

MASSACHUSETTS DEVELOPMENT FINANCE AGENCY

**Meeting of the Board of Directors
Thursday, May 11, 2023
10:00 a.m.**

MINUTES

DIRECTORS PRESENT: Yvonne Hao, Chair
Jessica Andors
Gary Campbell
Joan Corey
Juan Carlos Morales
Andrew Salmon

DIRECTORS ABSENT: Brian Kavogian, Vice Chair
Kaitlyn Connors
Kristina Spillane
Juliann Thurlow

Agency Staff: Dan Rivera, President and CEO
Theresa Park, SEVP and Deputy Director
David Abdoo, Chief of Staff
Simon Gerlin, Chief Financial Officer
Sean Calnan, Acting General Counsel
Tania Hartford, EVP, Real Estate
Marcos Marrero, EVP, Community Development
Cyndy Tonucci, Interim EVP, Finance Programs
Victoria Stratton, Recording Secretary
Roy Angel
Melika Azadian
Lt. Reid Bagley, Mass. State Police
Rob Carley
Victoria Celazzianno
Meg Delorier
Kate Fraser
Conor Glasheen
Joe Grivers
Chief Tim Kelly, Devens Fire Department
Orlando Lewis
John Marc-Aurele
Wendy O'Malley
Rebecca Sullivan
Eleni Varitimos
Gary Walker
Amanda Wall

Benny Wong

Guests: Larry Genovesi, Embue, Inc.
Ashley Stolba, Undersecretary of Community Development,
Executive Office of Housing & Economic Development

A Meeting of the Board of Directors of Massachusetts Development Finance Agency (“MassDevelopment” or the “Agency”) was held Thursday, May 11, 2023, at the Agency’s offices at 99 High Street, Boston, Massachusetts, pursuant to notice duly given.

The Chair welcomed everyone and, confirming the presence of a quorum in the room and via telephone, called the meeting to order at 10:06 a.m. She asked if there were any guests present and the guests introduced themselves.

[Secretary’s Note: It was noted that, due to unexpected traffic congestion (and timing concerns), Ms. Andors and Mr. Campbell participated in the early portion of the meeting via telephone until their respective arrivals to the meeting room (noted below). Further, it was noted that any and all votes taken until a quorum of Board members was present in the meeting room would be conducted by roll call.]

MINUTES

1. VOTE – Meeting Minutes (April 13, 2023)

The Chair asked if there were any comments on the draft minutes of the April 13, 2023 Board meeting, and there were none. The Chair asked for a vote to approve these minutes and, upon motion duly made and seconded, by a roll call of the directors present and/or via telephone, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves the minutes of its April 13, 2023 Board meeting, which are attached and made a part of the minutes of this meeting.

2. VOTE – Executive Session Meeting Minutes (April 13, 2023)

The Chair stated that if there are any comments on the draft Executive Session minutes of the April 13, 2023 Board meeting, they must be discussed in Executive Session. There were no comments. She asked for a vote to approve these minutes and, upon motion duly made and seconded, by a roll call of the directors present and/or via telephone, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves the Executive Session minutes of its April 13, 2023 Board meeting, which are attached and made a part of the minutes of this meeting.

PRESIDENT / CEO REPORT

Mr. Rivera then reported the following highlights:

Barnes Air Base. After many years of collaborative efforts toward this end, the U.S. Air Force announced that Barnes Air National Guard Base in Westfield will be the recipient of eighteen (18) F-35 fighters, guaranteeing the Base's role in the nation's air defense and in Westfield's economy for decades to come. Congratulations were offered to John Beatty and the Military Task Force, as well as the current and former Administrations, and others, for this successful collaboration to keep and grow this military mission in the Commonwealth.

Events. On April 25, Mr. Rivera joined Undersecretary Stolba, Gov. Healey and LG Driscoll for a visit to Fall River, which included the Fall River Transformative Development Initiative, or TDI, District, as well as a roundtable discussion moderated by MassDevelopment's own Jim McKeag, Fall River TDI Fellow and South Cluster Lead. Another trip to Fall River, at the invitation of Sen. Rodrigues, included visits to the State Pier and Battleship Cove and a meeting focused on the future of both sites, and other marine structures.

Healey-Driscoll Administration. Massachusetts law requires new administrations to create an Economic Development Plan within their first year. The governor, lieutenant governor and Secretary Hao kicked off that effort with a meeting at the State House of the Economic Development Planning Council (comprised of 29 leaders); this is the first in a series of such meetings taking place regionally over the next several weeks. The Massachusetts One-Stop for Growth Program, of which, MassDevelopment manages 6 of its 12 programs, opened its application portal on May 1 and, as of yesterday, 126 applications had been submitted, with more expected by the June 2 deadline.

Climate Bank. MassDevelopment continues to examine how to best use its products in relation to energy efficiency and lowering greenhouse gas emissions. In addition, the Agency looks forward to supporting MassHousing and the Massachusetts Clean Energy Commission, or MassCEC, as these organizations spearhead the effort to establish a program to enact financing, subsidies and grants for these important environmental purposes.

Devens. Congratulations to Firefighters Jazmin Murillo and Mark Boucher who graduated from the Massachusetts Firefighters Academy's Department Career Recruit Training Program in late April at the top of their class. FF Murillo was selected as the recipient of the Richard N. Bangs Award, given to the most outstanding recruit of the class; she is the third Devens firefighter to receive this honor.

New Bedford State Pier. The Ferry Boat Project, which replaced a section of the North Wharf to maintain safe access to the ferry boats, is complete, on time and under budget. The \$25 million North Wharf Project is in the permitting stage and on schedule.

Staff Updates. Twenty-eight resumes have been received for the General Counsel position and interviews are being scheduled with several outstanding candidates in the coming days and weeks. The Agency’s Culture Council, in partnership with the Asian Community Development Corporation, is hosting a Walking Tour today at 2 p.m. of Boston’s Chinatown, which, at 130 years, is one of the oldest residential Chinatowns in the country.

3. Employee Introduction(s)

Mr. Rivera advised of the following anniversaries: Steven Narkevicius, Accounting Supervisor (15 years); and Robert Seega, Vice President, Investment Banking (also 15 years). He then introduced the following new hires: Victoria Celazzianno, Office Manager; and Melika Azadian, Contracts Manager, who each made brief comments.

[Secretary’s Note: Mr. Campbell and Ms. Andors both arrived and joined the meeting in person during the above report, at 10:12 a.m. and 10:20 a.m., respectively.]

Next, Ms. Fraser introduced Mr. Genovesi, Co-Founder of Embue, Inc., recipient of a \$3.8 million Emerging Technology Fund loan from MassDevelopment, and Mr. Genovesi thanked the Board for its time and support. He described himself as a “serial entrepreneur” who has solved how to make multifamily housing safe and efficient. Embue has developed a smart building platform for multifamily portfolios, which offers apartment building intelligence, automation, monitoring and control. Mr. Genovesi advised that this technology fits well with new construction and, noting that 60 to 70 percent of existing building stock will still be in use 50 years from now, he confirmed that older construction can be retrofitted. This smart platform allows a building’s complex systems to interact, resulting in efficiency and safety. The platform can detect such things as water leaks, boiler malfunctions, mold, system failures, etc., while also monitoring air quality, and more. Smart buildings use less energy and provide safety and comfort for their residents.

BOND TRANSACTIONS

4. Bond Detail Memorandum

For informational purposes, the Bond Memorandum is attached and made a part of the minutes of this meeting. Ms. Sullivan provided a brief summary, noting no changes to the May Board materials.

The Chair then advised that the Board would vote on the approval and findings for the matters in Tabs 5 through 14, noting one recusal, 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 State Volume Cap Request

5. Upon motion duly made and seconded, by the directors present, it was, unanimously

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

a project of Morrissey Boulevard 121A Limited Partnership, in Boston (Dorchester), Massachusetts, for the issuance of a Tax-Exempt Bond to finance such affordable housing project in an amount not to exceed \$26,710,000.

Bonds: Final Approvals

Final Approval Projects without Volume State Cap Requests

6. Upon motion duly made and seconded, by the directors present, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves and adopts the 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 University, in Boston, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed \$260,000,000.

7. Upon motion duly made and seconded, by the directors present, it was, unanimously

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

a project of Simmons University, in Boston, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed \$36,000,000.

8. No vote took place on the bond transaction for the Trustees of Milton Academy, in Boston, Massachusetts (See Secretary’s Note, below).

[Secretary’s Note: The Chair disclosed that an immediate family member attends Milton Academy. She, therefore, recused herself from the consideration of this matter. Such disclosure resulted in the loss of a quorum to approve the transaction. It was noted that a Special Board meeting may be scheduled to conduct a vote on this matter.]

9. Upon motion duly made and seconded, by the directors present, it was, unanimously

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

a project of Glenmeadow, Inc., in Longmeadow, Massachusetts, for the issuance of a Non-Profit Housing Bond to finance such project in an amount not to exceed \$5,000,000.

10. Upon motion duly made and seconded, by the directors present, it was, unanimously

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

a project of South Shore Stars, Inc., in Weymouth, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed \$4,640,000.

11. Upon motion duly made and seconded, by the directors present, it was, unanimously

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

a project of New England Adolescent Research Institute, Inc., in Easthampton, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed \$36,000,000.

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

a project of The Island Autism Group, Inc., in West Tisbury, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed \$1,500,000.

Final Approval Projects with Volume State Cap Requests

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 that is attached and made a part of these minutes regarding:

a project of 2Life Leland LLC, in Waltham, Massachusetts, for the issuance Tax-Exempt Bond to finance such project in an amount not to exceed \$17,820,000.

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

a project of Dudley Crossing LLC, in Boston (Roxbury), Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed \$900,000.

STANDING BOARD COMMITTEES

It was noted that no Committee meetings took place this month.

Real Estate and Devens

15. VOTE – Devens – Haley & Aldrich Contract(s) Amendment

Ms. Delorier briefly described this request to authorize MassDevelopment to enter into a consolidated contract with Haley & Aldrich, Inc. for continued environmental engineering, consulting, peer review and other environmental services. Noting numerous contacts with this vendor over the years, she called attention to Haley & Aldrich’s expansive history, knowledge and experience with circumstances unique to Devens; a consolidated contract with this vendor is requested for administrative convenience purposes. 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 authorizes the Agency to enter a consolidated contract with Haley & Aldrich, Inc., for environmental services related to Devens, as outlined in the memorandum and vote dated May 11, 2023, which are attached and made a part of the minutes of this meeting.

16. Devens – Public Safety Building Update

Citing the immediate need of the Devens Public Safety Team, Ms. Delorier introduced Chief Tim Kelly of the Devens Fire Department. Chief Kelly said has been with the FD in Devens for 19 years. As Chief, he is the risk manager for a staff of 25 currently. In addition to potential hazards at the Devens Fire Station itself, his staff is responsible for responding to high risk facilities with potentially dangerous contents, and training everyone who will disturb the ground in Devens on the potential presence of unexploded ordnance (UXO). He described the commercial and residential populations in Devens, and stated that call volume is up 25 percent over last year, while ambulance responses have increased 50 percent.

Chief Kelly advised that the current Fire Station, built in 1965 and expanded in 1985, is in “rough shape.” DPW does what it can, given the existing conditions at the dated 5,042

square foot facility. He provided details in a Powerpoint presentation, which is attached and made a part of the minutes of this meeting, calling attention to such items as: rusting pipes; diesel soot and dust; the lack of a modern HVAC system; shared, cramped office spaces; lack of private or dedicated facilities for female firefighters; old, exposed wiring; various potential fire hazards; more. He said the status of asbestos in the building is unknown. In addition, turnout gear can carry its own health risks. The Chief explained how products of combustion collect on gear, uniforms, etc. and the Fire Station lacks space to properly store gear or do so efficiently. Maintenance is an ongoing issue; the mezzanine storage is limited to light items such as toilet paper and paper towels because of difficulty of access; the list goes on. It was noted, too, that the conditions at the State Police Station are also poor.

The Chair expressed concern over the poor conditions of the Devens Fire Station, confirming that the groundwork for a new facility has, indeed, been laid. Mr. Morales asked about the budget for the new facility and wanted to know if it would be financed through a bond, to which the response was positive.

A brief discussion ensued regarding the regional dispatch center and Mr. Marc-Aurele, the Agency's Director of Engineering, called attention to two failed prior attempts to authorize a new Public Safety Facility – in 2009 and 2014 – and noted that the cost has doubled with each attempt. He spoke about the site selection (270 Barnum Road) and completely gutting and renovating the existing nearly vacant structure with the construction of additional space, including, among other improvements, new apparatus bays and a training tower. A discussion ensued regarding the budget and estimates, and several Board members agreed that the estimates seem low. Mr. Rivera suggested that “the market will tell” when the Agency solicits the bond, which, he noted, it is ready to do: the pre-qualification process is complete, and competitive pricing is currently favorable.

A discussion then ensued regarding the use of Minority Business Entities on this project and Mr. Marc-Aurele advised that the Agency's Board-approved Diverse Business Entities policy and applicable law will be followed on the project. Mr. Walker agreed, noting that this is a Chapter 149 project, so compliance with the state's MBE, DBE guidelines is required. A brief discussion of sources and uses ensued – including discussion of the Devens Fund, a combination of funding sources, the bonding process (which, it was noted, takes about 4 to 6 weeks) – and Mr. Gerlin said the Agency would provide final numbers soon. Ms. Hartford advised that staff is nearly ready to issue the invitation for bids for construction of the new facility and the Agency hopes to bring a vote to the Board in August to authorize the award of a construction contract, followed by an announcement in September.

Community Development

17. VOTE – Cultural Facilities Fund – Grant Awards

Ms. Varitimos described this request to approve 95 Round 15 Cultural Facilities Fund grants as recommended by the Cultural Facilities Fund Advisory Committee at its meetings

on April 26 and May 2, 2023. She described the application and selection process, noting that 170 applications were received seeking \$20.2 million (to support \$242 million, ultimately, in total projects costs). She provided a breakdown – by grant type (i.e., capital grants; feasibility and technical assistance grants; systems replacement grants) – for a total request of \$7,748,000, and advised that more than half are first time grant recipients. Noting one recusal (see Secretary’s Note, below), the Chair asked for a vote on 94 grant awards, except the grant to Essex Art Center, Inc., and, upon motion duly made and seconded, by the directors present, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves 94 Round 15 Cultural Facilities Fund grant awards, except the grant to Essex Art Center, Inc., as outlined in the memorandum and vote dated May 11, 2023, which are attached and made a part of the minutes of this meeting.

[Secretary’s Note: Reminding the Board of her position in relation to the overall economic development of Lawrence, Massachusetts, Ms. Andors recused herself from the consideration of the grant for the Essex Art Center project in Lawrence, individually. Such disclosure resulted in the loss of a quorum to approve said grant. It was noted that a Special Board meeting may be scheduled to conduct a vote on this individual grant and the bond transaction (at Tab 8, above). The remaining 94 grants were approved as indicated.]

QUARTERLY REPORTS

- **Finance Programs – Quarterly Update**

Ms. Tonucci reported a decrease in loan/guarantee growth compared to last year, some of which is due to timing issues. She advised of total balances, noted a total portfolio risk rating of 4.1 percent, and described Investment Banking in the housing sector as “strong.” With respect to Climate Banking, Ms. Tonucci said conversations are ongoing with MassHousing, MassCEC and others and MassDevelopment continues to offer its products (what she called “our set of tools”). Meanwhile, staff continues to examine, internally, ways to adapt the Agency’s products and services to focus on energy efficiency for all new transactions. Ms. Tonucci referred to a Decarbonization Fund, and the Chair said decisions are coming soon in that regard.

Ms. O’Malley then described briefly the first Property Assessed Clean Energy, or PACE, transaction that closed under the Green Finance program. Funds will support the replacement of an HVAC system with solar energy in a warehouse on McGrath Highway that accommodates 13 retail tenants.

INFORMATIONAL ITEMS

18. Community Development – TDI Equity Investment Awards

For informational purposes only, information regarding TDI Equity Investment Awards is attached and made a part of the minutes of this meeting. There was no discussion of this item.

19. Cultural Facilities Fund – Approved Minutes of the Cultural Facilities Fund Advisory Committee meeting (September 13, 2022); and presentations from recent grant recipients

For informational purposes only, the approved minutes of the September 13, 2022 Cultural Facilities Fund Advisory Committee meeting are attached and made a part of the minutes of this meeting. Materials presented at a recent meeting of the Advisory Committee are also attached. There was no discussion of these items.

20. MassDevelopment/HEFA Trust – Community Health Center Grant Awards

For informational purposes only, information regarding eleven grant awards in the Community Health Centers Program is attached and made a part of the minutes of this meeting. There was no discussion of this information.

21. Lending – Delegated Authority Report for Loan Approvals (March 2023)

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.

22. Media Report (April 2023)

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.

MISCELLANEOUS: OLD BUSINESS / NEW BUSINESS

The 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 was adjourned at 11:53 a.m.