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All employees of the emergency finance board, established by said chapter forty-nine on the effective date of this act, are hereby transferred to the board established by section one of this act without loss of seniority, civil service, retirement or other rights.

SECTION 4. The appointive members of the emergency finance board, established by section one of chapter forty-nine of the acts of nineteen hundred and thirty-three, shall serve as members of the emergency finance board, established by section one of this act, until the expiration of the term for which they were appointed. Upon the expiration of the term of a member, his successor shall be appointed as provided in section one of this act.

Approved July 16, 1980.

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Chap. 553. AN ACT ESTABLISHING THE WOBURN DEVELOPMENT AND FINANCIAL CORPORATION.

Be it enacted, etc., as follows:

SECTION 1. Unless the context otherwise requires, the following words shall have the following meanings: -

"Central business district", that area in the city of Woburn within the boundaries of the following streets and zoning lines:

Beginning at the corner of Green street and Main street; thence running in an easterly direction along Green street to Prospect street; thence turning and running northerly along Prospect street to High street; thence turning and running northeasterly to the line shown on the zoning map of the city of Woburn which line demarks an R-2 zoning district from a B-3 zoning district; thence turning and running in a northerly direction by and along said aforementioned zoning line to Manning street; thence turning and running westerly by and along a portion of Manning street, a portion of Main street and a portion of Kilby street to the line on the zoning map of the city of Woburn demarking an R-2 zoning district from an S-1/35 zoning district; thence turning and running southerly along said aforementioned zoning line to Franklin street; thence turning and running southwesterly by and along Franklin street to Winn street; thence turning and running southerly by and along Winn street to Harrison avenue; thence turning and running westerly by Harrison avenue to a line shown on the zoning map of the city of Woburn demarking a B-2 zoning district from a S-1 zoning district; thence turning and running southerly by and along said aforementioned zoning line to Myrtle street; thence turning and running easterly by and along Myrtle street to Main

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street; thence turning and running southerly by and along Main street to Green street, and the point of beginning.

"Corporation", Woburn Development Corporation, established by section three.

"Financial Institution", any banking corporation or institution, trust company, savings bank, co-operative bank, savings and loan association, insurance company, or related corporation, partnership, foundation or other institution engaged primarily in lending or investing funds.

"Incorporators", mayor of the city of Woburn; Woburn Five Cent Savings Bank; Woburn National Bank; Woburn Bank and Trust Company; and Tanners National Bank.

SECTION 2. It is hereby declared that unused and underutilized areas and structures exist in parts of the city of Woburn and more particularly within the Central Business District; that each such area and structure constitutes serious developmental problems, injurious to the health, morals and welfare of the residents of said city; that each such area and structure constitutes and economic liability, substantially impairs or arrests the sound growth of said city, and retards the economic well-being of the city and commonwealth; that each such area and structure decreases the value of private investments and threatens the sources of public revenue; that redevelopment of each such area and structure in accordance with an economic development plan for the elimination of such substandard conditions and prevention of their recurrence is necessary to retain existing commercial enterprises, attract new commercial development and promote the sound economic growth of said city; that the existence of such unused and underutilized areas and structures makes persons unwilling to do business in said city; that the underutilized and unused areas and structures is beyond remedy and control solely by regulatory process in the exercise of the police power and cannot be dealt with effectively by the ordinary operations of private enterprises without the aids herein provided.

It is hereby further found and declared that there exists in the city of Woburn a condition of substantial unemployment and underemployment which causes hardship to many individuals and families, wastes vital human resources, increases the public assistance burdens, impairs the security of family life, impedes the economic and physical development of said city and adversely affects the welfare and prosperity of the people; that unemployment and underemployment have been caused in substantial part by commercial companies moving from said city, that many existing commercial facilities within said city are obsolete and inefficient; that such facilities are underutilized or vacated,

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thereby creating additional unemployment; that such obsolescence and abandonment of existing facilities are causing serious injury to the economy of said city; that the commercial sector of the economy provides one of the best opportunities for jobs at higher wages for the inhabitants of said city; that new commercial sites are required to attract and house new commercial development, and to retain existing commercial operations in need of expansion space that the unaided efforts of private industry have not provided and cannot provide the necessary commercial sites within the urban environment due to the problems encountered, in the unavailability of private capital for development and the inability of private enterprises alone to plan, finance and coordinate commercial development projects.

It is further found and declared that the conditions which reference is hereinabove made in the Central Business District are in part attributable to commercial development which has taken place and continues to take place in the northerly and westerly sections of Woburn by and along, and in the general area of the intersection of, state highway route 128 and interstate highway route 93, whereby residents of Woburn and surrounding cities and towns may more readily shop at commercial centers outside of the Central Business District; that the rehabilitation, refurbishing and redevelopment of the Central Business District along consistent lines and a consistent pattern would serve to improve the commercial climate of the Central Business District by attracting residents and others to said district; that it is in the best interests of the city of Woburn and its citizens and the commonwealth that the Central Business District be a strong, vital and viable commercial force within the said city.

SECTION 3. The shareholders of the corporation are hereby constituted a body corporate under the name of the Woburn Development Corporation. Said Corporation shall be subject to and have the powers and privileges conferred by the provisions of chapter one hundred and fifty-five, sections eighteen, twenty-seven, thirty-one, thirty-three, and thirty-four of chapter one hundred and fifty-six B and section four of chapter one hundred and eighty of the General Laws, except insofar as said provisions are inconsistent with or otherwise restricted or limited by the provisions of this act.

SECTION 4. The principal office of the corporation shall be located in the city of Woburn.

SECTION 5. The purposes of said Corporation shall be to correct the conditions found to exist in the city of Woburn set forth in section two, promote the common good and general welfare of said city, improve the living standards of the citizens

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thereof by fostering the improvement of their employment opportunities, solicit, encourage and induce business organizations and educational institutions to locate in said city. An applicant for a loan from said Corporation shall be required to submit a plan and renderings to the executive committee of said Corporation, which executive committee is hereinafter defined, which plan and rendering shall be referred to a design review committee which shall consist of one member elected from the executive committee of said Corporation, one member being the chairman of the Woburn division of the North Suburban Chamber of Commerce, one member being the person holding the office of Federal Funds Coordinator/Community Development Office in said city, and one member selected by the executive committee of said Corporation from the community at large. After review of the plans and renderings submitted to it, said design review committee shall issue a recommendation to the executive committee of said Corporation. Said Corporation shall assist and promote the development and expansion of business activity and business organizations in said city, and, for the first five years of its existence, said Corporation shall confine its activities exclusively to the rehabilitation and restoration of, the central business district, as hereinabove defined.

In furtherance of said purposes and in addition to the powers conferred on said Corporation under the provisions of section three, said Corporation shall, subject to the restrictions and limitations hereinafter contained, have the following powers:

(a) To 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 and 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 or agency of the commonwealth or any political subdivision thereof;

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

(c) To 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 said Corporation for monies borrowed or in payment for property acquired or for any of the other purposes of said 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

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regard to all or any part of the property, rights or privileges of said Corporation, whether now owned or hereafter to be acquired;

(d) To make loans to any person, firm, corporation, joint stock, company, association or trust located or doing business in the city of Woburn for the purpose of promoting and developing business activities of all kinds, provided such business activities tend to increase employment opportunities within said city;

(e) To acquire improved and unimproved real estate for the purpose of constructing retail, commercial and residential or other business establishments thereon, or for the purpose of disposing of such real estate to others for the construction of retail, commercial or other business establishments as the objects and purposes of said Corporation may require;

(f) To acquire, construct, reconstruct, alter, maintain, sell, convey, transfer, mortgage, pledge, or otherwise dispose of retail, commercial, industrial, residential or business establishments as the objects and purposes of said Corporation may require;

(g) To acquire, subscribe for, own, hold, sell, assign, transfer, mortgage, pledge or otherwise dispose of the bonds, debentures, notes, or other securities and evidences 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 the rights, powers, and privileges of ownership;

(h) To co-operate with and avail itself of the facilities and programs including, but not limited to those of the Small Business Administration of the United States, the Massachusetts Business Development Corporation, the department of commerce and development, the United States Department of Commerce, the New England Regional Commission, and any similar governmental agencies; provided that at no time shall the Woburn Development Corporation apply for governmental funds in competition with any department, agency, or instrumentality of the city of Woburn without the express written consent of the mayor of said city.

(i) To receive stocks, bonds, donations, gifts and otherwise raise money for the above outlined purposes;

(j) To elect, appoint and employ officers, agents and employees; to make contracts and incur liabilities for any of purposes of said Corporation;

(k) To employ consultants;

(l) To promote the city of Woburn as a regional retail, commercial, industrial, professional and financial center; and

(m) To do all things and acts necessary or convenient to carry out the powers expressly granted in this act; provided,

however, that the purposes shall not include the right to apply for a license to sell alcoholic beverages; and that no part of the funds, property or net earnings of said Corporation shall inure to the benefit of any member, stockholder, other than the city of Woburn, officer of said Corporation or any private individual, and no member, officer of said Corporation, or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of said Corporation except to the extent that stockholders are entitled to participate in the distribution of said Corporation's assets upon dissolution under section nineteen, nor shall said Corporation allow any of its property to be used directly or indirectly in carrying on of propaganda, or otherwise attempting to influence legislation. Said Corporation shall not participate in or intervene 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 herein contained, neither the members, directors, officers, stockholders, nor said 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 said 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 6. The authorized capital stock of said Corporation shall consist of forty thousand shares of non-dividend-paying common capital stock with a par value of fifty dollars each. The shareholders may at any time by majority vote issue any part or all of said stock upon such terms as they shall determine or by majority vote the shareholders may delegate to the directors the power of by majority vote to issue any part or all of said stock upon such terms as they shall determine. An individual, corporation, estate, trust, company or partnership shall be entitled to purchase the same from said Corporation from time to time, as long as the latter has in its treasury authorized common capital stock not distributed. Such stock may also be purchased from other individuals, corporations, estates, trusts, companies or partnerships. None of the earnings or profits of said Corporation shall inure to or be paid to the stockholders of common capital stock as dividends or profits in any form.

SECTION 7. Notwithstanding any rule at common law or any authorization, limitation or any such other provision of any general or special law, or any provision in their respective

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charters, agreements of associations, articles of organization, or trust indentures, all 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 one of chapter one hundred and sixty-four of the General Laws, railroad corporations as defined in section one of chapter one hundred and sixty of the General Laws, financial institutions, trustees and the city of Woburn are hereby authorized to acquire, purchase, hold, sell, assign, transfer, or otherwise dispose of any stocks, bonds, securities, or other evidence of indebtedness of said Corporation and to make contribution to said Corporation, all without the approval of any regulatory authority of the commonwealth.

Any contribution made under this section to said Corporation shall be in addition to any contributions authorized by section twelve C of chapter one hundred and fifty-five of the General Laws, and by other provisions of general or special law.

SECTION 8. In order to carry out the purposes and powers of said Corporation, the city of Woburn may raise and appropriate, or may borrow in aid of said Corporation, such sums as may be necessary to make a loan or grant to said Corporation.

SECTION 9. The shareholders of said Corporation shall have the powers to elect directors as provided in section ten and to exercise such other powers of said Corporation as may be conferred on the shareholders by the by-laws.

SECTION 10. The board of directors of said Corporation shall be elected annually and shall have the powers of said Corporation: (a) at its option, to name an advisory board; (b) to set a fiscal year for the operation of said Corporation; and (c) to make, amend, or repeal the by-laws in whole or in part.

SECTION 11. The business and affairs of said Corporation shall be managed and conducted by an executive committee which shall have full power to commit the board of directors and said Corporation. Said committee shall be elected annually by and from the board of directors, consisting of seven voting members, of which one shall be mayor of the city of Woburn, four shall be elected from among the representatives of those participating financial institutions who have bought or subscribed shares in said Corporation in the amount of, not less than, one-twentieth of one per cent of their Woburn regular savings and checking account deposits, and the remaining two elected at large by and from the board of directors, and one non-voting member who shall be the person holding the office of Federal Funds Coordinator in the city government of the city of Woburn. In the election of the executive board, each director shall have one vote. The board of directors shall consist of twenty-five mem-

bers of which one shall be the mayor of said city, one shall be the chairman of the Woburn division of the North Suburban Chamber of Commerce, and four shall be representatives from each of the financial institutions, which were among the incorporators of said Corporation; any financial institution which shall contribute to the capital of said Corporation subsequent to the passage of this act shall be entitled to be represented on the board of directors. The remaining nineteen directors shall be elected by the shareholders, casting one vote on a noncumulative basis per share owned. There shall be elected by the board of directors and from the executive board, a president, vice president, treasurer, and secretary/clerk.

Directors and officers shall not be responsible for losses unless the same shall have been occasioned by the willful misconduct of such directors and officers.

SECTION 12. The corporation shall not deposit any of its funds in any banking institution unless such institution has been designated as a depository by a vote of a majority of the directors present at an authorized meeting of the board of directors, exclusive of any director who is an officer or director of the depository so designated. Said Corporation shall not receive money on deposit.

SECTION 13. Said Corporation shall make reports of its condition not less than annually to the state secretary, which report shall be published in a newspaper of general circulation in the city of Woburn within ninety days of the close of said Corporation's fiscal year. The state secretary shall make copies of such reports available to the commissioner of insurance and to the commissioner of banks, and said Corporation shall also furnish such other information as may, from time to time, be required by the state secretary.

SECTION 14. The first meeting of said Corporation shall be called by a notice signed by three or more of the incorporators, stating the time, place and purpose of the meeting, a copy of which notice shall be mailed or delivered to each incorporator at least five days before the day appointed for the meeting. Said first meeting may be held without such notice upon agreement in writing to that effect signed by all the incorporators. There shall be recorded in the minutes of the meeting a copy of said notice or of such unanimous agreement of the incorporators.

At such first meeting, the incorporators shall organize by the choice, by ballot, of a temporary clerk, by the adoption of by-laws, by the election of ballot of directors and by action upon such matters within the powers of said Corporation as the incorporators may see fit. The temporary clerk shall be sworn and shall make and attest a record of the proceedings until the



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clerk has been chosen and sworn. A majority of the incorporators shall be a quorum for the transaction of business.

Whenever the certificate required by section thirteen of chapter one hundred and fifty-five of the General Laws has been filed in the office of the state secretary, said secretary shall issue and deliver to the incorporators a certified copy of this act under the seal of the commonwealth, and said Corporation shall then be authorized to commence business, and stock thereof to the extent herein or hereafter duly authorized may, from time to time, be issued.

SECTION 15. Said Corporation shall not be subject to any of the provisions of chapter sixty-three of the General Laws, nor to any taxes based upon or measured by income which shall be enacted by the commonwealth. The securities, evidences of indebtedness, and share of stock issued by said Corporation, and income therefrom, shall at all times be free from taxation with the commonwealth.

Any stockholder, or holder of any securities, evidences of indebtedness, or shares of the capital stock of said Corporation who realizes a loss from the sale, redemption, or other disposition of any securities, evidences of indebtedness or shares of the capital stock of said Corporation, including any such loss realized on a partial or complete liquidation of said Corporation, and who is not entitled to deduct such loss in computing any of such stockholder's or holder's taxes to the commonwealth, shall be entitled to credit against any taxes subsequently becoming due to the commonwealth from such stockholders or other holders, a percentage of such loss equivalent to the highest rate of tax assessed for the year in which the loss occurs upon mercantile and business corporations as provided for in section two of chapter sixty-three of the General Laws.

SECTION 16. The provisions of chapter one hundred and ten A of the General Laws shall not apply to the shares of capital stock, bonds, debentures, notes, evidences of indebtedness, or any other securities of said Corporation.

SECTION 17. This charter may be amended by the votes of the shareholders, and such amendments shall require approval by the affirmative vote of two-thirds of the shareholders entitled to vote; provided that no amendment of this charter which is inconsistent with the general purposes expressed herein or which eliminates or curtails the right of the state secretary to examine said Corporation or the obligation of said Corporation to make reports as provided in section thirteen shall be made without amendment of this act; and provided further, that no amendment of this charter which affects a stockholder's voting right shall be made without the consent of each stockholder affected by such an amendment.

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Within thirty days after any meeting at which amendments of this charter have been adopted, articles of amendment sworn to by the president, treasurer, and a majority of the directors of said Corporation setting forth such amendment and the adoption thereof, shall be submitted to the state secretary, who shall examine them, and if he finds that they conform to requirements of the act, he shall so certify and endorse his approval thereon. Thereupon, the articles of amendment shall be filed in the office of the state secretary and no such amendment shall take effect until such articles of amendment shall have been filed as aforesaid.

Prior to or within sixty days after the effective date of any legislative amendment to this charter, the approval of such amendment shall be voted on by the stockholders of said Corporation at a meeting duly called for the purpose. If such amendment is not approved by the affirmative vote of two-thirds of the stockholders entitled to vote, any stockholder who has voted against the approval of such amendment if entitled to vote, or, if not entitled to vote, has registered his disapproval in writing with said Corporation at, or before said meeting, may, within thirty days after said meeting, make a written demand upon said Corporation for payment for his stock.

SECTION 18. The period of duration of said Corporation shall be fifty years, subject, however, to the right of the members to dissolve said Corporation prior to the expiration of said period as provided in section nineteen.

SECTION 19. Said Corporation may, upon the affirmative vote of two-thirds of its members petition for its dissolution by order of the supreme judicial or superior court, in the manner provided in section fifty of chapter one hundred and fifty-five of the General Laws. Upon any dissolution of said Corporation the stockholders, if any, shall be paid on a pro rata basis that percentage of the assets of said Corporation in excess of the obligations of said Corporation which the amounts paid into said Corporation for all stock bears to sum of (1) such amounts paid into said Corporation for all the stock, and (2) the amounts of all donations made to said Corporation; provided, that in no event shall a stockholder be paid upon such dissolution more than the amount paid into said Corporation for his stock.

SECTION 20. If said Corporation shall fail to commence operations within three years from the effective date of this act, then this act shall be null and void.

SECTION 21. The provisions of this act are severable, and if any of its provisions shall be held unconstitutional by any court of competent jurisdiction, the decision of such court shall not impair any of the remaining provisions.

Approved July 16, 1980.