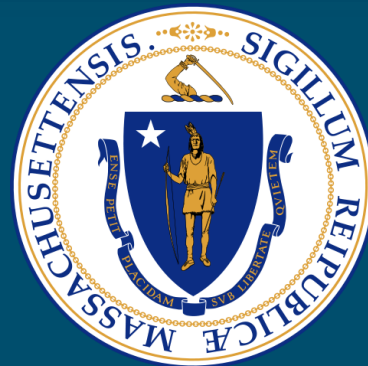


Executive Office of Housing and Economic Development

Office of Performance Management and Oversight – 2015 Annual Report



Commonwealth of Massachusetts

Executive Summary

The Office of Performance Management and Oversight (OPMO) serves to improve the efficiency and delivery of economic development efforts throughout the state. The newly minted economic development plan, [Opportunities for All](#), will support collaboration, encourage transparent goal setting and align efforts with best practices.

The Office of Performance Management & Oversight oversees the effectiveness, accountability, and transparency of economic development efforts across the state. The OPMO was created by Chapter 240 of the [Acts of 2010](#) – An Act Relative to the Economic Development Reorganization. It includes all public and quasi-public entities engaged in economic development and any private organizations under contract with the Commonwealth to perform economic development services. The nineteen organizations under this office provide a wide range of services and programs that drive economic development.

RESULTS

This section highlights some of the progress and accomplishments of the 19 economic development organizations under the Office of Performance and Management for Fiscal Year 2015. For comprehensive information on each agency, including past reports please visit the OPMO website – www.mass.gov/opmo.

Office of Performance Management and Oversight

The **Commonwealth Corporation** strengthens the skills of Massachusetts youth and adults by investing in innovative partnerships with industry, education, and workforce organizations. Commonwealth Corporation seeks to meet the immediate and emerging workforce needs of businesses and workers.

- **Workforce Training Fund** – awarded \$16 million to 249 businesses to support the training of 13,403 workers.
- **Workforce Training Fund Express Program** – awarded \$1.5 million to 238 businesses, educational, and workforce partnerships – these partnerships will train 2,238 individuals.
- **Regional Training Capacity Pilot Program** – awarded \$1,841,660 to 10 organizations to offer Massachusetts businesses a total of 3,032 seats for their employees in a set of pre-approved programs.
- **Hiring Incentive Training Program Grant (HITG)** – approved 1,037 applications from 401 businesses, seeking a total of \$6,945,000 in incentive payments for hiring and retaining 1,446 eligible new employees. Of these, 88 new employees were military veterans.
- **Employment Incentive Pilot Program (EIPP)** - approved applications from 5 businesses, seeking a total of \$35,000 in incentive payments for hiring and retaining 7 eligible new employees.

WIB Region	Award Amount	Percent of Total
Boston	\$788,326	5%
Bristol	\$414,140	3%
Brockton	\$522,512	3%
Cape & Islands	\$483,850	3%
Central MA	\$1,225,568	8%
Franklin/Hampshire	\$168,650	1%
Greater Lowell	\$1,704,463	10%
Greater New Bedford	\$560,380	3%
Hampden	\$1,476,364	9%
Merrimack Valley	\$493,462	3%
Metro North	\$2,841,883	17%
Metro South/West	\$3,070,558	19%
North Central MA	\$780,143	5%
North Shore	\$1,103,538	7%
South Shore	\$610,438	4%
Grand Total	\$16,244,275	100%

The **Community Economic Development Assistance Corporation** provides technical assistance, pre-development lending, and consulting services to non-profit organizations involved in housing development, workforce development, neighborhood economic development, and capital improvements to childcare facilities.

- **Housing Finance and Development** – committed \$18.1 million to 50 projects, supporting 2,177 housing units. Of that total, \$6.4 million was for predevelopment loans, \$9.2 million was for site acquisition loans, and \$2.5 million was for bridge loans.
- **Supportive Housing** – provided a combination of housing services to help people live more stable, productive lives. New loan commitments were awarded by the Department of Housing and Community Development to 34 projects totaling \$54.8 million.

Office of Performance Management and Oversight

- **Workforce Development** – delivered 5 trainings, and held 15 peer-learning meetings across five state regions. Over 708 people attended the Commonwealth Workforce Coalition (CWC) events representing 333 organizations.
- **The Children’s Investment Fund** – committed \$309,700 million to seven projects offering a full range of financing and technical advising services options for early education and after school programs.
- **Early Education and Out of School Time (EOST) Capital Fund-** provides capital grants to licensed center-based nonprofit early education and out of school time programs to fund facility acquisition, design, construction and/or renovation.

Early Education and Out of School Time (EOST) Capital Fund FY2015 Awards

Lead Agency	City	EOST Award	Total Development Cost	Licensed Capacity	# Slots Added	% Low Income
Beverly Children’s Learning Center	Beverly	\$1,000,000.00	\$4,220,000.00	135	24	73%
Catholic Charitable Bureau of the Archdiocese	Lynn	\$750,000.00	\$2,081,000.00	117	2	95%
Community Teamwork, Inc	Lowell	\$500,000.00	\$2,360,645.00	366	0	100%
Ellis Memorial & Eldredge House Inc	Boston	\$800,000.00	\$3,462,000.00	60	32	79%
For Kids Only	Salem	\$400,000.00	\$2,872,937.00	100	20	82%
Markman Childeren's Programs Inc	Attleboro	\$1,000,000.00	\$1,768,012.00	241	23	82%
Merrimack Valley YMCA	Lawrence	\$800,000.00	\$1,500,000.00	200	40	98%
Tri-Community YMCA	Southbridge	\$800,000.00	\$2,483,000.00	129	19	84%
United Teen Equality Center Inc	Lowell	\$400,000.00	\$3,128,400.00	0	36	66%
Valley Opportunity Council	Chicopee	\$1,000,000.00	\$1,925,805.00	47	35	98%
Totals		\$7,450,000.00	\$25,801,799.00	1395	231	

The **Commonwealth Marketing Office** acts as a central entity and coordinating organization for marketing initiatives to advance economic development.

- Regional Tourism Council digital review completed individually; high-functioning sites for all 16 regions; emphasis on digital-only media plans
- Created a "vacation you" and #nosummerregrets campaigns in in NY/NJ markets; NY site traffic up 32%, NJ up 55%; domestic visitor volume decreased 6% while domestic spending increased 5%.
- Film Liaison Network has expanded to 20 municipalities.

The **Massachusetts Business Development Corporation** provides a loan guaranty program designed to target “main street” businesses who are in need of working capital and expansion financing.

- **Job Creation and Retention** – projected 2,826 created and retained jobs
- **Business Coverage** – assisted 255 ‘main street’ businesses
- **Financing** – provided \$15.1 million in private sector financing
- **Regional Coverage** – gave 14% of all loans to companies located in Gateway Cities
- **Cost Efficiency** – state funds cost per job is \$205

The **Massachusetts Clean Energy Center** is dedicated to accelerating the success of clean energy technologies, companies, and projects in Massachusetts while creating high-quality jobs and long-term economic growth for the people of Massachusetts.

- **MassCEC** confirmed 99,895 clean energy workers, which represents an increase of 11.9% over FY2014. There are now 6,439 clean energy firms identified representing an annual increase of 7.6%.
- **Innovate Mass** helps clean energy companies and their technologies move closer to commercialization. Technology teams are eligible to receive up to \$150,000 in funds as long as each team is matched by at least 50% outside funding. The Massachusetts technology teams receiving funding are:
 - 7AC Technologies (Beverly): \$150,000 matched by \$125,000.
 - Building Envelope Materials (Somerville): \$50,000 matched by \$25,000.
 - Fluid-Screen (Boston): \$150,000 matched by \$75,000.
 - Loci Controls (Somerville): \$150,000 matched by \$79,750.
 - NBD Nanotechnologies (Danvers): \$150,000 matched by \$150,000.
 - Rainbank (Newton): \$31,140 matched by \$15,615.
 - Bevi (Somerville): \$150,000 matched by \$173,940.
 - UltraCell Insulation (Newton): \$150,000 matched by \$75,000.
- **Catalyst program** awards early-stage researchers up to \$40,000 to help demonstrate the commercial viability of their clean energy and water technologies. Below are the awards:
 - Worcester Polytechnic Institute (Worcester), Dr. Yan Wang
 - Cardinal Wind (Cambridge)
 - Tessolar (Medford)
 - Blackburn Energy (Cambridge)
 - DropWise Technologies (Cambridge)
- **Learn and Earn Program** prepared 87 high school students for higher learning opportunities and placed 95 past participants in clean energy and science, technology, engineering and math (STEM) careers.

The **Massachusetts Convention Center Authority** generates significant regional economic activity by attracting conventions, tradeshow, and other events to its world-class facilities while maximizing the investment return for the residents and businesses in the Commonwealth of Massachusetts.

- **Economic Activity** – \$780 million in economic activity, resulting in \$43 million in state and local taxes and supporting approximately 7,600 jobs.
- **World Class Events** – hosted 262 events in FY15 and booked 299 future events.
- **Entrepreneurial Government** – generated \$1.7 million through “entrepreneurial government” initiatives including leveraging non-revenue generating space to create lease and advertising revenue.
- **Innovation Leaderships** – invested \$5.9 million in technology upgrades including upgrading wireless and deploying a new mobile device-based “way-finding” system.

The **Massachusetts Cultural Council** promotes excellence, access, education, and diversity in the arts, humanities, and interpretive sciences to improve the quality of life and contribute to the economic vitality of our communities.

GRANT PROGRAMS

- **Adams Arts Program** – provides support through the disbursement of cultural economic development grants including grants for cultural activities that have the capacity to revitalize communities, stimulate income, create or enhance jobs, and attract tourism.
- **Artist Fellowships** – gives fellowships to artists in recognition of exceptional work
- **Big Yellow School Bus** – provides grants to help schools meet the costs of providing educational field trips to cultural institutions and events across the Commonwealth.
- **Cultural Facilities Fund** – increases investments from both the public sector and the private sector to support the sound planning and development of cultural facilities in Massachusetts in partnership with MassDevelopment.
- **Cultural Investment Portfolio** – represents a partnership that will better position the cultural sector as vital components of Massachusetts' economy and the quality of life of our citizens.
- **Local Cultural Council Program** – serves every city and town in Massachusetts offer grants to projects benefiting their respective communities.
- **STARS Residencies** – gives grants to schools for residencies of 3 days or more with teaching artists, scientists, scholars, or cultural organizations.
- **Re-Grant/Project Programs** – refer to federal programs such as Poetry Out Loud, New England Foundation for the Arts, and contributions made to MassHumanites.
- **Traditional Arts Apprenticeships** – supports the teaching of traditional arts that are specific to a particular folk group or ethnic community through the [Folk Arts and Heritage Program](#)
- **YouthReach** – gives multi-year grants for partnerships that provide substantive arts activities for young people who are "at-risk."

MCC GRANT PROGRAM	Total \$\$	# Grants
Cultural Facilities Fund	13,742,000	74
Artist Grants	367,000	67
Big Yellow School Bus	105,400	527
Cultural Investment Portfolio	4,189,000	386
Folk Arts and Heritage	28,800	6
Adams Arts Program	764,250	28
Local Cultural Councils	2,762,000	329
Re-Grant/Project Programs	562,324	4
STARS Residencies	744,000	192
SerHacer	129,000	11
UP	25,000	10
YouthReach	429,000	39
Total	23,847,774	1673

The **Massachusetts Development Finance Agency** stimulates economic development and industrial growth, increases employment, builds communities, promotes prosperity and general welfare, and eradicates blight across the Commonwealth.

- **Advanced Manufacturing**
 - An 8% increase in total dollars invested (all programs) to support the manufacturing sector over FY2014.
 - [AMPitup!](#) – provides an educational program that shows students, parents, guidance counselors, and teachers how to take advantage of the many great, highly skilled, well-paying advanced manufacturing jobs available in the state. Awarded nine grants totaling \$88,633 that resulted in 77 events to promote manufacturing jobs. This included company tours, teacher professional development, and presentations to business leaders.
- **Innovation**
 - Supported 286 projects to increase total housing production.
 - More than \$400 million in support of projects outside of Greater Boston.
 - 2,306 new and preserved rental-housing units.
- **Regional Development**
 - Invested \$385 million on 105 projects in Gateway cities – over 2,300 new jobs projected.
 - Conducted Technical Assistance Panels in Worcester, Lynn, Saugus, Methuen, and Malden/Everett. Academies were widely attended with more than 275 participants.
- **Transformative Development Initiative-CoWork Program Highlight**
 - \$150,000 grant to build out a collaborative workspace in New Bedford that will provide creatives, startups, and freelancers a space to collaborate and grow their businesses.

The **Massachusetts Export Center** (*part of the Massachusetts Small Business Development Center*) helps companies achieve success in global markets by developing and providing targeted, high-impact services delivered through a statewide network of international trade professionals.

- Conducted 147 training sessions attracting 3,359 attendees.
- Clients reported over \$150 million in export sales as a direct result of the assistance provided.
- Annual International Seafood Buyers tour preliminary export sales reported over \$4 million.

MSBDC TRAINING		
State Fiscal Year 2015		
	Training Units	Training Attendees
Western Regional Office	30	424
Northeast Regional Office	47	1,054
Central Regional Office	11	251
Southeast Regional Office	22	330
Boston Regional Office/MBC	9	208
Berkshire Regional Office	7	112
Mass Export Center	21	980
STATEWIDE TOTAL	147	3,359

Office of Performance Management and Oversight

The **Massachusetts Growth Capital Corporation** creates and maintains jobs, especially in low and moderate-income areas by providing financing to small business, women, and minority owned firms, growing industries, and manufacturing companies through community development efforts.

- **Working Capital** – closed 55 loans totaling over \$17 million.
- **Small Business Assistance Grants** – awarded grants to 25 businesses ranging from \$20,000 to \$65,000 for a total of \$1,528,000.

The **Massachusetts Life Sciences Center** creates and retains jobs in the life sciences super cluster by stimulating workforce development, strengthening the life sciences infrastructure and ecosystem, and promoting our global competitiveness.

- **Career Development**
 - Awarded \$3.8 million to 44 schools across the state for the purchase of equipment and supplies to train students in life sciences technology and research.
 - Placed 440 interns in over 234 sponsor companies – the Internship program has placed more than 1,000 interns to date.
 - Awarded \$417,000 to 10 organizations to encourage STEM education in K-12 with a focus on demographics that are underrepresented in STEM fields.
- **Accelerator Loan Program** – provided nearly \$5 million in working capital to five early stage companies. The Accelerator Program has invested or committed 28 companies, which have generated more than \$200 million in additional equity or acquisition proceeds.
- **International Collaborative Industry Program** – provides a grant to the Massachusetts partner company and the international agency provides a grant to its country partner. Below are the awards:

Company	Location	Amount Awarded	In Partnership With
Q State Biosciences, Inc.	Cambridge	\$400,000	Anagenesis Alsace, France
Lantern Pharma, Inc.	Cambridge	\$400,000	Oncology Venture Denmark
Triton Systems, Inc.	Chelmsford	\$400,000	Grey Innovation Victoria, Australia
KEW Group Inc.	Cambridge	\$400,000	DiaTech Technology Quebec, Canada

- **Capital Grant Program** – helps fund infrastructure projects from across the state. During FY2015 16 new grants for five community colleges totaling \$27 million.
- **Tax Incentive Program** – awarded \$19 million in tax incentives to 11 life sciences companies.

The **Massachusetts Office of Business Development** strengthens the Massachusetts economy by providing a highly responsive, pro-business climate that stimulates job and investment growth. By working directly with businesses as well as in collaboration with other agencies and key stakeholders, MOBD facilitates access to resources to help businesses thrive in Massachusetts.

- **Job Creation and Retention** – MOBD projects companies will create 5,071 new jobs, 13,454 retained jobs and private investment of approximately \$991.4 billion.
- **Business Coverage** – met with 741 businesses and business partners (municipalities, regional economic development organizations, and other key stakeholders for business development.
 - **Economic Development Incentive Program (EDIP)** – MOBD oversees the EDIP, which represents a partnership between a business, a municipality, and the state. In exchange for investment and job commitments, the municipality and state may provide tax incentives to foster business expansion. The Economic Coordinating Council (EACC) has approved 55 EDIP projects, of which 28 projects are manufacturers and 20 in Gateway Cities. These projects committed to the creation of 3,733 new jobs, retention of 7,432 jobs and a private investment of \$779,958,688. In return, EDIP awarded \$17,750,441 in investment tax credits (“ITC”).
 - **Regional Economic Development Organization (REDO) Grant Program** – MOBD oversees the REDO program, which represents a partnership between MOBD and regional economic development organizations throughout the state. In FY15, 12 grants totaling \$650,000 were awarded to organizations across the state to provide a consistent and efficient response to businesses seeking assistance. REDO funds were used for regional market initiatives including workforce development and training, academic partnerships, advanced manufacturing, technical assistance, and innovation economy initiatives.

The **Massachusetts Port Authority** operates an integrated transportation network that delivers world-class safety, security, facilities, and customer services in an environmentally responsible manner. Massport promotes economic growth and opportunity, enhances the quality of life of New England residents, and protects the freedom to travel safely, securely, efficiently and cost-effectively.

- **Safety and Security** – Received annual FAA Certifications; Increased camera coverage by adding 59 new cameras.
- **Customers Serviced** – 32.3 million aviation passengers at Logan Airport and 315,030 cruise passengers.
- **Facilities Improvement** – Opened a new \$32.4 million Framingham Logan Express Parking garage that contains 1,100 parking spaces.
- **Concessions** – Authority earned \$82.7 million in concessions revenue an increase of 6.7 %.
- **Maritime Operations** – Serviced 125,809 containers exceeding goal by 18%.
- **Awards**– All three Massport Airports -- Logan, Worcester Regional and Hanscom Field were awarded the Balchen/Post Awards for excellence in airport snow removal.

The **Massachusetts Office of International Trade and Investment** expands the Massachusetts economy by marketing the state’s business internationally, through focused export promotion, attracting foreign companies to invest in Massachusetts and handling protocol as it relates to trade and investment.

- Launched Salesforce platform to increase foreign direct investment lead generation and tracking.
- Added 5 new airline routes and supported 8 airline events.
- Assisted 65 companies, hosted over 40 foreign delegations, organized 7 export assistance events.

The **Massachusetts Office of Travel and Tourism** markets Massachusetts as a destination for leisure travelers from domestic and international markets in order to generate state and local revenues and ultimately to grow and sustain jobs in the tourism sector.

- Provided \$4.9 million in 16 regional tourism grants that provide services for tourism, convention, travel, and recreation
- MOTT’s Social Media: Facebook: 214,726 likes, Twitter: 66,526 followers, Pinterest: 3,119 followers Instagram: 4,688 followers, Google+: 1,143 followers.

Economic Impact	Calendar Year 2014	Calendar Year 2013
Direct domestic and international spending	\$19.5 billion	\$18.5 billion
Jobs supported	132,000	129,400
Number of visitors	22.8 million	25 million
State and local taxes	\$1.2 billion	\$1.2 billion

The **Massachusetts Small Business Development Center** (*part of the University of Massachusetts*) contributes to the entrepreneurial growth of small business throughout Massachusetts by providing high quality, in-depth advising, training, and capital access.

- **Business Advisory Services** – provided advisory services to 3,161 individuals comprising over 24,206 hours of assistance, including 850 clients located in Gateway Cities.
- **Jobs** – created 615 new jobs and retained 795 jobs.
- **Training** – MSBDC’s six regional offices and Mass Export conducted 147 training sessions.
- **MSBDC 2015 Economic Impact Survey** – According to client responses businesses had \$123.4 million in new sales revenue generating \$10.64 million in total tax revenue.

The **Massachusetts Tech Collaborative** promotes new economic opportunity and fosters a more favorable environment for the formation, retention, and expansion of technology-related enterprises.

Matching Grant Awards: These awards leverage over \$30 million in combined matching funds

- \$4 million for the UMass-Lowell for the Printed Electronics Research Collaborative.
- \$5 million for the Center for Marine Robotics at the Woods Hole Oceanographic Institution.

MassTech Intern Partnership program funded 230 interns and registered more than 1,500 students. More than 500 companies have applied and completed registration.

Computer Science training- With the support of the Innovation Institute, MassCAN successfully engaged 418 teachers and more than 1,000 students.

Entrepreneurship & Mentoring Initiatives

- \$346,785 to expand EforAll's programs and support networks to the South Coast region
- \$100,000 for the Valley Venture Mentors

The **Massachusetts Technology Transfer Center** supports technology transfer activities from public and private research institutions to companies in Massachusetts resulting in the creation of more technology based companies and improving the competitive edge of existing companies.

- **Catalyst Program**
 - Encourages the commercialization of clean energy technologies developed in the Commonwealth
 - Awarded 21 grants used to demonstrate the feasibility of technologies in specific industry applications in order to obtain increased industry and investor interest
 - Prior Catalyst grant awardees have raised over \$35 million in follow-on funding.
- **Platform Program**
 - Enabled 17 entrepreneurs to present business plans to “dream team” of successful investors and consultants who provide valuable feedback
- **Technology Events**
 - Highlighted new and enhanced technologies to potential collaborators and investors. Event themes included Early Stage Life Sciences (24 companies represented), Mass Life Sciences Innovation Day life sciences (26 companies represented), and Matto New Ventures Showcase (18 companies represented).

MassVentures stimulates the innovation economy by providing capital and one-on-one mentoring to high-growth potential technology companies.

- **START Program** – Awarded \$3 million in Small Business Innovation Research (SBIR) related funding to help 17 growing companies commercialize technology developed under the SBIR contracts
- Invested \$800,000 in three new companies and \$300,000 more in current portfolio.
- Mentored 45 companies and built relationships with new co-investors, venture capital firms and the entrepreneur community.
- Sold \$1.6 million worth of Portfolio Companies.