

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

DATE: January 25, 2012

TIME: 2:30 p.m. EST

PLACE: One Ashburton Place, 21st Floor
Boston, Massachusetts

DIRECTORS PRESENT: Edward Benz, M.D.
Josh Boger, Ph.D
Robert Caret, Ph.D.
Robert Dolan (Designee for Secretary Jay Gonzalez)
Michael Hunter (Designee for Secretary Greg Bialecki)
Lydia Villa-Komaroff, Ph.D.

DIRECTOR(S) ABSENT: Secretary Greg Bialecki
Secretary Jay Gonzalez
Abbie Celniker, Ph.D.

1. **Call to Order**

Undersecretary Michael Hunter, 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 2:33 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 December 21, 2011 and December 28, 2011 Board meetings. Upon motions duly made, seconded and unanimously carried, the Board adopted the resolution to approve the minutes.

3. Chairs' Updates

Robert Dolan, Director of Finance and designee for Secretary Jay Gonzalez, provided a brief update on the state's budget, noting that they were able to increase the Center's annual appropriation to the Investment Fund from \$10 million to \$15 million for FY13.

4. Proposal: MLSC Capital Project Grant for the Bio-Manufacturing Center, UMass Dartmouth

Deborah McLaughlin, Chief Operating Officer and Vice Chancellor, Administration and Finance, at the University of Massachusetts Dartmouth, presented to the Board on the Bio-Manufacturing Center project. She described UMass Dartmouth as the only research institute outside Boston in the South Coast region of the state and explained its role in the region's "Innovation Triangle." Paul Vigeant, Assistant Chancellor for Economic Development at UMass Dartmouth, then described the project's background and how it will be a global facility, adding to the Commonwealth's world leading academic capabilities. He also explained that the facility will be used for teaching purposes, enhancing the university's curriculum. Their mission, he shared, is to build the industry in Massachusetts by providing access to the expertise and equipment needed by companies to demonstrate their products at scale and train their workers. Mark Trusheim, the UMass Dartmouth Biomanufacturing Executive in Residence, went on to discuss the project's design and layout, which he stated were based on industry input. In describing their funding proposal, Ms. McLaughlin explained that the project had received a \$15 million MORE grant from the legislature, which proposed the transfer of obligation to the Center; \$2 million in equipment donations; and is investing \$8 million in capital via private bond borrowing. It is estimated that the total project costs would be \$28-29 million.

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 a grant in the amount of \$14,600,000 to the University of Massachusetts Dartmouth for the Bio-Manufacturing Center project.

5. Proposal: 2011 Capital Project Matching Grant Program

Beth Nicklas, the Center's Counsel and Vice President for Academic and Research programs, presented to the Board on the 2011 Capital Project Matching Grant Program. She began by describing the program's selection criteria, which included the "shovel readiness" of the proposed project, its potential job creation/retention, contributions to the "life sciences ecosystem" and "culture of innovation"; as well as how critical the Center's funds are in enabling the project to materialize. She then described the review process, explaining that the Board Investment Committee met with the Capital Planning Work Group and determined the nine applicants that would move forward to a more detailed second phase of the application process. There were then a series of peer review panels to review these more detailed applications, followed by a review by the members of the Center's Scientific Advisory Board (SAB). There were ultimately four finalists selected, which subsequently made presentations to the Investment Committee and Capital Planning Work Group.

Lydia Villa-Komaroff, member of the Board's Investment Committee, announced that the Investment Committee and Capital Planning Work Group are recommending three projects to be funded. The first is the Hall of Human Life Exhibit at the Museum of Science for an amount of \$5 million. The exhibit has the aim of opening doors for the public into human biology and the life sciences. The exhibit will help the public build connections between their own health and the innovative work going on in the life sciences community and will increase health literacy, support scientific advancement and technological development, and inspire the

next generation of life science researchers and innovators. The second is the Translational Center for the Cure of Diabetes at the Joslin Diabetes Center for an amount of \$5 million, which is focused on accelerating the integration of basic research discoveries into clinical research and care. The third is Dana-Farber Cancer Institute's Molecular Cancer Imaging Facility for an amount of \$10 million, which will contribute to efforts to realize the promise of personalized medicine by systematically examining patient tumors for mutations with the intent to match targeted therapy to specific molecular changes in patients' cancer cells.

Dr. Edward Benz recused himself from the meeting at 3:15 p.m.

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 a grant in the amount of \$10,000,000 to Dana-Farber Cancer Institute.

Dr. Edward Benz rejoined the meeting following the vote.

Dr. Josh Boger recused himself from the meeting at 3:17 p.m.

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 a grant in the amount of \$5,000,000 to the Museum of Science.

Dr. Josh Boger rejoined the meeting following the vote.

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 a grant in the amount of \$5,000,000 to the Joslin Diabetes Center, Inc.

6. Proposal: Operating Funds for Stem Cell Bank at UMass Medical School.

Undersecretary Michael Hunter recommended to that the Board provide bridge funding

to the Human Stem Cell Bank at the University of Massachusetts Medical School. As the Board completes its deliberations relative to a decision on future funding of the Bank, he stated, it is recommend that \$250,000 be authorized to the Bank as bridge funding in this interim period. That amount will get the Bank through roughly the next quarter, based on its historical run rate. He explained that a recommendation on the longer term plan for expenditures to the Bank will come before the Board at an upcoming Board meeting. He reminded the Board that this authorization will come from an existing reserve the Center has on its balance sheet for the Bank - which is currently at \$1.3 million and does not reflect new spending.

Dr. Robert Caret recused himself from the meeting at 3:21 p.m.

After further discussion, the Board reviewed the relevant Resolution, and, upon motions duly made, seconded and carried by a majority of voting Board members (Dr. Josh Boger voting opposed), the Board adopted the resolution authorizing funding in the amount of \$250,000 to the University of Massachusetts Medical School for the Stem Cell Bank.

Dr. Robert Caret rejoined the meeting following the vote.

7. Update: MLSC 2011-12 Tax Incentive Program

Brad Rosenblum, the Center's Chief Financial Officer, updated the Board on the Center's Tax Incentive Program, stating that at next month's Board meeting he will be making award recommendations. He explained that there is an annual cap of up to \$25 million, and that two rounds have been awarded to date (awarding almost \$50 million). He also noted that there are ten different tax incentives, and that this is the first year in which there is the Life Sciences Job Incentive credit. The application portal opened on July 18, 2011 and closed on October 7, 2011 and a final total of 44 applications were submitted. He went on to describe the process by which awards would be determined. He also noted that this year 61% of applicants have fewer than

100 employees.

8. Adjournment

Undersecretary Hunter, upon motion duly made, seconded and unanimously carried, adjourned the meeting at 3:27 p.m.

Undersecretary Michael Hunter
Chairman of the Meeting

APPROVED:

Secretary Jay Gonzalez
Co-Chair of the Meeting

List of Materials and Exhibits Used During Meeting:

- Minutes from December 21, 2011 Board Meeting
- Minutes from December 28, 2011 Board Meeting
- Executive Report to the Board of Directors
- “MLSC Capital Project Grant Proposal for the Bio-Manufacturing Center” PowerPoint presentation
- “2011 Capital Project Matching Grant Program Proposal” PowerPoint presentation
- “MLSC 2011-12 tax Incentive Program” PowerPoint presentation