

MASSACHUSETTS DEVELOPMENT FINANCE AGENCY

**Meeting of the Board of Directors
Thursday, September 8, 2022
10:00 a.m.**

MINUTES

DIRECTORS PRESENT: Mike Kennealy, Secretary of Housing & Economic
Development, Chair
Brian Kavoojian, Vice Chair
Jessica Andors
Mark Attia, Designee for Secretary of Administration &
Finance
Gary Campbell
James Chisholm
Joan Corey
Kristina Spillane
Julieann Thurlow

DIRECTORS ABSENT: Juan Carlos Morales

Agency Staff: Dan Rivera, President and CEO
Simon Gerlin, Chief Financial Officer
Ricks Frazier, General Counsel and Secretary
Laura Canter, EVP, Finance Programs
Tania Hartford, EVP, Real Estate
Marcos Marrero, EVP, Community Development
David Abdo, Chief of Staff
Victoria Stratton, Recording Secretary
Taiwo Bello
Graeme Brown
Sean Calnan
Rob Carley
Jennifer Cohen
Robert Jenkins
Noah Koretz
Corlis Melchoir
Jim Moore
Daniel Morais
Leigh Natola
Geetha Ramani
Zac Raslan
Rebecca Sullivan
Gary Walker

Guests: Ashley Stolba, Assistant Secretary of Housing & Economic
Development

A Meeting of the Board of Directors of Massachusetts Development Finance Agency (“MassDevelopment” or the “Agency”) was held Thursday, September 8, 2022, at MassDevelopment’s office, 99 High Street, 11th floor, Boston, Massachusetts, pursuant to notice duly given.

The Chair welcomed everyone and, confirming the presence of a quorum, he called the meeting to order at 10:00 a.m. He asked if there were any guests present in addition to Ms. Stolba and there were none.

MINUTES

1. VOTE – Meeting Minutes (August 11, 2022)

The Chair asked if there were any comments on the draft minutes of the August 11, 2022 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

VOTED: that the Board of Directors of MassDevelopment approves the minutes of its August 11, 2022 Board meeting, which are attached and made a part of the minutes of this meeting.

2. VOTE – Executive Session Meeting Minutes (August 11, 2022)

The Chair stated that if there are any comments on the draft Executive Session minutes of the August 11, 2022 Board meeting, they must be discussed in Executive Session. There were no comments. He asked for a vote to approve these minutes and, upon motion duly made and seconded, by the directors present, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves the Executive Session minutes of its August 11, 2022 Board meeting, which are attached and made a part of the minutes of this meeting.

PRESIDENT / CEO REPORT

Mr. Rivera reported the following highlights:

State Small Business Credit Initiative (“SSBCI”). At the end of August, MassDevelopment received exciting news from the U.S. Treasury that the Commonwealth’s proposed programs for SSBCI funding were approved. As a result, MassDevelopment stands to receive \$20 million in federal funds in the coming weeks – and, potentially, another \$60

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*Approved:
October 13, 2022*

million over the next few years – to leverage investments in socially and economically distressed individual owned businesses in Massachusetts, as approved by the Board in May 2022. Thanks to the following staff – Ms. Canter, Ms. Hartford, Ms. Park, and Messrs. Frazier and Hokenson – for their work on this matter; the Agency is also grateful for the collaborative efforts of the Executive Office of Housing & Economic Development, the Massachusetts Growth Capital Corporation, and MassVentures to secure these funds.

Regional Offices. The Agency’s regional offices are continuing to reopen in their new locations. The Lawrence and Fall River offices are up and running and the Worcester office will open next month.

Federal Reserve Bank. Mr. Rivera met with the new CEO Susan Collins of the Boston Fed, an important partner, to discuss opportunities and challenges in the local and regional economy.

2022 Interns. Most of the interns have concluded their work, and presentations were made to the Executive Team and staff over the past few weeks. The Agency is grateful for the exceptional work of this year’s interns and hopes to see them in future internships with MassDevelopment, as full-time employees here, or with Agency partners. Congratulations to Sydney Ly, the communications intern, for winning the Second Annual Intern Innovation Pitch Contest. Staff is grateful also to HR, Tina Wong, and Trish Bungkadanara for their exceptional work in making the intern program such a success for all of the managers, interns, and other supporting cast.

Devens. The Select Boards of the three host communities are all supportive of the Devens Enterprise Commission’s request to raise the square footage cap on future development in Devens, which was included in Gov. Baker’s Economic Development Bill. While the Economic Development Bill was not acted upon before the end of the 2022 legislative session, staff continues to monitor its progress and similar language is in a pending supplemental budget bill. Much appreciation is owed to the Devens DPW, the Recreation Department, and the Devens Fire Department for their efforts to make Fort Devens Day an incredible success. The day-long event, which included food trucks, live music, reenactments, and fireworks, drew about 4,000 people. MassDevelopment announced that Jessica Strunkin has left her leadership role in Devens; however, the Agency is thankful to Meg Delorier, who, with the support of Karen Davis and David Abdo, is standing in until a new Devens leader can be found.

State Piers. Due diligence on the responses to the New Bedford State Pier Request for Proposals (“RFP”) continues and a decision is expected soon.

Meanwhile, internally, staff members affected by the closure of the Orange Line are being supported with flexible work and transportation options, as are those affected by ongoing COVID trends. Mary Pederson, the new SVP of Human Resources, began last week, and Mr. Rivera took the opportunity to thank Melissa Baretta of AIM for all she has done in the past 18 months. Later today, the first in a series of Board education sessions – from Finance Programs to Budgeting 101 – will take place where the EVPs of the major

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divisions of MassDevelopment will explain the ins and outs of the work they do to accomplish the Agency's mission.

3. Employee Introduction(s). Mr. Rivera advised of the following anniversaries: Frank Canning, VP, Investment Banking (23 years); Roman Ferguson, Devens Rec Facility/Field Coordinator (22 years); and Joe Grivers, VP of Investment Banking (also 22 years). He then introduced the following new hires – Taiwo Bello, Investment Banking Associate; Zachary Raslan, GIS Specialist; David Abdo, Chief of Staff; Robert Jenkins, SVP, Real Estate Development – who each made brief comments.

[Secretary's Note: Mr. Raslan departed the meeting following the above presentation, at 10:20 a.m.]

At the conclusion of the comments above, the Chair suggested that a presentation devoted to the SSBCI funding, including loan products and the new Diversity Venture Fund, would be helpful and interesting for Board members. He suggested the November Board meeting for such presentation.

FINANCE PROGRAMS

4. Fiscal Year-End 2022 Financial Update

Referring to the unaudited FY2022 Financial Update, which is attached and made a part of the minutes of this meeting, Mr. Gerlin advised that there is nothing troublesome or material to report about the Agency's financials. He noted, generally, that bond income is down slightly; certain external funding items did not "get out the door" due to timing issues; and investment income includes certain unrealized losses. He stated that expenses are closely monitored and tightly controlled. With respect to the Site Readiness program, Mr. Gerlin affirmed that some projects are simply not yet ready for funding. He reminded everyone that proceeds from the sale of General Electric property in 2019 continue to fund the expansion of the important and successful Transformative Development Initiative ("TDI") program. Meanwhile, the General Fund balance at fiscal year-end was roughly \$70 million. Finally, Mr. Gerlin confirmed that audited Financial Statements would be available in November.

BOND TRANSACTIONS

5. 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 September Board materials.

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

Bonds: Official Action Approvals

Official Action Projects with Volume Cap Requests

6. Upon motion duly made and seconded, by a vote of 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 Nuestra Comunidad Development Corporation, in Boston (Roxbury), Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed \$16,076,714.

7. Upon motion duly made and seconded, by a vote of 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 3371 Washington Owner LLC, in Boston (Jamaica Plain), Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed \$12,150,000.

Bonds: Final Approvals

Final Approval Project without Volume Cap Request

8. Upon motion duly made and seconded, by a vote of 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 Girls Inc. of the Valley, in Holyoke, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed \$2,275,000.

Final Approval Project with Volume Cap Request

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

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

a project of 23 Farrar Street LLC in Lynn, Massachusetts, for the issuance of a Tax-Exempt Industrial Development Bond to finance such project in an amount not to exceed \$4,500,000.

[Secretary's Note: Ms. Thurlow advised the Board that her employer, Reading Cooperative Bank, is the bond purchaser, and she, therefore, recused herself from the consideration of the bond transaction above; she left the room and did not participate in any discussion, deliberation, or vote on the matter. She returned to the meeting room at the conclusion of the above vote.]

STANDING BOARD COMMITTEE REPORTS

Origination & Credit Committee

The Origination & Credit Committee did not meet this month.

Real Estate Development & Operations Committee

Mr. Kavogian reported that the Real Estate Development & Operations Committee met on Tuesday, September 6, 2022.

Real Estate and Devens

10. – VOTE – Devens – Appointment of Lisa Kalinowski as the Agency Representative to the Devens Board of Assessors

Mr. Gerlin described this request to appoint Lisa Kalinowski of the Finance Department to act as MassDevelopment's representative on the Devens Board of Assessors to fill the vacancy created by Jessica Strunkin's departure from the Agency. Meanwhile, a search is also being conducted to fill the vacant "Devens resident" seat resulting from the recent resignation of the previous Devens resident representative. 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 appoints Lisa Kalinowski to the Devens Board of Assessors as MassDevelopment's representative, as outlined in the

memorandum and vote dated September 8, 2022, which are attached and made a part of the minutes of this meeting.

11. – VOTE – Devens – Electric Utility Rate Increase

Mr. Moore described this request for an additional increase in the electric rates in Devens, which he anticipates will be the last time before the heating season. He confirmed that even with the proposed increase, the Devens rates are still very competitive. When asked questions about renewable energy and infrastructure and whether the Agency is making efforts to move in that direction, Mr. Moore advised that, indeed, about 30 percent of Devens energy currently comes from renewable sources (solar, wind, hydro, etc.). 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 Devens electric utility rate increase, as outlined in the memorandum and vote dated September 8, 2022, which are attached and made a part of the minutes of this meeting.

12. – VOTE – Devens – Commercial Renewable Distributed Generation Rate Tariff

Mr. Moore described this request to approve a new Commercial Renewable Distributed Generation Rate Tariff for the Devens Electric Utility, which would allow a net-metering arrangement for a renewable energy installation installed by a customer while still allowing the Agency to recover all of its energy distribution costs. Very few municipal light plants in Massachusetts allow for such arrangements, but staff was able to find a suitable example in Braintree upon which it will pattern its efforts. Mr. Moore stated this arrangement is desirable for Devens commercial tenants, as it will impact their Leadership in Energy and Environmental Design, or LEED, rating(s) favorably. 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 establishment of a new Commercial Renewable Distributed Generation Rate Tariff for Devens, as outlined in the memorandum and vote dated September 8, 2022, which are attached and made a part of the minutes of this meeting.

13. – VOTE – Devens – Weston & Sampson Engineers, Inc. – Contract Increase

Mr. Moore described this request to extend and increase an existing house doctor contract with Weston & Sampson Engineers, Inc., so that Weston & Sampson may continue to provide water and wastewater engineering services related to ongoing work on the Agency's PFAS treatment facilities. 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 contract increase and extension with Weston & Sampson Engineers, Inc., as outlined in the

memorandum and vote dated September 8, 2022, which are attached and made a part of the minutes of this meeting.

Community Development

14. – VOTE – Taxi & Livery Business Support Program – Round 2 Grant Awards

Ms. Melchoir described briefly this request to approve grants to 88 eligible taxi, livery and/or hackney business or association applicants totaling \$2,404,066, noting there is still a need in that business community. More than 700 applications were received, reviewed and vetted in this RFP round. 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 88 Taxi & Livery Business Support Program grants, as outlined in the memorandum and vote dated September 8, 2022, which are attached and made a part of the minutes of this meeting.

15. – VOTE – Taxi & Livery Partnership Program – FY23 Grant Awards

Ms. Melchoir then described this request to approve 42 grants totaling \$4,573,798, for municipalities, municipal entities, regional transit authorities, health and human services transportation providers, and 501(c)(3) nonprofit organizations, to expand transportation service capacity. Like the request above, these grants recipients were chosen through an RPF process and carefully vetted. 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 42 Taxi & Livery Partnership Program grants, as outlined in the memorandum and vote dated September 8, 2022, which are attached and made a part of the minutes of this meeting.

16. – VOTE – TDI – Transfer \$1,500,000 to Massachusetts Housing Finance Agency for the Neighborhood Hub Program

Mr. Koretz described this request to authorize the transfer of \$1.5 million in TDI Funds to the Massachusetts Housing Finance Agency to continue the Neighborhood Hub Program operated by MassHousing. This request is for two transfers of \$750,000 each – for FY22 and FY23 – and these sums were included in the Commonwealth’s FY22 and FY23 budgets for this purpose; these are pass-through dollars only. 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 transfer of \$1,500,000 to MassHousing to support the Neighborhood Hub Program, as outlined in the memorandum and vote dated September 8, 2022, which are attached and made a part of the minutes of this meeting.

QUARTERLY REPORTS

17. Community Development – Quarterly Update.

For informational purposes, the Community Development Quarterly Update is attached and made a part of the minutes of this meeting. In addition to coordinating and overseeing the transition of three regional offices, Mr. Marrero reported that 90 projects, totaling approximately \$4.7 million, originated out of the Community Development Division this quarter. In addition, staff has been busy reviewing applications received through the Commonwealth’s One Stop for Growth portal. With respect to TDI, Mr. Marrero noted that the partnership work in five old Districts has concluded, while several new Districts are just beginning; ten new Fellows onboarded last week and started working “on the ground” this week. Finally, when Mr. Marrero reported that an Emerging Developers Network event is being planned for the Fall, the Chair noted that \$75 million was added to the FY2023 Supplemental Budget (not yet approved by the Legislature) – to provide technical and pre-development assistance to emerging developers – and Mr. Attia agreed that the volume of opportunities this presents is “huge.”

INFORMATIONAL ITEMS

18. Lending – Delegated Authority Report for Loan Approvals (July 2022)

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. Devens – Quarterly Update

For informational purposes only, the Quarterly Update regarding Devens is attached and made a part of the minutes of this meeting. There was no discussion of this report.

20. Media Report (August 2022). For informational purposes only, the Communications & Marketing Report for the previous month is attached and made a part of the minutes of this meeting. No discussion of this item took place.

MISCELLANEOUS: OLD BUSINESS / NEW BUSINESS

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

EXECUTIVE SESSION

21. VOTE – Devens – Sale of 31 MacArthur Avenue

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

22. VOTE – Springfield – Sale of 1550 Main Street

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

23. VOTE – Greenfield – Property Acquisition

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

The Board Secretary advised, at 11:03 a.m., that, pursuant to Mass. General Laws Chapter 23G, Section 2(l), and Chapter 30A, Sections 21 & 22, the Board of Directors of MassDevelopment was going into Executive Session, following a roll call vote, which was taken and unanimously voted in favor, to discuss matters involving the value of real properties in Massachusetts, and terms of potential land valuation, purchases, and leases, the discussion of which in Open Session would have a detrimental effect on the Agency's negotiating position(s). The Board Secretary instructed all persons who are not Board members or staff involved in these matters to leave the room and/or the videoconference. He noted that the Board will not reconvene in Open Session following Executive Session.

[Executive Session held]

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 11:33 a.m.