



TO: Chair Cathy Judd-Stein and Commissioners Eileen O'Brien, Bradford Hill, Nakisha Skinner and Jordan Maynard

FROM: Joseph Delaney, Mary Thurlow, and Lily Wallace

CC: Todd Grossman, Interim Executive Director

DATE: October 13, 2023

RE: FY 2025 Community Mitigation Fund Municipal Block Grant Formula

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The Community Affairs Division is proposing to restructure the current Community Mitigation Fund (CMF) into a block grant program for eligible municipalities. In order to implement this structure, a formula must be developed to determine the proposed grant amounts to be distributed to each municipality.

In developing this formula, the Division looked at other relevant state programs and worked through multiple funding formulas with the goals of ensuring the formula was equitable for municipalities while also keeping it simple enough to practically implement.

The team identified several factors to consider in the development of the formula:

- 1. Minimum Grant Amount** – Staff recommend that there be a minimum grant amount established by region each year subject to availability of funds. Considering the amount of money available in each region this year, the team recommends the following minimum grants:
  - Region A - \$200,000
  - Region B - \$75,000
  - Category 2 - \$25,000
- 2. Host/Surrounding Community** – Staff recommends that additional funds be awarded for being a designated Host or Surrounding Community. There are several communities in Regions A and B that are not designated Host or Surrounding Communities but are eligible for mitigation funds. These communities were either denied Surrounding Community status or did not participate in the designation of Surrounding Communities. By designating Host and Surrounding Communities, the licensees agreed that these communities would be impacted by the casinos. For the communities that were denied Surrounding Community status, there was no recognition of significant adverse impacts.



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Staff recommends that the Host community receive an additional 200% of the minimum grant and that designated Surrounding Communities receive an additional 100% of the grant.

3. **Proximity** - The basic premise behind this is that the further geographically a municipality is from the casino, the smaller the impacts will be. This portion of the grant is designed to consider public safety issues, economic impacts, gambling harms, etc. In making the determination of proximity, the team considered whether the municipality directly abutted the Host Community and how far the municipalities were from the casino. We also looked at geographic and physical features (rivers, highways, etc.) to assess how similar municipalities were to one another. The Host Communities received the largest share of these funds as the impacts associated with the casino tend to be greater in these communities. There is not a significant amount of available research to quantify impacts in a congruent fashion. The team used its best judgement to identify similarities and differences among municipalities to assign dollar values to the proximity category. The team recommends re-evaluation of this category on an annual basis as new information becomes available.
4. **Traffic Impacts** - Traffic is one of the largest impacts of the casinos and should be included as a factor in grant awards. The team reviewed the traffic studies associated with the casinos and assigned grant amounts by the percentage of traffic estimated to pass into municipalities on local roads. Traffic that directly accesses an interstate or other limited access highway was not considered in the calculation as MassDOT already receives a percentage of the gaming taxes for state road work. If traffic needs to travel on local streets for a significant distance before entering a limited access highway, that traffic was counted in those communities.

It must be noted that the same traffic may impact multiple communities. For instance, vehicles travelling from the host community and passing into a surrounding community, impact both communities. For each region, the estimated traffic distribution for local roads was added up and normalized to 100%. It was then multiplied by the dollar amount included in the traffic factor.

The Proximity and Traffic factors were weighted differently in each region based on our knowledge of the casinos and their operations. For example, traffic related impacts are more significant in Region A than in Region B, and much more significant than the Category 2 area. Approximately 26% of the total grant amount was earmarked for traffic in Region A, with about 21% in Region B and only 15% for the Category 2 facility.



**Available Funding for FY 25**

Funds available for the Municipal Block Grant Program will include all of the funds deposited into the CMF from July 1, 2023 through June 30, 2024. Based on our current projections, we anticipate that the following amounts will be available for FY 25 grant round.

Region A	\$11,500,000
Region B	\$ 4,300,000
Category 2	\$ 500,000

The following pages present the proposed grant amounts for each eligible municipality by region.



**Region A – Encore Boston Harbor  
FY 25 Proposed Grant Amounts  
Total Funding Available - \$11.5 million**

Community	Base Grant	HCA/SCA Status	Proximity to Casino	Traffic	Total
Everett (Host)	\$200,000	\$400,000	\$1,600,000	\$662,000	\$2,862,000
Boston	\$200,000	\$200,000	\$800,000	\$1,407,000	\$2,607,000
Cambridge	\$200,000	\$200,000	\$300,000	\$0	\$700,000
Somerville	\$200,000	\$200,000	\$400,000	\$310,000	\$1,110,000
Medford	\$200,000	\$200,000	\$400,000	\$248,400	\$1,048,400
Malden	\$200,000	\$200,000	\$400,000	\$82,800	\$882,800
Revere	\$200,000	\$0	\$400,000	\$62,100	\$662,100
Chelsea	\$200,000	\$200,000	\$400,000	\$227,700	\$1,027,700
Saugus	\$200,000	\$0	\$0	\$0	\$200,000
Lynn	\$200,000	\$0	\$0	\$0	\$200,000
Melrose	\$200,000	\$0	\$0	\$0	\$200,000
<b>Total</b>	<b>\$2,200,000</b>	<b>\$1,600,000</b>	<b>\$4,700,000</b>	<b>\$3,000,000</b>	<b>\$11,500,000</b>

**Region A Grant Breakdown by Percent**

Base Grant            19.1%  
 HCA/SCA Status    13.9%  
 Proximity            40.9%  
 Traffic                26.1%

Municipality	Proximity % of Total	Traffic % of Total
Everett	34.0%	22.1%
Boston	17.0%	46.9%
Cambridge	6.4%	0.0%
Somerville	8.5%	10.3%
Medford	8.5%	8.3%
Malden	8.5%	2.8%
Revere	8.5%	2.1%
Chelsea	8.5%	7.6%
Saugus	0.0%	0.0%
Lynn	0.0%	0.0%
Melrose	0.0%	0.0%



**Region B –MGM Springfield**

**FY 25 Proposed Grant Amounts**

**Available Funds - \$4,300,000**

Community	Base Grant	HCA/SCA Status	Proximity to Casino	Traffic	Total
Springfield (Host)	\$75,000	\$150,000	\$666,000	\$512,700	\$1,403,700
West Springfield	\$75,000	\$75,000	\$281,000	\$87,300	\$518,300
Holyoke	\$75,000	\$75,000	\$84,000	\$60,000	\$294,000
Chicopee	\$75,000	\$75,000	\$142,000	\$49,100	\$341,100
Ludlow	\$75,000	\$75,000	\$84,000	\$10,900	\$244,900
Wilbraham	\$75,000	\$75,000	\$142,000	\$21,800	\$313,800
East Longmeadow	\$75,000	\$75,000	\$142,000	\$60,000	\$352,000
Longmeadow	\$75,000	\$75,000	\$142,000	\$32,800	\$324,800
Agawam	\$75,000	\$75,000	\$142,000	\$65,400	\$357,400
Hampden	\$75,000	\$0	\$0	\$0	\$75,000
Northampton	\$75,000	\$0	\$0	\$0	\$75,000
<b>Total</b>	<b>\$825,000</b>	<b>\$750,000</b>	<b>\$1,825,000</b>	<b>\$900,000</b>	<b>\$4,300,000</b>

**Region B Grant Breakdown by Percent**

Base Grant	19.1%
HCA/SCA Status	17.4%
Proximity	42.4%
Traffic	20.9%

Municipality	Proximity % of Total	Traffic % of Total
Springfield	36.5%	57.0%
West Springfield	15.4%	9.7%
Holyoke	4.6%	6.7%
Chicopee	7.8%	5.5%
Ludlow	4.6%	1.2%
Wilbraham	7.8%	2.4%
East Longmeadow	7.8%	6.7%
Longmeadow	7.8%	3.6%
Agawam	7.8%	7.3%
Hampden	0.0%	0.0%
Northampton	0.0%	0.0%



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**Category 2 – Plainridge Park Casino**

**FY 25 Proposed Grant Amounts**

**Available Funding - \$500,000**

Community	Base Grant	HCA/SCA Status	Proximity to Casino	Traffic	Total
Plainville (Host)	\$25,000	\$50,000	\$50,000	\$28,300	\$153,300
Wrentham	\$25,000	\$25,000	\$20,000	\$6,800	\$76,800
Foxborough	\$25,000	\$25,000	\$10,000	\$4,500	\$64,500
Mansfield	\$25,000	\$25,000	\$10,000	\$3,000	\$63,000
North Attleborough	\$25,000	\$25,000	\$10,000	\$21,700	\$81,700
Attleborough	\$25,000	\$25,000	\$0	\$10,700	\$60,700
<b>Total</b>	<b>\$150,000</b>	<b>\$175,000</b>	<b>\$100,000</b>	<b>\$75,000</b>	<b>\$500,000</b>

**Category 2 Grant Breakdown by Percent**

Base Grant	30.0%
HCA/SCA Status	35.0%
Proximity	20.0%
Traffic	15.0%

Municipality	Proximity % of Total	Traffic % of Total
Plainville	50.0%	37.7%
Wrentham	20.0%	9.0%
Foxborough	10.0%	6.0%
Mansfield	10.0%	4.0%
North Attleborough	10.0%	29.0%
Attleborough	0.0%	14.3%

