

OFFICE OF PERFORMANCE MANAGEMENT & OVERSIGHT

FISCAL 2014 ANNUAL REPORT GUIDANCE

The Office of Performance Management & Oversight (OPMO) measures the performance of all public and quasi-public entities engaged in economic development. All agencies are required to submit an Annual Report demonstrating progress against plan and include additional information as outlined in [Chapter 240 of the Acts of 2010](#).

The annual reports of each agency will be published on the Office of Performance Management [website](#), and will be electronically submitted to the clerks of the Senate and House of Representatives, the Chairs of the House and Senate Committees on Ways and Means and the House and Senate Chairs of the Joint Committee on Economic Development and Emerging Technologies.

Filing Instructions:

The Fiscal Year 2014 report is due no later than **Friday, October 3, 2014**. An electronic copy of the report and attachments A & B should be e-mailed to James.Poplasky@MassMail.State.MA.US

1) AGENCY INFORMATION

Agency Name Massachusetts Office of Business Development

Agency Head

Title Michael Hunter, Executive Director

Website <http://www.mass.gov/hed/economic/eohed/bd/>

Address 10 Park Plaza, Suite 3730
Boston, MA 02116

2) MISSION STATEMENT

Please include the Mission Statement for your organization below.

The mission of the Massachusetts Office of Business Development (MOBD) is to strengthen the economy and increase job growth throughout Massachusetts by providing to businesses that are seeking to expand or locate in the Commonwealth a highly responsive, central point of contact that facilitates access to resources, expertise, and incentive programs available in the Commonwealth.

3) PERFORMANCE AGAINST PLAN REPORT

Please provide details on the progress and accomplishments for Fiscal Year 2014 as it relates to the Fiscal Year 2014 Plan submitted by your agency. Plans are posted on the OPMO [website](#) for easy reference. This information should be included as **Attachment A and should include prior year perspective**. In addition to your Performance to Plan Report, Questions 4 through 10 provides guidance on the specific information required under Chapter 240 of the Acts of 2010.

4) ACCOUNTING

Please provide financial information for your agency. Below please give a summary of *Receipts and Expenditures* during the fiscal year, and include the *Assets and Liabilities* at the end of the fiscal year. Please include the most recent audited financial report for the agency as **Attachment B**.

	AMOUNT	
Receipts	\$ 0	
Expenditures	\$ 23,342,414	
Assets	\$ 0	
Liabilities	\$ 0	

5) INVESTMENTS OR GRANTS TO BUSINESSES OR INDIVIDUALS

Does your agency make **investments** and/or provide **grants** to businesses or individuals? Yes No

If **Yes**, please provide detailed information on investments and/or grants made during FY14 in the **Performance Against Plan Report – Attachment A** section of this report. Information should include the number, nature and amounts of investments made and grants awarded by your agency along with job, investment and/or other economic development impact. Please list the name(s) of the investment and/or grant programs offered by your agency in the space provided below:

The Regional Economic Development Incentive Program (REDO) Grant.

6) DEBT OR EQUITY INVESTMENT DETAILS

Is your agency involved in **debt** or **equity investments** for businesses? Yes No

If **Yes**, please provide detailed information on debt and/or equity investments made during FY14 in the **Performance Against Plan Report – Attachment A** section of this report along with job, investment and/or other economic development impact. Please list the name(s) of the debit and/or equity investments programs offered by your agency in the space provided below:

3T

7) LOAN DETAILS

Is your agency involved in **real estate loans, working capital loans**, or any **other type of loan or guarantee**? Yes No

If **Yes**, please provide detailed information on loan(s) and/or guarantee(s) made during FY14 in the **Performance Against Plan Report – Attachment A** section of this report along with job, investment and/or other economic development impact. Please list the types of loan(s) and/or guarantee(s) offered by your agency in the space provided below:

3T

8) OTHER FORMS OF FINANCING OR FINANCIAL ASSISTANCE?

If your agency provides any other form of financing or financial assistance, please include FY14 details in the **Performance Against Plan Report – Attachment A** section of this report along with job, investment and/or other economic development impact. Please list the types of other forms of financing offered by your agency in the space provided below:

3T

9) PATENTS OR PRODUCTS

Does your agency track **patents or products** resulting from agency-funded activities? Yes No

If **Yes**, please include details in the **Performance Against Plan Report – Attachment A** section of this report along with job, investment and/or other economic development impact. Please list the agency-funded activities of your agency that promote patent and product advancement in the space provided below:

3T

10) TECHNICAL ASSISTANCE

If your agency provides technical assistance, please provide detailed information on technical assistance provided during FY14 in **the Performance Against Plan Report – Attachment A** section of this report along with job, investment, and/or other economic development impact. Please list the name(s) of the technical assistance programs offered by your agency in the space provided below:

3T

11) MANAGEMENT TEAM

Please confirm that the senior management team listed on your website is accurate and report on any current

or pending vacancies and/or replacements.

[Click here to enter text.](#)

12) BOARD OF DIRECTORS

If applicable, please confirm that the board of director information on your website is accurate and provide information on any current or pending board vacancies.

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The Role of the Massachusetts Office of Business Development (MOBD)

MOBD's role is to strengthen the economy and increase job growth throughout Massachusetts by providing to businesses that are seeking to expand or locate in the Commonwealth a central point of contact and facilitate access to resources, expertise, and incentive programs. There are two segments to MOBD's operations: first, interface with businesses, municipal officials, and economic development representatives across the state, including the management of the Regional Economic Development Organization ("REDO") Program and second, the administration of the Economic Development Incentive Program ("EDIP").

Business Interface. MOBD has divided the Commonwealth into six regions, each led by a Regional Director who reports to the Executive Director. The Regional Directors are responsible for developing and maintaining regular relationships with the businesses, municipal officials, and economic development organizations in their respective regions. Regional Directors develop content for a database that serves as the central repository for all MOBD business development activity. Key agencies and quasi-governmental entities that work with companies looking to move or grow here also report company information to MOBD. This process allows MOBD to serve as the umbrella organization for all business development activity on behalf of the state. MOBD also oversees the activities of the REDO Program.

Tax Incentives. The EDIP is one of our most effective programs for growing business in Massachusetts. EDIP tax credits and other incentives are available to companies that make qualifying investments in new facilities and create new jobs. EDIP was created by statute in 1998 and reformed in subsequent years. Since the 2009 reforms, 204 projects have received approval, leading to the potential creation of 14,416 new jobs, the retention of 40,911 existing jobs and leveraging of over \$5.5 billion in private investment. The Economic Coordinating Council (EACC) assisted 111 manufacturers through EDIP and has supported 94 projects in Gateway Cities.

During FY2014, MOBD's EDIP was instrumental in assisting 37 companies across the state. These projects committed to creating 2,528 new jobs, retaining 3,244 jobs with a private investment of \$963,199,157. In return, EDIP awarded \$5,772,326 in investment tax credits ("ITC").

REDO. MOBD provides capacity building grants to regional economic development organizations through the REDO Grant program. In FY2014, MOBD provided 12 awards to REDOs who meaningfully strengthened the economic development of their regions. The value of the awards totaled \$850,000 and resulted in significant growth regionally.

Goals	Strategy	Performance Measurement	
Job creation, retention and business engagement	Direct interface with businesses across the Commonwealth and leveraging REDO and other regional contacts across public, private and academic sectors.	Create 5,000 new jobs – gateway and regional focus. Target 15,000 retained jobs and \$1.5 billion in private investment.	<ul style="list-style-type: none"> • MOBD created 5,306 jobs • MOBD’s work helped retain 20,235 jobs and saw private investment of over one billion dollars • Included in MOBD’s overall performance totals, MOBD’s partners were responsible for 1,707 new jobs and 10,905 retained jobs, with a private investment of \$29,519,726. • Assistance provided in the Commonwealth’s Gateway Communities yielded 757 new jobs, 2,699 retained jobs, and \$216,044,364 of private investment.
Pipeline Management	Effective management of regional (6 MOBD defined regions) opportunities and market activity.	Rolling pipeline with 180 opportunities 700 business development visits; 400 strategic market activities.	<ul style="list-style-type: none"> • At the end of the year MOBD had 118 projects in the pipeline. The amount of opportunities steadily increased over the FY2014 • MOBD had 851 business development visits (meetings with Business Partners and perspective companies) and 535 strategic market activities (meetings with municipalities and REDOs).
Innovation and Entrepreneurship	Support efforts to develop innovative companies and entrepreneurial activities within the Commonwealth.	Leverage resources of strategic business development partners to foster innovation and entrepreneurship in the Commonwealth. These partners include MassCEC, MassVentures, MassDevelopment, MGCC, and MLSC. MOBD’s staff will maintain up to date knowledge of those programs and initiatives (e.g. the advanced manufacturing initiative and the Workforce Training Fund grant program) that are geared towards spurring	MOBD successfully collaborated with its partners to support the Commonwealth’s business community. This was achieved by leveraging the various programs and services that the state offers. Additionally, MOBD’s Regional Directors participated in a number of workshops and events hosted by its business partners. Some examples are (a) MassDevelopment held Academies in regions across the state that focused on helping municipalities support companies that are expanding locally. (b) The Advanced Manufacturing Summit held at the DCU Center in Worcester, focused on support for small

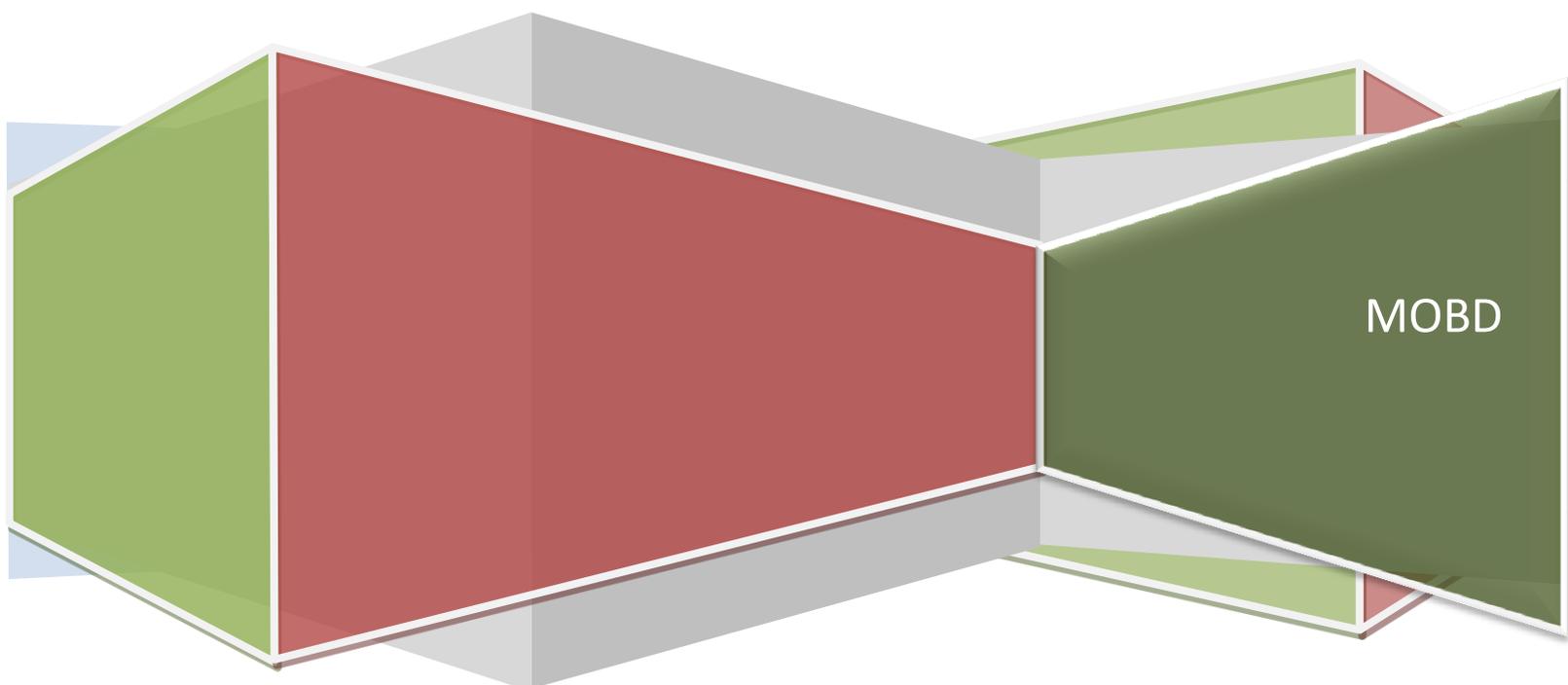
		continued economic growth.	<p>manufacturers and entrepreneurs. MassDevelopment and MassVentures offered a workshop on financing options for small manufacturers. (c) MassDevelopment recently launched a bulk rate energy to assist small manufacturers sustain low energy costs. (d) In the Metro West, TechSandBox offers a grant backed by Mass Tech Collaborative that's geared towards supporting entrepreneurs and accelerating the success of science and technology companies.</p>
Ease of Doing Business	<p>Building on recent legislative reforms, continue the consolidation of state economic development agencies for which MOBD will serve as information coordinator for all business development activity.</p> <p>Effectively manage and strengthen partnerships with Regional Economic Development Organizations to bolster MOBD's economic development across all regions of Massachusetts.</p> <p>Support and further develop the Business Portal in partnership with other EOHEE agencies. This will</p>	<p>Full integration of monthly reporting of business development leads from 8 agencies and quasi's including (MassDevelopment, MLSC, MassMEP, MTC, MassCEC, MassVentures, MGCC, MOITI) and all REDOs.</p>	<p>Successful collaborations with MOBD's business partners projected 1,707 new jobs 10,905 retained and \$29,519,726 in private investment. MOBD is continuously working to strengthen these relationships and to improve the accounting systems to track these "Wins."</p> <p>In FY2014 MOBD awarded 12 grants to Regional Economic Development Organizations (REDOs), granting a total of \$850,000 to help support economic growth across the Commonwealth. MOBD evaluated the FY2014 grant structure and realigned the FY2015 proposal requirements to better reflect the grantees' programmatic initiatives that support "Choosing to Compete in the 21st Century."</p> <p>In 2013 Business Portal was launched and in 2014 MOBD responded to web site management requests to update content. We continuously enhance and update the portal based on customer feedback</p> <p>See attachment for REDO summary</p>

	allow streamlined and improved access to state resources for residents and businesses.		
Database Optimization	<p>Develop and implement practical and high impact improvements to MOBD's cloud based CRM software to strengthen data reporting, analysis and responsiveness.</p> <p>Continue to implement comprehensive auditing of compliance with past EDIP awards.</p>	EDIP Phase II implementation	<p>MOBD Integrated the historic data of the Economic Development Incentive Program (EDIP) and its online reporting database (pre-2010 approved projects) into Salesforce.com. The online EDIP reporting portal allows companies to file online, municipalities to view the reports online and MOBD to store and review the reports electronically. The integration increased the EDIP's effectiveness and generates cost savings for MOBD of \$9,000.00 per fiscal year.</p> <p>MOBD also enhanced its communications through the development of two new web sites for EDIP – one informational and the other showcasing successful EDIP projects.</p>

Massachusetts Office of Business Development

Fiscal 2014

Economic Development Business Plan



Massachusetts Office of Business Development

Mission Statement: The mission of the Massachusetts Office of Business Development (MOBD) is to strengthen the economy and increase job growth throughout Massachusetts by providing to businesses that are seeking to expand or locate in the Commonwealth a highly responsive, central point of contact that facilitates access to resources, expertise, and incentive programs available in the Commonwealth.

Business Plan Summary: The following table summarizes objectives, programs, and initiatives planned for FY14 and performance measurements by which to evaluate progress.

Goals	Strategy	Performance Measurement
Job creation, retention and business engagement	Direct interface with businesses across the Commonwealth and leverage REDO and other regional contacts across public, private and academic sectors.	Create 5,000 new jobs – small businesses, gateway and regional focus. Target 15,000 retained jobs and \$1.5 billion in private investment.
Pipeline Management	Effective management of regional (6 MOBD defined regions) opportunities and market activity.	Rolling pipeline with 180 opportunities 700 business development visits; 400 strategic market activities.
Innovation and Entrepreneurship	Support efforts to develop innovative companies and entrepreneurial activities within the Commonwealth.	Leverage resources of strategic business development partners to foster innovation and entrepreneurship in the Commonwealth. These partners include MassCEC, MassVentures, MassDevelopment, MGCC, and MLSC. MOBD's staff will maintain up to date knowledge of those programs and initiatives e.g. advanced manufacturing initiative and the Workforce Training Fund grant program -- geared towards spurring continued economic growth.
Ease of Doing Business	Building on recent legislative reforms, continue the consolidation of state economic development agencies for which MOBD will serve as information coordinator for all business development activity.	Full integration of monthly reporting of business development leads from 9 agencies and quasi's including (MassDevelopment, MLSC, MassMEP, MTC, MassCEC, MassVentures, MGCC, and all REDOs.

Massachusetts Office of Business Development

	<p>Effectively manage and strengthen partnerships with Regional Economic Development Organizations to bolster MOBD's economic development across all regions of Massachusetts.</p> <p>Support and further develop the Business Portal in partnership with other EOHEE agencies. This will allow streamlined and improved access to state resources for residents and businesses.</p>	
Database Optimization	<p>Develop and implement practical and high impact improvements to MOBD's cloud based CRM software to strengthen data reporting, analysis and responsiveness.</p> <p>Continue to implement comprehensive auditing of compliance with past EDIP awards.</p>	EDIP Phase II implementation