

MAINE STATE LEGISLATURE

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Maine Community College System
Maine Quality Centers
2003 Economic Development Incentive Program Report
October 1, 2004

Summary

The Maine Quality Centers (MQC) was created in 1994 by the Maine Legislature as an economic development program within the Maine Community College System. This report is submitted to the 122nd Maine Legislature and its Joint Standing Committee on Business, Research and Economic Development in compliance with various reporting requirements. The report is divided into two sections including major program elements and a summary of projects active during calendar year 2003. Data regarding MQC projects active in 2003 includes their total dollar investment, projected job creation as well as the actual numbers trained and hired as of December 31, 2003. The report's primary findings follow.

	Project Activity
Active 2003 projects:	47
• 2003 MQC project expenditures:	\$913,427
• Total MQC investment in active projects:	\$2,871,338
• Total projected job creation:	3,128
• Total trained as of 12/31/03:	1,842
• Total hired as of 12/31/03:	2,310
• Average project wage:	\$12.25
• Total estimate of related private investment:	\$354,549,392

The program

The program's dual statutory mission is "...to meet the workforce education and training needs of new and expanding businesses in the State and provide new employment and career advancement opportunities for Maine people." The statute defines three primary purposes for the program; *job creation*, *workforce preparation* and *creating partnerships*. The program's public benefit is to serve the employer's need for additional skilled workers, give trainees portable work skills to compete in today's workforce and establish and maintain relationships that support regional economic growth.

The program is coordinated by a State Director with individual project services delivered by one of the seven colleges of the Maine Community College System. Project funding supports customized training activities as well as applicant recruitment and screening when appropriate. Most services are provided directly by a Community College although the statute provides for coordination with other education and training providers if necessary. The program's FY-04 budget at the beginning of the fiscal year was \$756,023.

Interested businesses complete an application which is reviewed by the State Director for the number of net new jobs, skill level of new positions, wage and benefit levels, training required, rate of return on public investment and other pertinent labor market considerations. Once an application is initially approved, the business and the Community College develop a training plan that defines the customized services and training for the project. The parties sign a memorandum of agreement prior to the beginning of any training.

Individual projects vary in length and training schedules, and frequently cross academic, fiscal, and calendar years. Training may include academic credit if appropriate and can take place either before or after the business makes a hiring decision. A single project may include multiple cycles of training. Throughout the training the Community College and the employer monitor the project and make adjustments as required.

Program activities

During 2003 the MQC expended \$913,427 on forty-seven separate projects, with at least one project at each of the State's seven Community Colleges. The range of project expenditures in 2003 was \$60 to \$75,264 with a median expenditure of \$12,962 and a mean expenditure of \$19,435. The range of total project grant award, over multiple years, was \$900 to \$226,200 with a median award of \$48,625 and a mean award of \$61,092. In their entirety the projects represent 3,128 projected new jobs. As of December 31, 2003, 1,842 people had been trained and 2,310 hired. The average project wage was \$12.26. The total MQC investment in the forty-seven projects over multiple fiscal years is \$2,871,338. These projects represent a projected private capital and payroll investment of over \$354,000,000.

Individual businesses that received services greater than \$10,000 during calendar year 2003 were required to submit a report to the Department of Economic and Community Development. At the time of this report, all eligible businesses but one has complied.

The attached table summarizes all projects that were active in calendar year 2003. Consortium projects involved multiple employers. Each project is summarized in its entirety and includes the projected total number of new jobs and actual data reported through the end of the calendar year. Numbers of trainees and hires are project totals and may include numbers from previous years. The year listed reflects the date the project was approved and if another date appears, it represents a project amendment. Individual columns capture both the total value of the project, an expenditure that may be made over multiple fiscal years, and the actual expenditure level for calendar year 2003. Training and hiring activity may not yet be reportable for some newer projects. The chart also includes an employer estimate of the value of the planned workforce expansion's increase of annual payroll and capital investment.

MAINE QUALITY CENTERS LEGISLATIVE REPORT ON ECONOMIC DEVELOPMENT INCENTIVE GRANTS - 2003

CALENDAR YEAR EXPENSES	PROJECTS	LOCATION	COLLEGE	START DATE	PROJEC T-ED JOBS	# of APPLI- CANTS	# TRAINED	# HIRED	PROJECTED AVE. WAGE	MQC INVESTMENT	PRIVATE INVESTMENT
\$159	ApplicatorsSales& Service (Paradigm)	Portland	SMCC	2003	155	0	0	0	\$10.91	\$95,000	\$5,000,000
\$27,455	Aroostook Starch	Fort Fairfield	NMCC	2002	45	7	0	7	\$10.67	\$59,100	\$9,269,000
\$71,309	ATX II LLC	Caribou	NMCC	2003	118	60	0	60	\$11.95	\$226,200	\$3,750,000
\$17,953	CAD Consortium	Various	CMCC	2002	10	10	9	10	\$13.63	\$64,900	\$1,425,000
\$5,095	Care & Comfort	Waterville	KVCC	2002	20	17	15	13	\$10.00	\$15,167	\$373,000
\$11,371	CCS Company	Oxford	CMCC	2003	22	27	27	13	\$11.20	\$20,000	\$670,000
\$11,276	Circle of Learning	Presque Isle	NMCC	2002	10	6	6	6	\$10.00	\$12,500	\$364,580
\$54,648	Community Corrections Alternatives	Fairfield	KVCC	2002	113	151	98	73	\$9.87	\$83,800	\$1,200,000
\$75,264	CORE, INC	Portland	SMCC	2003	238	181	151	151	\$24.00	\$150,000	\$55,336,267
\$2,240	Cousineau Lumber	No. Anson	KVCC	2002	67	47	14	18	\$8.49	\$40,695	\$1,800,000
\$27,121	Critical Care Consortium	Various	NMCC	2003	12	12	9	8	\$13.50	\$45,371	\$3,328,000
\$35,220	Employ. Specialists of ME	Augusta	KVCC	2000	172	296	208	250	\$9.00	\$170,153	\$4,464,200
\$9,790	Formed Fibre (Gates)	Auburn	CMCC	2002	20	71	63	63	\$10.05	\$18,273	\$3,050,000
\$2,908	Fourm Financial	Portland	SMCC	2002	18	26	26	26	\$16.25	\$4,570	\$585,000
\$1,186	General Electric	Bangor	EMCC	2001	150	47	3	47	\$18.13	\$39,878	\$93,600,000
\$15,356	Goodwill Industries	Portland	SMCC	2002	14	14	13	13	\$9.53	\$15,356	\$3,328,000
\$2,682	Great Northern Paper	Millinocket	EMCC	2002	28	9	6	9	\$20.66	\$23,523	\$322,712
\$8,537	Howard P Fairfield	Skowhegan	KVCC	2002	8	15	12	15	\$12.50	\$30,480	\$208,000
\$44,170	Jackson Labs@EMCC	Bar Harbor	EMCC	2003	80	52	52	52	\$10.25	\$87,550	\$7,475,002
\$7,158	Jackson Labs@EMCC	Bar Harbor	EMCC	2001	100	133	81	163	\$10.25	\$134,615	\$7,475,003
\$16,906	Jackson Labs@KVCC	Bar Harbor	KVCC	2002	10	15	6	2	\$10.25	\$22,568	\$213,200
\$14,428	Jackson Labs@WCTC	Bar Harbor	WCCC	2002	26	17	9	6	\$10.25	\$64,470	\$213,200
\$29,211	K. V. Mental Health	Waterville	KVCC	2002	10	16	0	16	\$12.50	\$37,320	\$1,190,379
\$9,165	Keiser Building	So Paris	CMCC	2002	40	35	25	5	\$8.75	\$57,815	\$5,000,000
\$46,423	Key Collection Services	Fairfield	KVCC	2003	110	106	10	2	\$9.42	\$174,190	\$425,000
\$9,268	Lee Auto Mall	Westbrook	SMCC	2003	20	33	25	32	\$8.00	\$13,452	\$2,100,000

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\$11,975	M. W. Sewall	Bath	SMCC	2003	24	24	0	24	\$10.37	\$28,968	\$2,044,000
\$11,420	Maine Machine Products	So. Paris	cmcc	2001	24	27	18	27	\$11.00	\$53,554	\$1,675,000
\$35,245	Maine Metal Products	Various	EMCC	2002	15	15	15	0	\$14.28	\$50,000	\$499,200
\$19,345	MHRT-C Consortium	Various	KVCC	2003	45	49	0	18	\$13.67	\$74,160	\$1,275,300
\$21,956	Morgan Lumber Inc.	Bingham	KVCC	2002	82	91	36	54	\$8.63	\$54,315	\$2,000,000
\$39,236	N.E. Mobile Health Serv.	Brunswick	SMCC	2003	20	6	0	6	\$21.50	\$52,283	\$963,150
\$23,543	No. ME. Medical Center	Fort Kent	NMCC	2002	17	18	0	18	\$12.54	\$52,000	\$505,000
\$25,669	Pattison Sign Group	Limestone	NMCC	2003	90	124	44	0	\$8.69	\$47,250	\$1,500,000
\$4,027	Perrier Group	Hollis	SMCC	2000	120	206	134	213	\$13.82	\$117,780	\$76,000,000
\$3,280	Pleasant River Lumber	Dover-Foxcroft	EMCC	2001	45	36	0	32	\$11.15	\$39,463	\$8,285,347
\$4,297	Pratt & Whitney	Berwick	YCCC	2001	100	88	33	8	\$11.15	\$32,128	\$15,000,000
\$13,949	Richardson Hollow	Auburn	KVCC	2000	135	240	115	219	\$11.50	\$95,928	\$200,000
\$17,690	Seligman	So Portland	SMCC	2002	143	115	89	115	\$18.56	\$50,000	\$6,400,000
\$7,373	Smith & Wesson	Houlton	NMCC	2001	29	142	15	24	\$9.00	\$71,972	\$1,023,740
\$1,490	Somatex	Pittsfield	KVCC	91-01	37	39	39	39	\$12.29	\$64,882	\$540,000
\$27,495	Surgical Tech Consortium-	Aroostook Cty	NMCC	2003	8	36	9	9	\$10.98	\$46,000	\$129,110
\$58,054	Surgical Tech Consortium	Penobscot Cty	EMCC	2003	12	9	0	8	\$13.05	\$46,000	\$278,952
\$1,930	Sweetser	Saco	YCCC	2003	12	9	6	6	\$12.00	\$900	\$798,800
\$7,584	TDC/Loring Job Corp	Limestone	NMCC	2002	9	9	0	9	\$14.85	\$29,100	\$361,850
\$60	Wahico MetroFlex	Lewiston	CMCC	2002	20	17	16	16	\$10.50	\$15,938	\$1,404,400
\$21,511	Wright Express	S. Portland	SMCC	2001	525	405	405	405	\$21.53	\$141,771	\$21,500,000
\$913,427	TOTAL				3128	3108	1842	2310	\$12.36	\$2,871,338	\$354,549,392
*CONSORTIA											
CAD Consortium		4 companies	CMCC								
Critical Care Consortium,		3 companies	NMCC								
MHRT-C Consortium		2 companies	KVCC								
Surgical Tech Consortium		4 hospitals	NMCC								
Surgical Tech Consortium		5 hospitals	EMCC								