



Office of Performance Management Oversight (OPMO)

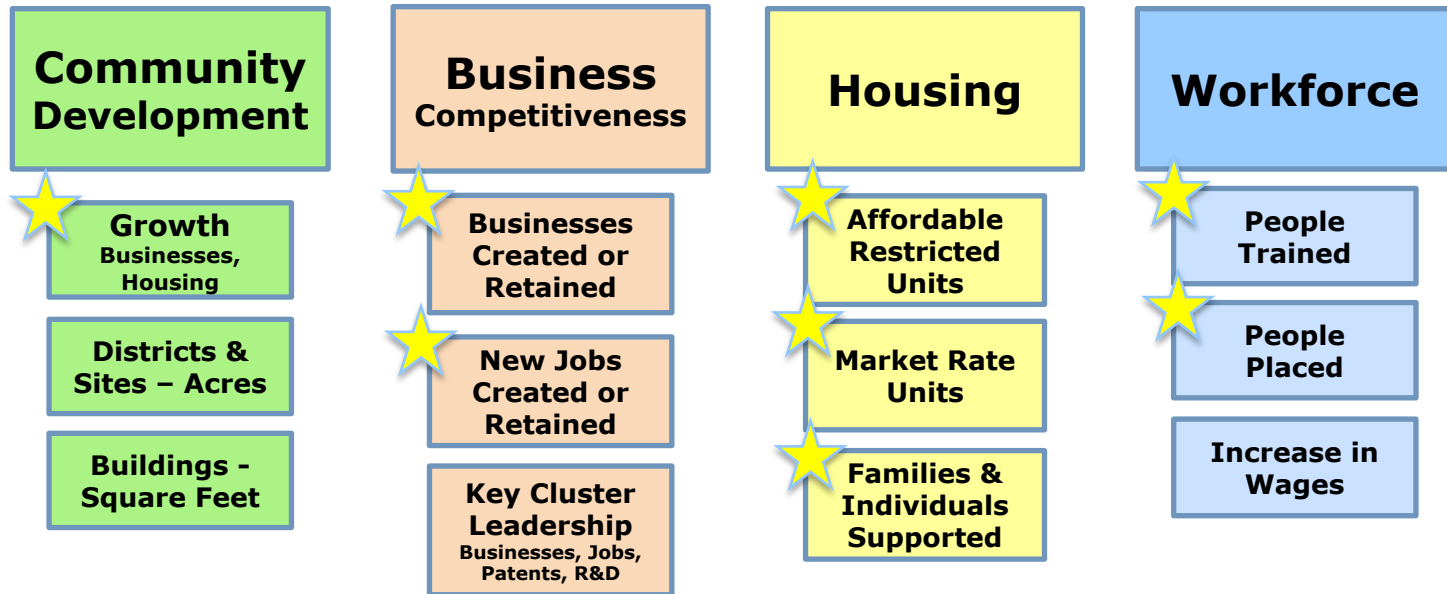
**Massachusetts Growth Capital Corporation
FY2023 Report**



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 \$9,750,000 in loans to support sustainability and growth in the Commonwealth's businesses.
- **Agency Target for Goal 1:**
 - 1) 28 loans for \$9,750,000
 - 2) Average of 18 jobs retained per company
- **Results of Goal 1:** (To be filled out at end of FY2023) 12 loans for \$2,432,000 with average of 35 jobs created and 91 jobs preserved
- **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) 7 loans for \$2,500,000
 - 2) Average of 18 jobs retained per company
- **Results of Goal 2:** (To be filled out at end of FY2023) 2 loans for \$1,050,000 with average of 5 jobs created and 28 jobs preserved



Agency Goals

Agency Goal 3: Sustain and increase the number of loans to minority-owned businesses to 20%.

Agency Target for Goal 3:

- 1) 6 loans for \$1,950,000
- 2) Average of 18 jobs retained per company

Results of Goal 3: 5 loans for \$750,000 with average of 6 jobs created and 33 jobs preserved

Agency Goal 4: Sustain and increase the number of loans to women-owned businesses to 20%.

Agency Target for Goal 4:

- 1) 6 loans for \$1,950,000
- 2) Average of 18 jobs retained per company

- **Results of Goal 4:** 8 loans for \$632,000 with average of 8 jobs created and 46 jobs preserved

New Applicant Grant Program & Inclusive Grant Program



- **New Applicant Grant Program:** This program was created to provide \$25,000,000 in support of businesses negatively impacted by COVID-19 that have not previously received financial relief from MGCC's COVID-19 Relief Grant Programs.
- **Inclusive Grant Program:** This program has \$50,000,000 available to 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.
- **Program Budget:** \$75,000,000
- **Partnerships for Growth Goal Alignment:** Business

New Applicant Grant Program & Inclusive Grant Program



- **Fiscal Year Goal 1:**
- New Applicant Grant Program: To assist a minimum 500 small businesses in the Commonwealth with consideration given to those that have not received relief aid from Federal, State or local programs, were established after 06/30/19, and to small companies based on revenue size.
- Inclusive Grant Program: To assist a minimum of 1,000 small businesses in the Commonwealth with consideration given to those located in a Gateway City, those that have not received relief aid from Federal, State or local programs, and to small companies based on revenue size.
- **Fiscal Year Target 1:** Retain a total of 1,500 businesses, while distributing funding in a timely manner.
- **Results of Goal 1:**
 - New Applicant Grant Program: 499 businesses served
 - Inclusive Grant Program: 973 businesses served



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 microloans. 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
- **Fiscal Year Goal 1:** Track outcomes of businesses served by the Small Business Technical Assistance Grant Program.
- **Fiscal Year Target 1:**
 - 1) 1,500 total businesses served
 - 2) 2,000 jobs retained
- **Results of Goal 1:** Businesses served: 4,965, jobs retained: 6,988



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:**
 - 1) Provide services to 900 target demographic-owned businesses
 - 2) 1,200 jobs retained in target demographic-owned businesses
- **Results of Goal 2: (To be filled out at end of FY2023)**
 - Minority: 73%
 - Women: 64%
 - Veteran: 2%
 - Immigrant: 41%
 - LMI: 52%
 - Gateway Cities: 41%
 - Number of businesses served: 4965
 - Number of jobs created/retained: 6988



MICROLENDING OPERATIONS SUPPORT & CDFI LENDING CAPITAL MATCHING GRANT

- **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:** \$2,975,000 (CDFI) + \$1,300,000 (MOS)
- **Partnerships for Growth Goal Alignment:** Business

MICROLENDING OPERATIONS SUPPORT & CDFI LENDING CAPITAL MATCHING GRANT



- **Fiscal Year Goal 1:**
- **CDFI:** To match a minimum of 10 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:**
 - CDFI: 13 organizations awarded
 - *No data available yet (awarded late May 2023, reports due 1/12/24)



Biz-M-Power Crowdfunding Matching Grant Program

- **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
- **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%



Biz-M-Power Crowdfunding Matching Grant Program

- **Results of Goal 1: (To be filled out at end of FY2023)**
 - Total:
 - 747 applications received
 - 136 applications funded for \$2,543,604
- **Results of Target 1: (To be filled out at end of FY2023)**
 - Women: 31%
 - Minority: 28%
 - Veteran: 2%
 - Gateway Cities: 13%



Empower Digital Grant Program

- **Program Description:** This grant program provides funding for the needs of Massachusetts-based small businesses owned by socially and economically disadvantaged individuals seeking tools and services to develop their digital capabilities in partnership with a Small Business Technical Assistance (SBTA) provider for up to \$5,000. SBTA providers will sponsor small businesses to apply and support the effort of the small business applicants through technical assistance in the application process.
- **Program Budget:** \$3,850,000
- **Partnerships for Growth Goal Alignment:** Business
- **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%



Empower Digital Grant Program

- **Results of Goal 1: (To be filled out at end of FY2023)**
 - Total: 1239 applications for \$8,276,199
 - Commitments: 695 applications for \$4,343,920
 - Women: 61%
 - Minority: 35%
 - Veteran: 3%
 - Gateway Cities: 17%



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
- **Fiscal Year Goal 1:** Increase the overall total loans closed to \$9,750,000 annually to support sustainability and growth in the Commonwealth's businesses.
- **Fiscal Year Target 1:**
 - 1) 28 loans for \$9,750,000
 - 2) Average of 18 jobs retained per company
- **Results of Goal 1: (To be filled out at end of FY2023)**
 - \$ 2,432,000 in total loans closed
- **Results of Target 1: (To be filled out at end of FY2023)**
 - 12 loans with average of 35 jobs created and 91 jobs preserved



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: 7 loans for \$2,500,000
 - Minority-owned businesses: 6 loans for \$1,950,000
 - Women-owned businesses: 6 loans for \$1,950,000
- **Results of Goal 2:**
 - Businesses in Gateway Cities and Underserved Communities: 17%
 - Minority-owned businesses: 42%
 - Women-owned businesses: 67%
- **Results of Target 2:**
 - Businesses in Gateway Cities and underserved communities: 2 loans for \$1,050,000
 - Minority-owned businesses: 5 loans for \$750,000
 - Women-owned businesses: 8 loans for \$632,000