

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

DATE: September 18, 2013

TIME: 2:00 p.m. EST

PLACE: Mack Conference Room, Room #1/2
One Ashburton Place, 21st Floor
Boston, Massachusetts

DIRECTORS PRESENT: Edward Benz, M.D.
Secretary Greg Bialecki
Josh Boger, Ph.D.
Robert Caret, Ph.D.
Secretary Glen Shor
Lydia Villa-Komaroff, Ph.D.

DIRECTOR(S) ABSENT:

1. **Call to Order**

Secretary Greg Bialecki called to order the meeting of the Board of Directors (the “Board”) of the Massachusetts Life Sciences Center (the “Center”) at 2:09 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 June 26, 2013 and July 24, 2013 Board meetings. Upon motions duly made, seconded and unanimously carried, the Board adopted the resolution to approve the minutes.

3. **Update: Highlights from FY '13 and FY' 14 to Date**

Dr. Susan Windham-Bannister, the Center’s President and CEO, presented to the Board on the Center’s activities and accomplishments during FY’ 13 and FY’ 14 to date. She began with

a brief overview of the Center's investment portfolio, which totaled \$469 million, almost half of the projected investment. She noted that the Center's investments were highly-leveraged by \$1.2 billion. She then highlighted some of the major programmatic achievements; at the top of the list was news that six Accelerator companies repaid their loans with interest, the Center created a record number of internships, and Tax Incentive companies were meeting their job targets.

She recalled to the Board that the Center conducted its first independent impact analysis in FY'13, the half way point of the initiative. Experts from Northeastern University determined that the Center had made a significant impact on the Massachusetts economy, making the life sciences the fastest job-creating sector in the state. Additionally, the Center received national recognition when it won the State Science and Technology Institute's 2013 Excellence Technology-Based Economic Development award for "Improving Competitiveness in Existing Industries."

Dr. Windham-Bannister moved on to discuss the Center's efforts to promote international collaborations. The Center expanded the international components of its portfolio with the inclusion of the International Collaborative Industry Program (ICIP) and the International Partnership Assistance Portal (IP-ap). The Center also attended a number of successful events in coordination with its industry partners MassBio and MassMEDIC such as the BIO International Convention in Chicago and AdvaMed in Boston.

She next discussed the Center's engagement with the public. The Center is actively involved in a number of social media networks and has received over 2000 media hits. Moreover, the Center communicates regularly with stakeholders through its email list of 5,000 subscribers. She then informed the Board that the Center was approved for \$19.5 million from the Legislature for the FY'14 Investment Fund – an increase over FY'13 of \$4.5 million.

She moved on to discuss the programs that Center's investments support. The Center

awarded four Cooperative Research Matching Grants in FY'13, bringing the total to 12 grants since the Center's inception. These 12 grants amount to \$5.98 million with industry partners matching the Center's investment on a 1:1 basis for a total investment of \$11.96 million.

She highlighted the significant investments made in infrastructure that support the pipeline of trained workers. The Equipment and Supplies Program awarded 31 schools and organizations \$3.2 million to support the purchase of life sciences training equipment and supplies in FY'13. To date, the Center has made awards to 63 institutions across Massachusetts; a \$6.6 million investment. Over \$1 million in additional matching funds have been provided by industry sponsors. Similarly, the Capital Program awarded 18 grants in FY'13 for infrastructure projects in Massachusetts. To date, the Center has committed more than \$322 million to capital projects across the state.

She then explained that the Internship Challenge program experienced its highest level of participation in the program since its inception. In FY'13, more than 2,000 students and recent graduates submitted applications for review by nearly 300 companies across Massachusetts. Over 1,330 internships have been placed since 2009, representing 117 different colleges and universities and 364 companies across the state.

She moved on to discuss the industry programs. The Tax Incentive Program awarded \$23 million in tax incentives to 24 life sciences companies in FY'13. These awardees have committed to creating an additional 990 jobs within the Commonwealth in calendar year 2013. The Center has 73 active awards totaling \$75 million to companies that have created or promised to create more than 2,400 jobs. The Accelerator Program awarded nearly \$6 million in loans in FY'13. Two companies, Avaxia Biologics and MoMelan Technologies, repaid their Accelerator Loans with interest in FY'13. To date, \$17.2 million in loans have been awarded to 26 early-stage companies.

Dr. Windham-Bannister concluded her presentation by mentioning that two new members were rotated onto the Center's Scientific Advisory Board in FY'13 and that the Neuroscience Consortium awarded its first round of Grants in FY'13.

4. Update: MLSC FY '14 Discretionary Capital Grant Program

Beth Nicklas, the Center's General Counsel and Vice President for Academic Research and Workforce Programs, updated the Board on the recent modifications to the capital solicitation. The new changes enable prior awardees to compete in the new round. Ms. Nicklas explained that she contacted potential applicants by phone and email to ensure that all eligible applicants were aware of the new changes.

5. Proposal: Capital Planning Grant for the Southeast Massachusetts Innovation Center

Dr. Divina Grossman, Chancellor of the University of Massachusetts Dartmouth, presented to the Board a capital planning proposal for CONNECT, a partnership among five educational institutions in the Southeast region of Massachusetts: Bridgewater State University, Bristol Community College, Cape Cod Community College (associate member), Massasoit Community College, and the University of Massachusetts Dartmouth.

Dr. Grossman explained that the group performed a preliminary assessment of the Taunton Training Center concept, which revealed a prevailing need for education and training in the life sciences. The planning grant will enable CONNECT to prepare a feasibility study and business plan that will enable the network to assess the region's existing life sciences assets and determine unmet needs that the Taunton facility could meet. Additionally, it will enable the group to determine whether a management and revenue structure can be established that will guarantee long-term sustainability of the training center. The two phase study is projected to

bring 2,414 jobs to the region.

After further discussion, the Board reviewed the relevant Resolution, and, upon motions duly made, seconded and unanimously carried by all voting Board members, the Board adopted the resolution approving the expenditure of \$55,000 to fund CONNECT's planning study.

6. Proposal and Discussion: MLSC Compensation and Finance Committee

Secretary Bialecki presented to the Board on revisions to the Compensation and Finance Committee Charter. He began by discussing modifications to the Role section of the Charter, which was extended to state that the Committee will independently establish compensation for the senior executive and other executives it shall designate. He then explained that the Committee will take into account the recommendations for compensation made by the senior executive for positions other than senior executive, the range of compensation currently paid for comparable public and private sector positions, and any current policies of the administration regarding compensation at the state's quasi-public agencies that are in writing and have been disseminated to such agencies for implementation. If, however, the Committee makes a preliminary determination as to the compensation of the senior executive or other executives that differs from that of the senior executive, then the Committee will consult with the full Board prior to making a final determination. The Board discussed the changes and decided to add a clause that the Committee will take into account any principles pertaining to compensation periodically articulated by the full Board.

Secretary Bialecki moved on to discuss the Membership section of the Charter. The Board agreed to increase the Committee from two members to three. He then called for a motion to approve Dr. Edward Benz, Secretary Greg Bialecki, and Dr. Lydia Villa-Komaroff as the three Committee Members.

After further discussion, the Board reviewed the relevant Resolution, and, upon motions duly made, seconded and unanimously carried by all voting Board members, the Board adopted the resolution approving Dr. Edward Benz, Secretary Greg Bialecki, and Dr. Lydia Villa-Komaroff as the members of the Compensation and Finance Committee.

7. Adjournment

Secretary Bialecki, upon motion duly made, seconded and unanimously carried, adjourned the meeting at 3:29 p.m.

List of Materials and Exhibits Used During Meeting:

- Minutes from June 26, 2013 and July 27,2013 Board meetings
- Executive Report
- “MLSC Fiscal Year 2013 in Review” PowerPoint Presentation
- “CONNECT” PowerPoint Presentation