

MASSACHUSETTS DEVELOPMENT FINANCE AGENCY

**Meeting of the Board of Directors
(Hybrid meeting: In person and by Remote Participation)
Thursday, April 14, 2022
10:00 a.m.**

MINUTES

DIRECTORS PRESENT: Ashley Stolba, Assistant Secretary of Housing & Economic Development, Acting Chair
Brian Kavogian, Vice Chair
Mark Attia, Designee for Secretary of Administration & Finance
Gary Campbell
Juan Carlos Morales
Julieann Thurlow (*newly appointed*)

DIRECTORS ABSENT: James Chisholm
Joan Corey
Francesca Maltese
Kristina Spillane
Ellen Zane

Agency Staff: Dan Rivera, President and CEO
Theresa Park, SEVP and Deputy Director
Simon Gerlin, Chief Financial Officer
Ricks Frazier, General Counsel and Secretary
Laura Canter, EVP, Finance Programs
Tania Hartford, EVP, Real Estate
Jessica Strunkin, EVP, Devens
Marcos Marrero, EVP, Community Development
Victoria Stratton, Recording Secretary
Graeme Brown
Rob Carley
Sean Calnan
Steve Chilton
John Endicott
Michael Goodwin, Devens DPW
Orlando Lewis
John Marc-Aurele
Jim Moore
Daniel Morais
Leigh Natola
Michael Olivera, Devens DPW

*Approved:
May 12, 2022*

Pedro Soto
Nathaniel Thomas
Benny Wong

Guests: Melissa Barretta, HR Consultant, AIM
Evelyn Friedman, Greater Lawrence Community Action Council, Inc.
Rebecca Callahan Klein, consultant to City Fresh Foods, Inc.
Sheldon Lloyd, President, City Fresh Foods, Inc.

A Meeting of the Board of Directors of Massachusetts Development Finance Agency (“MassDevelopment” or the “Agency”) was held Thursday, April 14, 2022, by Remote Participation, as well as in person (See Secretary’s Note, below), pursuant to notice duly given.

The Acting Chair welcomed everyone and, confirming the presence of a quorum in the room and on the videoconference, she called the meeting to order at 10:07 a.m. She asked if there were any guests present and there were those identified.

[Secretary’s Note: It was noted that this Board Meeting was taking place in person, as well as remotely – via zoom videoconference – pursuant to Section 20 of Chapter 20 of the Acts of 2021 Extending Certain COVID-19 Measures Adopted During the State of Emergency, as amended by Section 7 of Chapter 22 of the Acts of 2022, as well as the Agency’s Remote Participation Policy. Access codes for general public use were included in the Public Notice for this meeting.]

The Acting Chair welcomed everyone to the first “in person” Board meeting in more than two years, and she introduced the Board’s newest member, Julieann Thurlow. Julieann is President and CEO of Reading Cooperative Bank, which Commonwealth Institute has named a Top 100 Women-Led Business for the past seven years, and she is responsible for the Bank’s strategic direction and management. Among other memberships, she also belongs to numerous local and national banking associations. Ms. Thurlow thanked the Acting Chair and expressed her pleasure at this recent appointment.

MINUTES

1. VOTE – Meeting Minutes (March 10, 2022)

The Acting Chair asked if there were any comments on the draft minutes of the March 10, 2022 Board meeting, and there were none. She asked for a vote to approve these minutes and, upon motion duly made and seconded, by the directors present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves the minutes of its March 10, 2022 Board meeting, which are attached and made a part of the minutes of this meeting.

2. VOTE – Executive Session Meeting Minutes (March 10, 2022)

The Acting Chair stated that if there are any comments on the draft Executive Session minutes of the March 10, 2022 Board meeting, they must be discussed in Executive Session. There were no comments. She asked for a vote to approve these minutes and, upon motion duly made and seconded, by the directors present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves the Executive Session minutes of its March 10, 2022 Board meeting, which are attached and made a part of the minutes of this meeting.

PRESIDENT / CEO REPORT

Mr. Rivera welcomed the Agency’s two newest Board members – Julieann Thurlow (appointed in February) and Gary Campbell (appointed in late January) – with a round of applause. He reported that staff is working with the Executive Office of Housing & Economic Development on a new program called the State Small Business Credit Initiative, or SSBCI, which will make available \$20 million in state funds and \$20 million in matching federal funds to eligible small businesses.

Mr. Rivera attended a groundbreaking and Brownfields announcement at the Ben Franklin Institute of Technology in Nubian Square recently. Staff is focused on successfully repositioning all the State Piers it manages, and has issued a Request for Proposals (“RFP”) to solicit redevelopment ideas for the New Bedford State Pier. Responses to the RFP are due in June and a recent walk-through of the property was well-attended.

In Devens, Mr. Rivera advised that MassDevelopment has withdrawn from participation in the Devens Jurisdiction Framework Committee so that the Agency may prioritize its focus on continuing to keep Devens a safe and healthy community. He said that staff will re-engage in Devens disposition discussions as the determination date established in the Enabling Statute (2030) draws nearer.

Internally, an opportunity for staff to engage with a successful client occurred when Karen Collins, the president and CEO of Bisousweet Confections, attended and spoke at the Agency’s Quarterly All Staff meeting on March 24. In addition, eighteen new employees have joined MassDevelopment in the past three months. HR filed its bi-annual report with the Equal Employment Opportunity Commission, which showed that 25 percent of Agency staff is now made up of people of color. Finally, Mr. Rivera announced that Tania Hartford, who has been serving as MassDevelopment’s Chief of Staff and Interim EVP, Real Estate,

has transitioned permanently to EVP, Real Estate, the position formerly held by Cassandra McKenzie.

3. Employee Introduction(s). Mr. Rivera then introduced the following new hires: John Endicott, VP, Commercial Lending; Michael Olivera and Michael Goodwin, Devens DPW; and Jazmin Murillo, Devens Fire Department. Mr. Endicott made brief introductory comments.

GENERAL

4. – VOTE – Contract Award for Information Technology Master Services Agreement

Noting that MassDevelopment’s IT Network Administrator left the Agency in 2021, Mr. Gerlin described this request for authority to enter into a master services provider contract with HUB Technical Services, LLC (“HUB”), to provide technical network support, maintenance and advice regarding MassDevelopment’s information systems. HUB was selected following an RFP for these and other network support activities that drew 14 responses. This classic outsourcing contract is expected to cost just under \$9,000/month. Mr. Rivera mentioned a BlumShapiro Report that had recommended various IT upgrades and advised that BlumShapiro provided active support through this process. HUB will augment MassDevelopment’s existing IT staff and the Agency still plans to hire a Director of IT. The Acting Chair asked for a vote and, upon motion duly made and seconded, by the directors present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment authorizes the Agency to enter into the requested contract for information technology management, as outlined in the memorandum and vote dated April 14, 2022, which are attached and made a part of the minutes of this meeting.

5. – VOTE – Retirement Committee – Amendment to Charter and Selection of Investment Manager

Mr. Gerlin described this request for authority to enter into a contract with Cap Financial Partners, LLC, to serve as investment advisor and consultant for MassDevelopment’s 401(a) and 457(b) retirement plans, following an RFP issued in December, to which there were two responses. Cap Financial, or CapTrust as it is known informally, is a successor by merger to Cammack Retirement Group, which has provided outstanding advice and services to MassDevelopment’s Retirement Committee for many years. The review committee recommends staying with CapTrust, at a cost of approximately \$70,000/year, and to request that CapTrust take responsibility over the selection of investment alternatives available to plan participants. These changes require amendments to the Retirement Committee’s Charter. The Acting Chair asked for a vote and, upon motion

duly made and seconded, by the directors present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment authorizes the Agency to enter into a contract for investment management services related to the Agency's retirement plans and to amend the Retirement Committee's Charter, as outlined in the memorandum and vote dated April 14, 2022, which are attached and made a part of the minutes of this meeting.

BOND TRANSACTIONS

6. Bond Detail Memorandum. For informational purposes, the Bond Memorandum is attached and made a part of the minutes of this meeting. Mr. Chilton provided a brief summary, noting no changes to the April Board materials.

The Acting Chair then advised that the Board would vote on the approval and findings for the matters in Tabs 7 through 13, to be considered following the opportunity for discussion, pursuant to Section 8 of Chapter 23G of the General Laws, as amended.

Bonds: Final Approvals

Final Approval Projects without Volume Cap Requests

7. Upon motion duly made and seconded, by a roll call vote of the directors present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves and adopts the Official Action / Final Approval ("OA/FA") resolution that is attached and made a part of these minutes regarding:

a project of the President and Fellows of Harvard College, in Boston (Allston) and Cambridge, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed \$1,000,000,000.

8. Upon motion duly made and seconded, by a roll call vote of the directors present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves and adopts the OA/FA resolution that is attached and made a part of these minutes regarding:

a project of KIPP Lynn Fund, Inc., in Lynn, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed \$57,220,000.

9. Upon motion duly made and seconded, by a roll call vote of the directors present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves and adopts the OA/FA resolution that is attached and made a part of these minutes regarding:

a project of KIPP Boston Fund, Inc., in Boston (Mattapan), Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed \$17,780,000.

10. Upon motion duly made and seconded, by a roll call vote of the directors present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves and adopts the OA/FA resolution that is attached and made a part of these minutes regarding:

a project of Wentworth Institute of Technology, Inc., in Boston, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed \$50,000,000.

11. Upon motion duly made and seconded, by a roll call vote of the directors present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves and adopts the OA/FA resolution that is attached and made a part of these minutes regarding:

a project of The Berkshire School, Inc., in Sheffield, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed \$30,000,000.

12. Upon motion duly made and seconded, by a roll call vote of the directors present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves and adopts the OA/FA resolution that is attached and made a part of these minutes regarding:

a project of Signature Healthcare Corporation, in several locations south of Boston, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed \$19,400,000.

13. Upon motion duly made and seconded, by a roll call vote of the directors present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves and adopts the OA/FA resolution that is attached and made a part of these minutes regarding:

a project of The Trustees of the Lawrence Academy at Groton, in Groton, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed \$6,000,000.

STANDING BOARD COMMITTEE REPORTS

Audit & Administration Committee

Mr. Attia reported that the Audit & Administration Committee met before the full Board meeting for presentations by Public Financial Management and Ernst & Young regarding the annual audit of the STAR Fund. He said there was a good discussion of the portfolio and purpose of the STAR Fund and he was happy to report a “clean audit” with no findings.

Origination & Credit Committee

Noting the absence today of the Committee’s Chairperson, Mr. Kavogian reported that the Origination & Credit Committee met on Tuesday, April 12, 2022, to discuss and recommend the following two votes.

Lending

14. – VOTE – Emerging Technology Fund – Contract award to Kroll, LLC, for Derivative Valuation Services

Ms. Canter described this request for approval to enter into a contract with Kroll, LLC, the successor by merger to the Agency’s current provider, Duff & Phelps, for valuation services of certain derivative investments acquired through the Emerging Technology Fund. She explained Duff & Phelps’ history with the Agency and noted the satisfaction of Finance Programs staff with its performance. She advised that Duff & Phelps, now Kroll, was one of two respondents to an RFP for these services, and had made the most attractive proposal. In response to a question, Ms. Canter advised that the value of the Agency’s warrants at the moment is approximately \$1.5 million. The Acting Chair asked for a vote and, upon motion duly made and seconded, by the directors present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment authorizes the Agency to enter into the requested contract for derivative valuation services, as outlined in the

memorandum and vote dated April 14, 2022, which are attached and made a part of the minutes of this meeting.

15. – VOTE – City Fresh Foods, Inc. (Roxbury) – Commercial Real Estate Loan – General Fund

Mr. Endicott described this request for a \$4,000,000 Commercial Real Estate Loan, to a local business that prepares and delivers fresh and healthy meals for institutional customers such as schools, elder-care organizations and other health-related clients in eastern Massachusetts. Upon approval, this loan will become part of a larger, \$14 million New Markets Tax Credit (“NMTC”) financing and will include a 7-year standstill provision, standard for NMTC transactions. The proceeds will be used to acquire and renovate approximately 18,000 square feet of vacant industrial space at Langdon Street and 63 Langdon Street, Roxbury, for business expansion purposes. The Acting Chair asked for a vote and, upon motion duly made and seconded, by the directors present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves the Commercial Real Estate Loan to City Fresh Food, Inc., as outlined in the memorandum and vote dated April 14, 2022, which are attached and made a part of the minutes of this meeting.

Real Estate Development & Operations Committee

Mr. Kavogian reported that the Real Estate Development & Operations Committee met on Tuesday, April 12, 2022, and discussed and recommended the following votes and three items in Executive Session.

Real Estate and Devens

16. – VOTE – Grading and Landscape Easement at 41 Lake George Street

Mr. Marc-Aurele described this request to grant a grading, landscaping and maintenance easement to the owners of 41 Lake George Street, Devens. He explained that movement and disposal of approximately 1,200 cubic yards of excess soils has become necessary due to the expansion of an existing tenant, and that the most efficient and non-invasive way to do this is to expand landscape berms onto MassDevelopment property in an area behind the Lake George Substation. The Acting Chair asked for a vote and, upon motion duly made and seconded, by the directors present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves the proposed grading and landscape easement, as outlined in the memorandum and vote dated April 14, 2022, which are attached and made a part of the minutes of this meeting.

17. – VOTE – Devens – Amendment of Contract with Winter Street Architects, Inc.

Mr. Marc-Aurele described this request for approval to amend the contract with Winter Street Architects, Inc., to increase the amount from \$500,000 to \$1,300,000 to cover the anticipated remaining costs associated with the completion of documents required for the permitting, bidding and construction administration of the Devens Public Safety Building, and to extend the term of the contract to a five year base with a one year extension, if necessary. Mr. Marc-Aurele advised that the project is on schedule and within the original budget, and that all project costs are paid on a Delivery Order basis, which allows the Agency to assess each step of the project without any commitment to proceed to the full development. The Acting Chair asked for a vote and, upon motion duly made and seconded, by the directors present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves the contract amendment with Winter Street Architects, Inc., as outlined in the memorandum and vote dated April 14, 2022, which are attached and made a part of the minutes of this meeting.

18. – VOTE – Devens – Electric Utility Rate Increase

Mr. Moore described this request for approval to increase the electricity rates for Devens, due to steep increases in the cost of electric power supply this past winter. Mr. Moore explained the Agency’s hedging strategy and a brief discussion ensued. He advised that MassDevelopment monitors power supply prices weekly and works with Energy New England to manage the rates. He said the recent increase in power costs is not temporary and staff expects increases lasting through 2023. Mr. Moore said he expects that requests for additional increases may be necessary in the months to come. The Acting Chair asked for a vote and, upon motion duly made and seconded, by the directors present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves the electric rate increase for Devens, as outlined in the memorandum and vote dated April 14, 2022, which are attached and made a part of the minutes of this meeting.

Community Development

19. – VOTE – Cultural Facilities Fund – Contract Award for Capital Needs Assessment Services

Ms. Muñoz described briefly this request to authorize the award of a contract with Nonprofit Finance Fund Inc. (“NFF”) to perform capital needs assessment services for Cultural Facilities Fund grantees for an initial term of three years with two additional one-year options. An RFP for these services was issued in December 2021, and there were two responses, both of which were vetted by a selection committee. NFF is the current provider of these services, both MassDevelopment and MassCultural have been satisfied with its performance, and NFF has committed to hiring Diverse Business Enterprise consultants

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under the contract. The Acting Chair asked for a vote and, upon motion duly made and seconded, by the directors present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment authorizes the contract with Nonprofit Finance Fund, Inc., for capital needs assessment services, as outlined in the memorandum and vote dated April 14, 2022, which are attached and made a part of the minutes of this meeting.

20. – VOTE – Transformative Development Initiative (“TDI”) – Selection of Cohort of TDI Creative Cities

Using TDI restricted funding provided by the Barr Foundation – specifically, to enhance arts and culture-related economic development objectives in TDI Districts – Mr. Soto described this request to expand a New Bedford-based TDI pilot program to the cities of Fitchburg, Lynn and Springfield. Eight applications were received in response to a Call for Districts that closed in late February and vetted by a review committee. Mr. Soto explained that this request seeks funding of \$223,000 per city in the first year of the program and \$312,000 in the second year, for a total of \$535,000 for each of the three cities over two years. The Acting Chair asked for a vote and, upon motion duly made and seconded, by the directors present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves the selection of Fitchburg, Lynn and Springfield as TDI Creative Cities, as outlined in the memorandum and vote dated April 14, 2022, which are attached and made a part of the minutes of this meeting.

QUARTERLY REPORTS

21. Real Estate Division Quarterly Update. For informational purposes, the Real Estate Division Quarterly Update is attached and made a part of the minutes of this meeting. Ms. Hartford reported lots of activity, including: Asset Management is tending to an RFP for the New Bedford State Pier; Engineering is working hard on the Public Safety Building in Devens; three of MassDevelopment’s regional offices (Fall River; Lawrence; Worcester) are in the process of relocating; an RFP for house doctor services has been extended through April 22; and more. She noted three land sales in Devens and advised that the final two available parcels at the Miles Standish Industrial Park in Taunton are under agreement.

Ms. Hartford then introduced Evelyn Friedman, Executive Director of the Great Lawrence Community Action Council, Inc., and MassDevelopment’s landlord for its regional office at 370 Essex Street, Lawrence, who thanked the Board for the invitation to speak. Showing the presentation that is attached and made a part of the minutes of this meeting, Ms. Friedman described the 370 Essex Street property and the completion of redevelopment to take advantage of its good location near public transportation, and within a mile of numerous retail and dining options, schools, and parks. The existing structure was

*Approved:
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rehabbed and a new adjoining structure was added on an adjacent vacant lot, resulting in first floor commercial space with four floors of 39 units of much needed affordable housing above (14 one-bedroom; 20 two-bedroom; 5 three-bedroom). Community amenities and services in the building will be available to all residents. MassDevelopment will occupy renovated space in the original building. A brief discussion of the “capital stack” required to finance these improvements ensued, and it was reported that this is the first new construction in Lawrence in more than 50 years and it took 11 City Council meetings to get it done.

INFORMATIONAL ITEMS

22. Devens Updates. For informational purposes only, the Devens Updates are attached and made a part of the minutes of this meeting. There was no discussion of this item.

23. Lending – Delegated Authority Report for Loan Approvals (February 2022). For informational purposes only, the Delegated Authority Report regarding Loan Approvals is attached and made a part of the minutes of this meeting. There was no discussion of this report.

24. Media Report (March 2022). For informational purposes only, the Selected Press Clips, Media Report, and Web Statistics for the previous month are attached and made a part of the minutes of this meeting. No discussion of these items took place.

MISCELLANEOUS: OLD BUSINESS / NEW BUSINESS

The Acting Chair asked if there was any new or old business to consider, and there was none.

[Secretary’s Note: At this time in the meeting the Acting Chair asked for one roll call vote, upon motion duly made and seconded, to approve the following: the minutes (Tabs 1 and 2); the contracts for information technology and investment manager services (Tabs 4 and 5); the bond transactions (Tabs 7 through 13); the contract for derivative valuation services (Tab 14); the loan to City Fresh Foods, Inc. (Tab 15); the Devens requests (Tabs 16 through 18); and the Community Development requests (Tabs 19 and 20). Accordingly, all items were approved as indicated above.]

EXECUTIVE SESSION

25. VOTE – New Bedford – Proposed Sale of 193-197 Union Street

Due to components involving valuation of real property in New Bedford, Massachusetts, and potential purchase and lease terms, the discussion of this item occurred in Executive Session.

26. VOTE – Devens – Proposed Sale of 77 Saratoga Boulevard

Due to components involving valuation of real property in Devens, Massachusetts, and potential purchase and lease terms, the discussion of this item occurred in Executive Session.

27. VOTE – Devens – Proposed Sale of 105 Sherman Avenue

Due to components involving valuation of real property in Devens, Massachusetts, and potential purchase and lease terms, the discussion of this item occurred in Executive Session.

The Board Secretary advised, at 11:08 a.m., that, pursuant to Mass. General Laws Chapter 23G, Section 2(l), and Chapter 30A, Sections 21 & 22, the Board of Directors of MassDevelopment was going into Executive Session, following a roll call vote, which was taken and unanimously voted in favor, to discuss matters involving valuation of real property in Devens and New Bedford, Massachusetts, and potential purchase and lease terms, the discussion of which in Open Session may have a detrimental effect on the negotiating position(s) of the Agency. The Board Secretary instructed all persons who are not Board members or staff involved in these matters to leave the room and/or the videoconference. He noted that the Board will not reconvene in Open Session following Executive Session.

[Executive Session held]

There being no further discussion or business before the Board of MassDevelopment, the Board Meeting *and* its Executive Session were adjourned in Executive Session at 11:19 a.m.