



MassDevelopment

Presentation to:
**Department of Environmental
Protection**

January 13, 2022



How we work

Promote capital investment in Massachusetts by providing integrated financing and development solutions at all stages of the project

- Primary tools
 - Tax-exempt bonds
 - Loans and guarantees
 - Real estate planning and development services
 - PACE financing
- Partner with banks, businesses, and municipalities to deliver programs
- In fiscal year 2020, MassDevelopment financed or managed 341 projects generating investment of more than \$2.69 billion in the Massachusetts economy.

Tax-exempt bond financing

Provides a cost-effective method to finance capital projects

Advantages:

- Lower cost of capital (tax-exempt v. taxable)
- Customer can work with their existing banking relationship to purchase bond directly or provide credit for public market transactions
- Flexible structuring options
- Access 4% tax credits for affordable rental housing projects

Eligible Borrowers

Tax-exempt bond eligibility based on Federal tax code

501(c)(3) Non-Profit Users

(i.e., colleges, hospitals, schools, cultural institutions, YMCA's, Boys & Girls Clubs, human service providers, long-term care providers, assisted living facilities/nursing homes)

Manufacturing Facilities

Affordable Rental Housing

Governmental Entities

Infrastructure Financings

Recycling/Environmental Facilities

(solid waste disposal, including recycling)

Lending Programs

MassDevelopment's programs finance hard assets such as real estate and equipment and include the following:

- Real Estate Loans & Direct Participations
- Equipment Loans
- Loan Guarantees
- Brownfields Redevelopment Fund
- Emerging Technologies Fund (ETF)

PACE

(Property Assessed Clean Energy Fund)

Flexible Financing for commercial properties looking to upgrade clean energy systems

- betterment assessment and lien on the property, repays financing
- enables owners to undertake more comprehensive energy upgrades
- longer payback periods of up to 20 years
- at property sale, the assessment stays with the property and is transferred to subsequent property owners

Brownfields Redevelopment Fund

Mission is to focus on redevelopment of blighted areas in our communities

- Up to \$100,000 for site assessments in unsecured, zero-interest loans
- Up to \$500,000 in cleanup funds with flexible-term loans
- There must be an economic development or housing project in order to access funds
- Sites must be located in Economically Distressed Areas (EDAs) or Economic Target Areas (ETAs)

Contact Information

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