

*Approved:  
July 10, 2025*

**MASSACHUSETTS DEVELOPMENT FINANCE AGENCY**

**Meeting of the Board of Directors  
Thursday, June 12, 2025  
10:00 a.m.**

**MINUTES**

**DIRECTORS PRESENT:** Ashley Stolba, Chair  
Jessica Andors (via remote participation)  
Juan Carlos Morales (via remote participation)  
Joan Corey  
John P. Farmer (via remote participation)  
Kimberly Lyle  
Daniel O'Connell  
Carmen Panacopoulos  
Christina Royal (via remote participation)  
Bran Shim (until 11:28 a.m.)  
Julieann Thurlow  
Kristina Spillane (via remote participation)

**DIRECTORS ABSENT:** Brian Kavoogian  
Gary Campbell  
Nicole Obi

**Agency Staff:** Navjeet Bal, President and CEO  
Marcos Marrero, SEVP & Deputy Director (via remote participation)  
David Abdoo, Chief of Staff  
Kate Janowski, Deputy Chief of Staff  
Simon Gerlin, Treasurer and CFO  
Cyndy Tonucci, Interim EVP, Finance Programs  
Gary Walker, Interim EVP, Real Estate  
Stephanie Zierten, General Counsel & Board Secretary  
Amanda Wall, Deputy General Counsel & Assistant Secretary  
Destinee Neal, Recording Secretary  
William McKenzie, Information Technology  
Jaime Montesano, Special Projects Manager  
Rebecca Sullivan, SVP Investment Banking  
Lisa Kalinowski, SVP Finance  
Kelsey Schiller, Director of Communications

*Approved:  
July 10, 2025*

Guests: Heath Fahle, Assistant Secretary for Finance

A Meeting of the Board of Directors (the “Board”) of the Massachusetts Development Finance Agency (“MassDevelopment” or the “Agency”) was held in person AND via videoconference on Thursday, June 12, 2025 pursuant to notice duly given.

The Vice Chair welcomed everyone and, confirming the presence of a quorum in the room and via videoconference, called the meeting to order at 10:02 a.m.

*[Secretary’s Note: It was noted that this Board Meeting was taking place in person, as well as remotely – via Zoom videoconference – pursuant to Chapter 2 of the Acts of 2025, as well as the Agency’s Remote Participation Policy. Access codes for general public use were included in the Public Notice for this meeting.]*

### **PRESIDENT/CEO REPORT**

Ms. Bal thanked everyone for their attendance and noted that due to a full agenda, including the budget presentation, her remarks would be brief.

Ms. Bal began by letting the Board know that the Agency is working on talking points for the Board regarding the MGCC merger and continued integration, as requested. She also added that Agency staff are planning a meeting with external stakeholders as part of the continued integration efforts.

Ms. Bal reported that last month she traveled to North Adams and Pittsfield and met with the mayors and toured downtown/TDI districts to learn more about the priorities of each community. She also visited the Berkshire Innovation Center in Pittsfield.

Ms. Bal also had the opportunity to engage with leadership at the Williamstown Theatre Festival and met with Images Cinema and Clark Art. Ms. Bal also conducted a day-long visit which included, the Hanover Theatre as well as site visits to various projects.

Lastly Ms. Bal informed the Board that two long-term employees, Mike Mitchell from the Real Estate division and Kelly Arvidson from the Business Development division, will be retiring from the Agency in the next few weeks.. Ms. Bal related each of their many contributions to the Agency and expressed that they were valuable employees who will be missed.

Throughout her briefing Ms. Bal also responded to questions and comments from Board Members.

## **STANDING BOARD COMMITTEES**

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

Mr. Shim reported that the Committee met Tuesday, June 10<sup>th</sup> and the meeting went well, they discussed a number of routine matters.

### **Audit & Administration Committee**

Mr. Shim reported that the Committee met earlier that morning (Thursday, June 12<sup>th</sup>) and discussed the FY25 Audit Plan.

## **CONSENT AGENDA**

The Chair asked if there were any questions or issues for discussion regarding the items on the Consent Agenda. After consideration, without opposition, and, upon motion duly made and seconded, by a roll call vote it was unanimously voted by all Directors present, with the exception of the recusals noted below):

### **1. VOTE – Board Meeting Minutes (May 8, 2025)**

**VOICE VOTED:** that the Board approves the minutes of its May 8, 2025 Board meeting.

### **2. VOTE – Real Estate – Amendment of Selected House Doctor Contracts**

**VOTED:** that the Board approves the increases to the House Doctor Contracts in the amounts and terms as described in the Memorandum.

### **3. VOTE – Devens Sewer Utility FY26 Rate Adjustments**

**VOTED:** that the Board approves the recommended rate adjustments for the Devens Sewer (wastewater) Utility as described in the Memorandum.

### **4. VOTE – Devens – Devens Water Utility FY26 Rate Adjustments**

**VOTED:** that the Board approves the recommended rate adjustments for the Devens Water Utility as described in the Memorandum.

### **5. VOTE – Devens – Amendment of Contract with Transcend Maintenance Services, Inc.**

**VOTED:** that the Board authorizes the amendment of the existing contract with Transcend

*Approved:  
July 10, 2025*

Maintenance Services Inc. of Burlington, MA (“Transcend”) for custodial services for selected buildings in Devens to increase value of the contract.

**6. VOTE – Devens – Proposed Changes to Tax Exemptions for Residents**

**VOTED:** that the Board approves the proposed changes to the tax exemptions for eligible Devens residents as set forth in the Memorandum.

**7. VOTE – Community Development – Recommendation for Extension of Six TDI Districts**

**VOTED:** that the Board approves the authorization of a 10-month extension period for six (6) current TDI Districts through June 30, 2026 as described in the Memorandum.

**8. VOTE – Community Development – Creative Cities – Award of FY26 Funds**

**VOTED:** that the Board approves the award of an additional \$910,000 to support the final 18 months of programming for the current Creative Cities cohort as described in the Memorandum.

**9. VOTE – Community Development - Reallocation and Amendment of Underutilized Properties Program (“UPP”) Award funds – The Community Builders, Inc.**

**VOTED:** that the Board approves 1.) the reallocation of \$700,000 of UPP award funds from FCC to TCB; and 2.) the award of \$620,514 in additional UPP award funds to TCB for a total amended Program award of up to \$4,083,774 for the enabling necessary work for the project.

**10. VOTE – Community Development - UPP Award Amendment – NeighborWorks Housing Services of the South Shore, Inc. (NHS)**

**VOTED:** that the Board approves \$400,000 increase to the FY24 UPP award to NHS to help close a verified gap in the capital stack for enabling construction work at 28 Frederick Douglass Avenue, Brockton, for the Grayson Hotel project as described in the Memorandum.

**11. VOTE – Investment Banking – Proposed Modification to Bond Fee Schedule**

**VOTED:** that the Board approves the modifications to the Bond Fee Schedule as described in the Memorandum.

**12. Bond Detail Memorandum**

It was noted that the Board would vote on the approval and findings for the matters in Tabs 13 through 19. There was no discussion or presentation of the bond transactions. There was no opposition.

**Bonds: Official Actions and Final Approvals**

**Official Actions without State Volume Cap Requests**

**13. Harvard Street Neighborhood Health Center, Inc. (Boston) – \$20,000,000**

**VOTED:** the Agency approves the Project and the estimated cost thereof and authorizes the financing and refinancing of the costs thereof by the issuance of the Bonds, which may be issued in one or more series or subseries, taxable or tax-exempt (or a combination thereof), in the aggregate principal amount of not more than \$20,000,000, and the Agency hereby authorizes the issue, sale and delivery of the Bonds to finance and refinance costs to be incurred or previously incurred in connection with the Project.

**Official Actions without State Volume Cap Requests**

**14. Premier Fence LLC (Middleboro) – \$11,100,000**

**VOTED:** the Agency approves the Project and the estimated cost thereof and authorizes the financing and refinancing of the costs thereof by the issuance of the Bonds, which may be issued in one or more series or subseries, taxable or tax-exempt (or a combination thereof), in the aggregate principal amount of not more than \$11,100,000, and the Agency hereby authorizes the issue, sale and delivery of the Bonds to finance and refinance costs to be incurred or previously incurred in connection with the Project.

**Final Approval Projects without State Volume Cap Requests**

*[Secretary's Note: Ms. Thurlow recused herself and left the room for the vote on item #15.]*

**15. [OA/FA] Beth Israel Lahey Health, Inc. (Various) – \$1,600,000,000**

**VOTED:** the Agency approves the Project and the estimated cost thereof and authorizes the financing and refinancing of the costs thereof by the issuance of the Bonds, which may be issued in one or more series or subseries, taxable or tax-exempt (or a combination thereof), in the aggregate principal amount of not more than \$1,600,000,000, and the Agency hereby authorizes the issue, sale and delivery of the Bonds to finance and refinance costs to be incurred or previously incurred in connection with the Project.

**16. [OA/FA] Care Communities, LLC, Care Communities Burlington, LLC, Care Communities Dartmouth, LLC, Care Communities Needham, LLC, Care**

*Approved:  
July 10, 2025*

**Communities Newburyport, LLC, Care Communities Plymouth, LLC, Care Communities Tewksbury, LLC (Various) – \$259,310,000**

**VOTED:** the Agency approves the Project and the estimated cost thereof and authorizes the financing and refinancing of the costs thereof by the issuance of the Bonds, which may be issued in one or more series or subseries, taxable or tax-exempt (or a combination thereof), in the aggregate principal amount of not more than \$259,310,000, and the Agency hereby authorizes the issue, sale and delivery of the Bonds to finance and refinance costs to be incurred or previously incurred in connection with the Project.

*[Secretary's Note: Ms. Andors recused herself and temporarily left the videoconference for the vote on item #17.]*

**17. [OA/FA] Community Day Care Center of Lawrence, Inc. d/b/a The Community Group (Lawrence) – \$22,500,000**

**VOTED:** the Agency approves the Project and the estimated cost thereof and authorizes the financing and refinancing of the costs thereof by the issuance of the Bonds, which may be issued in one or more series or subseries, taxable or tax-exempt (or a combination thereof), in the aggregate principal amount of not more than \$22,500,000, and the Agency hereby authorizes the issue, sale and delivery of the Bonds to finance and refinance costs to be incurred or previously incurred in connection with the Project.

**18. [OA/FA] Special Obligation Bonds (Commonwealth Contract Assistance) (Boston) - \$17,300,000**

**VOTED:** the Agency approves the Project and the estimated cost thereof and authorizes the financing and refinancing of the costs thereof by the issuance of the Bonds, which may be issued in one or more series or subseries, taxable or tax-exempt (or a combination thereof), in the aggregate principal amount of not more than \$17,300,000, and the Agency hereby authorizes the issue, sale and delivery of the Bonds to finance and refinance costs to be incurred or previously incurred in connection with the Project.

**19. House of Possibilities, Inc. (North Easton) – \$14,135,000**

**VOTED:** the Agency approves the Project and the estimated cost thereof and authorizes the financing and refinancing of the costs thereof by the issuance of the Bonds, which may be issued in one or more series or subseries, taxable or tax-exempt (or a combination thereof), in the aggregate principal amount of not more than \$14,135,000, and the Agency hereby authorizes the issue, sale and delivery of the Bonds to finance and refinance costs to be incurred or previously incurred in connection with the Project.

## **INFORMATIONAL**

*[Secretary's Note: There was no discussion on the informational items.]*

### **20. Lending - Delegated Authority Memo**

### **21. Lending - Delegated Authority Summary**

### **22. Community Development - Family Childcare Grant Awards**

### **23. Community Development – Quarterly Report**

### **24. Media Report (May)**

## **Strategic Discussion**

- **Strategic Initiatives FY26**

Ms. Bal initiated the presentation by sharing her reflections from her first six (6) months as President/CEO.

Ms. Bal announced a strategic planning process for the Agency beginning in fiscal year 2026. She emphasized the importance of having permanent leadership in the Finance and Real Estate divisions to support this effort.

Ms. Bal shared the launch of a Center for Strategy and Innovation within the Office of the President. The Center will be budget-neutral, redeploying existing staff and having three (3) key focus areas:

- Developing agency-wide data systems and KPI tracking;
- Supporting strategic projects;
- Strengthening internal culture and staff engagement efforts

Ms. Bal reported on efforts led by Ms. Zierten to establish a consistent board meeting cadence and to reevaluate committee structures and consider forming an executive committee. Internal Agency governance work is also underway, including an audit and a review and update of the Agency's eight-year-old Employee Handbook. The Agency is also prioritizing implementation of stronger IT governance and data security protocols.

Ms. Bal shared that HR is conducting the Agency's first full-year of performance assessments in a number of years and is also initiating a wage study. IT assessments are

also underway to ensure tools support Agency work effectively.

Ms. Bal added that with the Boston office lease expiring in late 2026; space needs are being reviewed in alignment with hybrid work models and consideration is being given to reducing office footprint(s) and the potential for subleasing unused space.

Ms. Bal emphasized the need to clarify and strengthen the Agency's real estate strategy, particularly around land bank authority. She talked about the need for long-term capital planning. Recruitment for permanent leadership in this area is also a priority.

Ms. Bal noted ongoing engagement with the Air Force regarding Hanscom, with multiple meetings scheduled. The Agency may need to reevaluate staffing, potentially turning the current part-time Director of Military Initiatives position that Meg Delorier currently holds into a full-time position, depending on developments.

Ms. Bal discussed Finance Programs and the continued integration of the Growth Capital Division. The Agency is working to modernize lending policies and procedures and to better understand the reach and impact of current programs. There is an intent to increase focus on green financing tools such as PACE, and to continue to build on the existing partnerships.

Ms. Bal shared that the TDI team is preparing to launch a new cohort and continue engagement with graduated districts. Community investment programs, such as family childcare facility grants, are being explored for replication across agencies. Business development efforts are underway, with a focus on building a robust project pipeline and improving data collection to demonstrate impact.

Ms. Bal explained that the Agency is working closely with EOHLC, the Devens Commission, and local communities to advance housing efforts. An RFP will be issued this year for housing in existing zoned areas in Devens. Long-term jurisdictional planning is ongoing, looking ahead 10 years.

Lastly, Ms. Bal introduced two organization-wide priorities, thoughtful integration of AI into Agency operations, with a cross-divisional working group to lead efforts and embedding sustainability principles across all programs and initiatives.

Throughout her presentation Ms. Bal responded to Board Member questions and comments.



## **25. VOTE – FY26 Proposed Budget Presentation**

Mr. Gerlin provided the Board with a detailed overview of the proposed Agency budget. The presentation included the FY26 Spending Plan with a goal of generating an \$8B economic impact through all programs combined.

- **MassDevelopment Grant Programs:**
  - The Underutilized Property Program is one of the biggest Agency programs and is expected to grow
  - Family Child Care and EEOST programs were highlighted as new and expanding efforts
- **Growth Capital Division Grant Programs:**
  - Grants funded through the Commonwealth's Capital Budget (\$12M)
  - Small Business Technical Assistance Grants (SBTA) were noted as the largest of these programs
- **Lending Programs:**
  - Targeting \$31M in new loans, with an expected net contribution of \$7.5M to the General Fund
  - Lending challenges were acknowledged and the team is working on improving project evaluation, particularly around professional capacity and risk
  - PACE (Green Finance) has been delayed but is expected to relaunch with third-party private financing
- **General Fund Cash Flow**
  - As of June 30, 2025, the General Fund cash is projected at \$48.3 million, which is \$10.2 million higher than the budgeted.
  - For Fiscal Year 2026, the General Fund cash is projected to be \$38.7 million as of June 30, representing a \$9.6 million decrease from FY 2025.
  - For Fiscal Year 2026, General Fund expenses include several key allocations. Mass Growth Capital expenses total \$693,000 and project-related expenses amount to \$1.53 million.
- **Growth Capital Division**
  - For Fiscal Year 2026, the Mass Growth Capital Division is projected to achieve \$1.6 million in savings due to the merger with MassDevelopment.
  - These savings primarily come from the elimination of several high-level positions.
  - Additional savings include IT outsourcing, consolidating insurance policies, reduced external auditing expenses, and legal cost reductions.
  - For Fiscal Year 2026, the Mass Growth Capital Division is projected to incur \$1.06 million in net costs from the merger. This includes salaries and fringe benefits for 16 staff, occupancy and maintenance at the Charlestown location, and IT support and additional miscellaneous expenses. These costs are partially offset by interest income from loans, administrative reimbursement from the Commonwealth, and investment income.

- **Salary and Headcount**
  - For Fiscal Year 2026, MassDevelopment is budgeting a total of 216.4 full-time equivalent (FTE) positions, down from 221.53 in FY2025
  - Key reductions include the elimination of 5.25 TDI Fellows, 3 positions from the Growth Capital Division, and other individual roles.
  - New positions include a VP of Community Investment, SVP & Deputy Director of Operations, Program Administrator, an additional Counsel, and two co-op/legal interns.
- **Devens**
  - Devens continues to demonstrate positive operating performance, supported by strong revenue generation across multiple sources.
  - Key revenue drivers include real estate tax revenue from commercial and residential properties and municipal service fees.
  - Additional revenue streams include hotel occupancy tax, PILOT fee from Devens Electric, fees for recreational events and license agreements, and excise tax.
  - For Fiscal Year 2026, Devens' key expenses total across several categories including salary, fringe benefits, and insurance.
  - Major operational expenses include municipal education, State Police services, Fire operations, and DPW and recreation operations.
- **Capital Spending**
  - Capital improvements include key investments across utilities, infrastructure, and facilities:
  - Devens Utilities (\$3.0M): electrical improvements, water system improvements, sewer upgrades, and gas main replacements.
  - Devens Fund (\$19.2M): infrastructure improvements, completing and outfitting a new public safety building, demolition at Salerno Circle, and fire and DPW equipment. Additional funding covers design services, DPW ground and facility improvements, IT/network upgrades, environmental initiatives, and tenant improvements.
  - General Fund (\$705K): assets held for sale in Greenfield, IT/network infrastructure, and tenant improvements at 99 High and remote offices.
  - Village Hill and Taunton (\$205K): basin repair, legal services at Village Hill, and legal costs in Taunton.

Throughout the presentation, Mr. Gerlin and other Agency staff addressed budget questions from Board members. Concern were raised about future pressure on the general fund, especially with the uncertainty surrounding future state/federal funding. There was a discussion about an analysis of minimum reserve thresholds and risks from expiring investment income tied to capital funds. Leadership affirmed that FY26 appears stable, but strategic discussions are ongoing to plan for the future.

At the conclusion of the discussion, and, upon a motion duly made and seconded, by a roll call vote, it was unanimously voted by all Directors present:

**VOICE VOTED:** that the Board approves the FY2026 Proposed Budget as presented.

**Executive Session**

- **Real Estate Portfolio**

At the request of the Chair, Ms. Zierten advised, at 11:33 a.m., that pursuant to M.G.L. Chapter 30A, Sections 21 and 22, the Board was going into Executive Session, following a roll call vote, which was taken and unanimously voted in favor, to discuss a matter involving the value of real property 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). She instructed that all persons who are not Board members or staff involved in this matter must leave the room and the videoconference. She noted that the Board would not reconvene in Open Session following Executive Session.

*[Executive Session held]*

There being no further business before this Board, upon a motion duly made and seconded in Executive Session *and* the Board meeting were adjourned at 11:54 a.m.