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THE COMMONWEALTH OF MASSACHUSETTS
MASSACHUSETTS GAMING COMMISSION
134th PUBLIC HEARING
DAY II

COMMISSIONERS

- James F. McHugh
- Bruce W. Stebbins
- Enrique Zuniga
- Gayle Cameron

September 9, 2014, 9:04 a.m. to 2:46 p.m.
Boston Convention Center
415 Summer Street, Room 052
Boston, Massachusetts

PROCEEDINGS

1
2 COMMISSIONER MCHUGH: Good morning,
3 ladies and gentlemen. We're prepared to
4 resume where we left off yesterday. This
5 is still, I think, the 134th meeting of
6 the Massachusetts Gaming Commission, the
7 second session. And we're going to
8 continue this morning and throughout the
9 day with the presentation of reports by
10 the Commissioners. And the first report
11 to be presented this morning is the
12 mitigation report by Commissioner Cameron.
13 Good morning, Commissioner.

14 COMMISSIONER CAMERON: Good
15 morning, Commissioners and everyone
16 listening here and online. My section of
17 the evaluation is mitigation, and the
18 first thing we do is just a definition.
19 How did mitigation relate to this
20 particular portion of the application and
21 our analysis?

22 So certainly, the applicant needs
23 to demonstrate community support, impact
24 -- mitigate impact with the host and

1 surrounding community agreements, address
2 traffic and transportation issues, promote
3 responsible gaming and address problem
4 gambling, and how does the applicant
5 protect and enhance the lottery. So
6 that's what we will be looking at in
7 detail with this presentation.

8 So we have 38 questions, and we
9 group them into four different groupings
10 according to which category we thought
11 they fell into. Community support, which
12 includes the host community agreements,
13 the surrounding community agreements, and
14 the impacts of live entertainment venues.

15 Traffic and onsite impacts. Next
16 we spent an awful lot of time with traffic
17 and offsite impacts. This is an urban
18 area, and these issues are really
19 important.

20 Measures to promote responsible
21 gaming and mitigate problem gambling, as
22 well as, again, protecting and enhancing
23 the lottery.

24 The first two are -- they're all

1 important, but the first two are
2 especially important to this region.

3 So our methodology is something
4 that I'm comfortable, kind of the who,
5 what, when, where, and why. I looked at
6 it as a mini investigation. The who are
7 our consultants and subject matter
8 experts. The what. What materials and
9 presentations did we review. The when.
10 We started this process, this review
11 process, directly after the applications
12 were due on December 31st of 2013. Where.
13 In Region A, we're talking about we're
14 Revere and Everett. And why. Mitigation
15 is really important to communities.

16 We will be using the same ratings
17 as my fellow Commissioners. We had a
18 detailed explanation yesterday with the
19 insufficient, sufficient, very good, and
20 outstanding. The only thing I will add is
21 we had a number of questions that we
22 considered kind of check the box; meaning,
23 they were required to submit documents,
24 materials, and if they did that

1 appropriately, they were sufficient in
2 their rating.

3 So we'll start with the who. And
4 our advisors, I was very fortunate to have
5 an able team advising me, and it started
6 with Mark Vander Linden, who is our
7 director of research and problem gambling.
8 He was assisted with Dr. Jeff Marotta who
9 has his own company, Problem Gambling
10 Solutions. They assisted ably with the
11 numerous questions involving problem
12 gambling.

13 Gordon Carr from GMC Strategies, a
14 long-time economic development, project
15 manager. Really an asset to the overall
16 team.

17 Green International especially
18 important in that presentation. They
19 were -- there are our traffic engineers.
20 Frank Tramontozzi, Wing Wong, Jason Sobel
21 spent an awful lot of time on traffic, as
22 I just mentioned.

23 City Point Partners, Rick Moore,
24 environmental specialist. Also very, very

1 strong helping us with transportation
2 issues.

3 And Pinck & Company, our overall
4 project managers, in particular Nancy
5 Stark and Melissa Martinez. Thank you so
6 much for your help.

7 So what, what did we review for our
8 analysis? Certainly the Category 1
9 application, the input from the all the
10 public meetings and hearings, the
11 applicant presentations to the Commission,
12 all the environmental documents, public
13 comment letters and e-mails. I was
14 reading more of them yesterday. They
15 continue to come in with regard to these
16 applicants. Site visits were made by the
17 subject matter experts as well as
18 Commissioners. We looked at the proposed
19 locations here in the Commonwealth as well
20 as the current locations in Las Vegas and
21 Connecticut.

22 Website research was done in
23 particular with problem gaming. And the
24 MGC staff and our technical consultants

1 headed numerous meetings with other
2 stakeholders and that input was invaluable
3 as well.

4 So the when. I just mentioned that
5 we started our reviews the beginning of
6 January. The applications were due the
7 end of December. We had applicant
8 presentations on January 22nd. We had
9 public meetings in March of 25th and the
10 26th. June 24th, 25th, we had host
11 community hearings, July 15th as well.
12 July 16th through 18th, we had site visits
13 by the Commissioners to the locations.
14 August 11th and 12th, we closed out the
15 host community hearing, and here we are in
16 September making our presentations of
17 findings.

18 The where. We've seen this map
19 before. We -- In red, it's a little hard
20 to see, but in red, we have the two host
21 communities, Revere and Everett. In what
22 looks to be green on this map, these are
23 the -- all of the surrounding nearby
24 community agreements. And the top left

1 denotes the entire Region A area of the
2 Commonwealth.

3 We saw these pictures from site and
4 design. It's just these are the two
5 proposed facilities. A couple of
6 renderings from the Mohegan Sun Revere
7 applicant and two from the Wynn Everett
8 application as well.

9 So mitigation is important to
10 communities. Why, the why portion of this
11 evaluation. It's really important that
12 the voices be heard, community voices, and
13 we listened to an awful lot of people.
14 Transportation issues are a concern to the
15 general public.

16 The applicants have a key role in
17 promoting responsible gaming. And
18 certainly it's important to protect and
19 enhance the Massachusetts State Lottery
20 revenues.

21 A couple of pictures from the
22 hearings. Our first criterion is
23 community support. You know, it's
24 difficult to quantify community support

1 because there's so many elements that make
2 up this category. Certainly each host
3 community had strong community support,
4 but there was opposition to both projects
5 expressed as well.

6 In Revere, we listened to 187
7 people speak in favor of the applicant,
8 and we had 52 people speak in opposition,
9 and there were four speakers who were
10 neutral. In Everett, 110 people spoke to
11 us in favor of the project, 31 in
12 opposition, and nine speakers who were
13 neutral. And people were opposed and
14 supported the projects for very different
15 reasons, but we did hear from everyone and
16 take all of those voices into
17 consideration with our evaluation.

18 So groupings of community support,
19 we're talking about the mitigation-related
20 portion of the host community agreements,
21 the election-related materials from the
22 host community agreements, public support
23 and public outreach, the surrounding
24 communities, as well as the regional

1 venues known as the ILEV's. All of those
2 were pieces of the community support
3 category.

4 We will start with Mohegan Sun in
5 Revere, and in red, this is Revere, and
6 all of the communities in blue have
7 surrounding community agreements with the
8 applicant. Boston, Cambridge, Chelsea,
9 Everett, Lynn, Malden, Medford, Melrose,
10 Revere -- we just mentioned Revere, that's
11 the host community -- Salem, Saugus,
12 Somerville, and Winthrop are all depicted
13 on this map.

14 In Everett, there are a couple of
15 different in red again. We see the host
16 community in blue. We see the surrounding
17 community to include Cambridge, Chelsea,
18 Malden, Medford, and Somerville. And
19 outlined in black, we have adjacent
20 communities that do not have agreements.
21 Boston, Revere, and Saugus are outlying
22 there.

23 Now, with -- certainly we know with
24 Boston, Boston declined to participate in

1 the arbitration process, thus no
2 agreement. Revere, through its own host
3 community agreement, was precluded from
4 entering into a surrounding community
5 agreement.

6 So we'll give you some ratings
7 here, and then we'll talk a little bit
8 more about it. With the host community
9 agreements, each applicant received a very
10 good. Each host community agreement, that
11 was approved by wide margins in those two
12 communities, especially so in Everett.
13 And what we decided not to do is really
14 rate one agreement versus the other.
15 They're individual. We made the same
16 decision -- I made the same decision in
17 the other evaluations we've done because
18 each community is different, each
19 community's needs are different, and each
20 community signed off and are very pleased
21 with those agreements.

22 In this particular case, we gave
23 them each a very good. And as far as the
24 election-related materials, they're each

1 sufficient. They each supplied us with
2 the necessary documents as required per
3 the application.

4 A little more about the host
5 community agreements. So in Revere, a 63
6 percent favorable vote, 86 percent in
7 Everett. Payments are somewhat similar.
8 Advanced payments of 33 million for
9 Mohegan Sun and 30 million from Wynn to
10 the City of Everett. This community
11 impact fee may appear to be very
12 different, but this first number, 25
13 million, to Revere is inclusive of a
14 property tax commitment, and we'll see a
15 5.25 million community impact fee for
16 Everett that is separate, and there's also
17 a 20 million payment for property taxes.
18 So when you do the math, they're very,
19 very close, the dollar amounts agreed to
20 for both communities.

21 Next we'll talk about community
22 support to include public support and
23 outreach. These are examples of a couple
24 of charitable events that each of the

1 applicants participated in. Mohegan Sun
2 with an event with the Celtics, and Wynn
3 Everett with the event with the Boston
4 Pops. They are both sufficient.

5 The applicant and Suffolk Downs
6 have made strong efforts over the month to
7 public outreach to local communities,
8 including the host community. On the Wynn
9 side, the applicant held numerous public
10 information sessions in Everett, the North
11 End, Charlestown, Medford, Cambridge, and
12 elsewhere. The events and information
13 sessions were publicized, maximum
14 attendance, and there really was an
15 awareness of what this project was all
16 about. So they were both sufficient when
17 it comes to public support and outreach.

18 Moving on to surrounding
19 communities. Again, as part of the
20 legislation, we shall include a community
21 impact fee for each, or definition rather,
22 we shall include a community impact fee
23 for each surrounding community, and all
24 stipulations and responsibilities between

1 each surrounding community and the
2 applicant, including stipulations of known
3 impacts from the development and operation
4 of the gaming establishment. Again, we --
5 I rated them both sufficient in this area.

6 A little different approach to
7 surrounding communities, and we'll talk
8 more about this later, but certainly
9 Mohegan took a proactive approach to reach
10 agreement and offered more generous
11 mitigation payments. They reached
12 agreements with all of their surrounding
13 communities, but there was significant
14 opposition from East Boston related to the
15 relocation of the project, thus the
16 sufficient rating.

17 On the Wynn side, they took a more
18 measured approach to surrounding
19 communities following the regulatory
20 requirements. They reached surrounding
21 community agreements and nearby community
22 agreements with several cities and towns.
23 They did enter into arbitration with two
24 communities, and their offer was selected

1 by the arbitrators. And as I just
2 mentioned, Boston declined to participate
3 in the arbitration. Both sufficient with
4 surrounding communities.

5 So I just mentioned ILEV, that is
6 an impacted live entertainment venue.
7 Both, again, sufficient. Mohegan Sun has
8 an agreement with City Performing Arts
9 Center to manage their onsite venue, as
10 well as an agreement with Mass. Performing
11 Arts Coalition. Wynn has an agreement
12 with the Mass. Performing Arts Coalition.

13 So what both applicants did is
14 they're using outside facilities. They do
15 not have large facilities within their --
16 within their facilities, so they are -- in
17 that way, they are protecting the ILEV's.
18 They're both sufficient in this way.

19 So we're going to look at the
20 community support overall rating here, and
21 I've given them each a sufficient. And
22 some of those factors for that rationale.
23 Mohegan Sun, again, proactive approach to
24 generating community support and executing

1 surrounding community agreements, executed
2 agreements with all the surrounding
3 communities faced opposition from East
4 Boston and others.

5 On the Wynn side, they undertook a
6 comprehensive communications and outreach
7 effort and received the highest percent of
8 vote of any host community referendum,
9 measured approach to surrounding community
10 negotiations, focused on the regulatory
11 requirements. Some concerns have been
12 raised from Charlestown, Somerville, and
13 Medford regarding traffic and other
14 impacts.

15 So each of them did some things
16 very, very well, but as applicants around
17 the state are finding, there's some
18 opposition as well.

19 Going to move on to criterion two,
20 which is traffic and offsite impacts.
21 This is just an overview map of the
22 region. I think what's noteworthy here is
23 that, as we can see, this is a congested
24 area.

1 So we grouped the traffic and
2 offsite impacts into three categories, and
3 the impact assessments and costs to
4 include the offsite infrastructure,
5 utilities, and roadways. The traffic
6 management plan is really mitigating the
7 impacts of the added traffic. And other
8 potential impacts, that's to include
9 housing, school population, and emergency
10 services.

11 I'll give you some ratings, and
12 then we'll get into the details here.
13 With Mohegan Sun, they are a solid
14 sufficient in their impact assessments and
15 costs in their traffic management plan and
16 other potential impacts. Wynn Everett is
17 insufficient with their impact assessment
18 costs with -- insufficient with their
19 traffic management plan, and sufficient
20 with the other potential impacts. And
21 we'll talk more about this in detail.
22 Certainly is most important is the traffic
23 management plan. That's the most
24 critical, and we'll spend the most time

1 talking about this.

2 With regard to other potential
3 impacts, both applicants' studies
4 demonstrated no significant offsite
5 impacts to schools, to housing, or to
6 emergency services. Our consultants have
7 done an independent analysis and finds
8 that it is unlikely that there will be a
9 significant adverse impact to housing,
10 schools in the area. And with regard to
11 emergency services, potential issues that
12 may arise, they are covered in host and
13 surrounding community agreements. So each
14 of them are sufficient with regard to this
15 category.

16 We'll move on to the specifics here
17 when we talk about transportation
18 management. The first piece we're going
19 to talk about is the regional access, and
20 some of the rating factors are the
21 adequacy of the study area existing
22 transportation systems, the trip
23 generation and distribution, the
24 identification of the impacts due to added

1 traffic, and the mitigation measures
2 proposed.

3 So as we can see, this is all the
4 regional roadways, and the two applicants
5 are kind of right in the middle. One is
6 kind of a red color on the right. That
7 would be Revere. And Everett is the blue
8 color on the left right in the middle of
9 that map.

10 So when we talk about the study
11 area for Mohegan Sun, 28 intersections in
12 Revere, Boston, and Chelsea were studied.
13 And those blue dots depict all of those
14 intersections that were studied. Our
15 traffic engineers determined that the
16 study area was appropriate for this
17 project.

18 We're staying with the Mohegan Sun
19 application here. And this is a map. We
20 saw this in site design. We talk about
21 public transit here. It's a little hard
22 to see, I realize that. But there's a
23 blue line of the MBTA on the map, the
24 three MBTA bus routes that serve the site.

1 And what's important to note here is the
2 applicant has invested 1.5 million -- has
3 agreed to invest 1.5 million to improve
4 the MBTA Beachmont station, which is
5 adjacent to their pedestrian entrance,
6 about 150 feet from the primary pedestrian
7 entrance.

8 So another important piece is the
9 trip generation and distribution. The
10 trip generation rate is based on two --
11 this is from Mohegan now, based on two
12 similar facilities. So they're trying to
13 use something similar to draw conclusions
14 here. The trip generation rate is .40
15 trips per gaming position for Friday peak.

16 Friday peak is the day of the week
17 and the time of the day in which casino
18 traffic will overlap with commuter
19 traffic. So that is the toughest -- you
20 know, we base our evaluation on that day
21 because that's when there will be the most
22 impact with regard to this plan, this
23 transportation management plan.

24 The trip generation rate is

1 inclusive of all uses on the site. And
2 MassDOT satisfied with the trip generation
3 rate here, and our traffic engineers found
4 the rate to be acceptable as well. You've
5 seen this map as well in the past, just
6 really demonstrating how -- the prediction
7 of how individuals will come to the casino
8 and then will leave the casino.

9 Okay. At this point, I would like
10 to get into the more technical specifics
11 of transportation management here, and I'm
12 going to ask Jason Sobel, our traffic
13 engineer from Green International, who is
14 really our boots on the ground, really in
15 the weeds when it came to those two
16 applicants, to come up and give us a more
17 detailed traffic analysis presentation
18 here. Jason.

19 MR. SOBEL: Good morning,
20 Commissioners.

21 COMMISSIONER MCHUGH: Good morning.

22 COMMISSIONER ZUNIGA: Good morning.

23 COMMISSIONER STEBBINS: Good
24 morning.

1 MR. SOBEL: Melissa, can you go
2 back to the previous slide. There's a few
3 points I'd like to add, some specifics
4 with this slide. As Commissioner Cameron
5 mentioned, the trip generation rate that
6 was used was 0.4 trips per gaming
7 position. And when Commissioner Cameron
8 stated that was inclusive of all uses on
9 site, what that's really getting at is,
10 you know, there's non-gaming uses proposed
11 at both facilities such as retail,
12 restaurants, hotels. And the trip
13 generation rate based on the gaming
14 position at Mohegan Sun was inclusive of
15 all uses, so additional trips were not
16 added on top of this vehicle trip
17 generation calculation. That's going to
18 be a distinction between the two
19 applicants, so it's one of the reasons why
20 I wanted to point it out here.

21 The other point I'd like to make on
22 this slide is just to talk a little bit
23 about the trip distribution and what the
24 map is showing here. And what a trip

1 distribution really is, is how are people
2 going to get there, what roads are they
3 going to take. And as with many of the
4 slides, some of these numbers are small
5 and hard to see. But a key point here is
6 the Mohegan Sun site is here, Route 1A is
7 very close by, and 60 to 70 percent of the
8 traffic is expected to use Route 1A to and
9 from the site south of the site towards
10 Boston, including 44 percent coming in
11 from the Ted Williams tunnel on the Mass.
12 Pike.

13 The trip distribution patterns on
14 the Sumner and Callahan and Route 16, they
15 varied a little bit because of one-way
16 tolling, where some traffic may be using
17 the Callahan to from Boston to the site,
18 but then when people leave the site, they
19 choose to avoid the tolls and use Route
20 16. All right. Next slide.

21 All right. This is a figure that
22 was shown yesterday in Commissioner
23 McHugh's presentation. And really the key
24 points here are that there are really

1 three access points, three vehicular
2 access points. Tomesello Way at Winthrop,
3 Furlong Drive that connects directly to
4 Route 1A, and Tomesello Way continues
5 south into Boston and connects directly to
6 Route 1A.

7 One important point here is that
8 Furlong Drive is going to be designed to
9 accommodate all of the traffic using Route
10 1A. This is a conservative approach
11 because it's likely that some traffic
12 would use Tomesello Way to access Route 1A
13 directly and not use Furlong Drive, so
14 that was a positive.

15 The next several slides, we're
16 going to take a closer look at some of the
17 more significant pieces of mitigation that
18 are proposed. Before I start talking
19 about these, I'll note that we're not
20 going to cover every single proposed
21 improvement by the applicant. You know,
22 there was various mitigation proposed at
23 many locations. We're only going to go
24 through and highlight the most significant

1 ones, and all the other minor
2 improvements, those were all deemed to be
3 adequate.

4 All right. So what are we looking
5 at here. This is Route 1A in the vicinity
6 of the site. And just to orient
7 ourselves, north is to the right of the
8 slide and it goes from top to bottom, so
9 the southernmost portion of the corridor
10 coming out of Boston is up here, and the
11 Route 1A corridor continues northbound,
12 continues north. There is some overlap.
13 So this area here is repeated of this
14 intersection here. This intersection here
15 is the Boardman Street intersection which
16 Commissioner McHugh discussed a little bit
17 yesterday. It is a first signalized
18 intersection along the Route 1A corridor
19 coming out of Boston, and it's been a long
20 -- it's been an point of major congestion
21 for a long time.

22 So then we continue north along the
23 site. This intersection here is Tomesello
24 Way. Route 1A continues north and

1 continues along into the bottom portion of
2 the slide. The intersection here is the
3 intersection of Furlong Drive. And this
4 stretch of Route 1A continues. Winthrop
5 Ave. is just off the slide here.

6 So Mohegan Sun has proposed two
7 alternatives for Route 1A mitigation.
8 What we're looking at here is called the
9 northbound flyover option. And
10 essentially, it would create grade
11 separation and a ramp and allow northbound
12 traffic on 1A to go over the Boardman
13 Street signal and not have to travel
14 through the signal.

15 Mohegan Sun is only proposing to
16 construct a flyover in the northbound
17 direction; however, they have demonstrated
18 that a flyover in the southbound direction
19 could be constructed at some point in the
20 future and that this plan does not
21 precluded that from happening at some
22 point.

23 Next slide. All right. The second
24 option that Mohegan Sun proposes for

1 Route 1A is called the at-grade
2 alternative. And this is a similar
3 orientation to what we were looking at
4 previously with the southern point of the
5 corridor on the upper left and going north
6 to the right and then continuing in the
7 middle section. Again, we have Boardman
8 Street at this intersection here,
9 Tomesello Way at this intersection, and
10 Furlong Drive over here.

11 To summarize, this option is
12 everything would remain at grade without a
13 flyover ramp, and instead, a series of
14 traffic signals would be proposed either
15 at existing locations or at new locations.

16 The key point here is that at all
17 signalized intersections, there would not
18 be any left turns allowed from Route 1A.
19 This would allow each of the signals to
20 operate more efficiently than the existing
21 signals. And the applicant has agreed to
22 construct either alternative. Ultimately,
23 MassDOT will select the preferred
24 alternative. And in our opinion, either

1 option adequately mitigates the traffic on
2 Route 1A.

3 COMMISSIONER ZUNIGA: Could I ask a
4 question on that, Jason?

5 MR. SOBEL: Sure.

6 COMMISSIONER ZUNIGA: And you can
7 tell me if you're going to address this
8 later or Commissioner Cameron will do
9 that. But the two alternatives, they must
10 have, I would imagine, different costs.
11 Did you look at that?

12 MR. SOBEL: They do have different
13 costs. That was not something we focused
14 on. The applicants, actually both
15 applicants have agreed -- all the
16 mitigation that's proposed, they've agreed
17 to construct the mitigation, and they've
18 provided cost estimates, but what we
19 really focused was on whether or not the
20 mitigation was adequate to mitigate the
21 added traffic.

22 COMMISSIONER ZUNIGA: Okay. I was
23 just wondering. I have this figure in my
24 mind in the budget about what they

1 included in their infrastructure spending,
2 and I know they made representations it
3 will be whatever DOT will ask them, but I
4 was wondering if there was one or the
5 other included in the budget.

6 MR. SOBEL: I believe the cost
7 estimates were for the flyover option.

8 COMMISSIONER ZUNIGA: Which is
9 presumed to be the most expensive.

10 MR. SOBEL: Correct.

11 COMMISSIONER ZUNIGA: Thank you.

12 COMMISSIONER STEBBINS: Jason, just
13 a couple of quick questions, and it's
14 mostly on the middle traffic project
15 around Waldemar and Tomesello. When you
16 have the northbound flyover alternative
17 for Boardman Street, there's significant
18 improvements you make coming up to
19 Waldemar, but I don't see any improvements
20 being made at Waldemar in the second
21 scenario where there's no flyover. Help
22 me understood the difference.

23 MR. SOBEL: Well, Waldemar is an
24 unsignalized location with right in, right

1 out only. And really, the changes at that
2 intersection are required at the -- with
3 the northbound flyover option because
4 additional right of way is needed,
5 additional widening is needed to make room
6 for the flyover, and therefore adjustments
7 need to be made at the intersection.

8 COMMISSIONER STEBBINS: Okay. And
9 second question. Moving further up 1A,
10 you show improvements at Tomesello Drive,
11 and we talked briefly yesterday about the
12 applicant attempting to discourage use of
13 Tomesello Drive, but yet, some
14 improvements are built into that.

15 MR. SOBEL: At the at-grade
16 alternative you're talking about now?

17 COMMISSIONER STEBBINS: Well, they
18 show improvements, it appears, in both.

19 MR. SOBEL: In both. With the
20 flyover option, Tomesello Way is sort of
21 in the vicinity where the flyover comes
22 back down and everything merges again
23 together in the northbound direction with
24 both the at-grade traffic from Boardman

1 Street as well as from the traffic that
2 had gone over the signal. They come back
3 together in this area. And the changes
4 that were proposed at Tomesello Way in
5 this alternative, Tomesello Way would be
6 unsignalized and only a right-turn exit is
7 permitted. If this were selected as the
8 preferred alternative, it's unlikely that
9 exiting traffic from the casino would use
10 this roadway because a lot of that traffic
11 wants to turn left onto Route 1A
12 southbound.

13 COMMISSIONER STEBBINS: All right.

14 MR. SOBEL: Whereas at the at-grade
15 alternative, it would be a full signalized
16 control, and left turns would be allowed
17 from Tomesello Way onto Route 1A.

18 COMMISSIONER STEBBINS: Okay.
19 Thank you.

20 COMMISSIONER MCHUGH: I have a
21 question, and I'm sure everybody in the
22 room who's followed this understands how
23 this works, but particularly for remote
24 viewers and myself, could you explain how

1 this flyover works. The diagram is not
2 self-explanatory.

3 MR. SOBEL: Sure.

4 COMMISSIONER MCHUGH: At least to
5 me. It may be to others more versed in
6 this thing.

7 MR. SOBEL: All right. So the
8 color coding in here is everything
9 highlighted in red would be new payment,
10 and as vehicles coming from Boston heading
11 north right in this area here south of
12 Boardman Street, there would be a split.
13 So if you stayed to the left, you would go
14 onto the flyover ramp and up over the
15 Boardman Street signal. And then that
16 would continue. You'd still be up above
17 down here. You would not be able to
18 access Waldemar or Tomesello because you
19 would still be up on the flyover and then
20 merge back onto the at-grade Route 1A in
21 this area.

22 If you wanted to access any of the
23 side streets, there would be like an exit
24 ramp right here at the southern end right

1 where the northbound flyover begins. You
2 would have the option to take this off
3 ramp and approach the Boardman Street
4 signal here to either turn onto Boardman
5 Street, or you could continue straight
6 through and then access Waldemar or
7 Tomesello.

8 COMMISSIONER MCHUGH: And so the
9 red is the new payment construction, and
10 the green is what, Jason?

11 MR. SOBEL: Green is existing
12 payment that would be removed.

13 COMMISSIONER MCHUGH: Be removed.

14 MR. SOBEL: Right.

15 COMMISSIONER MCHUGH: All right.
16 That's helpful. Well, now let's do the
17 same thing with the next slide because
18 that one is a little more
19 self-explanatory, but could you just do
20 the same thing with that so everybody is
21 on the same page with what's going to
22 happen, what's proposed.

23 MR. SOBEL: Sure. In this
24 alternative with the series of traffic

1 signals, it's a little more familiar to
2 people. This is the Boardman Street
3 intersection and that would remain
4 signalized. A new traffic signal would be
5 proposed here at Tomesello Way. This is
6 an existing signal. It's an existing jug
7 handle which is essentially to allow
8 southbound traffic to turn around and head
9 back northbound. And in both
10 alternatives, the intersection with
11 Furlong Drive would be signalized as well.

12 Now, the key thing here that I
13 mentioned is no left turns would be
14 permitted. So if you were coming from the
15 north on Route 1A and wanted to get on
16 Boardman Street, instead of turning left
17 onto Boardman Street, you would have to go
18 straight through the signal, there would
19 be a new signal here to allow U-turns, and
20 then you would head back north and make a
21 right turn onto Boardman Street.

22 COMMISSIONER MCHUGH: That's
23 helpful. Thank you.

24 MR. SOBEL: All right. What we're

1 looking at here is the Route 1 and Route
2 16 interchange. This interchange actually
3 straddles both the Chelsea and Revere city
4 lines. The line kind of goes right up the
5 middle. The north is to the top of the
6 slide here. This road here that actually
7 goes above is Route 1, and this is Route
8 16. And the proposed improvements here
9 include two new traffic signals, one here
10 and one here. And the purpose of this is
11 really to improve access to both
12 accommodate casino-related traffic as well
13 as improved regional access.

14 Under existing conditions, there's
15 no easy way to get from Route 1 southbound
16 to Route 16 eastbound. A lot of people
17 come down here, and there's a traffic
18 signal at Webster Ave. just off this map
19 where people have to come down and do a
20 U-turn to head eastbound. Likewise,
21 people coming from the east going
22 westbound on Route 16, there's no easy way
23 to get to Route 1 northbound. They come
24 down to the same signal and do a U-turn to

1 get to the ramp.

2 So these proposed improvements
3 include adding a few more connections to
4 allow all movement at the interchange.
5 And we find that these improvements would
6 improve capacity and adequately mitigation
7 Mohegan Sun's traffic.

8 What we're looking at here is Bell
9 Circle in Revere. North is to the right
10 here. This roadway is Route 1A. Route 1A
11 actually continues off towards the
12 northeast here, and the through movement
13 continues as Route 60 through the City of
14 Revere ultimately connecting back to Route
15 1.

16 The improvements here are, again,
17 with the similar color coding with the red
18 highlighting new pavement, is really minor
19 widening in this area here. That right
20 turn movement today it's striped as a
21 single lane. Sometimes often during
22 congesting conditions, people squeeze in
23 and stack up in two lanes. This would
24 formalize that movement and improve

1 capacity and safety and adequately
2 mitigates Mohegan Sun's traffic.

3 What we're looking at here. This
4 is Copeland Circle in Revere. Again,
5 north is to the right of the slide here.
6 Copeland Circle is the interchange of
7 Route 60 and Route 1. So this is Route 1
8 in this direction with the Tobin Bridge
9 further south off to the left. This is
10 Route 60 that cuts through like this.

11 As you can see, the existing
12 Copeland Circle interchange is a very,
13 very large rotary. The proposed
14 improvements here include three new
15 traffic signals within the rotary, at this
16 location, at this location, and at this
17 location. And the idea behind these
18 traffic signals is to control weaving
19 movements.

20 Now, what a weaving movement is in
21 traffic terms is when traffic from one
22 approach needs to shift over to the right
23 to get to where they're wanting to go, and
24 other traffic at the same time in the same

1 area needs to shift over to the left to
2 get to where they want to go.

3 So in this area, for example,
4 traffic in the circle would want to shift
5 to the right to exit, and meanwhile,
6 traffic coming into the rotary would want
7 to shift to the left to stay into the
8 rotary.

9 So these traffic signals would
10 prevent that conflict and control that
11 conflict. So we find these improvements
12 would improve capacity, safety, and
13 adequately mitigate Mohegan Sun's traffic.

14 All right. Now, moving on to the
15 Wynn proposal in Everett. First a brief
16 overview. This figure shows the 57
17 intersections in the various
18 municipalities that were studied in the
19 draft environmental impact report. A more
20 limited study area was included in the
21 final environmental report which is
22 appropriate and common as projects move
23 through the MEPA process.

24 This slide shows the public

1 transportation in the vicinity of the
2 site, which is located here off Broadway.
3 I believe Commissioner McHugh had a
4 similar slide in his presentation
5 yesterday.

6 In terms of public transportation,
7 Wynn is proposing to improve bus stops and
8 bus shelters on Broadway and provide
9 shuttles to and from the MBTA orange line
10 stations at Wellington station and Malden
11 Center. They're not proposing to provide
12 a shuttle to Sullivan Square. There's
13 existing MBTA buses that travel right in
14 front of this site along Broadway that
15 connect to Sullivan Square already.

16 All right. So a little bit about
17 the trip generation and trip distribution.
18 Similar to Mohegan Sun, the critical
19 period that -- periods that were studied
20 were Friday evening and Saturday
21 afternoon, with the Friday afternoon peak
22 hour being the more critical of the two.
23 They did studies at two other similar
24 facilities in Montreal and New York City

1 to determine their trip generation rate.
2 The trip generation rate they used for
3 Friday was 0.29 trips per gaming position.
4 At first glance, that looks lower than the
5 trip generation rate used for Mohegan Sun,
6 although the difference in methodologies
7 here is that additional vehicle trips were
8 added for the non-gaming uses for the
9 site. So there were the trips per gaming
10 position, but then additional trips were
11 added for the hotel, for the retail, the
12 restaurants, and as a result, the trip
13 generation rates ended up being similar to
14 each other. MassDOT was satisfied with
15 the trip generation rates and so were we.

16 Stay. No. Go back. To talk about
17 the trip distribution a little bit and how
18 trips are going to get there, again,
19 there's a lot of numbers on this slide. A
20 key point is approximately two-thirds of
21 their traffic would be traveling south on
22 Route 99 through Sullivan Square, and
23 approximately 14 to 15 percent on Route 16
24 in either direction. So approximately 15

1 percent west of Sweetser Circle and almost
2 14 percent east of Sweetser Circle on
3 Route 16, which is the Revere Beach
4 Parkway.

5 This shows the site access.
6 There's a single primary driveway for
7 patrons with the secondary driveway
8 further north on Broadway. There's MBTA
9 bus stops on Broadway and shuttles to the
10 orange line, which I mentioned, and
11 pedestrian access both from Broadway,
12 sidewalks along the driveway, as well as
13 connections to a Harbor Walk on the other
14 side of the railroad tracks.

15 The vast majority of employees
16 would be parking offsite. The locations
17 that have been identified are Malden
18 Center garage, Station Landing right next
19 to Wellington Station, and the third site
20 in this area of Everett. The exact
21 location hasn't yet been determined. And
22 all employees would then be brought to the
23 site via shuttle buses.

24 Then we have the water

1 transportation that Commissioner McHugh
2 also discussed a little bit yesterday to
3 downtown Boston and the World Trade Center
4 in South Boston. In their latest
5 environmental document, the final
6 environmental impact report, six percent
7 of patrons were assumed to be using water
8 transportation and three percent of
9 employees.

10 Now, before we go to the next
11 slide, similar to Mohegan Sun, we're going
12 to focus on the more significant
13 mitigation measures that are proposed.
14 I'm not going to discuss all of the
15 proposed improvements, just the more major
16 ones. And the minor improvements that we
17 won't get into, all of those were deemed
18 to be adequate to mitigate their traffic.

19 All right. So first, we'll look at
20 Broadway, Route 99 in front of their site.
21 To orient ourselves here, north is the
22 right of the slide, and, again, the top
23 left is sort of the southernmost portion
24 of the corridor. This is the city line

1 between Boston and Everett. This
2 intersection here is their preferred site
3 driveway. As we head north, we pick up
4 over here, and, again, there's some
5 overlap. The intersection just cut off in
6 the intersection is the same primary site
7 drive intersection here. Broadway
8 continues north, and, again, this
9 intersection here is repeated down here.
10 This is the secondary driveway for service
11 vehicles. And then Broadway continues
12 north and just at the northern end off the
13 picture would be Sweetser Circle.

14 So what's being proposed here is
15 some roadway widening, two through lanes
16 in each direction, turning lanes where
17 needed, bicycle lanes in each direction,
18 sidewalk improvements, bus stop
19 improvements, as I mentioned previously.
20 And we found those improvements would
21 improve capacity, safety, and adequately
22 mitigate their traffic.

23 COMMISSIONER ZUNIGA: Jason, is
24 this the same color coding as the previous

1 applicant or not really?

2 MR. SOBEL: Excuse me?

3 COMMISSIONER ZUNIGA: Is what's
4 reflected in this slide, slide number 40,
5 the same color coding?

6 MR. SOBEL: No. A lot of these
7 figures came directly from the
8 environmental filings from each applicant,
9 so they chose kind of different color
10 coding. Here, the gray is proposed
11 roadway. Green is median islands in the
12 middle of Broadway.

13 COMMISSIONER ZUNIGA: Okay.

14 MR. SOBEL: All right. This is
15 Sweetser Circle in the City of Everett.
16 Sweetser Circle just connects with Route
17 99 Broadway. The project site is located
18 further south. What we're looking at here
19 is Route 16, the Revere Beach Parkway.
20 Route 99 continues through Everett over
21 here.

22 So the proposed improvements here
23 are some minor widening on some of the
24 approaches to the rotary and improved

1 signage and pavement markings within the
2 rotary to clearly guide motorists. Which
3 is a significant improvement over the
4 existing conditions with basically no
5 pavement markings within the rotary. And
6 we found that these improvements would
7 improve safety and capacity and adequately
8 mitigate their traffic.

9 COMMISSIONER MCHUGH: Now, this we
10 talked a little bit about yesterday, but
11 this is the circle to the north of the
12 site through which all southbound traffic
13 has to go, right?

14 MR. SOBEL: Correct. Approximately
15 one-third of their traffic would be
16 traveling through Sweetser Circle.

17 COMMISSIONER MCHUGH: Right. So
18 it's one of the two at either end of the
19 site. Okay.

20 MR. SOBEL: What we are looking at
21 here is Santilli Circle. This is just
22 west of Sweetser Circle which we were
23 looking at, at the previous slide.
24 Sweetser Circle would be just off this

1 slide here. This is also still in the
2 City of Everett. And the proposed
3 improvements here include the construction
4 of a flyover ramp from Route 16 eastbound
5 to this frontage road. The reason that's
6 a critical piece is that there's no direct
7 connection from Route 16 eastbound onto
8 Sweetser Circle. So all eastbound traffic
9 that would want to access the site needs
10 to use this frontage road to get up onto
11 Sweetser Circle. And this flyover ramp
12 allows that traffic to make the movement
13 without travelling through the two
14 existing signals at grade.

15 In addition to accommodating the
16 casino-related traffic, there's a very
17 significant volume of traffic making that
18 movement today. And under the existing
19 conditions, that traffic would have to
20 make a right turn at this signal, go
21 through the bottom half of the rotary,
22 travel through second, the eastern signal,
23 and then access the frontage road.

24 So in addition to accommodating the

1 casino traffic, there are hundreds of
2 vehicles making that movement today, and
3 as a result, the traffic signals can be
4 retimed and re-optimized and the
5 operations will be significantly improved
6 because all of that existing traffic is no
7 longer traveling through those
8 intersections. So we found that these
9 proposed improvements would improve
10 capacity, safety, and adequately mitigate
11 their traffic.

12 COMMISSIONER MCHUGH: Can I ask a
13 question at this point? There's the major
14 employer in that box there.

15 MR. SOBEL: Correct. So this area
16 here is BNY Mellon. The area to the south
17 is the Gateway Center with a lot of
18 commercial shopping, and these proposed
19 improvements would maintain access to all
20 abutters and basically the same access
21 that they have today.

22 What we're looking at here is
23 Wellington Circle in Medford. This is
24 just west of Santilli Circle just over the

1 bridge. And let's see. So to orient
2 ourselves, Route 16 is the east roadway
3 here. East of Wellington Circle is the
4 Revere Beach Parkway. West of Wellington
5 it is Mystic Valley Parkway. Route 28,
6 the Fellsway, is the major north/south
7 roadway here.

8 And the proposed improvement by
9 Wynn include some minor roadway widening
10 to include an additional westbound through
11 lane in the middle of the intersection, an
12 additional eastbound through lane in this
13 area, as well as an additional northbound
14 left turning lane on Route 28.

15 Furthermore, significant sidewalk and
16 crosswalk and pedestrian improvements
17 would be made as well to enhance
18 pedestrian connectivity.

19 And Wynn has also agreed to
20 participate in funding a long -- a study
21 for long-term improvements at this
22 location, although not committing to
23 construct those improvements. And the --
24 these improvement that are shown here on

1 the slide we found to improve capacity,
2 safety, and we expect to adequately
3 mitigate their traffic.

4 All right. What we're looking at
5 here is Sullivan Square in the City of
6 Boston. The project site is just on the
7 other side of the Mystic River to the
8 north here along Route 99. This major
9 roadway here is I-93, and we've got
10 Cambridge Street. Maffa Way connects with
11 Broadway in Somerville. And Rutherford
12 Ave., Route 99 continues as Rutherford
13 Ave. through Charlestown here.

14 This is the critical location to
15 the project. Again, I'll reiterate that
16 approximately two-thirds of Wynn's traffic
17 will be traveling through Sullivan Square.
18 As seen in this figure, the proposed
19 interim improvements here really focus on
20 the western portion of Sullivan Square
21 without any improvements currently
22 proposed on the eastern half.

23 In addition to the roadway
24 improvements, Wynn is proposing to

1 construct sidewalk and pedestrian
2 connections to allow an easily walkable
3 connection from the Sullivan Square T
4 station through along these roadways along
5 Alford Street, over the bridge, and to
6 their site.

7 So we'll get into these proposed
8 improvements in the next slide, but before
9 we do that, I'll state that everything
10 that I'm going to talk about today is
11 based on what has been proposed in the
12 final environmental impact report that was
13 filed earlier this summer.

14 Based on our discussions with
15 MassDOT, it's possible that the applicant
16 may change what they're proposing in a
17 supplemental final EIR that they're
18 required to submit through the MEPA
19 process. So what I'm going to be talking
20 about is the latest we know now, although
21 it could be subject to change.

22 COMMISSIONER MCHUGH: And just so
23 we understand the acronyms, MassDOT is the
24 Massachusetts Department of Transportation

1 and MEPA is the thing that we were
2 referring to --

3 MR. SOBEL: MEPA is the
4 Massachusetts Environmental Policy Act,
5 and the EIRs are our Environmental Impact
6 Reports, which all major projects need to
7 go through the MEPA process.

8 COMMISSIONER MCHUGH: Right.

9 MR. SOBEL: So this slide, again,
10 to orient ourselves, this is the zoom-in
11 of what we were looking at on the previous
12 slide. We have interstate 93 over here.
13 On the left, Rutherford Ave./Route 99
14 continues. The project site is further
15 north over here.

16 And what is being proposed here.
17 The applicant is proposing widening on
18 Cambridge Street with bike lanes in both
19 directions. A significant piece of this
20 is this roadway here. Under existing
21 conditions, that is a bus way which is not
22 open to general traffic. It is only
23 allowed for MBTA buses and employees.
24 Under this proposed -- under these

1 proposed improvements, this roadway would
2 be open to general traffic. As part of
3 that, two new traffic signals are being
4 proposed, one at Maffa Way at the northern
5 end of the bus way, and one on Cambridge
6 Street at the southern end of the bus way,
7 and this is Spice Street.

8 Additionally, a triple-right
9 movement is proposed from Cambridge Street
10 into the Sullivan Square rotary, and --
11 although the third right lane is only
12 provided for approximately 200 feet. And
13 some changes to the I-93 northbound off
14 ramp which is in the lower left of this
15 slide, some striping changes there to
16 allow double-right movement.

17 Now, the most critical intersection
18 is this signalized intersection of
19 Cambridge Street and Maffa Way. We have
20 large concerns with queueing on Cambridge
21 Street past the northbound off ramp as
22 well as queueing along Maffa Way back into
23 the City of Somerville. We have some
24 concerns and issues with the analysis that

1 was presented at the Cambridge Street with
2 this triple right. Most people aren't
3 familiar with driving through a triple
4 right-turn movement. There's not too many
5 triple rights around here, and I'd expect
6 that the third right-turn lane would be
7 vastly under utilized, and therefore, the
8 analysis presented by Wynn overstates the
9 conditions here.

10 And lastly, as I stated previously,
11 no improvements are proposed along the
12 eastern portion of Sullivan Square,
13 notably at the Rutherford Ave.
14 intersection of the rotary and Main Street
15 intersection with the rotary, both of
16 which are unsignalized.

17 So based on this analysis, it is
18 our opinion that the proposed improvements
19 as shown in the final environmental impact
20 report do not adequately mitigate the
21 traffic impacts from the Wynn development.

22 At this point, I'd like to pass the
23 presentation back to Commissioner Cameron
24 to finish the presentation.

1 COMMISSIONER MCHUGH: Before you
2 leave, that was also the secretary of
3 environmental affairs conclusion --

4 MR. SOBEL: Correct.

5 COMMISSIONER MCHUGH: -- with
6 respect to the MEPA process.

7 MR. SOBEL: Correct. The MEPA
8 certificate that Wynn received after the
9 filing of their final environmental impact
10 report requires them to come back,
11 continue the MEPA process, file a
12 supplemental final environmental impact
13 report in large part due to unresolved
14 transportation issues.

15 COMMISSIONER MCHUGH: With this is
16 a central focus of those unresolved
17 issues?

18 MR. SOBEL: Precisely.

19 COMMISSIONER MCHUGH: Okay. Thank
20 you.

21 COMMISSIONER CAMERON: Commissioner
22 McHugh, I think that's an important piece.
23 The traffic mitigation at every other
24 location -- and there were, I'm trying to

1 remember, there are numerous intersection
2 studies -- is sufficient, is adequate.
3 It's only here that the mitigation is not
4 sufficient. So all of the other
5 mitigation we've confirmed that it is
6 sufficient to mitigate their traffic.

7 Okay. So moving on to the next
8 slide. Overall, we've gone through this,
9 you know, piece by piece, but overall
10 Mohegan Sun is sufficient. Some of the
11 key factors there. They are -- the site
12 is well situated with multiple access
13 points to Route 1A. The site is adjacent
14 to the MBTA blue line station and bus
15 routes and adequate mitigation proposed on
16 Route 1A and all other studied
17 intersections.

18 Key factors for the Wynn.
19 Insufficient. The site is close to an
20 MBTA orange line and regional roadways.
21 Adequate mitigation proposed at studied
22 intersections with the exception of
23 Sullivan Square, and Sullivan Square
24 mitigation in the short term is

1 inadequate, and commitment to participate
2 in a long-term solution is limited, thus
3 the rating there.

4 Any questions about that?

5 COMMISSIONER ZUNIGA: Can you
6 explain the short term versus the long
7 term a little bit better?

8 COMMISSIONER CAMERON: Yes. The
9 short term, what we're talking about, as
10 Jason just explained, those lane markings,
11 signals, in some cases road widening,
12 median that will be done immediately
13 before the project opens. And long-term,
14 we're talking about an overall total
15 redesign for Sullivan Square, which has
16 been in the works for years, and they have
17 committed in the limited fashion to
18 assisting with that project. And in a
19 condition we will propose at the end of
20 this presentation, we will be addressing
21 both long-term and short-term solutions.

22 COMMISSIONER ZUNIGA: So --

23 COMMISSIONER CAMERON: Anything to
24 add to that, Jason?

1 MR. SOBEL: No.

2 COMMISSIONER ZUNIGA: And the short
3 term is also inadequate because, as Jason
4 outlined, the proposed improvements deal
5 with the west side perhaps with some
6 questions because of the three lane
7 right-turn queuing, et cetera, but it
8 doesn't deal with the west side -- with
9 the east side.

10 COMMISSIONER CAMERON: Correct.
11 There are -- they have failed to identify
12 improvements on the one side, and the
13 proposed improvements are not adequate, so
14 that's -- those two reasons why the short
15 term is inadequate, is insufficient.

16 COMMISSIONER ZUNIGA: Okay. So you
17 will be talking about the conditions later
18 relative to both a short-term --

19 COMMISSIONER CAMERON: We will.

20 COMMISSIONER ZUNIGA: -- solution
21 and --

22 COMMISSIONER CAMERON: And the
23 supplemental will introduce that as well.
24 That's one of the reasons they are

1 required to submit a supplemental to their
2 final report is because they've been asked
3 to address some of those issues.

4 COMMISSIONER ZUNIGA: And
5 supplemental submission is limited to
6 traffic and limited to Sullivan Square or?

7 COMMISSIONER CAMERON: It's limited
8 to the areas where MassDOT had issues with
9 that. Jason, do you want to add to that?

10 MR. SOBEL: The supplemental final
11 environmental impact report will focus on
12 Sullivan Square. I believe there are some
13 other comments that they also need to
14 address as well in response to.

15 COMMISSIONER ZUNIGA: Related to
16 traffic or others?

17 MR. SOBEL: Mostly related to
18 traffic and transportation.

19 COMMISSIONER CAMERON: Any other
20 questions before we move on to our next
21 criterion?

22 COMMISSIONER ZUNIGA: I actually
23 do. There were -- on slide -- Give me a
24 minute. Can we go back to slide 23

1 perhaps. The two -- what would be the
2 biggest difference between -- Let me back
3 up a little. These three sub-criteria
4 roll up to the one criteria on page 46; is
5 that a fair statement?

6 COMMISSIONER CAMERON: I'm sorry,
7 will you repeat that question?

8 COMMISSIONER ZUNIGA: Is what's
9 highlighted here --

10 COMMISSIONER CAMERON: Yes. In the
11 ratings?

12 COMMISSIONER ZUNIGA: In the
13 ratings. Is that sub-criteria that roll
14 up to the criteria that we just talked
15 about?

16 COMMISSIONER CAMERON: It is. It
17 is. And I actually think it's a good
18 question because I don't think I
19 adequately explained to you why the
20 insufficient rating with impact
21 assessments and costs.

22 So both of these insufficient
23 ratings have to do with Sullivan Square.
24 And when we talk about costs, it's our

1 assessment that the cost to mitigate
2 Sullivan Square in the short term are
3 inadequate, the cost presented to us, thus
4 the insufficient in impact assessments and
5 costs. And the traffic management plan,
6 certainly we spoke about it in length why
7 that is an insufficient rating, and it is
8 all of those factors involving Sullivan
9 Square.

10 COMMISSIONER ZUNIGA: Okay.

11 COMMISSIONER CAMERON: Anything
12 else?

13 Okay. We're going to move on to
14 measures to mitigate problem gambling and
15 promote responsible gaming. These are two
16 of the brochures that I like to pick up
17 when I'm at some of the offsite visits.
18 This is one from Mohegan and another from
19 Wynn dealing with responsible gambling and
20 problem gambling. So just some samples
21 from their facility where they have them
22 in locations where patrons can take a look
23 and take one if they'd like.

24 So one of the principal

1 underpinnings of the act establishes
2 expanded gaming in the -- is the
3 commitment to mitigate the negative and
4 unintended consequences of casino gambling
5 in the Commonwealth. So it really is
6 incumbent on their licensees to adopt
7 policies and practices to address problem
8 gambling and promote responsible gaming in
9 every aspect of their operation.

10 As you know, we've spent a lot of
11 time with Director Vander Linden going
12 over some of these issues deciding what we
13 will mandate as regulators, and these
14 questions really sought to seek our
15 applicants' views, what they've done
16 historically, direct and indirect
17 measures. So we'll get into more of that.

18 Again, this is not an isolated role
19 for the licensees. They'll be working
20 with government, science, industry, and
21 gaming consumers to really play a role in
22 what's the best way for all of us
23 collectively to minimize these effects.

24 Another important piece here when

1 we talk about measures to mitigate is the
2 public health trust fund. The fund will
3 allocate sufficient dollars towards a wide
4 range of efforts and strategies to
5 effectively minimize harm caused or
6 exasperated by gaming.

7 And before I move on, Mark, do you
8 have anything else to add to that before I
9 get into the specifics?

10 DIRECTOR VANDER LINDEN: No. All
11 set.

12 COMMISSIONER CAMERON: Okay. So
13 these groupings of questions, we have
14 three different categories. One is the
15 direct efforts to mitigate problem
16 gambling, promote responsible gaming. And
17 what we're talking about with these direct
18 efforts are the onsite resources for
19 problem gambling, the self-exclusion
20 policies, identification of problem
21 gambling, credit extension abuse, and
22 treatment and prevention.

23 Under the processes and measures to
24 mitigate problems, we looked at the code

1 of ethics metrics for problem gambling and
2 the historical efforts by these applicants
3 in their other facilities against problem
4 gambling. And indirect efforts were also
5 part of this evaluation. And when we talk
6 about indirect efforts, we're talking
7 about advertising responsible gaming and
8 problem gambling signage in facilities.

9 So there are ten separate questions
10 that we evaluated. So the first group, as
11 I just explained, you know, what does the
12 applicant do on site, and in some cases
13 what's their coordination with community
14 providers to mitigate, and how do they
15 train their employees. And self-exclusion
16 is also a piece of these district efforts
17 and that's when patrons voluntarily
18 exclude themselves from the gaming
19 facility. Group two, what's their
20 historical commitment in various ways to
21 address problem gaming. And group three,
22 how well did the applicants inform patrons
23 about these issues. That's really what
24 we're talking about.

1 So to summarize the questions and
2 how we rated them, with the direct efforts
3 to mitigate problem gambling, promote
4 responsible gaming, Mohegan Sun is a
5 sufficient to very good. With the second
6 grouping of questions, the processes and
7 measures to mitigate problems, Mohegan Sun
8 is very good. And the indirect efforts to
9 mitigate problem gambling and promote
10 responsible gaming, Mohegan Sun is very
11 good is how we rated there. And I'll get
12 into some specifics here.

13 On the other side Wynn is a
14 sufficient in each of those three
15 categories.

16 With the first group, the direct
17 efforts, Mohegan Sun demonstrated a
18 commitment to addressing problem gambling
19 in many cases above and beyond their
20 responsible gaming recommendations of the
21 American Gaming Association. They have
22 been actively working with the Gaming
23 Commission to advance regulations, and
24 their plan thoroughly describes linkage to

1 treatment programs, but is less specific
2 when describing initiatives for
3 presentation. Overall the sufficient/very
4 good in that category.

5 Wynn proposes and their policies
6 and procedures conform with the American
7 Gaming Association regulations, and they
8 will work with us to develop strategies to
9 minimize the harm of high-risk gambling.
10 Sufficient, as we mentioned.

11 Group two, those processes and
12 measures. Mohegan Sun demonstrated a
13 history in addressing responsible gaming
14 and supporting problem gambling services
15 and research efforts.

16 Comprehensive company expectations
17 about responsible gaming. Wynn generally
18 follows the accepted industry gaming
19 practice. The code of ethics addresses
20 aspects of responsible gaming and includes
21 practices to promote responsible gaming.
22 Again, sufficient.

23 And in group three, Mohegan Sun
24 describes specific and intentional efforts

1 to develop a socially acceptable marketing
2 plan. They proposed a variety of signage
3 and marketing products to reach patrons
4 and employees, which is why they were very
5 good.

6 And Wynn provided an adequate
7 approach to problem gambling signage. The
8 "Know Your Limits" tag on player card room
9 keys and brochures in the establishment.
10 This tag is in line more with
11 appropriately promoting responsible gaming
12 than it does with raising awareness to
13 problem gambling.

14 So more detail, more historical
15 efforts, and just an overall better
16 response to these questions from Mohegan
17 Sun, thus the ratings.

18 So if we go to the overall rating
19 here. Mohegan Sun is very good. They
20 outlined a commitment to addressing
21 problem gambling and promote responsible
22 gaming, proposed multiple and creative
23 strategies in numerous aspects of their
24 operation.

1 Wynn is a sufficient. They will
2 comply with our relations and otherwise
3 follow standard industry practices in the
4 area of promoting responsible gaming and
5 mitigating problem gambling at their
6 facility.

7 You know, Mohegan Sun demonstrated
8 a real understanding of the complexity of
9 the problem and proposed to mitigate the
10 impacts. Wynn's response generally lacked
11 the detail and did not clearly articulate
12 a depth of understanding of the issues.
13 That's the responses to the questions that
14 we had to evaluate.

15 Any questions about responsible
16 gaming and our ratings here?

17 COMMISSIONER ZUNIGA: Yes. Was
18 there consideration given to the different
19 market strategy and pieces plan that the
20 applicants bring, including the amount of
21 money that they put towards training as
22 part of these efforts?

23 COMMISSIONER CAMERON: I'm going to
24 ask Mark to get into some more detail with

1 that.

2 DIRECTOR VANDER LINDEN: It was not
3 specific in terms of what was the dollar
4 amount that they put toward employee
5 training and problem gambling and
6 responsible gaming. Both applicants did
7 address employee training. Mohegan Sun
8 provided significantly more detail in
9 terms of what types of employee training
10 they would provide, and Wynn was a little
11 bit more general in how they speak on that
12 specific issue.

13 COMMISSIONER ZUNIGA: Thank you.

14 COMMISSIONER MCHUGH: I may have
15 misunderstood the question, but I thought
16 it was focused on was any adjustment to
17 the evaluation made given the marketing
18 plans of the two entities, i.e. a Wynn
19 plan that looks for higher-end, more
20 affluent, I suppose, players than the
21 Mohegan Sun plan, at least on the surface
22 appears to.

23 DIRECTOR VANDER LINDEN: So just
24 generally, Wynn described their "Know Your

1 Limits" campaign and where they would put
2 that. They described where they have put
3 the information about problem gambling or
4 where to seek access for help, i.e. the
5 help line number. Whereas in the -- it
6 didn't expand beyond that. Where Mohegan
7 Sun provided a much more in-depth
8 description of where and how they would
9 promote responsible gambling -- gaming and
10 direct patrons for resources for problem
11 gambling. And they went into a lot of
12 detail about the signage and methods that
13 they would do that. I don't know if that
14 answers your question.

15 COMMISSIONER MCHUGH: Well, my
16 question really focuses on whether, I
17 guess, there's a difference in the
18 approach one takes and whether general
19 research makes any distinction between the
20 kind of approach one takes to, say, heavy
21 limit, high-limit players as opposed to
22 day-to-day players just in a general
23 sense.

24 DIRECTOR VANDER LINDEN: Yes.

1 Neither of the applications really address
2 that aspect.

3 COMMISSIONER MCHUGH: Does the
4 research in the field address that?

5 DIRECTOR VANDER LINDEN: Not that
6 I've seen, no.

7 COMMISSIONER MCHUGH: Yes. Okay.
8 Thank you.

9 COMMISSIONER ZUNIGA: Thank you.

10 COMMISSIONER CAMERON: Okay. So
11 we'll move on to our last criterion, which
12 is to protect and enhance the lottery. So
13 the statute made this a key provision in
14 Massachusetts. This Massachusetts revenue
15 per capita for lottery spending is very
16 high. We have the most profitable lottery
17 in the country, and it's important to
18 preserve that revenue and add to it with
19 gaming facilities.

20 Both applicants are sufficient in
21 this category. Mohegan Sun, the applicant
22 provided a comprehensive strategy to
23 promoting the lottery. They have an
24 executed agreement with the Mass. State

1 Lottery, and the applicant is committed to
2 the installation of terminals.

3 With Wynn, the applicant also has a
4 strategy for promoting the lottery. As of
5 last Friday, I'm going to update this
6 slide. This went to production before we
7 learned last Friday that Wynn does have a
8 commitment, a signed agreement, with the
9 lottery. We heard from the Wynn folks as
10 well as the lottery folks to confirm this.
11 And again, they have committed to the
12 installation of terminals as well.

13 So both sufficient, both will do
14 what the law requires with regard to
15 protecting and enhancing the lottery.

16 COMMISSIONER STEBBINS: Just a
17 quick question. And I think you're right,
18 this is more -- I think you've described
19 it as the check-the-box questions.

20 COMMISSIONER CAMERON: For the most
21 part, but you'll remember, up at in
22 Springfield, MGM actually came up with a
23 very creative idea to add to the end of a
24 sequence on a slot machine, would you like

1 to buy a lottery ticket. So they actually
2 were rated higher because of that
3 creativity, and the lottery confirmed that
4 they were impressed with that idea, and
5 they're working on technology to see if
6 they can make it happen.

7 COMMISSIONER STEBBINS: Okay.

8 COMMISSIONER CAMERON: So in this
9 particular case, they are both sufficient
10 and it's -- it can be looked upon as a
11 check the box, but in the case of MGM, we
12 did give them additional credit for really
13 being -- coming up with a creative idea.

14 Okay. So without anymore
15 questions. And I did fail to ask of you
16 if you had questions, and I'm sure none of
17 you are shy, so if you had them, you may
18 have already asked, but I'm happy to take
19 questions regarding community support if
20 you had some from that category.

21 COMMISSIONER STEBBINS: I had a
22 quick question, while my colleague looks
23 for his question. You talked about
24 Mohegan Sun, and obviously, there was

1 opposition I think you said from East
2 Boston and others, and I wasn't quite sure
3 who the others are you're talking about.

4 COMMISSIONER CAMERON: Initially,
5 there was quite a bit of opposition in
6 Winthrop mostly regarding traffic issues.
7 So there was -- We all sat through those
8 community hearings. There was opposition
9 from others expressed at each of those
10 hearings, which is why it was difficult
11 for either candidate or either applicant
12 to reach a higher rating, because, as we
13 continue to hear from residents, there is
14 opposition to both the projects.

15 COMMISSIONER STEBBINS: Okay.
16 Thank you.

17 COMMISSIONER ZUNIGA: I actually
18 had a clarifying comment maybe. It
19 appears on slide 20.

20 COMMISSIONER CAMERON: On 20, yes.

21 COMMISSIONER ZUNIGA: And we don't
22 necessarily have to go there, but it's a
23 slide where you rate them both sufficient.
24 And the question applies to both. Would

1 it be fair to say that at least in this
2 criterion, you make no judgment as to the
3 amounts of the surrounding community
4 payments, but rather, the notion that they
5 follow the procedure, established an
6 agreement, et cetera?

7 COMMISSIONER CAMERON: Well, I did
8 make a judgment that they -- although they
9 went about -- they went about those
10 agreements in different methods, they were
11 both sufficient. Again, arbitration is
12 part of the process. We decided early on
13 not to look at arbitration as any kind of
14 a negative. So we did the same with our
15 evaluation here. We did not look at that
16 as a negative if one community ended up in
17 an arbitration process. In this case,
18 there were a couple.

19 So yes, we didn't look at them
20 individually as far as because every
21 community is different and their needs are
22 different. The same with the host
23 community. So we didn't add up dollar
24 amounts. We didn't think that was an

1 equitable way to assess the process.

2 COMMISSIONER MCHUGH: It's fair to
3 say though, is it not, that with respect
4 to the Wynn proposal, the political
5 leadership, at least of Somerville, is not
6 supportive of the proposal?

7 COMMISSIONER CAMERON: That is fair
8 to say.

9 COMMISSIONER MCHUGH: And the
10 Boston political leadership has indicated
11 some unhappiness with the proposal.

12 That's --

13 COMMISSIONER CAMERON: Yes.

14 COMMISSIONER MCHUGH: -- a
15 purposeful understatement.

16 COMMISSIONER CAMERON: I would
17 agree. And Commissioner McHugh, we had
18 long discussions about whether or not it
19 was appropriate to look at that in a
20 negative light at all, and I made the
21 judgment not to do so because we have
22 secondhand reports of what may or may not
23 have transpired in those negotiations.
24 None of us were a party to those

1 negotiations. I'm talking about the
2 Boston negotiation, which in the process
3 Boston declined to move forward with
4 arbitration. And for those reasons, I did
5 not deem that it would be appropriate to
6 in any way hold -- you know, to make a
7 judgment, an affirmative judgment, on
8 fault or blame because of those --

9 COMMISSIONER MCHUGH: Right.

10 COMMISSIONER CAMERON: -- lack of
11 details.

12 COMMISSIONER MCHUGH: No. And I
13 understand that. I'm just trying to make
14 sure that I understand facts rather than
15 motives. But the final one that I wanted
16 to ask about is Chelsea does have a
17 surrounding community agreement with Wynn,
18 but the city manager of Chelsea appeared
19 in support of the Everett proposal and did
20 not appear in support of the Wynn proposal
21 at our final public hearings, if my memory
22 serves me. Is that right?

23 COMMISSIONER CAMERON: I believe
24 that is an accurate statement. And again,

1 it's hard to know the reason for that,
2 other than obviously they like one
3 proposal better than the other.

4 COMMISSIONER MCHUGH: Right. Okay.
5 Thank you.

6 OMBUDSMAN ZIEMBA: Commissioner, if
7 I could just note that Chelsea was another
8 arbitration, and there was an agreement
9 reached by the arbitrator, but in the end
10 there was no executed agreement by the
11 City of Chelsea. Pursuant to our
12 regulations, the arbitrator report was
13 deemed to be the surrounding community
14 agreement.

15 COMMISSIONER MCHUGH: Right.
16 Ombudsman Ziemba has been more precise
17 than I was. The agreement with the City
18 of Chelsea came about through arbitration
19 and was not a voluntary agreement between
20 the Wynn entity and the city. All right.
21 Thank you.

22 COMMISSIONER CAMERON: Thank you.
23 So overall ratings, we have a sufficient
24 rating for Mohegan Sun with community

1 support. We have a sufficient rating for
2 Mohegan Sun with traffic and offsite
3 impacts. We have a very good rating when
4 it comes to measures to promote
5 responsible gaming, and a sufficient
6 rating with the lottery.

7 And with Wynn, we have a sufficient
8 rating with community support. An
9 insufficient with traffic and offsite
10 impacts. A sufficient rating with the
11 measures to promote responsible gaming,
12 and sufficient rating with the lottery.

13 I have some -- Move on. I'm not
14 going to read all of these comments, but I
15 do have some overall observations about
16 these two applicants with regard to
17 mitigation.

18 So overall, the overall --
19 ultimately, the overall rating for
20 mitigation can be tied to the different
21 approaches each applicant took in
22 responding to questions in each of the
23 subcategories.

24 Mohegan Sun was more proactive and

1 responsive in each area, while Wynn was
2 more measured and followed the regulatory
3 requirements in their responses. On the
4 host and surrounding communities, both
5 received strong support as well as
6 neighboring opposition. Mohegan Sun
7 reached more agreements and offered more
8 mitigation and funding than Wynn. But on
9 balance, both applicants met the
10 acceptable criteria threshold.

11 On mitigation of transportation
12 impacts, Mohegan proposed multiple options
13 to adequately mitigate impacts and
14 committed to doing whichever was
15 preferred. In contrast, Wynn took a more
16 limited approach throughout the MGC
17 application process and the state MEPA
18 process. Wynn was encouraged to provide
19 and given opportunities to provide detail
20 on its traffic mitigation plans, but
21 submitted information that did not fully
22 address or mitigate its traffic impacts on
23 the region. The lack of specifics of full
24 mitigation commitments on this critical

1 evaluation point resulted in Wynn's
2 insufficient rating in this area.

3 On measures to promote responsible
4 gaming and address problem gambling, the
5 divergent approach is to addressing issues
6 and responding to application questions
7 was also evident in each of the
8 applicants' attention and response.

9 Mohegan's responses acknowledged
10 that the circumstances of these two
11 conditions, we're talking really about the
12 difference between problem gaming and
13 responsible gambling -- responsible gaming
14 and problem gambling. And they need to be
15 addressed independently and provide
16 specific and creative methods and tools
17 for doing so.

18 Wynn's response was more general
19 and committed to following industry
20 standards without providing a significant
21 distinction. And with the lottery, they
22 each were sufficient and provided what
23 they needed. They have the agreements in
24 place.

1 So overall that summarizes my
2 ratings here, and I'll take questions
3 before I get into a proposed condition.

4 COMMISSIONER ZUNIGA: Will the
5 condition take long to go through?

6 COMMISSIONER CAMERON: I think your
7 question is well taken, Commissioner, and
8 we probably should take a break before we
9 start with the condition.

10 COMMISSIONER ZUNIGA: I drink a lot
11 of coffee in the morning, and I --

12 COMMISSIONER CAMERON: Commissioner
13 McHugh, would you agree?

14 COMMISSIONER ZUNIGA: -- I always
15 need a break right about now.

16 COMMISSIONER MCHUGH: I could sense
17 that imbedded in that question. So we'll
18 take a ten-minute break and then resume.

19 (Break taken.)

20 COMMISSIONER MCHUGH: All right.
21 Ladies and gentlemen, we are set to resume
22 now, and if you would take your seats,
23 we'll do so. We're going to resume and
24 finish now the mitigation section with

1 discussion -- presentation and then the
2 pending questions about the conditions
3 that Commissioner Cameron has for the
4 mitigation area. Commissioner.

5 COMMISSIONER CAMERON: Yes. Thank
6 you, Commissioner McHugh. Okay. So we
7 went through the presentation, and we do
8 have recommended conditions for the
9 mitigation category, and I'm going to
10 proceed with those at this time.

11 So just as a little background
12 information, again, this is the existing
13 conditions at Sullivan Square now, this
14 photo. And as we pointed out, we're --
15 the -- as background, we pointed this out
16 in the presentation. The current
17 short-term solution, the final EIR did not
18 adequately mitigate casino traffic in
19 Sullivan Square. Full short-term
20 mitigation should be accomplished through
21 further physical improvements and/or
22 reductions in casino traffic.

23 There are limitations to the extent
24 and effectiveness of additional physical

1 improvements, i.e. lanes, signals, noted
2 by a MassDOT and MAPC. A long-term
3 solution is understood development by the
4 City of Boston to improve Sullivan Square.
5 The long-term solution is unfunded and
6 estimated to cost in excess of
7 \$100,000,000. And to be clear long- and
8 short-term mitigation must emphasize
9 traffic reduction in addition to physical
10 improvements.

11 And just to note with regard to
12 background as well, I think it's important
13 to note the comments from MassDOT and
14 MAPC. You know, Sullivan Square
15 mitigation is a regional transportation
16 issue. It -- you know, the square itself
17 is in Boston, but it really is a regional
18 access issue. It impacts people, you
19 know, 93 how people get in and out of the
20 metropolitan area. I just wanted to make
21 that clear that it's a regional issue.

22 We are proposing to include the
23 best and final offer, the BAFO, that would
24 have been submitted by Wynn to Boston,

1 which would have been part of the
2 arbitration process. It didn't happen.
3 But it's our recommendation that those
4 elements of the best and final are
5 included in this condition.

6 And to highlight those elements,
7 it's a \$750,000 upfront payment and a
8 \$1,000,000 annual payment for public
9 safety needs. It's \$250,000 upfront
10 payment and a 1 million annual payment for
11 traffic improvements. It's \$250,000
12 annual water transportation payment, a
13 \$350,000 annual community mitigation
14 payment. Wynn shall use good faith
15 efforts to purchase goods and services
16 from Boston businesses of at least 15
17 million annually. Wynn shall use cross
18 marketing to promote Boston businesses and
19 attractions. Wynn shall use good faith
20 efforts to create a Boston construction
21 and operations hiring preference. Wynn
22 shall support Boston funding requests for
23 problem gambling, and Wynn shall reimburse
24 Boston's reasonable consulting costs

1 related to impact.

2 So those were all offered in the
3 best and final, and we are proposing that
4 they be part of this condition.

5 COMMISSIONER ZUNIGA: Commissioner,
6 can I ask a question on that briefly?

7 COMMISSIONER CAMERON: Yes,
8 Commissioner, you may.

9 COMMISSIONER ZUNIGA: The second
10 bullet says there's an upfront payment and
11 an annual payment for traffic improvement.
12 Is that in excess, separate and in excess
13 of what was described before on the west
14 side of short-term improvements?

15 COMMISSIONER CAMERON: This was,
16 yeah, kind of a generic payment to the
17 city which could be used for a number of
18 different areas, or it could be used
19 toward a long-term solution. So it is not
20 specified as to what it would be used for.

21 COMMISSIONER ZUNIGA: Okay. And
22 the second to last bullet says there's --
23 Wynn supports Boston funding requests for
24 problem gambling. Is there an estimation

1 of that number or how is that determined?

2 COMMISSIONER CAMERON: I don't
3 believe there's anything more specific
4 than that. These are the elements of that
5 agreement, so it would be an issue that
6 they would need to work out.

7 COMMISSIONER ZUNIGA: But in either
8 case, it came from the applicant, it came
9 from Wynn in the best and final offer?

10 COMMISSIONER CAMERON: Well, it
11 did. All of these elements came from Wynn
12 in their best and final.

13 COMMISSIONER MCHUGH: And I take
14 it, just to follow up on this, I take it
15 that that recommendation is based on a
16 notion that, as a Commission, we are
17 limiting to imposing mitigation payments
18 as opposed to something else, and these
19 would have been the minimum mitigation
20 payments that would have emerged from the
21 arbitration process, had it been followed.
22 I take it that's the rationale for this.

23 COMMISSIONER CAMERON: It is. It
24 is the reason we included this as part of

1 the condition.

2 COMMISSIONER MCHUGH: Okay.

3 COMMISSIONER CAMERON: So with
4 regard to the traffic mitigation at
5 Sullivan Square, again, this is a -- these
6 are photos of -- here is the short-term.
7 Mr. Sobel went over this at length, the
8 short-term proposals that have been made
9 by Wynn. Again, nothing on this side.
10 And again, a long term is really a total
11 redesign of Sullivan Square. So that's an
12 example of a long-term solution on the
13 right.

14 So with this condition, in addition
15 to the BAFO related conditions, the draft
16 conditions require is proposed, that we're
17 proposing, that Wynn is to complete the
18 MEPA process and receive permits for
19 short-term mitigation at Sullivan Square
20 by July 1 of 2015.

21 Wynn is to mitigate the impact at
22 the intersections of Main and Rutherford
23 Ave. with Sullivan Square regardless of
24 whether MEPA requires such mitigation,

1 provided that the City of Boston requires
2 such mitigation. Wynn to develop and
3 update a plan to improve public safety
4 vehicle access in Sullivan
5 Square/Rutherford Avenue area. Wynn to
6 comply with its stated goals for
7 alternative modes of transportation,
8 public transit, boats in the recent MEPA
9 filings. Wynn proposed that 29 percent of
10 trips will take alternative
11 transportation. And the Commission can
12 enforce such conditions through measures
13 such as reduction in the use of spaces in
14 Wynn's onsite garage or variable pricing
15 in Wynn's garage. Question?

16 COMMISSIONER MCHUGH: Well, I have
17 a question, but I'm going to hold that
18 question until you do the next slide.

19 COMMISSIONER CAMERON: All right.
20 Great. There is a second part to this.

21 COMMISSIONER ZUNIGA: And that
22 applies to my question as well. I think
23 I'd like to understand the second point
24 here a little better. I'm not sure I get

1 the point --

2 COMMISSIONER CAMERON: The second
3 point is to mitigate intersections of Main
4 Street and Rutherford Ave. That is,
5 obviously, the other side, the additional
6 work that needs to be done, as well as we
7 thought it was important that this be done
8 whether or not MEPA addresses it. We
9 thought it was important that if the City
10 of Boston wants this mitigation, that Wynn
11 agree to -- to do this mitigation, to
12 comply with that request.

13 COMMISSIONER ZUNIGA: Is this the
14 east side of Sullivan Square for the
15 short-term solution? Is that a fair
16 statement.

17 COMMISSIONER CAMERON: It is the
18 east side, yes.

19 COMMISSIONER MCHUGH: I take it's
20 unlikely that this will be untreated in
21 the MEPA process, so this condition is
22 there --

23 COMMISSIONER CAMERON: Yes.

24 COMMISSIONER MCHUGH: -- in the

1 event and probably unlikely.

2 COMMISSIONER CAMERON: And that is
3 a good point, Commissioner.

4 COMMISSIONER ZUNIGA: Thank you for
5 clarifying that.

6 COMMISSIONER CAMERON: I guess
7 anticipate is good word with regard to
8 this, but if for some reason it doesn't
9 happen, it's very important that
10 mitigation take place.

11 COMMISSIONER MCHUGH: If the city
12 wants it.

13 COMMISSIONER CAMERON: If the city
14 wants it, yes, that's correct.

15 COMMISSIONER ZUNIGA: Would it be
16 similar to what they propose in the west
17 side, or we simply don't know, don't have
18 that information?

19 COMMISSIONER CAMERON: You know,
20 let me turn to my traffic experts to
21 assist with answering that question. I
22 know there was a stipulation early as to
23 what could be proposed. Jason.

24 COMMISSIONER ZUNIGA: And before

1 you go there, Jason, just generically, I
2 was thinking some lane widening,
3 signalling, striping. Is that what we
4 mean in general?

5 MR. SOBEL: Yes, that is correct
6 that that is the general thought there for
7 mitigation at those two intersections.

8 COMMISSIONER MCHUGH: But we're
9 not -- this condition doesn't presuppose
10 that we're going to prescribe what it's
11 going to look like, right?

12 MR. SOBEL: Correct.

13 COMMISSIONER CAMERON: Yes.

14 COMMISSIONER MCHUGH: This is left
15 to others.

16 COMMISSIONER ZUNIGA: That's right.

17 COMMISSIONER CAMERON: Either MEPA
18 or the City of Boston.

19 COMMISSIONER MCHUGH: Right.

20 COMMISSIONER CAMERON: Okay. We'll
21 move on to the next part of this Sullivan
22 Square condition. Wynn is to pay ten
23 percent of the cost for a long-term
24 Sullivan Square/Rutherford Ave. plan

1 provided that it is designed to
2 accommodate casino traffic. The ten
3 percent is the projected amount of traffic
4 from the casino during the Friday peak
5 hour. The ten percent is capped at
6 20 million reflecting that the cost of the
7 long-term solution may grow more than the
8 current estimate of \$100,000,000. The ten
9 percent is in addition to the 1 million
10 annual transportation payment specified in
11 the Wynn BAFO.

12 Each year, Wynn is to pay 20,000
13 for each vehicle trip above the number of
14 peak hour vehicle trips determined through
15 the City of Boston's roadway improvement
16 permit process. That's hard to
17 understand. An example of this would be
18 if Wynn's peak hour traffic exceeds
19 approved estimates by say 200 vehicles,
20 Wynn would have to pay an additional
21 \$4,000,000 annually. That would be the
22 20,000 times the 200 vehicle overage.

23 However, if Wynn is successful in
24 not exceeding traffic projections, such

1 annual payments may not be required. I
2 think it's important to point out here
3 that we're really looking at a mitigation
4 measure here. We're looking at
5 reducing -- reducing traffic through
6 Sullivan Square with this piece of the
7 condition.

8 And finally, Wynn may petition the
9 Commission to refund any unused funds in
10 the long-term solution if not commenced
11 within ten years of the casino opening.

12 So these payments would -- these
13 mitigation payments would be put in a fund
14 for the long-term solution, and you know,
15 we think ten years is the appropriate time
16 frame on those moneys. If there is not --
17 if that project hasn't commenced, we could
18 be petitioned to, in fact, return those
19 unused funds.

20 COMMISSIONER MCHUGH: So the
21 \$20,000 per vehicle funds, if I understand
22 this correctly, would go into a fund along
23 with the \$10,000,000, up to \$20,000,000,
24 that would be set aside to pay the Wynn

1 share of the long-term solution; is that
2 right?

3 COMMISSIONER CAMERON: That's
4 correct, Commissioner. And we have a more
5 specific example later in the presentation
6 that will illustrate that to a more
7 complete example we'll provide.

8 COMMISSIONER MCHUGH: Okay. So I
9 did have a question now that relates the
10 last slide with this slide. In the last
11 bullet of the last side, it says Wynn to
12 comply with its stated goals of
13 alternative modes of transportation; that
14 is, that 29 percent of the trips will take
15 place through alternative modes. This
16 bullet on slide number 5 deals with the
17 \$20,000 per vehicle. That's in parallel
18 to the mode share allocation that talked
19 about in the last slide?

20 COMMISSIONER CAMERON: That's
21 correct.

22 COMMISSIONER MCHUGH: So somehow
23 the two have to interface smoothly, and I
24 take it our more detailed plan explains

1 how.

2 COMMISSIONER CAMERON: We will.
3 We'll give you a better example in just a
4 minute that will explain that better.
5 Again, what's important here is that the
6 Commission is creating tools to encourage
7 Wynn to reduce the number of vehicles
8 traversing through Sullivan Square. This
9 is not meant in any way to penalize Wynn
10 for being successful. It's meant to
11 recognize that additional traffic above
12 projections will have an impact on the
13 region.

14 COMMISSIONER MCHUGH: But I guess
15 the point I'm trying to raise is that if
16 the 29 percent produces a traffic yield in
17 excess of the yield that was the basis for
18 the permits that were issued, then the
19 \$20,000 applies even though the 29 percent
20 has been met. Right?

21 COMMISSIONER CAMERON: The
22 29,000 --

23 COMMISSIONER MCHUGH: If the 29
24 percent -- Let's make it simple. Suppose

1 the number of cars per hour used as a
2 basis for permitting the construction in
3 the Sullivan Square is 100 cars per hour,
4 but 29 percent is 110 cars per hour, it
5 turns out to be 110 cars per hour, the
6 \$20,000 per car would apply to the ten
7 cars over?

8 COMMISSIONER CAMERON: Yes, that's
9 correct. So you're right. Those two
10 pieces are intersecting. I see your point
11 now.

12 COMMISSIONER MCHUGH: Right. Okay.

13 COMMISSIONER ZUNIGA: And tell me
14 if we're going to get to this in the
15 example, but are we reasonably comfortable
16 that the casino traffic can be -- that
17 goes through Sullivan Square can be
18 identified and isolated.

19 COMMISSIONER CAMERON: Good
20 question. I asked the same question of
21 our engineers, and they assure me that
22 that is very doable, that there is a way
23 to do that that makes perfect sense, and
24 we'll have a little more explanation with

1 that as well.

2 COMMISSIONER ZUNIGA: Because that
3 could obviously be additional development
4 around, say, Assembly Square.

5 COMMISSIONER CAMERON: Good
6 question, and we will explain that a
7 little further in the example we get to.

8 COMMISSIONER ZUNIGA: Okay.

9 COMMISSIONER CAMERON: Okay. So
10 we're going to move on to a part of the
11 condition that deals with parking, and
12 what we'd like here is for Wynn to prepare
13 a report for review by the Commission
14 identifying the appropriate number of
15 parking spaces in the underground garage
16 on the site and submit that draft report
17 to the Commission no later than 30 days
18 after the award of the license.

19 COMMISSIONER ZUNIGA: Can I ask,
20 why did you feel this was a necessary
21 condition, Commissioner?

22 COMMISSIONER CAMERON: Yes, you
23 may. The DEIR count was -- and that's the
24 draft, was 28 to 29 hundred parking spots,

1 and then this final report increased
2 parking to 3,700. And we want to confirm
3 what the comfortable number of parking
4 spots is, and we think a little more
5 analysis there would be helpful in doing
6 that. There are many ways to look at
7 parking, and so we think because of the
8 difference in the two reports, we'd really
9 like to look at this and have a report
10 prepared for us that addresses this issue.

11 COMMISSIONER ZUNIGA: Okay. Thank
12 you.

13 COMMISSIONER CAMERON: So next we
14 have as part of the condition an outreach
15 piece, and that is that Wynn shall engage
16 in community outreach to Charlestown and
17 report to the Commission on such outreach.
18 Obviously, Charlestown residents have been
19 very vocal and have strong ideas about
20 since it is Sullivan Square, is how they
21 enter and exit the neighborhood. So we
22 really want to see that community outreach
23 to Charlestown.

24 And as far as the site cleanup, we

1 saw this depiction earlier. This is the
2 proposed site mitigation for the cleanup
3 at the Wynn facility. And we just want to
4 ensure that Wynn implements a public
5 participation program per the Mass.
6 contingency plan for this cleanup and have
7 a draft plan in place no later than 30
8 days after the award of the license and
9 really include officials, public
10 officials, in this process, Everett,
11 Boston, Somerville, and interested parties
12 in Charlestown in the initial mailing
13 list.

14 So this piece of the condition
15 really does deal with outreach and
16 communication and, you know, so residents
17 have an idea of what's going on and there
18 is that dialogue.

19 COMMISSIONER MCHUGH: I take it
20 that the draft plan is a draft plan for
21 the public participation, not a draft plan
22 for the final details of the cleanup.

23 COMMISSIONER CAMERON: That's
24 correct. That's correct. Yes.

1 COMMISSIONER MCHUGH: Okay. And
2 the public participation program is the
3 one that's required by the regs, specified
4 in the regs.

5 COMMISSIONER CAMERON: Yes. There
6 were -- As you know, Commissioner, there
7 were many questions about the site cleanup
8 and that communication that public
9 participation will be helpful.

10 COMMISSIONER MCHUGH: Right.
11 Right. And there is a customary part of
12 these cleanup plans. What, then, is the
13 outreach in the first bullet a reference
14 to?

15 COMMISSIONER CAMERON: Well --

16 COMMISSIONER MCHUGH: Does that
17 have to do with the cleanup?

18 COMMISSIONER CAMERON: That's an
19 overall outreach. Because Sullivan Square
20 is not only regional, but it's personal
21 with many Charlestown residents, really
22 engaging the residents in what that --
23 what these mitigation measures are, what
24 will be happening is a piece that we

1 thought was important. So that's an
2 overall outreach through this entire
3 process.

4 Do we have anything to add to that,
5 our traffic experts?

6 COMMISSIONER MCHUGH: Okay. All
7 right. We can talk a little bit more
8 about that tomorrow.

9 COMMISSIONER ZUNIGA: Right. I
10 guess I just want to pose the question
11 which we can talk about tomorrow, are we
12 comfortable that that would be something
13 we could be measuring?

14 COMMISSIONER CAMERON: Measuring,
15 the outreach piece?

16 COMMISSIONER ZUNIGA: Yes. The
17 efforts on behalf. I guess we did that to
18 a great degree in all the efforts that get
19 the applicants to this point, but.

20 COMMISSIONER CAMERON: Again,
21 without the surrounding community
22 agreement with the City of Boston, we're
23 really trying to look at every aspect and
24 make sure we're hearing people, we

1 understand what the issues are, and what
2 is the best way we can ensure that that --
3 that the process is participatory and that
4 folks know what is being proposed.

5 COMMISSIONER ZUNIGA: Okay.

6 COMMISSIONER CAMERON: Okay. We're
7 also proposing a lookback study as part of
8 this condition. Other mitigation may be
9 required as a result of a lookback
10 provision similar to that adopted by MGM,
11 Penn National, and Wynn's agreement with
12 the City of Malden. Wynn is required to
13 pay for an independent study of specified
14 impacts during the construction period
15 after one year of operation and then after
16 five years of operation.

17 Upon the issuance of the report,
18 Wynn is required to work with the City of
19 Boston to determine appropriate mitigation
20 and, if necessary, proceed to arbitration
21 if necessary. And the lookback will apply
22 to public safety impacts, non-Rutherford
23 Ave./Sullivan Square related traffic
24 impacts, water, sewer, storm water,

1 construction noise, and the Ryan Park
2 construction and traffic impacts.

3 So we have specific conditions with
4 regard to Sullivan Square. This is a
5 lookback at all of those other areas that
6 are -- make up the mitigation category.

7 COMMISSIONER ZUNIGA: So there's no
8 other impacts, for example; that applies
9 to everywhere that they make an
10 improvement or is it the site or is it
11 Sullivan Square?

12 COMMISSIONER CAMERON: We didn't
13 get into specifics with that. Usually in
14 these kind of lookback studies, it's
15 nonspecific because you really don't know.

16 COMMISSIONER ZUNIGA: Okay.

17 COMMISSIONER CAMERON: That's the
18 reason for the lookback study. So these
19 are the general areas that we'd like to be
20 studied and we'll have a report.

21 COMMISSIONER MCHUGH: These would
22 only be impacts attributable to Wynn's
23 activities.

24 COMMISSIONER CAMERON: Correct. Oh

1 correct. Absolutely.

2 COMMISSIONER MCHUGH: If it rained
3 a lot --

4 COMMISSIONER CAMERON: Specific to
5 their activities.

6 COMMISSIONER MCHUGH: If it rained
7 a lot, they wouldn't be responsible for
8 that.

9 COMMISSIONER CAMERON: No. No.
10 Okay. So this is the more specific
11 example that I mentioned earlier. I'm
12 going to ask Rick Moore who has helped us
13 develop this condition to come up and
14 speak more about -- one of our consultants
15 with City Point Partners to speak to the
16 specific example here that will give us
17 around -- an idea of what numbers could
18 possibly be. Rick.

19 MR. MOORE: Thank you,
20 Commissioner. Good morning.

21 COMMISSIONER MCHUGH: Good morning.

22 COMMISSIONER ZUNIGA: Good morning.

23 COMMISSIONER STEBBINS: Good
24 morning.

1 MR. MOORE: Because there's some
2 uncertainty about what the final
3 mitigation would be, we created this
4 example to try to get our hands around
5 some of the variability in the actual
6 numbers that could result in this
7 condition, and I'd like to walk you
8 through sort of the four main components
9 of the mitigation. And again, this
10 focuses exclusively, essentially, on
11 Sullivan Square.

12 The first line talks about the
13 short-term solution. Now, this is the
14 short-term solution we've just been
15 talking about. It's the brick-and-mortar
16 changes and the signal changes to those
17 Cambridge Street and Maffa Way
18 intersections, and it could change over
19 time as the -- it's more development in
20 the MEPA process and finally permitted by
21 the City of Boston. It would include, as
22 you mentioned, Commissioner, some changes
23 on the eastside of the intersection,
24 perhaps some changes to the geometry and

1 signalization of what's already been
2 proposed. But based on what we have, we
3 think \$6,000,000 is a reasonable number
4 for this mitigation, the short-term
5 mitigation.

6 The important distinction on this
7 slide is that \$6,000,000 is what you might
8 call a sunk cost. It will be invested in
9 the short-term solution before the casino
10 is opened as opposed to the rest of the
11 numbers we'll be talking about, which are
12 generally payments to the City of Boston
13 that will occur over the life of the
14 license.

15 So the second line is one of those
16 payments, and this is just brought forward
17 from what Commissioner Cameron was talking
18 about in terms of the best and final
19 offer. It's \$1,000,000 a year for the
20 15-year term of the license. And this
21 money, as you questioned earlier, is over
22 and above the short-term solution
23 brick-and-mortar course, and it can be
24 used for other improvements,

1 transportation improvements, or, as
2 alluded to earlier, it could be banked
3 over the course of that time for payment
4 for the long-term solution. So the city
5 has some flexibility in how they use this
6 payment.

7 Now, the third line is perhaps the
8 most complicated and variable and that's
9 the traffic reduction incentive payment
10 concept. And this is really, as was
11 previously mentioned, an incentive to keep
12 Wynn to their commitments in how much
13 traffic they can divert, how much of their
14 patrons they can divert to public
15 transportation. And if you look at the
16 short-term solution as was talked about
17 before, each solution has imbedded in it
18 an assumption on a mode split. How much
19 of the patrons will come by public
20 transportation and how many will come by
21 vehicles.

22 In the case that we have before us
23 now that was in the final EIR, the
24 short-term solution presented by Wynn,

1 their assumption that approximately 30
2 percent, 29, but approximately 30
3 percent -- this is not, I'll caution you,
4 an exact science -- approximately 30
5 percent of the patrons will come by public
6 transportation, either that's the train,
7 buses, water transportation, bikes, or by
8 foot, and about 70 percent will come by
9 vehicle.

10 Now, if you take that 70 percent
11 and you divide it by the way people will
12 come to the site, you'll recall that about
13 a third of that 70 percent will come from
14 the north and about two-thirds will come
15 from the south through Sullivan Square.

16 So you can make a calculation at
17 the Friday peak hour, which is the
18 critical time, and you can convert that
19 percentage into an actual number of
20 vehicles that are coming out of the
21 facility and going through Sullivan
22 Square. Think of that number as an
23 allocation that the casino has to provide
24 traffic to Sullivan Square.

1 Now, if you assume that that
2 allocation, that 70 percent converted into
3 a specific number, will be mitigated by
4 the short-term solution, that's the
5 assumption that Wynn has made in their
6 final EIR. In Commission and, in fact,
7 the City of Boston and others have
8 suggested that the mode share be measured
9 after the casino is put in operation to
10 make sure that that split is actually
11 happening.

12 So what would happen, and as it was
13 mentioned just a minute ago, we can
14 measure the number of trips that are
15 coming to and from the casino through
16 Sullivan Square, because as you take a
17 right-hand turn from the casino, there's
18 pretty much only one place you can go, and
19 that's Sullivan Square. And, again, if
20 you're coming north through Sullivan
21 Square and taking a left into the casino,
22 we can measure that traffic. So we can
23 get a number of vehicles in the first year
24 of operations, for example, and compare

1 that number to the 70 percent number, 70
2 percent allocation that was predicted.

3 The condition is saying that if the
4 traffic exceeds the number by one vehicle,
5 you would pay \$20,000 per vehicle for that
6 exceedance and that is the incentive to
7 have the casino come up with a plan in the
8 face of that incentive to get that traffic
9 to where they projected it would be, 70
10 percent.

11 Now, it becomes a little bit
12 complicated now, because, as you also
13 heard, the Commission is not comfortable
14 that the short-term solution will actually
15 mitigate that 70 percent traffic, and this
16 was echoed in the comment letters in the
17 MEPA process by both the Department of
18 Transportation and by the City of Boston
19 and by others.

20 So what the Commission said, in
21 order to get their hands around this
22 problem, they said, all right, if you
23 impose that short-term solution that we've
24 just been talking about, how can you

1 mitigate the traffic? And there's two
2 ways to mitigate traffic. You can either
3 put brick and mortar, or you can reduce
4 the traffic by traffic mitigation and
5 transportation demand management.

6 So the Commission said let's freeze
7 the short-term solution and see if there's
8 a way we can reduce the traffic, get more
9 traffic onto public transportation, and
10 can we make that mitigation work. So
11 there were some traffic analysis done, and
12 essentially, there was a consensus in
13 discussing this, that if you move that 70
14 percent number down to about 45 to 50
15 percent, that that short-term solution
16 would work.

17 So you see, you have a blend here.
18 You have a brick-and-mortar solution and
19 you have a transportation demand
20 management plan, and they have to work
21 together.

22 So what the Commission is saying in
23 order to get their hands around this is if
24 you use that short-term solution and you

1 reduce the number of vehicles on the road
2 by transferring to public transportation,
3 you can make this work and you can
4 mitigate the traffic.

5 Now, it so happens when you go from
6 the 70 percent down to about 45 to 50
7 percent, that equates to approximately
8 removing 200 vehicles from Sullivan Square
9 and that's the 200 vehicles that you see
10 on the fourth line.

11 So let's continue this line of
12 thinking. Let's assume in the first year
13 of operation, Wynn can get down to the 70
14 percent number that they've advertised,
15 but they can't get to the new threshold
16 that we think is necessary, which is
17 another 200 vehicles. So therefore, the
18 incentive plan would say they have to pay
19 the \$20,000 for that 200 vehicles that
20 they cannot transfer from the road to
21 public transportation.

22 Now, if you carry it out for the
23 ten-year span and you assume those two
24 numbers don't change for that entire ten

1 years, you get \$4,000,000 the first year
2 and \$4,000,000 each of the ten years for a
3 total of \$40,000,000. Now, the incentive,
4 obviously, is to do just that, is to
5 incentivize Wynn to get closer to the 40
6 percent, 45 to 50 percent, than the 70
7 percent. And as they did certain
8 mitigation measures to get closer to the
9 new goal, which is 45 to 50 percent, they
10 could reduce their payment over the course
11 of time. So this is a variable number
12 each year as you measure the traffic.

13 In this particular example, we're
14 kind of freezing it to make it simple, and
15 saying that if they can only get to 70 but
16 not to the 45 or 50 for that ten-year
17 period, it would be a \$40,000,000 payment,
18 \$4,000,000 a year, but in reality, it will
19 be a variable payment. And in fact, the
20 real reality is that the short-term
21 solution and the mode split that we've
22 just been talking about is in the process
23 of being further evaluated through the
24 MEPA process and eventually the permitting

1 that the City of Boston resolves with
2 Wynn.

3 In that permit, there will be an
4 actual short-term solution, perhaps
5 similar to the one we have now, and a
6 companion mode split that goes with that.
7 Those two characteristics will form the
8 basis for the threshold that will be
9 measured against each year, and if that
10 threshold is exceeded in terms of mode
11 split, there will be a payment. If that
12 threshold is not exceeded, there will not
13 be a payment. So that is --

14 COMMISSIONER MCHUGH: I just -- Let
15 me just...

16 MR. MOORE: I'll take questions.

17 COMMISSIONER MCHUGH: I want to
18 just pick up on that last point because
19 we're talking about -- as the example
20 proceeded, we're talking about a number, a
21 target number, that the Commission would
22 pick. You used as an example 45 percent.
23 It's the target number really is a number
24 that's going to be determined by the MEPA

1 process and ultimately by the City of
2 Boston permit, MassDOT permitting process,
3 right?

4 MR. MOORE: Correct.

5 COMMISSIONER MCHUGH: Right. So
6 the Commission is not now -- if it adopts
7 this condition and applies it, is not now
8 going to say this is your target number.
9 That target number will be left to the
10 process that is normally used for
11 assessing capacity and demand.

12 MR. MOORE: Correct. This is
13 basically an example based on what we know
14 today.

15 COMMISSIONER MCHUGH: Okay. Right.
16 Thanks.

17 COMMISSIONER ZUNIGA: I'd like to
18 understand the unit of measuring that in
19 ends up with the 200 in your example. Is
20 this vehicles per hour during peak time --

21 MR. MOORE: Correct.

22 COMMISSIONER ZUNIGA: -- Friday
23 between 5:00 and 6:00 p.m.?

24 MR. MOORE: Correct.

1 COMMISSIONER ZUNIGA: So it's an
2 actual count between that hour.

3 MR. MOORE: Yes. And the actual
4 payment will be based on number of
5 vehicles, not a percentage, because it's
6 the number of vehicles that is important
7 in the traffic analysis.

8 COMMISSIONER ZUNIGA: So
9 conceivably, Wynn could offer, I don't
10 know, free parking or a free buffet. They
11 don't have a buffet, but, you know, free
12 coupons if you arrive before four o'clock,
13 let's say.

14 MR. MOORE: Correct. They have --

15 COMMISSIONER ZUNIGA: It expires
16 after 5:00 because otherwise we're in --
17 So there's operations, in other words,
18 that the applicant, not just in the mode
19 split, but there's operational incentives
20 or disincentives that the applicant could
21 use to deal with this.

22 MR. MOORE: And a casino based on
23 their particular operation has more
24 flexibility than, say, an office building

1 where people would generally have to come
2 at peak hours.

3 COMMISSIONER ZUNIGA: Right.

4 MR. MOORE: Any other questions on
5 this, because this is a moving target?

6 COMMISSIONER ZUNIGA: Great.

7 MR. MOORE: The last line is the
8 long-term solution. And as the
9 Commissioner just mentioned, the condition
10 here is ten percent of whatever the cost
11 will be, and ultimately the City of Boston
12 will develop that cost as they move
13 through the process, but they currently
14 estimate it to be \$100,000,000. We know
15 that will go up over time, but we want to
16 put a cap on it. Ten percent is the
17 amount of traffic that Wynn will
18 contribute to Sullivan Square in the
19 future, and therefore, the ten percent is
20 the basis of that calculation. And
21 therefore, you get a fairly good range of
22 10 to 20 million dollars. That's a very
23 good range as a top and a bottom.

24 One more point about the sample

1 over -- the traffic reduction incentive
2 payment. It could be zero, obviously is
3 the low number. The \$40,000,000 is not
4 intended to be a cap. It could go higher
5 than that, but it's our judgment that it's
6 reasonably close to a cap.

7 So if you add all the numbers
8 together, you get a range of somewhere in
9 the neighborhood of 30 to 80 million
10 dollars over the course of the license,
11 and as the last three bullets mention, the
12 variation will depend on the actual course
13 of the long-term solution. That's the
14 \$6,000,000. We don't expect that to vary
15 dramatically. The actual traffic
16 reduction compared to Boston's permitted
17 numbers, which is what Commissioner McHugh
18 was alluding to a minute to go. And
19 lastly, the design element for a long-term
20 solution, which we will anticipate to get
21 from the design process that the City of
22 Boston will entertain.

23 COMMISSIONER ZUNIGA: So this is a
24 range for the overall costs, right? To

1 get to the 31, we add the BAFO and
2 10,000,000?

3 MR. MOORE: Right.

4 COMMISSIONER ZUNIGA: From the
5 long-term solution, right? And to get to
6 the 81, we add the outer limits. Only one
7 is not caps, which you just said, which is
8 the 40,000,000, but that's over ten years.

9 MR. MOORE: Right. Now, this -- Go
10 ahead, Commissioner.

11 COMMISSIONER ZUNIGA: But some of
12 this could be reverted back to the
13 applicant if the city does not come up
14 with a long-term solution within ten
15 years?

16 MR. MOORE: Correct. Commence
17 construction.

18 COMMISSIONER ZUNIGA: Commence
19 construction.

20 MR. MOORE: Right.

21 COMMISSIONER ZUNIGA: Okay.

22 MR. MOORE: Now, again, this is
23 primarily the Sullivan Square issue. If
24 we go to the next slide to get a more

1 comprehensive understanding of all the
2 payments, we've just -- on the top line,
3 the transportation payments are just
4 brought forward from the previous slide.
5 The other mitigation is that series of
6 mitigation measures mostly in the BAFO,
7 the best and final offer, over 15 years
8 amounts to about 24,000,000. The lookback
9 provisions is to be determined, so you get
10 a total range of about 50 to 100 million,
11 plus the lookback provision, and some of
12 those are lump-sum payments, but it's
13 based over the 15-year license.

14 COMMISSIONER ZUNIGA: Can you
15 refresh our memory of the 24,000,000 of
16 the other mitigation payments.

17 MR. MOORE: Sure. If we go back,
18 to, yeah, that slide. It's basically
19 adding up these numbers and multiplying by
20 the yearly payments.

21 COMMISSIONER ZUNIGA: So this
22 applies to the City of Boston only?

23 MR. MOORE: Yes. This is only the
24 City of Boston.

1 COMMISSIONER ZUNIGA: Only the City
2 of Boston. Other surrounding communities,
3 Malden and Everett --

4 MR. MOORE: This is just the City
5 of Boston.

6 COMMISSIONER ZUNIGA: Okay.

7 COMMISSIONER MCHUGH: Thank you.

8 COMMISSIONER STEBBINS: Rick, I'm
9 sorry, I've got to go see the screen again
10 with the BAFO arrangement, if you can go
11 back to that.

12 COMMISSIONER CAMERON: Stay here in
13 case he has a question of you.

14 COMMISSIONER STEBBINS: Okay. Now
15 go forward, Melissa, in the screen. The
16 other mitigation payment line includes the
17 one-time payments? There's an annual
18 payment on a couple of line items and
19 there's also one-time payments.

20 MR. MOORE: Yeah, they include the
21 one-time payment.

22 COMMISSIONER STEBBINS: Okay.

23 COMMISSIONER CAMERON: Thank you,
24 Rick. Very helpful. So I'm just going to

1 wrap this up with a -- you know, just to
2 say that this condition reaffirms that
3 Wynn and the City of Boston can negotiate
4 an alternative to these outlines. I mean,
5 that -- this in no way prohibits a
6 different agreement if those two -- if the
7 city and Wynn choose to negotiate
8 something separate than this. And, you
9 know, and absent of that agreement, we
10 have certainly used our best judgment in
11 trying to mitigate all of the impacts
12 here.

13 You know, ideally -- we've said
14 this before -- an agreement reached by the
15 entities involved is a better agreement.
16 So we just want to reiterate that here.

17 And I also want to say we work
18 collaboratively, as you can see, my
19 presentation with Commissioner McHugh's.
20 There was a number of areas in which we
21 overlap. Commissioner McHugh had input
22 with this condition as well, and so I just
23 would like at this time to ask if
24 Commissioner McHugh has anything to add to

1 this proposed condition from his
2 perspective.

3 COMMISSIONER MCHUGH: No, I have
4 nothing to add. Just a couple of sort of
5 overarching thoughts. This is designed,
6 as has been clearly pointed out, to
7 incentivize reduction in traffic. We tend
8 to look at, typically, a traffic problem
9 as a problem that requires bigger roads.
10 But this is a dense urban area. We don't
11 have infinite capacity for bigger roads.
12 And in addition, to add to the complexity
13 of this, the current situation at Sullivan
14 Square is -- change is desired to it, and
15 there is an extensive planning process
16 that's gone on. So there's a moving
17 target here.

18 So this approach that Commissioner
19 Cameron has suggested is designed to think
20 about varieties of ways and incentivize
21 thinking about varieties of ways to reduce
22 the amount of traffic that's there and
23 that's going to be coming to and from the
24 site.

1 We looked, for example, the other
2 day at the public transportation routes.
3 Included at the end of those public
4 transportation routes are parking lots.
5 They're filled during the day with
6 commuters; they're empty at night. And
7 I'm sure that's been looked at. But those
8 are the kinds of things that, it seems to
9 me, on both of the proposals, but
10 principally for the Wynn proposal, one
11 could take a look at and think about how
12 to reduce the overall volume of traffic.

13 And ultimately the solution to this
14 is not, as I said yesterday during my
15 presentation, solely within Wynn's power.
16 Wynn is simply one actor in an environment
17 that requires the cooperation of
18 governmental entities in order to succeed.

19 So that's why it's important to
20 understand that the number, the target
21 number, is a number not that the
22 Commission is going to recommend, but that
23 if this is to work at all, the political
24 entities responsible for the permitting

1 process and the approval process have got
2 to coalesce around and designate,
3 otherwise this simply isn't going to work.
4 So those were just a couple of larger
5 picture thoughts that I wanted to offer.

6 COMMISSIONER CAMERON: Thank you.
7 Very well stated. Anything else before we
8 conclude?

9 COMMISSIONER MCHUGH: I should say,
10 we're concentrated on Wynn here because on
11 the Mohegan Sun side, it's in a different
12 environment. It is still in a dense
13 environment, but it so happens that the
14 traffic picture can more easily be
15 mitigated, and it has been mitigated to
16 the satisfaction. Plans are there. So
17 that's why the concentration is here on
18 this side and that's why much more work
19 has to be done. It's because of the
20 geography of the immediately surrounding
21 area. It's not to favor one over the
22 other on that, but it is a reflexion of
23 the reality.

24 COMMISSIONER CAMERON: Anything

1 else before we conclude? Thank you very
2 much.

3 COMMISSIONER MCHUGH: Thank you,
4 Commissioner.

5 COMMISSIONER ZUNIGA: Thank you.

6 COMMISSIONER STEBBINS: Thank you.

7 COMMISSIONER MCHUGH: All right.
8 It's now 12 -- I mean 11:20. It will be
9 12:20 at some -- 11:40. 11:40. We'll get
10 that. Where is Janice. Can we take a
11 break for lunch now? So I think that's
12 what we'll do. We'll break a little bit
13 early. We'll take an hour, and we'll
14 resume at 12:40 and deal with the
15 development presentation.

16 (Break taken.)

17 COMMISSIONER MCHUGH: All right.
18 Ladies and gentlemen, I'd like to resume
19 the 134th meeting. And we turn this
20 afternoon as our first order of business
21 to Commissioner Stebbins and economic
22 development. Commissioner.

23 COMMISSIONER STEBBINS: Thank you,
24 Mr. Chairman. And like my colleague

1 yesterday, Commissioner Zuniga, I'll
2 apologize to everybody who I have my back
3 to, and, again, remark at how thrilled I
4 am to be the speaker right after lunch
5 without any pretty pictures.

6 All right. The economic
7 development review of the application,
8 just as a reminder. Section three of the
9 application breaks neatly into three
10 criteria which measure the applicant's
11 economic impact on the community and the
12 region surrounding the facility.

13 Coincidentally, these criteria are also
14 provided in order of how they were laid
15 out in the gaming statute's findings and
16 declarations section.

17 Job creation covers head count, job
18 quality, rate of pay, benefits, workplace
19 safety, recruitment efforts, labor
20 relations, strategies for recruiting the
21 unemployed and underemployed residents.

22 Number two, supporting external
23 business. That focuses on how the
24 applicant plans to support and contract

1 with local vendors for both design,
2 construction, and operational phases.
3 Through the host and surrounding community
4 agreements, purchasing domestically
5 manufactured slot machines, and efforts to
6 engage minority women and veteran ran
7 business enterprises, again, for design,
8 construction, and operation of the
9 Category 1 resort casino.

10 Regional tourism and attractions is
11 the third component. That highlights how
12 an applicant may help draw visitors to the
13 region, partner with existing attractions,
14 host additional events, and how their
15 project fits into any local or regional
16 economic development agendas. One of our
17 reviewers, Betsy Wall, would make sure I
18 tell you the Massachusetts tourism
19 industry generates to close to
20 \$1,000,000,000 in state and local taxes,
21 16.9 billion in travel-related
22 expenditure, and supporting about 124,000
23 jobs across the Commonwealth.

24 Our advisors and support groups,

1 our list of staff and reviewers who
2 assisted with the evaluation of the RFA-2
3 applications has remained the same
4 throughout. Their work consisted of
5 reviewing hundreds of applications
6 questions and pages and statements and
7 attachments. Our evaluators came from
8 both inside and outside the public sector
9 with active experience in labor and
10 workforce development, regional economic
11 analysis, and travel and tourism. You can
12 see from the slide the titles and the area
13 responsibilities for our reviewers.

14 I would also like to provide some
15 background on our contractual subject
16 matter experts, HLT. They've been a
17 critical resource in the evaluation
18 process. Lyle Hall, one of the founding
19 principals at HLT, has been providing
20 consulting services to the Canadian and
21 international hospitality leisure and
22 tourism industry for 30 years. Prior to
23 forming HLT, Lyle was the national
24 director of KPMG's Canada's hospitality

1 leisure and tourism practice. We're also
2 assisted by Carla Giancola from HLT as
3 well.

4 Our approach. I organized our
5 group of independent evaluators and
6 technical experts who have significant
7 experience in the area of labor and
8 workforce development, again, regional
9 economic impact analysis and tourism. I
10 assigned a technical reviewer to be the
11 primary reviewer for each of our three
12 categories. And then Director Jill
13 Griffin from the MGC staff whose
14 experience working with the City of Boston
15 at the Boston Foundation on workforce
16 issues and small business development, she
17 and I reviewed all three of the criteria
18 groupings of questions.

19 We had multiple group discussion on
20 the applications and suggested possible
21 ratings. Additionally, I used information
22 from additional detail that was requested
23 on labor, payroll, and benefits through a
24 request for clarification question,

1 information from our 90-minute
2 presentations by the two applicants,
3 follow-up comments received through MGC
4 comments. Follow-up questions both placed
5 in writing to the applicants. We had 27
6 clarification question for Wynn
7 Massachusetts, 28 for Mohegan Sun
8 Massachusetts. We also included in our
9 discussion feedback from our site visit to
10 Mohegan Sun's facility in Connecticut and
11 Wynn Resorts property in Las Vegas, along
12 with a handful of reference calls to
13 travel and business organizations located
14 near these respective facilities.

15 Again, the components reviewed.
16 This is my approach to this presentation
17 reviewing those three sections again. We
18 begin with job creation, looking at the
19 number of jobs; proposed salary, wages,
20 and benefits; internal promotional
21 ladders; on boarding, diversity, and HR
22 practices; percent of employees that are
23 unionized; as well as the employer's
24 retention rates; external business comp

1 impacts. What impact will design,
2 constructing, and operating the casino
3 have on businesses within the host
4 community and surrounding area. And
5 tourism, how much does the applicant plan
6 to draw new visitors to the region,
7 encourage longer stays in Massachusetts,
8 and partner with existing tourism
9 organizations and connect with existing
10 tourist destinations and amenities.

11 Job concentration components.

12 Again, we have those broken out. Creation
13 of jobs was a priority of the impetus for
14 the passage of the expanding Gaming Act.
15 In this portion of the application, we
16 examined three key areas, including
17 employees, workforce development
18 practices, relationships with labor
19 unions. What we were looking for was for
20 employees we looked to the number of
21 employees they planned to hire, both FTE,
22 part time, full-time breakdown, wages and
23 benefits, key HR practices, ethnic
24 diversity, and retention rates.

1 Each applicant is -- we conducted
2 similarly in the Region B application
3 process. Each applicant was sent a
4 spreadsheet to complete and asked them to
5 provide FTE counts, full- and part-time
6 employment, and related salaries and
7 benefits.

8 Workforce development, we covered
9 topics as such as how the company brings
10 employees on board, provides training,
11 what strategies they have for recruiting
12 from populations of the unemployed and
13 underemployed.

14 Finally, under labor relations, we
15 look to the employer's track records with
16 respect to labor relations ensuring labor
17 harmony and what PLAs or HLAs the company
18 may have in place. In their application,
19 it was our goal to determine how well they
20 knew the local Revere or Everett market.
21 Did they sign an MOU with the Mass.
22 Community College Casino Careers Training
23 Institute, and what relationships have
24 they identified to help recruit local

1 residents for new positions.

2 I know Commissioner Cameron has the
3 who, what, where, when, why facts. I go
4 for what we were looking for and what we
5 hope to find. After reviewing the two
6 applications, what we found. Mohegan Sun
7 Massachusetts provided a realistic
8 quantification and description of their
9 FTEs, including wage and benefit rates.
10 We'll take a little more detailed look at
11 the FTEs, salary data, and benefits on the
12 next slide. The company offered a
13 comprehensive benefit package, strong
14 retention at their existing operations.
15 They retain about 84 percent of their
16 employees. They demonstrate their success
17 in recruiting the unemployed, most
18 specifically at their Pennsylvania
19 facility. Through their host community
20 agreements and surrounding community
21 agreement, they have offered significant
22 detail and commitment to hire from within
23 a 15-mile radius of Revere City Hall.
24 They've also aggressively outreached to

1 local organizations to assist with
2 recruitment and hiring and have undertaken
3 this task in an aggressive manner. They
4 demonstrated their success and diversity
5 hiring at their other locations which are
6 less diverse than the Boston region.

7 Wynn Massachusetts also operates
8 with a strong retention rate at their Las
9 Vegas properties. The company
10 acknowledged an agreement to partner also
11 with the community colleges and also with
12 Bunker Hill Community College to offer
13 their red carpet training and program for
14 hospitality training. And while Wynn
15 pointed to their success in hiring and
16 recruiting for Las Vegas with minorities,
17 veterans, and women, we found a less
18 detailed approach for Massachusetts.

19 Move on to the job summary. We'll
20 go through some of these details as
21 thoroughly as we can. This slide, again,
22 summarizes the job summary spreadsheet
23 provided by the applicants. Again, this
24 information was requested from each

1 applicant in a spreadsheet we asked them
2 to complete prior to the December 31st
3 application deadline.

4 Wynn has provided information
5 accounting for a higher overall employee
6 count, including full-time and part-time
7 employees. I would like to note that
8 their FTE count does not include the 410
9 additional FTEs that would be coming to
10 work on the property for third-party
11 retail operators.

12 Comparable first-year wages and
13 benefits and overall payroll and benefits
14 are projected at a higher rate in Mohegan
15 Sun Massachusetts.

16 Mohegan Sun has proposed a higher
17 percent of payroll for benefits. We
18 estimate or calculate that Wynn's numbers
19 were somewhat lower because likely medical
20 and healthcare contributions for their
21 union positions were not included in the
22 statistics.

23 Again, both have strong retention
24 rates. Wynn did set themselves apart by

1 allocating almost seven times as much as
2 Mohegan for preopening labor and training
3 and recruiting costs. Mohegan Sun did
4 expect to spend 6.6 million for preopening
5 labor and training; however, those costs
6 weren't segmented out into whether for
7 training or labor or recruitment costs.

8 At this time in talking about job
9 and the jobs summary, obviously, the
10 Mohegan Sun project is also connected with
11 the thoroughbred racing operations at
12 Suffolk. We did, with the assistance of
13 HLT, prepare a memo that was shared with
14 the Commission. That memo is also up on
15 our website and, I believe, has been
16 shared with both our applicants. It talks
17 about the employee count at Suffolk. It
18 is separate from this presentation, as I
19 said. It outlines the job impact if for
20 any reason Suffolk would close, certainly
21 the impact both projects would have on the
22 current thoroughbred racing operations, as
23 well as align some information with
24 respect to the revenue sources that will

1 be going both to thoroughbred racing and
2 harness racing from gaming revenues once
3 these facilities open as well as
4 contributions from the licensees.

5 Move on to the next. This is just
6 a -- similar to other license evaluations.
7 We wanted to provide a quick economic
8 snapshot of each community and the
9 surrounding county. Both communities are
10 roughly the same size. Everett and Revere
11 have similar age demographics and diverse
12 populations. Their overall unemployment
13 rate, as we've been told time and time
14 again at host community hearings, is --
15 overall employment rate is roughly about
16 the same between the two. Both
17 communities do have lower household
18 incomes and median housing prices than the
19 average for their host county.

20 And quickly, want to discuss the
21 diversity comparisons. With respect to
22 employee diversity, both have respectable
23 numbers at their largest U.S. facilities.
24 They are also equally split with the

1 respective percentage of men and women
2 working on the property. Mohegan Sun
3 prides themselves on being a
4 minority-owned company, have undertaken
5 successful strategies to diversify their
6 workforce, especially in Connecticut where
7 the nearby population is not as diverse as
8 the Boston area.

9 Wynn explains that they focus on
10 diverse employee base because it helps
11 them appeal to their diverse customer
12 base, which they plan to draw through
13 visitors from foreign countries.

14 Job creation rating. The overall
15 rating under the job creation criterion
16 favors Wynn. The rating was strongly
17 enhanced by their projected job numbers
18 during construction and operation as well
19 as the higher wages and salaries per FTE.
20 The company is also entering into local
21 partnerships with the community colleges
22 to offer needed training programs and,
23 again, is planning to spend 5 million in
24 preopening recruitment and training

1 efforts.

2 Mohegan has successfully focused in
3 identifying local partners, extending
4 their training relationships beyond the
5 community colleges, most recently to
6 Lasell College, and have proposed a more
7 detailed locally-based strategy for
8 recruiting local unemployed and
9 underemployed residents. Their HCAs and
10 SCAs provide strong detail on the
11 applicant's proposed recruiting strategies
12 and commitments.

13 Again, both have demonstrated their
14 success in employing strong HR practices
15 and success in recruiting diverse
16 employees. From our site visits, I think
17 my three colleagues would agree with me,
18 you can certainly feel the comradery and
19 the positive work environment among
20 employees at both applicants' facilities.
21 I think the day we were at Mohegan Sun,
22 they were gearing up for a ping-pong
23 tournament.

24 Mohegan Sun Massachusetts has

1 proposed a higher percentage of
2 construction labor hours for minorities
3 and women, but, again, will rely on their
4 yet to be named general contractor. Wynn
5 has a relationship with their contractor
6 and identified subcontractor to help meet
7 their diversity goal. Both plan to meet
8 and exceed the target laid out in
9 administration and finance administrative
10 bulletin number 14.

11 Before I move on to the next
12 criterion, I'll take any questions from
13 the job creation piece, if there are any.

14 COMMISSIONER CAMERON: I had a
15 couple of questions, Commissioner.

16 COMMISSIONER STEBBINS: Sure.

17 COMMISSIONER CAMERON: If we could
18 move back to the job summary category.

19 COMMISSIONER MCHUGH: Slide 7.

20 COMMISSIONER CAMERON: Yes, slide
21 7. I just want to make sure I understand
22 these numbers properly. These are the --
23 the top figure construction numbers, and
24 those are salaries attributed?

1 COMMISSIONER STEBBINS: Yes. Those
2 are -- You'll see below where the
3 operational side, you'll have full-time
4 equivalents. The construction numbers are
5 broken out into full year equivalent,
6 since you'll have construction people kind
7 of rotating in and out of the construction
8 site.

9 COMMISSIONER CAMERON: The numbers
10 are very different. I guess I'm surprised
11 at that for construction where it's union
12 workers.

13 MR. HALL: I think the primary
14 difference there is the share of the
15 construction costs of two projects. And
16 because Wynn's construction project is
17 much larger, you're seeing that reflected
18 in the labor that's associated with that.

19 COMMISSIONER CAMERON: Okay. Thank
20 you. I also had a question about the HLT
21 racing memo. So if -- I want to just
22 understand the analysis here, and I think
23 that I do. What we're looking at are just
24 the numbers from employment as opposed to

1 the other ancillary jobs with racing; is
2 that accurate?

3 COMMISSIONER STEBBINS: Yes.

4 COMMISSIONER CAMERON: And that's
5 done because?

6 COMMISSIONER STEBBINS: I think
7 it's referenced a number of 325 employees
8 plus potentially hundreds of licensees.

9 COMMISSIONER CAMERON: Okay.
10 That's -- Okay. And then I think the
11 comparison here really is those numbers
12 of -- those employment numbers versus --
13 And maybe I'm just making this comparison
14 and you didn't attempt to do that. But
15 versus the additional employees that will
16 be hired by Wynn; is that -- Am I kind of
17 assessing that? And I know there are
18 other stipulations, for example the
19 timing, right?

20 COMMISSIONER STEBBINS: Right.

21 COMMISSIONER CAMERON: Some jobs
22 are a couple of years away.

23 COMMISSIONER STEBBINS: Right. At
24 the June 25th host community hearing, the

1 pledge was put forth by Wynn that they
2 would give preferable hiring treatment to
3 Suffolk employees if for any reason the
4 racetrack closed.

5 COMMISSIONER CAMERON: Right. And
6 I think you do have a note in here that
7 some of those skills may not be
8 transferrable, correct?

9 COMMISSIONER STEBBINS: Right. And
10 I'll address a license condition with
11 respect to that --

12 COMMISSIONER CAMERON: Oh, you
13 will.

14 COMMISSIONER STEBBINS: -- strategy
15 when we get to it.

16 COMMISSIONER CAMERON: Okay. I'll
17 wait for that then. Thank you very much.

18 COMMISSIONER MCHUGH: I have a
19 couple of questions with respect to slide
20 7 as well. How was the -- First of all,
21 with the construction salaries, how was
22 that salary calculated? Was that based
23 on -- that must have been based on
24 information -- That's obvious, right. How

1 was it calculated.

2 MR. HALL: The applicants,
3 Commissioner, provided us with total
4 labor, construction labor. We went back
5 through an RFC and asked them to break
6 that down and look at the length of the
7 contract and the average wages they were
8 looking at. So what you're seeing there,
9 as Commissioner Stebbins said, on a
10 full-year equivalent basis, if you were to
11 multiple, for example, for Mohegan 1,579
12 full-year equivalents times \$74,000 and
13 then in turn, by the 30 months that the
14 project takes you, you would end up with
15 construction labor just shy of
16 \$300,000,000. That compares to
17 construction labor on the Wynn side of
18 just over \$600,000,000.

19 COMMISSIONER MCHUGH: Okay. But
20 the \$74,000 was really what I was looking
21 at. My question was imprecise. How was
22 that calculated, the 74,000 and the
23 117,000?

24 MR. HALL: It was previewed by

1 taking the applicant's estimates of onsite
2 employment and reducing that down to a
3 full year basis, because not all employees
4 would be there at all times over the
5 length of the construction project.

6 COMMISSIONER MCHUGH: Okay. But I
7 gather that a plumber makes so much an
8 hour, a carpenter makes so much an hour,
9 an electrician makes so much an hour. So
10 is that 117 and the 74 some kind of a
11 blended rate?

12 MR. HALL: It's a blended rate. So
13 we asked for the total value of
14 construction labor in hundreds of millions
15 of dollars and the number of employees --

16 COMMISSIONER MCHUGH: I see.

17 MR. HALL: -- and that's what drop
18 out for the rate.

19 COMMISSIONER MCHUGH: I see.

20 MR. HALL: So we held two numbers
21 constant and that's what came out the
22 other end. If we equated the annual
23 salaries, you would simply end up with
24 many more f-year, full-year equivalents on

1 the big project.

2 COMMISSIONER MCHUGH: I've got it.
3 So it's the total construction cost
4 divided by the number of employees.

5 MR. HALL: Right.

6 COMMISSIONER MCHUGH: And then how
7 were the -- was the payroll and benefit
8 rate numbers given to you directly by the
9 employees, or was there a calculation
10 there as well -- by the applicants or was
11 there a calculation as well?

12 MR. HALL: They were given to us
13 directly by the applicants on a template
14 we devised even before the applications
15 were due in December.

16 COMMISSIONER MCHUGH: Okay. And
17 insofar as on the Wynn side benefits as a
18 percentage of payroll, there was some
19 information in the application, I believe,
20 about the value of the health
21 contribution; is that right?

22 MR. HALL: Correct.

23 COMMISSIONER MCHUGH: At least
24 historically. We don't know what it will

1 be here, but historically.

2 MR. HALL: Yes. We went back to
3 Wynn through a request for clarification
4 and asked them to estimate medical
5 benefits. They declined and simply said
6 that will be part of a discussion they
7 would have during the unionization process
8 for the casino. But they provided us with
9 a number for their facility in Nevada, and
10 Commissioner Stebbins will deal with that
11 in the licensing conditions as well.

12 COMMISSIONER MCHUGH: All right.
13 Those are the questions that I had. Thank
14 you.

15 COMMISSIONER ZUNIGA: Can I go back
16 to the rough figure of 300,000,000 labor
17 cost, construction costs. What would be
18 the total construction cost that is
19 inferred in that 300,000,000? Because
20 from my presentation yesterday, you'll
21 recall that the onsite construction costs
22 including materials, overhead, and profit
23 for construction was approximately
24 400,000,000. Does it include other

1 infrastructure spending, for example?

2 MR. HALL: Commissioner Zuniga, I'm
3 trying to remember. It's -- the
4 construction labor number was a number
5 they provided us independently from
6 everything else. So it would be within a
7 separate RFC. I can't relate it back to
8 the other material.

9 COMMISSIONER ZUNIGA: Okay. Can
10 I -- I wanted to ask a question related
11 to -- Are we done with that line? Could
12 we go back to page 10. At the host
13 community hearing, the union that
14 represents hospitality and food and
15 beverage for the Mohegan applicant told us
16 that we could not expect labor harmony
17 given the way that Mohegan subcontracts
18 out all of their food and beverage. Did
19 you take that into consideration in this
20 rating?

21 COMMISSIONER STEBBINS: If you look
22 down -- You're talking about Mohegan?

23 COMMISSIONER ZUNIGA: Yes.

24 COMMISSIONER STEBBINS: If you look

1 down to the last bullet, again, the
2 difference between the two bullets under
3 both applicants, you know, Mohegan Sun
4 demonstrates strong working relationships
5 with organized labor relative to
6 construction, but we were lacking some
7 detail or plans for unionization during
8 the operational phase.

9 MR. HALL: Mohegan Sun did, in a
10 request for clarification, point out that
11 it was likely that a greater portion of
12 the employees at the retail, dining,
13 entertainment center would be part time as
14 opposed to full time.

15 COMMISSIONER ZUNIGA: Part time as
16 opposed to full time?

17 MR. HALL: Right.

18 COMMISSIONER ZUNIGA: All right. I
19 may come back to this notion in
20 conditions, but go ahead.

21 COMMISSIONER STEBBINS: Anything
22 else?

23 COMMISSIONER MCHUGH: That's it.
24 Thank you.

1 COMMISSIONER STEBBINS: Move the
2 slide to start support for external
3 business components. Again, under this
4 question, we organized the questions in
5 the subcategories. Local business
6 promotion and support. How do they plan
7 to promote and partner with local
8 businesses so as to make sure the project
9 is not walled off and can have a positive
10 impact on the amenities and businesses
11 around the casino.

12 Minority women and veteran business
13 involvement. We note there's consistent
14 reference to these groups throughout the
15 legislation. And then regional impact,
16 both projected benefit for the regional
17 economy and coordination with regional and
18 local economic development plans.

19 And then I also have kind of what
20 we would equate to a check-the-box
21 question with respect to games equipment.
22 The applicants need only to identify who
23 their domestic gaming -- domestic vendors
24 of gaming equipment and slot machines will

1 be.

2 What we were looking for? We were
3 certainly looking for experience and plans
4 for cross marketing initiatives, extent of
5 relationships with local suppliers and
6 vendors and arrangements to ensure
7 participation, again, from local MBE, WBE,
8 and VBE vendors. We were also looking for
9 realistic achievable and experienced-based
10 implementation for creating vendor
11 partnerships and how vendors can be
12 identified and supported. We also looked
13 to see how the proposed projects tie in
14 with local and regional economic
15 development initiatives.

16 What we found? We found answers
17 from both applicants to these topics as
18 well as some omissions that we'll discuss.
19 Mohegan Sun Massachusetts quantified their
20 local goods and service spending would
21 total \$62,000,000. I think the company
22 has done an extraordinary job in a short
23 amount of time engaging and reaching out
24 to local businesses. They have made

1 commitments in their host community and
2 surrounding community agreements to spend
3 approximately 62.5 million in goods and
4 services.

5 These commitments were somewhat
6 confusing as we were looking at them.
7 Confusing because the overall total did
8 not change amongst the host community and
9 surrounding communities, but almost the
10 entire total appeared committed to the
11 cities of Revere, Boston, and Chelsea.
12 Their awareness efforts and vendor
13 relationship building activities were
14 impressive in what they provided in their
15 application.

16 Again, we gave them a spreadsheet
17 which we'll detail a little bit more in
18 the next slide and ask them to break out
19 for us by category what they plan to spend
20 by category locally and other. We'll get
21 back to the \$62.5 million figure.

22 They have successfully recruited
23 now over 400 local business to participate
24 in their Momentum loyalty program allowing

1 patrons to redeem points, award points, at
2 area businesses and attractions. Wynn has
3 projected for us a higher local goods and
4 service spend at \$95,000,000. They made
5 no specific commitment to local purchases
6 in Everett, but did make target
7 commitments in other surrounding community
8 agreements, including guaranteeing modest
9 amounts of gift certificate purchases from
10 businesses in those communities. The
11 company also provided detail and local
12 consultants -- about local consultants
13 that they plan to hire to increase their
14 MBE, WBE, and VBE participation rates,
15 especially during the construction period.

16 There were key concerns for each
17 applicant. For Mohegan Sun Massachusetts,
18 we certainly applaud their creative
19 efforts for this Momentum loyalty program,
20 however, they cannot be specific as to the
21 impact or any details analysis, and it was
22 not tied to their operating projections.
23 The company also focuses on a higher
24 percentage of visits coming from the local

1 market, which may mean less potential for
2 incremental local spending from outside
3 guests and those with extended stays.

4 Wynn alludes to hiring business
5 partners and suppliers which may lead some
6 to the perception of exclusivity and
7 limited participation of local businesses.
8 They also did identify a list of 400
9 business supporters, but those may or may
10 not become suppliers.

11 The next slide, again, shows the
12 operating expenses. Again, these
13 financials were provided us to each
14 applicant. We broke down the categories
15 and the totals and requested that they
16 tell us what breakdown would be between
17 local and other. We didn't even define,
18 really, local for them. These financials,
19 again, Wynn proposes over two-thirds of
20 their goods services to be purchased
21 locally, and according to MSM's figures,
22 just under half projected to be spent on
23 goods and services will come from local
24 suppliers, though that is based on a

1 projection from their other operating
2 locations and could change.

3 Next, to just summarize the -- what
4 I say is the culmination of the local
5 impacts, economic impacts. In reviewing
6 overall economic impacts coming from jobs,
7 and overall spending on payroll and
8 spending on goods and services and the
9 percentage of that spending being done
10 locally, Wynn has a pronounced advantage
11 over Mohegan Sun Massachusetts. Beyond
12 the applicant's spending projections,
13 local economic impact is maximized by
14 local wages and salaries being distributed
15 throughout the area.

16 In addition, we felt economic
17 impacts are strengthened by Wynn's larger
18 share of overnight visitors in their
19 target market, and encouraging visits by
20 patrons from outside the region increases
21 the potential new spending to be brought
22 into the region.

23 Again, support for external
24 business rating, these bullets, again,

1 cover the overall finding from questions
2 314 to 323 in the application. For this
3 category, Mohegan was ranged as
4 sufficient/very good, and Wynn was ranked
5 -- Mohegan Sun was ranked as
6 sufficient/very good, Wynn was ranked as
7 very good.

8 Mohegan Sun Massachusetts, again,
9 certainly showed creativity with respect
10 to their Momentum points program and
11 worked aggressively to reach out to
12 business organizations and identify key
13 suppliers of goods and services. Wynn has
14 demonstrated their support to partnering
15 with businesses throughout the community.
16 There is evidence to suggest that Wynn has
17 not been as aggressive as MSM in reaching
18 out to local businesses with respect to
19 these vendor relationships, but they do
20 have a positive track record in the other
21 jurisdictions and have identified
22 realistic targets for MBE, WBE, and VBE
23 participation.

24 Both applicants clearly identified

1 the strategic role they will play with
2 respect to local and regional economic
3 development plans. Mohegan Sun
4 Massachusetts is focused on drawing guests
5 to historic Revere Beach and beyond to
6 other communities along the North Shore,
7 as well as expanding improving development
8 along the 1A corridor.

9 Wynn clearly identified their
10 inclusion in local economic development
11 plans to revitalize the contaminated
12 industrial site, provide public access to
13 the river, and use the region's waterways.

14 Both applicants sufficiently
15 answered, again, the question on
16 identifying domestic slot machine
17 manufacturers.

18 Again, Wynn ranks slightly higher
19 than Mohegan Sun Massachusetts for their
20 projected local goods and service spending
21 and increasing opportunities for more
22 local spending through their focus on more
23 overnight visitors to the region.

24 Again, I just want to -- if we

1 could go back to the local spending page.
2 Again, we note that Mohegan provided for
3 us that 62.2 million annually would be
4 spent on those itemized goods and
5 services. It was somewhat in contrast
6 with what we saw through their host
7 community and surrounding community
8 agreement commitments.

9 Their host community agreement has
10 them pledging to spend 10 million or
11 making good faith efforts, as both as
12 applicants do, to spend 10 million within
13 the City of Revere. The host community --
14 or surrounding community agreement with
15 Boston details or makes a commitment, good
16 faith effort commitment, to spend
17 \$50,000,000 with businesses with the
18 primary business location within the City
19 of Boston, and approximately \$2,000,000
20 spent with businesses with a primary place
21 of residence in Chelsea.

22 We noted that in their other
23 surrounding community agreements, there
24 were commitments, good faith commitments,

1 made to spend \$50,000,000 within a certain
2 radius.

3 MR. HALL: Fifteen mile.

4 COMMISSIONER STEBBINS:
5 Fifteen-mile radius of Revere City Hall.
6 So we kind of grappled with commitments
7 made to spend that 62 million between the
8 three communities and, again, broader
9 commitments in the surrounding communities
10 for a \$50,000,000 spend. But I'll come
11 back to that when we get to license
12 conditions.

13 We'll go to the last topic,
14 criterion for tourism.

15 COMMISSIONER MCHUGH: Can I ask a
16 couple of questions on this topic before
17 you leave?

18 COMMISSIONER STEBBINS: Sure.

19 COMMISSIONER MCHUGH: On the same
20 slide, how did you get the 95 million for
21 Wynn?

22 COMMISSIONER STEBBINS: Again, this
23 is information provided to us by both
24 applicants. We broke down the itemized

1 categories, we gave them the total, and
2 then we asked them to tell us how -- what
3 they plan to spend locally and what they
4 plan to spend other, without really
5 defining what local was.

6 So we attempted to draw some
7 resolution to it with our clarification
8 question, but it might be -- I'm going to
9 suggest as a condition of the license that
10 further clarification of this question be
11 included.

12 COMMISSIONER MCHUGH: Well, that
13 ties into my next question, which is on
14 the issue at the bottom of slide 12, the
15 previous slide, on the right-hand column
16 dealing with Wynn where you say the focus
17 on higher-end partners may lead to the
18 perception of exclusivity and limit
19 participation of some businesses. There
20 is a -- in some of the materials, I read a
21 pledge to help people become Wynn
22 qualified. Can you explain what that's
23 about?

24 COMMISSIONER STEBBINS: What they

1 provided to us is that -- I would say what
2 we pulled from their application is
3 there's an expectation, and we have always
4 talked that we don't want to saddle one of
5 our applicants with bad vendors who can't
6 meet their obligations and their needs. I
7 think with Wynn, there was an expectation
8 or pronouncement in the application
9 talking about vendors meeting the Wynn
10 brand. Again, that might suggest that
11 lead to a perception of the exclusivity
12 and limited nature of business
13 opportunities for vendors in the
14 surrounding area. But both Wynn and
15 Mohegan talks about working with vendors,
16 again, to be able to bring them up to a
17 capacity to serve their needs.

18 COMMISSIONER MCHUGH: And is that a
19 quality capacity or a quantity capacity or
20 an measure of both?

21 COMMISSIONER STEBBINS: It's -- my
22 take away from the application is it's
23 more of a quality capacity.

24 COMMISSIONER MCHUGH: All right.

1 Thank you. Go ahead.

2 COMMISSIONER CAMERON: I had a
3 couple of questions as well.

4 COMMISSIONER STEBBINS: Sure.

5 COMMISSIONER CAMERON: To get back
6 to the slide 12, the very top again, get
7 back to the 62 million versus 95 million.
8 I know those are those numbers, but do you
9 find them both to be within a range of
10 being accurate? I mean, there was
11 nothing -- you didn't mention anything
12 here that was -- lead you to believe that
13 these numbers are not accurate in any way.

14 COMMISSIONER STEBBINS: We didn't
15 find -- Again, these numbers were provided
16 to us. I don't think these numbers in
17 terms of ongoing operational expenses or
18 annual operating expenses I don't think
19 leaped off the page at any of us as a
20 surprise for maybe out of whack. Again,
21 they gave us the total number. We asked
22 for the itemized breakdown and then said
23 where do you plan to spend it -- you know,
24 buy that locally or beyond the local

1 immediate area.

2 COMMISSIONER CAMERON: So as far as
3 you understand, they're apples to apples
4 here?

5 COMMISSIONER STEBBINS: The totals
6 are apples to apples.

7 COMMISSIONER CAMERON: Yes. So
8 that's significantly higher. That's a
9 third higher, the 95, correct?

10 COMMISSIONER STEBBINS: Yes.

11 COMMISSIONER CAMERON: Okay. And
12 the other question I had was, you know, on
13 page 14, the visitation, the 23, almost 24
14 percent versus the 3.3 percent. Again,
15 these are their numbers, correct?

16 COMMISSIONER STEBBINS: Correct.

17 COMMISSIONER CAMERON: And there's
18 no reason to believe that they're not
19 achievable?

20 COMMISSIONER STEBBINS: These --
21 I'm sorry.

22 (Mr. Hall commenting inaudibly.)

23 COMMISSIONER STEBBINS: Yeah. They
24 are numbers provided to us, and, again, I

1 would suggest that they probably dovetail
2 with their financial and business
3 strategies as well.

4 COMMISSIONER CAMERON: And you
5 mentioned -- I just would like your
6 understanding of what that really means.
7 I know you said there was a greater
8 potential for visitor spending. Could you
9 give me a little more detail on that so I
10 know how to accurately understand those
11 numbers.

12 COMMISSIONER STEBBINS: I would
13 suggest that if you're drawing from -- and
14 both applicants are trying to tackle this
15 in different ways relative to their
16 business strategy. We saw yesterday that
17 Mohegan Sun Massachusetts has a preference
18 for more define regional market. If
19 you're within an hour and a half, chances
20 are you're less likely to stay over;
21 you're less likely to go outside beyond
22 the casino; you're less likely if it's not
23 an extended stay to be spending more money
24 around the community.

1 Wynn has certainly -- is following
2 a strategy of attracting more people from
3 outside the region, including what they
4 define as their high player, their big
5 rollers. Again, these are people coming
6 for a longer period or extended stay. And
7 even though we can't put a number to it,
8 there is an expectation that generating a
9 larger amount of overnight business will
10 tend to have a stronger ripple effect with
11 what's being spent with local businesses
12 out in the community.

13 COMMISSIONER CAMERON: So we're
14 looking at spending in every single
15 category, meals, lodging, events.

16 MR. HALL: Transportation.

17 COMMISSIONER CAMERON:
18 Transportation. So this is a significant
19 difference in your -- I don't want to put
20 words in your mouth, but I'm looking at
21 that and hearing you and saying that's a
22 significant difference, the benefit to the
23 Commonwealth.

24 COMMISSIONER STEBBINS: It's a

1 significant difference. And again, that's
2 a projection that they've provided to us
3 at our request.

4 COMMISSIONER CAMERON: Thank you.

5 COMMISSIONER STEBBINS: Again,
6 we'll jump to tourism components. Again,
7 under regional tourism and attractions, we
8 grouped questions into two subcategories,
9 tourism and regional promotion, and other
10 amenities enhancement and business
11 strategy.

12 What we were looking for was past
13 experience, proposed plans for
14 entertainment and other amenities, cross
15 marketing, collaboration with other
16 tourism organizations. We were also
17 looking for an applicant's demonstrated
18 awareness or knowledge of local and area
19 market.

20 What we found, again, both
21 applicants have identified strategies for
22 working along organizations such as City
23 Center, TD Bank Garden, Boston Symphony
24 Orchestra, and other local convention and

1 visitor bureaus. They provided critical
2 detail on their efforts to market other
3 businesses and attractions.

4 Mohegan Sun Massachusetts focused
5 on providing key shuttle services for
6 patrons to visit the area destinations and
7 marking other businesses through in-house
8 TV promotions and displays. Wynn will use
9 their concierge's program to also direct
10 patrons to key amenities and destinations
11 around the region.

12 Mohegan Sun partnership with City
13 Center will allow them to schedule live
14 entertainment at both Mohegan Sun
15 Massachusetts and use City Center for
16 bigger productions that are attractive for
17 their patron base. Mohegan Sun
18 Massachusetts also expressed a stronger
19 interest to support regional efforts to
20 bring larger conventions to Boston,
21 essentially showcasing their hotels as the
22 ability to be additional capacity when
23 folks like the MCCA are out marketing
24 buildings like this.

1 Wynn will use its concierge's
2 service and gift certificates to promote
3 local businesses. They have focused on
4 their relationships with the BSO and TD
5 Bank Garden for rewarding their top
6 customers and players with entertainment
7 events.

8 Both applicants spoke to their
9 focus on the international market and what
10 organizations are critical to being
11 successful in marketing the facility to
12 international guests. Mohegan Sun
13 Massachusetts was aware of the ongoing
14 initiatives, partnering with the Boston
15 Convention and Visitor's Bureau, but could
16 not provide clear detail on how they would
17 be helping to market internationally,
18 other than through those partnerships.

19 Wynn is focused on international
20 market and was impressive with their
21 number of foreign marketing offices;
22 however, we did not find sufficient detail
23 was provided about how these local
24 marketing offices would work to support a

1 project like this.

2 With respect to community
3 enhancements, again, Mohegan Sun's
4 Massachusetts commitment and contribution
5 to identifying enhancements such as
6 infrastructure improvements, as we've
7 discussed throughout yesterday and today's
8 proceedings. Wynn highlighted their role
9 in reopening access to the water and
10 cleaning up a contaminated industrial
11 site, and Everett is their community
12 enhancement.

13 There were some omissions of
14 concern in the travel category. Again,
15 Mohegan Sun Massachusetts did not
16 recognize the New York, Connecticut, or
17 Rhode Island markets for attracting new
18 visitors. The largest out-of-state market
19 for Massachusetts visitors is New York
20 state.

21 And for Wynn, again, they lacked
22 detail about the use of these
23 international offices and how that will
24 drive visitation. They were also somewhat

1 less than diligent in this part of the
2 application. Potential partnering
3 organizations were not identified
4 correctly in some parts of the
5 application, but I did not see that as a
6 huge detriment.

7 We had a sense both applicants had
8 plans better than what was probably
9 described in their application, but hence
10 the lower rating.

11 So for the overall tourism rating,
12 again, this category encompasses a whole
13 group of questions relative to
14 visitorship, community enhancements, and
15 provisions around entertainment and
16 performances. Both applicants clearly see
17 a value in helping to draw visitors from
18 outside the region. For Wynn, it is a
19 critical element for their business plan
20 and revenue forecasts. For Mohegan Sun,
21 it does not factor into their projected
22 patron visits, but both applicants
23 recognize the organizations that would be
24 strong marketing partners.

1 Mohegan Sun stressed their interest
2 in partnering with the convention center
3 to help lure in more conventions and
4 meetings to Boston, providing hotel
5 capacity to the area.

6 Wynn was more general in their
7 strategy for working with local partners,
8 though, again, they clearly demonstrated
9 experience and success drawing
10 international visitors to their Las Vegas
11 facility. They mention, again, their
12 international office, marketing offices,
13 but we could not see a concrete strategy
14 for how these offices would benefit the
15 Massachusetts casino.

16 Mohegan outlined their goals also
17 for other Momentum card and player
18 database would help draw visitors to the
19 region. Wynn detailed their concierge's
20 programs and player card benefits as well.

21 Both applicants, again, offered
22 significant investments into the
23 community. Mohegan detailing their
24 transportation improvements, community

1 projects such as improvements to the city
2 football field and a new youth center.
3 Wynn highlighting their cleanup of the
4 contaminated Monsanto site and some
5 community contributions locally to
6 programs such as AMP It Up! and local
7 culinary programs.

8 Just wrapping up, some final
9 thoughts. Mohegan Sun Massachusetts,
10 again, both of these applicants are
11 quality operators with significant,
12 although very different, strategies for
13 the roles that they play in complimenting
14 the economy in the Region A communities.
15 They also clearly understand that existing
16 entities here in the region provide
17 excellent partnership opportunities to
18 deliver workforce development initiatives,
19 build small business relationships, and
20 bolster tourism, all of which will help
21 achieve success.

22 Mohegan Sun certainly has been
23 active on the ground since gaining
24 approval for their project in Revere

1 earlier this year. Mohegan quickly
2 developed a strong record and
3 understanding of the local workforce and
4 small business landscape in the region.
5 They outline why they can be a good
6 employer through leadership training,
7 retention, promoting career pathways as
8 evidence by the atmosphere, again, that we
9 witnessed that they have created at their
10 Connecticut facility.

11 Mohegan has organized numerous
12 sessions for job vendor and retailer
13 opportunities where identified, and their
14 outreach has been impressive. However,
15 Mohegan's job projections related wage
16 information provided to us was
17 significantly less than Wynn. Mohegan
18 aggressively sought out business
19 partnerships through the Momentum program
20 as well as possible supplier relationships
21 for the casino complex, but quantification
22 of the final value of these programs were
23 left unclear despite some requests for
24 clarification.

1 On the tourism front, again,
2 Mohegan identified a role for itself in
3 the region and how it can partner with
4 existing organizations. Mohegan
5 demonstrated an understanding of the value
6 of international markets but appeared to
7 rely mostly on external partnerships to
8 help deliver. In the end, Mohegan's
9 visitor projections are almost entirely
10 locally and regionally based.

11 My final thoughts on the Wynn
12 Everett proposal. Wynn draws on and
13 displays their considerable experience
14 gaining development of operations like
15 their Las Vegas and Macau properties.
16 Wynn, I don't think, reached the level of
17 engagement in relationships in the area
18 that Mohegan has item demonstrated. We
19 were disappointed that the application
20 didn't always connect the dots between
21 their experiences in Las Vegas and their
22 potential strategies for operating in
23 Everett.

24 On the human resource front, Wynn

1 demonstrated success as an employer with a
2 target focus on diversity, career
3 pathways, recruitment, including targeting
4 folks from the armed services at the
5 military bases near their facility in
6 Nevada, and employee benefit programs.
7 Wynn provided a significantly competitive
8 workforce plan and projected number of
9 employees as well as wage and salary
10 levels are significantly higher than
11 Mohegan.

12 Wynn provided limited details about
13 planned vendor outreach, focusing instead
14 on the commitment to mirror the success in
15 Las Vegas. And despite the lack of detail
16 on how and why, committed to spending
17 considerably more money locally on
18 operational goods and services. These
19 commitments tie back to their financial
20 projections.

21 Wynn understands the value of
22 drawing the international visitor and
23 patron from outside the region. Their
24 experience in -- they have demonstrated in

1 Las Vegas is well documented through the
2 application. Wynn international marketing
3 offices, again, were also addressed at
4 limited detail in how they would be
5 utilized to prepare the best approach for
6 here in Massachusetts. Nevertheless,
7 Wynn's marketing and financial projections
8 demonstrate significant patronage from
9 outside the region.

10 We can move to the overall category
11 rating. Again, finally to assess the
12 applicants' ratings in the three
13 subcriterion overall rating for the
14 economic development category, I want to
15 offer some notes about Mohegan and Wynn.

16 Again, MSM clearly demonstrated
17 they are a solid employer, can provide
18 quality work environment with pathways to
19 career growth for their employees. The
20 construction and operational phases
21 employment numbers, however, corresponding
22 salary and wage scales are less than
23 provided by Wynn.

24 Wynn demonstrated their success

1 also as a quality employer with good
2 benefits and career pathways, and the
3 number of FTEs and proposed wage salaries
4 are significantly higher than that of
5 Mohegan Sun Massachusetts.

6 Construction front, we know Wynn
7 has entered into an agreement with
8 Gilbane, a general contractor; while
9 Mohegan has yet to engage a general
10 contractor. That will also be talked
11 about during my discussion of possible
12 license conditions.

13 So, again, the final ratings,
14 overall category rating was very good for
15 Wynn, sufficient/very good for Mohegan Sun
16 Revere, and you see the three subcriterion
17 category ratings as well.

18 COMMISSIONER CAMERON: Question,
19 Commissioner.

20 COMMISSIONER STEBBINS: Yes.

21 COMMISSIONER CAMERON: Would it be
22 fair to say from your analysis that -- you
23 know, I'm looking at in particular
24 tourism, and I'm looking at the

1 identification of international marketing
2 initiatives and partnerships. Would it be
3 fair to say that you believe Wynn has the
4 potential to bring in very good numbers
5 with tourism? They have a history of
6 doing so in Las Vegas, but they failed to
7 articulate a strategy, which is why they
8 didn't get a higher grade there; is that
9 right?

10 COMMISSIONER STEBBINS: They spoke
11 extensively about their experience in Las
12 Vegas. They've been very successful in
13 attracting and recruiting high-end patrons
14 and guests from international
15 destinations. They talk about it as a
16 business strategy for their success in
17 Everett. They just -- it didn't come
18 across in the application how they
19 connected -- you know, made those
20 experiences and how they made them happen
21 in Las Vegas and connect the dots for a
22 similar strategy in Everett.

23 COMMISSIONER CAMERON: But because
24 they have the identification of the

1 international markets and partnerships and
2 they have a history of performing well in
3 this area --

4 COMMISSIONER STEBBINS: Right.

5 COMMISSIONER CAMERON: -- is it
6 your belief that they could, in fact, do
7 that here, but they did not articulate
8 that in the plan?

9 COMMISSIONER STEBBINS: I would say
10 they can do that here. I think they
11 almost have to do that here if they're
12 going to meet their business and revenue
13 projections if their operation is going to
14 be successful. It's who they're geared
15 towards as part of their business
16 strategy. I think they have the potential
17 to do that.

18 I think both applicants also see
19 opportunities to partner with existing
20 organizations to capture people that
21 already come to Boston, because it is an
22 international destination. But, again,
23 there was just some incompleteness in
24 terms of taking their experience in Vegas

1 and translating into a strategy for
2 Everett.

3 COMMISSIONER CAMERON: Thank you.

4 COMMISSIONER MCHUGH: I recognize
5 that the last category has to do as
6 elements other than pure tourism.

7 COMMISSIONER STEBBINS: Correct.

8 COMMISSIONER MCHUGH: But to what
9 extent did the chart on slide 14 for
10 Mohegan Sun affect your overall rating
11 with respect to tourism?

12 COMMISSIONER STEBBINS: Is that the
13 right slide?

14 COMMISSIONER MCHUGH: Yes.

15 COMMISSIONER STEBBINS: Yes.
16 Again, most of the information you see on
17 these two slides are based on both the
18 jobs and the local business spend.
19 Certainly local business spend could also
20 fall over into tourism if you're thinking
21 how much you can get a foreign visitor or
22 foreign guest to spend here in
23 Massachusetts.

24 COMMISSIONER MCHUGH: But I'm

1 really thinking of the pie chart in the
2 lower left-hand corner.

3 COMMISSIONER STEBBINS: Again, it's
4 pretty clear that one applicant has a need
5 to draw visitors for overnight -- longer,
6 hopefully, overnight stays from their
7 patron market from a broader region than
8 Mohegan Sun Massachusetts. Again, as a
9 tourism strategy, we were more closely
10 looking at how is our applicant going to
11 draw visitors here, understanding each has
12 a different market, but how they are going
13 to get them in engaged, and a lot of the
14 questions in tourism are how are you going
15 to get them out to see, you know, events
16 going on in Salem, an event at City
17 Center.

18 So the questions were more around
19 potential local partnerships, events,
20 activities, getting people to explore the
21 immediate region. I think it's less based
22 on where they're actually drawing the
23 patron base from.

24 COMMISSIONER MCHUGH: I see. What

1 are you going to do with the
2 out-of-towners once they get here.

3 COMMISSIONER STEBBINS: Right. And
4 each has a very -- you know, each -- I
5 would say Mohegan Sun, to that goal, has a
6 very detailed program. Again, they see
7 themselves as a link to connecting
8 visitors out of Boston up to the North
9 Shore. They're going to provide shuttle
10 services.

11 COMMISSIONER MCHUGH: Okay. I got
12 it. Thank you.

13 COMMISSIONER CAMERON: But it's
14 interesting to note that their strategy is
15 local -- or regional rather, and they fail
16 to market to three key New England states.

17 COMMISSIONER STEBBINS: Yes.

18 COMMISSIONER MCHUGH: All right.
19 Thank you, Commissioner.

20 COMMISSIONER ZUNIGA: So the
21 category, you mentioned a community
22 enhancement piece on the site cleanup. Is
23 that where it fell under the broader
24 category of tourism?

1 COMMISSIONER STEBBINS: That's one
2 of the elements of the tourism category of
3 questions, the community enhancements.

4 COMMISSIONER ZUNIGA: Right.

5 COMMISSIONER STEBBINS: Obviously,
6 you know, is, again, as each applicant put
7 into their application what their
8 community enhancement was, Mohegan said
9 it's the improvements we're making to
10 traffic along 1A. It's also the local
11 community enhancement commitments that
12 they've made. For Wynn, it's the focus on
13 cleaning up the contaminated part of the
14 water as well as the contaminated
15 industrial piece of land is their
16 community enhancement.

17 COMMISSIONER ZUNIGA: All right.
18 And you deem them to be --

19 COMMISSIONER STEBBINS: Certainly
20 both, you know, commendable because of the
21 size and the scope of the projects. You
22 don't -- You know, any other business
23 coming into the community would probably
24 not plump down that amount of cash to make

1 a community enhancement.

2 COMMISSIONER ZUNIGA: Okay. I
3 agree with that. Thank you.

4 COMMISSIONER MCHUGH: All right.
5 Any further questions? All right.

6 COMMISSIONER STEBBINS: Can I
7 quickly move to --

8 COMMISSIONER MCHUGH: Conditions.

9 COMMISSIONER STEBBINS: -- some
10 license conditions. There are not many
11 and do not involve a large amount of cash.
12 Conditions, recommended conditions for
13 Mohegan Sun Massachusetts. Mohegan Sun
14 Massachusetts agrees to report to the MGC
15 upon selection of a general contractor and
16 meet to review MBE, WBE, and VBE
17 commitments set up by MSM in their
18 application. Again, this is a similar
19 condition to what we established for MGM
20 in Springfield, again, noting the critical
21 nature of involvement by these types of
22 firms in both the design and construction
23 phase of the project.

24 The next bullet, again, with

1 respect to their proposed Momentum loyalty
2 card program, Mohegan Sun Massachusetts
3 will agree to provide the following to us:
4 An annual report on the number of
5 participating businesses enrolled in the
6 program and the dollar value of points
7 redeemed by each business in the program,
8 the formula to be used to convert points
9 earned at Mohegan Revere to the net amount
10 spend at participating businesses, and an
11 estimate from their original projection of
12 50 million in points earns per annum of
13 the net amount spend at participating
14 businesses for initial three years and
15 annually thereafter for just our approval
16 and review.

17 And finally the issue I talked
18 about earlier, again, the commitment in
19 the local spending budget they provided to
20 us was for a total of \$62 and a half
21 million. We just want some clarification
22 from the surrounding communities that
23 they've entered in other agreements with
24 that there's an understanding of what that

1 \$50,000,000 spent within the 15-mile
2 radius of Revere City Hall understands,
3 again, knowing that their commitments in
4 the host community and surrounding
5 community agreements are going to quickly
6 gobble up that local plan operational
7 expenditures. Any questions on those?

8 COMMISSIONER MCHUGH: Yes. I'm
9 sorry, but I don't fully understand that
10 last one. The three together, the Revere
11 10, the 50 in Boston, the 2.5 are more
12 than 62, the 62.5.

13 COMMISSIONER STEBBINS: Right.

14 COMMISSIONER MCHUGH: So what does
15 the last sentence mean as a practical
16 matter?

17 COMMISSIONER STEBBINS: Well,
18 again --

19 COMMISSIONER MCHUGH: What are we
20 asking them to do in that last sentence?

21 COMMISSIONER STEBBINS: Basically,
22 what we're asking them to do is, again, if
23 surrounding community agreements which
24 stress good faith efforts that they're

1 going to spend \$50,000,000 within a
2 15-mile radius of Revere City Hall. That
3 is in surrounding community agreements
4 except for these three. If you take what
5 they tell us they're spending locally, the
6 62 and-a-half quickly gets gobbled up by
7 their commitments, their best faith effort
8 commitments, to these three communities.

9 What we're looking for is an
10 acknowledgment from the other surrounding
11 community of what that \$50,000,000 pledge
12 meant and how it ties back to what they've
13 committed in these other agreements.

14 COMMISSIONER MCHUGH: So are we
15 looking for this from the surrounding
16 communities or from Mohegan Sun?

17 COMMISSIONER STEBBINS: I believe
18 we have targeted for the surrounding
19 communities to acknowledge back to us that
20 they understand what the commitments were,
21 keeping in mind these commitments and what
22 they plan to spend locally.

23 COMMISSIONER MCHUGH: So this is
24 not something that we're imposing as a

1 condition on Mohegan Sun; this is more
2 information that we want from the
3 surrounding communities?

4 COMMISSIONER STEBBINS: We envision
5 Mohegan Sun Massachusetts should re-engage
6 these surrounding communities, talk about
7 that provision of their surrounding
8 community agreement, and, again, balance
9 it between what we're seeing in these
10 other commitments and what they've told us
11 their total local spend is going to be.

12 MR. HALL: The missing element,
13 Commissioner, that might make this a
14 little bit clearer is that in addition to
15 what we've said in this bullet point is
16 that there are ten surrounding communities
17 with an agreement to spend \$50,000,000 in
18 them which can't be met if the 62
19 and-a-half million is spent in these three
20 municipal specific agreements.

21 COMMISSIONER MCHUGH: I see. But
22 the 50 million in them is encompassed by
23 the 15 miles of Revere?

24 MR. HALL: Yes.

1 COMMISSIONER STEBBINS: Yes.

2 MR. HALL: There's double counting.
3 If you add all the commitments together,
4 it's double counting.

5 COMMISSIONER MCHUGH: Okay. So
6 what we're looking for is a statement from
7 Mohegan Sun that it's conferred with the
8 surrounding communities about the meaning
9 of the \$50,000,000 within 15 miles
10 provision of the surrounding community
11 agreements, and it has reached some
12 conclusion that it tells us.

13 MR. HALL: Or it needs to adjust
14 its local spending so that it meets the
15 commitment. I think what we were trying
16 to point out for the Commission's benefit
17 is a potential double counting of
18 commitments.

19 COMMISSIONER MCHUGH: I understand
20 that. But I'm just having trouble because
21 this is something we want them to do, so
22 we have to make clear to them what we want
23 them to do and we have to understand that.

24 So this is a mechanism we're trying

1 to impose on them to go clarify with the
2 surrounding communities what the provision
3 of these -- identical provisions of the
4 agreement mean in practical terms.

5 MR. HALL: At least an
6 acknowledgment that that's there from the
7 surrounding communities.

8 COMMISSIONER MCHUGH: An
9 acknowledgment that they understand X to
10 be the sequence of that provision?

11 MR. HALL: Yes.

12 COMMISSIONER MCHUGH: I.e., that
13 they're going to participate in a piece of
14 the 50 million or that some subset of the
15 50 million will be set aside for them?

16 MR. HALL: I think -- Sorry,
17 Commissioner, but I think the challenge is
18 to -- is to look for an acknowledgment
19 from the surrounding communities or from
20 Mohegan Sun, from MSM, that there is a
21 potential double counting and that the
22 communities, now that having seen all the
23 surrounding community agreements and the
24 potential overlap of those, are aware of

1 that condition, and then the Commission is
2 not faced post opening with the approval
3 of something that contained a potential
4 overlap or a potential double counting.

5 COMMISSIONER MCHUGH: All right. I
6 think I understand that. I may want to
7 talk a little bit about this tomorrow
8 because these conditions, each has to
9 be -- each has to be clear, and at the
10 moment, I'm not exactly certain of -- I'm
11 aware of the problem. I understand the
12 problem, and the problem is clearly
13 described, how this provides a remedy, but
14 we can talk about that tomorrow.

15 COMMISSIONER STEBBINS: Okay.

16 COMMISSIONER MCHUGH: Okay.

17 COMMISSIONER ZUNIGA: Could I offer
18 a condition here, or is this something
19 that we could come back to tomorrow?

20 COMMISSIONER CAMERON: I think
21 tomorrow.

22 COMMISSIONER MCHUGH: Yeah, I think
23 tomorrow would be a better time for that.

24 COMMISSIONER ZUNIGA: Okay.

1 COMMISSIONER STEBBINS: Okay.
2 Moving on to the next slide. Oh, sorry,
3 we've got a couple more to get.
4 Recommended, again, conditions for Wynn.
5 Wynn Everett, LLC will commitment to hire
6 75 percent of employees from within 30
7 minutes of Everett, as stated at the June
8 25th, 2014 host community hearing. Wynn
9 Everett, LLC will offer jobs to Suffolk
10 Downs employees on a preferable basis.
11 Wynn will provide a recruiting and
12 training plan with MGC approval for these
13 workers should Suffolk Downs close at any
14 time. Again, that was a commitment made
15 at the June 25th, 2014 host community
16 hearing and not included in the
17 application.

18 Wynn will commit to provide
19 medical/dental benefits to unionized and
20 non-unionize employees at Wynn Everett at
21 least commensurate with the benefit
22 programs offers at Wynn's Nevada casinos.

23 And then I also -- it's not on this
24 slide, but I would echo from

1 Commissioner Cameron's slide that Wynn
2 also made their BAFO commitments to the
3 City of Boston for what I would consider
4 the economic development related
5 provisions, those good faith efforts to
6 purchase goods and services from
7 Boston-based businesses. Cross marketing
8 with Boston-based businesses, and a good
9 faith effort to create Boston construction
10 and operations hiring plan.

11 Finally, just --

12 COMMISSIONER MCHUGH: Could I ask
13 about that last bullet point. Is that
14 commensurate in terms of scope or in terms
15 of dollar value or in terms of both?

16 COMMISSIONER STEBBINS:
17 Commensurate with scope. Correct?

18 MR. HALL: Correct.

19 COMMISSIONER STEBBINS:
20 Commensurate with scope.

21 COMMISSIONER MCHUGH: All right.
22 Cost is not the issue.

23 COMMISSIONER STEBBINS: No.
24 Commensurate in scope. Correct.

1 MR. HALL: Yes.

2 COMMISSIONER MCHUGH: And why the
3 same for unionized and non-unionized?

4 MR. HALL: That was a commitment
5 that Wynn had in the application.

6 COMMISSIONER MCHUGH: Oh. All
7 right. I'm sorry, this is drawn then --

8 MR. HALL: Parity between them, but
9 the quantification of what that is, is the
10 open-ended piece.

11 COMMISSIONER MCHUGH: Okay. But
12 parity between them is a commitment they
13 made in the application?

14 MR. HALL: Yes.

15 COMMISSIONER MCHUGH: All right.
16 That's the answer to that question. Okay.

17 COMMISSIONER STEBBINS: Finally,
18 conditions for both Region A applicants.
19 This is something that we've seen similar
20 with both the Category B license and the
21 Category A license in Region B. These are
22 the affirmative marketing programs that
23 are required by a licensee or that we've
24 requested of MGM is a license designee.

1 The only real change here is that we're
2 requiring those strategies to include a
3 very visible public outreach component in
4 the plans that are presented to us post
5 licensing.

6 And those are the three plans that
7 we've laid out in our other license
8 conditions prior to this.

9 COMMISSIONER MCHUGH: All right.
10 That's clear. Questions? All right.
11 Thank you very much, Commissioner.

12 COMMISSIONER CAMERON: Thank you.
13 Well done.

14 COMMISSIONER ZUNIGA: Thank you.

15 COMMISSIONER MCHUGH: All right.
16 We have one more piece to go. Let's take
17 a five-minute break here and stretch, and
18 then we'll have our last presentation for
19 the day and then move on to the next step.

20 (Break taken.)

21 COMMISSIONER MCHUGH: All right. I
22 think we're ready to resume now and deal
23 with the final report, the fifth of the
24 five, which is the overview report. As

1 you'll recall from the introduction, there
2 are five reports that are -- five
3 sections, I should say of the application,
4 and overview is the section that remains
5 to be reported upon. The overview section
6 was done in the past two licensing
7 processes by Commissioner -- by Chairman
8 Crosby, but he recused himself. So we've
9 divided up the nine questions that form a
10 part of the overview criterion among the
11 four of us, and we'll each report on the
12 questions that have been assigned to us.

13 In order to assess the questions on
14 the overview project, however, Chairman
15 Crosby created a team of advisors, as each
16 of us did with the other group, and those
17 advisors are listed on the board here
18 today. Theresa Cheong, senior development
19 coordinator for the Asian American Civic
20 Association; Philip Clay, a professor of
21 city planning and former provost at MIT;
22 Elizabeth Devlin, the founder and digital
23 curator of FLUX Boston; Ruth Ellen Fitch,
24 a former corporate attorney and the

1 president emeritus of the Dimock Community
2 Health Center; John Harthorne, the founder
3 and CEO of MassChallenge; Ira Jackson, the
4 current dean of the McCormack Graduated
5 School at the University of Mass. Boston;
6 John Mullin, professor of regional
7 planning at UMass Amherst; Lily
8 Mendez-Morgan, chief operating officer of
9 Massachusetts Red Cross; and Joseph
10 Thompson, the director of the Mass MOCA,
11 Mass. Museum of Contemporary Art.

12 That group was assembled early in
13 the overall application -- overall
14 analysis of the RFA-2 applications. And
15 it simultaneously reviewed all
16 applications, the applications submitted
17 by MGH, the application submitted by
18 Mohegan Sun, and the application submitted
19 by Wynn. And then, as I said, Chairman
20 Crosby recused himself, but after
21 preparing a response on MGM's responses to
22 the questions and a report he presented
23 during the MGM evaluation.

24 When we divided up the four -- when

1 we divided up the nine questions,
2 Commissioner Cameron evaluated questions
3 one and nine. I evaluated two and three.
4 Commissioner Stebbins evaluated five,
5 seven, and eight. And Commissioner Zuniga
6 evaluated questions four and six.

7 The way we did that was that in the
8 course of the our evaluations, each of us
9 met separately with the group that I just
10 outlined that Chairman Crosby had formed,
11 although several members of that group
12 were unable to attend the meetings that
13 each of us held with them. We each held
14 one meeting with that group.

15 Each of us also had access to notes
16 compiled by the staff of Pinck & Company
17 at meetings that the group had had and
18 that summarized the group's discussion of
19 the questions for which that Commissioner
20 was responsible. We didn't have notes,
21 any of us, with respect to the group's
22 thinking about the questions for which we
23 were not responsible.

24 All references to Chairman Crosby

1 or his views were deleted from the notes
2 before we saw them. The resulting
3 evaluations that are set forth below
4 reflects solely the judgment of the
5 Commissioner responsible for making that
6 evaluation; although, all of the
7 Commissioners are grateful for the
8 thoughts, insights provided by members of
9 the advisory group.

10 In that sense, we relied on the
11 advisory group and our own analysis and
12 our thoughts in much the same way we
13 relied on the advice and assistance of the
14 groups that helped us with the reports
15 we've already presented.

16 The Commissioners have not
17 discussed their evaluations with each
18 other and will determine the overall
19 rating for Category 1 during the public
20 sessions of the licensing proceedings.
21 That's a difference here from the reports
22 we've given thus far in which we wound up
23 with an overall rating for the category.
24 We can only do that in a public session.

1 We haven't done that yet. We haven't
2 talked about our individual ratings and
3 analysis. And we'll do that as the first
4 item of business when we're finished with
5 the conditions and finished with our
6 answers to assertion of material error
7 when we begin our deliberations. That
8 will be the first item of business in our
9 overall deliberations.

10 We'll proceed then to the questions
11 for which we were assigned, and we're
12 going to do that in the order in which we
13 made our other presentations, and
14 therefore, we're going to take the
15 questions in the -- questions in the first
16 section of the application out of order.
17 We'll take them in the order in which
18 we're going to present, but that won't
19 adversely affect understanding.

20 The first question deals with a
21 destination resort. And it's worth
22 reading the question because each of these
23 questions, unlike the others, deal with
24 overall themes rather than specific

1 details of the kind that we've been
2 discussing thus far. These are basically
3 thematic questions, and it's worth
4 understanding precisely what it is that
5 the question was seeking.

6 Question two therefore is some
7 visionaries in the gaming business
8 described an evolution of gaming
9 facilities from convenience casinos to
10 destination resorts to city-integrated
11 resorts. Explain what, if any, meaning
12 city integrated resorts has to you and how
13 you anticipate following its principles,
14 if, in fact, you subscribe to them.
15 Additionally, please explain how the
16 project you propose embraces the
17 legislature's mandate to present
18 destination resort casinos rather than
19 convenience casinos.

20 And my analysis of the responses
21 provided by the applicants to this
22 question, it is apparent to me that
23 Mohegan Sun seeks an interpretation of a
24 destination casino basically as a

1 city-integrated resort. It spent an
2 enormous amount of effort, and that's been
3 detailed in the other reports, reaching
4 out to local businesses and other entities
5 within the vicinity of the casino in the
6 surrounding communities, but its primary
7 focus is on patrons within a 30-minute or
8 so drive. For those people and those
9 patrons, the casino will be a destination,
10 but in a sense a destination no different
11 in kind from, for example, the Garden,
12 Symphony Hall, Fenway Park, or the MFA.
13 For the long-distance traveler, it is
14 likely to be a feature of the destination
15 and not the destination itself.

16 So in my view overall, the approach
17 that Mohegan Sun is taking here is really
18 an approach that's akin to a
19 city-integrated resort. I don't think
20 it's akin to it, I think it is. And it's
21 modelled on the Hara's casino at the foot
22 of Canal Street in downtown New Orleans.
23 That was specifically mentioned in some of
24 the application material. And like that

1 model, the approach emphasizes
2 relationships with local restaurants,
3 shops, and other businesses that draw
4 travelers to the facility and then connect
5 them with the surroundings, and that is a
6 consistent feature of the business model
7 that Mohegan Sun has presented to us.

8 Mohegan Sun has energetically
9 pursued the relationships, as I said, with
10 local businesses, but it's somewhat
11 unclear how it intends to ensure that it
12 is the destination rather than another
13 feature of a Greater Boston destination
14 that already exists for those who are
15 traveling from farther distances.

16 Wynn's approach is to the concept
17 of a destination market clearly focuses on
18 a marketing plan designed to attract
19 travelers from distant locations,
20 principally those in Asia, and bring them
21 to the facility for an extended stay.
22 That's not the exclusive market, but it is
23 an important segment of its market and a
24 segment from which it is said in a variety

1 of ways and in a variety of components of
2 its application, adds the premium it
3 believes it can achieve over what a
4 regional casino can expect to receive from
5 the local market.

6 The plan is comprehensive. It's
7 well integrated into its overall concept.
8 The three principal components of that
9 plan utilize Boston's worldwide reputation
10 as a destination city, and the city has
11 that reputation. It's there.

12 Luxurious accommodations designed
13 to attract travelers and the Wynn brand
14 which is known for luxury, the local
15 facility proposal embodies, at least on
16 the interior, as I described during my
17 presentation the other day.

18 So in light of those factors, I
19 rated the Mohegan Sun Revere approach as
20 sort of a city-integrated approach. And
21 the effort they put into connections with
22 local businesses, I rated that as
23 sufficient. I rated the Wynn approach to
24 the same question as outstanding, chiefly

1 because of its effort to draw from afar
2 and make a facility that's designed to be
3 the destination.

4 The second question for which I was
5 responsible comes on the heels of that
6 one. It's question three, how do you
7 propose to merge the creation of a
8 destination resort or casino or slots
9 parlor with the concept of creating an
10 outward physical structure; that is, an
11 establishment that relates to and is
12 integrated with the host and surrounding
13 communities, leverages Massachusetts
14 existing assets, and enhances and
15 coordinates with Massachusetts existing
16 tourism and other leisure venues.

17 This is an important question
18 because from the outset, we've emphasized
19 the importance of the connection between
20 the casino and the surrounding communities
21 and the area in which the casino exists.
22 We've stressed that the old model of
23 getting people into the casino and then
24 not letting them out is not the model for

1 which we're looking, and we're looking for
2 ways in which people -- applicants can
3 create plans that will not only support
4 the casino operations, but will support
5 local businesses and, indeed, create local
6 businesses in the vicinity.

7 Mohegan Sun's approach to the
8 outward look centers on the casino's
9 relationship with existing businesses and
10 attractions rather than a physical
11 connection to the surrounding area. In
12 other words, in the Mohegan Sun facility,
13 the physical connection with the
14 surrounding area is not the dominant
15 impact of it. Indeed, in difference to
16 the partially residential neighborhoods
17 for which it's planned, the facility and
18 its various components are accessible at
19 only points in addition to the garage
20 area.

21 We talked about that the other day
22 when I mentioned the separation from the
23 surrounding areas with the plantings, with
24 the berms, all designed to reduce the mass

1 of the building to make it consistent with
2 the neighborhood in which it exists, but
3 that admirable trait of the building has a
4 measure of separating it physically from
5 the environment.

6 That said, Mohegan Sun's been
7 aggressive, as I just mentioned, in
8 reaching out to make connections with
9 surrounding businesses to create this
10 program in which points earned and rewards
11 earned inside the casino can be spread
12 throughout the area and, in that way,
13 reach out and make the casino operation a
14 part economically and otherwise of the
15 community in which it exists.

16 Mohegan Sun's been aggressive in
17 its efforts to do that to connect with
18 local businesses and attractions, and
19 those connections, if maintained, will
20 facilitate the outward flow by casino
21 patrons.

22 Wynn's approach to the outward look
23 has three main components. The first is
24 multiple entry points into the facility,

1 the shops, the restaurants, and the other
2 attractions in the arcade. It's separated
3 physically from the surrounding
4 neighborhood by the very nature of its
5 location at the end of a heavily
6 industrialized area, but once you're into
7 the area, into the facility, the entrances
8 and outflows physically are at multiple
9 points, and one can enter directly into
10 the retail and restaurant components of
11 the facility without going into the casino
12 itself. So in that sense, it's physically
13 related to the surroundings.

14 In addition to that, there is the
15 outdoor space that will be landscaped in a
16 fashion that's designed to attract
17 walkers, picnickers, and others, at least
18 in fair weather, and facilitate access to
19 an extended Harbor Walk. We talked about
20 that and looked at that as part of the
21 site plan. That area will be accessible
22 to casino patrons and non-casino patrons
23 and those who wish to come back.

24 And third is the use of the

1 waterborne transportation to connect the
2 facility to downtown Boston and the
3 airport, I say here; although the airport
4 plans are not finalized and, indeed,
5 they're not -- there is not currently a
6 plan to connect to the airport. But at
7 least -- but there are two places in
8 downtown Boston. And that holds a promise
9 of greater expansion as time progresses.

10 The connection by water to downtown
11 Boston and the facility really is a
12 component that complies with this question
13 in a physical sense. The downtown Boston
14 area is a fascinating and, at many times,
15 beautiful area when viewed by the water
16 and that ride itself can be an attraction
17 that leverages on natural asset, the
18 beauty of the skyline at sunset from the
19 water. It's extraordinary. At nighttime
20 it's extraordinary. And in the sunrise,
21 if you're up that early, it's
22 extraordinary as well. So that is a piece
23 of the proposal that fully meets this.

24 In sum, although they've approached

1 this in different ways, both of these
2 proposals I rate very good in fulfilling
3 the goals that this question embodies.

4 So with that, let me turn it over
5 to Commissioner Zuniga who will present
6 the next question. We're going to do
7 this, as you may begin to surmise, in the
8 order we presented the other ones.

9 COMMISSIONER ZUNIGA: Thank you.
10 Given my section, Commission question four
11 really fit into a lot of what I was
12 talking about yesterday and a lot of what
13 I concentrated in. I'll read the question
14 for the record and then surmise and
15 summarize the ratings.

16 Question number four. The
17 applicants were asked to describe the
18 competitive environment in which they
19 anticipate operating over the next ten
20 years and how the applicant plans to
21 succeed in that environment without taking
22 revenues away from Massachusetts gaming
23 establishments, racetracks, or other
24 businesses.

1 So there are two key elements to
2 this question. There is a notion of
3 competition, of course, but there's also
4 subtext in the question that I gather into
5 how this decision compliments the
6 decisions that we've made in the past.
7 We've already licensed a slots parlor and
8 a Region B applicant. And in a way, this
9 decision will compliment, will build on
10 the decisions that we've made in the past
11 and, to some level, set the stage for
12 future decision, if we come to that point
13 on Region C.

14 I've excluded that from the
15 analysis and just building on -- or rather
16 focusing on the building question, I
17 thought of this as a portfolio. If I was
18 building a portfolio of companies or
19 stocks, you see how they compliment,
20 diversify each other. And from the
21 Commonwealth's perspective, I think with
22 the first decision in the Category 2, we
23 obtained very much a convenience
24 operation. The day trip is going to be

1 what's going to be important there.
2 There's obviously the physical structure
3 that will not support any kind of
4 overnight guests. Maybe sometimes on
5 nearby towns.

6 The next level up was the regional
7 casino with all its attributes in Region
8 B. And in my view, the focus that Wynn
9 brings to the high-end and the
10 international play contrasted that with
11 Mohegan is something that allows us to, in
12 my view, really diversify what portfolio
13 we are building with this decision.

14 So their emphasis is on
15 differentiation and segmentation. They've
16 done that elsewhere. They compete
17 heavily -- in a heavily competitive, two
18 places, Macau and Las Vegas.
19 And they distinguish themselves by
20 their -- by their product. And in my
21 view, they obtained a very good to
22 outstanding rating in this question.

23 Mohegan Sun, the question there
24 addresses something that I talked a lot

1 about or at some length yesterday with
2 marketing restriction. I'm going to leave
3 it at that because the amendment to the
4 marketing restriction question has been
5 proposed. We'll see what we talk about
6 tomorrow and then later on further.

7 I also want to mention something
8 that is also an undertone to the
9 competitive topic here. The eastern
10 seaboard is clearly getting competitive in
11 terms of jurisdictions expanding gaming.
12 New York is a recent example. There's
13 talk in New Hampshire. It recently
14 failed, but that may resurface. And from
15 a competitive standpoint, differentiation
16 and segmentation is also an important
17 piece. And that topic favors Wynn in my
18 opinion.

19 In addition to that, they have in
20 their financials the margins necessary to
21 react to changing conditions. Not one
22 applicant is going to get everything
23 right. That includes the other decisions
24 that we've made in the past. Their

1 ability to react to the market is going to
2 be key in my opinion and that also is
3 reflected in the rating.

4 COMMISSIONER MCHUGH: All right.

5 COMMISSIONER ZUNIGA: The second
6 question I had had to do with how
7 aggressively the applicants attempted to
8 market outside of Massachusetts and
9 internationally. Perhaps in cooperation
10 with existing industries and organizations
11 such as Mass. Port, MOTT, that is the
12 Massachusetts Office of Travel and
13 Tourism, and certainly in collaboration
14 with other existing institutional drivers
15 of this economic development in the state.

16 And in terms of the responses,
17 Mohegan was very -- very much responded
18 perhaps what we wanted to hear in this
19 regard in a very collaborative manner.
20 They anticipate that they would approach
21 the existing agencies, MOTT or the Greater
22 Boston Convention and Visitors Bureau.
23 They highlight that their proximity to
24 Logan Airport is a real asset, which I

1 firmly believe is the case. And they also
2 have an existing database of customers
3 that will allow them to market directly,
4 obviously. But as just obtaining a little
5 bit on the past question and my
6 presentation yesterday, their emphasis and
7 operations plan demonstrates, in my view,
8 that the majority of the revenues will be
9 coming from the regional market, and
10 therefore, they get, in my view, a
11 sufficient rating on this topic.

12 Conversely, Wynn relies on a lot of
13 employees that they currently have,
14 internationally and domestically, to bring
15 or attempt to bring players and tourists
16 and drive that business to the
17 Massachusetts operation. Their operations
18 plan support this notion. Their budget
19 supports it as well. They have budgeted
20 significant amounts for pre-opening
21 expenses, which would be the relative --
22 or the related line item in this question.

23 And although they are silent when
24 it comes to responding to the question,

1 they're silent on exactly how they will
2 collaborate with the existing agencies.
3 They are attempting to do it themselves
4 and that, I think, is very commendable and
5 very important and relative to what we're
6 trying to do.

7 So, again, although silent on those
8 specific efforts, their focus on the
9 international travel, the extended stay,
10 the player that comes from farther away
11 that may bring more spending dollars is,
12 in my view, something that is right along
13 the lines of the goal of generating
14 economic development for the state by
15 bringing dollars from outside. So
16 therefore, I give them a very good rating
17 on this question.

18 COMMISSIONER MCHUGH: All right.
19 Questions?

20 COMMISSIONER CAMERON: No.

21 COMMISSIONER MCHUGH: No questions.
22 Commissioner Cameron, you're up for the
23 next two.

24 COMMISSIONER CAMERON: Thank you,

1 Commissioner McHugh. I have the next
2 question, which is the Massachusetts
3 brand. How does the project you propose
4 manifest an appreciation for and
5 collaboration with the existing
6 Massachusetts brand. Examples,
7 intellectual, knowledge, economy,
8 biomedical life sciences, educational and
9 financial services, economic driver, and
10 our long history of innovation and
11 economic regeneration over the 400 years
12 of existence.

13 I actually rated both of these
14 applicants sufficient to very good, and
15 I'll explain why, and this is after
16 meeting with the group of advisors and
17 listening to their ideas on this.

18 Mohegan Sun, their triable culture
19 and traditional approach to develop a
20 facility is compatible with the regional
21 community, and it's consistent with New
22 England's reserved cultural history.
23 Their culture and history have provided
24 them with a deep understanding and

1 knowledge of the region. This integration
2 with community has influenced both their
3 design features and their outreach
4 efforts.

5 They have committed to the renewal
6 of local historic institutions such as
7 Suffolk Downs, Revere Beach. Mohegan
8 Sun's marketing approach reflects their
9 emphasis on attracting a great percentage
10 of customers from the New England region.
11 Again, this is in keeping with pieces of
12 the Massachusetts brand.

13 Wynn Everett also sufficient to
14 very good. Wynn proposes to add
15 destination entertainment to the
16 multifaceted Massachusetts brand. Wynn is
17 committed to restoration of a contaminated
18 site and to renewing the connection of an
19 underutilized industrial waterfront to
20 public access. This approach aligns with
21 Massachusetts recent emphasis on
22 recapturing the economic and recreational
23 value of its historic harbor sites.

24 Wynn's marketing strategy to

1 attract a greater percentage of
2 international visitors to their facility
3 is consistent with their worldwide
4 reputation.

5 Again, different approaches to this
6 question. Both good. Each in line with
7 certain aspects of the Massachusetts brand
8 and thus the sufficient/very good rating
9 for each.

10 Any questions with that?

11 The next question I had which was
12 question nine, the advisory group, as they
13 have in the past two evaluations, saw
14 little value in -- the question was
15 just -- the question itself was describe
16 any post-licensing actions by the
17 Commission or the Commonwealth of
18 Massachusetts that you believe will be
19 essential for the success of the project
20 you are proposing.

21 The applicants did not -- I'm
22 talking collectively with applicants over
23 every region -- did not look at this
24 question in a uniform manner. I don't

1 believe it was a well-written question.
2 So there's so many applicants look at it
3 differently, it's not a well-written
4 question, so we did not evaluate this.
5 This just -- there's not enough
6 information that would assist us with the
7 overall evaluation here.

8 So consistent with what has been
9 done in the past, and I agreed with that,
10 there's just no value because the
11 information is not consistent and very
12 impossible to evaluate. So that's what I
13 have.

14 COMMISSIONER MCHUGH: All right.
15 Question? Comments? Okay. And batting
16 clean up, Commissioner Stebbins.

17 COMMISSIONER STEBBINS: Thank you,
18 Mr. Chairman. I had question number five.
19 Question number five is talking about
20 meeting unmet needs. How do you propose
21 to work with affiliated attractions and
22 amenities to broaden the market base of
23 the gaming facility and to meet unmet
24 needs in our array of entertainment and

1 leisure resources.

2 Mohegan Sun emphasized to their
3 response to this question focusing on
4 their relationship with City Center in
5 terms of promoting entertainment events
6 and utilizing both facilities, and what
7 they would be using is somewhat of their
8 flex space at their facility, also in
9 potential partnership with the Mass.
10 Convention Center Authority to promote
11 convention and meeting activity.

12 They did highlight, it was
13 interesting to read what -- a
14 collaborative marketing initiative that
15 they've undertaken in Connecticut to
16 redefine the region in Connecticut to
17 Mystic Country, which was a unique
18 approach. In talking with some of the
19 folks down in that region in Connecticut,
20 they were certainly the leaders in that.
21 They talk about creating awareness in a
22 similar plan in Massachusetts, but from
23 what I could see, didn't go into too much
24 additional detail.

1 Wynn Everett focused their reply in
2 terms of working with, again, some key
3 attractions in the Greater Boston area,
4 the TD Bank Area, Boston Symphony
5 Orchestra, and some additional groups
6 somewhat related to their water
7 transportation services, the Boston Harbor
8 Association and the Boston Harbor Island
9 Alliance, in addition to other partners
10 that were identified by both applicants.
11 Again, in their reply, they talk about the
12 five-star nature of their resort and
13 seeing that as both complimentary and
14 filling a niche in the Boston,
15 Massachusetts existing tourism offering.

16 They also stressed meeting unmet
17 needs in our array of entertainment,
18 education, and leisure resources by
19 talking about a unique training program
20 through Bunker Hill Community College on a
21 five-star level of service training that
22 they hope to offer to the college.

23 So we just -- some more specificity
24 and detail in trying to acknowledge their

1 ability to meet some of the unmet needs in
2 those areas, I graded Wynn Everett at very
3 good and Mohegan Sun Revere as sufficient.

4 The next question was with respect
5 to diverse workforce and supplier base.
6 It says describe your commitment to a
7 diverse workforce and supplier base and
8 inclusive approach to marketing,
9 operations, and training practices that
10 will take advantage of the broad range of
11 skills and experiences represented in our
12 Commonwealth evolving demographic profile.
13 Further identify and discuss the diversity
14 within the leadership and the ownership of
15 the applicant, if any.

16 Here, Mohegan Sun again stressed
17 their current status as a minority-owned
18 business and operating facility with a
19 diverse workforce, 41 percent, and again
20 that being in a region that is less
21 diverse than Boston. They identified a
22 number of partnerships they plan to
23 establish or that they've reach out to and
24 engaged, as well as a diversity plan that

1 has been created for Boston -- or for the
2 Revere facility.

3 Wynn similarly demonstrated their
4 track record in -- for diversity in Las
5 Vegas. They hope to, again, move head
6 with a similar recruitment strategy,
7 hiring, and training strategy in
8 Massachusetts with a number of accessory
9 employee benefits to those programs.

10 Again, Wynn also highlighted some diverse
11 management leadership members they have as
12 well as their support for some ongoing
13 things like citizenship classes and
14 citizen swearing in.

15 There wasn't anything really in the
16 response that I guess really jumped off
17 the plate in terms of a real difference
18 between the two applicants' responses.
19 So, again, a lot of it was based on their
20 track records and experience in other
21 places, so I decided to grade them both as
22 being sufficient with respect to question
23 number seven.

24 Question number eight, broadening

1 the region's tourism appeal. What is your
2 overall perspective and strategy for
3 broadening the appeal of your region and
4 the Commonwealth to travelers inside and
5 outside of Massachusetts?

6 Again, Mohegan Sun is focused on
7 drawing visitors to the region, mostly
8 from their membership base encouraging
9 them to explore destinations along the
10 North Shore that are tremendous assets and
11 probably underutilized and
12 under-discovered. But they also placed a
13 greater emphasis, again, in the regional
14 visitation and where they expect to draw
15 their patron base from. They talked about
16 their goals in working with other
17 organizations and existing partnerships,
18 again, including Boston Convention
19 Visitors Bureau, Mass. Office of Travel
20 and Tourism, Mass. Convention Center
21 Authority to help attract conventions and
22 visitors to Boston. They also talked
23 about using some in-room promotions,
24 highlight area attractions, dedicated to

1 have on the website, things like that in
2 response to this question.

3 Wynn, again, has somewhat of a
4 different take and a different approach,
5 and they jumped right -- What I found
6 unique about their reply to this question
7 is they immediately jump in with their
8 analysis that Massachusetts is not
9 maximizing dollars spent by visitors to
10 Massachusetts with respect to their
11 entertainment dollars being spent. They
12 pegged a figure of 6 percent of the 16.9
13 billion spent by visitors is being spent
14 on entertainment, and they feel it's well
15 below what other major metropolitan
16 regions in the United States experience.

17 So they focus on drawing an
18 established high-end existing customer
19 base who tend to stay longer at the Wynn
20 hotels. Their strategy is creating
21 partnerships, cultural dining amenities,
22 again, focusing on the relationship with
23 TD Bank, Boston Pops, Boston Symphony
24 Orchestra to enhance their customer's

1 stay. I gave them a stronger rating of
2 very good to bordering on outstanding,
3 again, because it was intriguing to me
4 that they've identified this deficiency,
5 they identified a business opportunity,
6 and then systemically laid out how they
7 feel they can best address that deficiency
8 and having Massachusetts realize the
9 impact of travelers to the Commonwealth
10 from inside, and certainly in this case,
11 well outside of Massachusetts.

12 Again, Mohegan Sun Revere had a
13 good strategy for engaging visitors, I
14 think, as they are here, and
15 certainly using -- utilizing their
16 existing customer database and certainly
17 identified sufficient partners, but beyond
18 that, I felt that their answer to that
19 question was sufficient.

20 COMMISSIONER MCHUGH: All right.
21 Any questions for Commissioner Stebbins?

22 COMMISSIONER CAMERON: No.

23 COMMISSIONER MCHUGH: All right.
24 Thank you. Well, that concludes now the

1 reports for the five sections of the
2 application. We're going to suspend at
3 this point until tomorrow. And our agenda
4 for tomorrow is as follows: We have three
5 principal items on our agenda for
6 tomorrow.

7 Our first item is to review and
8 make judgments about and correct and deal
9 with, in any event, the claims of material
10 errors that we've received from the
11 applicants. And I know we've gotten some
12 of those claims already, and we'll process
13 them and address them tomorrow.

14 The second thing we're going to do
15 is we're going to, as a Commission,
16 discuss in more detail the conditions that
17 individual Commissioners have proposed.
18 The applicants have heard the conditions,
19 they've seen the conditions, but the
20 Commission as a whole has to consider
21 them. We have not done that, and we'll do
22 that as our second item of business. It's
23 the second item because the way we deal
24 with claims of material error may, in some

1 cases, have an impact on the content of
2 the conditions we ultimately agree on.

3 The agreement we're going to reach
4 tomorrow is an agreement to send to the
5 applicants a list of conditions. It's not
6 necessarily an agreement on the conditions
7 we will, in fact, impose, but it is the
8 conditions to which we want the applicants
9 to respond.

10 And then the third item of business
11 will be to learn from the applicants how
12 much time they need to respond to the
13 conditions. We need to have a response in
14 writing, and we need to have a response in
15 writing before we can begin the
16 deliberations because the response may
17 indicate the need for some additional
18 interchange with the applicants, and in
19 any event, will guide our thinking as we
20 approach the deliberations. So that's
21 what we're going to do tomorrow.

22 The responses to or the assertions
23 of any claim of material error from
24 today's presentations are due at 9:30

1 tomorrow morning in accordance with the
2 organizational outline the staff has
3 created with the applicants. They have
4 until 9:30 to provide us with those.

5 So we're going to meet and begin
6 our meeting tomorrow morning at 10:30.
7 That'll give us an opportunity to take a
8 look at what we get, to discuss it with
9 the -- to discuss it, each of us, with our
10 advisors, and to propose some responses to
11 the claims that we get. We need at least
12 an hour to do that; although, we'll work
13 this afternoon, the rest of the afternoon,
14 and tonight on those claims that we've
15 already received.

16 So that's the agenda for tomorrow.
17 And as I say, we'll resume the public
18 session at 10:30, and we now stand in
19 adjournment until that time. Thank you.

20
21 (Whereupon the hearing was adjourned at 2:46 p.m.)
22
23
24

C E R T I F I C A T E

I, Amie D. Rumbo, an Approved Court Reporter, do hereby certify that the foregoing is a true and accurate transcript from the record of the proceedings.

I, Amie D. Rumbo, further certify that the foregoing is in compliance with the Administrative Office of the Trial Court Directive on Transcript Format.

I, Amie D. Rumbo, further certify I neither am counsel for, related to, nor employed by any of the parties to the action in which this hearing was taken and further that I am not financially nor otherwise interested in the outcome of this action.

Proceedings recorded by verbatim Stenographic means, and transcript was produced from a computer.

WITNESS MY HAND this 17th day of September, 2014.

Amie D. Rumbo



Amie D. Rumbo, Notary Public

My Commission expires: 10/23/2020