**Massachusetts Development Finance Agency**

**Meeting of the Board of Directors**

**Thursday, March 12, 2020**

**10:30 a.m.**

**M I N U T E S**

DIRECTORS PRESENT: Tim McGourthy, Designee for Secy. of Housing & Economic Development, Acting Chair

 Mark Attia, Designee for Secretary of Administration & Finance

 Brian Kavoogian, Vice Chair

 James Chisholm

 Juan Carlos Morales

 Kristina Spillane (newly appointed)

 Ellen Zane

DIRECTORS ABSENT: James Blake

 Jane Corey (newly appointed)

 Francesca Maltese

 Christopher Vincze

Agency Staff: Lauren Liss, President and CEO

 Robert Ruzzo, Deputy Director and COO (*via telephone*)

 Ricks Frazier, General Counsel and Secretary

 Simon Gerlin, Chief Financial Officer

 Jeff Fuhrer, Chief Strategy Officer

 Laura Canter, EVP, Finance Programs

 Dena Kavanagh, Deputy General Counsel

 Meg Delorier, Chief of Staff

 Victoria Stratton, Recording Secretary

 Jamie Errickson

 Jim Kenney (*via videoconference, Quincy*)

 Will Kidston (*via videoconference, Quincy*)

 John Marc-Aurele (*via videoconference, Devens*)

 Jessica Strunkin

Guests: None

A meeting of the Board of Directors of Massachusetts Development Finance Agency (“MassDevelopment” or the “Agency”) was held Thursday, March 12, 2020, at MassDevelopment’s offices, 99 High Street, 11th floor, Boston, Massachusetts, pursuant to notices duly given.

The Acting Chair welcomed everyone and, confirming the presence of a quorum, he called the meeting to order at 10:00 a.m. He asked if there were any guests in attendance and, if so, to please introduce themselves; there were no guests present.

[*Secretary’s Note: It was noted that Mr. Marc-Aurele is participating in this meeting via videoconference (from Devens) due to emergency procedures (see Gov. Baker’s Declaration of a State of Emergency, dated March 10, 2020), pursuant to the Agency’s Remote Participation Policy. Likewise, it was noted that Messrs. Kenney and Kidston are participating via teleconference (from Quincy.*]

**MINUTES**

**1. VOICE VOTE – Meeting Minutes (February 13, 2020)**

The Acting Chair asked if there were any comments on the draft minutes of the February 13, 2020 Board meeting, and there were none. He asked for a vote to approve these minutes and, upon motion duly made and seconded, by the directors present, it was, unanimously

**VOICE VOTED:** that the Board of Directors of MassDevelopment approves the minutes of its February 13, 2020 Board meeting, that are attached and made a part of the minutes of this meeting.

**2. VOICE VOTE – Executive Session Minutes (February 13, 2020)**

The Acting Chair stated if there are any comments on the draft Executive Session Minutes of the February 13, 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 the directors present, it was, unanimously

**VOICE VOTED:** that the Board of Directors of MassDevelopment approves the Executive Session minutes of its February 13, 2020 Board meeting, that are attached and made a part of the minutes of this meeting.

**PRESIDENT / CEO REPORT**

Ms. Liss reported that Grace Fey is no longer serving on this Board and she thanked Ms. Fey for her dedicated service and insights. Ms. Liss welcomed the Board’s newest member, Kristina Spillane, who expressed her pleasure to have been so appointed. In addition, Ms. Liss advised that Karen Courtney no longer serves on this Board and she thanked Ms. Courtney for her service as well, noting that Jane Corey, who was unable to attend today’s meeting, has also been appointed to the Board. Ms. Liss introduced Jeff Fuhrer, who has joined MassDevelopment as Chief Strategy Officer after many years at the Federal Reserve Bank of Boston.

There then ensued a robust discussion regarding the current State of Emergency and the Gov. Baker’s Declaration thereof in connection with the COVID-19 global pandemic, and the Agency’s response planning. Noting the vast uncertainty of this ever-evolving situation, Ms. Liss advised that the Agency is working cooperatively with the Baker-Polito Administration and looking to it for next steps. While not required to adopt certain procedures issued by the Administration, the Agency does not have its own public health expertise and has therefore elected to follow the Administration’s guidance. The Executive Team is staying on top of information and keeping staff informed. Among other actions, all business-related travel is canceled; all conferences and meetings, where possible, are to be attended virtually or canceled; staff is being encouraged to not attend in-person gatherings and to restrict personal travel. Staff is also encouraged to speak with managers regarding any concerns about commuting to/from the office. At the time of the meeting, three employees are working from home, and this number is expected to increase. Arrangements have been made with the Agency’s landlord for additional cleaning services (on surfaces, bathrooms, etc.).

The Acting Chair made clear that the state government is not shutting down, but large social gatherings are being discouraged and business-related travel is canceled; personal travel is strongly discouraged. A discussion followed regarding identifying the types of day-to-day Agency business and operations that can be conducted remotely and what this means for Board members and Board meeting procedures; this involved a discussion of emergency delegated authority that would potentially allow for approval of bond transactions without a Board meeting, if necessary (to be ratified at a later date by the Board), as proposed by certain bond counsel, Open Meeting Law requirements, possible remote meetings, quorum issues, and more. A Memorandum regarding Emergency Delegated Authority was shared and discussed with Board members, but no action was taken.

In other Agency news, Ms. Liss advised that the governor’s Economic Plan has been released and his Economic Development Bond Bill was announced. The Bill includes at least two programs that MassDevelopment will administer: $40 million over five years for underutilized buildings; and $10 million for rural area projects. The Bill includes funding for the Site Readiness Program and the Brownfields Redevelopment Fund, which MassDevelopment will help to fund. In addition, the Bill contains renewed funding for the popular Transformative Development Initiative (“TDI”) and Collaborative Workspaces Program.

**STRATEGIC PLANNING**

**3. Annual Business Plan (FY2020)**. For informational purposes only, the Summary of the Agency’s Strategic Themes, Core Activities & Priority Strategic Goals is attached and made a part of the minutes of this meeting. No discussion of this item took place.

**MARKETING / Communications**

**4.** **Media Report (February 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**

**Updates from Chief Financial Officer and Executive Vice President, Finance Programs**. Ms. Canter was pleased to announce that the Agency has been advised of a Volume Cap reservation of $175 million from the Executive Office of Administration & Finance.

**5. Fiscal Year 2020 Closed Finance Programs Transactions – 1st and 2nd Quarters.** Mr. Canter stated this Report is inclusive for the first half of the current fiscal year. She said bond volume is ahead of last year and a brief discussion ensued regarding market conditions, pipeline, refinancings, and the likelihood of projects moving forward.

**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. Canter advised of the following changes to the materials in the March Board book: the bond issuance for Harbor Health Services, Inc. (Tab 15) has been removed from consideration; and the bond issuance for Alloy LLC / VAC, Inc. (Tab 17) has been reduced from $2.1 million to $1.6 million.

The Acting Chair then advised that the Board would vote on the approvals and findings for the matters in Tabs 7 – 18, noting the changes mentioned above, to be considered following the opportunity for discussion, pursuant to Section 8 of Chapter 23G of the General Laws, as amended.

**Bonds: Official Actions**

**Official Action Projects without 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 Bard College, in Great Barrington, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $14,310,000.

**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 Greenfield Center School, Inc., in Greenfield, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $6,250,000.

**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 Visiting Nurse Foundation, Inc., in Somerville, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $3,600,000.

**Official Action Projects with Volume Cap Requests**

**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 BC Baystate Place LLC, in Springfield, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed $29,407,497.

**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 Harrison Affordable LLC, in Boston (Chinatown), Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed $22,594,488.

**Bonds: Final Approvals**

**Final Approval Projects without Volume 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 Dean College, in Franklin, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $54,100,000.

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

a project of Friends of Baystate Academy Charter Public School, Inc., in Springfield, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $6,800,000.

**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 Cape Cod Pilgrim Memorial Association of Provincetown, in Provincetown, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $4,500,000.

**15.** This item was removed from consideration.

**Final Approval Projects with Volume Cap Requests**

**16.** 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 the Dudley Terrace Apartments LLC, in Boston (Dorchester), Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed $8,260,000.

**17.** Attention was called to the reduction in the amount of this bond issuance, from $2,100,000 to $1,600,000 and, 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 Alloy LLC / VCA, Inc., in Northampton, Massachusetts, for the issuance of a Tax-Exempt Industrial Development Bond to finance such project in an amount not to exceed $1,600,000.

**18.** 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 Wayne at Schuyler LLC, in several locations in Boston (Dorchester and Roxbury), Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed $1,363,649.

**Standing Board Committee Reports**

***Origination & Credit Committee***

Mr. Morales, the Origination & Credit Committee’s Acting Chair, advised that the Committee met on Tuesday, March 10, 2020.

**Lending**

**19.** **Minutes of Prior Committee Meeting**. For informational purposes only, the minutes of the February 11, 2020 Origination & Credit Committee meeting are attached and made a part of the minutes of this meeting. No discussion of these minutes took place.

**20. Delegated Authority Report for Loan Approvals (January 2020)**. For informational purposes only, the Delegated Authority Report regarding Loan Approvals is attached and made a part of the minutes of this meeting. No discussion of the Report took place.

**21. VOTE – Dive Technologies, Inc. (Quincy) – $1,300,000 Emerging Technology Fund (“ETF”) Working Capital Loan**

Mr. Kenney briefly described this request for a $1.3 million ETF Loan to support the growth of a technology company. Dive Technologies is developing a next generation autonomous underwater vehicle (“AUV”) for potential use in the commercial market for underwater surveying, in oil and gas operations, offshore windfarm operations, as well as intelligence agency and military applications. The Agency’s loan will support the project through leasehold expansion financing (build-out and equipment) and contributing to salaries of new full-time employees. Mr. Kenney mentioned that Dive Technologies is a member of the Berkshire Innovation Center, another entity supported by MassDevelopment. The Acting 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 approves the $1,300,000 ETF loan to Dive Technologies, Inc., as outlined in the memorandum and vote dated March 12, 2020, that are attached and made a part of the minutes of this meeting.

**Community Development**

**22. VOTE – MassDevelopment/HEFA Trust – FY2020 Community Health Center Grant Awards**

Ms. Canter briefly described this request to recommend that the Trustees of the MassDevelopment/HEFA Trust approve six Community Health Center grants totaling $273,918 – to benefit community health centers in Brighton, Fitchburg, Great Barrington, Holyoke, Lynn, and Springfield – in the FY2020 round of this program, which MassDevelopment inherited as the result of its merger with the Massachusetts Health Education Financing Authority in 2010. The recommendation also includes a request for MassDevelopment, as the sole shareholder for MassCare Capital, Inc., to approve one of the grants (for $23,945) as a grant from MassCare. The Acting 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 recommends that the Trustees of the MassDevelopment/HEFA Trust approve the six Community Health Center grants in the FY2020 round, as outlined in the memorandum and vote dated March 12, 2020, that are attached and made a part of the minutes of this meeting.

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

Mr. Kavoogian confirmed that the Real Estate Development & Operations Committee met on Tuesday, March 10, 2020.

**23.** **Minutes of Prior Committee Meeting**. For informational purposes only, the minutes of the February 11, 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.

**24. VOTE – Commonwealth Places Program – Grant Awards**

Mr. Kavoogian described this request to approve 21 Commonwealth Places grants for up to $500,000, in what he described as a “great use of public funds that will leverage additional private dollars,” because each grant recipient must match the grant funding with equal (or more) community crowdfunding. Mr. Kavoogian noted, further, that 16 applicants not receiving funding in this round are being placed in a program pipeline and are receiving coaching. The Acting 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 approves 21 grant awards from the Commonwealth Places Program, as outlined in the memorandum and vote dated March 12, 2020, that are attached and made a part of the minutes of this meeting.

**25. VOTE – Devens – Hospital Road Improvements Project**

Mr. Marc-Aurele briefly described this request to award a contract not to exceed $695,000 for the Hospital Road Improvements Project in Devens, to the lowest responsible bidder, pursuant to a Request for Proposals (“RFP”). These improvements have long been planned for completion as part of certain capital improvements in connection with the Women’s Institute project. The Acting 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 approves the award of a contract for the Hospital Road Improvements Project in Devens, as outlined in the memorandum and vote dated March 12, 2020, that are attached and made a part of the minutes of this meeting.

**26. VOTE – Belchertown – Phase IV Demolition at Carriage Grove**

Mr. Marc-Aurele described this request to award a contract for the Phase IV demolition and abatement project in Belchertown, to the lowest responsive bidder, pursuant to an RFP. This important demolition project will clear certain common areas to allow access for future, much needed development. The Acting 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 approves the award of a contract for Phase IV demolition and abatement in Belchertown, as outlined in the memorandum and vote dated March 12, 2020, that are attached and made a part of the minutes of this meeting.

2**7. 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 that she is working closely with the Department of Public Works and other staff in matters related to the COVID-19 pandemic to ensure public safety in Devens.

With respect to Vicksburg Square, Ms. Strunkin advised that communications regarding the rezoning efforts continue and discussions are ongoing with mostly positive feedback. She briefly recapped the proposed rezoning efforts in connection with the historic Vicksburg Square buildings (slated for a vote at a Super Town Meeting being planned for October), noting that up to 280 residential units are proposed to address the need for local housing.

Ms. Strunkin reported that all three drinking wells in Devens are “up and running” with approval of the Massachusetts Department of Environmental Protection. There are signed Letters of Intent from Draper Labs and Commonwealth Fusion Systems related to property conveyances (underway). A meeting of the Devens Jurisdiction Framework Committee was canceled yesterday and will be rescheduled.

**28. Statewide Real Estate Projects Updates**. For informational purposes, the Statewide Updates are attached and made a part of the minutes of this meeting. Mr. Errickson reported that the Rte. 140 infrastructure project at the Myles Standish Industrial Park Expansion in ***Taunton*** is wrapping up, and paperwork is being concluded. Construction at ***Village Hill, Northampton***, is moving along nicely. Today’s approval of the Phase IV demolition project at ***Carriage Grove, Belchertown***, will open up access to the industrial portion of the larger development site enabling lots to be conveyed. Construction at ***Emerson Green, Devens***, is ongoing; the developer is actively moving forward with Phase IIB.

With respect to the *Site Readiness Program*, an announcement of grant awards is planned for March 17 in Lawrence. All FY2020 projects in the *Technical Assistance* *Program* are ongoing. For example, a recent market analysis in Athol indicates there is a market for a hotel there.

**Miscellaneous: Old Business / New Business**

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

**Executive Session**

* **Litigation Matter(s)**

Mr. Frazier advised it was not necessary to go into Executive Session to provide a brief update on this matter. Accordingly, he noted that the parties remain in negotiations toward settlement of this matter, with some adjustments to the goalposts along the way.

There being no further business before the Board of MassDevelopment, the Board Meeting was adjourned at 11:10 a.m.