombudsman will regularly brief the Commission regarding the development of Community Mitigation Fund policies.

The Commission's Ombudsman, John Ziemba, can be reached at (617) 979-8423 or via e-mail at john.s.ziemba@state.ma.us. The Commission's address is 101 Federal Street, 12th Floor, Boston, MA 02110.

Where Should the Application Be Sent?

Applications **must be sent to www.commbuys.com**. An application received by COMMBUYS by February 1, 2019 will meet the application deadline. Applicants that are not part of the COMMBUYS system should contact Mary Thurlow of the Commission's Ombudsman's Office well in advance of the February 1, 2019 deadline to make arrangements for submission of the application by the deadline. Mary Thurlow can be contacted at (617) 979-8420 or at mary.thurlow@state.ma.us.

If you have any questions or concerns contact the COMMBUYS Help Desk at COMMBUYS@state.ma.us or during normal business hours (8am - 5pm ET Monday - Friday) at 1-888-627-8283 or 617-720-3197.