**Massachusetts Development Finance Agency**

**Meeting of the Board of Directors**

**Thursday, March 14, 2019**

**10:00 a.m.**

**M I N U T E S**

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

 Brian Kavoogian, Vice Chair

 Mark Attia, Designee for Secretary of Administration & Finance

 James Blake

 Karen Courtney

 Francesca Maltese

 Juan Carlos Morales

 Christopher Vincze

DIRECTORS ABSENT: James Chisholm

 Grace Fey

 Ellen Zane

Agency Staff: Lauren Liss, President & CEO

 Robert Ruzzo, SEVP, Deputy Director

 Ricks Frazier, General Counsel and Secretary

 Simon Gerlin, Chief Financial Officer

 Laura Canter, EVP, Finance Programs

 Richard Henderson, EVP, Real Estate

 Meg Delorier, Chief of Staff

 Victoria Stratton, Recording Secretary

 Sean Calnan

 Frank Canning

 Rob Carley

 Kate Fraser

 Zach Greene

 Joe Grivers

 Will Kidston

 Alejandro Lopez

 Christine Madore

 Casey McGourty, Marketing Intern

 RJ McGrail

 Leigh Natola

 Jan Nuzzolo

 Doug Robinson

 Kelsey Schiller

 Jessica Strunkin

 Cyndy Tonucci

 Ellen Torres

 Matt Wamback

 Benny Wong

Guests: None

A meeting of the Board of Directors of Massachusetts Development Finance Agency (“MassDevelopment” or the “Agency”) was held Thursday, March 14, 2019, at MassDevelopment’s offices, 99 High Street, 11th floor, Boston, Massachusetts, pursuant to notices duly given.

The Chair welcomed everyone and, confirming the presence of a quorum, he called the meeting to order at 10:05 a.m. He asked if there were any guests present and, if so, to please introduce themselves; there were none.

**MINUTES**

**1. VOICE VOTE – Meeting Minutes (February 14, 2019)**

The Chair asked if there were any comments on the draft minutes of the February 14, 2019 Board meeting, and there were none. He asked for a vote to approve these minutes and, upon motion duly made and seconded, by the directors present, it was, unanimously

**VOICE VOTED:** That the Board of Directors of MassDevelopment approves the minutes of its February 14, 2019 Board meeting, that are attached and made a part of the minutes of this meeting.

**2. VOICE VOTE – Executive Session Minutes (February 14, 2019)**

The Chair stated if there are any comments on the draft Executive Session Minutes of the February 14, 2019 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 the directors present, it was, unanimously

**VOICE VOTED:** That the Board of Directors of MassDevelopment approves the Executive Session minutes of its February 14, 2019 Board meeting, that are attached and made a part of the minutes of this meeting.

**PRESIDENT / CEO REPORT**

Ms. Liss reported that John Beatty, who heads up the Massachusetts Military Task Force and who works out of an office here at MassDevelopment, has been named as the Marshall of this year’s St. Patrick’s Day Parade in South Boston this weekend. She stated that despite today’s relatively small Agenda, it has been a busy month.

With respect to Devens, Ms. Liss advised of meetings with the U.S. Environmental Protection Agency (“EPA”) regarding the chemical PFAS and related water issues. She spoke about a meeting with the Base Closure Team, where she strongly encouraged the Army to take more responsibility in connection with the impacts of PFAS compounds. Meetings between the staff and Devens residents have taken place regarding certain traffic issues; new signage restricting turns and travel and improved way-finding signs are being considered. Ms. Liss recently corresponded with Harvard’s Devens Committee and others regarding the ultimate recommendation for the governance of Devens, which must, by statute, be the subject of a joint report to the Legislature by 2033. She also attended a meeting of the Nashoba Valley Chamber of Commerce with Jessica Strunkin, Devens new SVP. Finally, she noted that Ron Ostrowski, Devens Environmental Engineer, is retiring at the end of the month after almost 23 years.

In addition, Ms. Liss advised she has attended meetings regarding the Fall River Pier, as well as a meeting yesterday with the governor and the Military Task Force. Meanwhile, Bob Ruzzo, Deputy Director, attended a meeting of the Emerging Technology Fund (“ETF”) Advisory Committee, as well as the groundbreaking of the Amory Street project in Jamaica Plain. She also reported that the Agency had received a favorable result in the Pepperell Mills bankruptcy proceedings.

**STRATEGIC PLANNING**

**3. Annual Business Plan (FY2019)**. For informational purposes only, the summary of the Agency’s Strategic Themes and Business Plan Goals is attached and made a part of the minutes of this meeting. No discussion of this item took place.

**MARKETING / Communications**

**4.** **Media Report (February 2019)**. 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**

**Updates from Chief Financial Officer and Executive Vice President, Finance Programs**. Ms. Canter, EVP, Finance Programs, advised that, as previously reported, funds will be down from budget projections for this fiscal year, due largely to a reduced number of new construction projects and fewer refinancings. Finance Programs revenues could hit $5.6 or $5.7 million. The Lending portfolio is above its goals due to unexpected loan repayments, and the lending pipeline looks good. Mr. Gerlin, CFO, reported that the Star Fund is $1 million ahead on interest. Taunton Development/MassDevelopment Corporation (“TD/MDC”) has paid the Agency back $1.5 million, which represents the first portion of an expected $4 million in returned funds in connection with the Myles Standish Industrial Park Expansion project in Taunton. Mr. Gerlin also advised the Agency is entering into an Enterprise Risk Management contract with BlumShapiro.

A brief discussion ensued regarding delays in obtaining MassHistoric approval of construction projects for higher educational institutions. Ms. Maltese said these delays contribute to the reduced number of new construction projects, particularly from institutions of higher education, which are not able to proceed with projects that MassDevelopment would otherwise finance. It was noted that responsibility for this program rests with the Secretary of the Commonwealth and the Attorney General.

**BOND TRANSACTIONS**

**5. Bond Detail Memorandum**. For informational purposes, the Bond Memorandum, Summary, and Delegated Authority Report are attached and made a part of the minutes of this meeting. Ms. Canter confirmed there are no changes to the March Board materials.

The Chair then advised that the Board would vote on the approvals and findings for the matters in Tabs 6 – 9, to be considered following the opportunity for discussion, pursuant to Section 8 of Chapter 23G of the General Laws, as amended.

**Bonds: Official Action Approval**

**Official Action Projects without Volume Cap Requests**

**6.** Upon motion duly made and seconded, by the directors present, 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 Center for Human Development, Incorporated, in East Longmeadow, South Hadley, and Springfield, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $4,000,000.

**Official Action Projects with Volume Cap Requests**

**7.** Upon motion duly made and seconded, by the directors present, 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 CAHC Porter Road LLC, in Cambridge, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed $7,900,000.

**Bonds: Final Approvals**

**Final Approval Projects without Volume Cap Requests**

**8.** Upon motion duly made and seconded, by the directors present, 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 William James College, Inc., in Newton, Massachusetts, for the issuance of 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $5,000,000.

**9.** Upon motion duly made and seconded, by the directors present, 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 Casa Myrna Vazquez, Inc., in Boston (Dorchester), Massachusetts, for the issuance of 501(c)(3) Tax-Exempt and Taxable Bonds to finance such project in an amount not to exceed $4,625,000.

**Standing Board Committee Reports**

***Origination & Credit Committee***

Mr. Blake reported that the Origination & Credit Committee met on Tuesday, March 12, 2019.

**Lending**

**10. Delegated Authority Report for Loan Approvals (January 2019)**. For informational purposes only, the Delegated Authority Report regarding Loan Approvals is attached and made a part of the minutes of this meeting. No discussion of the Report took place.

**11. VOTE – Dipjar Inc. (Boston) – $1,250,000 ETF Loan**

Mr. Kidston described this request for a $1.25 million ETF Term Working Capital Loan to support the salaries of new full-time employees, including three key positions, of this manufacturer and service provider of secure payment solutions. Dipjar has developed a simple, one touch device to help non-profits raise money through credit card donations. The company has completed two rounds of equity financing from institutional and other investors and is currently raising a new round of equity in order to leverage this ETF loan; the new funds will help Dipjar to expand its sale, marketing, and engineering functions. Mr. Kidston described the hardware cost ($399 per unit), subscription fee ($99 per subscription), and processing fee (6 percent of each donation); he noted sales are up 56 percent over last year. The Chair asked for a vote and, upon motion duly made and seconded, by the directors present, it was, unanimously

**VOTED:** That the Board of Directors of MassDevelopment approves the $1,250,000 ETF Loan to Dipjar, Inc., as outlined in the memorandum and vote dated March 14, 2019, that are attached and part of the minutes of this meeting.

**Community Development**

**12. Delegated Authority Report for Community Development Approvals (January 2019)**. 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.

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

Mr. Kavoogian reported that the Real Estate Development & Operations Committee met on Tuesday, March 12, 2019.

**13. Minutes of Prior Meeting**. For informational purposes only, the minutes of the February 12, 2019 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.

**14. Devens and Devens Environmental 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 these Updates.

**15. Statewide Real Estate Projects Updates**. For informational purposes, the Statewide Updates are attached and made a part of the minutes of this meeting. Mr. Henderson confirmed, as indicated earlier in the Finance Programs Update, that the TD/MDC Board approved a $1.5 million return to MassDevelopment in connection with the Myles Standish Industrial Park Expansion project in ***Taunton***, with more to come. Also in Taunton, Maxon Motors will hold its grand opening on Tuesday, March 19.

Staff is working on capital and business plans in connection with the ***New Bedford State Pier***, as well as applying for funding at the federal level. A Purchase and Sale Agreement has been negotiated with Wright Builders for single family home lots in ***Village Hill, Northampton***.

In ***Devens***, a Cambridge-based biotech firm met yesterday with a team of interested parties, including representatives of MassDevelopment, the Massachusetts Office of Business Development, Wachusett Community College, and others about a potential investment in 45 Jackson Road. Also, Phase II of the Emerson Green project closed this month. June 10, 2019 is being proposed as the Super Town Meeting date for proposed rezoning of Vicksburg Square.

With respect to ***Municipal Services***, the Agency has provided *Technical Assistance* to Peabody in connection with a Request for Proposals for redevelopment of certain downtown buildings and to Brockton by helping to convene a public meeting to discuss redeveloping the CSX rail site. There are currently 12 projects underway in the *Commonwealth Places Program*, and that Program is gearing up for spring. Mural festivals are scheduled in Springfield and New Bedford. Mr. Henderson concluded with a brief report regarding activity in the Transformative Development Initiative program.

**Miscellaneous: Old Business / New Business**

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

**Executive Session**

**Litigation Matter**

The Board Secretary advised, at 10:38 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 review a litigation matter, the discussion of which in Open Session would 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. He noted that the Board will not reconvene in Open Session following Executive Session.

[*Executive Session held*]

There being no further business before the Board of MassDevelopment, the Board Meeting ***and*** the Executive Session were adjourned in Executive Session at 11:23 a.m.