

MASSACHUSETTS DEVELOPMENT FINANCE AGENCY

Fiscal 2016
Annual
Business Plan

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TABLE OF CONTENTS

SECTION I: WHO WE ARE

- MISSION
- VALUES

SECTION II: STRATEGIC THEMES

- SUPPORTING ECONOMIC GROWTH
- BUILDING REGIONAL CAPACITY
- STRIVING FOR ORGANIZATIONAL EXCELLENCE

SECTION III: ANNUAL BUSINESS PLAN GOALS BY STRATEGIC THEME

SECTION IV: ANNUAL BUSINESS PLAN GOALS, ACTIONS & PERFORMANCE INDICATORS

This document was prepared to align with the statewide economic development plan and in accordance with MGL C.6A, §16G.

Please give feedback regarding the plan to rmcgrail@massdevelopment.com

or tweet us at @MassDev #StrategicPlan

WHO WE ARE

MISSION

MassDevelopment's mission is to stimulate economic development and industrial growth, increase employment, build communities, promote prosperity and general welfare, and eradicate blight across the Commonwealth.

VALUES

In order to serve Massachusetts, its communities, businesses, residents, and other customers, we:

- Manage and accept risks that others won't or can't.
- Are agile, flexible, and innovative so we can provide bold and effective solutions.
- Possess and share great sophistication and knowledge about financing and development.
- Have the ability to link many resources and provide interdisciplinary solutions.
- Work creatively, diligently, and honestly.

2014 -2015 PERFORMANCE HIGHLIGHTS

- 314 PROJECTS FINANCED OR MANAGED
- OVER \$2.9 BILLION INVESTED
- OVER 98,000 EXISTING JOBS IMPACTED BY FINANCING
- OVER 15,000 NEW PERMANENT AND/OR CONSTRUCTION JOBS CREATED
- OVER 1,600 NEW AND/OR REHABILITATED HOUSING UNITS



STRATEGIC THEMES

MassDevelopment's 3 Strategic Themes articulate clear statements of external program and internal process targets MassDevelopment will achieve to advance its mission.

The interrelationship between the two external facing program themes and the internal theme reflect the Agency's belief that our people and processes are essential to our success at delivering our mission.

Theme 1: Support Economic Growth

Theme 2: Build Regional Competitiveness

Theme 3: Strive for Organizational Excellence

CHOOSING TO COMPETE

OUR STRATEGIC THEMES SUPPORT THE COMMONWEALTH'S STATEWIDE ECONOMIC DEVELOPMENT AGENDA:

- SUPPORTING JOB CREATION AT ALL SKILL LEVELS
- ASSISTING IN DEVELOPMENT OF HOUSING
- REGIONAL EMPOWERMENT
- ADDRESSING OUR COST COMPETITIVENESS
- SUPPORTING INNOVATION AND ENTREPRENEURSHIP

FISCAL 2016 BUSINESS PLAN

GOALS BY THEME

MassDevelopment's Annual Business Plan Goals reflect the high level program, policy, process and internal capacity efforts the Agency will undertake in Fiscal 2016.

These goals, and the actions and performance indicators imbedded within each of them, will form the backbone of how the Agency supports and builds the conditions that support the Commonwealth's economic vitality.

STRATEGIC THEME 1: SUPPORT ECONOMIC GROWTH

FOSTER AND CULTIVATE OPPORTUNITIES THAT EQUIP BUSINESSES, NONPROFITS AND COMMUNITIES WITH THE TOOLS THEY NEED TO SUSTAIN AND/OR EXPAND, CREATING QUALITY JOBS TO MEET THE NEEDS OF THE COMMONWEALTH'S ECONOMY.



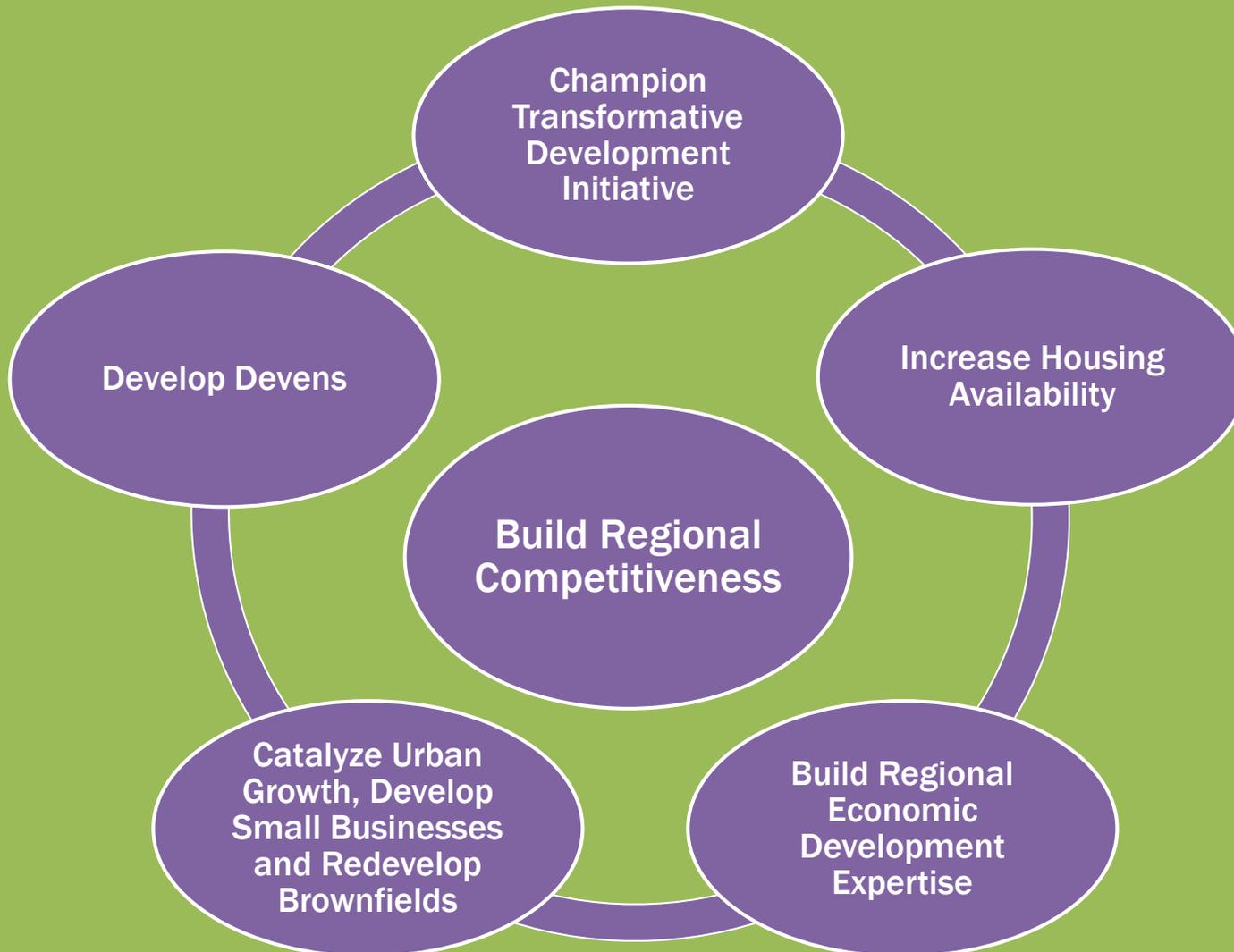
THEME 1: SUPPORT ECONOMIC GROWTH

KEY PERFORMANCE INDICATORS

- NEW PERMANENT AND CONSTRUCTION JOBS CREATED
- TOTAL DOLLARS PROVIDED IN FINANCING
- SECTOR OUTCOMES

STRATEGIC THEME 2: BUILD REGIONAL COMPETITIVENESS

INCREASE AVAILABILITY OF HOUSING, INVEST IN TARGETED COMMUNITIES, REMEDIATE TROUBLED SITES AND APPLY EFFECTIVE, PROVEN REDEVELOPMENT PRACTICES TO POSITION REGIONS FOR SUCCESS.



THEME 2: BUILD REGIONAL COMPETITIVENESS

KEY PERFORMANCE INDICATORS

- TRANSFORMATIVE DEVELOPMENT OUTCOMES
- NEW/PRESERVED HOUSING UNITS FINANCED AND/OR CONSTRUCTED
- REGIONAL KNOWLEDGE AND CAPACITY OUTCOMES
- URBAN GROWTH AND SMALL BUSINESS OUTCOMES
- DEVENS' OUTCOMES



MASSDEVELOPMENT

Build. Create. Innovate.

STRATEGIC THEME 3: STRIVE FOR ORGANIZATIONAL EXCELLENCE

CREATE A HIGH-PERFORMING ORGANIZATION WITH EFFICIENT, EFFECTIVE AND INTEGRATED DELIVERY OF SERVICES TO EXTERNAL AND INTERNAL CUSTOMERS AND A DIVERSE, HIGHLY-QUALIFIED WORKFORCE WITH THE RIGHT SKILLS IN THE RIGHT JOBS.



THEME 2: STRIVE FOR ORGANIZATIONAL EXCELLENCE

KEY PERFORMANCE INDICATORS

- WORKFORCE CAPACITY OUTCOMES
- SYSTEMS AND TECHNOLOGY OUTCOMES
- COLLABORATION OUTCOMES
- STAKEHOLDER ENGAGEMENT OUTCOMES
- PERFORMANCE MANAGEMENT OUTCOMES

FISCAL 2016 BUSINESS PLAN

GOALS, ACTIONS AND PERFORMANCE INDICATORS

Business Plan Goals, Actions and Performance Indicators outline the key approaches, initiatives or projects that the Agency will pursue to meet its mission in Fiscal 2016 and beyond.

THEME 1 - SUPPORT ECONOMIC GROWTH

PROVIDE ACCESS TO MARKETS

Provide access to capital markets for customers throughout the Commonwealth.

ACTION	PERFORMANCE INDICATOR
 <p>Provide Bond Financing</p>	<ul style="list-style-type: none">• Bond Volume Issued<ul style="list-style-type: none">• Hospital/University Bonds• All Other Bonds• Increase in bond financing
 <p>Provide Loan Financing</p>	<ul style="list-style-type: none">• General Fund Lending• Restricted Fund Lending/Guarantees• Increase in all lending and guarantees
 <p>Provide Community Development and Other Financing</p>	<ul style="list-style-type: none">• Community Development Invested• New Market Tax Credits Invested• MDFA Real Estate Projects Invested• Strategic Services (Technical Assistance, Defense Sector Initiatives) Invested• Increase in community development/other financing

THEME 1 - SUPPORT ECONOMIC GROWTH

SUPPORT JOB CREATION

Support the creation of employment in the Commonwealth with a focus on specific economic sector and/or regions.

ACTION	PERFORMANCE INDICATOR
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Support Creation of
New Permanent
Jobs

- New permanent jobs (projected by borrowers)
 - By Sector
 - By Region
- Increase in new permanent job creation (year over year)

Support Creation of
Construction Jobs

- Construction jobs
 - By Region
- Increase in construction job creation (year over year)

THEME 1 - SUPPORT ECONOMIC GROWTH

SUPPORT MANUFACTURING AND OTHER COMMERCIAL/INDUSTRIAL SECTORS

Strengthen and champion the Commonwealth's commercial and industrial sectors, with a specific focus on manufacturers.

ACTION	PERFORMANCE INDICATOR
 <p>Implement Advanced Manufacturing Futures Fund</p>	<ul style="list-style-type: none">• Launch new initiative to support innovation by small and medium enterprises• Companies enrolling in energy collaborative• Reduction in energy costs for participants• Manufacturing dollars invested (financing programs)• Manufacturing jobs created (financing programs)
 <p>Improve Ease of Business Linkages in the Sector</p>	<ul style="list-style-type: none">• Prioritize and implement recommendations from MIT supply chain study• Develop outcome measures to track progress (resource dependent)
 <p>Promote Advanced Manufacturing Careers</p>	<ul style="list-style-type: none">• AmpltUp! events• Launch new convening of industry, training, finance and education leaders to develop additional strategy for development of career pipelines

THEME 1 - SUPPORT ECONOMIC GROWTH

INCREASE ACCESS TO THE INNOVATION ECONOMY

Strengthen and champion the Commonwealth's innovation sector by increasing business starts, improving access to the innovation economy for new communities and building supportive ecosystems for entrepreneurs.

ACTION	PERFORMANCE INDICATOR
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Facilitate and Fund Collaborative Workspaces

- CoWork funded collaborative/maker workspaces assisted
- Square footage of CoWork facilities improved
- Membership/attendance baseline at CoWork funded spaces
- Convenings/webinars to share learning

Connect Entrepreneurs to Business Opportunity and Skill Development

- New Business/Organization starts*
 - Members connected to business growth or skill development events and/or resources*
- *For funded CoWork programs

THEME 1 - SUPPORT ECONOMIC GROWTH

SUPPORT DEFENSE SECTOR, MILITARY INSTALLATIONS & RELATED INDUSTRIES

Strengthen and champion the Commonwealth's Defense sector, military installations and related industry sectors.

ACTION	PERFORMANCE INDICATOR
Reduce Operational Cost at Installations	<ul style="list-style-type: none">• Implement 2 shared service projects at installations recommended from Dept. of Defense study• Energy related projects deployed in partnership with DOER<ul style="list-style-type: none">• Total Annual Projected kWh Savings from projects
Connect Companies to Contracting Opportunities	<ul style="list-style-type: none">• Contractor events held/Companies attending• Rate of companies receiving contracts as a result of previous year events• Deployment of defense sector asset map from OEA grant
Complete Infrastructure Improvements	<ul style="list-style-type: none">• Initiate \$5M of new Military Bond Bill capital improvements at installations to reduce costs

THEME 2 – BUILD REGIONAL COMPETITIVENESS CHAMPION TRANSFORMATIVE DEVELOPMENT INITIATIVE

Expand Transformative Development Initiative and leverage existing resources & investments.

ACTION	PERFORMANCE INDICATOR
 <p>Deploy TDI Equity Investments</p>	<ul style="list-style-type: none">• Deploy initial round of equity investments to selected communities• Identify additional equity investments for follow on rounds (resource dependent)
 <p>Support TDI Fellows and Technical Assistance</p>	<ul style="list-style-type: none">• Retain charter class of Fellows and monitor Fellows' successes in local work plans• Retain additional Fellows (resource dependent)• TDI related Technical Assistance projects• Development/Launch of TDI Dashboard to track program performance and data• TDI workshops to facilitate knowledge sharing
 <p>Leverage TDI Funding</p>	<ul style="list-style-type: none">• Identify funding leverage opportunities for Fellows, Equity Investments and Small Business support• Develop plan to target investors and complete initial pitches• Raise \$3M in additional TDI resources to support program

THEME 2 – BUILD REGIONAL COMPETITIVENESS

INCREASE HOUSING AVAILABILITY

Provide access to capital and technical expertise to support the creation of multi-family and other housing choices for residents.

ACTION	PERFORMANCE INDICATOR
Support Construction and/or Rehabilitation of Housing Units	<ul style="list-style-type: none">• Total Units<ul style="list-style-type: none">• Total Units – New Construction• Total Units – Rehab• Total Units – by Region• Brownfields made ready for housing• Units built on brownfields
Finance Housing and Increase Timeliness	<ul style="list-style-type: none">• Housing Bonds – Total Volume Issued• Housing General Fund Loans – Total Closed• Restricted Fund Lending/Guarantees – Total Closed• Benchmark reduction in time to close
Provide Technical Assistance and Expertise	<ul style="list-style-type: none">• Communities provided housing Technical Assistance• Brownfields assessed for potential housing use

THEME 2 – BUILD REGIONAL COMPETITIVENESS

BUILD REGIONAL KNOWLEDGE AND FACILITATE REGIONALLY BASED ECONOMIC GROWTH

Develop, compile and share knowledge, expertise and tools that promote regional economic development team knowledge.

ACTION	PERFORMANCE INDICATOR
 <p>Offer Capacity and Knowledge Building Events</p>	<ul style="list-style-type: none">• Regional or statewide capacity building events held• Participation rates at events• Customer feedback on event quality
 <p>Deploy Technical Support and TACConnect</p>	<ul style="list-style-type: none">• Implementation of TACConnect online tool• Communities accessing the interface• Communities participating in workshops• Communities referred to services through portal• Real Estate Services projects undertaken<ul style="list-style-type: none">• Projects moved to implementation and results
 <p>Increase Regional Development Readiness</p>	<ul style="list-style-type: none">• Assess regional commercial/industrial development assets in the North Central region, analyze results and present recommended action plan to partners• Identify gaps in development “readiness” in region and help implement action plan to address

THEME 2 – BUILD REGIONAL COMPETITIVENESS

CATALYZE URBAN ECONOMIC GROWTH, CULTIVATE SMALL BUSINESSES AND IMPROVE BROWNFIELDS PROGRAM

Catalyze urban economic growth, cultivate emerging small businesses and entrepreneurship and redevelop troubled sites in urban communities.

ACTION	PERFORMANCE INDICATOR
 <p>Implement Commonwealth Redevelopment Fund</p>	<ul style="list-style-type: none">• Refine program proposal and seek board approval• Select pilot sites• Deploy investments to selected communities and measure impacts
 <p>Cultivate Small Business Growth</p>	<ul style="list-style-type: none">• Assess “soft skill” small business development resources, identify gaps, analyze results• Info sessions/workshops on small business development in TDI districts and participation rates• Contractor events held/companies attending/contracts awarded
 <p>Improve Brownfields Redevelopment Program</p>	<ul style="list-style-type: none">• Assess current brownfields program impacts and processes, identify gaps, and analyze results• Develop strategic framework for Brownfields 2.0• Deploy brownfields funds as a tool to support regional economic and job growth priorities

THEME 2 – BUILD REGIONAL COMPETITIVENESS

DEVELOP DEVENS

Increase "developability" of the community and continue to move project towards self sustainability.

ACTION	PERFORMANCE INDICATOR
 <p>Increase Developability</p>	<ul style="list-style-type: none"> • Acres made development ready • Land sold/leased • New sites made development ready
 <p>Increase Sustainability and Build Out</p>	<ul style="list-style-type: none"> • Dollars invested (infrastructure) • Units of Housing Built • Tax revenue collected • Increase in total assessed valuation • Hold cost of services growth to less than the average municipality in Massachusetts
 <p>Implement DevensStat</p>	<ul style="list-style-type: none"> • Develop and implement DevensStat model for municipal and real estate operations • Efficiency/cost reduction ideas identified and implemented

THEME 3 – STRIVE FOR ORGANIZATIONAL EXCELLENCE

BUILD WORKFORCE CAPACITY

Foster a culture of constant learning by developing and implementing a comprehensive staff training program.

ACTION	PERFORMANCE INDICATOR
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Implement Professional Training and Development Resource Center

- Identify areas of training need based on employee feedback
- Identify obstacles to employee use of training programs & increase utilization of training by staff

Measure Impact of Training Programs

- Employees completing training
- Employees completing workforce satisfaction survey

THEME 3 – STRIVE FOR ORGANIZATIONAL EXCELLENCE

MODERNIZE SYSTEMS AND TECHNOLOGY

Modernize and revamp agency online presence to support key initiatives.

ACTION	PERFORMANCE INDICATOR
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**Develop Online
Customer
Interfaces**

- **New electronic file keeping system implementation**
- **Online application implementation for Finance Programs and TACConnect**

**Deploy Technology
and Systems
Upgrades**

- **Implementation of recommended changes to Bi360 financial dashboards to improve decision making processes**

THEME 3 – STRIVE FOR ORGANIZATIONAL EXCELLENCE

BUILD COLLABORATIVE CULTURE

Develop new cross departmental collaboration models and implement strategies to increase inter agency and partner agency collaborative efforts.

ACTION	PERFORMANCE INDICATOR
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**Build Inter Agency
Collaboration**

- Cross Departmental teams identified and deployed for key program priorities
- Increased number of program improvements identified and implemented above target
- Increased number of cross departmental referrals

**Enhance Partner
Agency
Collaboration**

- Participation with partner agencies on 4 key program and planning efforts
- Engagement in statewide economic development planning efforts
- Development and deployment of agency “Thought Leadership” plan
- Increased number of referrals to partner agency programs/resources

THEME 3 – STRIVE FOR ORGANIZATIONAL EXCELLENCE

INCREASE STAKEHOLDER ENGAGEMENT

Provide increased opportunities for informed stakeholder participation in agency program efforts.

ACTION	PERFORMANCE INDICATOR
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Increase Public Accessibility of Program Information

- Test and improvement of agency website redesign
- Assessment of opportunities to post additional agency information online and implementation of recommended strategy

Enhance Public Engagement Strategies

- Increased alignment and effectiveness of agency public affairs strategy
- Increased opportunities for public comment on agency program and strategy development

THEME 3 – STRIVE FOR ORGANIZATIONAL EXCELLENCE

STRENGTHEN PERFORMANCE MANAGEMENT

Follow successful, evidence-based practices in performance management to strengthen attainment of Agency mission.

ACTION	PERFORMANCE INDICATOR
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Enhance Agency
Balanced
Scorecard

- Framework developed for quarterly management review
- Results of review pilots
- Increased engagement and alignment with EOHEd performance management efforts

Implement
DevensStat

- Develop and implement DevensStat model for municipal and real estate operations
- Identify and implement efficiency/cost reduction ideas
- Analyze DevensStat implementation results
- Recommendation on agency-wide use of “Stat” model