



## Region B - Local Community Mitigation Advisory Committee Meeting Minutes

**Date/Time:** October 16, 2018 – 2:00 p.m. – 3:30 p.m.

**Place:** UMass Springfield, Tower Square - 1500 Main Street, Springfield, MA

<b>Members Present:</b>	Jill Payne, Chair Jennifer Bonfiglio Greg Chiecko Judith Theocles Ellen Patashnick Greg Chiecko Richard Sullivan Lori Tanner Kate Kane	Carmina Fernandes	<b>Attendees:</b> Joe Delaney Jose Delgado Bruce Stebbins John Ziemba Jill Griffin Mary Thurlow Shara Bedard Crystal Howard
<b>Members Absent:</b>	Sean Powers, Denise Menard, Andrew Smith, Timothy Brennan		

### Call to Order

Jill McCarthy Payne, Chair, called the meeting to order once quorum was reached, and introduced herself. She asked that everyone present introduce themselves.

### Approval of Minutes

The Chair then moved to approve the minutes from the November 20, 2017 meeting. Greg Chiecko of Chicopee seconded the motion. The motion was approved unanimously. The Chair then turned the meeting over to Massachusetts Gaming Commission (“Commission”) Ombudsman, John Ziemba.

### Discussion of 2019 Community Mitigation Fund Guidelines to be Considered

Ombudsman Ziemba provided a brief overview of the 2019 Community Mitigation Fund Guidelines and new policy questions to consider, as there is now a fully functioning Category 1 casino. He indicated that the Commission will have an abundance of data pertaining to impacts of the casinos on the communities from research that is being conducted on behalf of the Commission. He then reviewed policy questions that remained from prior years, and provided general parameters regarding what remains in the Community Mitigation Fund. Ombudsman Ziemba requested that committee members provide the Commission with answers from the communities to the new policy questions.

Committee members discussed the new policy question #12 with the Ombudsman. In short, it needs to be determined if the Commission should split the remaining funds by source, i.e. each gaming region (based on tax revenue projection). Also, if the decision is that the funds should be split this way, there should be a discussion as to whether or not this would be instituted during the construction period or when the casinos are operational. Ombudsman Ziemba stated that the Mitigation Fund will be replenished by taxes from the casinos. Now that MGM Springfield is operational, Massachusetts can count on approximately \$1.5 million coming from MGM Springfield

by the close of 2018. The Commission anticipates approximately \$18 million into the fund once MGM Springfield and Encore Boston Harbor are up and operational and their marketing is optimized. Encore Boston Harbor is scheduled to open on June 24, 2019. The Commission anticipates one half year of revenue from Encore Boston Harbor for the fund next year. Ombudsman Ziemba stated that the LCMAC Region B committee members made it clear last year that they wanted to split by source. However the question remains as to whether or not this should start this year.

The committee reviewed calculations estimated for the regions in the upcoming fiscal year, as well as allocations for all communities in the previous year. Richard Sullivan (Regional Economic Development Organization seat) stated that these reports indicate that the funds need to be split, as most of the funds are being generated in the western region, and there was more spending in the eastern region to date. Commissioner Stebbins then clarified for the committee the geographic borders for the Massachusetts gaming regions. Region A is Worcester County and areas east of Worcester County, and Region B is comprised of the four westernmost counties.

The committee inquired about any guidelines around holding unspent funds after the end of the fiscal year. Committee members would like to establish how long funds can be held for each region. The Ombudsman suggested that a limit of one to two years be considered. Richard Sullivan stated that his expectation was that the funds would remain in each region for a long period. A suggestion was made to consider a limit of five years by Judith Theocles of Wilbraham.

Committee members discussed new policy question #11 with Ombudsman Ziemba. Specifically, the question asks if the Mitigation Fund will pay for workforce development, as there is a Gaming Economic Development Fund established, but is out of the Commission's jurisdiction.

Jill Griffin, Director of the Commission's Workforce, Supplier and Diversity Development division reported on its initiatives, such as the Hampden Prep evening program, scholarships to the gaming school, training initiatives, and long-term training programs. A question arose by the committee as to whether or not there would be a cost to the student to enroll in these programs, based on the money earmarked for education and number of students enrolled. Director Griffin stated that she will inquire and provide this information to the committee at a later date.

Ellen Patashnick (Human Service Provider seat) asked about MGM Springfield's attrition rates and how the casino is faring in terms of employment. Ombudsman Ziemba stated that this information will be contained in MGM Springfield's quarterly report, which is due in mid-November. Jose Delgado, Director of Government Affairs for MGM Springfield then stated that attrition levels are actually lower compared to other MGM casino locations. Proper training was attributed as a factor for the low attrition at MGM Springfield, as it sets expectations for new employees. Judith Theocles introduced the idea of having funds available to high schools for programs that would serve non-college bound students.

Ombudsman Ziemba encouraged committee members to continue on with workforce development being a priority in future years. He stated that he would like to talk more about the Gaming Economic Development Fund and strategies for those dollars in the future.

The committee discussed new policy question #2 that asks if the Mitigation Fund should pay for construction/implementation costs of transportation projects. Currently, the fund pays for design and permitting, but not for actual transportation construction costs. Ombudsman noted that there will

be look back studies over the course of the upcoming year to determine traffic impacts. There was discussion around postponing making any adjustments for another year.

There was a discussion about whether the Commission should consider additional funding rounds. It was noted that the deadline for applying to the Mitigation Fund is statutorily set. Further, it was noted that any community requesting use of any funds must demonstrate a direct correlation with a casino.

The committee then reviewed new policy question #3. It was stated that operations-related impacts need to be known to a greater degree of specificity in order to determine how to approach issues that may arise in late 2018 and 2019. Communities will need to demonstrate to the Commission that any impacts to their areas are a direct result of the casino. The statute references housing and school based impacts, and members discussed historical concerns that a need for outside workers to move into smaller areas could result in schools being over-burdened as a result. The Committee discussed that it may be inconclusive as to whether or not studies being conducted would demonstrate any full impact by February 1, 2019.

There was discussion around housing being built as a result of casinos, and ways that the Commission would obtain proof (perhaps an affidavit from the developer) that the circumstance is in fact a result of casinos. Additional stakeholder interviews will be conducted during the Commission's studies, as noted by Commissioner Stebbins and Ombudsman Ziembra.

Ombudsman Ziembra then reviewed Public Safety training costs with the committee. The Mitigation Fund was used for training costs for the additional officers needed at the Springfield Police Department last year. The committee was asked to discuss any needs that are present in their region. The Commission is considering a transit connection to the casino for Everett, as well as the proposal for a pedestrian bridge that would connect Somerville and Everett across the Mystic River. This significant project is anticipated to keep cars off the roads at \$30 million or less.

Ombudsman Ziembra stated that the committees will be electing chairs at the next meeting.

The Chair asked if there was any further discussion. There being none, the Chair motioned to adjourn the meeting and it being duly seconded, the meeting was adjourned at 3:24 p.m. The Motion was approved unanimously.

/s/ Shara Bedard  
Shara Bedard, Secretary

#### **List of Documents and Other Items Used on October 16, 2018**

1. Notice of Meeting and Agenda
2. Draft minutes from the November 20, 2017 meeting
3. Revised 2019 Policy Questions
4. 2018 Community Mitigation Fund Guidelines