**Massachusetts Development Finance Agency**

**Meeting of the Board of Directors**

**(*conducted entirely by Remote Participation*)**

**Thursday, February 11, 2021**

**10:00 a.m.**

**M I N U T E S**

DIRECTORS PRESENT: Mike Kennealy, Secretary of Housing & Economic Development, Chair

 Brian Kavoogian, Vice Chair

 Mark Attia, Designee for Secretary of Administration & Finance

 James Blake

 James Chisholm

 Joan Corey

 Francesca Maltese

 Juan Carlos Morales

 Kristina Spillane

 Ellen Zane

DIRECTORS ABSENT: Christopher Vincze

Agency Staff: Dan Rivera, President and CEO

 Robert Ruzzo, Deputy Director and COO

 Simon Gerlin, Chief Financial Officer

 Ricks Frazier, General Counsel and Secretary

 Jeff Fuhrer, SEVP and Chief Strategy Officer

 Laura Canter, EVP, Finance Programs

 Cassandra McKenzie, EVP, Real Estate

 Jessica Strunkin, EVP, Devens

 Tania Hartford, EVP, Operations and Chief of Staff

 Victoria Stratton, Recording Secretary

Roy Angel

Kelly Arvidson

Naomi Baruch

Ivis Batista

Graeme Brown

Brandon Braxton

Jeff Buckley

Sean Calnan

Frank Canning

Robert Carley

Steve Chilton

Jen Cohen

Sheri Corbeil

Julie Cowan

Meg Delorier

Brenda Doherty

Tom Dolan

Kathryn Fraser

Mike Galligan

Nick Giaquinto

Zach Greene

Amanda Gregoire

Michelle Hennigar

Roy Herzig

Tonya Ingram

Lisa Kalinowski

Dena Kavanagh

Will Kidston

Connie Kirby

Noah Koretz

Christine Madore

John Marc-Aurele

Shyla Matthews

Mike Mitchell

Matthew Mogavero

Dan Morais

Lillian Munoz

Leigh Natola

Jan Nuzzolo

Claire O’Neill

Rick Pass

Doug Robinson

Angelo Russo

Patrick Scalli

Kelsey Schiller

Robert Seega

Pat Sluder

Ed Starzec

Rebecca Sullivan

Cynthia Tonucci

Ellen Torres

Gary Walker

Matt Wamback

Benny Wong

Guests: John Beatty, Executive Director, Military Asset and
Security Strategy Task Force

 Ashley Stolba, Undersecretary of Housing & Economic
 Development, Acting Chair (for first part of meeting)

A Meeting of the Board of Directors of Massachusetts Development Finance Agency (“MassDevelopment” or the “Agency”) was held Thursday, February 11, 2021, by Remote Participation (See Secretary’s Note, below), pursuant to notice duly given.

Noting that the Chair was delayed for approximately 30 minutes this morning, the Acting Chair welcomed everyone and, confirming the presence of a quorum on the videoconference, called the meeting to order at 10:01 a.m. She asked if there were any guests present and there were none.

[*Secretary’s Note: It was noted that this Board Meeting was taking place entirely remotely – via videoconference – due to emergency procedures in connection with the COVID-19 pandemic (see Gov. Baker’s Declaration of a State of Emergency, dated March 10, 2020, and subsequent Order Suspending Certain Provisions of the Open Meeting Law, dated March 12, 2020), pursuant to the Agency’s Remote Participation Policy. Access codes for use by the general public were included in the Public Notice for this meeting.*]

**MINUTES**

**1. VOICE VOTE – Meeting Minutes (January 14, 2021)**

The Acting Chair asked if there were any comments on the draft minutes of the January 14, 2021 Board meeting, and there were none. He asked for a vote to approve these minutes and, upon motion duly made and seconded, by a roll call of the directors on the videoconference, it was, unanimously

**VOICE VOTED:** that the Board of Directors of MassDevelopment approves the minutes of its January 14, 2021 Board meeting, that are attached and made a part of the minutes of this meeting.

**2. VOICE VOTE – Executive Session Minutes (January 14, 2021)**

The Chair stated that if there are any comments on the draft Executive Session Minutes of the January 14, 2021 Board meeting, they must be discussed in Executive Session. There were no comments. He asked for a vote to approve these minutes and, upon motion duly made and seconded, by a roll call of the directors on the videoconference, it was, unanimously

**VOICE VOTED:** that the Board of Directors of MassDevelopment approves the Executive Session minutes of its January 14, 2021 Board meeting, that are attached and made a part of the minutes of this meeting.

**PRESIDENT / CEO REPORT**

Mr. Rivera reported that he has attended many meetings in his first weeks as President/CEO of MassDevelopment and has been learning much. He advised that every-other-week revenue meetings have been scheduled going forward and he explained that he was reviewing all Agency expenditures over $1,000 as an effort to better understand the Agency’s expenses. He noted that Agency strategy discussions are beginning, and MassDevelopment will further align with objectives that the Executive Office of Housing and Economic Development has identified as part of these efforts. An even greater emphasis will be placed on the importance of collaborations with other strategies of the Commonwealth.

Mr. Rivera then introduced the following new hires and each gave a brief bio of themselves: Tania Hartford, EVP, Operations, and Chief of Staff; Jennifer Cohen, VP, Real Estate Development; Tom Dolan, Asset Management and Compliance Officer, New Markets Tax Credits; Ivis Batista, Press Manager; and Matthew Mogavero, Communications Specialist. Mr. Rivera said he is grateful for the longevity of many of the Agency’s employees and noted he is planning small monthly celebrations, as well as quarterly All Staff meetings, to which Board members will be invited and he hopes will attend.

Mr. Rivera advised of his “Federal Priorities List,” noting that obtaining an allocation of New Markets Tax Credits in the current round is Number One thereon. He mentioned several action items involving the State Piers. Mr. Rivera stated that Diversity, Equality, Inclusion efforts are moving forward and it is everyone’s job to “move the needle.” He stated the Agency’s website will be more interactive, with more pictures and livelier content, and the Communications Department will be busier with more aggressive headlines and press releases.

When Mr. Rivera asked for questions or comments, Mr. Attia welcomed the new hires. Ms. Zane expressed her delight at meeting the new hires as well, but suggested it might also be nice to have introductions of folks that have been with the Agency for a time.

**GENERAL**

* **VOICE VOTE – Appointment of Vice Chair of the MassDevelopment Board**

Mr. Frazier explained the requirement of this annual vote, noting that Mr. Kavoogian is very giving of his time and insight. The Acting Chair asked for a vote to approve the reappointment of Brian Kavoogian as Vice Chair of this Board and, upon motion duly made and seconded, by a roll call of the directors on the videoconference, it was, unanimously

**VOICE VOTED:** that the Board of Directors of MassDevelopment approves the reappointment of Brian Kavoogian as Vice Chair of the MassDevelopment Board of Directors.

Mr. Frazier then noted that further thought is being given to Board Committees and memberships and, acknowledging that MassDevelopment asks much of its Board members, he encouraged members, nevertheless, to consider serving on a Committee or two.

**3. Conflict of Interest Law Summary**. Mr. Frazier explained the annual requirement to provide this Conflicts of Law Summary. He explained the process for disclosing a conflict or the appearance of a conflict, confirming that the governor considers all such disclosures individually. Mr. Frazier then reminded everyone that an acknowledgement of receipt of the Conflict of Law materials is required and he kindly asked for a prompt response to a forthcoming email in this regard.

**4. VOTE – Annual Approval and Confirmation of Agency Officers**

Mr. Frazier explained briefly this request for annual approval and confirmation of the Agency’s Officers, as required by MassDevelopment’s Enabling Statute. The Acting Chair asked for a vote and, upon motion duly made and seconded, by a roll call of the directors on the videoconference, it was, unanimously

**VOTED:** That the Board of Directors of MassDevelopment approves and confirms the Agency’s Officers, as outlined in the vote dated February 11, 2021, that is attached and part of the minutes of this meeting.

**5. FY2021 2nd Quarter Financials**. Mr. Gerlin stated that this update focuses on the impacts of the COVID-19 pandemic on the General Fund, and he reminded everyone that the approved original FY2021 budget was reduced by 40 percent, due to the ongoing pandemic. He advised that bonds for higher education are down while infrastructure bonds, or so called “I-cubed bonds,” are up; bond issuances are expected to be ahead of budget at fiscal year-end. Loans are performing well, and the lending portfolio is strong, overall. New Markets Tax Credits are “flat,” with administrative costs only, while the Agency hopes for an allocation in the current round (expected to be announced in July). Meanwhile, the Real Estate portfolio is up. Mr. Gerlin called attention to a smaller cash balance in the General Fund, due to the sale of property last year involving General Electric and the subsequent transfer of certain sale proceeds. He noted that Professional Services are predictably under budget. Finally, Mr. Gerlin advised that the preparation of the Agency’s FY2022 budget will get underway soon, with a focus on COVID-19 challenges.

[*Secretary’s Note: Secretary Kennealy arrived at the meeting during the above presentation, at 10:44 a.m., and assumed the Chair.*]

**6. Community One Stop for Growth Program Guidelines**. After conducting a listening tour around the state and hearing that there are many good programs available but that finding then applying for the right one is complex, the Chair advised that the development of this single portal tool began in 2019 to simplify the process. He applauded the team that has continued developing this tool and making improvements over the last two years. He explained that the One Step Program offers an online catalog of ten (currently) popular funding programs in the Commonwealth where applicants may be considered for more than one program simultaneously; it removes redundancy – only one application is necessary – and streamlines the entire process. The Chair emphasized that collaboration is a core part of the One Stop Program and referrals to other programs are encouraged. He then briefly described the timetable and timeline. Mr. Rivera advised that staff has already undertaken efforts to contact communities and potential applicants in Massachusetts to discuss and promote this important Program. The Chair thanked MassDevelopment for its involvement in the ongoing development and anticipated success of this helpful Program. Ms. Corey was pleased with the streamlining component; Mr. Kavoogian said this invaluable tool will result in more productive program dollars overall; Mr. Attia agreed this Program will be impactful.

**7. VOTE – Grant to the City of Westfield**

Mr. Beatty described the Military Bond Bill of 2014 as a means to encourage the improvement, expansion and development of military installations in Massachusetts. He then explained this request for approval of a $4.7 million grant to Westfield for the construction of a new taxiway at the Barnes Air National Guard Base / Westfield-Barnes Regional Airport. Such expenditure of these funds will result in much needed upgrades to allow for more vehicles and render the base safer for next generation aircraft, as well as guarantee jobs for the next thirty years. He noted that this is a “pass through” grant under the 2014 Military Bond Bill within MassDevelopment’s authority to oversee and implement improvement and expansion projects at the Commonwealth’s military installations. The Chair asked for a vote and, upon motion duly made and seconded, by a roll call of the directors on the videoconference, it was, unanimously

**VOTED:** That the Board of Directors of MassDevelopment approves the $4,700,000 grant to the City of Westfield, as outlined in the vote dated February 11, 2021, that is attached and part of the minutes of this meeting.

**MARKETING / Communications**

**8.** **Media Report (January 2021)**. 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.

**Finance programs**

**Update from Executive Vice President, Finance Programs**. Ms. Canter was pleased to announce that staff is advised that MassDevelopment will receive a $175 million volume cap allocation from the Executive Office of Administration & Finance for CY2021 and, together with $87 million in volume cap remaining from CY2020, the Agency is on track to meet budget for bond revenue. She noted, however, that there is no expectation that bond issuances will return to pre-pandemic levels in the near future. She commented on recent loan closings and said the Lending Portfolio is up 17 percent. When asked if there are concerns regarding reductions in bond issuances, Ms. Canter advised that sectors are taking on new projects and the team is keeping busy.

**BOND TRANSACTIONS**

**9. 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 February Board materials. While there is only one approval before the Board today, Mr. Chilton advised that there is a pipeline of projects and bond issuance activity looks to increase.

The Chair then advised that the Board would vote on the approval and findings for the matter in Tab 10, to be considered following the opportunity for discussion, pursuant to Section 8 of Chapter 23G of the General Laws, as amended.

**Bonds: Official Action Approvals**

**Official Action Projects with Volume Cap Requests**

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

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

a project of Carlton Crossing West LLC, in Framingham, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed $13,267,000.

**Standing Board Committee Reports**

***Compensation Committee***

Mr. Attia reported that the Compensation Committee met this morning and discussed the candidate for Senior Executive Vice President/Deputy Director and recommended approval, as will be further discussed in Executive Session at the conclusion of this meeting.

**11. Minutes of Prior Meeting**. For informational purposes only, the minutes of the October 9, 2020 Compensation Committee Meeting are attached and made a part of the minutes of this meeting. No discussion of these minutes took place.

***Origination & Credit Committee***

Mr. Blake reported that the Origination & Credit Committee met briefly on Tuesday, February 9, 2021.

**12. Minutes of Prior Meeting**. For informational purposes only, the minutes of the January 12, 2021 Origination & Credit Committee Meeting are attached and made a part of the minutes of this meeting. No discussion of these minutes took place.

**Lending**

**13. Delegated Authority Report for Loan Approvals (December 2020)**. 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.

**14. VOTE – Revised Management Plan for EDA CARES Act Revolving Loan Fund, an Amendment to the Consolidated Revolving Loan Fund Plan, and Submission of a Request to “Defederalize” the Seafood Revolving Loan Fund and the Gloucester Revolving Loan Fund**

Ms. Canter explained first the authority given to MassDevelopment to make these requests resulting from its successful operation of certain Revolving Loan Funds over the past seven plus years. She described how today’s requests will result in these funds becoming unrestricted and available through the General Fund, where they can benefit a greater portion of the population. The revision will also eliminate related federal restrictions and reporting requirements. The Chair asked for a vote and, upon motion duly made and seconded, by a roll call of the directors on the videoconference, it was, unanimously

**VOTED:** That the Board of Directors of MassDevelopment approves the revised Management Plan and authorizes the Agency to submit a request to “defederalize” certain funds, as outlined in the memorandum and vote dated February 11, 2021, that are attached and part of the minutes of this meeting.

**Community Development**

**15. Delegated Authority Report for Community Development Approvals (December 2020)**. For informational purposes only, the Delegated Authority Report regarding Community Development Approvals is attached and made a part of the minutes of this meeting. No discussion of the report took place.

**16. Approved Minutes of Brownfields Advisory Group Meeting (October 13, 2020)**. For informational purposes only, the approved minutes of the October 13, 2020 Brownfields Advisory Group Meeting are attached and made a part of the minutes of this meeting. There was no discussion of these minutes.

**17. VOTE – MassDevelopment/HEFA Trust – FY2021 Community Health Center Grant Awards**

Ms. Ingram briefly described this request for approval of six grants totaling $273,488 to be made under the popular Community Health Center Grant Program in FY2021, as recommended by the Trustees of the MassDevelopment/HEFA Trust. This is also a request to approve a grant in the amount of $23,488 from MassCare Capital, Inc., of which MassDevelopment is the sole shareholder. The Chair asked for a vote and, upon motion duly made and seconded, by a roll call of the directors on the videoconference, it was, unanimously

**VOTED:** That the Board of Directors of MassDevelopment approves the Community Health Center Grants for FY2021, as outlined in the memorandum and vote dated February 11, 2021, that are attached and part of the minutes of this meeting.

**New Markets Tax Credits (“NMTC”)**

**18. NMTC Program – Calendar Year 2020 Annual Report**. For informational purposes only, the 2020 NMTC Annual Report is attached and made a part of the minutes of this meeting. No discussion of the report took place.

**19. Approved Minutes of NMTC Advisory Board Meeting (July 14, 2020)**. For informational purposes only, the approved minutes of the July 14, 2020 NMTC Advisory Board Meeting are attached and made a part of the minutes of this meeting. There was no discussion of these minutes.

***Real Estate Development & Operations Committee***

Mr. Kavoogian reported that the Real Estate Development & Operations Committee met on Tuesday, February 9, 2021.

**20. Minutes of Prior Meeting**. For informational purposes only, the minutes of the January 12, 2021 Real Estate Development & Operations Committee Meeting are attached and made a part of the minutes of this meeting. No discussion of these minutes took place.

**21. Devens and Devens Environmental Updates**. For informational purposes, the Devens Updates are attached and made a part of the minutes of this meeting. Ms. Strunkin reported no new cases of COVID-19; further, she was pleased to inform everyone that Devens has been the site of two COVID vaccination clinics (taking place on the past two Wednesdays, where 201 and 200 doses, respectfully, were administered). The Devens Fire Department responded to a 4-alarm blaze in Boxborough the previous evening. Ms. Strunkin expressed her view that the streets and sidewalks in Devens are the cleanest in the state and she thanked the Devens Department of Public Works. Staff continues outreach efforts and is also working with CFS on its development project.

The contract for the Owner’s Project Manager for the Public Safety Facility project is being finalized. A request to the Massachusetts Department of Transportation for a new bridge rating for the Lovell Road Bridge has been made formally and there is a meeting later today with the U.S. Army to discuss short- and long-term options. New England Studios is working on two productions, with filming set to begin on another one soon. The Agency’s draft application for state funding related to ongoing PFAS and water wells received a strong rating. Finally, Devens is welcoming a new 3D metal printing company to its business community and a new restaurant – Bandoleros Mexican Grill – will open soon in the former Devens Grille space.

**22. Statewide Real Estate Projects Updates**. For informational purposes, the Statewide Updates are attached and made a part of the minutes of this meeting. Ms. McKenzie reported that the closing on the sale of 151 Barnum Road, ***Devens***, to GFI Partners, Inc. will take place this week. There is a lot of interest in 11 Grant Road. The developers of Emerson Green have been put in touch with Finance Programs for assistance with the multi-unit rental property component of the project.

There is a great deal of activity at the ***New Bedford State Pier***, including the drafting of a Request for Interest (“RFI”) to be issued in March; repairs to the refrigerator warehouse are moving forward; and staff is addressing the need for major repairs at the North Wharf, including a possible rebuild. She discussed active expressions of interest in Lot 12B in ***Northampton***. Three responses to an RFI related to ***Belchertown*** were received, and staff is working with the Belchertown Economic Development & Industrial Corporation to select a developer.

With respect to *Real Estate Services*, Ms. McKenzie noted that three Agency programs – *Brownfields*; *Site Readiness*; and the new *Underutilized Properties Program* – are included in the Commonwealth’s One Stop Program (see Tab 6, above) and coordination of this internal effort will be led by Jennifer Cohen, VP, Real Estate Development, and Ed Starzec, VP, Planning & Permitting. Finally, the *Transformative Development Initiative* (“TDI”) is rolling out the first TDI Creative Cities district in New Bedford through a grant to the Cape Verdean Center; this program will provide implementation funding, staff support, and partnership and leadership training for this graduated TDI District.

[*Secretary’s Note: At this time in the meeting the Chair asked for one roll call vote, upon motion duly made and seconded, to approve the following: the minutes (Tabs 1 and 2); confirmation of Mr. Kavoogian as vice chair; the approval of the Agency’s Officers (Tab 4); the grant to the City of Westfield (Tab 7); the bond transaction (Tab 10); the Lending request (Tab 14), and the Community Health Center grant awards (Tab 17). Accordingly, all items were approved as indicated above.*]

**Miscellaneous: Old Business / New Business**

The Chair asked if there was any new or old business to consider, and there was none. In conclusion, Mr. Rivera confirmed that Mr. Gerlin, the Agency’s CFO, is “third in charge” at MassDevelopment, and, as such, the Agency’s Administration & Finance, Information Technology and Human Resources divisions all report to him. Mr. Rivera also advised Board members to look forward to better Board book materials to come, with more communications, a better flavor of the Agency’s impact, and a celebration of good news items, when warranted.

**Executive Session**

* **Employment Matter – Executive Compensation**

The discussion of this item was reserved for Executive Session.

The Chair advised, at 11:35 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, for discussion and vote on an employment matter. The Chair advised that the Open Meeting portion of the Board meeting would adjourn at this time; Board members and staff involved in the discussion(s) were instructed to remain on the videoconference while all others disconnected. 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*** the Executive Session were adjourned in Executive Session at 11:42 a.m.