
GAMBLING ON DEVELOPMENT

A Report to the
Warren Casino Study Committee

Central Massachusetts
Regional Planning Commission

November 2010



Resort Casino:

a casino which shall include a gaming establishment and other non-gaming amenities, including but not limited to: hotels, entertainment venues, retail stores, recreation facilities, and restaurants all located at one site.

*(“An Act Establishing and Regulating Resort Casinos in the Commonwealth”;
October, 2007)*

Destination Resort:

a resort that contains, in and of itself, the necessary guest attraction capabilities – that is to say that a destination resort does not need to be near a destination (town, historic site, theme park, or other) to attract its public. A commercial establishment at a resort destination such as a recreational area, a scenic or historic site, a theme park, a gaming facility or other tourist attraction may compete with other businesses at a destination. Consequently, another characteristic of a destination resort is that it offers food, drink, lodging, sports, entertainment, and shopping within the facility so that guests have no need to leave the facility throughout their stay.

(Compiled from Dictionary.com)

Preface

In 2009 the Massachusetts Legislature began considering bills that would open the doors to casino gambling in the state. There were numerous bills introduced, containing a wide range of provisions. And so began the great debate regarding casinos in Massachusetts.

Public sentiment was divided, and the divisions followed unclear lines. Some believed that the willingness to consider allowing casinos represented a knee-jerk reaction to the recession being experienced here and nationwide. Others believed that it was simply an opportune time to prepare for the certain eventuality that casinos would operate in the Commonwealth.

Informally, most discussions assumed a casino would be authorized in Central Massachusetts. The presumption was that an attractive development site would have excellent access to existing Interstate Highway(s) such as I-90. The new casinos in Massachusetts would surely be located so as to provide casino activity close to home, so that Massachusetts residents could engage in the gambling and casino resort attractions without travelling south to Connecticut's Foxwoods and Mohegan Sun facilities.

If I-90 was the initial siting consideration, the reasoning followed that a casino development site would consist of several hundred acres of land with the potential for direct access to I-90, and near enough to key population centers (Boston, Worcester, Providence RI and Hartford CT) to provide "enough" visitors to the facility.

Small towns such as Brimfield (pop 3,813), Palmer (pop 13,101) and Warren (pop 5,000) were identified as towns where large parcels of land near I-90 and within about an hour drive of Boston made them attractive as potential casino development sites.

In Central Massachusetts, development permitting, including often complicated evaluations and negotiations, is carried out by volunteer members of local Boards of Selectmen and Planning Boards. This is certainly the case in the Town of Warren, MA, which has no professional Town Manager/Administrator, no town engineer, and has only a part-time professional planner.

The Warren Casino Study Committee contacted the Central Massachusetts Regional Planning Commission (CMRPC) in February 2010 seeking assistance in preparing for the potential of a casino development in their Town. CMRPC is the designated regional planning agency for the Central Massachusetts region including the City of Worcester and surrounding 39 communities. CMRPC collaborates with local, regional, state and federal officials, including legislators, in order to bring a regional perspective and a coordinated approach to the planning and development that occurs in this region. The ultimate goal of the Commission is to improve the quality of life for those who work and live in the Central Massachusetts region.

Specifically, the Town sought assistance in identifying potential impacts of casino development, both in the Town of Warren and in its neighboring communities, and developing tools to guide such development. Please note that the identification of impacts is meant to focus on overall land use and community impacts, and does not attempt to address social impacts of casino gambling.

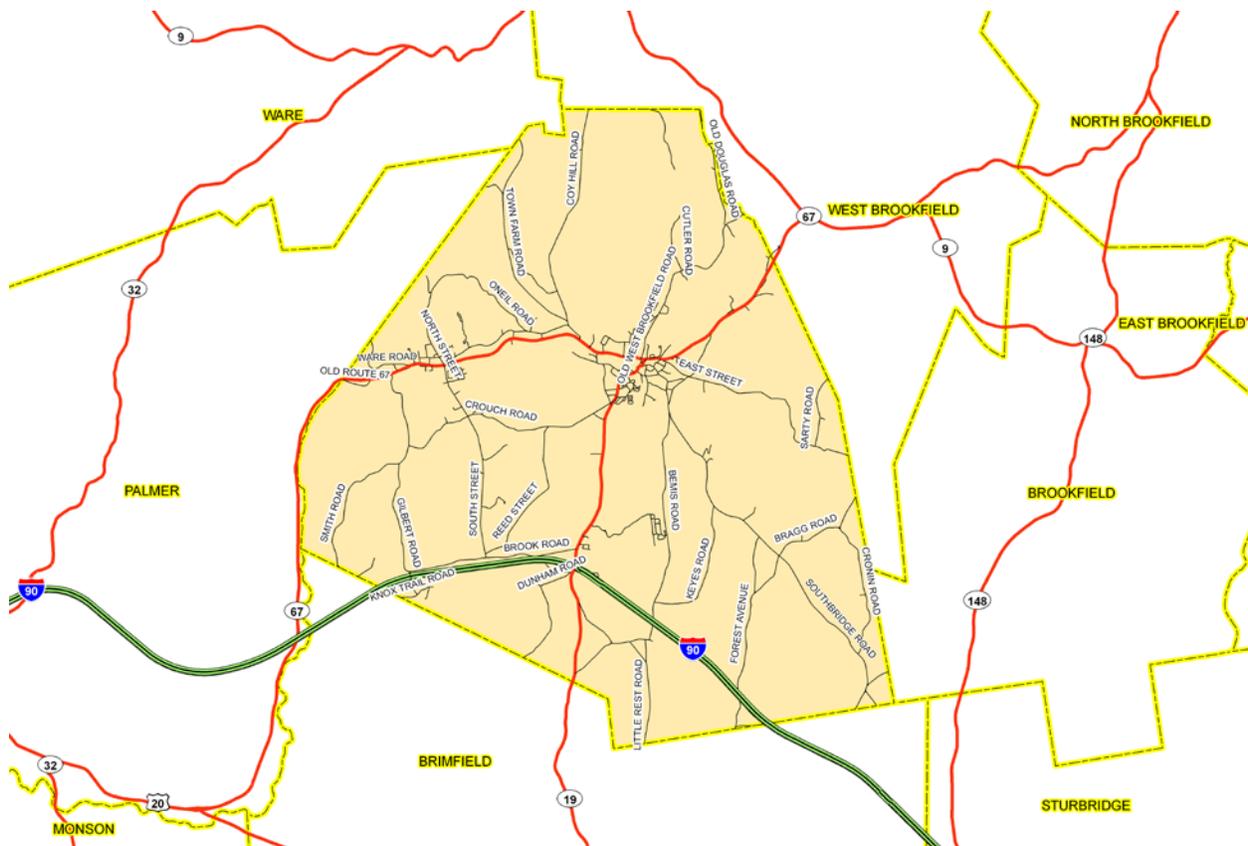
In order to assist the Town, CMRPC conducted extensive research on gambling and casino impacts on land use, interviewed numerous public officials in communities throughout the country experienced with casino development, and interviewed several Massachusetts legislators relative to initiatives in the House and Senate.

While this report focuses to a great degree on resort casino development, the planning dialogue and process described is a sound planning exercise. Regardless of the specific details of a potential large development, many of the impacts are fairly predictable and there is, therefore, an opportunity for local governments to address them. In addition, there are certain processes that will benefit the host and neighboring communities when planning for, or responding to, an application for any development of significant regional impact.

CMRPC is pleased to have completed this work with the support of the Legislature's District Local Technical Assistance funding program. We remain grateful to our local Senators and Representatives for their continued support of this program.

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I. INTRODUCTION: CASINO DEVELOPMENT IN MASSACHUSETTS

A. Background

Historically, Massachusetts gaming has been restricted to horse racing, greyhound racing, and the state lottery.

1. Horse Racing

Suffolk Downs, a thoroughbred race track in East Boston, opened in 1935 after the Massachusetts created the State Racing Commission in 1934 and pari-mutuel wagering was legalized.



Pari-mutuel is a betting system in which all bets of a particular type are placed together in a pool; taxes and a house "take" or "vig" are removed, and payoff odds are calculated by sharing the pool among all winning bets. The pari-mutuel system is used in sporting events of relatively short duration in which participants finish in a ranked order.

The Suffolk Downs track is a one-mile dirt oval with a seven-furlong inner turf oval. It has been operated under various ownership entities since 1935. The current owner, Coastal Development Massachusetts, LLC has owned the property since 2007.

Plainridge Racecourse, the state's only harness track with a 5/8-mile racing track in Plainville, opened in 1999 under former State Racing Commission Chairman Gary Piontkowski.



2. *Greyhound Racing*

In the November 4, 2008 election, Massachusetts voters approved Question 3 which would ban commercial dog racing in Massachusetts by 2010. The existing dog racing tracks in Massachusetts were ordered to shut down by January 1, 2010, as commercial dog racing is slowly "phased out".



Raynham Park, a greyhound racing park in Raynham, was built in 1940 by greyhound racing pioneer Russ Murray. Raynham Park holds the world record for the largest annual handle (total amount wagered) of \$240 million, set in 1989. All racing at the park was formally ended on January 1, 2010 after the state election banned all greyhound racing. The building continues to host simulcast racing.

Wonderland Greyhound Park, a dog track in Revere, opened on June 12, 1935. Although now banned from live greyhound racing, the facility remains open for greyhound, harness and thoroughbred simulcast racing.

All of the Massachusetts race track owners are actively lobbying for "racino" gambling within the proposed legislation, which would approve slot machines at the tracks in an effort to keep them in business.

3. *State Lottery*

The Massachusetts State Lottery was established by the Legislature in 1971 as a means to generate revenues for the 351 cities and towns of the commonwealth.

Over the past three decades, the Massachusetts Lottery has returned over \$15.3 billion to the Commonwealth for cities and towns throughout the state which is distributed according to a local aid formula established by the Legislature. The Lottery is charged with generating the revenues through the sale of its products, while the Department of Revenue's Division of Local Services is responsible for disbursing the funds to municipalities. The state's distribution formula of Lottery revenues is based primarily on property values and population, and does not take sales into account when deciding how much is returned to individual communities. Any change to the formula requires Legislative approval.

4. *Other Gaming Facilities*

There are 9 other gaming facilities within 100 miles of Massachusetts:

- Twin River Casino, Lincoln, Rhode Island
- Newport Grand Casino, Newport, Rhode Island
- Rockingham Park Race Track, Salem, New Hampshire
- Foxwoods Resort Casino, Mashantucket, Connecticut
- Mohegan Sun Casino, Uncasville, Connecticut
- Seabrook Greyhound Park, Seabrook, New Hampshire
- Rochester Fairgrounds horse track, Rochester, New Hampshire
- The Lodge at Belmont dog track, Belmont, New Hampshire
- Scarborough Downs horse track, Scarborough, Maine

B. Recent Initiatives

Embracing the largest expansion of gambling since the creation of the Lottery in 1971, the Massachusetts House approved legislation in April 2010 (House bill No. 4619) to establish two casinos in the state and up to 750 slot machines at each racetrack in a 120-to-37 veto-proof vote. Legislators who changed their votes to support the legislation from prior discussions were quoted as saying that the slumping economy had persuaded them that casinos and slots represent an historic opportunity to create thousands of jobs and capture much of the estimated \$1.1 billion that Massachusetts gamblers spend every year at casinos in Rhode Island and Connecticut.

In June 2010 the Massachusetts Senate unveiled their proposal. The legislation calls for up to three casinos in three areas of the state (one of which would be reserved for a Native American tribe) and no slot machines at race tracks. Unlike the House plan, which specified no geographical boundaries for siting two casinos, the Senate bill will delineate three casino zones: Southeastern Massachusetts, Eastern Massachusetts and Western Massachusetts. The boundaries of those zones, each of which could have a casino, were not identified.

C. Likely key provisions

Although the legislation was not adopted by the time the Session ended, the 2010 Legislative Session represented a huge shift in the state's response to legalized casino gaming. It is all but certain that the topic will again be raised later in the calendar year. Based on the 2009-10 discussions, it is likely that any Casino Gambling legislation will contain certain key provisions. These key points fall into several categories and are discussed in greater detail below:

1. Number and type of facilities
2. State licensing process
3. Revenue distribution
4. Community mitigation

1. *Number and type of facilities.*

It appears that legislation will ultimately authorize 2 or 3 resort casinos, one in each designated "region." Region 1 will likely include Suffolk, Middlesex, Essex and Worcester counties; Region 2 includes Norfolk, Bristol, Plymouth, Nantucket, Dukes and Barnstable counties. Region 3 includes Hampshire, Hamden, Franklin and Berkshire counties.

It appears that up to 750 slot machines would also be authorized at each of the 4 existing race tracks in the Commonwealth.

Legislation is also likely to reauthorize simulcasting at the Commonwealth's race tracks for at least another few more years.

Casino operators hoping to locate in Massachusetts would have to commit to investing several hundred million dollars in capital construction costs. If they are awarded a license, they may also be required to pay a one-time multi-million dollar fee to the State.

2. *State Licensing Process*

Review of the 2009-2010 Legislation indicates that, In order to be eligible to bid on a gaming license, legislation will ultimately require that applicants/proposals meet certain criteria including, among others:

- The proposal must have received a certified and binding vote on a ballot question at an election in the host community, in favor of such license;
- The developer must provide a community impact fee to the host community. Presumably, the details of such fees will be reflected in a Development Agreement;
- The developer will need to submit a plan to construct, and demonstrated the ability to pay for, infrastructure costs of the host and surrounding communities incurred in direct relation to the construction and operation of a gaming establishment. The detailed description of infrastructure work/costs, and payment schedule, will presumably be reflected in a Development Agreement;
- The developer must have secured a signed agreement with the host community to have a gaming establishment located within the host community. This agreement must include the community impact fee for the host community and all stipulations of responsibilities between the host community and the applicant, including stipulations of known impacts from the development and operation of a gaming establishment;
- Of course, all state and local building codes, zoning and development regulations must be complied with. It is likely that the Development Agreement would at least articulate what permits are required, and a schedule for securing them, although it is most likely that local development permits would not be secured prior to seeking the state license.

After a review of the entire application and any independent evaluations, the Gaming Control Board will hold a public hearing on the proposal.

As part of the comprehensive application process, the applicant is required to submit to the Gaming Control Board (GCB) a host of reports and studies, including an analysis of the proposed casino's impact on the following:

- (a) economic benefits to the region and the commonwealth;
- (b) local and regional social, environmental, traffic and infrastructure impacts;
- (c) impact on the local and regional economy, including on cultural institutions;
- (d) cost to the host community and surrounding communities and the Commonwealth for the proposed gaming establishment to be located at the proposed location; and
- (e) the estimated municipal and state tax revenue to be generated by the gaming establishment.

The applicant must also submit a statement/report as to whether (and in what ways) the proposed gaming establishment is part of or in accord with a regional or local economic development plan. Examples of such plans in the Warren area include: the *Greater Worcester Area Comprehensive Economic Development Strategy*, the *2020 Growth Strategy for Central Massachusetts*, and the *Pioneer Valley Plan for Progress*.

The applicant must also provide a plan to identify, evaluate and mitigate social, economic, cultural and public safety impacts in surrounding communities. The Gaming Control Board will identify which communities are to be considered as "the surrounding communities" of a proposed gaming establishment. In making that determination the GCB will consider the plan submitted by the applicant referencing the regional or local economic development (see above), information received from the public, and various other factors such as population, infrastructure, distance from the gaming establishment and political boundaries. The proposed design plan and additional data must include proposed surrounding community impact fees and participation by the surrounding communities in identifying impacts, and mitigation agreements with the surrounding communities.

Prior to the public hearing by the GCB, the applicant is required to provide the Board with a signed agreement with each of the surrounding communities detailing the development agreements made with each community. Each agreement must include a surrounding community impact fee and all stipulations of responsibility between the community and the applicant, including stipulations of known impacts from the development and operation of the gaming establishment.

If there is more than one eligible casino proposal in a single region, the state would hold an auction before awarding a license.

3. Revenue Distribution

There is no way to be sure of the revenue sharing/distribution formula that will ultimately be contained in legislation. However, by reviewing last year's proposals, some potential distribution formulas and priorities emerge:

- Gaming Local Aid Fund
 - Receives 100% of revenue from racetrack slots until resort casinos are operational.
 - Anticipates \$100 million annually for local aid.
- Gaming Local Aid Fund
 - Receives 30% of the tax on gross gaming revenue.
- Community Mitigation Fund – Assists contiguous communities in offsetting costs.
 - Receives \$15 million from licensing fees.
 - Receives 2% of the tax on gross gaming revenue.

According to one of the bills reviewed, the MA Gaming Commission will administer the fund and it will be used “to assist contiguous communities in offsetting costs related to the construction and operation of a gaming facility including, but not limited to, communities and water and sewer districts in the vicinity of a gaming facility and public safety, including the office of the county district attorney.”

The legislation also indicated that the Commission *may* hold a public hearing in the region of a gaming facility to provide parties with the opportunity to provide further information about their request for funds and shall distribute funds to requesting parties based on demonstrated need. Distribution of funds is intended for contiguous communities.

- Public Health Trust Fund - Assists those affected by compulsive gambling.
 - Receives \$5 million dollars annually assessed on all gaming operators by the Commission.
- Local Capital Projects Fund
 - Receives \$40 million from licensing fees.
 - Receives 7% of the tax on gross gaming revenue.
- Manufacturing Fund
 - Receives \$50 million from licensing fees.
- Community College Fund
 - Receives \$25 million from licensing fees.
- Massachusetts Tourism Fund
 - Receives \$3 million from licensing fees.
 - Receives 1 % of the tax on gross gaming revenue.

- Economic Stabilization Fund
 - Receives 30% of the tax on gross gaming revenue.
- Education Fund
 - Receives 30% of the tax on gross gaming revenue.

4. *Community Mitigation*

The legislation will most likely require the Gaming Control Board to develop regulations to address issues of community mitigation as a result of the development of gaming establishments in the Commonwealth. These issues include: how funds may be expended from the Community Mitigation Fund; the impact of gaming establishments on the host community as well as surrounding communities; and how to address that impact.

The process to develop these regulations will likely involve the participation of “local community mitigation advisory committees”, which may be created in each of the 3 state-wide regions. These locally-based LCMAC’s would be well-positioned to advise the GCB and its subcommittees on any issues related to the gaming establishment located in its region including, issues of community mitigation, how funds may be expended from the community mitigation fund, and the impact of the gaming establishments on the host and surrounding communities.

II. WARREN CASINO STUDY COMMITTEE



The Warren Board of Selectmen notified the community of their intention to organize and discuss impacts that would be placed on the Town. The Warren Casino Study Committee (WCSC) was commissioned in October of 2009 by the Board of Selectmen to address potential issues facing the community from the possible development of a casino resort in or near their community. The WCSC consists of citizens and elected officials from both the Warren and West Warren sections of town.

A. Mission

The mission of the Warren Casino Study Committee is “to gather factual information by research, public input, and available documentation on the potential development of casino gambling in, or abutting the communities of Warren and West Warren. Our obligation is to disseminate this gathered information to our citizens through a series of public venues. We have committed ourselves to assure that the environmental, economic, social and quality of life for our community is protected to the best of our ability.”

B. Pinpoint potential community development issues

The WCSC submitted a letter in February 2010 to their legislators identifying an extensive list of concerns and issues for inclusion in any legislation regarding casino or slot development. The following items were identified as high priority concerns for the Town of Warren:

1. Legal, Professional, and Technical Assistance
Legislation should assure that Cities and Towns receive aid for legal, professional, and technical, assistance with respect to any impacts that are a result of the gaming industry. This should include but not be limited to: zoning, housing, infrastructure, education, environment, etc.
2. Zoning
Legislation should prevent “hot-bedding” and dormitory housing in communities abutting or hosting potential casinos. The Commonwealth should provide protection to communities from lawsuits in this area that may be proposed by gaming developers/licensees.

3. Environment

The Legislation will consider impacts to natural resources and enforce all state environmental laws and regulations, including, but not be limited to conservation efforts, wetlands, forestry, wildlife habitats ect. Legislation should also enforce smart growth policies that minimize air, water, noise, night light pollution, and hazardous waste as well as other MEPA considerations.

4. Education

Legislation will enforce that the following education costs, as listed but not limited to enrollment, personnel, materials, equipment for ELL, special education, facilities, and transportation that can be attributed to expansion of population, caused by a gaming/gambling development, will be paid by revenues from tax and license revenues first before all other initiatives. Impact studies in these areas should be performed on an annual basis at no cost to the municipality.

5. Infrastructure

Legislation should ensure that the costs of infrastructure will be borne by the developers and/or license holders of expanded gambling/gaming, and hold harmless the municipality. Examples of infrastructure include but should not be limited to: cell towers, roads, utilities, bridges, water/sewer, and any other upgrades, expansions, or new facilities.

6. Public Safety – Police, Fire, Emergency Medical Services

Legislation will make compatible the municipality with state police technology and equipment and provide a secure and reliable communication system with same. Also the cost of public safety such as increased personnel, equipment, vehicles, facilities and other materials shall be borne by expanded gambling/gaming revenues and not local tax receipts.

In addition to those high priority concerns, the committee also identified other issues that should be considered in any final legislation. They are but not limited to:

1. Comprehensive cost-benefit analysis by region of gaming/gambling in Massachusetts
2. Establish Regional Mitigation Trust Funds.
3. Local representation on Gaming Commission(s) & Oversight Committees.
4. Work Force Development.
5. Housing.
6. Smart Growth Development.
7. Transportation.
8. Marketing.
9. Ethics.
10. Casino Expansion.
11. Protection of taxpayers and region from profit loss due to reduction in lottery receipts and local aid.
12. Social and public health costs.

III. NEARBY CASINO DEVELOPMENT EXPERIENCES

In order to facilitate an open and informed town-wide discussion, CMRPC convened a public forum in May 2010 to create an opportunity for both education and dialogue. Ultimately, the forum sought to address the following question:

What are the community and land use impacts we would likely experience if or when a Development of Regional Impact is built in the area?

For purposes of this discussion, a “development of regional impact” is a large-scale development that is likely to have regional effects beyond the local government jurisdiction in which it is located (*Cape Cod Commission Act, 1990*). This type of project is very complex and requires input from numerous reviewing agencies at both the state and local level. Examples of developments of regional impact include a relatively large residential development, a shopping center, a regional sports stadium, a mixed use development, a large commercial recreational facility or any number of other development proposals including, of course, a resort casino.

Central Connecticut is home to both Foxwoods and Mohegan Sun Casino resorts. For the May 2010 forum, a panel of 3 local municipal professionals from the communities in which those facilities are located brought a wealth of experience on this topic. The speakers were: Bill Haase, AICP, Former Planning Director, Ledyard, CT; Marcia Vlaun, Planning Director, Town of Montville, CT; and Lt. Michael Finkelstein, Executive Police Officer, Ledyard, CT.

All three have lived and worked in the area before, during, and since the development of these destination resort casinos. Thus, they were part of the process of anticipating the potential or likely impacts of the projects, and have also lived through the actual impacts. This provided the forum attendees the benefit of many “lessons learned”.



As previously noted, the project proponents must develop reports highlighting both host- and surrounding-community impacts, in a regional context. In order to ensure that these are comprehensive and accurate reports, it is critical that local officials are well-versed in the potential impacts of resort casino development. Thoughtful and intelligent feedback will rely upon a comprehensive analysis of all of the issues.

A. Two Towns, Two Experiences

In 1992, the Mashantucket Pequots opened the Foxwoods Resort Casino on what had been deemed its Tribal land within the boundaries of the small town of Ledyard, Connecticut. Over the next 18 years, Foxwoods, along with the Mohegan Sun casino in Montville, Connecticut, which opened in 1996, have become two of the primary destination spots in New England and are considered by many in the industry to be among the most successful casinos in the world.

Both Ledyard and Montville, CT have seen their fair share of change since the casinos opened. However, this change is visible in various and sometimes surprising ways.

Prior to the opening of Foxwoods, the 1990 Census indicated that the Town of Ledyard had a population of 14,900. The 2011 population estimates have the population at approximately 15,687, an increase of less than 2% over the 19-year period. While the number of residents in Ledyard has not changed significantly, other demographics of the community have changed dramatically. Traffic, public safety impacts, housing code violations, and the impacts to roads, water, and sewer infrastructure, have been significant.

Foxwoods opened in February 1992 with 170 table games. In January 1993 it began operating slot machines. The facility now features 350,000 square feet of gaming space in a facility with 4.7 million square feet of floor space. It has six gaming floors, more than 7,200 slot and video poker machines, a racebook and 400 table games, including 100 poker tables. It also has the world's largest bingo hall.



Nearly 36,000 people visit Foxwoods each day. Foxwoods has 1,416 hotel rooms and suites in three locations in the resort complex. There are 25 food and beverage outlets, including gourmet restaurants, casual dining outlets, bars, lounges and a buffet. Prominent entertainers perform in their 1,400-seat Fox Theater. Foxwoods operates a 55,000 square-foot ballroom and a 30,000 square-foot junior ballroom. It has 25 conference rooms. It owns the adjacent Lake of Isles, the site of two upscale 18-hole public-golf courses. The MGM Grand at Foxwoods opened Memorial Day Weekend 2008. The \$700 million development includes an MGM hotel

tower with 825 guest rooms and suites, a 4,000-seat MGM Grand Theater, a high-energy nightclub and an additional 115,000 square feet of meeting space. The casino offers 60 table games and more than 1,400 slot machines (www.foxwoods.com).

Although Foxwoods is marketed as a “destination resort,” there are so few hotel rooms available that less than 10% of the visitors could be accommodated for an overnight stay on any given night. Foxwoods was developed 20 years ago which, in terms of casino development, represents second or third generations of the concept. Cutting edge, fourth generation modern casino development typically involves residential components, and a much greater emphasis on non-casino activities. In fact, in the newest generation of the development schemes, non-casino activities would account for at least half of the overall square footage.

The Mohegan Sun opened on October 12, 1996. It operates a 3-million-square-foot gaming resort on a 240-acre site that features a three-story crystal mountain and a 55-foot indoor waterfall. It has more than 300,000 square feet of gaming space on two gaming floors with more than 6,000 slot machines and 300 table games. It has an 11,000-square foot simulcast racebook, 30 food and beverage outlets and nearly 1,200 guest rooms and suites. The facility includes 100,000 square feet of convention space, a 22,300 square-foot Elemis Spa, 130,000 square feet of retail space with 60 retail shops and three entertainment venues with a 10,000-seat arena (www.mohegansun.com).

Prior to their opening, the 1990 Census indicated that the Town of Montville had a population of 16,673. The 2010 population is 20,003, an increase of nearly 20%. In addition to this larger population increase than experienced by Ledyard, Montville has also seen significant change in many of same areas as Ledyard, but to a varying degree.

Thus, the communities of Ledyard and Montville are in a challenging planning position: they are simultaneously functioning as both the host and neighboring communities to two of the largest resort casinos in the world. Combined, Foxwoods and Mohegan Sun total 650,000 square feet of gaming space with 14,600 slot machines, 760 table games, and the world’s largest bingo hall, 3441 hotel rooms, 55 restaurants and bars, and offer 130,000 square feet of retail space.

As of May 2010, Foxwoods’ payments to the state of Connecticut have totaled \$3 billion since 1993. Its March 2010 revenue report showed slot revenue of \$61.6 million; Connecticut received \$15.4 million per the revenue sharing agreement (*Providence Journal*, May 11, 2010). According to the Center for Policy Analysis at the University of Massachusetts at Dartmouth, a patron origin survey conducted in January 2009 showed that 31% of the patrons at Foxwoods, and 17% of patrons at Mohegan Sun, were from Massachusetts. Based on this survey and a review of financial data, it is estimated that Massachusetts residents spent approximately \$709 million at Connecticut’s two casinos in 2008. It therefore appears that Massachusetts residents contributed an estimated \$93.1 million to the Connecticut state treasury.

These financial figures are much of what drives the movement to legalize casino gambling in Massachusetts, because anything that happens in Connecticut materially affects its neighboring states, especially Massachusetts.

B. Two Experiences, Key Issues/Lessons Learned

Based on information provided by the Forum speakers and information gathered from various other sources, the following is a summary of key themes and recommendations relative to resort casino and other large-scale development projects:

1. Process

- Ensure that the local community is at the negotiating table. State government must invite officials from local host communities to sit at the bargaining table as gaming compacts are being negotiated. Local officials should pay close attention to negotiations that take place, insisting that this essential step be a required part of the approval process.
- Ensure that the local community has its own peer review experts working on its behalf to review all aspects of the project during both the state and local permitting processes.

2. Traffic

- Traffic is an enormous impact that is typically inadequately managed. Traffic engineers working for Foxwoods during the design phase significantly underestimated the traffic impacts and traffic volume associated with that development.
- The combined large number of visitor and employee trips to and from the two casinos has had a significant impact on the region's highway and local road networks. Mohegan Sun and Foxwoods each attract up to 40,000 visitors a day. Although employment numbers vary, there were approximately 22,000 people employed at the two casinos as of the summer of 2008 (*Gambling in Connecticut: Analyzing the Economic and Social Impacts*, Spectrum Gaming Group, June 22, 2009).
- In addition to visitor trips, traffic is also an issue because employees will use roadways to commute to work. This results in corollary congestion at short-cuts and back roads in addition to the anticipated consumer access to the site.
- An important process distinction between Montville and Ledyard is that Montville was "at the table" for the interstate highway interchange design which allowed them to negotiate to keep a local ramp to the town and a dedicated ramp to Mohegan Sun. This was critical to ensure that traffic impacts of the casino development were not felt on local roads. Mohegan Sun estimates that about 95 percent of its visitors who drive to

the casino arrive via I-395, thus avoiding local roads (*Gambling in Connecticut: Analyzing the Economic and Social Impacts*, Spectrum Gaming Group, June 22, 2009).

3. *Casino revenue*

- Specific to Ledyard, from the town's perspective the state revenue sharing agreement with the town/host community is inadequate, with far too few dollars being directed back to the town. Certainly the host community would prefer a far greater share of the casino revenue be directed back to the municipality rather than distributed throughout the state.
- Casinos are not recession-proof; both Foxwoods and Mohegan Sun experienced reductions in revenue due to the recession, resulting in reductions in payments both to the state and to the local host community.
- In Connecticut, revenue sharing was stipulated in the legislation. Due to the formulas in the legislation, the distribution of funds among communities is not necessarily equitable. The Town of Montville receives \$500,000 annually from the casino. However, Montville receives less money from the state casino fund than communities located hours away from the casino.
- The Connecticut General Assembly allocated 78 percent of the state's gaming revenue to municipalities in the 1994 fiscal year, the first full year of Indian gaming. In 2007, the figure fell to just 21 percent. In interviews with Spectrum Gaming Group, municipal officials throughout Connecticut continually emphasized the need to restore the funding formula to a more balanced level to enable municipal officials to reduce property taxes (*Gambling in Connecticut: Analyzing the Economic and Social Impacts*, Spectrum Gaming Group, June 22, 2009).

4. *Public Safety*

- The Ledyard Police Department had a staff of 16 prior to the development of Foxwoods; staffing has since increased to 24. E-911 dispatch has been a huge issue for the department due to the enormous increase in call volume, which has doubled since Foxwoods opened. Ledyard uses a state trooper to oversee its police department. During an April 2008 interview, Resident State Trooper John Rich said the demands on his 23-person department are such that police can only be reactive; there is not enough staffing to be proactive. The police budget has nearly tripled to \$2 million since 1992, when Foxwoods opened. At that time, the town used part-time constables for police. Rich noted that many of the officers have to work overtime and budget documents show that overtime in the FY 1992 budget totaled \$41,960. In 2009, that figure totaled more than \$220,000. Calls for service have increased tenfold since 1992. Police say the sheer volume of people coming to the region has increased so much that the result is an increase in problems ranging from traffic accidents to drunk driving to larcenies. The

force should have at least 30 officers, Rich maintains, because traffic accidents and DUI arrests continue to increase year after year (*Gambling in Connecticut: Analyzing the Economic and Social Impacts*, Spectrum Gaming Group, June 22, 2009). The clear lesson here is for communities to understand that a development that attracts large numbers of people, particularly with available alcohol and entertainment, will have a significant impact on public safety departments. It is critical that a realistic assessment of department capacity is discussed to ensure that a municipality is not unfairly burdened by a large development.

- The public safety departments noted a large increase in the number of DUI incidents. Norwich, for example, a municipality just north of the two casinos, had 129 DUI arrests in 1992 and 252 in 2008. DUI arrests in Montville totaled 37 in 1992; 87 in 1997 and 116 in 2007. Local and state police in the region have become increasingly concerned with the rising number of DUI arrests involving drivers who last consumed alcohol at a casino. The Spectrum Group asked police in Ledyard, Montville, and North Stonington to determine how many DUI arrests had a casino nexus. Police in those municipalities reviewed arrest reports to see where motorists had their last drink during the 12-month period ending June 30, 2008. The resultant data indicates that the casinos are clear origins of a significant proportion of all DUI arrests in local communities (*Gambling in Connecticut: Analyzing the Economic and Social Impacts*, Spectrum Gaming Group, June 22, 2009).
- It is critical that communities not underestimate the impact on Fire and EMS services (ambulance), particularly EMS. In the case of tribal casinos, even though the casino has its own fire service, the local department must still respond.

5. *Land Use and Economic Development*

- Ledyard re-zoned areas around Foxwoods to encourage additional development, but there was very little additional development activity due to a lack of water and sewer infrastructure. It is important to note that Casino traffic is Destination traffic; businesses not associated directly with the casino do NOT benefit from development of a casino or other large resort.
- The vast majority (more than 90%) of casino visitors are “day trippers”, so one should not expect any real spin-off economy. Day trippers will stay at the resort for an average of about six hours.
- There are approximately 22,000 employees at Mohegan Sun and Foxwoods, with a median annual wage of between \$30,000 and \$35,000. Using casinos as a model of economic development means relying on gambling and chance to replace jobs in productive industries. “Economic Development”, in this context, is primarily service sector, with no real wealth building.

- In the absence of existing public water and sewer infrastructure, do not expect a retail building boom on roadways leading to and from a casino resort.
- Plan for future jobs and community goals: for example, negotiate to have additional municipal land set up for potential high-tech industrial development with infrastructure such as water, sewer, and fiber optics.

6. *Housing*

- Expect to see pressure to construct multi-family residential developments, particularly in areas that are served by public utilities. Multi-family housing is typically lower cost, which is needed for employees earning lower tier wages.

The lack of affordable housing has helped to create a problem with substandard housing in southeastern Connecticut. Specifically, a growing number of housing units are in violation of minimum housing/sanitation codes. Area housing officials acknowledge they have been waging an unsuccessful battle to curb illegal conversions of single-family homes into rooming houses.

- Due to a more than 100% increase in housing and building code violations, and a near quadrupling of zoning complaints between 2002 and 2006 (from 137 to 503), the Norwich Department of Planning and Development has resorted to putting staff on overtime to investigate the violations. City officials attribute most of those increases to illegal rooming-house conversions. Building officials reportedly now work approximately 60 hours a week (*Gambling in Connecticut: Analyzing the Economic and Social Impacts*, Spectrum Gaming Group, June 22, 2009).
- Sharing of beds in shifts known as “hotbedding” is a common practice among casino workers who earn low wages. One shift of workers returns to a home, only to be replaced by another. The term “hotbedding” denotes that the bed, occupied on a constant basis, is always warm. This situation raises two key issues: 1) lower-income workers cannot find adequate housing and are forced to exceed typical occupancy standards in non-traditional housing arrangements; 2) these non-traditional housing arrangements can be disruptive to the surrounding neighborhood with people coming and going at all hours of the day and night.

7. *Financial Impacts*

- According to Professor John Warren Kindt at the University of Illinois at Urbana-Champaign, field research conducted in the 1990s throughout the nation indicated that for every dollar the legalized gambling interests indicated was being contributed in taxes, it usually cost taxpayers at least three dollars, reflected in infrastructure costs, relatively high regulatory costs, expenses to the criminal justice system, and large social-

welfare costs (*The Business-Economic Impacts of Licensed Casino Gambling in West Virginia: Short-Term Gain but Long-Term Pain*, John Warren Kindt, 1994).

- A dedicated local capital fund should be established enabling host communities to pay for casino impacts.
- In April 1997, Ledyard released a report documenting Foxwoods-related financial impacts. While the Tribe contributed nearly \$20 million for improvements to state highways, Ledyard officials noted that casino-generated traffic often uses municipal roadways to avoid congestion on Routes 2 and Routes 2-A. That increased traffic has resulted in additional wear and tear on Ledyard bridges, drainage culverts and road pavements. It has also increased demands on traffic enforcement, which takes away from time local police can spend on criminal investigations (*Fiscal Impacts of Foxwoods Casino on the Town of Ledyard*, April 1997).
- The 1997 Ledyard report identified \$1.3 million worth of quantifiable costs directly attributed to the casinos that included the following breakdown:
 - \$180,096 for public safety and traffic
 - \$191,000 for local roads and bridge improvements
 - \$527,000 for anticipated future improvements
 - \$81,500 for zoning enforcement and litigation
 - \$36,636 for general assistance and social services
 - \$27,534 for uncollected local taxes

8. Other

- Schools. It was noted that in Montville there has been no impact to school enrollment due to the casino development. Additionally, there are fewer people per household today as compared to 1990. However, while the Norwich Public Schools experienced a 1.3 percent enrollment decline from 2003 to 2008, a dramatic shift in demographics related to casino development created severe problems for the district. The District spends close to \$2 million each year to operate an “English for Speakers of Other Language” program that became necessary after the casinos opened. ESOL students are not proficient enough in English language to be educated in English-language classrooms. The students come from Haiti, Peru, the Dominican Republic and Eastern Europe. In addition, many students speak only Chinese. In the 2007-2008 school year, more than 7 percent of the enrollment, 289 students, were Asian-Americans. That is four times the figure from the 1993-1994 school year. In 1999, the district had just 40 ESOL students and one teacher. In the 2007-2008, it had 380 such students who spoke at least 26 different languages (*Gambling in Connecticut: Analyzing the Economic and Social Impacts*, Spectrum Gaming Group, June 22, 2009).
- Language/Cultural. In a very interesting observation, gaming attracts Chinese clientele; therefore the casinos needed to employ people who speak Mandarin. This has had an

impact on Montville where there is now a multi-cultural Mandarin grammar school and many local government permits are now printed in both English and Mandarin. This results in a municipal need for teachers of English as a Second Language, translation services, potential cultural conflicts, and the like. This immigration issue can also be attributed to the massive job losses in tourism and the garment industry sustained by Manhattan's Chinatown sustained after the attacks of 9/11/01. According to the Census Bureau, more than 9,000 people of Asian descent now live in New London County, an increase of nearly 100 percent in just five years. Nearly 3,000 Chinese reside in Norwich, a city within easy commuting distance of both casinos.

- Impact on Neighboring Towns. Host communities must reassess how they perceive themselves in order to realistically deal with the additional development impacts early. The communities of Ledyard, Preston and North Stonington have a combined population of just over 24,000 based on U.S. Census figures. This is not really the case. With an average of 30,000 gamblers visiting Foxwoods each day and 9,600 casino employees traveling to and from work on local roads, the combined daily population of these three towns is actually 63,600. With numbers like these, it should come as no surprise that issues facing the three towns are similar to those faced by much larger cities.

IV. RECOMMENDATIONS AND NEXT STEPS

While much of the information contained in this report focuses on land use impacts of potential resort casino development, an underlying thesis of the research is that this information and process guidance can, and should, be applied to any large scale development proposal. Many of the land use impacts associated with a resort casino are similar to those of a large housing development, regional shopping center, or amusement park, to name a few. Thus, a vast majority of the lessons learned and findings and recommendations contained in this report would be relevant during any large project review process.

A. Take Stock

Before facing any significant development proposal or other decision, the Town must know where it stands. It will be virtually impossible to reasonably plan for project impacts, or negotiate reasonable (and meaningful) mitigation measures, without a solid sense of existing conditions. Therefore, it is essential that the town work now to identify town-wide and neighborhood-specific visions and goals. For example:

What vision is identified in the Town and Neighborhood master plans relative to...

- Housing
- Land Use
- Economic Development
- Natural and Cultural Resources
- Transportation
- Municipal Facilities and Finance
- Public Safety, including Police, Fire and EMS/Ambulance services
- Other topics which may include energy reduction and green technology

What are our current Infrastructure conditions? Do we have constraints? Are there upgrade projects that are currently being considered through our Capital Improvements Program? Infrastructure includes, at a minimum, the Town's...

- Roadway network
- Sanitary sewer capacity
- Water capacity (supply and distribution)
- Utilities (electricity, natural gas, fiber optic)

What is our community's current Educational capacity, with regard to...

- Classroom capacities (school age population projections)
- School facilities (grounds, infrastructure)
- Educational staffing

What do our current Municipal bylaws and regulations say about application review procedures? Are there specific thresholds which trigger mitigation? Based on other

assessments, what additional thresholds need to be addressed? In other words, are there any gaps in our existing regulatory processes?

B. Develop a Process

It cannot be overstated that both the host community and abutting/potentially-impacted communities must actively engage in the negotiation process prior to license approval for a resort casino development. Both the forum speakers and the prevailing literature are clear on the necessity for municipalities to engage in the process from a very early stage.

Although differences remain in the language of the 2009-2010 legislation between the House and the Senate versions, licensing at the state level will certainly require approval of the proposed development by the host community. Thus, one can presume that the local review process will be two-fold: prior to receipt of state license and post-licensing. These review processes will be quite different and will be defined by varying degrees of specificity, including zoning language allowing the use, development of permitting and review procedures and criteria for approval, specific design and site plan review, required mitigation for all impacts associated with the development (particularly traffic and infrastructure improvements, which are likely to involve many state agencies), requirements for all necessary peer review, establishment of any and all financial agreements, public safety support, and the like.

It is essential that the town develop a *process* by which they will develop an agreement with the project proponent.

Under Chapter 40A Section 11 of Massachusetts General Law, the Planning Board in "every abutting city or town" is entitled to notice of a public hearing and is defined as at "party in interest". Accordingly, in addition to the process that may ultimately be established for state-level permitting, abutting communities are afforded the opportunity to participate in a host community's local permitting processes. Although an abutting community cannot claim zoning authority in another municipality, the right of appeal does extend beyond municipal boundaries. Again, ensuring that all communities with standing are represented throughout the process will minimize the possibility of a protracted legal battle between neighboring communities and maximize the ability for all to address each issue.

An example of the "abutting community issue" is Norwich, Connecticut. Norwich is less than three miles from Mohegan Sun and 7.5 miles from Foxwoods. Due to its proximity to both Connecticut casino sites, nearly 6,000 casino workers reside there. In fact, the workers account for nearly one in five Norwich residents. This highlights the importance of abutting communities being active participants early and throughout both the state and local permitting processes.

It is difficult to know how the casino legislation in Massachusetts will ultimately describe that (state level) permit process. However, what is clear is that both host and abutting communities

must work cooperatively with each other and with the state to ensure that all interests and priorities are reflected in the final permit for the casino developer.

Development agreements for the state- and local-development process should address a myriad of local issues and considerations in a very specific fashion. Some of these topics include:

- Economic Impacts/Development

From a business-economic perspective, according to John Warren Kindt, Professor of Business Administration at the University of Illinois, the main issue involved in legalized various forms of gambling is whether gambling activities constitute a valid strategy for economic development. According to various sources, and as stated by the forum speakers, new economic development as a result of resort casino construction is minimal if it occurs at all. In fact, many studies also show that pre-existing restaurants and bars are at a competitive disadvantage to those located within casinos which can result in these local businesses eventually closing. In Atlantic City, NJ, casinos not only failed to improve local business conditions, they contributed to their decline (*The Luck Business: the devastating consequences and broken promises of America's gambling explosion*, Robert Goodman, 1995).

Furthermore, when visitors to the casino are relatively local residents, their spending shifts from other local businesses to the casinos, thereby creating a drain on resources.

One suggestion to ensure some complementary effect is to have the casino complex dedicate a minimum amount of space to be leased by local restaurants or firms. The Spectrum study had a core thesis that the most effective means of ameliorating any negative substitution is to authorize only destination casinos that have developed plans and strategies to grow the visitor base, expand employment and engage in joint marketing opportunities with other local businesses. It is an important point that should not be overlooked in legislation, or in the local development permits and/or agreements.

Information attained during the May 2010 forum indicated it is critical to ensure a plan for future jobs and community goals. In particular, the Town should be prepared to negotiate to have additional municipal land set up for potential high-tech industrial or other complementary business. The land must have suitable access to appropriate infrastructure such as water, sewer, fiber optics, roadways and perhaps public transit opportunities. This is a key step for the municipality.

Tying the casino development to hotel construction within the permit is essential. In Bethlehem, PA, a new Sands casino opened in April 2009. An important component to a resort casino is the entire "resort package", including, most importantly, the hotel. In 2008, citing the economy, the Sands stopped construction on a 300-room hotel that was supposed to make Bethlehem a tourist destination. Without a hotel, visitors to the casino are locals and day-trippers. This has resulted in Bethlehem not getting the new hotel jobs

or the hotel and meal taxes from overnight guests (*Ka-ching! A Pennsylvania city finds out what happens when a casino moves into the neighborhood*, Alison Lobron, CommonWealth, Spring 2010). As stated earlier, the typical casino visitor spends an average of six hours at the casino and then goes home. Without the hotel, visitors will not spend any additional time in the local area visiting local businesses and attractions.

The development agreement should specify phasing of the construction and occupancy of the casino resort elements, phasing of the infrastructure and other municipal improvements, etc.

Preparing for and guiding a development's Economic impact is significantly different than preparing for a community's Fiscal impact. While economic impacts are tied to generally private development projects and affect industry sectors and employment trends, fiscal impacts relate to the expenses that the community itself will face now and in the long term, including capital and operating costs.

- Housing

Housing is a critical issue for both host and abutting communities. Communities can expect pressure to construct additional housing to accommodate casino employees if such housing does not already exist. This can also become a regional issue as described in Norwich as described above. Abutting or nearby communities which have available housing or infrastructure may see an influx of either new residents or construction.

Housing concerns also include code enforcement, the aforementioned "hotbedding", and other housing code issues. These issues can have dramatic impacts on neighborhoods and can result in very serious emergency situations (overcrowding, conversions without permits, etc.). Communities in Connecticut, as described above, are experiencing serious enforcement challenges in trying to address the multitude of ways that housing code violations can occur. This must be taken into account when discussing the impact of large scale development on municipal services.

Given these very real housing issues, communities must be prepared to accommodate modest increases in the local housing stock, either through local initiative (such as zoning changes) or within development agreements with the casino developer. A proactive response to the need for additional and likely more diverse, housing will decrease the propensity of serious housing code violations.

- Public Safety

The existing police force and other emergency services will certainly not be adequate once a destination resort casino, or any development of regional impact, comes on-line. It is critical that communities recognize the need for additional police, fire and ambulance personnel that will be necessary to handle problems caused by the sheer volume of casino patrons which on a daily basis may exceed an entire host town's population. Personnel

issues are different from capital infrastructure, and must be paid for up-front and annually. This too should be built into local development agreements.

Permit criteria and the local development agreement must specify the law enforcement and emergency services investment required. In addition, there may be a provision (with an escrow fund, perhaps tied to phasing) for evaluation after full occupancy of the facility in order to determine whether additional attention is required or, alternatively, whether it is appropriate to release the funds.

- Infrastructure and Construction

A dedicated capital fund should be established enabling host communities to pay for casino impacts, such as infrastructure improvements to local streets leading to a casino, construction of a new police station to house more officers, or an addition to a fire house. This local capital improvement fund should be built into any gaming compact negotiated between casino developers and state government.



Of clear importance is that the required infrastructure is adequate for the proposed development at buildout. This infrastructure includes roadways, water supply (both domestic and emergency services), wastewater treatment, power requirements, etc.

Newly constructed resort casino development is an opportunity for very real energy efficient construction, low impact site development methods, utilization of public transit, and alternative energy and water sources to lessen the overall impact of the project. Master plans and local regulatory processes should be updated to reflect these focus points.

Water/wastewater

In 2007, the Mashpee Wampanoag tribe won federal recognition and began discussions with the Town of Middleborough, Massachusetts (population 17,800), to negotiate a compact for a \$1 billion resort casino in the town. Based upon the reported water supply amount currently used by the Mohegan Sun facility, engineers working on behalf of the Town of Middleborough assumed the following water supply amounts for a resort casino to be located in Middleborough:

- 750,000 gallons per day on average (365 day average)
- 1,500,000 gallons per day maximum 24 hour usage

In Montville, this water usage required an upgrade to the sewage treatment plant. In Middleborough, the existing water system needed additional water supply sources to safely and reliably supply all existing customers. The total water system infrastructure improvements costs totaled more than \$26 million, of which \$22.5 million was directly related to the proposed resort casino (Tighe and Bond letter to Town Manager, Town of Middleborough, June 20, 2007).

Based upon the reported water supply amount currently used by the Mohegan Sun facility, engineers working on behalf of the Town of Middleborough assumed the following wastewater generation amounts for a resort casino to be located in Middleborough:

- 500,000 gallons per day on average (365 day average)
- 1,000,000 gallons per day maximum 24 hour usage

Total potential wastewater infrastructure capital improvements costs totaled more than \$26 million and were allocated 100% to the proposed resort casino as the capital improvements would benefit only the resort casino. The existing treatment plant configuration and condition was adequate for existing and planned wastewater quantities from the existing sewer collection system (Tighe and Bond letter to Town Manager, Town of Middleborough, June 20, 2007).

This recent proposal is referenced to illustrate the potential magnitude of water and wastewater infrastructure needs based on the square footage of the development. Water usage in the casino operation (domestic service for hotel and restaurants calculated by square footage and number of seats, fire service, landscaping, large water users and any large water features) must account for all possible needs. This may, in turn, provide other opportunities for water reclamation/re-use and grey water systems, for example.

Local permit reviews must be vigilant to require adequate developer investment to ensure the long term health and safety of the Town.

Construction/site development

State of the art construction techniques through utilization of the LEED process, solar photovoltaic technology, low impact development stormwater treatment systems, alternative pavement materials, native landscaping, “dark sky” lighting standards, and the like should be encouraged, if not required.

Siting of the development to minimize impacts on such resources as existing viewsheds, wildlife habitat, and mature vegetation, in addition to the already-required host of environmental restrictions should also be prioritized.

Zoning bylaws and other applicable development regulations should be revised to address these items.

Roadways

Local and regional traffic impacts cannot be emphasized enough. The distinct differences between the Ledyard and Montville experiences illustrate how vital it is that roadway connections to and from the proposed development be to major highway infrastructure.

Mohegan Sun spent nearly \$38 million to widen Route 2A and construct an interchange that connects Mohegan Sun Boulevard, allowing for “near-seamless” movement from the interstate to the parking garages.

A similar experience is not apparent in Ledyard where, although Foxwoods funded a \$60 million flyway along Route 2, it only improved two miles of the 14-mile section of Route 2. The rest of Route 2 remains a winding two-lane road crossing many signalized intersections, and has been called “only marginally adequate” to handle traffic flow (*Gambling in Connecticut: Analyzing the Economic and Social Impacts*, Spectrum Gaming Group, June 22, 2009).

These examples go directly to the issue of siting the proposed development; the location must be directly accessible from a major roadway system in order to reduce thousands of additional vehicle trips on local streets. MassDOT – Highway Division is an integral part of the dialogue when planning such a development.

Permit criteria and the local development agreement must specify roadway investment required. In addition, there may be a provision (with an escrow fund, perhaps tied to phasing) for evaluation after full occupancy of the facility in order to determine whether additional work is required or, alternatively, whether it is appropriate to release the funds.

C. Make Revisions

If they have not already done so, communities should enact Special Permit zoning bylaws with good, solid special permit criteria, and Major Plan Review regulations for the review of large development projects. These regulations would establish project thresholds, decision criteria, and performance standards for the permitting process.

Possible thresholds of project size could include any proposal involving 3,500 square feet or more of gross floor area, or which would require twenty (20) or more parking spaces regardless of the number of parking spaces existing on the premises.

Typical review criteria can include the following:

- (a) Impacts upon natural resources, cultural resources, and open space;
- (b) Effectiveness of stormwater management systems;
- (c) Maintenance of neighborhood character and aesthetics, including but not limited to the degree to which the applicant has addressed any applicable design guidelines;
- (d) Adequacy of traffic management for capacity and public safety;

- (e) Functionality of on-site vehicular circulation and external roadway access as well as pedestrian/bicycle facilities;
- (f) Visual impact on the vicinity emanating from building placement and site development;
- (g) Adequacy of the proposed landscaping and screening, and the adequacy of the applicant's landscaping and screening maintenance plan;
- (h) Public benefits, including but not limited to:
 - (i) The provision of affordable housing and/or housing for the elderly;
 - (ii) Use of one or more renewable energy sources in the operation of the project;
 - (iii) Shared access and/or shared parking with an adjoining property;
 - (iv) For commercial facilities with 50,000 square feet or more of gross floor area, a transportation demand management (TDM) plan and a written agreement for post-construction traffic monitoring; and/or
 - (v) The provision of open space with ecological, agricultural, historic, or scenic significance, to be protected in perpetuity; and
 - (vi) Design of parking and loading areas, including low impact development techniques.

The community should be thinking about its development goals and objectives during the permitting process for a project of regional significance. Establishing a review process for large development projects positions the community to be able to effectively review large projects from the outset. When the community has confirmed its goals and objectives and determined its requirements, it has made the permitting process predictable for both the developer and the community at large. A thoughtful process allows all interests to be articulated before an application is even filed, allowing everyone to understand all aspects of the community's requirements and minimizing the chance of omissions and errors.

The evaluation criteria should be well-articulated in the zoning bylaws. By describing the objective of the criteria, and indicating what thresholds will trigger mandatory mitigation measures, the process again remains more predictable, and the Town is better protected.

This local review process, coupled with an informed, comprehensive analysis of impacts (whether as a host community or an abutting/surrounding community) is essential to ensuring that a large development project, whether a resort casino, or other project of significant regional impact, addresses and mitigates all land use and community consequences.

D. Execute the Plan

Thorough review of development applications, accomplished with the interest of the Town at the forefront, is essential. The town's land use plan, potential impacts of the proposal, and its impact on the town's fiscal standing should be part of the evaluation.

If permit granting authorities have not already done so, it is strongly recommended that the Planning Board, Zoning Board of Appeals and the Conservation Commission adopt rules and regulations relative to MGL Chapter 44, Section 53G, a statute which allows for the employment of outside consultants for review of permit applications and submittals, as well as for monitoring of the project to ensure compliance with permit requirements. This applicability is limited to special permits, subdivisions, comprehensive permits, and filings with the Conservation Commission. The provision allows the permit granting authorities to impose reasonable fees from the developer sufficient to fund the use of the outside consultants, which may include expertise such as civil engineering, legal, architectural, traffic engineering, real estate/market analysis, etc.

As has been noted above from the experiences on development review in both Ledyard and Montville, the use of outside consultants working on behalf of the municipalities is essential to ensure that proper design and mitigation is in place. Projects of this size and magnitude require a multitude of expertise to review design plans, impact reports, projection of cumulative impacts, and the like, and municipalities must have the ability to hire this type of experience to assist. The Developer's team provides their highly technical and complex materials in support of the project; the Town of Warren must have access to and use the appropriate expertise to review the material and ensure the integrity of the Town's goals.

V. CONCLUSION

Legalized gaming. Large-scale resort casino. Development of regional impact.

These are topics which, in many cases, have only recently been discussed in our smaller Massachusetts communities. In many towns the lines have been drawn: some in favor of attracting significant development, others not. Even if a community is not promoting itself as a location for such a future, residents may find themselves serving as host or adjacent to it nonetheless. While there is certainly the need to mobilize efforts to corral all of the potential community issues, Warren and other communities already have the tools to anticipate required action and plan accordingly.

Any large scale development will have regional impact. A proposal such as for a Resort Casino could fit within a community's fiscal and land use plan. Or a large development could decimate valuable land resources and leave the town financially obligated for decades for infrastructure and operations that benefit that development. The key, of course, is for communities to articulate in advance their preferred future vision, revise local regulations to advocate for that vision, and employ a variety of engineering, design and financial experts to evaluate the impacts of all significant land use proposals.

Although this report focuses to a great degree on resort casino development, the planning dialogue and process described is a sound planning exercise. Regardless of the specific details of a potential large development (casino, shopping mall, housing development, amusement park, etc.), many of the impacts are fairly predictable and therefore there is an opportunity for local governments to address them. In addition, there are certain processes that will benefit the host and neighboring communities when planning for, or responding to, an application for any development of significant regional impact.

With adequate forethought and advance planning, even the smallest community can be prepared for development expansion on this scale. The key thread that runs through this entire process is that communities must advocate for their interests. As we saw in Ledyard, if the municipality does not advocate for itself in the face of all of the possible opportunities and outcomes, few others will.

Someone once said, "Pay now or pay more later". When it comes to planning for large scale development in Warren (or in any community, in any region), the analysis is reliable: pay now for good, solid planning or pay much more later in lost opportunities and large community impacts. Taking a gamble on sound planning principles isn't really a gamble at all, and it all but guarantees a huge payout in the long run. Perhaps the old adage is true: when it comes to planning, the (Town's) House always wins.

Public Officials

Warren Casino Study Committee

Robert W. Souza, Jr, Chair (Selectmen)

James W. Dolan (Fire Chief)	Don "Nick" Nickerson (at large)
David Grissom (at large)	Maureen Reardon (at large)
Brett Kustigian (Supt. of Schools)	Bill Scanlan (Town Planner)
Donna McKinney (at large)	Bruce D. Spiewakowski (Police Chief)

Warren Board of Selectmen

David A. Delanski
Robert K. Downing
Robert W. Souza, Jr.

Warren Planning Board

Peter Krawczyk
Susan Libby
David Messier
William Ramsey
Marc Richard

Warren Legislative Delegation

Senator Stephen M. Brewer

State House Room 109 20 Common St.
Boston MA 02133 Barre, MA 01005
617-722-1540 978-355-2444
Stephen.Brewer@masenate.gov

Representative Todd M. Smola

State House Room 156
Boston, MA 02133
617-722-2240
Todd.Smola@mahouse.gov

Other Legislative Leadership

President of the Senate

Therese Murray

Speaker of the House

Robert A. DeLeo

Governor Deval Patrick

Lieutenant Governor Tim Murray

The Warren Report

