



HOST COMMUNITY ADVISORY COMMITTEE

City Hall, Room 615 Boston MA 02201

Brian Leary, *Chairman*
Sarah Barnat
Lisa Calise
David Fubini
Ronald L. Walker II

August 21, 2012

VIA U.S. Mail and Electronic Mail
William J. Mulrow, Chairman
Sterling Suffolk Racecourse, LLC
111 Waldemar Avenue
East Boston, MA 02128

RE: *Host Community Mitigation Agreement*

Dear Mr. Mulrow:

We write to you to express some concerns and expectations of the City of Boston's Host Community Advisory Committee (the "Committee") as we move forward in our consideration of a host community mitigation agreement ("Agreement") for your proposed resort destination casino development at Suffolk Downs. Of particular concern are 1) a delay in providing and responding to information requests, 2) a lack of progress on the application requirements, and 3) the proposed phasing of the development.

As you know, the Committee's mandate is to ensure that the interests of the residents, families, businesses of, and visitors to, the City of Boston are the utmost priority in the potential development of a resort casino in the City of Boston. We intend that any agreement presented to East Boston residents prior to their vote on a ballot question on this issue holds the promise of being a driver of vigorous economic activity that improves the quality of life for the greater East Boston community.

1) Inadequate Information

We are concerned that the information that's been provided to date is inadequate for us to give the informed advice and counsel that the City of Boston expects of us. You must understand that we cannot begin to negotiate an Agreement, including a community impact fee, before we have a thorough understanding of the economic underpinnings and impacts of your proposed development. The Committee and our Executive Director and Counsel, Elizabeth Dello Russo have made specific requests over the past several months to help the Committee identify and understand the impact of your casino proposal. Among the information we still have not received is the following:

1. A comprehensive economic impact study;
2. A social impact study;
3. A detailed transportation and traffic impact study (submitted documents omit a parking plan and transit improvement plan);



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4. An updated and more complete Phase I/Phase II Environmental Site Assessment;
5. Estimated municipal and state tax revenue to be generated by the project.

Please share these reports and information by the end of this week. If the studies are not yet complete, please inform us by the end of this week when you expect their completion. We recognize that in order to complete your tax analysis, we need to provide you information from the City's recently retained assessing expert. We will do so as soon as that analysis is completed.

2) Gaming Application Requirements

It is our understanding that as of August 10, 2012, you have paid a nonrefundable application fee of \$400,000 to the Massachusetts Gaming Commission, one of the mandatory criteria set by law for your application for a gaming license. These criteria also include the following: (1) a community mitigation plan to address infrastructure costs; (2) a signed Agreement which sets forth the following: the conditions for permitting a gaming establishment in the host community; stipulations of responsibilities; stipulations of known impacts from the development; and a community impact fee; (3) a marketing program with minority, women and veteran business enterprises as contractors; (4) an affirmative action program of equal opportunity for minorities, women and veterans on construction jobs; (5) compliance with building codes, ordinances, bylaws and MEPA; and (5) a certified and binding vote on ballot question at an election in the host community. Since you have met the fee requirement we would encourage you to take significant steps on the additional license application requirements, many of which are included above.

3) Development Phasing

We do not believe your intention to develop the project in multiple phases is consistent with your promise of developing a "world class destination resort." We urge that you provide new materials for a resort destination casino that complete the project in a single phase.

Finally, we want to remind you that we have high expectations for the community impact fee required by the statute. We have reviewed past statements made by both the project developers and their consultants with respect to reasonable up front and on-going fees. We very much look forward to those discussions once our impact review is complete.

Very truly yours,

Brian G. Leary, Chairman
Host Community Advisory Committee