



Region B - Local Community Mitigation Advisory Committee Minutes

Date/Time: October 20, 2016 – 3:00 p.m.

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

Members Present:	Phil Dromey Carmina Fernandes Kate Kane Yem Lip Steven Marantz Jill McCarthy Payne Ellen Patashnick Sean Powers Rick Sullivan Mike Vedovelli Timothy Brennan	Attendees: Bruce Stebbins Enrique Zuniga John Ziemba Joseph Delaney Mary Thurlow
Members Absent:	Representative from Agawam, Representative from East Longmeadow, Representative from Wilbraham	

Call to Order

Jill McCarthy Payne, the current chair, called the meeting to order and introduced herself. She then asked each member to introduce themselves.

Mr. Ziemba discussed a determination by the State Ethics Commission relative to Gaming Policy Advisory Committee (GPAC) committee’s determination and how that impacted the representatives that are municipal employees. He described the ongoing work with the Ethics Commission and the supplemental submission to the legislature. The chair then asked if there were any more comments.

Mr. Ziemba then discussed that a big purpose of the meeting to solicit comments for the 2017 Guidelines for the Community Mitigation Funds using the 2016 Guidelines as a base and improving upon them. As the development of the casinos continue the Fund will be more robust and there will be significant change once the casinos are operational.

Mr. Ziemba gave an overview to put the elections of officers in perspective. He explained the multi-levels of the committees, how the membership is comprised and the issues of quorum requirements especially where there is no Region C members at present. His goal is that the mitigation guidelines will continue to improve as more funding becomes available. The intensity of the committees’ roles will become even more important as the Community Mitigation Fund grows. That being said, Mr. Ziemba asked for volunteers for the position of chair for this committee. After motion made by Mr. Sullivan and seconded by Michael Vedovelli and Carmina Fernandes, members voted unanimously to re-elect Ms. Payne as the chair.

Mr. Ziemba then described the role of the LCMAC representative on the Subcommittee on Community Mitigation in assisting in the development of the Community Mitigation Fund Guidelines, and that the member of the Subcommittee on Community Mitigation member must come from a surrounding community of the casino. After a motion made and seconded Carmina Fernandes was voted unanimously as the member to represent Region B at the Subcommittee on Community Mitigation.

Mr. Ziemba then explained the focus of the next two meetings on the Community Mitigation Fund (CMF). He described the fund as having basically two time periods prior to opening of the casinos and once the casinos are operational. The funds initially comprised of fees received from the licensees in the amount of \$17.5M. After two CMF rounds, there is approximately \$13.2M left. This amount may be further diminished in the future as the Sheriff's office will likely require further assistance of \$1M - \$1.2M for the next 3 years. The Sheriff's office ran a facility that needed to relocate after 29 years and this funding is to cover rent increases. This leaves approximately \$12M for the next 3 years. MGM is scheduled to open September 5, 2018 and Wynn, June 2019, so no significant funding will be available until the last quarter of 2018. It has been approximated that Wynn may provide \$11.5M and MGM may provide \$6.5M each year throughout the license period. Impacts can be mitigated by the mitigation fund and also perhaps by funds required by the Host Community Agreements and Surrounding Community Agreements.

Mr. Ziemba then went on to say that this next year's program may not be much different than the current year. Plainridge Park Casino has not seen tremendous impacts. As this program is still in its infancy and the casinos are still in construction, questions have arisen that require input from the various committees reviewing the funding. Addressing some issues now while there is limited funding will help in the later determination of needs and to what gets funded. Larger operational issues that may cause impacts on schools, gentrification, and housing are still a few years away.

Mr. Dromey asked if the funds were just for Category 1 surrounding communities.

Mr. Ziemba explained that the fund is meant for Category 1 and Category 2 facilities and at present there is no Category 1 anticipated in Region C. Plainridge Park Casino, the Category 2 facility, is paying into the Gaming Local Aid Fund and the Horse Race Development Fund but does not contribute to the Community Mitigation Fund on an ongoing basis. However, its impacted communities are able to apply for funding. It is also for communities near the Tribal facilities. At present it is uncertain if that development in Taunton is going forward as construction has stopped due to legal filings.

Mr. Sullivan asked if the funding only for surrounding communities?

Mr. Ziemba said no, any community experiencing impacts.

Mr. Vedovelli asked what if no impacts are experienced?

Mr. Ziemba then went onto explain the different categories of grants available and that the focus is to get grants decided before the beginning of the fiscal year. He noted that the 2014 Referendum was right before the February 1, 2015 deadline. As a result communities did not have time to demonstrate impacts so the Commission established the reserve grants. These were established for specific or planning purposes and could be spent when the impacts arise. Communities can use the funds at any time; the eligibility for the impact first determined pursuant

to the Guidelines and then put before the Commission. In 2016, the \$100,000 reserve was continued as well as construction based impacts. Some communities may prevent impacts prior to them occurring by using the funding for planning purposes. Even though the casino Applicants had to go through the Massachusetts Environmental Protection Agency (MEPA) process; and commit to mitigation pursuant to the MEPA process; all transportation impacts are predictions and cannot be exactly known before they occur. In 2016 the transportation planning funding had been limited to 20% of the funds or \$4.9M.

Mr. Delaney then described the City of Chelsea where an intersection was shown through the MEPA process to have no impacts. However, the community made an argument that in the EIR they did not look at 100% of the intersections.

Ms. Fernandes: Ludlow has received state funding for work on Exit 7 . Would Ludlow be able to use their \$100,000 first?

Mr. Delaney stated that there has to be shown an impact caused by the casino. Community mitigation funds are not for general municipal use; although there is an understanding that there may be some ancillary benefits that go along with the funding.

Mr. Ziemba explained that applications are not for general municipal purposes but are for offsetting costs of the gaming facility. Planning to mitigate harms, to take advantage of opportunities from a casino and to figure out ways offset costs in anticipation of an impact are allowed.

The members then turned to review policy question 12. *“12. Should the 2017 CMF be used to support and help leverage resources to address the financial constraints on access to programs that support residents of the Springfield or Everett areas trying to obtain their high school or work readiness credentials to be eligible for employment?”*

Commissioner Stebbins stated that the purpose of the Gaming Act is employment; all jobs available through the casino require a high school diploma. Recruiting could be from high school with a job available upon graduation. There needs to be viable workforce for the different demands in the different areas. This puts a strain on readiness programs so there needs to be support or a way to leverage this issue so there is a workforce available with the emphasis on employing women and the minorities based on what are the needs from each region.

Mr. Sullivan then stated that he thought it would be beneficial, Putnam Vocational School on the construction side. He noted that MGM’s public outreach has reached 1000 people already; the Skillsmart; it is important to see where the gaps are so you can try to get ready to the need to fill gaps and backfill from other companies; now is the time to get this done, it is an appropriate need.

Ms. Kane said she would like to see a pilot program and that MGM has been very helpful but she has concerns about skill sets and jobs being able to be filled.

Mr. Sullivan stated that Springfield and Holyoke are very focused on the Working Cities Grants that focus on people below the poverty line that need training.

The members then turned to Policy question 13: *“Should the Commission place a limit on grants in each gaming region based on the projected tax revenues generated for the CMF by the gaming*

facility in that Region? If so, should such limit be instituted during the construction period or when the Category 1 facilities are operational?”

Can or should the Commission take into account different regions; or allocations based on contributions? Can or should the Commission do mitigation funding by regions? What would happen if there is a surplus?

Mr. Vedovelli asked what happens to excess funds and will there be a carryover?

Mr. Ziemba mentioned a potential example where if there may be \$2M remaining after a given year in a region after funding decisions have been made. Perhaps that funding could be carried over for a year. Then if that funding is still not used, it could be returned to the CMF for other projects.

Mr. Dromey: What happens if there is surplus?

Mr. Vedovelli mentioned that it is tough to determine impacts now, as it can be three years before impacts are realized by communities

Mr. Ziemba responded: Even now, impacts are difficult to predict, but once the casinos are operational it will be different; there is a question if we have the ability to create two separate funds.?

Ms. Kane asked what are the slots funding that they don't contribute to the mitigation fund?

Mr. Ziemba responded that the slots facility contributed at the front end through a percentage of the licensing fee but that now its contributions go to local aid, for example.

Commissioner Zuniga mentioned the Commission's evaluation of Plainridge Park construction impacts.

Mr. Sullivan mentioned the expensive nature of mitigation in the Boston region and that potentially the mitigation in Boston could require all of the funding. He stated he would like funding to stay in the area.

Mr. Powers: Could the funds be used for secondary projects for surrounding communities as issues may arise; I would like to see something so it stays in this area.

Mr. Ziemba: \$12M seems like a lot, but transportation projects are expensive and funding might need to be allocated when the funds are available.

The Committee then discussed Section 4 of the Policy Questions. *“4. Should the Commission revisit its determination to authorize planning grants, which require an in-kind match?”*

Commission Stebbins stated that the Commission is looking at minority, veteran and female hiring and looking for what the capacity is; there is economic development work for local business. An example is that Plainridge has done some work with Kittredge in developing business opportunities.

Commissioner Zuniga mentioned that at many hearings there were concerns expressed about traffic; cases can be made for supplemental traffic impacts and one has to think about known impacts such as Sullivan Square.

Mr. Ziemba mentioned that Sullivan Square it is a congested area between three cities and it may be difficult to resolve but there's a long term working group that may assist in determining specific needs. Another issue is how much consideration is given, if any, of determinations raised by the Long Term Working Group's studies.

Mr. Sullivan thought that funding for Boston traffic projects should not be coming out of western Massachusetts mitigation dollars.

Mr. Vedovelli stated that he is just filling in however was wondering if the Lower Mystic group is a municipal employee group.

Mr. Ziemba then added that the legislation is still pending which could provide staffing by municipalities on these Gaming Policy Advisory Committees.

The Committee then reviewed question 2. *"2. Should the Commission place a per grant limit for 2017 CMF awards?"*

Mr. Ziemba mentioned that up to this point there has been no limit per grant. He noted the difficulty in weighing grant applications against each other. What scoring system, such as under the Community Development Block Grant program, or what other factors should be considered?

Tim Brennan mentioned that PVPC has developed a transportation ranking system that may be helpful.

Mr. Ziemba requested that members bring these policy questions to their communities. Because of time constraint, the draft of the Guidelines may come out before all the answers are available. However, further but weighing in and comment by December is appreciated.

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

Meeting concluded at 4:30.

/s/ Mary S. Thurlow
Mary S. Thurlow, Secretary

List of Documents and Other Items Used

1. Notice of meeting and agenda
2. Membership of Gaming Policy Advisory Committees
3. M.G.L. c. 23K Section 68
4. M.G.L. c. 23K Section 61
5. Open meeting Law Guide
6. Certificate of Receipt of Open Meeting Law Materials
7. State Ethics Commission letter to MGC dated 9/2/2015
8. Summary of conflict of Interest Law for State Employees
9. Acknowledgement of Receipt
10. 2016 Community Mitigation Guidelines
11. Policy Questions for Discussion by the Local Community Mitigation Advisory Committees and the Subcommittee on Community Mitigation Relative to the 2017 Community mitigation Fund (“CMF”) Guidelines