The Town of Millbury, through its Board of Selectmen, hereby gives notice that a Host Community Agreement has been negotiated, and signed on July 23, 2013, with Mass Gaming and Entertainment, LLC ("MGE"). Such Agreement defines the benefits to the Town in the event a Category 2 Gaming License is issued by the Massachusetts Gaming Commission to MGE to operate a gaming facility on property located on the south side of McCracken Road between Main Street/Blackstone River Road and Greenwood Street. Below is a summary of the key points of that Agreement. The Agreement in its entirety may be viewed on the Town of Millbury's website which is: http://www.millbury-ma.org. The full Agreement may also be viewed at the website of the Massachusetts Gaming Commission which is: www.massgaming.com. Finally, a hard copy of the entire Agreement is on file and can be read at the office of the Town Clerk, at the Millbury Town Hall, 127 Elm Street, Millbury.

Summary of Key-Points Within the Host Community Agreement Between Mass Gaming and Entertainment, LLC and the Town of Millbury

PROJECT DESCRIPTION

- "Category 2" gaming facility with up to 1250 Slot Machines.
- Approximately 110,000 sq. ft. facility.
- On about 35 acres of land on McCracken Road.
- Total investment of at least \$125 Million, consistent with the Massachusetts Gaming Act.

PAYMENTS TO TOWN

1. **Prior to Opening**

- MGE will pay all legal and consultant costs and fees incurred in connection with the Project.
- MGE will pay all permitting fees associated with the Project.
- Prior to commencement of construction, MGE will make an unrestricted payment to the Town of \$500,000.

2. Annual Payments

- a) <u>Community Benefit Payment</u>: MGE will pay the Town 1.25% of Gross Gaming Revenues in excess of \$175 Million per year. For example, revenues of \$200 Million would result in a payment of \$312,500.
- b) <u>Minimum/Maximum Annual Payment</u>: In addition, MGE will pay the Town at least \$3.25 Million per year.
 - This payment may increase up to 2.5% per year
 - This Annual payment includes:
 - Real and Personal Property Taxes; plus
 - Impact payment of \$1.25 Million (which automatically increases at 2.5% per year, beginning in year 4 of operations)

- If the total of the Real and Personal Property Taxes plus the Impact Fee is less than \$3.25 Million, MGE will pay the difference to the Town
- c) MGE agrees to garage all company owned vehicles for the project in Millbury and excise taxes will be paid in addition to the above.
- d) Meals tax revenue will be collected and paid in addition to the above.

WORKFORCE DEVELOPMENT

- Local hiring preferences for Millbury residents for both construction and permanent jobs.

PUBLIC INFRASTRUCTURE IMPROVEMENTS AND PUBLIC SAFETY

- MGE will make all public infrastructure improvements (sewer, roadway, etc.) as required by the Planning Board and Planning Board engineering consultants to be funded by MGE.
- MGE to construct a Police Department office at the facility.
- MGE to prepare a public safety plan in consultation with Millbury Police and Fire Departments and will reimburse the Town for up to \$50,000 per year in increased public safety costs.

RESPONSIBLE GAMING

- MGE will implement a responsible gaming plan at the facility.

MISCELLANEOUS

- MGE will pay the Town's legal fees in any dispute if the Town prevails.
- MGE will indemnify the Town from certain claims by third parties.
- MGE will provide reports and documentation to the Town to ensure compliance with the provisions of this Agreement.