HOUSE . . . . . No. 3710

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:

SECTION 1. As used in this act, the following words shall, unless the context clearly requires otherwise, have the following meanings:-

"Board of Selectmen", the duly elected board of selectmen of the town of Hamilton.

"Corporation", the Hamilton Development Corporation or such other name as designated by the Board of Selectmen, established by Section 3.

"Cost of a Project", all costs, whether incurred prior to or after the issuance of bonds or notes hereunder, of acquisition, site development, improvement, enlargement, reconstruction, alteration, machinery, equipment, furnishings, demolition or removal of existing structures, relocation payments, financing charges, interest prior to and during the carrying out of the project, interest for up to 2 years after completion of the project, planning, engineering and legal services, administrative expenses, the funding of notes issued for capital purposes, such reserve for debt service or other capital or current expenses as may be required by a trust agreement or resolution securing notes or bonds, and all other expenses incidental to the determination of the feasibility of a development project or to carrying out or placing the project in operation.

"Development Project", (1) a project to be undertaken in furtherance of the purposes of this act, for acquisition or leasing by the Corporation of land and improvements thereon and the development of the property so acquired; (2) a project to be undertaken in furtherance of the purposes of this act for the rehabilitation or conservation of property, or for the demolition, removal, rehabilitation or addition of improvements whenever necessary to carry out the 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
28 Plan, comprehensive plan, community development plan, capital improvements plan, or other
29 plans approved from time to time by the Hamilton Planning Board or Board of Selectmen, which
30 plan 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
37 the 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
60 and cannot provide the necessary sites within the Development Zone due to problems in the
61 assembly of suitable sites, the provision of adequate public facilities and services, the
62 unavailability of private capital for development and the inability of private enterprise alone to
63 plan, finance and coordinate feasible development projects.

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

73 Therefore, a municipal corporation is necessary to address these and related public
74 purposes. It is the purpose of this act that the Corporation aid the Town, private enterprises and
75 nonprofit organizations, and other public agencies in the speedy and orderly development or
76 redevelopment of unused, underused or underdeveloped areas, and in the development, operation
77 and management of facilities and infrastructure necessary to support the economic vitality of the
78 Development Zone.

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

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

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

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

(3) accept, acquire other than by eminent domain, receive and hold by bequest, devise, grant, gift, purchase, exchange, lease, transfer, judicial order or decree, or otherwise, for any of its objects or purposes, any property, both real and personal, from any source, including grants, loans or advances for or in aid of the purposes of said Corporation from any federal agency, agency of the commonwealth or any political subdivision thereof, or non-governmental organization;

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

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

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

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

(8) receive and accept from any federal agency, the commonwealth, any political subdivision, or non-governmental organization any grants, loans or advances for or in aid of a Development Project and to receive and accept contributions from any source of either money, property, labor or other things of value, to be held, used and applied for the purposes for which such grants, loans, advances and contributions may be made;

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

(10) own and manage real property;

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

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

(13) acquire, subscribe for, own, hold, sell, assign, transfer, mortgage, pledge or otherwise dispose of the bonds, debentures, notes or other securities and evidence of interest in, or indebtedness of, any person, firm, corporation, joint stock company, association or trust, and while the owner or holder thereof, to exercise all of the rights, powers and privileges of ownership;

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

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

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

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

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

(19) manage or lease any Development Project, whether owned or leased by the Corporation, and to enter into agreements with the commonwealth or the Town or any agency or

163 instrumentality thereof, or with any person, firm, partnership or corporation either public or
164 private for the purposes of causing any Development Project to be managed;

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

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

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

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

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

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

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

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

188 SECTION 5. For the purposes of chapter 30B the Corporation shall be a governmental
189 body. The Corporation shall not be subject to section 16 of chapter 30B of the General Laws.
190 Redevelopment or improvement of any property owned by the Corporation or leased by the
191 Corporation to another party, including design, development, construction and operation, shall be
192 subject to sections 38A1/2 to 38O, inclusive, of chapter 7; section 39M of chapter 30; and
193 sections 44A to 44M, inclusive, of chapter 149 of the General Laws, when customized
194 improvements exceed the thresholds contained therein, except to the extent that the Corporation
195 enters into a ground lease which provides that title to the improvements remain with the lessee.
196 For the purposes of clause Twenty-sixth of section 7 of chapter 4 and chapter 66 of the General
197 Laws, the records of the Corporation shall be public records. For the purposes of chapter 268A

198 of the General Laws, the Corporation shall be considered a municipal agency. The members of
199 the board of directors and employees of the Corporation, together with any person who performs
200 professional services for the Corporation on a part-time, intermittent, or consultant basis, such as
201 those of an architect, attorney, engineer, planner, or construction, financial, or real estate expert,
202 shall be special municipal employees under ch. 268A of the General Laws.

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

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

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

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

231 The first meeting of the Corporation shall be called by the chairman pro tem, who shall
232 be designated by the Board of Selectmen when the initial appointments to the board of directors
233 are made. There shall be elected by and from the board of directors a president, treasurer,
234 secretary/clerk, and any other officers considered necessary by the board.

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

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

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

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

The Corporation may sell the bonds in a manner and for a price, either at public or private sale, as it may determine to be for the best interests of the Corporation.

The proceeds of the bonds shall be used solely for the payment of the cost of a Development Project, and shall be disbursed in a manner and under such restrictions, if any, as the Corporation may provide. Before the preparation of definitive bonds, the Corporation may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when the bonds have been executed and are available for delivery. The Corporation may also provide for the replacement of any bonds which shall become mutilated or shall be destroyed or lost. Revenue bonds may be issued under the provisions of this act subject only to those proceedings, conditions or things which are specifically required by this act.

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

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

Revenue and revenue refunding bonds issued under this act, unless otherwise authorized by law, shall not be deemed to constitute a debt of the commonwealth or the Town, or a pledge of the faith and credit of the commonwealth or of the Town, but the bonds shall be payable solely from the Corporation's revenues. In the event that the Corporation or the Town or commonwealth is not obliged to pay the revenue or revenue refunding bonds, then and in that event, all such revenue and revenue refunding bonds shall contain on the face thereof a statement to the effect that neither the Corporation nor the commonwealth nor the Town shall be obliged to pay the same or the interest thereon except from revenues, and that neither the faith and credit nor taxing power of the commonwealth or of the Town is pledged to the payment on the bonds.

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

SECTION 10. In the discretion of the Corporation the revenue bonds or revenue refunding bonds may be secured by a trust agreement by and between the Corporation and a corporate trustee, which may be any trust company or bank having the powers of a trust

310 company within the commonwealth. The trust agreement may pledge or assign the revenues to
311 be received, but shall not convey or mortgage any Development Project or part thereof.

312 Either the resolution providing for the issuance of bonds or the trust agreement may
313 contain such provisions for protecting and enforcing the rights and remedies of the bondholders
314 as may be reasonable and proper and not in violation of law, including without limiting the
315 generality of the foregoing provisions defining defaults and providing for remedies in the event
316 thereof, which may include the acceleration of maturities, and covenants setting forth the duties
317 of and limitations on the Corporation in relation to the acquisition, construction, improvement,
318 enlargement, alteration, equipping, furnishing, maintenance, operation, repair, insurance and
319 disposition of property, the custody, safeguarding, investment and application of moneys, the use
320 of any surplus bond or note proceeds and the establishment of reserves. The resolution or trust
321 agreement may also contain covenants by the Corporation in relation to, among other things: (1)
322 the establishment, revision and collection of such rents and charges for services of facilities
323 furnished or supplied by the Corporation as shall provide revenues sufficient with other revenues
324 of the Development Project, if any, to pay (i) the cost of maintaining, repairing and operating the
325 Development Project, (ii) the principal of and the interest on said revenue bonds as the same
326 shall become due and payable, (iii) payments in lieu of taxes, betterment and special
327 assessments, and (iv) reserves for such purposes; (2) the purpose or purposes for which the
328 proceeds of the sale of the bonds will be applied and the use and disposition thereof; (3) the use
329 and disposition of the gross revenues of the Corporation from the Development Project, any
330 additions thereto and extensions and improvements thereof, including the creation and
331 maintenance of funds for working capital and for renewals and replacements to the Development
332 Project; (4) the amount, if any, of additional revenue bonds payable from the revenues of the
333 Development Project and the limitations, terms and conditions on which such additional revenue
334 bonds may be issued; and (5) the operation, maintenance, management, accounting and auditing
335 of the Development Project and of the income and revenues of the Corporation.

336 It shall be lawful for any bank or trust company authorized to do business under the laws
337 of the commonwealth to act as depository of the proceeds of the bonds or of revenues, and to
338 furnish such indemnifying bonds or to pledge securities as required by the Corporation. The trust
339 agreement may set forth the rights and remedies of the bondholders and of the trustees, and may
340 restrict the individual right of action by bondholders as is customary in trust agreements or trust
341 indentures securing bonds and debentures of Corporations. In addition to the foregoing, the trust
342 agreement may contain other provisions as the Corporation considers reasonable and proper for
343 the security of the bondholders. All expenses incurred in carrying out the trust agreement may be
344 treated as a part of the cost of the operation of the Development Project. The pledge by any trust
345 agreement or resolution shall be valid and binding from the time when the pledge is made; the
346 revenues or other moneys so pledged and then held or thereafter received by the Corporation
347 shall immediately be subject to the lien of the pledge without any physical delivery thereof or
348 further act; and the lien of the pledge shall be valid and binding as against all parties having

349 claims of any kind in tort, contract or otherwise against the Corporation, irrespective of whether
350 the parties have notice thereof. Neither the resolution nor any trust agreement by which pledge is
351 created need be filed or recorded except in the records of the Corporation.

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

365 SECTION 12. To provide funds for the general purposes of the Corporation, including
366 working capital, the Corporation may from time to time issue debentures which, unless otherwise
367 authorized by law, shall not be deemed to constitute a debt of the commonwealth or of the Town,
368 or a pledge of the faith and credit of the commonwealth or of the Town, and shall be
369 subordinated to all other obligations of the Corporation and shall be payable at the time and in
370 installments, if any, as the Corporation shall determine, but solely out of the net assets of the
371 Corporation; and the holders thereof shall be entitled to interest at the rate set by the issuer, but
372 only out of the net earnings of the Corporation, and in no event at a rate higher than the rate
373 specified therein.

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

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

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

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

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

411 SECTION 15. Except as herein provided, rents and charges for services or facilities
412 furnished or supplied by the Corporation shall not be subject to supervision or regulation by any
413 department, division, commission, board, bureau or agency of the commonwealth or the Town,
414 and if derived from a Development Project in connection with which revenue bonds have been
415 issued, shall, with all other revenues derived from the Development Project, except such part
416 thereof as may be necessary to pay the cost of maintenance, repair and operation, and to provide
417 reserves therefore provided for in the resolution authorizing the issuance of the bonds or in the
418 trust agreement, but including the part thereof necessary to provide such reserves for the
419 payment of the principal of and the interest on said revenue bonds provided for in the resolution
420 or trust agreement, and including also the proceeds of sales by the Corporation of property for, or
421 in connection with, a Development Project, be set aside at such regular intervals provided for in
422 the resolution or trust agreement, in a sinking fund which is hereby pledged to and charged with
423 the payment of: (1) the interest upon the bonds as the interest shall fall due, (2) the principal of
424 the bonds as the same shall fall due, (3) the necessary charges of paying agents for paying

principal and interest, and (4) the redemption price or the purchase price of bonds retired by call or purchase as therein provided.

SECTION 16. The Corporation shall be liable in contract and in tort in the same manner as any other municipal corporation. The directors, employees, officers and agents of the Corporation shall be liable as such in contracts and tort, in the same manner as municipal employees under Ch. 258 of the General Laws. The Corporation shall indemnify its employees under sections 9 and 13 of chapter 258 of the General Laws as public employees. The property or funds of the Corporation shall not be subject to attachment or to levy and sale on execution, but if the Corporation refuses to pay a judgment entered against it in any court of competent jurisdiction, the local division of the superior court department may direct the treasurer of the Corporation to pay the judgment. The real estate owned by the Corporation shall not be subject to liens under chapter 254 of the General Laws, but the provisions of sections 28 and 29 of chapter 149 of the General Laws shall be applicable to any construction work by the Corporation.

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

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

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

SECTION 18. No Development Project shall be undertaken until a public hearing relating to the Development Project has been held by the Corporation after legal notice has been published in a public medium having a general circulation in the Town, no later than 2 weeks before the hearing date.

SECTION 19. The real estate and tangible personal property of the Corporation shall be deemed public property used for essential public and governmental purposes and shall be exempt

462 from taxation by the commonwealth or any subdivision thereof and from betterments and special
463 assessments; but in lieu of the taxes, betterments, and special assessments, the Town may
464 determine a sum to be paid to it annually in any year or period of years, the sum in any year not
465 to be in excess of the amount that would be levied at the then current tax rate upon the average
466 assessed value of the real estate, including buildings and other structures, for the 3 years
467 preceding the acquisition thereof, the valuation for each year being reduced by all abatements
468 thereon.

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

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

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

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

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

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

499 equalized valuation as defined in section 1 of said chapter 44, notwithstanding section 21 of said
500 chapter 121B.

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

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

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

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

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