



## Region B - Local Community Mitigation Advisory Committee Minutes

**Date/Time:** November 7, 2016 – 3:00 p.m.

**Place:** Pioneer Valley Planning Commission, 60 State Street, Springfield, MA

<b>Members Present:</b>	Carmina Fernandes Yem Lip Jill McCarthy Payne Ellen Patashnick Rick Sullivan Mike Vedovelli	Timothy Brennan Stephen N. Foley Marc Strange Greg Chiecko Sean Powers	<b>Attendees:</b> Bruce Stebbins Lloyd Macdonald John Ziemba Joseph Delaney Mary Thurlow Seth Stratton
<b>Members Absent:</b>	Representative from East Longmeadow; Representative from Wilbraham; and Kate Kane, Chamber of Commerce Representative		

### Call to Order

Jill McCarthy Payne, the current chair, called the meeting to order and introduced herself. She then asked each member to introduce themselves. She then requested an approval of minutes from the October 17, 2016 meeting. The minutes were unanimously approved as distributed. She then turned the meeting to John Ziemba.

Mr. Ziemba thanked Ms. Fernandes for her participation on the Subcommittee on Community Mitigation. Mr. Ziemba noted that the draft guidelines will be sent to the Commission to be on the agenda on Thursday, November 10 for their consideration.

The Commission should have a small discussion within a few days have to have done by beginning of December. He stated that he would like to go through the questions 1 by 1 similar to what we went over at the last meeting, have a refresher on some questions and general comments from all members. Anyone not wanting to comment here may provide official comments through writing to the Commission. There will be two weeks of comment period right near the holidays.

### *Question 1: Should the Commission place an overall limit on grants for the 2017 CMF?*

After two CMF rounds, there is approximately \$13.2M left that is not reserved. This amount may be further diminished in the future as the Sheriff's office will likely require further assistance of \$1M - \$1.2M for the next 3 years', this grant is limited to a 5 years of total lease assistance. This leaves approximately \$12M for the next 3 years and 3 rounds of mitigation applications before the licensees open. MGM is scheduled to open September 5, 2018 and Wynn, June 2019, so no significant funding will be available until the last quarter of 2018. As the casinos are currently in their construction phase, should funds be left over for when impacts start once the casinos are operations? Most of the current funds are being held for reserves and according to the current draft guidelines will be renewed upon Commission approval. Is the limit

of \$M reasonable? If the Commission receives applications in excess of that 4M, the Commission may amend amounts as they see fit.

Mr. Sullivan felt that communities should be required to spend down their reserve.

Mr. Ziemba mentioned that communities are required to spend down 100% of their reserves for transportation grants. The specific grants communities spend \$50,000, the hope being that community will have some money for planning; There is also planning versus transportation planning. Springfield used 50% of their reserve for parking mitigation.

Ms. Fernandes asked whether the Commission had looked at other communities.

Mr. Ziemba noted that the MGC is unique in requiring Surrounding Community Agreements and not just operational agreements. Should that impact be paid by the community or the person doing the constructing? Mr. Ziemba noted that we will have planning activities, but not pay for the actual construction.

Mr. Chiecko mentioned that there would more likely be more impacts in years 2 and 3 and they would likely be planning expenses. Mr. Ziemba agreed that especially in year 3 there will be a ramp up on funding needed.

Mr. Foley asked about MADOT. Mr. Ziemba said that MGC wants the communities in their planning to be competitive for state dollars. It needs to be determined whether or not it is improvement impacts or is the project TIP eligible or non-eligible.

Mr. Delaney said should probably look at TIP.

Mr. Foley was looking at the Enfield line to the viaduct and all the rollovers accidents; if MADOT has plans to use Chapter 90 money they are going after.

Mr. Ziemba noted that there are diverse impacts on various communities and questioned how we go about grading each application. How are the impacts related to the gaming facility? PVPC has done a new scoring system, there could be an evaluation of a project with an overlap of good projects and casino related projects.

Ms. Fernandes suggested the funding be distributed on a 1/4, 1/4, 1/2 to address impacts occurring in the third year.

Ms. Griffin suggested that there needs to be flexibility in how the funds are distributed and not get locked in.

Mr. Brennan mentioned the likelihood expenditures of dollars on planning activities.

Mr. Powers noted that West Springfield wanted funds for impacts.

Ms. Fernandes wanted to use the reserves first for planning 2 or 3 specific impact grants make sure monies are there.

Mr. Strange asked if it assumes 4M in 2016? Mr. Ziemba responded that no, 2017.

Chair Payne: Is there anything in the current applications?

Mr. Ziemba noted that the biggest is Region C and its litigation. If the Tribe moves forward, communities that are nearby have no surrounding community agreement. So those communities would rely on the Community Mitigation Fund.

Ms. Fernandes asked when it is anticipated that the Tribal facilities will open?

Mr. Ziemba noted that it is anticipated that the casino would be completed in the summer of next year; however, we don't know; they could move quickly given the delays.

Chair Payne asked about the tribal contribution to the Community Mitigation Fund?

Mr. Ziemba explained that 17% is the tax rate when operational, of that 6.5% is contributed to the Mitigation Fund. This is the way it was set up in the Compact.

Mr. Chieko asked whether the fund would receive money during the year quarterly or half a year?

Mr. Ziemba acknowledged that the fund would receive the money monthly however, for 2017, 2018, 2019 there is no new funding. It was thought that MGM and Wynn would open earlier. The funding will be generated monthly so MGM's will contribute in 2019 approximately one quarter of revenue by the next funding period. Wynn contributions would not start until 2019.

A few members of the LCMAC urged more caution in the early years due to the unknown impacts of the tribe; the overall impacts will be better known later.

Commissioner Macdonald summarized the sequence of transactions, law and scope of the Compact. He noted that the Federal Court sided with the local group in Taunton that federal law violated. The issue is going back to the Department of Interior who may approve under an different section of the law. He also noted that the elections could also impact this decision as Clinton is more lenient.

Chair Payne asked Mr. Ziemba whether he wanted a vote or just a range of comments? Mr. Ziemba responded just a range of comments.

*Question 2: Should the Commission place a per grant limit for 2017 CMF awards?*

The prior funding years did not have a limit on award; part due to the number of years before additional funds are available; should we think about a per grant limit? Last year's transportation grants ranged from around \$90,000 to 4M. This year might we not want such a wide range of awards; total funding for the planning grants most likely will not exceed \$800,000 or 20% of the total funds available this would allow no more than \$150,000 per transportation grant; Mr. Brennan said that it depends on scope of the planning grant. The mitigation for specific impact grants will not be more than \$400,000 upon range of grants for next year. We are pretty knowledgeable but who knows what could come up; and the waiver of anything can be asked for by the community; the committee acknowledged that made sense.

*Question 3: If an overall limit is included, how should the Commission and staff evaluate competitive grants?*

Mr. Ziemba noted that mitigation grant applications are pretty diverse. Determination as to how the requested mitigation is tied to the casino facility; how well does the proposed grant utilize the funds to accomplish the goals; and that at present impacts are less clear than when the casino come closer to being operational and impacts will be easier to judge. At present the development of a scoring system that's fair to all communities is difficult to achieve.

Mr. Lip asked if they can apply for more than one grant per year. Mr. Ziemba explained that yes, each community can apply for more than one grant per year.

*Question 4: Should the Commission revisit its determination to authorize planning grants, which require an in-kind match?*

Mr. Ziemba then brought up for required in-kind match and whether there is any weighting for host vs. surrounding communities regarding planning grants;

Mr. Brennan noted that there is an advantage to in-kind match of at least persons that are embedded in the projects. Mr. Ziemba noted that in-kind matches are not difficult for communities to achieve as they can include staff time.

Mr. Delaney: Always require an in-kind match for people who want to see improvements; a little hard to put on communities monetarily when the project can require a lot of staff time.

*Question 5: How and when should the CMF Guidelines reflect the work of the Lower Mystic Regional Working Group?*

Mr. Ziemba noted that how and when LMRWG the report is completed and what can be done in the area based on that report. The LMRWG is designed to raise awareness; and develop potential in area; more in 2018 than this year.

Mr. Sullivan: Funds from MGM should not be going to that area; money stay in western MA understanding that Tribal potential. Mr. Powers agreed.

*Question 13. Should the Commission place a limit on grants in each gaming region based on the projected tax revenues generated for the CMF by the gaming facility in that region? If so, should such limit be instituted during the construction period or when the Category 1 facilities are operational?*

Both here and in eastern Massachusetts there is money for areas impacted that have been paid into. There has been no slot related impacts. It is anticipated that no enactment of a split would happen until the tribal determination and casinos are operational.

Mr. Chieko: Does this mean one community mitigation fund or two?

Mr. Ziemba mentioned that currently there is one Community Mitigation Fund. The regulations do not prohibit two but the funding is based on demonstrated need. He also noted that it is up to Commission how it determines need; next guidelines not tackled now; so many unknowns.

Mr. Ziemba asked that members contact Jill or him via email with any questions.

Meeting concluded at 4:30.

/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 October 20, 2016 meeting
3. M.G.L. c. 23K Section 68
4. M.G.L. c. 23K Section 61
5. 2016 Community Mitigation Guidelines
6. Policy Questions for Discussion by the Local Community Mitigation Advisory Committees and the Subcommittee on Community Mitigation Relative to the 2017 Community Mitigation Fund (“CMF”) Guidelines