



OVERVIEW

CHAIRMAN STEPHEN P. CROSBY

PRESENTATION

CATEGORY 1 – MASS GAMING & ENTERTAINMENT, LLC
BROCKTON RESORT CASINO

APRIL 27, 2016



INTRODUCTION

In order to assess the 4 questions in the “Overview of Project” section of the RFA-2 Application for MG&E Brockton in Region C, I convened a diverse group of thought leaders to help me review and evaluate the proposals. They are:

- Philip Clay, Professor of City Planning, and former Provost, Massachusetts Institute of Technology
- Elizabeth Devlin, Founder & Digital Curator, FLUX Boston
- John Harthorne, Founder & CEO, MassChallenge, Inc.
- John Mullin, Professor of Regional Planning, UMass Amherst
- Lily Mendez-Morgan, Chief Operating Officer, Massachusetts Red Cross
- Joseph Thompson, Director, Mass Museum of Contemporary Art

The Region C RFA-2 consolidated the original questions 1-9 to just 4, 1-4. We reviewed the MG&E application materials for questions 1-4, spent much of a day visiting the MG&E site and surrounding areas, and received in-depth briefings from consultants working on other related parts of the application, such as finance and economic development.



RATING SYSTEM



Insufficient – Response failed to present a clear plan to address the topic, or failed to meet the minimum acceptable criteria of the Commission



Sufficient – Response provided was comprehensible and met the minimum acceptable criteria of the Commission; and/or provided the required or requested information



Very Good – Response was comprehensive, demonstrates credible experience and plans, and/or excels in some areas



Outstanding/Excellent – Response was of uniformly high quality, and demonstrates convincing experience, creative thinking, innovative plans and a substantially unique approach



SUMMARY

After reviewing all of the aforementioned materials, I found nothing distinctive in the applicant's responses to Questions 1-4, the Overview of Project, or so-called "WOW Factor" questions.

Oddly, I found that often the applicant's answers to these questions were less compelling than their actual performance in other communities, and there are very few actual commitments to match those other communities' standards. The approach of the applicant seemed to be: "We will do good things. Just trust us."

I had expected that the applicant might have learned from the broad enthusiasm for the MGM plan in Springfield—enthusiasm that emanated not only from the Commission, but from the Governor, and many others including casino opponents. The MGM proposal, as I said in my summary evaluation, "is a genuinely ambitious and unusual effort to use the economic muscle of a casino development to drive redevelopment of an entire depressed urban area." This proposal has virtually none of those features. It sits in the middle of a vast parking lot, completely isolated from any other operating part of the community, with no links or coherent strategies for broader urban renewal or economic development. In this respect, it is a great disappointment.



QUESTION 1

Looking Outward, Enhancing the Context: How will you connect your casino's physical facilities to its neighborhood and regional economy through infrastructure investments, marketing, and programmatic collaborations? Please provide concrete images and strategies. Please be specific in how your proposal fits with the ongoing planning for your community and region, and adds to a collective sense of place. In particular, how will your project support and enhance other cultural and tourism venues in your community and region?

Insufficient

The MG&E application makes only a token effort to coordinate with local or regional planning, to coordinate with other cultural and tourism venues, or to otherwise enhance and develop this area. The facility itself is isolated from the community, and is basically inward rather than outward looking. Most restaurants for example cannot be reached from outside the casino.

The applicant does pledge \$100,000 to study the development of an entertainment district, its only meaningful gesture. While it refers to a Rush Rewards program to partner with and promote locals, it offers no partners and no specifics.

QUESTION 2

Marketing the Massachusetts Brand: In a competitive and crowded regional and global gaming market, how will you differentiate the visitor experience at your casino, and how will it reinforce and amplify the unique Massachusetts brand? And specifically, how do you intend to market to prospective customers outside Massachusetts, regionally, nationally and internationally?

Insufficient

The MG&E response to this question is wholly inadequate, citing almost exclusively programming and activities at its other locations, but with no specifics, no programs and no partners for Brockton. The hotel and conference space offer some opportunity for product differentiation, but no planning or specifics are offered for how that differentiation might be exploited.

I commend the applicant for adopting a brick style somewhat reminiscent of the city and region's manufacturing past, but that is its only gesture to Massachusetts history or branding. Nothing is made of the "City of Champions" or the great local history of boxing. A marvelous old exhibition building which could have served as an iconic centerpiece of the project is instead left as a dilapidated eyesore tightly adjacent to the rear of this property.

QUESTION 3

Destination Resort in a Competitive Environment: Tell us specifically why your particular business model and marketing plan is unique, and superior to your competitors. How does your proposal assure the Legislature’s aspiration for “destination resort casinos” rather than a “convenience casino”?

Insufficient

The MG&E proposal offers very little to demonstrate strengths or distinctiveness in its business model or marketing that will differentiate it in a highly competitive market. The proposal makes passing reference to its commitment to a “vast program of non-gaming options,” with no specifics, partners or programs detailed. “Partnerships” and “synergies” with local merchants and institutions are promised but not developed.

The proposal details some wonderful amenities from sister properties—like a bike path, river walk, running path, outdoor amphitheater, and a green wall. Such amenities would have been a commendable and thoughtful addition to this proposal; however, no such amenities are offered.

Once again, the proposal references the hotel and convention space but makes no effort to demonstrate strategies for these spaces which could make the location anything more than a nice “convenience casino.”



QUESTION 4

Diverse Workforce and Supplier Base: How will you guarantee that you will hire and train a truly diverse workforce, and procure products and services from a diverse range of vendors? Further, please identify the diversity within your project's leadership and ownership.

Sufficient

The MG&E proposal contains little more than vague promises about its commitment to workforce and supplier diversity—one of the signature evaluation criteria established by the Expanded Gaming Legislation, and dramatically re-enforced by this Commission. The proposal references “many training programs” to develop and assure diversity, but offers no specifics or examples. The proposal does cite impressive statistics of diversity for its senior management and its employee base at its three other venues, and site visits reinforced this commendable reality.

Minimal data, however, was offered for the company's performance in supplier diversity.

CONCLUSION

MG&E/Brockton

Insufficient

The answers to Questions 1-4 seem to have been delivered with a very casual attitude toward our detailed evaluation criteria and with little if any attention paid to the applications of those criteria in other Regions. Two principal concerns, in conclusion:

- 1) Although there is ample suggestion at other Rush locations that the operator knows how to pay attention to these criteria, there is no evidence of that commitment in this proposal, in terms of specific plans, programs, partners or other real commitments.
- 2) The expanded gaming legislation made a high priority that our facilities should be “destination resort casinos” with a deep commitment to associated economic development. This proposal presents a plan for a nice local convenience casino – and it is not at all clear that such a casino is compatible with our Legislative mandate, or with our well-established Category 1 criteria to date.

