

MASSACHUSETTS DEVELOPMENT FINANCE AGENCY

**Meeting of the Board of Directors
(Hybrid meeting: *In person and by Remote Participation*)
Thursday, March 9, 2023
10:00 a.m.**

MINUTES

DIRECTORS PRESENT: Ashley Stolba, Undersecretary of Community Development,
Acting Chair
Brian Kavogian, Vice Chair
Gary Campbell
Joan Corey
Juan Carlos Morales
Kristina Spillane
Andrew Salmon
Juliann Thurlow

DIRECTORS ABSENT: Jessica Andors

Agency Staff: Dan Rivera, President and CEO
Theresa Park, SEVP and Deputy Director
David Abdoo, Chief of Staff
Simon Gerlin, Chief Financial Officer
Ricks Frazier, General Counsel and Secretary
Tania Hartford, EVP, Real Estate
Marcos Marrero, EVP, Community Development
Cyndy Tonucci, Interim EVP, Finance Programs
Victoria Stratton, Recording Secretary
Roy Angel
Rob Carley
Israel Chery
Jennifer Cohen
Conor Glasheen
Amanda Gregoire
Joe Grivers
Robert Jenkins
Shirley Kennedy
Andrew Laboissoniere
Orlando Lewis
Claire O'Neill
Mary Pederson
Simmee Siltan
Rebecca Sullivan
Genesis Valverde

Amanda Wall
Benny Wong

Guests: Rosa Herrero, Urban Planner, DREAM Collaborative
Diana Marsh, Urban Planner, DREAM Collaborative
Greg Minot, Managing Principal & Founder, DREAM Collaborative

A Meeting of the Board of Directors of Massachusetts Development Finance Agency (“MassDevelopment” or the “Agency”) was held Thursday, March 9, 2023, by Remote Participation, as well as in person (See Secretary’s Note, below), pursuant to notice duly given.

The Acting Chair welcomed everyone and, confirming the presence of a quorum in the room and/or on the videoconference, called the meeting to order at 10:00 a.m. She asked if there were any guests present and the guests introduced themselves.

[Secretary’s Note: It was noted that this Board Meeting was taking place in person, as well as 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 amended by Section 3 of Chapter 107 of the Acts of 2022, as well as the Agency’s Remote Participation Policy.]

MINUTES

1. VOTE – Meeting Minutes (February 16, 2023)

The Acting Chair asked if there were any comments on the draft minutes of the February 16, 2023 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 present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves the minutes of its February 16, 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:

Events. Mr. Rivera and other Massachusetts dignitaries attended the groundbreaking of a 2Life Communities senior living development in Newton, which received a \$130 million bond from MassDevelopment; the same group attended the groundbreaking of a housing development in Worcester later that day, which was supported in part by Brownfields

funding from the Agency and will clean-up and redevelop approximately 55 acres of vacant, blighted land and buildings of a former abrasives campus.

Diversity, Equity, Inclusion. To celebrate Women’s History Month (March), the Agency’s Culture Council will host a discussion on March 29 on key issues facing women today. Black History Month (February) was recognized with an important and impactful presentation by Attorney Michael Curry on the history of anti-Black racism in America. MassDevelopment continues to participate in *El Mundo Boston*’s ongoing Latino Small Business & Entrepreneurial Summit series, aimed at assisting attendees to navigate the various resources available to small businesses.

Climate Bank. Staff continues to participate in exciting conversations about how MassDevelopment can become the financing engine for the Commonwealth’s Climate Bank, including talks with Secretary Hao, Melissa Hoffer, the state’s Chief Climate Officer, and their staffs.

Devens. The Emergency Assistance Intake Center, which continues to provide aid to eligible homeless families, including temporary shelter, medical and social services, and quickly assigns each client to longer-term housing, is transitioning toward closure after providing invaluable assistance to hundreds of families in need. Devens Operations has acquired a new trail grooming sled for better cross-country skiing/snow shoeing. Finally, this year’s Devens Day is scheduled for Friday, August 18, and, once again, the Agency is partnering with the U.S. Army, Devens Reserve Force Training Area and the Nashoba Valley Chamber of Commerce.

New Bedford State Pier. There has been some turnover on the Piers Team this winter, but a transition plan has been developed and work is ongoing while the hiring process has begun to backfill certain roles on the Team.

2. Employee Introduction(s)

Mr. Rivera advised of the following new hires: Israel Chery, Human Resources Manager; Andrew Laboissoniere, IT Systems Project Manager; and Genesis Valverde, Transformative Development Initiative (“TDI”) Assistant Program Manager, who each made brief comments.

Next, Ms. O’Neill introduced Mr. Minot, Ms. Herrero and Ms. Marsh, from DREAM Collaborative, who took turns speaking about their work on various projects with MassDevelopment. Mr. Minot, who has 25 years’ experience in architecture / planning / development, said the mission of DREAM Collaborative is to create equitable development. Founded in 2008 and offering Professional Services and Real Estate Development, more than half of DREAM’s staff is made up of women. Mr. Minot described the first residential development in fifteen years that will bring 74 units of affordable housing to Union Square, Somerville. Noting a focus on Gateway Cities, Ms. Marsh spoke about the scale of projects and rethinking design and development to incorporate green design and affordability, as well as thinking about how disasters affect

housing. Ms. Herrero described five collaborations with MassDevelopment – in North Adams, Lynn, Falmouth, and two in Taunton – and thanked Agency staff and the Board for their support. As it continues to build its pipeline and diverse staff, Ms. Herrero concluded that the DREAM Collaborative’s dream is for the future.

BOND TRANSACTIONS

3. 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 March Board materials.

The Acting Chair then advised that the Board would vote on the approval and findings for the matters in Tabs 4 through 8, 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 without State Volume Cap Request

4. Upon motion duly made and seconded, by a roll call vote of the directors present and/or 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 North Suffolk Community Services, Inc., in several Massachusetts locations, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed \$11,000,000.

Official Action Project with State Volume Cap Request

5. Upon motion duly made and seconded, by a roll call vote of the directors present and/or 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 BC Leefort Terrace LLC, in Salem, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed \$50,877,134.

6. Upon motion duly made and seconded, by a roll call vote of the directors present and/or 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 Somerville Community Corporation, Inc., in Somerville, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such affordable housing project in an amount not to exceed \$14,076,836.

Bonds: Final Approvals

Final Approval Projects without Volume State Cap Requests

7. Upon motion duly made and seconded, by a roll call vote of the directors present and/or 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 New England Historic Genealogical Society, in Boston, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed \$18,000,000.

8. Upon motion duly made and seconded, by a roll call vote of the directors present and/or 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 the Brockton Area ARC, Inc., in Brockton, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed \$1,350,000.

Origination & Credit Committee

Ms. Thurlow, as its newly appointed Chair, reported that the Origination & Credit Committee met on Tuesday, March 7, 2023, and recommends approval of the following two loans.

Lending

9. – VOTE – 526 Main Street Partners, LLC (Worcester) – Commercial Real Estate Loan and Bridge Loan – General Fund

Mr. Angel described this request for a \$4,700,000 Commercial Real Estate Loan and \$2,530,000 Bridge Loan to support the purchase and renovation / improvements to 526-535 Main Street, Worcester. This underutilized property, located in an emerging Theatre District neighborhood, has been owned by MassDevelopment since 2017; the Menkiti Group, which formed the single purpose LLC entity to acquire, redevelop and manage this property, was selected as the developer in 2018. Mr. Angel noted the involvement of many Agency hands and departments on this project, most notably, Mike Mitchell in Real Estate, as well as the TDI Team. The Acting Chair asked for a vote and, upon motion duly made and seconded, by a roll call of the directors present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves the loans to 526 Main Street Partners, LLC, as outlined in the memorandum and vote dated March 9, 2023, which are attached and made a part of the minutes of this meeting.

10. – VOTE – 236 Lancaster Street, LLC (Leominster) – Commercial Real Estate Loan – General Fund

Mr. Angel described this request for a \$1,665,000 Commercial Real Estate Loan to support the completion of the redevelopment of a vacant and underutilized commercial building at 236 Lancaster Street, Leominster. The current property owner is unable to finish the project, and this developer has completed numerous similar successful projects nearby, at least three of which have received Agency funding and been repaid in full. The Acting Chair asked for a vote and, upon motion duly made and seconded, by a roll call of the directors present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves the loan to 236 Lancaster Street, LLC, as outlined in the memorandum and vote dated March 9, 2023, which are attached and made a part of the minutes of this meeting.

Real Estate Development & Operations Committee

Mr. Kavogian reported that the Real Estate Development & Operations Committee met on Tuesday, March 7, 2023, to discuss the two requests below.

Real Estate and Devens

11. – VOTE – SMC Corporation, 18 Independence Drive (Devens) – Tax Increment Financing (“TIF”) Arrangement

Ms. Hartford described briefly this request to approve a TIF with SMC for a ten-year term at a 39 percent reduction in property taxes. After explaining the Agency’s history with this company, Ms. Hartford made clear that SMC is seeking to revoke a previously approved TIF for 11 Grant Road and approve a new TIF for 18 Independence Drive instead. The Acting Chair asked for a vote and, upon motion duly made and seconded, by a roll call of the directors present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment authorizes the Agency to approve a TIF Agreement with SMC Corporation, as outlined in the memorandum and vote dated March 9, 2023, which are attached and made a part of the minutes of this meeting.

12. – VOTE – Electric Hydrogen Manufacturing LLC, 33 Jackson Road (Devens) – TIF Arrangement

Next, Ms. Hartford described this request to approve a TIF with Electric Hydrogen for a five-year term at a 49 percent reduction in property taxes. This company leases space from King Street Properties and is proposing to invest \$40 million into the build-out of the space and \$50 million into manufacturing equipment. Its projected job growth is 70 full time jobs with the potential of another 15 to be brought to Devens from another Massachusetts facility. Ms. Hartford advised that the company has agreed to a proportional adjustment of the TIF should its job targets not be met. As always, the TIF Agreement may be terminated by MassDevelopment if this company fails to maintain its projected job numbers or if it otherwise fails to meet the terms of the Agreement. The Acting Chair asked for a vote and, upon motion duly made and seconded, by a roll call of the directors present and/or on the videoconference, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment authorizes the Agency to approve a TIF Agreement with Electric Hydrogen Manufacturing LLC, as outlined in the memorandum and vote dated March 9, 2023, which are attached and made a part of the minutes of this meeting.

[Secretary’s Note: Following the Board meeting, the vote in the above matter was amended to reflect the correct legal name of the entity receiving the TIF, which is Electric Hydrogen Manufacturing LLC.]

QUARTERLY REPORTS

13. Community Development – Quarterly Update

Mr. Marrero touched on the following highlights:

Business pipeline. The top priority has been to generate leads for the State Small Business Credit Initiative, or SSBCI, for which the Agency received approximately \$15 million in federal funding in December. A successful *Emerging Developers Network* launch event was held in Worcester and was attended by a diverse group of over 40 developers from all around Massachusetts; the Network focuses on Gateway City developers, contractors and builders from the Agency’s TDI Districts. Conversations with partners across state government continue in an effort to define how MassDevelopment can assist with “*Green Bank*” services, i.e., providing financing to further the Commonwealth’s clean energy goals. The Agency applied for and received a \$300,000 Barr Foundation grant to facilitate a pilot program to address *closing the racial wealth gap* in our economy.

Grant Funding. The Community Development division has entered into more than 150 grant agreements representing a commitment of \$17.6 million. Nearly 50 percent of this funding, through various programs – including Cultural Facilities Fund, Taxi & Livery, the Collaborative Workspace Program, Brownfields, and more – has been disbursed.

TDI Overview. Fellows hit the ground running in thirteen Districts in September and the TDI Program is in full swing offering technical assistance. The second round of TDI Equity Investments grants – focused on enhancing street-front visibility (e.g., first floor, commercial, site activation) – is about to close and 73 applications have been received to date; staff anticipates seeking Board approval for this round before the end of the fiscal year.

INFORMATIONAL ITEMS

14. Lending – Delegated Authority Report for Loan Approvals (January 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.

15. New Markets Tax Credits – 2022 Annual Report

For informational purposes only, the 2022 Annual Report of the New Markets Tax Credits program, is attached and made a part of the minutes of this meeting. There was no discussion of this report.

16. Media Report (February 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.

[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 8); the Lending items (Tabs 9 and 10); and the Devens TIFs (Tabs 11 and 12). Accordingly, all items were approved as indicated above.]

MISCELLANEOUS: OLD BUSINESS / NEW BUSINESS

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

- **Strategic Plan Overview**

Mr. Rivera said the presentation, which is attached and made a part of the minutes of this meeting, aims to provide Board members with a basic understanding of how MassDevelopment strives to meet its mission. He described the Agency's mission in terms of goals, clients and outcomes and explained how MassDevelopment's goals align with pillars and principles of the Healey-Driscoll Administration, with the exception of training a skilled workforce. Mr. Rivera described the process of developing objectives for Lending, Real Estate and Organizational Excellence; he then identified each objective.

The Acting Chair suggested identifying how and what MassDevelopment spends aligns with its programs and mission, and a discussion ensued. Mr. Campbell asked how the Agency thinks about "goals" versus "outcomes," and he wondered how one measures such values. Mr. Rivera acknowledged that aspirational items are important, as well, and Mr. Campbell wondered how to translate aspirations into something tangible. Ms. Spillane suggested that it would be helpful to know the Agency's "top three things" with respect to its mission.

There being no further discussion or business before the Board of MassDevelopment, the Board Meeting was adjourned at 11:08 a.m.