

THE COMMONWEALTH OF MASSACHUSETTS

In the Year Two Thousand and Twelve

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 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, the 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 infrastructure, public facilities or both, in furtherance of the purposes of this act; and (4) a project involving a combination of the foregoing types of projects.

"Development zone", sections of the town zoned as the business zone B district and zoned commercial overlay districts where the corporation may carry out a development project consistent with this act.

"Economic development plan", a plan or study including, but not limited to, a master plan, comprehensive plan, community development plan, capital improvements plan or other plans approved from time to time by the Hamilton

planning board or board of selectmen, which plan shall guide the types, land uses, general locations, densities and other requirements of development projects carried out by the corporation in furtherance of the purposes of this act.

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

"Town", the town of Hamilton.

"Town manager", the person holding the office of town manager pursuant to chapter 114 of the acts of 2009.

SECTION 2. It is hereby declared that in the town of Hamilton, unused, underused or underdeveloped areas exist, including, but not limited to, the development zone; that each area requires assistance to maximize the sound growth of the town and the economic well-being of the commonwealth; that each area requires assistance to maximize the value of private investments and sources of public revenue; that redevelopment of each area in accordance with locally approved community and economic development, capital improvement or other plans, including the town's master plan, for the elimination of the suboptimal conditions and prevention of the recurrence is necessary to retain existing enterprises, attract new commercial, industrial or residential development, retain and expand the town's commercial enterprises and promote the sound and orderly growth of the town; that the existence of such unused, underused or underdeveloped areas discourages maximum economic benefit to the town which cannot be fully realized by the ordinary operations of private enterprise without the aids herein provided; that to prevent a recurrence of these conditions in these areas, the improvement of sites for commercial, industrial or residential uses or for necessary public facilities in the areas, the disposition of property for redevelopment incidental to the foregoing, the exercise of powers by the corporation and any assistance which may be given by the town or any other public body in connection therewith, are public uses and purposes for which public money may be expended; that the acquisition, planning, clearance, development, rehabilitation or rebuilding of such unused, underused and undeveloped areas for commercial, industrial, residential, institutional and public facility purposes are public benefits for which public funds may be expended for the good and welfare of the town and the commonwealth.

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

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

Therefore, a municipal corporation is necessary to address these and related public purposes. It is the purpose of this act that the corporation aid the town, private enterprises and nonprofit organizations, and other public agencies in the speedy and orderly development or redevelopment of unused, underused or underdeveloped areas and in the development, operation and management of facilities and infrastructure necessary to support the economic vitality of the development zone.

SECTION 3. (a) There is hereby created a body politic and corporate to be known as the Hamilton Development Corporation, or such other name as designated by the board of selectmen. The corporation is a public instrumentality independent from but subordinate to the town. The corporation is empowered to carry out the provisions of this act and the exercise by the corporation of the powers conferred by this act in the performance of essential public and governmental functions.

(b) The purposes of the corporation shall be to correct the conditions found to exist in the town as set forth in section 2, promote the common good and general welfare of the town, improve the living standards of the citizens thereof by fostering the improvement of their employment opportunities and develop, manage and operate public facilities and infrastructure necessary to improve the town's economy, focusing on, but not limited to, areas within the development zone, all in a manner consistent with approved economic development plans. In furtherance of purposes and in addition to the powers conferred on the corporation by this act, the corporation may:

- (1) sue and be sued in its own name, plead and be impleaded;
- (2) adopt and amend by-laws 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 the 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; provided, however, that 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 a federal agency, the commonwealth, a political subdivision or a non-governmental organization grant, loans or advances for or in aid of a development project and to receive and accept contributions of money, property, labor or other things of value, to be held, used and applied for the purposes for which the 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 under 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 to promote and develop business, industry or infrastructure improvements;

(12) acquire improved and unimproved real estate for the purposes of: (i) developing, demolishing, constructing or reconstructing commercial, industrial, residential, institutional, or other establishments thereon; (ii) developing, redeveloping or constructing public facilities; or (iii) transferring the 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 in this act 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 those 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 instrumentality thereof or with any person, firm, partnership or corporation, either public or private, for the purposes of causing any development project to be managed;

(20) prepare and amend plans to advance economic development goals within the development zone and define necessary development projects to achieve these goals;

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

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

(23) act with respect to 1 or more development projects as a corporation organized under chapter 121A of the General Laws;

(24) carry out any other public purposes designated by the board of selectmen; and

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

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

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

SECTION 5. For the purposes of chapter 30B of the General Laws the corporation shall be a governmental body. The corporation shall not be subject to section 16 of said chapter 30B. Redevelopment or improvement of any property owned by the corporation or leased by the corporation to another party, including design, development, construction and operation, shall be subject to sections 38A½ to 380, inclusive, of chapter 7, section 39M of chapter 30, and sections 44A to 44M, inclusive, of chapter 149 of the General Laws, when customized improvements exceed the thresholds contained therein, except to the extent that the corporation enters into a ground lease which provides that title to the improvements remain with the lessee. For the purposes of clause Twenty-sixth of section 7 of chapter 4 and chapter 66 of the General Laws, the records of the corporation shall be public records. For the purposes of chapter 268A of the General Laws, the corporation shall be considered a municipal agency. The members of the board of directors and employees of the corporation, together with any person who performs professional services for the corporation on a part-time, intermittent or consultant basis, such as those of an architect, attorney, engineer, planner or construction, financial or real estate expert, shall be special municipal employees under said chapter 268A.

The corporation shall be subject to all local by-laws and regulations of the town, including the zoning by-laws, by-laws concerning the protection of wetlands in the town and historic district regulations. The corporation shall

also be subject to sections 18 to 25, inclusive, of chapter 30A of the General Laws.

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

SECTION 7. The corporation shall be managed by a board of directors consisting of 5 members, appointed by the board of selectmen upon the recommendation of the town manager. At least 1 member of the board of directors shall be a nominee of the Hamilton economic development committee. The board of directors shall include persons with education and experience in the fields of law, finance, real estate, architecture or planning, business and local government. Board members shall not be required to be residents of the town. Each member shall be sworn by the Hamilton town clerk to the faithful performance of official duties as a director of the corporation. A majority of the 5 members shall constitute a quorum for the transaction of any business, but any action of the board of directors shall require the affirmative vote of a majority of the entire board.

The original members of the board of directors shall be appointed within 60 days following the effective date of this act. Of the members of the board of directors first appointed, 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 years. All terms thereafter shall be for 3 years. Upon the expiration of the term of office of any member of the board of directors, or any subsequent member of the board of directors, the successor of the member shall be appointed for a term of 3 years. In the event of a vacancy on the board of directors, a successor member shall be appointed to complete the term of service for the member whose term has not expired. Unless reappointed, no member of the board of directors shall hold office after the expiration of the term. The board of selectmen may reappoint members to the board of directors of the corporation.

The first meeting of the corporation shall be called by the chairman pro tem, who shall be designated by the board of selectmen when the initial appointments to the board of directors are made. There shall be elected by and from the board of directors a president, treasurer, secretary or clerk and any other officers considered necessary by the board.

A 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 in this act. The corporation shall operate on the same fiscal year as 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. The board of directors 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 the 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 the treasurer's 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, 1 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 not exceeding 40 years from the date of issuance and may be redeemable before maturity, at the option of the corporation, at the price 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, the manner of execution of the bonds and shall fix the denominations of the bonds and the place 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 as if the officer had remained in office until the delivery, if the officer was authorized to sign. The bonds may be issued in coupon or registered form or both, as the corporation may determine and a 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 the corporation may determine to be in 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

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 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 to refund 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 it 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 adversely affect the interests and rights of the holders of the 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; provided, however, that 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 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 all the qualities and incidents of negotiable instruments as defined in 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 company within the commonwealth. The trust agreement may pledge or assign the revenues to be received, but shall not convey or mortgage any development project or part thereof.

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

It shall be lawful for any bank or trust company authorized to do business under the laws of the commonwealth to act as depository of the proceeds of the bonds or of revenues and to furnish such indemnifying bonds or to pledge securities as required by the corporation. The trust agreement may set forth the rights and remedies of the bondholders and of the trustees and may restrict the individual right of action by bondholders as is customary in trust agreements or trust indentures securing bonds and debentures of corporations. In addition to the foregoing, the trust agreement may contain other provisions as the corporation considers reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the trust agreement may be treated as a part of the cost of the operation of the development project. The pledge by any trust agreement or resolution shall be valid and binding from the time when the pledge is made; the revenues or other

moneys so pledged and then held or thereafter received by the corporation shall immediately be subject to the lien of the pledge without any physical delivery thereof or further act. The lien of the pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the corporation, irrespective of whether the parties have notice thereof. Neither the resolution nor any trust agreement by which pledge is created need be filed or recorded except in the records of the corporation.

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

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

The debentures may be secured by a trust agreement by and between the corporation and a corporate trustee, which shall be located within the commonwealth and shall be a trust company or bank having the powers of a trust company. The trust agreement shall contain provisions for protecting and enforcing the rights and remedies of the debenture-holder as may be reasonable and proper and not in violation of law. It shall be lawful for any bank or trust company incorporated under the laws of the commonwealth to act as a depository under the trust agreement to furnish indemnifying bonds or to pledge securities as required by the corporation. Such trust agreement shall

set forth the rights and remedies of the debenture-holders and of the trustee and may restrict individual right of action by debenture-holders. In addition to the foregoing, the trust agreement may contain such other provisions as the corporation may consider reasonable and proper for the security of the debenture-holders. All expenses incurred in carrying out the provisions of the trust agreement may be treated as an item of current expense.

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

SECTION 13. Any holder of bonds or debentures issued under this act or of any coupons pertaining thereto and the trustee, except to the extent the rights in this act may be restricted by the trust agreement, may, either at law or in equity, by suit, action, mandamus or other proceeding, protect and enforce all rights under the laws of the commonwealth or granted under this act or under the trust agreement and may enforce and compel the performance of all duties required by this act or by the trust agreement, to be performed by the corporation or by any officer thereof.

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

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

SECTION 15. Except as herein provided, rents and charges for services or facilities furnished or supplied by the corporation shall not be subject to supervision or regulation by any department, division, commission, board, bureau or agency of the commonwealth or the town, and if derived from a development project in connection with which revenue bonds have been issued, shall, with all other revenues derived from the development project, except such part thereof as may be necessary to pay the cost of maintenance, repair and operation, and to provide reserves therefore provided for in the resolution authorizing the issuance of the bonds or in the trust agreement,

but including the part thereof necessary to provide such reserves for the payment of the principal of and the interest on the revenue bonds provided for in the resolution or trust agreement and including also the proceeds of sales by the corporation of property for or in connection with a development project be set aside at such regular intervals provided for in the resolution or trust agreement, in a sinking fund. That sinking fund is hereby pledged to and charged with the payment of: (i) the interest upon the bonds as the interest shall fall due; (ii) the principal of the bonds as the same shall fall due; (iii) the necessary charges of paying agents for paying principal and interest; and (iv) 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 in contracts and tort in the same manner as municipal employees under chapter 258 of the General Laws. The corporation shall indemnify its employees under sections 9 and 13 of said chapter 258 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 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 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 improved or unimproved land owned by the town within the development zone. The terms and conditions of the lease shall be determined by the board of selectmen in consultation with the town manager; provided, however, those terms and conditions shall be for public purposes consistent with this act. 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 two-thirds vote of town meeting.

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

The town may, however, agree with the corporation upon the payments to be made or the corporation may make and the town may accept such other payments, the amount of which shall be in lieu of the foregoing formulation.

Nothing in this act shall be construed to prevent the taxation to the same extent and in the same manner as other real estate is taxed of: (a) real estate sold or otherwise transferred by the corporation pursuant to a development project; (b) real estate acquired by the corporation pursuant to a development project and thereafter leased by the corporation; provided, however, that real estate so acquired by the corporation and sold or leased to an urban redevelopment corporation or other entity operating under chapter 121A, 121B, or 121C of the General Laws shall be taxed under said chapters 121A, 121B or 121C.

The debentures issued under this act, the transfer of the debentures and the income therefrom, including any profit made on the sale thereof, shall be free from taxation by the commonwealth or any subdivision thereof.

SECTION 20. Upon two-thirds vote of the town meeting, the town may expand the geographic boundaries of the development zone or authorize the corporation to carry out development projects consistent with this act outside the development zone.

SECTION 21. The corporation is hereby designated as a community-based development organization to carry out community or economic development projects with federal financial assistance.

SECTION 22. The town may raise and appropriate or may borrow under section 8 of chapter 44 of the General Laws or as otherwise appropriate, or may agree with the corporation, the federal government or the commonwealth to borrow or as otherwise appropriate, in aid of the corporation, the sums

necessary to carry out the purposes and powers of the corporation, including defraying part of the development, acquisition and operating costs of any development project. Notwithstanding section 21 of chapter 121B, indebtedness of the town authorized under this section shall be outside the limit of indebtedness prescribed in section 10 of said chapter 44 of the General Laws and shall be payable within 40 years, otherwise subject to sections 16 to 27, inclusive, of said chapter 44; provided, however, that the total amount of indebtedness of the town outstanding at any time under this section and clauses (1), (2) and (4) of section 20 of said chapter 121B of the General Laws shall not exceed 5 per cent of the town's equalized valuation as defined in section 1 of said chapter 44.

SECTION 23. The corporation may, upon the affirmative vote of two-thirds of its members, petition for its dissolution by order of the supreme judicial court or superior court, in the manner provided in section 11A of chapter 180 of the General Laws.

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

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

SECTION 26. This act shall take effect upon its passage.

House of Representatives, July 11, 2012.

Passed to be enacted,

Paul Donatelli, Speaker.

In Senate, July 12, 2012.

Passed to be enacted,

Kevin O'Connell, President.

18 July, 2012.

Approved,

at 1 o'clock and 58 minutes, *P*. M.

[Signature]
Governor.