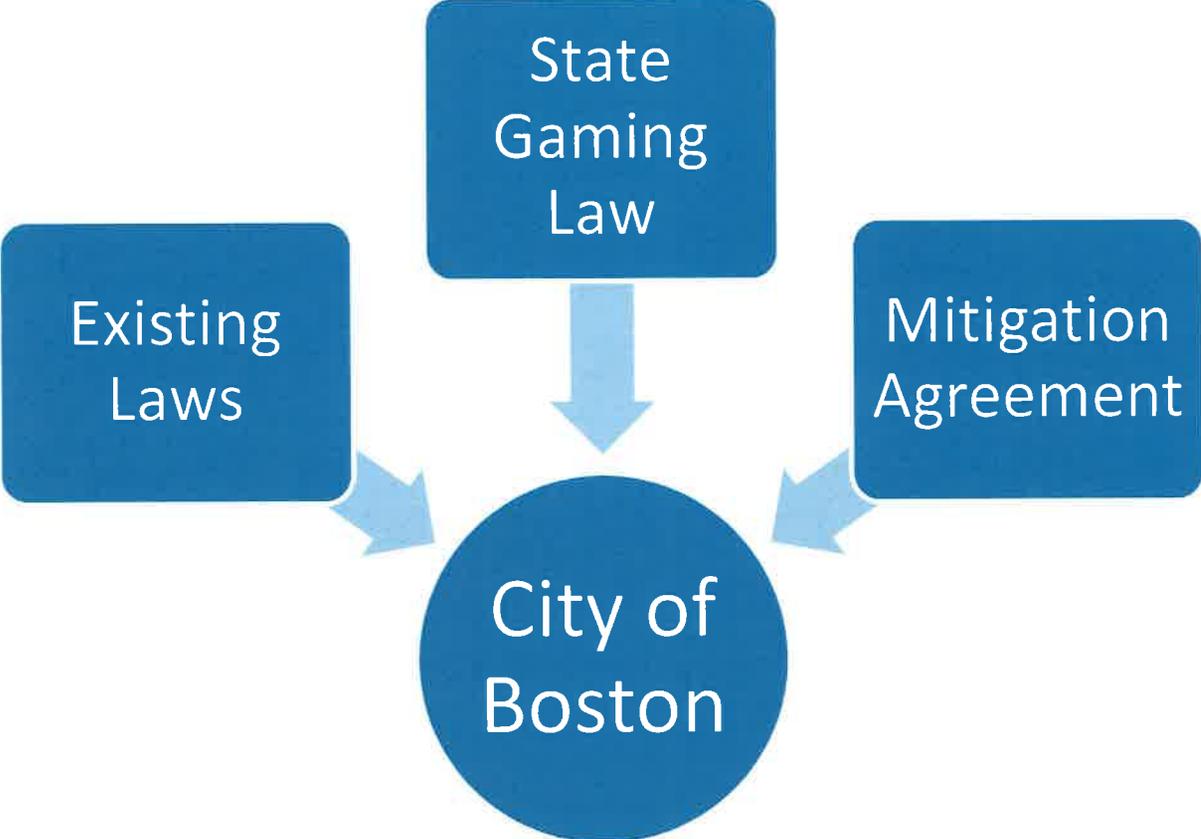


Sources of Revenue & Community Benefits for Host Community



Direct Flow of Revenue & Benefits to City of Boston

Existing Laws

- Commercial Property Tax
- Local Option Meals Tax
- Local Option Hotel Tax
- Mitigation through Article 80 Process (BRA)

Revenue from State Gaming Law

Gaming Licensing Fund(s)

Source of Revenue: Licensing Fees

Expires 12/31/15

- **Community Mitigation Fund (10%)**
- **Transportation/Infrastructure (14.5%)**
- **Local Capital Projects (11%)**
- Racehorse Development (5%)
- Community Colleges (17%)
- MA Tourism (1.5%)
- Health Care Payment Reform (23%)
- **Local Aid Stabilization (5%)**

MA Gaming Revenue Fund

25% Gross Gaming Casino Revenue; 40% Gross Gaming Slot Revenue; Penalties; Renewal fees

- **Gaming Local Aid Fund (20%)**
12.5% Gross Casino Revenue by Year 5
- **Transportation/Infrastructure (15%)**
- **Education Fund (14%)**
- **Commonwealth Stabilization (10%+ if local aid cut)**
- Debt Reduction (10%)
- Economic Development (9.5%)
- **Community Mitigation (6.5%)**
- Racing Horse Development (5%)
- Public Health Trust (5%)
- MA Cultural Council (2%)
- **Local Capital Projects (2%)**

State Revenue Directed to Municipalities (via statewide distribution)

Local Aid

- Gaming Local Aid Fund: Statewide allocation using UGGA formula
- Local Aid Stabilization Fund: can be used to supplement local aid
- Up to 50% of Commonwealth Stabilization Fund may be used for local aid cuts

Education

- K-12 Supplemental Funding (Using Ch. 70 Formula)
- 35% allocation for Higher Ed

Transportation & Infrastructure

- Fund administered by Secretary of MassDOT
- Not less than 50% must be used as supplement
- Capital investment level set by State Gaming Commission (no less than \$500M for casino; \$125M for slots; 3.5% net gaming revenue)

Community Mitigation

- Funds must be requested by Feb 1st each year
- Host & Surrounding cities may also apply to up to \$50,000 for costs associated with proposal research

Additional Provisions of the State Gaming Law (not inclusive)

- Compulsive Gambling Fee directed into Public Health Trust Fund (\$5M/year)
- Casinos are smoke-free
- Concurrent police jurisdiction between local and state police (pursuant to MOU)
- Traffic mitigation requirements set by State Commission
- Division of Gaming Enforcement established within AG's office
- Construction related timelines and penalties (up to \$50M fine)
- Entertainment venues can be less than 1,000 seats or more than 3,500 seats (applicant must sign agreements with impacted entertainment venues)
- Funds provided to sustain racing industry and greyhound care
- Licensee must issue annual report to State Commission
- Application objectives:
 - Promote local businesses (develop marketing strategies with local restaurants, small businesses, hotels, retail outlets, etc.); Contracting with local businesses for the provision of goods and services
 - Implement workforce development plan and training programs that serve the unemployed and provide methods to access employment opportunities; Enable career advancement through tuition reimbursement or on-the-job training
 - Establish on-site child day-care program
 - Facility must meet high environmental standards (LEED Gold, etc.)
 - Establish goals for contracting with minority and women businesses & organized labor, and hiring a diverse workforce

Additional Opportunities for Direct Revenue & Community Benefits

Mitigation Agreement

(signed between casino
applicant & host community)

- **POTENTIAL AREAS FOR MITIGATION**
- Transportation & Infrastructure
- Capital Improvement Projects
- Public Safety & Emergency Response
- Housing and Neighborhood Development
- Economic Development
- Local Jobs and Service Delivery
- Direct Revenue, Tax Relief, “Community Impact Fee”
- Ongoing community partnership(s)
- Other benefits as determined by the City of Boston