**Massachusetts Development Finance Agency**

**Meeting of the Board of Directors**

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

**Thursday, October 8, 2020**

**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

 James Blake

 James Chisholm

 Joan Corey

 Francesca Maltese

 Christopher Vincze

DIRECTORS ABSENT: Mark Attia, Designee for Secretary of Administration & Finance

 Juan Carlos Morales

 Kristina Spillane

 Ellen Zane

Agency Staff: Lauren Liss, 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

 Meg Delorier, Chief of Staff

 Victoria Stratton, Recording Secretary

Graeme Brown

Jeff Buckley

Denise Callow

Sean Calnan

Frank Canning

Rob Carley

Steve Chilton

Brenda Doherty

Nick Giaquinto

Zach Greene

Amanda Gregoire

Joe Grivers

Roy Herzig

Dena Kavanagh

William Kidston

Noah Koretz

Christian Lollar

John Marc-Aurele

Dan Morais

Lillian Munoz

Leigh Natola

Rick Pass

Doug Robinson

Kelsey Schiller

Robert Seega

Simmee Silton

Pat Sluder

Ed Starzec

Louisa Stone

Rebecca Sullivan

Cyndy Tonucci

Ellen Torres

Guests: John Beatty, Executive Director, Massachusetts
Military Asset & Security Strategy Taskforce

A Meeting of the Board of Directors of Massachusetts Development Finance Agency (“MassDevelopment” or the “Agency”) was held Thursday, October 8, 2020, 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 10:06 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 general public use were included in the Public Notice for this meeting.*]

**MINUTES**

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

The Chair asked if there were any comments on the draft minutes of the September 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 September 10, 2020 Board meeting, that are attached and made a part of the minutes of this meeting.

**PRESIDENT / CEO REPORT**

Calling attention to the annual meeting with the residents of Devens that will immediately follow this Board meeting, which normally happens in Devens, physically, Ms. Liss praised the incredible work done by the Devens team in the past 18 hours. She reported that severe weather had knocked out power for several hours the prior evening. Power has been restored, however, and all operations have returned to normal.

Staff remains busy with active COVID-19 response efforts, primarily through awards of grant funding. Ms. Liss advised of an event she attended with Gov. Baker in Lowell recently to announce *Commonwealth Places* program grants. In addition, a joint announcement with the Metropolitan Area Planning Council is expected soon regarding grants from the Transportation Infrastructure Enhancement Fund to benefit the taxi and livery industries.

Meanwhile, the Agency is reaching out to communities surrounding the Massachusetts State Piers and preparing a Request for Interest in possible development opportunities.

**GENERAL**

**2. VOTE – Contract Extension with the Roosevelt Group**

As Executive Director of the Massachusetts Military Asset & Security Strategy Taskforce (whose office is housed at MassDevelopment), Mr. Beatty explained The Roosevelt Group’s support and assistance to the efforts of the Taskforce since 2016 to protect the six military installations in the Commonwealth from possible closure in the event of a Base Realignment and Closure round by the federal government. Mr. Beatty said Roosevelt has been a good partner that has helped on many fronts, and this ten-month contract extension will allow certain work currently underway to be completed (potentially, to bring an F35 aircraft to Westover AFB); it will also allow for the development and issuance of a Request for Proposals (“RFP”) for the next consultant contract, once the Roosevelt contract expires. 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 for ten months the contract with The Roosevelt Group, as outlined in the memorandum and vote dated October 8, 2020, that are attached and made a part of the minutes of this meeting.

**STRATEGIC PLANNING**

**3. 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**

**4.** **Media Report (September 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 Executive Vice President, Finance Programs, and Chief Financial Officer**. Ms. Canter advised that all COVID-related deferrals requested/granted in the first round have expired. A second round of loan deferrals began in September, representing about 4 percent of the General Fund portfolio. She confirmed the lending pipeline is on track to meet budget and said there are also numerous grant rounds going on, including Community Health Centers, Collaborative Workspaces, and the Brownfields Recovery Fund. In addition, twelve bonds have closed this fiscal year totaling $574 million in principal and including $50 million for housing projects.

**BOND TRANSACTIONS**

**5. Bond Detail Memorandum and Manufacturing Delegated Authority Report**. For informational purposes, the Bond Memorandum and Manufacturing Delegated Authority Report are attached and made a part of the minutes of this meeting. Ms. Canter provided a brief summary, noting no changes from the October Board materials.

The Chair then advised that the Board would vote on the approvals and findings for the matters in Tabs 6 – 9, 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**

**6.** 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 the Amego, Inc., in numerous southern Massachusetts locations, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $30,500,000.

**Bonds: Final Approvals**

**Final Approval Projects without 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 Official Action / Final Approval resolution that is attached and made a part of these minutes regarding:

a project of Turning Point Inc. in numerous northern Massachusetts locations, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed $5,200,000.

**Final Approval Projects with Volume Cap Requests**

**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 Sirk Chestnut Apartments Limited Partnership, in Lowell, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed $7,695,000.

**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 the FM Holdings, LLC / The Duc-Pac Corporation, in Springfield, Massachusetts, for the issuance of a Tax-Exempt Industrial Development Bond to finance such project in an amount not to exceed $4,050,000.

**Standing Board Committee Reports**

***Compensation Committee***

It was reported that the Compensation Committee meeting was postponed from this morning to tomorrow morning.

**10. Minutes of Prior Meeting**. For informational purposes only, the minutes of the November 14, 2019 Compensation Committee Meeting are attached and made a part of the minutes of this meeting. No discussion of these minutes took place.

***Origination & Credit Committee***

Mr. Blake reported that, despite his absence, the Origination & Credit Committee met on Tuesday, October 6.

**11. Minutes of Prior Meeting**. For informational purposes only, the minutes of the September 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**

**12. Delegated Authority Report for Loan Approvals (August 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.

**13.** **Minutes of Charter School Advisory Board Meeting (September 17, 2019)**. For informational purposes only, the approved minutes of the September 17, 2019 Charter School Advisory Board meeting are attached and made a part of the minutes of this meeting. No discussion of these minutes took place.

**14. VOTE – Revisions to the Agency’s Delegated Authority for Finance Programs**

Ms. Canter described this request for authorization to modify the Agency’s current levels of delegated authority for Finance Programs approvals, based on discussions with the Origination & Credit Committee and the full Board. She advised that loan requests seeking less than $4 million will no longer come to the Board, and this new threshold will allow more time at Committee meetings for discussion and analysis of the delegated authority and portfolio performance reports. Mr. Blake added that the banking industry has changed it practices regarding board approval of individual loans; rather, the focus should be on industry standards. Further, he noted the Agency’s process is well managed. 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 revisions to the Agency’s delegated authority for Finance Programs, as outlined in the memorandum and vote dated October 8, 2020, that are attached and part of the minutes of this meeting.

**15. VOTE – Management Plan for EDA CARES Act Revolving Loan Fund**

Ms. Canter described briefly this request for approval of the Agency’s management plan for a new Revolving Loan Fund made possible by a $2.85 million grant award from the U.S. Department of Commerce’s Economic Development Administration (“EDA”), as required by the federal CARES Act, to alleviate sudden and severe economic dislocation caused by the coronavirus pandemic, to provide permanent resources to support economic resiliency, and to further the long-term economic adjustment objectives of the region. MassDevelopment was invited to apply for this grant because it already successfully manages two other revolving loan funds supported by the EDA, and this new Fund will assist many of the same communities. 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 Management Plan for the EDA CARES Act Revolving Loan Fund, as outlined in the memorandum and vote dated October 8, 2020, that are attached and part of the minutes of this meeting.

**Community Development**

**16. Delegated Authority Report for Community Development Approvals (August 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.

**17.** **Minutes of Cultural Facilities Fund Advisory Committee Meeting (April 22, 2020)**. For informational purposes only, the approved minutes of the April 22, 2020 Cultural Facilities Fund Advisory Committee meeting are attached and made a part of the minutes of this meeting. No discussion of these minutes took place.

**18. VOTE – Cultural Facilities Fund – Grant Round 13 – Program Guidelines**

Mr. Calnan described briefly this request for approval of the Program Guidelines for Grant Round 13 that were recommended by the Cultural Facilities Fund Advisory Committee at its meeting in September and contingent upon receipt of funds from the Commonwealth for this purpose. He explained three guideline changes from prior rounds: (a) most notably, that grant proceeds can be used for COVID-related capital projects to address health and safety infrastructure needs; (b) a two month expansion of the timeframe during which project costs and expenses may be considered to be eligible for reimbursement through the program to June 1 versus the typical September 1 cut-off; and (c) inclusion of a link to the Commonwealth’s Certified Minority and Women-owned Business Enterprises Directory to encourage applicants to consider using these businesses. 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 Cultural Facilities Fund Grant Round 13 Program Guidelines, as outlined in the memorandum and vote dated October 8, 2020, that are attached and part of the minutes of this meeting.

**19. VOTE – Cultural Facilities Fund – Revision to Delegated Authority to Extend Match Deadlines**

Mr. Calnan briefly described this request to delegate authority to staff to approve extensions of time to raise matching funds for Cultural Facilities Fund grants. Given the uncertain and challenging economic climate, this request also seeks to eliminate the requirement that the Grantee present a viable fundraising plan and demonstrate the likelihood that the full match can be raised by the end of the extension period. In some instances, the best plan may be to put the project on hold. Mr. Calnan advised that the solicitation is expected to open today or tomorrow, with responses due January 15, 2021, followed by a Board vote in May. 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 staff to extend certain match deadlines and eliminates certain other match deadline requirements, as outlined in the memorandum and vote dated October 8, 2020, that are attached and part of the minutes of this meeting.

**20. VOTE – Collaborative Workspace Program (“Co-Work”) – Recommended Slate of FY2021 Co-Work Program Grants**

Mr. Calnan then described this request to approve 26 new Co-Work fit-out grants totaling $1.205 million. He pointed out the elimination of seed grants in this round, noting a focus on improvements to existing spaces, rather than beginning new projects in the current environment. 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 26 FY2021 Co-Work Program Grants totaling $1,205,000, as outlined in the memorandum and vote dated October 8, 2020, that are attached and part of the minutes of this meeting.

**21. VOTE – MassDevelopment/HEFA Trust – Community Health Center Grants – FY2021 Grant Round**

Next, Mr. Calnan described this request to approve an allocation of $250,000 of Trust income and principal for the FY2021 round of grants under the popular and important Community Health Center Grant Program. Grant awards will be capped at $50,000 and applicants will be encouraged to make improvements related to the COVID-19 pandemic. Grant solicitation will begin in November and awards are expected to be recommended at a winter Board meeting. 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 an allocation of $250,000 of Trust income and principal for the FY2021 round of Community Health Center Program grants, as outlined in the memorandum and vote dated October 8, 2020, that are attached and part of the minutes of this meeting.

**New Markets Tax Credits (“NMTC”)**

**22. VOTE – NMTC Application 2020 – Round 17 – Application Submission**

Ms. Sluder described this request for approval to submit an application to the Community Development Financial Institution Fund of the U.S. Department of the Treasury on or before the deadline of November 16 for consideration of an allocation of funds in the FY2021 federal NMTC round. She reviewed the timing and application process, noting that the pool of available funds has been increased this year to $5 billion. Mr. Gerlin added that prior NMTC allocations have resulted in significant revenues to MassDevelopment ($4.5 million over 7 years). Mr. Frazier advised the Board that a signed Certification is required from each Board member as part of the application process; he said the certifications would be provided shortly and he requested execution and return as soon as possible. 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 submit an application for a Round 17 NMTC allocation and, if approved, to enter into the necessary agreements related thereto, as outlined in the memorandum and vote dated October 8, 2020, that are attached and part of the minutes of this meeting.

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

Mr. Kavoogian reported that the Real Estate Development & Operations Committee met on Tuesday, October 6.

**23. Minutes of Prior Meeting**. For informational purposes only, the minutes of the September 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.

**24 – VOTE – Devens – Willow Brook Conservation Restriction**

Confirming that this restriction will not impact any developable property in Devens, Mr. Marc-Aurele briefly described this request to authorize the establishment of a Conservation Restriction on four parcels of land along the Willow Brook corridor (approx. 16.3 acres) to be held by the Devens Enterprise Commission. He said there is nothing unusual about this restriction and advised it has already been vetted by the Massachusetts Department of Conservation & Recreation and is ready to finalize. 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 Willow Brook Conservation Restriction, as outlined in the memorandum and vote dated October 8, 2020, that are attached and made a part of the minutes of this meeting.

**25. 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 expressed gratitude to staff for assistance in response to the prior evening’s severe weather, which resulted in numerous downed trees, among other damage, and a power loss in Devens for several hours. She expressed sincere appreciation for everyone’s efforts and was pleased to announce that all power was restored and all operations were back up and running by 12:35 a.m. There are no new COVID-19 cases in Devens, and the community is migrating toward Phase 3, Step 2, of the pandemic recovery. Ms. Strunkin advised that the Devens Jurisdiction Framework Committee has paused its efforts for six months, due to the ongoing pandemic.

Meanwhile, the Devens Fire Department has received a $30,000 grant from the Federal Emergency Management Agency and proceeds will purchase much needed protective gear, a washer and dryer, and a thermal imaging camera; the Public Works Department’s application for a $200,000 grant to support permanent fixes for the Devens water wells has been approved.

**26. 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 recommendations for grant awards in the *Site Readiness* program will come to the Board in December, and applications for *Technical Assistance* are being vetted and recommendations are also expected to come to the Board in December. The current round of funding in the *Commonwealth Places* program is wrapping up.

Ms. McKenzie confirmed there is continuing development interest in Devens. She noted that MME, Inc. is considering relocating from Leominster to a site in Devens and a discussion ensued regarding competition with surrounding communities. Ms. Strunkin advised that an agreement has been in place since 1997 among municipalities near Devens that outlines how MassDevelopment will work with them if contacted by a commercial business within the region about moving to Devens. She confirmed that staff coordinates with the local communities, as well as the Devens Enterprise Commission and others, to identify other eligible sites for possible development.

[*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 (Tab 1); the contract (Tab 2); the bond transactions (Tabs 6 through 9); the revisions to delegated authority (Tab 14), the management plan for a new revolving loan fund (Tab 15), the Cultural Facilities Fund requests (Tabs 18 and 19), the Co-Work program grants (Tab 20) and guidelines and funding for the next round of Community Health Center grants (Tab 21); submission of the Round 17 NMTC Application (Tab 22) and, finally, the Willow Brook Conservation Restriction in Devens (Tab 23). Accordingly, those 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.

There being no further business before the Board of MassDevelopment, the Board Meeting was adjourned at 10:58 a.m.