



Office of Performance Management Oversight (OPMO)

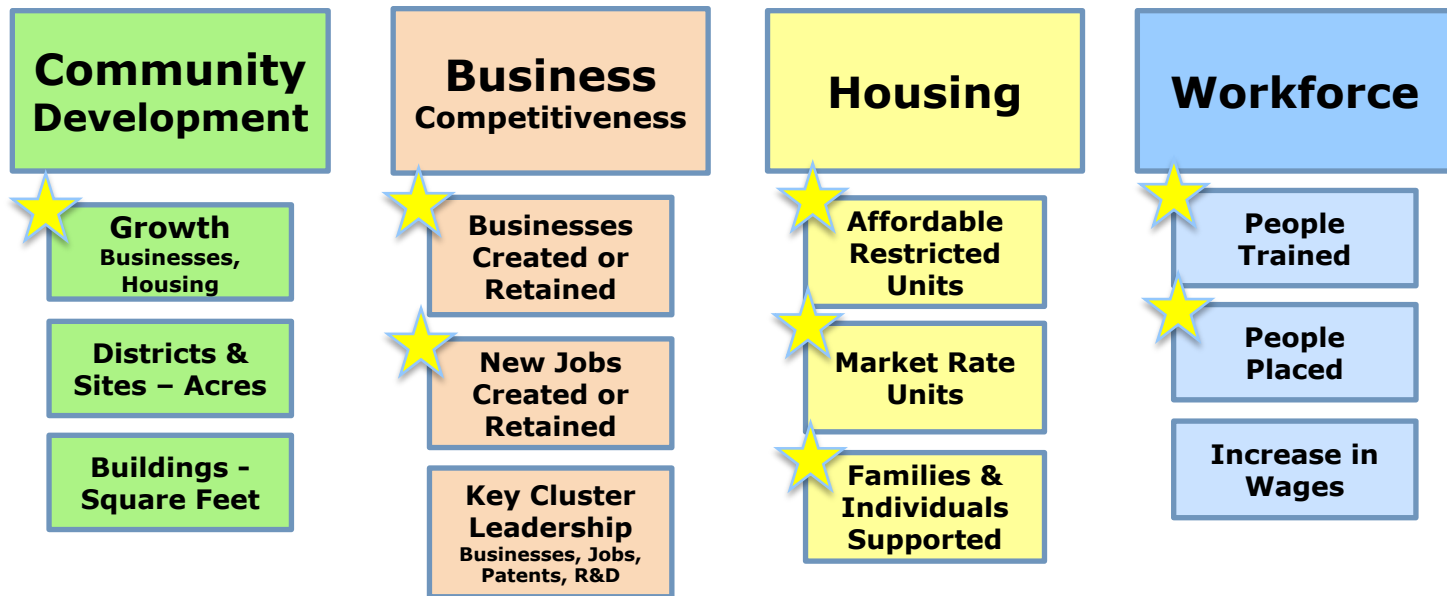
**Massachusetts Growth Capital Corporation
FY2022 Report**



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 \$7,500,000 in loans to support sustainability and growth in the Commonwealth's businesses.
- **Agency Target for Goal 1:**
 - 1) 25 loans for \$7,500,000
 - 2) Average of 18 jobs retained per company
- **Results of Goal 1:** 6 loans for \$2,545,000 with average jobs of 10
- **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:**
 - 1) 6 loans for \$1,875,000.00
 - 2) Average of 18 jobs retained per company
- **Results of Goal 2:** 2 loans for \$1,125,000 with average jobs of 10



Agency Goals

- **Agency Goal 3:** Sustain and increase the number of loans to minority-owned businesses to 20%.
- **Agency Target for Goal 3:**
 - 1) 5 loans for \$1,500,000
 - 2) Average of 18 jobs retained per company
- **Results of Goal 3:** 0
- **Agency Goal 4:** Sustain and increase the number of loans to women-owned businesses to 20%.
- **Agency Target for Goal 4:**
 - 1) 5 loans for \$1,500,000
 - 2) Average of 18 jobs retained per company
- **Results of Goal 4:** 2 for \$280,000 with average jobs of 5



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:** \$7,000,000
- **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) 1,500 businesses served
 - 2) 2,000 jobs retained
- **Results of Goal 1:**
 - 1) 5,999 businesses served
 - 2) 2,622 jobs retained



Small Business Technical Assistance Grant Program

- **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
 - 1,200 jobs retained in target demographic-owned businesses
- **Results of Goal 2:**
 - Provide services to 54% target demographic-owned businesses
 - 5,735 total jobs retained



EmpowerDigital Grant

- **Program Description:** The Grant for Development of Digital Capabilities 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 in areas such as:
 - Design
 - Financial/Bookkeeping
 - POS/CRM
 - Productivity/Team Collaboration
 - Social Media/SEO/ Marketing
 - Digital Marketing Strategists
 - Photographers
 - Writers etc...
- Although this money was in the FY21 budget, the program will run through FY22 with results reported quarterly.
- **Program Budget:** \$3,850,000
- **Partnerships for Growth Goal Alignment:** Business



EmpowerDigital Grant

- **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:**
 - Total: 353 applications for \$1,717,994
 - Commitments: 223 applications for \$1,083,149
- **Results of Target 1:**
 - Women: 70%
 - Minority: 46%
 - Veteran: 4%
 - Gateway City: 23%



Community Development Finance Institutes (CDFI) + Microlending

Program Descriptions

- **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.
- Although this money was in the FY21 budget, the program will run through FY22 with results reported quarterly.
- **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%



Community Development Finance Institutes (CDFI) + Microlending

- **Results of Goal 1:** 15 organizations awarded
- **Results of Target 1:**
 - Women: 51%
 - Minority: 68%
 - LGBTQ+: did not ask
 - Veteran: did not ask
 - Disabled: did not ask
 - Immigrant: did not ask
 - Low-Moderate Income: 71%
 - Gateway City: 50%



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.
- Although this money was in the FY21 budget, the program will run through FY22 with results reported quarterly.
- **Program Budget:** \$7,500,0000
- **Partnerships for Growth Goal Alignment:** Business



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:**
 - Total: 378 applications for \$5,782,264
 - Commitments: 111 applications for \$1,578,255
- **Results of Target 1: (To be filled out at end of FY2022)**
 - Women: 60%
 - Minority: 65%
 - Veteran: 3%
 - Gateway Cities: 42%



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



Lending

- **Fiscal Year Goal 1:** Increase the overall total loans closed to \$7,500,000.00 annually to support sustainability and growth in the Commonwealth's businesses.
- **Fiscal Year Target 1:**
 - 1) 25 loans for \$7,500,000
 - 2) Average of 18 jobs retained per company
- **Results of Goal 1:** \$2,545,000 in total loans closed
- **Results of Target 1:** 6 loans for \$2,545,000 with average jobs of 10



Lending

- **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: 6 loans for \$1,875,000
 - Minority-owned businesses: 5 loans for \$1,500,000
 - Women-owned businesses: 5 loans for \$1,500,000
- **Results of Goal 2**
 - Businesses in Gateway Cities and underserved communities to 33%
 - Minority-owned businesses to 0%
 - Women-owned businesses to 33%
- **Results of Target 2: (To be filled out at end of FY2022)**
 - Businesses in Gateway Cities and underserved communities: 2 loans for \$1,125,000
 - Minority-owned businesses: 0
 - Women-owned businesses: 2 loans for \$280,000



ARPA New Applicant Grant Program

- **Program Description:** This program provided funds to support small businesses negatively impacted by the COVID-19 pandemic.
- **Program Budget:** \$25,000,000
- **Partnerships for Growth Goal Alignment:** Business
- **COVID – 19 Response:** Grant funding for the New Applicant program supports businesses negatively impacted by COVID-19 that have not previously received financial relief from MGCC's COVID-19 Relief Grant Programs. Preference was given to businesses that were established after 06/30/19, have not received relief aid from Federal, State or local programs, and priority given to small companies based on revenue size.



ARPA New Applicant Grant Program

- **Fiscal Year Goal 1:** To assist a minimum of 450 small businesses in the Commonwealth with consideration given to those negatively impacted by COVID-19 that have not previously received financial relief from MGCC's COVID-19 Relief Grant Programs.
- **Fiscal Year Target 1:** Women: 30%, Minority: 50%, Veteran: 1%, Gateway City: 40%, Disabled: 1%, LGBTQ+: 2%
- **Results of Goal 1:** Women: 37%, Minority: 51%, Veteran: 1%, Gateway City: 43%, Disabled: 1%, LGBTQ+: 3%
- **Fiscal Year Goal 2:** To award and fund the maximum amount of target demographic-owned businesses.
- **Fiscal Year Target 2:** Women: 100 businesses, Minority: 200 businesses, Veteran: 5 businesses, Disabled: 5 businesses, LGBTQ+: 10 businesses, Gateway City: 200 businesses, Industries: 400 businesses
- **Results of Goal 2:** Women: 185 businesses, Minority: 253 businesses, Veteran: 7 businesses, Disabled: 5 businesses, LGBTQ+: 15 businesses, Gateway City: 215 businesses, Industries: 499 businesses



ARPA Inclusive Grant Program

- **Program Description:** This program provided funds to support small businesses negatively impacted by the COVID-19 pandemic.
- **Program Budget:** \$50,000,000
- **Partnerships for Growth Goal Alignment:** Business
- **COVID – 19 Response:** Grant funding for the Inclusive program helped businesses that focus on reaching markets predominantly made up of socially and economically disadvantaged and historically underrepresented groups, underserved markets, and those owned by minorities, women, veterans, disabled individuals, or those that identify as part of the LGBTQ+ community. Preference was given to businesses that were located in a Gateway City, have not received relief aid from Federal, State or local programs, and priority given to small companies based on revenue size.



ARPA Inclusive Grant Program

- **Fiscal Year Goal 1:** To assist a minimum of 950 small businesses in the Commonwealth with consideration given to those that focus on reaching markets predominantly made up of socially and economically disadvantaged and historically underrepresented groups, underserved markets, and those owned by minorities, women, veterans, disabled individuals, or those that identify as part of the LGBTQ+ community
- **Fiscal Year Target 1:** Women: 60%, Minority: 90%, Veteran: 3%, Gateway City: 40%, No COVID Relief Aid from Any Other Source: 30%, Disabled: 5%, LGBTQ+: 5%
- **Results of Goal 1:** Women: 68%, Minority: 92%, Veteran: 3%, Gateway City: 41%, No COVID Relief Aid from Any Other Source: 31%, Disabled: 5%, LGBTQ+: 9%
- **Fiscal Year Goal 2:** To award and fund the maximum amount of target demographic-owned businesses.
- **Fiscal Year Target 2:** Women: 600 businesses, Minority: 800 businesses, Veteran: 30 businesses, Disabled: 40 businesses, LGBTQ+: 90 businesses, Gateway City: 400 businesses, No COVID Relief Aid from Any Other Source: 300 businesses, Industries: 900 businesses
- **Results of Goal 2:** Women: 664 businesses, Minority: 894 businesses, Veteran: 33 businesses, Disabled: 44 businesses, LGBTQ+: 92 businesses, Gateway City: 403 businesses, No Aid: 303 businesses, Industries: 973 businesses