



Mayor Domenic Sarno decides to negotiate with both MGM Resorts and Penn National in quest for Springfield casino



By [Peter Goonan, The Republican](#)

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SPRINGFIELD — Mayor [Domenic J. Sarno](#) announced Monday that he will launch negotiations with both companies proposing to build [casinos in Springfield](#), rather than pick one organization now.

Sarno said he made the decision to negotiate with [MGM Resorts International](#) and [Penn National Gaming](#), after conferring with his two advisory committees and city consultants.

"I have decided that both proposals have qualified to proceed to this next step in the selection process," Sarno said.

MGM Resorts is proposing a casino in the South End, while Penn National is proposing a project in the North End of the downtown district.

Negotiations are expected to begin by next week, and last six to eight weeks, until late March or early April, said Kevin E. Kennedy, the city's chief development officer

The negotiations do not mean the city will reach an agreement with either company, but trigger that phase in the selection process, officials said

Sarno could decide to sign a host community agreement with one or both firms, and each agreement would then need approval from the City Council before it could be placed on a citywide ballot. No agreement will be forwarded to the Massachusetts Gaming Commission for final consideration, unless approved by voters, officials said.

During the course of negotiations, the city may reach an agreement that differs from the detailed plans submitted by the two companies, Kennedy said.

A citywide ballot vote is possible by a special election on June 25, but that would be an "extremely tight" timetable, Kennedy said.

City officials have stated that one casino proposal could be placed on the ballot, or possibly both. Once approved by voters, the [Massachusetts Gaming Commission](#) would have final approval of one project in the region.

MGM and Penn have both proposed casinos with an estimated cost of more than \$800 million.

In addition, the owners of the Mohegan Sun are proposing [a casino in Palmer](#) off the Massachusetts Turnpike and

the Eastern States Exposition in partnership with Hard Rock International are proposing a [casino on the exposition grounds](#) in West Springfield.

The Massachusetts Gaming Commission plans to approve up to three casinos in the state including one project in Western Massachusetts.

Sarno had set Monday as the deadline for deciding if he was going to conduct negotiations with one or both companies.

Sarno had appointed two review committees to consider the casino proposals. One committee consisted of key department officials and the other were citizen appointees.

Sarno said he will negotiate the community host agreements with Blue Tarp Redevelopment LLC, an affiliated of MGM, and with Springfield Gaming and Development LLC, a joint venture between an affiliate of Penn National Gaming and its local partner, Peter A. Picknelly.

Spokesmen for both MGM Resorts and Penn National praised the mayor's decision to include their own firm for the negotiations.

"We are looking forward to our upcoming conversations with Mayor Sarno and his team," said Timothy J. Wilmott, president and chief operating officers Penn National Gaming. "We are confident that we can reach an agreement that will create the optimal conditions for our project to be a catalyst for a city-wide economic revitalization."

Michael Mathis, MGM's vice-president of global, said that MGM's proposal dramatically differs from Penn National and other casino projects in the region, and offers more, and is pleased to provide the city a "clear choice."

"We believe a city of Springfield and MGM Resorts partnership would create the strongest competitive edge for Springfield to win the race for a Western MA casino license," Mathis said,

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