



## NOTICE OF MEETING AND AGENDA (Amended October 20, 2021)

Pursuant to the Massachusetts Open Meeting Law, G.L. c. 30A, §§ 18-25, and Section 20 of Chapter 20 of the Acts of 2021, notice is hereby given of a meeting of the Massachusetts Gaming Commission. The meeting will take place:

**Thursday | October 21, 2021 | 10:00 a.m.**  
**via Conference Call**  
**CALL-IN NUMBER: 1-646-741-5292**  
**PARTICIPANT CODE/MEETING ID: 111 620 8934**

Please note that the Commission will conduct this public meeting remotely utilizing remote collaboration technology. Use of this technology is intended to ensure an adequate, alternative means of public access to the Commission's deliberations for any interested member of the public. If there is any technical problem with the Commission's remote connection, an alternative conference line will be noticed immediately on [www.MassGaming.com](http://www.MassGaming.com).

All documents and presentations related to this agenda will be available for your review on the morning of the meeting date by visiting our website and clicking on the News header, under the Meeting Archives drop-down.

### **PUBLIC MEETING - #358**

1. Call to Order
  
2. Administrative Update - Karen Wells, Executive Director
  - a. On-site Casino Updates – Loretta Lillios, Director of Investigations and Enforcement Bureau; Bruce Band, Assistant Director, Gaming Agents Division Chief
  - b. Internal Re-Opening Plan Update – Karen Wells, Executive Director
  - c. Executive Director Hybrid Work Schedule Request - Karen Wells, Executive Director **VOTE**
  - d. Equity and Inclusion Update – Karen Wells, Executive Director; Cathy Judd-Stein, Chair
  
3. Hiring Process Policy Development – Karen Wells, Executive Director; Todd Grossman, General Counsel; Derek Lennon, Chief Financial and Accounting Officer **VOTE**



Massachusetts Gaming Commission

4. Research and Responsible Gaming - Mark Vander Linden, Director; Marie-Claire Flores-Pajot, Research Manager
  - a. Commercial Real Estate Report – presented by Dr. Mark Melnik, Director and Thomas Peake, Senior Research Manager; UMass Donahue Institute’s Economic & Public Policy Research Group
  - b. GameSense Quarterly Report – presented by Massachusetts Council on Gaming and Health
  
5. Racing Division – Dr. Alexandra Lightbown, Director of Racing and Chief Veterinarian; Chad Bourque, Financial Analyst
  - a. Quarterly Local Aide Update **VOTE**
  
6. Legal Division - Todd Grossman, General Counsel
  - a. Revisions to 205 CMR 134.01: Key Gaming Employee Licenses; 205 CMR 134.02: Gaming Employee Licenses; 205 CMR 134.03: Gaming Service Employees – and Small Business Impact Statement, for approval to begin the promulgation process – Loretta Lillios, Director of Investigations and Enforcement Bureau; Carrie Torrisi, Associate General Counsel **VOTE**
  
7. Community Affairs - Joseph Delaney, Community Affairs Division Chief; Mary Thurlow, Senior Program Manager
  - a. Community Mitigation Fund Guidelines
  
8. Other Business - Reserved for matters the Chair did not reasonably anticipate at the time of posting.

I certify that on this date, this Notice was posted as “Massachusetts Gaming Commission Meeting” at [www.massgaming.com](http://www.massgaming.com) and emailed to [regs@sec.state.ma.us](mailto:regs@sec.state.ma.us).

October 18, 2021

*Cathy Judd-Stein*

Chair

Originally posted to website: October 19, 2021 at 10:00 a.m.

Revision posted to website: October 20, 2021 at 4:00 p.m.



Massachusetts Gaming Commission



**Flexible & Remote Hybrid Work Pilot Program**  
**Schedule Request Form**

**Date:** October 21, 2021

**Employee Name:** Karen Wells

**Title:** Executive Director

**Division:** N/A

***On average, staff may work remotely up to three days per week and managers up to two days per week.***

<b>Schedule Type:</b>	<input checked="" type="checkbox"/> <b>Set</b>	<input type="checkbox"/> <b>Rotating</b>
	If Requesting a Set Schedule, Please Complete the Table Below	If Requesting a Rotating Schedule, Please Attach a Description of Schedule for Review

<b><u>Day:</u></b>	Monday	Tuesday	Wednesday	Thursday	Friday
<b><u>Location (Remote/Office):</u></b>	Office	Remote	Office	Office	Remote
<b><u>Start Time:</u></b>	9:00	9:00	9:00	9:00	9:00
<b><u>End Time:</u></b>	5:00	5:00	5:00	5:00	5:00
<b><u>Total Hours Worked:</u></b>	7.5	7.5	7.5	7.5	7.5

Given my position as Executive Director I will be coming into the office as needs dictate, even if I have a scheduled remote workday. This request is for a general framework only.

***\*Please Note: Flexible & Remote Hybrid Work Pilot Program Schedules will go into effect beginning on Monday, November 1, 2021.***

***By signing this form, I acknowledge that the employee has adequate equipment to comply with this requested schedule. I also acknowledge that I have read and understand the Flexible & Remote Working Plan, which was provided to staff via email by Karen Wells and can be found [here](#).***

**Employee Signature:** Karen Wells **Date:** 10/14/21

*If you have any questions or need any additional information, please reach out to a member of the HR Team.*



UNIVERSITY OF MASSACHUSETTS SCHOOL OF PUBLIC HEALTH AND HEALTH SCIENCES

# SEIGMA Commercial Real Estate Report

Prepared by the UMass Donahue Institute's  
Economic & Public Policy Research Group

September 2021

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## Acknowledgements

Financial support for the Social and Economic Impacts of Gambling in Massachusetts (SEIGMA) study comes from the Massachusetts Gaming Commission. This multi-year project was competitively bid and awarded to the University of Massachusetts Amherst in April 2013. In June 2019, the Massachusetts Gaming Commission issued a subsequent Request for Response (BD-19-1068-1700-1-40973) for Research Services and the University of Massachusetts Amherst was awarded the contract effective January 2020.

We would like to thank Mark Vander Linden, Director of Research and Responsible Gaming, whose leadership and research insights have contributed to our work. We would also like to thank Dr. Henry Renski, Acting Department Chair & Professor of Regional Planning in the College of Social & Behavioral Science at UMass Amherst for expert advice and critical review of the report.

### SUGGESTED CITATION:

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A PDF OF THIS REPORT CAN BE DOWNLOADED AT: [umass.edu/seigma/reports](https://umass.edu/seigma/reports)

## Executive Summary

The SEIGMA team used proprietary data from The CoStar Group to evaluate how commercial real estate conditions have changed in host and surrounding communities since the expansion of gambling in Massachusetts. Overall, our findings indicate that the expansion of gambling in Massachusetts has not had a dramatic effect on the local commercial real estate markets. While commercial real estate conditions in the host and surrounding communities have shifted over time, many of these shifts are in line with changes observed regionally or statewide. Our study period corresponds with a period of strong economic growth in the Commonwealth in general, and in the Greater Boston region in particular, so while there are many indicators of growth in the commercial real estate market, it is difficult to attribute many of those to the casinos. In some cases, particularly in smaller communities, the relatively small number of properties in CoStar's database can lead to highly volatile data, where changes in the status of even a single building can lead to substantial shifts in community-wide averages. This can make it difficult to discern any clear trend, whether related to the casino or otherwise.

While it is probable, and even likely, that the development of the casinos affected local real estate conditions in the host communities, the conditions described above make it challenging to assess the magnitude of their impact with any statistical certainty. While this report assesses how real estate conditions have changed over time, we make no attempt to statistically isolate the precise impact of the casinos, or to speculate on what real estate conditions in the host or surrounding communities might look like without the casinos. Perhaps the most important finding of this study is that the presence of the casinos has not dramatically transformed local commercial real estate markets, either for better or for worse---positions that were argued by casino proponents and critics, respectively. That said, a few key findings do stand out, where market conditions have shifted in notable ways that could be related to the casinos. Those include the following:

- Within the context of a low commercial vacancy rate and a relatively slowly-growing commercial real estate inventory, inflation-adjusted sales price per-square foot for commercial buildings in Everett have steadily risen over the last decade. All the commercial inventory growth observed in Everett happened leading up to or shortly after the opening of the casino.
- Sales prices in Springfield were more stable than in Everett, but the number of commercial real estate sales per year increased substantially over the last decade, in the context of a property market where growth in commercial real estate inventory has outpaced both the Commonwealth and Springfield's surrounding communities as a whole.
- As a smaller community, trends in Plainville are harder to discern. While real estate conditions in Plainville have shifted over the last decade, they are perhaps better understood as part of a broader trend in a region whose proximity to Boston, Worcester, and Providence makes it attractive to certain types of development.



## Introduction

Through the expansion of the casino industry in the Commonwealth, many stakeholders welcomed the expansion of gambling as a source of jobs, revenue, and economic growth. In November of 2011, Governor Deval Patrick signed the Expanded Gaming Act into law, allowing for the creation of up to three commercial resort-style casinos in the state and one slots parlor, all of which promised transformative economic revitalization to their host and surrounding communities.

In 2014, discourse around the licensure process was frequently framed around a broader context of economic revitalization across the Commonwealth, citing the presence of a casino as the catalyst. Everett Mayor Carlo DeMaria saw the licensure as the end of an era for Everett, commenting that “This is a great day for the city of Everett. It is a tremendous day, and I could not be any happier,” he said. “We will no longer be the butt end of Boston, we’ll be the entrance to the city of Everett.”<sup>1</sup> A similar storyline unfolded in Springfield, with locals seeking a push out of the Gateway City’s economic slump. Gaming executives saw the “value of a casino resort as a unique economic development catalyst” for the area, and locals saw the project as the beginning of their “comeback story” of urban revitalization.<sup>2</sup> Communities such as Leominster that did not win licensure felt that the loss was that of missed opportunity to expand their local economies, expressed by then-Massachusetts Gaming Commission (MGC) Chairman Stephen Crosby “I think we’re missing the boat on a real good opportunity for a part of the state,” said Crosby. “I think the Leominster folks understood how to take this project and make it a potential engine for economic development in an area that needs economic development badly.”<sup>3</sup> Assessing the presence of an economic catalyst is a particularly elusive process, however, as the indicators that might show evidence of transformation are not independent of other ongoing market conditions. Nonetheless, analysis begins with tracking important components of local economies, in particular, the commercial real estate market.

Over the course of the last five years, the Social and Economic Impacts of Gambling in Massachusetts (SEIGMA) team has periodically released reports detailing the real estate conditions in Massachusetts’ three casino host (Plainville, Springfield, and Everett) and surrounding communities. The purpose of these reports is to track how real estate conditions have changed over time and, when possible, determine what share of that activity can plausibly be attributed to the casinos. This report describes real estate conditions in the host and surrounding communities that are home to the Commonwealth’s three casinos: Plainridge Park Casino, MGM Springfield and Encore Boston Harbor. More specifically, the focus for this report is on commercial real estate conditions in host and surrounding communities from the beginning of 2010 until the end of 2020.

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<sup>1</sup>Jamy Pombo Sesselman, “Wynn’s \$1.6B Resort in Everett Wins Casino License,” *WCVB Boston*, September 16, 2014, <https://www.wcvb.com/article/wynn-s-1-6b-resort-in-everett-wins-casino-license/8208255>

<sup>2</sup> Jake Blumgart, “Why Opening A Casino Is a Terrible Idea,” *Pacific Standard Magazine*, June 14, 2017, <https://psmag.com/economics/atlantic-city-las-vegas-opening-casino-terrible-idea-85025>

<sup>3</sup> Jack Minch, “Leominster Loses to Plainville by a Nose in Slots-Casino Sweepstakes,” *Sentinel & Enterprise*, February 27, 2014, <https://www.sentinelandenterprise.com/2014/02/27/leominster-loses-to-plainville-by-a-nose-in-slots-casino-sweepstakes/>.

For our purposes, commercial real estate should be thought of as all non-residential real estate activity, including the development, leasing, and sale of non-residential buildings and space. Some prominent types of non-residential space include office, industrial, retail, and healthcare space. Since casinos are, themselves major commercial real estate developments and tend to be located in parts of communities designated for commercial activities, it is important to understand how commercial real estate conditions have evolved in these communities. A major shift in real estate conditions could be a sign of the sort of transformative economic revitalization that many key stakeholders expected or hoped for prior to the expansion of gambling. We pay particularly close attention to whether trends in real estate markets diverged after gaming licenses were awarded to casinos, or after casinos opened to the public. We also look for instances where a host community's trend diverges from the statewide trend or other local trends over time. These divergences would be evidence that the casino caused commercial real estate conditions in the area to change in a way that otherwise may not have occurred.

Assessing commercial real estate conditions can be challenging. While residential real estate data are abundant, commercial data are far scarcer. One factor in that scarcity is that most commercial entities lease their space, and real estate leases are not as meticulously recorded in public records as real estate sales. Access to The CoStar Group data provides the SEIGMA team with the ability to analyze market trends in these areas to provide an indication of the health and nature of an area's economy. However, the data available to the SEIGMA team for this report are not appropriate for facilitating a formal statistical analysis due to the paucity of observations for each community. As such, much of this report focuses on comparisons of economic trends in different communities, and relies on the qualified inference of the authors where a more thorough statistical analysis would not be appropriate (see the Methodology section for additional details). Even when it is difficult to directly attribute a change in local real estate conditions to the expansion of gambling in Massachusetts directly, the SEIGMA team believes these reports are helpful in providing context into the real estate market prior to the opening of the casinos, and how they have changed since the opening of the casinos, as well as the evolving economic development context in the host and surrounding communities around the Commonwealth.

In 2020, the latest year of our study period, the commercial real estate market was heavily disrupted by the COVID-19 pandemic. While the pandemic and its impacts on the market are not the primary focus of this report, we periodically refer to it in order to provide context to dramatic shifts in the real estate market which are more likely to be COVID-related than casino-related. As the COVID crisis is still evolving at the time of this report, it is not possible to precisely state the effect of the pandemic on commercial real estate in the long term.

## Methodology

For the most part, this impact evaluation uses a comparative approach. It considers changes in the host communities before and after the award of the casino's gaming license and the opening of the casino. It then compares these observed changes to the casino's designated surrounding communities, which are facing similar market conditions but whose own commercial real estate markets are unlikely to be impacted by the casino development, and the Commonwealth as a whole. This approach is necessary because other events that have little or nothing to do with the specific development, such as changes in national and state economic cycles, can have a considerable impact on local market conditions. Without accounting for these external forces, one can easily misattribute apparent changes in commercial real estate market conditions to the casino development.

While the field of economics has developed advanced statistical methods for isolating the extent to which a particular shock affects an economic indicator, those methods typically require hundreds, if not thousands of observations, which are not generally available in the data being analyzed for this report. For most of the report, the main unit of analysis is municipalities (for example, vacancy rate in Everett compared to nearby Somerville or Boston). While statistical methods are used in a limited capacity when analyzing property level data, most of this report relies on the presentation and interpretation of descriptive statistics. This has been the case in all previous SEIGMA real estate reports.

### CoStar Data

This report analyzes the host and surrounding communities' commercial real estate inventory, the extent to which that space is utilized, and the sale or lease price of the space. We also examined the relationship between geographic proximity to the nearest casino and price. We focus on whether there have been any observable changes following the license award and opening of any of the three casinos. This report makes extensive use of data from CoStar to provide information on indicators not generally tracked in publicly available data sources. CoStar is a leading provider of commercial real estate information. Data are available for most of Massachusetts on a quarterly basis from 2008 to the present.<sup>4</sup> Quarters in CoStar are based on calendar years rather than fiscal years. For the purpose of analyzing commercial real estate, the SEIGMA team pulled all non-residential property types in the CoStar database, such as office, retail, flex (a CoStar definition for versatile, multi-use buildings), industrial, health care, and sports and recreation. Residential uses such as apartment buildings and student dormitories, as well as land, were excluded from the analysis. This analysis covers the 10-year period between the first quarter of 2010 and the last quarter of 2020.

This real estate report leverages the CoStar data in a new way, utilizing address-level data to analyze sales of commercial real estate. CoStar's property-level data features a last sales date and last sales price for every commercial building in the database. While some commercial buildings have certainly been sold more than once over the last decade, commercial real estate sales are infrequent enough that these data can be used to show how sales activity and sales prices have changed over the course of the study period.

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<sup>4</sup> For more information about CoStar Group Inc. and the CoStar database, please visit <http://www.costar.com/>. The data used for this analysis are not available for download without a CoStar subscription.

While expansive, detailed and timely, CoStar is not a representative sample. Furthermore, CoStar is somewhat opaque in describing its data collection and estimation methods, so it is difficult to identify possible biases in the data or how sensitive the reported data is to changing market conditions at the ground level. We proceeded with our investigation of recent trends in commercial real estate in the host and surrounding communities relative to the Commonwealth on the assumption that CoStar provides a valid, albeit incomplete, indicator of changing commercial real estate market conditions.

## **Measures**

Data on commercial building inventory forms the basis for our understanding of the supply side of the commercial property market. In other words, it tells us how much commercial space is available for use and whether that amount of space has changed over time. Inventory data is provided in two ways. First, we present data on the overall building inventory in the host and surrounding communities, as well as the Commonwealth. We also provide data on commercial building square footage. By analyzing both sets of data, we are able to see how building inventory changed both in terms of units and actual square footage available for use, providing a fuller picture of commercial building inventory than just units alone.

Second, we analyze data on commercial vacancy rates. Alongside inventory, vacancy is an important measure to consider when analyzing the commercial real estate market. While inventory data tells us about the supply aspects of commercial real estate in a community, vacancy, along with lease rates, informs us about the level of demand for that real estate. Specifically, vacancy data helps us to understand the level to which a community's commercial real estate inventory is being utilized. For example, an increase in inventory accompanied by a rise in vacancy signals that new real estate is not being immediately occupied. It is important to note that vacancy is based on square-footage, rather than units, which means that the opening or closing of a small number of large buildings can lead to large changes in vacancy.

Price is another important factor when analyzing the commercial real estate market. Most commercial real estate transactions take place in the form of leases rather than the outright purchase of space. The CoStar Group provides data on overall lease rates, as well as more detailed data on several common types of leases. For this analysis, we include data on average lease rates by all service types.

The CoStar Group also provides transaction-level data on sales of commercial properties. In this report, the SEIGMA team analyzed those data, which had not been utilized in prior SEIGMA real estate reports. We analyzed commercial property sales data in several ways, looking at areas of analysis included the number of transactions annually, where they took place, the sale price per-square-foot, and the correlation between sale price per-square-foot and distance to the casino. Taken as a whole, these data provide insight into the level of investor interest in a community, and how that level of interest has changed over the study period.

## Encore Boston Harbor

### Community Profile

The city of Everett is located in Middlesex County, four miles north of Boston along the Mystic River. Formerly connected to Boston by the Orange Line from the early 1900s until 1975, Everett is known as an inner suburb or streetcar suburb of Boston. While Everett has many types of businesses today, its economy and infrastructure originally developed around industrial production starting in the late 1800s. Despite being located close to the heart of a metropolitan area that has experienced a substantial economic boom in recent years, driven in particular by activity in Boston and Cambridge, Everett remains a 'blue-collar' community.

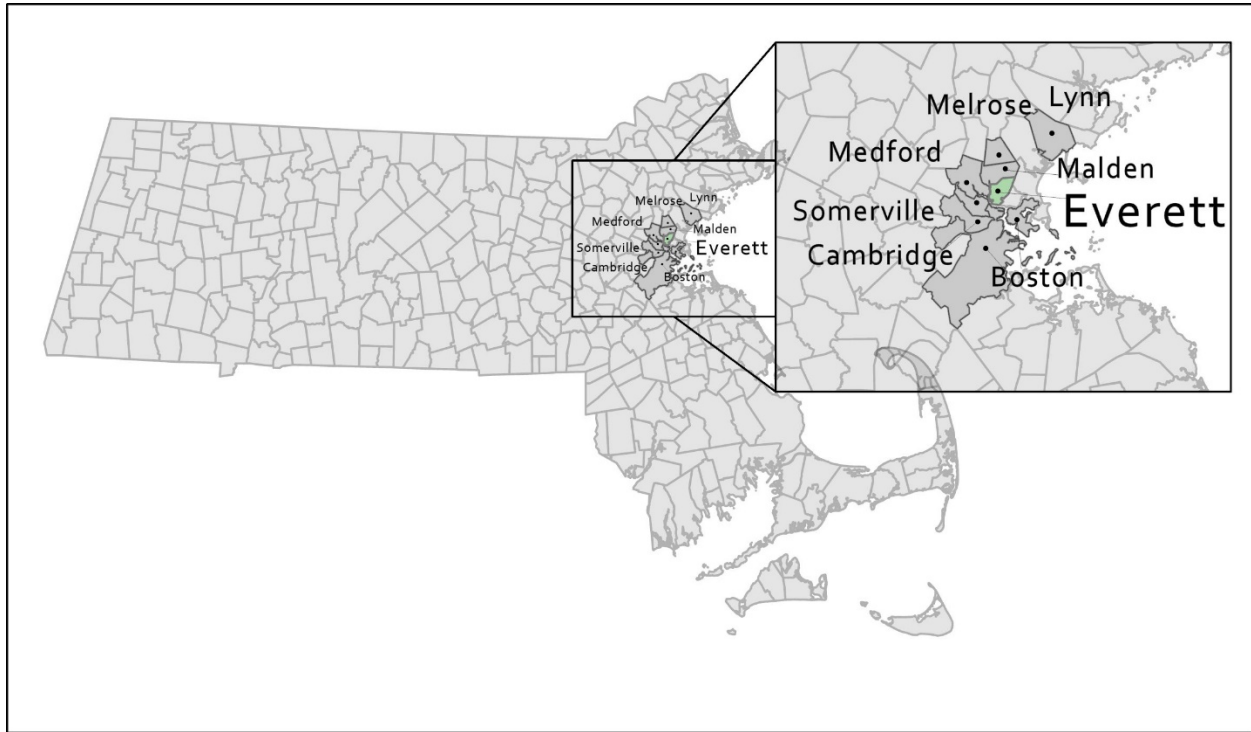
Everett occupies a total area of 3.66 square miles and has a population density of 12,692 people per square mile. The population of Everett is estimated at 46,451 residents. Everett has had several waves of incoming immigrants since its founding. In the past few decades, new immigration has again brought change to Everett's demographics, with more than 40 percent of residents born outside of the US. As a midsized, post-industrial city with lower household incomes and levels of educational attainment, Everett is recognized by the Commonwealth as a Gateway City. A high school diploma is the most common educational level. Just over a quarter of residents over the age of 25 hold an Associate, Bachelor's, graduate, or professional degree. The wages, education levels, and English-language proficiency of Everett residents are lower than the Commonwealth as a whole.

Surrounded by other suburbs of Boston such as Malden and Revere, proximity to Boston necessarily links Everett's economy and infrastructure with the rest of the Metro Boston area. While Everett is the most common place for residents to work, many commute to jobs in Boston and its surrounding cities. The primary industries that drive employment in Everett are accommodation and food services, retail trade, health care and social assistance, and finance and insurance. In terms of its tax base, the city's assessed property values for industrial properties are declining. Nevertheless, residential and industrial properties are still the predominant sources of Everett's tax revenue.

The Commonwealth's third casino, Encore Boston Harbor was licensed on September 18, 2014 as a Category 1 (resort style) casino. Encore Boston Harbor was built on a 33-acre former industrial site on the Mystic River, in the southern part of the city. The site, which had not been in use since the 1990s, required substantial environmental cleanup efforts before development could begin. After several years of work on the site, Encore opened its doors to patrons on June 23, 2019. Most of the casino's immediate neighbors are large retail or industrial sites, with most of Everett's residential areas located to the north. Outside of a few chain restaurants, there are few other hospitality-sector establishments in the immediate vicinity. While the presence of Encore Boston Harbor may have important economic implications in terms of employment, vendor spending, and tax revenue for Everett and its surrounding communities, its relative isolation from other sorts of customer-facing commercial real estate may limit its impact on community-wide real estate metrics such as vacancy or average lease rates.

An important consideration in evaluating the impact of Encore Boston Harbor is its proximity to major commercial centers like Boston, Cambridge, and Somerville, which experienced rapid rates of economic

growth over the past decade, much of which is related to a boom in industries such as healthcare, biotech, and education. Because of the economic boom experienced by the larger region, while the casino is a significant investment, it is hard to disentangle the effects of the casino directly from the broader economic development trends enjoyed throughout the Greater Boston region.



Everett's designated surrounding communities, per the Massachusetts Gaming Commission, are Boston, Cambridge, Lynn, Malden, Medford, Melrose, and Somerville. Two of Everett's immediate neighbors, Chelsea and Revere, are not counted as official surrounding communities. Boston, which lies to the south of Everett across the Mystic River, is the commercial and political capital of the Commonwealth, and the economies of Everett and its remaining surrounding communities are closely tied to Boston's. To the north of Boston, Cambridge is an economic power in its own right, with major universities and associated research, biomedical, and pharmaceutical firms based there, and it features some of the most expensive real estate in the Commonwealth. Adjacent to Cambridge, Somerville has experienced an economic revitalization of its own over the last few decades. To the north, the communities of Malden, Medford, and Melrose have a more residential character. The remaining surrounding community, Lynn, lies to the northeast of Everett and is unique among the surrounding communities for its Gateway City<sup>5</sup> status.

## Inventory

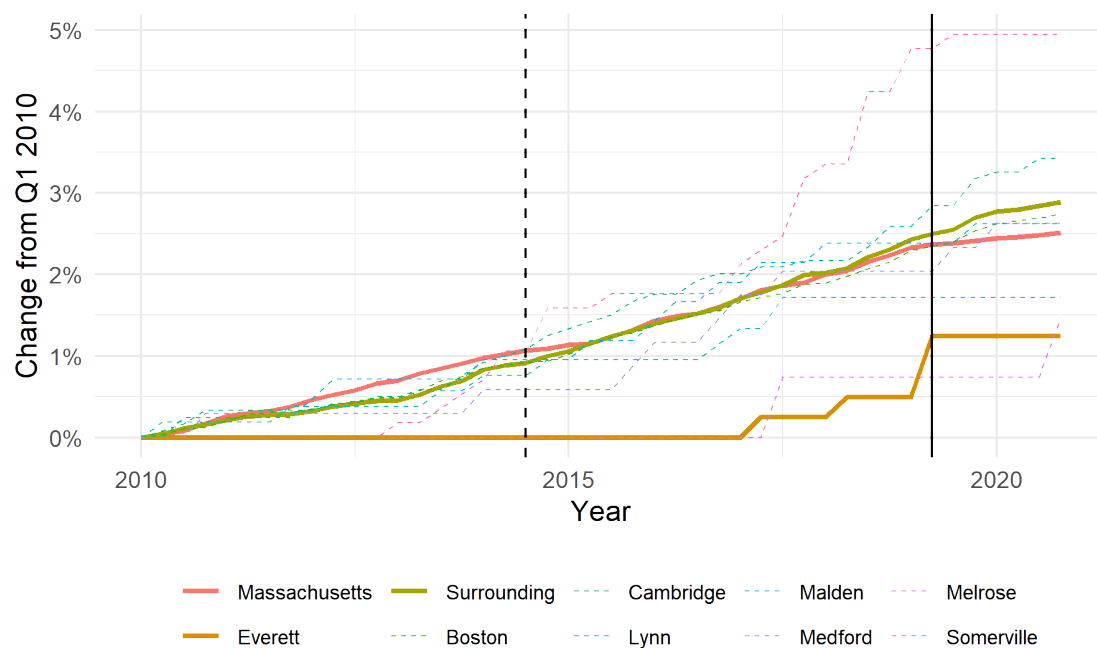
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<sup>5</sup> For more on Gateway Cities, see <https://massinc.org/our-work/policy-center/gateway-cities/about-the-gateway-cities/>

## Findings

- Everett has the lowest inventory of commercial real estate among its surrounding communities while Boston and Cambridge are clear leaders. This correlates with their higher resident population and number of jobs when compared to Everett itself and other surrounding communities.
- Inventory in the commercial real estate market has grown in Everett since 2010, and the inventory growth in Everett’s surrounding communities makes up more than half of the growth for the Commonwealth during this period.
- The amount of available real estate space increased by square footage as well, and in many cases at a faster rate than the increase in commercial buildings. This is unsurprising in this part of the Commonwealth, as commercial buildings erected in Greater Boston tend to be larger on average than those built in other parts of the state.

**Figure 1: Change in Commercial Building Inventory, Everett and Surrounding Communities, Q1 2010 - Q4 2020**

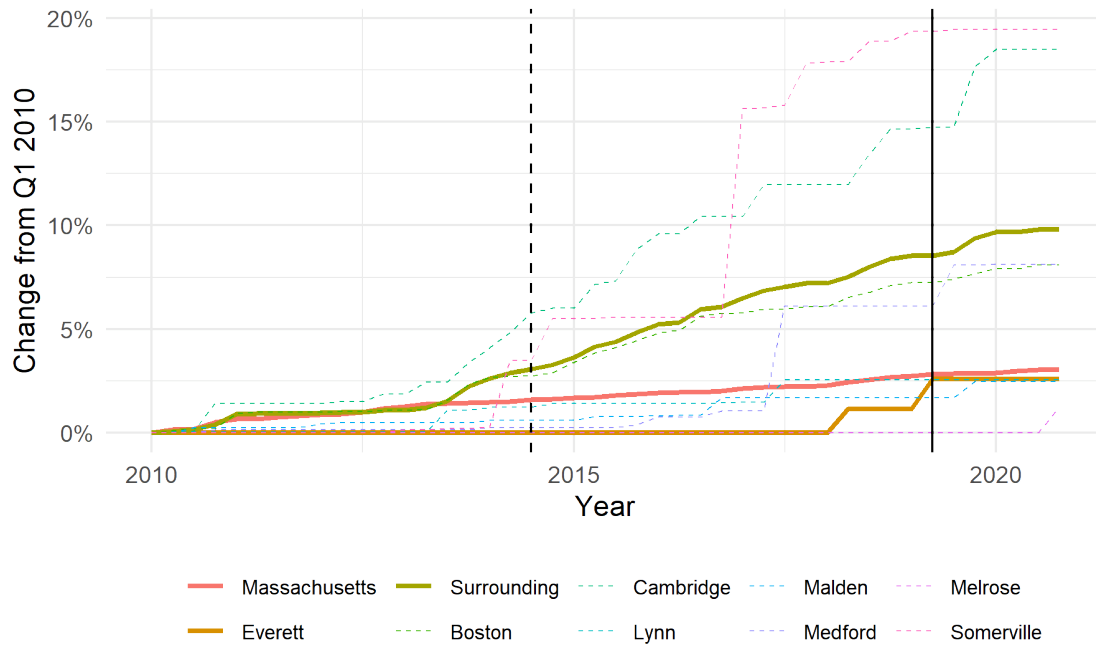


*Note: The dashed line denotes the awarding of a license to operate a casino.  
The solid line denotes the opening of the casino.*

Commercial building inventory in Everett remained constant from the first quarter of 2010 until the second quarter of 2017, when one commercial building was added. As of the fourth quarter of 2020, only five commercial buildings have been added to the inventory. At least some of that growth in inventory can be directly attributed to the construction of Encore Boston Harbor, and it is possible that the casino may have played a role around the remaining buildings, given the proximity to the casino’s opening. Over the same period, Everett’s surrounding communities erected commercial buildings at a

rate comparable to that of the Commonwealth overall, growing their commercial building inventory by just under three percent. It is also important to note that the surrounding communities make up a large share – 59 percent as of the fourth quarter of 2020 – of the commercial building inventory in the Commonwealth, so to some extent it is the surrounding communities that are driving the statewide trend.

**Figure 2: Change in Commercial Building Square Footage, Everett and Surrounding Communities, Q1 2010 - Q4 2020**



*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

The rate of growth in commercial real estate square footage in Everett between 2010 and 2020 was comparable to that of the Commonwealth over that same period, with a key distinction being that all the growth in Everett occurred between 2018 and 2020. While the inventory of commercial buildings in the surrounding communities has grown at a similar rate to that of the Commonwealth overall (as shown in Figure 1), the amount of commercial square footage available has grown much faster in the surrounding communities, and Everett’s rate of growth is among the lowest in the region. While the amount of commercial square footage in Massachusetts increased just two percent from its 2010 basis, it grew by just under ten percentage points for surrounding communities, with much of that growth driven by very high rates of growth in Boston and Cambridge. This indicates that the commercial buildings being erected in the surrounding communities are larger on average than those being built elsewhere in Massachusetts.

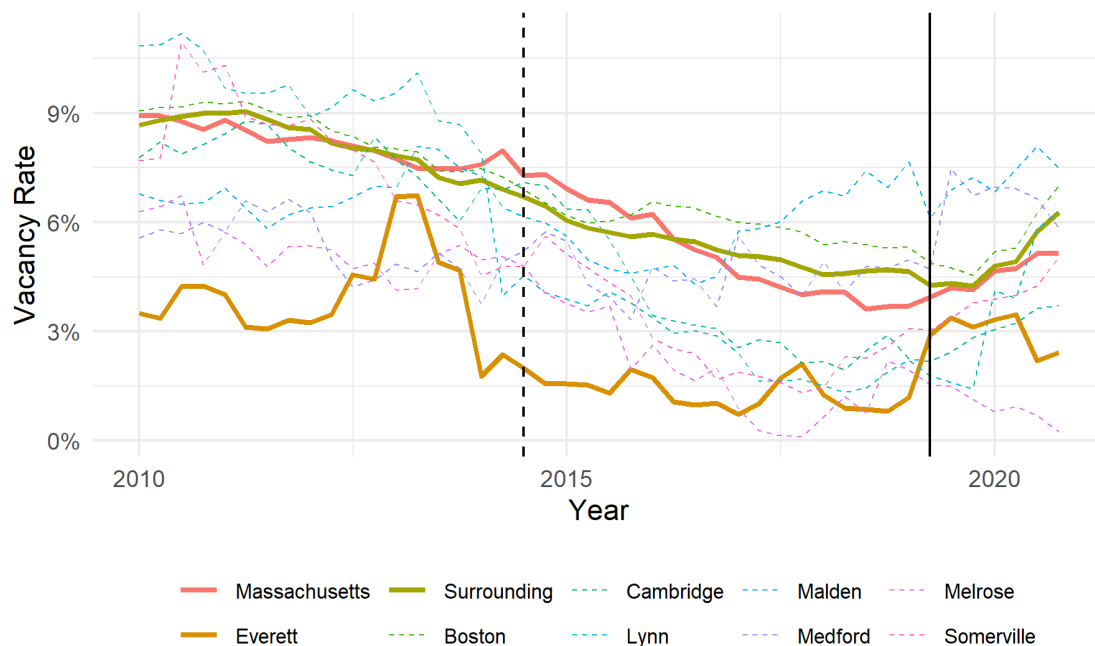
## Vacancy



## Findings

- Everett’s commercial vacancy rate has risen and fallen more sharply since 2010 than its surrounding communities or the Commonwealth, likely due to the relatively small commercial building inventory when compared to some of its surrounding communities.
- Vacancy rates in Everett and its surrounding communities tracked that of the Commonwealth, suggesting that statewide or national economic patterns are an important predictor of local commercial vacancy.
- Comparatively, Everett experienced lower vacancy rates than its surrounding communities over the years, which is likely due in part to intense use of its relatively smaller commercial inventory.

**Figure 3: Commercial Vacancy Rate, Everett and Surrounding Communities, Q1 2010 - Q4 2020**



*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

While the commercial vacancy rate of the surrounding communities has tracked very closely to that of the Commonwealth, Everett’s vacancy rate has consistently remained below both. In almost every quarter of the study period, Everett’s commercial vacancy rate was among the lowest in the region. Everett’s vacancy rate, along with the vacancy rates of many of its individual surrounding communities, was also much more volatile than the Commonwealth or surrounding communities. An increased level of volatility is to be expected in any smaller geography, and this is likely more pronounced in Everett due to the composition of Everett’s building inventory, which is comprised of a much smaller number of relatively large buildings. Under those conditions, the opening or closing of a small number of buildings

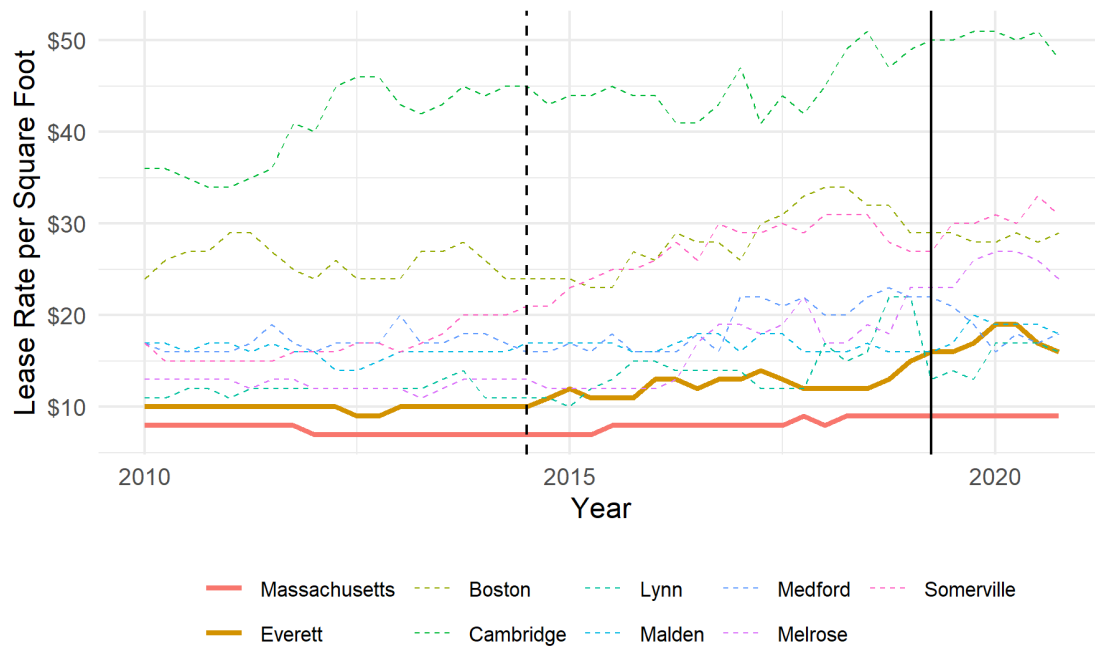
can lead to a large change in the vacancy rate. Despite the increased volatility, it does appear that vacancy rates in Everett and the surrounding communities rose and fell in tandem with those of the Commonwealth, suggesting a sensitivity to broader economic trends.

## Lease Rates

### Findings

- Inflation-adjusted lease rates increased slightly since 2010 in Everett and most of its surrounding communities typically saw rates above that of the average for the Commonwealth.
- Everett consistently had among the lowest lease rates of all the communities in the region. Major commercial hubs like Cambridge, Boston, and Somerville tended to have consistently higher lease rates than many of the other surrounding communities.

**Figure 4: All Service Type Lease Rates, Everett and Surrounding Communities, Q1 2010 - Q4 2020**



*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

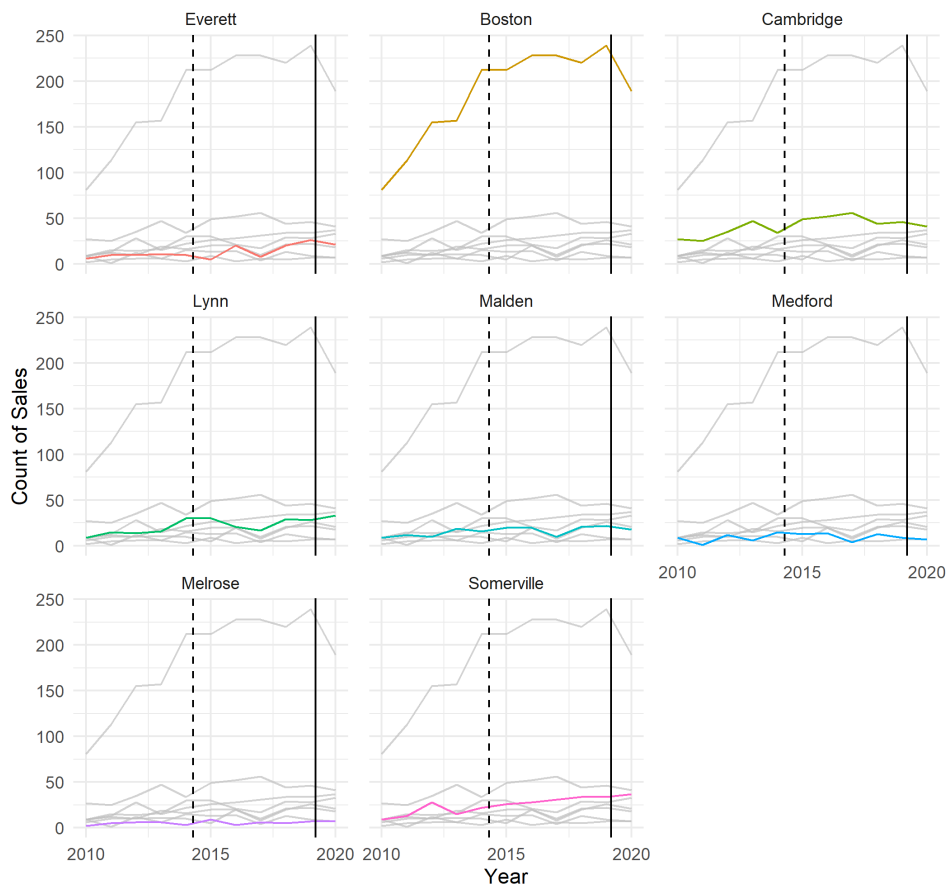
As is shown in the above figure, inflation-adjusted lease rates in Everett have consistently been among the lowest in the area, and have risen somewhat since Wynn Boston Harbor’s license was awarded. Despite this, Everett’s average lease rates were still consistently higher than the statewide average. While the overall changes in lease rates in Everett are similar to that of many of its surrounding communities over the course of the last decade, it is true that most of that growth did occur in the quarters leading up to the opening of Wynn Boston Harbor.

## Sales of Commercial Properties

### Sales of Commercial Properties

- Annual sales of commercial buildings increased steadily in Everett and most of its surrounding communities and were most common in Boston.
- The sale price-per-square-foot increased steadily over time, which is likely a product of supply and demand (recall that the inventory in Everett did not increase substantially).
- Price-per-square-foot for commercial buildings in the region is slightly negatively correlated with distance from Encore Boston Harbor, but this correlation existed well before Encore was awarded a license and has not changed substantially since its opening.

Figure 5: Sales of Commercial Properties, Everett and Surrounding Communities, 2010 - 2020



Note: The dashed line denotes the awarding of a license to operate a casino.  
The solid line denotes the opening of the casino.

As the above figure shows, sales of commercial properties did increase in Everett after Encore Boston Harbor was awarded its license. Many of Everett's surrounding communities also saw a modest increase

in the number of sales of commercial buildings, although Boston stood out as the clear outlier in this area, likely due to its geographic size, large population, and status as a hub for jobs in the region.

**Figure 6: Commercial Sales surrounding Encore Boston Harbor, 2010-2020**

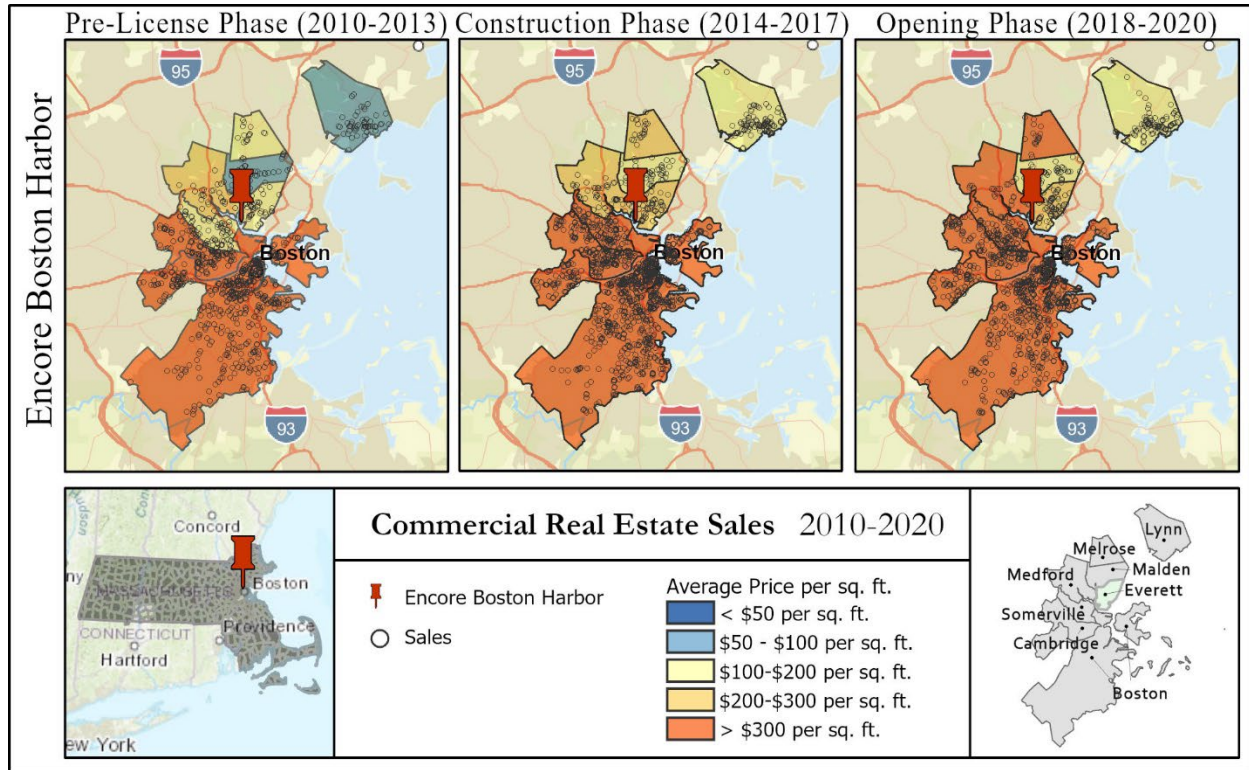
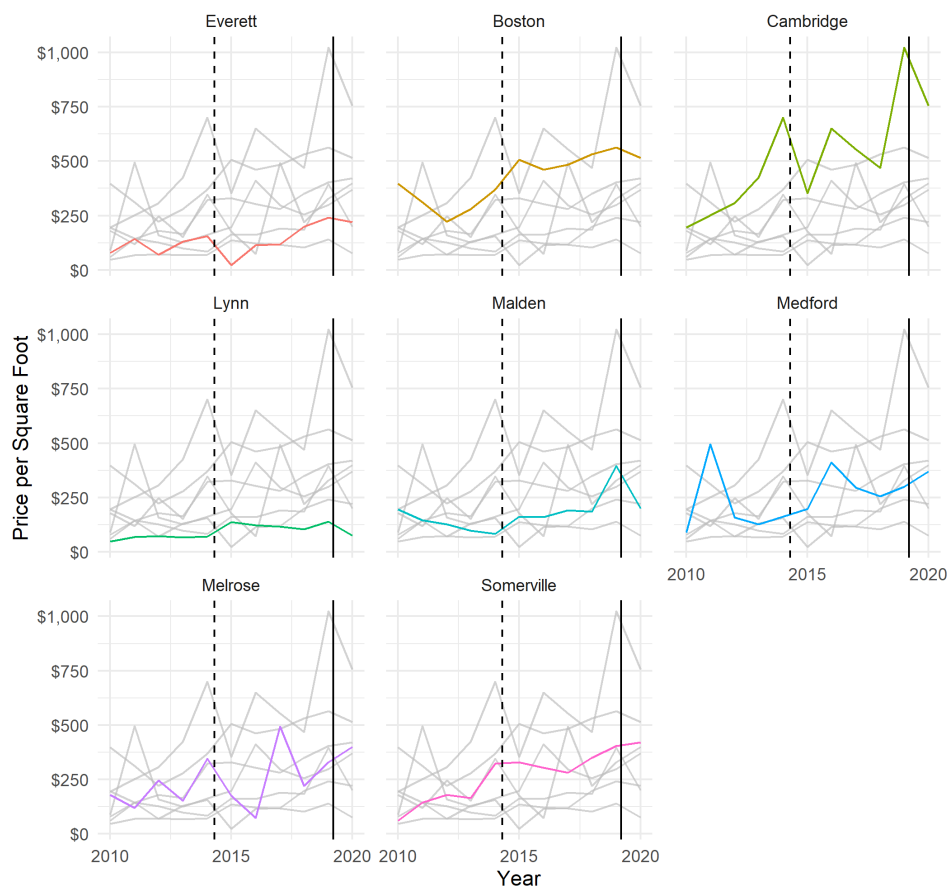


Figure 6 above shows snapshots of commercial real estate sales in Everett and surrounding communities at key intervals throughout the opening process. Due to Boston’s status as a surrounding community of Everett, analysis is sensitive to the other factors that could be affecting real estate in the Commonwealth’s capital and commercial hub. Overall, average price per square foot in the area has increased in the region over the last ten years.

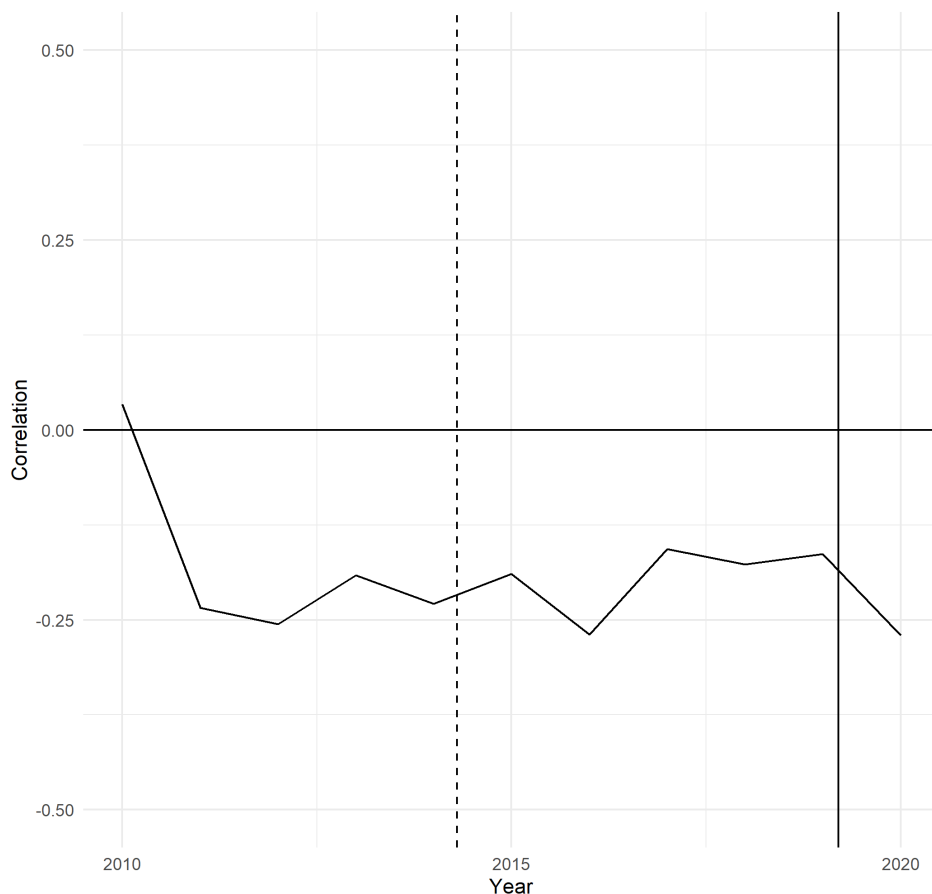
**Figure 7: Commercial Sale Price-Per-Square-Foot, Everett and Surrounding Communities, 2010 - 2020**



*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

Commercial sales price, expressed on a per-square-foot basis, varied greatly across the region. In Everett, commercial sale prices remained amongst the lowest in the region, even after the opening of Encore. Despite remaining as some of the lowest in the region, commercial sale prices in Everett did increase steadily after Encore was awarded its license. Given that supply of commercial buildings did not increase in any significant way (see **Figure 1**), and the sale of commercial buildings increased steadily over this period (see **Figure 7**), it is likely that the increase in sale price is being driven by supply and demand.

**Figure 8: Correlation between Sale Price-Per-Square-Foot and Distance to Encore, 2010 - 2020**



*Note: The dashed line denotes the awarding of a license to operate a casino.  
The solid line denotes the opening of the casino.*

The SEIGMA team analyzed how the statistical relationship between sales price-per-square-foot and proximity to the casino changed over time. If the construction of Encore Boston Harbor did indeed have an effect on commercial sale prices in its vicinity, we would expect to see a decline in the correlation between sale price and distance to the casino. A negative correlation would indicate that properties being purchased near the casino are being sold for higher prices than those being purchased further away from the casino. As the above figure shows, the correlation between sale price and distance to Encore Boston Harbor hovered around -0.2 well before Encore was awarded a license. This negative correlation suggests that commercial properties that are further away from Encore Boston Harbor did indeed sell for lower prices, but that this relationship existed prior to Encore Boston Harbor receiving a gaming license. More importantly, the opening of Encore did not disrupt this trend. After its opening, the correlation between commercial sale price and distance to Encore did decline slightly, but not to noticeably lower levels than previous years. If this trend continues into future years, it may have some significance, but at this point it is too soon to be certain, given past volatility.

## MGM Springfield

### Community Profile

The city of Springfield is located in Hampden County, in the southern part of the Pioneer Valley in Western Massachusetts. Springfield is the largest city in the western part of the Commonwealth. Many innovations have emerged from the city. Since the 18th century, the Springfield Armory played an important role in the development of both engineering and weaponry. During the industrial revolution, many important inventions emerged, including vulcanized rubber, earning Springfield the moniker “City of Firsts.” It was also the birthplace of basketball. Although Springfield had a strong history of manufacturing production, its industrial base has declined significantly over the last half century.

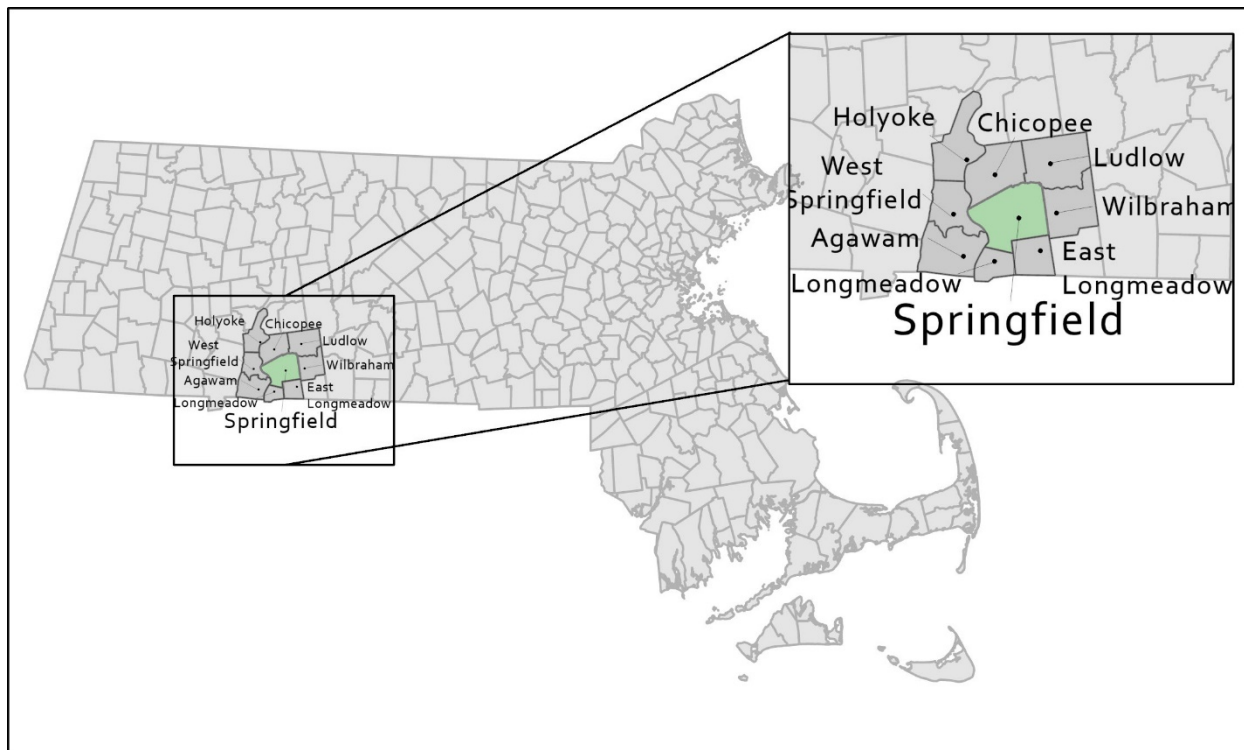
Springfield occupies a total area of 33.2 square miles and has a population density of 4,627 people per square mile. The current population is estimated at 153,606 residents. As a midsized, post-industrial city with lower household incomes and levels of educational attainment, Springfield is recognized by the Commonwealth as a Gateway City. Poverty and a lack of employment opportunities have been ongoing modern challenges in Springfield. A high school diploma is the most common educational level among residents. Just over one quarter of residents over the age of 25 hold an Associate, Bachelor’s, graduate, or professional degree. The wages, education levels, and English-language proficiency of Springfield residents are lower than the Commonwealth average.

As the most populous city in the area, Springfield is an important hub in the economy of Western Massachusetts. Just under one third of workers who reside in Springfield also work there, while many commute to municipalities adjacent to Springfield. The primary industries that drive employment in Springfield are healthcare and social assistance, educational services, accommodation and food services and finance and insurance. In terms of its tax base, the city’s assessed property values for industrial properties are declining. Nevertheless, residential and industrial properties are still the predominant sources of Springfield’s tax revenue. Springfield, and Western Massachusetts in general, were slower to recover from the Great Recession than the eastern portion of the Commonwealth. Many communities in the region have experienced stagnant or declining population over the last decade.

In June of 2011, an EF3 tornado struck Springfield and a number of its surrounding communities, killing three people and leaving hundreds homeless. One of the areas to incur the most damage from the tornado was Springfield’s South End, the current site of MGM Springfield. Some of the real estate data in this report should be understood in that context.

MGM Springfield is unique among the three Massachusetts casino properties for its central location in Springfield’s downtown. Awarded licensure on June 13, 2014, the casino is located within walking distance of many of Springfield’s largest employers and cultural amenities. The casino first opened to the public on August 24, 2018. It is also unique in that real estate within the casino’s footprint was being utilized for other purposes prior to the award of the gaming license by the Massachusetts Gaming Commission. As a result, tenants of commercial buildings within the property of the casino were forced to find new space, increasing the demand for commercial space in the area.

On the other hand, Springfield is also a much larger commercial property market than the other two host communities, and it has established itself as a major regional employment center with commercial facilities to match. As a result, the addition of another major commercial property may have less transformative effects on the citywide commercial real estate market than a similarly-sized facility might have in a smaller community.



Springfield’s designated surrounding communities, per the Massachusetts Gaming Commission, are Agawam, Chicopee, East Longmeadow, Holyoke, Longmeadow, Ludlow, West Springfield, and Wilbraham. All but one of Springfield’s surrounding communities (i.e., Holyoke) are directly adjacent to Springfield, and all of their economies are closely tied to that of Springfield. Springfield’s surrounding communities range from affluent, heavily residential suburbs like Longmeadow, East Longmeadow, and Wilbraham to mid-sized, post-industrial cities like Holyoke, which has one of the highest poverty rates in the Commonwealth. Many of the surrounding communities, like Agawam, Chicopee, Ludlow, and West Springfield, are largely suburban in character but feature notable industrial or large retail developments. In addition to Springfield itself, Chicopee and Holyoke are classified by the state legislature as Gateway Cities.

## Inventory

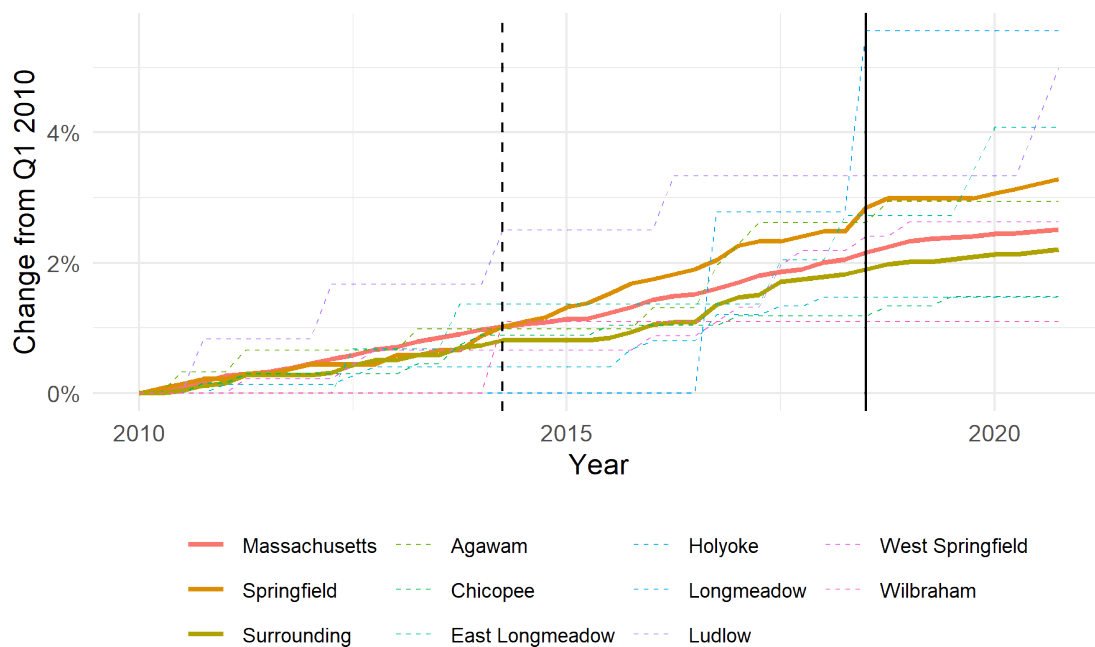
### Findings

- Inventory in the commercial real estate market has grown steadily in Springfield since 2010, with inventory in nearby surrounding communities following a similar trend.



- The rate of growth for Springfield’s commercial building **inventory** outpaced that of the Commonwealth, as well as its surrounding communities, although all three growth rates trended upwards over the ten-year period.
- The rate of growth for Springfield’s commercial **square-footage** also outpaced that of the Commonwealth and its surrounding communities as it increased since 2010.
- MGM Springfield certainly played a part in the growth in Springfield’s commercial inventory, but growth in nearby surrounding communities suggests that other regional, statewide, or national economic forces may also have played an important role.

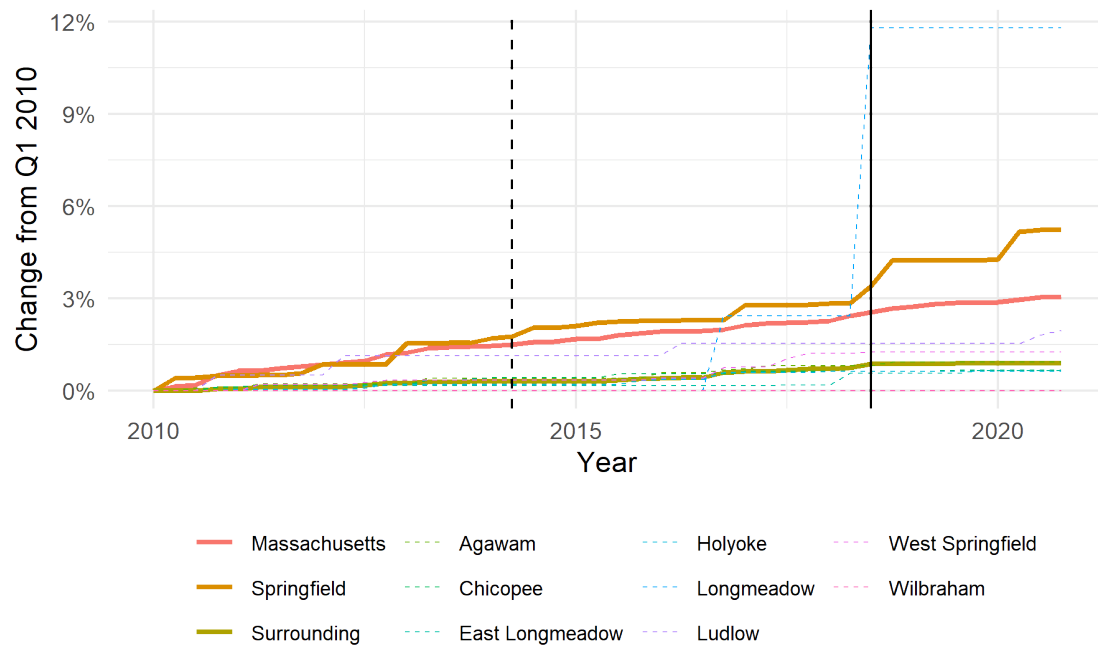
**Figure 9: Change in Commercial Building Inventory, Springfield and Surrounding Communities, Q1 2010 - Q4 2020**



*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

Commercial real estate in Springfield has grown steadily since 2010, outpacing both its surrounding communities and the Commonwealth as a whole. During this time, Springfield added 45 commercial buildings for a growth rate of just over three percent. The surrounding communities grew their commercial building inventory at a slower rate, adding 57 commercial buildings for a growth rate of just over two percent.

**Figure 10: Change in Commercial Building Square Footage, Springfield and Surrounding Communities, Q1 2010 - Q4 2020**



*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

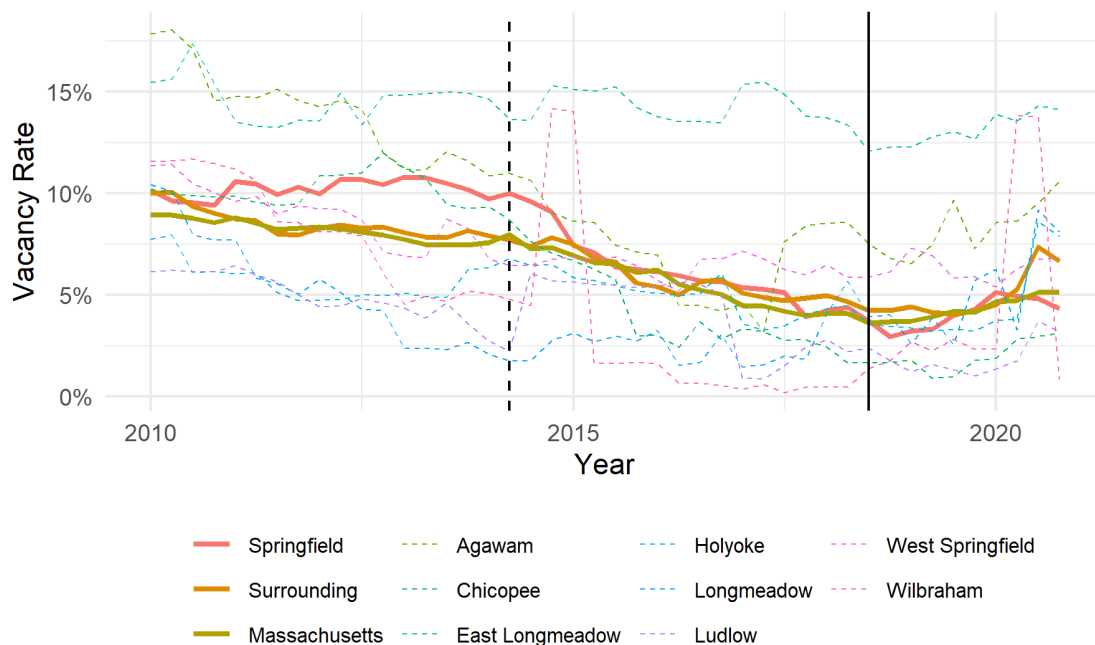
Since 2010, commercial real estate inventory in Springfield has grown in square footage by just over five percent, outpacing the statewide growth rate. Growth in commercial real estate square footage has been less rapid in the surrounding communities, growing only one percent since 2010. Much of the growth in commercial square footage that occurred in Springfield around the casino’s opening may be driven by the opening of the casino itself. Beyond that, the continued growth in Springfield’s surrounding communities suggests a broader regional trend of development.

## Vacancy

### Findings

- Vacancy rates near MGM have remained relatively steady since 2010, falling in unison with the state and other surrounding communities since the Great Recession.
- It is plausible that a drop in vacancy experienced in Springfield during the study period is directly related to MGM, as organizations displaced by the casino’s substantial development footprint may have relocated to previously vacant space elsewhere in the city.

**Figure 11: Commercial Vacancy Rate, Springfield and Surrounding Communities, Q1 2010 - Q4 2020**



*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

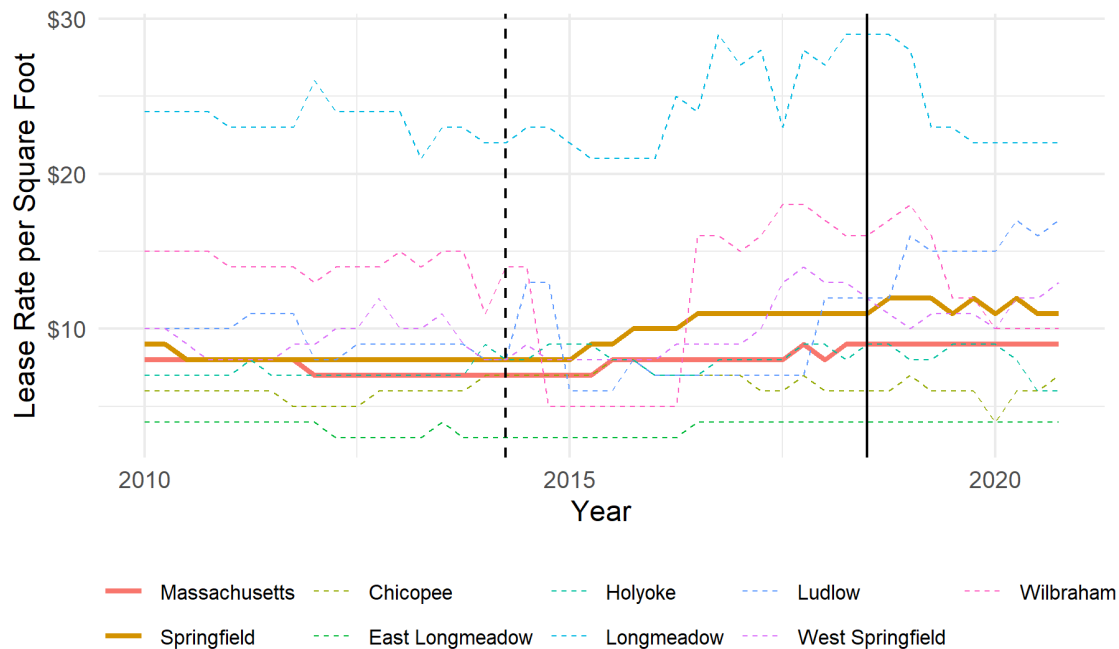
Commercial vacancy rates have fallen since the Great Recession in both Springfield and its surrounding communities, but rose somewhat over 2020. This recent upward trend began before the COVID-19 pandemic and the associated economic distress. Springfield’s commercial vacancy rate was higher than that of the Commonwealth and the surrounding communities prior to the announcement of the casino, but began to fall shortly after MGM Springfield’s license was awarded and was the lowest of the three by the end of 2020. MGM Springfield may have played a part here, as organizations displaced by the casino’s substantial development footprint may have relocated to previously vacant space elsewhere in the city.

## Lease Rates

### Findings

- Lease rates in Springfield and the state remained relatively constant between 2010 and 2020 after adjusting for inflation. Though the surrounding communities saw similar patterns, many communities have always had lease rates far higher than Springfield, such as Longmeadow.
- Due to the volatility in lease rates in the surrounding communities, and the lack of any substantial change in Springfield’s lease rate, it is unlikely that the opening of MGM had any substantial impact on commercial lease rates in the region.

**Figure 12: All Service Type Lease Rates, Springfield and Surrounding Communities, Q1 2010 - Q4 2020**



*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

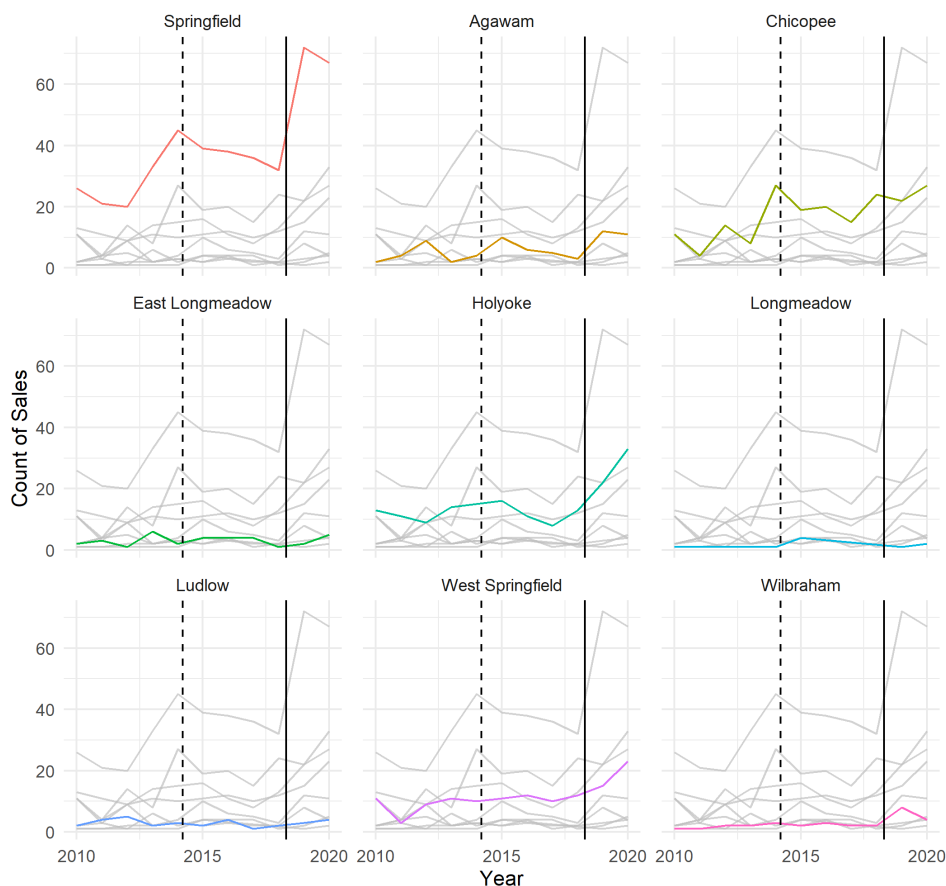
Lease rates for all service types have remained fairly consistent in Springfield and most of the surrounding communities since 2010. For most of the study period, average commercial lease rates in Springfield have been slightly higher than the statewide average, and the gap between the two has widened over the last decade.

## Sales of Commercial Properties

### Findings

- After a period of decrease upon the awarding of a license to MGM in 2014, annual sales of commercial properties in Springfield jumped substantially with the opening of MGM.
- While the number of sales increased substantially, the sale price-per-square foot in Springfield and the surrounding communities did not. Since 2010, commercial real estate in the Springfield area tended to sell for less than \$50 per square foot and remains largely less \$200 per square foot in 2020.
- There was no correlation between sale price-per-square-foot and distance to MGM after it was awarded its license, and this remained unchanged upon opening.

**Figure 13: Sales of Commercial Properties, Springfield and Surrounding Communities, 2010 - 2020**



*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

From 2010 to 2020, Springfield consistently had the highest number of commercial property sales in the region. There was a rapid increase in the annual number of sales in Springfield leading up to MGM being awarded a license, although it is important to keep in mind that much of that increase may be due to reconstruction after the 2011 tornado. There was a significant increase in the number of annual sales following MGM’s opening. Commercial property sales also increased in the adjacent cities of Chicopee, Holyoke and West Springfield at the same time, which could indicate an increase in interest from developers in Western Massachusetts in general.

**Figure 14: Commercial Sales surrounding MGM Springfield, 2010-2020**

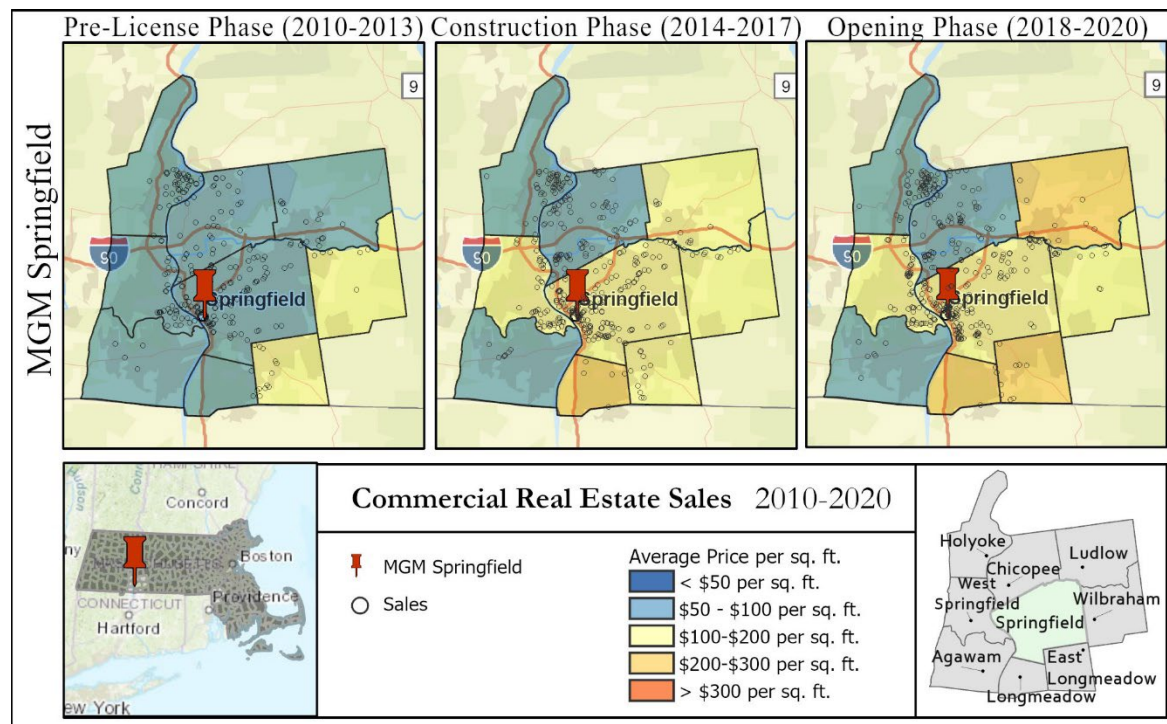
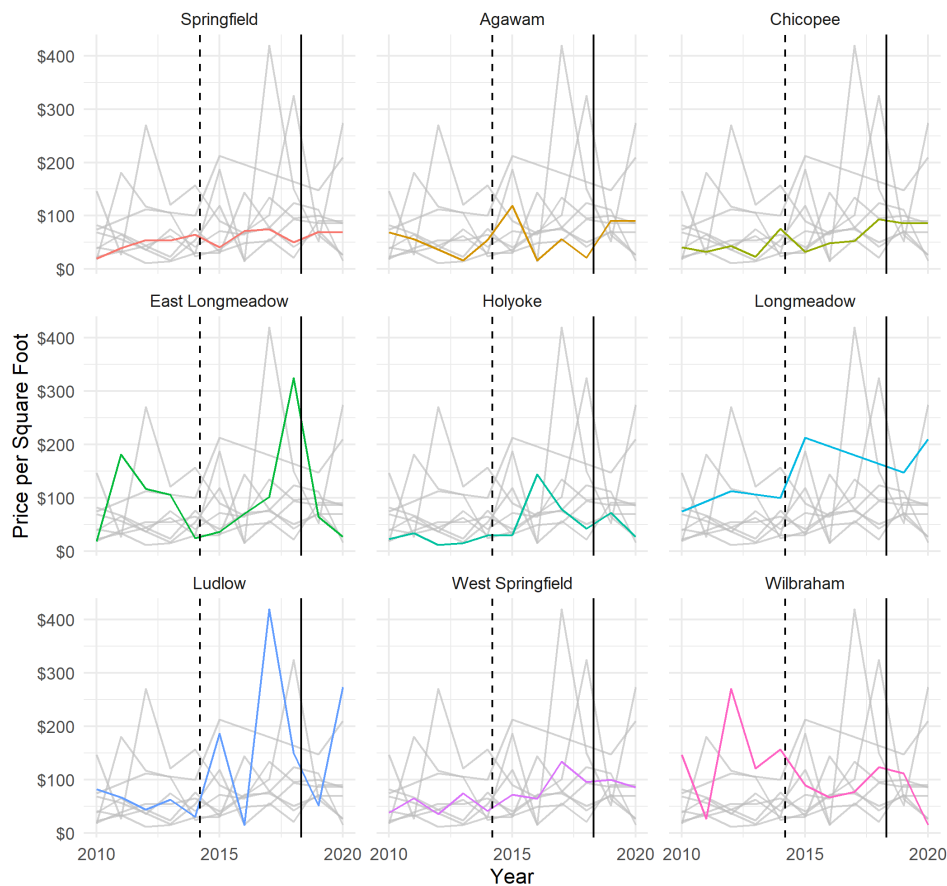


Figure 14 above shows snapshots of commercial real estate sales in Springfield and surrounding communities at key intervals throughout the casino development process. Throughout all three phases, commercial real estate in the Springfield area grew in terms of price per square foot, beginning at an average of \$88.87 in the pre-license phase and rising to \$100.82 in the construction phase and \$104.52 in the opening phase. A number of Springfield’s surrounding communities saw rises in their average sales prices over the same period, and almost always less than \$200 per square foot. The majority of sales took place in Springfield itself, forming a cluster downtown near the casino, to the north in downtown Holyoke, and along interstates. Though sales with higher prices per square foot began to pop up in the construction phase, it does not appear that pricier buildings were being sold with any relationship to their distance from MGM.

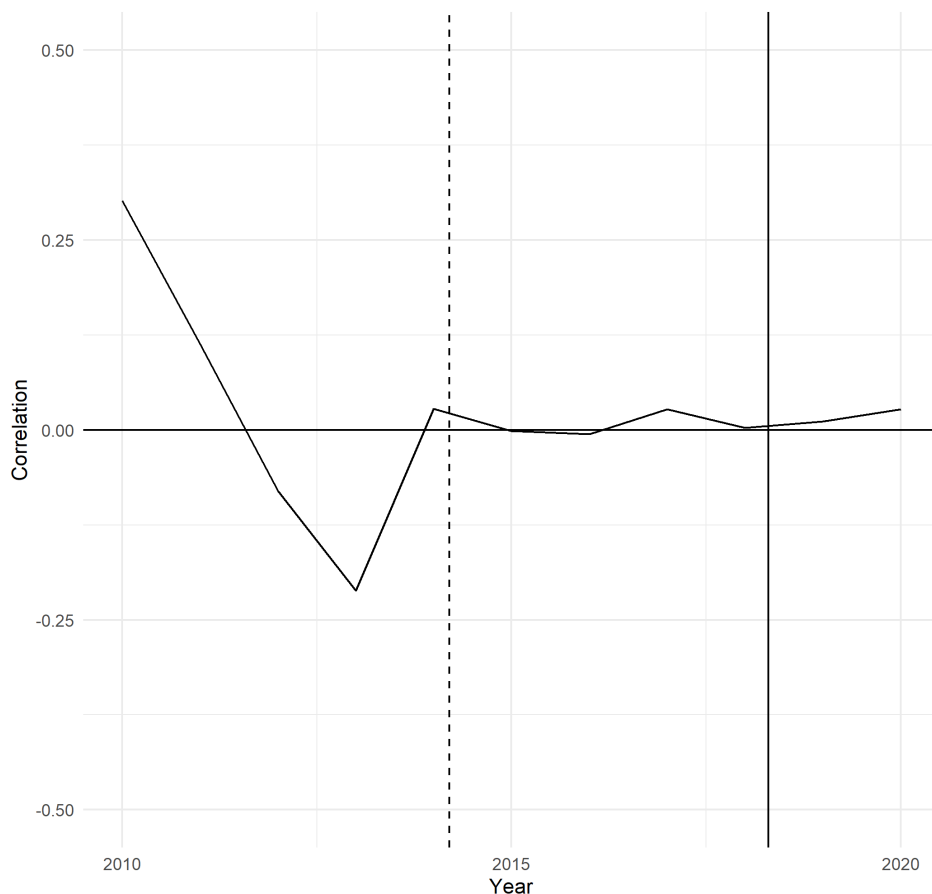
**Figure 15: Commercial Sale Price-Per-Square-Foot, Springfield and Surrounding Communities, 2010 - 2020**



*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

Commercial sales prices in Springfield are amongst some of the lowest in the region on a per-square-foot basis, although they have increased substantially over the last decade, from \$19.49 per square foot in 2010 to \$69.31 in 2020. The lack of any meaningful change in sale price in Springfield, and the noisy trends in sale price in some of its surrounding communities, suggests that the opening of MGM Springfield had little impact on commercial sale prices in the region. It should however be noted that per-square-foot sales prices are not the sole determinant of lease rates in these newly-purchased properties, as a property could be purchased at a low price and then rented out at a higher price later on.

**Figure 16: Correlation between Sale Price-Per-Square-Foot and Distance to MGM, 2010 - 2020**



*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

The SEIGMA team analyzed how the statistical relationship between sales price per square foot and proximity to the casino changed over time. If the construction of MGM Springfield did have an effect on commercial sale prices in its vicinity, we would expect to see a decline in the correlation between sale price and distance to the casino. A negative correlation would indicate that properties being purchased near the casino are being sold for higher prices than those being purchased further away from the casino. As the above figure shows, this does not seem to be the case in Springfield and its surrounding communities. After experiencing a decline from 2010 to 2012, the correlation between sale price and distance to the casino consistently remained at or close to zero, indicating that there is no statistical relationship between sale price for commercial property and distance from MGM Springfield. While some of the volatility in the correlation prior to the award of the casino may have been related to speculation about its opening, it may have also been related to the development activity following the 2011 tornado which heavily damaged Springfield’s South End. Had the casino caused an increase in commercial sale price in its vicinity, we would expect the correlation to decline after its license award or opening.



## Plainridge Park Casino

### Community Profile

The town of Plainville is located in the southwestern part of Norfolk County, on the border with both Bristol County and Rhode Island. It is one of the newest towns in Massachusetts, having separated from Wrentham in 1905. The closest large city is Providence, Rhode Island, 18 miles to the southwest.

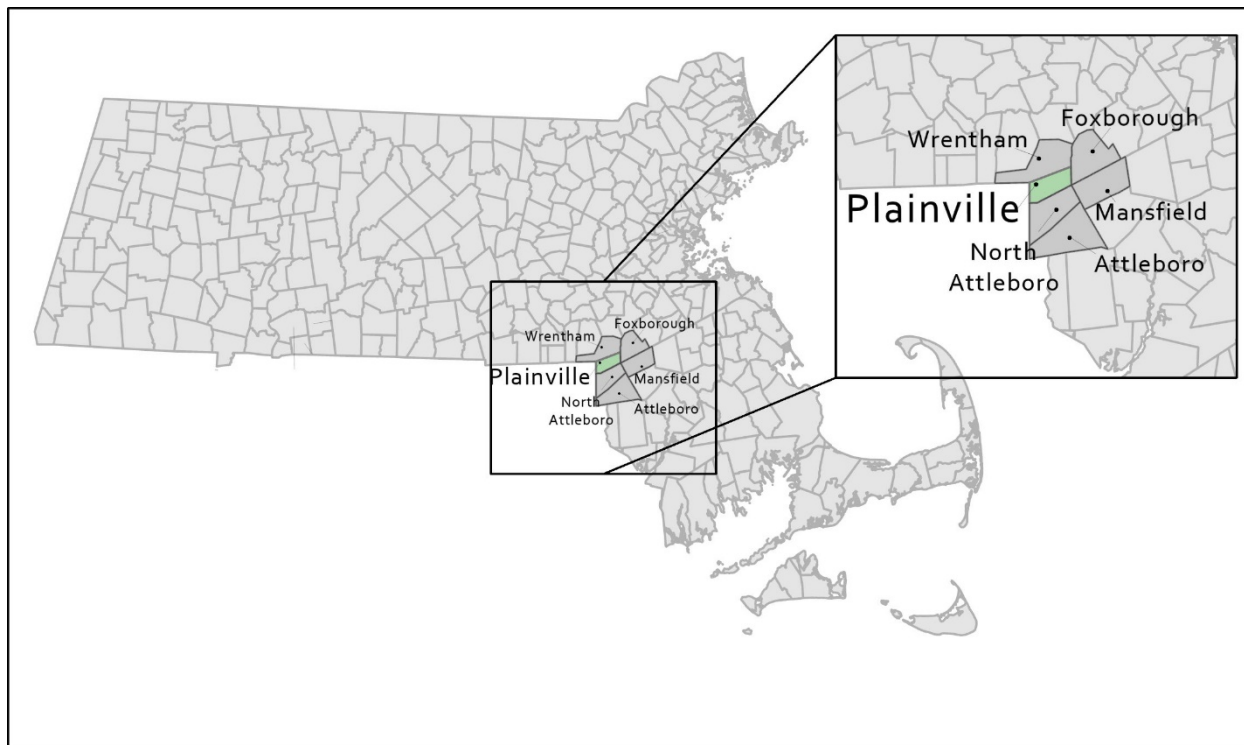
Plainville occupies a total area of 11.5 square miles and has a population density of 808 people per square mile. The population of Plainville is estimated at 9,293 residents. Plainville has education levels comparable to that of the Commonwealth with slightly higher than average household incomes (wages of jobs offered in Plainville itself are lower than average, but most residents commute to work). One quarter of Plainville's residents over the age of 25 have a Bachelor's degree, and one quarter have a high school diploma. Just over half of residents hold an Associate, Bachelor's, graduate, or professional degree. While education levels are on par with that of the Commonwealth, the wages and English-language proficiency of Plainville residents are higher than the Commonwealth average.

As a geographically small and relatively sparsely populated town, Plainville is highly integrated with other communities in the region. Just under 10 percent of Plainville residents work where they live, with most commuting to jobs in Greater Boston, the southeast, or Rhode Island. The primary industries that drive employment in Plainville are retail trade, accommodations and food services, construction, and manufacturing. In terms of its tax base, commercial and residential properties are the predominant sources of the town of Plainville's revenue.

Plainridge Park Casino was built on the site of an existing harness racing track which continues to be operational. On February 28, 2014, Plainridge Park Casino made history as Massachusetts's very first casino licensure, and remains the commonwealth's only slots-parlor casino. While a parking structure and slots parlor were added to the facility, it is unique among Massachusetts' casinos for being a gambling property prior to the legalization of casino gambling in Massachusetts. Plainridge Park Casino opened as a slots-parlor casino on June 24, 2015. Its location is relatively far from Plainville's town center, near the junction of Massachusetts Route 1 and Interstate 495, and the facility itself is set relatively far back from the road. Most of Plainridge Park Casino's immediate neighbors are large chain retail establishments which might benefit from the proximity to the Interstate. As such, the development of Plainridge Park Casino has had a relatively minor impact on the built environment of Plainville itself.

Plainville and its surrounding communities have been the site of a series of major consumer attractions, including Gillette Stadium in Foxborough, the XFINITY Center in Mansfield, and the Wrentham Outlets in Wrentham, which may benefit from the relative proximity of the region to Boston, Providence, and Worcester, New England's three largest cities. Of these attractions, Plainridge Park Casino is the most recent, and should to some extent be understood as part of a larger pattern of development in the region.

Analyzing CoStar data for Plainville and its neighbors is particularly challenging due to the relatively small number of commercial properties in these areas. Many of the communities in the area are primarily residential in character and have few major commercial developments. Given the small number of properties, any issue with CoStar’s data collection methods is more likely to be amplified. Moreover, small changes to the occupancy status or lease rate of certain commercial structures can lead to relatively large changes in community-wide vacancy rates and average lease rates. As a result, we take a somewhat more cautious approach in commenting on developments in this market.



Plainville’s designated surrounding communities, per the Massachusetts Gaming Commission are Attleboro, Foxborough, Mansfield, North Attleborough, and Wrentham. All of Plainville’s surrounding communities, with the possible exception of Attleboro, share a similar character to Plainville, being comprised primarily of single-family residential neighborhoods, with some small businesses downtown and some larger chain retail and small industrial sites located along major routes. The exception to this is the number of large consumer attractions noted above, many of which are located close to I-495. Attleboro, to the south, is the most populous of Plainville’s surrounding communities, and is the only designated Gateway City in the area.

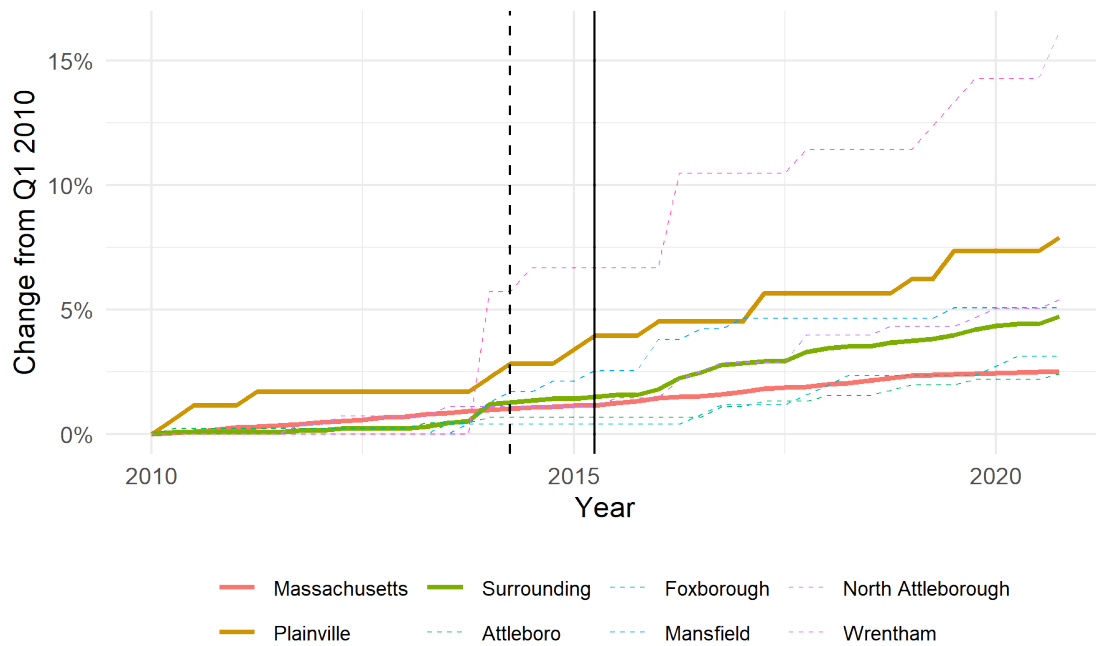
## **Inventory**

### **Findings**

- Plainville’s commercial building inventory grew 8 percent since 2010, a rate that outpaced its surrounding communities throughout that period.

- While commercial building square footage in surrounding communities grew at a similar rate to that of the State, Plainville’s growth rate suggests that the commercial buildings being erected in Plainville were larger on average than those being built across the state or its surrounding communities.

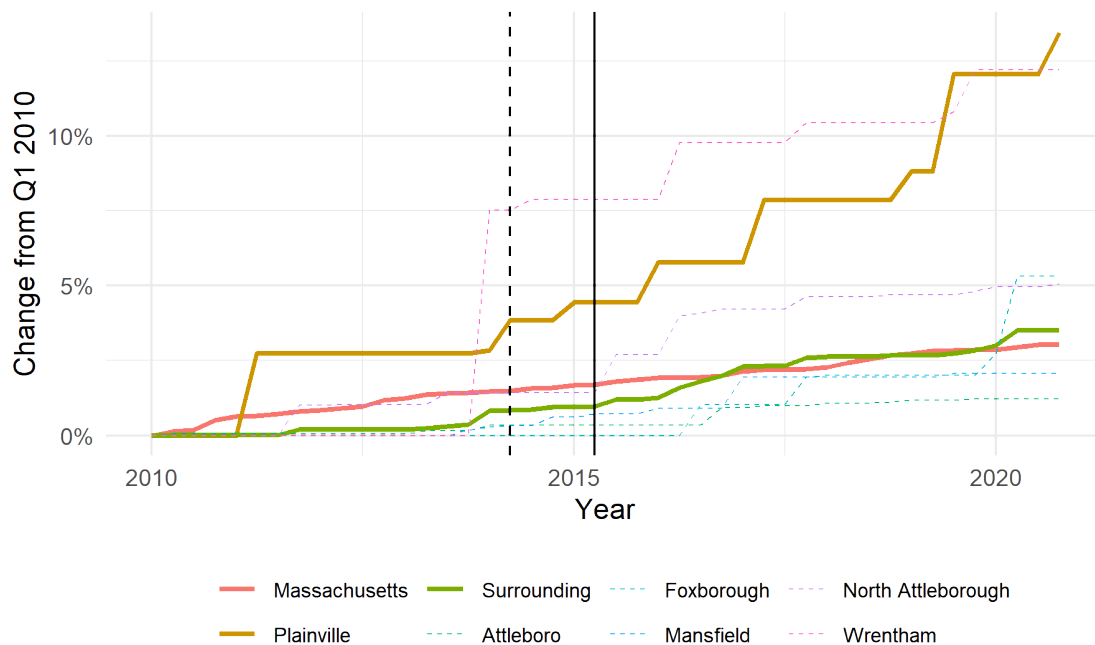
**Figure 17: Change in Commercial Building Inventory, Plainville and Surrounding Communities, Q1 2010 - Q4**



*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

Since 2010, growth in commercial building inventory in Plainville has outpaced that of the Commonwealth, growing by about 8 percent. The surrounding communities initially grew slower than the Commonwealth overall, but soon outpaced it after the Plainridge Park Casino was awarded its license. These indicators, along with the trends in many individual surrounding communities, are relatively constant over the course of the study period.

**Figure 18: Change in Commercial Building Square Footage, Plainville and Surrounding Communities, Q1 2010 - Q4 2020**



*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

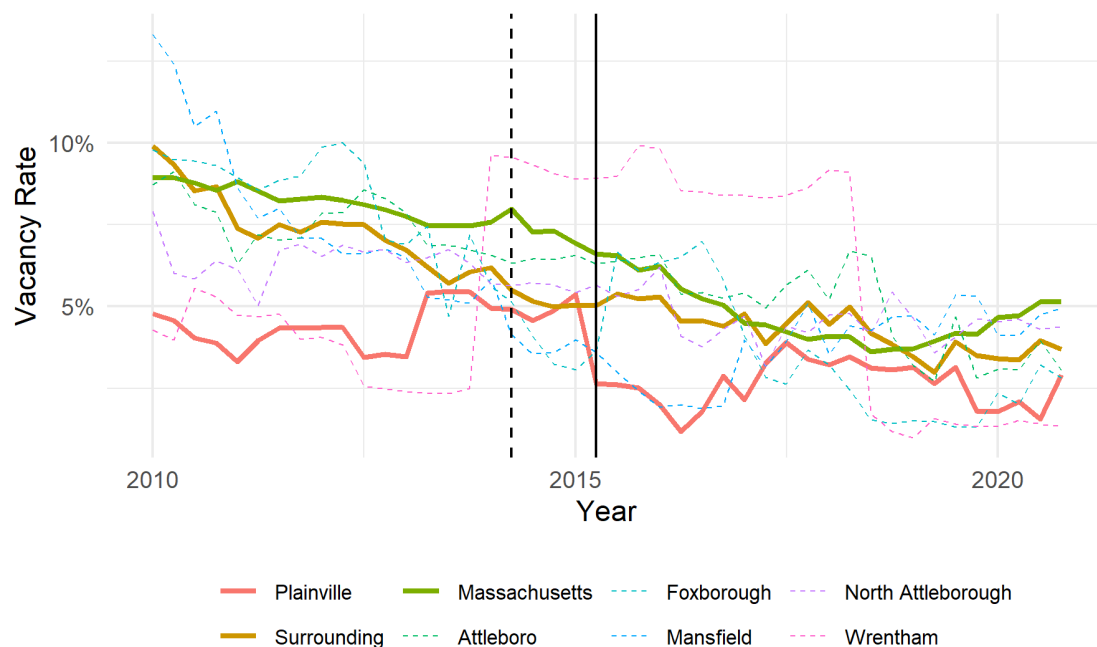
When expressed in terms of square footage, Plainville’s commercial real estate inventory still outpaces that of the Commonwealth or the surrounding communities. The rate of growth for commercial square footage is also much greater than the rate of growth in commercial buildings in Plainville. This suggests that the buildings being constructed in Plainville are larger on average than the pre-existing building inventory in Plainville. Plainville’s commercial real estate square footage grew by 13.5 percent from 2010 to 2020, compared to just three percent for both the Commonwealth and the surrounding communities.

## Vacancy

### Findings

- Plainville’s commercial vacancy rate has decreased with some volatility since 2010. The volatility is likely due to the Plainville’s smaller building inventory relative to its surrounding communities with less volatile vacancy rates.
- Declining vacancy rates in Plainville fit in with a broader statewide and regional trend of declining vacancy rates over the course of the study period.

**Figure 19: Commercial Vacancy Rate, Plainville and Surrounding Communities, Q1 2010 - Q4 2020**



*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

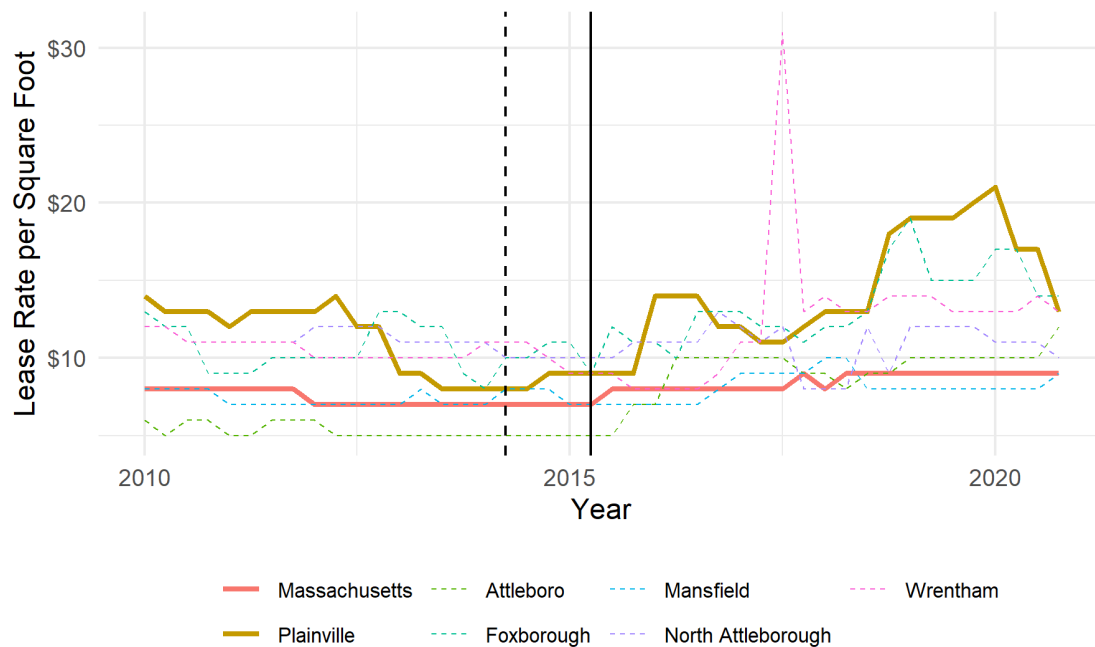
Commercial vacancy in Plainville has consistently remained below that of the Commonwealth and the surrounding communities, despite being more volatile, and vacancy rates in all three areas have trended downward since 2010. While the steep drop in commercial vacancy immediately before and after the opening of Plainridge Park Casino may have been related to the opening of the casino itself, this drop accompanies an already downward trend in vacancy rates in the surrounding area and the Commonwealth.

## Lease Rates

### Findings

- Plainville’s commercial real estate market saw a 7.1 percent decrease in lease rates since 2010 after adjusting for inflation, though it was one of only two communities in the area with a decrease in lease rates over the time period.
- Lease rates in Plainville and the surrounding communities were volatile over the ten-year period and showed no clear trend. Some of this volatility is likely the result of data issues which confound analysis in geographies with a relatively small number of commercial buildings.

**Figure 20: All Service Type Lease Rates, Plainville and Surrounding Communities, Q1 2010 – Q4 2020**



*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

Lease rates across all service types showed no clear trend in Plainville or its surrounding communities. This may have something to do with the relatively small number of commercial buildings in Plainville, when compared to the host communities of the other two casinos. Since 2010, lease rates in Plainville and the surrounding communities have remained above the Commonwealth average despite experiencing some volatility.

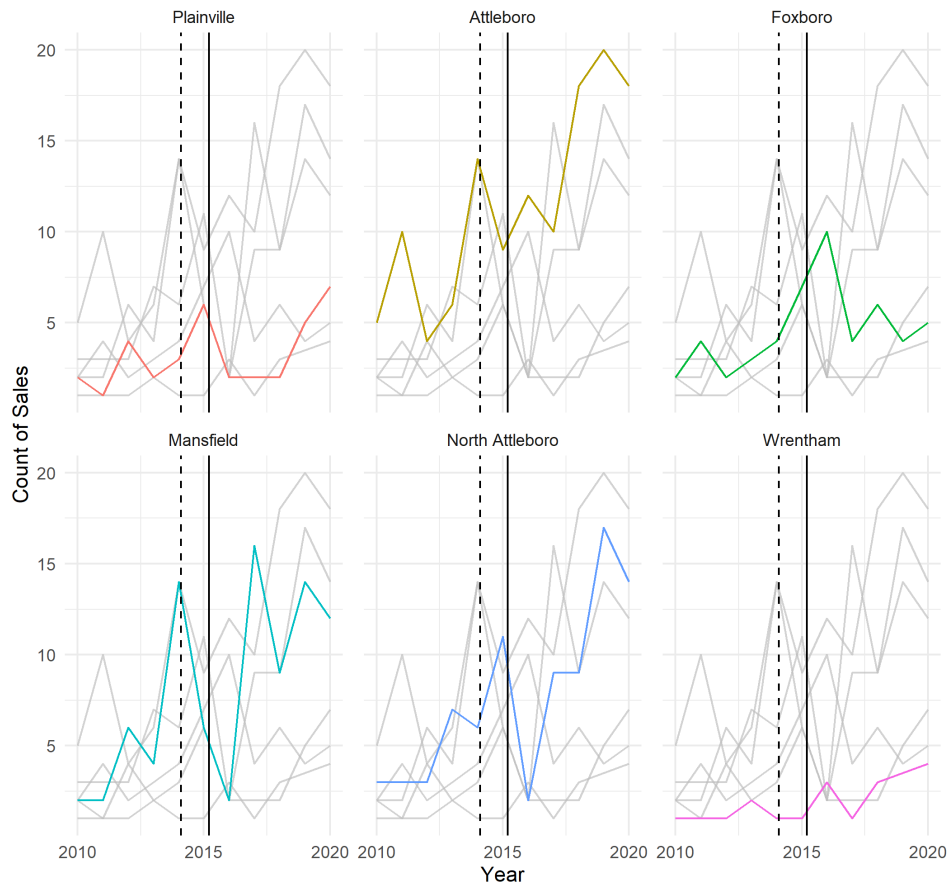
## Sales of Commercial Properties

### Findings

- Annual sales of commercial properties in Plainville rose after Plainridge Park Casino was awarded its license, only to fall subsequent to its opening. This variability among sales in Plainville is present in the surrounding communities as well, suggesting that it is not likely the casino's opening that effected commercial sales in the area.
- Commercial sale price-per-square-foot in Plainville was relatively unchanged over the ten-year period, with the exception of the sale of Plainridge Park Casino's real estate assets to Gaming and Leisure Properties.
- The correlation between sale price-per-square-foot and distance to Plainridge Park Casino was extremely volatile and showed no clear trend over the ten-year period, meaning there was no

consistent relationship between sale price-per-square-foot and geographic proximity to Plainridge Park Casino.

**Figure 21: Sales of Commercial Properties, Plainville and Surrounding Communities, 2010 - 2020**



*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

Sales of commercial properties in Plainville were relatively minor from 2010 to 2020, never surpassing seven sales in a given year. While there was an increase in commercial sales between the award of the license and the opening of Plainridge Park Casino, the volatility, small number of sales, and lack of any long-term trend in Plainville itself, make it difficult to determine whether Plainridge Park Casino had any effect on commercial property sales. No sales data was available for Foxborough or Mansfield.

**Figure 22: Commercial Sales surrounding MGM Springfield, 2010-2020**

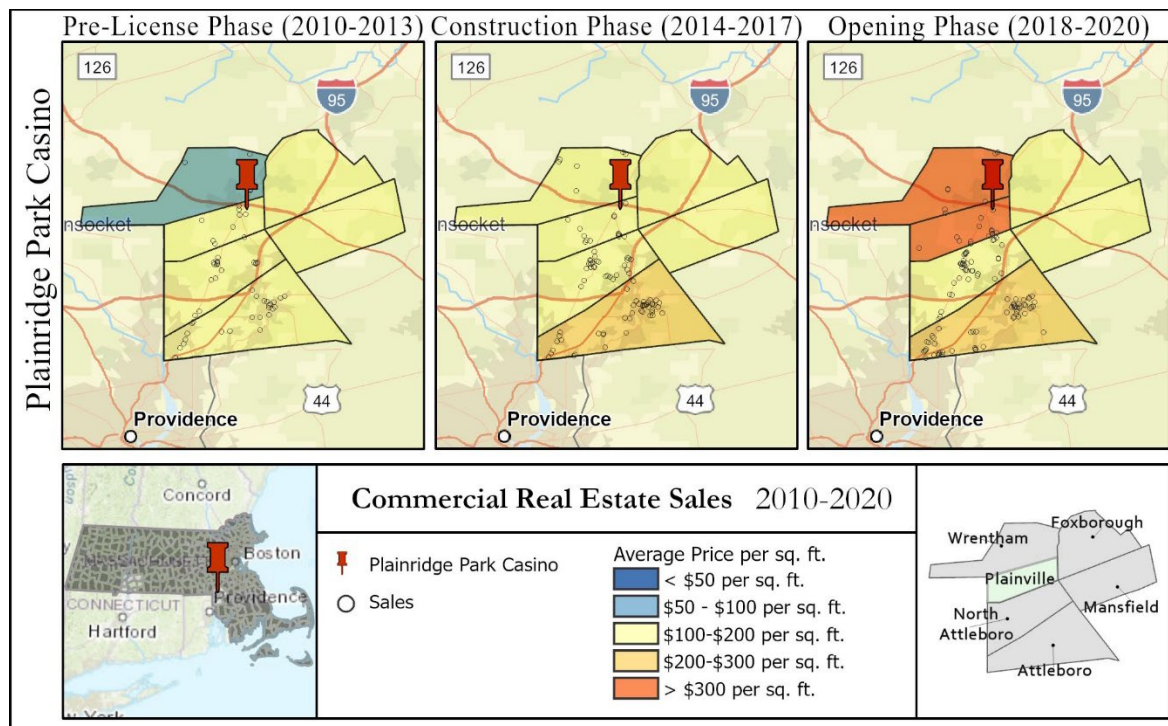
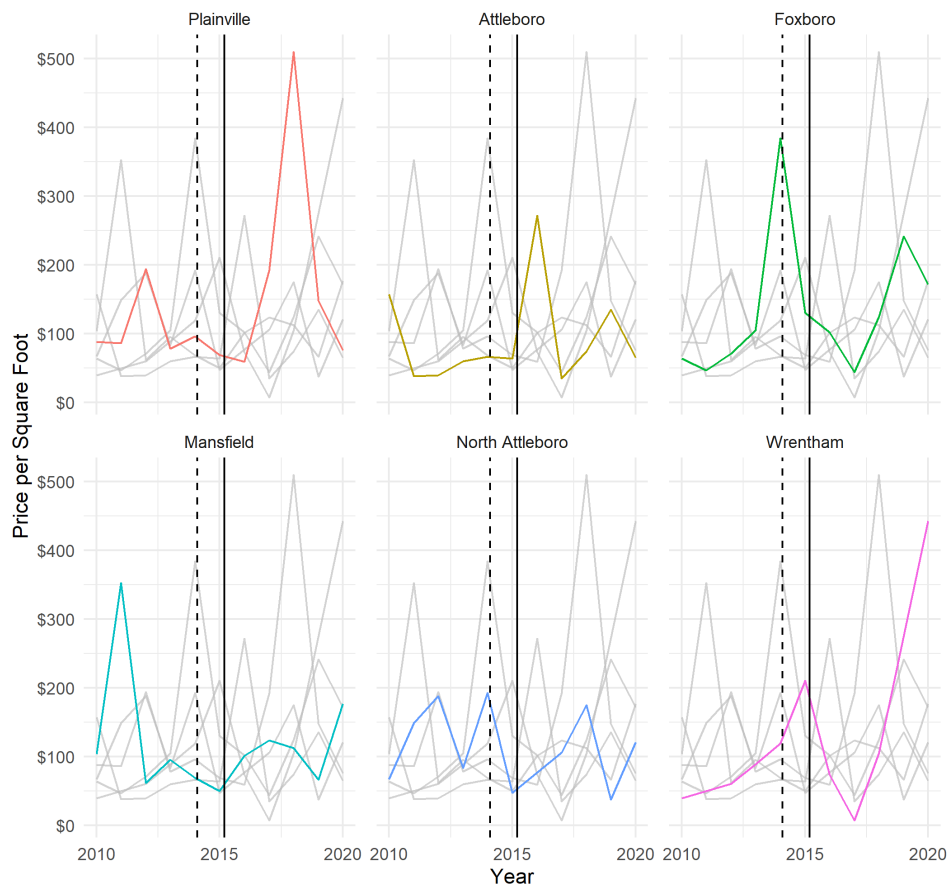


Figure 29 above shows snapshots of commercial real estate sales in Plainville and surrounding communities at key intervals throughout the casino development process. Unlike Encore Boston Harbor and MGM Springfield, the site where Plainridge Park Casino has been operating in Plainville as a harness racing track since 1999. The number of sales in the region nearly doubled from the 2010-2013 timeframe to 2014-2017. Sales in the Plainville area typically sold between \$50 and \$100 per square foot, no matter the location.



**Figure 23: Commercial Sale Price-Per-Square-Foot, Plainville and Surrounding Communities, 2010 - 2020**

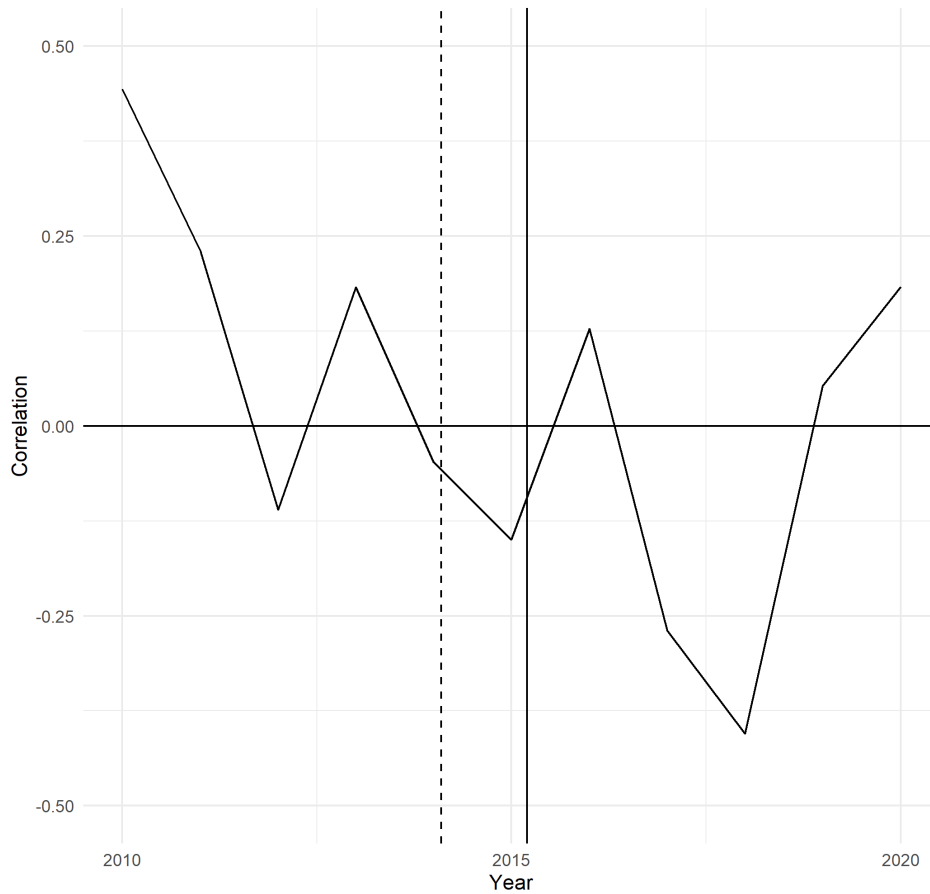


*Note: The dashed line denotes the awarding of a license to operate a casino.  
The solid line denotes the opening of the casino.*

Commercial sale prices in Plainville briefly spiked several years after the opening of Plainridge Park Casino, but then rapidly fell. This spike in 2018 is due to Penn National selling their real estate assets at Plainridge Park Casino to Gaming and Leisure Properties for \$250,000,000.<sup>6</sup> It is important to note that because of this transaction, the original purchase of Plainridge Park Casino by Penn National is not reflected in this data, as the price-per-square-foot calculation is based on the last sale price of the property.

<sup>6</sup> <https://www.globenewswire.com/news-release/2018/10/15/1621196/0/en/Gaming-and-Leisure-Properties-Inc-Announces-Completion-of-Acquisitions-and-Lease-Modifications-to-Accommodate-the-Acquisition-of-Pinnacle-Entertainment-Inc-by-Penn-National-Gaming-.html>

**Figure 24: Correlation between Sale Price-Per-Square-Foot and Distance to Plainridge Park Casino, 2010 - 2020**



*Note: The dashed line denotes the awarding of a license to operate a casino.  
The solid line denotes the opening of the casino.*

The SEIGMA team analyzed how the statistical relationship between sales price-per-square-foot and proximity to the casino changed over time. If the construction of Plainridge Park Casino did indeed have an effect on commercial sale prices in its vicinity, we would expect to see a decline in the correlation between sale price and distance to the casino. A negative correlation would indicate that properties purchased near the casino are being sold for higher prices than those purchased further away from the casino. As the above figure shows, there is no clear relationship between commercial sale price and distance to the casino. Over the course of 2010 to 2020, the correlation between sale price and distance to the casino fluctuated widely. Given the volatility of the trend, it is difficult to discern whether the construction of Plainridge Park Casino had any bearing on commercial sale prices in the area, although in at least one year the correlation may have been driven by a substantial real estate deal at Plainridge Park Casino. This interpretation is reinforced by the relatively remote location of Plainridge Park Casino.

## Conclusion

Overall, the SEIGMA team did not find strong evidence that the presence of Massachusetts' three casinos had dramatically changed the dynamics of the local or regional commercial real estate markets. While real estate conditions have changed in all three host communities and the surrounding communities, none of these changes diverge from broader trends in a way that would suggest that the casinos have fundamentally transformed those markets. The SEIGMA team does not see these findings as surprising. While the casinos have important effects on the local economy as sources of employment, intermediate demand, and tax revenue, they are individual properties in large and evolving regional real estate markets.

While the exact impact of the casinos on the commercial real estate markets is difficult to determine, it can at least be stated that the casinos do not appear to have weakened demand for commercial real estate in the host communities. Trends in terms of rising inventory, lease rates, sales prices, and falling vacancy rates continued in each of the host communities up until the start of the COVID-19 pandemic. A sudden increase in vacancy rates, or a decrease in sales, especially sales directly around the casino, could be a sign that the property was not seen by other commercial actors as a desirable neighbor, but there does not appear to be any evidence that this occurred.

If any host community could claim that the introduction of the casino has substantially changed their economic conditions, it would be Springfield. The downtown location of the casino puts it in close proximity with many of Springfield's largest commercial real estate properties, and it could plausibly be suggested that the location of the casino might affect investment decisions in the area. Springfield has also seen increases in inventory, lease rates, number of sales, and sales prices over the last decade. One factor that complicates this analysis is Springfield's status as a major employment center and the largest city in Western Massachusetts. As the United States recovered from the effects of the Great Recession, investment was always going to flow faster to communities which already had a certain level of economic activity (for an example in another region, see Boston and Cambridge's real estate activity in the Encore Boston Harbor section of the report). So while it is plausible that the casino played some role in what appears to be a rise in demand for real estate in Springfield, it is difficult to quantify the magnitude of that role.

To the extent that these findings contrast with pre-casino speculation, part of the answer may be found in the evolving nature of the casino market. Casinos are often thought of as a major tourist attraction, especially in the 20<sup>th</sup> Century when very few U.S. states allowed for their operation. Previous patron surveys conducted at Plainridge Park Casino and MGM Springfield suggest a largely local and regional patron base, with most people commuting to and from the casino in a single day.<sup>7</sup> While these casinos continue to serve important economic purposes, including the recapture of spending by Massachusetts residents who would otherwise have gambled out of state, these patrons do not require the same sorts of services as patrons visiting a tourist destination for a multi-day trip, which might limit the casinos'

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<sup>7</sup> For more on SEIGMA's previous patron survey and economic impact reports, see <https://www.umass.edu/seigma/reports>

impact as a catalyst for attracting new visitors. It may also be the case that other jurisdictions which have only recently legalized gambling may be facing a similar landscape – with similar limitations.

More broadly, the lack of major findings may be indicative of the limitations of any single project, regardless of size, to fundamentally transform or revitalize large, complex real estate markets. For a project to do so, it would have to change the way that consumers and investors perceived an area in such a way that new real estate was developed or existing real estate was utilized in a different way. The relative geographic isolation of two of the three casinos may make that sort of development less likely, but it is not impossible that there may be further developments in time. CoStar data is generally used by real estate professionals rather than social scientists, but a broader review of how markets have responded to other major real estate findings may help to contextualize these findings.

## **Glossary of Terms**

### **Commercial Building Inventory**

This measure, like all of the data in this report, is generated from the CoStar database of commercial real estate. It includes most of the property types in CoStar's database, such as office, retail, flex, industrial, health care, and sports and recreation. Residential uses such as apartment buildings and student dormitories, as well as land, were excluded from the analysis.

### **Square footage (rentable building area)**

Anywhere in this report where something is measured in terms of square footage, that refers specifically to rentable building area. According to CoStar "this area includes the usable area and its associated share of the common areas. Typically rents are based on this area. It is the space the tenant will occupy in addition to the associated common areas of the building such as the lobby, hallways, bathrooms, equipment rooms, etc."<sup>8</sup>

### **Vacancy**

Vacancy, for our purposes in this report, is the share of vacant RBA (rentable building area) in a given geography divided by the share of total RBA. Because we calculate vacancy based on RBA, larger vacant spaces contribute more to a vacancy rate than smaller vacant spaces. CoStar calculates vacancy rates based on property listings data, so these vacancy rates do not include properties which have been entirely abandoned or condemned. As such, in some communities, the true vacancy rate might be substantially higher.

### **All service type lease rates**

This is the average monthly lease rate per square foot across all service types.

### **Building sales**

Data on building sales was also generated from CoStar. CoStar maintains a database of commercial buildings that includes fields for the last sale date and last sale price, which were used as the basis for this present analysis. Because these data only have the last sales date, if a building was sold two or more times during the study period, earlier sales would not be reflected in the data. However, given that the window for this study is ten years (Q1 2010 to Q4 2020) and given that the purchase of these sorts of buildings is a fairly major undertaking, the SEIGMA team determined that the number of buildings excluded from the data set due to this problem would be relatively small.

### **Correlation between Sale Price and Distance to Casino**

Using CoStar's transaction-level sales data, we calculated the distance from each property that was sold from 2010 to 2020 in a host or surrounding community to the nearest casino. We then correlated the distance measure with sales price on yearly basis to investigate whether or not there was a trend in the relationship between sales price and distance from the nearest casino.

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<sup>8</sup> CoStar provides a glossary of terms of their own at [https://www.costar.com/about/costar-glossary#go\\_r](https://www.costar.com/about/costar-glossary#go_r)

## Further Reading

The University of Massachusetts Amherst School of Public Health & Health Sciences (SPHHS) has been engaged by the Massachusetts Gaming Commission (MGC) to carry out a comprehensive, multi-year research project, believed to be the first of its kind, on the economic and social impacts of introducing casino gambling in Massachusetts. The Umass Donahue Institute leads the economic and fiscal impact research, producing reports on a regular basis on a variety of related topics. Publications that are particularly relevant to Real Estate include:

- Real Estate Reports
  - Real Estate Profiles of Host Communities
    - [Everett Real Estate Profile](#)
    - [Plainville Real Estate Profile](#)
    - [Springfield Real Estate Profile](#)
  - Real Estate Impacts of MGM Springfield in Springfield and Surrounding Communities
  - Real Estate Impacts of Plainridge Park Casino on Plainville and Surrounding Communities
  
- Construction Reports
  - The Construction of Encore Boston Harbor: Spending, Employment, and Economic Impacts
  - The Construction of MGM Springfield: Spending, Employment and Economic Impacts
  - The Construction of Plainridge Park Casino: Spending, Employment and Economic Impacts

Reports are continually being released; for future research: <https://www.umass.edu/seigma/reports>

## Appendix

### Appendix 1: Building Inventory and Square Footage, Everett and Surrounding Communities

	Number of Buildings, Q4 2020	Percent Change in Buildings, Q1, 2010-Q4 2020	Percent Change in Buildings, Q3, 2014-Q4 2020	Percent Change in Buildings, Q2, 2019-Q4 2020	Rentable Building Area, Q4 2020	Percent Change in Area, Q1, 2010-Q4 2020	Percent Change in Area, Q3, 2014-Q4 2020	Percent Change in Area, Q2, 2019-Q4 2020
<b>Massachusetts</b>	<b>15,610</b>	<b>2.5%</b>	<b>1.4%</b>	<b>0.1%</b>	<b>271,958,779</b>	<b>3.1%</b>	<b>1.5%</b>	<b>0.2%</b>
<b>Everett</b>	<b>407</b>	<b>1.2%</b>	<b>1.2%</b>	<b>0.0%</b>	<b>6,707,929</b>	<b>2.6%</b>	<b>2.6%</b>	<b>0.0%</b>
<b>Surrounding Communities</b>	<b>9,200</b>	<b>2.9%</b>	<b>2.0%</b>	<b>0.4%</b>	<b>231,400,448</b>	<b>9.8%</b>	<b>6.6%</b>	<b>1.2%</b>
Boston	5,915	2.7%	1.8%	0.4%	160,482,734	8.1%	5.2%	0.8%
Cambridge	1,238	3.4%	2.3%	0.6%	40,027,440	18.5%	12.0%	3.3%
Lynn	532	1.7%	0.9%	0.0%	6,846,222	2.5%	1.3%	0.0%
Malden	431	2.6%	1.7%	0.2%	6,600,177	2.4%	1.8%	0.7%
Medford	352	2.6%	2.0%	0.6%	6,254,377	8.1%	7.9%	1.9%
Melrose	138	1.5%	1.5%	0.7%	1,076,460	1.2%	1.2%	1.2%
Somerville	594	4.9%	3.8%	0.2%	10,113,038	19.5%	15.5%	0.1%

### Appendix 2: Vacancy Rates in Everett and Surrounding Communities

	Vacancy, Q4 2020	Change in Vacancy Rate, Q1 2010 - Q4 2020	Change in Vacancy Rate, Q3 2014 - Q4 2020	Change in Vacancy Rate, Q2 2019 - Q4 2020
<b>Massachusetts</b>	<b>5.1%</b>	<b>-3.8%</b>	<b>-2.1%</b>	<b>1.2%</b>
<b>Everett</b>	<b>2.4%</b>	<b>-1.1%</b>	<b>0.4%</b>	<b>-0.5%</b>
<b>Surrounding Communities</b>	<b>6.3%</b>	<b>-2.4%</b>	<b>-0.4%</b>	<b>2.0%</b>
Boston	7.0%	-2.1%	0.1%	2.1%
Cambridge	3.7%	-4.1%	-3.4%	1.5%
Lynn	6.3%	-4.6%	1.7%	4.5%
Malden	7.5%	0.7%	1.3%	1.4%
Medford	5.8%	0.3%	0.6%	1.1%
Melrose	0.2%	-6.1%	-4.6%	-1.3%
Somerville	5.0%	-2.7%	0.3%	2.0%

**Appendix 3: All Service Type Lease Rates in Everett and Surrounding Communities**

	All service Type Lease Rates			
	Q4 2020 Rate per Square Foot	Percent Change, Q1 2010- Q4 2020	Percent Change, Q3 2014- Q4 2020	Percent Change Q2 2019- Q4 2020
<b>Massachusetts</b>	<b>\$8.93</b>	<b>6.9%</b>	<b>21.0%</b>	<b>-0.5%</b>
<b>Everett</b>	<b>\$15.93</b>	<b>58.5%</b>	<b>52.7%</b>	<b>-0.8%</b>
Boston	\$28.69	17.4%	20.7%	0.6%
Cambridge	\$47.52	33.1%	6.6%	-4.1%
Lynn	\$16.43	46.0%	55.1%	28.9%
Malden	\$17.58	2.2%	4.3%	8.6%
Medford	\$18.29	9.0%	11.4%	-15.6%
Melrose	\$24.38	82.9%	92.4%	7.4%
Somerville	\$31.09	82.0%	50.8%	13.2%

**Appendix 4: Building Inventory and Square Footage, Springfield and Surrounding Communities**

	Number of Buildings, Q4 2020	Percent Change in	Percent Change in	Percent Change in	Rentable Building Area, Q4 2020	Percent Change in	Percent Change in	Percent Change in
		Buildings, Q1, 2010- Q4 2020	Buildings, Q2, 2014- Q4 2020	Buildings, Q3, 2018- Q4 2020		Area, Q1, 2010- Q4 2020	Area, Q2, 2014- Q4 2020	Area, Q3, 2018- Q4 2020
<b>Massachusetts</b>	<b>15,610</b>	<b>2.50%</b>	<b>1.50%</b>	<b>0.40%</b>	<b>271,958,779</b>	<b>3.10%</b>	<b>1.50%</b>	<b>0.50%</b>
<b>Springfield</b>	<b>1,416</b>	<b>3.30%</b>	<b>2.20%</b>	<b>0.40%</b>	<b>26,192,656</b>	<b>5.20%</b>	<b>3.40%</b>	<b>1.80%</b>
<b>Surrounding Communities</b>	<b>2,636</b>	<b>2.20%</b>	<b>1.40%</b>	<b>0.30%</b>	<b>46,031,410</b>	<b>0.90%</b>	<b>0.60%</b>	<b>0%</b>
Agawam	315	2.90%	1.90%	0.30%	435,469	0.90%	0.50%	0.10%
Chicopee	685	1.50%	0.60%	0.30%	12,612,696	0.70%	0.30%	0%
East Longmeadow	153	4.10%	2.70%	1.30%	4,709,704	0.60%	0.50%	0.10%
Holyoke	758	1.50%	1.10%	0%	16,824,360	0.60%	0.40%	0%
Longmeadow	38	5.60%	5.60%	0%	597,658	11.80%	11.80%	0%
Ludlow	126	5%	2.40%	1.60%	1,546,186	2%	0.80%	0.40%
West Springfield	469	2.60%	2%	0.20%	7,641,778	1.30%	0.90%	0%
Wilbraham	92	1.10%	0%	0%	1,663,559	0%	0%	0%



**Appendix 5: Vacancy Rates in Springfield and Surrounding Communities**

	Vacancy, Q4 2020	Change in Vacancy Rate, Q1 2010 - Q4 2020	Change in Vacancy Rate, Q2 2014 - Q4 2020	Change in Vacancy Rate, Q3 2018 - Q4 2020
<b>Massachusetts</b>	<b>5.1%</b>	<b>-3.8%</b>	<b>-2.8%</b>	<b>1.5%</b>
<b>Springfield</b>	<b>4.3%</b>	<b>-5.8%</b>	<b>-5.7%</b>	<b>0.6%</b>
<b>Surrounding Communities</b>	<b>6.7%</b>	<b>-3.3%</b>	<b>-1.0%</b>	<b>2.4%</b>
Agawam	10.6%	-7.3%	-0.4%	3.1%
Chicopee	3.1%	-7.0%	-5.5%	1.5%
East Longmeadow	14.2%	-1.3%	0.5%	2.1%
Holyoke	7.9%	0.2%	1.1%	4.3%
Longmeadow	8.1%	-2.3%	6.3%	4.2%
Ludlow	3.2%	-3.0%	0.9%	0.8%
West Springfield	6.8%	-4.5%	0.4%	0.9%
Wilbraham	0.8%	-10.7%	-3.9%	-0.6%

**Appendix 6: Lease Rates in Springfield and Surrounding Communities, All Property Types**

	All Service Type Lease Rates			
	Q4 2020 Rate per Square Foot	Percent Change, Q1 2010- Q4 2020	Percent Change, Q2 2014- Q4 2020	Percent Change, Q3 2018- Q4 2020
<b>Massachusetts</b>	<b>\$8.93</b>	<b>6.9%</b>	<b>22.8%</b>	<b>0.4%</b>
<b>Springfield</b>	<b>\$10.68</b>	<b>17.3%</b>	<b>29.7%</b>	<b>-6.0%</b>
Agawam <sup>1</sup>	N/A	N/A	N/A	N/A
Chicopee	\$6.51	8.2%	-8.1%	6.1%
East Longmeadow	\$4.13	1.4%	27.6%	9.5%
Holyoke	\$5.98	-15.6%	-27.2%	-30.1%
Longmeadow	\$21.78	-8.5%	-2.1%	-25.4%
Ludlow	\$16.89	67.8%	99.6%	44.0%
West Springfield	\$12.55	26.2%	54.1%	4.4%
Wilbraham	\$10.34	-32.1%	-27.1%	-36.7%

<sup>1</sup>data not available

**Appendix 7: Building Inventory and Square Footage, Plainville and Surrounding Communities**

	Number of Buildings, Q4 2020	Percent Change in Buildings, Q1, 2010-Q4 2020	Percent Change in Buildings, Q1, 2014-Q4 2020	Percent Change in Buildings, Q2, 2015-Q4 2020	Rentable Building Area, Q4 2020	Percent Change in Area, Q1, 2010-Q4 2020	Percent Change in Area, Q1, 2014-Q4 2020	Percent Change in Area, Q2, 2015-Q4 2020
<b>Massachusetts</b>	<b>15,610</b>	<b>2.50%</b>	<b>1.50%</b>	<b>1.40%</b>	<b>271,958,779</b>	<b>3.10%</b>	<b>1.60%</b>	<b>1.30%</b>
<b>Plainville</b>	<b>191</b>	<b>7.90%</b>	<b>5.50%</b>	<b>3.80%</b>	<b>2,125,141</b>	<b>13.50%</b>	<b>10.30%</b>	<b>8.60%</b>
<b>Surrounding Communities</b>	<b>1,397</b>	<b>4.70%</b>	<b>3.50%</b>	<b>3.20%</b>	<b>30,772,678</b>	<b>3.50%</b>	<b>2.70%</b>	<b>3%</b>
Attleboro	468	2.40%	1.70%	1.70%	8,358,069	1.20%	0.90%	0.90%
Foxborough	265	3.10%	2.70%	2.70%	6,145,227	5.30%	5.30%	5%
Mansfield	249	5.10%	3.80%	2.50%	8,877,554	2.10%	1.80%	1.30%
North Attleborough	293	5.40%	4.30%	4%	5,701,002	5.10%	3.60%	4%
Wrentham	122	16.20%	9.90%	9%	1,690,826	12.20%	4.40%	4%

**Appendix 8: Vacancy Rates in Plainville and Surrounding Communities**

	Change in Vacancy Rate, Q1 2010 - Q4 2020	Change in Vacancy Rate, Q1 2014 - Q4 2020	Change in Vacancy Rate, Q2 2015 - Q4 2020
<b>Massachusetts</b>	<b>5.1%</b>	<b>-3.8%</b>	<b>-2.5%</b>
<b>Plainville</b>	<b>2.9%</b>	<b>-1.9%</b>	<b>-2.0%</b>
<b>Surrounding Communities</b>	<b>3.7%</b>	<b>-6.2%</b>	<b>-2.5%</b>
Attleboro	3.0%	-5.7%	-3.5%
Foxborough	2.8%	-7.0%	-2.8%
Mansfield	4.9%	-8.4%	-0.9%
North Attleborough	4.4%	-3.5%	-1.3%
Wrentham	1.3%	-2.9%	-8.3%

**Appendix 9: Lease Rates in Plainville and Surrounding Communities, All Property Types**

	All Service Type Lease Rates			
	Q4 2020 Rate per Square Foot	Percent Change, Q1 2010- Q4 2020	Percent Change, Q1 2014- Q4 2020	Percent Change, Q2 2015- Q4 2020
<b>Massachusetts</b>	<b>\$8.93</b>	<b>6.9%</b>	<b>23.9%</b>	<b>21.0%</b>
<b>Plainville</b>	<b>\$12.83</b>	<b>-7.1%</b>	<b>52.4%</b>	<b>44.0%</b>
Attleboro	\$12.19	97.5%	128.9%	156.6%
Foxborough	\$14.09	12.2%	74.1%	60.7%
Mansfield	\$8.54	13.1%	27.6%	20.3%
North Attleborough	\$9.99	-14.6%	-4.9%	0.8%
Wrentham	\$13.27	8.8%	23.0%	48.9%

# Massachusetts Casinos: Assessing Impacts on Commercial Real Estate Conditions

Thomas Peake

Dr. Mark Melnik

UMass Donahue Institute

*October 21, 2020*

# **SEIGMA: THE EFFECTS OF CASINOS IN MASSACHUSETTS**

## ***ECONOMIC AND FISCAL ANALYSIS***

# 2011 Expanded Gaming Act

- Allows for resort style casinos in three geographically diverse regions
- No more than one casino in each region
- Allows for one slots parlor statewide (not geographically restricted)
- Requires an annual research agenda



# Economic and Fiscal Research: Three Phases

## Baseline analyses

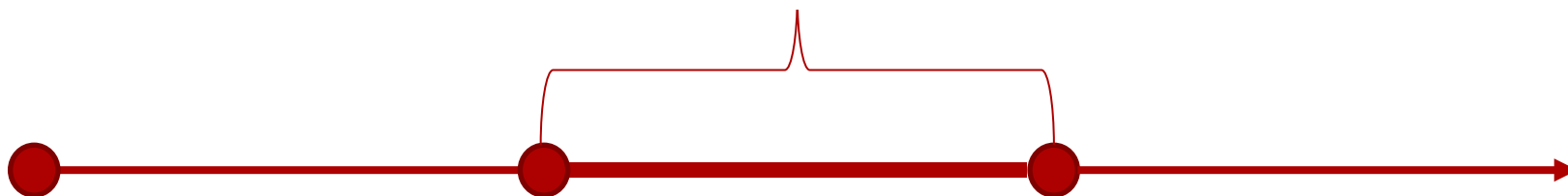
- Tracking economic and fiscal conditions before gaming facilities



# Economic and Fiscal Research: Three Phases

## Development/Construction

- Measuring impacts as construction occurs at each gaming facility





# Economic and Fiscal Research: Three Phases

## Operations

- Measuring and monitoring impacts from operations of gaming facilities



# Economic and Fiscal Research: Three Elements of Impacts

## Casino Industry Impacts

- Casino Workforce
- Casino Operating & Construction Spending
- Patrons
- Government & Fiscal Impacts (GGR; HSC Payments)
- Lottery

## Economic & Community Impacts

- Local Business Indicators
- Resident Indicators
- Labor Force Indicators
- Real Estate & Housing
- Community Comparisons

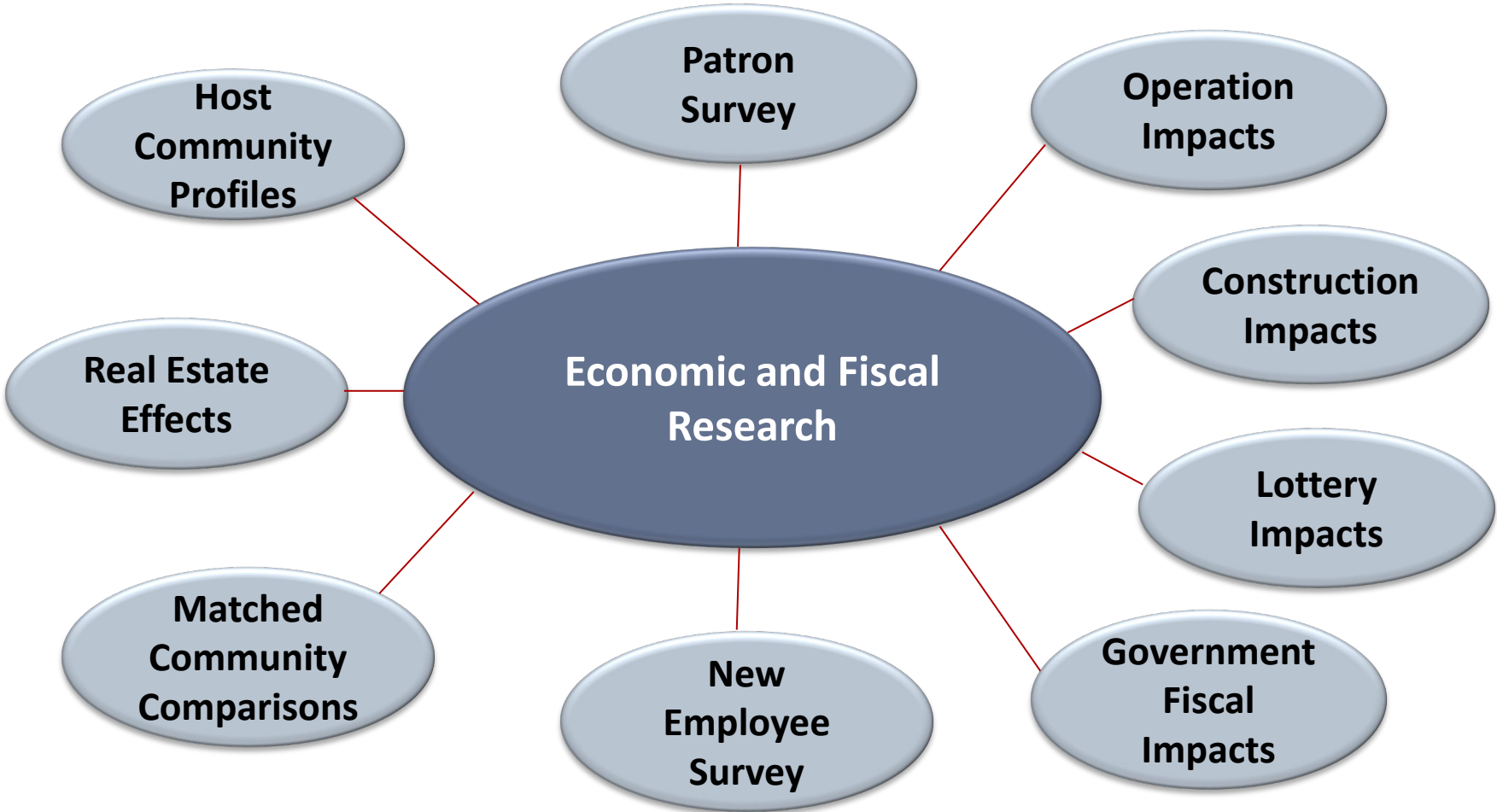
## Special Topics

- Legalized sports gambling
- Impact on tourism
- Horse-racing
- COVID-19 Impact on the Industry
- Others?

# SEIGMA 2.0

- Continue tracking and analyzing key legacy topics
- Enhance engagement
  - community outreach and involvement
  - dissemination of reports
  - collaboration and involvement in research
- Additional topical flexibility for research portfolio
  - special topics
  - ad hoc reports
  - stakeholder ideas

# Economic and Fiscal Research: Activities Measuring Impacts



# SEIGMA: ANALYSIS OF COMMERCIAL REAL ESTATE IMPACTS

# Summary

- Research to assess how commercial real estate conditions have changed in the host and surrounding communities since the expansion of gambling in Massachusetts
- Topics studied include inventory, vacancy, lease rates, and sales prices

# Method

- The SEIGMA team used proprietary CoStar data to obtain insight into commercial real estate conditions
- Assessing commercial real estate conditions can be more difficult than assessing residential real estate conditions
  - Small sample size
  - Infrequent sales
  - Very little public data

# Method

- Many factors beyond the casino can affect commercial real estate conditions
- The SEIGMA team compared trends in the host community to the surrounding communities and the Commonwealth
- Divergences in trends corresponding to key dates may be evidence of casino impacts
- Our report contains a chapter for each host community



# Context/Summary of Findings

- When casino gambling was legalized, many expected the casinos to induce new real estate investment which would dramatically transform local commercial real estate landscapes
- Looking back on the last decade, it is clear that the casinos operate in a broader ecosystem of economic activities, and in the context of a state experiencing robust economic recovery following the Great Recession

# Context/Summary of Findings (continued)

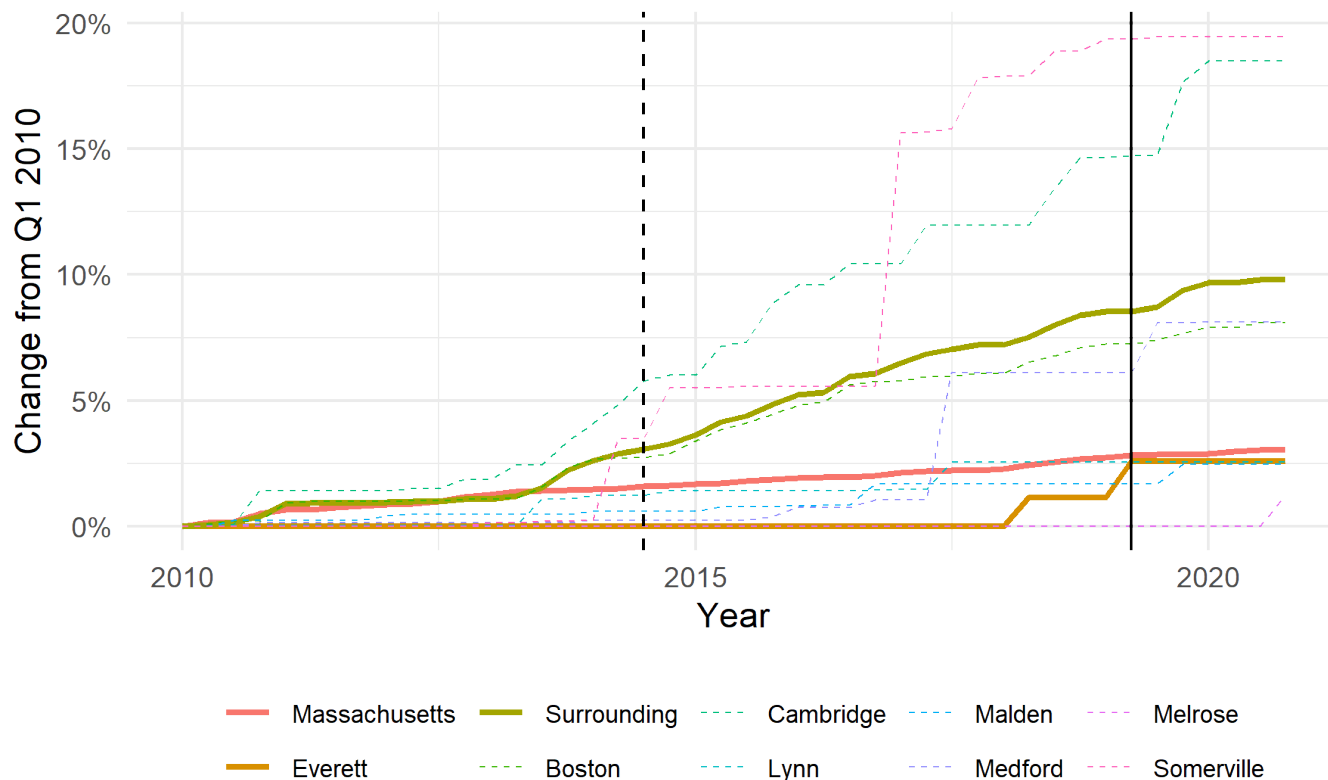
- Commercial real estate markets have tended to be strong in all three host communities, as well as the surrounding communities and the Commonwealth as a whole
- While the casinos may have played a role in strengthening local real estate markets, we do not see any dramatic divergences from the statewide trend
- That said, there are important differences in real estate conditions between host communities

# Everett

- **Everett's commercial real estate inventory and average lease rates have risen since the casino was announced**
- Casino-related real estate impacts are difficult to differentiate in the context of a booming regional real estate market
- Relatively isolated location of Encore Boston Harbor may limit “ripple effect” investment
- Everett is a much more dense community than the other host communities, and land there is much more intensively utilized

# Inventory (Commercial Square Footage) in Everett

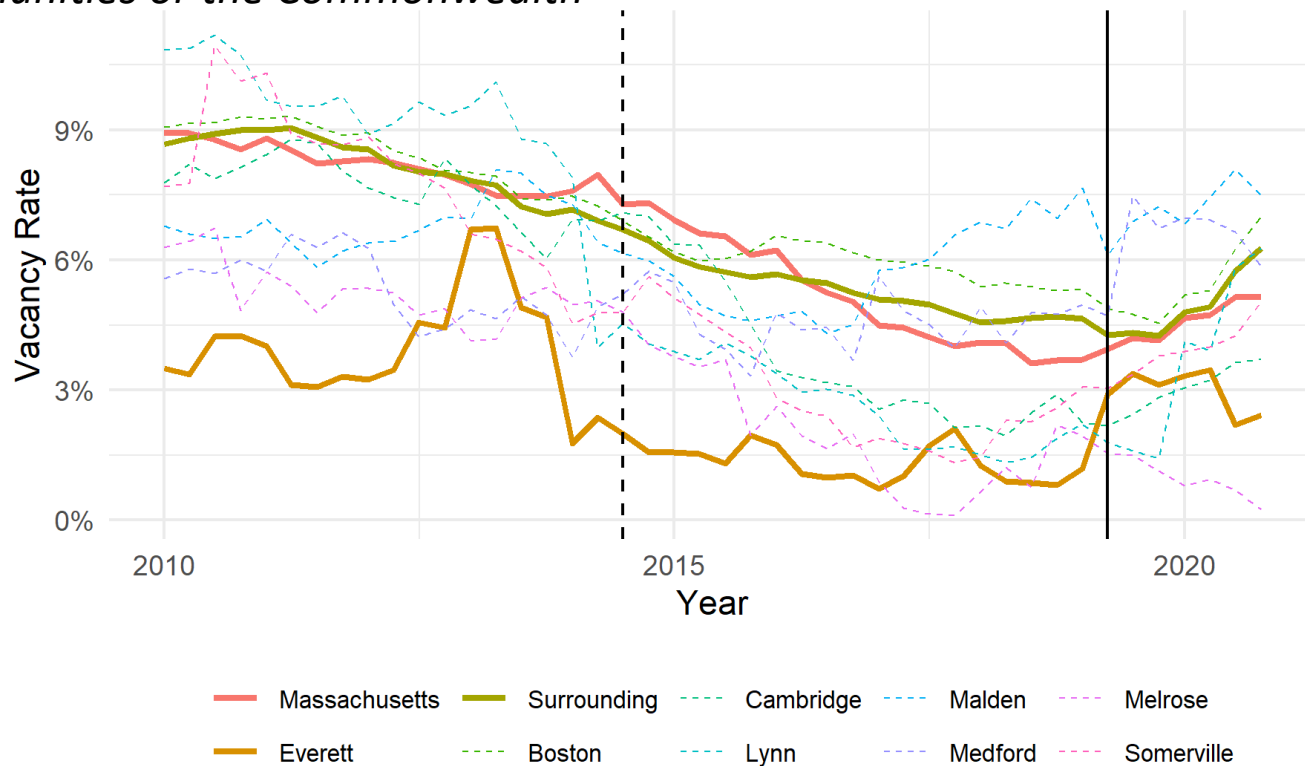
*Most of the growth in Everett took place leading up to the opening of the casino and is likely casino-related*



*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

# Commercial Vacancy in Everett

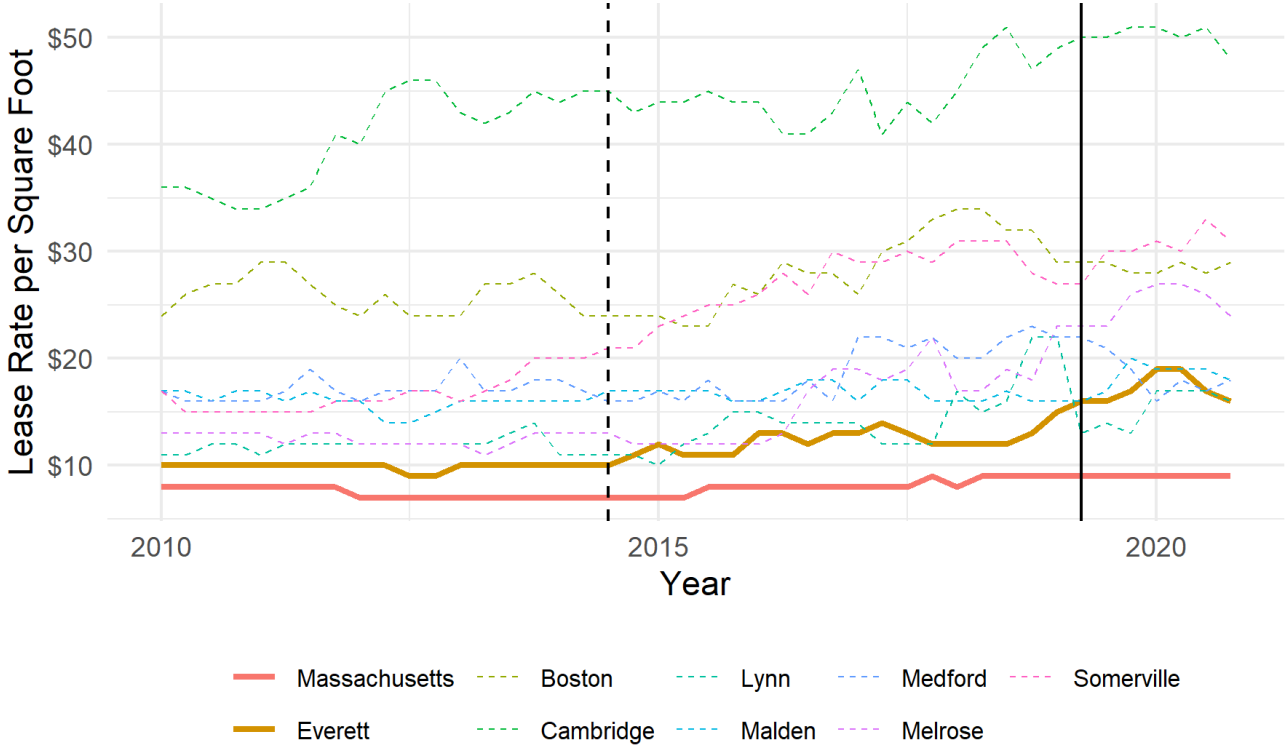
*Vacancy rates in Everett have been persistently lower than in the surrounding communities or the Commonwealth*



*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

# Commercial Lease rates in Everett

*Inflation-adjusted lease rates have steadily risen in the years before and after the casino opening, with a small dip as the COVID-19 pandemic approached*



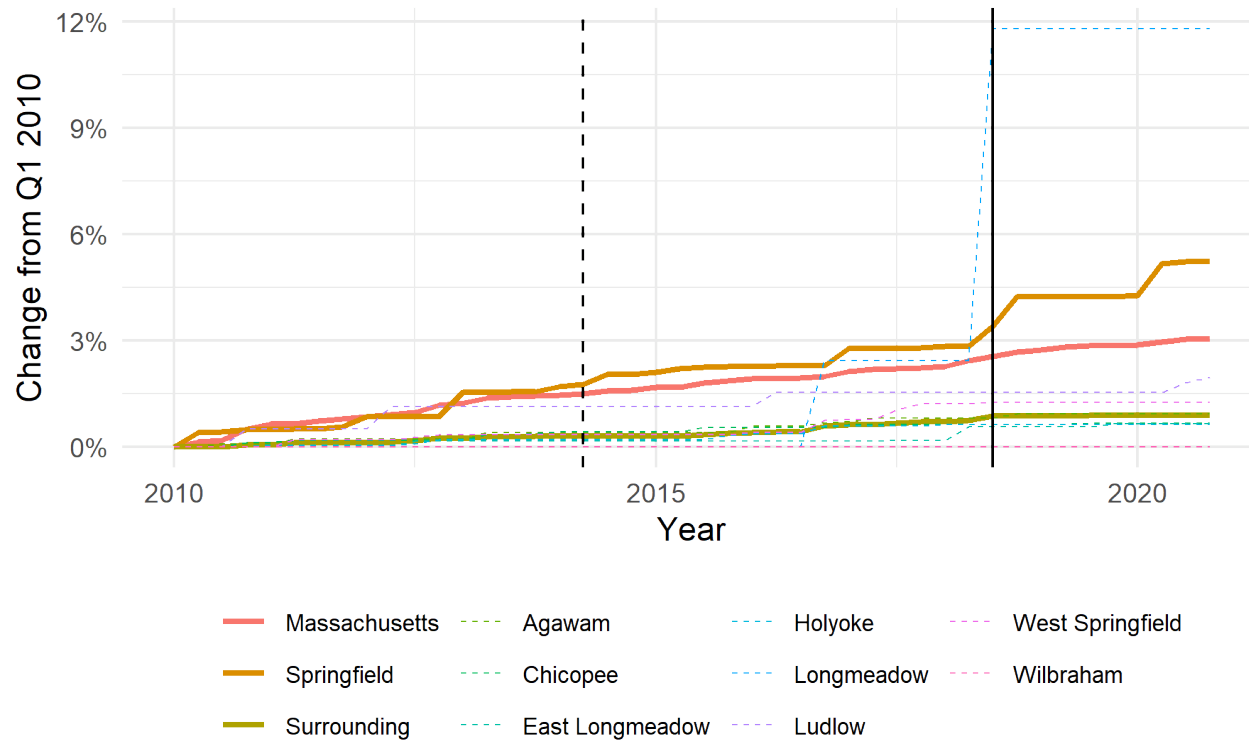
*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

# Springfield

- **Data suggest that demand for commercial real estate in Springfield has risen, and the casino may play a role in that**
- Inventory, vacancy rates, and lease rates have all risen over the last decade
- MGM Springfield's downtown location may amplify impacts
- Economic recovery from the Great Recession came a bit later in Springfield, and other important economic development projects likely played a role

# Inventory (Commercial Square Footage) in Springfield

*Springfield's commercial real estate square footage has risen at a faster rate than that of the Commonwealth, and much faster than its surrounding communities*

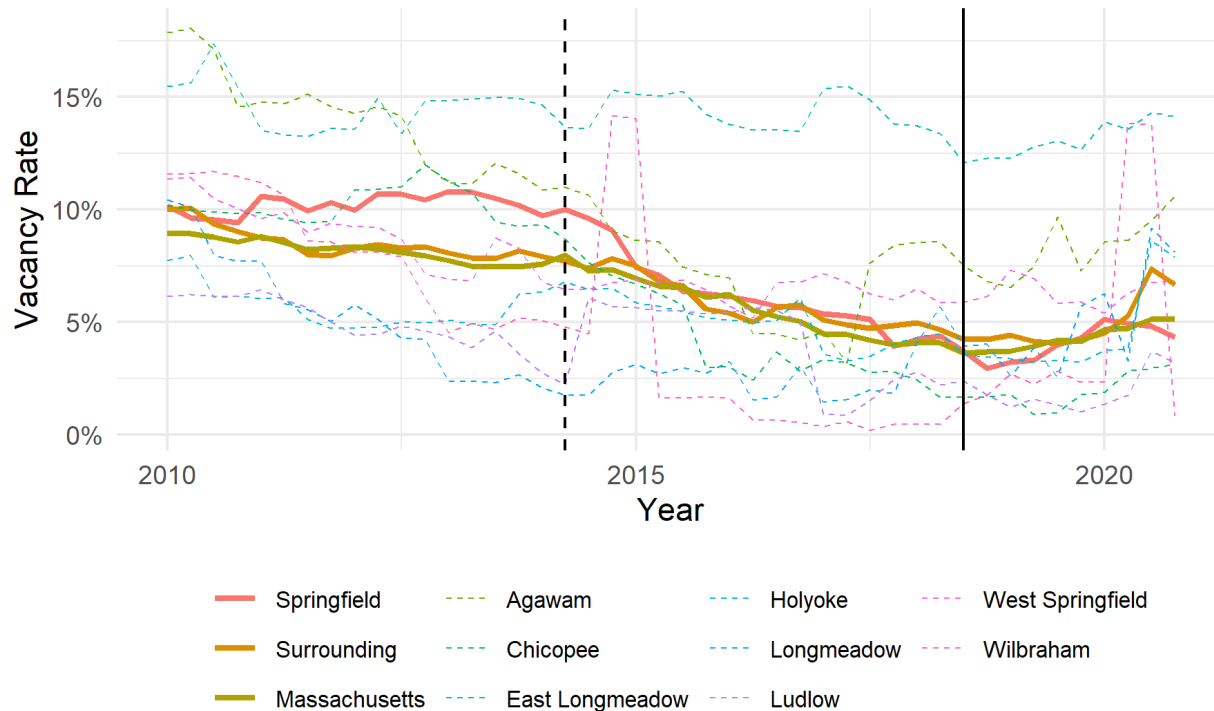


*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*



# Commercial Vacancy in Springfield

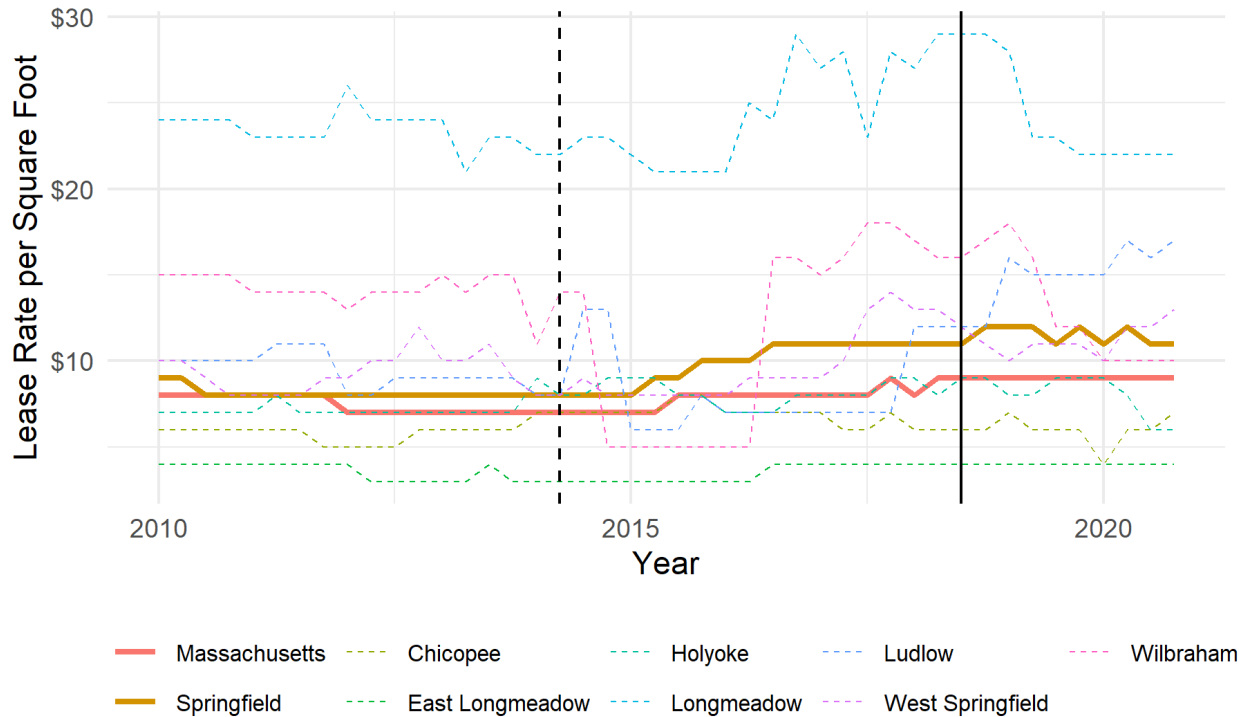
*Springfield's commercial vacancy rates have fallen since before MGM Springfield was announced, although that is in line with the statewide and regional trends*



*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

# Commercial Lease Rates in Springfield

*Springfield's inflation-adjusted commercial lease rates rose on average since MGM Springfield was announced, and have been fairly stable since*



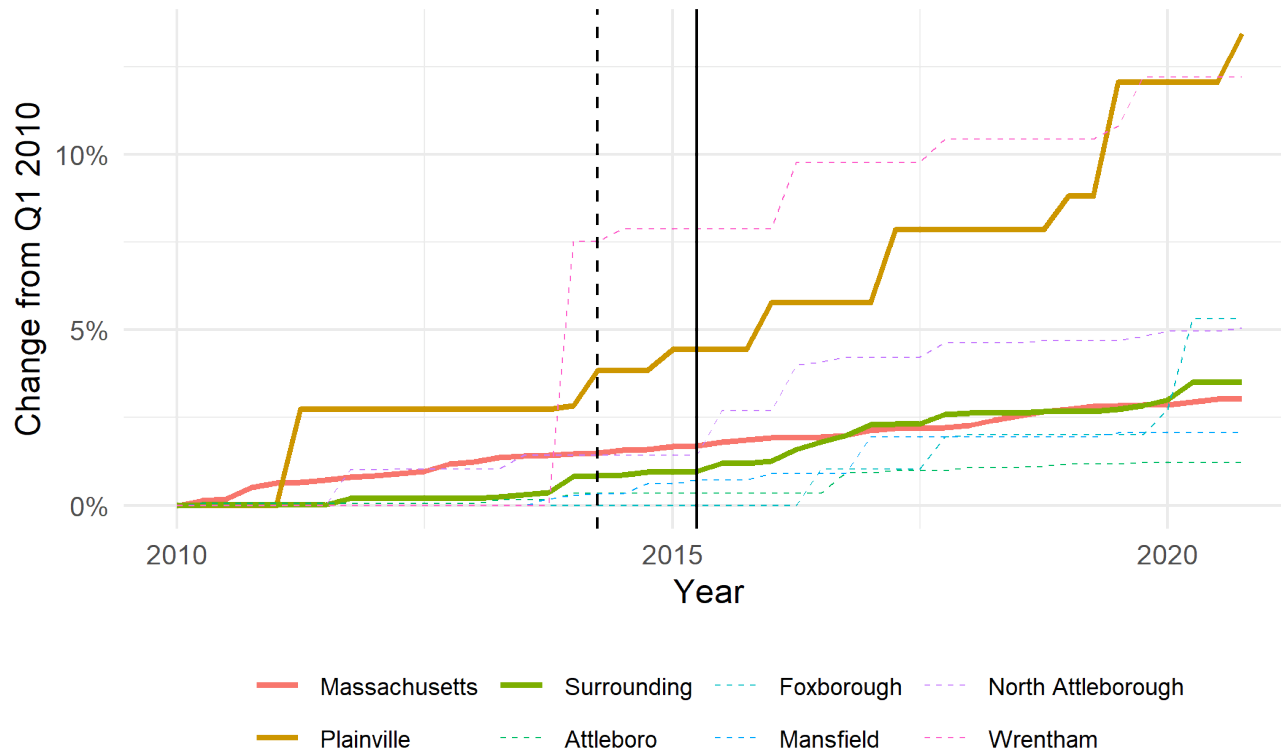
*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

# Plainville

- **Plainville's commercial real estate trends mirror those of the area in many respects, and the impact of the casino is difficult to discern**
- Proximity to Boston, Worcester, and Providence makes it ideal for large consumer attractions
- Small communities with few commercial buildings leads to volatile trends

# Inventory (Commercial Square Footage) in Plainville

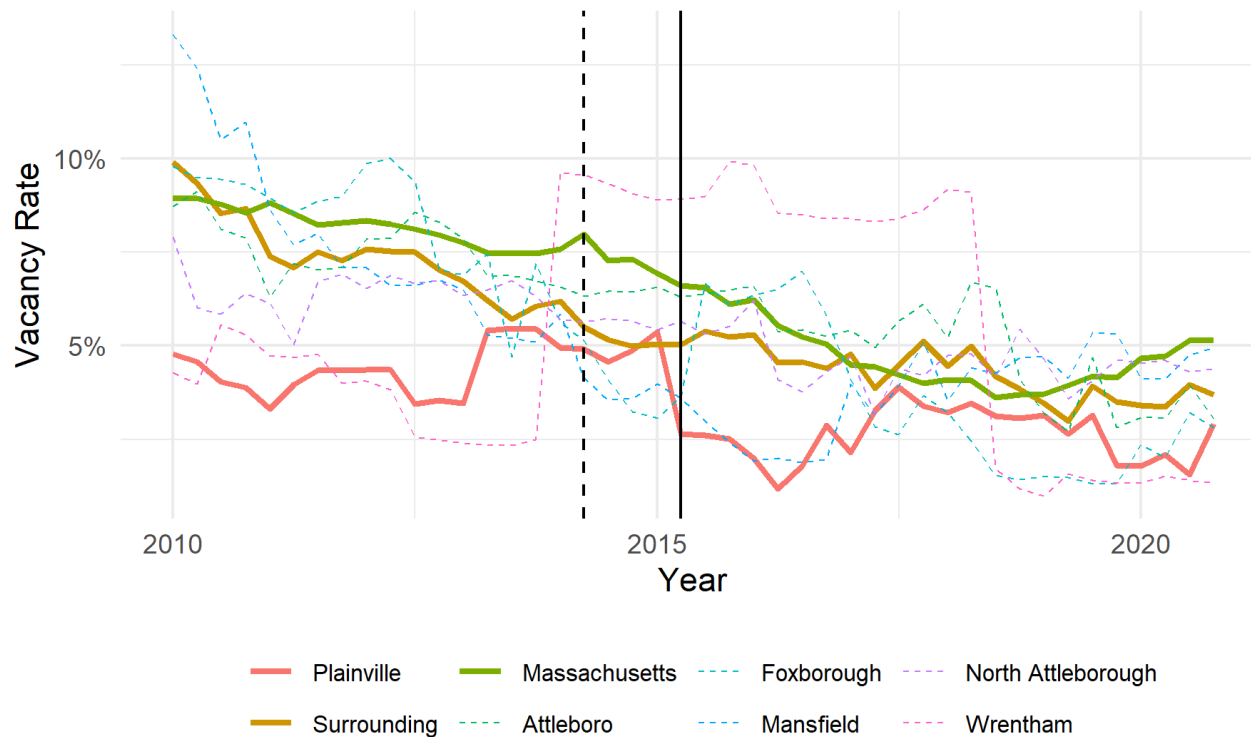
*Even more so than in Springfield, Plainville's commercial real estate square footage has risen at a faster rate than that of the Commonwealth, and surrounding communities*



*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

# Commercial Vacancy in Plainville

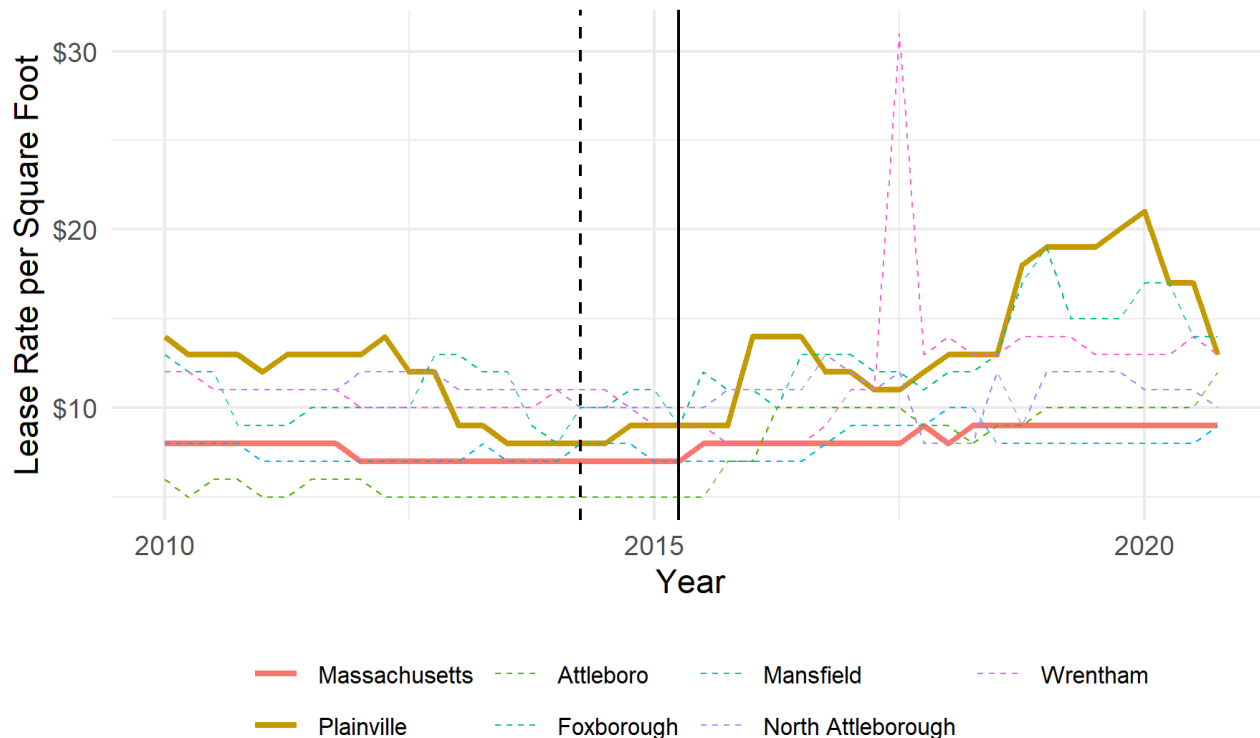
*Plainville's commercial vacancy rates have generally been lower than those of the Commonwealth or the surrounding community. They have also been more volatile*



*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

# Commercial Lease Rates in Plainville

*Plainville's inflation-adjusted lease rates have risen since the casino was first announced, and have recently fallen as more commercial square footage has been developed and the start of the pandemic*



*Note: The dashed line denotes the awarding of a license to operate a casino. The solid line denotes the opening of the casino.*

# Sales Price Analysis

- The SEIGMA team also did an analysis of commercial real estate sales prices. Findings were largely inconclusive but some findings included:
  - Inflation-adjusted sales price per-square foot for commercial buildings in Everett have steadily risen since 2010
  - Sales prices in Springfield were more stable than in Everett, but the number of commercial real estate sales per year increased substantially over the last decade
  - As a smaller community, trends in Plainville are harder to discern

# Host Community Conclusions

- Everett's commercial real estate inventory and average lease rates have risen since the casino was announced
- Data suggest that demand for commercial real estate in Springfield has risen, and the casino may play a role in that
- Plainville's commercial real estate trends mirror those of the area in many respects, and the impact of the casino is difficult to discern



# General Conclusions

Overall, expansion of gambling in Massachusetts has not had a dramatic effect on local commercial real estate markets. While commercial real estate conditions in host and surrounding communities have shifted over time, many of these shifts are in line with changes observed regionally or statewide.

# Questions and Discussion

# Thank you!

For more information, contact:

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# GameSense Quarterly Report

## July-September 2021

*- Chelsea Turner, Linh Ho, Amy Gabriela &  
Rhonda Martins*

# Agenda

- The Quarterly Numbers
- Champion Awards
- RGEW, including 2 demos
- Recovery Month
- Communications Spotlight
- Coming Soon



## GameSense

A program designed to ensure that gambling remains a safe form of entertainment. It aims to advance an effective, sustainable and socially responsible approach to gambling for both casino patrons and staff.

Tailoring content through 'stepped care'

**Problem Players**

Improve access to programs and services which prevent escalation and maximize recovery.



**At-Risk Players**

Increases early intervention, make up ~8% of the MA general population.



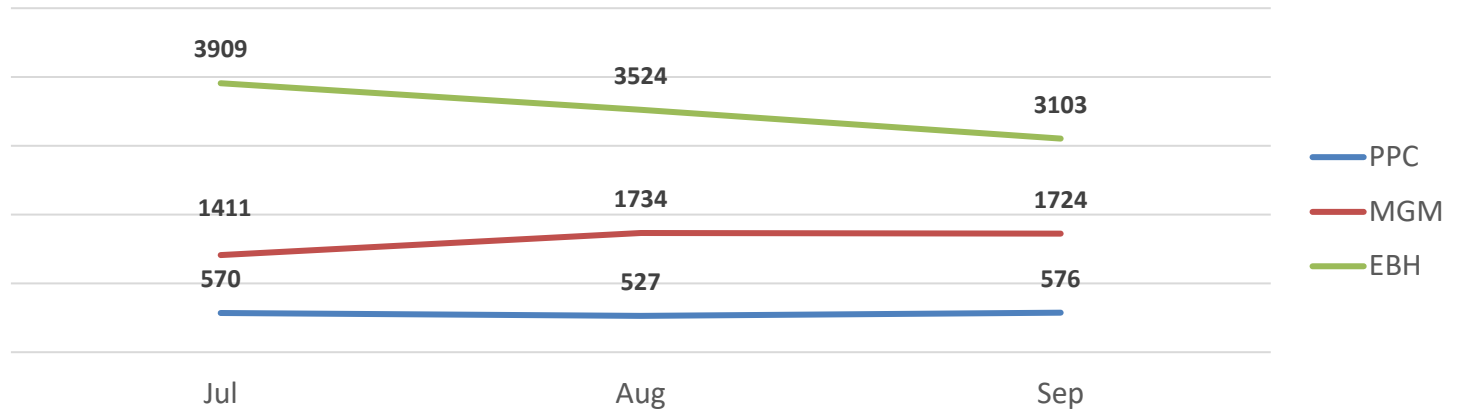
**Positive Players**

Focuses on promotion and prevention. Make up ~90% of the MA general population.



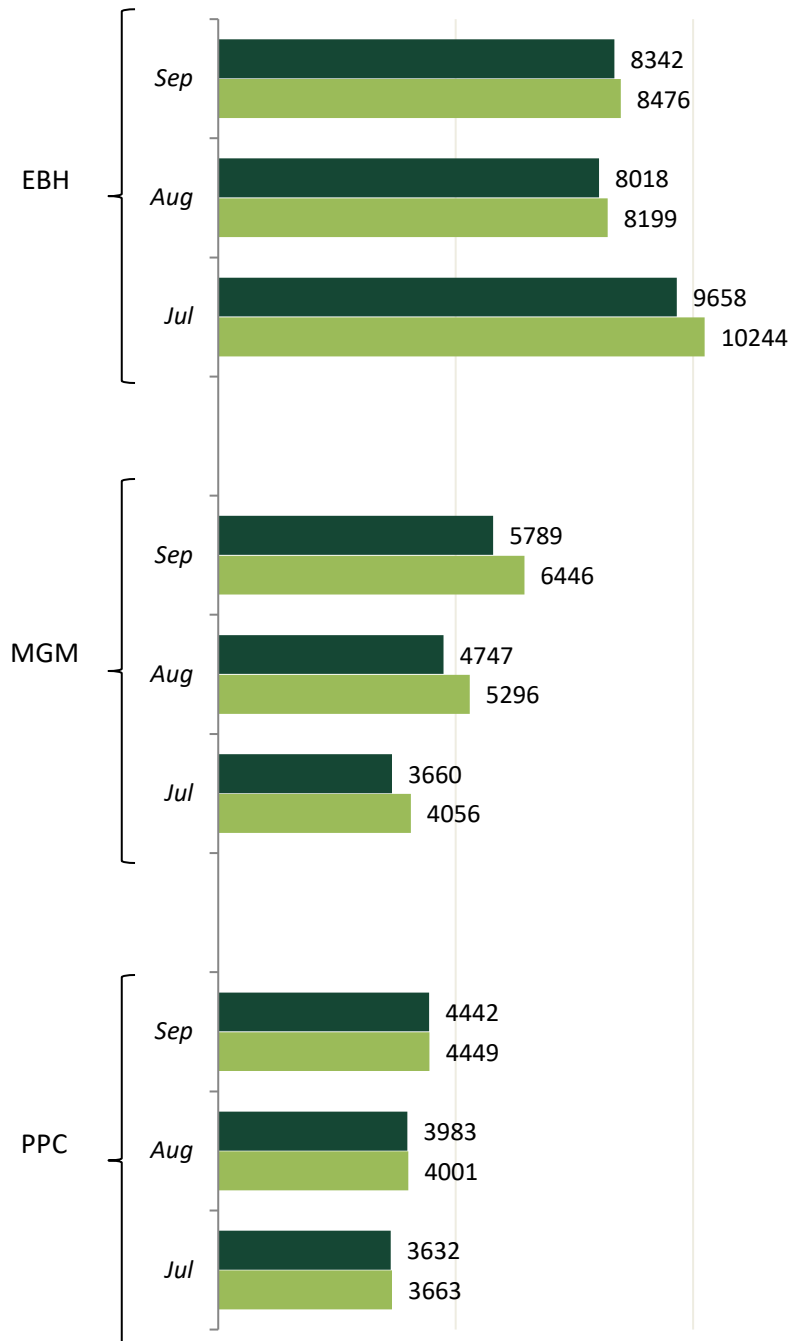
All guests receive excellent customer service

**Number of unique casino related interactions**



Positioned in a high-traffic area, GameSense Advisors often answer casino-related questions such as details on promotions or events. Not only is this important for program awareness and relationship building, but underscores the neutrality of GameSense in regard to engaging, or not engaging, in gambling.

## Simple Interactions



Simple interactions often lead to intensive interactions

■ Number of interactions  
■ People involved

A simple interaction is one-way communication between a GSA and guest or staff member which does not involve RG or PG. They are important for relationship building and general customer service.

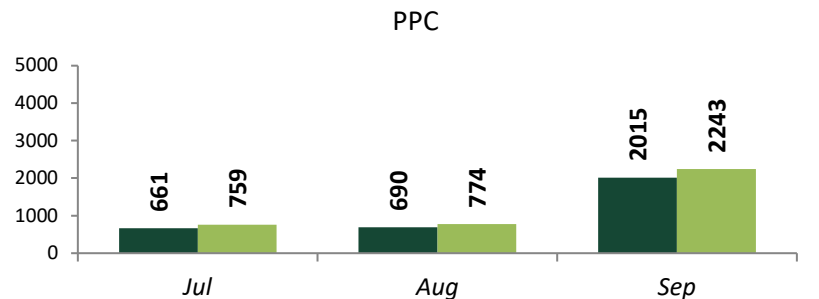
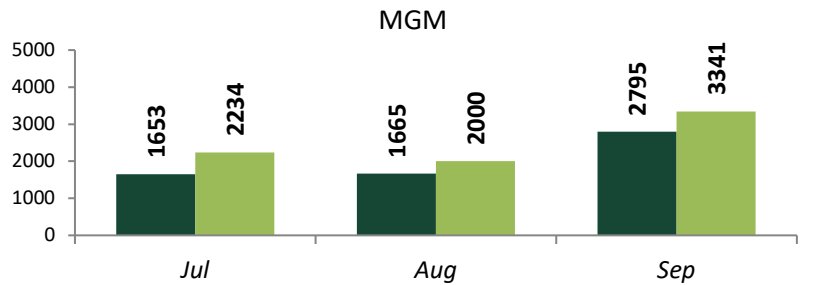
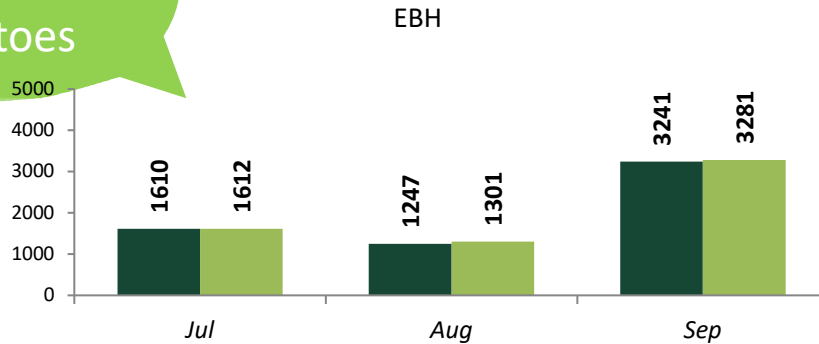
## Promote positive play.

The majority of casino patrons engage in "positive play" and exhibit no problems with their gambling.

Awareness of GameSense as a resource can be useful should the player or a friend/loved one experience a gambling problem.

Intensive interactions=meat and potatoes

## Intensive Interactions



■ Number of interactions ■ People involved

## Exchange Interactions X Topic

	Jul	Aug	Sep
What is GameSense	537	245	263
General randomness, odds, myths, taking a break	506	203	195
Budgeting	473	171	188
Problem gambling (general info or available resources)	468	149	153

What is GameSense	244	237	166
Budgeting	211	208	161
General randomness, odds, myths, taking a break	214	189	151
How slots work (randomness, odds etc.)	116	121	199

Play My Way (enrollment, removal, budgeting..)	278	298	249
General randomness, odds, myths, taking a break	58	114	122
Budgeting	85	79	92
What is GameSense?	64	68	55

An "intensive interaction" combines exchange and demonstrations and is defined as a two-way conversation involving RG/PG between GSA and guest or staff. A demonstration interaction includes an educational aid or activity.

Promote positive play (cont'd).

GameSense Advisors ensure that play remains positive amongst players by increasing knowledge of and attitudes towards GameSense, PlayMyWay and by improving patron literacy, play behavior, attitudes and beliefs towards gambling.



## Voluntary Self Exclusion Enrollments

Persons enrolling in VSE are treated with patience and respect.

	JUL	AUG	SEP
<b>PPC VSE enrollments</b>	2	6	5
<b>MGM VSE enrollments</b>	5	7	8
<b>EBH VSE enrollments</b>	8	22	20
<b>Remote VSE enrollments</b>	3	4	9
<b>Overnight VSE enrollments</b>	1	3	3
<b>New VSE enrollments</b>	<b>15</b>	<b>35</b>	<b>33</b>
<b>PPC reinstatements</b>	0	7	3
<b>MGM reinstatements</b>	2	4	3
<b>EBH reinstatements</b>	3	9	6
<b>New VSE reinstatements</b>	<b>5</b>	<b>20</b>	<b>12</b>

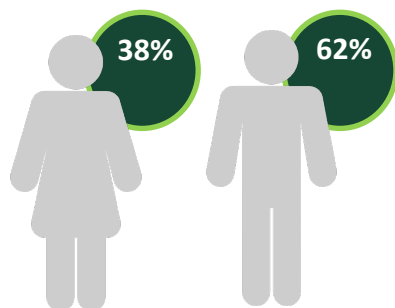
### Reduce gambling related harm.

GameSense is able to reduce gambling related harm by increasing treatment and support referrals, community awareness for high-risk groups, Voluntary Self Exclusion (VSE) enrollment.

Harm is further reduced by decreasing problem player losses and other social and economic harms related to problem gambling.

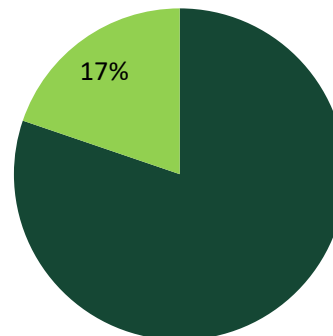
GameSense Advisors conduct >85% of all VSE enrollments. VSE participants who elected to participate in a previous evaluation reported a highly positive experience, especially compared to other jurisdictions.

### Female v. Male VSE enrollees



The majority of people who enrolled in the VSE program in Q1 are male.

### VSEs who request follow up from MCGH Resource Recovery Liaison



Includes all VSEs, active and reinstated (Jul-Sep 2020)

Support resources are offered to all persons enrolling in VSE

# Champion Awards



## Champion Awards

Casino staff help to provide additional eyes and ears on the gaming floor.

They often provide referrals to GameSense, and many have become ambassadors for the GameSense program.

These awards honor staff who go above and beyond when it comes to RG and PG.

### EBH

- Augusto Tamondong , Slots
- Bartolo Piscitello, Security
- Pauline Chao, Table Games

### PPC

- Andrew Schell, Security
- Russell Selvitella, Food & Beverage
- Greg Burnham, Facilities

### MGM

- Lorraine Myers, Table Games
- Shirley Chappell, Environmental Services
- Brendan Flanigan, Security



*Senior GSA Charlie Ordille, Michele Blanchard (Slot Attendant), Mark Iverson (Security), Lenny Calderone (Racing Services Manager) and GSA Rhonda Martins with last quarter's recipients*

\* And, a special shout out to Chairwoman Judd-Stein for helping to facilitate these efforts!

# A Peek Back at RGEW 2021

## RGEW

GameSense collaborated with EBH, MGM and PPC in prioritizing Responsible Gaming Education Week (RGEW) this year from September 19 – September 25.

There was significant collaboration with the MGC and the casinos to promote these efforts and this year's RGEW was a huge success!



End Cap Signage EBH



Back of the House EBH



Swag Wheel PPC



Pats Basket Winner MGM



A rare, quiet moment at EBH



Working Hard at MGM



RGEW Prep at PPC

# Quizzes & Activities

## RGEW

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QUESTION 4

Having a solid plan in place before you gamble is another way that you can enjoy your play and remain in good shape financially and mentally

Do you consider how much money you would like to spend BEFORE you start gambling?

- YES
- UNSURE
- NO



Positive Play Quiz, 553 patrons

Learn About the Lower-Risk Gambling Guidelines\* (LRGG)

And earn a free entry into our monthly basket drawing.

\*The Low-Risk Gambling Guidelines were developed by the Canadian Centre on Substance Use and Addiction.



LRGG, 121 patrons

Mid-Autumn Festival

中秋

TAKE A MID-AUTUMN FESTIVAL "Moonfest" PLAY QUIZ GET A FREE PRIZE & FREE BASKET ENTRY!



Mooncake Festival Quiz (EBH), 22 patrons

WHAT DOES THIS IMAGE MAKE YOU THINK?



NEXT



Near Miss Activity, 134 patrons

COME TAKE OUR SHORT QUIZ TO LEARN ABOUT "PLAY MY WAY"

Play My Way

GRAB A FREE PRIZE AND GET AN ENTRY INTO OUR BASKET GIVEAWAY!



Play My Way Quiz (PPC), 124 patrons

WHAT WOULD YOU DO?

Come join us for a GAMBLING SCENARIOS quiz and be entered into a gift basket giveaway and receive a free prize!



CLICK TO PLAY!



Scenarios Activity, 87 patrons

## RGEW

GameSense collaborated with EBH, MGM and PPC in prioritizing Responsible Gaming Education Week (RGEW) this year from September 19 – September 25.

The annual advocacy week also provide an excellent opportunity for GameSense to strengthen employee training, promote gaming literacy among casino guests, and further advance RG programs.

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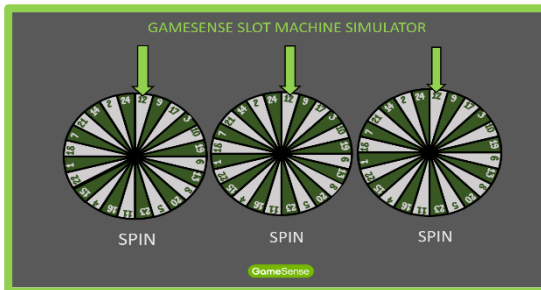
# Quizzes & Activities Con't



Know the Odds Game, 108 patrons



Trivia Challenge Game, 217 patrons



Slot Simulator Game, 270 patrons



Plinko Game, 26 patrons



Swag Wheel Randomness Activity, 2112 Patrons



Promo Table, 4529 patrons

# Demo 1: Near Miss Activity

WHAT DOES THIS IMAGE MAKE YOU THINK?



NEXT

GameSense



- The “near miss” is a combination that makes it appear as though a large win “almost” happened
- It is common, and many slot players believe that they are getting closer to a jackpot or big hit because they see it
- Each spin on a slot machine is random and independent of any other spin. Seeing this type of combination does not mean that a big win is just around the corner

NEXT

GameSense

# Demo 2: Scenarios Activity

## SCENARIO 1

You have only been playing for an hour, and you just hit for \$1,000 on your favorite slot. What do you do?

A) I grab something to eat and then take off! That money will go a long way!

B) I pocket half of the money, and I have fun playing with the rest. This way I leave with some!

C) I play with all of it! It must be my lucky day and I want to win more!



## A: GREAT IDEA!

It can be hard to leave when you hit a nice prize right away! It is a great plan to grab a quick bite and call it a day with a nice prize in your pocket!



NEXT

## C: YOU WANT TO GO FOR IT!

Gambling can be a lot of fun! Especially when you have an early win. Continuing to play after a nice prize is certainly your call and many people like to roll the dice and hope for an even bigger day! Just remember, previous wins have no bearing on future events, and you may want to consider pocketing a little bit of your profit so that you are *guaranteed* to leave a winner!

NEXT



GameSense

## SCENARIO 3

You accidentally arrived very early for a promotional giveaway. You do not want to leave so you start to play some of your favorite games. Before the promotion starts you have used your whole gambling budget. You know you must be playing to qualify for the promo prizes. What do you do?

A) I will check on my finances and see if I can afford to make one trip to the ATM so I can be entered into the promotion.

B) I drove all the way here because of this promotion so I will visit the ATM as many times as I need to in order to have a chance for the prizes.

C) I will cut my losses and make sure I know what time the next promotions are.

## A: A REASONABLE IDEA

It is always a good idea to set a budget! However, if you evaluate your budget and realize that one trip to the ATM is manageable for you, then staying for the promotion is an option. Just remember to be honest with yourself about what you can afford and how it may affect your finances.

NEXT



GameSense

## B: THIS IS NORMAL!

It is understandable to be frustrated that you may miss a prize opportunity and it is normal not want to leave before you have your chance. Just remember that things do not always go as planned and sometimes the better option is to just wait for the next promotional event. Spending more than you anticipated may leave you even more upset and could cause you financial issues as well. Always remember to keep it fun and sometimes the best move is to walk away!

NEXT

OPT-OUT

GameSense

# The Big Picture

## RGEW

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There was significant collaboration with the MGC and the casinos to promote these efforts and this year's RGEW was a huge success!

- Total of guests that participated in a quiz or activity= 3,774
- Guests who visited the promo table at EBH= 4,529
- Guests that engaged in an exchange or demonstration interaction= 5,130!!!
- Casino Related Interactions= 1,336
- Simple Interactions= 4,975
- People reached by trainings, new hire orientations or outreach= 282

## RGEW

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The annual advocacy week also provide an excellent opportunity for GameSense to strengthen employee training, promote gaming literacy among casino guests, and further advance RG programs.

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# It Takes a Village



**The Massachusetts Council**  
**ON GAMING AND HEALTH**  
*We Understand the Problem. We Can Help.*



## Recovery Month

“National Recovery Month is a national observance held every September to promote and support new evidence-based treatment and recovery practices, the emergence of a strong and proud recovery community, and the dedication of service providers and community members across the nation who make recovery in all its forms possible.”

– SAMHSA  
(Substance Abuse and Mental Health Services Administration)

# Sept. is also Recovery Month



Our VSE Recovery and Outreach Liaison, Jodie Nealley and Senior GSA, Amy Gabriela are with community members at the Western Massachusetts Recovery Day Springfield!



[www.masscompulsivegamblin...](http://www.masscompulsivegamblin...)



Our VSE Recovery and Outreach Liaison, Jodie Nealley raised awareness about gambling disorder at the New Beginnings Peer Recovery Center in Lawrence, MA for their open house. She was joined by Joanna Morillo and Socrates Dominguez. #RGEW21



### GS Outreach:

- 7 GS OTabling events, 3 Community-Based Designated Agent Trainings, plus a Community Access TV show: “Gambling and Military Service – an Unexpected Risk”

### Jodie:

- 6 Recovery Awareness Presentations
- TRS: 6 participants; Non-VSE follow ups: 4 people; VSE follow ups: 7 people



# Communications Spotlight: Live Chat

## Comm.s & Marketing

The GameSense teams works inside and outside the casinos, and across various media channels to meet players where they are it.

Our comm.s and marketing efforts include but is not limited to: traditional paid and earned media, social media and geo fencing, the phone and Live Chat.

GSA: Hello, How may I help you?

LCP (Live Chat Participant): I want to enroll in an exclusion program.

GSA: My Name is Amy. We would be glad to help you with that.

LCP: Great.

GSA: May I ask where you are currently locate?

LCP: Atlanta.

GSA: OK. You are interested in doing an exclusion in MA?

LCP: But I'll be visiting Boston Soon. Yes.

GSA: Give me just a moment and I will grab some info. for you.

LCP: OK, can we do it online?

GSA: Yes we can! I have just spoken with my colleague in Boston. He is waiting for your call. Dial 617-485-4034. His name is Edgardo. He will walk you through the process of completing the paperwork virtually. He can take care of that for you today. If you have any more questions feel free to jump on Chat again, but Edgardo should be able to take care of your needs. Is there anything else I can do for you before you call Edgardo?

LCP: Thanks.

GSA: Have a good day.

LCP left the following comment: Thank you Amy and thank you Edgardo for helping me get this done so that I can recover. Thank you so much.

# On the Horizon

- Holiday Toy Drive in collaboration with the casinos
- More on the LRGG
- PlayMyWay Coming to MGM
- PGAM



Coming Soon!

GameSense leadership meets weekly with the MGC Research and RG team to ensure thoughtful data driven planning and implementation.

These are just a few of the larger items on the horizon



*Division of Racing*

## **MEMORANDUM**

<b>TO:</b>	Massachusetts Gaming Commission
<b>FROM:</b>	Chad Bourque, Financial Analyst
<b>SUBJECT:</b>	Local Aid Quarterly Distribution for Q3 CY 2021
<b>DATE:</b>	October 13, 2021

In accordance with the Commonwealth of Massachusetts Budget and appropriation 1050-0140, local aid is payable to each city and town within which racing activities are conducted. Amounts are computed at .35 percent times amounts wagered during the quarter ended six months prior to the payment.

- |                      |              |
|----------------------|--------------|
| • City of Boston     | \$118,264.85 |
| • Town of Plainville | \$16,676.15  |
| • Town of Raynham    | \$18,688.49  |
| • City of Revere     | \$59,131.53  |

Total local aid quarterly payment   Sept 30, 2021	\$212,761.02
---	--------------

With the Commission's authorization payments will be made to the appropriate cities and towns.

Encl. localaid\_q3\_cy\_2021

Cdb



Massachusetts Gaming Commission

Computation of Local Aid Distributions Quarter End 09/30/2021

	<u>Jan, Feb, March</u>	<u>Local Aid .0035</u>	<u>Payable to City / Town</u>
Plainridge	3,541,439		
Exports	-		
Hollywood Bets	1,223,176		
Total	<u>4,764,615</u>	\$16,676.15	Plainville
Raynham	5,339,568	\$18,688.49	Raynham
Suffolk Downs	4,145,089		
TVG	26,947,920		
Twin Spires	9,991,228		
Xpress Bets	5,159,877		
NYRA Bets	4,415,691		
Total	<u>50,659,805</u>	\$177,309.32	Boston 2/3   Revere 1/3
Wonderland	24,875	\$87.06	Boston 2/3   Revere 1/3
Grand Total	<u><u>60,788,863</u></u>	<u>\$212,761.02</u>	

Distributions:		
Town of Plainville	On Plainridge	\$16,676.15
Town of Raynham	On Raynham	\$18,688.49
City of Boston (line 1)	On Suffolk	\$118,206.81
City of Revere (line 1)	On Suffolk	\$59,102.51
City of Boston (line 2)	On Wonderland	\$58.04
City of Revere (line 2)	On Wonderland	\$29.02
Total		<u>\$212,761.02</u>
Payments should be made to the above communities for the amounts indicated.		



Massachusetts Gaming Commission

Q1 2021 HANDLES	JAN	FEB	MAR	TOTALS
PLAINRIDGE	1,180,388	1,038,717	1,322,334	3,541,439
EXPORTS	0	0	0	0
WINLINE	396,891	398,746	427,539	1,223,176
TOTALS	1,577,279	1,437,463	1,749,873	4,764,615
RAYNHAM	1,799,578	1,626,588	1,913,402	5,339,568
SUFFOLK	613,895	1,591,922	1,939,272	4,145,089
TVG	9,303,902	8,649,272	8,994,746	26,947,920
TWS	3,352,587	3,255,383	3,383,258	9,991,228
XPRESS BETS	1,779,621	1,512,283	1,867,973	5,159,877
NYRA	2,032,789	1,767,425	615,477	4,415,691
TOTALS	17,082,794	16,776,285	16,800,726	50,659,805
WONDERLAND	4,996	7,843	12,036	24,875
<b>TOTALS</b>	<b>20,464,647</b>	<b>19,848,179</b>	<b>20,476,037</b>	<b>60,788,863</b>

Amounts are computed at .35 percent times amounts wagered during the quarter ended six months prior to the payment.



Massachusetts Gaming Commission

## Regulation Review Checklist

Agency Contacts for This Specific Regulation		
Name	Email	Phone
Carrie Torrissi		
Loretta Lillios		
Overview		
<b>CMR Number</b>	205 CMR 134.01 205 CMR 134.02 205 CMR 134.03	
<b>Regulation Title</b>	Key Gaming Employee Licensees Gaming Employee Licensees Gaming Service Employees	
<input checked="" type="checkbox"/> <b>Draft Regulation</b>		<input type="checkbox"/> <b>Final Regulation</b>
Type of Proposed Action		
✓ <b>Please check all that apply</b>		
<input type="checkbox"/> Retain the regulation in the current form.		
<input type="checkbox"/> New regulation (Please provide statutory cite requiring regulation):		
<input type="checkbox"/> Emergency regulation (Please indicate the date regulation must be adopted):		
<input checked="" type="checkbox"/> Amended regulation (Please indicate the date regulation was last revised): 2/19/21		
<input type="checkbox"/> Technical correction		
<input type="checkbox"/> Other Explain:		

Summary of Proposed Action
The proposed amendment will allow the licensee to bring in staff from a sister property to serve as Key Gaming Employees, Gaming Employees, and Gaming Service Employees for training and other similar purposes without requiring licensure.
Nature of and Reason for the Proposed Action
The purpose of this amendment is to cover any short-term staffing needs as well as to allow the licensees to use a shared service model by having out-of-state staff perform training and similar functions.

## Regulation Review Checklist

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### Additional Comments or Issues Not Earlier Addressed by this Review

--

### Required Attachments

✓ Please check all that apply

Redlined version of the proposed amendment to the regulation, including repeals

Clean copy of the regulation if it is a new chapter or if there is a recommendation to retain as-is

Text of statute or other legal bases for regulation

Small Business Impact Statement (SBIS)

Amended SBIS



## **SMALL BUSINESS IMPACT STATEMENT**

The Massachusetts Gaming Commission (“Commission”) hereby files this Small Business Impact Statement in accordance with G.L. c. 30A, §2 relative to the proposed amendments to 205 CMR 134.00: Licensing and Registration of Employees, Vendors, Junket Enterprises and Representatives, and Labor Organizations; notice of which was filed with the Secretary of the Commonwealth by Emergency. Specifically, **205 CMR 134.01: Key Gaming Employee Licensees**, **205 CMR 134.02: Gaming Employee Licensees**, and **205 CMR 134.03 Gaming Service Employees** will allow the licensee to bring in staff from a sister property in an emergency situation to perform training and other similar functions without requiring licensure.

This regulation was developed as part of the process of promulgating regulations governing the operation of gaming establishments in the Commonwealth, and is primarily governed by G.L. c. 23K, §4(28), 5.

The amendment to 205 CMR 134.03 applies to the gaming licensees and employees. Accordingly, this regulation is unlikely to have an impact on small businesses. Under G.L. c.30A, §2, the Commission offers the following responses to the statutory questions:

1. Estimate of the number of small businesses subject to the proposed regulation:

As a general matter, no small businesses are subject to this regulation.

2. State the projected reporting, recordkeeping, and other administrative costs required for compliance with the proposed regulation:

There are no projected reporting, recordkeeping, or other administrative costs required for small businesses to comply with this regulation or the proposed amendment therein.

3. State the appropriateness of performance standards versus design standards:

A specific design standard is required in this situation to ensure clarity of the calculation.

4. Identify regulations of the promulgating agency, or of another agency or department of the Commonwealth, which may duplicate or conflict with the proposed regulation:

There are no conflicting regulations in 205 CMR, and the Commission is unaware of any conflicting or duplicating regulations of any other agency or department of the Commonwealth.



Massachusetts Gaming Commission



5. State whether the proposed regulation is likely to deter or encourage the formation of new businesses in the Commonwealth:

This amendment is unlikely to have any impact on the formation of new businesses in the Commonwealth.

Massachusetts Gaming Commission

By:

/s/ Carrie Torrissi

Carrie Torrissi

Associate General Counsel

Dated: September 30, 2021



Massachusetts Gaming Commission

## 205 CMR: MASSACHUSETTS GAMING COMMISSION

### 205 CMR 134.00: LICENSING AND REGISTRATION OF EMPLOYEES, VENDORS, JUNKET ENTERPRISES AND REPRESENTATIVES, AND LABOR ORGANIZATIONS

#### 134.01: Key Gaming Employee Licenses

No individual shall be employed by or perform services for a gaming licensee as a key gaming employee, as defined by M.G.L. c. 23K, § 2, unless the individual has been licensed in accordance with M.G.L. c. 23K, § 30 and 205 CMR 134.00. There shall be two categories of key gaming employee licenses: key gaming employee-executive and key gaming employee-standard.

(1) An individual holding one of the following positions, and any person in a similar or equivalent position, regardless of job title, whose employment relates to gaming shall be designated as a key gaming employee-executive:

- (a) Assistant General Manager;
- (b) Chief Internal Audit Officer;
- (c) Gaming Manager;
- (d) Chief Financial Officer;
- (e) Chief of Security;
- (f) General Manager;
- (g) Chief Surveillance Officer;
- (h) Chief Compliance Officer;
- (i) Principal executive Officer;
- (j) Principal operating Officer;
- (k) Principal accounting Officer;
- (l) Chief Information Officer;
- (m) Other executive level employees who are not identified as a key gaming employee-standard in accordance with 205 CMR 134.01(2) as determined by the commission.

(2) An individual holding one of the following positions, and any person in a similar or equivalent position, regardless of job title, whose employment relates directly to a gaming establishment shall be designated as a key gaming employee-standard:

- (a) Controller;
- (b) Electronic gaming device or slot machines manager;
- (c) Human resources manager;
- (d) Information technology manager;
- (e) Pit boss;
- (f) Shift supervisor of table games, of a slot department, credit department, security, surveillance, accounting department, cage, or player development;
- (g) Credit manager;

- (h) Cage manager;
- (i) Hotel Manager;
- (j) Entertainment Director;
- (k) Food & Beverage Manager;
- (l) Other managerial employees who are not identified as a key gaming employee-executive in accordance with 205 CMR 134.01(1), but who are empowered to make discretionary decisions which impact gaming establishment operations, or as determined by the commission;
- (m) Junket representative not employed by a gaming licensee or affiliate of the gaming licensee or a junket enterprise licensed as a gaming vendor in accordance with 205 CMR 134.00.

(3) Any individual who is a qualifier of a gaming licensee but who does not perform any of the duties of the positions identified in 205 CMR 134.01(1)(a) or (b) does not have to become licensed as a key gaming employee. Such individual does have to be approved as a qualifier and issued a positive determination of suitability in accordance with 205 CMR 111.00: *Phase 1 Application Requirements*, 205 CMR 115.00: *Phase 1 Suitability Determination, Standards and Procedures*, and 205 CMR 116.00: *Persons Required to Be Licensed or Qualified*. An individual who has been issued a positive determination of suitability in accordance with 205 CMR 111.00: *Phase 1 Application Requirements* and who will be performing the responsibilities requiring licensure as a key gaming employee shall apply for licensure in accordance with 205 CMR 134.08(2) subject to the term limitation of 205 CMR 134.16(4).

(4) ~~From the date operations are recommenced after any period of suspension or during any emergency situation as defined in 205 CMR 109.00, a~~ A gaming licensee may temporarily allow, subject to approval by the Bureau, individuals who are employed at a gaming property which is owned and/or operated by it, its parent, or an affiliated company to assist with gaming establishment strategy and/or operation for up to 60 days without those individuals having to become licensed or registered in accordance with 205 CMR 134.00, provided that the gaming licensee does the following:

- (a) Supplies the Bureau a reasonable time in advance of arrival with the name of the individual; the name of the gaming property at which they are employed; their position at the gaming property at which they are employed; a description of the reason for the individual being at the gaming establishment, including the services to be performed, the anticipated duration of their stay, and any other information requested by the Bureau;
- (b) Ensures all individuals performing services under 205 CMR 134.01(1) or 134.01(2) carry identification and wear a badge issued by the gaming licensee that is distinguishable from those that are issued to employees of the gaming establishment and that is clearly visible at all times while at the gaming establishment;
- (c) If the individual is licensed, certified, or otherwise approved for employment by the jurisdiction which the gaming property in which they are employed is located, an individual licensed as a key gaming employee in accordance with 205 CMR 134.00 shall attest in writing that the individual is in good standing in that jurisdiction; and

(d) Ensures that the individual is accompanied by an individual who is licensed or registered in accordance with 205 CMR 134.00 anytime they are in a restricted area of the gaming establishment.

(5) The Commission, upon recommendation from the Division of Licensing and the Bureau, may extend the period of allowance set forth in 205 CMR 134.01(4) for a period not to exceed six months ~~from the date operations are recommenced after any period of suspension or for the duration of any emergency situation as defined in 205 CMR 109.00~~ following consideration of the gaming licensee's written explanation of need, continuing training plan, and expected duration. ~~Consistent with the policy objectives of G.L. c. 23K, an extension under this section shall not be granted to any individual or for any position for more than one six month period in a twelve month period.~~

205 CMR: MASSACHUSETTS GAMING COMMISSION

205 CMR 134.00: LICENSING AND REGISTRATION OF EMPLOYEES, VENDORS,  
JUNKET ENTERPRISES AND REPRESENTATIVES, AND LABOR ORGANIZATIONS

205 CMR 134.00: LICENSING AND REGISTRATION OF EMPLOYEE

134.02: Gaming Employee Licensees

(1) No individual shall be employed by or perform services for a gaming licensee as a gaming employee, as defined by M.G.L. c. 23K, § 2, unless the individual has been licensed in accordance with M.G.L. c. 23K, § 30, and 205 CMR 134.00. An individual holding one of the following positions, and any person in a similar or equivalent position, regardless of job title, shall be designated as a gaming employee:

- (a) Boypersons;
- (b) Cashiers;
- (c) Change personnel;
- (d) Clerks;
- (e) Count room personnel;
- (f) Data processing personnel;
- (g) Dealers and croupiers;
- (h) Floorpersons;
- (i) Gaming Hosts;
- (j) Internal audit and accounting personnel whose duties include reviewing, verifying, and recording gaming revenue entries, the processing or control of active accounting documents related to gaming activity, or that have access to active accounting documents related to gaming activity;
- (k) An individual who is directly connected to the operation or maintenance of a slot machine or game taking place in a gaming establishment (whether employed by the gaming licensee or a vendor licensed in accordance with 205 CMR 134.00);
- (l) Personnel authorized to extend complimentary services, including employees performing functions similar to those performed by a junket representative;

(m) Junket representative employed by the gaming licensee or affiliate of the gaming license or a junket enterprise licensed as a gaming vendor in accordance with 205 CMR 134.00;

(n) Personnel authorized to issue credit;

(o) Personnel authorized to issue promotional play including persons who identify patrons or groups of patrons who shall receive complimentaries based on actual patron play, authorize such complimentaries, or determine the amount of such complimentaries;

(p) Personnel with security administrator access to a slot machine tracking system;

(q) Security personnel, including guards and game observers, or an employee with knowledge of security procedures of the gaming establishment;

(r) Surveillance personnel, including surveillance equipment maintenance and repair technicians (whether employed by the gaming licensee or a vendor licensed in accordance with 205 CMR 134.00);

(s) Any employee who conducts or participates in the conduct of gaming, who participates in the transfer or handling of chips, tokens or money, or who participates in audit or accounting functions;

(t) Any employee who has access to a restricted area of a gaming establishment;

(u) A person who supervises a person required to be licensed as a gaming employee in accordance with 205 CMR 134.02; and

(v) An employee of a gaming licensee whom the Bureau deems necessary to be licensed to ensure compliance with the M.G.L. c. 23K, and 205 CMR, and to protect the public and ensure the credibility and integrity of gaming in the Commonwealth.

~~(2) From the date operations are recommenced after any period of suspension or during any emergency situation as defined in 205 CMR 109.00, a~~ A gaming licensee may temporarily allow, subject to approval by the Bureau, individuals who are employed at a gaming property which is owned and/or operated by it, its parent, or an affiliated company to assist with gaming establishment strategy and/or operation for up to 60 days without those individuals having to become licensed or registered in accordance with 205 CMR 134.00, provided that the gaming licensee does the following:

(a) Supplies the Bureau a reasonable time in advance of arrival with the name of the individual; the name of the gaming property at which they are employed; their position at the gaming property at which they are employed; a description of the reason for the

individual being at the gaming establishment, including the services to be performed, the anticipated duration of their stay, and any other information requested by the Bureau;

(b) Ensures all individuals performing services under 205 CMR 134.02 carry identification and wear a badge issued by the gaming licensee that is distinguishable from those that are issued to employees of the gaming establishment and that is clearly visible at all times while at the gaming establishment;

(c) If the individual is licensed, certified, or otherwise approved for employment by the jurisdiction which the gaming property in which they are employed is located, an individual licensed as a key gaming employee in accordance with 205 CMR 134.00 shall attest in writing that the individual is in good standing in that jurisdiction; and

(d) Ensures that the individual is accompanied by an individual who is licensed or registered in accordance with 205 CMR 134.00 anytime they are in a restricted area of the gaming establishment.

(3) The Commission, upon recommendation from the Division of Licensing and the Bureau, may extend the period of allowance set forth in 205 CMR 134.01(4) for a period not to exceed six months ~~from the date operations are recommenced after any period of suspension or for the duration of any emergency situation as defined in 205 CMR 109.00~~ following consideration of the gaming licensee's written explanation of need, continuing training plan, and expected duration. ~~Consistent with the policy objectives of G.L. c. 23K, an extension under this section shall not be granted to any individual or for any position for more than one six month period in a twelve month period.~~

## 205 CMR: MASSACHUSETTS GAMING COMMISSION

### 205 CMR 1434.00: LICENSING AND REGISTRATION OF EMPLOYEES, VENDORS, JUNKET ENTERPRISES AND REPRESENTATIVES, AND LABOR ORGANIZATIONS

#### 134.03: Gaming Service Employees

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(2) ~~During the pre-opening phase of a gaming establishment, and continuing for up to 30 days from the date an Operation Certificate is issued in accordance with 205 CMR, or from the date operations are recommenced after any period of suspension, a~~ A gaming licensee may temporarily allow, ~~subject to approval by the Bureau,~~ an individual(s) who is employed at a gaming property which is owned and/or operated by it, its parent, or an affiliated company to assist with gaming establishment strategy, employee training and related preparation purposes for up to 60 days without those individuals having to become licensed or registered in accordance with 205 CMR 134.00, provided that the gaming licensee does the following:

- (a) Supplies the Bureau a reasonable time in advance of arrival with the name of the individual, name of the gaming property at which they are employed, the position at the gaming property at which they are employed, a description of the reason for the individual being at the gaming establishment including the services to be performed, the anticipated duration of their stay, and any other information requested by the Bureau;
- (b) Ensures all individuals performing services under 205 CMR 134.03(2) carry identification and wear a badge issued by the gaming licensee that is distinguishable from those that are issued to employees of the gaming establishment and that is clearly visible at all times while at the gaming establishment;
- (c) If the individual is licensed, certified, or otherwise approved for employment by the jurisdiction which the gaming property in which they are employed is located, an individual licensed as a key gaming employee in accordance with 205 CMR 134.00 shall attest in writing that the individual is in good standing in that jurisdiction; and
- (d) Ensures that the individual is accompanied by an individual who is licensed or registered in accordance with 205 CMR 134.00 anytime they are in a restricted area of the gaming establishment.

(3) The Division of Licensing, after consultation with the Bureau, may extend the period of allowance set forth in 205 CMR 134.03(2) for a period not to exceed six months ~~from the date an Operations Certificate is issued or from the date operations are recommenced after any period of suspension,~~ following consideration of the gaming licensee's written explanation of need, continuing training plan, and expected duration. ~~Consistent with the policy objectives of G.L. c.~~



23K, an extension under this section shall not be granted to any individual or for any position for more than one six month period in a twelve month period.



22

COMMUNITY  
MITIGATION  
FUND

# 2022 COMMUNITY MITIGATION FUND GUIDELINES

BD-22-1068-1068C-1068L-\_\_\_\_\_

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Massachusetts Gaming Commission



# 22

COMMUNITY  
MITIGATION  
FUND

## 2022 COMMUNITY MITIGATION FUND GUIDELINES BD-22-1068-1068C-1068L-\_\_\_\_\_

### 1.0 Community Mitigation Fund Grant Program

The Expanded Gaming Act created the Community Mitigation Fund (“CMF”) to help communities and other entities offset costs related to the construction and operation of a gaming establishment. For 2022, the following grant categories are available for communities:

- Specific Impact Grant;
- Public Safety Grant;
- Community Planning Grant;
- Transportation Planning Grant;
- Transportation Construction Grant;
- Workforce Development Grant;
- Tribal Gaming Technical Assistance Grant; and
- Emergency Mitigation Grant.

Each of these categories is further described in Section 2.0 of these Guidelines.

### 1.1 When Is the Application Deadline? January 31, 2022

### 1.2 Who Can Apply?

M.G.L. c. 23K, § 61 and the Commission’s regulations identify a range of eligible entities including, but not limited to:

- communities in the vicinity of the gaming establishment including: host and surrounding communities; each community that entered into a nearby community agreement; any community that petitioned to be a surrounding community; and each community that is geographically adjacent to a host community;
- water and sewer districts in the vicinity of a gaming establishment;
- local and regional agencies involved in education, transportation, infrastructure, housing and environmental issues; and
- public safety agencies, including the office of the county district attorney, police, fire, and emergency services.

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



Massachusetts Gaming Commission

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 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.

### **1.3 What Cannot Be Funded?**

***2022 Community Mitigation Fund may not be used for the mitigation of:***

- impacts that are projected or predicted but that are not occurring or have not occurred by January 31, 2022;
- impacts that are the responsibility (e.g. contractual, statutory, regulatory) of parties involved in the construction and operation of gaming establishments;
- the cost of the preparation of a grant application;
- requests related to utility outages, such as the mitigation of business interruptions; and
- other impacts determined by the Commission.

Please note that the Commission may determine to expand the eligible uses of funds for the 2022 program or other future programs. The Commission will also consult with mitigation advisory committees established in M.G.L. c. 23K in determining such uses.

### **1.4 How Much Funding Will Be Available?**

The Commission has determined a target spending amount of \$21.0 million for fiscal year 2022. If the 2022 target is met, the CMF would still have an estimated unallocated balance of \$1.87 Million from funds generated by December 31, 2021.

**Allocation by Region**

The Commission intends to allocate 2022 CMF funding based on the proportion of funds paid into the CMF from the taxes and fines generated by the MGM Springfield and Encore Boston Harbor facilities.<sup>1</sup> These include revenues generated during calendar year 2021 as well as unspent monies from previous years.

For the 2022 year, the Commission plans to allocate \$21.0 million between the two regions and the Category 2 facility as follows:

- Region A      \$12.75 million
- Region B      \$7.75 million
- Category 2    \$0.5 million

Category 2 grants will be split equally between Region A and Region B. If the \$0.5 million is not necessary for Category 2 grants, more spending would be available for Region A and Region B.

The Commission determined in grant year 2020, 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 fund for all regions and for Category 2 impacts. It is the intention of the Commission to count any allocated regional balances first toward 2022 spending targets. The following is the status of the unused funds by calendar year:

	Region A	Region B
2018		\$ 0
2019	\$0	\$ 2,681,172
2020	\$8,133,017	\$3,924,050
Total	\$8,133,017.00	\$6,605,222.00

**1.5 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 2022 Guidelines allow multiple communities to submit a joint application. 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.

To further regional cooperation, the applications for Transportation Planning Grants and Community Planning Grants that involve more than one community for the same planning

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<sup>1</sup> These 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.

projects may request grant assistance that exceeds the limits specified in these Guidelines. 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
Community Planning Projects Involving Two (2) Communities	\$100,000 for each community	\$10,000	\$100,000 X 2 communities <u>\$200,000 + \$10,000 = \$210,000</u>
Community Planning Project Involving Three (3) or More Communities	\$100,000 for each community	\$15,000*	\$100,000 X 3 communities <u>\$300,000 + \$15,000 = \$315,000</u>
Transportation Planning Projects Two (2) Communities	\$200,000 for each community	\$25,000	\$200,000 X 2 communities <u>\$400,000 + \$25,000 = \$425,000</u>
Transportation Planning Projects Three (3) or more Communities	\$200,000 for each community	\$50,000*	\$200,000 X 3 communities <u>\$600,000 + \$50,000 = \$650,000</u>

\*The maximum Community Planning Regional Incentive is \$15,000 and the maximum Transportation Planning Regional Incentive is \$50,000 regardless of the number of communities participating.

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 Community Regional Planning Incentive Award.

## **2.0 Grant Categories**

The following are the grant categories for the 2022 CMF. Applicants may apply for grants in more than one category; however, any individual project may only be included under one grant category.

### **2.1 2015/2016 Reserve Grants**

In 2015 and 2016, a \$100,000 Reserve was established for communities near the gaming establishments. These grants are no longer available for use. These reserve awards expired December 31, 2021.

### **2.2 Specific Impact Grants**

Specific Impact Grants may be used only to mitigate impacts that either have occurred or are occurring as of the January 31, 2022 application deadline.

No application for a Specific Impact Grant shall exceed \$500,000 unless a waiver has been granted by the Commission as outlined in Section 3 of these Guidelines. Communities may apply for more than one Specific Impact Grant, but the total of all Specific Impact Grants may not exceed \$500,000.

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

Allowable impacts for funding are as follows:

- **Operational Impacts of Gaming Facilities:** The Commission will make funding available to mitigate gaming facility operational impacts that are being experienced or were experienced by the January 31, 2022 application deadline.

Operational impacts include: public safety impacts on the community; increased demand on community and regional water and sewer systems; impacts on the community from storm water run-off, 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.

### 2.3 Public Safety Grants

**Public Safety Operational Costs:** Grants for public safety operational costs shall not exceed \$200,000 per community, unless a waiver is granted by the Commission in accordance with the waiver requirements outlined in Section 3. All applications for Public Safety Grants must identify an operational impact of the gaming facility that the grant is designed to address. For 2022, the Commission is highlighting the availability of CMF assistance for police training including Implicit Bias Training and De-escalation Training that will support the Police Reform Law. All applications for public safety personnel or other public safety operational costs, including relevant training, must demonstrate that CMF funds will supplement and not supplant historical operations funding. Grant funds shall not be used to pay for Gaming Enforcement Unit personnel or operations costs specified or anticipated in the memoranda of understanding between the Massachusetts State Police and host communities' police departments. Applicants must include detailed hourly estimates for the costs of any public safety personnel costs. Applicants should include the most relevant information describing historical service or staffing levels ("baseline information") in order to demonstrate that all funds will be used to supplement existing efforts. For example, if a community requests funding for additional staffing for a specific time period, the application should include information about the staffing levels that have been used for that same time period during the license term of the gaming facility. In describing any historical service levels, applicants should identify any time limited or "pilot" type operations which may have a bearing upon any determination of how the baseline service levels should be calculated. Applicants are requested to provide as much detailed baseline information as practicable to help the Commission in its review.

Please note that any 2022 Public Safety Grants shall have a duration of only one year from the date of execution ("Effective Date"), unless otherwise determined by the Commission. Any grant awards issued in **2022 SHOULD NOT** be considered to provide any guarantee or indication of future funding.

### 2.4 Community Planning Grants

Community Planning Grants are available for all communities that were eligible to receive Reserve Grants. No application for a Community Planning Grant shall exceed \$100,000. Applications involving transportation planning or design are **not** eligible for the 2022 Community Planning Grant. Communities requesting transportation planning should instead apply for Transportation Planning Grant funds.

Community Planning Grants may include: programs to provide technical assistance and promotion for groups of area businesses; marketing and outreach efforts to identify local opportunities for casino patrons; tourism plans to attract casino patrons to nearby attractions; and other community planning efforts designed to either take advantage of the proximity to the casino and the large influx of patrons to the area, or allow a community to better compete with gaming establishments for customers.

For the purposes of the Community Planning Grant, the Commission has determined that the presence of a gaming establishment likely has some negative impact on local businesses. The



SEIGMA Patron and License Plate Survey Report for MGM Springfield issued on October 15, 2019 tabulated the percentage of reallocated spending associated with MGM Springfield. Reallocated spending is spending on good and services which would have occurred had the casinos never opened, but which did not occur because an individual chose to spend their money at the casino instead. The main areas where monies were reallocated were transportation, housing (groceries, rent, utilities, etc.), retail items, hotels and travel, restaurants and bars, recreation and non-live entertainment and live entertainment. Attempting to quantify these impacts on any given business or community is exceptionally challenging, but given the survey responses, it is reasonable to conclude that reallocation of funds is likely to have an impact on local businesses in those communities that are eligible to apply for a Community Planning Grant.

The Commission also realizes that the gaming establishments can provide significant benefits to local communities and certain businesses. Casinos provide thousands of jobs with their attendant salaries and benefits; they spend millions of dollars each year purchasing supplies, equipment, and services; and they bring thousands of visitors each day to the facilities that otherwise would not be present in the area. These benefits present opportunities for communities to leverage the presence of casinos and their employees and patrons to: increase business opportunities to provide goods and services; attract casino patrons to increase tourism; attract casino employees to live in local communities; provide economic development opportunities; and other ancillary benefits. The Commission understands that the lack of local funds to pursue these types of efforts hampers communities' abilities to take advantage of casino related benefits. These Community Planning Grants are designed, in part, to address these "lost opportunity costs."

The Community Planning Grant application must identify the impact associated with the casino. Since the Commission has determined that there are both positive and negative impacts associated with the casinos as identified above, applicants for Community Planning Grants do not need to go to extraordinary lengths to **quantify** the impacts of the casino. The planning project, however, must still be designed to mitigate the identified impact.

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 will also need to provide detail on what it will contribute to the project such as in-kind services or local funds.

Communities that utilize this 2022 Community Planning Grant are not prohibited from applying for funding for any specific mitigation request.

### Limitations/Specific Requirements on Community Planning Applications

The Commission will fund no application for any municipal employee for more than two years. 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 must also provide detail on what it will contribute to the planning project such as in-kind services or planning funds.

The Commission will evaluate requests for community planning funds 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.

## **2.5 Transportation Planning Grants**

The Commission will make funding available for certain transportation planning activities for all communities eligible to receive funding from the CMF.

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.

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. 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 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 2023 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.

## **2.6 Transportation Construction Grants**

The Commission will make funding available for certain transportation construction costs in the 2022 CMF. Since most of these projects will have an ancillary benefit to the community that likely outweighs the mitigation of a casino impact, the Commission anticipates that any CMF assistance provided will only be for a maximum of 33% of the total project cost, and that significant other federal, state, local, private or other funding will be available to pay for the remaining costs of any such project. The Commission will consider waiving this cap if the applicant can affirmatively demonstrate that the cost associated with mitigating the impact exceeds the cap.

Applicants are not prohibited from applying for transportation construction funds in future years for a project included in a 2022 application. However, any 2022 transportation construction project may not rely upon contributions from the CMF in future rounds. Applicants should demonstrate that the financing for the project does not depend upon any future year awards by the Commission. Given the likely complexity of any such transportation construction applications, applicants may consult with Commission staff before and during the CMF review on such projects.

The Commission does not anticipate authorizing more than \$1,500,000 for any one award. The Commission may adjust all target spending amounts, including the amount in this section. There is no minimum application amount.

Applicants must demonstrate that the project will begin construction no later than June 30, 2023. In addition to the criteria for determining grants stated later in these Guidelines, the Commission will evaluate a project's readiness to proceed, the significance of additional funds from other sources, and the potential transportation benefits associated with such projects.

Applicants may, but are not required, to include a description of how the project meets the evaluation standards for the Fiscal Year 2023 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.

Applicants are strongly encouraged to include a letter of support from the MassDOT with any application.

Transportation Construction Grants are not available for transportation operations costs.

## **2.7 Workforce Development Grants**

Given the uncertainties entering 2022, we encourage applicants to be creative in their grant applications, keeping in mind that training programs must have a direct correlation to impacts from the casino. Applicants must be able to demonstrate that the education and skills training programs proposed are in response to an identified need at the casinos or as a means to provide a sufficient supply of workers to backfill jobs being lost to the casinos. In reviewing these applications, the Commission will need to consider the state of affairs at the time of the review including the condition of the labor market and the general state of the economy.

For fiscal year 2023, the Commission will make available funding for workforce development programs in Regions A and B for service to residents of communities of such Regions. CMF Workforce grant applicants should focus on areas highly impacted by casino operations, while taking into consideration the impacts of the pandemic.

**Goals include:**

- To mitigate a strain in existing resources and a potential impact to the regional labor market.
- To identify and alleviate gaps and/or challenges regarding equitable access to casino or industry-related jobs.
- 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 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 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.
  - The total funding available for workforce grants will likely not exceed **\$1,000,000**. The Commission anticipates an award of no more than **\$500,000** in each Region. Each governmental entity applying for workforce development funds will also need to provide details on what it will contribute to the workforce development project such as in-kind services or workforce development funds.

**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.

Proposals may include programming elements such as gaming school scholarships, culinary, hospitality skills, banking, or general customer service training or vocational programs focused on English language/adult basic education, while taking into consideration the impacts of the pandemic.

**A consortium application is required.** Eligible workforce development proposals must include a regional consortium approach to improve the skills, knowledge, and credential attainment for Region A and Region B residents interested in a casino or casino-related 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 needed by the regional business community impacted as a result of casino hiring. The proposal must also include regional labor market information and evidence of employer partnerships.

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, and regional employment boards. The Commission shall evaluate the use of host community agreement funds in evaluating funding requests for workforce development program grant funds. Applicants should consider leveraging other funding resources.

The Commission has determined that administrative costs (including but not limited to all indirect and other administrative funding) shall not exceed 7.5% of the total grant allocation. Administrative costs include activities related to management, oversight, reporting, and record keeping, and monitoring of the grant program.

## **2.8 Tribal Gaming Technical Assistance Grants**

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”), 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 2022. Any such application 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.

## **2.9 Emergency Mitigation Grants**

The Commission may make available no more than \$200,000 in grant funds to mitigate unanticipated casino related impacts that arise after the January 31, 2022 application date. Any impact must be newly identified and be of an emergency nature that would cause significant harm to the community if it were not remedied in an expeditious fashion. The intent of this grant is to allow the Commission to be more responsive in addressing significant casino related issues that do not fall within the normal CMF timelines. This grant is not intended to circumvent the normal CMF processes. Any applicant for this grant should contact the Community Affairs Division to discuss the impact and the proper way to proceed.

## **2.10 Projects of Regional Significance**

In the next few years, several large transportation construction and economic development projects in the vicinity of the gaming establishments are anticipated to begin. While nothing appears imminent for 2022, it is expected that these projects may seek CMF funding in the future. The magnitude of some of these projects could well exceed the available CMF funds.

For projects of this nature, it is expected that the costs would well exceed the \$500,000 Specific Impact cap and the \$1,500,000 Transportation Construction cap. Depending on the impact identified and the expected cost of the project, the Commission intends that any CMF assistance provided will only be for a percentage of the costs and that significant other federal, state, local, private or other funding will be available to pay for the costs of any such project.

For the 2022 Grant round, the Commission is seeking statements of interest from communities and other entities that may be seeking larger scale CMF assistance in the future. These statements of interest will help the Commission gauge the demand for these funds and help the Commission frame the parameters for a new category of funding.

The Statement of Interest must include the name of the project, a brief project description, the impact associated with a gaming establishment, the estimated project cost and the portion of the cost that is sought from the CMF.

## **3.0 Application Requirements**

### **3.1 What Should Be Included in the Applications?**

Applicants are required to complete the appropriate grant application:

- 2022 Specific Impact Grant Application;
- 2022 Public Safety Grant Application
- 2022 Community Planning Grant Application;
- 2022 Transportation Construction Grant Application;
- 2022 Transportation Planning Grant Application;
- 2022 Tribal Gaming Technical Assistance Grant Application;
- 2022 Workforce Development Grant Application; or

- 2022 Project of Regional Significance – Statement of Interest.

Applicants may also submit additional supporting materials of a reasonable length.

Applicants will need to fully identify the impact being caused by the casino and describe how the project request will address any claimed impacts and provide justification of any funds requested.

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.

### **3.2 How Will the Commission Decide on Applications?**

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 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 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 grant 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 workforce development 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 9, 10, and 11 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 the Local Community Mitigation Advisory Committees.

The Commission reserves the ability to determine a funding limit above or below 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.**



### **3.3 When Will the Commission Make Decisions?**

The Commission anticipates making funding decisions on any requests for grant assistance before July 2022.

### **3.4 Authorization to Approve Requests for Changes to Components of Grant Awards**

The Commission authorized staff to approve requests for changes to components of grant awards provided that staff provides notice of such changes to all Commission members and provided further that such changes shall not exceed 10% of the grant award or \$10,000, whichever is smaller.

### **3.5 Waivers and Variances**

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:

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

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.

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.

### **3.6 Rescission of Grants**

If a Grantee does not expend the funds in a timely manner, the Commission may rescind the grant and make those funds available in the next grant round for the Region in which the grant originated. Before any grant is rescinded, Commission staff will notify the Grantee that the expenditures on the grant are not timely and establish a timeline for the Grantee to either expend the funds or have the grant rescinded.

### **3.7 Who Should be Contacted for Questions?**

CMF applicants are encouraged to contact the Commission's staff with any questions or concerns. The Commission's Chief of the Division of Community Affairs, Joseph Delaney, can be

reached at (617) 721-9198 or via e-mail at [joseph.delaney@massgaming.gov](mailto:joseph.delaney@massgaming.gov). The Commission's address is 101 Federal Street, 12<sup>th</sup> Floor, Boston, MA 02110.

### **3.8 Where Should the Application be Sent?**

Applications **must be sent to** [www.commbuys.com](http://www.commbuys.com). An application received by COMMBUYS by January 31, 2022 will meet the application deadline. Applicants that are not part of the COMMBUYS system should contact Mary Thurlow, Program Manager of the Community Mitigation Fund well in advance of the January 31, 2022 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@massgaming.gov](mailto:mary.thurlow@massgaming.gov).

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



22

COMMUNITY  
MITIGATION  
FUND

# 2022 COMMUNITY MITIGATION FUND GUIDELINES

BD-22-1068-1068C-1068L-\_\_\_\_\_

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# 22

COMMUNITY  
MITIGATION  
FUND

## 2022 COMMUNITY MITIGATION FUND GUIDELINES BD-22-1068-1068C-1068L-\_\_\_\_\_

### 1.0 Community Mitigation Fund Grant Program

The Expanded Gaming Act created the Community Mitigation Fund (“CMF”) to help communities and other entities offset costs related to the construction and operation of a gaming establishment. For 2022, the following grant categories are available for communities:

- Specific Impact Grant;
- Public Safety Grant;
- Community Planning Grant;
- Transportation Planning Grant;
- Transportation Construction Grant;
- Workforce Development Grant;
- Tribal Gaming Technical Assistance Grant; and
- Emergency Mitigation Grant.

Each of these categories is further described in Section 2.0 of these Guidelines.

### 1.1 When Is the Application Deadline?

**January 31, 2022**

### 1.2 Who Can Apply?

M.G.L. c. 23K, § 61 and the Commission’s regulations identify a range of eligible entities including, but not limited to:

- communities in the vicinity of the gaming establishment including: host and surrounding communities; each community that entered into a nearby community agreement; any community that petitioned to be a surrounding community; and each community that is geographically adjacent to a host community;
- water and sewer districts in the vicinity of a gaming establishment;
- local and regional agencies involved in education, transportation, infrastructure, housing and environmental issues; and
- public safety agencies, including the office of the county district attorney, police, fire, and emergency services.

Applications involving a mitigation measure impacting only one community shall only be submitted by the authorized representatives of the community itself. Governmental entities



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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 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.

### **1.3 What Cannot Be Funded?**

***2022 Community Mitigation Fund may not be used for the mitigation of:***

- impacts that are projected or predicted but that are not occurring or have not occurred by January 31, 2022;
- impacts that are the responsibility (e.g. contractual, statutory, regulatory) of parties involved in the construction and operation of gaming establishments;
- the cost of the preparation of a grant application;
- requests related to utility outages, such as the mitigation of business interruptions; and
- other impacts determined by the Commission.

Please note that the Commission may determine to expand the eligible uses of funds for the 2022 program or other future programs. The Commission will also consult with mitigation advisory committees established in M.G.L. c. 23K in determining such uses.

### **1.4 How Much Funding Will Be Available?**

The Commission has determined a target spending amount of \$21.0 million for fiscal year 2022. If the 2022 target is met, the CMF would still have an estimated unallocated balance of \$1.87

Million from funds generated by December 31, 2021.

**Allocation by Region**

The Commission intends to allocate 2022 CMF funding based on the proportion of funds paid into the CMF from the taxes and fines generated by the MGM Springfield and Encore Boston Harbor facilities.<sup>1</sup> These include revenues generated during calendar year 2021 as well as unspent monies from previous years.

For the 2022 year, the Commission plans to allocate \$21.0 million between the two regions and the Category 2 facility as follows:

- Region A        \$12.75 million
- Region B        \$7.75 million
- Category 2      \$0.5 million

Category 2 grants will be split equally between Region A and Region B. If the \$0.5 million is not necessary for Category 2 grants, more spending would be available for Region A and Region B.

The Commission determined in grant year 2020, 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 fund for all regions and for Category 2 impacts. It is the intention of the Commission to count any allocated regional balances first toward 2022 spending targets. The following is the status of the unused funds by calendar year:

	Region A	Region B
2018		\$ 0
2019	\$0	\$ 2,681,172
2020	\$8,133,017	\$3,924,050
Total	\$8,133,017.00	\$6,605,222.00

**1.5 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 2022 Guidelines allow multiple communities to submit a joint application. The application must

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<sup>1</sup> These 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.



## 2022 COMMUNITY MITIGATION FUND GUIDELINES

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.

To further regional cooperation, the applications for Transportation Planning Grants and Community 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. 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
Community Planning Projects Involving Two (2) Communities	\$100,000 for each community	\$10,000	$\$100,000 \times \underline{2 \text{ communities}}$ $\$200,000 + \$10,000 = \underline{\$210,000}$
Community Planning Project Involving Three (3) or More Communities	\$100,000 for each community	\$15,000*	$\$100,000 \times \underline{3 \text{ communities}}$ $\$300,000 + \$15,000 = \underline{\$315,000}$
Transportation Planning Projects Two (2) Communities	\$200,000 for each community	\$25,000	$\$200,000 \times \underline{2 \text{ communities}}$ $\$400,000 + \$25,000 = \underline{\$425,000}$
Transportation Planning Projects Three (3) or more Communities	\$200,000 for each community	\$50,000*	$\$200,000 \times \underline{3 \text{ communities}}$ $\$600,000 + \$50,000 = \underline{\$650,000}$

\*The maximum Community Planning Regional Incentive is \$15,000 and the maximum Transportation Planning Regional Incentive is \$50,000 regardless of the number of communities participating.

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 Community Regional Planning Incentive Award.

### 1.6 Limitations/Specific Requirements on Community Planning Applications

~~The Commission will fund no application for any municipal employee for more than two years. 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 must also provide detail on what it will contribute to the planning project such as in-kind services or planning funds.~~

~~The Commission will evaluate requests for community planning funds 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.~~

## 2.0 Grant Categories

The following are the grant categories for the 2022 CMF. Applicants may apply for grants in more than one category; however, any individual project may only be included under one grant category.

### 2.1 2015/2016 Reserve Grants

In 2015 and 2016, a \$100,000 Reserve was established for communities near the gaming establishments. These grants are no longer available for use. These reserve awards expired December 31, 2021.

### 2.2 Specific Impact Grants

Specific Impact Grants may be used only to mitigate impacts that either have occurred or are occurring as of the January 31, 2022 application deadline.

No application for a Specific Impact Grant shall exceed \$500,000 unless a waiver has been granted by the Commission as outlined in Section 3 of these Guidelines. ~~No community is eligible for more than one Specific Impact Grant; however, communities may apply for multiple purposes in one application.~~ Communities may apply for more than one Specific Impact Grant, but the total of all Specific Impact Grants may not exceed \$500,000.

The Commission has determined that the funding of unanticipated impacts will be a priority. Thus, the Commission will review funding requests in the context of any host or surrounding

community agreement to help determine funding eligibility. The CMF is not intended to fund the mitigation of impacts already being funded in a Host or Surrounding Community Agreement.

Allowable impacts for funding are as follows:

- **Operational Impacts of Gaming Facilities:** The Commission will make funding available to mitigate gaming facility operational impacts that are being experienced or were experienced by the January 31, 2022 application deadline.

Operational impacts include: public safety impacts on the community; increased demand on community and regional water and sewer systems; impacts on the community from storm water run-off, 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.

- ~~**Public Safety Operational Costs:** Grants for public safety operational costs shall not exceed \$200,000 per community, unless a waiver is granted by the Commission in accordance with the waiver requirements outlined in Section 3. All applications for public safety personnel or other public safety operational costs, including relevant training, must demonstrate that CMF funds will supplement and not supplant historical operations funding. Grant funds shall not be used to pay for Gaming Enforcement Unit personnel or operations costs specified or anticipated in the memoranda of understanding between the Massachusetts State Police and host communities' police departments. For 2022, the Commission is highlighting the availability of CMF assistance for police training including Implicit Bias Training and De-escalation Training that will support the Police Reform Law.~~

~~Applicants must include detailed hourly estimates for the costs of any public safety personnel costs. Applicants should include the most relevant information describing historical service or staffing levels ("baseline information") in order to demonstrate that all funds will be used to supplement existing efforts. For example, if a community requests funding for additional staffing for a specific time period, the application should include information about the staffing levels that have been used for that same time period during the license term of the gaming facility. In describing any historical service levels, applicants should identify any time limited or "pilot" type operations which may have a bearing upon any determination of how the baseline service levels should be calculated. Applicants are requested to provide as much detailed baseline information as practicable to help the Commission in its review.~~

~~Please note that any 2022 public safety grants shall have a duration of only one year, unless otherwise determined by the Commission. Any grant awards issued in 2022 SHOULD NOT be considered to provide any guarantee or indication of future funding.~~

### **2.3 Public Safety Grants**

**Public Safety Operational Costs:** Grants for public safety operational costs shall not exceed \$200,000 per community, unless a waiver is granted by the Commission in accordance with the waiver requirements outlined in Section 3. All applications for Public Safety Grants must identify an operational impact of the gaming facility that the grant is designed to address. For 2022, the Commission is highlighting the availability of CMF assistance for police training including Implicit Bias Training and De-escalation Training that will support the Police Reform Law.

All applications for public safety personnel or other public safety operational costs, including relevant training, must demonstrate that CMF funds will supplement and not supplant historical operations funding. Grant funds shall not be used to pay for Gaming Enforcement Unit personnel or operations costs specified or anticipated in the memoranda of understanding between the Massachusetts State Police and host communities' police departments.

Applicants must include detailed hourly estimates for the costs of any public safety personnel costs. Applicants should include the most relevant information describing historical service or staffing levels ("baseline information") in order to demonstrate that all funds will be used to supplement existing efforts. For example, if a community requests funding for additional staffing for a specific time period, the application should include information about the staffing levels that have been used for that same time period during the license term of the gaming facility. In describing any historical service levels, applicants should identify any time limited or "pilot" type operations which may have a bearing upon any determination of how the baseline service levels should be calculated. Applicants are requested to provide as much detailed baseline information as practicable to help the Commission in its review.

Please note that any 2022 public safety grants shall have a duration of only one year from the date of execution ("Effective~~execution~~ Date"), unless otherwise determined by the Commission. Any grant awards issued in 2022 SHOULD NOT be considered to provide any guarantee or indication of future funding.

### **2.43 Community Planning Grants**

Community Planning Grants are available for all communities that were eligible to receive Reserve Grants.~~received Reserve Grants and have already allocated and received Commission approval of the use of its reserve.~~ No application for a Community Planning Grant shall exceed

\$100,000. Applications involving transportation planning or design are not eligible for the 2022 Community Planning Grant. Communities requesting transportation planning should instead apply for Transportation Planning Grant funds.

Community Planning Grants may include: programs to provide technical assistance and promotion for groups of area businesses; marketing and outreach efforts to identify local opportunities for casino patrons; tourism plans to attract casino patrons to nearby attractions; and other community planning efforts designed to either take advantage of the proximity to the casino and the large influx of patrons to the area, or allow a community to better compete with gaming establishments for customers.

For the purposes of the Community Planning Grant, the Commission has determined that the presence of a gaming establishment likely has some negative impact on local businesses ~~in the entertainment/hospitality sector.~~ The SEIGMA Patron and License Plate Survey Report for MGM Springfield issued on October 15, 2019 tabulated the percentage of reallocated spending associated with MGM Springfield. Reallocated spending is spending on good and services which would have occurred had the casinos never opened, but which did not occur because an individual chose to spend their money at the casino instead. The main areas where monies were reallocated were transportation, housing (groceries, rent, utilities, etc.), retail items, hotels and travel, restaurants and bars, recreation and non-live entertainment and live entertainment. Attempting to quantify these impacts on any given business or community is exceptionally challenging, but given the survey responses, it is reasonable to conclude that reallocation of funds is likely to have an impact on local businesses in those communities that are eligible to apply for a Community Planning Grant.

The Commission also realizes that the gaming establishments can provide significant benefits to local communities and certain businesses. Casinos provide thousands of jobs with their attendant salaries and benefits; they spend millions of dollars each year purchasing supplies, equipment and services; and they bring thousands of visitors each day to the facilities that otherwise would not be present in the area. These benefits present opportunities for communities to leverage the presence of casinos and their employees and patrons to: increase business opportunities to provide goods and services; attract casino patrons to increase tourism; attract casino employees to live in local communities; provide economic development opportunities; and other ancillary benefits. The Commission understands that the lack of local funds to pursue these types of efforts hampers communities' abilities to take advantage of casino related benefits. These Community Planning Grants are designed, in part, to address these "lost opportunity costs."~~It also realizes that communities have the ability to take advantage of opportunities that the presence of a casino presents. In addition to mitigating direct impacts, these grants are, in part, designed to address these "lost opportunity" costs.~~

The Community Planning Grant application must identify the impact associated with the casino. Since the Commission has determined that there are both positive and negative impacts associated with the casinos as identified above, applicants for Community Planning Grants do

not need to go to extraordinary lengths to **quantify** the impacts of the casino. The planning project, however, must still be designed to mitigate the identified impact.

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 will also need to provide detail on what it will contribute to the project such as in-kind services or local funds.

Communities that utilize this 2022 Community Planning Grant are not prohibited from applying for funding for any specific mitigation request.

### Limitations/Specific Requirements on Community Planning Applications

The Commission will fund no application for any municipal employee for more than two years. 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 must also provide detail on what it will contribute to the planning project such as in-kind services or planning funds.

The Commission will evaluate requests for community planning funds 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.

## 2.54 Transportation Planning Grants

The Commission will make funding available for certain transportation planning activities for all communities eligible to receive funding from the CMF.

~~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.

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. 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 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 2023 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.

### **2.65** **Transportation Construction Grants**

The Commission will make funding available for certain transportation construction costs in the 2022 CMF. Since most of these projects will have an ancillary benefit to the community that likely outweighs the mitigation of a casino impact, the Commission anticipates that any CMF assistance provided will only be for a maximum of 33% of the total project cost, and that significant other federal, state, local, private or other funding will be available to pay for the remaining costs of any such project. The Commission will consider waiving this cap if the applicant can affirmatively demonstrate that the cost associated with mitigating the impact exceeds the cap.

Applicants are not prohibited from applying for transportation construction funds in future years for a project included in a 2022 application. However, any 2022 transportation construction project may not rely upon contributions from the CMF in future rounds. Applicants should demonstrate that the financing for the project does not depend upon any future year awards by the Commission. Given the likely complexity of any such transportation construction applications, applicants may consult with Commission staff before and during the CMF review on such projects.

~~The Commission anticipates authorizing no more than \$4,000,000 in grants for Transportation Construction Grants.~~ The Commission does not anticipate authorizing more than \$1,500,000

for any one award. The Commission may adjust all target spending amounts, including the amounts in this section. ~~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.~~ There is no minimum application amount.

Applicants must demonstrate that the project will begin construction no later than June 30, 2023. In addition to the criteria for determining grants stated later in these Guidelines, the Commission will evaluate a project's readiness to proceed, the significance of additional funds from other sources, and the potential transportation benefits associated with such projects.

Applicants may, but are not required, to include a description of how the project meets the evaluation standards for the Fiscal Year 2023 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.

Applicants are strongly encouraged to include a letter of support from the MassDOT with any application.

Transportation Construction Grants are not available for transportation operations costs.

### **2.76** Workforce Development Grants

Given the uncertainties entering 2022, we encourage applicants to be creative in their grant applications, keeping in mind that training programs must have a direct correlation to impacts from the casino. Applicants must be able to demonstrate that the education and skills training programs proposed are in response to an identified need at the casinos or as a means to provide a sufficient supply of workers to backfill jobs being lost to the casinos. In reviewing these applications, the Commission will need to consider the state of affairs at the time of the review including the condition of the labor market and the general state of the economy.

For fiscal year 2023, the Commission will make available funding for workforce development programs in Regions A and B for service to residents of communities of such Regions. CMF Workforce grant applicants should focus on areas highly impacted by casino operations, while taking into consideration the impacts of the pandemic.

#### **Goals include:**

- To mitigate a strain in existing resources and a potential impact to the regional labor market.
- To identify and alleviate gaps and/or challenges regarding equitable access to casino or industry-related jobs.
- 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 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 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.

The total funding available for workforce grants will likely not exceed ~~\$800,000~~ **\$1,000,000**. The Commission anticipates an ~~an~~ **base** award of no more than **\$350,000** in each Region ~~(not including additional funding for regional cooperation-significant regional needs). These additional award descriptions are as follows:~~

- ~~• In an effort to promote administrative efficiencies and greater regional cooperation, applicants that demonstrate regional cooperation between a significant number of workforce agencies may be eligible for **\$50,000** in additional regional cooperation funding. One grant is anticipated to be considered for each Region.~~
- ~~• The Commission may authorize an award of up to **\$100,000** for significant regional needs.~~

Each governmental entity applying for workforce development funds will also need to provide details on what it will contribute to the workforce development project such as in-kind services or workforce development funds.

### **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.

Proposals may include programming elements such as gaming school scholarships, culinary, hospitality skills, banking, or general customer service training or vocational programs focused on English language/adult basic education, while taking into consideration the impacts of the pandemic.

**A consortium application is required.** Eligible workforce development proposals must include a regional consortium approach to improve the skills, knowledge, and credential attainment for Region A and Region B residents interested in a casino or casino-related 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

needed by the regional business community impacted as a result of casino hiring. The proposal must also include regional labor market information and evidence of employer partnerships.

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 program grant funds. Applicants should consider leveraging other funding resources.

The Commission has determined that administrative costs (including but not limited to all indirect and other administrative funding) shall not exceed 7.5% of the total grant allocation. Administrative costs include activities related to management, oversight, reporting and record keeping, and monitoring of the grant program.

### **2.87 Tribal Gaming Technical Assistance Grants**

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”), 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 2022. Any such application 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.

### **2.98 Emergency Mitigation Grants**

The Commission may make available no more than \$200,000 in grant funds to mitigate unanticipated casino related impacts that arise after the January 31, 2022 application date. Any impact must be newly identified and be of an emergency nature that would cause significant harm to the community if it were not remedied in an expeditious fashion. The intent of this grant is to allow the Commission to be more responsive in addressing significant casino related issues that do not fall within the normal CMF timelines. This grant is not intended to circumvent the normal CMF processes. Any applicant for this grant should contact the Community Affairs Division to discuss the impact and the proper way to proceed.

## **2.9 Projects of Regional Significance (PLACEHOLDER FOR DISCUSSION)**

In the next few years, several large transportation construction and economic development projects in the vicinity of the gaming establishments are anticipated to begin. While nothing appears imminent for 2022, it is expected that these projects may seek CMF funding in the future. The magnitude of some of these projects could well exceed the available CMF funds.

For projects of this nature, it is expected that the costs would well exceed the \$500,000 Specific Impact cap and the \$1,500,000 Transportation Construction cap. Depending on the impact identified and the expected cost of the project, the Commission intends that any CMF assistance provided will only be for a percentage of the costs and that significant other federal, state, local, private or other funding will be available to pay for the costs of any such project.

For the 2022 Grant round, the Commission is seeking statements of interest from communities and other entities that may be seeking larger scale CMF assistance in the future. These statements of interest will help the Commission gauge the demand for these funds and help the Commission frame the parameters for a new category of funding.

The Statement of Interest must include the name of the project, a brief project description, the impact associated with a gaming establishment, the estimated project cost and the portion of the cost that is sought from the CMF.

## **3.0 Application Requirements**

### **3.1 What Should Be Included in the Applications?**

Applicants are required to complete the appropriate grant application:

- 2022 Specific Impact Grant Application;
- 2022 Public Safety Grant Application
- 2022 Community Planning Grant Application;
- 2022 Transportation Construction Grant Application;
- 2022 Transportation Planning Grant Application;
- 2022 Tribal Gaming Technical Assistance Grant Application;
- 2022 Workforce Development Grant Application; or
- 2022 Project of Regional Significance – Statement of Interest.

Applicants may also submit additional supporting materials of a reasonable length.

Applicants will need to fully identify the impact being caused by the casino and describe how the project request will address any claimed impacts and provide justification of any funds requested.

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.

### **3.2 How Will the Commission Decide on Applications?**

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 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 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 grant 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 workforce development 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 \_\_\_ and \_\_\_ 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 the Local Community Mitigation Advisory Committees.

The Commission reserves the ability to determine a funding limit above or below 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.**

### **3.3 When Will the Commission Make Decisions?**

The Commission anticipates making funding decisions on any requests for grant assistance before July 2022.

### **3.4 Authorization to Approve Requests for Changes to Components of Grant Awards**

The Commission authorized staff to approve requests for changes to components of grant awards provided that staff provides notice of such changes to all Commission members and provided further that such changes shall not exceed 10% of the grant award or \$10,000, whichever is smaller.

### **3.5 Waivers and Variances**

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:

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

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.

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.

### **3.6 Rescission of Grants**

If a Grantee does not expend the funds in a timely manner, the Commission may rescind the grant and make those funds available in the next grant round for the Region in which the grant originated. Before any grant is rescinded, Commission staff will notify the Grantee that the expenditures on the grant are not timely and establish a timeline for the Grantee to either expend the funds or have the grant rescinded.

### **3.7 Who Should be Contacted for Questions?**

CMF applicants are encouraged to contact the Commission's staff with any questions or concerns. The Commission's Chief of the Division of Community Affairs, Joseph Delaney, can be

reached at (617) 721-9198 or via e-mail at [joseph.delaney@massgaming.gov](mailto:joseph.delaney@massgaming.gov). The Commission's address is 101 Federal Street, 12<sup>th</sup> Floor, Boston, MA 02110.

### **3.8 Where Should the Application be Sent?**

Applications **must be sent to** [www.commbuys.com](http://www.commbuys.com). An application received by COMMBUYS by January 31, 2022 will meet the application deadline. Applicants that are not part of the COMMBUYS system should contact Mary Thurlow, Program Manager of the Community Mitigation Fund well in advance of the January 31, 2022 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@massgaming.gov](mailto:mary.thurlow@massgaming.gov).

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