

The following summary can also be found in electronic form at [www.massgaming.com](http://www.massgaming.com) or [www.brockton.ma.us](http://www.brockton.ma.us), and is available in hard copy format at the City of Brockton's Clerk's Office.

## **Summary of Host Community Agreement Between City of Brockton and Mass. Gaming & Entertainment LLC**

The Host Community Agreement memorializes the economic and social commitments of Mass Gaming & Entertainment, LLC (MGE) to the City of Brockton, as well as the City's obligations to MGE, for the proposed development of a hotel and destination resort casino on a portion of the Brockton fairgrounds, the exact dimensions and boundaries of which will be determined during the permitting process.

### **Summary Highlights**

MGE to make a Project Investment of approximately \$650,000,000.

MGE to make Annual Payments to the City in a total amount equal to the greater of \$10,000,000 or 2.25% of the Project's annual Gross Gaming Revenue.

MGE to pay a \$3,000,000 Community Enhancement Fee.

MGE to commission and fund Impact Studies to address traffic and public safety concerns.

MGE will give hiring preference for construction and permanent jobs first to qualified Brockton residents and then to qualified residents of Surrounding Communities.

### **Further Summary Details**

#### **MGE's Payments to Brockton**

##### *Pre-Opening Payments*

- Pay for all consulting, legal, and other costs incurred by the City in connection with the licensing process, subject to budgetary review.
- Commission and fund Impact Studies to assess the impacts of the Project on the City's (i) traffic and transportation infrastructure, (ii) utility infrastructure, and (iii) public safety, and (iv) on the City generally, including schools and housing impacts.
- Pay all customary City permitting and review fees associated with the Project.
- After receipt of a final, non-appealable Category 1 gaming license for the Project, MGE will:
  - Fund the mitigation of impacts identified and agreed to with the City pursuant to a separate, to be negotiated and mutually agreed upon, Mitigation Agreement.
  - Pay a \$3,000,000 Community Enhancement Fee, in three equal, annual installments beginning after the commencement of construction.
  - Provide a grant of \$25,000 to study impacts on and uses of The Shaw's Center.
  - Pay property taxes during construction based on the acquisition price of the land.

##### *Post-Opening Annual Payments*

- Make Annual Payments to the City in a total amount equal to the greater of \$10,000,000 or 2.25% of the Project's annual Gross Gaming Revenue to be allocated as follows:
  - 80% for real estate taxes in the form of a Payment in Lieu of Taxes (PILOT);
  - 15% Community Impact Fee; and

- 5% contribution to the Brockton Community Foundation.
- If a Tribal casino opens in Region C, the \$10,000,000 minimum will be reduced to \$6,750,000.
- Collect and pay hotel and meals taxes generated by the Project.
- Garage vehicles in Brockton and pay the City excise tax on those vehicles.
- Spend at least \$50,000 annually to purchase gift cards/vouchers to be redeemed at Brockton businesses as part of the rewards/marketing/loyalty program.

### **MGE's Commitments to Brockton**

- Make a Project Investment of approximately \$650,000,000
- Hiring preference for construction and permanent jobs first to qualified Brockton residents and then to qualified residents of Surrounding Communities.
- Hold career / job fair in Brockton to highlight construction job opportunities.
- Hold career / job fair in Brockton to highlight permanent job opportunities as well as select qualified individuals to be trained for permanent jobs through MGE's training programs.
- Good faith effort to utilize properly-qualified, price-competitive local contractors and suppliers.
- Provide reasonable assistance to local vendors in satisfying any applicable Gaming Commission requirements.
- Hold vendor fair in Brockton to educate local vendors about Project opportunities.
- Seek input from the City on the Project's non-gaming entertainment elements, which may include incorporating historic boxing memorabilia or other items of relevance to the City.
- Indemnify and hold harmless the City against Claims relating to the Project that are premised on the gross negligence or willful misconduct of MGE.
- If the Agreement is terminated, MGE will fulfill all outstanding then due funding commitments and conclude all phases of agreed-upon mitigation measures due through the date of termination.

### **Brockton's Commitments to MGE**

- Hold a City-wide referendum vote on the Project.
- Support license application to the Massachusetts Gaming Commission.
- Work with MGE to enter a PILOT agreement under G.L. c. 121A.
- Seek available funds under the Gaming Act.
- Support MGE in its local permitting and approval efforts.
- Work with MGE to amend the Brockton Zoning Ordinance and other local regulations as needed for the Project.

This is a fair, concise summary of the Agreement, a complete copy of which is available on the City's website at [www.brockton.ma.us](http://www.brockton.ma.us). Capitalized terms used in this summary are defined in the Agreement, and this summary is qualified in its entirety by the actual Agreement. The Agreement may be modified or amended by the Parties, subject to approval of the City or the City Council. This summary has been approved by Brockton's City Solicitor, Philip C. Nessralla, Jr., in accordance with G.L. c. 23K, § 15(13).

- Support MGE's other permitting and approval efforts for the Project.
- Not seek to impose, directly or indirectly, nor accept, any new taxes, fees, or assessments on the Project or its customers, employees, tenants, vendors, suppliers, or owners.

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