



Subcommittee on Community Mitigation Meeting Minutes

Date/Time: October 6, 2020 at 1:30p.m.

Place: VIA CONFERENCE CALL NUMBER: 1-646-741-5293
PARTICIPANT CODE: 112 374 9097

Members Present:

Jennifer Bonfiglio
Sean Cronin
Eric Demas
Ron Hogan

Haskell Kennedy, Jr.
John Robertson
Bruce Stebbins, Chair

Others Present:

Joseph Delaney, Chief of Community
Affairs
José Delgado, MGM Director of
Government Affairs
Todd Grossman, MGC General Counsel

Derek Lennon, MGC CFAO
Tania Perez, MGC Admin/Project Assistant
Mary Thurlow, MGC Program Manager
Karen Wells, MGC Executive Director

Call to Order

Chair Stebbins called the Subcommittee on Community Mitigation (“Subcommittee”) to order. He then stated that given the unprecedented circumstances resulting from the global Coronavirus pandemic, Governor Charles Baker issued an order to provide limited relief from certain provisions of the Open Meeting Law to protect the health and safety of individuals interested in attending public meetings. In keeping with the guidance provided, the Subcommittee will conduct a public meeting utilizing remote collaboration technology. He added that any votes they have will be taken by roll call and that this meeting is being recorded.

Review of Updated Ethics Course and Compliance

After a brief *welcoming message from Massachusetts Gaming Commission (“MGC”) Chair Ms. Judd-Stein, Chair Stebbins introduced Mr. Grossman to deliver his lecture on the state conflict of interests laws. Mr. Grossman explained to the attendees that as members of the Subcommittee, they are considered special state employees and therefore subject to the same ethics standards as state employees. He informed the Subcommittee that they are required to take the online Conflict of Interest Law training every two years, and directed members to send their certificates of completion to Ms. Perez. Mr. Grossman continued to inform the Subcommittee of state ethics laws on conflicts of interest, unwarranted privilege, appearances of conflict of interest, divided loyalties, and other aspects of the law. After welcoming questions and not receiving any, Mr. Grossman concluded his presentation by reiterating that he can be reached with any ethics issue or question.*

Update on 2020 Awards

Mr. Delaney updated the Committee on the status of the 2020 Community Mitigation Fund (“CMF”) award money and the amount of money rolling over to 2021’s fund. He mentioned the difficulties that arose from managing grants during the pandemic and the ways in which the pandemic is making the CMF Committee reconsider some of its policies. Mr. Delaney welcomed questions and received none. Chair Stebbins welcomed the recently arrived member Mr. Cronin and summarized what had been discussed thus far.

Discussion of 2021 Community Mitigation Fund Policy Questions

Mr. Delaney introduced the 2021 policy questions for the Subcommittee’s discussion. The first policy question was whether to put a limit on the sizes of the grants. Mr. Delaney explained that in 2020 the CMF Committee did not use the entire approved amount in the CMF due to a low amount of applications, unexpected effects of Covid-19, and the invalidity of some applications due to their lack of connection to gaming facilities. The second question was whether the Commission should continue to place a limit on individual grant amounts. The third question was whether the Commission should continue to place a grant limit for each region based on their projected tax revenue. Mr. Delaney then presented his own rough calculations of 2021’s projected tax revenue from gaming facilities plus leftover funds from 2020. The fourth policy question item was whether the hospitality workforce grants should continue in full force in 2021, considering the greatly reduced need for hospitality workers during the pandemic.

Mr. Delaney moved on to the construction project policy questions of raising their statewide and per-project cost limit and of capping the CMF-funded portion of construction projects. Mr. Delgado asked to clarify if applications get approved and projects funded entirely because of gaming facility impacts. Mr. Delaney explained that in some transportation applications, the ancillary benefit to the whole community is a consideration for the CMF Committee as well. Mr. Delaney moved onto the seventh question of whether the CMF should be used to fund large transportation projects or economic development projects, and the eighth question whether there should be an emergency reserve in the CMF for unexpected impacts after application deadline closes. Mr. Delaney clarified that this emergency fund would not be used for project overruns, but rather for truly unexpected events. He mentioned legal complications around the mandatory February grant application deadline.

Chair Stebbins asked for any comments or suggestions. Ms. Bonfiglio asked Mr. Delaney if he had experienced requests for funds after the deadline in the past. Mr. Delaney mentioned the Everett Police Department having an issue with late-night drink service at the gaming facility and requesting funds to help mitigate those effects, and that he had to tell them to apply for the next deadline. Mr. Delaney also recalled his earlier role at a different state agency working with underground infrastructure, where the main sewer line in town burst and they had to quickly fix it with emergency funds. Ms. Bonfiglio suggested that an emergency fund would not be a bad idea. Ms. Bonfiglio asked whether emergency funds would expire at the end of each grant season or accumulate. Mr. Delaney answered that they would stay the same amount and not accumulate money over time, citing the way tribal portion of CMF funds are handled. Chair Stebbins stated that he anticipated a greater likelihood of emergencies due to pandemic effects. Mr. Demas commented that an emergency fund is a great idea. The next item was whether CMF should be used to reimburse public safety costs, since many public safety costs should be covered under the agreements gaming facilities have with their host and surrounding communities.

The tenth question was one of using research studies done outside the MGC in application deliberations, mentioning that some expected lookback studies on gaming facilities' opening years had not been conducted. These studies are useful in CMF Committee deliberations.

The next item was about setting aside money for potential tribal casinos in region C. Mr. Delaney asked Chair Stebbins if there were any updates regarding this region. Chair Stebbins explained that they had put out a request for expressions of interest about the potential facility. Responses were received right around the time the pandemic started, so there hadn't been much time to dedicate to them.

Up next was the question of which CMF grant applications should require a dollar-for-dollar match for certain situations in some categories, such as when it comes to administrative fees for hiring consultants on transportation projects.

Next was whether the CMF Committee should set expenditure time limits for unused initial reserves previously awarded. The CMF Committee will contact communities with unused funds, as these communities' leaders may not be aware that they have them due to high rates of municipal employee turnover. Ms. Bonfiglio noted that that was a good idea. Moving on to the next question, Mr. Delaney asked whether non-transportation planning grants should be awarded to communities that have used their reserves. He mentioned that the CMF Committee had received applications with very little connection to a gaming facility that they had to deny. Ms. Bonfiglio recalled that in a previous Local Community Mitigation Advisory Committee meeting, there had been talks of providing workshops on application requirements for eligible communities. Mr. Delaney stated that they were still planning on providing those workshops, possibly in January.

Mr. Delaney moved on to the remaining questions on allowing administrative cost coverage, awarding private parties, joint applications, limiting communities to only one specific impact grant application, whether CMF funds should continue to assist the Hampden County District Attorney's office with their lease, communities with unused grant money, whether communities should be allowed to apply to more than one grant category for the same project, and other items that were not subject to change. Mr. Delaney reminded the Subcommittee that their comments on these policy questions can be shared with himself, Ms. Thurlow or Ms. Perez. Chair Stebbins welcomed questions and received none.

Use of the Community Mitigation Fund for Administrative Purposes

Chair Stebbins proposed the question of using CMF funds for administrative purposes, recalling that the gaming statute allows the Mass Cultural Council to use a percentage of gaming revenues for their own administrative costs. Chair Stebbins introduced Mr. Lennon, MGC CFAO, to discuss the details of this possibility. Mr. Lennon presented his proposal to start using CMF funds towards administrative costs, adding that MGC does not have one specific person managing all the CMF grants, but rather several people, mostly part-time. He mentioned that they need a full-time staff person dedicated to managing these large grants. Mr. Delaney reiterated that they need a staff person to manage grants as the CMF grows larger. Chair Stebbins welcomed comments and questions from the Subcommittee. Mr. Cronin stated that he was not opposed to using CMF funds towards administrative funds. Ms. Bonfiglio and Mr. Hogan agreed. Mr. Robertson agreed as well and offered to be part of the regulatory review for this issue.

Approval of Minutes

Chair Stebbins asked for a motion to approve the minutes from the Subcommittee’s November 26, 2019 meeting. Mr. Hogan made a motion to approve the minutes, which was seconded.

Roll Call Vote:

<i>Mr. Hogan:</i>	<i>Aye.</i>	<i>Mr. Demas:</i>	<i>Aye.</i>
<i>Mr. Kennedy:</i>	<i>Aye.</i>	<i>Ms. Bonfiglio:</i>	<i>Abstained.</i>
<i>Mr. Cronin:</i>	<i>Aye.</i>	<i>Chair Stebbins:</i>	<i>Aye.</i>
<i>Mr. Robertson:</i>	<i>Aye.</i>		

The motion passed 6:0.

Discussion of Next Steps

Ms. Thurlow reviewed the upcoming Subcommittee schedule and discussion topics.

Other Business- reserved for matters the Chair did not reasonably anticipate at the time of posting

Chair Stebbins welcomed any other topics of discussion, and received none. Mr. Hogan moved to adjourn the meeting. Mr. Kennedy seconded.

Roll Call Vote:

<i>Mr. Hogan:</i>	<i>Aye.</i>	<i>Mr. Cronin:</i>	<i>Aye.</i>
<i>Mr. Kennedy:</i>	<i>Aye.</i>	<i>Ms. Bonfiglio:</i>	<i>Aye.</i>
<i>Mr. Demas:</i>	<i>Aye.</i>	<i>Mr. Robertson:</i>	<i>Aye.</i>

With no further topics for discussion, the Chair adjourned the meeting.

List of Documents and Other Items Used

1. MGC General Counsel Grossman’s presentation on Conflict of Interest law
2. 2021 Community Mitigation Fund Policy Questions
3. Subcommittee on Community Mitigation 11/26/19 meeting minutes
4. Subcommittee on Community Mitigation notice of meeting and agenda 10/6/2020

/s/ Tania J. Perez
Secretary