

MASSACHUSETTS DEVELOPMENT FINANCE AGENCY

**Meeting of the Board of Directors
Thursday, April 13, 2023
10:00 a.m.**

MINUTES

DIRECTORS PRESENT: Yvonne Hao, Chair
Brian Kavogian, Vice Chair
Jessica Andors
Gary Campbell
Kaitlyn Connors
Joan Corey
Juan Carlos Morales
Kristina Spillane
Andrew Salmon
Juliann Thurlow

DIRECTORS ABSENT: None

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
David Bancroft
Joe Bisceglia
Jennifer Cohen
Conor Glasheen
Robert Jenkins
Noah Koretz
Orlando Lewis
Jim McKeag
Destinee Neal
Wendy O'Malley
Claire O'Neill
Kai Razvi
Simmee Siltan
Eleni Varitimos
Gary Walker

Amanda Wall
Benny Wong

Guests: Stacy Lord, Creative Hub Worcester
Laura Marotta, Creative Hub Worcester
Ashley Stolba, Undersecretary of Community Development,
Acting Chair (call to order)

A Meeting of the Board of Directors of Massachusetts Development Finance Agency (“MassDevelopment” or the “Agency”) was held Thursday, April 13, 2023, at the Agency’s offices at 99 High Street, Boston, Massachusetts, pursuant to notice duly given.

Noting that the Chair is delayed and will join this meeting shortly, the Acting Chair welcomed everyone and, confirming the presence of a quorum in the room, called the meeting to order at 10:05 a.m. She asked if there were any guests present and the guests introduced themselves. The Acting Chair then advised that the Vice Chair would chair the early portion of this meeting.

MINUTES

1. VOTE – Meeting Minutes (March 9, 2023)

The Vice Chair asked if there were any comments on the draft minutes of the March 9, 2023 Board meeting, and there were none. Noting that she was not present for the meeting, Ms. Andors abstained from this vote. The Vice Chair 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 March 9, 2023 Board meeting, which are attached and made a part of the minutes of this meeting and noting Ms. Andors’ abstention.

PRESIDENT / CEO REPORT

Mr. Rivera then reported the following highlights:

Finance Programs. The Agency closed its first loan guarantee under the State Small Business Credit Initiative, or SSBCI, program and anticipates several more closings in this federally-funded program in the next several months. MassDevelopment has issued almost \$152 million in tax exempt bonds on behalf of public housing authorities in Brookline, Cambridge, Framingham and Medford, which will renovate or preserve more than 400 units of housing for the state’s most vulnerable residents.

Events. A recent visit to Martha's Vineyard by numerous staff members included an island tour and site visits with a local developer/realtor, and more. Several staff members and John Beatty, Executive Director of the Massachusetts Military Task Force, visited Joint Base Cape Cod at the end of March to discuss housing and efficiency opportunities with officials from the Massachusetts National Guard and others, which led to a site visit of several military-controlled parcels that might lend themselves to workforce housing and/or privatized military housing; these discussions will continue.

Devens. Staff members and Mr. Rivera met recently with state senators Jamie Eldrige and John Cronin and state representative Dan Sena to discuss items of importance to the future of Devens and the surrounding communities, including the status of the new public safety building, the Devens Jurisdiction Study, various housing developments, and more. The Emergency Assistance Intake Center, located at the Bob Einsengrein Community Center, closed last month after providing aid, including temporary shelter, medical and social services, to nearly 1,000 people in need. Within days, the Eisengrein Center was restored to immaculate condition and put to use the following Sunday for the Annual Devens Easter Egg Hunt, despite poor weather.

Staff Updates. Ricks Frazier left MassDevelopment at the end of March and, during this time of transition, Sean Calnan has agreed to step in as Acting General Counsel, with the continued assistance of two on-staff attorneys and on-call outside counsel. Staff continues to mourn the loss of colleague, Shelly Testa, who joined the Agency in 2011 (and who, most recently, supported the Devens Fire Department and State Police) and died quite unexpectedly last month.

2. Employee Introduction(s)

Mr. Rivera advised of one anniversary: Cecile Melanson, Senior Accounts Payable Coordinator (10 years). He then introduced the following new hires: Conor Glasheen, Associate Chief of Staff, and Kai Razvi, Assistant Project Manager and Analyst, who each made brief comments.

Next, Mr. McKeag introduced Laura Marotta and Stacy Lord and, together, these Co-Founders of Creative Hub Worcester, described CHW's formation and history, its mission including the 8 building blocks that form the foundation for learning, its programs and access, and more. For instance, the Creative Workshops program brings art to the public, as does "Start on the Street," and any profit from the sale of artwork goes back to the artist directly. Ms. Marotta and Ms. Lord were grateful for Board and Agency support of their efforts to expand CHW and its programs. Noting that "creative people need one another," Ms. Lord described how CHW's larger space will provide a venue for this purpose. She said that having a place to create art can change how artists feel about themselves. When asked, Ms. Marotta and Ms. Lord briefly described CHW's business model, including that the event space, artists studios and makerspace(s) will be the main drivers of revenue, and the capital stack of permanent and bridge financing includes tax credits, donations, and more. In conclusion, the guest speakers again thanked the Board and MassDevelopment

for supporting their vision of a safe space for expression of creative arts where artists can process issues and/or emotions through creativity and without barriers.

GENERAL

3. VOTE – Appointment of Board Secretary

The Board was reminded of the departure in late March of Ricks Frazier, former General Counsel and Board Secretary. Accordingly, the Vice 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 Sean Calnan to serve as the Agency’s Board Secretary, as outlined in the vote dated April 13, 2023, which is attached and made a part of the minutes of this meeting.

4. VOTE – Extension of Contract with PFM Asset Management, LLC

Mr. Gerlin described briefly this request to authorize approval to continue the Agency’s contract with PFM Asset Management, LLC, for investment management services related to the MassDevelopment/HEFA Trust and the Short Term Asset Reserve (“STAR”) Fund, specifically, and a brief discussion ensued. Mr. Gerlin advised that a solicitation for bids had been conducted even though staff is completely satisfied with PFM’s services to date. He confirmed that while the accounting team tracks everything closely, staff relies heavily upon PFM for investment-making decisions and has been and remains well represented. The Vice 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 extension and increase with PFM Asset Management, LLC, as outlined in the vote dated April 13, 2023, which is attached and made a part of the minutes of this meeting.

5. MassDevelopment’s Diverse Business Enterprises Program

Ms. Park provided details of the presentation in the April Board materials, reminding the Board of its 2017 approval to adopt a Diverse Business Participation Program – to encourage parties seeking contracts with the Agency to use good faith efforts to use Diverse Business Entities, or DBEs – as well as the program’s history and highlights to date. She described the work-to-date and still-to-come in connection with the 3-Year Roadmap, which began in 2022 and continues to make noteworthy progress; she shared the results of the numbers provided to the Office of Supplier Diversity (“OSD”). Ms. Park advised that she has reached out to the OSD for comparable information from other similar entities and, while it is not ready yet, the OSD is compiling such information for a report to be issued soon. Ms. Park agreed to provide updates to the Board in this regard. Mr. Rivera added that the Agency’s Diversity, Equity and Inclusion, or DEI, consultant is spearheading the effort to drive the 3-Year Roadmap. Mr. Morales offered kudos on MassDevelopment’s

DBE advancements over the past several years and Ms. Andors agreed, wondering how and if one can establish benchmarks to measure being “truly representative.” Ms. Andors acknowledged that she did not have the answer to this issue, but wondered if MassDevelopment could or should try to develop such benchmarks.

[Secretary’s Note: At the Board meeting at which these minutes were approved (May 11, 2023), Ms. Andors requested language that clarified her comments regarding the development of benchmarks for the Agency’s Diverse Business Enterprises Program. The last sentence of the above paragraph was so amended for clarity.]

BOND TRANSACTIONS

6. Bond Detail Memorandum

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

[Secretary’s Note: The Chair arrived during the above presentation, at 11:01 a.m. and, taking her seat at the table, assumed her role.]

The Chair then advised that the Board would vote on the approval and findings for the matters in Tabs 7 through 15, noting various recusals, 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 State Volume Cap Requests

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

a project of 127 Amory Street LLC, in Boston, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such affordable housing project in an amount not to exceed \$42,410,000.

8. 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 Marriner Mill 4B LLC, in Lawrence, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed \$28,230,000.

[Secretary's Note: Ms. Andors disclosed that her employer, Lawrence CommunityWorks, is the Borrower in the above bond transaction. She, therefore, recused herself from the consideration of this matter; she exited the meeting room and did not participate in any discussion, deliberation, or vote on the 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 New Marriner Mill 4A LLC, in Lawrence, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed \$26,370,000.

[Secretary's Note: Ms. Andors disclosed that her employer, Lawrence CommunityWorks, is the Borrower in the above bond transaction as well. She, therefore, recused herself from the consideration of this matter; she remained outside of the meeting room and did not participate in any discussion, deliberation, or vote on the matter. She returned to the meeting room upon conclusion of the above votes.]

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

a project of Salem Schools LLC, in Salem, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed \$21,689,445.

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 Building 104 LLC, in Charlestown, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed \$15,360,584.

Bonds: Final Approvals

Final Approval Projects without Volume State Cap Requests

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

a project of Lighthouse School, Inc., in North Chelmsford, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed \$10,000,000.

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

a project of the Springfield Technical Community College Assistance Corporation, in Springfield, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed \$2,555,000.

Final Approval Project with Volume State Cap Request

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

a project of Wamsutta Preservation LLC, in New Bedford, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed \$17,000,000.

Final Approval for Lease Financing Project

15. 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 Revised Final Approval resolution that is attached and made a part of these minutes regarding:

a project of New England Life Flight, Inc., in several locations in eastern Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Lease to finance such project in an amount not to exceed \$17,000,000.

[Secretary's Note: The Chair, Mr. Campbell and Mr. Kavogian all disclosed affiliations with various medical entities identified as being related parties in this bond transaction. They, therefore, recused themselves from the consideration of this matter; they exited the meeting room and did not participate in any discussion, deliberation, or vote on the matter. They returned to the meeting room upon completion of the above vote, which was conducted by Mr. Morales in the absence of the Board Chair and Vice Chair.]

STANDING BOARD COMMITTEES

Audit & Administration Committee

Ms. Connors, as its newly recognized Chair, reported that the Audit & Administration Committee met on Tuesday, April 11, 2023, for the 2022 annual report and audit presentations related to the STAR Fund, followed by a brief discussion between the Committee members and representatives of Ernst & Young, the Agency's audit firm, without management present. Ms. Connors was pleased to report a clean audit with no issues, and Mr. Morales commended MassDevelopment's accounting team for its consistency and efficiency.

Origination & Credit Committee

Ms. Thurlow reported that the Origination & Credit Committee met on Tuesday, April 11, 2023, and recommended tabling the following loan at that time, pending additional information and negotiations with the Borrower.

Lending

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

Due to the disclosure of a commercial applicant's financial information, the discussion and vote on this matter took place in Executive Session, which occurred at the conclusion of this meeting, wherein it was,

VOTED: that the Board of Directors of MassDevelopment approves amendments to financing for 526 Main Street Partners, LLC, as outlined in the revised memorandum and vote dated April 13, 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, April 11, 2023, to discuss the requests below.

Real Estate and Devens

17. VOTE – Devens – Lovell Street Bridge Preservation

Mr. Bisceglia briefly described this request for approval to enter into a contract with the low bidder through a solicitation process for repairs to the Lovell Street bridge that will keep it safe, first and foremost, and operational, albeit with only one lane open, for the next half dozen years or so, while a more permanent solution is identified. Mr. Rivera made clear that this bridge is used solely for army vehicles and all that traffic will flow directly through Ayer and other communities if the bridge closes. 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 contract with Kodiak Corporation for the Lovell Street Bridge Preservation, as outlined in the memorandum and vote dated April 13, 2023, which are attached and made a part of the minutes of this meeting.

18. VOTE – Extension and Increase of House Doctor Contract with RND Consultants, Inc.

Ms. O’Neill described briefly this request to extend the Agency’s house doctor contract with RND Consultants, Inc., commending RND’s excellent skill set and noting that staff is quite happy with this construction services consultant. 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 approve an increase and extension to the house doctor contract with RND Consultants, Inc., as outlined in the memorandum and vote dated April 13, 2023, which are attached and made a part of the minutes of this meeting.

Community Development

19. VOTE – Brownfields Fund – Amended Delegated Authority Levels

Mr. Bancroft described briefly this request to approve amendments to the authority levels delegated to certain staff, so that MassDevelopment’s delegated authority levels are consistent with recent legislative amendments to the Brownfields Fund’s statute, which increased the minimum designation for Priority Projects from \$500,000 to \$750,000. The Chair asked for a vote and, upon motion duly made and seconded, by a roll call of the directors present, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves the amendments to the Agency’s Delegated Authority Levels, as outlined in the memorandum and vote dated April 13, 2023, which are attached and made a part of the minutes of this meeting.

20. VOTE – Community Investment – Neighborhood Housing Services of the South Shore (Brockton) – Brownfields Grant

It was noted that this vote is rendered unnecessary as a result of the previous vote (at Tab 19, above) increasing the delegated authority level to \$750,000. Therefore, no discussion or vote on this matter took place. Mr. Bancroft noted only that the project is for housing in Brockton.

21. VOTE – Community Investment – NewView Affordable Housing Corporation (Fitchburg) – Brownfields Grant

It was noted that this vote is also rendered unnecessary as a result of the above vote (at Tab 19) increasing the delegated authority level. Therefore, no discussion or vote on this matter took place. Mr. Bancroft said this project will include redevelopment of three abandoned buildings into a live/work community in Fitchburg, with 68 residential units, of which 47 will be affordable. This project has secured funding from local, state and other sources, and construction is expected to begin in the spring of 2023.

22. VOTE – Transformative Development Initiative (“TDI”) – TDI Equity Grant Recommendation to Creative Hub Worcester

Referring to the revised memorandum provided today, Mr. McKeag described this request for approval of a \$450,000 grant to support the acquisition and conversion of an abandoned Boys & Girls Club building in a Worcester neighborhood showing significant activity into a multifaceted arts, education and event space. He said the principals (from whom the Board heard earlier in this meeting), have gained tremendous development insight and experience through this endeavor, which has been a long time in the making.

It was noted that discussions at Tuesday’s Real Estate Development & Operations Committee meeting resulted in a request for additional information regarding this transaction. There then ensued a discussion regarding the sources and uses as well as the complex capital stack, following which Messrs. Kavogian and Campbell agreed to recommend approval of this project. Mr. Kavogian commented on the importance of putting in ten percent of MassDevelopment’s dollars versus ninety percent of other dollars, and Ms. Andors agreed that it is crucial for the Agency to leverage additional funding whenever possible. The Chair asked for a vote and, upon motion duly made and seconded, by a roll call of the directors present, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves the \$450,000 TDI Equity grant award to Creative Hub Worcester, as outlined in the revised memorandum and vote dated April 13, 2023, which are attached and made a part of the minutes of this meeting.

QUARTERLY REPORTS

23. Real Estate – Quarterly Update

Citing the time, as well as the availability of the information in the April Board materials, the Chair asked if there were any questions regarding the Real Estate Quarterly Update, and there were none. Accordingly, no Update was presented.

INFORMATIONAL ITEMS

24. Community Development – TDI Equity Awards (Lawrence and Chelsea)

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

25. Lending – Delegated Authority Report for Loan Approvals (February 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.

26. Approved Minutes of Emerging Technologies Fund Advisory Committee meeting (September 7, 2022)

For informational purposes only, the approved minutes of the September 7, 2022 Emerging Technologies Fund Advisory Committee meeting are attached and made a part of the minutes of this meeting. There was no discussion of these minutes.

27. Approved Minutes of Emerging Technologies Fund Advisory Committee meeting (December 14, 2022)

For informational purposes only, the approved minutes of the December 14, 2022 Emerging Technologies Fund Advisory Committee meeting are attached and made a part of the minutes of this meeting. There was no discussion of these minutes.

28. Media Report (March 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.

EXECUTIVE SESSION

20. – VOTE – 526 Main Street Partners, LLC (Worcester)

Due to disclosure of a commercial applicant's financial information, the discussion of this item occurred in Executive Session.

The Board Secretary advised, at 11:36 a.m., that, pursuant to Mass. General Laws Chapter 23G, Section 2(1), 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 the application of 526 Main Street Partners, LLC, for financial assistance from the Agency. The Board Secretary instructed all persons who are not Board members or staff involved in this matter to leave the room. 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 12:08 p.m.