

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

Maine Community College System  
Maine Quality Centers  
2007 Economic Development Incentive Program Report  
October, 2008

## 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 123rd 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 2007. Data regarding MQC projects active in 2007 include their total dollar investment and projected job creation, as well as the actual numbers trained and hired, as of December 31, 2007. The Report's primary findings follow.

	Project Activity
Active 2007 projects:	28
• 2007 MQC project expenditures:	\$477,319
• Total MQC investment in active projects:	\$1,554,840
• Total projected job creation:	1,566
• Total trained as of 12/31/07:	1,047
• Total hired as of 12/31/07:	1,100
• Average project wage:	\$11.96
• Total estimate of related private investment:	\$234,594,386

## The Program

MQC'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 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 budget for the fiscal year 2008 was \$846,610.

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 a designated 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 frequently cross academic, fiscal and calendar years. Training may include academic credit, if appropriate, and may take place either before or after the business makes a hiring decision. A single project may include multiple cycles of training. Throughout the project, the Community College and the employer monitor the training activities and make adjustments as needed.

### **Program activities**

During 2007 the MQC expended \$477,319 on twenty-eight (28) separate projects, with at least one project at six of the State's seven Community Colleges. The range of project expenditures in 2007 was \$303 to \$74,322 with a median expenditure of \$10,223 and a mean expenditure of \$17,047. The range of total project grant award, over multiple years, was \$6,061 to \$306,380 with a median award of \$27,196 and a mean award of \$55,530. In their entirety the projects represent 1,566 projected new jobs. As of December 31, 2007, 1,047 people had been trained and 1,100 hired. The average project wage was \$11.96. The total MQC investment in the twenty-eight (28) projects over multiple fiscal years is expected to be \$1,554,840. These projects represent a projected private capital and payroll investment of \$234,594,386.

The program has been working with the Department of Economic and Community Development to develop and implement a more comprehensive evaluation of economic development programs. This effort evolved from a report by the Legislature's Office of Program Evaluation and Government Accountability. The first expanded annual business survey is planned to be completed in 2008 with a report to the Legislature expected in 2009. The program will continue to work with its clients to ensure compliance with the evaluation effort, as it has over the past ten years with the original economic development survey.

The attached table summarizes all projects that were active in calendar year 2007. 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 2007. 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 for Economic Development Incentive Grants 2007

CALENDAR YEAR EXPENSES	PROJECTS	LOCATION	COLLEGE	START DATE	PROJECTED JOBS	# of APPLICANTS	# TRAINED	# HIRED	PROJECTED AVG. WAGE	MQC INVESTMENT	PRIVATE INVESTMENT
\$24,467	Aroostook Starch	Fort Fairfield	NMCC	2006	26	26	6	26	\$12.88	\$33,600	\$5,565,000
\$5,606	Backyard Farms	Madison	KVCC	2006	82	82	50	82	\$8.25	\$78,880	\$22,100,000
\$2,575	Burnham & Morrill (B&G Foods)	Portland	SMCC	2007	26	26	0	26	\$14.34	\$20,000	\$7,600,000
\$10,392	BurrellesLuce	Presque Isle	NMCC	2007	26	26	16	26	\$8.81	\$16,200	\$694,400
\$74,322	Cianbro	Pittsfield/Brewer	KVCC/EMCC	2007	88	113	21	79	\$14.00	\$306,380	\$4,758,900
\$358	Community Correction Alt	Farmington	KVCC	2004	60	63	60	60	\$10.00	\$73,817	\$1,372,800
\$18,871	Connect North America	Presque Isle	NMCC	2007	105	105	19	105	\$10.72	\$35,000	\$2,350,000
\$16,001	Disability RMS, Inc.	Westbrook	SMCC	2006	70	70	70	70	\$14.93	\$38,000	\$2,515,772
\$10,054	Flotation Technologies	Biddeford	YCCC	2007	18	18	11	18	\$10.65	\$10,000	\$700,000
\$5,948	Great Works Internet	Biddeford	YCCC	2005	15	15	15	15	\$18.24	\$24,318	\$353,200
\$14,599	JIUS, Inc.	Westbrook	SMCC	2007	23	23	21	23	\$12.70	\$30,073	\$1,786,732
\$11,744	Kenway Corp.	Augusta	KVCC	2007	30	23	4	11	\$10.00	\$21,660	\$1,850,000
\$45,705	Louisiana-Pacific Corp.	New Limerick	NMCC	2007	45	45	50	45	\$15.34	\$80,000	\$107,000,000
\$6,946	Maine Woods Pellet Co	Athens	KVCC	2007	16	37	18	0	\$12.00	\$20,600	\$7,500,000
\$15,453	Mid-Coast Mental Health Center	Rockland	KVCC	2006	30	43	30	26	\$11.20	\$71,076	\$465,920
\$59,747	Mid-State Machine	Winslow	KVCC	2006	65	49	62	25	\$10.05	\$124,968	\$12,000,000
\$1,122	MOCO - Motivational Svcs	Augusta	KVCC	2004	15	19	12	15	\$14.75	\$24,311	\$374,400
\$3,619	Notify MD	Farmington	CMCC	2007	30	30	16	30	\$10.00	\$8,800	\$4,550,000
\$6,851	Orion Ropeworks	Winslow	KVCC	2007	20	21	2	11	\$8.25	\$13,400	\$1,020,000
\$7,623	Pattison Sign Group	Limestone	NMCC	2007	15	15	0	15	\$9.66	\$37,300	\$450,000
\$8,355	Precision Manufacturing Solutions	Biddeford	YCCC	2007	7	15	8	8	\$10.00	\$8,355	\$192,000
\$303	Rich Technology International	Scarborough	SMCC	2006	20	56	12	12	\$11.00	\$22,954	\$3,575,000
\$23,595	Richardson Hollow	Rockport	KVCC	2005	40	40	81	81	\$10.79	\$65,035	\$770,000
\$8,150	Seligman Data Corp.	South Portland	SMCC	2007	19	19	15	19	\$18.61	\$15,000	\$307,700
\$6,065	Spencer Press	Wells	YCCC	2007	15	15	14	14	\$10.00	\$6,061	\$295,000
\$46,996	The Jackson Laboratory	Bar Harbor	EMCC	2004	240	142	238	135	\$10.98	\$184,096	\$13,047,562
\$29,166	T-Mobile	Oakland	KVCC	2005	400	261	189	116	\$12.00	\$171,156	\$28,000,000
\$12,687	VingTech	Biddeford	YCCC	2007	20	282	7	7	\$14.75	\$13,800	\$3,400,000
\$477,319	28				1566	1679	1047	1100	\$11.96	\$1,554,840	\$234,594,386

Maine Quality Centers Legislative Report for Economic Development Incentive Grants 2007

CALENDAR YEAR EXPENSES	PROJECTS	LOCATION	COLLEGE	START DATE	PROJECTED JOBS	# of APPLI-CANTS	# TRAINED	# HIRED	PROJECTED AVG. WAGE	MQC INVESTMENT	PRIVATE INVESTMENT
\$24,467	Aroostook Starch	Fort Fairfield	NMCC	2006	26	26	6	26	\$12.88	\$33,600	\$5,565,000
\$5,606	Backyard Farms	Madison	KVCC	2006	82	82	50	82	\$8.25	\$78,880	\$22,100,000
\$2,575	Burnham & Morrill (B&G Foods)	Portland	SMCC	2007	26	26	0	26	\$14.34	\$20,000	\$7,600,000
\$10,392	BurrellesLuce	Presque Isle	NMCC	2007	26	26	16	26	\$8.81	\$16,200	\$694,400
\$74,322	Cianbro	Pittsfield/Brewer	KVCC/EMCC	2007	88	113	21	79	\$14.00	\$306,380	\$4,758,900
\$358	Community Correction Alt	Farmington	KVCC	2004	60	63	60	60	\$10.00	\$73,817	\$1,372,800
\$18,871	Connect North America	Presque Isle	NMCC	2007	105	105	19	105	\$10.72	\$35,000	\$2,350,000
\$16,001	Disability RMS, Inc.	Westbrook	SMCC	2006	70	70	70	70	\$14.93	\$38,000	\$2,515,772
\$10,054	Flotation Technologies	Biddeford	YCCC	2007	18	18	11	18	\$10.65	\$10,000	\$700,000
\$5,948	Great Works Internet	Biddeford	YCCC	2005	15	15	15	15	\$18.24	\$24,318	\$353,200
\$14,599	JIUS, Inc.	Westbrook	SMCC	2007	23	23	21	23	\$12.70	\$30,073	\$1,786,732
\$11,744	Kenway Corp.	Augusta	KVCC	2007	30	23	4	11	\$10.00	\$21,660	\$1,850,000
\$45,705	Louisiana-Pacific Corp.	New Limerick	NMCC	2007	45	45	50	45	\$15.34	\$80,000	\$107,000,000
\$6,946	Maine Woods Pellet Co	Athens	KVCC	2007	16	37	18	0	\$12.00	\$20,600	\$7,500,000
\$15,453	Mid-Coast Mental Health Center	Rockland	KVCC	2006	30	43	30	26	\$11.20	\$71,076	\$465,920
\$59,747	Mid-State Machine	Winslow	KVCC	2006	65	49	62	25	\$10.05	\$124,968	\$12,000,000
\$1,122	MOCO - Motivational Svcs	Augusta	KVCC	2004	15	19	12	15	\$14.75	\$24,311	\$374,400
\$3,619	Notify MD	Farmington	CMCC	2007	30	30	16	30	\$10.00	\$8,800	\$4,550,000
\$6,851	Orion Ropeworks	Winslow	KVCC	2007	20	21	2	11	\$8.25	\$13,400	\$1,020,000
\$7,623	Pattison Sign Group	Limestone	NMCC	2007	15	15	0	15	\$9.66	\$37,300	\$450,000
\$8,355	Precision Manufacturing Solutions	Biddeford	YCCC	2007	7	15	8	8	\$10.00	\$8,355	\$192,000
\$303	Rich Technology International	Scarborough	SMCC	2006	20	56	12	12	\$11.00	\$22,954	\$3,575,000
\$23,595	Richardson Hollow	Rockport	KVCC	2005	40	40	81	81	\$10.79	\$65,035	\$770,000
\$8,150	Seligman Data Corp.	South Portland	SMCC	2007	19	19	15	19	\$18.61	\$15,000	\$307,700
\$6,065	Spencer Press	Wells	YCCC	2007	15	15	14	14	\$10.00	\$6,061	\$295,000
\$46,996	The Jackson Laboratory	Bar Harbor	EMCC	2004	240	142	238	135	\$10.98	\$184,096	\$13,047,562
\$29,166	T-Mobile	Oakland	KVCC	2005	400	261	189	116	\$12.00	\$171,156	\$28,000,000
\$12,687	VingTech	Biddeford	YCCC	2007	20	282	7	7	\$14.75	\$13,800	\$3,400,000
<b>\$477,319</b>	<b>28</b>				<b>1566</b>	<b>1679</b>	<b>1047</b>	<b>1100</b>	<b>\$11.96</b>	<b>\$1,554,840</b>	<b>\$234,594,386</b>