

1 THE COMMONWEALTH OF MASSACHUSETTS
2 MASSACHUSETTS GAMING COMMISSION
3 CHARLESTOWN INFORMATION SESSION
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6 COMMISSIONERS

7 Gayle Cameron

8 James F. McHugh
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17 SCHRAFFT'S CITY CENTER

18 529 Main Street

19 Charlestown, Massachusetts
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1 P R O C E E D I N G S :

2 REP. DANIEL RYAN: Good evening,
3 everybody. Thank you for coming out. Thank you
4 for being concerned and involved with this issue
5 here in Sullivan Square and on the other side of
6 the bridge here the Wynn Casino development.

7 It's been a long year. And my
8 intentions here tonight is to get as many people
9 as we can in the room tonight, regardless of
10 where you stand on casinos, repeal, keeping
11 them, whether you want with the money somewhere
12 else, my intention is for all of us to walk out
13 of here with the same information.

14 What you do with that is completely
15 up to you. But I want to give this opportunity
16 for the community to share an hour and a half of
17 information from you directly from the Gaming
18 Commission.

19 I want to start off with a few thank
20 yous and acknowledgements. Bill Bush from the
21 Flatley Company for arranging this. Thank you
22 very much for the room. There's also some
23 coffee and water up there compliments of the
24 Flatley Company.

1 And I want to recognize from
2 Councilor Sal LaMattina's office Judy Evers,
3 somewhere, there she is. From Mayor Walsh's
4 office, Tom McKay. And I will introduce the
5 Gaming Commission in a minute.

6 But I want to introduce State
7 Senator Sal DiDomenico who -- I'm sorry, I'm Dan
8 Ryan state representative. I had to look at my
9 notes for that one. As most of you know, I just
10 got elected and sworn in April. I've got a lot
11 of catching up to do. And a lot of people were
12 very helpful to me not just in getting elected
13 that's a whole other issue, but just in learning
14 the ropes of the Legislature and everything
15 else. And Senator DiDomenico was one of those
16 people. And I'd just like to give him a few
17 words here and we will continue.

18 SEN. DIDOMENICO: Thank you,
19 Representative. It's great to be here. I have
20 heard from many of you in this room about your
21 views on the issue.

22 I am in the difficult place as you
23 are well aware of representing Everett, Chelsea
24 and Charlestown and Cambridge who couldn't have

1 more different opinions about this development
2 than if they were in different countries. But I
3 have tried to listen to all of your concerns and
4 make sure that every part of my district is
5 represented at the table.

6 And tonight is one of those nights.
7 I want to thank Representative Ryan and the
8 Gaming Commission and Flatley for bringing the
9 community together, because there's a lot of
10 misinformation going on out there. There's a
11 lot of different things that people are talking
12 about.

13 There's a lot of misinformation that
14 people are taking as fact. And tonight
15 hopefully that will all be cleared up. And
16 we're not going to agree on every issue and
17 we're not going to agree maybe after tonight on
18 any issue. But you have my word that I have
19 Charlestown's interest in my heart.

20 And what I have done, and it's no
21 surprise and I'll say it publicly tonight that
22 I've voted on this legislation twice. And we
23 had two opportunities to create jobs, to bring
24 new revenue into our communities, to stop the

1 exodus of funds going down south and keep those
2 funds here for our children, for our
3 infrastructure, for our schools and for our
4 local aid. We are in a position where we need
5 the revenue. Never imagining that it would be
6 in my backyard, always thought it would be going
7 somewhere else.

8 Now we are in a position where it's
9 right here at ground zero. And there are a lot
10 of people in this room who have very strong
11 opinions on this issue. And I know you do. And
12 I know you all care about Charlestown. You care
13 about your community. And I know that we all
14 want to do the right thing for everybody.

15 So, you have my word that I'm
16 working with all of you and also working with
17 Wynn developers, because at this point, we know
18 that they are the chosen developers in this
19 project. And we know that they have an
20 obligation to do certain things as we'll hear
21 tonight from the Gaming Commission.

22 And my interaction with them
23 honestly has been positive in terms of opening
24 and making sure that they have given me all of

1 the information that I need. So, I have been an
2 advocate.

3 And my leverage with them, and I do
4 have some leverage with them only because I
5 represent multiple communities, and has been
6 because I've been above board in terms of not
7 being -- not playing the homer in any sense of
8 the word.

9 But I know that this is a good
10 project in terms of jobs and infrastructure.
11 And we just have to make sure that all of our
12 neighbors are protected. And make sure
13 Charlestown is protected, and make sure the
14 infrastructure improvements that you want and
15 that you need to make sure we don't have a
16 parking lot sitting on Rutherford and Sullivan
17 Square don't become a reality.

18 So, I'm here tonight. And I spoke
19 longer than I thought I was going to speak. But
20 I wanted to put it all on the table because I'm
21 getting a lot of information from you and I
22 wanted you to hear from me directly.

23 Have a great night. And you can
24 always contact me after tonight. I'm going to

1 be here late into the night if you want to talk
2 to me directly. But if you have any questions,
3 I'm here to answer them as well. Thank you very
4 much.

5 REP. DANIEL RYAN: So, I am going to
6 introduce the Gaming Commission and the
7 consultants that are here with them. Then the
8 next part of the presentation will be their
9 presentation. And then we will take the
10 community questions after that. And we are
11 doing it that way to try to get some questions
12 and answers out there in an hour and a half.

13 But also absent repeal, this is a
14 process that we're going to have to repeat over
15 and over for the next three years to get this
16 thing done right if it comes this way. Like it
17 or not that may be the reality.

18 I'm going to get to know you folks a
19 whole lot more because I intend to see this
20 thing through if that's where it's going right
21 until the end. I live one mile from there. I
22 did it on a Google map while I was running.
23 There is no elected official in the Commonwealth
24 that lives closer to a proposed casino than I

1 do.

2 I wake up every morning worrying
3 about Charlestown. And I go to bed worrying
4 about Charlestown. That will not change whether
5 there's a casino here or not. And I welcome you
6 all to join on that ride. I know you all care
7 too that's why you're here.

8 Without any more of that, let me
9 introduce the folks that are here at the table.
10 I also want to add too, I know there's been a
11 lot in the papers and everything on who's doing
12 what and what negotiations went which way. I
13 can only tell from my experience with the Gaming
14 Commission, it has been one of professionalism
15 and responsiveness.

16 And some of the letters that I've
17 seen that have been sent back to them from the
18 community, I know that people have had other
19 dissimilar experiences to that. Negotiations
20 are whole different deal. And decisions they
21 have to make are something else. And we can all
22 have our opinions about that. My opinion has
23 been one that I hope continues along a
24 professional manner. And I think you'll see

1 that here tonight.

2 Let me start, we have Commissioner
3 Jim McHugh, Commissioner Gayle Cameron,
4 Ombudsman John Ziemba, from City Point
5 Consultants Rick Moore, and from Green
6 International Frank Tramontozzi. And with that,
7 I will turn it over to the Gaming Commission for
8 their presentation.

9 COMMISSIONER MCHUGH: Thank you very
10 much Representative Ryan and Senator DiDomenico.
11 Thank you for inviting us here tonight. And
12 thank you all for joining us so that we can talk
13 with you and have a conversation with you about
14 what we did, answer some of your questions that
15 you've sent into Representative Ryan thus far
16 and then hear from you about what your views are
17 regarding the next steps we all should take.

18 There are two of us here tonight,
19 Commissioner Cameron and I. And we're here
20 because we were most heavily involved in the
21 mitigation aspects of the analysis that we
22 conducted during the evaluation process. All
23 five can't be here tonight because this is not
24 public meeting. It's a meeting at the

1 invitation, the kind invitation of
2 Representative Ryan. And under the Open Meeting
3 Law, only two Commissioners can go to anyplace
4 together that's not a posted public meeting.
5 So, that's why the other three are not here.

6 We are really here both to explain
7 to you what we did, answer your questions and
8 then to listen. We've listened before. We
9 listened during the public hearings and the
10 public meetings that occurred. We'll continue
11 to listen and need to listen as this project
12 goes forward. And we need to take into account
13 the kinds of things and the kinds of concerns
14 you are expressing.

15 I understand that some of you,
16 perhaps many of you in the room are unalterably
17 opposed to gambling. I also understand that
18 some of you though not unalterably opposed to
19 gambling are unalterably opposed to gambling
20 here because of its potential impact on the
21 community. And I respect those views. I'm not
22 sure I can change those views. In fact, I'm not
23 going to try tonight to change those views. I
24 respect them. You have them, many others have

1 them. I understand that.

2 But what I do hope we can do,
3 echoing Representative Ryan tonight, is explain
4 to you what the mitigation pieces of the license
5 award were, answer some of the questions that
6 you've asked through Representative Ryan. And
7 then as I said hear from you of things you want
8 us to hear, know about and think about as this
9 process goes forward. So, that's the objective
10 for this evening and I look forward to
11 participating in that with you.

12 To begin the presentation, to begin
13 our explanation of what we did during the course
14 of the licensing process, I'm going to turn the
15 mic over to Commissioner Cameron. And then,
16 after her we'll hear briefly from Rick Moore who
17 is one of our traffic engineers and experts.
18 And then I'll be back again to close out the
19 segment. Gayle.

20 COMMISSIONER CAMERON: Thank you,
21 Commissioner. Good evening everyone. I as well
22 am happy to be here and just impart some
23 information. Hopefully, you'll know a little
24 bit more about this project and decisions we

1 made after tonight.

2 We put a little PowerPoint together
3 trying to be responsive to the Representative
4 and your questions. We started this with just
5 the mitigation package around in particular
6 traffic but we touch on all of the mitigation
7 around this project.

8 So, we kind of developed three
9 pieces of this in thinking it would be helpful.
10 The first is this presentation where we just
11 talk about exactly what the conditions are,
12 exactly where we are right now and what will be
13 required for the Wynn project to move forward.

14 And the second piece is a number of
15 questions were sent in. Representative Ryan,
16 you're going to ask questions and we're going to
17 do our best to answer those questions.

18 And then lastly as we always do, we
19 want to hear from you and just hear about your
20 thoughts. And that's always helpful to us
21 moving forward.

22 So, if can start this. Just a
23 little background here. For this project, the
24 Wynn team studied 57 intersections to understand

1 what they needed to do with this project. So,
2 those intersections as you can see Everett,
3 Chelsea, Revere, Medford, Somerville, Boston and
4 Cambridge.

5 Certainly, we did not look at their
6 work and think it was sufficient. We of course
7 hired our own expert traffic engineers to help
8 us understand the issues and to tell us whether
9 or not the work done was sufficient for a
10 project like this. And in this particular case,
11 the study area was found to be sufficient.

12 So, this next piece is the trip
13 generation and distribution for the area. And
14 you'll see the green arrows. And those green
15 arrows are traffic leaving the proposed
16 facility. And the yellow are those arriving.
17 So, that's what we're looking at here.

18 MassDOT is satisfied with the trip
19 generation and distribution numbers as well our
20 traffic analysts. The important piece of this
21 and what we base the mitigation package around
22 was Friday night peak hour, 4:30 to 5:30 in the
23 afternoon.

24 Casino traffic is typically -- Their

1 peak is much later in the evening. But this is
2 the hour that we based all of the mitigation.
3 And it's an accepted standard for a project like
4 this. And as you can see, 845 casino generated
5 vehicle trips during that hour. That's what's
6 anticipated, and in particular 540 casino
7 generated trips through Sullivan Square in that
8 peak hour.

9 Again, these are numbers supplied by
10 the Wynn team. But they have been verified and
11 deemed acceptable by both MassDOT and our
12 traffic analysts.

13 These are something we paid an awful
14 lot of attention to was the alternative
15 transportation options in and around this area.
16 And the projected numbers were 71 percent by
17 vehicle, 29 percent by alternate methods of
18 transportation. That would be patrons. And
19 employees we're looking at 41 percent vehicle
20 transportation and 59 percent would take
21 alternate measures.

22 And all of the employee parking is
23 off-site. There will be no employees parking
24 over there at the Everett site.

1 So, there was some effort put in
2 here for alternative methods of transportation.
3 And as you can see later in the presentation, we
4 have asked for more of those measures to be put
5 in place.

6 Talking about that we are talking
7 buses, the T, water transportation, premium
8 parking lots off-site. So, there are a number
9 of areas explored and we evaluated thoroughly.

10 This is talking about the water
11 transportation this page. Six percent of
12 patrons are thought to be -- will travel by
13 water and three percent of employees. And there
14 will be two stops right now, downtown Boston and
15 South Boston World Trade Center. And this is
16 just one example of alternative transportation.

17 This is just a summary of all of the
18 mitigation dollars that will be spent kind of
19 north of the Mystic River. As you can see,
20 \$37.5 million will be spent in locations other
21 than Sullivan Square other than Boston. And
22 these improvements are designed for the ability
23 of vehicles to use roadway networks in other
24 locations. So, it will be easier to do that.

1 We've taken a look and think that
2 it's our expert opinion that these efforts are
3 sufficient to mitigate the casino traffic
4 elsewhere.

5 AUDIENCE MEMBER: Where does that
6 \$37 million come from?

7 COMMISSIONER CAMERON: All of it
8 comes from Wynn. Next, we summarized what the
9 particular mitigation efforts in and around
10 Sullivan Square in Boston here in this next
11 slide. When we see the term BAFO that's a best
12 and final offer that the Wynn team put forth.

13 As you can see, their numbers add
14 up. There's an upfront payment. There's
15 mitigation that can be used for a number of
16 different things and we'll talk more about that
17 later. There's what we refer to as the short-
18 term mitigation at Sullivan Square and then
19 long-term monies toward kind of an overall
20 solution there.

21 And then something that we spent a
22 lot of time on, understanding that this is an
23 urban environment and it really is important to
24 incentivize folks to take a different mode of

1 transportation. What we have called this is
2 traffic reduction payments.

3 So, on the left-hand side that
4 column is the best and final offer by Wynn. And
5 on the right side are the conditions that we as
6 the Commission imposed as part of a license
7 condition.

8 So, many of them remain the same,
9 but as you can see the long-term solution
10 there's another \$10 million there. And then
11 these traffic reduction payments, there's up to
12 \$20 million toward the long-term solution. So,
13 the \$46 million up to \$76 million there with
14 additional monies that we thought were important
15 as a Commission to in fact incentivize different
16 modes of transportation and really contribute to
17 a long-term solution here.

18 AUDIENCE MEMBER: (INAUDIBLE)

19 COMMISSIONER CAMERON: No, no, no.
20 As a condition of accepting the license, these
21 additional payments were required. And they
22 have accepted those conditions as part of a
23 license.

24 So, we spoke about this wide range

1 mitigation and that was \$24 million. Again,
2 that's over a 15-year period. That's the life
3 of the license. That's a 15-year license.
4 These can be used for a number of different
5 things as we articulated here, public safety,
6 water transportation, support of Charlestown
7 nonprofits, parks, schools, senior programs, job
8 training programs, cultural events, related
9 activities and any other impacts to include
10 transportation. So, this is a pot of money to
11 be used for a number of good things and the city
12 decides on how to use those monies.

13 Next, so other than we talked
14 transportation and the monies that will go
15 toward transportation, these are just some of
16 what I thought would be important for you to
17 hear about, some of the non-transportation
18 conditions that are part of this condition of
19 the license.

20 Wynn shall use good-faith efforts to
21 purchase goods and services from Boston
22 businesses at least \$15 million annually.
23 Cross-marketing to promote Boston businesses and
24 attractions, Boston construction and operations

1 hiring preference. The hiring preference
2 targets Charlestown residents and requires Wynn
3 to hold annual hiring events in Charlestown.
4 And Wynn shall support Boston funding request
5 for problem gaming and reimburse Boston
6 reasonable consulting costs for impacts. So, to
7 determine those impacts, the Wynn team will
8 cover those expenses.

9 We've received lots of comments
10 about the cleanup. And because there seems to
11 be legitimate questions about this cleanup, we
12 thought it was important that Wynn engage in
13 community outreach to Charlestown and report to
14 the Commission of that outreach.

15 So, they need to advise you of every
16 step that they are taking. And then they need
17 to come to us and say this is what we did.
18 These are the meetings. This is the information
19 that was communicated. So, we thought that was
20 important because of the number of questions
21 that lots of you had for us.

22 And with the site cleanup, this is
23 specific now. They will comply with the public
24 involvement provisions and that's to include

1 public officials in Everett, Boston, Somerville
2 and interested parties in Charlestown. So, they
3 have to have a mailing list and really keep
4 people informed every step of the way about the
5 cleanup and the process, as well as the more
6 general pieces of this project that are of great
7 interest to everyone here.

8 We're going to talk more about this.
9 Rick Moore, one of our consultants who really is
10 an expert, he's going to give us a little more
11 information on the cleanup and whatnot.

12 I am going to turn this over now to
13 Rick Moore from City Point Partners who will
14 really give you more specifics about the
15 mitigation as well as the cleanup. Thank you.

16 MR. MOORE: Thank you, Commissioner.
17 What we'd like to do now is just delve a little
18 more deeply into exactly what we're talking
19 about at Sullivan Square.

20 The map up there, this is Sullivan
21 Square. This is I-93. This is the off-ramp,
22 Cambridge Street, Maffa Way and the circle.
23 This is the Schrafft's building where we are
24 tonight.

1 By way of background, if we go back
2 a number of months, prior to the evaluation the
3 Commission stated that it would require Wynn to
4 address Charlestown impacts. And this was
5 fundamentally because there wasn't a surrounding
6 agreement with the city that would have done a
7 lot of this work.

8 And it also stated that Boston could
9 negotiate a surrounding community agreement
10 before or after the evaluation if Wynn was
11 awarded the license, which in fact they have
12 been. And that option is still open that the
13 city can enter into a surrounding community
14 agreement.

15 And if that happens, the Commission
16 will alter the conditions that we're going to
17 talk about in a minute to coincide with that
18 surrounding community agreement.

19 Now Wynn short-term solution that
20 was proposed in the final EIR a number of months
21 ago to mitigate their traffic in Sullivan Square
22 was not approved by MEPA. Why was that?

23 MEPA basically manages the
24 environmental process. And it relies very

1 heavily on comments from state and local
2 agencies, the public and others. And there was
3 a fairly uniform gist to the contents from the
4 Department of Transportation, from the Boston
5 Transportation Department, from the MAPC, the
6 regional planning agency. And actually we at
7 the Commission agreed with these comments that
8 essentially said the solution that was proposed
9 by Wynn was not adequate to address the
10 additional traffic that the casino would be
11 putting through Sullivan Square.

12 The MEPA unit took this advice from
13 the various parties and they basically sent Wynn
14 back to the drawing board. And they said go
15 back, re-engage with the Department of
16 Transportation, the city of Boston and others
17 who commented and revise your plan and come up
18 with one that is a consensus that people can
19 agree with.

20 That process was going on when the
21 Commission made their decision in awarding the
22 license. In fact, tonight it continues to go
23 on. And it should go on for the next month or
24 so to culminate in a refiling with MEPA with

1 presumably a plan that will mitigate the short-
2 term impacts.

3 Now in reviewing the traffic, the
4 Commission determined that the short-term
5 mitigation should be accomplished through
6 physical improvements and a reduction in casino
7 traffic. Now you have to think about any
8 proposal has two parts to it. One is the
9 physical improvements, widening the street, a
10 new traffic signal. But those new improvements
11 are based on a reduction in the traffic or a
12 mode split that Commissioner Cameron just
13 described.

14 In the case of Wynn, they proposed
15 some physical improvements, which I'll show you
16 in a minute, but it was based on the fact that
17 70 percent of the patrons would use vehicles and
18 30 percent would use public transportation.

19 Now if you have those two
20 components, the physical component and the mode
21 split, and any one of them changes, the other
22 changes correspondingly. So, if you take more
23 people off the road and put them on public
24 transportation, theoretically your physical

1 improvements can be reduced because you have
2 less cars on the road and vice versa.

3 So, when looking at these
4 improvements, the Commission was very clear that
5 they had to look at both of those components,
6 both the physical improvements and the mode
7 split. And we'll talk about that a little bit
8 more in a minute.

9 In addition to the short-term
10 impacts, there's a long-term solution that's
11 under development. You know well about those by
12 the city of Boston to improve Sullivan Square.
13 We'll talk about that as well in a minute.

14 The long-term solution is unfunded
15 and is estimated to cost in excess of \$100
16 million. So, this is the background that the
17 Commission used to generate those conditions
18 which Commissioner Cameron showed you at a high
19 level and now we'll dive into a little bit more
20 detail.

21 Next slide, there's two maps here.
22 One shows the final environmental impact report,
23 the final FEIR short-term solution. And those
24 were primarily improvements along Cambridge

1 Street. This is I-93. The ramp comes down,
2 Cambridge Street enters Sullivan Square. Maffa
3 Road comes down into a signalized intersection.
4 And then there's a connecting street in front of
5 the T stop.

6 The improvements that Wynn proposed
7 were in this quadrant of the Sullivan Square.
8 And in part, MEPA required them to go back to
9 take a look at the entire square. But their
10 judgment when they filed the final EIR was that
11 these improvements would mitigate their traffic.

12 The improvements are widening
13 additional lanes in both Cambridge Street in
14 Maffa Way, signal timing and a new connection or
15 a more robust connection between Cambridge
16 Street and Maffa Way in a number of ways to
17 improve left-hand turns here so they don't back
18 up onto the intersection.

19 Let it suffice to say right now that
20 the Department of Transportation, the city of
21 Boston as well as the Commission felt that these
22 improvements were not adequate and to mitigate
23 the traffic from the casino.

24 So, Wynn is back at the drawing

1 board working with the state and the city to
2 refine this and to improve this to meet those
3 needs. When the new plan comes out then we can
4 look at the details and again assess whether
5 they are significant enough to reduce the
6 impacts.

7 Robust essentially means that the
8 improvements will mitigate the additional
9 traffic that Wynn will put into the
10 intersection. And what the Commission --

11 There's a lot of details here and I
12 think that's a good suggestion. Let us get
13 through and we can talk about the details. But
14 suffice it to say, talking about this
15 improvement in detail is not terribly useful
16 because it's not the solution that's ultimately
17 going to be implemented. It was a solution that
18 was found to be wanting in certain areas.

19 So, what the Commission said under
20 this condition is that Wynn shall complete all
21 mitigation required by MEPA, which is the
22 process that's underway now. Wynn had estimated
23 interim improvements under MEPA to cost \$6
24 million -- Those were those improvements we just

1 spoke about very briefly. -- but is required to
2 implement MEPA required improvements regardless
3 of the cost.

4 So, the anticipation is that there
5 will be additional improvements added to this in
6 terms of traffic reduction and physical
7 improvements. And whatever those improvements
8 are approved through the MEPA process in
9 consultation with the Department of
10 Transportation and the city of Boston, Wynn will
11 be required to implement those before the casino
12 is open.

13 And furthermore because there was
14 some concern about how long this process might
15 take, the Commission identified that Wynn shall
16 apply to Boston Public Improvements Commission
17 for a local permit within 90 days for Sullivan
18 Square permit.

19 Now that 90-day clock ends somewhere
20 in February. So, if we're looking at timeline,
21 we're expecting that the Wynn folks will have a
22 plan that has been vetted by the various
23 agencies. And they will begin at that point to
24 present the plan in specifics to the city Public

1 Improvements Commission, which is the
2 organization in the city that actually issues
3 the permit.

4 Now, remember I said there's a
5 physical improvement and there's also a mode
6 split or there's a transportation demand
7 management program. Another condition that the
8 Commission put was that Wynn shall engage a
9 third-party to monitor its stated goal for
10 alternative modes of transportation, public,
11 boats, etc. and report on how it will remediate
12 any failing to reach those goals.

13 In other words, if you recall back
14 to Commissioner Cameron's slide that had the
15 mode split, it said 70 percent of the people
16 would take vehicles and 30 percent would take
17 public transportation, that will be monitored
18 every year. And if in fact there is a different
19 mix, in other words, if more than 70 percent of
20 the people are taking transportation, Wynn has
21 to come up with an enhanced transportation
22 management plan to reduce that down to their
23 goal. Because if they don't reduce it down to
24 the goal, the physical improvements that they're

1 proposing will not work or will work less well.

2 Next slide. Now let's shift just
3 for a minute to the long-term solution because I
4 think most people are as interested in getting
5 to the point as they are to mitigate the casino
6 traffic in the short-term.

7 This diagram on the right is one
8 possible long-term solution. This is the so-
9 called surface option. And if you'll see, this
10 is rotated a little bit differently but that is
11 Cambridge Street. This is Maffa Way and that's
12 the intersection as the two join. This is the
13 transportation center at the T, the parking lot
14 and the road in front of that.

15 The intent is that these
16 improvements here essentially act as the Phase I
17 for the long-term improvements and just lay in
18 over these street so that once they are built in
19 the next several years they will not have to be
20 rebuilt when the long-term solution is
21 eventually built.

22 So, you can look at the short-term
23 solution essentially as Phase I of the long-term
24 solution. And that's been required and has been

1 a part of the plan by Wynn and encouraged by the
2 city and the DOT all along.

3 So, Wynn is to pay \$25 million for
4 the long-term Sullivan Square/Rutherford Avenue
5 plan provided it accommodates casino traffic.
6 And that's \$2.5 million over 10 years. And
7 that's the \$25 million that you saw in that
8 previous slide.

9 In addition, this amount is in
10 addition to the short-term mitigation required
11 through MEPA which will be presumably somewhere
12 in the neighborhood of \$6 million. Probably
13 more because they have to enhance their current
14 proposal.

15 And that if you will will be the
16 Phase I. So, you have the \$6 million then you
17 have the \$25 million. And then the third
18 component of cost is that traffic reduction,
19 traffic incentive payment. And the way that
20 works is that each year Wynn will pay \$20,000
21 for each vehicle trip above the number of Friday
22 peak hour vehicle trips determined through the
23 city of Boston roadway improvement permit
24 process.

1 So, said another way, whatever plan
2 is approved through MEPA and approved by the
3 city Public Improvements Commission will have a
4 physical component to it that's essentially the
5 \$6 million, and it will have a mode split. It
6 will say 70 percent of the traffic needs to go
7 by vehicle, 30 percent needs to go by public
8 transportation or whatever the split comes out
9 in that process, and the city approves it.

10 So, let's say for example we use the
11 number of 70 percent. Now 70 percent of people
12 are coming by vehicle. If you hark back to
13 another one of the slides, you'll recall,
14 although the printing was rather small that one-
15 third of that 70 percent goes north and will not
16 go through Sullivan Square. Two-thirds of that
17 70 percent goes south through Sullivan Square.

18 If you do the calculations, you'll
19 find that that comes up to a number of vehicles
20 in the peak Friday condition. It's about 540
21 vehicles an hour. What this condition says, if
22 Wynn goes out and measures those vehicles in
23 year one of operation and as the example says if
24 Wynn's traffic exceeds the approved estimate of

1 say 540 or whatever the city of Boston
2 determines by 100 vehicles in any given year,
3 Wynn would pay an additional \$2 million, or the
4 math is 100 vehicles times \$20,000 per vehicle
5 up to a maximum of \$20 million. And it would do
6 it over a 10-year period.

7 So, if there was a large payment in
8 the first few years and you hit the \$20 million,
9 it would stop. The however says if Wynn is
10 successful in getting people to use public
11 transportation and meeting their required mode
12 split, there wouldn't be any additional cost.

13 So, this is that \$20 million that is
14 an incentive. It really has two purposes. The
15 first purpose is to protect the short-term
16 solution. It is to say you need to meet your
17 mode split because you have to meet your mode
18 split to make the long-term solution work. And
19 if you don't, you pay a penalty.

20 That penalty happens to go into a
21 pot that is used for the long-term solution.
22 So, if they don't meet their mode split, they
23 pay the incentive cost and that goes into the
24 pot. So, if you add the different pots as

1 Commissioner Cameron said earlier, you have the
2 \$25 million and you have six-odd million
3 dollars, then you have the potential of another
4 \$20 million. So, that adds up in the
5 neighborhood of \$50 million that's available for
6 the Sullivan Square long-term solution.

7 And then lastly, Wynn will petition
8 or can petition the Commission to refund this
9 money after 10 years if the Sullivan Square work
10 has not commenced. So, it's a 10-year window

11 Next slide. Other mitigation may be
12 required by the Commission. And this we've
13 already talked about. The Commission also
14 specified that Wynn and the city of Boston may
15 negotiate a surrounding community agreement. If
16 they do so, the Commission will amend their
17 conditions to be consistent with whatever that
18 surrounding community agreement reads. And
19 presumably it will be richer than the one here
20 or there would be no point in entering into it.

21 And lastly, Boston can petition the
22 Commission to re-open the mitigation terms.

23 And I think with that, we will go
24 back to Commissioner McHugh.

1 COMMISSIONER MCHUGH: Okay. Thanks
2 very much. There are three things. The next
3 slide is next steps. And before I get to next
4 steps, I'd like to just take a second to try and
5 summarize three points that can be distilled
6 from the presentation that Rick gave and that
7 Commissioner Cameron gave.

8 First of all, the definition of
9 robust, that was mentioned a couple of times.
10 What all this is designed to -- is designed to
11 do is to put into place mitigation measures that
12 will eliminate the impact of the Wynn traffic.
13 Wynn can't be charged with mitigating
14 eliminating the difficulties that exist in
15 Sullivan Square right now. But Wynn can be and
16 should be required to mitigate, eliminate the
17 impact of its own additional traffic.

18 And as you saw on one of those
19 slides there, even without Wynn traffic the peak
20 in Sullivan Square in 2023 now projected, which
21 is the baseline that we're using for these
22 numbers is 5400 vehicles per hour. So, the Wynn
23 traffic would add at 540 vehicles an hour 10
24 percent to that and they've got to be required

1 to eliminate that impact. That's what this is
2 designed to.

3 The second thing is that refund
4 provision, i.e. the money that goes into the
5 long-term solution can be refunded if no
6 construction starts in 10 years. It's not
7 automatic. They can petition the Commission for
8 a refund.

9 But the reason for that is to
10 incentivize people to come to the long-term
11 solution now. This has been in planning for a
12 considerable period of time. Here is a pot of
13 money that through the Commission's efforts and
14 the Wynn agreement is now on the table. And the
15 idea was that because the long-term planning
16 that's been going on this pot of money ought to
17 be used.

18 So, this is an incentivization
19 effort to try to get people to work together on
20 the long-term solution, get it in place and get
21 it done faster than 10 years if that's possible.

22 The third piece I wanted to distill
23 from that is that each of a number of different
24 agencies and organizations has to play a role in

1 making this work. The Commission can't dictate
2 and shouldn't be able to dictate what the
3 traffic mitigation looks like in Sullivan
4 Square. We don't have the expertise for that.
5 We don't have the power to do that. We can't
6 issue the permits to build the curbs and the
7 highways and the roadways. And we shouldn't
8 have that kind of power.

9 This is a unelected body that's not
10 subject to the veto power over policy that the
11 electorate has every time a new elected official
12 is elected.

13 What the Commission can do and what
14 the Commission has done is create a framework.
15 A framework that begins with a proposal for
16 mitigation by Wynn that has the Massachusetts
17 Environmental Policy Act people, the Secretary
18 of the Environment, reviewing that plan to see
19 whether it has adequately dealt with the various
20 components that need to be mitigated in a
21 process that is open to the public that insures
22 public comment, that insures comment from the
23 cities, that insures comments from interested
24 people like yourselves, that insures comments

1 from a variety of other people. And then says
2 you've adequately addressed the problems that we
3 see here. They failed at their first attempt.
4 That's what they're doing now.

5 The third component of this team
6 approach are the conditions that the Commission
7 has set. And they have been adequately set out
8 here. But those are conditions largely designed
9 to incentivize a reduction in traffic and create
10 a pot of money that others will figure out how
11 to use in devising a traffic mitigation plan.

12 And then there is the Public
13 Improvement Commission, which is the Boston
14 organization that actually issues the permits
15 for the construction of the improvements. They
16 have the next step. And without their approval
17 none of this can be done, no matter what the
18 plan is unless they agree ultimately that the
19 plan is workable.

20 And in the course of deciding
21 whether it's workable, they will set the limits
22 that Rick talked about that will trigger the
23 traffic mitigation payments if traffic is in
24 excess of those limits.

1 And finally there's the money. And
2 all of this is reasonably plastic. All of this
3 can be changed and reconfigured in a variety of
4 different ways and will be as the process goes
5 forward.

6 It's inevitable that in a process of
7 this kind there is reconfiguration and reworking
8 to deal with unexpected contingencies as they
9 arise. And all of these organizations have a
10 role in reviewing, updating and changing the
11 plans as necessary.

12 The next steps. Wynn is required to
13 submit a supplemental final environmental impact
14 report. That's the piece. That document is
15 about 6000 pages long. They submitted the last
16 one that contained extensive descriptions of the
17 traffic mitigation not only for Sullivan Square
18 but those other places that Commissioner Cameron
19 showed you.

20 The Secretary of the Environment
21 found it to be insufficient, sent it back and
22 said that they have got to talk to the city, the
23 Mass Department of Transportation. And the new
24 submission should document the relationship

1 between the project's mitigations and the plans
2 for Rutherford Avenue, and should identify
3 whether interim improvements in Sullivan Square
4 would impact the feasibility or cost of the
5 proposed design of Sullivan Square.

6 So, that's got to be part of this
7 next filing. And that's a part that everybody
8 that I've mentioned has got to and will have an
9 opportunity to comment on. All of those state
10 agencies will have an opportunity.

11 On the next slide, please, then we
12 don't want this process -- The Commission did
13 not want this process to simply drag on in
14 limbo. So, it set a 90-day time limit for Wynn
15 applying to the Public Improvement Commission,
16 the Boston roadway licensing group, a 90-day
17 limit to get plans together and get them to the
18 permit granting authority, the authority that
19 actually has power to grant or deny those
20 permits. So that we're not here a year from now
21 wondering whether or not this is going to get
22 off the ground. This is designed to get it off
23 the ground or determine that it can't get off
24 the ground.

1 Wynn is required to reach out to
2 Charlestown and report back to the Commission.
3 We didn't specify how they did that. We've left
4 it to them and left it to you. And we are going
5 to require them, we do require them and the
6 other licensees, the MGM licensee and the
7 Plainridge licensee, to come to us 30 days for a
8 while and then it will be every quarter, and
9 tell us when they are on various things that
10 we've imposed on them. And listen to them and
11 this will be one thing on the agenda that we'll
12 ask them to tell us what they're doing, what
13 they're hearing and what they're doing about
14 what they're hearing. So, that's a piece of the
15 Commission's ongoing supervision of the process.

16 Inevitably, Wynn will be meeting
17 with the city with the officials and the
18 transportation, the Public Improvement
19 Commission, other affected groups to work with
20 them to come to some kind of a mutually
21 agreeable approach to this.

22 The Commission will soon begin
23 deliberations, soon by next February dealing
24 with something called the community mitigation

1 fund which by then will have about \$20 million
2 in it that the Commission can use to deal with
3 any unanticipated consequences either of
4 construction or operation of casinos as they
5 proceed. So, the Commission will begin to do
6 its part and have its ability to do its part
7 with those monies beginning about February.

8 So, that in summary is what we did,
9 why we did it and how we got here. I think it's
10 important to emphasize that the Commission can't
11 do this alone, isn't planning to do this alone,
12 doesn't have any designs on doing it alone.
13 None of the other agencies can do it alone.

14 But what the Commission has done
15 through the licensing process is created a fund
16 of money that can be spent in a way that other
17 groups approve, including Wynn, including the
18 city, including MassDOT, approve to deal with
19 the Sullivan Square issues. And overall to
20 mitigate, to eliminate the impact of the
21 additional traffic that Wynn is going to put
22 through not only this roadway but the other
23 roadways that lead to the casino.

24 So, I'm going to stop here now. And

1 I think the next step is to take some questions.

2 REP. DANIEL RYAN: The next section
3 of the agenda here is the community questions
4 that were emailed to my office, which I then
5 sent to the Gaming Commission.

6 We did it that way so we could get
7 an understanding of what questions were coming
8 in so we could have actual real detailed answers
9 for people. And there will be an open half-hour
10 at the end or longer if we need it if some
11 people can stay -- I'm not going anywhere. --
12 for people to elaborate on that, but more
13 importantly to talk about the next steps.
14 Because as I said, this could be a long process.
15 Absent repeal, this is what we're going to be
16 working on for at least the next three years to
17 maybe 10, 15 years.

18 So, the questions we have, a lot of
19 questions that came in were similar. We're not
20 going to ask them all. They were put together.
21 A lot of like-minded questions were put
22 together. So, if you don't hear your question
23 verbatim, I hope you hear it at least the theme
24 of whatever question you may have asked. Then

1 again, feel free to email me again or whatever.

2 I left some cards out there.

3 Question one, given that New Jersey
4 has more than 2.2 million people than
5 Massachusetts and Atlantic City is within 96
6 miles of New York City with 8.4 million people
7 and is within 92 miles of Philadelphia 1.5
8 million people, what is so unique about the
9 economics of Massachusetts that it will
10 sufficiently support three casinos when three
11 casinos are closing in New Jersey?

12 COMMISSIONER MCHUGH: Let me take a
13 crack at that one, if I might. Atlantic City is
14 really suffering from the curse of being first.
15 If you recall, when gambling began -- Sorry.

16 Atlantic City is suffering from the
17 curse of being first. And when gambling began,
18 it was first in Las Vegas. That was the only
19 place it was allowed. Then it was allowed in
20 Atlantic City. Everybody went to Atlantic City.
21 There was a monopoly, an East Coast monopoly and
22 a West Coast monopoly.

23 So, casinos grew up like mushrooms
24 in Atlantic City as they grew up like mushrooms

1 in Las Vegas. There was no competition between
2 the casinos either in Las Vegas or in Atlantic
3 City because that was not the business model
4 that the operators used.

5 The business model they used was to
6 encourage players to come back to their casino.
7 And they did not -- There was plenty to go
8 around. They were the only games in town. They
9 had incentives for people to come and stick with
10 them. And they did. That was a business model
11 that worked effectively.

12 Now what's happened in Atlantic City
13 is there are about 20 casinos within an hour and
14 half of Atlantic City. And they are much closer
15 to Philadelphia. And they're much closer to
16 Baltimore. And they're much closer to New York
17 City.

18 And as a consequence, the monies
19 that once Atlantic City had a monopoly on, the
20 East Coast monopoly basically including New
21 England and that was before Foxwoods and Mohegan
22 Sun opened in Connecticut, that monopoly is
23 gone. And there is no real business model that
24 yet has replaced the old one. So, they're not

1 use to competing against other casinos for
2 casino dollars.

3 Massachusetts, the proposals we got
4 from Mohegan Sun and from Wynn were extensively
5 vetted by our consultants, a group called HLT
6 Consultants who have been long involved in the
7 casino advising and evaluation business.

8 They're a Canadian outfit. They
9 work for the Canadian government. They've done
10 a lot of work for them in analyzing the
11 economics of casinos. They've done a lot of
12 work in the United States. And they determined
13 that in this area, in the Boston area, a casino
14 can support economic players -- economic
15 players? -- can support approximately \$800- to
16 \$850 million in gross gaming revenues a year.
17 That's the difference between what somebody bets
18 and what the casino retains.

19 So, that's the analysis that they've
20 done. Their track record is good. They based
21 it on where people are going now and how we can
22 get those people to stay at home if there's a
23 local casino.

24 We also as a Commission looked at

1 the plans proposed by both of the applicants.
2 And the Wynn plan, which has been a successful
3 model in Las Vegas, relies quite heavily on the
4 upscale segment of the betting population, on
5 long-distance travel. And he is working and
6 they are working very hard on connecting with
7 the now nonstop flights between Boston and Asia.

8 They have approximately 280 tour
9 agents all over the world who they are going to
10 utilize to get people to come here. And they
11 are confident that their projections will fall
12 true in that area, about \$800- to \$850 million
13 in gross gaming revenues.

14 Moreover, their proposal had a rich
15 component of non-gaming revenues. His basic
16 idea, the Wynn team's basic idea is to build a
17 grand hotel. To build a hotel that economically
18 really can't be built anymore because it's not
19 economically sufficient to do so.

20 And to build the grand hotel, to
21 make it a place where people who come to Boston
22 whether or not they are interested in gambling
23 will stay and have restaurants at a high-end and
24 have shops at a high-end, nightclub at a high-

1 end that will attract additional dollars.

2 He's been successful with that in
3 Las Vegas. There's no reason to doubt that
4 he'll be successful with that here. So, that
5 was a lot of what went into the Commission's
6 analysis of that proposal.

7 I'll have more to say about his
8 proposal in answer to another question as we get
9 deeper into this period.

10 REP. DANIEL RYAN: A number of
11 questions came in that asked about Boston's host
12 community status and its impact compared to its
13 neighbors. Can you explain your thought process
14 of how stripping our community of surrounding
15 community status was helpful to the process in
16 dealing with mitigation? Can you also explain
17 your thought process on why we weren't
18 considered a host community because we will feel
19 more of a negative impact from this project than
20 Everett will?

21 COMMISSIONER CAMERON: I will take
22 that one. Okay, I think about four questions
23 wrapped up one there.

24 So, we had to look at this issue

1 obviously. We had many meetings, hours of
2 testimony and reviewed all kinds of documents,
3 all kinds of comments on this matter. But in
4 the end, to make the decision on host community
5 status, we really relied on the gaming statute
6 which says it describes host community in terms
7 of geography, in which municipality will the
8 gaming establishment be located. So, we really
9 relied on that to make the final decision that
10 in fact Boston was not a host community with
11 this project.

12 Now, the surrounding community is a
13 different matter. In contrast, the definition
14 there is municipalities in proximity to a host
15 community, which the Commission determines are
16 likely to experience impacts from the
17 development or operation.

18 Certainly, we believe that Boston is
19 likely to experience impacts, which is why we
20 spent so much time in our evaluations focusing
21 on mitigation for Charlestown and the city as a
22 whole.

23 With regard the word stripping, to
24 proceed with the licensing process we needed to

1 -- In order to move forward with the
2 application, it could not be complete legally
3 without a surrounding community agreement. So,
4 we hear that term but really in order to move
5 forward, we needed to de-designate and we took
6 the responsibilities for the impacts.

7 We took that responsibility
8 seriously. And as we talked about earlier in
9 the presentation, looked every aspect, looked at
10 every impact, had our consultants take a look at
11 everything. We talked a lot about
12 transportation. We also looked at housing and
13 schools and public safety impacts. So, we
14 really looked at everything with regard to this
15 and made sure it was covered in one fashion or
16 another.

17 We did this because Boston's
18 decision not to participate in the arbitration
19 and that resulted in the loss of the surrounding
20 community status. But we made it clear and we
21 continue to make it clear that Boston can reach
22 a surrounding community agreement with Wynn
23 despite the fact that there was not an
24 arbitration process.

1 So, I hope that answers a number of
2 those questions. Thanks.

3 REP. DANIEL RYAN: What is the
4 transportation demand management program that
5 Wynn Casino has committed to? How will it be
6 monitored and how will penalties be assessed if
7 it is achieved? What are the transportation
8 funds to Charlestown that Wynn will provide as
9 part of the conditions attached to the license?

10 What does the MGC recommend as next
11 steps that local leaders in the community need
12 to take to put in place a new street network for
13 Sullivan Square that will truly move safely the
14 cars, pedestrians, bicyclists and the disabled
15 and provide good access to transit and buses at
16 Sullivan Square?

17 Some of that may have been answered
18 in the presentation.

19 MR. MOORE: We'll go over a little
20 of this ground again, but I think it is
21 worthwhile.

22 Wynn has put together a really
23 comprehensive transportation demand management
24 program that focuses on patrons and employees.

1 And if we just put up the first slide, this is a
2 whole laundry list of things that Wynn will do
3 to encourage patrons to take public
4 transportation.

5 Now if you are local folks, you know
6 the T system. You know how to use public
7 transportation. They are obviously adding the
8 water transportation as an important additional
9 component, but also a lot of people coming to
10 the casino will be from out of town.

11 And if you look in the last one it
12 says coordinate with the Massachusetts Office of
13 Transportation and Tourism in the Convention
14 Center Visitor Bureau. So, it's a matter of
15 educating the concierges and the other folks who
16 deal with tourism to make sure that people if
17 they are at the Convention Center or they are at
18 a hotel downtown and they want to come to the
19 casino, they can get there without getting in a
20 car or a cab.

21 And conversely, if you're staying at
22 the hotel and you want to go to a show or
23 something downtown or do some historic walking
24 around, you can do that without getting in a

1 car.

2 One of the things that will happen
3 here is in the first year and in every year, the
4 mode split for patrons, which remember right now
5 is standing at about 70 percent by vehicle, 30
6 percent by public transportation, again, that
7 could change when the city of Boston issues
8 their permit, but if you use that as a guide,
9 every year the mode split will be measured.

10 And if these kind of efforts are not
11 enough to make sure that mode split is met, they
12 will have to ratchet up their game and present a
13 report to the Commission that outlines how
14 they're going to do that.

15 Now in addition to patrons which you
16 have less control over because they can choose
17 any way they want to travel, you have the
18 employees. That's the next slide.

19 Again, these are standard
20 transportation demand management policies.
21 However, I would point out two things. One
22 Commissioner Cameron already mentioned. There
23 will be no parking for employees except for a
24 few high level executives on-site. So, everyone

1 will have to either use public transportation or
2 go to an off-site lot and be shuttled to the
3 facility. Now, I'm getting to that. That's the
4 next part.

5 The parking facilities are primarily
6 north of the river in Everett, Malden and
7 Wellington Square. The employees will have to
8 drive to those locations and get shuttled. All
9 of the shuttles will go to the northern route,
10 and will not go through Sullivan Square. If you
11 do get off at Sullivan Square, you will get on
12 an existing bus and take the bus up and get off
13 and go into the casino.

14 But most importantly and overriding
15 all of these specific issues is Wynn has
16 committed to having their shift change at off
17 peak hours. So, the employees at that critical
18 time at five o'clock or in the rush-hour, there
19 will not be shift change during that time. The
20 shift change will be in off peak hours.

21 So, we'll do all of these things or
22 will do all of these things to ensure that they
23 get that 40 percent by vehicle, 60 percent by
24 public transportation. The 40 percent will take

1 shuttles but that will happen at off peak. And
2 I think that's a pretty compelling overriding
3 issue in terms of how to manage the employees.

4 Clearly, Wynn has control over their
5 employees and can manage this much more
6 positively than you can with the patrons.

7 Next slide, an additional
8 requirements that the Commission imposed. One
9 we already talked about was the annual
10 monitoring by an independent third-party to look
11 at the mode split, number one. And also to look
12 at how many vehicles are coming through Sullivan
13 Square and are they meeting their goal.

14 And at the end of that reporting
15 every year, they will report to the Commission
16 on results and come up with a plan if they're
17 not meeting their mode split.

18 An additional requirement is this
19 transportation incentive payment, which we've
20 already talked about. If they're not meeting
21 that goal, that's not a percentage that's a
22 number of vehicles coming through Sullivan
23 Square, if they're not meeting that goal, they
24 will pay \$20,000 per vehicle per year with a cap

1 of the \$20 million.

2 So, when you get down to the bottom,
3 you have the incentive payments the maximum \$20
4 million plus the \$25 million long-term for
5 Sullivan Square, plus that short-term fix which
6 we've tagged at \$6 million that all is going
7 towards a pot that will generate money for the
8 long-term improvements.

9 Next slide. So, what are the next
10 steps? Complete the supplemental final EIR and
11 the Boston permitting with the PIC for the
12 short-term plan and that's funded by Wynn, all
13 of those improvements. Agree on a Sullivan
14 Square/Rutherford Avenue long-term plan. And
15 that's not in the Commission's purview. That's
16 the consensus that Commissioner McHugh was
17 talking about.

18 And finally, leverage the Wynn
19 contribution that \$50-odd million for a long-
20 term plan with additional funding -- Clearly,
21 there will be the need for additional funding.
22 -- to construct a plan. And hopefully that will
23 be done at a maximum of a 10-year horizon.

24 REP. DANIEL RYAN: There have been

1 reports that that the Mohegan Sun Casino in
2 Connecticut faces significant financial troubles
3 because of the Gaming Commission's selection of
4 the Wynn proposal over Suffolk Downs.
5 Specifically, Mohegan Sun's Connecticut casino
6 company is highly leveraged and could face
7 significant debt repayment just as Wynn's
8 Massachusetts casino opens sometime in 2017.

9 How much of a factor was the
10 crippling of a Connecticut casino competitor in
11 the Commission's award of the license to Wynn?

12 COMMISSIONER MCHUGH: I'll take that
13 one. The short answer to the last of those
14 several questions was none. The Mohegan Sun
15 proposal insulated their Connecticut facilities
16 from their proposed Revere facility. So, the
17 last question crippling them that wasn't a
18 factor at all.

19 What was a factor and what was the
20 deciding factor is that this is basically a jobs
21 and economy bill. And in terms of jobs and
22 economy, the Commission felt that the Wynn
23 proposal had it far over the Mohegan Sun
24 proposal.

1 Let me give you some numbers. Jobs,
2 Mohegan Sun projected 3172 full-time and part-
3 time employees. Wynn projected 4382 full-time
4 and part-time employees plus 400 in the retail
5 establishments of which they didn't have any
6 control. So, that was about 1400 more jobs.

7 Payroll, the payroll plus benefits
8 for full-time equivalents were at \$39,144 under
9 the Mohegan proposal in year one, and \$43,371 in
10 year five. For Wynn, the year one proposed
11 figures were \$51,773 and for year five \$56,703.
12 Both of those numbers do not include benefits,
13 healthcare benefits which typically were
14 supplied either through union contracts or where
15 they've agreed to meet the prevailing provision
16 of those benefits in this area. So, that's an
17 add-on to those numbers.

18 Investment, Mohegan Sun's building,
19 the cost of its building, the cost to put the
20 building in the ground plus the furniture,
21 fixtures and equipment was \$586 million. The
22 comparable figure for Wynn was \$1.05 billion.

23 The local purchasing, Mohegan Sun
24 had committed to \$62 million a year, Wynn has

1 committed to \$95 million a year. Local
2 purchasing for food, supplies, services and the
3 like.

4 Gross gaming revenues, they are
5 about the same, but as I said a minute ago
6 projected to be about the same and both
7 projections were in the eyes of our advisors
8 realistic. But the Wynn proposal was aimed at a
9 higher-end gambler. And as a consequence, they
10 proposed to have 1000 fewer slot machines than
11 the Mohegan Sun proposal and more table games.
12 And it's the table games that attract higher-end
13 bettors. The slot machines are huge revenue
14 generators, but they also bring with them
15 problems in a velocity and a quantity that table
16 games do not bring with them.

17 In addition to that, there is the
18 difference in the overall business models that I
19 described to you in answering another question.

20 REP. DANIEL RYAN: Several questions
21 were submitted regarding the land deal in which
22 three individuals were recently indicted. Can
23 you please explain the situation and what
24 actions the Commission took? Explain Chairman

1 Crosby's recusal, the reduction of the cost of
2 the land from \$75 million to \$35 million, and
3 what impact the indictment will have on the
4 project in the future?

5 COMMISSIONER MCHUGH: Yes. Thank
6 you, Representative. I want to spend a second
7 on this because this has obviously and
8 appropriately received a significant amount of
9 publicity. So, I'm going to spend a minute with
10 you going back to the beginning and walking
11 through the process as it occurred.

12 Everybody who applies for a gaming
13 license is subject to a background
14 investigation. These are deep and detailed
15 background investigations. They are
16 investigations not only of the company itself,
17 all affiliated companies but the individuals who
18 are in a position to exercise control over the
19 operations of the applicant or the licensee.

20 And they are subjected to, I've said
21 it now twice, a very thorough background
22 investigation. It takes weeks. We send
23 investigators all over the globe looking at
24 individuals, interviewing individuals, digging

1 up records and the like.

2 And we do this to make sure that in
3 the end the people who are in a position to
4 influence the operation of the gaming facility
5 do not have a criminal background.

6 In the course of doing the
7 background investigation for the Wynn applicant,
8 we looked at, as we did for every applicant, the
9 sellers of the land that they were to buy. And
10 they are not required in and of themselves to
11 undergo a background investigation. But we
12 investigate them to see whether or not it is
13 simply a one-time sale, in which case that's
14 fine, or whether they have some ongoing
15 connection with the gaming facility.

16 We investigated the background, we
17 investigated the sellers FBT Realty and its
18 principles, a man named Lozzi, a man named
19 DeNunzio, a man named Gattineri, to see whether
20 not they were in a position to control or
21 influence the operations of Wynn if Wynn got the
22 license.

23 Our Investigations and Enforcement
24 Bureau, which is staffed by the Commission

1 employees, our director of security, who has
2 long been in law enforcement, her whole career
3 has been in law enforcement, and the state
4 police team permanently assigned to us, two
5 lieutenants, a sergeant, and a number of
6 excellent troopers concluded after their
7 investigation that none of those individuals,
8 Gattineri, Lozzi or DeNunzio were in a position
9 to influence Wynn. That they were one-time
10 sellers of the land. And they were simply the
11 landowners.

12 But that some of them had not
13 cooperated with the Gaming Commission's
14 investigation, and in fact perhaps have lied to
15 the Gaming Commission about who in fact an owner
16 of the land. And that led to the discovery of a
17 man named Charles Lightbody, and some
18 considerable concern that he was an undisclosed
19 owner of the land.

20 Undisclosed not the disclosure would
21 have change the conclusion that they were not in
22 a position to influence Wynn but undisclosed
23 because people had lied about his existence and
24 relationship.

1 So, when the Investigations and
2 Enforcement Bureau learned of that, they went to
3 Wynn and said, look, your people are not
4 cooperating with us. Your sellers are not
5 cooperating with us. We don't think we're
6 getting a true picture of what's going on here,
7 and asked Wynn to do something about it.

8 Wynn had in its purchase and sale
9 agreement a noncooperation clause which said
10 that certain things could be done by Wynn if it
11 turned out that the landowners were not
12 cooperating with investigations that were
13 critical to Wynn getting the license it was
14 applying for. Sensible arrangement.

15 So, Wynn went to them, talked to
16 them. Who knows what they said. We were not
17 party to that. And came to us and said look,
18 here's what we propose to do. We are satisfied
19 that there has been some misconduct on these
20 people's part. And as a consequence, we've said
21 to them we're only going to go through with this
22 deal if we knock down the purchase price from
23 \$75 million to \$35 million.

24 Why \$35 million? Because an

1 appraiser who they hired, one of the best
2 appraisers in the region concluded that the land
3 was worth \$35 million no matter what it was sold
4 for. That if it was sold for a Target store,
5 that if it was sold for a warehouse building,
6 that if it was sold for a cinema complex, that
7 if it was sold for the kind of facility that's
8 right across right on the other side of the
9 railroad tracks there today, it was worth \$35
10 million with a \$10 million reserve for the
11 cleanup. So, it would net to the sellers \$25
12 million.

13 So, they proposed that they would
14 knock down the price from \$75 million to \$35
15 million in effect to take the casino premium out
16 of the purchase price. The sellers would come
17 into this deal with something that they could
18 turn around tomorrow and sell it to anybody for
19 35 million bucks. They wouldn't get a bump in
20 price because it was going to a casino owner
21 with deep pockets. And that's the remedy they
22 proposed to the Commission.

23 The Commission after some discussion
24 and thought concluded that that was an

1 appropriate way to deal with this. But also,
2 but also required the three owners Gattineri,
3 Lozzi and DeNunzio to sign certificates saying
4 that they would be the only equity participants
5 in any sale proceeds.

6 And in addition to that said that
7 because they had lied or we thought that they
8 had lied, we wanted all of the information that
9 the Commission's IEB, Investigations and
10 Enforcement Bureau, developed sent to the
11 Suffolk County District Attorney, the Attorney
12 General and the US Attorney. And that was done.

13 So, all of our information, all of
14 the stuff they told us, all of the documents
15 they gave us, all of the various forms of the
16 same documents that they gave us went to those
17 law enforcement agencies. And that is what
18 triggered the grand jury investigations that led
19 to the current indictments.

20 The Gaming Commission does not have
21 prosecutorial powers. It's really important to
22 keep separate the powers of the prosecutor and
23 the powers of the regulators, because we have
24 much broader powers to require people to tell us

1 things and to produce documents for us than the
2 prosecutors do. Because in a prosecutorial
3 criminal situation, people have fifth amendment
4 and other important rights that they can assert.
5 They can't assert them in a regulatory
6 environment.

7 And we've got to be careful to keep
8 the line drawn between prosecutorial activity
9 and regulatory activity. That's why we handed
10 off to the prosecutors and say here's what we
11 got. We think it's not good. Take a look at
12 it. And they did, the indictments resulted.

13 So, what's the results of the
14 indictment? The indictments confirm that Wynn
15 had no knowledge of and did not participate in
16 any wrongdoing by any of the owners of FBT.

17 The sellers, none of those sellers
18 will have any role in the ongoing operations of
19 the with establishment once the license issued.
20 There is no casino premium for the sale by FBT
21 to Wynn. That casino premium is gone.

22 Regardless of whether this deal goes
23 through or not, those people still have piece of
24 property worth 35 million bucks that they can

1 sell to anybody that they want. And they're not
2 going to get more than that \$35 million from
3 Wynn.

4 And if they lied, if it's proven
5 that any of those people lied and that the lies
6 led to the payments they're going to receive,
7 even the \$35 million payment, and actually its
8 25 because the \$10 million reserve for cleanup
9 is still there. So, it's a net of 25. But if
10 it's proven that they lied and the lies led to
11 the receipt of the \$25 million under the federal
12 lawsuit, federal criminal proceedings, they're
13 going to forfeit that to the government. So,
14 they're going to walk away with no profit of any
15 kind at all from the sale of this land.

16 If the government proves that they
17 lied, but that the lies didn't lead to money,
18 i.e. they told these lies but they would've
19 gotten the money without the lies, which is
20 conceivable under this situation, then they
21 still face substantial time in prison for lying
22 to us. So, the system worked.

23 And the system worked in the
24 division of labor between the Gaming Commission

1 and the Investigations and Enforcement Bureau
2 and the law enforcement people.

3 What about Crosby? Steve Crosby,
4 the Chairman of the Gaming Commission had a
5 business relationship with one of the three
6 owners of FBT, one of the three principles a man
7 named Lohnes -- I said some other name before,
8 but I got it garbled. It's Lohnes. Lohnes was
9 an investor in a business that Crosby ran at one
10 point.

11 That business relationship ended 25
12 years ago. He's had no business relationships
13 with Lohnes since then. He's had few social
14 interactions with him since then. And Lohnes
15 did nothing wrong. Lohnes did not get indicted.

16 Chairman Crosby recused himself,
17 although he made a disclosure to the Ethics
18 Commission of his relationship with Lohnes, he
19 recused himself out of an abundance of caution
20 so that his prior relationship, a relationship
21 that ended 25 years ago wouldn't taint the
22 process.

23 That's the answer as complete and
24 thoroughly as I can give it.

1 AUDIENCE MEMBER: So, is there a
2 purchase and sales that's been signed and
3 confirmed the \$35 million for the sale of
4 property?

5 COMMISSIONER MCHUGH: Yes. That was
6 done after the meeting at which that was
7 proposed. That's it. That's the deal.

8 AUDIENCE MEMBER: Why Suffolk
9 County?

10 COMMISSIONER MCHUGH: Because the
11 statements that they made to us were made at our
12 headquarters in Boston. Nobody suggests that
13 their original acquisition of the land in
14 Everett was tainted. The taint is the lies that
15 we believe they told us. Those lies were told
16 to us in Boston.

17 AUDIENCE MEMBER: What happens if
18 it's repealed?

19 COMMISSIONER MCHUGH: This purchase
20 and sale agreement is contingent on a sale being
21 consummated. It won't be consummated if it's
22 repealed. But that doesn't end either the state
23 or federal indictments. The whole thing could
24 go way but the indictments remain. The

1 prosecution will go forward because the lies
2 were made.

3 REP. DANIEL RYAN: I also want to
4 recognize Eric White from City Councilor Ayanna
5 Pressley's office came in while we were talking.
6 Thank you very much.

7 How can the Mass. Gaming Commission
8 guarantee safety from those drivers under the
9 influence? Also there were several questions
10 submitted asking about plans to mitigate air
11 pollution, crime and other social problem
12 sometimes associated with a casino moving into
13 an area.

14 Can you please speak to an
15 mitigation plans to cover costs associated with
16 these issues?

17 COMMISSIONER CAMERON: I'll take
18 this one. So, this is an issue. Wherever you
19 get large groups of people together, there will
20 be more incidents that occur. Right? This
21 happens in Foxboro every other week when there's
22 a home game. There are more incidents that
23 occur.

24 But it's how you handle these things

1 I think that is critical. And I personally am
2 pleased. I spent a lot of years working on
3 these type of issues. I've spent a career in
4 public safety and had oversight for all of the
5 casinos in Atlantic City. And we'd get
6 information. The Feds would be off doing one
7 investigation, the State Police something else,
8 the local police may be looking at something
9 else. And frankly there wasn't great
10 coordination.

11 One of the things that I'm most
12 hopeful about here is that coordination. And
13 that's already begun. One of the things we're
14 looking at as far as crime and crash and OUIs is
15 a baseline study.

16 In fact, we're in a process right
17 now down in Plainville, because that will be the
18 first facility opened. They're scheduled to
19 open in June. We've pulled together meetings
20 with all of the local police chiefs, surrounding
21 communities, host community, State Police and
22 talked about how we look at this and how we
23 gather information. And how we put public
24 safety solutions in place immediately.

1 So, I am actually very pleased at
2 the level of coordination. And this is all part
3 of the research agenda, by the way, which will
4 handle problem gaming a real-time manner.

5 We're not aware of any jurisdiction
6 anywhere, certainly not in this country that has
7 put this kind of effort in and attention into
8 these issues. Meaning baseline, what is the
9 crime like now? What are the traffic
10 conditions, OUIs, all of that will be looked at
11 ahead of time. And then with the help of really
12 willing police chiefs and public safety
13 officials who really care about these issues,
14 looking at collecting the data real-time.

15 So, if there's a change we should
16 know about it immediately and put a plan in
17 place to address it. For example, if there's a
18 problem with an OUI, we need an additional
19 police detail immediately, there will be
20 mitigation monies available for that. If
21 there's an intersection that for whatever reason
22 we didn't anticipate having a problem around
23 crashes due to additional casino traffic, we'll
24 be able to address that immediately.

1 So, I am personally pleased to see
2 this level of coordination and plans that
3 hopefully will keep it as safe and secure as
4 possible, as we possibly can with these matters.

5 REP. DANIEL RYAN: Last one and then
6 we'll open the floor. A number of commenters
7 noted that the Commission had difficulties with
8 Wynn's transportation plan.

9 How does the Commission square what
10 is to be done in the long-term versus the short-
11 term and what is the plan? Shouldn't Wynn be
12 required to complete Rutherford Avenue/Sullivan
13 Square infrastructure before the opening? I
14 think that's another one that's kind of been
15 answered.

16 COMMISSIONER MCHUGH: I think this
17 has been addressed certainly a number of times.
18 And the components of it are there. If there
19 are more questions, we can try to deal with them
20 in the next session.

21 But really, the idea is that the
22 Commission can't do this alone. A collaborative
23 effort is necessary. The Commission has tried
24 to incentivize that collaboration. The

1 Commission very much remains committed to
2 working with everybody who is trying to come up
3 with a solution and a permanent and durable
4 solution to this difficult problem and will
5 continue until the solution arrives.

6 REP. DANIEL RYAN: And we had people
7 sign in to make public comments. And I'll just
8 read them off the list as they signed in. We
9 have the microphone there. Any short answers, I
10 think we'll try to get answered. But this is
11 really to get the questions out there and have
12 them answered in detail at a later date. The
13 first is Steve Spinetto.

14 MR. SPINETTO: Thank you. Also, I
15 wanted to thank Jim McHugh for his vote against
16 the Everett casino when he voted.

17 First of all, Mr. Moore, on the plan
18 that you showed up there, it talked about
19 widening the streets. I know that's not the
20 current plan, but I assume that the long-term
21 plan might have some of the same components.

22 How do you make Cambridge Street
23 bigger? The sidewalks are narrow as they are
24 now. Where does the extra lanes or land come

1 from to make the street wider?

2 Secondly, is the plan going to
3 involve the Charlestown community? This
4 community has worked for a number of years to
5 develop the Rutherford Ave./Sullivan Square
6 plan. Right now, you mentioned that there are
7 ongoing talks. Is this plan being developed by
8 Wynn or is it being developed at the city of
9 Boston, because there's a difference.

10 I'm a planner. And there's a
11 difference in who brings in the planner whether
12 the plan is being designed for us, the
13 Charlestown residents to accommodate to make it
14 work for Wynn or is it for Wynn to design a plan
15 so he can get people to his casino? That's a
16 huge difference in how you approach a problem of
17 design.

18 This is more of statement nothing
19 about us without us. The way this is being
20 developed now it seems to be he had this turf
21 over in Everett and now it's on our turf. Sorry
22 but I think this needs to involve the community
23 in its process more than it has.

24 MR. MOORE: And as I mentioned, Wynn

1 is coming up with the plan because it is their
2 responsibility to come up with a plan. But it
3 is a plan that has to be embraced by the state
4 Department of Transportation because they have
5 responsibility for the off-ramp and the city of
6 Boston. And that's why the current plan in the
7 final EIR needs additional work.

8 The other imperative that you saw in
9 that long request by the MEPA unit is that the
10 short-term solution be compatible with the long-
11 term solution. Wynn did not start with a clean
12 slate. They had the information has been
13 developed over the last many years in terms of
14 the long-term solution. And Wynn's charge is to
15 make their short-term solution as compatible as
16 possible with the long-term solution.

17 So, what you're seeing there is
18 essentially the Phase I of the long-term
19 solution. And it is also designed because there
20 is state land on what would be the west side of
21 Cambridge Street. And there's discussions, the
22 MBTA is another principle in this area because
23 that connection between Maffa Way and Cambridge
24 Street is critical to the traffic circulation.

1 That has to be widened and approved.

2 And the MBTA needs to participate
3 and approve whatever re-changes to the geometry
4 of the road or the parking area in that area.
5 To put traffic signals that make left-hand
6 turns, not block traffic, to get enough storage
7 lanes.

8 And to look at the entire Sullivan
9 Square in its entirety. It's very important as
10 Commissioner McHugh noted that the short-term
11 solution is not going to solve the problem. The
12 only thing the short-term solution is designed
13 to do by state regulation is to mitigate the
14 Wynn traffic.

15 So, if the short-term solution is
16 agreed to and it works, you will see Sullivan
17 Square essentially operating the same as it does
18 today. That's not a solution, hence the long-
19 term solution.

20 And the twin side of the approach
21 here is not solely -- because a typical project
22 only needs to deal with the short-term solution.
23 Wynn has added based on requirements through the
24 MEPA process and requirements by the Commission

1 to participate significantly in the long-term
2 solution.

3 And the long-term solution is really
4 where I think we all need to get to as quickly
5 as possible. And the catalyst for that is
6 essentially a financial catalyst to help move
7 that process along.

8 AUDIENCE MEMBER: In my opinion,
9 participation should be his money and that we
10 drive the design.

11 MR. MOORE: Absolutely. Wynn cannot
12 put a shovel in the ground until the city of
13 Boston, presumably with your input and MEPA
14 process with your input approves this process.
15 It cannot happen without your input.

16 AUDIENCE MEMBER: Sir, we've been
17 going through this process for 20 years, going
18 to meetings about Sullivan Square
19 infrastructure. So, if we can't do it in 20
20 years, how is Wynn going to do it and what time
21 span is he allowed?

22 MR. MOORE: I think there are some
23 people in this room that would argue that you
24 have a plan that is ready to go. That may not

1 be universally approved but there are some
2 people that have a plan.

3 There has to be a consensus and
4 there has to be a give and take on a plan.
5 There are several on the table. The issue that
6 I see that is slowing the process up now is it
7 is a very expensive plan. So, one of the ways
8 to move things along is a financial commitment.

9 REP. DANIEL RYAN: The next person
10 on here Pell Osborn. All set? Okay. David
11 Hennessey? Okay, great. Kathleen Santora.

12 MS. SANTORA: My questions were
13 pretty much answered in the presentation. I'm a
14 Boston resident and I am in the building trades.

15 And I want to make sure that
16 residents are going to get first crack at the
17 jobs that are going to be generated here and
18 equitable wages, good union wages.

19 The other thing I'd like to know is
20 if all of this goes through when is it going to
21 start? If Coakley gets elected and this doesn't
22 get repealed when is something going to happen
23 because this is crazy.

24 COMMISSIONER MCHUGH: First of all,

1 the statute and the regulations that we've
2 issued and the conditions that we've imposed on
3 Wynn all require good jobs. There's a
4 significant discussion of union in there. And
5 there has to be a labor harmony agreement, a lot
6 of things in there.

7 I forgot exactly what the wage scale
8 is, average wage scale for the construction
9 jobs, but it is substantially higher than the
10 permanent jobs. These will be good jobs. The
11 Commission is convinced of that.

12 The second thing is when is it going
13 to start? It's going to start as quickly as we
14 get through the permitting process. They are
15 prepared to start -- And the permitting process
16 doesn't all have to be accomplished at once.

17 They are prepared to start, for
18 example, doing the test pourings and things that
19 are necessary to do the site remediation within
20 months. And I think that if the permitting
21 could go well, the other construction could
22 start in the spring.

23 MR. MOORE: It's estimated to be
24 approximately a 36-month construction period.

1 REP. DANIEL RYAN: Next name Dan
2 Kovacicic, please.

3 MR. KOVACIVIC: I appreciate your
4 candor and your help in helping us understand
5 this whole thing. But the one thing that I
6 don't understand is the high rollers coming to
7 Boston to what looks like a Holiday In only
8 bigger. First of all, the design is awful. And
9 I know you had mentioned that there was going to
10 be some addressing of that. And I hope to see
11 something soon.

12 But the second part of it is the
13 high rollers. Why would someone with that kind
14 of money choose Boston, which closes at two
15 o'clock in the morning from Macau or Las Vegas
16 or London and come here?

17 They may come once on the free ride
18 on Wynn's jets, but they're not coming back.
19 You're going to see -- or at least I think if
20 you study the sociology of these people and
21 understand what else they are looking for
22 besides a gaming table, because they're not
23 going to play the game 24 hours a day.

24 They're going to be looking for

1 other entertainment, a wide variety of
2 entertainment at very, very high levels. And I
3 do not think Boston can provide it for them in.
4 And I'm wondering if you looked at the character
5 and nature of his "customers". Thank you.

6 COMMISSIONER MCHUGH: We didn't vet
7 his customers. But this is one of the world's
8 great cities. There are -- This is one the
9 world's great areas. Is that unrealistic?
10 Isn't it? Isn't it? It is.

11 AUDIENCE MEMBER: (INAUDIBLE)

12 COMMISSIONER MCHUGH: It seems to me
13 and it seems to us we looked at his projections.
14 We've looked at his business plan. And somebody
15 who is willing to put \$1 billion behind that
16 plan must know something, and somebody
17 particularly who has a track record of success
18 in highly competitive environments over a very
19 long period of time. And that it seems to me
20 speaks volumes.

21 REP. DANIEL RYAN: Just quickly, its
22 7:47, I want to try to get through the list.
23 There's about 10 more names. I think maybe stop
24 again at 8:00 and check in with people and then

1 if we want to proceed, we'll keep going.

2 Annette Tecce is next.

3 MS. TECCE: Good evening. I spoke
4 before you fellows four times already. First of
5 all, I just want to thank you for all of the
6 work that you've done. And I know it takes an
7 awful lot to do what you have.

8 I still want to address -- I have
9 spoken to you before as a representative of the
10 Friends of City Square Park where we had a
11 traffic corridor situation almost destroy our
12 town. And the thing that I see, the potential
13 of here and especially when seeing Wynn's first
14 attempt. And his first attempt to get traffic
15 through is to down buildings the widen streets.

16 And when that happens that means
17 Charlestown is only designated a traffic
18 corridor for one company. And I think that's a
19 real detriment to our community. We've worked
20 very hard on all of the gateways into
21 Charlestown, Sullivan Square being the last one.
22 And we came up with an agreement on what that
23 design should be, how to grow the rest of our
24 community with businesses, jobs, offices,

1 retail, whatever the market would bear.

2 And the plan was accepted. We are
3 ready to go. Wynn comes along and all of a
4 sudden everything is based on one company. And
5 that's a deterrent to our community. And I know
6 he'll work with us but the main focus is a
7 traffic corridor. That divides the rest of our
8 town. That takes the neck of our town and says
9 that's gone. That's gone. That's a real
10 problem.

11 So, I don't know how that gets
12 fixed, but I think you really have to take it
13 into consideration because it's a true
14 detriment. Thank you.

15 REP. DANIEL RYAN: Thank you. Doug
16 Pope.

17 MR. POPE: Thank you. You answered
18 my first question very well and I thank you for
19 your articulate thoughtful answers.

20 But in the course of your
21 conversation, there's something that confused
22 me. You said that there is effectively a 90-day
23 period to negotiate with the city of Boston.
24 And yet I've heard that we do not have a

1 surrounding city agreement because the Mayor's
2 office didn't participate with an arbitration
3 process.

4 So, if there's not a surrounding
5 city agreement what happens if the negotiations
6 with the Mayor doesn't go well as I hear they're
7 not playing well in the sandbox that Wynn is not
8 playing well in the sandbox with the Mayor's
9 office. What kind of position doe that put the
10 Commission and what kind of enforcement do you
11 have in that regard?

12 COMMISSIONER MCHUGH: I think I can
13 answer that one. The 90 days is the 90 days to
14 get a permit application before the Public
15 Improvements Commission.

16 If there is no collaboration with
17 the city before that's put before the Commission
18 and it's unacceptable then the license doesn't
19 get granted. And the license never gets
20 granted. And the project can't move forward.

21 REP. DANIEL RYAN: Moe Gillen.

22 MR. GILLEN: Moe Gillen, longtime
23 resident of Charlestown. I have some questions.
24 What we are given over and over again is the

1 issue at Sullivan Square. And many of us have
2 various views on the Sullivan Square.

3 It seems to me that it would be
4 better for you people and Wynn if you answered
5 some of the other questions not pertaining to
6 Sullivan Square such as what actually is the
7 access road and what is the location in relation
8 to Sullivan Square?

9 What are the exit roads from the
10 casino? What are the service roads going to be
11 on there when the vendors have to get their
12 stuff in there? What about the fire lanes and
13 public safety lanes, not only within the
14 casino's boundaries and the approaches with this
15 difficult funnel that you're going to have to
16 put us in.

17 What about if in fact the traffic is
18 going to come in off of Alford Street into the
19 casino and you people haven't been totally
20 forthcoming in a public way in Charlestown as to
21 how they will access it?

22 And you talk about the traffic and
23 the impact, what is the impact and on the
24 quaying of the traffic on Alford Street of 800

1 cars versus to go along with the 2000 cars that
2 are also going along that aren't going to the
3 casino?

4 So, I think we're entitled as a
5 community, we're entitled as a community to know
6 what are the other ways other than through
7 Charlestown that traffic will go in and come out
8 of the casino? And what is your intentions as
9 far as making a connection to the Everett
10 Gateway Mall and in the Assembly Square Mall
11 within the casino property, so again, alleviate
12 traffic from having to come through Charlestown.

13 And I think it's only fair that you
14 give us the answers on the sites how you expect
15 them to get in and out so then we can make a
16 better judgment of what the real impact will be
17 on Sullivan Square.

18 MR. MOORE: There will be two
19 entrances into the casino. The main entrance is
20 about one mile north of Sullivan Square. That
21 section of the roadway will be widened. There
22 will be two left-hand turns into the casino if
23 you are traveling northbound which is more than
24 adequate to deal with the peak hour without any

1 queuing back onto the bridge and into Sullivan
2 Square.

3 AUDIENCE MEMBER: That's an opinion,
4 right?

5 MR. MOORE: No, that's been --

6 AUDIENCE MEMBER: That's an opinion.

7 MR. MOORE: No, that's not an
8 opinion.

9 AUDIENCE MEMBER: We need to know
10 what's the access. You have the Anderson on one
11 side of the street and you have the gas station
12 on the site plan that was also given to us as a
13 gift from the city on the other side. Where are
14 you going to expand? What takings are you going
15 to take? Are they going to be taken in
16 Charlestown? Are they going to be taken in
17 Everett? And if they're taken in Everett and
18 not Charlestown, where does that leave us? You
19 have to answer the impact to Charlestown of the
20 casino other than fixing Sullivan Square.

21 COMMISSIONER MCHUGH: I think that
22 those are all really good thoughtful questions
23 and they are thoroughly addressed in the MEPA
24 filing, the 6000-page document that I talked to

1 you. Wait a minute. Wait a minute. I'm not
2 trying to obscure things. Because I didn't
3 finish.

4 And I think that we need to put on
5 our website some of the plans that we have and
6 extract them from those documents. We all used
7 them during the evaluation process. They are
8 there. I think we need to go back and take a
9 look at them and get them out and put them up so
10 that you can see them. And we will do that. I
11 think this is a good thought about that.

12 The problem though at the moment is
13 that the final documents had not been filed in
14 the MEPA process. As soon as they are, we will
15 make sure that those up so that everybody can
16 take a look at them so that you can have a basis
17 for making the comments that I talked about
18 you're invited to make. I think that's a good
19 idea and thank you for those questions.

20 REP. DANIEL RYAN: The next speaker
21 on the list is Christine Amisano. I want to
22 jump in a second here too. As we continue to
23 talk about what Moe and other folks have brought
24 up great points about Sullivan Square and

1 Rutherford Avenue.

2 It's a mess. We know that. If the
3 casino goes away tomorrow or if it goes away
4 November 4, we are still dealing with a messy
5 Rutherford Avenue/Sullivan Square. These
6 questions are not all casino related.

7 We can make the argument the casino
8 makes it worse, but I have committed to fixing
9 Sullivan Square. I've been yelling about that
10 for 10 years to anyone that will listen.

11 I live on Essex Street. I drive my
12 kids to school every day and go down Rutherford
13 Avenue. Because I get home late at night, I
14 park on Rutherford Avenue on those secret little
15 spots that I try not to tell anybody about but
16 people are starting to find out where they are.

17 So I am making a commitment here.
18 Regardless of what goes on with Wynn that's one
19 component of it. We need to meet together as a
20 community, continue to meet regarding Sullivan
21 Square and Rutherford Ave. And I think as a
22 speaker said earlier, because it's the last
23 gateway we haven't fixed.

24 And I got permission from my wife to

1 do that every night if we need to as long as I
2 don't come home smelling like cigars, we will do
3 that every night and work on those issues. I'm
4 sorry go ahead.

5 MS. AMISANO: That's okay. Thanks,
6 Danny. Welcome and thank you for coming
7 tonight. Thank you for being as measured as you
8 are.

9 If I were in your situation, I would
10 be hopping up and down. So, I think it is
11 wonderful that we have people who can calmly
12 address our concerns.

13 That being said the one thing I
14 didn't hear is regarding the 540 additional cars
15 on the street, who measures this? I have no
16 sense of how anybody can sit at that circle and
17 are they going to be measuring the additional
18 traffic daily to find out? Or Friday afternoon
19 to find out whether or not they made their quota
20 or they've gone over it? So, that's number one.

21 Number two is whose position is it
22 or which constituent should be encouraging Wynn
23 to look at utilizing what we've already got in
24 terms of public transportation, the hubs being

1 Sullivan Square and the new Assembly Row
2 station. And getting the boats perhaps to come
3 across at those points.

4 Or is it a shuttle bus? Or do they
5 build something underground that whisks them
6 away from that transit point directly to the
7 casino? If you could address that, I've
8 appreciate it. Thank you.

9 MR. MOORE: Well, with regard to
10 traffic, there is a unique situation here in
11 that between Sullivan Square and the casino
12 there aren't too many alternative routes.

13 If you make a right turn out of the
14 casino, there is only one place you can go and
15 that's Sullivan Square. If you're coming north
16 out of Sullivan Square turning left into the
17 casino, you can identify those locations and
18 measure them very accurately at an appropriate
19 time and appropriate number of times to get a
20 statistically significant answer to answer that
21 question. So, we are fortunate in the way the
22 situation is laid out geographically.

23 And the second question is Wynn is
24 further refining their shuttle bus plan.

1 They've committed that if there is a hot spot
2 where there's a number of employees in a certain
3 neighborhood, they'll actually have a special
4 shuttle bus for those specific neighborhoods.
5 So, they are very interested in managing their
6 employee transportation needs. And I think that
7 you will see that evolve over time.

8 REP. DANIEL RYAN: Jenn Herlihy.

9 MS. HERLIHY: So many things to say.
10 I'm going to try very hard to sum it up. And
11 I've seen several of you. I've been in front of
12 you I think twice. So, third times a charm.
13 Here I am.

14 I've warned you of the concerns of
15 Charlestown. Thank you, Your Honor, for using
16 common sense to realize that this is not the
17 best location based upon the factors that were
18 able to lie a stream.

19 And what we're left with now is
20 hearing additional information that none of us
21 were aware of that's actually even more
22 troubling to me. We didn't know about these
23 criminal indictments. We didn't know that this
24 information had been sent to all of these legal

1 authorities. But members of the Commission did.

2 And yet that disgusting subset of
3 humanity that is going to sell him this property
4 doesn't raise any concerns for the Commission,
5 that's one major problem I have. I'm also
6 hearing all about these things that are all
7 possibilities. We're still waiting for it.
8 It's unexpected changes. He hasn't even got a
9 MEPA plan approved and yet this is the person
10 that we give a license to.

11 And if you were looking outside,
12 traffic was completely stopped for a while we
13 were talking about traffic problems. And it was
14 7:10 at night. It's not the peak hour. It's
15 all the time.

16 And people are going to cut through
17 Bunker Hill. And they're going to cut through
18 Main Street and Medford. And we have kids out
19 there. And everything we've built, everything
20 we've done in Charlestown trying to make this a
21 great community is going to be taken away by one
22 man who just wants to put money in his pocket.

23 It's going to take away from our
24 cities and towns on the lottery money. And it

1 absolutely makes no sense.

2 I understand East Boston has
3 submitted some type of paperwork or Revere or
4 Mohegan Sun saying that this such an important
5 thing that it should be re-addressed. You sit
6 here and tell us that this thing is plastic. It
7 can be molded. It can be moved. We can change
8 things.

9 So, let's go back and have an honest
10 decision with this additional information and
11 reconsider giving a license to someone who still
12 doesn't have a MEPA plan who is getting money
13 from possible federal -- people indicted. He's
14 under an option. He hasn't even purchased the
15 property yet.

16 So, these are the kind of serious
17 factors that really concern me as a resident of
18 Charlestown. I don't want to hear about the
19 money.

20 First of all, we got stripped of our
21 surrounding community agreement, which you
22 didn't have to do. You could have allowed the
23 arbitration process to proceed and allow the
24 arbitrator to make an award. But that's beside

1 the point.

2 Now here we are with some mitigating
3 money and we don't want it. We don't want the
4 money. -- Strike that. Some people don't want
5 the money. What we want is our town not
6 impacted with no voice and no vote. And
7 everyone here should be out there with a yes on
8 three sign. Let's get rid of this.

9 REP. DANIEL RYAN: This next one is
10 Melissa. So, it looks just a first name. And
11 Christine Wolff.

12 MS. WOLFF: Good evening gentlemen,
13 ladies. I want to thank you for giving me the
14 opportunity to address you. I'll try to like
15 the other lady. Okay.

16 If you never heard what Wynn wants,
17 Wynn gets. That's his reputation and that's
18 exactly what I can see happening. I have two
19 issues. One, to me it's very frightening that
20 there's a 10-year, never mind the traffic,
21 there's a 10-year period that anything can be
22 done. And everything that I heard is 10 years,
23 10 years, 10 years. That gives him 10 years to
24 destroy this town. And it's a little town.

1 Unfortunately, I'm not getting any say in what's
2 going on. And it frightens me. I don't have
3 kids so that's not it.

4 The one thing I do want to point out
5 is in 1991 when I was stationed in Philadelphia
6 in the Navy, the shuttle went from outside the
7 base from the Holiday Inn every hour to Atlantic
8 City. Now this is 1991. We were told please,
9 soldiers do not go singly. Go in pairs. Do not
10 leave the boardwalk. Do not go left. Do not go
11 right.

12 At that time, 1991 -- And I grew up
13 in New Jersey. Atlantic City was a beautiful
14 place, seashore resort. It was completely
15 destroyed. People just walk away from their
16 property. You could see the drug addicts all of
17 the criminal element. And unfortunately, the
18 high-end people there are not that many of them
19 and they don't come all of the time.

20 It's the low-end people who really
21 can't afford it that it draws. It's very sad
22 but that's the nature of the beast. And I just
23 have this notion that that's going to be
24 Charlestown. People are going to walk away from

1 their property and what are going to about that?

2 Thank you for listening.

3 REP. DANIEL RYAN: Charles Boucher.

4 MR. BOUCHER: I also want to thank
5 you for putting the time in to talk to us. But
6 I have two things to say.

7 First of all, the decision to make
8 Everett the entire say in the public's approval,
9 the public has never really approved this. This
10 was a Senate and House of Representatives and
11 Governor bill. But the public, you all are to
12 state funded. You are paid for by us.

13 It is your obligation to support the
14 public. And by taking a piece of property at
15 the edge of four towns Chelsea, Charlestown,
16 Somerville and Everett and because of a
17 technicality which maybe legality that only
18 Everett has a say, because if you go within a
19 mile, you have a lot of other towns involved. I
20 think you've ignored your obligation to the
21 public. That's my opinion.

22 That is why there is a repeal
23 because there are a lot of people who do not
24 want this in their backyard, if you will. So, I

1 think you forget that you are paid for by the
2 taxpayers, us.

3 But my question has to do with the
4 public health aspects of it. And that is
5 because of the potential adverse effects of
6 gambling and associated other addictions, we
7 haven't talked about that much today. That will
8 only be brought into this area. One of those
9 addictions is smoking. Is this going to be a
10 smoke-free casino?

11 COMMISSIONER MCHUGH: Yes.

12 COMMISSIONER CAMERON: Yes.

13 MR. BOUCHER: You haven't talked
14 much about the control of alcohol and drugs in
15 this process. Have you set criteria on that?
16 Does he get a liquor license and how do we
17 control that?

18 COMMISSIONER MCHUGH: He's entitled
19 to apply for a liquor license. And he
20 presumably will get one.

21 MR. BOUCHER: From the state or the
22 town of Everett?

23 COMMISSIONER MCHUGH: From the town
24 of Everett.

1 But Commissioner Cameron talked
2 about what we are doing. We are spending a
3 little over \$10 million of taxpayer money,
4 albeit to be repaid by the casino operators, on
5 a study of all the of the effects of addictive
6 gambling, crime, traffic, all of the effects of
7 a depth and intensity that has not been done
8 anywhere else in the world, so, that we can make
9 database decisions as to how to take remedial
10 measures that work.

11 We are installing, and we will be
12 discussing this at our next couple of meetings,
13 we are installing the kind of pre-commitment,
14 we are going to require the installation of the
15 kind of pre-commitment hardware and software in
16 the machines and other areas in the gaming
17 facilities that are in place no one else United
18 States, and that are being resisted by the
19 industry as a whole. But we're going to do that
20 because we believe that addiction problems can
21 be ameliorated. And we want to ameliorate them.

22 We are taking of variety of steps to
23 do things that nobody else in the country is
24 doing to make sure that these kinds of social

1 ills that you are talking about either are
2 eliminated, and they can't be eliminated, but
3 reduced to a bare minimum.

4 MR. BOUCHER: But anyway, I do feel
5 that it's a dereliction of your public duty to
6 not have included all of the other communities.

7 COMMISSIONER MCHUGH: Let me just
8 talk about that. I feel very strongly about
9 that. I feel very strongly about that. I've
10 spent 27 years, 40 years really in the legal
11 profession in one capacity or another.

12 What we try to do and what we have
13 to try to do to preserve the rule of law as
14 opposed to the rule of will is look at the what
15 Legislature has done and implement what the
16 Legislature has done. And if there are
17 ambiguities in what the Legislature has done to
18 think about what the Legislature would have done
19 had it thought of the ambiguous problem that
20 arose. That's what we have to do.

21 When it comes to the host community,
22 there is no ambiguity. The host community is
23 defined in the statute as the city or town where
24 the gambling establishment is located. The city

1 or town where the gambling establishment is
2 located.

3 One can say that was a definition
4 that was created without thinking about the kind
5 of intersecting towns that we have here right
6 now. And I'm not going to disagree with that.
7 But that's the definition that's there. And to
8 say okay, this is not really a good workable
9 thing, so we're going to implement something
10 else is to ignore the legislation. The remedy
11 for that is the Legislature.

12 And I can't quarrel with your
13 premise that it's not a definition that fits
14 perfectly with this situation. And I said that
15 during the presentation. This is a highly dense
16 urban environment with nine separate
17 jurisdictions within that one mile area. I
18 think nine I counted. So, it doesn't perfectly
19 fit. But it doesn't give us the freedom to come
20 up with a solution that conflicts with the
21 legislation.

22 MR. BOUCHER: But you didn't go back
23 to the Legislature.

24 COMMISSIONER MCHUGH: Oh, we've been

1 back to the Legislature on a number, not about
2 that, Sir, but on a number of occasions. And
3 they've told us unequivocally that they are not
4 going to reopen this legislation for anything.
5 And they don't want to reopen it because if they
6 reopen it for one thing the landslide comes.
7 So, I sense your frustration. I respect it, but
8 that is how we are bounded.

9 REP. DANIEL RYAN: Thank you. I
10 have two more, Gerald Robbins and then after
11 Christine Downing.

12 MR. ROBBINS: Representative Ryan
13 and members of the Commission, thanks for having
14 this. I think it's been really helpful, I
15 think. Most of my questions have been answered.

16 I am concerned with others about the
17 Rutherford Avenue/Sullivan Square project. And
18 over years we developed this plan which we think
19 is really great for the gateway of the community
20 coming in and out. And also taking over that
21 roadway as part of our community versus kind of
22 on the outskirts of our community.

23 I am concerned about the lack of
24 alternative transportation in the plan in the

1 MEPA hasn't been approved yet. The ferry system
2 is not adequate at all. That is not a way that
3 we get people to and from casinos, I don't
4 think.

5 My question I guess is regarding the
6 \$20,000 per car, up to a maximum of \$20 billion.
7 What's the rationale for that being enough of an
8 incentive for them to do something? Why that
9 number I guess?

10 MR. MOORE: There is very little
11 precedent for this kind of thing. And in some
12 respects, the Commission was thinking out-of-
13 the-box responding to a comment that was
14 actually made by the city of Boston through the
15 MEPA process that said what do you do if you
16 don't meet your goals?

17 And so based on that comment by the
18 city of Boston that was the genesis in some
19 respects for this concept. But there was no
20 good precedent to look somewhere else in the
21 Commonwealth or somewhere else in the country
22 where this had been done.

23 So essentially, there was a testing
24 of some numbers and some what-if kind of

1 analysis. And in the collective judgment of the
2 Commissioners, this felt that it was a number
3 that was fair, wasn't too high, wasn't too low
4 and it was a consensus number. But there is
5 very little track record to go elsewhere and
6 test this number.

7 AUDIENCE MEMBER: But it just gets
8 moved. It's not like they're giving it to us.
9 They just move it from different parts of the
10 plan.

11 MR. MOORE: I'm sorry. I don't
12 understand.

13 AUDIENCE MEMBER: That money is just
14 being moved. It just becomes part of the long-
15 range plan. It's not like they're giving up
16 anything.

17 COMMISSIONER MCHUGH: No, it's new
18 money, Ma'am. It's money that is not being
19 moved from one pot to another. It's new money.
20 It's separate and distinct from all the other
21 money that they're giving.

22 It's a traffic incentive payment
23 that if they don't meet the goals they have to
24 give us. And it's in addition to everything

1 else. So, it's not being moved from one pot to
2 another.

3 MS. DOWNING: Thank you for creating
4 this opportunity. It's really very important
5 for all of us.

6 I have just a couple of points one
7 is that it's very easy to with language make it
8 sound very possible and comfortable and like
9 things are going to right. But just to give you
10 example, the good-faith effort could be we're
11 going to have a job fair and 500 people come.
12 Wynn hires 30 out of that and they could say
13 good-faith effort. How are you going to
14 regulate that? How are going to actually ensure
15 that the jobs come here?

16 COMMISSIONER CAMERON: We are in the
17 process of doing it now. And if you'd like to
18 go back and look at the record we've created
19 down in Plainville we monitor them every month.
20 And we are very tough on them in terms of
21 meeting their goals. In fact, they've exceeded
22 their goals with regard to diversity hiring,
23 keeping the jobs locally.

24 Initially, they thought they'd have

1 an issue meaning Penn National, which is the
2 company down there meeting goals of local
3 hiring. And in their first couple of job fairs,
4 they have three times the amount of applicants
5 from local people.

6 So, I think there are ways that we
7 can monitor it. And I believe that we will make
8 sure that they hire locally. It's a condition
9 of their license that they hire the percentages
10 they say they will. So, I don't see that. I
11 think there are a number of issues here, but I
12 don't see local hire as one of them being an
13 obstacle.

14 MS. DOWNING: Okay. I just wanted
15 to put out on the table that a lot of the
16 language sounds a little loose to me.
17 Monitoring, you brought this one up. You can do
18 monitoring once a month. What's the frequency?
19 I don't want you to actually have to go in this
20 tonight because everybody's had enough, I'm
21 sure. But it's language that is so soft that
22 you can't really tell what's going to happen.

23 COMMISSIONER CAMERON: The proof
24 will be in how well we do with this. And I

1 think if you take a look, if you're really
2 interested in this in what we've done to date in
3 Plainville with those folks, you will see the
4 kind of effort that we put in and the kind of
5 results that they've achieved.

6 MS. DOWNING: Just personally, I
7 would like to just say this. I don't know how
8 many people feel this way but I feel -- We're a
9 mile from the Bunker Hill Monument. That is
10 basically sacred ground for the really luminous
11 ideas of the founding of our country. And to
12 give a gambling license basically at the
13 stairway or the entrance is sort of like
14 gambling in the temple of liberty.

15 Really I find it material for a lot
16 of lampoons, cartoons. And they'd be right. It
17 seems to me really a debased idea of freedom. I
18 just wanted to give you my opinion on that.

19 REP. DANIEL RYAN: That concludes
20 everybody who had signed up here. As I said, I
21 am hanging around. Senator Sal DiDomenico is
22 here. I want to thank once again the Gaming
23 Commission for coming out, the Flatley Company.
24 And I want to thank all of you for spending the

1 night and bringing up some thoughtful questions
2 and answers.

3 And let's continue to work on this,
4 like I said, every day. We don't need the
5 Gaming Commission here to get a group of
6 residents together to talk about these issues.
7 And I offer that.

8 COMMISSIONER MCHUGH: Thank you.

9

10 (Session concluded at 8:20 p.m.)

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1 ATTACHMENTS:

- 2 1. Representative Daniel Ryan/Massachusetts
3 Gaming Commission October 15, 2014 Notice
4 of Charlestown Information Session

5 MASS. GAMING COMMISSION STAFF & CONSULTANTS:

6 Rick Moore, City Point Consultants

7 Frank Tramontozzi, Green International

8 John Ziemba, Ombudsman

9 GUEST SPEAKERS:

10 Rep. Daniel Ryan, Charlestown

11 Senator Sal DiDomenico

12

13 Stephen Spinetto

14 Kathleen Santora

15 Dan Kovacicvic

16 Annette Tecce

17 Doug Pope

18 Moe Gillen

19 Christine Amisano

20 Jenn Herlihy

21 Christine Wolff

22 Charles Boucher

23 Gerald Robbins

24 Christine Downing

C E R T I F I C A T E

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I, Laurie J. Jordan, an Approved Court Reporter, do hereby certify that the foregoing is a true and accurate transcript from the record of the proceedings.

I, Laurie J. Jordan, further certify that the foregoing is in compliance with the Administrative Office of the Trial Court Directive on Transcript Format.

I, Laurie J. Jordan, 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 means, and transcript produced from computer.

WITNESS MY HAND this 16th day of October, 2014.



LAURIE J. JORDAN
Notary Public

My Commission expires:
May 11, 2018