

Massachusetts Gaming Commission Meeting Minutes

Date/Time: June 26, 2018 – 5:30 p.m.

Place: Plainville Council on Aging

9 School Street Plainville, MA

Present: Chairman Steve Crosby

Commissioner Gayle Cameron Commissioner Eileen O'Brien Commissioner Bruce Stebbins

Absent: Commissioner Zuniga

Time entries are linked to corresponding section in Commission meeting video

Call to Order

See transcript page 2

5:45 p.m. Chairman Crosby called to order the 246th Commission meeting.

Chairman Crosby introduced distinguished visitors in the audience – Senator Richard Ross; Representative Liz Poirier; Jennifer Thompson, Plainville Town Administrator; George Sutherland and Jeff Johnson, Plainville Selectmen; Fire

Chief Justin Alexander and Police Chief James Alfred.

Approval of Minutes

See transcript pages 3 - 5

5:45 p.m.

Commissioner Stebbins asked the Commission to note the item in the June 7 minutes at the top of page 6. He stated that we are doing this with the minutes so that we can be reminded of follow-up items from the commission meeting.

Commissioner Stebbins moved to approve the minutes of the meeting of June 7, 2018, subject to correction for typographical errors and other nonmaterial matters. Commissioner Cameron seconded the motion.

The motion was approved 4 - 0.

Presentation of Plainridge Park Casino Q1 Quarterly Report

See transcript pages 6 - 20

5:47 p.m.

Ombudsman John Ziemba introduced Reuben Warren, Vice President and CFO, Plainridge Park Casino, Kim Dixon, Vice President Human Resources, Plainridge Park Casino; and Michelle Collins, Vice President Marketing, Plainridge Park Casino, who were here to present the Plainridge Park Casino quarterly report for the first quarter of 2018.

CFO Warren reviewed gaming revenues and taxes paid to the Commonwealth, lottery sales, Plainridge Park Casino vendor spend by state, Plainridge Park Casino local vender spend, vendor diversity (goals and actual first quarter 2018 compared to fourth quarter 2017) and compliance (patron checks, number of minors and number of underage).

Vice President of Human Resources Dixon presented the employee numbers; the total number of employees that are full time and part-time, the employee diversity numbers, the number of veterans, the number of females and males and the number of Massachusetts and local employees. Ms. Dixon also described the Penn National Women in Leadership Program. The first event takes place on September 25 and Commissioner Cameron has agreed to be the keynote speaker.

Vice President of Marketing Michelle Collins presented on Plainridge Park Casino's local Community activities, such as support for the Relay for Life, Winning Wednesdays, the North Attleboro YMCA, Habitat for Humanity and Lenore's Pantry. She also presented on partnerships with the Wrentham Outlets, Celtics and Bruins. First quarter 2018 activities at Plainridge Park Casino included boxing matches, a Celtics viewing party, and a swing band. In the second quarter, Plainridge Park Casino is looking forward to celebrating its third anniversary, opening its VIP High Limit area and receiving donations for National Pet Day.

Commissioner Stebbins asked about events with the Xfinity Center and the TPC. Ms. Collins stated that they are doing promotions that send guests to concerts at the Xfinity Center and to play golf at the TPC.

Commissioner Cameron congratulated Plainridge Park Casino on the Women's Leadership Event. Ms. Collins explained that the women's group consists of sixteen women and that Penn National mentors the women and works with them on their careers.

Presentation: Economic and Social Impacts of Plainridge Park Casino on Plainville and Surrounding Communities

See transcript pages 20 - 77

<u>6:05 p.m.</u> Chairman Crosby presented the results of the studies done on the economic and social impacts of Plainridge Park Casino on Plainville and the surrounding

communities. Chairman Crosby explained that these studies are mandated by the gaming act. He introduced Dr. Rachel Volberg from UMass Amherst who is one of the foremost gaming researchers in the world and is leading the study for the Commission as well as Mark Vander Linden, the Commission's Director of Research and Responsible Gaming who works with Dr. Volberg on the research agenda. Chairman Crosby explained that the slides that he is using are from the SEIGMA research and that he has taken information from the study and simplified it for time constraints and better understanding.

The Chairman explained that there are two main studies, SEIGMA, which is the baseline study and MAGIC, which is the cohort study. Chairman Crosby described the key methodological principles of the study which included how much money was involved in gaming at Plainridge Park Casino and where did it go; assessing the impacts for the years before the casino opened and the years after the introduction of gaming; and assessing the economic and social impacts of gaming on the community. The studies use multiple sources of information and compare changes in Plainville and the surrounding communities to matched control communities.

The first section of the presentation looked at a long list of possible social impacts, such as crime and attitudes toward gaming. The finding in this section is that there was no change in the amount of problem gambling or at risk gambling in Plainville and the surrounding communities between 2014 and 2016. There was no significant change in gamblers wanting or seeking help and no significant changes in gamblers reporting negative impacts from gambling. There were also no reported changes in the number of Gamblers' Anonymous meetings in the area according to the Secretary for the Northeast Gamblers Anonymous. There was no significant change in the number of personal bankruptcies in Norfolk County and no significant change in the number of divorce filings.

The second section of the presentation looked at crime. Chairman Crosby stated that the study determined that there was no significant increase in crime in Plainville. There was a temporary increase in reports of lost property and credit card fraud. However, the reports of credit card fraud were scrubbed by the Plainville police department and they did not find a connection between the casino and credit card fraud. The Plainville police department shows increases in property crime and calls at the casino. The Plainville Police Chief James Alfred stated that given the increase in the number of people at the casino, it would be normal to see increases in crime or calls for service. Commissioner Cameron stated that the success rate for solving crimes at the casino is very high due to the outstanding surveillance systems there.

Senator Ross thanked the Commission for coming to Plainville and presenting this information.

Plainville and the surrounding communities showed a decrease in property and total crimes and a small increase in violent crimes. The increase in violent

crimes was not related to the casino. Chairman Crosby explained that the Commission's crime analyst goes over his findings with each police department. Commissioner Cameron expressed her gratitude to the police departments in Plainville and the surrounding communities for embracing this project.

The next section of the presentation addressed attitudes toward gambling. The study shows a decrease in the number of people who think that there is not enough gambling available, a decrease in the number of people who think that casinos are beneficial and an increase in the number of people who think casinos are neither harmful or beneficial. Overall, people in Plainville are pleased with the casino.

The next section of the presentation addressed health and environmental impacts of the casino. The study showed no significant change in health, happiness or stress in Plainville and the surrounding communities. There were no changes in the demographics of Plainville. Plainville's population did increase but that started before the casino opened. The environmental impacts consisted mostly of noise complaints during construction. The study found that traffic increased and traffic complaints have increased. The number of traffic fatalities have increased in Norfolk County in general but this was not attributed to the casino.

In summary, the Chairman stated that the lack of impacts may have been due to the fact that gambling was already available close by in Rhode Island and Connecticut. There were no impacts on health and the area did see an increase in traffic.

The Chairman then moved on to present on the economic impacts of the casino. He described the results of the study on direct expenditures by the casino. The study showed that 87% of the direct expenditures were made in Massachusetts and predominately in Norfolk and Bristol counties. Eighty-one percent of the construction employees building the casino came from Massachusetts. Chairman Crosby explained that 95% of the casino's operating revenue came from gambling; 11% of the patrons came from Plainville and 66% came from other parts of Massachusetts. The largest portion of the revenue was recaptured spend by in-state patrons who would have gone out of state to gamble.

Commissioner Stebbins explained that the Commission wondered whether the fact that casinos in Massachusetts are non-smoking would impact patron visits to the casino. The Commission has received positive feedback on that from both casino employees and patrons.

Chairman Crosby stated 68% of the people hired by the casino came from Massachusetts. Approximately 800 people have been hired. There are approximately 500 jobs at the casino. The difference in the numbers is due to employee turnover. The Chairman stated that 50% of the jobs at the casino went to people who were unemployed or underemployed.

The study noted a small increase in businesses in the area. Town officials noted that they have seen an increase in interest in parcels along route 1 near the casino for use as hotels, housing and restaurants. There has been a significant increase in the number of races at the Plainridge Park race course since the casino opened. There has also been a significant increase in lottery sales in Plainville.

The study showed an increase in the employment numbers for Plainville, which was tied to the casino. Town officials stated that they saw an increase in wages and a decrease in poverty which was likely tied to the casino. Poverty increased in Norfolk County and the Commonwealth as a whole but was significantly lower in Plainville. There was no impact on housing in Plainville. There was an increase in the prices of single family homes in Plainville but that was also the case in the rest of the Commonwealth. The study found that the casino did not negatively impact housing prices.

The study showed some increase in the costs of government in Plainville such as increased police cost but these costs were offset by the host community payments and revenue from the casino.

The casino provides \$60 to 70 million to local aid. The state lottery provides approximately \$1 billion.

The Chairman stated that folks can come to their own conclusions regarding the impacts of the casino but the Commission wants the public to know that the Commission takes seriously the Gaming Act's mandate to study the impacts of expanded gaming in the Commonwealth. So far, things look good. There are many years to come and two larger casinos to open. The Commission will continue to study the impacts.

Chairman Crosby asked if there were any questions and there were none. Commissioner Cameron stated that this is a good news story. Chairman Crosby advised folks to go to the Commission's website for more detailed information on the studies.

7:00 pm Having no further business, a motion to adjourn was made by Commissioner Cameron. Commissioner Stebbins seconded the motion.

The Motion passed unanimously.

List of Documents and Other Items Used

- 1. Notice of Meeting and Agenda, dated June 21, 2018
- 2. Commission Meeting Minutes Draft dated June 7, 2018
- 3. Q1 2018 PPC Quarterly Report
- 4. 2018-6-26 Crosby Presentation

<u>/s/ Catherine Blue</u>
Assistant Secretary