

HOUSE No. 03710

[LOCAL APPROVAL RECEIVED.]

The Commonwealth of Massachusetts

PRESENTED BY:

Bradford Hill and

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act relative to Hamilton Development Corporation.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Bradford Hill</i>	<i>4th Essex</i>
<i>Bruce E. Tarr</i>	<i>First Essex and Middlesex</i>

HOUSE No. 03710

By Representative Hill of Ipswich and Senator Tarr, a joint petition (accompanied by bill, House, No. 3710) of Bradford Hill and Bruce E. Tarr (by vote of the town) for legislation to authorize the town of Hamilton to establish a Hamilton development corporation. Economic Development and Emerging Technologies. [Local Approval Received.]

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act relative to Hamilton Development Corporation.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- 1 SECTION 1. As used in this act, the following words shall, unless the context clearly requires
- 2 otherwise, have the following meanings:-
- 3 "Board of Selectmen", the duly elected board of selectmen of the town of Hamilton.
- 4 "Corporation", the Hamilton Development Corporation or such other name as designated by the
- 5 Board of Selectmen, established by Section 3.
- 6 "Cost of a Project", all costs, whether incurred prior to or after the issuance of bonds or notes
- 7 hereunder, of acquisition, site development, improvement, enlargement, reconstruction,
- 8 alteration, machinery, equipment, furnishings, demolition or removal of existing structures,
- 9 relocation payments, financing charges, interest prior to and during the carrying out of the
- 10 project, interest for up to 2 years after completion of the project, planning, engineering and legal

11 services, administrative expenses, the funding of notes issued for capital purposes, such reserve
12 for debt service or other capital or current expenses as may be required by a trust agreement or
13 resolution securing notes or bonds, and all other expenses incidental to the determination of the
14 feasibility of a development project or to carrying out or placing the project in operation.

15 "Development Project", (1) a project to be undertaken in furtherance of the purposes of this act,
16 for acquisition or leasing by the Corporation of land and improvements thereon and the
17 development of the property so acquired; (2) a project to be undertaken in furtherance of the
18 purposes of this act for the rehabilitation or conservation of property, or for the demolition,
19 removal, rehabilitation or addition of improvements whenever necessary to carry out the
20 purposes of this act; (3) a project entailing the construction, improvement, or rehabilitation of
21 infrastructure, public facilities, or both, in furtherance of the purposes of this act; and (4) a
22 project involving a combination of the foregoing types of projects.

23 "Development Zone", the geographic area within which the Corporation may carry out a
24 Development Project consistent with the purposes of this act. The Development Zone
25 encompasses sections of the Town zoned as the Business Zone B District and zoned Commercial
26 Overlay Districts.

27 "Economic Development Plan", a plan or study including, but not limited to, a Master Plan,
28 comprehensive plan, community development plan, capital improvements plan, or other plans
29 approved from time to time by the Hamilton Planning Board or Board of Selectmen, which plan
30 shall guide the types, land uses, general locations, densities and other requirements of
31 Development Projects carried out by the Corporation in furtherance of the purposes of this act.

32 "Financial institution", banking corporation or institution, trust company, savings bank,
33 cooperative bank, savings or loan association, insurance company or related corporation,
34 partnership, foundation or other institutions engaged primarily in lending or investing funds.

35 "Town", the town of Hamilton.

36 "Town Manager", the person holding the office of Town Manager pursuant to Ch. 114 of the
37 Acts of 2009.

38 SECTION 2. It is hereby declared that in the town of Hamilton, unused, underused, or
39 underdeveloped areas exist, including but not limited to the Development Zone; that each such
40 area requires assistance to maximize the sound growth of the Town and the economic well-being
41 of the commonwealth; that each such area requires assistance to maximize the value of private
42 investments and sources of public revenue; that redevelopment of each such area in accordance
43 with locally approved community and economic development, capital improvement or other
44 plans, including the Town's Master Plan, for the elimination of such suboptimal conditions and
45 prevention of their recurrence is necessary to retain existing enterprises, attract new commercial,
46 industrial or residential development, retain and expand the Town's commercial enterprises, and
47 promote the sound and orderly growth of the Town; that the existence of such unused, underused
48 or underdeveloped areas discourages maximum economic benefit to the Town which cannot be
49 fully realized by the ordinary operations of private enterprise without the aids herein provided;
50 that to prevent a recurrence of such conditions in such areas, the improvement of sites for
51 commercial, industrial or residential uses or for necessary public facilities in the areas, the
52 disposition of property for redevelopment incidental to the foregoing, the exercise of powers by
53 the Corporation, and any assistance which may be given by the Town or any other public body in

54 connection therewith, are public uses and purposes for which public money may be expended;
55 that the acquisition, planning, clearance, development, rehabilitation or rebuilding of such
56 unused, underused, and undeveloped areas for commercial, industrial, residential, institutional,
57 public facility are public benefits for which public funds may be expended for the good and
58 welfare of the Town and the commonwealth.

59 It is hereby further declared that the unaided efforts of private industry have not provided and
60 cannot provide the necessary sites within the Development Zone due to problems in the assembly
61 of suitable sites, the provision of adequate public facilities and services, the unavailability of
62 private capital for development and the inability of private enterprise alone to plan, finance and
63 coordinate feasible development projects.

64 It is hereby further declared that there exists in the Town a need to develop or redevelop public
65 facilities and infrastructure to stimulate and support economic growth; that without such public
66 facilities and services the Town cannot revitalize, stabilize or expand the economy of Hamilton;
67 that the development, management and operation of such facilities as off-street and structured
68 parking, directional and informational signage, transit service, pedestrian walkways, and other
69 public amenities are essential to the preservation and enhancement of the Hamilton Business
70 District as the social, cultural, and economic center of the Town, and to the orderly economic
71 and physical development of areas in Hamilton zoned as Commercial Overlay Districts.

72 Therefore, a municipal corporation is necessary to address these and related public purposes. It is
73 the purpose of this act that the Corporation aid the Town, private enterprises and nonprofit
74 organizations, and other public agencies in the speedy and orderly development or
75 redevelopment of unused, underused or underdeveloped areas, and in the development, operation

76 and management of facilities and infrastructure necessary to support the economic vitality of the
77 Development Zone.

78 SECTION 3. (a) There is hereby created a body politic and corporate to be known as the
79 Hamilton Development Corporation, or such other name as designated by the Board of
80 Selectmen. The Corporation is a public instrumentality independent from but subordinate to the
81 Town. The Corporation is empowered to carry out the provisions of this act, and the exercise by
82 the Corporation of the powers conferred by this act in the performance of essential public and
83 governmental functions.

84 (b) The purposes of the Corporation shall be to correct the conditions found to exist in the Town
85 as set forth in section 2, promote the common good and general welfare of the Town, improve
86 the living standards of the citizens thereof by fostering the improvement of their employment
87 opportunities, and develop, manage and operate public facilities and infrastructure necessary to
88 improve the Town's economy, focusing on, but not limited to, areas within the Development
89 Zone, all in a manner consistent with approved Economic Development Plans. In furtherance of
90 purposes and in addition to the powers conferred on the Corporation by the foregoing provisions,
91 the Corporation may:

92 (1) sue and be sued in its own name, plead and be impleaded;

93 (2) adopt and amend bylaws and rules for the regulation of its affairs and the conduct of its
94 business;

95 (3) accept, acquire other than by eminent domain, receive and hold by bequest, devise, grant,
96 gift, purchase, exchange, lease, transfer, judicial order or decree, or otherwise, for any of its
97 objects or purposes, any property, both real and personal, from any source, including grants,

98 loans or advances for or in aid of the purposes of said Corporation from any federal agency,
99 agency of the commonwealth or any political subdivision thereof, or non-governmental
100 organization;

101 (4) purchase, sell, convey, mortgage, lease, transfer, exchange or otherwise acquire or dispose of,
102 any property, both real and personal, that the objectives and purposes of the Corporation may
103 require, subject to such limitations as may be prescribed by law;

104 (5) borrow money and, from time to time, to make, accept, endorse, execute, and issue bonds,
105 debentures, promissory notes, bills of exchange, and other obligations of the Corporation for
106 monies borrowed or in payment for property acquired for any of the purposes of the Corporation
107 and to secure the payment of any such obligations by mortgage, pledge, deed, indenture,
108 agreement, or other instrument of trust, or by other lien upon, assignment of, or agreement in
109 regard to all or any part of the property, rights of privileges of said Corporation, whether now
110 owned or hereafter to be acquired, said borrowing not to exceed a period of 40 years;

111 (6) employ consultants, an executive director, superintendents, managers, or other employees, or
112 agents as may be necessary in its judgment, and to fix their conditions of compensation and
113 benefits. Employees of the Corporation shall not be considered employees of the Town;

114 (7) make and enter into all contracts and agreements necessary or incidental to the performance
115 of its duties;

116 (8) receive and accept from any federal agency, the commonwealth, any political subdivision, or
117 non-governmental organization any grants, loans or advances for or in aid of a Development
118 Project and to receive and accept contributions from any source of either money, property, labor

119 or other things of value, to be held, used and applied for the purposes for which such grants,
120 loans, advances and contributions may be made;

121 (9) invest any funds not required for immediate use or disbursement in certificates of deposit or
122 in obligations of the government of the United States or in obligations the payment of the
123 principal of, and interest on, which is guaranteed by the government of the United States; and
124 subject to a specific vote of the board of directors, to invest funds in any fashion in which
125 municipal funds may be invested pursuant to the provisions of chapter 44 of the General Laws;

126 (10) own and manage real property;

127 (11) make loans to any person, firm, corporation, joint stock company, association or trust
128 located or doing business in the Town for the purposes of promoting and developing business,
129 industry, or infrastructure improvements;

130 (12) acquire improved and unimproved real estate for the purposes of developing, demolishing,
131 constructing or reconstructing commercial, industrial, residential, institutional, or other
132 establishments thereon, or of developing, redeveloping or constructing public facilities, or for the
133 purpose of transferring such real estate to others for the development, redevelopment,
134 demolition, construction, operation or management of commercial, industrial, residential,
135 institutional or other establishments, as the objects and purposes of the Corporation may require;
136 provided that nothing contained herein shall be construed to grant the Corporation the power of
137 eminent domain;

138 (13) acquire, subscribe for, own, hold, sell, assign, transfer, mortgage, pledge or otherwise
139 dispose of the bonds, debentures, notes or other securities and evidence of interest in, or
140 indebtedness of, any person, firm, corporation, joint stock company, association or trust, and

141 while the owner or holder thereof, to exercise all of the rights, powers and privileges of
142 ownership;

143 (14) provide advisory services and technical assistance necessary or desirable to carry out the
144 purposes of this act;

145 (15) prepare or cause to be prepared plans, designs, drawings, specifications and estimates of
146 cost for the construction, reconstruction, development, redevelopment, rehabilitation,
147 remodeling, alteration or repair of Development Projects and from time to time modify such
148 plans, designs, drawings, specifications and estimates;

149 (16) designate property for Development Projects, except that when the property is owned by the
150 Town, the designation and use shall have the concurrence of the Town Manager;

151 (17) procure insurance against any loss in connection with its property, other assets and
152 operations, and in relation to insuring the payment of principal and interest for bonds issued
153 pursuant to Section 9, in amounts and from insurers as it considers desirable;

154 (18) request from the Planning Board or the Board of Selectmen, whichever controls, for the
155 planning, re-planning, opening or closing of streets, roads, alleys or other places or for the
156 furnishing of facilities or for the acquisition by the Town of property or property rights or for the
157 furnishing of property or services in connection with a Development Project;

158 (19) manage or lease any Development Project, whether owned or leased by the Corporation, and
159 to enter into agreements with the commonwealth or the Town or any agency or instrumentality
160 thereof, or with any person, firm, partnership or corporation either public or private for the
161 purposes of causing any Development Project to be managed;

162 (20) prepare and amend plans to advance economic development goals within the Development
163 Zone and define necessary Development Projects to achieve these goals;

164 (21) establish subsidiary or affiliate legal entities convenient or necessary to advance the
165 purposes of this act;

166 (22) establish and collect fees for the use of any properties owned or leased by the Corporation,
167 or for the provision of infrastructure, facilities, services and amenities;

168 (23) act with respect to one or more Development Projects as a corporation organized under
169 chapter 121A of the General Laws;

170 (24) carry out any other public purposes designated by the Board of Selectmen;

171 (25) do all acts and things necessary or convenient to carry out the powers expressly granted in
172 this act.

173 (c) The Corporation shall not participate in any political campaign on behalf of any candidate for
174 public office, or publish or distribute any statements with respect thereto. Notwithstanding any
175 other provision herein contained, neither the directors, officers, nor the Corporation, shall
176 participate in any of the prohibited transactions as defined in section 503 of the Internal Revenue
177 Code, as the same may, from time to time, be amended, nor shall the Corporation accumulate
178 income or engage in any activities if the accumulation of income or the activities so engaged in
179 are or would be within the prohibitions of section 504 of the Internal Revenue Code as the same
180 may be, from time to time, amended, nor shall the Corporation be operated at any time for the
181 primary and sole purpose of carrying on a trade or business for profit.

182 SECTION 4. The principal office of the Corporation shall be located in the town of Hamilton.

183 SECTION 5. For the purposes of chapter 30B the Corporation shall be a governmental body. The
184 Corporation shall not be subject to section 16 of chapter 30B of the General Laws.

185 Redevelopment or improvement of any property owned by the Corporation or leased by the
186 Corporation to another party, including design, development, construction and operation, shall be
187 subject to sections 38A1/2 to 38O, inclusive, of chapter 7; section 39M of chapter 30; and
188 sections 44A to 44M, inclusive, of chapter 149 of the General Laws, when customized
189 improvements exceed the thresholds contained therein, except to the extent that the Corporation
190 enters into a ground lease which provides that title to the improvements remain with the lessee.
191 For the purposes of clause Twenty-sixth of section 7 of chapter 4 and chapter 66 of the General
192 Laws, the records of the Corporation shall be public records. For the purposes of chapter 268A
193 of the General Laws, the Corporation shall be considered a municipal agency. The members of
194 the board of directors and employees of the Corporation, together with any person who performs
195 professional services for the Corporation on a part-time, intermittent, or consultant basis, such as
196 those of an architect, attorney, engineer, planner, or construction, financial, or real estate expert,
197 shall be special municipal employees under ch. 268A of the General Laws.

198 The Corporation shall be subject to all local by-laws and regulations of the Town, including the
199 zoning by-law, by-laws concerning the protection of wetlands in the Town, and historic district
200 regulations. The Corporation shall also be subject to sections 18 to 25, inclusive, of chapter 30A
201 of the General Laws.

202 SECTION 6. The Corporation shall not be subject to chapter 63 of the General Laws, nor shall
203 the Corporation be liable for any taxes based upon or measured by income. The securities and
204 evidences of indebtedness issued by the Corporation shall be free from taxation by the
205 commonwealth.

206 SECTION 7. The Corporation shall be managed by a board of directors consisting of 5 members,
207 appointed by the Board of Selectmen upon the recommendation of the Town Manager. At least 1
208 member of the board of directors shall be a nominee of the Hamilton Economic Development
209 Committee. The board of directors shall include persons with education and experience in the
210 fields of law, finance, real estate, architecture or planning, business and local government. Being
211 a resident of Hamilton is not a requirement to serve on the board. Each of the 5 members shall
212 be sworn by the Hamilton Town Clerk to the faithful performance of his/her official duties as a
213 director of the Corporation. A majority of the 5 members shall constitute a quorum for the
214 transaction of any business, but any action of the board of directors shall require the affirmative
215 vote of a majority of the entire board.

216 The original members of the board of directors shall be appointed within 60 days following the
217 effective date of this act. Of the members of the board of directors first appointed, 1 shall be
218 appointed to serve for a term of 1 year, 2 for a term of 2 years, and 2 for a term of 3 years. All
219 terms thereafter shall be for 3 years. Upon the expiration of the term of office of any member of
220 the board of directors, or any subsequent member of the board of directors, the successor of the
221 member shall be appointed for a term of 3 years. In the event of a vacancy on the board of
222 directors, a successor member shall be appointed to complete the term of service for the member
223 whose term has not expired. Unless reappointed, no member of the board of directors shall hold
224 office after the expiration of his/her term. The Board of Selectmen may reappoint members to the
225 board of directors of the Corporation.

226 The first meeting of the Corporation shall be called by the chairman pro tem, who shall be
227 designated by the Board of Selectmen when the initial appointments to the board of directors are

228 made. There shall be elected by and from the board of directors a president, treasurer,
229 secretary/clerk, and any other officers considered necessary by the board.

230 Any member of the board of directors of the Corporation may be removed by the board of
231 selectmen for malfeasance, misfeasance, or willful neglect of duty, but only after reasonable
232 notice and a public hearing by the board of selectmen, unless the notice and hearing are in
233 writing expressly waived by the member of the board subject to removal.

234 The members of the board of directors shall not receive compensation for the performance of
235 their duties hereunder. The Corporation shall operate on the same fiscal year as that of the
236 Town..

237 SECTION 8. The board of directors shall cause at all times accurate accounts to be kept of all
238 receipts and expenditures of the funds of the Corporation; and shall make a report annually to the
239 Town Manager, containing an abstract of such accounts and detailed information of all receipts
240 and expenditures, including prices paid for property acquisition, contracts for construction of
241 facilities and for the leasing thereof, and such other detailed information as may be helpful or
242 requested by the Town Manager. The Corporation shall also report to the Board of Selectmen
243 and Town Manager before any disposition of real property. The Corporation shall cause an audit
244 of its books and accounts to be made at least once in each fiscal year by certified public
245 accountants and the cost thereof shall be treated as a current expense. Except as otherwise
246 provided for in this act, the Corporation shall have the full power to exercise care of its property
247 and the management of its business and affairs. The treasurer shall give bond for the faithful
248 performance of his/her duties, with a surety company authorized to do business in the

249 commonwealth as surety, in such sum as the board of directors may determine, the premium
250 thereof to be paid by the Corporation.

251 SECTION 9. The Corporation may provide by resolution, one time or from time to time, for the
252 issuance of revenue bonds of the Corporation for the purposes of paying all or any part of the
253 cost of a Development Project. The principal of and interest on the bonds shall be payable solely
254 from the funds herein provided for the payment. The bonds of each issue shall be dated, shall
255 bear interest at the rates and shall mature at the time or times not exceeding 40 years from their
256 date of issuance, and may be redeemable before maturity, at the option of the Corporation, at the
257 price or prices and under the terms and conditions fixed by the Corporation before the issuance
258 of the bonds. The Corporation shall determine the form of the bonds, including any interest
259 coupons to be attached thereto, and the manner of execution of the bonds, and shall fix the
260 denomination or denominations of the bonds and the place or places of payment of principal and
261 interest, which may be at any bank or trust company within the commonwealth. In case any
262 officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons
263 shall cease to be an officer before the delivery of the bonds, the signature or facsimile shall
264 nevertheless be valid and sufficient for all purposes the same as if he/she had remained in office
265 until the delivery if such officer was authorized to sign. The bonds may be issued in coupon or
266 registered form or both, as the Corporation may determine, and provision may be made for the
267 registration of any coupon bonds as to principal alone and also as to both principal and interest.
268 The Corporation may sell the bonds in a manner and for a price, either at public or private sale,
269 as it may determine to be for the best interests of the Corporation.

270 The proceeds of the bonds shall be used solely for the payment of the cost of a Development
271 Project, and shall be disbursed in a manner and under such restrictions, if any, as the Corporation

272 may provide. Before the preparation of definitive bonds, the Corporation may, under like
273 restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable
274 for definitive bonds when the bonds have been executed and are available for delivery. The
275 Corporation may also provide for the replacement of any bonds which shall become mutilated or
276 shall be destroyed or lost. Revenue bonds may be issued under the provisions of this act subject
277 only to those proceedings, conditions or things which are specifically required by this act.

278 The Corporation may provide by resolution for the issuance of revenue refunding bonds of the
279 Corporation for the purpose of refunding any revenue bonds then outstanding and issued under
280 the provisions of this act, including the payment of any redemption premium thereon on any
281 interest accrued or to accrue to the date of redemption of the bonds and, if deemed advisable by
282 the Corporation, for the additional purpose of construction or reconstructing and extensions or
283 improvements of the Development Project. The issue of the bonds, the maturities, and other
284 details thereof, the rights of the holders thereof, and the duties of the Corporation in respect of
285 the same shall be governed by this act insofar as the same may be applicable.

286 While any bonds issued by the Corporation remain outstanding, the powers, duties or existence
287 of the Corporation shall not be diminished or impaired in any way that will affect adversely the
288 interests and rights of the holders of such bonds.

289 Revenue and revenue refunding bonds issued under this act, unless otherwise authorized by law,
290 shall not be deemed to constitute a debt of the commonwealth or the Town, or a pledge of the
291 faith and credit of the commonwealth or of the Town, but the bonds shall be payable solely from
292 the Corporation's revenues. In the event that the Corporation or the Town or commonwealth is
293 not obliged to pay the revenue or revenue refunding bonds, then and in that event, all such

294 revenue and revenue refunding bonds shall contain on the face thereof a statement to the effect
295 that neither the Corporation nor the commonwealth nor the Town shall be obliged to pay the
296 same or the interest thereon except from revenues, and that neither the faith and credit nor taxing
297 power of the commonwealth or of the Town is pledged to the payment on the bonds.

298 All revenue and revenue refunding bonds issued under this act shall have and are hereby
299 declared to have all the qualities and incidents of negotiable instruments as defined in Article 3,
300 Section 3-104 of chapter 106 of the General Laws.

301 SECTION 10. In the discretion of the Corporation the revenue bonds or revenue refunding bonds
302 may be secured by a trust agreement by and between the Corporation and a corporate trustee,
303 which may be any trust company or bank having the powers of a trust company within the
304 commonwealth. The trust agreement may pledge or assign the revenues to be received, but shall
305 not convey or mortgage any Development Project or part thereof.

306 Either the resolution providing for the issuance of bonds or the trust agreement may contain such
307 provisions for protecting and enforcing the rights and remedies of the bondholders as may be
308 reasonable and proper and not in violation of law, including without limiting the generality of the
309 foregoing provisions defining defaults and providing for remedies in the event thereof, which
310 may include the acceleration of maturities, and covenants setting forth the duties of and
311 limitations on the Corporation in relation to the acquisition, construction, improvement,
312 enlargement, alteration, equipping, furnishing, maintenance, operation, repair, insurance and
313 disposition of property, the custody, safeguarding, investment and application of moneys, the use
314 of any surplus bond or note proceeds and the establishment of reserves. The resolution or trust
315 agreement may also contain covenants by the Corporation in relation to, among other things: (1)

316 the establishment, revision and collection of such rents and charges for services of facilities
317 furnished or supplied by the Corporation as shall provide revenues sufficient with other revenues
318 of the Development Project, if any, to pay (i) the cost of maintaining, repairing and operating the
319 Development Project, (ii) the principal of and the interest on said revenue bonds as the same
320 shall become due and payable, (iii) payments in lieu of taxes, betterment and special
321 assessments, and (iv) reserves for such purposes; (2) the purpose or purposes for which the
322 proceeds of the sale of the bonds will be applied and the use and disposition thereof; (3) the use
323 and disposition of the gross revenues of the Corporation from the Development Project, any
324 additions thereto and extensions and improvements thereof, including the creation and
325 maintenance of funds for working capital and for renewals and replacements to the Development
326 Project; (4) the amount, if any, of additional revenue bonds payable from the revenues of the
327 Development Project and the limitations, terms and conditions on which such additional revenue
328 bonds may be issued; and (5) the operation, maintenance, management, accounting and auditing
329 of the Development Project and of the income and revenues of the Corporation.

330 It shall be lawful for any bank or trust company authorized to do business under the laws of the
331 commonwealth to act as depository of the proceeds of the bonds or of revenues, and to furnish
332 such indemnifying bonds or to pledge securities as required by the Corporation. The trust
333 agreement may set forth the rights and remedies of the bondholders and of the trustees, and may
334 restrict the individual right of action by bondholders as is customary in trust agreements or trust
335 indentures securing bonds and debentures of Corporations. In addition to the foregoing, the trust
336 agreement may contain other provisions as the Corporation considers reasonable and proper for
337 the security of the bondholders. All expenses incurred in carrying out the trust agreement may be
338 treated as a part of the cost of the operation of the Development Project. The pledge by any trust

339 agreement or resolution shall be valid and binding from the time when the pledge is made; the
340 revenues or other moneys so pledged and then held or thereafter received by the Corporation
341 shall immediately be subject to the lien of the pledge without any physical delivery thereof or
342 further act; and the lien of the pledge shall be valid and binding as against all parties having
343 claims of any kind in tort, contract or otherwise against the Corporation, irrespective of whether
344 the parties have notice thereof. Neither the resolution nor any trust agreement by which pledge is
345 created need be filed or recorded except in the records of the Corporation.

346 SECTION 11. Revenue bonds and revenue refunding bonds issued under this act are hereby
347 made securities in which all public officers and public bodies of the commonwealth and its
348 political subdivisions, all insurance companies, trust companies in their commercial departments
349 and within the limits set by section 6 of chapter 167E of the General Laws, banking associations,
350 investment companies, executors, trustees and other fiduciaries, and all other persons whatsoever
351 who are now or may hereafter be authorized to invest in bonds or other obligations of a similar
352 nature may properly and legally invest funds, including capital in their control and belonging to
353 them; and the bonds are hereby made obligations which may properly and legally be made
354 eligible for the investment of savings deposits and income thereof in the manner provided by
355 section 2 of said chapter 167E. The bonds are hereby made securities which may properly and
356 legally be deposited with and received by any state or municipal officer or any agency or
357 political subdivision of the commonwealth for any purpose for which the deposit of bonds or
358 other obligations of the commonwealth is now or may hereafter be authorized by law.

359 SECTION 12. To provide funds for the general purposes of the Corporation, including working
360 capital, the Corporation may from time to time issue debentures which, unless otherwise
361 authorized by law, shall not be deemed to constitute a debt of the commonwealth or of the Town,

362 or a pledge of the faith and credit of the commonwealth or of the Town, and shall be
363 subordinated to all other obligations of the Corporation and shall be payable at the time and in
364 installments, if any, as the Corporation shall determine, but solely out of the net assets of the
365 Corporation; and the holders thereof shall be entitled to interest at the rate set by the issuer, but
366 only out of the net earnings of the Corporation, and in no event at a rate higher than the rate
367 specified therein.

368 The debentures may be secured by a trust agreement by and between the Corporation and a
369 corporate trustee, which shall be located within the commonwealth and shall be a trust company
370 or bank having the powers of a trust company. The trust agreement shall contain provisions for
371 protecting and enforcing the rights and remedies of the debenture-holder as may be reasonable
372 and proper and not in violation of law. It shall be lawful for any bank or trust company
373 incorporated under the laws of the commonwealth which may act as a depository under the trust
374 agreement to furnish indemnifying bonds or to pledge securities as required by the Corporation.
375 Such trust agreement shall set forth the rights and remedies of the debenture-holders and of the
376 trustee, and may restrict individual right of action by debenture-holders. In addition to the
377 foregoing, the trust agreement may contain such other provisions as the Corporation may
378 consider reasonable and proper for the security of the debenture-holders. All expenses incurred
379 in carrying out the provisions of the trust agreement may be treated as an item of current
380 expense.

381 Debentures may be issued under this act without obtaining the consent of any department,
382 division, office, commission, board, bureau or agency of the commonwealth or the Town, and
383 without any other proceedings or the happenings of any other condition or things other than
384 those proceedings, conditions or things which are specifically required by this act.

385 SECTION 13. Any holder of bonds or debentures issued under this act or of any coupons
386 appertaining thereto, and the trustee, except to the extent the rights herein given may be
387 restricted by the trust agreement, may, either at law or in equity, by suit, action, mandamus or
388 other proceeding, protect and enforce all rights under the laws of the commonwealth or granted
389 hereunder or under the trust agreement, and may enforce and compel the performance of all
390 duties required by this act or by the trust agreement, to be performed by the Corporation or by
391 any officer thereof.

392 SECTION 14. Notwithstanding any rule at common law or any authorization, limitation or any
393 such other provision of any general or special law, or any provision in their respective charters,
394 agreements of associations, articles of organization, or trust indentures, domestic corporations
395 organized for the purpose of carrying on business within the commonwealth, including without
396 implied limitation any electric or gas company as defined in section 1 of chapter 164 of the
397 General Laws, railroad corporations as defined in section 1 of chapter 160 of the General Laws,
398 financial institutions, trustees and the Town may acquire, purchase, hold, sell, assign, transfer, or
399 otherwise dispose of any bonds, securities or other evidence of indebtedness of the Corporation
400 and to make contributions to the Corporation, all without the approval of any regulatory
401 authority of the commonwealth.

402 A contribution made under this section to the Corporation shall be in addition to contributions
403 authorized by section 12C of chapter 170 of the General Laws and by other general or special
404 law.

405 SECTION 15. Except as herein provided, rents and charges for services or facilities furnished or
406 supplied by the Corporation shall not be subject to supervision or regulation by any department,

407 division, commission, board, bureau or agency of the commonwealth or the Town, and if derived
408 from a Development Project in connection with which revenue bonds have been issued, shall,
409 with all other revenues derived from the Development Project, except such part thereof as may
410 be necessary to pay the cost of maintenance, repair and operation, and to provide reserves
411 therefore provided for in the resolution authorizing the issuance of the bonds or in the trust
412 agreement, but including the part thereof necessary to provide such reserves for the payment of
413 the principal of and the interest on said revenue bonds provided for in the resolution or trust
414 agreement, and including also the proceeds of sales by the Corporation of property for, or in
415 connection with, a Development Project, be set aside at such regular intervals provided for in the
416 resolution or trust agreement, in a sinking fund which is hereby pledged to and charged with the
417 payment of: (1) the interest upon the bonds as the interest shall fall due, (2) the principal of the
418 bonds as the same shall fall due, (3) the necessary charges of paying agents for paying principal
419 and interest, and (4) the redemption price or the purchase price of bonds retired by call or
420 purchase as therein provided.

421 SECTION 16. The Corporation shall be liable in contract and in tort in the same manner as any
422 other municipal corporation. The directors, employees, officers and agents of the Corporation
423 shall be liable as such in contracts and tort, in the same manner as municipal employees under
424 Ch. 258 of the General Laws. The Corporation shall indemnify its employees under sections 9
425 and 13 of chapter 258 of the General Laws as public employees. The property or funds of the
426 Corporation shall not be subject to attachment or to levy and sale on execution, but if the
427 Corporation refuses to pay a judgment entered against it in any court of competent jurisdiction,
428 the local division of the superior court department may direct the treasurer of the Corporation to
429 pay the judgment. The real estate owned by the Corporation shall not be subject to liens under

430 chapter 254 of the General Laws, but the provisions of sections 28 and 29 of chapter 149 of the
431 General Laws shall be applicable to any construction work by the Corporation.

432 SECTION 17. Notwithstanding any other general or special law to the contrary, the Town, acting
433 through the Board of Selectmen, may lease for a term not to exceed 60 years any land or land
434 with improvements owned by the Town within the Development Zone, upon such terms and
435 conditions as the Board of Selectmen shall determine, for public purposes consistent with this
436 act. The terms and conditions of the lease or sale shall be determined by the Board of Selectmen
437 and the Town Manager. All leases shall provide that the Corporation may not encumber property
438 owned by the Town, or the Corporation's leasehold interest therein, without approval of the
439 Board of Selectmen.

440 The Town shall not incur any financial obligation as a result of any action by the Corporation,
441 absent a 2/3 vote of Town Meeting.

442 Notwithstanding the provisions of any general or special law to the contrary, the Corporation
443 may establish a maintenance reserve fund from any lease revenues obtained from Development
444 Projects carried out on publicly owned property, sufficient to meet the expenses of maintaining
445 said projects in a fully operational state, including, but not limited to, routine and non-routine
446 maintenance and the maintenance of any and all improvements. All leases shall also provide that
447 the lease shall terminate in the event that the Corporation ceases to use the land for the declared
448 public purpose described in Section 2.

449 SECTION 18. No Development Project shall be undertaken until a public hearing relating to the
450 Development Project has been held by the Corporation after legal notice has been published in a

451 public medium having a general circulation in the Town, no later than 2 weeks before the
452 hearing date.

453 SECTION 19. The real estate and tangible personal property of the Corporation shall be deemed
454 public property used for essential public and governmental purposes and shall be exempt from
455 taxation by the commonwealth or any subdivision thereof and from betterments and special
456 assessments; but in lieu of the taxes, betterments, and special assessments, the Town may
457 determine a sum to be paid to it annually in any year or period of years, the sum in any year not
458 to be in excess of the amount that would be levied at the then current tax rate upon the average
459 assessed value of the real estate, including buildings and other structures, for the 3 years
460 preceding the acquisition thereof, the valuation for each year being reduced by all abatements
461 thereon.

462 The Town may, however, agree with the Corporation upon the payments to be made, or the
463 Corporation may make and the Town may accept such other payments, the amount of which
464 shall be in lieu of the foregoing formulation.

465 Nothing in this act shall be construed to prevent the taxation, to the same extent and in the same
466 manner as other real estate is taxed, of real estate sold or otherwise transferred by the
467 Corporation pursuant to a Development Project, or the taxation to the same extent and in the
468 same manner as real estate of the commonwealth is taxed, of real estate acquired by the
469 Corporation pursuant to a Development Project and thereafter leased by the Corporation; but real
470 estate so acquired by the Corporation and sold or leased to an urban redevelopment corporation
471 or other entity operating under chapter 121A, 121B, or 121C of the General Laws shall be taxed
472 under said chapters.

473 The debentures issued under the provisions of this act, their transfer and the income therefrom,
474 including any profit made on the sale thereof, shall at all times be free from taxation by the
475 commonwealth or any subdivision thereof.

476 SECTION 20. Upon 2/3 vote of the Town Meeting, the Town may expand the geographic
477 boundaries of the Development Zone or authorize the Corporation to carry out Development
478 Projects consistent with the purposes of this act outside the Development Zone.

479 SECTION 21. The Corporation is hereby designated as a community-based development
480 organization for purposes of carrying out community or economic development projects with
481 federal financial assistance.

482 SECTION 22. The Town may raise and appropriate or may borrow under section 8 of chapter 44
483 of the General Laws or otherwise as appropriate, or may agree with the Corporation, or with the
484 federal government, or the commonwealth, to borrow or as otherwise appropriate, in aid of the
485 Corporation, the sums necessary to carry out the purposes and powers of the Corporation,
486 including defraying part of the development, acquisition and operating costs of any Development
487 Project. Indebtedness of the Town authorized under this section shall be outside the limit of
488 indebtedness prescribed in section 10 of chapter 44 of the General Laws and shall be payable
489 within 40 years, otherwise subject to sections 16 to 27, inclusive, of said chapter 44; but the total
490 amount of indebtedness of the Town outstanding at any one time under this section and clauses
491 (1), (2) and (4) of section 20 of chapter 121B shall not exceed 5 per cent of the Town's equalized
492 valuation as defined in section 1 of said chapter 44, notwithstanding section 21 of said chapter
493 121B.

494 SECTION 23. The Corporation may, upon the affirmative vote of 2/3 of its members, petition for
495 its dissolution by order of the supreme judicial or superior court, in the manner provided in
496 section 11A of chapter 180 of the General Laws.

497 SECTION 24. If the Town shall adopt or modify a charter, then without amendment of this act,
498 those provisions of this act which refer to specific municipal officials or municipal bodies shall
499 be understood, upon the charter adoption, to refer to those who under such change exercise the
500 same or equivalent functions.

501 SECTION 25. This act, being necessary for the welfare of the commonwealth and the Town and
502 its inhabitants, shall be liberally construed to effect the purpose thereof.

503 SECTION 26. The provisions of this act are severable, and if any of its provisions shall be held
504 unconstitutional by any court of competent jurisdiction, the decision of the court shall not impair
505 any of the remaining provisions.

506 SECTION 27. This act shall take effect upon its passage.