**Massachusetts Development Finance Agency**

**Meeting of the Board of Directors**

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

**Thursday, May 13, 2021**

**10:00 a.m.**

**M I N U T E S**

DIRECTORS PRESENT: Ashley Stolba, Undersecretary of Housing & Economic Development, Acting Chair

 Brian Kavoogian, Vice Chair

 Mark Attia, Designee for Secretary of Administration & Finance

 James Blake

 James Chisholm

 Juan Carlos Morales

 Kristina Spillane

DIRECTORS ABSENT: Joan Corey

 Francesca Maltese

 Ellen Zane

 Christopher Vincze

Agency Staff: Theresa Park, SEVP and Deputy Director

 Simon Gerlin, Chief Financial Officer

 Ricks Frazier, General Counsel and Secretary

 Marcos Marrero, EVP, Community Development

 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

Brandon Braxton

Graeme Brown

Jeff Buckley

Sean Calnan

Robert Carley

Steve Chilton

Jennifer Cohen

Sheri Corbeil

Julie Cowan

Mary Ellen DeFrias

Meg Delorier

Brenda Doherty

Rob Dolan

Tom Dolan

George Durante

Carol Edwards

Kathryn Fraser

Mike Galligan

Nick Giaquinto

Amanda Gregoire

Roy Herzig

Tonya Ingram

Lisa Kalinowski

Dena Kavanagh

Will Kidston

Brett Kimball

Connie Kirby

Noah Koretz

Nivi Kumari

Andrew Levine

Orlando Lewis

John Marc-Aurele

Shyla Matthews

Mike Mitchell

Paul Moran

Lillian Munoz

Leigh Natola

Jan Nuzzolo

Rick Pass

Jay Pateakos

Tom Pope

Doug Robinson

Kelsey Schiller

Robert Seega

Simmee Silton

Pat Sluder

Ed Starzec

Rebecca Sullivan

Gary Teague

Cynthia Tonucci

Eleni Varitimos

Shanta Vaughan

Gary Walker

Matt Wamback

Benny Wong

Unknown caller (617-818-7480)

Unknown caller (617-981-3675)

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

A Meeting of the Board of Directors of Massachusetts Development Finance Agency (“MassDevelopment” or the “Agency”) was held Thursday, May 13, 2021, by Remote Participation (See Secretary’s Note, below), pursuant to notice duly given.

Noting that the Chair had a conflict this morning, the Acting Chair introduced herself and welcomed everyone. She confirmed the presence of a quorum on the videoconference and called the meeting to order at 10:02 a.m. She asked if there were any guests present and there was only one.

[*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. VOTE – Meeting Minutes (April 8, 2021)**

The Acting Chair asked if there were any comments on the draft minutes of the April 8, 2021 Board meeting, and there were none. She 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

**VOTED:** that the Board of Directors of MassDevelopment approves the minutes of its April 8, 2021 Board meeting, which are attached and made a part of the minutes of this meeting.

**President / CEO Report**

Noting his absence, the Acting Chair advised that Mr. Rivera is not here to deliver this Report today because he is accepting an Honorary Degree from Merrimack College. She introduced Ms. Park who reported that special events in which the President/CEO participated this month included the opening of the Demakes Family YMCA in Lynn and an I-Hub Tour at UMass/Lowell. Mr. Rivera spoke with the public in Fitchburg and Leominster. He was also a panelist at a recent BARI Conference and attended a meeting of the Massachusetts Community Development Corporation.

Ms. Park advised that efforts focused on diversity, equality, and inclusion remain ongoing. Staff is conducting intern interviews from more than 200 applications received. Ms. Strunkin was congratulated for her leadership (*Worcester Business Journal*, “2021 Power 50: Jessica Strunkin,” May 10, 2021) and Ms. O’Malley was recognized for her tireless work to promote and expand participation in the Property Assessed Clean Energy, or PACE, program. The budget process is underway and staff hopes to bring a vote to the Board in June to approve the Agency’s FY2023 budget.

**Employee Introduction(s)**. Ms. Park read a list of dozens of MassDevelopment employee names and the number of years each has worked for the Agency; she then introduced the following long-term employees: Kelly Arvidson, SVP, Business & Economic Development (since 1995); Mike Mitchell, VP, Planning & Development (also, since 1995); and Gary Teague, Devens DPW Foreman (since 1996), who each made brief biographical remarks.

**General**

**2. Chief Financial Officer Update – 3rd Quarter Financials**. Mr. Gerlin provided an overview of MassDevelopment’s third quarter financials, noting that the Agency’s financial performance is ahead of budget; bond fees are up and housing loan activity is strong, while administrative expenses are down and salary and fringe are on budget. He reminded everyone that staff is in the middle of the budget process for the next fiscal year. When asked about “run rates” and what to expect in the FY2023 budget, Mr. Gerlin advised of tight controls on next year’s expenses.

Mr. Gerlin then stated that the COVID-19 pandemic appears to have had little impact on fee income. He reminded everyone that MassDevelopment did not receive allocations in the most recent New Markets Tax Credits rounds, but is optimistic about the upcoming round, for which it submitted an application. He explained certain external funding obligations and sources and timing and noted no need for concern. Mr. Gerlin provided a General Fund Cash Flow Analysis and said MassDevelopment is on track to hit all closing numbers. The Agency had not anticipated any early loan payoffs in an uncertain economic climate but some have been received. When asked about the proceeds from the land sale to General Electric last year, Mr. Gerlin advised that the Agency is holding a remnant of the cash and working with the Executive Office of Administration & Finance regarding next steps on how best to deploy those funds. Mr. Attia said he thought this matter had been concluded and will look into it.

**Marketing / Communications**

**3.** **Media Report (Mach 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 reported that as of April 30, the Finance Programs team had closed 45 bond issuances with $1.27 billion par and fees of $3.5 million, with a fiscal year end projection of $5.5 million versus budget of $4.1 million; 34 loans and guarantees had closed totaling $36.9 million versus $23.5 million over the same period last year, projecting $45-52 million in total closings for this fiscal year.

**Bond Transactions**

**4. 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 May Board materials.

The Acting Chair then advised that the Board would vote on the approval and findings for the matters in Tabs 5 through 11, 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 Project with Volume Cap Request**

**5.** 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 River Senior Apartments LLC, in Boston (Mattapan), Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed $6,628,441.

**Bonds: Final Approvals**

**Final Approval Projects without Volume Cap Requests**

**6.** 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 Official Action / Final Approval (“OA/FA”) resolution that is attached and made a part of these minutes regarding:

a project of the Trustees of Boston College in Boston (Chestnut Hill), Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $180,000,000.

**7.** 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 the Trustees of Phillips Academy, in Andover, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $61,000,000.

**8.** 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 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 a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $23,000,000.

**9.** 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 OA/FA resolution that is attached and made a part of these minutes regarding:

a project of Charles River Community Health, Inc., in Boston and Waltham, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $9,700,000.

**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 2Life Communities Services Inc., in Boston (Brighton), 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.

**Final Approval Projects with Volume Cap Requests**

**11.** 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 Salem Heights II Preservation Associates Limited Partnership, in Salem, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed $55,000,000.

***Community Development***

Marcos Marrero, EVP, Community Development, was then introduced. He presented his first update on the new Community Development Division on its first month anniversary, noting that staff is working to create an identity and processes for the new Division. He said that efforts related to building opportunities in weaker economic communities are taking place. The review of One Stop applications and offers of assistance in connection with that program are ongoing. Mr. Marrero reported that Andrew Levine is leaving the Agency in early June; Andrew has been an important contributor to the Agency’s Transformative Development Initiative (“TDI”) team.

**12.** **Approved Minutes of Brownfields Advisory Group Meeting (January 26, 2021)**. For informational purposes only, the approved minutes of the January 26, 2021 Brownfields Advisory Group meeting are attached and made a part of the minutes of this meeting. There was no discussion of these minutes.

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

**14. VOTE – Authorization of Signing Authority for the Executive Vice President, Community Development**

Mr. Frazier explained this request for signing authority for Mr. Marrero – as previously delegated to the EVPs of Real Estate, Finance Programs, and Devens Operations – to execute written instruments to support the activities of and for efficient operation of the Community Development Division. This change and others will become formally memorialized as part of a further review of the Agency bylaws anticipated later this year. 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 authorizes the requested signing authority for the Executive Vice President, Community Development, as outlined in the memorandum and vote dated May 13, 2021, which are attached and made a part of the minutes of this meeting.

**15. VOTE – Cultural Facilities Fund – Grant Awards – Spring 2021 Round**

Ms. Muñoz described this request for approval of 99 grant awards in the thirteenth round of this popular program, contingent as always upon receipt of funds from the Commonwealth, as approved by the Cultural Facilities Fund Advisory Group at its recent meeting. 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 98 of the 99 grant awards, except the award to Worcester Art Museum, as outlined in the memorandum and vote dated May 13, 2021, which are attached and made a part of the minutes of this meeting.

[*Secretary’s Note:* *Ms. Spillane advised that she is a corporate member of the Worcester Art Museum, which is being awarded a grant from the Cultural Facilities Fund. She, therefore, recused herself from the consideration of this matter, resulting in the loss of a quorum for the matter. The vote included approval of the remaining 98 grants, only, and the grant to the Worcester Art Museum was postponed to a future meeting.*]

**16. Transformative Development Initiative Updates**. For informational purposes, the TDI Updates are attached and made a part of the minutes of this meeting. Mr. Koretz was pleased to inform everyone that the Barr Foundation has given the TDI program an additional $530,000, earmarked for Creative Catalyst grants, specifically, bringing its total contributions to date to $2.3 million; this is a good partnership that significantly expands what the program is able to do. Staff is moving ahead with one year extensions of existing TDI Fellows into 2022 and looking at new TDI Districts for 2023. Mr. Koretz informed everyone to stay tuned for details regarding a Leadership Partnership component to come.

**Standing Board Committee Reports**

***Origination & Credit Committee***

The Origination & Credit Committee did not meet this month.

**17. Minutes of Prior Meeting**. For informational purposes only, the minutes of the April 6, 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**

**18. Delegated Authority Report for Loan Approvals (March 2021)**. 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.

**19. Summary Quarterly Portfolio Report**. For informational purposes only, the Summary Quarterly Portfolio Report for Lending is attached and made a part of the minutes of this meeting. There was no discussion of this report.

**20. VOTE – Standard Holdings, LLC (Hyannis) – $6,000,000 Commercial Real Estate Loan and $4,510,600 Loan Participation – General Fund**

Mr. Moran described this request for $10.5 million in financing to support the conversion of a blighted building that has been vacant for more than ten years in Hyannis, Massachusetts, into a 53 unit year round apartment complex that will consist of 43 units of mid-market / workforce rental units and 10 affordable units. He referred to the existence of a housing crisis on Cape Cod and called attention to the experienced project team. 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 the $6,000,000 real estate loan and $4,510,600 loan participation to Standard Holdings, LLC, as outlined in the memorandum and vote dated May 13, 2021, which are attached and made a part of the minutes of this meeting.

**New Markets Tax Credits (“New Markets”)**

**21. VOTE – Authorization of Signing Authority for the Senior Vice President, New Markets**

Ms. Canter explained this request for signing authority for the Senior Vice President, New Markets – similar to authority delegated to other SVPs in the Finance Programs Division – to sign, acknowledge and deliver on behalf of the Agency documents related to New Markets transactions. She emphasized that this authority extends only to implement programs that have already been approved under the delegation of authorities. 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 authorizes the requested signing authority for the Senior Vice President, New Markets, as outlined in the memorandum and vote dated May 13, 2021, which are attached and made a part of the minutes of this meeting.

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

Mr. Kavoogian reported that the Real Estate Development & Operations Committee met on Tuesday, May 11, 2021.

**22. Minutes of Prior Meeting**. For informational purposes only, the minutes of the April 6, 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.

**23. – VOTE – Devens – Devens Utility Department – Electric System – $5,050,000 Bond**

Mr. Gerlin briefly described this request to authorize the Agency to refinance a bond issued to it originally in 2001 and refinanced in 2011. He said the “all in” rate is 2.184 percent and will result in cash flow savings of $500,000 over the life of the bond. 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 adopts the resolution that is attached and made a part of these minutes regarding:

a project of Massachusetts Development Finance Agency, in Devens, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed $5,050,000.

**24. – VOTE – Devens – J.P. Albert, Inc. – Paving Contract Renewal**

Ms. Strunkin briefly described this request to authorize a contract extension and increase with J.P. Albert, Inc., for as-needed paving services. 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 the contract extension and increase with J.P. Albert, Inc., as outlined in the memorandum and vote dated May 13, 2021, which are attached and made a part of the minutes of this meeting.

**25. – VOTE – Fuss & O’Neill, Inc. – House Doctor Contract Increase**

Ms. Cohen described this request for approval to increase by $100,000 the existing Fuss & O’Neil House Doctor contract so that the Agency may continue working with this firm on existing projects in Belchertown, Fairhaven, and Southwick. Mr. Kavoogian noted that it is good to have a consultant in western Massachusetts. 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 the contract increase for Fuss & O’Neill, Inc., for House Doctor Services, as outlined in the memorandum and vote dated May 13, 2021, which are attached and made a part of the minutes of this meeting.

[*Secretary’s Note: It was noted that Mr. Blake departed the meeting during the above presentation at 10:57 a.m. and did not return.*]

**26. Devens Updates**. For informational purposes, the Devens Updates are attached and made a part of the minutes of this meeting. Ms. Strunkin reported that staff is coordinating the logistics for ongoing COVID-19 vaccination clinics taking place at *Clear Path for Veterans, Inc*. After seven years of working out environmental issues and two years of negotiation and coordination, the land sale to *Commonwealth Fusion Systems* closed in late April and construction has begun. This project has been well received by the community, and Ms. Strunkin credited tireless efforts of Zach Greene toward its ultimate success.

Ms. Strunkin advised that BSC Group has begun work re-rating the load capacity of the *Lovell Street Bridge*. Improvements to increase the bridge’s capacity are eligible for certain federal funding for which the Agency has applied, but is subject to a lengthy review process. The engineers in Devens are busy studying how the new development projects will impact the need for additional electricity.

**27. 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 on stakeholder meetings in ***Devens***. There is a continued push to move forward the project at 16 Bulge Road; minor revisions to the Land Disposition Agreement are being negotiated and this land sale transaction is expected to close in early June. Draper Labs has expressed interest in a 4.3 acre site in the Shirley Village Growth Area and a draft Letter of Intent has been sent out. Staff is preparing for future development of Salerno Circle; construction bids for the Emerson Green multi-unit apartment building came in 30 percent higher than expected. Meanwhile, design services are underway for the ***New Bedford State Pier*** and proposals for repairs to the North Wharf are due June 4; repairs for the refrigeration warehouse are proceeding through the Design Selection Board process.

**Standing Board Committee Reports**

* **Strategy Sessions Update.**

Ms. Hartford thanked the Board members and others for their participation and input in connection with recent Strategy Session discussions. She said the consultant is analyzing the information gathered and is working on next steps. Additional discussions are being considered, perhaps, for July.

[*Secretary’s Note: At this time in the meeting the Acting Chair asked for one roll call vote, upon motion duly made and seconded, to approve the following: the minutes (Tab 1); the bond transactions (Tabs 5 through 11); the Community Development signing authority (Tab 14) and Cultural Facilities Fund grant awards (Tab 15, for all grant awards except the one to Worcester Art Museum; see Secretary’s Note, p. 8); the loan request (Tab 20) and all Devens-related and Real Estate requests (Tabs 23 through 25). The Cultural Facilities Fund grant to Worcester Art Museum was excluded from the vote (See Secretary’s Note, p. 8), due to the lack of a quorum resulting from a recusal, and will be considered at a future Board meeting. Accordingly, all items presented to the Board were approved as indicated, except the grant to Worcester Art Museum.*]

**Miscellaneous: Old Business / New Business**

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

There being no further discussion or business before the Board of MassDevelopment, the Board Meeting and its Executive Session were adjourned in Executive Session at 11:24 a.m.