

Board of Directors Meeting
June 8, 2009 @ 6:30pm
Conference Room, Corporation Office

Directors Present: James W. Lavin, Chairman
John Ward
Gerard Eramo
Joseph Connolly

Directors unable to Attend: Jeffrey Wall

Also Present: Kevin R. Donovan, Chief Executive Officer
Patricia Petrillo, Controller
Bill Ryan, LNR

The Chairman opened the meeting at 6:40pm

Reorganization of the Board was deferred to the next meeting.

Minutes

VOTED: Motion of John Ward, seconded by Gerard Eramo to approve the open session minutes of May 26, 2009.

4-0 Unanimous vote

Chief Executive Officer Update

Mr. Donovan noted the Navy required proof of the Board's authorization for the CEO to sign leases and licenses on behalf of the Corporation.

VOTED: Motion of John Ward, seconded by Joseph Connolly, to ratify the authorization of Kevin R. Donovan, Chief Executive Officer, to execute Navy Leases, Licenses and Modifications to Master Lease, on behalf of the Corporation

4-0 Unanimous vote

Mr. Donovan updated the Board on the cash statement as of June 2nd and projected cash as of June 30th. Discussion ensued on the legal bills (for work performed on DDA and Navy P&S). The Board was informed that Legal Counsel had deferred their payments, that the legal bills represented very little work on bonding, and that their use had been streamlined as much as possible. Mrs. Petrillo stated that she had not yet received all invoices related to bonding.

The Directors reviewed expenditures to be paid through June 30th. Mr. Donovan stated the Corporation would be in a negative balance and, without outside financial assistance, would be out of business in 22 days. The Board agreed to schedule another meeting on June 29th in case it was needed to close out Fiscal Year 2009. Outstanding DOR issues on land values and status of stimulus funds for Massachusetts were discussed. Mr. Ryan requested the figure required to take the Corporation through July and to close the FY09 books on June 30th.

The Corporation's financial advisor, Bob Harding, was still waiting for LNR information on their credit worthiness to put together sensitivity sheets to show the valuation of land to support debt going forward to 2019 and to show conservative leverage ratios. Further discussion ensued on the Corporation's shortfall in FY09, ad valorem capacity, preserving surplus tax revenues for Host Communities, and sustaining debt service beneath the levy limit.

Mr. Ryan indicated LNR had resources to conduct a tolerance analysis to come to a working agreement for everyone on a sustainable path forward for the whole project, and that collaboration and communication was central to keeping the Corporation viable and the project marketable. All agreed that Mr. Harding was the most knowledgeable person to run the sensitivity model and that a meeting would be scheduled as soon as possible.

Mr. Connolly noted representatives from AFL/CIO inquired if they could help save the SouthField project and the jobs, and suggested they may have funds to invest to keep the project afloat until the market turned around.

Public Comment

Mr. Joseph Shea, Abington, voiced concern that if SSTTDC were not in place there would be major issues and chaos for project developers for many years. LNR & SSTTDC needed to find a way to make it work. It would not be feasible without local control. If no SSTTDC, the project could be dead.

Mr. Ryan indicated that a meeting would soon be scheduled by State Administration & Finance to release \$30M of the Parkway Appropriation and noted \$15M Stimulus funds through Federal Transportation Administration and the \$8M Kennedy Earmark would also become accessible. Mr. Ryan stated the release of funds would help negotiate permission from Navy to allow parkway construction on portions of federal property.

VOTED: Motion of John Ward, seconded by Joseph Connolly, to enter into Executive Session for the purpose of discussion of land transfer, development negotiations and financial strategies, to reconvene after Executive Session for purposes of adjournment.

Ward, aye, Eramo, aye, Connolly, aye and Lavin, aye

Open session ended 8:01pm

Executive session ended 8:30pm

VOTED: Motion of John Ward, seconded by Gerard Eramo, to adjourn the meeting.

Unanimous 4-0 vote

The meeting ended 8:30pm

Mary Cordeiro, Recording Secretary

James W. Lavin, Chairman