

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
MASSACHUSETTS LIFE SCIENCES CENTER**

DATE: February 24, 2016
TIME: 2:08 p.m. EST
PLACE: Mack Conference Room, Room #1&2
One Ashburton Place, 21st Floor
Boston, Massachusetts

DIRECTORS PRESENT: Mike Kennealy (designee for Secretary Jay Ash)
Dominick Ianno (designee for Secretary Kristen Lepore)
Peter Parker
Lydia Villa-Komaroff, Ph.D.
Edward J. Benz, Jr., M.D.
Abigail Barrow (designee for Marty Meehan)
Carolyn A. Kirk

DIRECTORS ABSENT: Marty Meehan
Kristen Lepore, Secretary, Executive Office of Administration and
Finance
Jay Ash, Secretary, Housing and Economic Development
Adelene Perkins

1. Call to Order

Mike Kennealy, designee for Secretary Jay Ash, called the meeting of the Board of Directors (the “Board”) of the Massachusetts Life Sciences Center (the “MLSC”) to order at 2:08 p.m. The meeting, having been duly convened, was ready to proceed with its business.

2. Approval of Board Minutes

The Board then reviewed the minutes of the December 16, 2015 Board meeting. Upon motions duly made, seconded and carried, the Board adopted the resolution to approve the minutes.

3. Chairs’ Update

Dominick Ianno took the opportunity to provide brief remarks regarding the state budget

process. He stated that the budget has been filed since the last meeting on December 16, 2015. Mr. Ianno endeavored to clear up any confusion between Capital money and Operating money. He stated that he expected the proposed budget to be well within the range of what has been received last year. He stated the needs of MLSC are taken into consideration and the Administration is committed to the MLSC. A final number will be forthcoming as with the other programs in the budget process. Mr. Ianno was very adamant they are not going to change the Administration's planning process, and they may have the amount by the April Board meeting. It was clear to Mr. Ianno that Travis McCready, the Center's President and CEO, has been sending a clear message as he communicates with others across the state that the MLSC is receiving the funding.

Mike Kennealy stressed the importance of supporting high growth clusters in the life sciences industry and the jobs it will bring to the state. He was enthusiastic about the possibilities of the General Electric headquarters moving to Boston and the participation of MLSC in the dialog of the future. He applauded the level of activity Mr. McCready has engaged in as he settles into his new position. He praised MLSC's business development role in the announcement of Alnylam Pharmaceuticals expanding in Norton and Siemens in Walpole and others bringing about 4,000 across the Commonwealth.

CEO Update & Executive Report

Travis McCready thanked Dr. Harvey Lodish for serving more than six years as the Chair of the MLSC's Scientific Advisory Board (SAB). The SAB will be meeting next week, and along with the MLSC Board, will begin to actively engage in planning to ensure a seamless transition. He was confident that the review of the applications for the Accelerator Loan Program will happen in a timely manner.

Mr. McCready then thanked the staff at MLSC who were instrumental in putting together his visits to various regions of the state. In his travels he was able to meet with small start up companies to the larger well established ones. These companies have chosen to have a presence outside of Route 128. He expressed a desire to see self-enclosed systems in various regions of the state where research, development, and manufacturing would take place in close physical proximity to one another.

Mr. McCready also announced a discretionary grant in the amount of \$50,000 that was awarded to the BioBuilder Educational Foundation to lead a lab readiness training program as part of the pilot round of the MLSC's new High School Apprenticeship Challenge. He thanked Beth Nicklas, General Counsel and Vice President for Academic and Workforce Programs and Ryan Mudawar, Manager Academic & Workforce Programs who have been developing and implementing the new program.

4. Update: Accelerator Program FY 16

Pamela Norton, Vice President for Industry Relations, reported on the mid-round update the FY'16 Accelerator Loan Program, which launched on December 21, 2015. Ms. Norton gave an overview of the program, which provides working capital to early stage companies. To date eight companies have paid back the 5-year loans. The MLSC is looking for companies across the life sciences industry, and will focus on their abilities to deliver medical advances or changes on treatments, therapies and cures. The program utilized new approaches to marketing this year in the form of a webinar that was produced by the MLSC, recording an information session that was uploaded to YouTube, as well as sending 6,000 e-mails and reaching out to trade associations and other state agencies. By the deadline of February 5, 2016, there were 21 total applications submitted. The companies that advanced to the peer review stage break down as

follows: 39% are medical device focused; 33% drug discovery; 17% developing new diagnostics, 11% developing tools and technology; and 2/3 of the applicants were outside of Boston and Cambridge. Award recommendations will be made at the May Board meeting.

5. Update Job Creation Tax Incentive Program Launch FY16

Brad Rosenblum, Chief Financial and Administrative Officer, presented on the Job Creation Tax Incentive Program launch. The name of the program has changed from the Life Sciences Tax Incentive to the Job Creation Tax Incentive Program to highlight the focus on job creation. The program is in the Life Sciences Initiative and is one of the three funding legs of MLSC, in addition to the Capital Fund and the Investment Fund. For this round of the program there will be up to \$20 million in awards made. In the past there have been six rounds, totaling \$140 million in awards. MLSC received 300 applications to date, with a mix of small and large companies. The MLSC reached out to various state agencies and academic experts to develop the criteria for the incentives.

The flow of the program process was then presented, noting that a public announcement will be made by the end of April 2016. Mr. Rosenblum presented an overview of the applicants stating that this year there are 42 applicants as opposed to 36 in the prior round with five of those being ineligible. They will go forward with 37 applicants committing to create 1,715 jobs in 2016. This will result in a total of \$62.5 million in incentives requested. He further reported on the 2015 company size of the awardees from three companies employing fewer than 50 people to 10 companies with 500 or more employees. The 2015 awardees were from across the state ranging from 14 companies from Greater Boston to two companies in Central Massachusetts, representing 14 different cities and towns across the Commonwealth.

6. Proposal: Company Certification

Brad Rosenblum proposed to the Board that Baxalta be certified as a Life Science Company pursuant to the Life Sciences Statute. Upon motions duly made, seconded, and unanimously carried, the Board adopted the resolution to certify Baxalta as a Life Sciences Company.

8. Adjourn

Mike Kennealy, upon motion duly made, seconded and unanimously carried, adjourned the meeting at 2:57 p.m.

List of Materials and Exhibits Used During Meeting:

- Minutes from December 16, 2015 Board meeting
- Executive Report
- Update: Accelerator Program Launch FY16 – PowerPoint Presentation
- Update: Job Creation Tax Incentive Program Launch FY 16 – PowerPoint Presentation