



Commonwealth of Massachusetts
Executive Office of Housing and
Economic Development

Office of Performance Management Oversight

FY24 Planning Template

Massachusetts Growth Capital Corporation



Economic Development Leadership

Consumer Affairs and Business Regulation - Undersecretary D'Emilia

- Commissioners of Banking, Insurance, Licensing, Telecoms, Standards
- Partnering closely with Economic Foundations, Economic Strategies, other Cabinets

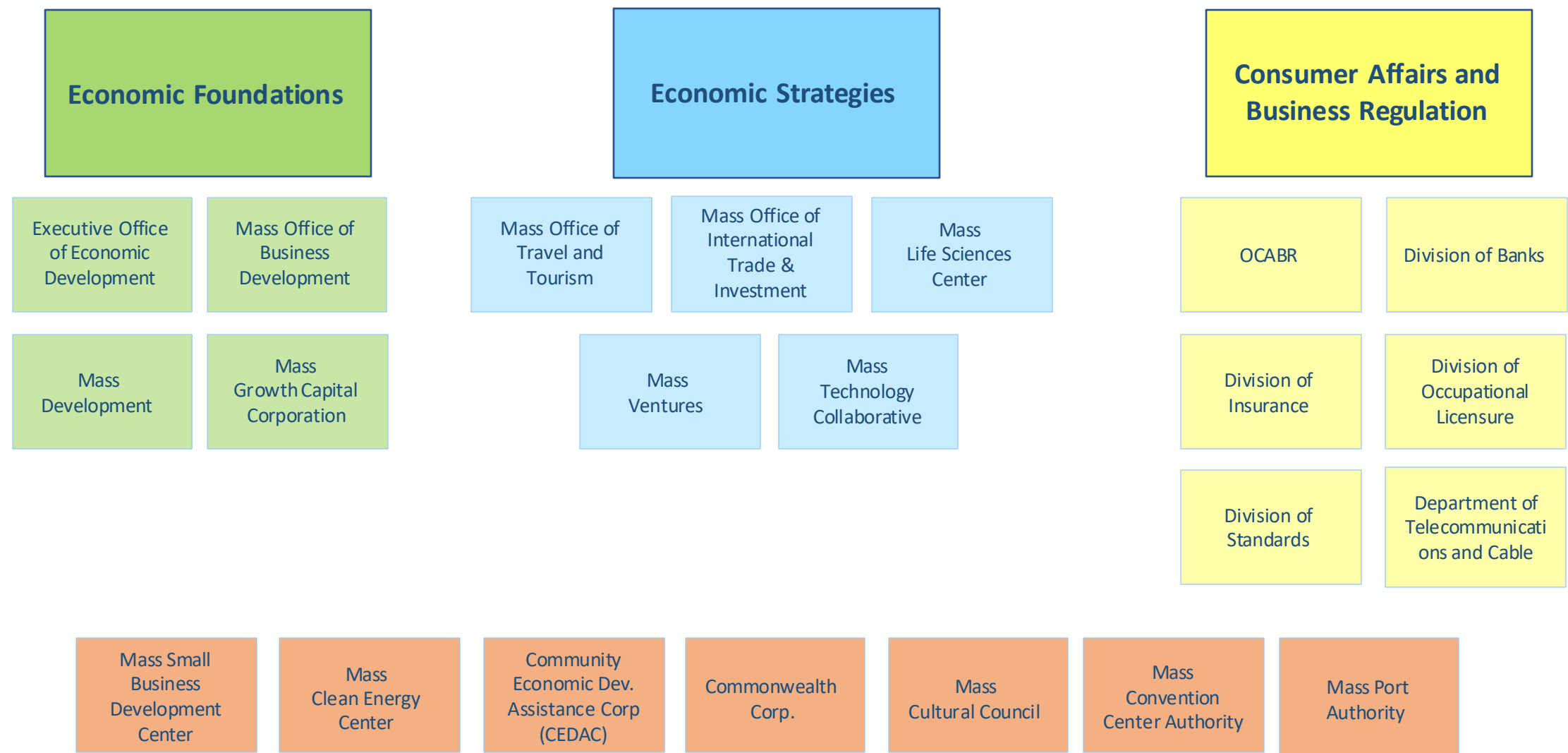
Economic Strategies Undersecretary Stanton

- Tourism/MOTT, International trade/MOITI
- New growth initiatives: Workforce, CHIPS+Science, Climate-tech, ARPA-H
- Partnering closely with our Quasis: MassTech, MassVentures, Mass Life Sciences

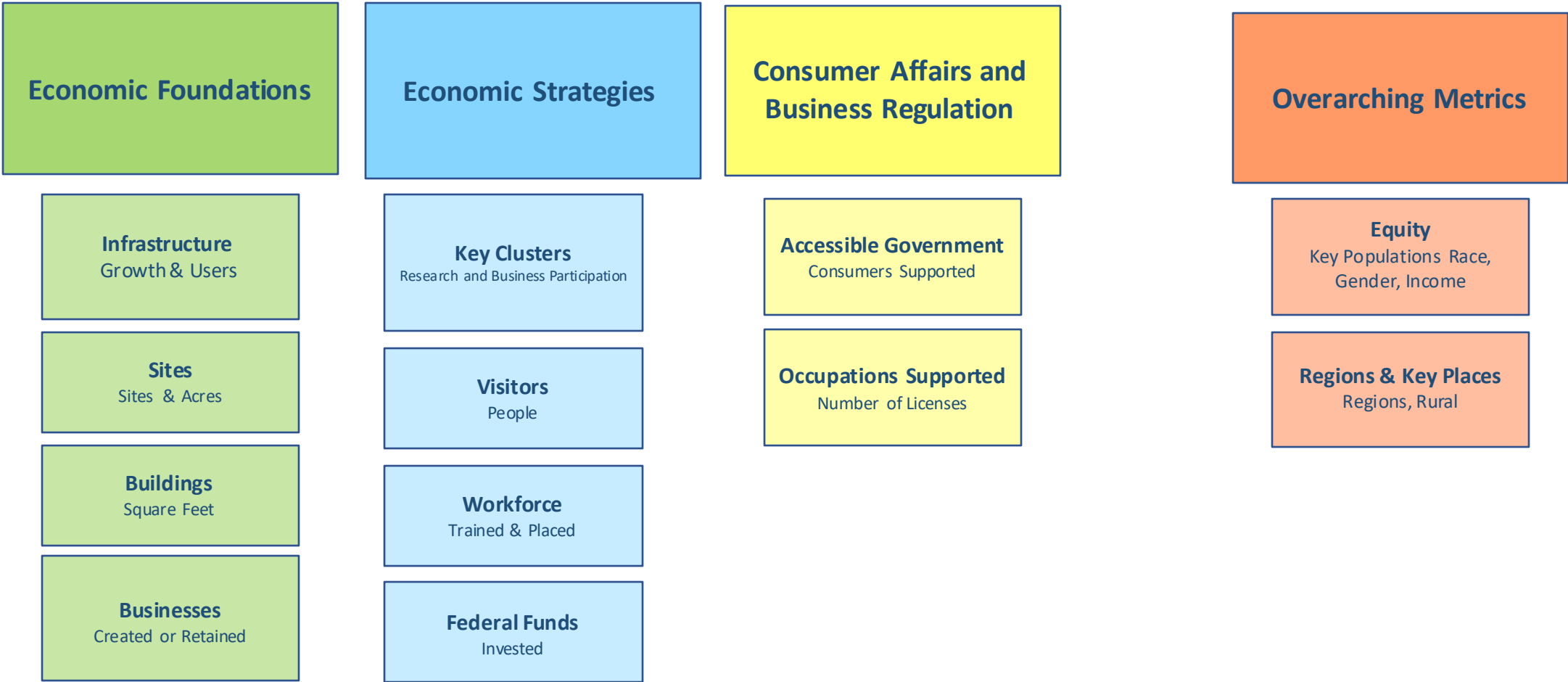
Economic Foundations - Undersecretary Stolba

- Infrastructure (MassWorks, One Stop, Broadband), Seaport Council, Military TF
- MOBD/Regional businesses, Rural director, Small/ micro businesses
- Partnering closely with our Quasis: MassGrowth, MassDevelopment, MassCEC

Office of Performance Management – Agencies



Economic Development – Metric Alignment



Agency Goals

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.

Agency Goal 1: To support sustainability and growth of the Commonwealth's small businesses through job stabilization or growth

Agency Target 1: 1,000 jobs were created or retained through MGCC's products and programs

Results: 8,093 jobs created or retained through MGCC's products and programs.

Agency Goal 2: To support the Commonwealth's small businesses with a concentration on addressing regional equity

Agency Target 2: Signed up 100 businesses to our email contact list

Results: 2,666 contacts were added to our email contact list.

Agency Goal 3: To support the Commonwealth's small businesses with a concentration on addressing demographic equity

Agency Target 3: 100 jobs were created or retained at businesses owned by women, minority, veteran or LGBTQIA+ individuals

Results: 153 jobs were created or retained at businesses owned by women, minority, veteran or LGBTQIA+ individuals.

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.

Anticipated Program Budget: N/A

Fiscal Year Goal 1: Close \$14,500,000 in loans to support sustainability and growth in the Commonwealth's small businesses.

Fiscal Year Target 1:

- 52 loans for \$14,500,000
- Average of 18 jobs retained per company

Results: 18 loans for \$8,535,000 with an average of 29 jobs retained

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: 10 loans for \$3,625,000
- Minority-owned businesses: 8 loans for \$2,900,000
- Women-owned businesses: 8 loans for \$2,900,000

Results:

- Businesses in Gateway Cities and underserved communities: 33% - 6 loans for \$425,000
- Minority-owned businesses: 22% - 4 loans for \$650,000
- Women-owned businesses: 22% - 4 loans for \$825,000

Federal Title IX RLF

Program Description: A \$1,200,000 tranche of EDA money for lending to eligible Massachusetts companies. Currently \$900,000 available to lend.

Anticipated Program Budget: \$900,000

Fiscal Year Goal 1: Assist small businesses in Massachusetts with capital

Fiscal Year Target 1: 3 loans for \$900,000 with 54 employees retained

Results: 1 loan for \$700,000 with 21 jobs retained

SBA Revolving Microloan Fund

Program Description: MGCC is one of only two statewide intermediary lenders for the U.S. Small Business Administration's (SBA) Microloan program. The Microloan program provides financing from \$5,000 to \$50,000 to Massachusetts small businesses to assist with working capital, or the purchase of furniture, fixtures, supplies, materials, and/or equipment.

Anticipated Program Budget: \$700,000 with \$325,000 available to lend

Fiscal Year Goal 1: Assist small businesses in Massachusetts with capital

Fiscal Year Target 1: 10 loans for \$250,000 with 30 employees retained

Results: 3 loans for \$150,000 with 6 jobs retained

State Small Business Credit Initiative (SSBCI)

Program Description: MGCC will administer SSBCI funds totaling \$76,000,000 in three tranches over a six-year period, which will capitalize MGCC traditional lending and allow funds for a new guaranty program.

Anticipated Program Budget: \$16,800,000- must be committed within 3 years

Fiscal Year Goal 1: \$7,250,000 in lending on a 50/50 share basis with MGCC funds

Fiscal Year Target 1: 40 companies assisted

Results: \$6,935,000 loaned on a 50/50 basis with MGCC Funds (total SSBCI \$3,467,500), 12 companies assisted.

Fiscal Year Goal 2: Sustain and increase the number of loans to:

- Businesses in Gateway Cities and underserved communities to 12.5%
- Minority-owned businesses to 10%, and
- Women-owned businesses to 10%.

Fiscal Year Target 2:

- Businesses in Gateway Cities and underserved communities: 5 loans for \$1,812,500
- Minority-owned businesses: 4 loans for \$1,450,000
- Women-owned businesses: 4 loans for \$1,450,000

Results:

- Businesses in Gateway Cities and underserved communities: 33% - 6 loans for \$425,000
- Minority-owned businesses: 22% - 4 loans for \$650,000
- Women-owned businesses: 22% - 4 loans for \$825,000

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.

Anticipated Program Budget: \$7,500,000

Fiscal Year Goal 1: Track outcomes of businesses served by the Small Business Technical Assistance Grant Program.

Fiscal Year Target 1:

- 2,500 total businesses served
- 3,000 jobs retained

Results:

- 4,667 total businesses served
- 6,990 jobs retained

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 1,500 target demographic-owned businesses
- 1,800 jobs retained in target demographic-owned businesses

Results:

- Minority-owned: 74%
- Women-owned: 61%
- Veteran-owned: 3%
- Number of businesses served within target demographic: 3,462
- Number of jobs retained: 6,990

CDFI Lending Capital Matching Grant Program & Microlending Operations Support

Program Description:

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.

Anticipated Program Budget: \$2,000,000

Fiscal Year Goal 1:

- CDFI: To match a minimum of 10 organizations and track outcomes of loans and grants provided to businesses located in Gateway Cities.
- Microlending: Support will be given to eligible organizations' lending and technical assistance activities.

Fiscal Year Target 1:

- 42 total businesses served in Gateway Cities

Results:

- CDFI: 10 organizations awarded who distributed 158 loans. \$3,124,618 of MGCC funds were matched with \$8,405,617, totaling a lending impact of \$11,530,235. 34 loans were provided to businesses located in Gateway Cities, using \$940,374 of MGCC funds matched with \$1,999,658 to have a total lending impact of \$2,940,032 in Gateway Cities.
- Microlending: *No data available yet.

Fiscal Year Goal 2: Track the progress of the grants given to the CDFI's

Fiscal Year Target 2: 70 total businesses will receive loans with 200 employees retained

Results: 158 loans, 542 jobs preserved

Biz-M-Power Crowdfunding Matching Grant Program (Continuation)

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.

Anticipated Program Budget: \$7,500,0000 -> Remaining money \$2,400,000 with \$1,000,000 in FY24

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: Assist 375 small businesses using the crowdfunding platform

- Women: 94
- Minority: 94
- Veteran: 94
- Gateway Cities: 94

Results: Assisted 128 small businesses using the crowdfunding platform, totaling \$3,348,233.67 given to small businesses.

- Women: 78
- Minority: 60
- Veteran: 3
- Gateway Cities: 24

COVID RELIEF GRANT: Inclusive Recovery Grant Program

Program Description: The Commonwealth of Massachusetts has made \$75,000,000 available to support small businesses negatively impacted by the COVID-19 pandemic. This program targets 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, immigrants, first-generation immigrants, disabled individuals, or those that identify as part of the LGBTQ+ community. MGCC will administer grants up to \$75,000 for eligible small businesses, in a geographically equitable manner.

This project is being supported by federal award number SLFRP1025 awarded to the Commonwealth of Massachusetts by the U.S. Department of the Treasury. These funds were appropriated through the Commonwealth's FY2023 Economic Development Bill.

Anticipated Program Budget: \$75,000,000

Fiscal Year Goal 1: Complete the review and funding of the program

Fiscal Year Target 1: 1,200 businesses stay open.

Results: 1,424 businesses were awarded grants.

COVID RELIEF GRANT: Movie Theater Grant Program

Program Description: The Commonwealth of Massachusetts has made \$3,000,000 available to support movie theaters in the Commonwealth negatively impacted by the COVID-19 pandemic. This program targets movie theaters in the Commonwealth that: (a) have had not less than \$15,000 in box office ticket sales in calendar year 2019, (b) have experienced a decline in box office sales between calendar year 2019 and subsequent years, or portions thereof, of 40 percent or more; (c) be physically located in the Commonwealth; and (d) have no current tax liens on record with the department of revenue at the time of application. Priority shall be given to applicants with 4 screens or fewer and those headquartered in Massachusetts. This project is being supported by federal award number SLFRP1025 awarded to the Commonwealth of Massachusetts by the U.S. Department of the Treasury. These funds were appropriated through the Commonwealth's FY2023 Economic Development Bill.

Anticipated Program Budget: \$3,000,000

Fiscal Year Goal 1: Complete the review of applications and funding of the program
Fiscal Year Target 1: 50 movie theatres are able to stay open.

Results: 44 movie theaters were awarded grants.

COVID RELIEF GRANT: Hotel & Motel Grant Program

Program Description: The Commonwealth of Massachusetts has made \$75,000,000 available to hotels and motels negatively impacted by the COVID-19 pandemic. This program will award grants up to \$2,000,000 per property for eligible hotels and motels, prioritizing those based on economic impact, revenue loss from 2019 to 2020, those owned by minorities, women, veterans, disabled individuals, or those that identify as part of the LGBTQ+ community, and those operating in Gateway Cities or other communities disproportionately impacted by the pandemic.

This project is being supported by federal award number SLFRP1025 awarded to the Commonwealth of Massachusetts by the U.S. Department of the Treasury. These funds were appropriated through the Commonwealth's FY2023 Economic Development Bill.

Anticipated Program Budget: \$75,000,000

Fiscal Year Goal 1: Complete the review of applications and funding of the program

Fiscal Year Target 1: 75 hotels are able to stay open.

Results: 96 hotels were awarded grants.

COVID RELIEF GRANT: Independent Restaurants to Fight Food Insecurity Grant Program

Program Description: The program seeks to provide grants to independent restaurants located in the commonwealth to supply prepared meals and other food products to food banks and other programs addressing food insecurity needs of individuals in the Commonwealth. Funds available for this grant program in FY2023 will be \$1,000,000.

Anticipated Program Budget: \$1,000,000

Fiscal Year Goal 1: Through an RFP process choose at least 2 non-profits to run the program

Fiscal Year Target 1: 1,600 families are provided meals.

Results: Program is ongoing.

Status update: Grantee, Local Enterprise Assistance Fund (LEAF) in partnership with Franklin County CDC, was selected to administer the program. At conclusion of FY24, the grantee's application required updates related to their application and awardee selection process. The program was yet to begin under the selected grantee. In the fall of 2024, grantee was awarded payment of admin support. As of December 2024, MGCC's awaiting approval of first grant memo. Funds are expected to be exhausted during FY25.