MASSACHUSETTS DEVELOPMENT FINANCE AGENCY

and

MassDevelopment/Saltonstall Building
Redevelopment Corporation

**Meeting of the Boards of Directors**

**Thursday, May 21, 2015**

**10:00 a.m.**

**M I N U T E S**

DIRECTORS PRESENT: Jay Ash, Chair

 Gerald Cohen, Vice Chair

 David Abromowitz

 Jay Hurley

 Richard Kronish

 April Anderson Lamoureux

 Patricia McGovern

 Jeffrey Porter

DIRECTORS ABSENT: Keon Holmes

 Dennis Kanin

 Jennifer Sullivan, Designee for Secretary of Administration & Finance

Agency Staff: Marty Jones, President & CEO

 Simon Gerlin, Chief Financial Officer

 Patricia DeAngelis, General Counsel

 Laura Canter, EVP, Finance Programs

 Richard Henderson, EVP, Real Estate

 Meg Delorier, Chief of Staff

 Teresa Patten, Board Secretary

 Victoria Stratton, Recording Secretary

 Kelsey Abbruzzese

 Steve Chilton

 Brenda Doherty

 Mike Galligan

 Ken Goode

 Zach Greene

 Anne Haynes

 James Hu

 Jim Kenney

 Thatcher Kezer

 Noah Koretz

 Doreen Lindsay

 Laura Masulis

 R.J. McGrail

 Matthew McSwain

 Michael Miller

 Joe Mulligan

 Leigh Natola

 Natalie Perry

 Deborah Rosser

 Kelsey Schiller, Intern, Communications

 Ed Starzec

 Mark Sternman

 Ellen Torres

Guests: None

Meetings of the Boards of Directors of Massachusetts Development Finance Agency (“MassDevelopment” or the “Agency”) and MassDevelopment/Saltonstall Building Redevelopment Corporation (“M/SBRC”) were held Thursday, May 21, 2015, 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 meetings to order at 10:04 a.m. He asked if there were any guests and there were none.

[*Secretary’s Note: All matters below are matters that were before the MassDevelopment Board except those specifically indicated as being before the M/SBRC Board.*]

[*Secretary’s Note: The paragraph numbers below refer to Tab numbers in the materials for the May Boards and Committees meetings.*]

**Minutes**

[*Secretary’s Note: For the following item only, it was noted that the Board was acting in its capacity as the Agency Board of Directors and the M/SBRC Board of Directors simultaneously.*]

**1. VOICE VOTE – Approval of Minutes (April 9, 2015)**

The Chair asked for a vote to approve the Open Session Minutes of the April 9, 2015 Agency and M/SBRC Board Meetings and, upon motion duly made and seconded, it was unanimously

**VOICE VOTED:** That the Boards of Directors of MassDevelopment and M/SBRC approve the Minutes of the April 9, 2015 Board Meetings.

**2. VOICE VOTE – Approval of Executive Session Minutes (April 9, 2015)**

Noting that the Board Secretary has advised that the matters in these Executive Session Minutes are not completed matters and that any comments regarding these Minutes must be reserved for Executive Session, the Chair asked if there were any questions or comments on these Executive Session Minutes, and there were none. Therefore, he asked for a vote to approve the Minutes of the Executive Session of the April 9, 2015 Board Meeting and, upon motion duly made and seconded, it was unanimously

**VOICE VOTED:** That the Board of Directors of MassDevelopment approves the Executive Session Minutes of its April 9, 2015 Board Meeting.

**President/CEO’s Report**

Ms. Jones reported that she recently attended a MassEcon event welcoming new businesses to the Commonwealth; she toured the Roxbury Venture Café in Dudley Square, which is considering including a makerspace in its plans; she also attended a meeting of the Commonwealth’s House of Representatives Manufacturing Caucus with Rep. Fernandes. Ms. Jones advised that she serves on a committee of the Working Cities Challenge of the Federal Reserve Bank and attends regular committee meetings of this federal/state collaborative; she also participates in monthly meetings with housing colleagues to discuss the Commonwealth’s residential needs.  Ms. Jones meets often with legislators, and, most recently, she met with Rep. Joseph Wagner of Chicopee and with Rep. Harold Naughton of Clinton.

Ms. Jones reported on specific line items in the proposed state budget for FY2016 that affect MassDevelopment. She stated there is $1 million in the House budget for the Transformative Development Initiative (“TDI”); an amendment for additional funds for this effort was proposed by Rep. Cabral of New Bedford and other Gateway City Caucus members but did not pass.

The Senate has proposed $350,000 for the Military Task Force.  In addition, there are two other line items in the Senate budget that directly affect MassDevelopment: the House proposed $50,000 and the Senate proposed $100,000 for the Mass. Marketing Partnership to conduct a study of the impact of Devens on the surrounding communities, and there is an unfunded mandate for a comprehensive study by the Agency of the New Bedford State Pier in the Senate budget.

Ms. Jones advised that there is no funding for Brownfields in any proposed budget and the Brownfields Redevelopment Fund will likely be committed by the end of 2015.  Hopefully, some additional funds could be provided through a bond bill or supplemental budget bill.  Mr. Kronish suggested that a portion of the remaining Brownfields dollars be segregated for site assessment work only, noting that perhaps certain smaller projects could benefit from this. Ms. Jones indicated that will be considered.

Finally, Ms. Jones informed the Board of a new micro-lending program at Mass. Growth Capital Corporation to support small businesses and entrepreneurship in TDI Districts; she looks forward to a good partnership between the agencies. The statutorily required Economic Development Plan of the Baker-Polito Administration is in process; on June 25th, there will be hearings on it throughout the Commonwealth.

**GENERAL MATTERS**

**3. MassDevelopment FY2015 3rd Quarter Financials**. For information purposes only, the Agency’s FY2015 3rd Quarter Financials are attached and part of the minutes of this meeting. When asked, Mr. Gerlin characterized the Agency’s financial well-being as healthy. He said the balance sheet is healthy; there are adequate reserves in place; there is tight management on those expenses the Agency can control. He advised that the Agency’s detailed budget will be presented to the Board in June for approval.

The Chair wanted to know what proceeds the Agency received from the sale of ***100 Cambridge Street*** and Mr. Gerlin responded that MassDevelopment netted $48 Million from the sale. A brief discussion ensued regarding clarification of certain terms of the sale, timing, proceeds to the Commonwealth, and related matters. Ms. Jones advised that certain schedules that will be presented as part of the Agency’s proposed budget for approval in June will make clearer the 100 Cambridge Street sale transaction.

**Strategic Planning**

**4. MassDevelopment FY2015 Strategic Themes and Business Plan Goals**. For information purposes only, the Agency’s Strategic Themes and Business Plan Goals are attached and part of the minutes of this meeting.

**5. Presentation and Discussion – Draft FY2016 Business Plan**. This discussion was postponed until later in the meeting.

**MARKETING/Communications**

**6.** **Media Report (April 2015)**. For information purposes only, the Selected Press Clips, Media Report, and Web Statistics for April are attached and part of the minutes of this meeting. No discussion of these items took place.

**7. VOTE – Award of Contract for Marketing Services – KHJ Integrated Marketing, Inc.**

Mr. Sternman described this request to approve a new one-year contract with KHJ Integrated Marketing, Inc. with an option to extend the contract for two additional terms of one year each. A Request for Proposals (“RFP”) for marketing services was issued and there were six respondents. Mr. Sternman noted that after reviewing the submissions, KHJ was selected based on the criteria in the RFP and noted there have not been any negative performance issues in the past. Mr. Sternman then presented a video that has been submitted as part of the Amp it Up! Challenge, which is aimed at middle school children; he described the video campaign as the kind of marketing KHJ has developed. When asked how word gets out about these types of programs, Ms. Doherty advised that advertising occurs by email blasts, through Twitter, and other mostly online means. 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 contract with KHJ Integrated Marketing, Inc., as outlined in the memorandum and vote dated May 21, 2015, attached and part of the minutes of this meeting.

[*Secretary’s Note: As of the date of this Board meeting, the video discussed above can be found at <*[*https://www.youtube.com/watch?v=7HHuRMeViAM*](https://email.massdevelopment.com/owa/redir.aspx?C=ff5c8edd45ed4153a18e76217135fa52&URL=https%3a%2f%2fwww.youtube.com%2fwatch%3fv%3d7HHuRMeViAM)*>, an electronic copy of the video has been stored on a disc, which is filed with and part of the minutes of this meeting.*]

**Bond Transactions**

**8.** **Bond Detail Memorandum**. Mr. Chilton advised there is new financial information regarding the proposed bond issuance for the Sterling and Francine Clark Art Institute (Tab 17) provided today to the Board. He noted no other changes from the materials in the May Board book.

With respect to the proposed bond issuance for Port Landing Tenant LLC (Tab 12), Mr. Kronish asked who owns the property and Mr. Chilton answered the City owns the land and will lease it to Port Landing Tenant LLC. Mr. Kronish also asked if prevailing wages were required to be paid on this project due to the City’s contribution, and Mr. Chilton advised this is a smaller scale project for which there is no such prevailing wage requirement.

The Chair then asked if there were any recusals on the upcoming bond votes, and there were, as follows:

Ms. McGovern disclosed to the Board that she serves on an advisory board of Boston Private Bank and Trust, the purchaser of the proposed bond issuance for and other matters related to 10 Winter Street Limited Partnership (Tabs 19 and 21). Therefore, she will recuse herself from any discussions, deliberation, and votes on these matters and leave the room during the deliberation and votes on these matters.

Mr. Porter disclosed to the Board that the law firm of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. (“Mintz”), of which he is a member, currently represents or previously represented, in either the matters before the Board or in other matters, parties involved in the proposed bond issuances for Hallmark Health System, Inc. (Tab 15), and Sterling and Francine Clark Art Institute (Tab 17). In addition, Mr. Porter disclosed that his colleague serves on the board of the purchaser of the proposed bond issuance for the William B. Rice Eventide Home, Inc. (Tab 13). Therefore, he will recuse himself from any discussions, deliberation, and votes on these bond issuances and leave the room during the deliberation and votes on these matters.

The Chair advised that the Board would vote on the approvals and findings for the matters in Tabs 9 – 21, taking separately those matters on which there are no recusals as noted above, 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**

**9.** Upon motion duly made and seconded, it was

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

a project of The Williston Northampton School, in Easthampton, Massachusetts, for the issuance of 501(c)(3) Tax-Exempt Bonds to finance such project in an amount not to exceed $26,000,000.

**10.** Upon motion duly made and seconded, it was

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

a project of The Trustees of Hampshire College, in Amherst, Massachusetts, for the issuance of 501(c)(3) Tax-Exempt Bonds to finance such project in an amount not to exceed $15,000,000.

**11.** Upon motion duly made and seconded, it was

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

a project of the Inly School, Inc., in Scituate, Massachusetts, for the issuance of 501(c)(3) Tax-Exempt Bonds to finance such project in an amount not to exceed $3,000,000.

**Official Action Projects with Volume Cap Request**

**12.** Upon motion duly made and seconded, it was

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

a project of Port Landing Tenant LLC in Cambridge, Massachusetts, for the issuance of Non-Profit Housing Bonds to finance such project in an amount not to exceed $4,900,000.

The Chair advised that the Board would now vote on the matters in Tabs 13, 15, and 17, for which there are recusals as noted above.

**Bonds: Final Approvals**

**Final Approval Projects without Volume Cap Request**

**13.** Upon motion duly made and seconded, it was

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

a project of William B. Rice Eventide Home, Inc., in South Weymouth, Massachusetts, for the issuance of Non-Profit Housing Bonds to finance such project in an amount not to exceed $48,000,000.

[*Secretary’s Note: Having previously recused himself from this matter, Mr. Porter left the room and did not participate in any discussion, deliberation, or vote on the matter.*]

**14.** See below.

**15.** Upon motion duly made and seconded, it was

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

a project of Hallmark Health System, Inc., in several Massachusetts locations, for the issuance of 501(c)(3) Tax-Exempt Bonds to finance such project in an amount not to exceed $35,000,000.

[*Secretary’s Note: Having previously recused himself from this matter and left the room, Mr. Porter did not participate in any discussion, deliberation, or vote on the matter.*]

**16.** See below.

**17.** Mr. Chilton reminded the Board of the revised financial information provided today and, upon motion duly made and seconded, it was

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

a project of Sterling and Francine Clark Art Institute, in Williamstown, Massachusetts, for the issuance of 501(c)(3) Tax-Exempt Bonds to finance such project in an amount not to exceed $22,000,000 (Official Action/ Final Approval (“OA/FA”)).

[*Secretary’s Note: Having previously recused himself from this matter and left the room, Mr. Porter did not participate in any discussion, deliberation, or vote on the matter. He returned to the meeting room after completion of the above votes on Tab 13, 15, and 17.*]

**14.** Upon motion duly made and seconded, it was

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

a project of SABIS International Charter School, in Springfield, Massachusetts, for the issuance of Tax-Exempt Bonds to finance such project in an amount not to exceed $36,000,000 (OA/FA).

**16.** Upon motion duly made and seconded, it was

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

a project of The Young Men’s Christian Association of Central Massachusetts, in several locations in central Massachusetts, for the issuance of 501(c)(3) Tax-Exempt Bonds to finance such project in an amount not to exceed $22,900,000.

**18.** Upon motion duly made and seconded, it was

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

a project of Riverside Community Care, Inc., in numerous Massachusetts locations, for the issuance of 501(c)(3) Tax-Exempt and Taxable Bonds to finance such project in an amount not to exceed $8,000,000 (Revised Final Approval).

The Chair advised that the Board would now vote on the matters in Tabs 19 and 21, for which there are recusals as noted above.

**Final Approval Projects with Volume Cap Request**

**19.** Upon motion duly made and seconded, it was

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

a project of 10 Winter Street Limited Partnership, in Quincy, Massachusetts, for the issuance of Tax-Exempt Bonds to finance such project in an amount not to exceed $11,381,000.

[*Secretary’s Note: Having previously recused herself from this matter, Ms. McGovern left the room and did not participate in any discussion, deliberation, or vote on the matter.*]

**20.** See below.

**Low Income Housing Tax Credits (“LIHTC”) Bond Issuer Tax Code Findings**

**21.** Upon motion duly made and seconded, it was

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

a project of 10 Winter Street Limited Partnership, in Quincy, Massachusetts, making findings regarding and for providing assistance for an annual allocation by DHCD of federal LIHTCs.

With respect to the 10 Winter Street Limited Partnership project above, Mr. Kronish asked whether there is a special needs population in the building; Mr. Chilton did not know, but said he will find out.

[*Secretary’s Note: Having previously recused herself from this matter and left the room, Ms. McGovern did not participate in any discussion, deliberation, or vote on the matter. She returned to the meeting room after completion of the above votes in Tabs 19 and 21.*]

**Final Approval Projects without Volume Cap Request (cont’d)**

**20.** Upon motion duly made and seconded, it was

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

a project of Advanced Cable Ties, Inc. and Advanced Realty, LLC, in Gardner, Massachusetts, for the issuance of Tax-Exempt IDB Bonds to finance such project in an amount not to exceed $10,000,000.

**Standing Board Committee Reports**

***Manufacturing & Defense Sectors Committee***

Noting the absence of the Committee Chair, Mr. Lamoureux advised that the Manufacturing & Defense Sectors Committee met on Tuesday, May 19, 2015, and recommended for approval the grant requested below. She noted that the Committee also discussed the success of the Advanced Manufacturing Futures Program to date and is mindful of the remaining $1.5 million in the Advanced Manufacturing Futures Fund.

**22. Minutes of Prior Meeting**. For information purposes only, the minutes of the April 7, 2015 Manufacturing & Defense Sectors Committee Meeting are attached and part of the minutes of this meeting. No discussion of the minutes took place.

**23. VOTE – Dept. of Defense OEA Grant – $400,000 Sub-Grant to Massachusetts Manufacturing Extension Partnership, Inc. (“MassMEP”)**

Mr. McSwain briefly explained this request to make a sub-grant under the Defense Industry Economic Diversification Study and Implementation Strategy Grant received by the Agency, which grant is for the defense industry across the Commonwealth. MassMEP will use the sub-grant to, among other things, provide pilot training programs and assistance with workforce strategies; strengthen the global supply chain; and help implement a continuous improvement process, all with a focus on middle skill training. 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 sub-grant to MassMEP, as outlined in the memorandum and vote dated May 21, 2015, attached and part of the minutes of this meeting.

***Origination & Credit Committee***

Mr. Cohen reported that the Origination & Credit Committee met on Tuesday, May 19, 2015, and recommended for approval the three votes before the Board today.

**24. Minutes of Prior Meeting**. For information purposes only, the minutes of the April 7, 2015 Origination & Credit Committee Meeting are attached and part of the minutes of this meeting. No discussion of the minutes took place.

**Lending**

**25. Delegated Authority Report for Loan Approvals (March 2015)**. 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.

**26. VOTE – Enhancements to Lending Programs**

Ms. Canter explained this request to (i) approve an increase of the maximum aggregate exposure for loans and guarantees to or on behalf of any one borrower or guarantor to $7,500,000 from the Agency’s current limit of $5,000,000 and (ii) allow leverage of the cash balances in two of the three Charter School Guarantee funds by two times. She noted the Agency’s portfolio review firm Chaston Associates, Inc. has reviewed this idea and agrees that it is reasonable. 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 requested modifications to the Agency’s Lending Programs, as outlined in the memorandum and vote dated May 21, 2015, attached and part of the minutes of this meeting.

[*Secretary’s Note: Ms. McGovern disclosed to the Board that she serves on the Board of Trustees of the Community Day Charter Public School, which does not have a loan or guaranty request before the Agency. The Board Secretary determined this does not result in a conflict or the need for Ms. McGovern’s recusal from the above vote, because the request today is for an internal program change and the referenced charter school has not requested any funding.*]

**27. VOTE – Bradstreet Partners, LLC (North Andover) – $2,933,607 General Fund Loan and DFIF Mortgage Insurance**

Mr. Galligan briefly explained this request for loan participations with and a loan guarantee for Pentucket Bank for loans to the borrower for the demolition of an outdated school building and then construction of 15 market-rate apartments and 18,000 sf of new street-facing retail at a property on Main Street in downtown North Andover. Once the school is demolished, construction will take between 18 and 24 months to complete. 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 $2,933,607 General Fund loan and DFIF Mortgage Insurance guarantee, subject to the terms of the memorandum and vote dated May 21, 2015, attached and part of the minutes of this meeting.

**28. VOTE – Sterilis, LLC and Sterilis Medical Corporation (Marlboro) – $1,500,000 Emerging Technology Fund (“ETF”) Loan**

Mr. Kenney explained this request for an ETF loan, the proceeds of which will be used for the acquisition of lab/testing equipment, working capital for inventory purposes, and payroll costs for new employees; the company has just leased space in Marlboro and it projects 12 new jobs. Sterilis has developed a point of care medical waste treatment device that sterilizes and grinds medical waste rendering it acceptable for disposal in regular trash as permitted under OSHA and state regulations; by using steam sterilization in its process, the company is able to begin selling its system without having to apply for any regulatory approvals. Mr. Porter expressed concerns regarding this medical waste treatment device and, specifically, the lack of any representation in the memorandum that the device and/or process indeed renders medical waste acceptable as regular trash without the need for regulatory approvals. He requested that a condition be added to the loan to require that the borrowers be required to provide, for the Agency’s benefit prior to closing, a legal opinion that use of the medical waste treatment device would not subject a user to any federal or state regulations relating to the treatment of medical waste. Noting inclusion of the above condition, 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 $1,500,000 ETF Loan, subject to the terms of the revised memorandum, which incorporates the condition discussed herein, and vote dated May 21, 2015, attached and part of the minutes of this meeting.

**Community Development**

**29. Delegated Authority Report for Community Development Approvals (March 2015)**. 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.

**New Markets Tax Credits (“NMTC”)**

**30. New Markets Tax Credits Program CY2014 Report**. For information purposes and as required by the Program, the NMTC Program CY2014 Report is attached and part of the minutes of this meeting. No discussion of the Report took place. It was noted that the next round of NMTC allocations is expected to be announced in two weeks.

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

Mr. Abromowitz stated that the Real Estate Development & Operations Committee met on Tuesday, May 19, 2015, and was presented with informative updates regarding the Transformative Development Initiative (“TDI”) and various statewide real estate projects.

**31. Minutes of Prior Meeting**. For information purposes only, the minutes of the April 7, 2015 Real Estate Development & Operations Committee Meeting are attached and part of the minutes of this meeting. No discussion of the minutes took place.

**32. 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 these items took place.

**34. Statewide Real Estate Projects Updates**. Mr. Henderson advised that the sale of 115 acres in the Myles Standish Industrial Park (“MSIP”) Expansion project in ***Taunton*** to Martignetti Liquors closed in April and demolition of existing structures is already underway. A bid protest regarding the award of a contract for the construction of Dever Drive has been resolved; the Agency prevailed and construction will be underway soon. Sullivan Tire held a ribbon-cutting; it also won an award for its newly constructed facility in MSIP Expansion. The South Coast Innovation Labs has moved into Building A at MSIP Expansion and will be providing a makerspace in its development plans. Ms. Lamoureux commented on the remarkable progress in Taunton, noting that it is by nature transformative of the community. In ***Belchertown***, asbestos abatement is complete and building demolition is taking place. The ***Lawrence*** City Council approved the purchase of 370 Essex Street; an Agency entity will purchase the property and sell it to City for the use of the school department, and it is proposed that MassDevelopment oversee the rehabilitation of the property.

**33. VOTE – Devens – Amendments to By-Laws, Zoning Map, and Reuse Plan**

Mr. Starzec reminded the Board of the request to accept substantive revisions to the Devens By-Laws, Zoning Map, and Reuse Plan. The warrant for Town meeting for these proposed changes, he noted, was signed by the Harvard Selectmen at their meeting earlier this week. Briefly, there are four changes: (1) to allow for senior housing; (2) to permit small-scale healthcare uses; (3) to effectuate a three-way land swap, which will protect Rogers Field, rezone and restore a portion of the Willow Brook corridor as open space, and allow for expansion of a residential neighborhood at Adams Circle; and (4) to repurpose unused residential land at the southern end of Grant Road to allow for commercial development. 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 revisions to the Devens By-Laws, Zoning Map, and Reuse Plan, as outlined in the memorandum and vote dated May 21, 2015, attached and part of the minutes of this meeting.

**35. VOTE – TDI – House Doctor Contracts**

Noting the revised memorandum provided today, which clarifies the name of one of the entitites, Ms. Haynes briefly described this request to award contracts to up to six professional real estate services firms, which all have a presence is Massachusetts, to provide consulting services on a house doctor basis in connection with the ten selected TDI Districts in Development. Clarification was made with respect to tracking the funding of the work performed under these contracts versus work done by these entities on behalf of the Agency more generally. 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 award of contracts, as outlined in the revised memorandum and vote dated May 21, 2015, attached and part of the minutes of this meeting.

**36. VOTE – Village Hill, Northampton – Sale of Single Family Lot on Olander Drive**

Due to components involving valuation of real property and potential purchase and sale terms, the discussion of this item occurred in Executive Session, at which time the sale of the lot was approved.

**EXECUTIVE SESSION**

The Chair then advised, at 11:12 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 the value and potential purchase and sales terms of real property at Village Hill in Northampton and on Grant Road in Devens, the discussion of which in Open Session would have a detrimental effect on the Agency’s negotiating positions. 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**

Following the Executive Session, the Open Session of the MassDevelopment and M/SBRC Board meetings was resumed.

**5. Presentation and Discussion – Draft FY2016 Business Plan**. Mr. McGrail referred to the Presentation at Tab 5 of the May Board materials, attached and part of the minutes of this meeting, noting that pp. 2 and 3 are informational, p. 4 is an overview of the process and themes, and pp. 6 and 7 describe the two main strategic themes with five goals each; the remaining pages support the claims and information contained in the first eight pages. Mr. McGrail asked if these items seem adequate and/or whether any points are missing, and a discussion ensued. Mr. Kronish was pleased to see a reference to quality jobs and he wondered whether a sub-committee should be formed to investigate and define issues associated with quality jobs, including compensation. With respect to Theme 1, Ms. Lamoureux stated that she believes Goal 1 (Provide Access to Capital) and Goal 2 (Support Job Creation) should be reversed; she opined that any job created as a result of an Agency transaction is a positive thing, but, to Mr. Kronish’s point, she believes the level of pay must be left to the legislature. Mr. Cohen concurred, noting that even if everyone agreed to a particular number regarding compensation, the Agency lacks authority to implement or enforce it. Further, Mr. Abromowitz noted that not all jobs are created equally; qualitative numbers may not fit all types of jobs or projects.

Mr. Porter called attention to the absence of any mention of Brownfields in the Themes / Goals, and he felt that there needs to be a further discussion regarding how to use more strategically the dwindling remaining funds in the Brownfields Redevelopment Fund. Ms. Jones agreed and noted that Brownfields are a part of so many of the matters in which the Agency is involved that it is integrated in other goals, not a separate goal itself. Mr. Ash made a similar point about “providing access to capital,” noting it does not need to be a separate goal.

In addition, Mr. Porter felt there needs to be a clearer understanding of how dollars are deployed in furtherance of the Agency’s mission. He questioned, specifically, how MassDevelopment, through its transactions, improves the economy. Mr. McGrail noted that the Themes are not stand-alone programs, but rather tools. With respect to Theme 2 / Goal 1 (Implement Transformative Development Initiative) on p. 7, the Chair suggested using the word “Champion” instead of “Implement” and asked in relation to Goal 3 (Build Regional Economic Knowledge), “building knowledge” of whom? He suggested adding goals to Theme 3 related to collaboration, stakeholder engagement, and performance management.

Mr. Kronish pointed out that the job numbers quoted in the presentation are based on estimates provided by borrowers and he wondered how realistic they are. It was noted that staff follows up with borrowers to confirm job numbers, and Ms. McGovern suggested also asking for compensation information, specifically, a range of pay for the jobs created. The Chair agreed that the job creation numbers should be tested before there is further consideration about forming a sub-committee.

With respect to Organization Excellence as outlined on p. 8, Mr. McGrail invited feedback from Board members regarding ways in which organizations can perform better. He noted the Agency is about to embark on an internal process whereby each division and/or department will be asked to put together a plan to accomplish the Agency’s Business Plan and to outline a management tool identifying how to do so.

The Chair suggested there needs to be a better definition of the dollars identified in the Themes and Goals on pp. 14 and 15; it is unclear whether these figures are actual or in the pipeline. For instance, what does the line item on p. 15 that reads “Leverage / Raise $3M in additional private TDI funding” mean? Ms. Haynes replied that it is a goal, and Ms. Jones advised that the Agency is looking at all options for funding. Mr. Henderson suggested deleting the word “private” from that line item. It was also agreed to delete the term “leverage,” because the focus of the goal is to raise more capital.

Noting the announcement expected in two weeks, Mr. Kronish stated he would like to see a plan for the NMTC should the Agency be awarded an allocation.

Mr. McGrail welcomed feedback from Board members regarding today’s discussion. He advised that he will refine and clarify the presentation based on the comments made.

There being no further business before either the MassDevelopment or M/SBRC Board, upon motion duly made and seconded, the meeting of each was adjourned at 11:58 a.m.