

**Pittsfield Economic Development Authority**

81 Kellogg Street, Pittsfield, MA 01201

December 13, 2017

The following Board Members were in attendance: Chairman Mick Callahan, Pam Green, Barry Clairmont, Krystle Gallo, Christina Wynn, Michael Mathews, Paul Dalton, and Churchill Cotton. Also in attendance were: Cory Thurston, PEDA Executive Director, and Elisabeth Goodman, Legal Counsel.

**I. Administration**

Call to Order – Chairman Mick Callahan called the meeting to order at 8:02 am. He welcomed and thanked all volunteers.

Approval of the August 16<sup>th</sup> Meeting Minutes

**II. Committee Report**

**Executive Committee**

Chairman Callahan announced that the Intergovernmental Agreement has been signed with PERC and the City and is expected to launch in the 1<sup>st</sup> quarter. A new manager will lead the effort in coordination with the three partners. The goal is to move beyond the perimeter of the William Stanley Business Park in a cohesive and well-organized manner.

**Finance Committee**

Barry Clairmont shared the 3<sup>rd</sup> Quarter Financial Statements. The 2017 revenue is down compared to the 2016 revenue due to lease and rental income being down. The net loss is up by \$73,000.

Barry announced that the finance committee reviewed the 2017 audit engagement letter from Adelson and that it has been signed.

The 2018 Preliminary Budget was reviewed and adopted by the finance committee .

The 2018 WSBP CAM Charges decreased.

Upon a motion made and seconded, the board Voted to approve the reports as presented.

**Marketing Committee**

Christina Wynn stated the Marketing Committee is down on expenses. That is due to the committee joining forces with the City of Pittsfield and PERC, and holding back on some things. The committee has been keeping up with social media and the website. The committee is looking forward to new leadership, with Paul Dalton as the new chair.

**III. New Business**

**Candidate Search Update for Business Development Manager**

Pam Green stated that they are interviewing 7 individuals for the shared Business Development Manager. The Economic Development Council will have one representative each for PEDDA, the City, and PERC. Christina Wynn will be representing PEDDA.

### **BIC Presentation**

Rod Jane expressed excitement to align business development strategies for a growing economic base and asked the Board to take this grant request seriously. The hope is to have this project realized in 2018. The Berkshire Innovation Center has great potential for work force training with BCC and other facilities.

Stephen Boyd thanked the Board and City for their patience as the project hit challenges and stated that BIC needs \$750,000 in order to complete the project. The \$750,000 is the last piece needed to launch the Berkshire Innovation Center. BIC has looked at every corner of the State for the funds needed, but needs PEDDA's help to complete the project and break ground in 2018. BIC believes that this project is a seedling that could blossom into something impactful for the City. Stephen pointed out that the Rensselaer Technology Park started similarly, and now draws businesses outside of the area and provides companies with resources they wouldn't normally have, making them want to co-locate next to other companies and the park.

In 2014 Massachusetts Life Sciences granted BIC \$9.7 Million. BIC then went work creating programs and designing the center. In 2015 they went to bid with more information, and identified a funding gap that put a pause on public bid. Public administration changed in 2016 and the project had to be reintroduced. Stephen pointed out to the Board that they have arrived today having gone through the task of building credibility for the region and center to close the funding gap. Massachusetts Life Sciences has verbally agreed to another \$2.3 Million, totaling a \$12 Million grant. The City of Pittsfield has also committed to granting BIC \$1 Million. These funds close the requirement for capital funding, allowing BIC to build the buildings. During the time spent on securing those funds, BIC has expanded its operating dollars. Stephen states that BIC has gone to multiple foundations and donors, as well as the State, to get the funds needed to have a ribbon cutting in the spring, but has been unsuccessful. Now BIC needs to secure the funds locally. BIC needs \$750,000 in total from PEDDA to cover project management, legal costs, web development, 3D printers, and other significant installation projects. This money also includes a 6 month operating reserve of \$350,000 to mitigate unexpected events and gives the Innovation Center a clear path to completion.

Stephen closed the presentation by reminding the Board that it has three common modalities – fiduciary responsibility, strategic thinking (aligning the

mission with daily operations, and generative thinking which begs the question “what is our purpose?”. Stephen asked the Board to consider its purpose and to consider the thousands of students that would be impacted with a brighter future.

James Spenser, Executive Director of the Rensselaer Technology Park stated that the Rensselaer Technology Park has \$2,200 employees and 66 businesses inside the park, and that this is an exciting opportunity for Pittsfield to change the DNA of innovation in the region. Rensselaer Technology Park generates \$1 Million a year in tax revenue, not including economic development from companies that bring opportunity outside of the park. Manufacturers don’t have the resources to develop, so we have centers that support them. BIC will provide the equipment and educational leadership needed to create more products and jobs in Pittsfield.

Bill Mullholland from Berkshire Community College stated that Berkshire Compact has identified the biggest challenge, which is an out migration of young people. This center will partner with UMass to give students the opportunity to work with the highest technology side by side with companies that need them here. This is an enormous component to keeping young people here.

Don Rochello of Apex Resource Technologies pointed out that APEX uses the same equipment that BIC wants to have, which would be very useful to have locally. BIC could work with companies here and elsewhere to rapidly develop products.

Paul Dalton asked a question about construction costs – has the BIC discussed with contracting firms for cost reductions? Stephen answered that they didn’t know how much they could save, but if they do it will come from equipment costs which has already been cut by \$1 Million.

Paul asked what the ground breaking date would be. Stephen responded that if the funding was approved, it would be announced quickly. The date would be up to the Mayor. The BIC would continue starting January 1<sup>st</sup> and would be breaking ground in the spring of 2018 with a goal of opening in the summer of 2019.

Churchill Cotton asked what would happen if the project is delayed for 6 months and Stephen responded that is why they have the 6 month reserve in place. They are accounting for 12 months of physical construction and 6 months for negotiating.

- IV. **Executive Session:** The Chair stated: “As required by guidance regarding the open meeting law, I have determined that discussion regarding the Legal Agreements relating to the lease of Site 3 in the William Stanley Business Park to the Berkshire Innovation Center in an open session may have a detrimental effect on PEDDA’s negotiating position, therefore, I move that we enter into Executive Session.”

There was a roll call and unanimous vote to enter into Executive Session.

The Board voted to return to open session. The vote taken during Executive Session was read:

To enter into negotiations to award a \$300,000 grant to match state support of BIC operating costs, with terms to be negotiated by BIC, the City of Pittsfield, and a special committee of PEDDA consisting of the Financial Committee and the Executive Committee, with final terms to be returned to the PEDDA Board for a Board vote.

- V. **Executive Director’s Report**  
Waterstone Update

Cory Thurston stated that there is no new information regarding Waterstone. He believes that there remains interest of Waterstone in the parcel.

- VI. **Other Business: Next meeting Feb. 21, 2018**

- VII. **Adjournment**

There was a motion to adjourn the meeting by Mr. Dalton, seconded by Ms. Gallo, and passed unanimously.