



Region A - Local Community Mitigation Advisory Committee Minutes

Date/Time: October 18, 2017 – 2:00 p.m.

Place: MAPC, 60 Temple Place, 3rd Floor, Boston, Massachusetts

Members Present:	John DePriest Mayra I. Negron Rivera Ron Hogan Rick Caraviello Paul Sheehan Marzie Galazica Alexis Tkachuk Fred Berman Eric Bourassa	Attendees: Lloyd Macdonald Bruce Stebbins Jacquie Krum John Tocco Catherin Rollins Denisi John Ziemba Joseph Delaney Mary Thurlow
Member Absent:	Colin Kelly	

Call to Order

The Chair Richard Carviello called the meeting to order and welcomed the members. He then asked members to introduce themselves for the benefit of any new members.

The Chair then asked members to approve the minutes from the November 2016 meeting. By motion made by Mr. DePriest and duly seconded by Ms. Galazica, the members unanimously approved the minutes.

Mr. Ziemba then discussed the role of the Local Community Mitigation Advisory Committees. He mentioned that the LCMAC is the closest level of advisory committees to the communities. He discussed the broad range of issues that are covered. Mr. Ziemba then highlighted the due date for the Community Mitigation Fund of February 1, 2018 and the multi-tiered process that goes into developing the Guidelines for the fund. Of particular note was the draft being distributed to the Commission on October 26 at the Commission meeting. He noted that the Commission valued input from the communities and the Guidelines reflected that input. He stated that the theory is that proper planning now is imperative to get ready for any impacts that may occur when the casinos are operational.

Mr. Bourassa noted that the role of this group was to assist in developing policy and make recommendations regarding policy.

Mr. Ziemba acknowledged that was the role of this committee. Mr. Ziemba then discussed the upcoming election for the chair and the representative from this committee to join the Subcommittee on Community mitigation. He noted that the current chair, Richard Caraviello, and Ron Hogan, the current representative on the Subcommittee, have both expressed their interest in continuing their representation on these committees. He mentioned that anyone interested in either of these positions can contact him or Mary Thurlow in the Ombudsman's office.

Mr. Ziemba then turned the meeting to Joe Delaney who gave a presentation on construction updates for the MGM Springfield and Wynn Boston Harbor. Mr. Delaney noted that construction is going along rapidly and even though the slides are only a few weeks old there has been significant construction progress.

Chair Carviello questioned how the I-91 construction was moving along. Mr. Delaney noted that completion was ahead of schedule and the ramps will be open prior to the opening. He also noted the Wynn has begun the dredging work.

Chief Sheehan asked if the railroad tracks were going away. Mr. Ziemba noted that the tracks were staying, that key milestones have been reached and the June 2019 date is on target for the casino.

Mr. Ziemba then turned the meeting to the policy questions. Mr. Ziemba noted that there are lingering issues that may need to be addressed either in these guidelines or in a future year. One such issue is the splitting up of regions. Does it make sense for the revenue to stay in the region? He noted that there were concerns over Region C, as that region's casino development has been stalled and that region is not under license by the state of Massachusetts. Under the Compact there are no surrounding community mitigation agreements required. The Tribal casino is obligated to pay 17% in taxes; and 6.5% of that would go into the mitigation fund. The Category 2 slots casino does not pay into the fund. Their taxes go into local aid and the Race Horse Development Fund.

Mr. Ziemba stated that the next area of concern is the question about whether or not the CMF should shift to funding transportation construction costs instead of just the design and planning costs. If the shift gets made, how does the commission make sure that the funds are being used correctly? Currently, there are limited dollars during the construction period of the casino. No new funds will be made available until the casinos are operational. There is significant time between now and then. It is likely the funding should continue to be on the conservative side. There is approximately \$10M left until the first Category 1 casino is opened.

Chair Caraviello noted that the funding could be split now, \$5M for MGM until it opens and \$5M until Wynn Boston Harbor opens. The Chair noted that there will be a better feel towards impacts once the MGM Springfield is open. Mr. Ziemba mentioned that Wynn is roughly double the size of MGM. He questioned whether funds should be applied evenly. Mr. Ziemba noted the mitigation needs will be easier to ascertain once the casinos are operational.

The discussion then moved to Question 11 concerning the workforce development programs. Mr. Hogan mentioned using the workforce programs to leverage supplemental funding for increased literacy in the region. Mr. Ziemba questioned whether the Commission should expand workforce development. He noted that the proposed grant amount was doubled for Western Massachusetts.

Ms. Galazica mentioned that the Commission should allocate funds to the type of projects that warrant more funding. She noted that transportation projects seem to skyrocket in price.

Mr. Ziemba then called attention to Question 2 noting that last year's mitigation fund limited the transportation planning grants to \$150,000. He stated that even for planning activities the communities were finding that amount was not enough. He asked, in the policy recommendations, should we propose upping the amount this year? Mr. Bourassa asked when Wynn Boston Harbor is opening.

Mr. Ziemba noted that the date is June 24, 2019 at 8 p.m., and that the Category 1 casino contributes 6.5%. By February 2020, the fund would have taxes from the Wynn facility. Mr. Bourassa questioned whether if the money is all spent, there would be no funding in the interim.

Mr. Ziemba indicated that communities would have their reserves if they had not already allocated them and that some communities have the benefit of host and surrounding community agreements.

Mr. Ziemba continued the discussion concerning the policy questions with Question 3. As in prior years there is no scoring system due to the widely different needs of the communities. The guidelines showed how the staff evaluated factors under specific criteria. No additional comments were received.

Question 4. Outside of reserves, there has been no money for general planning. Should we authorize general planning funding. There might be a need for economic development planning.

Mr. DePriest: Would it be in-kind or both? Mr. Ziemba noted that an in-kind match could continue active involvement with communities that want funding for economic development concerns.

Mr. Ziemba mentioned that Question 5 is moot as the Lower Mystic Working Group report will not be available until too near the deadline of the CMF. Further, the hard construction for proposed transportation projects would not happen for many years.

Mr. Bourassa noted that the final recommendations of the working Group will be out by next year. The report will include high level conceptual transit improvements. These items are several years away. Mr. Ziemba noted that there need to be realistic applications by communities while considering other projects;

Mr. Bourassa asked if there had been additional bus routes; mode share change and low cost shuttles as part of the transportation mitigation. Mr. Ziemba mentioned that Commission approved a study for a bus lane in Everett.

Mr. Ziemba continued the discussion focusing on Question 6: Grants to non-governmental entities such as a non-profit within a community. Communities can apply for funding for such organizations but need to follow the anti-aid provisions of the Massachusetts Constitution. Mr. Ziemba explained that grants must be for a public purpose. Applicants which met this requirement of a public purpose were required last year to provide match/significant match from either the community or license or both.

Question 7 was discussed among the committee. It was noted that applicants can ask for grants going forward for more than one year. However, there are no guarantees. Mr. Bourassa asked how the funding was distributed to the communities and Mr. Ziemba noted that the funds are given out in increments of 25%, 50% and 25%.

Mr. Ziemba then directed the committee's attention to discuss Question 9. Should the Commission require a dollar for dollar match? Mr. Ziemba noted that potentially there should be a dollar for dollar match for grants involving for private entities to ensure the community is involved.

The committee then focused on Question 10: Using the CMF for administering CMF grants is not necessary. Mr. Depriest asked if the grants were taking into account the in-kind match.

Mr. Ziemba noted Question 12 and asked whether the current level of funding is enough. It was noted that a lot of businesses are hurting now to fill the lower level positions.

Commissioner Stebbins stated that there is a concern whether there are enough people for the back fill of jobs. The current HiSet and ABE classes are seen as a way to bolster efforts to

train the people for positions. Mr. DePriest mentioned that he was in favor of raising the workforce funding. Mr. Ziembra cautioned that it would be easy to spend the entire fund on workforce training. He talked about the gaming economic fund, which is allocated through appropriation, and a plan to present a white paper on that. The Gaming Economic Development Fund does not have any funding until the casinos are running. We are asking how the state should spend those dollars.

Mr. Hogan asked how the Commission plans to ensure they are spent appropriately. Mr. Ziembra noted that there are deliverable metrics within the applications and grants. Mr. Ziembra promised to provide such metrics to the Committee. The Commission staff will review them every year; the pilots have to come back every year and reapply to the Commission. Further there is a certification required that funding provided is for a new program, not just payments for already planned programs. Mr. Hogan acknowledged that there was stringent follow-up.

Mr. Ziembra turned to Question 12, allocation by region: What happens if one region needs more than another region? The Commission must develop a system for allocation perhaps returning unallocated funds back to the Mitigation fund. This issue will require concrete thinking in the future as there is not enough specificity now.

There was a general discussion about whether the Commission would contemplate splitting the fund now. Each region is concerned about the other region using all of the funding. Mr. Delaney noted that some funding is not eligible and that during construction there is a subjective need. An additional concern is the advantage some communities may have if they have staff dedicated to grant writing.

Mr. Bourassa noted you never know what's going to come up based on needs. The Chair noted that there will always be a need. The discussion continued concerning the split based on revenue for the region and the concern raised in Region B that it could be second in line to eastern Massachusetts. Mr. Bourassa noted that there may be a large project that could leverage federal or state funding and then the expenditures may need to be made in one lone large chunk vs. small multi-year grant.

Mr. Ziembra continued the discussion starting with Question 1 of the new policy issues. The first such policy issue is joint applications. The Revere/Saugus Joint application was mentioned as an example of communities working together. A problem arose as to whose reserves are going to cover the requirement that reserves must be spent first. Both communities are considered responsible parties under the grant rules.

Question 2: Funding to pay for a portion of construction. As discussed earlier, perhaps not yet.

Question 3: Mr. Ziembra noted the following thoughts for the members to consider: How should the Commission approach future issues such as many new families moving into the community? How does the influx of children impact school systems. He used Connecticut as an example. What happens as the area around casinos becomes more gentrified? What do you do if there are housing issues. How should we go about researching best practices in the development of policies.

He mentioned Question 4 and the limit of one Specific Impact Grant per community

Question 6. He mentioned that grants must have a nexus to casino. The fund is not for general municipal improvements. The Commission can only give grants related to development of the gaming facility.

The Chair noted that at times people hear casino and consider them as ATM machines. The grants must get more specific.

Mr. Ziemba noted that the Commission would like the grants to have added general benefit to the communities but they must be for casino related purposes.

The Chair made a motion to adjourn the meeting at 3:30, upon motion duly seconded, it was unanimously voted to adjourn.

/s/ Mary S. Thurlow
Mary S. Thurlow, Secretary

List of Documents and Other Items Used

1. Notice of Meeting and Agenda
2. Minutes from the November 15, 2016 meeting
3. Charts of Gaming Policy Advisory Committees
4. Membership of Gaming Policy Advisory Committees
5. M.G.L. c. 23K Section 68
6. MGM Springfield and Wynn Boston Harbor Construction Update
7. Review of Policy Questions discussed by the Local Community Mitigation Advisory Committees and the Subcommittee on Community Mitigation Relative to the 2018 Community Mitigation Fund Guidelines
8. 2017 Community Mitigation Guidelines