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The Commonwealth of Massachusetts

Office of Campaign & Political Finance

One Ashburton Place, Boston 02108

727-8352

Dennis J. Duffin  
Director

AO-1986-01  
December 17, 1985

Harold C. DuLong, Esquire  
Riemer & Braunstein  
Three Center Plaza  
Boston, MA 02108

Dear Mr. DuLong:

This is in response to your request for an advisory opinion concerning the application of G.L. c. 55 to the activities engaged in by your clients, Cadillac Fairview Urban Development, Inc ("CFUD") and Cadillac Fairview Burlington, Inc. ("CFB").

You have stated the relevant facts as follows. CFB's activities in the Commonwealth consist of owning certain parcels of real estate in Burlington, Massachusetts and holding options to purchase additional adjacent real estate.

Consequently, on May 15, 1985, CFB filed a Foreign Corporation Certificate with the Office of the Secretary of State of the Commonwealth of Massachusetts. You state that CFUI conducts no activities in the Commonwealth. You further state that CFUD's activities in the Commonwealth to date have consisted solely of engaging, as independent contractors, engineers, architects, attorneys and other professionals in connection with the pre-development phase of the project contemplated for the Burlington Property. CFUD neither owns nor leases real property in Massachusetts, although it does share office space in Boston on a temporary basis, for the convenience of its employees who must travel to Boston from time to time. CFUD has no employees in Massachusetts.

On September 23, 1985, a special town meeting in Burlington, Massachusetts, authorized the taking, by eminent domain, of the Burlington Property. A special election seeking to reverse the action of the September 23 town meeting was held on November 2, 1985. This special election upheld the vote of the town meeting, with the result that the Burlington Selectmen are now empowered to take by eminent domain all of the Burlington Property. CFUD made and agreed to make certain expenditures relative to the special election.

Your specific questions and the appropriate answers, are set forth below.

1. Does the mere ownership by CFB of real property located in Massachusetts constitute "doing business" for the purpose of Section 22 of Chapter 55?

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The mere ownership of real property in Massachusetts may not constitute doing business in the Commonwealth. However, in my opinion, that ownership coupled with expending funds for political activities relative to that land, where the interest in expending the funds is clearly a business interest, would subject a business corporation to the requirements of Section 22.

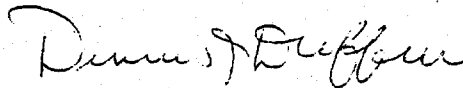
2. Do the pre-development activities of CFUD constitute "doing business" for the purposes of Section 22 of Chapter 55?

In my opinion, the pre-development business activities of CFUD constitute doing business in the Commonwealth.

3. Given your response to the above two questions, must the treasurer of CFUD make the filings required by Section 22 of Chapter 55 with respect to the expenditures made and agreed to be made by CFUD in connection with the November 2, 1985 special election?

Yes.

Very truly yours,



Dennis J. Duffin  
Director

DJD/rep