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## Gaming firm eyes Worcester's Green Island

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**BOSTON** — One of four bidders for a slot parlor license to be awarded by the state later this year has chosen a site for a proposed complex in Worcester.

The notice will trigger a series of local and state reviews of the proposal, which could lead to a negotiated host-community agreement with the city to mitigate impacts before residents get to vote on the plan in a local referendum.

City Manager Michael V. O'Brien's office confirmed Wednesday that Mass Gaming and Entertainment LLC, a subsidiary of Rush Gaming based in Chicago, has notified his office and is notifying state licensing officials it will seek a slot license for a site in Worcester.

"They have declared Worcester as their preferred city for a gaming operation," Mr. O'Brien said.

"I certainly expect greater details from them as to siting, design, draft local agreements and other pertinent information in the days and weeks ahead."

Mr. O'Brien said potential sites have been discussed but without specifics, and discussions among the parties have been open, honest and candid.

"That is a good place to begin what will be very complex negotiations," he said.

Officials of the Massachusetts Gaming Commission said late Wednesday they had not yet received a formal notification about selection of a site in Worcester by a bidder for a slot parlor license. The city manager has been in discussions since earlier this year with a Boston area developer hoping to develop the former Wyman Gordon site in Worcester as part of a \$150 million hotel and slot parlor operation.

The developer, Richard L. Friedman of Carpenter & Co., based in Cambridge, had said earlier that he was exploring the project for the vacant industrial site in the Canal District section of the city. Carpenter & Co. has an option on the Wyman Gordon property. While Mr. Friedman has said his company is not a casino operator and his interest is in developing a boutique hotel in the city, he was looking to form a partnership with a gaming company.

State Rep. John P. Fresolo, D-Worcester, whose district includes the Wyman Gordon site, said based on discussions with people closely following the bidding for new gaming licenses, he expects that the Worcester site will be very competitive with three other proposals for the one slot parlor license the state will award later this year.

"Out of the four proposals, I have heard that Worcester has a real good shot with their proposal," based on expected size of a facility that could be supported by the location.

Mr. Fresolo said he had not yet heard anything official from the company about its plans, but he noted that state law requires a minimum investment of \$125 million in the facility to qualify for a license.

Mr. O'Brien, whose office would play a key role in negotiating a local mitigation package, said the proposal would need to complement the city's development goals.

"I have been clear that any proposal would have to integrate with our broader economic development agenda under way, and it must complement and not undermine or siphon away from our theaters, cultural venues, restaurants and businesses," Mr. O'Brien

said.

Mr. Fresolo said the host agreement will have to include agreements on traffic improvements and traffic patterns; impact on police and fire services; and mitigation of other potential impacts. He said he is eager to learn more about the plans because there will be limited time for local review before decisions are made.

District 4 City Councilor Sarai Rivera, whose district includes the site, said she is open to considering the plan, but will “proceed with caution” in evaluating whether to support it.

Besides traffic impacts and other site considerations, she said, she is also concerned whether the project would add to or detract from efforts to revitalize the immediate neighborhoods or address needs for good job development and job training for residents.

“I have some serious concerns,” she said, ranging from the sociological impacts of slot machine gaming to efforts to bring more business services to the Green Island area.

“What is going to be the impact on residents in the area? Is this going to help with the empty storefronts?” she asked.

At recent meetings around the neighborhood, she said, residents have been talking about the prospects of the slot machine complex. She said some people like the idea and others are not happy about the proposal.

After a proposed host agreement is worked out, a local referendum to approve or reject the plan will be put before voters within 60 to 90 days.

Mr. Fresolo said the developers of the proposal will be required to cover the local costs of holding the election.

Gaming Commission Chairman Stephen Crosby said Wednesday that the current schedule calls for the commission to award the sole slot parlor license by December, in advance of three casino licenses. But, he said, the commission is trying to arrange its reviews of the license applications so that the slots license could be awarded sooner — possibly by September.

Mass Gaming was set up by Rush Gaming to explore opportunities in the state last year. The parent company is run by Chicago real estate and gambling tycoon Neil Bluhm, chairman of the company, and his partner CEO Greg Carlin. The company operates a casino in Ontario at Niagara Falls; a Riverboat casino in Illinois; the Riverwalk Casino Hotel in Vicksburg, Miss.; and the SugarHouse Casino in Pennsylvania.

Both Plainridge Raceway in Plainville and Raynham racetrack have proposed slot parlors at their existing facilities. Another company, PPE Casino Resorts, is also competing for the slot parlor license but has not disclosed a proposed site.

Wednesday's disclosure about Worcester followed a discussion by the Gaming Commission at its meeting Tuesday during which commissioners expressed concern about having slot bidders disclose locations for their proposals within the next several weeks to allow the commission to begin extensive background checks on the companies behind the bids.

Mr. Crosby said the commission has been allowing the bidders time “to play out their options” in finding a site, but want to have that information soon.

“When you get a site you bring in a new financial party and they need to be part of the background checks. We are trying to get the background checks done earlier for the slots parlor so we can get the slots parlor decision made.

He said so far the commission has not officially decided to move up the license award deadline from December to September.

“We haven't moved it up. It is still December. We have been trying to move it up. We set an aspirational deadline for September,” he said, adding the schedule remains uncertain.

“Everybody wants to get started. We would like to get the license fees. The governor in his 2014 budget is using license fees,” Mr. Crosby said.

“They have to negotiate a host community agreement and they have to have a referendum and there has to be a minimum of 60 days between the time the referendum is called for and when it is held,” Mr. Crosby said. “You can't hold the referendum until after there is a signed host agreement,” he said.

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