**Massachusetts Development Finance Agency**

**Meeting of the Board of Directors**

**Thursday, April 13, 2017**

**10:00 a.m.**

**M I N U T E S**

DIRECTORS PRESENT: Jay Ash, Secy. of Housing & Economic Development, Chair

 Brian Kavoogian, Vice Chair

 James Blake

 James Chisholm

 Karen Courtney

 Grace Fey

 Lauren Liss

 Rachel Madden, Designee for Secretary of Administration & Finance

 Patricia McGovern

 Juan Carlos Morales

 Christopher Vincze

DIRECTORS ABSENT: None

Agency Staff: Marty Jones, President and CEO

 Simon Gerlin, Chief Financial Officer

 Patricia A. DeAngelis, General Counsel and Board Secretary

 Richard Henderson, EVP, Real Estate

 Laura Canter, EVP, Finance Programs

 Meg Delorier, Chief of Staff

 Victoria Stratton, Recording Secretary

 Roy Angel

 Laura Barrett

 Sean Calnan

 Frank Canning

 Rob Carley

 Steve Chilton

 Robin Churray

 Zack Dovitz

 Sarah Eisinger

 John Fink

 Tony Fracasso

 Zach Greene

 Ken Goode

 Joe Grivers

 Anne Haynes

 Dena Kavanagh

 Jon Kelly

 Shyla Matthews

 RJ McGrail

 Victoria Maguire

 Marianna McCormick

 Jim Moore

 Leigh Natola

 Aiden O’Garro

 Meggie Quackenbush

 Deb Rosser

 Bob Seega

 Ed Starzec

 Mark Sternman

 Zachary Weinberg, Intern

 Benny Wong

Guests: None

A meeting of the Board of Directors of Massachusetts Development Finance Agency (“MassDevelopment” or the “Agency”) was held Thursday, April 13, 2017, at MassDevelopment’s offices, 99 High Street, Boston, Massachusetts, pursuant to notice duly given.

The Chair welcomed everyone and, noting the presence of a quorum, he called the meeting to order at 10:15 a.m. He asked if there were any guests present and there were none.

**MINUTES**

**1. VOICE VOTE – Approval of Minutes (March 9, 2017)**

The Chair asked if there were any comments on the draft Minutes of the March 9, 2017 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 March 9, 2017 Board Meeting, attached and part of the minutes of this meeting.

**2. VOICE VOTE – Approval of Executive Session Minutes (March 9, 2017)**

Noting that the matters in the March 9, 2017 Executive Session Minutes are not completed matters and, therefore, any comments regarding these Minutes must be made in Executive Session, the Chair asked if there were any questions or comments on these Executive Session Minutes, and there were none. He asked for a vote to approve these Executive Session 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 March 9, 2017 Board Meeting, attached and part of the minutes of this meeting.

**3. VOICE VOTE – Approval of Minutes (March 29, 2017)**

The Chair asked if there were any comments on the draft Minutes of the March 29, 2017 Special 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 March 29, 2017 Special Board Meeting, attached and part of the minutes of this meeting.

**4. VOICE VOTE – Approval of Executive Session Minutes (March 29, 2017)**

Noting that the matters in the March 29, 20176 Executive Session Minutes are not completed matters and, therefore, any comments regarding these Minutes must be made in Executive Session, the Chair asked if there were any questions or comments on these Executive Session Minutes, and there were none. He asked for a vote to approve these Executive Session 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 March 29, 2017 Special Board Meeting, attached and part of the minutes of this meeting.

**President/CEO’s Report**

[*Secretary’s Note: At this time, Ms. Quackenbush commenced a video recording of the President’s Report and noted that a link to the recording would be made available to staff on the Agency’s internal Intranet.*]

Ms. Jones was saddened to inform the Board of the death of Larry Cameron, Vice President for Business Development in the Agency’s South Region, who worked for MassDevelopment for many years. She read a brief, kind letter written by Rep. Paul Schmid (D – 8th Bristol) and published in *The Fall River Herald News* commending Mr. Cameron and his work efforts about two weeks before his passing. Ms. McGovern asked if the Agency was planning to do anything or send something to Mr. Cameron’s family, and Ms. Jones and the Chair agreed to do so.

In other news, Ms. Jones advised of recent meetings, including a meeting with Secretary of Public Safety Daniel Bennett, Secretary Ash, and others regarding possible improvements to the airfield in Devens for enhanced public safety training. She and John Beatty, Executive Director of the Massachusetts Military Asset and Security Strategy Task Force (the “Mass. Military Task Force”), met with officials from the Air National Guard and the Coast Guard at Andrews AFB to discuss Joint Base Cape Cod. Along with Governor Baker, Congressional Representatives, Secretary Ash, and other Massachusetts and military officials, she met with Gen. Goldstein, Chief of Staff of the Air Force, to discuss the value of the various Air Force installations in the Commonwealth. Ms. Jones was present for an update at the Natick Soldier Systems Center by the Mass. Military Task Force.

In addition, Ms. Jones participated in a meeting with the Agency’s senior managers. She attended the groundbreaking of a MassDevelopment project at 47 Pleasant Street, Brockton, and she also attended a developers information session hosted by the City of Brockton.

Ms. Jones advised of Governor Baker’s recent decision to name MassDevelopment as the operator of the New Bedford and Fall River State Piers, and a brief discussion ensued. The piers are in poor condition, physically, and, when asked about the revenue model, it was noted it is unclear and there is not good bookkeeping. Ms. Jones said there are a lot of moving parts involved in the transition, and the piers will require long-time capital improvements.

[*Secretary’s Note: Ms. Quackenbush terminated the video recording of the President’s Report at this time.*]

[*Secretary’s Note: Messrs. Kavoogian and Vincze arrived at the meeting during the President/CEO’s Report (above) at 10:18 and 10:21 a.m., respectively.*]

**General Matters**

**5. FY2017 Finance Programs Closed Projects 1st and 2nd Quarters**. For information purposes only, a summary of MassDevelopment’s Finance Programs Closed Projects for the 1st and 2nd quarters is attached and part of the minutes of this meeting. No discussion of this item took place.

**6. VOTE – Working Cities Challenge – $100,000 Grant Agreement**

Ms. Jones briefly described this request to award a grant of up to $100,000 to the Working Cities Challenge, an initiative of the Federal Reserve Bank of Boston, subject to the grantee securing matching grant funds. Ms. Jones reminded everyone she serves on an Advisory Committee of the Federal Reserve’s Working Cities Challenge program, which she noted encourages multi-sector teams of municipalities, non-profits, and for-profits to collaborative effectively and create robust leadership and implementation capacity toward creating jobs, housing, and economic growth. This grant will support existing Working Cities recipients as they develop strategies to sustain their current programs after the three year program term. The Chair then asked for a vote and, upon motion duly made and seconded, it was unanimously

**VOTED:** That the Board of Directors of MassDevelopment approves awarding a grant up to $100,000 to the Working Cities Challenge, as outlined in the memorandum and vote dated April 13, 2017, attached and part of the minutes of this meeting.

**7. VOTE – Amendment of PFM Contract**

Referring to the approval by the Board last month of a new 3-year contract with two 1-year options with PFM Asset Management, LLC (“PFM”), Mr. Gerlin noted this request is to clarify that there will be two contacts with PFM: one contract for investment services for MassDevelopment’s general and restricted funds; one contract solely for the Agency’s Short Term Asset Reserve Fund (STAR Fund). Mr. Gerlin noted again the Agency’s history with PFM and confirmed the Finance and Administration Department continues to be pleased with PFM’s services. The Chair asked for a vote and, upon motion duly made and seconded, it was unanimously

**VOTED:** That the Board of Directors of MassDevelopment approves the contracts with PFM Asset Management, LLC, as outlined in the memorandum and vote dated April 13, 2017, attached and part of the minutes of this meeting.

**Strategic Planning**

**8. MassDevelopment FY2017 Strategic Themes and Business Plan Goals**. For information purposes only, the summary of the Agency’s Strategic Themes and Business Plan Goals is attached and part of the minutes of this meeting. No discussion of this item took place.

**9. Follow-up to March’s Board of Directors Meeting**. For information purposes only, information responsive to certain questions posed at the March Board meeting is attached and part of the minutes of this meeting. No discussion of this item took place, but Ms. Jones advised Board members to let Mr. McGrail know if they have any additional questions or comments with respect thereto.

**MARKETING / Communications**

**10.** **Media Report (March 2017)**. For information purposes only, the Selected Press Clips, Media Report, and Web Statistics for the previous month are attached and part of the minutes of this meeting. No discussion of these items took place.

**Bond Transactions**

**11. Bond Detail Memorandum**. For information purposes, the Bond Memorandum is attached and part of the minutes of this meeting. Mr. Chilton advised that he would make minor comments regarding the proposed bond issuances to Lexington Christian Academy, Inc. (Tab 18) and Venture Community Services, Inc. (Tab 22).

The Chair then asked if there were any recusals on the upcoming bond votes, and Mr. Blake disclosed to the Board that one of the officers of HarborOne Bank, of which he is president, serves as the Treasurer of Brockton Area Multi-Services, Inc. (Tab 15) and, therefore, he will recuse herself from any discussion, deliberation, and vote on that bond issuance and leave the room during the deliberation and vote on that matter.

The Chair advised that the Board would vote on the approvals and findings for the matters in Tabs 12 – 24, 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 without Volume Cap Request**

**12.** 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 attached and part of these minutes regarding:

a project of The Hannah BG Shaw Home, Inc., in Middleborough, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $13,350,000.

**13.** 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 attached and part of these minutes regarding:

a project of Criterion Child Enrichment, Inc., in several Massachusetts cities and towns, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $12,210,000.

**14.** 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 attached and part of these minutes regarding:

a project of Lathrop Community, Inc., in Easthampton and Northampton, Massachusetts, for the issuance of a Non-Profit Housing Bond Anticipation Note to finance such project in an amount not to exceed $4,424,000.

**15.** 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 attached and part of these minutes regarding:

a project of Brockton Area Multi-Services, Inc., in several Massachusetts locations, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $2,910,000.

[*Secretary’s Note: Having recused himself from this matter, Mr. Blake left the room and did not participate in any discussion, deliberation, or vote on this matter. He returned to the meeting room after completion of the above vote.*]

**Official Action Projects with Volume Cap Request**

**16.** 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 resolutions attached and part of these minutes regarding:

a project of AKFH Renovations LLC, in Worcester, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed $8,000,000.

**Bonds: Final Approvals**

**Final Approval Projects without Volume Cap Request**

**17.** That the Board of Directors of MassDevelopment approves and adopts the Official Action / Final Approval (“OA/FA”) resolutions attached and part of these minutes regarding:

a project of The President and Trustees of Williams College, in Williamstown, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $120,000,000.

**18.** Mr. Chilton advised of an additional related party – Lexington Prep School, Inc. – in this matter. 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 resolutions attached and part of these minutes regarding:

a project of Lexington Christian Academy, Inc., in Lexington, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $17,000,000.

**19.** 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 resolutions attached and part of these minutes regarding:

a project of the Young Men’s Christian Association of the North Shore, Inc., in several cities and towns in northeast Massachusetts, for the issuance of a 501(c)(3) Taxable-Exempt Bond to finance such project in an amount not to exceed $16,300,000.

**20.** 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 attached and part of these minutes regarding:

a project of Friends of Veritas Preparatory Charter School, Inc., in Springfield, Massachusetts, for the issuance of a 501(c)(3) Taxable-Exempt Bond to finance such project in an amount not to exceed $3,700,000.

**21.** 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 attached and part of these minutes regarding:

a project of Newton Communications Access Center, Inc., in Newton, Massachusetts, for the issuance of a 501(c)(3) Taxable-Exempt Bond to finance such project in an amount not to exceed $2,400,000.

**22.** Mr. Chilton advised that Mirick & O’Connell has been retained as borrower’s counsel. In addition, with respect to projected employment, the borrower has revised its numbers as follows: part time: 75; full time: 130; full time employees directly attributable to this proposed bond issuance: 60. 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 resolutions attached and part of these minutes regarding:

a project of the Venture Community Services, Inc., in Uxbridge, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed $1,550,000.

**Final Approval Projects with Volume Cap Request**

**23.** That the Board of Directors of MassDevelopment approves and adopts the resolution attached and part of these minutes regarding:

a project of Cox Engineering Company, in Randolph, Massachusetts, for the issuance of a Tax-Exempt IDB Bond to finance such project in an amount not to exceed $7,500,000.

**24.** That the Board of Directors of MassDevelopment approves and adopts the resolution attached and part of these minutes regarding:

a project of Ivory Keys, LLC, in Leominster, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed $6,956,035.

Mr. Morales wanted to know if staff is noticing any particular trends in connection with bond issuances, and Mr. Chilton advised that recent activity has been good; Ms. Canter confirmed that proposed bond issuances were exceeding budgeted goals by about 30 percent at the end of the 2016 calendar year.

**Standing Board Committee Reports**

***Audit & Administration Committee***

Ms. McGovern reported that the Committee met this morning. The Committee approved minutes and discussed the Agency’s travel policy. In addition, representatives from PFM presented the results of the Agency’s ongoing annual audit(s) to the Committee. Ms. McGovern noted PFM was very positive and had nothing negative to report. She advised that PFM then met briefly with the Committee members in the absence of Agency management; the Committee was assured there are no issues resulting from the current audit(s) and/or the Agency’s role in connection therewith.

**25. Minutes of Prior Meeting**. For information purposes only, the minutes of the November 10, 2016 Audit & Administration Committee Meeting are attached and part of the minutes of this meeting. No discussion of these minutes took place.

**26. VOTE – Approval of Agency Travel Policy**

It was noted that the Agency’s current practice calls for approval of an employee’s travel expenses by the employee’s manager and Chief of Staff or, in the instance of the President and CEO, approval by the Chief of Staff alone. Ms. McGovern advised that Committee members determined that best practices suggest that the Board should approve travel expenses for the President and CEO. Ms. McGovern advised that the Board Chair shall select one Board member for this purpose and the Agency’s travel policy shall be amended accordingly and, further, the Charter for the Audit & Administration Committee shall also be amended to reflect this decision. The Chair asked for a vote and, upon motion duly made and seconded, it was unanimously

**VOTED:** That the Board of Directors of MassDevelopment approves the Agency’s travel policy, as outlined in the memorandum and vote dated April 13, 2017, attached and part of the minutes of this meeting, and as amended to reflect the above discussion.

***Compensation Committee***

Ms. McGovern reported that the Committee met briefly this morning. The Committee approved the minutes of its prior meeting and discussed an issue raised in connection with the executive compensation process. Currently, among other things, the Committee Charter calls for the Compensation Committee to “ … evaluate and establish executive compensation for the President and CEO; Chief Financial Officer; Chief Operating Officer; and General Counsel, including, but not limited to, base salary, bonuses, severance, retirement, or deferred compensation packages ….” The Agency no longer employs a Chief Operating Officer. Ms. Madden stated that in keeping with best practices, the Committee members request an amendment to the Charter to provide that these tasks be approved by the full Board, at the recommendation of the Compensation Committee. Accordingly, the request to approve an amended Compensation Committee Charter will be brought before the Board.

***Origination & Credit Committee***

Mr. Blake reported that the Committee met on Tuesday, April 11, 2017.

**27. Minutes of Prior Meeting**. For information purposes only, the minutes of the March 7, 2017 Origination & Credit Committee Meeting are attached and part of the minutes of this meeting. No discussion of these minutes took place.

**Lending**

**28. Delegated Authority Report for Loan Approvals (February 2017)**. For information purposes only, the Delegated Authority Report regarding Loans is attached and part of the minutes of this meeting. No discussion of the Report took place.

**29. VOTE – Seafood Revolving Loan Fund and Gloucester Revolving Loan Fund (“SRLF/GRLF”) – Annual Board Certification**

Ms. Rosser described this request to certify compliance of the SRLF/GRLF with the plans governing them, as required annually by the U.S. Dept. of Commerce’s Economic Development Administration. The SRLF/GRLF were initially restricted to the fishing industry, but revisions were made to the guidelines allowing loans to any business in the target area, as long as the project supports job creation, with seafood and fishing businesses retaining priority status. Staff has determined that, for the reporting period of October 1, 2014 to September 30, 2016, both Funds are in complete compliance with their respective Plans. 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 resolution certifying compliance of the SRLF/GRLF, as outlined in the memorandum and vote dated April 13, 2017, attached and part of the minutes of this meeting.

**30. Minutes of Emerging Technology Fund Advisory Committee Meeting**. For information purposes only, the approved minutes of the December 7, 2016 Emerging Technology Fund Advisory Committee Meeting are attached and part of the minutes of this meeting. No discussion of these minutes took place.

**31. VOTE – Foxborough Regional Charter School (“FRCS”) (Foxborough) – $3,000,000 Charter School Guarantee**

Mr. Kelly briefly described this request for a $3,000,000 guarantee, noting that at its February 2017 meeting, the MassDevelopment Board approved $10 million in tax exempt bond financing to FRCS. Eastern Bank will purchase the bond – the proceeds of which will support the acquisition and renovation of an 83,000 s/f commercial property adjacent to FRCS’s existing campus, thereby allowing for expansion of enrollment by 400 students – and has requested the Agency to provide this guarantee. Mr. Kelly noted that the amount of the guaranty requested has been reduced from $4,000,000 to $3,000,000. 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 $3,000,000 Charter School Loan Guarantee to FRCS, subject to the terms of the memorandum and vote dated April 13, 2017, attached and part of the minutes of this meeting.

**Community Development**

**32. Delegated Authority Report for Community Development Approvals (February 2017)**. For information purposes only, the Delegated Authority Report regarding Community Development approvals is attached and part of the minutes of this meeting. No discussion of the Report took place.

**33. Minutes of Brownfields Advisory Group Meeting**. For information purposes only, the approved minutes of the December 13, 2016 Brownfields Advisory Group Meeting are attached and part of the minutes of this meeting. No discussion of these minutes took place.

**New Markets Tax Credits (“NMTC”)**

**34. Artists for Humanity (“AFH”) EpiCenter, Inc. (Boston) – Update on Project**. For information purposes only, an Update on the AFH EpiCenter project is attached and part of the minutes of this meeting. No discussion of this Update took place.

The Chair advised that he and other colleagues travelled to Washington, D.C., this past weekend and met with thirteen commerce leaders from around the country. He noted he and his colleagues were able to meet with three Cabinet members of the Trump Administration (including HUD Secretary Ben Carson and two others) to meet and talk about the Commonwealth of Massachusetts. He commented the group held an engaging conversation, which included discussion of NMTC, Low Income Housing Tax Credits, support for small businesses, and more. He noted there is reason to believe that the “final” federal budget will include funding for these items, and he said he left the meetings feeling encouraged.

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

Mr. Kavoogian advised the Committee met on Tuesday, April 11, 2017.

**35. Devens and Devens Environmental Updates**. For information purposes only, the Devens and Devens Environmental Updates are attached and part of the minutes of this meeting. No discussion of the Updates took place.

**36. Devens – Creation of a Micro-grid by the U.S. Army**. For information purposes only, a Memorandum regarding the proposed Micro-grid Project is attached and part of the minutes of this meeting. No discussion of the Memorandum took place.

**37. VOTE – Devens – Complete Streets Community Policy**

Mr. Carley explained briefly this housekeeping request to approve the Complete Streets Policy for Devens, which provides safe and accessible options for all travel modes – walking, biking, transit, and vehicles of various kinds – for people of all ages and abilities. The adoption of this Policy will also make Devens eligible for certain grant funding from Mass. Dept. of Transportation. 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 adopts the Complete Streets Policy for Devens, as outlined in the memorandum and vote dated April 13, 2017, attached and part of the minutes of this meeting.

**38. Statewide Real Estate Projects Updates**. For information purposes only, the Statewide Updates are attached and part of the minutes of this meeting. There was no discussion of the Updates.

**39. VOTE – Site Readiness Program Awards – First Round**

Referring to materials provided today, Mr. Starzec described this request to approve eight recommended grant awards in the first round of funding for this new Program, for a total of $675,000, as follows: Turnpike Industrial Park (***Westfield***): $300,000; Jungle Road Master Plan (***Leominster***): $100,000; Whiting Farms Road (***Holyoke***): $40,000; Westminster Business Park (***Westminster***): $25,000; Simplex Drive (***Westminster***): $25,000; Airport Road Sand Pit (***Fitchburg***): $40,000; Greylock WORKS (***North Adams***): $95,000; and Bigelow Spinning Mills Redevelopment (***Clinton***): $50,000. Mr. Starzec advised these awards arose out of an application process, and 38 applications were received in this first round of funding. The Chair elaborated briefly on the Program, noting the Legislature supported this new Program which is designed to offer assistance to communities to identify and develop additional industrial sites throughout the state and, noting further, it is expected to be a reoccurring program in the Baker Administration, which is excited about the pipeline of projects identified. 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 eight FY2017 Site Readiness Program applications, as outlined in the memorandum and vote dated April 13, 2017, attached and part of the minutes of this meeting.

**40. VOTE – Cottages at Carriage Grove, Belchertown – Abatement and Demolition Contract Award**

Ms. Maguire described briefly the request to approve the award of a contract to the lowest responsive and responsible bidder, for the Phase IV demolition and abatement project at the former Belchertown State School, as the result of a competitive public bid process having been advertised March 29, 2017, to which eight bids were received. Ms. Maguire was pleased to note that three bids were lower than expected. She advised staff is still reviewing the responses; hence, this request seeks delegated authority to the President and CEO to name the finalist and award the contract. 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 delegates authority to the President and CEO to approve the Phase IV demolition contract, as outlined in the revised memorandum and vote dated April 13, 2017, attached and part of the minutes of this meeting.

**41. VOTE – Transformative Development Initiative (“TDI”) – TDI Local: Small Business Acceleration Grant Program Awards**

Ms. Haynes explained this request to award grants totaling $330,000 as part of a pilot small grant effort to support small businesses and local market acceleration in the TDI Districts to entities as identified in the following eight Districts: Brockton, Haverhill, Holyoke, New Bedford, Peabody, Pittsfield, Springfield, and Worcester. Ms. Haynes said these grants will help to fill storefronts and bring activity to the Districts. Mr. Morales asked how one measures the success of these types of grants, and Ms. Haynes advised that a quarterly reporting form is being drafted for this purpose. She noted that staff looks at the number of jobs created and/or the number of small ventures created on a quarterly basis; staff also asks questions of the local businesses regarding increased visitors, sales, and more. 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 eight TDI Local: Small Business Acceleration grants requested, as outlined in the memorandum and vote dated April 13, 2017, attached and part of the minutes of this meeting.

***Manufacturing & Defense Sectors Committee***

Mr. Chisholm reported that the Committee met on Tuesday, April 11, 2017.

**42. Minutes of Prior Meeting**. For information purposes only, the minutes of the February 14, 2017 Manufacturing & Defense Sectors Committee Meeting are attached and part of the minutes of this meeting. No discussion of these minutes took place.

[*Secretary’s Note: John Beatty, as well as Chris Goode and Kathy Fergusson of The Roosevelt Group, joined the meeting at this time for the following presentation.*]

**43. VOTE – Acquisition of Land and Systems at Joint Base Cape Cod (“JBCC”)**

Mr. Gerlin described this request for MassDevelopment to take over the management and operation of the water and wastewater treatment plants at JBCC, and discussion ensued. He stated the Real Estate & Operations Committee held a good discussion of this item during its meeting on Tuesday. He noted the treatment plants are an important resource for the Cape Cod region, and this transaction may prove instrumental in future potential rounds of Base Realignment and Closure (“BRAC”). Mr. Beatty advised that JBCC has undergone a change in mission and, as a result, the base no longer needs the infrastructure provided by these facilities and he confirmed the management of the systems is a burden on the U.S. military. This request for MassDevelopment to take over the management and operation of these facilities will reduce potential “discriminators” in connection with a BRAC review and place JBCC in a better position.

If MassDevelopment takes over management of the treatment plants, it would result in necessary investments being made, which have not been made by the Air Force. It is believed that reduced operating costs for JBCC overall will also be realized, which would be viewed as positive, as the facilities are currently losing money. Mr. Moore advised that certain due diligence has already been conducted and the treatment plants are in good shape, generally; a more in-depth study is about to commence. Mr. Gerlin advised that water and wastewater treatment rates would need to be increased as soon as possible to cover certain costs associated with the management of the treatment plants.

A discussion then ensued regarding capacity. Mr. Chisholm asked about current capacity and Mr. Moore advised the plants are running at about 40 percent capacity and, down the road, it is expected that others will join the systems. He advised he has spoken with officials in Bourne, Falmouth, and Sandwich, who have all expressed interest in seeing what will become of the facilities and are all developing plans for future use. In fact, Bourne has begun negotiations with the Air Force already.

Mr. Morales commented this is a strategic plane, not a financial one. He expressed concerns about the financial and capital drag on the Agency going forward; he did not think the Agency has a good grasp on the finances, based on poor available data. Mr. Blake agreed the Agency needs to better understand the financials. Mr. Gerlin noted that in addition to the water and wastewater facilities, the Agency will also acquire about 130 acres of developable land. Ms. Jones noted that the actual transfer of the facilities will be subject to additional due diligence by MassDevelopment. Ms. Fergusson noted that in the past some proposed transactions like this with the Air Force have not gone forward due to matters identified during due diligence and that such a contingency was appropriate.

After discussion, the Chair asked for a vote and, upon motion duly made and seconded, by the directors present, it was, by a majority of the directors present and voting,

**VOTED:** That the Board of Directors of MassDevelopment approves the acquisition, as outlined in the presentation and vote dated April 13, 2017, attached and part of the minutes of this meeting. There was one abstention to the vote.

**Defense Sectors**

**44. Defense Presentation**. For information purposes only, a presentation regarding Military Initiatives is attached and part of the minutes of this meeting. No discussion of this presentation took place and will be scheduled for a future meeting of the Board.

**45. VOTE – Village Hill, Northampton – Sale of Coach House Property**

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

**46. VOTE – 526-538 Main Street, Worcester – Approval of Purchase of Property and Minor Repairs**

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

**Personnel Matter – Agency Leadership**

Due to components involving Agency personnel and performance, the discussion of this item occurred in Executive Session.

**EXECUTIVE SESSION**

The Chair then advised, at 11:46 a.m., that, pursuant to MGL Chapter 30A, 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 Northampton and Worcester and potential purchase and sale and lease terms, the discussion of any of which in Open Session would have a detrimental effect on the negotiating positions of the Agency. In addition, the Board of Directors was also going into Executive Session, pursuant to clause (3) of section 11A ½ of MGL Chapter 30A, to discuss certain Agency personnel and performance. The Chair instructed all persons who are not Board members or staff involved in these matters to leave the room. He noted that the Board will reconvene in Open Session following Executive Session.

[*Executive Session held*]

**OPEN SESSION RESUMED**

The Chair reconvened the Open Session of the MassDevelopment Board meeting to record the following, and staff was invited to rejoin the meeting.

**Personnel Matter – Agency Leadership**

Following discussion and vote in Executive Session, the Chair advised that the Board of Directors of MassDevelopment has voted to not renew the contract of the Agency’s current President and CEO, as discussed in Executive Session.

There being no further business before the Board, the meeting was adjourned at 12:28 p.m.