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By Mr. Ames, a petition of Oliver F. Ames, Philibert L. Pellegrini and another for legislation to create the Massachusetts economic development financing authority and defining the purposes of said authority. State Administration.

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## The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Sixty-Seven.

AN ACT CREATING AN AUTHORITY FOR THE PURPOSE OF ASSISTING FINANCIALLY IN THE CONSTRUCTION, ACQUISITION, REHABILITATION, AND IMPROVEMENT OF INDUSTRIAL AND MANUFACTURING PLANTS IN THE COMMONWEALTH IN ORDER THAT NEW EMPLOYMENT OPPORTUNITIES MAY BE CREATED AND THE ACHIEVEMENT OF THE GOAL OF FULL EMPLOYMENT MAY BE ATTAINED, PROVIDING FOR THE POWERS AND DUTIES OF SUCH AUTHORITY AND FOR CERTAIN POWERS AND DUTIES OF THE DEPARTMENT OF COMMERCE AND DEVELOPMENT RELATED THERETO, AND MAKING APPROPRIATIONS THEREFOR.

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

### MASSACHUSETTS ECONOMIC DEVELOPMENT FINANCING AUTHORITY ACT

#### *Purposes of the Authority*

1 The purposes of the authority shall be to assist, promote,  
2 encourage, develop and advance the general prosperity and  
3 economic welfare of the people of the state and to improve  
4 their standard of living; to create and improve job opportuni-  
5 ties and to provide additional employment in those areas of  
6 the state in which unemployment is or may hereafter become  
7 a critical problem by assisting in the construction of new in-  
8 dustrial or manufacturing plants and the acquisition, rehabili-  
9 tation or improvement of former industrial or manufacturing  
10 plants within the state, including the acquisition of real prop-  
11 erty therefor, by means of loans to non-profit local develop-

12 ment corporations not to exceed thirty per cent of the cost  
13 of any such project, the repayment of which shall be secured  
14 by a mortgage which shall not be a junior encumbrance  
15 thereon by more than fifty per cent of such cost; and to ad-  
16 vance thereby the development of industrial or manufacturing  
17 enterprises throughout the state, including those defined as  
18 small-business concerns under the act of congress entitled  
19 "Small Business Investment Act of 1958." In carrying out such  
20 purposes and in exercising the powers granted by this title,  
21 the authority shall be regarded as performing an essential  
22 governmental function.

*General Powers and Duties of the Authority*

23 Subject to the other provisions of this title and the provi-  
24 sions of any contract with bondholders or noteholders, the au-  
25 thority shall have the following powers in addition to the pow-  
26 ers specifically conferred upon the authority elsewhere in this  
27 title:

- 28 1. To sue and be sued;
- 29 2. To have a seal and alter the same at pleasure;
- 30 3. To make and alter by-laws for its organization and in-  
31 ternal management;
- 32 4. To make rules and regulations governing the exercise of  
33 its corporate powers and the fulfillment of its corporate pur-  
34 poses under this title, which rules and regulations shall be filed  
35 with the department of state in the manner provided by section  
36 one hundred two of the executive law;
- 37 5. From time to time, to determine and designate labor  
38 market areas of the state and the areas within which mort-  
39 gage loans may be made from special purpose funds and gen-  
40 eral purpose funds;
- 41 6. To make and execute loan agreements, mortgages, con-  
42 tracts and all other instruments necessary or convenient for  
43 the exercise of its corporate powers and the fulfillment of its  
44 corporate purposes under this title;
- 45 7. In connection with mortgage loans or any applications or  
46 commitments therefor, to make and collect such fees and  
47 charges as the authority shall determine to be reasonable;

48 8. To purchase, receive, lease or otherwise acquire, and hold  
49 in the name of the state or otherwise, and to sell, convey, mort-  
50 gage, lease, pledge or otherwise dispose of, upon such terms  
51 and conditions as the authority may deem advisable, real and  
52 personal property, together with such rights and privileges as  
53 may be incidental and appurtenant thereto and to the use  
54 thereof, including but not restricted to any real or personal  
55 property acquired by the authority from time to time upon  
56 foreclosure of any mortgage or in the satisfaction of debts or  
57 in the enforcement of obligations;

58 9. To sell at public or private sale, or pledge or assign, any  
59 mortgage or other obligation securing a mortgage loan made  
60 by the authority;

61 10. To foreclose on any property in respect of which it has  
62 made a mortgage loan or commence or join in any action or  
63 proceeding to protect or enforce any right conferred upon it  
64 by law or by contract and to bid for and purchase such prop-  
65 erty at any foreclosure or at any other sale or acquire or take  
66 possession of any such property; and in such event the au-  
67 thority may operate, maintain, administer, pay the principal  
68 of and interest on any obligation incurred in connection with  
69 such property, and otherwise deal with, such property, in such  
70 manner as may be necessary or desirable to protect the interest  
71 of the authority therein;

72 11. To enter into agreements to pay annual sums in lieu of  
73 taxes to any municipality or taxing district of the state in re-  
74 spect of any real property which is owned by the authority  
75 and located in such municipality or taxing district, provided,  
76 however, that the amount so paid for any year upon any such  
77 property shall not exceed the sum last paid as taxes on such  
78 property to such municipality or taxing district prior to the  
79 time of its acquisition by the authority;

80 12. To procure insurance against any loss in connection  
81 with assisted projects or with real property or other assets of  
82 the authority (including mortgages and mortgage loans) in  
83 such amounts, and from such insurers, as it deems desirable;

84 13. To consent to the modification of the time of payment  
85 of any installment of principal or interest, the rate of interest

86 (within the limits prescribed by sections eighteen hundred  
87 sixteen and eighteen hundred twenty-one), the security, or any  
88 other terms of any mortgage, mortgage loan, mortgage loan  
89 commitment, contract or agreement of any kind to which the  
90 authority is a party whenever it deems it necessary or desirable  
91 in the fulfillment of the purposes of this title;

92 14. To encourage the organization of local development  
93 corporations and to cooperate with such corporations in the  
94 formation of plans for increasing job opportunities within their  
95 areas of operation;

96 15. To cooperate and act in conjunction with any organiza-  
97 tion, public or private, or federal or state agency the objects  
98 of which within any area of the state are similar to the pur-  
99 poses of the authority;

100 16. To accept gifts, grants or loans from, and enter into con-  
101 tracts or other transactions with, any federal or state agency,  
102 any municipality, any private organization or any other source;

103 17. To engage the services of bond counsel, accountants or  
104 other private consultants on a contract basis for rendering pro-  
105 fessional and technical assistance and advice;

106 18. To do any and all things necessary or convenient to  
107 carry out its corporate purposes and exercise the powers  
108 given and granted in this title.