

Casino Site Meeting Minutes
August 20, 2012

Present: Paula Meara, James Ferrera, Richard O'Connor, Martin Loughman, Zaida Luna, Dr. Bobbie Rennix, William Pepin, Tim Rooke, Dr. Martin Markey, Tim Allen, Reginald Green, Bud Williams

Meeting started at 5:06 pm.

Present from Ameristar: Troy Stremming, Sr. Vice President of Government Relations and Government Affairs, Matthew Block, Jonathan Little and Roxanne Kincaid. A presentation was given by Troy Stremming.

They are developing details and will come back to this body as changes occur. Springfield project will have a local flair and will not be a carbon copy of others across the country, He spoke of project in Jackpot NV 1954, now their 8th. Ameristar has 7500 team members, is publicly traded with 1 B \$ revenue annually, only Macau operates a larger casino destination based on revenues.

Showed photos of St Charles, MI, riverfront, early 19th Century concept, Blackhawk CO, ski lodge concept, (noting there are no cookie cutter projects) Kansas City (1/4 of stained glass project), showed photos of rooms, hotel lobby, interior rooms, and a standard room in St. Charles, stating the suites go beyond that. He showed meeting space in Denver, also the St. Charles property in St. Louis, with a spa. He states there is a mix of existing businesses with their branded businesses.

Ameristar has had conversations with MA Mutual and will utilize their facility; in turn that business would come to casino. There will be no large entertainment concept in this project. They will partner with local facilities in Springfield.

Ameristar has core values and believes their vendor base should look like employee base and like their customer base. They listen as much as they talk. They are learning every day, each facility gets better, and this is their 10th project.

They believe in community involvement & volunteerism. Ameristar is a good corporate partner. He is past chair of Urban League & suppliers council. He stated that 2 1/2 hrs is the average stay inside a casino. He named partnerships including convention and business center. Charitable programs are 30 to 35 % on the average, whereas in his company, 64% contribute to charitable programs. They utilize local purchasing.

When asked the policy on responsible gambling by Dr. Markey, Troy stated that 1 1/2 % of the population has the propensity for problem gambling. They don't want those people in their casino. They are not doctors, so they contribute

annually to further research and promote awareness of problem gambling. Larger facilities utilize a voluntary exclusion program. This is a list with the Gaming Commission. You put yourself on the list; they do what they can to keep you off the floor. New to that are provisions to allow one to remove them from the list. They will give input on what does work. The statute requires on site counseling, they will do that. MA will decide what works best & require operators to include what works.

Dr Rennix asked a question regard employees being viewed as a regional asset. Will they bring in their own employees or use local employees?

Troy believes this is not just a great location as there is customer base, but also an employee base. Training is important. They want to have 2800 to 3000 permanent employees. Culture is important; they will have to bring in management from other facilities. They have had preliminary discussions.

Councilor Rooke asked if this was the 8th or 10th. Troy stated the 9th is under construction. He asked for a list of locations of 9, square footage and revenue, and asked out of that, which of the 9 would he compare to Springfield.

He was told a search on the Internet gives slot #'s, restaurant info, etc.

St Louis would be the largest facility that they operate.

MGM and others operate larger but just have more hotel rooms. In St. Charles, they have 4000. Their casino floors are some of the largest in the country.

He state there would be 650 hotel rooms and parking, saying people want to be close and they need structured covered parking. There would be upward of 6000 spaces within the property, indoor and outdoor pools, children vs. adult oriented. Phase 1, open resort casino and that is what they will do, if they wanted to phase in more, they could do so. They will have a buffet to steak to sports grill. There will be a local flavor. They need to focus on retail outlets as they work through this market. The hotel and casino will be centrally located with 3000 cars on each side. They have 42 acres with plenty of room.

Regarding union jobs, they have a commitment to labor and will sign an agreement that makes that clear. There will be 2800 permanent jobs, 3000 additional indirect jobs, cleaning, supplying food, washing windows, etc. Their employees will have benefits. Chair Meara asked if he would know if any of their employees are on food stamps or public benefits, and he did not know of any, stating their employees earn benefits.

Regarding traffic he spoke about Page Blvd & 291, stating they want their guests to have a pleasant experience, also it is critical for residents to have pleasant experience, They want their guests off the highway and onto the property as soon as possible to relieve pressure in the local area. They propose a new interchange off the highway, stating it costs tens of millions of dollars and they are willing to cover 50 million dollars of that.

Ameristar considers their venues relatively safe, they have cameras & security,

crime rates lower than similar but different facilities, i.e., NFL game, mall. They want visibility from the highway so as close to highway as possible. They will use green space, but people will know the casino's there. He wants to be as integrative as possible and their #1 priority is to work together, i.e. city stage.

To date they have not been allowed to talk to MA DOT but they are going tomorrow to do so. They are committed to maintaining a presence and have hired Jonathan Little, a resident of Springfield.

They will work to execute agreements with host & surrounding communities and will learn more when they meet with the city for the first time. On 8/27/12 they will have an introductory meeting with Mayor Sarno. Later on the 27th, they have been told by the city there will be details released including the RFP process.

Ameristar would work on a local campaign, assuming the referendum passes; they will go to MGC for the one Western MA license. Their 42 acres are a blank canvas; day 2 they will be in the dirt.

Question re: surrounding communities

Councilor Allen's question:

Several casino companies, do you have a distinguishing characteristic, is Ameristar the best at the hotel, the design, etc?

Answer is three things:

1. Never had a regulatory issue (believes will be important to the selection process) you want your selection to fly through the regulatory process, in LA purchased a company that didn't have the financial ability to complete a started project, background investment in about 7 wks, flew through due to their reputation in other states.
2. Their finances allow them to give us this project. They don't have the exact number at this time. It easily exceeds the minimum \$500,000. They are financially sounds, from financial and regulatory perspectives 0 questions for Ameristar
3. They are a regional destination operator. Their facility will be VERY large on the gaming side, not a convention oriented facility. They looked at MA Mutual, Hartford, etc, this is a REGIONAL destination resort like others they have done and are very good at and they are #1 or #2 in markets, that's against Caesar's etc

Question from Councilor Allen about charitable giving around education.

He's a lifelong resident of city, education is a fundamental problem, 40% of our kids are not reading literately, 50% not completing school, and he's seeing this as one leg of a stool for a comeback. There are other types of economic development. He doesn't see being a part without education. If you don't read proficiently in day 1 of 4th grade, your life will be difficult. He challenges

Ameristar to think about that. Early education initiatives, anti dropout, etc, things you suggested great, wants more customized plan for Springfield

Council would like parameters of what's important to this city moving forward in the host agreement.

Chairman Ferrara thanks Troy & Ameristar, thanks the chair and the committee and other operators, and states this is a great city, we do have urban challenges. The committee is here to listen. Assures him this committee will be transparent Politics should not play a role in this process. He pledged fairness and welcomed all developers to this great city.

Question on the neighborhood council. Ameristar will continue to work with them. They also work with Kathy & Gil from the neighborhood and will ensure they have no surprises.

Should this committee draft and present to casino operators what they want to see included, perhaps do a survey of the citizens and members, see what people would like to see included.

Counselor Rooke regarding the committee, Mayor, and casino consultant hired by the city. If there's an effort for a host agreement this council has to sign off. There has to be a cooperative relationship between the parties. The council will approve special permits, zone changes, etc. They must approve the host agreement, and decide on a ward vs. city vote. There will be one shot and this is too big of a project to let politics play a role. What is being offered is a unique opportunity—the largest private development offer in the history of the city to date. Going forward this will change the face of Springfield. This is an opportunity to accomplish everything that's been proposed in studies through the years.

Council President Ferrera stated he did receive information from Kevin Kennedy on the 27th asking this committee to meet with the city's consultant on Monday evening at 5:30, on the 27th. It will be a special meeting, a joint meeting with city councilors and this committee, a joint meeting with city councilors and this committee.

The City Council would ratify any host agreement the mayor negotiates. The City Council has authority regarding land use; they handle any special permits, zone changes, etc. and would decide over public land being transferred over, eminent domain takings, etc. Also the council will have role in deciding citywide or ward referendum and when it actually takes place. This is a significant role, some of which comes from the state legislation.

Meeting adjourned.