

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

---

DATE: September 28, 2011

TIME: 2:00 p.m. EST

PLACE: One Ashburton Place, 21<sup>st</sup> Floor  
Boston, Massachusetts

DIRECTORS PRESENT: Secretary Greg Bialecki  
Josh Boger, Ph.D  
Abbie Celniker, Ph.D.  
Tom Chmura (Designee for Robert Caret)  
Robert Dolan (Designee for Secretary Jay Gonzalez)  
Lydia Villa-Komaroff, Ph.D.

DIRECTOR(S) ABSENT: Secretary Jay Gonzalez  
Robert Caret, Ph.D.

1. **Call to Order**

Secretary Greg Bialecki, presiding as Chairman of the meeting, called to order the meeting of the Board of Directors (the “Board”) of the Massachusetts Life Sciences Center (the “Center”) at 2:10 p.m. and announced that a quorum of directors was present. 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 July 20, 2011 Board retreat and the July 27, 2011 Board meeting. Upon motions duly made, seconded and unanimously carried, the Board adopted the resolution to approve the minutes.

3. **Chairs’ Updates**

Secretary Bialecki stated that there were no updates for this meeting.

#### **4. Executive's Report**

Dr. Susan Windham-Bannister, the Center's President and CEO, began her presentation to the Board by congratulating Board member Dr. Abbie Celniker who has been named the new CEO of Eleven Biotherapeutics Inc., a Cambridge-based biotech startup. Dr. Windham-Bannister then announced that Governor Patrick has appointed Dr. Edward Benz, Jr., President of Dana-Farber Cancer Institute, to fill the position on the Board formerly held by Dr. Peter Slavin. She also announced that during this meeting there will be a vote on the approval of new Board Committee members as well three new Scientific Advisory Board members.

Dr. Windham-Bannister announced that she has made her first grant award for FY '12 using her discretionary spending authority. This was a \$30,000 grant to expand the programs offered by WEST (Women Entrepreneurs in Science and Technology). WEST's programs are designed to develop skills, build and expand professional relationships and empower women to achieve full leadership potential. Ilene Fisher, Executive Director of WEST, will be presenting to the Board at next month's Board meeting.

Dr. Windham-Bannister went on to provide the Board with updates on the Center's Accelerator Loan Program, the Capital Project Matching Grant Program, the Internship Challenge Program, and the Massachusetts-Israeli Innovation Partnership (MIIP) initiative.

#### **5. UPDATE: MLSC Impact Metrics**

Dr. Barry Bluestone, Dean and Director of the Dukakis Center for Urban and Regional Policy at Northeastern University, presented to the Board a labor market analysis of the job creation impact of the Center's Tax Incentive Program. Dr. Alan Clayton-Matthews, Professor and Director of Quantitative Methods at the Northeastern School of Public Policy and Affairs, also was actively involved in conducting the labor market analysis, but was unable to attend the

meeting. Dr. Bluestone explained that the total value of the tax incentives awarded to 33 life sciences companies 2009 and 2010 was \$36.7 million. The projected jobs created turned out to be 1,376, with an average annual salary of \$95,757. When checked against ES202, he and Dr. Clayton-Matthews came up with an almost identical number. They also determined that the tax incentive per job, for a job retained over a five-year period (as required by the MLSC Tax Incentive Program), would “cost” the state only \$4,910 per year. Assuming that these are new jobs, the total additional wages generated per year are \$123 million. Dr. Bluestone explained that looking only at the direct impact of these jobs, there is 36% more returned to the Commonwealth in tax revenue than spent in incentives for each job created. He went on to describe the broad occupational groups amongst the newly created jobs and explain that an estimated 30% of the jobs created are for workers with less than a Bachelor’s Degree.

In conclusion, Dr. Bluestone stated that this program “more than pays for itself and is a good investment.” From the point of view of employment, he claimed, this program is creating a significant number of jobs at a reasonable cost and these jobs are benefiting people across the board.

#### **6. Approval: MLSC Board Committees and Officers**

Secretary Bialecki proposed to the Board that Robert Caret be the Vice Chair, Abbie Celniker the Treasurer, and Edward Benz, Jr. be the Secretary. 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.

Secretary Bialecki proposed to the Board that Robert Caret serve on the Audit Committee and Edward Benz, Jr. serve on the Investment Committee. 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.

**7. Approval: New SAB Members**

Secretary Bialecki proposed that the Board approve the appointments of three new Scientific Advisory Board members. 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 appointment of Dalia Cohen, T. Forcht Dagi, and Carmichael Roberts as members of the Center's Scientific Advisory Board.

**8. Update and Approval: MLSC Audit Report**

Brad Rosenblum, the Center's Chief Financial Officer, updated the Board on the Center's Audit Report. He explained that by statute, the Center goes through an annual audit. The Center uses PricewaterhouseCoopers LLP to perform the audit, which began in early August and concluded at the end of August. The auditors subsequently met with the Audit Committee.

Tom Chmura, designee for Robert Caret, met with PricewaterhouseCoopers along with Secretary Jay Gonzalez. He informed the Board that they were very complimentary about how smoothly the audit went, stating that the Center's records were well-organized and that they didn't encounter any difficulties nor were there any irregularities.

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 Audit Report.

**9. Update and Approval: MLSC Tax Incentive Award**

Brad Rosenblum recalled to the Board that the Center awarded a 2010 tax incentive to Shire in the amount of \$5,855,368 to be claimed in FY12. Given that Shire's application requested more than its award, and that the Center now has additional funds as a result of awards being decline or terminated, he proposed that the Board authorize an additional \$3.5 million be awarded to Shire. He stated that this will also allow the Center more flexibility in future rounds

of the program.

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 authorizing an increase of \$3,500,000 in Shire's 2010 tax incentive award to be claimed in FT12.

**10. Adjournment**

Secretary Bialecki, upon motion duly made, seconded and unanimously carried, adjourned the meeting at 3:09 p.m.

---

Secretary Gregory Bialecki  
Chairman of the Meeting

APPROVED:

---

Secretary Jay Gonzalez  
Co-Chair of the Meeting

**List of Materials and Exhibits Used During Meeting:**

- Minutes from July 20, 2011 Board Retreat
- Minutes from July 27, 2011 Board Meeting
- Executive Report to the Board of Directors
- “WEST Grant Proposal to MLSC Board Meeting” PowerPoint presentation (in Board binder; to be presented at next meeting)
- “Employment Impact of MLSC Tax Incentive Programs” PowerPoint presentation
- MLSC Audit Report