



Subcommittee on Community Mitigation

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

The meeting will take place: **Tuesday, November 26 @ 11:00 a.m.**
Massachusetts Gaming Commission
101 Federal Street, 12th floor
Boston, MA 02110

Public Meeting:

1. Welcome/Opening Comments
2. Approval of Minutes from the October 2, 2019 Meeting - **Vote**
3. Discussion of 2020 Community Mitigation Fund Guidelines
4. Review of 2019 Awards
5. Next steps
6. Other Business – reserved for matters not reasonably anticipated at the time of posting.

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

November 22, 2019
(date)



John S. Ziembal, Ombudsman

Date Posted to Website: Friday, November 22, 2019



Massachusetts Gaming Commission



Subcommittee on Community Mitigation Meeting Minutes

Date/Time: October 2, 2019 @ 11:00 a.m.
Place: Massachusetts Gaming Commission
Members Present: Bruce Stebbins Carmina Fernandes
Sean Cronin Haskell Kennedy
Eric Demas John Robertson
Ron Hogan Patricia Gentile
Attendees: Catherine Rollins Joe Delaney
John Ziemba Mary Thurlow

Call to Order

Commissioner Stebbins called the meeting to order. He then introduced Patricia Gentile, a new member of the Subcommittee with professional experience in community mitigation related to gaming, appointed by Governor Baker. Commissioner Stebbins welcomed her to the subcommittee and summarized her professional background. The committee members then introduced themselves.

Commissioner Stebbins stated that this is a turning point meeting, as the casinos have moved past the construction stage and are now generating money for the Community Mitigation Fund (CMF). He noted that each region would have its unique challenges. He then asked the members to bring any feedback from their communities to the Subcommittee, stating that he wants to ensure the continuation of wise spending of these funds.

Approval of Minutes from the November 26, 2018 Meeting

Mr. Robertson moved to approve the minutes from the November 26, 2018 Subcommittee Meeting, subject to correction for typographical errors and other nonmaterial matters. The motion was seconded.

The motion passed, with Ms. Gentile abstaining.

Update on Project Monitoring Research

Joe Delaney, Construction Project Oversight Manager. He updated the members regarding the traffic monitoring requirement during construction. He noted that there were several requirements placed on licensees to monitor traffic. Encore Boston Harbor was required to hire a designated transportation coordinator. Encore hired an independent organization called STV Inc. STV performed baseline traffic counts just before the casino opened. Encore is

required to conduct traffic studies twice a year to determine whether or not the estimates that were made were accurate. They will start this work in December.

MGM has similar requirements, with one difference being that in western Massachusetts, the surrounding community agreements have a baseline, a one year, and five year lookback studies. The lookback studies will include an analysis of other areas of impact in addition to traffic.

Ms. Gentile asked if there are any surveys regarding the impact on residents. Mr. Delaney stated that there are not. However, Commissioner Stebbins stated that Springfield has set up a committee that met last week for the first time that is designed to address potential economic growth in the area.

Next, Ms. Gentile asked what kind of environment is being created for residents. The Ombudsman stated that the objective is to have more market-rate housing, restaurants, and retail areas. He briefed Ms. Gentile on the 31 Elm Street project in Springfield.

Last week the Commission received the real estate report from MGM Springfield. Mr. Ziembra reported that there had not been many concerns from a public safety perspective, as there has not been much activity outside the casino. The MGM Springfield 4-month report is now on the Commission's website for reference.

A baseline analysis report of crime statistics, calls for service, and collision data in the communities near Encore will be presented at the November 7th Commission meeting. There will also be an analysis report of changes in police data following eight months of operation at MGM Springfield. Plainridge Park Casino (PPC) analysis reports will show social and economic impacts and changes in police data following four years of operation. Mr. Ziembra will provide a copy of these reports to the subcommittee members.

He stated that the total of impacts to the region have yet to be determined, regarding MGM Springfield. The same timetable to be expected for impact results from MGM is also anticipated for Encore. Reports should be forthcoming from Encore by July or August of 2020.

Commissioner Stebbins stated that Springfield saw an uptick in real estate sales of multi-family properties. He also commented that there has been significant participation from local chiefs of police, providing data for analysis of incidents of crime in the area. He concluded by stating that he anticipates more calls for service as the population increases.

Mr. Ziembra directed Subcommittee members to [massgaming.com's Research Agenda section](https://www.massgaming.com/research-agenda) to view all reports. He added that the section provides a narrative that details what to expect for future research.

Discussion of 2020 Community Mitigation Fund Policy Questions

Ombudsman Ziembra reviewed a schedule of policy questions with the committee. He explained that this is the beginning of the process, and described the process with regional meetings. The Commission initially reviewed the policy questions at last week's Commission meeting. There

will be a further review next week at the Commission meeting on October 10, and again at the October 24 Commission meeting with the discussion draft of the Guidelines. The Guidelines will then be posted for public comment. The Commission will try to convene again to review the Guidelines again at the beginning of December, per the schedule.

Next, Mr. Ziemba introduced a draft of questions with the Subcommittee. The first question raised for 2020 is whether the Commission should place an overall limit on grants. Because MGM Springfield opened on August 24, 2018, and Encore Boston Harbor opened on June 23, 2019, the CMF will have significant additional funding in the near term. In the 2019 CMF Guidelines, the Commission determined that revenues generated by the facility in each Category 1 region would be allocated for awards in that gaming region. Two caveats to this determination are that slot-related impacts are to be funded from all regions, and those unused allocations should revert back to the general Community Mitigation Fund after three years.

Ms. Gentile asked for a spreadsheet of the numbers. Mr. Ziemba stated that the history of numbers will be complicated as a tool for predictions, as the fall season is slower. However, he will provide her with a spreadsheet for analysis.

Mr. Robertson asked for clarification on numbers. Mr. Ziemba replied that numbers and information on each fund are located in the monthly revenue reports on the Commission's website. One can multiply the total in collected state taxes by 6.5% to calculate the income going into the fund.

Last year was the first split of funds, per the policy determination to do so. This effort has been successful so far. However, it needs a review annually. The western region did not use the full allocation of funds this past year. The Commission needs to determine what is to remain in the western region for next year.

The Commission determined that funds would remain in a region for three years, and then go back into the general fund to become available for all regions again. A protocol for the calculation of rollover dollars needs to be developed. If there is a greater need in one region and more funds in the other, Mr. Hogan remarked that the funds staying in the region for a full three years enables the region to save up for a sizeable project and is most helpful. Mr. Ziemba described how the calculation is performed currently.

Mr. Delaney commented on a first-in, first-out policy that would continually have a surplus and grow a more abundant supply of funds. He offered to prepare different scenarios for the members to analyze.

There was discussion around multi-year grants. Mr. Ziemba explained that the commitment to a multi-year grant carries significant risk and that the Commission provides a clause that addresses this.

Mr. Cronin voiced his concern regarding municipal general obligation bonds. He stated that one would need the full grant award before the bond authorization can occur, and that is not a possibility, noting the MSBA as an example of this.

Mr. Delaney further explained that there is no guarantee on a multi-year grant, as there is always the risk of a casino's status changing. There would need to be a limit on the funds that can be granted in multi-year funds. Mr. Cronin stated that he could consult with a municipal bond counsel on the matter.

There was discussion around an inter-agency agreement, as well as the need for a comprehensive policy on long-term commitments.

Next, Mr. Ziemba addressed a budget for public safety needs with the Subcommittee. It was clear that the legislature intended the funds to be spent in the communities. The Commission is working this fall to determine what types of limitations are needed.

Ms. Griffin stated that the Commission has encouraged regional collaborations in western Massachusetts, specifically with the Springfield Technical Community College (STCC) and other local colleges. She stated that there are two separate applications from the east.

Next, Ms. Griffin addressed policy question #4 that asks whether the 2020 CMF should continue to help residents of the Springfield or Everett areas obtain their high school and/or work readiness credentials for employment. She stated that there is a need for educational programs, as the licensees have reported work readiness issues of new employees.

Ms. Griffin also stated that the funds were used to mitigate the impacts of Encore poaching employees from MGM Springfield. Commissioner Stebbins noted that the new employee survey from MGM Springfield will provide valuable information on this. Ms. Gentile asked for metrics to provide input and offered that the department of labor should have some real-time data.

Review of 2019 Community Mitigation Fund Awards

The Ombudsman provided the committee with an overview of the grant recipients in 2019.

Next Steps

The date of the next subcommittee meeting is November 26, 2019. The meeting time will be determined later. Ombudsman Ziemba will set aside some time to meet with a bond counsel. Mr. Cronin will provide names and numbers to him. Mr. Ziemba asked the members to craft letters in support of the bill clarifying municipal and regional planning agency conflict of interest and responsibility to be passed in the Legislature that ultimately amends the gaming law.

12:34 p.m. *Commissioner Stebbins made a motion to adjourn. The motion was seconded. The motion passed unanimously.*

/s/ Shara N. Bedard
Secretary

List of Documents and Other Items Used

1. Notice of Meeting and Agenda dated September 27, 2019
2. Draft Meeting Minutes dated November 26, 2018
3. 2019 Community Mitigation Fund Awards
4. 2019 Community Mitigation Fund Guidelines
5. 2020 Policy Questions for the Community Mitigation Fund



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November 6, 2019

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

Re: *Comment on Draft 2020 Community Mitigation Fund Guidelines*

Dear Sir/Madam:

I am the City Manager in Chelsea, Massachusetts. We are a surrounding community to the Encore Casino. I am writing with a brief comment on the draft 2020 Community Mitigation Fund Guidelines.

I understand from the draft Guidelines that this year, for the first time, the Commission will allow for funds to be spent on actual transportation construction projects. I wholeheartedly support that decision. With all the casinos now open, it is possible now to determine actual traffic impacts in each region. And, it is clear that some roadways are being adversely affected and may require investment to mitigate these impacts. Most surrounding municipalities do not possess the resources to mitigate these impacts alone.

However, I believe that the amount of funding set aside in the category of transportation construction is insufficient. Given the cost of roadway construction projects, a statewide limit of \$3 million seems woefully inadequate. Most roadway projects cost multiple millions. Although I recognize that the Commission is requiring other funding sources to be available for any project that is the subject of an application, and expects municipalities to share in the costs, the limited amount available per project (no more than \$1 million) may leave meritorious roadway projects – ones required only because of new traffic generated by a newly constructed casino – still unaffordable.

I urge the Commission to increase the total amount available, as well as increase the per project cost to make this a valuable funding opportunity for impacted communities.

Sincerely,

A handwritten signature in cursive script, appearing to read "Thomas G. Ambrosino".

Thomas G. Ambrosino
City Manager



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COMMUNITY MITIGATION FUND

10/21/19

2020 COMMUNITY MITIGATION FUND GUIDELINES

BD-20-1068-1068C-1068L

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Massachusetts Gaming Commission



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COMMUNITY MITIGATION FUND

2020 COMMUNITY MITIGATION FUND GUIDELINES BD-20-1068-1068C-1068L-_____

What is the Community Mitigation Fund?

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

When Is the Application Deadline?

February 1, 2020. M.G.L. c. 23K, § 61 states that “parties requesting appropriations from the fund shall submit a written request for funding to the Commission by February 1.”

Who Can Apply?

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

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

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

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



Massachusetts Gaming Commission

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

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

What Cannot Be Funded?

2020 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 February 1, 2020;**
- impacts that are the responsibility (e.g. contractual, statutory, regulatory) of parties involved in the construction of gaming facilities (such as damage caused to adjoining buildings by construction equipment, spills of construction-related materials outside of work zones, personal injury claims caused by construction equipment or vehicles);
- the cost of the preparation of a grant application;
- requests related to utility outages, such as the mitigation of business interruptions;
- police training costs; and
- other impacts determined by the Commission

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

Please note that the Commission may determine to expand the eligible uses of funds for the 2020 program or other future programs when impacts are more clearly identifiable. The Commission will also consult with mitigation advisory committees established in M.G.L. c. 23K in determining such uses.

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

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

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

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

How Much Funding Will Be Available?

The Commission has determined a target spending amount of \$11.5 million for 2020. This represents a significant increase in the potential amount of grants awarded compared to prior years (\$2 million in 2015 (all reserve awards), \$2.7 million in 2016 (including some new reserve awards), \$2.4 million in 2017, \$5.9 million in 2018 (including one-time police training costs), and \$3.96 million in 2019).¹ Despite this funding increase, significant funds are estimated to remain in the Community Mitigation Fund for impacts and priorities in future years, as such impacts and priorities become more evident. If all target spending is made in 2020, the CMF could still have an estimated unallocated balance of over \$3 million from funds generated by December 31, 2019, including \$1.25 million reserved for future Region A use, \$590,000 for future Region B use, and \$1.5 million from the original license fees). Additional funds will be placed into the CMF from MGM Springfield and Encore Boston Harbor funds generated in 2020.

Now that both the Encore Boston Harbor and MGM Springfield facilities are operational, 6.5% of the revenues from the tax on gross gaming revenues from these facilities are being placed into the Community Mitigation Fund. Based upon an analysis of revenues generated to date, more than \$10 million may be placed into the fund in 2020 for awards in future years.

Allocation by Region

The Commission intends to allocate 2020 CMF funding based on needs in the regions that reflect the proportion of funds paid into the Community Mitigation Fund from the taxes and fine revenue generated by the MGM Springfield and Encore Boston Harbor facilities.² This allocation takes into account mitigation needs outside Region A and Region B, and includes a

¹ These yearly grant awards amounts include both the amounts of reserve grants (which by their nature were designed to be spent in future years) and the full value of non-reserve grants that were reduced (because of the requirement that outstanding reserves had to be spent prior to the use of new grant funding). Thus, the amounts of awards for prior years should not be totaled in any effort to understand the total amount of funds granted over the course of the CMF program. For example, a new \$250,000 transportation planning award in 2018 is counted in the 2018 totals here even though that \$250,000 total grant was made from \$150,000 in 2018 funds and \$100,000 from a reserve grant that was made in 2015 or 2016).

² 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. Further, after the initial deposit, no further contributions from the Slots licensee will be made to the fund.

method to utilize unspent allocations.

For the 2020 year, the Commission plans to allocate the \$11.5 million target spending amount almost equally between the two regions, Region A and Region B, after accounting for grants that will be made for Category 2 impacts. Targeted spending is \$1 million higher in Region A than Region B reflecting the higher amount of funds expected to be generated by Region A in 2019. Thus, by way of example, if the Commission awards \$500,000 for Category 2 impacts in 2020, \$11 million would be available to be split between Region A and Region B (i.e. \$6 million for Region A and \$5 million for Region B). Please note that these Guidelines establish a maximum target of \$500K for Category 2 impacts. In the event that \$500K is not necessary for Category 2 impacts, more target spending would be available for Region A and Region B.

Although Encore Boston Harbor opened mid-year (June 23) and will place only about a half year’s worth of revenues into the CMF by December 31, 2019 (compared to a full year’s worth of MGM Springfield revenues), an Encore Boston Harbor fine issued in 2019 resulted in approximately \$2.3 million being placed into the Community Mitigation Fund. Encore Boston Harbor is also expected to generate more funds into the CMF in 2019 than MGM Springfield. However, funding that was not allocated in 2019 for Region B can be made available to Region B in 2020. Approximately \$1.65 million that was generated by MGM Springfield in 2018 can be made available in 2020 for Region B.³

Below is a chart showing the anticipated contributions from each Region, compared to projected target spending levels for Region A and Region B.

FOR ILLUSTRATION PURPOSES ONLY (SEE NOTE BELOW)

	<u>Region A</u>	<u>Region B</u>
Unutilized 2018 Gaming Tax Contributions	n/a	\$1.65 million⁴
Projected 2019 Gaming Tax Contributions	\$5.20 million	\$4.18 million
2019 Fines	<u>\$2.30 million</u>	<u>\$0.01 million</u>
<u>Total:</u>	<u>\$7.5 million</u>	<u>\$5.84 million</u>
<i>2020 Target Spending Amount⁵</i>	<i>\$6.0 million</i>	<i>\$5.0 million</i>
<i>Plus \$500,000 for Category 2 Spending (split equally).</i>	<i>\$.25 million</i>	<i>\$.25 million</i>

³ For the 2019 CMF program, the Commission set a spending target of \$4.1 million for Region B, which included the use of approximately \$1.5 million from “new” funds generated by MGM Springfield in 2018 and \$2.6 million remaining from the original license fees. Only \$1.1 million was awarded to Region B in 2019, leaving the \$1.5 million in “new funds” and approximately \$1.5 million from the original license fees.

⁴ In the 2019 Guidelines, the Commission included a conservative estimate of \$1.5 million estimate for 2018 MGM Springfield contributions to the CMF. MGM Springfield placed \$1,649,098.02 into the fund in 2018.

⁵ Assumes \$500,000 of Category 2 spending (i.e. \$11.5 million in total spending - \$500k category 2 = \$11 million split between the Regions \$6M and \$5M).

PLEASE NOTE THAT THIS CURRENT ESTIMATE FOR PROJECTED 2019 GAMING TAX CONTRIBUTIONS IS PROVIDED ONLY FOR ILLUSTRATION PURPOSES. THE ESTIMATE IS CALCULATED SOLELY BY USING THE AVERAGE DAILY TAX REVENUES CONTRIBUTED TO DATE MULTIPLIED BY THE NUMBER OF REMAINING DAYS IN 2019. THIS ANALYSIS DOES NOT ACCOUNT FOR SEASONAL IMPACTS (SUCH AS SOME POST-SUMMER REVENUE DECLINES EXPERIENCED TO DATE). IT ALSO DOES NOT ACCOUNT FOR OTHER FACTORS SUCH AS THE IMPACT OF MARKETING BY THESE FACILITIES OR IMPACTS OF REGIONAL COMPETITION. BY THE TIME OF THE ANTICIPATED FINALIZATION OF THE GUIDELINES, THE COMMISSION WILL HAVE THE BENEFIT OF REVENUE NUMBERS THROUGH OCTOBER (AND PERHAPS NOVEMBER). THE BEST AVAILABLE ESTIMATES WILL BE USED AT THAT TIME.

It is the Commission's further intention that any unused funds allocated to each Category 1 Region will be set aside for that Region for a period of three years. After the three-year period, the funds shall be allocated back into a combined general fund for all regions and for Category 2 impacts. Because Encore Boston Harbor opened in 2019, Encore Boston Harbor did not generate any 2018 funds for use in the 2019 program. Therefore, no funds are rolled over into 2020. Approximately \$1.65 million of funds generated by MGM Springfield in 2018 are rolled over into 2020. If these funds are not utilized by 2022, they would be allocated back into the combined general fund for all regions and Category 2 impacts during the 2023 CMF program. It is the intention of the Commission to count any allocated regional balances first/last toward 2020 spending targets.

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 2020 Guidelines for the Community Mitigation Fund allow multiple communities to submit a joint application. In the event that any of the applicant communities has not expended its One-Time 2015/2016 Reserve ("reserve" or "reserves"), the application must detail how the reserves will be allocated between the applicant communities to meet any reserve expenditure requirement. For example, transportation planning grants require that reserves be used prior to the receipt of new planning funds. In the event of a joint application for a \$200,000 planning grant, the joint application shall specify how the applicant communities will allocate/use a total of \$100,000 in reserves between the communities. The application must specify which community will be the fiscal agent for the grant funds. All communities will be held responsible for compliance with the terms contained in the grant.

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

	Base Funding	Regional Planning Incentive Award	Total Allowable Request
Non-Transportation Planning Projects Involving Two (2) Communities	\$100,000 for each community	\$10,000	$\$100,000 \times 2 \text{ communities}$ $\$200,000 + \$10,000 =$ <u>\$210,000</u>
Non-Transportation Program Involving Three (3) or More	\$100,000 for each community	\$15,000	$\$100,000 \times *$ 3 communities $\$300,000 + \$15,000 =$ <u>\$315,000</u>
Transportation Planning Projects Two (2) Communities	\$200,000 for each community	\$25,000	$\$200,000 \times$ 2 communities $\$400,000 + \$25,000 =$ <u>\$425,000</u>
Transportation Planning Projects Three (3) or more	\$200,000 for each community	\$50,000	$\$200,000 \times *$ 3 communities $\$600,000 + \$50,000$ <u>\$650,000</u>

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

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

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

Limitations

No application for a Specific Impact Grant shall exceed \$500,000, unless a waiver has been granted by the Commission. No community is eligible for more than one Specific Impact Grant,

unless a waiver has been granted by the Commission. However, communities may apply for multiple purposes in one application.

Of that amount, for 2020, no more than \$500,000 may be expended for operational impacts related to the Category 2 gaming facility, unless otherwise determined by the Commission.

One-Time 2015/2016 Reserves

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

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

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

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

In many cases, communities may not be in a position to access their 2015/2016 Reserves by the February 1, 2020 deadline. Therefore, the Commission has extended such Reserves for the 2020 Community Mitigation Fund Program. Communities may continue to access whatever portion of the original \$100,000 that remains unexpended. **The above communities do not need to submit any new application to keep their Reserves. These reserves have automatically been extended by action of the Commission.**

The criteria for the use of the Reserves remain the same. This Reserve can be used to cover impacts that may arise in 2020 or thereafter. It may also be used for planning, either to determine how to achieve further benefits from a facility or to avoid or minimize any adverse impacts.

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

What are the Reserve Amounts?

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

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

Specific Impact Grants - What Specific Impacts Can Be Funded?

The 2020 Community Mitigation Fund for mitigation of specific impacts may be used only to mitigate impacts that either have occurred or are occurring as of the February 1, 2020 application date. Although the definition in the Commission's regulations (for the purpose of determining which communities are surrounding communities) references predicted impacts, the 2020 program is limited to only those impacts that are being experienced or were experienced by the time of the February 1, 2020 application date.

The Commission has determined that the funding of unanticipated impacts will be a priority under the annual Community Mitigation Fund. Thus the Commission will review funding requests in the context of any host or surrounding community agreement to help determine funding eligibility.⁶ The Community Mitigation Fund is not intended to fund the mitigation of specific impacts already being funded in a Host or Surrounding Community Agreement.

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

Allowable impacts for funding are as follows:

Operational Impacts for All Gaming Facilities: In recognition that the Category 2 gaming facility in Plainville opened during calendar year 2015, the MGM Springfield Category 1 facility opened during calendar year 2018, and Encore Boston Harbor opened during calendar year 2019, the Commission will make available funding to mitigate operational related impacts that are being experienced or were experienced from that facility by the February 1, 2020 date. The Commission will make available up to \$500,000 in total for applications for the mitigation of operational impacts relating to the Plainridge facility.

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

"The community will be significantly and adversely affected by the operation of the gaming establishment after its opening taking into account such factors as potential public safety impacts on the community; increased demand on community and regional water and sewer systems; impacts on the community from storm water runoff, associated pollutants, and changes in drainage patterns; stresses on the community's housing stock including any projected negative impacts on the appraised value of housing stock due to a gaming establishment; any negative impact on local, retail, entertainment, and service establishments in the community; increased social

⁶ The Commission is aware of the difference in bargaining power between host and surrounding communities in negotiating agreements and will take this into account when evaluating funding applications.

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.

All applications for public safety personnel or other public safety operation costs must demonstrate that CMF funds will supplement and not supplant historical operations funding. Grants for public safety personnel or operations costs may not exceed \$ [REDACTED] per community. 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 2020 public safety grants shall have a duration of only one year, unless otherwise determined by the Commission. Any grant awards issued in **2020 SHOULD NOT** be considered to provide any guarantee or indication of future funding.

Hampden County Sheriff’s Department – Specific Impact Grant

In 2016 the Commission awarded the Hampden County Sheriff’s Department (“HCSD”) funds to offset increased rent for the Western Massachusetts Correctional Alcohol Center (“WMCAC”). In providing assistance, the Commission stated that the amount of assistance shall not exceed \$2,000,000 in total for five years or \$400,000 per fiscal year. A provision in the grant required HCSD to reapply each year. Each grant application may not exceed \$400,000 per year. Any such lease assistance shall be included in the Region B allocation of funds.

2020 Non-Transportation Planning Grant

The Commission will make available funding for certain planning activities for all communities that previously qualified to receive funding from the One-Time 2015/2016 Reserve Fund, and have already allocated and received Commission approval of the use of its reserve. No application for this 2020 Non-Transportation Planning Grant shall exceed One Hundred Thousand Dollars (\$100,000). Applications involving transportation planning or design are not eligible for the 2020 Non-Transportation Planning Grant. Communities requesting transportation planning should instead apply for Transportation Planning Grant funds.

Eligible planning projects must have a defined area or issue that will be investigated as well as a clear plan for implementation of the results. The planning project must be clearly related to addressing issues or impacts directly related to the gaming facility. Applicants will be required to submit a detailed scope, budget, and timetable for the planning effort prior to funding being awarded. Each community applying for a 2020 Non-Transportation Planning Grant will also need to provide detail on what it will contribute to the project such as in-kind services or planning funds. Planning projects may include programs created by communities to provide technical assistance and promotion for groups of area businesses.

Communities that utilize this 2020 Non-Transportation Planning Grant are not prohibited from applying for funding for any specific mitigation request.

Transportation Planning Grants

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

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

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

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

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

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

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

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

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

Applicants may, but are not required, to include a description of how the project meets the evaluation standards for the Fiscal Year 2020 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.

Transportation Project Construction Costs

In addition to grants for transportation planning and design through its transportation planning grants, the Commission has determined to expand these grants to include the cost of the construction of transportation projects in the 2020 CMF. The Commission intends that any CMF assistance provided will only be for a percentage of the costs [no more than X percent] of any such project and that significant other federal, state, local, private or other funding will be available to pay for the costs of any such project.

Applicants are not prohibited from applying for transportation construction funds in future years for a project included in a 2020 application. However, any 2020 transportation 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 \$3,000,000 in grants for transportation construction projects. The Commission does not anticipate authorizing more than \$1,000,000 for any one award. Applicants may include a request to use funding from previously awarded CMF Reserves in any description of significant other federal, state, local, or private contributions. Similarly, applicants may include contributions from gaming licensees and private contributions.

Applicants must demonstrate that any transportation construction project will begin construction no later than June 30, 2021.

Although the Commission will not authorize any multi-year grants for transportation projects in 2020, the Commission plans to issue request for Statements of Interest in 2020 for transportation construction projects that would require multi-year grants. Such Statement of Interest would help the Commission determine the needs for multi-year grants in preparation

for the 2021 CMF funding round. The Statement of Interest would also be utilized to allow for a greater understanding of projects that may be the subject of a future application.

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

Limitations/Specific Requirements on Planning Applications

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

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

Tribal Gaming Technical Assistance Grant

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

Workforce Development Pilot Program Grant

For fiscal year 2020, the Commission will make available funding for certain career pathways workforce development pilot programs in Regions A and B for service to residents of communities of such Regions, including each Category 1 host community and each designated surrounding community, each community which entered into a nearby community agreement with a licensee, any community that petitioned to be a surrounding community to a gaming licensee, and each community that is geographically adjacent to a host community. CMF Workforce grant applicants should focus on areas highly impacted by casino development, including gaming school scholarships, culinary, hospitality skills training or vocational focused English language/adult basic education.

The total funding available for grants will likely not exceed \$700,000. No application for a grant in each Region shall exceed \$300,000 unless otherwise determined by the Commission. In an effort to promote administrative efficiencies and greater regional cooperation, applicants that demonstrate cooperation of a significant number of workforce agencies in each region may be eligible for \$50,000 in additional funding. One grant is anticipated to be considered for each Region. Each governmental entity applying for workforce development funds will also need to provide detail on what it will contribute to the workforce development project such as in-kind services or workforce development funds.

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

Goals include:

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

- To mitigate a strain in existing resources and a potential impact to the regional labor market.

Eligible activities include:

- a program in Region A or Region B that structures intentional connections among adult basic education, occupational training, and post-secondary education programs designed to meet the needs of both adult learners and employers;
- a program in Region A or Region B that provides 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 and training, and industry-recognized credentials.

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

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.

What Should Be Included in the Applications?

- ★ Applicants are required to complete the 2020 Specific Impact Grant Application, the 2020 Transportation Planning Grant Application, the 2020 Workforce Development Pilot Program Grant Application, the 2020 Non-Transportation Planning Grant Application, 2020 Transportation Project Construction Costs Grant Application, or 2020 Reserve Planning Grant Application/Tribal Gaming Technical Assistance Grant Application, and may also submit additional supporting materials of a reasonable length.
- ★ Applicants will need to describe how the specific mitigation, planning, workforce development pilot program or regional transit project request will address any claimed impacts and provide justification of any funds requested. Unlike existing surrounding community agreements which were based on anticipated impacts, any Specific Impact Grant will be based on impacts that have occurred or are occurring, as described previously.

- ★ Applicants will need to describe if and how such impacts were addressed or not addressed in any host or surrounding community agreements. Applicants may include a letter of support from the applicable gaming licensee. However, this is not necessary, as the Commission will request the licensee's opinion regarding each Application.

How Will the Commission Decide on Applications?

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

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

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

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

Supplemental Guidelines Used To Evaluate Workforce Development Applications

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

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

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

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

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

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

When Will the Commission Make Decisions?

The Commission anticipates making funding decisions on any requests for grant assistance before July 2020, after a comprehensive review and any additional information requests.

Authorization to Approve Requests for Changes to Components of Grant Awards

The Commission hereby authorizes staff to approve requests for changes to components of grant awards provided that staff shall provide 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.

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

There is no deadline. Funds may be used on a rolling basis when specific impacts are determined or the specific planning activity is determined. Once known, communities should contact the Ombudsman's Office, which will assist the community in providing the needed information. Communities with specific impacts will, at the time the impacts are known, complete the Specific Impact Grant Application or the Planning Project Grant Application in its entirety. Communities with requests for planning funds will provide similar information to the Commission: a description of the planning activity, how the planning activity relates to the development or operation of the gaming facility, how the planning funds are proposed to be used, consultation with the Regional Planning Agency, other funds being used, and how planning will help the community determine how to achieve further benefits from a facility or to avoid or minimize any adverse impacts. The Commission will fund no application for more than two years for any municipal employee. The CMF will not pay the full cost of any municipal employee. The municipality would need to provide the remaining amount of any employee cost and certify that all such expenses are casino related. Each Community applying for planning funds will also need to provide detail on what it will contribute to the planning project such as in-kind services or planning funds. Please note that such details do not need to be determined by the February 1, 2020 application date. Commission approvals of the use of the One-Time 2015/2016 Reserve will also be on a rolling basis corresponding to the rolling determinations of use by communities.

Waivers and Variances

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

1. Granting the waiver or variance is consistent with the purposes of M.G.L. c. 23K;
2. Granting the waiver or variance will not interfere with the ability of the Commission to fulfill its duties;
3. Granting the waiver or variance will not adversely affect the public interest; and

4. Not granting the waiver or variance would cause a substantial hardship to the community, governmental entity, or person requesting the waiver or variance.

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

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

Who Should Be Contacted for Any Questions?

As the 2020 Community Mitigation Fund program is just in the fifth year of the program for the Commission, communities and other parties may have a number of questions. They are encouraged to contact the Commission's Ombudsman with any questions or concerns. The Commission's Ombudsman will regularly brief the Commission regarding the development of Community Mitigation Fund policies.

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

Where Should the Application Be Sent?

Applications **must be sent to** www.commbuys.com. An application received by COMMBUYS by February 1, 2020 will meet the application deadline. Applicants that are not part of the COMMBUYS system should contact Mary Thurlow of the Commission's Ombudsman's Office well in advance of the February 1, 2020 deadline to make arrangements for submission of the application by the deadline. Mary Thurlow can be contacted at (617) 979-8420 or at mary.thurLOW@state.ma.us.

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

REVENUES FOR COMMUNITY MITIGATION FUND

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Casino	Month	GGR	TAXES	CMF
MGM	October	\$ 21,193,386.13	\$ 5,298,546.43	\$ 344,405.52
Encore	October	\$ 45,812,827.11	\$ 11,453,206.78	\$ 744,458.44
MGM	September	\$ 19,884,287.76	\$ 4,971,071.94	\$ 323,119.68
Encore	September	\$ 48,958,335.67	\$ 12,239,584.00	\$ 795,572.96
MGM	August	\$ 20,966,172.21	\$ 5,241,543.05	\$ 340,700.30
Encore	August	\$ 52,486,239.66	\$ 13,121,559.92	\$ 852,901.39
MGM	July	\$ 20,398,605.38	\$ 5,099,651.35	\$ 331,477.34
Encore	July	\$ 48,574,567.42	\$ 12,143,641.86	\$ 789,336.72
MGM	June	\$ 19,954,469.30	\$ 4,988,617.33	\$ 324,260.13
Encore	June	\$ 16,789,943.88	\$ 4,197,485.97	\$ 272,836.59
MGM	May	\$ 22,285,565.57	\$ 5,571,391.39	\$ 362,140.44
MGM	April	\$ 21,818,086.34	\$ 5,454,521.59	\$ 354,543.90
MGM	March	\$ 25,684,173.99	\$ 6,421,043.50	\$ 417,367.83
MGM	February	\$ 21,500,878.31	\$ 5,375,219.58	\$ 349,389.27
MGM	January	\$ 19,698,053.88	\$ 4,924,513.47	\$ 320,093.38

	CMF \$	Fines (6.5%)	Total
Encore	\$ 744,458.44		
	\$ 795,572.96		
	\$ 852,901.39		
	\$ 789,336.72		
	\$ 272,836.59		
Total:	<u>\$ 3,455,106.10</u>	\$ 2,307,500.00	\$ 5,762,606.10

MGM:	\$ 344,405.52		
	\$ 323,119.68		
	\$ 340,700.30		
	\$ 331,477.34		
	\$ 324,260.13		
	\$ 362,140.44		
	\$ 354,543.90		
	\$ 417,367.83		
	\$ 349,389.27		
	\$ 320,093.38		
Total:	<u>\$ 3,467,497.78</u>	\$ 11,377.65	\$ 3,478,875.43

Total 2019 Revenues Through October **\$ 9,241,481.54**

REVENUES FOR COMMUNITY MITIGATION FUND

		Encore		MGM
Daily Average Revenues	\$	26,374.86	\$	11,406.24
Projected Tax Revenues				
Remainder 2019	\$	1,608,866.20	\$	695,780.80
YTD Tax Revenues	\$	3,455,106.10	\$	3,467,497.78
Total Projected Tax Revenues 2019	\$	5,063,972.30	\$	4,163,278.59
Total Projected Tax Revenues 2019	\$	5,063,972.30	\$	4,163,278.59
YTD Fees and Fines	\$	2,307,500.00	\$	11,377.65
Projected Total Revenues	\$	7,371,472.30	\$	4,174,656.24
2019 CMF Projected	\$	11,546,128.54		

* Proj. Rev. = Daily Average * 61 (days remaining in 2019)

PLEASE NOTE THAT THESE PROJECTIONS ARE BASED SOLELY ON AVERAGE DAILY CONTRIBUTIONS TO THE FUND TO DATE AND DO NOT ACCOUNT FOR SEASONAL VARIATIONS OR IMPACTS CAUSED BY MARKETING

Projected Revenue Placed in Community Mitigation Fund Through October 2019

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Total Initial License Fees: MGM Springfield, Encore Boston Harbor and Plainridge Park \$17,500,000.00

MGM Springfield	6.5% of Tax on GGR by Year	Fines	VSE & Underage	Forfeited Funds	Total
2016					
2017					
2018	\$1,649,098.02		\$2,879.22		\$1,651,977.24
2019*	\$3,467,497.78	\$6,500.00		\$4,877.65	\$3,478,875.43
					<u>\$5,130,852.67</u>

Encore Boston Harbor	6.5% of Tax on GGR by Year	Fines	VSE & Underage	Forfeited Funds	Total
2016					
2017					
2018					
2019*	\$3,455,106.10	\$2,307,500.00			\$5,762,606.10
					<u>\$5,762,606.10</u>

TOTAL CMF FUNDS \$28,393,458.77

*through 10/15/19

Projected Remaining 2019 Contributions \$2,304,647.00

Projected Total 2019 CMF Funds \$30,698,105.77

Revenue Placed in Community Mitigation Fund through 2019

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Calendar Year	Initial CMF Balance	New Awards	New Revenues	Remaining CMF Balance
2015	\$17,500,000.00	\$2,000,000.00		\$15,500,000.00
2016	\$15,500,000.00	\$2,303,150.00		\$13,196,850.00
2017	\$13,196,850.00	\$2,105,503.95		\$11,091,346.05
2018	\$11,091,346.05	\$5,403,642.32	\$1,651,977.24	\$7,339,680.97
2019*	\$7,339,680.97	\$3,832,946.58	\$11,546,128.54	\$15,052,862.93
Total:		\$15,645,242.85		

* The New Revenues for 2019 are estimates for the year based on revenues through October 2019.

2015 Community Mitigation Fund

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Licensee	City/Town	2015 Award	New Dollars
MGM	Agawam	\$100,000.00	\$100,000.00
Encore	Boston	\$100,000.00	\$100,000.00
Encore	Cambridge	\$100,000.00	\$100,000.00
Encore	Chelsea	\$100,000.00	\$100,000.00
MGM	Chicopee	\$100,000.00	\$100,000.00
MGM	East Longmeadow	\$100,000.00	\$100,000.00
Plain	Foxborough	\$100,000.00	\$100,000.00
MGM	Holyoke	\$100,000.00	\$100,000.00
MGM	Longmeadow	\$100,000.00	\$100,000.00
MGM	Ludlow	\$100,000.00	\$100,000.00
Encore	Lynn	\$100,000.00	\$100,000.00
Encore	Malden	\$100,000.00	\$100,000.00
Plain	Mansfield	\$100,000.00	\$100,000.00
Encore	Medford	\$100,000.00	\$100,000.00
MGM	Northampton	\$100,000.00	\$100,000.00
Encore	Saugus	\$100,000.00	\$100,000.00
Encore	Somerville	\$100,000.00	\$100,000.00
MGM	West Springfield	\$100,000.00	\$100,000.00
MGM	Wilbraham	\$100,000.00	\$100,000.00
Plain	Wrentham	\$100,000.00	\$100,000.00
		\$2,000,000.00	\$2,000,000.00

2016 Community Mitigation Fund

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Licensee	Awarded City /Town	2016 Type	Award	Reserve Used	New Dollars
Plain	Attleboro	Reserve	\$ 100,000.00		\$ 100,000.00
Encore	Chelsea	Trans	\$ 267,150.00	\$ 100,000.00	\$ 167,150.00
Encore	Everett-Host	Reserve	\$ 100,000.00		\$ 100,000.00
Encore	Everett-Host	Trans	\$ 150,000.00	\$ 100,000.00	\$ 50,000.00
MGM	Hampden	Reserve	\$ 100,000.00		\$ 100,000.00
MGM	HCSO-Springfield	Specific	\$ 280,000.00		\$ 280,000.00
Encore	Lynn	Trans	\$ 100,000.00	\$ 100,000.00	
Encore	Malden	Trans	\$ 100,000.00		\$ 100,000.00
Encore	Malden	Planning & Marketing	\$ 100,000.00	\$ 100,000.00	
Plain	Mansfield	Reserve	\$ 100,000.00	\$ 100,000.00	
Encore	Medford	Trans	\$ 260,000.00	\$ 100,000.00	\$ 160,000.00
Encore	Melrose	Reserve	\$ 100,000.00		\$ 100,000.00
Plain	North Attleboro	Reserve	\$ 100,000.00		\$ 100,000.00
Plain	Plainville	Reserve	\$ 100,000.00		\$ 100,000.00
Encore	Revere	Reserve	\$ 100,000.00		\$ 100,000.00
Encore	Saugus**	Reserve	\$ 21,744.00	\$ 21,744.00	
MGM	Springfield-Historic	Specific	\$ 350,000.00		\$ 350,000.00
MGM	Springfield	Reserve	\$ 100,000.00		\$ 100,000.00
MGM	Springfield-Valet	Specific	\$ 200,000.00	\$ 50,000.00	\$ 150,000.00
MGM	West Springfield	Trans Planning	\$ 247,500.00	\$ 1,500.00	\$ 246,000.00
MGM	West Springfield*	Reserve	\$ 98,500.00	\$ 98,500.00	
Plain	Wrentham	Reserve	\$ 50,000.00	\$ 50,000.00	
Total:			\$ 3,124,894.00	\$821,744.00	\$2,303,150.00



use of Reserve



New Reserve Award

\$800,000 Reserves awarded to Everett, Melrose, Revere, Attleboro, North Attleboro, Plainville, Hampden and Springfield

Note: West Springfield use of reserve was incurred in 2015.

** The Commission awarded Saugus a \$35,000 use of reserves in 2016. Saugus later received approval to shift \$13,256 for a 2017 award.

2017 Community Mitigation Fund

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Licensee	Awarded City /Town	2017 Type	Award	Reserve Used	New Dollars
Encore	Boston	Trans	\$ 150,000.00		\$ 150,000.00
Encore	Boston	Reserve	\$ 100,000.00	\$ 100,000.00	
Encore	Everett - Bus	Trans	\$ 150,000.00		\$ 150,000.00
Encore	Everett-Bike	Specific	\$ 150,000.00		\$ 150,000.00
Plain	Foxborough	Reserve	\$ 1,180.00	\$ 1,180.00	
MGM	Longmeadow	Reserve	\$ 7,200.00	\$ 7,200.00	
Encore	Lynn	Specific	\$ 100,000.00		\$ 100,000.00
Encore	Malden	Trans	\$ 150,000.00		\$ 150,000.00
Encore	Medford	Trans	\$ 80,000.00		\$ 80,000.00
Encore	MetroNorth / MassHire	Work	\$ 200,000.00		\$ 200,000.00
Plain	Norfolk County DA	Specific	\$ 25,000.00		\$ 25,000.00
MGM	Northampton	Reserve	\$ 100,000.00	\$ 100,000.00	
Plain	Plainville	Specific	\$ 98,397.92		\$ 98,397.92
Plain	Plainville-Fire truck	Specific	\$ 148,750.00	\$ 100,000.00	\$ 48,750.00
Encore	Revere	Reserve	\$ 50,000.00	\$ 50,000.00	
Encore	Revere/Saugus***	Trans	\$ 150,000.00	\$ 100,000.00	\$ 50,000.00
Encore	Saugus (2016)	Reserve	\$ 28,256.00	\$ 28,256.00	
Encore	Somerville	Trans	\$ 150,000.00		\$ 150,000.00
Encore	Somerville	Reserve	\$100,000.00	\$ 100,000.00	
MGM	Springfield Public Schools	Work	\$ 171,833.03		\$ 171,833.03
MGM	Springfield Tech	Work	\$ 200,000.00		\$ 200,000.00
MGM	Springfield-Valet	Specific	\$ 31,523.00		\$ 31,523.00
Region C	SRPEDD	Tribal	\$ 200,000.00		\$ 200,000.00
MGM	West Springfield	Trans	\$ 150,000.00		\$ 150,000.00
TOTAL:			\$ 2,692,139.95	\$ 586,636.00	\$ 2,105,503.95

***Revere and Saugus agreed to each use \$50,000.00 of their reserve for this grant.

indicates use of reserve

2018 Community Mitigation Fund

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Licensee	Awarded City /Town	2018 Type	Award	Reserve Used	New Dollars
Plain	Attleboro	Trans	\$ 100,000.00	\$100,000.00	
Encore	Boston	Trans	\$ 200,000.00		\$ 200,000.00
Encore	Boston Private Industry Council	Work	\$ 300,000.00		\$ 300,000.00
Encore	Chelsea	Trans	\$ 200,000.00		\$ 200,000.00
Encore	Everett/ Somerville	Jt. Trans	\$ 425,000.00		\$ 425,000.00
MGM	Hampden DA	Specific	\$ 125,000.00		\$ 125,000.00
MGM	HCSD-Springfield	Specific	\$ 765,000.00		\$ 765,000.00
MGM	Holyoke	Reserve	\$ 100,000.00	\$100,000.00	
MGM	Holyoke CC	Work	\$ 300,000.00		\$ 300,000.00
	MA State Police	Specific	\$ 1,814,544.00		\$ 1,814,544.00
Encore	Malden	Planning	\$ 50,000.00		\$ 50,000.00
Encore	Medford	Trans	\$ 198,600.00		\$ 198,600.00
Encore	MetroNorth / MassHire	Work	\$ 300,000.00		\$ 300,000.00
Encore	Revere	Planning	\$ 50,000.00		\$ 50,000.00
Encore	Revere/Saugus	Jt. Trans	\$ 275,000.00		\$ 275,000.00
MGM	Springfield - Police	Specific	\$ 160,498.32		\$ 160,498.32
MGM	West Springfield	Trans	\$ 200,000.00		\$ 200,000.00
MGM	West Springfield	Planning	\$ 40,000.00		\$ 40,000.00
Plain	Wrentham	Reserve	\$ 40,000.00	\$40,000.00	
Region C	SRPEDD	Tribal	carryover \$200,000.00		
Total:			\$5,643,642.32	\$240,000.00	\$ 5,403,642.32

total award does not include carryover

indicates use of reserve funds now or previously used

2019 Community Mitigation Fund

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Licensee	Awarded City /Town	2019 Type	Award	Reserve Used	New Dollars
Encore	Boston	Trans	\$ 200,000.00		\$ 200,000.00
Encore	Boston	Workforce	\$ 213,400.00		\$ 213,400.00
Encore	Chelsea/Everett	Planning	\$ 105,000.00		\$ 105,000.00
MGM	Chicopee/ Springfield	Planning	\$50,000.00	\$ 50,000.00	
Encore	Everett Somerville	TPRS	\$ 400,000.00		\$ 400,000.00
Encore	Everett/ Somerville	Jt. Trans	\$ 425,000.00		\$ 425,000.00
Encore	Everett-Police	specific	\$ 182,088.90		\$ 182,088.90
Plain	Foxboro, Wrentham Plainville	Planning	\$ 75,000.00	\$ 75,000.00	\$ -
MGM	Hampden DA	Specific	\$ 100,000.00		\$ 100,000.00
MGM	HCSD-Springfield	Specific	\$ 400,000.00		\$ 400,000.00
MGM	Holyoke CC	Workforce	\$ 300,000.00		\$ 300,000.00
Encore	Lynn	Trans	\$ 200,000.00		\$ 200,000.00
Encore	Medford	Trans	\$ 200,000.00		\$ 200,000.00
Encore	MetroNorth / MassHire	Workforce	\$ 300,000.00		\$ 300,000.00
MGM	Northampton	Planning	\$ 29,000.00		\$ 29,000.00
MGM	PVPC	TPRS	\$ 25,000.00		\$ 25,000.00
Encore	Revere	Planning	\$ 50,000.00		\$ 50,000.00
Encore	Revere/Saugus	Jt. trans	\$ 425,000.00		\$ 425,000.00
Encore	Saugus	Planning	\$ 50,000.00		\$ 50,000.00
MGM	Springfield Police	Specific	\$ 228,457.68		\$ 228,457.68
Region C	SRPEDD	Tribal			carryover (2017)
Total:			\$ 3,957,946.58	\$125,000.00	\$ 3,832,946.58

total award does not include carryover



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COMMUNITY MITIGATION FUND



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COMMUNITY MITIGATION FUND

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20192020 COMMUNITY MITIGATION FUND GUIDELINES
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COMMUNITY MITIGATION FUND



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COMMUNITY MITIGATION FUND

20192020 COMMUNITY MITIGATION FUND GUIDELINES

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What is the Community Mitigation Fund?

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

When Is the Application Deadline?

February 1, 20192020. M.G.L. c. 23K, § 61 states that “parties requesting appropriations from the fund shall submit a written request for funding to the Commission by February 1.”

Who Can Apply?

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

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

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

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



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

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

What Cannot Be Funded?

20192020 Community Mitigation Fund may not be used for the mitigation of:

Category 1 Gaming Facilities:

- Any operational related impacts in Region A except Police Training Costs;
- impacts that are projected or predicted but that are not occurring or have not occurred by February 1, 20192020;**
- impacts that are the responsibility (e.g. contractual, statutory, regulatory) of parties involved in the construction of gaming facilities (such as damage caused to adjoining buildings by construction equipment, spills of construction-related materials outside of work zones, personal injury claims caused by construction equipment or vehicles);
- the cost of the preparation of a grant application;
- requests related to utility outages, such as the mitigation of business interruptions;
- police training costs in Region B; and
- other impacts determined by the Commission.

Category 2 Gaming Facilities:

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

- police training costs; and
- other impacts determined by the Commission

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

Please note that the Commission may determine to expand the eligible uses of funds for the ~~2019~~2020 program or other future programs when impacts are more clearly identifiable. The Commission will also consult with mitigation advisory committees established in M.G.L. c. 23K in determining such uses.

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

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

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

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

How Much Funding ~~Is~~ and Will Be Available?

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

¹ 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. Further, after the initial deposit, no further contributions from the Slots licensee will be made to the fund. As of the date of these Guidelines, the total may or may not be reduced based on a pending decision on a City of Springfield application that was placed on hold in 2018.

This is the first year the Community Mitigation Fund will be receiving. The Commission has determined a target spending amount of \$11.5 million for 2020. This represents a significant increase in the potential amount of grants awarded compared to prior years (\$2 million in 2015 (all reserve awards), \$2.7 million in 2016 (including some new reserve awards), \$2.4 million in 2017, \$5.9 million in 2018 (including one-time police training costs), and \$3.96 million in 2019).² Despite this funding increase, significant funds are estimated to remain in the Community Mitigation Fund for impacts and priorities in future years, as such impacts and priorities become more evident. If all target spending is made in 2020, the CMF could still have an estimated unallocated balance of over \$3 million from funds generated by December 31, 2019, including \$1.25 million reserved for future Region A use, \$590,000 for future Region B use, and \$1.5 million from the original license fees). Additional funds will be placed into the CMF from MGM Springfield and Encore Boston Harbor funds generated in 2020.

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

Once both the MGM Springfield and Encore Boston Harbor facilities are operational, and their marketing plans are optimized approximately \$18 million generated by these two facilities may be annually deposited are being placed into the Community Mitigation Fund using a conservative estimate provided by the Commission's financial consultants. Based upon an analysis of revenues generated to date, more than \$10 million may be placed into the fund in 2020 for awards in future years.

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

The Commission intends to allocate ~~2019~~2020 CMF funding based on ~~need~~needs in the regions

² These yearly grant awards amounts include both the amounts of reserve grants (which by their nature were designed to be spent in future years) and the full value of non-reserve grants that were reduced (because of the requirement that outstanding reserves had to be spent prior to the use of new grant funding). Thus, the amounts of awards for prior years should not be totaled in any effort to understand the total amount of funds granted over the course of the CMF program. For example, a new \$250,000 transportation planning award in 2018 is counted in the 2018 totals here even though that \$250,000 total grant was made from \$150,000 in 2018 funds and \$100,000 from a reserve grant that was made in 2015 or 2016).

that ~~reflects~~reflect the proportion of funds paid into the Community Mitigation Fund from the taxes and fine revenue generated by the MGM Springfield ~~or~~and Encore Boston Harbor facilities.³ This allocation takes into account mitigation needs outside Region A and Region B, and includes a method to utilize unspent allocations.

For the ~~2019~~2020 year, the Commission plans to allocate the ~~\$11.5~~2 million ~~remaining CMF fund~~target spending amount almost equally between the two regions, Region A and Region B, after accounting for grants that will be made for Category 2 impacts. Targeted spending is \$1 million higher in Region A than Region B reflecting the higher amount of funds expected to be generated by Region A in 2019. Thus, by way of example, if the Commission awards ~~\$200~~500,000 for Category 2 impacts in ~~2019, 2020~~, \$11 million would be available to be split between Region A and Region B (i.e. \$6 million for Region A and \$5 million would be available to be split equally between Region A and Region B (i.e. \$2.5 million for each region) for Region B). Please note that these Guidelines establish a maximum target of \$500K for Category 2 impacts. ~~Therefore, for another example, at the Category 2 maximum, approximately \$4.7 million would be available to be split between Region A and B (\$5.2 million - In the event that \$500K is not necessary for Category 2 impacts - \$4.7 million (\$2.35 million, more target spending would be available for Region A and \$2.35 million for Region B)).~~

~~In addition to the funds remaining in the account, as noted, it is expected that MGM Springfield will generate an additional \$1.5 million by December 31, 2018. It is the Commission's intention to allocate these MGM Springfield generated funds to Region B. Although Encore Boston Harbor opened mid-year (June 23) and will place only about a half years' worth of revenues into the CMF by December 31, 2019 (compared to a full year's worth of MGM Springfield revenues), an Encore Boston Harbor fine issued in 2019 resulted in approximately \$2.3 million being placed into the Community Mitigation Fund. Encore Boston Harbor is also expected to generate more funds into the CMF in 2019 than MGM Springfield. However, funding that was not allocated in 2019 for Region B can be made available to Region B in 2020. Approximately \$1.65 million that was generated by MGM Springfield in 2018 can be made available in 2020 for Region B.~~⁴

Below is a chart showing the anticipated contributions from each Region, compared to projected target spending levels for Region A and Region B.

FOR ILLUSTRATION PURPOSES ONLY (SEE NOTE BELOW)

³ 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. Further, after the initial deposit, no further contributions from the Slots licensee will be made to the fund.

⁴ For the 2019 CMF program, the Commission set a spending target of \$4.1 million for Region B, which included the use of approximately \$1.5 million from "new" funds generated by MGM Springfield in 2018 and \$2.6 million remaining from the original license fees. Only \$1.1 million was awarded to Region B in 2019, leaving the \$1.5 million in "new funds" and approximately \$1.5 million from the original license fees.

	<u>Region A</u>	<u>Region B</u>
<u>Unutilized 2018 Gaming Tax Contributions</u>	<u>n/a</u>	<u>\$1.65 million⁵</u>
<u>Projected 2019 Gaming Tax Contributions</u>	<u>\$5.20 million</u>	<u>\$4.18 million</u>
<u>2019 Fines</u>	<u>\$2.30 million</u>	<u>\$0.01 million</u>
<u>Total:</u>	<u>\$7.5 million</u>	<u>\$5.84 million</u>
<u>2020 Target Spending Amount⁶</u>	<u>\$6.0 million</u>	<u>\$5.0 million</u>
<u>Plus \$500,000 for Category 2 Spending (split equally).</u>	<u>\$.25 million</u>	<u>\$.25 million</u>

PLEASE NOTE THAT THIS CURRENT ESTIMATE FOR PROJECTED 2019 GAMING TAX CONTRIBUTIONS IS PROVIDED ONLY FOR ILLUSTRATION PURPOSES. THE ESTIMATE IS CALCULATED SOLELY BY USING THE AVERAGE DAILY TAX REVENUES CONTRIBUTED TO DATE MULTIPLIED BY THE NUMBER OF REMAINING DAYS IN 2019. THIS ANALYSIS DOES NOT ACCOUNT FOR SEASONAL IMPACTS (SUCH AS SOME POST-SUMMER REVENUE DECLINES EXPERIENCED TO DATE). IT ALSO DOES NOT ACCOUNT FOR OTHER FACTORS SUCH AS THE IMPACT OF MARKETING BY THESE FACILITIES OR IMPACTS OF REGIONAL COMPETITION. BY THE TIME OF THE ANTICIPATED FINALIZATION OF THE GUIDELINES, THE COMMISSION WILL HAVE THE BENEFIT OF REVENUE NUMBERS THROUGH OCTOBER (AND PERHAPS NOVEMBER). THE BEST AVAILABLE ESTIMATES WILL BE USED AT THAT TIME.

It is the Commission’s further intention that any unused funds allocated to each Category 1 Region will be set aside for that Region for a period of three years. After the three-year period, the funds shall be allocated back into a combined general fund for all regions and for Category 2 impacts. Because Encore Boston Harbor opened in 2019, Encore Boston Harbor did not generate any 2018 funds for use in the 2019 program. Therefore, no funds are rolled over into 2020. Approximately \$1.65 million of funds generated by MGM Springfield in 2018 are rolled over into 2020. If these funds are not utilized by 2022, they would be allocated back into the combined general fund for all regions and Category 2 impacts during the 2023 CMF program. It is the intention of the Commission to count any allocated regional balances first/last toward 2020 spending targets.

Joint Applications

The Commission continues to support regional approaches to mitigation needs and recognizes that some mitigation requires the commitment of more than one community. The ~~2019~~2020

⁵ In the 2019 Guidelines, the Commission included a conservative estimate of \$1.5 million estimate for 2018 MGM Springfield contributions to the CMF. MGM Springfield placed \$1,649,098.02 into the fund in 2018.

⁶ Assumes \$500,000 of Category 2 spending (i.e. \$11.5 million in total spending -\$500k category 2 = \$11 million split between the Regions \$6M and \$5M).

20202019 COMMUNITY MITIGATION FUND GUIDELINES

Guidelines for the Community Mitigation Fund allow multiple communities to submit a joint application. In the event that any of the applicant communities has not expended its One-Time 2015/2016 Reserve (“reserve” or “reserves”), the application must detail how the reserves will be allocated between the applicant communities to meet any reserve expenditure requirement. For example, transportation planning grants require that reserves be used prior to the receipt of new planning funds. In the event of a joint application for a \$200,000 planning grant, the joint application shall specify how the applicant communities will allocate/use a total of \$100,000 in reserves between the communities. The application must specify which community will be the fiscal agent for the grant funds. All communities will be held responsible for compliance with the terms contained in the grant.

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

	Base Funding	Regional Planning Incentive Award	Total Allowable Request
Non-Transportation Planning Projects Involving Two (2) Communities	\$50 100,000 for each community	\$5 10,000	\$50 100,000 X 2 communities \$100 200,000 + \$5 10,000 = <u>\$105210,000</u>
Non-Transportation Program Involving Three (3) or More	\$50 100,000 for each community	\$10 15,000	\$50 100,000 X* 3 communities \$150 300,000 + \$10 15,000 = <u>\$160315,000</u>
Transportation Planning Projects Two (2) Communities	\$200,000 for each community	\$25,000	\$200,000 X 2 communities <u>\$400,000</u> + <u>\$25,000</u> = <u>\$425,000</u>
Transportation Planning Projects Three (3) or more	\$200,000 for each community	\$50,000	\$200,000 X * 3 communities <u>\$600,000</u> + <u>\$50,000</u> <u>\$650,000</u>

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

\$50,000 (e.g. 4 community transportation planning grants would not exceed \$850,000 = 4 x \$200,000 base award plus \$50,000 Regional Planning Incentive Award).

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

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

Limitations

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

Of that amount, for ~~2019~~2020, no more than \$500,000 may be expended for operational impacts related to the Category 2 gaming facility, unless otherwise determined by the Commission.

One-Time 2015/2016 Reserves

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

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

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

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

In many cases, communities may not be in a position to access their 2015/2016 Reserves by the February 1, ~~2019~~2020 deadline. Therefore, the Commission has extended such Reserves for the ~~2019~~2020 Community Mitigation Fund Program. Communities may continue to access whatever portion of the original \$100,000 that remains unexpended. **The above communities do not need to submit any new application to keep their Reserves. These reserves have automatically been extended by action of the Commission.**

The criteria for the use of the Reserves remain the same. This Reserve can be used to cover impacts that may arise in ~~2019~~2020 or thereafter. It may also be used for planning, either to determine how to achieve further benefits from a facility or to avoid or minimize any adverse impacts.

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

What are the Reserve Amounts?

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

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

Specific Impact Grants - What Specific Impacts Can Be Funded?

The ~~2019~~2020 Community Mitigation Fund for mitigation of specific impacts may be used only to mitigate impacts that either have occurred or are occurring as of the February 1, ~~2019~~2020 application date ~~and police training costs in Region A that occur prior to the opening of Region A Category 1 facility.~~ Although the definition in the Commission's regulations (for the purpose of determining which communities are surrounding communities) references predicted impacts, the ~~2019~~2020 program is limited to only those impacts that are being experienced or were experienced by the time of the February 1, ~~2019~~2020 application date ~~and police training costs in Region A that occur prior to the opening of both Category 1 facilities.~~

The Commission has determined that the funding of unanticipated impacts will be a priority under the annual Community Mitigation Fund. Thus the Commission will review funding requests in the context of any host or surrounding community agreement to help determine

funding eligibility.⁷ The Community Mitigation Fund is not intended to fund the mitigation of specific impacts already being funded in a Host or Surrounding Community Agreement.

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

Allowable impacts for funding are as follows:

~~**Category 1 Operational Impacts for All Gaming Facility (Region A):** In recognition that no Category 1 gaming facility will be operational by February 1, 2019 in Region A, the Commission has determined that the 2019 Community Mitigation Fund is available only to mitigate impacts related to the construction of Category 1 gaming facilities. This limitation does not apply to planning activities funded under the 2015/2016 One-Time Reserve Grant, 2018 Non-Transportation Planning Grant, 2018 Transportation Planning Grant, Transit Project(s) of Regional Significance or the 2018 Workforce Development Pilot Program Grant, or police training costs. No application for police training costs shall include costs for personnel while such personnel are serving in a gaming enforcement unit. No application for police training costs shall include costs for overtime incurred to backfill a position due to a transfer of personnel to a gaming enforcement unit.~~

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

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

Category 2 Gaming Facility and Region B Category 1 Gaming Facility Facilities: In recognition that the Category 2 gaming facility in Plainville opened during calendar year 2015 ~~and~~, the MGM Springfield Category 1 facility opened during calendar year 2018, ~~and Encore Boston Harbor opened during calendar year 2019~~, the Commission will make available funding to mitigate operational related impacts that are being experienced or were experienced from that facility by the February 1, ~~2019~~2020 date. The Commission will make available up to \$500,000 in total for applications for the mitigation of operational impacts relating to the Plainridge facility.

⁷ The Commission is aware of the difference in bargaining power between host and surrounding communities in negotiating agreements and will take this into account when evaluating funding applications.

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

"The community will be significantly and adversely affected by the operation of the gaming establishment after its opening taking into account such factors as potential public safety impacts on the community; increased demand on community and regional water and sewer systems; impacts on the community from storm water 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

All applications for public safety personnel or other public safety operation costs must demonstrate that CMF funds will supplement and not supplant historical operations funding. Grants for public safety personnel or operations costs may not exceed \$ [redacted] per community. 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 2020 public safety grants shall have a duration of only one year, unless otherwise determined by the Commission. Any grant awards issued in 2020 SHOULD NOT be considered to provide any guarantee or indication of future funding.

Hampden County Sheriff's Department – Specific Impact Grant

In 2016 the Commission awarded the Hampden County Sheriff's Department ("HCSD") funds to offset increased rent for the Western Massachusetts Correctional Alcohol Center ("WMCAC"). In providing assistance, the Commission stated that the amount of assistance shall not exceed \$2,000,000 in total for five years or \$400,000 per fiscal year. A provision in the grant required

HCSD to reapply each year. Each grant application may not exceed \$400,000 per year. Any such lease assistance shall be included in the Region B allocation of funds.

20192020 Non-Transportation Planning Grant

The Commission will make available funding for certain planning activities for all communities that previously qualified to receive funding from the One-Time 2015/2016 Reserve Fund, and have already allocated and received Commission approval of the use of its reserve. No application for this ~~2019~~2020 Non-Transportation Planning Grant shall exceed ~~Fifty~~One Hundred Thousand Dollars (~~\$50~~100,000). Applications involving transportation planning or design are not eligible for the ~~2019~~2020 Non-Transportation Planning Grant. Communities requesting transportation planning should instead apply for Transportation Planning Grant funds.

Eligible planning projects must have a defined area or issue that will be investigated as well as a clear plan for implementation of the results. The planning project must be clearly related to addressing issues or impacts directly related to the gaming facility. Applicants will be required to submit a detailed scope, budget, and timetable for the planning effort prior to funding being awarded. Each community applying for a ~~2019~~2020 Non-Transportation Planning Grant will also need to provide detail on what it will contribute to the project such as in-kind services or planning funds. Planning projects may include programs created by communities to provide technical assistance and promotion for groups of area businesses.

Communities that utilize this ~~2019~~2020 Non-Transportation Planning Grant are not prohibited from applying for funding for any specific mitigation request.

Transportation Planning Grants

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

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

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

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

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

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

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

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

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

Applicants may, but are not required, to include a description of how the project meets the evaluation standards for the Fiscal Year ~~2019~~2020 TIP criteria for the Boston MPO Region or the Pioneer Valley Planning Commission's transportation evaluation criteria, or other regional transportation project evaluation standard, whichever may be most applicable.

Transit Transportation Construction Project(s) of Regional Significance

~~Although the Commission intends to continue authorizing~~In addition to grants for transportation planning and design through its transportation planning grants, the Commission ~~does not intend~~has determined to expand these grants to include the cost of the construction of transportation projects in the ~~2019~~2020 CMF. ~~Instead, the Commission intends to consider such expansion once more funding is placed into the fund from the taxes on the gaming revenue for Region A and Region B licensees once they both are operational. However, in 2019, the Commission will consider funding no more than one project that offers significant transit benefits in each Category 1 region and one project related to the Category 2 facility. Applicants should demonstrate how the funds will be used to expand regional transit connections.~~2020 CMF. The Commission intends that any CMF assistance provided will only be for a percentage of the costs [no more than X percent] of any such project and that significant other

federal, state, local, private or other funding will be available to pay for the costs of any such project.

Such Applicants are not prohibited from applying for transportation construction funds in future years for a project included in a 2020 application. However, any 2020 transportation construction project may anticipate not rely upon contributions from the CMF in future rounds. However, applicants Applicants should understand demonstrate that the financing for the project does not depend upon any future year awards shall be at the discretion of by the Commission in future years. Given the likely complexity of any such transit project(s) 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 \$5003,000,000 in grants for Transit Project(s) of Regional Significance transportation construction projects. The Commission does not anticipate authorizing more than \$1,000,000 for any one award. Applicants may include a request to use funding from previously awarded CMF Reserves in any description of significant other federal, state, local, or private contributions. Similarly, applicants may include contributions from gaming licensees and private contributions.

Applicants must demonstrate that any transportation construction project will begin construction no later than June 30, 2021.

Although the Commission will not authorize any multi-year grants for transportation projects in 2020, the Commission plans to issue request for Statements of Interest in 2020 for transportation construction projects that would require multi-year grants. Such Statement of Interest would help the Commission determine the needs for multi-year grants in preparation for the 2021 CMF funding round. The Statement of Interest would also be utilized to allow for a greater understanding of projects that may be the subject of a future application.

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

Limitations/Specific Requirements on Planning Applications

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

Pursuant to the Guidelines, the Commission will evaluate requests for planning funds (including the use of One-Time 2015-2016 Reserve, Non-Transportation Planning Grant, Transportation Planning Grant and Transit Project(s) of Regional Significance) after taking into consideration input the applicant has received from the local Regional Planning Agency ("RPA") or any such

interested parties. Although there is no prerequisite for using RPA's for planning projects, consultation with RPA's is required to enable the Commission to better understand how planning funds are being used efficiently across the region of the facility. Please provide details about the applicant's consultation with the RPA or any such interested parties. Applicants should provide detail regarding consultations with nearby communities to determine the potential for cooperative regional efforts regarding planning activities.

Tribal Gaming Technical Assistance Grant

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

Workforce Development Pilot Program Grant

For fiscal year 2020, the Commission will make available funding for certain career pathways workforce development pilot programs in Regions A and B for service to residents of communities of such Regions, including each Category 1 host community and each designated surrounding community, each community which entered into a nearby community agreement with a licensee, any community that petitioned to be a surrounding community to a gaming licensee, and each community that is geographically adjacent to a host community. CMF Workforce grant applicants should focus on areas highly impacted by casino development, including gaming school scholarships, culinary, hospitality skills training or vocational focused English language/adult basic education.

The total funding available for grants will likely not exceed ~~\$600~~700,000. No application for a grant in each Region shall exceed \$300,000 unless otherwise determined by the Commission. One grant willIn an effort to promote administrative efficiencies and greater regional cooperation, applicants that demonstrate cooperation of a significant number of workforce agencies in each region may be eligible for \$50,000 in additional funding. One grant is

anticipated to be considered for each Region. Each governmental entity applying for workforce development funds will also need to provide detail on what it will contribute to the workforce development project such as in-kind services or workforce development funds.

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

Goals include:

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

Eligible activities include:

- a program in Region A or Region B that structures intentional connections among adult basic education, occupational training, and post-secondary education programs designed to meet the needs of both adult learners and employers;
- a program in Region A or Region B that provides 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, contextualized learning, integrated education and Industry training, and industry-recognized Credentials credentials.
- **A consortium application is required.** However, governmental entities eligible to receive funds would include but not be limited to: host communities, communities which were each either a designated surrounding community, a community which entered into a nearby

community agreement with a licensee, a community that is geographically adjacent to the host community of a gaming licensee, a community that petitioned to be a surrounding community to a gaming licensee state agencies, state agencies, and regional employment boards. The Commission shall evaluate the use of host community agreement funds in evaluating funding requests for workforce development pilot program grant funds. Applicants should consider leveraging other funding resources.

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.

What Should Be Included in the Applications?

- ★ Applicants are required to complete the ~~2019~~2020 Specific Impact Grant Application, the ~~2019~~2020 Transportation Planning Grant Application, the ~~2019~~2020 Workforce Development Pilot Program Grant Application, the ~~2019~~2020 Non-Transportation Planning Grant Application, ~~2019 Transit~~2020 Transportation Project(s) of Regional Significance Construction Costs Grant Application, or ~~2019~~2020 Reserve Planning Grant Application/Tribal Gaming Technical Assistance Grant Application, and may also submit additional supporting materials of a reasonable length.
- ★ Applicants will need to describe how the specific mitigation, planning, workforce development pilot program or regional transit project request will address any claimed impacts and provide justification of any funds requested. Unlike existing surrounding community agreements which were based on anticipated impacts, any Specific Impact Grant will be based on impacts that have occurred or are occurring, as described previously.
- ★ Applicants will need to describe if and how such impacts were addressed or not addressed in any host or surrounding community agreements. Applicants may include a letter of support from the applicable gaming licensee. However, this is not necessary, as the Commission will request the licensee's opinion regarding each Application.

How Will the Commission Decide on Applications?

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

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

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

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

Supplemental Guidelines Used To Evaluate Workforce Development Applications

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

- ❖ A governmental entity applying for workforce development funds will also need to provide detail on what it will contribute to the workforce development project such as in-kind services or workforce development funds
- ❖ Is the Applicant collaborating with others to provide a regional approach?
- ❖ Does the Applicant address issues related to a gaming facility?

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

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

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

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

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

When Will the Commission Make Decisions?

The Commission anticipates making funding decisions on any requests for grant assistance before July ~~2019~~2020, after a comprehensive review and any additional information requests.

Authorization to Approve Requests for Changes to Components of Grant Awards

The Commission hereby authorizes staff to approve requests for changes to components of grant awards provided that staff shall provide 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.

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

There is no deadline. Funds may be used on a rolling basis when specific impacts are determined or the specific planning activity is determined. Once known, communities should contact the Ombudsman's Office, which will assist the community in providing the needed information. Communities with specific impacts will, at the time the impacts are known, complete the Specific Impact Grant Application or the Planning Project Grant Application in its entirety. Communities with requests for planning funds will provide similar information to the Commission: a description of the planning activity, how the planning activity relates to the development or operation of the gaming facility, how the planning funds are proposed to be used, consultation with the Regional Planning Agency, other funds being used, and how planning will help the community determine how to achieve further benefits from a facility or to avoid or minimize any adverse impacts. The Commission will fund no application for more than two years for any municipal employee. The CMF will not pay the full cost of any municipal employee. The municipality would need to provide the remaining amount of any employee cost and certify that all such expenses are casino related. Each Community applying for planning funds will also need to provide detail on what it will contribute to the planning project such as in-kind services or planning funds. Please note that such details do not need to be determined by the February 1, ~~2019~~2020 application date. Commission approvals of the use of the One-Time 2015/2016 Reserve will also be on a rolling basis corresponding to the rolling determinations of use by communities.

Waivers and Variances

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

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

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

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

Who Should Be Contacted for Any Questions?

As the 20192020 Community Mitigation Fund program is just in the fifth year of the program for the Commission, communities and other parties may have a number of questions. They are encouraged to contact the Commission's Ombudsman with any questions or concerns. The Commission's Ombudsman will regularly brief the Commission regarding the development of Community Mitigation Fund policies.

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

Where Should the Application Be Sent?

Applications **must be sent to www.commbuys.com**. An application received by COMMBUYS by February 1, 20192020 will meet the application deadline. Applicants that are not part of the COMMBUYS system should contact Mary Thurlow of the Commission's Ombudsman's Office well in advance of the February 1, 20192020 deadline to make arrangements for submission of the application by the deadline. Mary Thurlow can be contacted at (617) 979-8420 or at mary.thurlow@state.ma.us.

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



NICHOLAS COCCHI
SHERIFF

THE COMMONWEALTH OF MASSACHUSETTS

SHERIFF OF HAMPDEN COUNTY
627 RANDALL ROAD
LUDLOW, MA 01056

TEL: (413) 547-8000
FAX: (413) 589-1851

November 21, 2019

2020 Community Mitigation Funds

Massachusetts Gaming Commission
C/O Mary S. Thurlow, Program Manager
101 Federal Street, 12th Floor
Boston, MA 02110
(617) 979-8420
Re: Mitigation Guidelines 2020

Dear Massachusetts Gaming Commission (MGC),

The Commission will begin its review of the mitigation guidelines in the upcoming weeks. The Hampden County Sheriff's Department (HCSD) will apply for Fiscal Year 2021 assistance, and I feel it is my responsibility to notify you of my intentions regarding the community mitigation application. HCSD received a \$2.0 million award over 5 years from the Commission due to being one of the very few neighbors truly displaced by the impending construction zone. I ask the MGC to continue supporting HCSD for the length of the initial lease for the Western Massachusetts Recovery Wellness Center (WMRWC).

The award of a casino license in Western Massachusetts authorized MGM Springfield to conduct its business in the City of Springfield. The construction project encompassed a majority of the Howard Street buildings as well as surrounding blocks. This project ultimately displaced HCSD, specifically the Western Massachusetts Correctional Alcohol Center (WMCAC) located at 55 Howard Street, Springfield MA. The annual rent at this location was \$666,276.17 including utilities. The below market rate given to HCSD was a direct result of a 29 year tenet at the site.

In order to keep this valuable treatment program alive, HCSD had to partner with the Massachusetts Department of Capital Asset Maintenance and Management (DCAMM) to acquire a new location in which to operate the 147 bed facility via a lease agreement. The 10 year lease agreement between HCSD and Mill Street Iconic, LLC to operate at the 155 Mill Street, Springfield MA location came into effect on January 22, 2016. The 10 year lease will cost \$11,082,591.00 over its lifespan. This does not include utility payments. This allows HCSD to operate the WMRWC. Furthermore, the Massachusetts

NC/als

General Court did not alter the HCSD annual budget to reflect the forced move leaving a budgetary gap of over 400K annually.

I am formally requesting the Massachusetts Gaming Commission please consider the initial mitigation award does not factor the full lifespan of the DCAMM lease. HCSD was not given an option for leasing other than 10 years. I ask for your assistance to maintain the annual \$400K offset to help support the operation of the WMRWC through the end of the initial DCAMM lease (FY22-FY26). It is my hope that this letter begins a formal dialogue and that I may be able to present in person to the board on this important topic.

Sincerely



Nicholas Cocchi
Sheriff, Hampden County