



20

COMMUNITY MITIGATION FUND

APPENDIX C

Specific Impact Grant Application
BD-20-1068-1068C-1068L-46130

Please complete entire Application

	City of Chelsea, MA
1. NAME OF MUNICIPALITY/GOVERNMENT ENTITY/DISTRICT	Beacham/Williams Transportation Corridor Project
2. PROJECT NAME (LIMIT 10 WORDS)	The City proposes the comprehensive reconstruction of Beacham and Williams Streets, from Spruce Street to the City's boundary with Everett. This project consists of roadway and utility reconstruction, intersection upgrades, and the installation of pedestrian and bicycle facilities. The project will mitigate adverse transportation impacts attributable to casino activities.
3. BRIEF PROJECT DESCRIPTION (LIMIT 50 WORDS)	Thomas G. Ambrosino, City Manager
4. NAME AND TITLE OF INDIVIDUAL AUTHORIZED TO COMMIT FUNDS ON BEHALF OF MUNICIPALITY/GOVERNMENTAL ENTITY	500 Broadway, Chelsea, MA 02150
5. ADDRESS OF INDIVIDUAL AUTHORIZED TO COMMIT FUNDS ON BEHALF OF MUNICIPALITY/GOVERNMENTAL ENTITY	617-466-4100; tambrosino@chelseama.gov
6. PHONE # AND EMAIL ADDRESS OF INDIVIDUAL AUTHORIZED TO COMMIT FUNDS ON BEHALF OF MUNICIPALITY/GOVERNMENTAL ENTITY	John DePriest, Director; Alex Train, AICP, Assistant Director – Department of Planning + Development
7. NAME AND TITLE OF CONTRACT MANAGER RESPONSIBLE FOR HANDLING OF FUNDS ON BEHALF OF MUNICIPALITY/GOVERNMENTAL ENTITY	500 Broadway, Room 101, Chelsea, MA 02150
8. ADDRESS OF CONTRACT MANAGER RESPONSIBLE FOR HANDLING OF FUNDS ON BEHALF OF MUNICIPALITY/GOVERNMENTAL ENTITY	617-466-4180; jdepriest@chelseama.gov ; atrain@chelseama.gov ;
9. PHONE # AND EMAIL ADDRESS OF CONTRACT MANAGER ON BEHALF OF MUNICIPALITY/GOVERNMENTAL ENTITY	Encore Boston Harbor
10. NAME OF GAMING LICENSEE	

1. IMPACT DESCRIPTION

Please describe in detail the impact that is attributed to the operation of a gaming facility. Please provide support for the determination that the operation of the gaming facility caused or is causing the impact.

Situated in close proximity to the City of Chelsea, the Encore Casino has resulted in adverse impacts to the Beacham and Williams Corridor. Traffic volumes and infrastructural deterioration, stressing a chronically overburdened roadway network, have grown noticeably since the casino opened. These conditions have exacerbated congestion, increased air emissions, delayed emergency response times, and degraded physical conditions along this corridor.

The Beacham and Williams Corridor is a gateway artery serving the casino. Spanning east to west through Chelsea, the corridor facilitates multi-modal travel between East Boston (Logan Airport), Chelsea, Everett, and points northward in the region. The land use composition includes significant industrial, commercial, and mixed uses. Notably, the New England Produce Center, the country's second largest produce terminal and a key regional employment anchor, is located on Beacham Street.

The corridor thoroughfare for employees and guests of the casino traveling via personal vehicles and shuttles. As one of the most direct routes where drivers can eschew highly congested, unreliable arterials, such as Route 1 and Route 16, the corridor has functioned as a "back entryway" to the casino. Additionally, it's the preferred route of Transportation Network Company (i.e. Uber, Lyft) vehicles, as well as other drivers wishing to circumvent the tolls present on Route 1 and the Boston Harbor Tunnels. The corridor also provides the sole bicycle connection between East Boston, Chelsea, and Everett

A designated freight route, the corridor is relied upon by vendors, contractors, and delivery drivers destined for the casino, as well as freight associated with the surrounding industrial and commercial uses. Because of continuous heavy truck traffic, this gateway corridor is unsafe and in disrepair. However, the deterioration of the surface and drainage infrastructure has been accelerated by the growth of traffic attributable to casino operations.

Prior to the opening of the Encore Casino, the City suspected that casino operations may yield adverse impacts. In order to measure these impacts, the City of Chelsea developed a robust traffic monitoring program. Through this program, the City collected traffic data on Beacham Street, slightly west of Market Street, in order to capture traffic activity in the corridor. By using this location, traffic flows from northbound and southbound Route 1 exits were also captured. This location also picked up the cumulative traffic from other minor routes circulating through the City.

First, the City collected baseline data during one week in June, prior to the casino's opening date of June 23rd, 2019, for comparative assessment purposes. Then, the City gathered data for five weeks following the opening data. Reasonably, there were expectations that a sharp uptick of casino related traffic would occur during this opening month, after which conditions would normalize. To account for this, the City again collected data during the month of October. The October data was

comparatively analyzed against the June baseline data. The results of this study, as well as graphics visualizing the noted patterns, are attached to this application.

Strikingly, this independent study found that daily traffic volumes, measured as Average Daily Traffic, climbed by approximately 19%, from approximately 11,747 vehicle trips on an average day to 14,021 vehicle trips following the casino's opening. This upward trend was most pronounced during the casino's "peak hours," defined as Friday PM and Saturday PM. During Friday PM and Saturday PM, traffic volumes in the westbound direction towards the casino increased by 29% and 94% respectively. Overall, the findings reveal an impact far larger than those outlined within the Environmental Impact Reports submitted to the Executive Office of Energy and Environmental Affairs by the Wynn, MA LLC.

These trends have accelerated the deterioration of the corridor's physical condition. Furthermore, the documented increase in traffic volume stress an already heavily traveled and congested roadway while generating higher concentrations of polluting air emissions and cause major logistical disruptions to adjacent industrial and distribution businesses throughout the roadway. Operations and safety at key intersections, such as Spruce Street/Williams Street and Beacham Street/Market Street have also been negatively affected.

Overall, the physical decline of the corridor has outpaced the City's ability to extend the useful life of this asset through routine maintenance. Congestion impacts continue to degrade the surrounding industrial and commercial areas, while hampering the ability of employees of the broader region, especially those employed at the casino, to utilize the roadway in a safe and effective manner. Furthermore, these conditions have presented considerable safety issues that endanger all classes of users, while slowing emergency response time.

2. PROPOSED USE OF SPECIFIC IMPACT MITIGATION FUNDS. (Please attach additional sheets/supplemental materials if necessary.)

a) Please identify the amount of funding requested.

The City of Chelsea respectfully requests \$1,000,000 in Transportation Construction Project funds and \$500,000 in Specific Impact Project Funds. A detailed scope and budget for the use of these funds is attached to this application.

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b) Please identify below the manner in which the funds are proposed to be used. Please provide detailed scope, budget and timetable for the use of funds.

The City seeks \$1,000,000 in Transportation Construction Project grant funds and \$500,000 in Specific Impact Project grant funds to comprehensively reconstruct surface and subsurface infrastructure along Beacham and Williams Streets, from Spruce Street to the City's boundary with Everett. Previously, the City of Chelsea secured a Mass Gaming Commission grant to conduct a planning study of the Beacham/Williams corridor in 2018. The recommendations concluded within the study, such as improving the roadway for multi-modal users and addressing the impacts of surrounding developments, such as the Encore Casino, will come to fruition through the City's proposed reconstruction efforts along Beacham and Williams Street.

This project consists of full depth roadway reconstruction; the rehabilitation of the Spruce Street/Williams Street intersection, including the addition of intelligent signal systems and reconfigured approaches; the installation of sidewalks, wheelchair ramps, a multi-use path, and crossings; improvements to corridor lighting systems; the reconstruction of the corridor drainage, including drain lines, outfalls, and catch-basins; the rehabilitation of sewer and water systems (locally funded), the installation of compliant signage, pavement markings, and other traffic control devices; and the installation of street trees. For reference, an itemized scope of work and cost estimated is attached to this application, accompanied by a master plan of improvements.

The project, once constructed, will result in a rebuilt roadway designed in accordance with contemporary standards. Upon completion, the corridor will be equipped to safely and efficiently manage traffic volumes, pedestrian and bicyclist traffic, and freight activity. Furthermore, comprehensive reconstruction of the roadway, drainage system, and Spruce/Williams intersection will optimize travel, while ensuring the corridor can sustainably manage traffic associated with the Encore Boston Harbor facility.

Despite working diligently to modernize local infrastructure, the City of Chelsea possesses limited economic resources to undertake this project. As detailed in the project's budget, a funding gap of approximately \$1.5 million remains. To execute this project, the City respectfully requests \$1 million from the Transportation Construction Grant Program and \$500,000 from the Specific Impact Grant Program. These funds will supplement a \$3 million grant from the Department of Commerce's Economic Development Administration and approximately \$7.3 million in local capital financing. Representing a small share of the total project cost, the funds sought from the Massachusetts Gaming Commission will be used to finance a construction contract and cover the costs associated with construction engineering services.

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c) Please provide documentation (e.g. - invoices, proposals, estimates, etc.) adequate for the Commission to ensure that the funds will be used for the cost of mitigating the impact from the operation of a proposed gaming establishment.

The City commits that all funds will be used solely for costs associated with mitigating the adverse impacts detailed above. Specifically, the City will use funds to cover the costs of a construction contract, police details, and construction engineering services. For the Commission's review and reference, the City has attached the following documents, illustrating the specific use of the funds:

1. Draft Construction Documents
2. Draft Construction Administration/Resident Engineering Scope of Services
3. Project Timeline

d) Please describe how the mitigation request will address the impact indicated.

This project will result in upgraded roadway and intersection infrastructure that will mitigate the adverse impacts of casino traffic. Through a thoughtfully designed construction program, the City seeks to directly mitigate the operational, safety, and reliability impacts of the casino. By employing “complete streets” principles, the City aspires to do this in a balanced manner that serves all roadway users.

Through the proposed construction program, the corridor will be equipped to safely and efficiently manage the recent growth of traffic. New roadway surfacing will optimize travel time, reduce delays, and decrease potential damage incurred to vehicles, due to substandard roadway conditions. Once built, the new roadway will include defined lane architecture and pedestrian facilities that will improve operations and safely accommodate various roadway users. Safety deficiencies and conflicts will be addressed through the installation of pavement markings and signage. Traffic control devices will delineate traveling lanes, channelize traffic, and communicate roadway safety protocol. Streetscape enhancements, including the addition of sidewalks, a multi-use asphalt path, and street trees, will safely accommodate bicycle and pedestrian traffic and improve air quality. Furthermore, upgraded lighting will enhance roadway safety during evening hours, including the casino’s peak hours, which have experienced a rise in traffic.

Congestion will be efficiently managed through the introduction of intelligent traffic signal systems at the intersection of Spruce Street/Williams Street. These systems will optimize the safe flow of traffic by responding to changes in traffic patterns. Traffic signal upgrades will be accompanied by the reconfiguration of the layout of this intersection and all approaches. Simultaneously, the intersection of Beacham Street/Market Street will be modestly upgraded. Intentionally designed to accommodate a variety of traffic, the updated intersections will ameliorate congestion and safety deficiencies. By managing congestion, as well as providing complete streets infrastructure, the adverse effects to air quality caused by traffic and idling vehicles will be mitigated in a designated environmental justice community.

Underground, the reconstruction of utilities will result in a variety of benefits. The reconstruction of the corridor’s drainage will enlarge capacity of the system. The new system will allay localized flooding and maintain operations along the corridor during different weather events, thus reducing the chance of traffic delays throughout the corridor. Selective water system rehabilitation, consisting of the replacement of valves and hydrants, will further corridor safety, in the event such infrastructure is necessary, such as during vehicular crashes.

3. CONNECTION TO GAMING FACILITY

Please provide specificity/evidence that the requested funds will be used to address issue or impacts directly related to the gaming facility.

The City of Chelsea possesses the professional expertise, capacity, and internal controls necessary to assure the Massachusetts Gaming Commission that the funds sought will be utilized solely to address the impacts outlined in this grant application. The City has been a recipient of federal and state grants, including a Massachusetts Gaming Commission grant. It has compliantly administered these grants in conformance with all terms, conditions, and regulations.

The requested funds will be solely used to fund the reconstruction of Beacham Street and Williams Street within the specified project boundaries. The Department of Planning and Development has assembled a project management team to carry out effort. The City's assigned project management team, comprised of the Assistant Director of Planning and Development, Director of Public Works, City Engineer, and Planner/Project Manager, will implement the project on behalf of the City. This project shall be carried out in compliance with all local, state, and federal regulations, including, but not limited to, all terms and conditions set forth by the Commission.

The Department of Planning and Development has commissioned the preparation of construction documents and specifications for bidding, using Weston & Sampson Engineers, following a design/engineering phase and robust stakeholder engagement activities. The construction documents and specifications will form the foundation of an Invitation for Bid to procure a construction contractor. Simultaneously, the City will enter into a construction engineering services contract with Weston & Sampson for construction phase services. All procurement activities shall be administered by the City's Chief Procurement Officer, through the Purchasing Department, and be conducted in accordance with M.G.L. 30B and all local, state, and federal laws. All procurement and preconstruction documentation will be transmitted to the Commission.

Throughout the project, the consulting resident engineer shall maintain a full-time presence on-site, supported by construction administration engineers, to track contractor progress and compliance. Weekly project management meetings with all parties will be convened to track progress, ensure contractor accountability, and coordinate matters of logistics and public affairs. The contractor shall submit payment requisitions detailing the scope and value of work complete to date. All work will be diligently overseen, tracked, and documented for Commission review. Payment invoices and narrative progress updates will be shared with the Commission on a quarterly basis.

4. INTERNAL CONTROLS/ADMINISTRATION OF FUNDS

Please provide detail regarding the controls that will be used to ensure that funds will only be used to address the impact. If non-governmental entities will receive any funds, please describe what reporting will be required and how the applicant will remedy any misuse of funds.

The City, through its Department of Planning and Development, will utilize the funds to commission a qualified contractor to undertake the reconstruction of Beacham Street and Williams Street. The City will be aided by the Department of Public Works. In addition to a project management team that specializes in capital infrastructure planning, design, and construction, the City maintains the internal controls, expertise, and staffing necessary to attain compliance with all grant terms and applicable laws.

This project will include the procurement of a construction contract and a construction engineering contract. All procurement activities shall occur under the oversight of the City's Chief Procurement Officer subject to M.G.L. c. 30B. Under M.G.L. Ch. 30B, the City of Chelsea shall abide by the established uniform procedures of procurement when contracting for supplies, services, and real property. All contracting procedures for this project have been established adhere to all federal and state mandated internal financial and administrative controls.

This construction effort will be managed by a team of project managers, engineers, and consultants who are employed directly or externally by the City of Chelsea's Department of Planning & Development, in conjunction with the Department of Public Works. The City's consulting engineer will provide construction management services, overseen by the City. In this role, the consulting engineer providing construction administration services will manage day-to-day construction operations, address design and engineering related matters, oversee work zone layout, and assure compliance with permit conditions and contract specifications. The resident engineer assigned to the project will provide a full time presence on-site to ensure all work performed by the contractor conforms to contract drawings.

Financially, the City's organizational structure is rooted in a system of checks and balances. No one employee, nor single department, may unilaterally authorized the issuance of payment or disbursement of funds. Under City policy, approvals of invoices and disbursements of funds must be collectively approved by the Department, the Chief Procurement Officer, and the City's Auditor, to ensure conformance with professional financial practices. Copies of all procurement and preconstruction documents will be submitted to the Commission. Copies of all construction and engineering invoices will be transmitted to the Commission for verification when the City submits to the Commission its quarterly progress reports.

The City reserves the right to remedy the misuse of funds by any of its contractors through a comprehensive process of legal recourse specified in its standard contract terms and conditions. These terms and conditions will be provided to the Commission.

Please describe and include excerpts from any relevant sections of any Host or Surrounding Community Agreement. Please explain how this impact was either anticipated or not anticipated in that Agreement.

The "Surrounding Community Arbitration Between Wynn, MA LLC and The City of Chelsea" filed with the Massachusetts Gaming Commission provides information on Wynn LLC's studies of five specific intersections listed in the Chelsea "Best and Final Offer". The arbitration concluded that "studies conducted by Ms. Pyke and her firm (Howard Stein Hudson) of the five specific intersections listed in the Chelsea BAFO were conducted in accordance with MEPA and accepted engineering practices, and establish that the impact posed by the Wynn casino on traffic at those intersections will, at worst, be limited. The findings of this study state that only eleven additional vehicles at Williams Street and Broadway and twelve additional vehicles at Williams Street and Spruce Street were to be expected as generated by the opening of the Encore Casino. The findings of the City of Chelsea's traffic consultants however, show significantly higher traffic volumes. Traffic counts collected in June of 2019 before the opening of the casino compared against those collected in October of 2019 after the opening of the casino show an additional 130 vehicles along Beacham Street towards the casino during Friday PM peak hours and an additional 222 vehicles towards the casino during Saturday PM Peak hours.

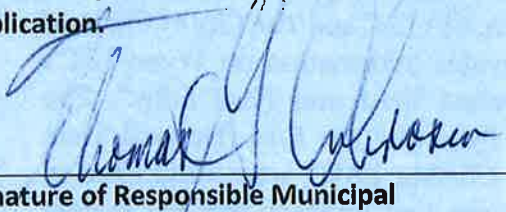
The findings of the City's traffic consultants conflict with the projected traffic impacts proposed by the Wynn, MA LLC's traffic consultants and calls to question the conclusion within the Chelsea-Wynn arbitration that "with regard to the three intersections as to which the impact posed is de minimis (i.e., Marginal Street/Pearl Street, Williams Street/Broadway, Williams Street/Spruce Street), it is fair and reasonable that no mitigation payment be required, as opposed to the total of \$1,050,000 requested by Chelsea."

The initial funds requested, but not secured, by the City of Chelsea, at the time, represented a fair request from the Wynn, MA LLC in order to adequately mitigate the impacts of the opening of the casino. Given the inflation of construction, labor, engineering, and incidental costs, the actual expense of undertaking the full breadth of improvements outlined in the City's initial request are far higher today.

Funds committed under this initial arbitration have been insufficient to mitigate the impacts caused by the casino. Therefore, the City respectfully petitions the Commission for \$1 million in Transportation Construction Grant Program funds and \$500,000 in Specific Impact Grant Program funds to perform the reconstruction of the Beacham/Williams Corridor. Without support from the Commission in this amount, the City will be unable to effectuate the project to mitigate casino related impacts.

CERTIFICATION BY MUNICIPALITY/GOVERNMENTAL ENTITY

On behalf of the aforementioned municipality/governmental entity I hereby certify that the funds that are requested in this application will be used solely for the purposes articulated in this Application.



1/28/20

Signature of Responsible Municipal
Official/Governmental Entity

Date



CITY OF CHELSEA, MA
Office of the City Manager

City Hall, 500 Broadway, Room 302 · Chelsea, MA 02150
Phone: 617.466.4100 · Fax: 617.466.4175 · Email: tambrosino@chelseama.gov

Thomas G. Ambrosino
City Manager

January 28, 2020

Massachusetts Gaming Commission
101 Federal Street, 12th Floor
Boston, Massachusetts 02110

Re: *City of Chelsea 2020 Community Mitigation Fund Application*

Dear Chairperson Judd-Stein and Honorable Commissioners:

On behalf of the City of Chelsea, I am pleased to submit our application to the Massachusetts Gaming Commission's Community Mitigation Fund for funding to help support the full reconstruction of Beacham Street in Chelsea.

Beacham Street is a critical thoroughfare that intersects Chelsea and leads directly to the Encore Casino. A designated freight route, the corridor carries significant truck traffic associated with the New England Produce Center, the second largest produce distribution facility in the United States and a key employment anchor for the region. Nearby commercial districts and residential neighborhoods also heavily rely on this corridor as a connection to the region.

Since Encore Casino opened, the City has experienced adverse impacts from casino related traffic along this corridor. The roadway has become a convenient cut-through to the Encore Casino for traffic from Route 1 and Logan Airport seeking to avoid heavily congested routes, such as Route 16 and 99, and circumvent local toll roads. To understand these impacts, the City conducted an analysis of traffic patterns before and after the casino opened. This independent study revealed that, since Encore Casino's opening, average daily traffic using this critical roadway has grown by 19%.

The growth in traffic due to Encore Casino has been consequential. Although the corridor has long suffered significant wear and tear from heavy truck traffic, the observable uptick of traffic from the casino has accelerated the deterioration of the roadway, further stressing this overburdened corridor. To mitigate these impacts, we respectfully request \$1.5 million in mitigation funding through the Specific Impact and Transportation Construction Project programs to help reconstruct this corridor.

Please note that funds sought from the Massachusetts Gaming Commission represent only a small share of the total reconstruction costs for Beacham Street, costs which are estimated to exceed \$12 million. The City already has obtained a \$3 million grant from the U.S. Department of Commerce's Economic Development Administration for construction. Additionally, the City has proposed the use of over \$7.3 million in local funds. However, there still remains a funding gap of approximately \$1.5 million. The City hopes to secure funding from the 2020 Community Mitigation Fund to cover this gap and execute a successful project of regional significance.

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I'm available to meet with you and other representatives of the Massachusetts Gaming Commission at your convenience to discuss the City's meritorious argument for support of this critical transportation project. I thank you in advance for your consideration of our application.

Sincerely,

A handwritten signature in blue ink, appearing to read "Thomas G. Ambrosino", written over a faint rectangular stamp.

Thomas G. Ambrosino
City Manager

Enclosure

Cc: Ned Keefe, Deputy City Manager, City of Chelsea,
John DePriest, Director of Planning and Development, City of Chelsea
Alex Train, Assistant Director of Planning and Development, City of Chelsea