



Office of Performance Management Oversight (OPMO)

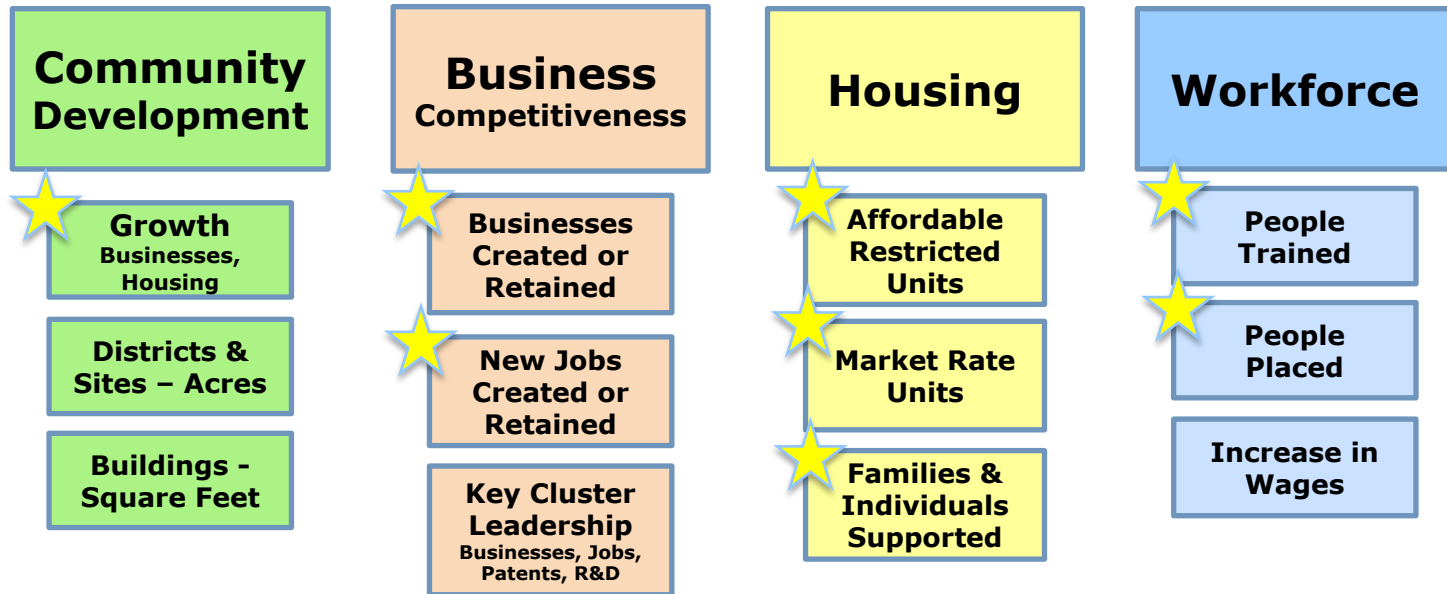
**Massachusetts Growth Capital Corporation
FY2021 Plan**



Economic Development Plan

Key Outcome Metrics

Economic Development Plan Pillars & Principals



Investment Leveraged from Other Sources - \$

Engagement & Technical Assistance – Contact with Individuals & Companies



Agency Mission

- **Mission:** Empowering Small Business through financing and managerial assistance to create economic opportunities for all. MGCC provides and supports inclusive business resources to organizations across the Commonwealth.
- **Contribution to Partnerships for Growth:** MGCC's goals are focused on the "Support Business Competitiveness" pillar. This is done through the various programs and products MGCC offers the small businesses of Massachusetts.



Agency Goals

- **Agency Goal 1:** Close \$10,000,000 in loans to support sustainability and growth in the Commonwealth's businesses.
- **Agency Target for Goal 1:** 30 loans for \$10,000,000 and an average of 18 jobs retained per company.
- **Results of Goal 1:** 6 loans for \$1,350,000. Due to COVID, lending activity was non-existent. Staff resources were allocated towards grant program.
- **Agency Goal 2:** Sustain and increase the number of loans to businesses in Gateway Cities and underserved communities to 25%.
- **Agency Target for Goal 2:** 8 loans for \$2,500,000.00 and an average of 18 jobs retained per company.
- **Results of Goal 2:** Due to COVID, lending activity was non-existent. Staff resources were allocated towards grant program.



Agency Goals

- **Agency Goal 3:** Sustain and increase the number of loans to minority-owned businesses to 20%.
- **Agency Target for Goal 3:** 7 loans for \$2,000,000 and an average of 18 jobs retained per company.
- **Results of Goal 3:** Zero Results. Due to COVID, lending activity was non-existent. Staff resources were allocated towards grant program.
- **Agency Goal 4:** Sustain and increase the number of loans to women-owned businesses to 20%.
- **Agency Target for Goal 4:** 7 loans for \$2,000,000 and an average of 18 jobs retained per company.
- **Results of Goal 4:** Due to COVID, lending activity was non-existent. Staff resources were allocated towards grant program.



Small Business Technical Assistance Grant Program

- **Program Description:** The Small Business Technical Assistance Grant Program exists to expand economic and entrepreneurial opportunity throughout the Commonwealth. The program is designed to complement and enhance traditional public and private small business assistance networks by providing technical assistance or training programs for under resourced and disadvantaged businesses with 20 or fewer employees. The program seeks to facilitate economic viability for small businesses and to improve their ability to secure private and public financing, including micro-loans. These grants may be made available to community development corporations, community development financial institutions or other not-for-profit community-based organizations.
- **Program Budget:** \$5,250,000
- **Partnerships for Growth Goal Alignment:** Business
- **COVID – 19 Response:** MGCC is prioritizing well-defined proposals to assist small businesses and entrepreneurs impacted by COVID-19. Proposed programs must demonstrate: a) how the organizations will reach out to and assist under-resourced and low-to-moderate-income small businesses impacted by COVID-19, including those linguistically and culturally diverse small businesses and entrepreneurs; and b) how they will provide technical assistance services and connect them with local and state resources to stabilize their business operation and preserve jobs.



Small Business Technical Assistance Grant Program

- **Fiscal Year Goal 1:** Track outcomes of businesses served by the Small Business Technical Assistance Grant Program.
- **Fiscal Year Target 1:** 1,500 businesses served, 2000 jobs retained
- **Results of Goal 1:** 6,229 businesses served, 7,338 jobs created and preserved
- **Fiscal Year Goal 2:** To provide direct services to small business clients of whom a minimum of 60% reflect the following target populations: minority, women, and veteran-owned businesses, immigrant and non-native English-speaking populations, low-moderate income entrepreneurs and those located in disadvantaged areas.
- **Fiscal Year Target 2:** Provide services to 900 target demographic-owned businesses and 1,200 jobs retained in target demographic-owned businesses.
- **Results of Goal 2:** Women-Owned Businesses: 2,933, Minority-Owned Businesses: 3,895, Immigrant/Non-native English Speaker-Owned Businesses: 2,800, Businesses located in LMI communities: 3,766, LMI business owners: 4,193



SBTA (Round 2) Resiliency Relief Program

- **Program Description:** The purpose of the Small Business Resiliency Technical Assistance Grant Program is to ensure that startups and existing businesses continue their path towards recovery in order to ensure future economic and entrepreneurial opportunity throughout the Commonwealth in a post Covid-19 era. The program is designed to complement and enhance traditional public and private small business assistance networks by providing technical assistance or training programs for under-resourced and disadvantaged businesses with 20 or fewer employees. The program seeks to facilitate economic stability and viability for small businesses by helping to improve their ability to navigate business operations, including ability to secure private and public financing, business grants, and micro-loans.
- **Program Budget:** : \$4,000,000
- **Partnerships for Growth Goal Alignment:** Business



SBTA (Round 2) Resiliency Relief Program

- **COVID – 19 Response:** The Small Business Resiliency Technical Assistance Grant Program will support programming designed to help small businesses already operating recover and thrive in a post Covid-19 era. Additional consideration will be given to organizations that directly support small businesses efforts to secure PPP loans, Relief Grants, Shuttered Venue Operators Grants, and to those that provide technical assistance to other non-profit cultural institutions, such as art studios and community theaters.
- MGCC is prioritizing proposals from organizations whose proposed programs demonstrates how the organizations have been reaching out and assisting under-resourced and low-to-moderate-income small businesses impacted by Covid-19, including those linguistically and culturally diverse small businesses and entrepreneurs.



SBTA (Round 2) Relief Program

- **Fiscal Year Goal 1:** Track outcomes of businesses served by the Small Business Resiliency Technical Assistance Grant Program.
- **Fiscal Year Target 1:** 1,500 businesses served, 2,000 jobs retained
- **Results of Goal 1:** Program reporting due in January 2022. Results not yet available.
- **Fiscal Year Goal 2:** To provide direct services to small business clients of whom a minimum of 60% reflect the following target populations: minority, women, and veteran-owned businesses, immigrant and non-native English-speaking populations, low-moderate income entrepreneurs and those located in disadvantaged areas.
- **Fiscal Year Target 2:** Provide services to 900 target demographic-owned businesses and 1,200 jobs retained in target demographic-owned businesses.
- **Results of Goal 2:** Program reporting due in January 2022. Results not yet available.



Small Business Direct Relief Funding

- **Program Description:** The COVID-19 Grants for Massachusetts Small Businesses provided funds to businesses experiencing economic hardship and a loss of income due to the COVID-19 pandemic.
- **Program Budget:** \$719,000,000
- **Partnerships for Growth Goal Alignment:** Business
- **COVID – 19 Response:** Grant funding is intended to help businesses adversely impacted by the pandemic. Preference will be given to small businesses whose owners are women, minorities, veterans, members of other underrepresented groups, who are focused on serving the Gateway Cities of Massachusetts, and those most negatively impacted by the COVID-19 pandemic. Preference will also be given to applicants that have not been able to receive aid from other federal programs related to COVID-19.



Small Business Direct Relief Funding

- **Fiscal Year Goal 1:** To assist a minimum of 15,000 small businesses in the Commonwealth with consideration given to women-owned, minority-owned, veteran-owned businesses, those located in economically disadvantaged communities, and sectors experiencing the most significant economic hardship and loss of revenue due to COVID-19.
- **Fiscal Year Target 1:** Women: 45%, Minority: 35%, Veteran: 3%, Gateway City: 25%, No Aid: 20%, Industries: 60%
- **Results of Goal 1:** Women: 45%, Minority: 35%, Veteran: 3%, Gateway City: 25%, No Aid: 20%, Industries: 60%
- **Fiscal Year Goal 2:** To award and fund the maximum amount of target demographic-owned businesses.
- **Fiscal Year Target 2:** Women: 7,000 businesses, Minority: 5,500 businesses, Veteran: 500 businesses, Disabled: 200 businesses, LGBTQ+: 600 businesses, Gateway City: 4,000 businesses, No Aid: 3,500 businesses, Industries: 9,300 businesses
- **Results of Goal 2:** Women: 7,293 businesses, Minority: 5,592 businesses, Veteran: 506 businesses, Disabled: 234 businesses, LGBTQ+: 603 businesses, Gateway City: 4,144 businesses, No Aid: 3,795 businesses, Industries: 9,300 businesses



EmpowerDigital

- **Program Description:** MGCC will make available \$3,800,000 for customized consulting services for small businesses receiving technical assistance from MGCC's Small Business Technical Assistance (SBTA) Providers. Our SBTA Providers will serve as a sponsor to eligible small business applicants seeking specialized services to develop their digital capabilities.
- **Program Budget:** \$3,850,000
- **Partnerships for Growth Goal Alignment:** Business
- **COVID – 19 Response:** To assist businesses in their recovery through digital capabilities.



EmpowerDigital

- **Fiscal Year Goal 1:** To assist 750 small businesses with improving their digital capabilities, with consideration given to women-owned, minority-owned, veteran-owned businesses and those located in economically disadvantaged communities.
- **Fiscal Year Target 1:** Women: 60%, Minority: 60%, Veteran: 60%, Gateway City: 60%
- **Results of Goal 1:** Program was designed and launched on June 15th, 2021. Program will run through FYE 2022, therefore, results are pending.

Community Development Finance Institutes (CDFI) + Microlending



- **CDFI:** In accordance with the Commonwealth's economic development plan, Partnerships for Growth, the CDFI & CDC Capital Match Program seeks to spur job creation across the Commonwealth, support entrepreneurship and small business recovery, sustainability, resilience and growth by lowering the barriers to capital access faced by small businesses. Successful grantees will leverage state funds, along with significant non-state capital sources, to provide small businesses with direct loans and grants. In addition, allowance for loan loss reserves and creation of new loan fund programs will also be supported by this the CDFI & CDC Capital Match Program.
- **Microlending:** Microlending grants to be issued to CDFI's and SBA microlenders making direct microenterprise and small business loans to borrowers on a regional basis and providing TA to applicants and borrowers in order to foster business established and success.
- **Program Budget Total:** \$18,100,000
- **Partnerships for Growth Goal Alignment:** Business
- **COVID – 19 Response:** MGCC will be prioritizing proposals from organizations currently assisting small businesses and entrepreneurs impacted by Covid-19.

Community Development Finance Institutes (CDFI) + Microlending



- **Fiscal Year Goal 1:**
- **CDFI:** To match a minimum of 14 organizations with a diverse portfolio make-up, particularly an investment pool of at least 60% in businesses that are: Women-Owned Enterprises, Minority-Owned Enterprises, LGBTQ+-Owned Enterprises, Veteran-Owned Enterprises, Disabled Individual-Owned Enterprises, Immigrant or Non-Native English-speaking Populations, Low-to-Moderate Income Entrepreneurs, Businesses located in Gateway Cities.
- **Microlending:** Support will be given to eligible organizations' lending and technical assistance activities.
- **Fiscal Year Target 1:** Women: 60%, Minority: 60%, LGBTQ+: 60%, Veteran: 60%, Disabled: 60%, Immigrant: 60%, Low-Moderate Income: 60%, Gateway City: 60%
- **Results of Goal 1:** Target demographic-owned out of 4 businesses: Women: 25%, Minority: 25%, LMI: 50%. Distribution of funds began in July. 34 projected full-time jobs to be preserved.



Biz-M-Power

- **Program Description:** The Biz-M-Power Grant Program purpose is to empower and support underserved minority entrepreneurs and small business owners looking to startup and grow their business through support of their community, by using a crowdfunding platform to raise campaign funds in which MGCC will match if they meet their fundraising goal. The program aims to promote the economic success of entrepreneurs and small businesses owned by minorities, women, LGBTQ+ and other low- and moderate-income owners, U.S. Military Veterans, Cooperatives, and disabled individuals with businesses in Massachusetts.
- **Program Budget:** \$7,500,0000
- **Partnerships for Growth Goal Alignment:** Business
- **COVID – 19 Response:** MGCC will be prioritizing proposals from organizations currently assisting small businesses and entrepreneurs impacted by COVID-19.



Biz-M-Power

- **Fiscal Year Goal 1:** To assist 375 small businesses looking to startup and grow their business through support of their community through using a crowdfunding platform. MGCC will give preference to women-owned, minority-owned, veteran-owned businesses and those located in economically disadvantaged communities.
- **Fiscal Year Target 1:** Women: 60%, Minority: 60%, Veteran: 60%, Gateway Cities: 60%
- **Results of Goal 1:** Program was designed and launched on June 15th, 2021. Program will run through FYE 2022, therefore, results are pending.



Lending

- **Program Description:** MGCC's lending services create economic opportunities by connecting small business owners throughout the Commonwealth to individualized financial services and managerial assistance they need to stabilize and grow their business and contribute to their local economy.
- **Program Budget:** N/A
- **Partnerships for Growth Goal Alignment:** Community Development & Business Competitiveness
- **COVID – 19 Response:** MGCC continues to support small businesses during their COVID-19 recovery through financial and managerial assistance. In FY20, MGCC administered the Small Business Recovery Loan Fund, which funded 246 businesses totaling \$20 million. We will continue to support these businesses through their recovery.



Lending

- **Fiscal Year Goal 1:** Increase the overall total loans closed to \$9,750,000.00 annually to support sustainability and growth in the Commonwealth's businesses.
- **Fiscal Year Target 1:** 30 loans for \$10,000,000 and average of 18 jobs retained per company
- **Results of Goal 1:** Zero Results. Due to COVID, lending activity was non-existent. Staff resources were allocated towards grant program.
- **Fiscal Year Goal 2:** Sustain and increase the number of loans to: Businesses in Gateway Cities and underserved communities to 25%, Minority-owned businesses to 20%, and Women-owned businesses to 20%.
- **Fiscal Year Target 2:** Businesses in Gateway Cities and underserved communities: 8 loans for \$2,500,000, Minority-owned businesses: 7 loans for \$2,000,000 and Women-owned businesses: 7 loans for \$2,000,000
- **Results of Goal 2:** Zero Results. Due to COVID, lending activity was non-existent. Staff resources were allocated towards grant program.