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COMMONWEALTH OF MASSACHUSETTS
MASSACHUSETTS GAMING COMMISSION
PUBLIC MEETING #246

CHAIRMAN:

Stephen Crosby

COMMISSIONERS

Eileen O'Brien

Bruce Stebbins

Gayle Cameron

MASSACHUSETTS GAMING COMMISSION
PLAINVILLE SENIOR CENTER
9 School Street
Plainville, Massachusetts
June 26, 2018
5:45 p.m. - 7:00 p.m.

P R O C E E D I N G

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3 CHAIRMAN CROSBY: This is my
4 pleasure to call to order the 246th meeting
5 of the Massachusetts Gaming Commission. It
6 is about quarter of six on June 26th, and
7 we are at the aging center in the Town of
8 Plainville unusually. We appreciate very
9 much everybody coming out. We felt we had
10 some important information to share not
11 only the quarterly update from the
12 Plainridge Park Casino folks but also and
13 much more unusually some of the results of
14 the research project that we've done to
15 assess the impacts, economic and social
16 impacts of the casino on not only
17 Plainville but each of its surrounding
18 communities as well. We'll be talking a
19 lot more about that.

20 But before I get started, there are
21 a handful of real VIPs here, all of whom we
22 met -- many of whom we met in the early
23 days who are with us now. Senator Richard
24 Ross is back here and has been a party to

1 this process all along. Representative Liz
2 Poirier is here, who has also been involved
3 in this from the very beginning. Jennifer
4 Thompson, the new town administrator, new
5 to us but we worked with Joe Fernandez, and
6 we've heard great things about Jennifer
7 Thompson filling Joe Fernandez's shoe.

8 We also have two members of the
9 board of selectmen, George Sutherland and
10 Jeff Johnson. They're also the chief of
11 all the public safety, Chief Alfred and
12 Chief Alexander, who's the IT, thank you
13 very much. So to you all folks, and
14 particularly everybody is busy, we really
15 appreciate you being here.

16 We will start out, as we always do,
17 with the approval of the minutes of the
18 prior meeting, and we'll ask Commissioner
19 Stebbins to do that.

20 COMMISSIONER STEBBINS: Good
21 evening. Thank you, Mr. Chairman. Before
22 I move that the minutes be approved, if I
23 could direct your attention to page six up
24 at the top, this is something that we are

1 trying with the meeting minutes to kind of
2 highlight and put some focus on follow-up
3 items.

4 So the meeting we had back on
5 June 7th, I believe, it was Commissioner
6 O'Brien asked the representatives from
7 Encore Boston Harbor to maybe come back and
8 update us and provide some more detail
9 about their daycare plan both for employees
10 and potentially for the should read gaming
11 school students not employees.

12 So it's kind of just a technique in
13 putting the meeting minutes together for
14 future use at the public can quickly look
15 through the meeting minutes, see what
16 topics might have been discussed and what
17 there might be some follow-up on as well as
18 maybe support our team and the staff to
19 make sure that items don't slip through the
20 cracks, but we've highlighted them, talk
21 about them and hopefully carry them over to
22 an additional meeting. So we're trying it
23 out. I'm happy to take any feedback. But
24 if there isn't any, I'm happy to move that

1 the minutes be approved.

2 CHAIRMAN CROSBY: I just noticed it.
3 I think it's great. I think it's a really
4 good idea. Second? We haven't moved.

5 COMMISSIONER STEBBINS: Mr.
6 Chairman, I'll move the minutes --

7 CHAIRMAN CROSBY: We're new at this.
8 Bear with us.

9 COMMISSIONER STEBBINS: 240 times,
10 we'll get it right. Mr. Chairman, I move
11 that the Commission approve the minutes of
12 the June 7, 2018 meeting subject to
13 correction for any typographical errors or
14 other nonmaterial matters.

15 CHAIRMAN CROSBY: Second?

16 COMMISSIONER CAMERON: Second.

17 CHAIRMAN CROSBY: Any discussion?
18 All in favor? Aye.

19 COMMISSIONER CAMERON: Aye.

20 COMMISSIONER STEBBINS: Aye.

21 COMMISSIONER O'BRIEN: Aye.

22 CHAIRMAN CROSBY: The ayes have it
23 unanimously. Commissioner Zuniga is not
24 with us today, so the vote was four to

1 zero. The next item on the agenda is
2 Ombudsman Ziemba. John Ziemba has been the
3 ombudsman for the gaming commission for
4 very much near the beginning of our time.
5 He has been responsible for coordinating
6 the relationships with many of you reps and
7 senators in the process, town officials,
8 when the bidding was going on and then has
9 been in charge of maintaining the
10 relationships with the surrounding and host
11 communities as well as particularly with
12 the facility themselves. In this case,
13 Plainridge Park Casino. He orchestrates a
14 quarterly update by each of our licensees,
15 and today I think he will introduce
16 Plainridge Park Casino.

17 MR. ZIEMBA: Thank you, Mr. Chairman
18 and Commissioners, good evening. We have,
19 as you noted, Mr. Chairman, we have a
20 quarterly report from Plainridge Park for
21 the first quarter of this year, 2018.
22 Joining us from Plainridge Park are Ruben
23 Warren, vice president of finance, Kim
24 Dixon, vice president of human resources

1 and Michele Collins, vice president of
2 marketing. So let me just turn it over to
3 the Plainridge Park crew.

4 MR. WARREN: Hi. First of all, I
5 want to thank the City of Plainville, our
6 host community, for inviting us here and
7 allowing us to have the meeting in the
8 facility. I think the lights just went out
9 purposely. So we want to thank them for
10 welcoming us here. And so for us, we want
11 to present our first quarter, 2018,
12 financials.

13 For us the first quarter, since
14 we've been open in the three years, we've
15 had our best quarter in 2018. That's with
16 all the weather events in the winter. So
17 42 million net slot revenues is what we
18 produced in the first quarter, state taxes
19 of 20.7 million, total taxes with the state
20 taxes being 16.9 million of that total,
21 racehorse taxes 3.8 percent. Again, for us
22 this is a great story. This is a
23 10 percent increase over the prior two
24 quarters, first quarter since we've been in

1 operation.

2 Great partnership with lottery. The
3 lottery sales, this is the highest figure
4 since we have been in operation, \$894,000
5 for the first quarter of 2018. That's
6 19 percent over prior year. And, so, great
7 story for the lottery, great partnership.
8 And, again, for these guys 20 percent
9 increase and for the property 10 percent
10 increase for the first quarter. So all of
11 the things that we're doing to plan and to
12 bring exciting things to the property, it's
13 showing itself and it's coming to fruition
14 for us.

15 Our total qualified spend by state,
16 we spent, you know, \$1.5 million. This
17 is -- I apologize, let me find the other
18 slide. So 1.5 million in the state, and we
19 kept 74 percent of that total in the State
20 of Massachusetts. So 1.1 million was spent
21 in the state and the other states,
22 Missouri, Michigan, Florida, Connecticut,
23 Iowa were the top five other states that we
24 spent money to support the operation.

1 Local spend, so this is the spend
2 that we spend in our host and surrounding
3 communities. Just under \$200,000 for the
4 first quarter, Wrentham being the top
5 allocation of these funds, 73 percent or
6 about \$140,000 of that. That's mainly due
7 to a project that we had in the first
8 quarter to replace barn roofs for the
9 racing area.

10 And so diversity spend, what we're
11 showing here on the chart is in the blue
12 what our goals are for the property,
13 21 percent for a total diversity spend and
14 for women-owned enterprise 12 percent is
15 the goal, for minority-owned enterprise six
16 percent and for veteran-owned businesses
17 three percent of our total spend is what we
18 go out to try to accomplish in these
19 categories.

20 The orange is our first quarter.
21 And, so, overall we accomplished the goal
22 in the first quarter with 22 percent
23 overall of our total spend allocated to
24 diversity areas. Women-owned right at the

1 goal of 12 percent, minority-owned at
2 7 percent and our veteran-owned category at
3 3 percent.

4 So, again, great strides with
5 getting out in the community to do our best
6 to find new venders and also projects that
7 we have coming up making sure we invite
8 anyone that's in our database to bid on
9 those projects to make sure we maintain.

10 CHAIRMAN CROSBY: What's the Q4
11 spend?

12 MR. WARREN: Our Q4 is the gray. So
13 we just wanted to --

14 CHAIRMAN CROSBY: From last prior to
15 --

16 MR. WARREN: 2017, yes. Again, that
17 was due to an LED lighting project. So we
18 had a local Plainville vender that we gave
19 that project to. And, again, 39 percent
20 was the goal that we met in the fourth
21 quarter of last year.

22 COMMISSIONER STEBBINS: Ruben, at
23 some point, we should probably work with
24 you guys on your veteran businesses that

1 you have partnerships with. As you know,
2 the state now certifies veteran-owned
3 businesses. It's a free and relatively
4 quick process we hope, but that not only
5 kind of gets them in the queue to be
6 accounted as a veteran for your purposes
7 but at the same time might open them up to
8 other bidding opportunities around the
9 state.

10 MR. WARREN: We love the idea. We
11 do work with Derek Glennon and Jill Griffin
12 to make sure that when we have projects is
13 there anything that we're missing, so we do
14 work with that group. But, absolutely, we
15 look forward to working with the state on
16 that.

17 From a compliance standpoint, again,
18 great story. It's a very clean story for
19 us in the first quarter. We invite on
20 average about a quarter million people
21 through our doors every month. And, so,
22 you can see here on average we check at our
23 doors in the first quarter just under
24 24,000 patrons. We have three entrances to

1 the casino. We have -- it's staffed with
2 security officers that make sure that we
3 check for IDs for anyone that looks under
4 the age.

5 And so for here, they checked under
6 24,000 people and about 380 we prevented
7 from coming into the facility because
8 either they didn't have IDs or five were
9 minors and 73 were under the age of 18
10 years old or 21 years old.

11 We did have one patron in January
12 that did get past our security. Took a few
13 steps. They realized that they did not ID
14 that person so we quickly escorted them off
15 the floor. They didn't game. They didn't
16 drink. They didn't do any of that. So, I
17 think, kudos to the property to have
18 roughly 700,000 folks come through our door
19 and to not have an incident I think is a
20 great story to tell.

21 I'm going to turn it over to Kim
22 Dixon for an employee update.

23 MS. DIXON: For employment in Q1,
24 our total employees are about 465. Of

1 that, 308 were full time and 157 were part
2 time. This remains pretty consistent with
3 our numbers from Q4. Our turnover
4 continues to trend down. We typically have
5 about 10 percent of our positions open at
6 any given time.

7 For diversity for our employee
8 makeup, we're at about 25 percent. So
9 we're up about two percentage points from
10 Q4. Our veterans remain the same at five
11 percent. Massachusetts hiring is at
12 65 percent. Our local is down slightly.
13 It's 34 percent.

14 CHAIRMAN CROSBY: Local means
15 Plainville or Plainville and surrounding?

16 MS. DIXON: Plainville and
17 surrounding communities. Male and female
18 makeup, so we're at 46 percent male and 54
19 percent female. We're up about six
20 percentage points for our females from last
21 quarter. We continue to focus on our in
22 state hiring. So we do about three to four
23 talent auditions per month. We have done
24 the recruit military and the BBC job fairs

1 in the spring. That's Q2, so I'll hold
2 that for the next meeting.

3 Next slide. So women leading at
4 Penn, so women leading at Penn is an
5 initiative that our parent company has
6 started. So of that, Michele and I are
7 co-champions for a group of 16 women at
8 Plainridge Park. So we've been working
9 with them and mentoring them, putting them
10 in a program.

11 We also I am a board member on the
12 United Regional Chamber of Commerce. So
13 we're partnering with them in their women's
14 impact network to do a women's expo on
15 September 25th of this year. Gayle has
16 graciously accepted our offer to be our
17 keynote speaker, so she will be our keynote
18 speaker in September. It's about a half
19 day program. We have asked Gayle to speak
20 at the lunchtime.

21 We will have women focused
22 businesses for part of the expo as well as
23 four different breakout sessions. So two
24 different session where they can choose

1 between one session or the other and at two
2 points in time. And then at the end of the
3 day, we're following that up with live
4 after five for networking opportunity with
5 the chamber where everyone is invited.

6 I'll pass it over to Michele who is
7 going to talk about --

8 MS. COLLINS: Good afternoon. So
9 for local community, we continue to
10 contribute to many of the associations,
11 including Relay For Life. We partnered
12 with the Red Sox. We do Winning
13 Wednesdays. So for every win they get on a
14 Wednesday, we donate \$777 to Relay For Life
15 of North Attleboro. YMCA, Wrentham Polar
16 Plunge, which a few of our, including
17 Ruben, participated in this I heard very
18 cold and frigid. Dancing with the Stars --

19 CHAIRMAN CROSBY: What day was that?

20 MR. WARREN: It was in the middle of
21 the winter. Snow still on the ground and
22 water very cold. It was for a good cause.
23 It was a good time.

24 MS. COLLINS: Habitat through

1 Humanity and Lenore's Pantry. One of the
2 things we were able to do with Lenore's
3 Pantry was we had leftover ham and turkey
4 certificates that the customers didn't
5 claim. So it was about \$8,000 worth
6 equivalent to about 400 turkeys or hams
7 that they were able to utilize for local
8 community, so, yes, it was nice. And then
9 New Hope, we sponsored a comedy show with
10 Dan Candell in our loft.

11 Q1 partnerships, these remain
12 consistent with what we've been doing
13 quarter over quarter. Again, hotel stay
14 and play packages for our VIP quests,
15 Wrentham Village Premium Outlets, we
16 sponsor valet there, NESN, Bruins, the
17 radio stations and of course the Celtics,
18 who disappointed me, but we're looking
19 forward to the next season.

20 And some marketing highlights. We
21 did another event with Murphy's Boxing. We
22 did a Celtic's viewing party at Flutie's
23 and Mark Gerard's Big Swing Band. We did
24 that in the loft where it was actually a

1 swing band that performed and guests could
2 participate.

3 Some highlights for this quarter
4 include our three-year anniversary, which
5 we just had on Sunday. Happy birthday,
6 Plainridge. VIP sneak peak for our high
7 limit area. We are adding a new high limit
8 area and lounge. So that high limit area
9 is 500 square feet larger than the current
10 area. It's going to have new product and
11 machines for our high limit guests. And
12 then the VIP lounge will be open to those
13 who have an Icon card, which is our highest
14 level tier level.

15 So it will allow them to go into an
16 area, quiet place, they can sit down, have
17 a snack and just relax and get away from
18 the gaming if they choose. We also did a
19 national pet day donation where we had 400
20 guests come in and donate for animals, and
21 we donated it to North Attleboro shelter.

22 COMMISSIONER STEBBINS: Do you see
23 opportunities coming up as we get into the
24 warmer months, TPC, the Xfinity Center,

1 things like that?

2 MS. COLLINS: Absolutely. With the
3 Xfinity Center, we're doing a promotion
4 with the Beaslie where we are hosting a
5 pre-party at Flutie's, and then there is a
6 shuttle bus going over that takes all the
7 winners from the contest to the concert.
8 And then for TPC, we are sponsoring the
9 Dell championship this year, and we also
10 just signed an agreement with them so that
11 we can send our guests to play at TPC.
12 That's for quarter two updates.

13 COMMISSIONER STEBBINS: I'm sorry,
14 I'm jumping the gun.

15 MS. COLLINS: You're stealing my
16 thunder.

17 COMMISSIONER STEBBINS: I'll sound
18 just as excited at the next quarterly
19 meeting.

20 MS. COLLINS: Okay, good.

21 CHAIRMAN CROSBY: Any other comments
22 or questions or feedback?

23 COMMISSIONER CAMERON: It's apparent
24 you're paying attention to all of these

1 issues. It's really nice to see and, you
2 know, just keep up the good work. Look
3 forward to the women's leadership program.
4 It's a good thing you're doing for folks.
5 And just quickly, you mentioned some of it,
6 but what else are you doing with these 16
7 women?

8 MS. COLLINS: So we've broken it up
9 into two groups. I'm with eight of them,
10 and she's with the remainder of them. We
11 are meeting with them one on one to kind of
12 go over their career goals and what they
13 want to do. We're getting them involved in
14 training and programs to help them develop
15 their career path so that they can get
16 there and really monitor what happens over
17 the course of the next year and into their
18 future to make sure what they are doing is
19 part of what they want to be doing and not
20 something we're just saying, hey, be part
21 of this group and not really develop them.
22 So our first session starts this month
23 where we're kind of reviewing that book we
24 had talked about at the meeting. So we're

1 excited to see how that goes.

2 COMMISSIONER CAMERON: Thank you.

3 CHAIRMAN CROSBY: If Representative
4 Poirier doesn't mind, I'm going to tell you
5 all something that she said to me that the
6 feedback from her is that you all have been
7 really attentive to the community and paid
8 attention to nonprofit groups and so forth,
9 and it is noticeable I'm told by one of the
10 main public officials from around here, so
11 that's a great credit, you know. It's what
12 we're going to talk about in a minute is
13 what else has happened as a consequence,
14 but you've followed through on commitments
15 like this and that's great. We're proud of
16 that.

17 MS. COLLINS: Thank you.

18 CHAIRMAN CROSBY: Anything else on
19 this item? All right. I'm going to get to
20 Item No. 4, which is the social and
21 economic impacts of Plainridge Park Casino
22 on Plainville and its other surrounding
23 communities. Take a minute or two to set
24 up.

1 (A recess was taken)

2
3 CHAIRMAN CROSBY: We are ready for
4 Item No. 4. Can everybody hear me all
5 right? We were out here probably, I don't
6 know four, four and a half years ago
7 talking to public officials, talking to
8 representatives of the cities and towns in
9 this area getting feedback on the pros and
10 cons, getting feedback on the community's
11 views of whether or not to have a casino
12 here and hearing a great deal from
13 Plainridge Park Casino, Penn National at
14 that point, on what they would offer and
15 what they were promising to bring to the
16 casino or to the communities.

17 Two days ago was the third
18 anniversary, as the folks from Plainridge
19 told you, and we now have about two full
20 year's data of what has actually happened
21 to the economics and the social fabric of
22 this town and its surrounding communities.
23 The hardest part of this whole project, by
24 the way, was trying to figure out how you

1 spell Attleboro and North Attleboro and
2 Foxborough. So if I got it wrong, I tried.

3 We will start out at the beginning,
4 which as Senator Ross knows, the research
5 project was founded in the legislative
6 mandate in the Gaming Act to establish an
7 annual research agenda to assist and
8 understand the social and economic effects
9 of casino-gambling in Massachusetts.

10 This is an absolutely unprecedented
11 research project literally in the world.
12 There's never been a time when the
13 legislature established a mandate in the
14 law before the casinos were set up to
15 understand the baseline conditions, what
16 are the gambling problems? What are the
17 gambling attitudes? What are the crime
18 rates? What are the traffic patterns?
19 What are the unemployment rates? What are
20 the business starts? All of those baseline
21 conditions before the casinos come in and
22 then track them on a longitudinal basis
23 year after year after year after year.

24 So the local communities, who host

1 this project, and regulators like us and
2 the legislature and our partners at the
3 Department of Public Health have real data
4 to know what has been going on. There's
5 never been anything like this done before
6 literally in the world.

7 There are two key people to
8 introduce before I get any further here who
9 made this possible. First is Mark Vander
10 Linden, who is our director of research and
11 responsible gaming. When we saw this
12 mandate in the law, there's also a mandate
13 in the law that the legislature gave us to
14 take responsible gambling and problem
15 gambling very, very seriously. We needed
16 to find somebody who had this breath of
17 experience, the passion, the interest to
18 take -- to lead this project.

19 We found Mark in Iowa. I proposed
20 that he come to Massachusetts, and he said
21 no. But we signed up a few more allies,
22 and we brought him and his wife to the
23 north end and took them out to dinner and
24 eventually Mark and his wife and two kids

1 moved to Massachusetts from Iowa, and he
2 has been an indispensable part. All of
3 this work that you're going to see comes
4 under him in our office.

5 The second is Dr. Rachel Volberg.
6 Rachel is the principal -- the lead
7 principal investigator of all of the stuff
8 you're about to see and, by the way, more.
9 She is one of the top probably five, six or
10 seven gambling researchers in the world.
11 She is headquartered now at the School of
12 Public Health at UMass Amherst and her team
13 that she leads is made up of people not
14 only from the School of Public Health of
15 UMass Amherst but also the Donohue
16 Institute in the president's office at
17 UMass, also Lethbridge University in Canada
18 where our co-principal investigator, Rob
19 Williams, resides and also members of the
20 faculty from the University of Nevada Reno.
21 So it's a big, big team.

22 Rachel originally suggested to us
23 how we might want to do this kind of
24 tentatively not really believing that maybe

1 we really would want to take on this
2 massive project, but we did. We had a
3 competitive bid. Her team won. And like
4 Mark, if it weren't for Rachel drinking out
5 of a firehose for the last five years, this
6 project wouldn't have happened.

7 Incidentally, she brought Elissa Mazur with
8 her, who is her project manager. Just like
9 we couldn't survive without Rachel, Rachel
10 couldn't survive without Elissa.

11 So, quickly, there are two major
12 studies. The Social and Economic Impacts
13 of Gambling in Massachusetts what we call
14 SEIGMA. That's the one that we have the
15 baseline study of all the variables that
16 might be affected, and the changes that
17 occur to those variables over time.

18 There is a second study called the
19 Massachusetts Gambling Impact Cohort,
20 MAGIC, which studies a cohort of
21 Massachusetts citizens. Three, four, five
22 thousand Massachusetts citizens heavy up on
23 people who have gambling problems or
24 potentially gambling problems, and we study

1 them year after year after year after year
2 to see how they move in and out of
3 gambling, what kinds of co-morbidities
4 associated mental health or other problems
5 do they have, what encourages them to get
6 into problem gambling, what encourages them
7 to get out. That's a whole other
8 incredibly important study, but it doesn't
9 have to do directly with the social and
10 economic impact. So that will be the last
11 you hear of MAGIC.

12 The only issue here, you know the
13 background of Plainridge Park Casino, the
14 only issue here to highlight is June 24th,
15 the opening date almost exactly three years
16 from today.

17 There are a handful of variables
18 that are methodological principals for the
19 study. Most of the methodology I don't
20 understand. You wouldn't either, but there
21 are some key points here. Critically
22 identifying how much money is involved,
23 where is it coming from and where is it
24 going, not only the gambling money but the

1 money from the casino to the communities,
2 all of the different ways money flows from
3 the government to take care of the casino
4 problems, identify how much money is
5 involved, where is it coming from and where
6 is it going. Second is, as I said, assess
7 impacts for years before and for years
8 after the introduction of new gambling
9 venues.

10 One of the things all the
11 commissioners and I learned or heard when
12 we were in the licensing process was much
13 of the conversation about casinos pro and
14 con was basically people yelling bumper
15 stickers at each other. Casinos are great
16 because of jobs and revenue. Casinos are
17 terrible because of crime and prostitution.
18 Very little data on what was really going
19 on. Understanding that is obviously the
20 single most critical variable.

21 Comprehensively assess all potential
22 economic and social impacts, and utilize
23 multiple sources of information. I'll talk
24 about all the different social and economic

1 impacts. Multiple sources of information
2 is not only all the quantitative data
3 you're going to see here but also we have a
4 bunch of key informant interviews, like
5 Jennifer Thompson, that we talked to
6 important people in town who might have or
7 in these towns who might have a view, so we
8 get qualitative perceptions of what is
9 going on here as well as quantitative
10 perception.

11 And the final astonishing last point
12 is that, in addition, we've identified
13 communities around New England that are
14 like Plainville and like Springfield and
15 like Everett. So if something happens in
16 Plainville, for example, if unemployment
17 rises dramatically and we are trying to
18 figure out did this have to do with the
19 casino, we can also look at Hadam,
20 Connecticut. What's that, New Hampshire?
21 I can't read my handwriting. Pepperell,
22 Maine, Portland, Connecticut and
23 Sturbridge, Mass. Those are towns which
24 are demographically very similar to

1 Plainville. So we can go see maybe did
2 unemployment rise everywhere.

3 So we compare what's happening here
4 to other matched communities, similar
5 communities to make sure we have an
6 accurate understanding of what really
7 happens here. We don't want to just know
8 what happens in Plainville. We want to
9 know whether or not the casino was
10 responsible for it, good or bad. That's
11 what we are here to try to figure out.

12 So, first of all, the social
13 impacts. This will blow your mind, but
14 here are the ones that we look at. Under
15 problem gambling, we look at the prevalence
16 and incidents, incidents being the
17 reoccurrence of gambling, treatment
18 seeking, personal bankruptcy, divorce,
19 domestic violence, et cetera, crime. We
20 look at overall crime rates. We'll talk
21 about this at length.

22 Attitudes towards gambling,
23 population health, that is physical,
24 psychological health, substance use and

1 addictions, leisure activities. Does
2 having the casino affect people's use of
3 other leisure activities? Demographic
4 changes and the environment, traffic and
5 noise and other environmental issues that
6 we can think of. That's a lot of stuff.

7 The first variable in the social is
8 problem gambling and related indices, and
9 we see that there are no significant
10 changes in problem gambling or related
11 indices in the Plainridge Park host and
12 surrounding communities subsequent to the
13 opening of Plainridge Park Casino. That's
14 the bottom line assessment.

15 There is specifically no significant
16 change in problem gambling or at risk
17 gambling from the baseline targeted survey.
18 We had a thousand people targeted survey
19 for this area, and then we had a follow-up,
20 the FTPS is the follow on targeted
21 population survey. So from 2014 to 2016,
22 you can see at risk gamblers in Plainville
23 and surrounding communities were
24 6.7 percent. They went to 8.2. Problem

1 gamblers went from 2.6 to 1.8. They more
2 or less wash out -- there is no great
3 statistical significance.

4 I have taken these slides -- these
5 are slides from Rachel Volberg's team. You
6 see this logo down here, this is not the
7 gaming commission's logo. We are not
8 interpreting this information for you.
9 We're taking what we've been told by our
10 research team. I have dumbed this down a
11 little bit so I can understand this. Don't
12 take 19.8 as an absolute percent versus
13 19.3 as an absolute percent. But in orders
14 of magnitude, these are accurate. If we
15 get into any details and if you want real
16 serious background information on this,
17 Rachel can give it to you, but I've taken
18 this down to a simpler format.

19 There is no significant change from
20 the baseline study for two years later the
21 follow-up study in problem gamblers who are
22 wanting help. There were 16 problem
23 gamblers study -- in the study in the first
24 round. There were 12 in the second round.

1 There were 16 problem gamblers seeking
2 help. There were 12 in the second round.
3 No significant increase in problem gamblers
4 wanting help or seeking help.

5 No significant change from the
6 baseline study, the preopening study to the
7 follow along study in 2016 of regular
8 gamblers reporting any negative impacts due
9 to their gambling. There were about 471
10 regular gamblers in that thousand person
11 survey. They were about -- reported of
12 those 471, eight reported financial
13 problems as a result of their gambling.
14 Two years later about the same number, 6,
15 1.7 to 1.4 percent.

16 Same for all these other -- we asked
17 all regular gamblers, do you have problems
18 or do you have any of these incidents in
19 your life as a consequence of your problem
20 gambling? And there's no appreciable
21 change in any of these consequences of
22 problem gambling.

23 There is no significant -- did I do
24 this right? Yes. No reported change in

1 the number of gamblers anonymous meetings
2 in Plainville. This is the first one of
3 the key informant interviews. We also went
4 and talked to the man who was the
5 secretary, I think it's a man, who was the
6 secretary for the New England Gamblers
7 Anonymous. He said, we have got gamblers
8 anonymous meetings here for 20 years. At
9 present about 15 people attend these
10 meetings each week. We have not seen any
11 increase in attendance since the Plainridge
12 Park Casino opened.

13 No change in personal bankruptcy
14 filings in Norfolk County. We can't get
15 bankruptcy filings by each town. We can
16 only get it by county. But Norfolk County,
17 the red line here, no change in personal
18 bankrupt filings in Norfolk County where
19 Plainville is situated. No changes in
20 divorce filings, restraining orders or
21 cases of child welfare involvement in
22 Norfolk County. All of these numbers, if
23 anything, you see are going down a little
24 bit.

1 Plainville key informants reported
2 this. No obvious impacts. I don't really
3 see any impact on the health and well-being
4 of the people of Plainville. Conditions
5 now seem to be as they were prior to the
6 opening of the casino, Lou LeBlanc,
7 Chairman of the Board of Health.

8 Residents have not come to us with
9 concerns that there have been an increase
10 in problem gambling, Jennifer Thompson,
11 Town Administrator.

12 Now crime rates. We work with Chief
13 Alfred in Plainville, and the chiefs in all
14 of the surrounding communities to go over
15 their crime incidents item by item by item
16 to determine whether they have anything to
17 do with Plainridge Park Casino. Here's the
18 bottom line in those two years. PPC,
19 Plainridge Park Casino itself, has not
20 significantly increased overall crime in
21 the host and surrounding communities but
22 there was an increase, a temporary increase
23 in credit card fraud, and there have been
24 reports of lost property and suspicious

1 activity in Plainville likely attributable
2 to PPC. Overall in crime, not much of an
3 issue but an increase in credit card fraud
4 and not a significant increase in reports
5 of lost property and suspicious activity.

6 COMMISSIONER CAMERON: May I.

7 CHAIRMAN CROSBY: Sure, please.

8 Commissioner Cameron is the former
9 lieutenant coroner of the New Jersey State
10 Police and is our liaison with all of our
11 crime research with Chief Alfred.

12 COMMISSIONER CAMERON: And this one
13 is always -- I think our crime analyst,
14 there was no other reasonable explanation
15 for a rise in credit card fraud, so thus
16 the term "likely." Chief Alfred will
17 attest to the fact he has scrubbed every
18 single report, and there is no evidence
19 that any of this crime is attributed to the
20 casino, am I correct?

21 CHIEF ALFRED: That's correct. Good
22 evening. When Chris came up with those
23 numbers --

24 CHAIRMAN CROSBY: Chris is our crime

1 analyst.

2 CHIEF ALFRED: He does an
3 outstanding job, by the way, very
4 comprehensive. So Chris had contacted me.
5 So we looked at each report to see if we
6 could draw any connection to Plainridge
7 whatsoever, and we couldn't. In fact, many
8 of the victims of these crimes, the
9 identity theft may have happened in
10 Arizona, but they come to the local PD to
11 report that they were contacted about their
12 identity being used in another state.

13 We asked them, you know, where had
14 they been, do they have any idea where they
15 thought they may have lost their credit
16 card or some type of identification.
17 Nothing pointing to Plainridge so far. So
18 I can't speak to the other cities and
19 towns, but I can tell you that we couldn't
20 draw a correlation between Plainridge in
21 that slide. And I would add that we get
22 spikes in different types of crimes in
23 different years, so this isn't necessarily
24 unusual.

1 COMMISSIONER CAMERON: And the good
2 news is the second year there was no
3 increase. In fact, it went back to the
4 level that it was before that.

5 CHIEF ALFRED: Right.

6 COMMISSIONER CAMERON: So whatever
7 happened that one year is pretty much --

8 CHIEF ALFRED: We identify groups
9 that come out of New Jersey and New York
10 that will be in the area. They will commit
11 several identity thefts, which might spike
12 those numbers, and then they are back to
13 taking off out of the area. So we do have
14 groups that come up from other states using
15 identities from those other states or
16 stolen gift cards and things like that that
17 are all lumped into that identity theft.

18 COMMISSIONER CAMERON: Thank you,
19 Chief.

20 CHAIRMAN CROSBY: Thank you. This
21 is really an interesting point. I think
22 pretty much all of the chiefs felt that
23 they could not figure out any relation
24 between the credit card fraud and the

1 casino, but our researchers said I can't
2 prove that it is not because of the casino.
3 Since I can't prove that, I have to put it
4 out there that it's possible that it had to
5 do with the casino.

6 I think that tells you, and I hope
7 this is important and the people hear this,
8 we're not whitewashing these numbers. We
9 follow the Chief's suggestion pretty much
10 taken credit card fraud away, but we can't
11 prove that it didn't come from the casino
12 so we're going to put it out there as
13 something that we need to think about.

14 Plainville police statistics show an
15 increase in property crime, total crime and
16 calls for service at the casino itself in
17 the two years after it became a casino
18 compared to the two prior years. Total
19 crime offenses at the facility itself went
20 from 10 average prior two years to 90
21 subsequently.

22 Property crime offenses went
23 averaged from six to 47. There were no
24 violent crime offenses calls for service to

1 the department went up substantially from
2 1,100 to almost 1,600. This is just at the
3 facility itself. However, increased crime
4 --

5 COMMISSIONER CAMERON: Chief, you
6 had something there?

7 CHIEF ALFRED: Just a note on that.
8 You put forward 6,000 people on a daily
9 basis on any piece of property and we will
10 see an increase. We didn't see any, as you
11 mentioned, any serious crimes there. We
12 just have a number of people there, and
13 with that comes an increase in calls of
14 service. It's not a spike in crimes and,
15 as you said, no violent crimes.

16 It will be no different than our
17 Target plaza where we respond to that
18 actually more than we do Plainridge. And
19 why, because we have a larger number of
20 people on that property on a daily basis.
21 So a lot of that is just about population
22 in one area.

23 COMMISSIONER CAMERON: And the
24 interesting thing here too, Chief, and you

1 can attest to this, is they are all solved.
2 Because there are cameras everywhere in the
3 casino, our success rate for solving and
4 they are -- and, you know, someone will
5 steal someone's tickets, right, from the
6 machine. But the combined efforts of
7 Plainridge PD and the state police working
8 hand-in-hand, they solve all these crime.
9 It's an amazing --

10 CHIEF ALFRED: They have an
11 outstanding camera system. You really
12 can't get away with anything.

13 CHAIRMAN CROSBY: I will tell you I
14 wasn't predisposed to crime anyway. But if
15 I were, I learned that the stupidest place
16 to be a criminal is at a casino.

17 CHIEF ALFRED: Yes, that's true.

18 CHAIRMAN CROSBY: Thank you. I was
19 going to make that point later on. There's
20 more traffic issues, because there's more
21 traffic. There's more criminal incidents
22 and calls for service, because there is
23 more people. Nevertheless, these are the
24 facts. However, increased crime at

1 Plainridge Park Casino itself has not
2 produced increased crime in Plainville
3 from the 2010 to 2015 preopening period to
4 the two years of operation.

5 So you see down here that actually
6 overall in Plainville total crime offenses
7 have decreased, property crimes have
8 decreased, violent crimes have gone up.
9 This is what the researchers call not
10 statistically significant. It's a very
11 small sample. Because there are so few
12 violent crimes in Plainville, they go up
13 and down. Nevertheless, this is something
14 to watch. We don't think anything in the
15 moment that this has anything to do with
16 the casino. The Chief is back there
17 shaking his head, but it's something that
18 we will watch.

19 That being said, of the 46
20 individual types of crime calls for service
21 that we check into, seven did significantly
22 increase from 20 from the baseline period
23 to the operating period whereas one of the
24 46 significantly decreased. Examination of

1 the original written police reports suggest
2 that credit card fraud only, lost property
3 reports and reports of suspicious activity
4 are the only incidents likely attributable
5 to PPC. Are you on your way, Senator?

6 SENATOR ROSS: I'm on my way.

7 CHAIRMAN CROSBY: Thank you very
8 much for coming.

9 SENATOR ROSS: The only thing I want
10 to do is thank you very much for sharing
11 this information. It's exactly the
12 information that we had gathered. I'm
13 proud to have been involved with this.
14 Before this was licensed in Massachusetts,
15 I was told by a previous governor it would
16 never happen and I'm proud that we are the
17 only place that's up and running in the
18 Commonwealth, so congratulations to
19 Plainville and everybody here.

20 CHAIRMAN CROSBY: Thank you,
21 Representative, appreciate you coming.

22 SENATOR ROSS: You guys have done a
23 great job on working with both of you in
24 coming up with a commission that works so

1 hard. Thank you very much.

2 CHAIRMAN CROSBY: Thank you. It's
3 all my doing. I came up with it.

4 SENATOR ROSS: I know it's Gayle,
5 New Jersey State Police.

6 CHAIRMAN CROSBY: She runs the shop.

7 MS. POIRIER: We are grateful to the
8 expertise and the significance of the way
9 the people who run Plainridge do it and for
10 your oversight and for all the locals who
11 have helped make it work. We're very
12 grateful.

13 SENATOR ROSS: Now if you can help
14 us get opioids under control.

15 CHAIRMAN CROSBY: We will send
16 Commissioner Cameron off to talk to you.

17 SENATOR ROSS: Thank you.

18 CHAIRMAN CROSBY: No significant
19 change -- to get back here, I am very much
20 aware that I'm doing something speakers are
21 not supposed to do, which is pouring out a
22 ton of information. It's all going to be
23 on the web. Anybody that wants -- you are
24 not going to pick up very much of this, but

1 I thought it was important that you get a
2 firehose of information that gives you a
3 sense of the totality of this project and a
4 broadbrush as to what the problems have
5 been and where the problems have not been.
6 So my apologies for the amount of
7 information, but I hope that by the end of
8 this you'll feel it was time well spent.

9 There has been no significant change
10 in the number of illegal gambling offenses
11 in Plainville, kind of interesting. The
12 collective police force statistics for the
13 host and surrounding community defines a
14 significant decrease in property in total
15 crimes but a small increase in violent
16 crimes. The same as Plainville itself,
17 decrease in total, decrease in property,
18 increase in violent. Again, not associated
19 as anybody could figure out with the casino
20 but something to keep an eye on. This is
21 the same thing. Some did go up, and some
22 were down.

23 What I want to point out here is
24 examination of the original written

1 reports. Our police analyst, crime analyst
2 works with each of the five or six police
3 departments goes through their written
4 incident reports, helps them make sure that
5 they do assign causality where they came.

6 It's a DUI. Where was he last
7 drinking? Was it at Plainridge Park
8 Casino? We've even hired and paid for, if
9 I'm not mistaken, a partial crime analyst
10 for the Town of Mansfield, if I'm right, so
11 they could do their part of helping us
12 analyze this data. So it's that level of
13 detail when we're coming up with these
14 kinds of conclusions.

15 COMMISSIONER CAMERON: Just one
16 comment there. I am so grateful to the
17 police chiefs for embracing this project.
18 To our knowledge, it's never been done
19 anywhere. I've spoken about this project
20 in Las Vegas and other places and they've
21 said, how did you get busy police
22 departments to work with you? I said, we
23 asked nicely.

24 And they really did jump right in

1 and embrace this and, you know, sit around
2 brainstorming and it's good for everyone
3 really. We are very, very -- I am very,
4 very grateful and it's good for all of you,
5 because the police departments are working
6 really hard to try to figure out what's
7 going on and to keep this whole area safe
8 and secure, so I just wanted to --

9 CHAIRMAN CROSBY: And we are
10 building on this experience, on your
11 experience with your chiefs, your delve of
12 chiefs in Springfield and Everett to work
13 out these same kinds of relations so we are
14 using the success we've had with you all,
15 so thank you for that as well.

16 Last crime data, no significant
17 change from the baseline period to the
18 operation period in the number of regular
19 gamblers who report that their gambling has
20 caused them to commit an illegal act and be
21 arrested. It was very few of them copped
22 to an illegal act either in 2014 or 2016,
23 no increase that we can see. So that's
24 crime.

1 The next category in the problem
2 gambling is attitudes. There's evidence of
3 a significant shift of attitudes towards
4 gambling in the host and surrounding
5 communities. There is a decrease in the
6 percentage of people who think gambling is
7 not available enough. They used to be 27
8 percent said there is not enough gambling.
9 Now it's down to 12. That makes some
10 sense. And there's an increase in the
11 percent that the current availability is
12 fine about the same number going the other
13 way.

14 So obviously having a casino here
15 has satisfied people who thought there was
16 too little and dissatisfied people who
17 thought it was already too much. In
18 addition, there's a decrease in the percent
19 of people who think the casinos are
20 beneficial to Massachusetts. Now this is
21 interesting.

22 It's the casinos here that it's gone
23 from 44 percent believing they're
24 beneficial to 33 percent believing they're

1 beneficial. This is one snapshot in time.
2 Remember, this is not a perfect picture.
3 Ten years from now you'll see these same
4 numbers, and then you can really see
5 trends. But in the near term, that's a
6 significant change. And there's an
7 increase in the percentage who believe that
8 the casinos are neither beneficial nor
9 harmful about the same number.

10 Plainville key informants about
11 positive attitudes. Overwhelmingly, the
12 people in Plainville are happy that the
13 casino here, Jennifer Thompson, Town
14 Administrator.

15 I would have to say that everyone I
16 come across is pleased with the casino to
17 this point. It's come through with all the
18 promises that were made, Lou LeBlanc,
19 Chairman of the Board of Health.

20 Next we get to population health.
21 There is no evidence of any change in
22 population health. No significant change
23 from the baseline period to the
24 post-operating period in health, happiness

1 or stress. No significant change from
2 baseline to operations in the percent of
3 people who reported seeking help for their
4 use of alcohol or drugs or who reported
5 having behavioral addiction. No
6 significant change from baseline preopening
7 to operations rated -- that changed their
8 rating of importance of gambling as a
9 recreational activity.

10 These are the kinds of things that
11 people do worry about when you hear a
12 casino is coming. How is it going to
13 interact? There's going to be more drugs,
14 more drinking, more alcoholism, more drug
15 addiction. No evidence of such change.

16 Demographics, does having the casino
17 change the demographics of the host and
18 surrounding communities? There is very
19 little reason to anticipate changes in
20 population or in demographic
21 characteristics in the host and surrounding
22 communities, because the casino isn't big
23 enough to have a demographic impact and, in
24 fact, there have been no changes

1 attributable to the Plainridge Park Casino.

2 Plainville's population has
3 increased faster than in other areas of the
4 state, but this trend was already going on
5 before the casino was here. The Plainridge
6 Park Casino employee survey found that only
7 75 employees of Plainridge Park Casino
8 reported moving to take their job, and of
9 those only 13 moved into Plainville. So
10 it's another problem that people worry
11 about. There's going to be lots of people
12 coming, lots of kids, more demand for our
13 public service, more demands for our
14 schools. That has not happened.

15 In fact, Lou LeBlanc says, we
16 haven't seen an impact an influx in the
17 school system, so they have not reported
18 any direct impact from the casino.

19 Now we get to environment. There is
20 evidence of some environmental impacts.
21 There were noise complaints in Plainville
22 associated with post -- with PCP
23 construction, but there are not noise
24 complaints in its operation. Plainville

1 has increased -- has experienced an
2 increase in traffic volume. Plainville has
3 experienced an increase in traffic
4 complaints. Nontrivial numbers.

5 Traffic volume in Plainville has
6 increased 9 percent from 2014 when
7 construction began to 2016. Don't worry
8 about these numbers, but the increase is a
9 9 percent increase in traffic volume in
10 Plainville. Traffic complaints have a
11 significant increase in Plainville and to a
12 lesser extent in host and surrounding
13 communities.

14 Plainville had a 5.4 percent
15 increase from preopening to the operation
16 period, 5.4 percent increase in traffic
17 collisions, traffic complaints went up
18 substantially, 40 percent increase in
19 traffic complaints. Similar at the host
20 and surrounding communities but traffic
21 collision 8.5, traffic complaints
22 15 percent, much smaller. But obviously
23 this is, in fact ma negative consequence of
24 having a casino here. As the Chief said,

1 it's pretty similar to what would happen if
2 you put a Target or a mall, nevertheless,
3 these are, in fact, negative consequences
4 of having the casino here.

5 Traffic fatalities in Norfolk County
6 have increased slightly. Now, we're in the
7 county again, not Plainville. Traffic
8 fatalities in Norfolk County have increased
9 slightly coincidence with the beginning of
10 construction. 2013 Norfolk County had 28
11 fatalities. You see 48/38/33, a
12 substantial increase in Norfolk County
13 fatalities.

14 However, attribution to the casino
15 was weak both because the traffic
16 fatalities are for the entire county and
17 because traffic fatalities have also
18 increased in the state as a whole from 2013
19 351 statewide to 389, similar to the
20 increase in Norfolk. So it probably has
21 nothing to do with the casino.

22 Plainville key informants, Lou
23 LeBlanc, Chairman of the Board of Health,
24 during construction the Board of Health

1 received some complaints about construction
2 activity, dust complaints, noise
3 complaints. We went out there with noise
4 meters, took ambient noise levels and
5 everything was found to be within tolerance
6 and specs for a construction site. There
7 were no violations issued. We have
8 received no noise complaints since
9 construction has been completed.

10 Jennifer Thompson, we have virtually
11 no issues in terms of traffic or congestion
12 because of the casino. It actually runs
13 better than it did before.

14 Kathleen Parker, Treasurer of
15 Plainville, where the track and casino is
16 located, it is the most dangerous
17 intersection in town, but it was dangerous
18 long before the casino got there. We
19 actually lost a police officer in a road
20 accident. He was killed by a driver while
21 that intersection was being rebuilt. They
22 have done a lot to make it safer.

23 So here's the summary of the social
24 impacts of the casino on Plainridge and the

1 surrounding communities. No impacts to
2 date in terms of problem gambling or
3 related indices. The lack of the impacts
4 of the casino on problem gambling and
5 related issues is probably the high level
6 of casino gambling in this area prior to
7 Plainridge Park Casino opening, because
8 you've got Connecticut and Rhode Island so
9 close. 23 percent of adults in this area
10 already gambled in casinos. So perhaps
11 adding in Plainridge Park Casino was not
12 that big a deal.

13 Crime, no impacts on overall crime
14 in the host and surrounding communities.
15 However, they did see a little of -- a
16 temporary increase in credit card fraud.
17 We've talked about the increase in reports
18 of lost property and suspicious activity.
19 Part of this increase is attributable
20 simply to the increased volume of visitors,
21 as the Chief said.

22 Summary of attitudes, there appears
23 to be a greater satisfaction with the
24 current availability of gambling. There's

1 also its the population is now more evenly
2 split about whether they are beneficial --
3 casinos are beneficial or not. Population
4 health, no impacts to date. Demographics,
5 no impacts to date. In the environment,
6 there were noise complaints during
7 construction, not during operation.
8 Plainville has experienced substantial
9 increase in traffic volume and traffic
10 complaints.

11 All right, bear with me. We're
12 getting there. This is the impacts of the
13 casino -- economic impacts of the casino on
14 Plainville and its surrounding communities.

15 Here again is the list of the
16 economic issues that we look at. Impacts
17 of the direct expenditure and revenue from
18 the casino. We're looking at Plainridge.
19 We're also looking at Springfield and
20 Encore Boston Harbor. We look at the
21 number of business establishments, the
22 changes in industry mix, the casino impacts
23 on other gambling, because that's a
24 business. Levels of employment, labor

1 force participation, unemployment, wages
2 poverty rate, gambling participation is a
3 function of income, property values,
4 residential building permits, rental costs,
5 expenditure by the government and revenues
6 to the government. That's the whole
7 kitten-caboodle.

8 First is the impacts of the direct
9 casino expenditure and revenue. The
10 building and operation of Plainridge Park
11 Casino has had several clear, positive
12 economic impacts at both a statewide, very
13 modest and regional level. There is a lot
14 here. Plainridge spent 150 million-dollars
15 to build the casino. Eighty almost seven
16 percent of the money was spent within
17 Massachusetts. I won't go through the rest
18 of the details but 80 percent, 87 percent
19 of 150 million-dollars was spent in
20 Massachusetts, and a substantial amount of
21 that was in Norfolk and Bristol Counties.

22 The construction employment, the
23 number of people on the construction
24 payroll averaged about 554 across each of

1 the quarters of the construction period
2 with about 81 or 2 percent from
3 Massachusetts. The legislature envisioned
4 this as a bill to employ people and create
5 economic impact. It created 82 percent of
6 the employment at this facility from people
7 of Massachusetts.

8 The operating revenues from PPC
9 overall started going up. This is
10 horseracing, lottery sales and gambling
11 revenue as well as gambling revenue,
12 104 million, the casino had only been
13 opened for half a year, up to 176 million
14 up to 187 million, 186 million in calendar
15 2017 was operating costs of the casino, and
16 an additional 4 million or so was spent in
17 2016 on other retail establishments and
18 shopping, other amenities in the area,
19 which was part of the idea. Bring people
20 in, get them to go to the casino but hope
21 that they spend some time at other
22 amenities, restaurants, et cetera, in the
23 area.

24 Gambling constitutes 95 percent of

1 all of the operating revenue at the casino.
2 You will be interested to know that in Las
3 Vegas, I think, it's 40 percent of the
4 overall revenue is gaming revenue. You
5 think gambling is what Las Vegas is all
6 about but over half of the revenue in Vegas
7 is restaurants, hotels, shows and so forth.
8 At Plainridge Park Casino, 95 percent of
9 the revenue is from gambling.

10 Where are the sources? Where do
11 these folks come from? Where does the
12 money come from? The patron survey, we
13 interviewed a bunch of the patrons on a
14 random basis coming into the facility.
15 11.4 percent of the patrons came from
16 Plainville and surrounding communities.
17 67 percent came from other parts of
18 Massachusetts. 20 percent came from out of
19 state.

20 The sources of the revenue, PPC
21 patron survey, the same survey indicates
22 the largest source of revenue is what we
23 call recaptured revenue from Mass.
24 residents who would have gambled out of

1 state if we didn't bring Plainridge Park
2 Casino to the state. Required recaptured
3 spending by in-state patrons about 100
4 million-dollars, 58 million-dollars of the
5 total revenue of the casino.

6 This was a critical feature in the
7 decision to have casinos. We had all this
8 money was going out of state. If we had
9 our own casinos, we could bring that money
10 back to the state, use it to employ
11 Massachusetts citizens and take back our
12 share of the tax revenue.

13 Interestingly, the impact on the
14 other casinos in Connecticut and Rhode
15 Island has not been that great. There
16 definitely has been some, but it hasn't
17 been that great. The blue is Connecticut.
18 The yellow, whatever this is, is Rhode
19 Island. They were dropping already for a
20 while when Plainville opened -- Plainridge
21 opened in 2015. They've sort of stayed
22 steady. There hasn't been much change.

23 COMMISSIONER STEBBINS: Mr.
24 Chairman, one of the disadvantages

1 everybody thought to Massachusetts casinos
2 was going to be the fact that we don't
3 allow smoking. And I had a chance to meet
4 a couple who were coming from Connecticut,
5 this is obviously just anecdotal, but
6 coming from Connecticut to Plainridge for
7 the sole purpose of the fact that smoking
8 was not allowed inside the facilities.

9 We know -- we hear positive feedback
10 from employees that don't have to put up
11 with it everyday, but it's interesting that
12 Massachusetts now has this niche for people
13 that don't want to be around smoking that
14 they are coming to Massachusetts casinos.

15 CHAIRMAN CROSBY: It's not at all
16 clear that that's a negative, you're right.
17 That's really interesting. Again, in the
18 employee survey in the first year,
19 Plainridge Park Casino hired 893 people,
20 64 percent full time. Of the 893, 41
21 percent were from southeastern Mass.,
22 26 percent were from the metro area an
23 additional and about almost 30 percent were
24 from out of state. We told you 75 people

1 moved to take the employment. Only 13
2 people moved into Plainridge.

3 What's interesting about this is
4 they hired 893 people in the first year,
5 but the average employ level was only a
6 little over 500, so there was a tremendous
7 turnover. You heard the people from
8 Plainridge talking about it. I think, Kim,
9 maybe it was you. Their turnover has gone
10 way down as people have gotten accustomed
11 to work, but this gives you an idea of the
12 kind of turnover there was in the first
13 instance but, also, how many people were
14 hired locally, almost half from the
15 southeastern Mass. region.

16 Significant portion of the jobs at
17 Plainridge Park Casino were net new jobs.
18 15.5 percent of the people who took these
19 jobs were completely unemployed, and
20 35 percent were employed part time. So
21 these were taking people, which the
22 legislation wanted to do, target unemployed
23 and underemployed people and give them
24 economic opportunity. 50 percent of the

1 jobs went to people who were either
2 unemployed or who were employed part time
3 previously.

4 Next category is business
5 establishments. There may be, note the
6 word "may" because our cautious
7 researchers, there may be a small increase
8 in the number of businesses in Plainville
9 attributable to the casino. In terms of
10 the impacts on other gambling industries,
11 PPC has increased lottery sales in
12 Plainville and has stabilized horseracing
13 revenue at the park.

14 Businesses of Plainville increased
15 13 percent from 2009 to 2016, but only
16 2 percent of that happened subsequent to
17 the casino opening in 2014. From 2009 to
18 2016 is a 10 percent increase in
19 surrounding communities, 9 percent in
20 Norfolk and Bristol Counties, 16 percent in
21 Mass. So maybe there is a little bit of an
22 impact on the casino in increasing
23 businesses. I would say it's a fuzzy
24 impact at best.

1 Bankruptcies from 2015 and '16 have
2 increased in Norfolk County, again, not in
3 the city but Norfolk County, to a greater
4 extent than either Hampden County, which is
5 were MGM is, or Middlesex where the Encore
6 casino. However, this is within the
7 natural year-to-year variation of
8 bankruptcies, and there is no strong
9 attribution to Plainridge park Casino.

10 Again, Plainville key informants on
11 business establishments, wow, we've had an
12 awful lot of influx of new businesses. We
13 have no problem keeping restaurants in
14 towns very healthy. That was one of the
15 problems people were worried about, oh, it
16 will knock the small restaurants out. No,
17 that is not true. They are thriving,
18 Kathleen Parker, Treasurer.

19 We've had a lot of interest in the
20 surrounding areas along Route 1. The
21 sections of Route 1 where you see the
22 really large developments coming in, they
23 were undeveloped, so there's nothing there.
24 So it's not like they're driving out to

1 small businesses. The area is really
2 becoming a destination, Jennifer Thompson.

3 On the corner of the diagonal
4 opposite of the casino, I've had plans come
5 through my board for two hotels, a
6 restaurant, a small waste water treatment
7 and some housing all in that opposite
8 corner, Lou LeBlanc, Chairman of the Board.

9 No significant change in
10 participation in any type of gambling
11 except private betting. Private betting is
12 if you just have bets on a card game or
13 something with your friends or the outcome
14 of your high school football game, no
15 changes. Having the casino come did not
16 change the percentage of people who were
17 doing lottery games, raffles, out-of-state
18 casinos, et cetera, no significant impact
19 on other gambling.

20 There has been a revenue decline in
21 charitable gambling, Bingo at churches, for
22 example, in Norfolk County, not in
23 Plainville and surrounding communities but
24 in Norfolk County the decline is smaller

1 than the declines in Hampden Counties and
2 Middlesex Counties, which don't have
3 casinos. So we don't think there is any
4 relationship between drop in charitable
5 gambling and the casino.

6 Plainridge, the racehorses has a
7 significant increase in the number of races
8 from 780 in the year before opening to
9 1,092 now and have stabilized the amount
10 wagered. We hope that going from
11 30 million in 2015 to 35 in 2016, I don't
12 have the 2017 number, we hope it's going
13 up. But at a minimum, it's been a very
14 positive affect for the horseracing
15 industry, many more horses, better horses
16 and at least stabilized what was a
17 declining amount of wagering.

18 Again, key informants, the
19 conditions prior to the casino we did have
20 a racetrack here, and it was struggling.
21 It was almost economically unviable and now
22 it's one of the prized places to race. So
23 that has helped out the local economy and
24 has rejuvenated the horseracing industry

1 here, Lou LeBlanc.

2 Twin Rivers has big billboards on
3 Route 1 right near the Plainridge Park
4 Casino. They weren't doing that before.
5 They do radio commercials. They also do TV
6 commercials locally. I guess Lou LeBlanc
7 is suggesting there is an impact on the
8 gaming establishments in the other states.

9 Significant increase in lottery
10 sales at Plainridge Park Casino subsequent
11 to it becoming a casino. This is lottery
12 sales in the rest of the state and in
13 Plainridge before the lottery, and this is
14 what happened to lottery sales at the
15 casino itself. Nobody really expected
16 this, but the casino has become a
17 tremendous source of sales of lottery
18 tickets. Again, something that the
19 legislature was very concerned about. They
20 insisted that the casino work with the
21 lottery, set up a mechanism for selling
22 lottery tickets, for promoting lottery
23 tickets, and it's obviously had a
24 tremendous impact in terms of lottery

1 sales.

2 Employment, there's evidence of an
3 increase in employment numbers in the Town
4 of Plainridge -- Plainville partly
5 attributable to PPC. Plainville's 372
6 businesses employed 46/14 people in 2016,
7 an increase of 17 percent. This compares
8 to a 4 percent state growth and a
9 3.2 percent in Norfolk and Bristol
10 Counties. There is reason to think that
11 employment is being driven up by as a
12 consequence of Plainridge Park Casino in
13 Plainville.

14 I mentioned this one before. This
15 one is not only worth talking about.
16 Relative to the key informants about
17 employment, one of the key things that
18 casino promised to do was to reach out to
19 Plainville folks first in terms of
20 employment, which they did. They kept
21 their word. They are our largest employer
22 in Plainville. It has certainly had an
23 impact, Jennifer Thompson.

24 As far as employment goes, it has

1 definitely been a positive impact, Lou
2 LeBlanc.

3 Personal income, it's possible that
4 the slight increase in wages and slight
5 decrease in poverty rate in Plainville is
6 attributable to the casino. Plainville
7 experienced a larger increase in average
8 wage 8.2 percent than either Norfolk and
9 Bristol Counties or the state, almost
10 double the increase of personal income in
11 Plainville from Bristol and Norfolk, 3.4,
12 or the state 4.8. Our researchers think
13 that this difference may have something to
14 do with the casino.

15 This is an incredibly interesting
16 one. Although the poverty rate increased
17 slightly in Norfolk County and
18 Massachusetts from pre-operation period to
19 operations, it decreased in Plainville and
20 the 3.6 percent current rate in Plainville
21 is significantly lower than both Norfolk
22 County and the state.

23 If we could all take that one to the
24 bank, we would have some pretty serious

1 something to talk about. Potentially an
2 increase in wages, not just as employment,
3 but in wages and a decrease in poverty
4 levels. Real estate and housing, it seems
5 unlikely that Plainridge Park Casino has
6 had an impact on property values or
7 commercial or industrial real estates. I'm
8 going to run through these quickly because
9 that's the conclusion, that there is no
10 real impact.

11 There has been a small rise in
12 single-family home sale prices in
13 Plainville, but the rise in home sale
14 prices is comparable to the broader region
15 in the state and, in fact, surrounding
16 communities witnessed a more sizable
17 increase. This is Plainville. It's going
18 up. It looks like it's going up a lot, but
19 I'm sorry to say that the casino probably
20 cannot take credit for that impact.

21 Similarly, the opening of the casino
22 was associated with higher median sale
23 prices of condos in Plainville and the
24 surrounding communities. However, this

1 simply may be a continuation of trends that
2 started before the license was awarded.
3 This is 2010. Still at the end of the
4 recession, started to move up long before
5 the casino opened. This one is when the
6 casino -- the license was awarded. Here is
7 when the casino opened. Probably the
8 rising condo prices does not have to do
9 with Plainridge Park Casino.

10 So preliminary conclusions on the
11 residential impacts, Plainridge Park Casino
12 did not negatively impact average home
13 prices in Plainville and surrounding
14 communities. Home ridge and condo prices
15 have risen after Plainridge Park Casino
16 opened. It's difficult to attribute this
17 rise to PPC, because it's similar to more
18 distant communities and the state and is
19 probably part of a trend of increasing real
20 estate values across the Commonwealth.

21 Key informants confirm, the sections
22 of Route 1 where you see the really large
23 developments coming in, they were
24 undeveloped so there was nothing there.

1 It's not like they are driving out the
2 small businesses, Jennifer Thompson.

3 I don't think the casino is big
4 enough to have an impact on the real estate
5 market. There wasn't a large enough influx
6 of employees to drive the prices or make
7 residents scarce. I think the whole market
8 has been trending up, so it would be
9 difficult to attribute that to Plainridge
10 Park when it's happening all over the
11 state, Lou LeBlanc. I think that
12 corresponds almost exactly with the
13 conclusions of our quantitative research as
14 well.

15 Government and fiscal costs and
16 revenues, there are some increased
17 government costs, help the larger police
18 department, so forth. However, this is
19 offset by the significant financial gain
20 from gross gaming revenue, the revenues to
21 the casino, as well as the direct payments
22 that go from the casino to the host and
23 surrounding communities and the overall
24 contribution of local aid that comes from

1 the tax on casino revenues almost all of
2 which goes to local aid.

3 This is the distribution of local
4 aid. Ignore these numbers down here. I
5 just want to give you a synopsis. In
6 approximately in round numbers, the total
7 gross gaming revenue for Plainridge Park
8 Casino in these two years we are studying
9 gross gaming revenue is all of the money
10 bet minus all of the money paid out in
11 winnings.

12 Something people don't know very
13 well is that of all the money you bet, the
14 casino typically keeps about eight or nine,
15 seven, eight, nine, percent. 92, 91, 93,
16 90 percent of the money gambled goes back
17 in winnings. So gross gaming is the amount
18 of -- gross gaming revenue is the amount of
19 money that the casino keeps to cover all of
20 its expenses, to pay taxes and to make a
21 profit.

22 In these two years, the gross gaming
23 revenue for Plainville has been about 320
24 million-dollars. The state share of that

1 320 million is about 160 million and local
2 aid, aid to cities and towns, which is on
3 this chart, went up by about 130 million.
4 That's in two years.

5 But to get an idea, the lottery,
6 which is the primary source of local aid to
7 citizen towns and Massachusetts gives about
8 million-dollars a year all of -- I'm sorry,
9 a billion-dollars a year to cities and
10 towns. Plainridge Park Casino itself is
11 giving 60 to 70 million, six to seven
12 percent from that one little facility. So
13 it's an extraordinary contribution to local
14 aid from the casino.

15 Summary of economic impacts, there
16 have been significant economic impacts at a
17 statewide level. All three casinos have
18 done this. All three casinos are producing
19 significant economic benefits at the
20 regional level.

21 Business establishments, PPC has
22 increased lottery sales, stabilized
23 horseracing revenue and may have increased
24 the overall number of businesses. PPC has

1 increased local employment. PPC, there's a
2 possibility of a slight impact at a
3 regional level for an increase in average
4 wages and a decrease in the poverty rate at
5 Plainville. No impact at statewide level
6 on the real estate and housing, no obvious
7 impacts at the regional level, minor costs
8 to the host and surrounding communities of
9 having Plainridge there but completely
10 offset and more by increases in revenue.

11 That, my friends, is the end of what
12 was 90 slides. So what I wanted to -- I
13 will let you make your own conclusions as
14 to whether this is good, bad or
15 indifferent. How does it compare to what
16 you were expecting. When I say "you," I
17 hope I'm also talking to some people who
18 are watching this online; if not, we've
19 done an awful lot of talking to a few
20 people. But we really thought it was
21 important for you to understand how
22 seriously we take the mandate to understand
23 what's happening, good, bad or indifferent,
24 what's happening to any of the variables

1 that might be affected by casino gambling,
2 everything from traffic that we all know
3 about, problem gambling that we all know
4 about to domestic violence rates, property
5 values, unemployment, anything you can
6 possibly think of.

7 Knock on wood right now, I think the
8 bottom line is looking pretty good. Very,
9 very few negative impacts. Quite a few
10 substantial impacts. There are many more
11 years to come. The other two casinos are
12 much bigger. The impacts will be much
13 greater. They may be much more negative in
14 some cases. We hope they will also be much
15 more positive.

16 But, again, our mission was to come
17 back to you after we were out talking to
18 you about whether or not you ought to have
19 a casino in this town. And when Penn
20 National and now Plainridge Park Casino
21 were telling you what they were going to do
22 and what the consequences of PPC were going
23 to be and let you have the opportunity to
24 draw your own conclusions. I'm happy to

1 take questions. I'm also happy to go home.
2 Anybody? All right. With that, anything
3 else from the other Commissioners?

4 COMMISSIONER CAMERON: No, excellent
5 job. I think it is a good, new story.

6 CHAIRMAN CROSBY: I do, too. But I
7 don't think that should not come from us.
8 I want to say that, but I want you all to
9 make your own conclusions. All this
10 information is readily available on our
11 website. The two or three slides that I
12 raced through wasn't because I didn't want
13 you to see them. It was just too much
14 detail. Every single thing we have is
15 available to you at any time. So, I think,
16 I'll have a motion to adjourn.

17 COMMISSIONER CAMERON: So moved.

18 COMMISSIONER STEBBINS: Second.

19 CHAIRMAN CROSBY: All in favor?

20 Aye.

21 COMMISSIONER CAMERON: Aye.

22 COMMISSIONER STEBBINS: Aye.

23 COMMISSIONER O'BRIEN: Aye.

24 CHAIRMAN CROSBY: The motion is

1 adjourned. Thank you.

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(Meeting adjourned at 7:00 p.m.)

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APPEARANCES:

MASSACHUSETTS GAMING COMMISSION STAFF:

Catherine Blue, General Counsel

Edward Bedrosian, Executive Director

John Ziemba, Ombudsman

Michael Sangalang, Digital Communications
Coordinator

PLAINRIDGE PARK CASINO:

Ruben Warren, Vice President of Finance

Kimberly Dixon, Vice President of Human Resources

Michele Collins, Vice President of Marketing

GUEST SPEAKERS:

Richard J. Ross, Senator

Elizabeth Poirier, Representative

James Alfred, Chief of Police for Plainville

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COMMONWEALTH OF MASSACHUSETTS

I, KRISTEN M. EDWARDS, COURT REPORTER,
do hereby certify that the foregoing is a true and
accurate transcription of my stenographic notes,
to the best of my knowledge and ability.

WITNESS MY HAND, this 3rd day of July,
2018.

Kristen M. Edwards