

The Commonwealth of Massachusetts

MESSAGE FROM HIS EXCELLENCY THE GOVERNOR,
RETURNING, UNDER ARTICLE LVI OF THE
AMENDMENTS TO THE CONSTITUTION, WITH
RECOMMENDATION OF AMENDMENT, THE
ENGROSSED BILL CREATING THE INDUS-
TRIAL AND COMMERCIAL ECONOMIC
DEVELOPMENT CORPORATION OF
HAVERHILL

(see Senate, No. 1151)

The Commission on the

MESSAGE FROM THE EXCELLENCY THE GOVERNOR
RETURNING UNDER ARTICLE IV OF THE
AMENDMENTS TO THE CONSTITUTION WITH
RECOMMENDATION ON AMENDMENT THE
ENGROSSED BILL CREATING THE BOARD
OF INDUSTRIAL DEVELOPMENT OR
DEVELOPMENT CORPORATION OF

HAYES

(See Senate, No. 1432)

The Commonwealth of Massachusetts

EXECUTIVE DEPARTMENT,
STATE HOUSE, BOSTON, May 25, 1972.

To the Honorable Senate and House of Representatives:

In accordance with the provisions of Article LVI of the Amendments to the Constitution, I am returning, herewith, Senate Bill No. 1151 entitled "AN ACT CREATING THE INDUSTRIAL AND COMMERCIAL ECONOMIC DEVELOPMENT CORPORATION OF HAVERHILL."

In a recent message to your honorable bodies, I have recommended legislation to supplement the economic tools available to our cities and towns. It would authorize all municipalities to create Economic Development and Industrial Corporations, modeled after the Boston corporation created last year.

That bill, S. 1258, Appendix A, would be implemented by our Department of Commerce and Development and the Secretary for Communities and Development. I believe it is important that the state be in a position to provide the necessary technical assistance to make sure that these powers extended to our municipalities are understood and most effectively used.

The bill now before me, S. 1151, establishes an industrial and commercial economic development corporation for one city, the city of Haverhill. I believe it should include the same provisions envisioned in the general bill which I have proposed.

S. 1151 could be the first example of a city other than Boston in a state network of industrial and commercial economic development. If one city is permitted to avoid meeting certain uniform procedures, it would seriously weaken our desires to provide a coordinated and well directed economic development policy for the Commonwealth.

I recommend a number of amendments to this bill which will

parallel my recommendations in the general bill I have proposed. I urge your favorable action upon them.

I therefore recommend the attached changes to S. 1151, with references being made to the printed version of the bill.

Respectfully submitted,

FRANCIS W. SARGENT
Governor of the Commonwealth

The Commonwealth of Massachusetts

Page 2 after line 7 insert new () entitled "Cost of a project", all costs (whether incurred prior to or after the issue of bonds or notes hereunder) of acquisition, site development, construction, improvement, enlargement, reconstruction, alteration, machinery, equipment, furnishings, demolition or removal of existing buildings or structures (including the cost of acquiring any lands to which such buildings or structures may be moved), financing charges, interest prior to and during the carrying out of any project, interest for up to two years after completion or estimate completion date of any project, planning, engineering and legal service, administrative expense, 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 any project or to carrying out the project or to placing the project in operation".

Page 2 after above insert () "Department", the Massachusetts Department of Commerce and Development.

Page 2 after above insert () "Secretary", the Secretary of the Executive Office of Communities and Development.

Page 3 line 25 after word "area" insert, "provided, however, that such plan must be approved by the Department and the Secretary prior to the exercise of eminent domain."

Page 3 after line 32 insert after word "units" a semi-colon instead of a period and the following words: "provided, however, that such area must be certified by the Department and the Secretary as conforming to said chapter."

Page 4 after line 65 add new section to read "() "Pollution control facilities", facilities for the prevention, avoidance, reduction, control, abatement or elimination of pollution by any means of air or waters by industrial establishments.

Page 4 line 65 after word "rehabilitated" add", provided, however, that such plan must be approved by the Department and the Secretary prior to the exercise of eminent domain."

Page 6 line 7 after word "city" strike words "two of" and remainder of the sentence.

Page 6 line 11 after word "government"; strike words "and one member shall be a union member and one a retailer" and add in place thereof the following: "; and at least one member shall be representative of low income people and shall be chosen from a list of three submitted by the local or regional community action agency where such exists, and from a list of three submitted by the Commissioner of the Department of Community Affairs where no community action agency exists.""

Page 7 line 11 strike after word council the word "and" and insert a comma. Also after word "city" add words "and the Department and Secretary".

Page 7 line 40 after word "waived" add comma instead of period and following words "and after approval by the Department."

Page 7 strike lines 57-61

Page 9 line 21 add word "made" the words "The city may borrow outside its debt limit to obtain money for grants to the corporation, with the approval of the Department and the Secretary".

Page 9 line 34 add after the word "projects" a new sentence: "Except that the city may, upon request by the corporation, decide to pledge its full faith and credit to the solvency of a corporation."

Page 9 line 49 rewrite (k) "Subject to the approval of the city council, the mayor, the Department and the Secretary to designate areas of the city as economic development areas."

Page 9 line 49 after (i) and in place of (j) write: "To finance pollution control facilities in the same manner provided by this chapter for economic development projects, in which event all provisions of this chapter which are applicable to economic development projects apply to the pollution control facilities, insofar as such provisions are apt, except as otherwise provided."

Page 10 line 61 after the word "applicable", add the words "following approval by the Department and the Secretary."

Page 10 line 73 after the word "mayor," add words "Department and the Secretary".

Page 10 line 79 after word "mayor" add words "Department and the Secretary".

Page 11 after line 122 and before line 123 add a new section to read "To borrow money for the purposes of aiding in the construction of equipment required by the Commonwealth or the United States to abate air or water pollution."

Page 12 line 9 after word "council" add semi-colon (;) instead of period (.) and add words "and (c) the Department and the Secretary have approved the Development Plan."

Page 12 line 30 after "(2)" reword to read "the Department, the Secretary and" — here finish with their wording beginning with word "every".

Page 13 line 1 after words "Rents and charges." Begin sentence "Except as provided herein" rents and charges, etc.

Page 13 line 25 after word "provided" add new sentence to read "Provided, however, that the Secretary may from time to time promulgate rules and regulations governing the conduct of business and affairs of the corporation, in accordance with the provisions of Chapter 30A of the General Laws."

Page 15 line 5 after word "debentures" add words "unless otherwise authorized by law".

Page 15 line 5 after words "five million dollars." add by deleting the period the following words "unless specifically approved by the Department and the Secretary".

Page 16 strike out lines 36, 37, 38, 39, 40, 41 and 42 and add words "Debenture issued under the provisions of this act must be first approved by the Department and the Secretary."

Page 16 line 14 after word "section" add ", if approved by the Department and the Secretary".

Page 17 line 1 after words "The corporation" add words "subject to approval by the Department and the Secretary".

Page 17 line 14 after the words "The corporation" add words "subject to the approval of the Department and the Secretary".

Page 18 line 32 after the words "The corporation" add words "may subject to the approval of the Department and the Secretary".

Page 18 lines 45 and 46 after the words "Revenue bonds may be issued under the provisions of this act" delete remainder of line 46, 47, 48, 49, 50, 51 and 52 and add words "subject only to those proceedings, conditions or things which are specifically required by this act".

Page 18 line 53 after the words "The corporation" add words "subject to the approval by the Department and the Secretary".

Page 19 line 22 after word "section" add words "unless otherwise authorized by law".

Page 19 line 76 strike all words beginning with "all" through end of line 83 and insert in place thereof the following: "In the event that the corporation, or municipality or commonwealth is not obliged to pay said revenue and 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 municipality 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 municipality is pledged to the payment of the principal or of the interest on such bonds."

Page 19 delete lines 89 through 106 on page 20.

Page 22 line 72 after words "Uniform Commercial Code" add sentence to read "Provided, however, that any such resolution or trust agreement must have the approval of the Department and the Secretary".