



Local Community Mitigation Advisory Committee Region A Meeting Minutes

Date/Time: November 20, 2019 – 1:30 p.m.

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

Members

Present: Alexis Tkachuk John DePriest
Richard Caraviello Eric Bourassa
David Bancroft Keith Slattery
Mayra Negron Paul Sheehan
Ron Hogan Vincent Panzini

Attendees: John Ziemba Mary Thurlow
Joe Delaney Bruce Stebbins
Jill Griffin Ed Bedrosian

Call to Order

1:30 p.m. Chairman Caraviello called the meeting to order the 10th Local Community Mitigation Advisory Committee (LCMAC) Region A meeting and thanked all those in attendance.

Ombudsman John Ziemba stated that as many critical issues were covered at the last meeting, this meeting may not require the full length of time. He noted that Region B's needs were discussed at that meeting yesterday and that transportation seemed to be a common theme.

Commissioner Stebbins updated the members on potential uses of the Gaming Economic Development Fund (GEDF), and how it can benefit communities.

Executive Director Ed Bedrosian explained that the bill regarding sports betting is at the legislature and that the Commission has reached out to the legislature regarding doing a refresh of the paper before their next round of updates. Mr. Bedrosian further explained that the Community Mitigation Fund is subject to statutory limitations.

Approval of Minutes

2:05 p.m. *The Chair moved to approve the minutes from the LCMAC Region A meeting of November 7, 2018. The quorum seconded the motion at the Chair's request. The motion passed 8 – 0 with two abstentions by John Depreist and Mayra Negron, who were not present.*

Election of Chair and Representative of the Subcommittee on Community Mitigation

1:43 p.m. Chairman Caraviello volunteered to continue in his role as Chair, and Ron Hogan volunteered to continue his role as Representative of the Subcommittee on Community Mitigation.

Mr. Bourassa moved that the Local Community Mitigation Advisory Region A Committee nominate Ron Hogan to continue as Representative of the Subcommittee on Community Mitigation. Mayra Negron seconded the motion. The motion passed unanimously.

Mr. Bourassa moved that the Local Community Mitigation Advisory Region A Committee nominate Richard Caraviello to continue as Chair. Mayra Negron seconded the motion. The motion passed unanimously.

Discussion of the 2020 Community Mitigation Fund Guidelines

1:44 p.m. Mr. Ziemba reviewed the draft of upcoming guidelines and the summary memo entitled, "2020 Community Mitigation Fund Draft Guidelines" included in the meeting packet. He reviewed with the members on the process of reviewing and finalizing guidelines.

Next, Mr. Ziemba reviewed the target amount for funding next year. He reviewed the chart in the draft guidelines on page four that describes revenues coming into the fund to allow for a healthy program next year. He stated that the target amount is \$1.5M, and that number reflects the new revenues from both Category 1 facilities.

The Committee reviewed the fine that was levied on Encore this past year. As a result, \$7.5M will be allocated to the Community Mitigation Fund (CMF) for Region A. Mr. Ziemba then explained the basis for the recommendations on the allocations by region proposed in the guidelines.

Mr. Ziemba then recapped how unused funds are directed in a region. There was discussion as to how the Commission should book unused dollars. He explained that using the "old" money first to build up funds and have created a larger surplus is the best option, as the statute may dictate that the funds can only sit for three years and then is subject to being absorbed by the Commonwealth.

Construction Project Oversight Manager Joe Delaney added his analysis on this theory and described it as a policy decision on the Commissions part. Mr. Hogan stated that once the three years pass, monies are then allocated to a general fund. Mr. DePreist stated that the maximums set are too low so this could be a reason to increase them. Mr. Delaney replied that the Community Mitigation Fund Review Team needs to wait to determine if there is more demand for traffic construction projects.

Mr. Ziemba stated that the Commission will start paying for transportation construction. Mr. Delaney provided the members with an update on when the Commission will be receiving results from traffic studies in eastern and western Massachusetts. Encore Boston Harbor's research will be submitted in January but the Review Team will not see it until after the grant applications are received, unfortunately.

Mr. Bourassa asked how the program will work. Mr. Ziemba recommends that the Commission spend a target amount of \$3M, no more than \$1M for any one project, and demonstrate that construction will begin by the end of the fiscal year (June 30, 2021). (\$3M is referenced on page 11, paragraph 2)

Mr. Bancroft voiced his concern regarding the CMF assistance percentage and the possibility of needing to award funds where the applicant can then go obtain the match. He opined that there would be no deadlines met, and there would be projects that are waiting or hastily developed.

Mr. Hogan pointed out when a match might be appropriate, and when it is not. If there is an impact to be mitigated, a match is applicable. If it is a bridge, it is an improvement in getting to the casino and is not appropriate. Mr. Ziemba stated that the Committee might want to consider that contributions from other sources should be viewed positively, and readiness to proceed will be factored in.

Mr. Bourassa agrees with Mr. Bancroft and stated that applicants will be looking for a match, and there should be an incentive to have a match.

There was discussion around quantifying how much of a project can be attributed to the casino. Mr. Hogan stated that very few things will be 100% contributed by the casino. Mr. Ziemba noted that if it is a general transportation benefit, the Commission cannot fund if a nexus to the casino cannot be demonstrated.

Mr. DePriest voiced his concern about timing those matches. He feels that it will be challenging.

Mr. Ziemba stated that in connection to the \$3M target recommendation, the Commission did not say that it would pay for multi-year projects. It did say that if the community applies for a grant, it is for this year and not precluded from future years.

There was discussion around the concept of a Statement of Interest.

Mr. Ziemba discussed operational costs – what impacts are being caused by these facilities. Nothing has been redlined out for potential impacts, but the Commission needs to see that data from these studies first. He addressed public safety costs. Existing resources are being devoted to public safety currently, but applications should supplement what exists now for public safety items. Another topic is any issues in connection with extended alcohol hours.

2:34 p.m. Mr. Ziemba provided an update on Workforce Training Grants. To promote administrative efficiencies, the Commission is looking for grants that cover an entire region. Joint applications are encouraged, and there could be a bonus incentive. There will be a limit on the percentage for administrative dollars this year. The Commission is, in effect, increasing the amount of funds to \$700,000.

Ethics Obligations - Reminder

2:44 p.m. Mr. Ziemba distributed the Ethics information packets for Special State Employees and reminded them to complete the bi-annual training.

Next Steps

2:48 p.m. The next meeting will take place by March 2020. Mr. Ziemba asked if there is anything gaming related that members would like to hear about at the next meeting. Commissioner Stebbins commented that perhaps the Committee could follow-up to see what the impact has been from the workforce training programs.

Mr. Bourassa asked for information regarding restaurants or entertainment. Mr. Slaherty will bring that information to the next meeting.

3:37 p.m. *There being no further business, a motion was made by Mr. Slaherty to adjourn. Mr. Bancroft seconded the motion. The motion passed unanimously.*

List of Documents and Other Items Used

1. Notice of meeting and agenda, posted November 20, 2019
2. Meeting Minutes from the April 24, 2019 meeting
3. Memorandum re: 2020 Community Mitigation Fund Draft Guidelines, dated October 23, 2019
4. 2020 Community Mitigation Fund Guidelines Draft, dated October 21, 2019

/s/ Shara N. Bedard
Secretary