**Massachusetts Development Finance Agency**

**Meeting of the Board of Directors**

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

**Thursday, December 9, 2021**

**10:00 a.m.**

**M I N U T E S**

DIRECTORS PRESENT: Ashley Stolba, Designee for Secretary of Housing & Economic Development, Chair

 Mark Attia, Designee for Secretary of Administration & Finance

 James Chisholm

 Joan Corey

 Francesca Maltese

 Juan Carlos Morales

 Kristina Spillane

DIRECTORS ABSENT: Brian Kavoogian, Acting Chair

 Ellen Zane

Agency Staff: Dan Rivera, President and CEO

 Theresa Park, SEVP and Deputy Director

 Simon Gerlin, Chief Financial Officer

 Ricks Frazier, General Counsel and Secretary

 Laura Canter, EVP, Finance Programs

 Jessica Strunkin, EVP, Devens

 Marcos Marrero, EVP, Community Development

 Tania Hartford, EVP, Operations and Chief of Staff

 Victoria Stratton, Recording Secretary

John Ambold

Rob Anderson

Hillary Andrews

Kelly Arvidson

David Bancroft

Naomi Baruch

Joseph Bisceglia

Mika Brewer

Graeme Brown

Patricia Bungkadanara

Sean Calnan

Frank Canning

Robert Carley

Onix Castro

Steve Chilton

Laura Christopher

Jennifer Cohen

Sheri Corbeil

Julie Cowan

Mary Ellen DeFrias

Meg Delorier

Brenda Doherty

Carol Edwards

Mike Galligan

Nick Giaquinto

Amanda Gregoire

Rich Griffin

Joseph Grivers

Roy Herzig

Tonya Ingram

Lisa Kalinowski

Jane Kaminski

Dena Kavanagh

Brett Kimball

Connie Kirby

Noah Koretz

Nivi Kumari

Orlando Lewis

Alejandro Lopez

John Marc-Aurele

Marianna McCormick

Mike Mitchell

Matthew Mogavero

Jim Moore

Ben Murphy

Leigh Natola

Jan Nuzzolo

Claire O’Neill

Jay Pateakos

Doug Robinson

Anabelle Rondon

Kelsey Schiller

Robert Seega

Simmee Silton

Ed Starzec

Rebecca Sullivan

Nathaniel Thomas

Cyndy Tonucci

Eleni Varitimos

Shanta Vaughan

Gary Walker

Matt Wamback

Guests: Melissa Barretta, Acting HR Director, consultant

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

 Aisha Francis, President & CEO, Benjamin Franklin Institute of Technology

 Marty Jones, Principal, MLJ Insights

A Meeting of the Board of Directors of Massachusetts Development Finance Agency (“MassDevelopment” or the “Agency”) was held Thursday, December 9, 2021, by Remote Participation (See Secretary’s Note, below), pursuant to notice duly given.

The Acting Chair welcomed everyone and, confirming the presence of a quorum on the videoconference, she called the meeting to order at 10:03 a.m. She asked if there were any guests present and there were those identified, including Ms. Frances and Ms. Jones, who introduced themselves and thanked the Board for the invitation to speak today.

[*Secretary’s Note: It was noted that this Board Meeting was taking place entirely remotely – via zoom videoconference – pursuant to Section 20 of Chapter 20 of the Acts of 2021 Extending Certain COVID-19 Measures Adopted During the State of Emergency, as well as the Agency’s Remote Participation Policy. Access codes for general public use were included in the Public Notice for this meeting.*]

**Minutes**

**1. VOTE – Meeting Minutes (November 10, 2021)**

The Acting Chair asked if there were any comments on the draft minutes of the November 10, 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 November 10, 2021 Board meeting, which are attached and made a part of the minutes of this meeting.

**President / CEO Report**

Mr. Rivera reported on recent activities, including a tour of the Jodrey State Pier in Gloucester and events in Gardiner and Lawrence, and Fitchburg for awards announcement through the Commonwealth’s One Stop for Growth program. He attended an event for area CEOs at the Boston College Club downtown and participated in a military event with UMass/Lowell regarding potential development possibilities for the Department of Defense’s Barnes Building in Boston’s Seaport District. He also participated in discussions regarding Hangar 158 in Cape Cod and the F-35 Fighter Jet program.

Mr. Rivera advised that approximately $67 million in federal dollars are anticipated to come to MassDevelopment through Pres. Biden’s Build Back Better Plan, expected to start in the spring of 2022. The purpose for the funds is to enhance certain of the Agency’s existing programs. As part of ongoing Strategic Planning work, the Executive Team conducted an off-site focused retreat in November. Calling attention to the presence of MassDevelopment’s former CEO Marty Jones and the Benjamin Franklin Institute of Technology project before the Board today, Mr. Rivera expressed how the objectives of the Strategic Plan are being implemented.

The Marketing Team is busy with numerous annual reports. Also, the efforts of consultant(s) from the Associated Industries of Massachusetts (“AIM”) in the HR Department have made a significant difference to the Agency’s operations. Mr. Rivera noted that staff will return to the office in January on a hybrid basis, with individual work Agreements in place for all staff members who do not return to a 5-day workweek in the office.

**2. Employee Introduction(s)**. Noting no new hires this month, Mr. Rivera commended and introduced long-time employees – John Ambold, Director of IT Applications (14 years); Joseph Bisceglia, Project Engineer, Devens, (19 years); and Brenda Doherty, Director of Marketing, External Affairs (21 years) – who made brief comments.

**Bond Transactions**

**3. 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 December Board materials.

The Acting Chair then advised that the Board would vote on the approval and findings for the matters in Tabs 4 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 Projects with Volume Cap Requests**

**4.** 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 MHA Saltonstall, LLC, in Medford, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed $63,440,000.

**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 Constitution Inn LLC, in Boston (Chinatown), Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed $26,000,000.

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

a project of TND 170 Cottage LLC, in Chelsea, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed $16,000,000.

**Bonds: Final Approvals**

**Final Approval Projects without Volume Cap Requests**

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

a project of Curry College, in Milton, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $78,000,000.

**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 Amego, Inc., in numerous Massachusetts cities and towns, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $17,200,000.

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

a project of The Food Bank of Western Massachusetts, Inc., in Chicopee, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $9,500,000.

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

a project of Goddard/Homestead, Inc., in Worcester, Massachusetts, for the issuance of a Non-Profit Housing Bond Anticipation Note to finance such project in an amount not to exceed $8,100,000.

**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 Gándara Mental Health Center, Inc., in several western Massachusetts cities and towns, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $4,300,000.

**Standing Board Committee Reports**

***Compensation Committee***

Mr. Attia advised of a spirited conversation at this morning’s Committee meeting regarding MassDevelopment’s HR function and management culture, as the Agency navigates the challenges of the ongoing COVID-19 pandemic. The discussion will continue. Mr. Rivera stated that the Agency has been managing an unprecedented return to work exercise, while adopting a “flexibility with responsibility” approach, at a time when economic dislocations are applying pressure on salaries. He advised that a second HR consultant from AIM will be joining MassDevelopment soon.

***Origination & Credit Committee***

The Origination & Credit Committee meeting scheduled for Tuesday, December 7, 2021, was canceled.

**Lending**

***WALK-IN*. – VOTE – La Colaborativa, Inc. (Chelsea) – Amendment to General Fund Senior Loan and Forgivable Subordinated Loan**

Ms. Canter reminded the Board of the July approval of a $1.1 million senior loan and $3 million forgivable loan (effectively, a grant) and noted a change of the funding source. Orignally, the funding for this project was to come from the Commonwealth. However, the Executive Office of Administration & Finance (“ANF”) recently determined that the Agency may use the approximately $12 million in proceeds remaining from the recent Necco Properties sale to support its ongoing programs and activities. Consequently, a portion of those funds may now be committed to the La Colaborativa project. On behalf of ANF, Mr. Attia thanked MassDevelopment for its participation in this crucial and complex transaction. 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 Amendment to General Fund Senior Loan and Forgivable Subordinated Loan, as outlined in the memorandum and vote dated December 9, 2021, which are attached and made a part of the minutes of this meeting.

The Acting Chair advised that it has been determined that the sale proceeds from the Necco Properties can better serve as funding for the project above and other similar previously authorized purposes at MassDevelopment. She added that a process for future disbursements from this fund will be determined at a later date.

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

Noting Mr. Kavoogian’s rare absence today, Mr. Chisholm reported that the Real Estate Development & Operations Committee met on Tuesday, December 7, 2021.

**Real Estate and Devens**

**12. – VOTE – Devens Electric Utility – Authority to Purchase Electric Power**

Mr. Moore described this annual request for authority to continue to execute Power Supply Agreements (“PSAs”) for future purchases of electricity for Devens at favorable prices. The six PSAs already in place provide an efficient, effective way to manage electricity costs. Mr. Chisholm found it interesting to note how the sources differ from year to 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 Agency to continue to execute Power Supply Agreements for electricity for Devens, as outlined in the memorandum and vote dated December 9, 2021, which are attached and made a part of the minutes of this meeting.

**13. – VOTE – Devens – Residential and Commercial Tax Rates for FY2022**

Ms. Kalinowski provided details regarding her presentation, noting this year’s tax levy has increased just over 11 percent, municipal services fees are up 3.2 percent, and there is much new growth in Devens. Ms. Kalinowski stated that these developments would allow the proposed tax rates for FY2022 to represent a decrease in both the residential rate (of 2.63%) and in the commercial and industrial rates (of 2.36% and 4.76%, respectfully). She explained that these rates compare favorably with those in neighboring communities. When asked how the tax information is communicated to the Devens residents, Ms. Strunkin confirmed that notice will be posted on the Devens website and in the weekly newsletter, as well. Mr. Rivera advised, with respect to an ongoing issue related to excise taxes in the Devens community, that staff is working with the Registry of Motor Vehicles and surrounding communities toward a resolution. 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 residential and commercial tax rates for FY2022 for Devens, as outlined in the memorandum and vote dated December 9, 2021, which are attached and made a part of the minutes of this meeting.

**14. – VOTE – North Regional Office Lease**

Mr. Walker described this request for authority to enter into a five-year lease with two one-year extensions, for up to 2,760 square feet on the first floor of 370 Essex Street, Lawrence. 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 Agency to enter into the North Regional Office Lease, as outlined in the memorandum and vote dated December 9, 2021, which are attached and made a part of the minutes of this meeting.

**Community Development**

**15. – VOTE – Community Investment – Jackson Square Partners LLC – Jackson Square Site III (25 Amory and 250 Centre Streets, Boston) – Priority Project Designation and Brownfields Remediation Grant Increase**

Mr. Bancroft described this request for a $100,000 increase to an existing Brownfields Remediation Grant, thereby bringing the total grant funding to $600,000 and, as a result, also requesting a Priority Project Designation for the Jackson Square site. This project represents the final phase of almost twenty years of redevelopment at Jackson Square and will make way for the completion of 44 units of affordable housing. The additional funding is necessary to address newly discovered soil contamination and increased construction costs. 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 Priority Project Designation and Brownfields Remediation Grant increase for Jackson Square, Boston, as outlined in the memorandum and vote dated December 9, 2021, which are attached and made a part of the minutes of this meeting.

**16. – VOTE – Community Investment – Benjamin Franklin Institute of Technology (Boston) – Brownfields Priority Project Designation and Forgivable Loan**

Mr. Calnan described the request for a $650,000 forgivable loan to the Benjamin Franklin Institute of Technology (“BFIT”), as well as a Brownfields Priority Project Designation, noting the funding is needed to remediate and abate hazardous materials already known to be present at the site and to assess what is unknown, and for demolition. Mr. Calnan then introduced Dr. Aisha Francis, President & CEO of BFIT.

Dr. Francis thanked the Board for its time. She described BFIT as a technical and trade school, offering an important and affordable mix of construction and technology programs to low income students, most of whom pursue two-year degrees. She said the Institute has a high graduation rate and a high job placement rate, and there is a waiting list for current programs. Dr. Francis reported that the students and faculty of BFIT are excited about the Institute’s first move to new quarters since it was established in 1908. She described the site in Nubian Square, which BFIT already owns (formerly, the Harrison Supply Building at 1011 Harrison Avenue, vacant since 2009) as an “eyesore” which will be demolished. Development plans include a 68,000 square foot, three story facility with sustainable architectural features.

Mr. Jones remarked that it is great to see MassDevelopment programs supporting community development projects like this, and she expressed her delight in working with BFIT on this different type of real estate transaction. She thanked Agency staff for getting this before the Board quickly. Mr. Attia agreed that the outcome speaks for itself. Mr. Rivera added that MassDevelopment will be also part of future development planned for Nubian Square. 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 Priority Project Designation and Brownfields Forgivable Loan to Benjamin Franklin Institute of Technology, as outlined in the memorandum and vote dated December 9, 2021, which are attached and made a part of the minutes of this meeting.

**Quarterly Reports**

**17. Community Investment – Quarterly Community Development Division Update (December 31, 2021)**. For informational purposes, the Quarterly Community Development (“CD”) Division Update is attached and made a part of the minutes of this meeting. Commenting on the popularity of the Brownfields program and referring to the BFIT project above, Mr. Marrero advised that the Nubian Square transaction is emblematic of the work the CD Division has been doing. He advised that top priorities have included creating and organizing the new Division and aligning and/or redefining roles and responsibilities. A Universal Intake Form has been launched and is now in use Agency-wide to capture and track various data, per contact, transaction, etc. MassDevelopment saw its first Property Assessed Clean Energy, or PACE, transactions close during the last quarter. Additional funding from the Barr Foundation has been received. Expansion of the Transformative Development Initiative (“TDI”) is expected, including identifying new TDI Districts. Finally, Mr. Marrero noted the focus of the CD Division is on historically disadvantaged businesses and communities.

**18. Devens Quarterly Update**. For informational purposes, the Devens Quarterly Update is attached and made a part of the minutes of this meeting. Ms. Strunkin invited Kristen Cullen of Commonwealth Fusion Systems to make comments. Ms. Cullen described CFS’s beginnings – founded in 2018 at MIT with 10 employees and a goal of providing limitless, clean energy. CFS now has 175 employees and plans to double its workforce in the next few years. The company recently raised $1.8 billion, representing the largest initial investment funding round for a private company in Massachusetts history. These funds will allow CFS to complete the cold fusion facility it is building in Devens and shift to commercialization of fusion power generation. She described briefly the construction of the powerful magnets which will contain the plasma where the fusion reactions take place, and explained the difference between fusion and fission. Fusion does not use uranium, so there is no fear of radiation or a meltdown; indeed, all risks are significantly reduced using the fusion process. She described fusion as a “game changer” for clean energy, and she thanked the Board for its time today. When Board members asked how MassDevelopment can get more of these deals to come to Devens, Ms. Strunkin replied, “by making sure that the remaining sites are ready and available for this type of expansion.”

Ms. Strunkin then reported on Devens’ 25th Anniversary and offered kudos to the External Affairs Department for the web design and other communications. She noted the Devens Jurisdiction Framework Committee met yesterday, including representatives from Little Leaf Farms, Bristol Myers Squibb and a Devens resident. Elections were recently held and there are new members to both the Devens Committee and the Devens Education Advisory Committee. Ms. Strunkin advised that Jim Moore is keeping busy providing power and gas to new users, and staff continues to coordinate with neighbors to allow for successful projects like CFS.

**Informational Items**

**19. Lending – Delegated Authority Report for Loan Approvals (October 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.

**20. Media Report (November 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.

**Miscellaneous: Old Business / New Business**

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

[*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 4 through 11); the amended financing for La Colaborativa, Inc. in Chelsea (the walk-in); the Real Estate and Devens matters (Tabs 12 through 14); and the Community Development Brownfields matters (Tabs 15 and 16). Accordingly, all items were approved as indicated above.*]

Mr. Rivera noted quickly that the January Board meeting will be conducted in a hybrid manner. Those who wish to attend in person may do so; those who prefer to attend remotely may do so. There being no further discussion or business before the Board of MassDevelopment, the Board Meeting was adjourned at 11:20 a.m.