**Massachusetts Development Finance Agency**

**Meeting of the Board of Directors**

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

**Thursday, January 14, 2021**

**10:00 a.m.**

**M I N U T E S**

DIRECTORS PRESENT: Mike Kennealy, Secretary of Housing & Economic Development, Chair

 Brian Kavoogian, Vice Chair

 Mark Attia, Designee for Secretary of Administration & Finance

 James Chisholm

 Joan Corey

 Francesca Maltese

 Juan Carlos Morales

 Kristina Spillane

 Christopher Vincze

 Ellen Zane

DIRECTORS ABSENT: James Blake

Agency Staff: Dan Rivera, President and CEO

 Robert Ruzzo, Deputy Director and COO

 Ricks Frazier, General Counsel and Secretary

 Simon Gerlin, Chief Financial Officer

 Jeff Fuhrer, SEVP and Chief Strategy Officer

 Laura Canter, EVP, Finance Programs

 Cassandra McKenzie, EVP, Real Estate

 Jessica Strunkin, EVP, Devens

 Tania Hartford, EVP, Operations and Chief of Staff

 Victoria Stratton, Recording Secretary

John Ambold

Roy Angel

Kelly Arvidson

David Bancroft

Ivis Batista

John Beatty

Graeme Brown

Jeff Buckley

Leila Cadet

Denise Callow

Sean Calnan

Frank Canning

Robert Carley

Steve Chilton

Jen Cohen

Sheri Corbeil

Julie Cowan

Meg Delorier

Brenda Doherty

Kathryn Fraser

Mike Galligan

Nick Giaquinto

Amanda Gregoire

Zach Greene

Roy Herzig

Tonya Ingram

Amie Jaiteh

Lisa Kalinowski

Dena Kavanagh

Will Kidston

Brett Kimball

Connie Kirby

Noah Koretz

Andrew Levine

Alejandro Lopez

Christine Madore

John Marc-Aurele

Shyla Matthews

Mike Mitchell

Matthew Mogavero

Jim Moore

Dan Morais

Paul Moran

Lillian Munoz

Leigh Natola

Jan Nuzzolo

Wendy O’Malley

Claire O’Neill

Rick Pass

Jay Pateakos

Doug Robinson

Angelo Russo

Kelsey Schiller

Robert Seega

Simmee Silton

Nichole Smith-Benton

Ed Starzec

Rebecca Sullivan

Cynthia Tonucci

Ellen Torres

Matt Wamback

Benny Wong

Guests: Jim Farucci, (affiliation unknown)

Lynn Tokarzyk, Business Development Strategies, Inc.

Simon Nicholson, Watson Marlow

A Meeting of the Board of Directors of Massachusetts Development Finance Agency (“MassDevelopment” or the “Agency”) was held Thursday, January 14, 2021, by Remote Participation (See Secretary’s Note, below), pursuant to notice duly given.

The Chair welcomed everyone and, confirming the presence of a quorum on the videoconference, he called the meeting to order at 10:03 a.m.

[*Secretary’s Note: It was noted that this Board Meeting was taking place entirely remotely – via videoconference – due to emergency procedures in connection with the COVID-19 pandemic (see Gov. Baker’s Declaration of a State of Emergency, dated March 10, 2020, and subsequent Order Suspending Certain Provisions of the Open Meeting Law, dated March 12, 2020), pursuant to the Agency’s Remote Participation Policy. Access codes for use by the general public were included in the Public Notice for this meeting.*]

**MINUTES**

**1. VOICE VOTE – Meeting Minutes (December 10, 2020)**

 The Chair asked if there were any comments on the draft minutes of the December 10, 2020 Board meeting, and there were none. He 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

**VOICE VOTED:** that the Board of Directors of MassDevelopment approves the minutes of its December 10, 2020 Board meeting, that are attached and made a part of the minutes of this meeting.

**2. VOICE VOTE – Executive Session Minutes (December 10, 2020)**

The Chair stated that if there are any comments on the draft Executive Session Minutes of the December 10, 2020 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 a roll call of the directors on the videoconference, it was, unanimously

**VOICE VOTED:** that the Board of Directors of MassDevelopment approves the Executive Session minutes of its December 10, 2020 Board meeting, that are attached and made a part of the minutes of this meeting.

**PRESIDENT / CEO REPORT**

The Chair introduced Dan Rivera, noting this is his first Board meeting as MassDevelopment’s President and CEO. Mr. Rivera thanked the Board for its trust in him and insisted he would make Board members proud of their decision. He said his first week at MassDevelopment has been informative, with lots of meetings, and staff has been very helpful. Mr. Rivera stated that he is grateful for the condition of the Agency, and he thanked Lauren Liss, Bob Ruzzo, and the entire team for assistance and guidance during this transition. He then introduced Tania Hartford as the Agency’s new Chief of Staff and informed everyone that Bob Ruzzo will be leaving the Agency at the end of January; he advised of certain additional staff changes as well. In closing, Mr. Rivera invited Board members to attend a virtual All Staff meeting scheduled for January 15 at noon, where he hopes to set a tone and baseline for moving forward.

**GENERAL**

**3. VOTE – Payroll Services Agreement with ADP, Inc.**

Announcing that MassDevelopment’s payroll manager is retiring on May 1, Mr. Gerlin advised that staff wishes to revise the Agency’s payroll services contract so that ADP will provide full outside services. He confirmed the need for Board approval because the total amount of this contract over time will exceed the authority delegated to staff by the Board. A brief discussion ensued when Mr. Vincze asked how payroll services are handled elsewhere. Mr. Attia said he will check the practice at the State House. Mr. Morales suggested evaluating other vendors who provide payroll management services as well. Mr. Gerlin advised that due to the pending retirement, circumstances did not allow these steps to be taken in this instance, but staff will investigate this matter in the coming year. The 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 request to revise the payroll services contract with ADP, Inc., as outlined in the memorandum and vote dated January 14, 2021, that are attached and part of the minutes of this meeting.

**STRATEGIC PLANNING**

**4. MassDevelopment FY2021 Agency Business Plan**. For informational purposes only, the Agency’s FY2021 Business Plan summary is attached and made a part of the minutes of this meeting. No discussion of this item took place.

**MARKETING / Communications**

**5.** **Media Report (December 2020)**. 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.

**Finance programs**

**Update from Executive Vice President, Finance Programs, and Chief Executive Officer**. Ms. Canter reported highlights for December, calling attention to $27.7 million in bond issuance closings and $27.8 million in loan closings. She briefly discussed housing units and noted staff is near to closing its first financing under the Property Accessed Clean Energy, or PACE, program. In addition, staff has closed 85 grants under the Transportation Infrastructure Enhancement Fund Taxi & Livery Business Support Grant program, thereby providing $4.4 million to the industry. Mr. Gerlin advised that a detailed financial review of the first six month of FY2021 will be presented in February. When asked for comments regarding MassDevelopment’s risk profile, Mr. Gerlin said the Agency is in good shape. He stated that despite the pandemic, staff expects to exceed budget expectations. Mr. Attia added that an announcement regarding volume cap is expected to be made at the end of the month.

**BOND TRANSACTIONS**

**6. 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 January Board materials.

The Chair then advised that the Board would vote on the approvals and findings for the matters in Tabs 7 – 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**

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

a project of St. Mark’s School of Southborough, Inc., in Southborough, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $59,000,000.

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

a project of Glenmeadow, Inc., in Longmeadow, Massachusetts, for the issuance of a Non-Profit Housing Bond to finance such project in an amount not to exceed $8,000,000.

**Official Action Projects without Volume Cap Requests**

**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 Rodeway LLC, in Brockton, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed $5,300,000.

**Bonds: Final Approvals**

**Final Approval Projects without Volume Cap Requests**

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

a project of the President and Trustees of Williams College, in Williamstown, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $28,000,000.

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

a project of Lubavitch of Cambridge, Inc., in Cambridge and Boston, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $11,635,000.

**Standing Board Committee Reports**

***Origination & Credit Committee***

Mr. Kavoogian reported that the Origination & Credit Committee met on Tuesday, January 12, 2021.

**12. Minutes of Prior Meeting**. For informational purposes only, the minutes of the December 8, 2020 Origination & Credit Committee Meeting are attached and made a part of the minutes of this meeting. No discussion of these minutes took place.

**Lending**

**13. Delegated Authority Report for Loan Approvals (November 2020)**. 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.

**14.** **Minutes of Emerging Technology Fund Advisory Committee Meeting (December 2, 2020)**. For informational purposes only, the approved minutes of the December 2, 2020 Emerging Technology Fund Advisory Committee meeting are attached and made a part of the minutes of this meeting. No discussion of these minutes took place.

**15. VOTE – 28 Petronelli LLC (Brockton) – $3,153,500 Construction Loan and $3,369,713 Bridge Loan**

Noting that a revised memo – addressing a correction pointed out at the Origination & Credit Committee meeting on Tuesday – has been provided, Mr. Moran described this request for financing in connection with the rehabilitation and conversion of a property in Brockton into 18 units of transit oriented, mid-market rental housing. The blighted building, located on Petronelli Way, right off Main Street and one block from the train station, was originally constructed in 1890 and is well known as the former gym for professional champion boxer, Marvin Hagler. It has been vacant since 2010, is in need of lots of improvements and is considered a catalyst for future development. The developer, Ted Carman, is also a well-known local businessperson. The 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 loans to 28 Petronelli LLC, as outlined in the revised memorandum and vote dated January 14, 2021, that are attached and part of the minutes of this meeting.

**Community Development**

**16. Delegated Authority Report for Community Development Approvals (November 2020)**. For informational purposes only, the Delegated Authority Report regarding Community Development Approvals is attached and made a part of the minutes of this meeting. No discussion of the report took place.

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

Mr. Kavoogian reported that the Real Estate Development & Operations Committee met on Tuesday, January 12, 2021.

**17. Minutes of Prior Meeting**. For informational purposes only, the minutes of the December 8, 2020 Real Estate Development & Operations Committee Meeting are attached and made a part of the minutes of this meeting. No discussion of these minutes took place.

**18 – VOTE – Devens – Wright-Pierce Contract Extension and Increase in Value**

The Chair asked if there were any questions or comments regarding this request to increase and extend the contract with Wright-Pierce in connection with the water and wastewater utility systems in Devens, and there were none; accordingly, there was no discussion of this matter. The 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 extend and increase its contract with Wright-Pierce, as outlined in the memorandum and revised vote dated January 14, 2021, that are attached and made a part of the minutes of this meeting.

**19 – VOTE – Devens – Surveying Consultant Contract**

The Chair asked if there were any questions or comments regarding this request to approve a contract for a surveying consultant and associated services related to Devens, and there were none; accordingly, there was no discussion of this matter. The 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 award a contract for land surveying and associated services to WSP USA, Inc., of Worcester, MA, as outlined in the memorandum and vote dated January 14, 2021, that are attached and made a part of the minutes of this meeting.

**20 – VOTE – Devens – 16 Bulge Road – Tax Increment Financing Agreement**

Mr. Gerlin explained this request for approval of a Tax Increment Financing (“TIF”) Agreement with Scannell Properties, the developer of a project at 16 Bulge Road, Devens, for the benefit of Watson-Marlow, a U.K.-based manufacturer of advanced equipment for the biotech and pharmaceutical industries, which is planning to expand its business in the United States. This project will involve an investment of $74 million by the company and the promise of 150 new jobs, and will include construction of a 139,000 square foot facility. Mr. Gerlin provided certain details of the TIF and confirmed the company will save 50 percent, or approximately $1.5 million, of real estate taxes over the life of the Agreement. He made comparisons to similar agreements: a 20-year TIF for Bristol-Myers Squibb (which brought 650 jobs to Devens), which will expire in 2028; a 10-year TIF for SMC (which currently has more than 100 job openings) that will end in 2026; and other smaller TIFs approved by local communities for greater amounts and fewer expected job numbers. A brief discussion of the approval process ensued and Board members were reminded that the MassDevelopment Board acts as the Devens town government for taxes and certain other purposes. Ms. Strunkin advised, with respect to assessing a TIF, that an internal committee considered the following criteria, among others: number of new jobs; range of jobs; overall investment in the region/area; synergy with Devens; and whether the company is expanding and adding new jobs or simply relocating. The 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 Tax Increment Financing Agreement with Scannell Properties #460 LLC, as outlined in the memorandum and vote dated January 14, 2021, that are attached and made a part of the minutes of this meeting.

Mr. Rivera suggested then that there should be some type of “strategy document” associated with this matter that explains or outlines why the Agency is taking this action at this time, and a brief discussion followed. It was noted these are “weighty issues,” likely to differ from community to community, and the Agency’s actions, as well as the thinking behind them, should be open and transparent.

**21 – VOTE – Springfield – 1550 Main Street – Janitorial Services Contract**

The Chair asked if there were any questions or comments regarding this request to approve a contract for a janitorial services at 1550 Main Street, Springfield, and there were none; accordingly, there was no discussion of this matter. The 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 award a contract for janitorial services to AffinEco LLC, as outlined in the memorandum and vote dated January 14, 2021, that are attached and made a part of the minutes of this meeting.

**22 – VOTE – Site Readiness Program – FY2021 Program Awards (excluding land acquisition applications)**

Mr. Starzec briefly described this request for 9 grants – totaling $2,608,200 – selected from a pool of 29 applications for a variety of purposes, as follows: *Millbrook Industrial Park* (***Leicester***): $50,000 to undertake due diligence studies and market analysis for a largely undeveloped 116-acre site with frontage on Huntoon Memorial Highway; *Hudson Drive/Sam West Road Industrial Park Expansion* (***Southwick***): $105,000 to evaluate the feasibility of extending a road connection between existing industrial areas along Hudson Drive and Sam West Road, thereby creating new development sites for industrial use; *Carriage Grove Power Plant Demolition* (***Belchertown***): $804,000 for the abatement and demolition of a disused power plant; *Frederick Douglass Avenue Development Site* (***Brockton***): $70,000 for due diligence to support the transformation of a key downtown site into a 300-space public parking garage, workforce housing and a vertical farm; *Marriner Building* (***Lawrence***): $135,000 to complete the process of bringing the first floor of this historic building up to code; *Church Street Bridge* (***Palmer***): $280,000 to design the replacement bridge over the Ware River; *Site 9* (***Pittsfield***): $880,000 for engineering and design services related to the construction of an internal site roadway, utilities and stormwater facilities; *Route 6/Route 240 Redevelopment Study* (***Fairhaven***): $75,000 for technical work in support of a redevelopment study of properties in the vicinity of the interchange of Routes 6 and 240; *Burlington Mall Road Corridor Strategic Plan* (***Burlington***): $85,000 to prepare a district master plan with vision and implementation strategy. The 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 9 recommended Site Readiness Program grants for the FY2021 round, as outlined in the memorandum and vote dated January 14, 2021, that are attached and made a part of the minutes of this meeting.

[*Secretary’s Note:* *Mr. Kavoogian advised the Board that his company owns large amounts of adjacent property on Mall Road, Burlington. He, therefore, recused himself from the consideration of the Site Readiness Program grants above, noting the grant to the Town of Burlington, in particular. At the time the roll call vote was taken (later in the meeting), he withdrew from the videoconference and did not participate in any discussion, deliberation, or vote on the matter. He returned to the videoconference after completion of the above vote.*]

**23. Devens and Devens Environmental Updates**. For informational purposes, the Devens Updates are attached and made a part of the minutes of this meeting. Ms. Strunkin reported three new cases of COVID-19 in Devens, confirming that efforts in connection with the pandemic continue to be coordinated with the Devens Enterprise Commission as the local Board of Health. She noted, too, that efforts to track positive cases and share information are also being coordinated with the Devens Fire Department and local businesses in the surrounding communities. Despite the ongoing pandemic, there will be a recreation calendar for 2021. Elections took place in December for two seats each on the Devens Committee and the Devens Education Advisory Committee; incumbents retained their seats in both elections. Grant Road has reopened (after being closed for two years) and staff is monitoring traffic. The Lovell Road Bridge will need significant repairs and planning is being coordinated with the bridge’s sole user, the U.S. Army. She touched on certain environmental issues, including: ongoing tracking and treatment of PFAS contamination in cooperation with the Massachusetts Department of Environmental Protection and the U.S. Environmental Protection Agency on permanent solutions; working with the Army’s Base Realignment and Closure, or BRAC, Clean-up Team. SMC Corp. has advised that it has constructed two new “clean rooms” and it has one hundred open jobs to fill.

**24. Statewide Real Estate Projects Updates**. For informational purposes, the Statewide Updates are attached and made a part of the minutes of this meeting. Ms. McKenzie reported that staff continues to work with the developers of Emerson Green,***Devens***, on the multi-tenant building required as part of its project; a review of paperwork regarding investments is underway. An Owners Project Manager has been selected for the Devens Public Safety Facility project. Staff is being advised of design and cost estimates related to the ***New Bedford State Pier*** while the need for immediate repairs to the Pier is being addressed; a Request for Interest (“RFI”) is being considered in connection with the State Piers and staff is working with the Massachusetts Department of Conservation & Recreation to identify funding sources. There were numerous responses to a recent RFI related to ***Belchertown*** and internal meetings are occurring.

[*Secretary’s Note: At this time in the meeting the Chair asked for one roll call vote, upon motion duly made and seconded, to approve the following: the minutes (Tabs 1 and 2); the payroll services contract (Tab 3); the bond transactions (Tabs 7 through 11); the Lending request (Tab 15), and all Real Estate and Devens-related requests (Tabs 18 through 21). An individual vote was taken for the Site Readiness Program grants (Tab 22), due to the recusal identified above. Accordingly, all items were approved as indicated above.*]

**Miscellaneous: Old Business / New Business**

The Chair asked if there was any new or old business to consider, and there was none. The Chair was pleased to note that the Economic Development Bill passed the state legislature last week and is expected to be signed into law by Gov. Baker within days. In addition to federal support, which is expected to come soon, this Bill will increase much needed small business support and eviction assistance.

**Executive Session**

**25 – VOTE – Site Readiness Program – FY2021 Program Awards (land acquisition applications only)**

Due to components involving the value of real property in Gloucester, the discussion of this item was reserved for Executive Session.

**11. VOTE – Devens – 111 Hospital Road – Proposed Land Sale**

Due to components involving the value of real property in Devens, the discussion of this item was reserved for Executive Session.

The Chair advised, at 10:53 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, for discussion and vote on real property transactions in Devens and Gloucester. The Chair advised that the Open Meeting portion of the Board meeting would adjourn at this time; Board members and staff involved in the discussion(s) were instructed to remain on the videoconference while all others disconnected. 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*** the Executive Session were adjourned in Executive Session at 11:16 a.m.