

MAINE STATE LEGISLATURE

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State of Maine

Department of Economic and Community Development

Program Evaluation Report

As Required by the Government Evaluation Act
(3 MRSA § 955)

Submitted to the

**Joint Standing Committee on Labor, Commerce, Research and
Economic Development**

October 2013

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DEPARTMENT OVERVIEW AND ENABLING LEGISLATION

The Department of Economic & Community Development (DECD) has a total of 32 employees. 29 are located on the 3rd floor of the State Office Building; one is located with the Maine International Trade Center in Portland; one is located with the Maine Technology Institute in Brunswick and one vacant un-funded Federal Position has been offered for elimination to the Office of Policy and Management. DECD is responsible for administering Maine's programs related to business growth, community development, tourism, and film promotion. Detailed in Maine Revised Statute Title 5, Chapter 383, these programs fall within four divisions:

- Office of the Commissioner
- Office of Business Development and Innovation
- Office of Tourism and Film
- Office of Community Development

In most cases the department's programs require a significant amount of interaction with other organizations in the public and private sectors. The presidents of the following organizations are employees of the department and as such report to the Commissioner:

- Maine International Trade Center (Title 10, Chapter 107-B)
- Maine Technology Institute (Title 5, Chapter 407)

The department also administers grants and contracts for several pass-through funding accounts:

- Technology Centers (Title 5, §15321)
- Maine Small Business and Entrepreneurial Commission (Title 5, Chapter 381)
- Economic Growth Council (Title 10, §929-A *et seq.*)
- Renewable Energy Resources Fund (Title 35-A, §15321)
- Maine International Trade Center (Title 10, Chapter 107-B)
- Maine Technology Institute (Title 5, Chapter 407)

The department traces its roots back to the Maine Development Commission which was established in 1933. A reorganization effort in 1955 created the Department of Development of Industry and Commerce, and further reorganization in 1957 established the agency as the Department of Economic Development. In 1971 another reorganization reconstituted the department as the Department of Commerce and Industry, and shortly thereafter, in 1975, the department was abolished and many of its functions transferred to other agencies. As part of this process, the State Development Office was established within the Executive Department, and assumed responsibility for Maine's general business development functions.

On October 1, 1987, the State Development Office was abolished to be replaced by the newly established Department of Economic and Community Development, which also assumed the development-related activities of the State Planning Office and the Department of Conservation. In 1995, the department transferred its Natural Areas, Growth Management, Coastal Zone Management and Code Enforcement programs to the State Planning Office and the Department of Conservation.

In 1996, the Department was reorganized for efficiency by consolidating the Energy Conservation Division within the Office of Business Development. This reorganization also shifted the department's primary accounting, personnel and information services functions to the Department of Administrative and Financial Services under a "clustering" arrangement, and established the Maine International Trade Center, which assumed the department's international commerce functions. In 1999, the Legislature established the Maine Technology Institute with the purpose of coordinating grants to businesses to commercialize new products and processes. The Directors of the Maine Technology Institute and the Maine International Trade Center are employees of the Department of Economic & Community Development. In 2004, the Energy Resource and Conservation programs were transferred to the Public Utilities Commission as a part of their energy office. DECD underwent a reorganization in 2003 when the Office of Innovation was established to support research and development throughout the State. In 2006, the Legislature created the Office of Small Business and Entrepreneurship in realigning the small business programs in the Office of Business Development but this office was left vacant by budget cuts in 2008. In 2012, after the State Planning Office was abolished, DECD acquired the Code Enforcement Program and oversight of the State-owned Landfill properties. One position assigned to each program is self-funded from revenues or transfers from other departments.

Boards and Commissions

The Office of the Commissioner is responsible for policy development, including legislative activities and participation on numerous boards, commissions and task forces which include:

- Finance Authority of Maine
- Maine Jobs Council's Standing Committee on Apprenticeship
- Child Care Advisory Council
- Maine State Film Commission
- Maine Biomedical Research Board
- Maine Rural Development Authority, Board of Trustees
- Citizen Trade Policy Commission
- Maine Creative Economy Council
- ConnectME Advisory Board
- Maine Small Business and Entrepreneurship Commission
- Maine Economic Growth Council
- Northern New England Passenger Rail Authority
- Maine International Trade Center, Board of Directors
- Small Enterprise Growth Board
- Advisory Committee on Family Development Accounts
- Maine Technology Institute, Board of Directors
- Advisory Committee on Fair Competition with Private Enterprise
- Maine Development Foundation
- Loring Development Authority
- Mid-Coast Regional Redevelopment Authority
- Lobster Promotion Council

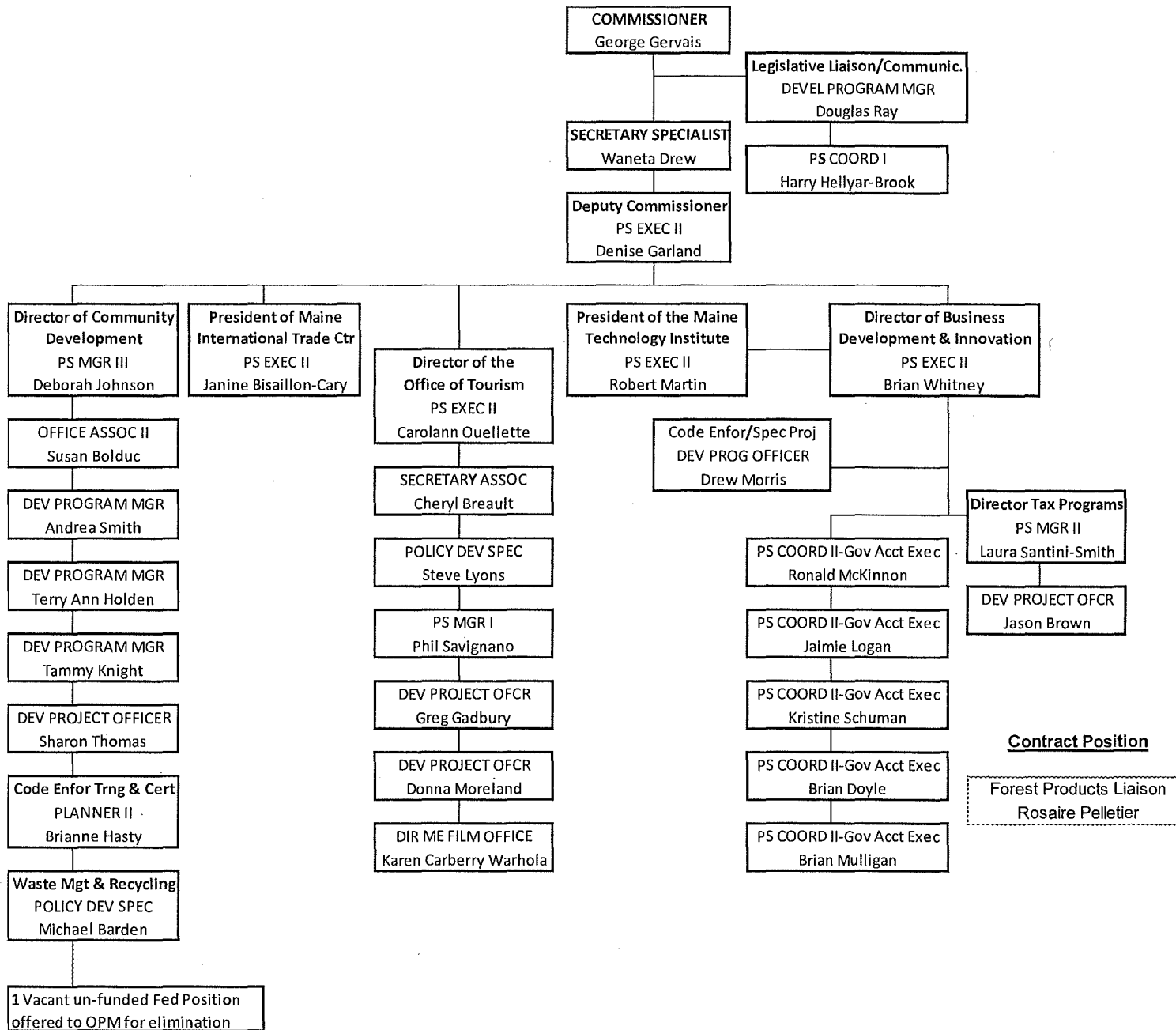
Department Mission

- Encourage *economic and community planning and development* throughout the state by coordinating programs and policies.
- Work with municipalities, chambers of commerce and regional planning and economic development organizations to *build strong local and regional economies* and to implement programs and services through these local and regional organizations.
- Encourage the *creation and retention of quality jobs* through increased private sector investment.
- *Enhance the quality of life* for all by assisting local governments to plan and implement comprehensive community planning and development strategies.
- Administer programs that *support and expand the tourism industry* and promote Maine as a four-season tourist destination.
- Promote Maine's economy and job creation through the *expansion into international markets* and increase exports and trade overseas.
- Encourage, promote, stimulate and support *research and development activities* through innovation leading to the commercialization of new products and services.

The Department of Economic and Community Development and its Bureaus comply with all federal and state health and safety laws, including the Americans with Disabilities Act, the federal Occupational Safety and Health Act, affirmative action requirements and workers compensation laws.

NOTE: Some items specified by Title 3, § 956 (Chapter 35: State Government Evaluation) for inclusion in the Government Evaluation Report may not be relevant for certain DECD Bureaus. In such instances, no reference to the item is included.

ORGANIZATIONAL STRUCTURE



OFFICE OF THE COMMISSIONER

MAJOR FUNCTIONS AND RESPONSIBILITIES

The Commissioner's Office, funded by the Administration Account, provides oversight of the day to day operations for the entire department, including personnel, financial and contractual obligations; coordinates the legislative and media activities; develops and maintains the department-wide budget; represents the administration on various boards, commissions and task forces and is responsible for the development of the State Economic Development Strategic Plan. The powers and duties of the Department and Commissioner are detailed in 5 M.R.S.A. §13051-§13059. The Administration Account has a legislative headcount of 4.

STRATEGIC PARTNERS

The Commissioners' Office works closely with a number of organizations and entities to assist in accomplishing its' goals and responsibilities:

Maine State Department of Labor
Maine State Department of Environmental Protection
Maine State Department of Marine Resources
Maine State Department of Agriculture, Conservation and Forestry
Maine State Department of Administrative and Financial Services
Maine State Department of Financial and Professional Regulations
Maine Manufacturing Extension Partners
Maine & Company
Manufacturers Association of Maine
Maine Small Business Development Centers
Finance Authority of Maine
Maine Forest Products Council

ESTABLISHED PRIORITIES

- The Commissioners' Office seeks to coordinate the programs and services of the department with those programs and services of other state agencies and regional planning and economic development organizations to create efficiencies and promote an "open for business environment" for existing and potential businesses.
- All statutory, regulatory and administrative requirements of State Government are coordinated through this office for the entire department relating to personnel matters, financial transactions, biennial and annual budgeting, legislative and media activities as well as required state and federal reporting.
- Through appointments to various boards, commissions and task forces, the Commissioners' Office is able to keep abreast of emerging issues relating to economic and community development in Maine as well as direct the coordinated efforts of all economic policies and programs.

- A major priority of the Commissioners' Office is to provide a central location for the business community to seek assistance with the creation and retention of quality jobs and to provide a resource to coordinate and facilitate others statewide to assist with issues and ensure success for Maine's job creators.
- Through the continued commitment to Maine's forest products industry, the Commissioners' Office administers a contract with a Forest Products Industry Project Consultant who works closely with this industry to address the issues facing the pulp and paper industry in Maine. This consultant works on behalf of the administration to develop working relationships with major companies and investors to ensure the continued success of this industry in Maine.

EMERGING ISSUES & FUTURE GOALS

- The 126th Legislature during the First Regular Session voted to approve LD1489 entitled, "An Act to Address Maine's Immediate Workforce Needs". This legislation will become law 3 days after the legislature reconvenes for the Second Regular Session but will not take effect until 90 days after the adjournment of the second session. This legislation appropriates \$144,000 in fiscal year 2014-15 to the Maine Workforce Opportunities Marketing Fund established within DECD for the costs associated with establishing and maintaining the qualified employee and qualified employer registries and for marketing the Job Creation through Education Opportunity Program, through March 31, 2012.

SELECTED ACCOMPLISHMENTS

- In 2012 implemented the requirements of LD1 and created an on-line centralized "One Stop Shopping" program for businesses to locate licenses and permits required to do business in the State. This listing also includes the contact information of a person in each department of state government that can provide assistance and answer questions. In 2013, this program was updated to an interactive program that can be easily updated by department personnel to maintain accurate data and avoid costly contractual expenses.
- Implemented in 2012, DECD now certifies Business-Friendly Communities through a program that recognizes and promotes those municipalities who are creating an environment for business growth.
- In 2013, work was completed on the re-design of the Department's website which now prominently displays state-wide assistance for Maine's businesses as well as direct links to the Maine International Trade Center and Maine Technology Institute.
- In 2013, updated and launched the on-line annual filing program for Maine's businesses participating in the Pine Tree Development Zone and Employment Tax Increment Financing programs. This initiative eliminated a paper filing process and allows for electronic transfer of information to Maine Revenue Services.
- Produced strategic development document that highlights the goals and mission of the administration for the State's economic Development Strategies.
- Worked with OPEGA in 2013 to release a combined RFP for the Comprehensive Evaluation of State Investments in Economic Development and the Comprehensive Evaluation of State Investments in Research and Development. This combined report was designed to create efficiencies and facilitate a more comprehensive non-partisan review of the purpose, problems, effectiveness and status of investments of Maine's incentive programs.

REQUIRED REPORTING

- Comprehensive Evaluation of State Investments in Economic Development (Title 5, §13056-A), biennial report due February 1, 2014.
- Comprehensive Evaluation of investments in Research and Development (Title 5, §13107), biennial progress report due February 1, 2014.
- Evaluation of programs and functions of the Department (Title 5, §13058), biennial report due February 1, 2015.

PASS-THROUGH FUNDING ACCOUNTS

The Commissioner's Office administers grants and contracts for several pass-through funding accounts:

Applied Technology Development Centers

There are three remaining technology Centers in the State (Maine Center for Entrepreneurial Development, MCED; Maine Aquaculture Innovation Center, MAIC; Target Technology Incubator) whose purposes are to support early-stage development of technology-based businesses. They are self-managed, state-coordinated centers who are an integral component of the State's efforts to foster new technology-based businesses. The funding in this account is allocated on a competitive basis pursuant to statute (MRSA 5 §15321). For the 2013 funding, the three technology centers joined forces to form the Maine Business Incubation System (MeBis) and received the entire available funding of \$178,838.

Maine Small Business & Entrepreneurial Commission

The Maine Small Business Commission approves and administers the annual contract for the Maine Small Business Developments Centers (SBDC) program established pursuant to the Small Business Development Act of 1980. The Governor's Account Executives work closely with SBDC, often referring business owners looking for assistance with business planning and financing to a network of professional, certified business counselors at centers and outreach offices around the state. An independently validated, impact driven program, SBDC is a partnership involving the U.S. Small Business Administration, Department of Economic and Community Development, the University of Southern Maine and other leading state economic development organizations. Pursuant to MRSA 5, §13034 (SBDC) shall provide an annual report to the LCRED Committee as well as a summary of the Small Business Development Center Program's activities in the State that focuses on its collaborative efforts with other economic development programs in the State.

Maine Economic Growth Council

The Maine Economic Growth Council established pursuant to MRSA 10 §929-A and §929-B exists to provide the annual "Measurers of Growth" report. The council develops economic indicators, analyzes the performance of indicators against established benchmarks, and reports findings and recommendations. Funding is provided to the Maine Development Foundation through an annual contract for support and administrative services for the Maine Economic Growth Council. Pursuant to MRSA 10 §929-A sub-§6, the council shall report to LCRED committee at the beginning of each new Legislature with a recommended plan.

Renewable Energy Resources Fund

Established in 2008, the Maine Legislature authorized the establishment of the Renewable Resources Fund in the Public Utilities Commission with the Maine Technology Institute named as a recipient of an annual distribution of 35% of the funds to support the development and commercialization of renewable energy technologies. An amount is transferred from Public Utilities Commission to DECD annually and provided to Maine Technology Institute in the form of a grant. The actual transfer as of July 1, 2012 was \$54,397.28.

Maine International Trade Center

The Maine International Trade Center was established in 1995 (Title 10, Chapter 107-B) to enhance the competitive advantage of state businesses desiring to compete in the international market (see additional information on page 26 of this report). Through a General Fund Appropriation to the DECD-International Commerce Fund account, the Maine International Trade Center receives approximately \$480,000 annually for the purpose of providing assistance to Maine businesses in pursuing international trade, linking companies with international markets, and strengthening public/private partnerships in an effort to expand Maine's economy through increased international trade.

Maine Technology Institute

Established in 1999 (Title 5, Chapter 407), the Maine Technology Institute (see additional information on page 29 of this report) is a nonprofit corporation with public and charitable purposes. The duties, activities and operations of the institute are within the provision of the federal Internal Revenue Code, Section 501(c)(3). Through a General Fund Appropriation to the Office of Innovation Fund account, the Maine Technology Institute receives approximately \$6-7 million annually for the specific purpose of granting funds for research and development activities that lead to the commercialization of new products and services in Maine's technology-oriented sectors and the successful development of technology-oriented business clusters.

MISCELLANEOUS

Leadership and Entrepreneurial Development Program

The 123rd Legislature directed the Department of Economic and Community Development, Office of Innovation to design a leadership and entrepreneurial development program. The Office of Innovation submitted a report to the joint standing committee of the Legislature having jurisdiction over business and economic development matters on March 1, 2009 to the First Regular Session of the 124th Legislature with a series of recommendations that were not advanced. The account has never received funding but remains in the department.

OFFICE OF BUSINESS DEVELOPMENT AND INNOVATION

MAJOR FUNCTIONS AND RESPONSIBILITIES

The Maine Office of Business Development & Innovation (OBDI) is the lead state agency in supporting the expansion, creation, retention, and location of businesses in Maine and the establishment of quality jobs for Maine people. Working in partnership with the business community and state, regional and local organizations, it oversees programs designed to provide the resources, technical assistance and financial tools needed to attract new investment as well as to create and retain jobs. The powers and duties of the Office of Business Development & Innovation are detailed in Title 5, M.R.S.A. § 13062 and Title 5, M.R.S.A § 13105. The office has a legislative headcount of 9.

OBDI administers diverse and innovative programs in several areas:

Governor's Account Executive Team: The primary responsibility of Maine's team of experienced, knowledgeable and professional economic development liaisons is to work one-on-one with businesses. They provide information about available financial resources and assistance and work collaboratively across state government to help resolve business-related issues in an effort to facilitate job creation and spur economic expansion. Working in concert with the Maine Department of Labor and CareerCenters, as well as with liaisons in every state agency, the Account Executive Team help match businesses with the resources and assistance they need. The Governor's Account Executives actively engage businesses, trade associations, chambers of commerce, regional economic development entities, municipalities and counties to spread the word about the services they offer, as well as to glean information vital to policy makers.

Red Tape Hotline & Business Answers Program: The Business Answers Program at DECD is designed to give businesses the help they need to succeed. Whether it is determining the requirements needed to start a business, or finding available state resources to help a business grow, the Business Answers program is the first place any business should call. If the answer to a question is not readily available, a Governor's Account Executive will find the answer, or put a business in touch with someone who can. The telephone number for Business Answers is **1-800-872-3838**. Beginning in 2011, after hosting 25 Red Tape Workshops across the state to listen to more than 1,000 Maine business owners about how red tape impacts their businesses, the Red Tape Hotline was created and serves as the focal point for businesses to call to get assistance in licensing, permitting & regulatory issues. The telephone number for the Red Tape Hotline is **(207) 624-7486**.

Tax Incentive Programs: Oversight of the Tax Incentive Programs, which include Municipal Tax Increment Financing (TIF), Pine Tree Development Zones (PTDZ), and Employment Tax Increment Financing (ETIF), is handled by the Director of Tax Incentive Programs. The Director is responsible for overseeing the implementation of tax incentive approval processes, managing required reports resulting from tax incentive program approval, and maintaining the integrity of tax incentive programs and records. TIF, PTDZ, and ETIF are the primary tax incentive tools in the department's business attraction kit, which results in many new applications and certifications every year. Program administration is mandated by 30-A M.R.S. §5226 (TIF); 30-A M.R.S. §5250-M (PTDZ) and 36 M.R.S. §6755 (ETIF). In addition, 5 M.R.S. §13083-S-1

(JTIF) requires the Commissioner to report annually on the status of the Brunswick Naval Air Station Job Increment Financing (JTIF) Fund to Maine Revenue Services.

Technology & Innovation: Another major focus of the Office of Business Development & Innovation is to lead and facilitate economic growth through the development and implementation of the state's science and technology plan. The office works with educational institutions, not-for-profit laboratories, and businesses to encourage and spur innovation in Maine's economy. The major programs of the office of innovation are the Maine Technology Institute (MTI), the Applied Technology Development Centers, and managing the state's Experimental Program to Stimulate Competitive Research (EPSCoR) program. The Office of Business Development & Innovation is also responsible for producing the state's science and technology plan, the innovation index and managing the comprehensive research and development evaluation. It works with the Maine Innovation Economy Advisory Board (MIEAB) to implement the Science and Technology Action Plan for Maine (2010).

STRATEGIC PARTNERS

The Office of Business Development & Innovation works closely with a number of organizations and entities to assist in accomplishing its goals and responsibilities:

Chambers of Commerce – Regional and Statewide Organizations

Finance Authority of Maine (FAME)

Maine & Company

Maine Center for Creativity

Maine Center for Entrepreneurial Development (MCED)

Maine Development Foundation (MDF)

Maine Economic Growth Council (MEGC)

Maine Innovation Economy Advisory Board (MIEAB)

Maine International Trade Center (MITC)

Maine Manufacturing Extension Partnership (MEP)

Maine Rural Development Authority (MRDA)

Maine Technology Institute (MTI)

Manufacturers Association of Maine (MaME)

Northern Border Regional Commission (NBRC)

Procurement Technical Assistance Center (PTAC)

Regional Economic Development Districts (EDDs)

Service Corps of Retired Executives (SCORE)

Small Business Development Centers (SBDC)

Small Enterprise Growth Fund (SEGF)

ESTABLISHED PRIORITIES

- The priority of the Office of Business Development & Innovation is to help businesses thrive and grow. These efforts include working one-on-one with businesses, developing better policies to encourage business growth, and coordinating with other economic development organizations across the state to better serve the business community.
- Under the guidance of the Governor and Commissioner, support, develop, coordinate, implement and manage initiatives designed to help businesses succeed and our economy grow.
- Conduct planning, research and analysis to support the department's efforts.
- Prepare and distribute publications, develop social media platforms, and deliver timely and effective media and marketing messages, that provide information about the department's efforts and that tout Maine's workers, businesses and industries.

EMERGING ISSUES AND FUTURE GOALS

- Continue to keep pace with technological advances so that the department can effectively deliver useful and timely information and assistance to businesses, entrepreneurs, and Maine's economic development community.
- Utilizing the results and recommendations of the 2013 Comprehensive Evaluation of State Investments in Economic Development and the 2013 Comprehensive Evaluation of State Investments in Research & Development, propose new incentive programs, suggest appropriate programmatic changes to bolster existing programs, or urge the elimination of ineffective initiatives.
- Working with MTI to re-examine the state's targeted technology sectors as detailed in Title 5, M.R.S.A. § 15301.

SELECTED ACCOMPLISHMENTS

- Developed and implemented a comprehensive set of metrics to guide the work and performance of the Governor's Account Executive team. Through increased focus on event outreach, proactive business outreach, face-to-face business assistance meetings, training, and timely responses to business inquiries, the Office of Business Development & Innovation endeavors to continue to raise its profile and overall effectiveness.
- Completely revamped and redesigned the department's legacy Business Development & Tax Incentives (BDTI) database to allow for improved functionality, performance, tracking and usefulness.
- Streamlined and improved the Pine Tree Development Zone and Employment Tax Increment Financing reporting process and introduced a new online electronic reporting system.
- The first Maine Economic Development magazine is being developed and will be completed by December 2013. The groundbreaking magazine will be used as a business attraction and development tool for the department and State of Maine.
- Developed a new automated system for providing economic incentive estimates to business interested in expanding in, or relocating to, Maine. The system provides the department with a quick and effective way to supply this vitally important information to businesses.

- Through mid-October 2013, DECD certified 14 new Pine Tree Zone Development businesses in support of a projected 287 jobs, \$15.3 million in payroll, and nearly \$75 million in private investment.
- 27 Municipal Tax Increment Financing applications were approved through mid-October 2013. The related development programs will support the creation of a projected 321 new jobs, \$14.9 million in payroll and more than \$370 million in new private investment.
- Fielded more than 2,000 inquiries from business owners and entrepreneurs in the Business Answers program and the Red Tape Hotline.
- The Governor's Account Executives participated in, or presented at, approximately 350 outreach events across the State of Maine, including various economic growth councils, several regional chamber of commerce meetings, and a number of other similar community-, business- and municipally-led programs.
- Provided face-to-face assistance to approximately 1285 potential, new and expanding businesses seeking financial assistance to help grow or retain reemployment, as well as assisting with various licensing, permitting and regulatory issues.

REQUIRED REPORTING

- Ombudsman report on effectiveness of retail business permitting (Title 5, §13063, sub-§7), biennial report due January 15, 2014.
- Ombudsman program status report (Title 5, §13063, sub-§8), annual report due January 15th.
- Pine Tree Development Zone report (Title 30-A, §5250-P) biennial report due April 1, 2015.
- Brunswick Naval Air State Job Increment Financing report (Title 5, §13083-S-1) annual report to Maine Revenue Services no later than June 30th.
- Science & Technology Action Plan (due 2015) and Report card (Title 5, §13106), biennial report due first day of first legislative session.
- Comprehensive Evaluation of State Investments in Economic Development (Title 5, §13056-A), biennial report due February 1, 2014.
- Comprehensive Research and Development Evaluation (Title 5, §13107, by July 1, 2012 and on July 1st every 6 years thereafter an evaluation of state investments in research and development, as well as a progress report from the office and the independent reviewers under subsection 2 beginning on February 1, 2014 and on February 1st every even-numbered year thereafter
- Small Business and Entrepreneurship - biennial state of small business and entrepreneurship report (Title 5, §13100, sub-§2-D), no due date.
- Maine Microenterprise Initiative update report (Title 5, §13063-N), annual report due January 1, 2014.

OFFICE OF COMMUNITY DEVELOPMENT

MAJOR FUNCTIONS AND RESPONSIBILITIES

The Office of Community Development (OCD) is responsible for the administration, financial and programmatic oversight and all federal regulatory compliance of the Community Development Block Grant (CDBG) program. This funding originates at the Department of Housing and Urban Development (HUD). Through a 2% match from the State's General Fund, HUD provides annual funding of approximately \$10.5m. HUD distributes funds to each State based on a statutory formula which takes into account population, poverty, incidence of overcrowded housing, and age of housing. Neither HUD nor States distribute funds directly to citizens or private organizations; all funds (other than administrations and the technical assistance set-aside) are distributed by States to units of general local government. The powers and duties of the Office of Community Development are detailed in Title 5, M.R.S.A. § 13071 and the United States Housing and Community Development Act of 1974, Title 1, and its subsequent amendments. The office has a legislative headcount of 9.

Each year OCD is required to undertake a CDBG rule making process which conforms to HUD and the State Administrative Procedures Act. This process includes joint public forums with Maine Housing, meetings and formal public hearings. Public comments are solicited and used in determining potential changes in the CDBG program. The final rule is known as the CDBG Program Statement which is reviewed by the Maine Attorney General's Office with final approval resting with HUD.

OCD must ensure all CDBG funded activities meet one of three National Objectives:

- Benefit to low and moderate income persons;
- Prevention and elimination of slum and blight conditions; and
- Meeting community development needs having a particular urgency.

These objectives are met by assisting local governments, via CDBG, to implement programs which:

- Are part of a long-range community strategy
- Improve deteriorated residential and business districts and local economic conditions
- Provide the conditions and incentives for further public and private investments
- Foster partnerships between groups of municipalities, state and federal entities, multi-jurisdictional organizations, and the private sector to address common community and economic development problems
- Minimize development of sprawl consistent with the State of Maine Growth Management Act and support the revitalization of downtown areas

The 2012 federal allocation was \$10,581,799, which was awarded to over 40 communities for a variety of eligible projects, including economic development, public infrastructure, community enterprise and housing.

Workforce Development Grant Program: New in 2013, is the availability of funding for Workforce Development. To help address the shortage of an available trained workforce, these

Federal funds will be used to address community and business resource needs by providing funding for operating expenses, equipment and program materials for workforce training programs which will benefit low/moderate income (LMI) persons.

Communities for Maine's Future Fund: On June 8, 2010, voters approved a \$25,000,000 bond issue in which \$3.5m was allocated to the Communities for Maine's Future program. The program is administered through the Office of Community Development for the purposes of downtown revitalization in Maine communities. On September, 14, 2011, the department announced 11 awards totaling \$3.5 million, which was matched with \$11.2 million of local funds. Many of those projects are still underway due to the suspension of the bonds until reinstatement in August 2013.

Business Friendly Community Program: Implemented in 2012, DECD recognizes and promotes those business-friendly cities and towns who are leading by example and encouraging collaborations between municipalities and businesses to spur job growth. Each community is evaluated on an individual basis. Communities deemed business-friendly are presented with a certificate, DOT road sign and become a key part of Maine's business attraction strategy. Administration of this program is provided by staff in the Office of Community Development.

Maine Made Program: The Maine Products Marketing Program, through its website, builds recognition for hundreds of exceptional Maine made products, their producers, and Maine's industries in general. Participation in the program is open to all qualified Maine producers and is free of charge. A selection process is in place to ensure that high quality, Maine products from reliable producers are part of the program. Furthermore, through an application process, companies must show adequate production capabilities and sound customer service practices appropriate for their level of participation in the program.

Waste Management & Recycling: Transferred from the former State Planning Office in July 2013, this one-person program provides oversight of the State Owned landfill sites at Carpenter Ridge, Juniper Ridge and Dolby. The Landfill ownership resides with the Department of Administrative and Financial Services, Bureau of General Services and the regulation of the sites resides with the Department of Environmental Protection. DECD provides a neutral oversight and management position and works directly with the Communities surrounding the landfill locations. Funding for this program is derived from a portion of the revenues received at Maine Revenue Services from tire and battery recycling fees and at DEP from environmental abatement fees.

Code Enforcement Officer Training and Certification Program: Transferred from the former State Planning Office in July 2013, the Code Enforcement Officer Training and Certification Program exists to provide a centralized location for the coordination of training, registration and certification of municipal and local code enforcement officers and private sector third party code enforcement officers and inspectors. First enacted in 1988 as part of the Growth Management Law intended to give towns capacity to enforce land use laws. Public and private building inspectors were added to the program in 2009. Funding for this one-person office is derived from a transfer from Public Safety, Maine Uniform Building Energy Code (MUBEC) program from commercial building permit fees. Funding from the Agriculture, Conservation and Forestry, Maine Coastal Program has since been eliminated.

STRATEGIC PARTNERS

Maine Department of Transportation
Maine Department of Environmental Protection
Maine Department of Public Safety
United States Department of Agriculture
Maine Safe Drinking Water program
Maine State Housing
Community Action Agencies
Regional Planning Commissions
Councils of Government
Maine Municipalities

ESTABLISHED PRIORITIES

- Making strategic CDBG investments with smaller funding allocations while fulfilling the requirement of the CDBG program to benefit low/moderate income households.
- Ensuring the continued growth, credibility and impact of the Maine Made Program.
- Ongoing support for Code Enforcement Training and Certification and overall program efficiency improvements.

EMERGING ISSUES AND FUTURE GOALS

With ever increasing federal regulatory and compliance requirements and limited staff to find ways to use technology and program development to implement the CDBG program in the most efficient manner.

SELECTED ACCOMPLISHMENTS

- Within the Community Development Block Grant program, approved 10 Economic Development projects with total funding of \$1,660,000 resulting in the creation of 72 jobs.
- Seven additional Economic Development projects are under review with a total request of \$2,126,500 and job creation projected at 206.
- Awarded a total of 24 Community Development Block Grants (Public Infrastructure, Micro Enterprise, Downtown Revitalization, Workforce Development and Housing Assistance) for a total amount of \$6,676,500.
- Under direction of the Office of Community Development, the Maine Made program added 61 new members, referred 24 members to the Governor's Account Executives, increased web traffic by 10 percent, increased Facebook following by 131 percent, and responded to inquiries about the program from the Alaska, Rhode Island, Canada and the Missouri Forest Products Association.

REQUIRED REPORTING

Department of Housing and Urban Development Federal Reporting Systems: IDIS, DRGR, FFATA.

MAINE OFFICE OF TOURISM

MAJOR FUNCTIONS AND RESPONSIBILITIES

The Office of Tourism serves as a single, official spokesperson on State tourism policy with the authority to implement marketing, management and research programs. The office's broad directive is to promote Maine as a four season destination to both consumers and the trade. The office includes the Maine Film Office which is responsible for the promotion of Maine as a location for film and video production. The mission of the Office of Tourism is to become the premier four-season destination in New England.

To accomplish its mission, within the bounds created by statute, the office is authorized to: conduct research to determine market demand; implement public relations and promotional programs designed to market Maine's travel-product; print materials as needed to fulfill requests for information about Maine by consumers and the travel trade; encourage the development of travel-product facilities and attractions; operate tourist information centers; serve as a liaison between private industry groups and local, state, and federal agencies involved in tourism promotion and development; and provide basic support and discretionary grants to regional tourism agencies.

The office continuously conducts local outreach programs, seminars, and conferences with elements of the Maine tourism industry including the Annual Governor's Conference on Tourism. The Office of Tourism also oversaw the operation of eight year-round visitor information centers. The powers and duties of the Office of Tourism are detailed in 5 M.R.S.A. §13090-C. The Tourism Marketing Promotion Fund Account has a legislative headcount of 8.

STRATEGIC PARTNERS

Groups, networks and organizations with whom the Office of Tourism connects directly for tourism marketing and product development initiatives:

Maine Hospitality and Tourism Alliance; is comprised of Maine Tourism Association, Maine Restaurant Association, Maine Innkeepers Association, Ski Maine, Maine Campground Owners Association and Maine Merchants Association.

Discover New England (DNE) was founded in 1994 and is a non-profit regional tourism marketing organization funded by equal contributions from the six New England State Tourism Offices. DNE's mission is to increase overseas visitation into New England thereby strengthening the economic vitality of the region.

CruiseMaine USA was formed in 2002 as an effort to promote the State of Maine as a whole to the cruise ship industry. The organization is run by founding Director Amy Powers and John Henshaw, Executive Director of the Maine Port Authority; in cooperation with the official member ports and a number of coastal communities and business organizations.

Maine Motorcoach Network is a network of tourism suppliers (hotels, attractions, restaurants and more) that joined together to increase the revenue to Maine businesses through Motorcoach travel.

Maine Woods Consortium (MWC) is an open association of non-profit organizations, businesses and government agencies dedicated to advancing a “triple bottom line” approach (economy, environment, community) to development and conservation in the Maine Woods region.

The Maine Development Foundation’s Downtown Center serves as the state coordinator for the National Trust for Historic Preservation’s Main Street program.

Portland and Bangor Convention and Visitor Bureau’s – These two destination marketing organizations are the lead marketing organizations dedicated to increasing not only leisure travel, but also business travel focusing on attracting meetings, conferences, conventions and events to these key cities and broader regions to which they are gateways.

Maine Chambers of Commerce

Scenic Byways Organizations

The Maine Sports Commission aims to promote Maine as a four-season destination for sports events and sports-related meetings and to increase the economic impact of the state by attracting new events or by expanding existing sports-related events.

New England Tourism Center (Canada) is a destination-marketing organization that is committed to providing New England regions and tourism associations’ access to various low cost marketing vehicles in an effort to help promote themselves throughout Canada and the United States markets.

New Brunswick Tourism (Canada) The partnership with Maine began in 2008 and is dedicated to increasing tourism visitation and revenue from regions of New Brunswick and Maine that are included in the Two Nation Vacation Concept; increasing traffic to regions of Maine that have great product and capacity (beyond Bar Harbor/Acadia National Park region); and reaching new visitors to both regions building on the allure of an “international” trip close to home.

ESTABLISHED PRIORITIES

- Execute a year-round statewide platform to deepen consumer engagement, enrich and promote the tourism brand and increase meals and lodging tax collections
- Return at least \$2 in tax revenue for every \$1 invested in tourism marketing
- Maximize the value of each visitor by encouraging longer trips with deeper excursions into the less traveled areas of the state
- Increase overall visitation
- Increase lodging in paid accommodations
- Increase percentage of first-time overnight visitors
- Increase visitor inquiry database

To complement the goals and objectives listed above, the Office of Tourism has implemented marketing strategies to make them a reality:

- Rejuvenate/refresh the brand to make it more contemporary
- Convert aspiration to visitation
- Use research and data analytics to focus on markets with highest propensity to deliver new visitors
- Increase development of mutually beneficial collaborative partnerships
- Employ a clear two-pronged approach – acquisition and retention

EMERGING ISSUES AND FUTURE GOALS

Emerging issues for the industry:

- Globalization - Increasing competition from “new” destinations
- Increasing level of expectations by consumers around total experience – empowered consumers
- Infrastructure improvements-technology and transportation
- Product development particularly in rural areas
- Workforce training
- Changing demographics across the nation and in our market areas
- New visitors are needed for sustainable growth

Emerging issues for the Office:

- Staffing levels need to increase to meet the demands from the industry
- Increased budgets of competing destinations
- Shift in destination marketing organization’s roles – consumers are continuing to rely more heavily on third-party information and advice from family & friends
- Information overload on the web – more difficult to find authentic suggestions
- Technology changes – how consumers get their information and how to reach them electronically

Future Goals:

We are just in the final stages of developing the future goals based upon the analysis of the industry feedback throughout the input portions of the 5 year Strategic Plan. However, we anticipate that some high level goals will most likely remain constant:

- Increase the demand for travel to and within Maine
- Accurately measure, monitor and evaluate visitor information via strategic and coordinated research program
- Increase awareness of economic impact and benefits of travel and tourism in Maine
- Increase visitation to less visited parts of the state
- Increase first-time visitation

The following are identified goals specific to the marketing plan:

- Launch new website - Enhance user experience & content; improve design & functionality; apply new technology
- Better mobile experiences
- More opportunities for social interaction
- Increased content sharing
- Expansion of insiders program
- Expansion of marketing reach

SELECTED ACCOMPLISHMENTS

- Over the past year, the office engaged in promotional efforts that included online, social, print, out-of-home, broadcast and electronic media paid advertising, editorial promotion, media outreach, and participation in consumer travel and trade shows. The positive outcome of these efforts are evidenced by the 2012 numbers:
 - \$7.5 billion in total sales
 - \$416 million in tax revenues
 - \$5 billion in direct tourism expenditures
 - Over 3 million visitors to visitmaine.com
 - Added 90,000 subscribers to newsletter
 - 8.5% growth in overnight visitation
- Fully funded Maine's contribution to Congres Mondiale de l'Acadie 2014 at the \$1 million level.
- Fielded the first Lodging Study survey to gather information on seasonality, rooms inventory, types of accommodations, occupancy rates, average daily rate and more.
- Completed public forum and survey input phases of the development of the MOT Five Year Strategic Plan.
- Completed four overseas sales missions in France, Germany, UK and Japan. Through these missions and additional international trade shows in the US, had over 185 face-to-face meetings with overseas media, tour operators and domestic receptive operators that sell Maine and New England to these overseas markets.
- Expanded advertising campaign to greater DC area.
- Maine Motorcoach Network, with MOT assistance, hosted one familiarization trip and completed a sales mission to Quebec. Participating businesses have already received bookings from both efforts. Currently plans are already underway for a sales mission in Pennsylvania and another hosted familiarization trip in 2014. Additionally MOT has over 135 meetings with tour operators at three trade shows, American Bus Association, Ontario Motorcoach Association and National Tour Association Marketplaces.
- Presented "MOT On the Road" in four of the eight tourism regions. Staff provided information on advertising, web development, public relations, social media, travel and trade shows, training and research program.
- Building on our current advertising campaign using "insiders" – real Maine people telling their stories, MOT is in final production for materials to introduce 2 new "sets" of insiders, a lobsterman and a young family. The campaign is designed to create an emotional connection, showcase the originality of Maine and create brand craving.

REQUIRED REPORTING

- Tourism Marketing and Development Strategy (Title 5, §13090-E), quarterly presentation of activities to tourism industry stakeholders and annual report to the Governor and Legislature beginning January 1, 2013.

MAINE FILM OFFICE

MAJOR FUNCTIONS AND RESPONSIBILITIES

The Maine Film Office was created by statute to serve as the official liaison for the film and video production communities in the State of Maine. The Maine Film Office enhances our economy by facilitating and promoting film, television, photography and emerging media production in Maine, which includes attracting outside producers to the area. The Film Office is comprised of one staff person who provides numerous resources and essential support services for projects that film in Maine. The powers and duties of the Maine State Film Office are detailed in 5 M.R.S.A. §13080-U.

To accomplish its goals and objectives, the Film Office conducts primary marketing and public relations programs that market Maine as a great place for media production – developing and managing a number of projects and programs designed to expand and promote creative media industries in Maine. All of this assistance provided by the Maine Film Office results in projects worth approximately \$12 million in economic impact each year.

The Maine Film Office Website – filmmakers have easy access to continuously updated resources and information that is essential when filming in Maine.

The Maine Film Office's On-Line Production Guide - an updated database designed to promote and showcase the depth and talent of the crew base in Maine, and the diversity of business resources available locally to filmmakers.

The Maine Film Office's On-Line Location Library – a database of photos of locations in Maine that might be of interest to filmmakers. The photos promote Maine's stunning landscape and showcase the extensive variety of geographic looks available as filming locations.

The Maine Attraction Film Incentive Program – a program of financial incentives designed to attract out-of-state production and assist in-state production companies.

STRATEGIC PARTNERS

Maine State Film Commission: Within the Office of Tourism, the Maine State Film Commission advises and assists the Maine Film Office.

Association of Film Commissioners International: AFCI is the official professional organization for film commissioners who assist film, television, and video production across the globe. With more than 300 AFCI-Member Film Commissions on six continents, the AFCI is a non-profit educational association whose members serve as city, county, state, regional, provincial, or national film commissioners in their respective governmental jurisdictions.

Maine Film and Video Association: MFVA is a trade association made up of an active group of production companies, film and video professionals, TV stations, students, actors, musicians, writers, crew members, and others who are interested in working together to create better business, educational and networking opportunities for the people working in this industry in Maine.

Maine Public Broadcasting Network: MPBN is an independently owned and operated nonprofit organization formed in 1992 through the merger of the educational radio and television stations provided by the University of Maine System and WCBB public television operated by Colby, Bates and Bowdoin Colleges.

Maine Media Workshops & College: The mission of Maine Media Workshops and Maine Media College is to build dynamic educational communities that foster creative vision, craftsmanship and expression in the media arts.

University of Maine: The University of Maine advances learning and discovery through excellence and innovation in undergraduate and graduate academic programs while addressing the complex challenges and opportunities of the 21st century through research-based knowledge.

Southern Maine Community College: SMCC leads in expanding access to higher education and increasing the number of college degree holders in Maine through high quality programs and a focus on student success.

New England School of Communications: NESCom is a co-educational institution offering Bachelor of Science degrees in Communications Technology, Media Studies, and Entertainment Production.

Maine Film Festivals: Camden International Film Festival (CIFF); Maine International Film Festival (MIFF); Lewiston Auburn Film Festival (LAFF); Portland Maine Film Festival (PMFF); Maine Jewish Film Festival (MJFF)

ESTABLISHED PRIORITIES

- The Film Office markets Maine as a production location for all forms of production - from feature films to catalog shoots - and supports the economic growth of the film, television and digital media industry sectors. Productions are actively recruited and supported by the office, which serves as the official liaison between the industry, state agencies, and production companies. In addition to bringing productions into the state, the film office works with the local film community to foster the growth of our local production industry, and provides essential support services and resources for any projects that film in Maine.

EMERGING ISSUES AND FUTURE GOALS

Emerging Issues

- Increasing competition from other states and countries that have larger film incentive programs.
- The Film Office is a one person office.
- The film office has no dedicated budget.

Ongoing and future goals

- Participate in tradeshow, trade missions, film festivals, and industry events and shows to promote Maine as a location for filming with production companies, producers, writers, show runners, and location scouts.
- Encourage and facilitate the participation of more Maine businesses in the visual media production sector.

- Support the creation and expansion of film friendly communities by preparing communities and property owners for upcoming productions.
- Develop opportunities for producers of films made in Maine to schedule a “Maine Tour” of their film, showcasing their film in venues throughout all regions of Maine.
- Continue to identify and participate in partnerships with Maine educational institutions and businesses that offer cooperative opportunities to support Maine Made films, filmmakers, and students who want to work in the film industry after graduation.
- Promote Maine made films to audiences and national media outlets.
- Continue to make essential updates to the Maine Film Office website, building and expanding the new Production Guide and Location Library databases.
- Continue to develop and expand social media presence.

SELECTED ACCOMPLISHMENTS

- Film production in Maine has increased. To date, the Maine Film Office has certified 14 productions with an estimated direct spend in Maine of nearly \$3.7 million. In 2012, there were 8 certified productions and \$1.5 million spent directly in Maine. Last year the direct spend of the productions that filmed in Maine was almost \$40 for every \$1 paid out in the incentive program – an exceptional return on investment by any measure. Additional spending occurred on numerous lower budget film projects that did not meet the state’s \$75k minimum requirement to qualify for the incentive program.
- The Film Office started an outreach program to develop and support opportunities for Maine students who want to work in film production after graduation – and to help foster development of the workforce in the visual media production sector in Maine.
- The Film Office replaced the “Production Guide” with a new and enhanced database to better showcase the depth of film production talent available locally to filmmakers.
- The Film Office added a new feature to the “Location Library” that allows the public - including convention and visitor bureaus, chambers of commerce, business owners, homeowners, and residents - to submit location photos and information online. This new tool allows people in every corner of the state to promote and showcase their communities to filmmakers.

REQUIRED REPORTING

- Maine State film Office Report (Title 5, §13090-L). Annual report due January 15.

MAINE INTERNATIONAL TRADE CENTER

MAJOR FUNCTIONS AND RESPONSIBILITIES

The Maine International Trade Center (MITC) was created by the state legislature in 1996 to expand Maine's economy through increased international trade in goods and services. MITC is a public-private partnership funded through the Maine Department of Economic and Community Development, membership dues of nearly 300 business members, as well as corporate sponsor contributions. 81% of MITC's membership has less than 100 employees; 68% has less than 25. The Director of the Maine International Trade Center is the only state funded position and is an employee of the department. The seven person office provides critical services to Maine's small and medium sized businesses, including customized trade assistance to businesses to help identify and take advantage of opportunities in the global marketplace. Last year MITC completed over 1,500 trade research projects. The powers and duties of the Maine International Trade Center are detailed in 10 M.R.S.A. chapter 107-B.

International Trade Missions: MITC organizes trade missions to targeted markets and industry trade shows to help Maine companies meet one-on-one with prospective clients and contacts. In FY2013, MITC led trade missions to Quebec and China and organized Maine delegations at trade shows such as Medica in Germany, the Toronto Gift Show, and the European Seafood Show in Belgium. There was participation from a broad range of industry sectors including bioscience, food & seafood, wood products, advanced textiles, education and consumer goods. Forty-four Maine companies participated in these activities and reported over \$21 million in export sales.

Educational Workshops and Seminars: Last fiscal year, MITC hosted 12 Education Workshops and Seminars throughout the state with 643 attendees. These educational programs are critical for informing Maine's trade-related workforce on changes in regulations, helping them understand targeted overseas markets, and informing them about resources available for business development and sales growth. Our largest event of the year is Maine International Trade Day, to be held on May 15, 2014 in Bangor. Trade Day 2014 will feature Canadian Ambassador Gary Doer as a keynote speaker. In an effort to keep our legislators informed and engaged, all legislators may attend any MITC event free of charge.

Invest in Maine Program: Maine's dedicated and skilled workforce, abundant natural resources and creative entrepreneurship are key selling points in promoting the state to potential investors around the globe. Supported and funded in part through the Maine Technology Institute, MITC's Invest in Maine program is designed to increase the flow of foreign direct investment into Maine to finance growing companies and new business ventures that will in turn create jobs and support economic growth. During 2012 the Invest in Maine program has coordinated 29 overseas meetings with foreign investors, presented at 8 special industry and investor events during the State of Maine Trade Mission to China and Quebec and hosted 6 investor company visits.

StudyMaine Program: International students contributed over \$40 million to Maine's economy last year and international student attraction has been an important and growing program for many of our State academies as well as universities and colleges. In addition to launching our

www.StudyMaine.net portal, MITC has coordinated 6 best practices and educational forums with approximately 200 attendees. We have also coordinated several overseas events with an international student attraction component in countries such as Brazil, Chile, South Korea, China, and Mexico and Colombia in the fall of 2013. Schools involved in the international matchmaking efforts have generated at least 10 new students bringing approximately \$320,000 per year into their local economies.

STRATEGIC PARTNERS

The Maine International Trade Center works closely with a number of organizations and entities to assist in accomplishing its goals and responsibilities:

Maine Department of Economic and Community Development
Maine Department of Agriculture
US Department of Commerce
Maine Technology Institute
Maine Manufacturing Extension Partnership
Maine Small Business Development Centers
U.S. Small Business Administration
Finance Authority of Maine
Manufacturers Association of Maine
Food Export USA
Softwood Export Council

ESTABLISHED PRIORITIES

The Maine International Trade Center provides a base level of services without regard to membership in the center and enhanced services as the center's board of directors may direct, to private entities, individuals, the State and to quasi-public and public entities. The center encourages and assists the growth of the State's international economic activities through the following priorities:

- Technical assistance and trade counseling
- Market research reports and trade leads
- Trade education programs
- International and national trade shows
- Industry and Gubernatorial Trade Missions

EMERGING ISSUES AND FUTURE GOALS

- Building on traditional areas of focus relating to food and beverage products, wood and forest products, and lobster and seafood industries.
- Continuing momentum on emerging sectors; biotechnology and medical products, renewable energy and biomass, and advanced materials and aerospace.

- Seizing future opportunities through new initiatives; international student attraction, foreign direct investment and export assistance grants for small businesses.

SELECTED ACCOMPLISHMENTS

- Led trade mission to Hong Kong and Shanghai with 14 Maine companies participating in matchmaking or other business meetings. Also coordinated four investment attraction events as well as promotional events for lobster and blueberry industries.
- Coordinated a booth at the Winter Fancy Food Show in San Francisco in January with four Maine companies participating at the MITC booth and several international matchmaking meetings.
- Hosted a MITC booth at the European Seafood Show in April with three Maine business participating. Numerous Maine companies also attended the show.
- Executed and co-hosted 10 Trade Education Seminars in Portland, Augusta, New Gloucester and Bangor. Topics included international student attraction, internet marketing, the Colombian market, Canadian energy and life sciences regulations in the EU.
- Coordinated a record-breaking Trade Day event featuring Icelandic President Grimsson and Governor LePage. More than 350 registered for the event, which included a special Eimskip reception at the Port Authority.
- Executed a major Invest in the Maine European Investment Outreach Campaign, which included matchmaking meetings coordinated across three countries with advanced materials, composites and aviation companies/investors.

Internal Operations

- Purchased a new CRM database to better track business outreach and more targeted marketing; also replaced an old server for faster internet capacities.
- Upgraded StudyMaine.net website for better marketing of Maine's schools to international students and overseas markets.
- Extended US SBA State Trade & Export Promotion grant through September 2014. Funds may be used to reimburse selected company expenses associated with overseas business development.

REQUIRED REPORTING

Annual report and independent audit of activities to the Governor, Joint standing committee of the Legislature having jurisdiction over economic development matters and the members of the center. (Title 10, §945-K)

MAINE TECHNOLOGY INSTITUTE

MAJOR FUNCTIONS AND RESPONSIBILITIES

Since its creation by the Legislature in 1999, the Maine Technology Institute has invested almost \$169 million into emerging ventures (early and later-stage), non-profit research and development institutions, along with various industry cluster initiatives designed to enhance economic, scientific, and technological development in seven targeted sectors. MTI's suite of funding opportunities includes direct grants and loans, with a one-to-one match required from the enterprise. On average, MTI ventures provide a \$1.34 match to the MTI investment dollar. This means that MTI portfolio ventures have matched their award with an additional \$226.5 million, resulting in \$395.5 million total investment through the MTI portfolio since 1999. Over the past 13 years, MTI has funded 1,774 technology projects in Maine. Today, MTI enjoys a national reputation as a leading example of best practices for a technology-based economic development organization. More importantly, MTI's investments have strengthened Maine's scientific and high-technology infrastructure and helped many organizations achieve world-class status in terms of assets and accomplishment. MTI leads the development of a strong culture of innovation in the state and is poised for continued growth and effectiveness as it builds its capacity to support ventures in their growth. MTI is a publicly-funded and industry-led 501(c)(3) non-profit managed by a Board of Directors appointed by the Governor, with specific requirements for sector representation, financial expertise, the Chancellor of the University of Maine, the President of the Maine Community College System, the Commissioner of the Department of Economic and Community Development, and the Director of the Office of Policy and Management. With the exception of the President, MTI staff members are not State employees. MTI receives an annual appropriation for its work. It also allocates and manages investments in the State's technology assets as provided through voter-approved bonds. Currently, MTI manages a portfolio of approximately \$105 million.

MTI's investments focus on the sectors of Aquaculture & Marine Technology; Biotechnology; Composites & Advanced Materials; Environmental Technologies; Forest Products & Agriculture; Information Technology; and, Precision Manufacturing. The funding process is robust and rigorous: applications are reviewed independently by the American Academy for the Advancement of Science (AAAS); internal staff analysis; and by the appropriate Tech Board for each sector. There are almost 100 volunteer members of the Tech Boards, each of whom is appointed because of their deep expertise in the sector gained from either business or academic experience. Once the AAAS review is complete, the members of the Tech Boards meet to analyze the round of applications and select those worthy of funding to present and discuss their proposals with the staff and Technology Review Board. Final selections are moved to the MTI Board of Directors for approval. This same process is followed with the Cluster Initiative Program.

STRATEGIC PARTNERS

Battelle Memorial Institute
Bigelow Laboratory for Ocean Sciences
Bioscience Association of Maine
Blackstone Accelerates Growth
Boston New Technology Group
Campus Ventures at USM
Cleantech Innovations of New England
Coastal Enterprises
Department of Economic and Community Development
Downeast Institute
E2Tech
Economic Development Council of Maine
Finance Authority of Maine
Foster Center for Student Innovation
Gulf of Maine Research Institute
Island Institute
Knowledge Transfer Alliance of Maine
Maine & Company
Maine Aerospace Alliance
Maine Angels
Maine Center for Entrepreneurial Development
Maine Composites Alliance
Maine Innovation Economy Advisory Board
Maine International Trade Center
Maine Patent Program
Maine Technology Centers
Maine's Technology Incubator Centers
Manufacturers Association of Maine
Manufacturing Extension Partnership
New England Venture Summit
No Small Potatoes
SBA SBIR/STTR Programs
SCORE
Slow Money Maine
Small Business Administration
Small Business Development Centers
Small Enterprise Growth Fund
State Scientific and Technical Institute (SSTI)
The Jackson Laboratory

The State's Economic Development Districts
University of Maine System, including the various research centers
University of New England

ESTABLISHED PRIORITIES

- The Maine Technology Institute serves as the state's champion for the creation of a culture of innovation and entrepreneurship. Its strategy is based upon three themes: Fund, Connect, and Grow. We provide funding to companies engaged in the development of technology; connect them to the resources they need; and help them grow.
- MTI works in partnership with a wide variety of organizations focused on TBED and entrepreneurial development and serves as the leader in this arena to combine, and coordinate, all of these efforts to increase investment, company payrolls, sales revenues as well as the further development of a base of intellectual and scientific knowledge.
- MTI offers a suite of funding opportunities to support technology-based economic development. All of the MTI award categories require at least a one-to-one cash match which serves to amplify the amount of investment in the sectors supported. When loan recipients begin to take their products and services to market, this commercialization triggers repayment of their loan.
- Award Categories:
 - **Tech Start Grants:** Offered on a monthly basis, these grants go up to \$5,000; are limited to six-month projects; and, are intended for small projects that lay basic business groundwork for future technology-based ventures.
 - **Seed Grants:** Offered three times per year, these grants go up to \$25,000; are limited to twelve months in duration; and, provide assistance for early-stage, specific research and development projects that will lead to commercialization, or lay the foundation for securing additional capital.
 - **Development Loans:** Offered three times a year are specifically designed to fund research and development projects that lead to commercialization. These loans range from \$30,000 to \$500,000 and may be secured by equipment or intellectual property.
 - **Cluster Initiative Program Awards:** These are funds that are offered three times per year that assist in the formation of clusters where the companies and organizations involved derive competitive advantages in the marketplace from a range of activities and sharing of knowledge across the cluster (e.g. supply-chain development, market intelligence, business incubator services, attraction of capital, management training, joint R&D, technical standard setting). Planning awards may not exceed \$50,000 and implementation awards are generally limited to \$500,000.
 - **Maine Technology Asset Fund:** These are bond proceeds that are designed to support the creation of research and development assets.
 - **Equity Capital Investments:** On an on-going basis, MTI will invest in equity in companies who have successfully navigated previous MTI or SBIR/STTR awards

(with the exception of Tech Starts) which is a program designed to support the ability of the awardee to attract initial early-stage outside investment necessary for growth. These awards may take the form of either equity or convertible debt.

SELECTED ACCOMPLISHMENTS

- Invested more than \$4.2 million during 2013, increasing its portfolio to more than \$105 million under management.
- Venture milestone accomplishment increased to more than 85 percent.
- Increased the rate of commercialization from 36 percent to 42 percent.
- Increased the number of Direct Loan applications by 28 percent.
- Increased the success rate of applicants receiving awards by almost 30 percent, a reflection of MTI counseling and training.
- Increased the conversion rate from Seed Grants to Direct Loans by 25 percent, which improves the quality of deal flow in the portfolio and demonstrates venture life-cycle growth.
- Conducted a major effort to educate Maine's commercial lenders about MTI's suite of funding opportunities. So far this year, more than 65 percent of the state's banks have been trained. MTI's President addressed the Maine Bankers Association CEO conference at its annual meeting. Several banks are working directly with MTI to create, or support, additional funding programs for MTI-related firms.
- The Blackstone Accelerates Growth initiative is now embedded within MTI instead of being an independent project. This has significantly improved the collaborative efforts of organizations focused on creating an intentional community of innovation in the state. This \$3 million grant from Blackstone has provided a robust internship program and additional resources to those ventures able to sustain significant growth. The Blackstone investment is targeted to catalyze and encourage entrepreneurship in Maine, and to provide a network of supportive resources. MTI, the University of Maine, and the Maine Center for Entrepreneurial Development are the three strategic partners with Blackstone.
- MTI leadership has been instrumental in creating more collaboration and resource-sharing among a wide variety of independent groups and efforts focused on expanding the innovation economy including university, non-profit, local and regional government programs. MTI is regarded as the thought leader and driver of the innovation economy.
- MTI's development award investments over the last three years resulted in the filing of 58 patents, bringing the total to 210 patents. This is significantly higher than previously-reported and reflects the time involved for development and patent filing. These patents not only provide protection for ventures, but create an intellectual property portfolio of great value to further innovations.
- MTI has increased the visibility of its portfolio ventures to the regional venture capital community driving increased equity investments. MTI continues to expand its efforts to make equity firms in Boston and New York aware of the quality of investment opportunities in Maine technology ventures.

- Two of the 18 companies chosen for the Small Business Administration’s Tibbetts Award were MTI portfolio companies. The Small Business Innovation & Research grantees were recognized nationally for their advancements in technology and commercialization.
- MTI had significant presence in a wide variety of programs focused on creating entrepreneurial start-ups, business plan competitions, and providing training and educational resources to new ventures.
- MTI continues a robust portfolio analysis to segment the capacity of ventures to grow and become sustainable. This effort, led by our new Director of Marketing & Analytics, is designed to provide better allocation of resources and identify strong candidates for venture capital investment and commercial lending.

EMERGING ISSUES AND FUTURE GOALS

- MTI is working with the leadership of Maine’s key research and development non-profits—The Jackson Laboratory, Bigelow Labs, Mount Desert Island Biology Laboratory (MDIBL)—to create a shared set of resources to stimulate and manage the commercialization of discoveries and technologies developed by these enterprises. The challenges of technology transfer are significant. We are working to develop a model that can also be used to encourage and manage the transfer of technology from the state’s universities.
- MTI has underway several programs to create closer links with the private equity community in Massachusetts in order to develop pathways for MTI portfolio companies to access investment capital from these firms. The objective is to increase the amount of investment in Maine firms. In 2012, 72% of the private equity capital invested in the U.S. fell into three states: California, New York, and Massachusetts. These three states received \$19 billion in investment. In the same year, private equity firms invested \$12.8 million in Maine.
- MTI is also working to increase the levels of awareness and participation with the established business community in Maine. While MTI has a high degree of brand equity and reputation among the state’s entrepreneurial and technology community, it remains less well understood in the established business community and legislature.
- While Maine’s entrepreneurs and innovators have created some exceptional technologies and businesses, the scale of Maine’s entrepreneurial deal flow is small. MTI is deeply involved in expanding both the size and quality of deals in the state. This strategy will expand the involvement of private equity investors. This issue also requires an expansion and appreciation of the state’s culture of innovation so that engagement in this arena is expansive and pervasive. MTI is working with the University of Southern Maine Business School to create a formal entrepreneurship course and engage professors with MTI portfolio companies. We also support entrepreneurship groups at Bates, Bowdoin, Colby, Thomas, Husson colleges, the University of New England, the community colleges, and the University of Maine.

REQUIRED REPORTING

- By December 15th of each year, the institute shall provide an annual report, with audited financial reports, on its activities to the joint standing committee or joint select committee of the Legislature having jurisdiction over research and development matters. (Title 5, §15302 (9))

DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

FINANCIAL AND POSITION COUNT

BY PROGRAM

BY YEAR 2004-2013

Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
006901 ECONOMIC & COMMUNITY DEV ADMIN										
General Fund	7,745,403	2,344,798	2,921,323	2,101,422	1,875,670	1,696,809	1,702,579	1,573,731	1,636,364	1,717,497
	7,745,403	2,344,798	2,921,323	2,101,422	1,875,670	1,696,809	1,702,579	1,573,731	1,636,364	1,717,497
Position	9.000	7.000	6.000	6.000	5.000	5.000	5.000	5.000	5.000	4.000
Personal Services	628,089	542,448	554,511	484,153	504,894	515,101	479,728	441,376	487,875	412,437
All Other	7,040,109	1,752,640	2,161,699	1,612,640	1,311,741	1,166,211	1,208,696	1,058,890	848,362	1,144,733
Capital	0	0	0	0	0	0	0	0	0	0
	7,668,198	2,295,088	2,716,210	2,096,793	1,816,635	1,681,312	1,688,424	1,500,266	1,336,237	1,557,170
006901 DECD ADMINISTRATION										
Federal Fund	0	0	1,498,362	2,416,559	1,216,739	489,913	264,910	84,885	151,554	0
	0	0	1,498,362	2,416,559	1,216,739	489,913	264,910	84,885	151,554	0
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	12,963	4,329	0	0	0	0	83,295	0
All Other	0	0	555,568	1,720,147	648,914	205,779	260,741	8,330	2,440	0
Capital	0	0	0	0	0	0	0	0	0	0
	0	0	568,531	1,724,476	648,914	205,779	260,741	8,330	85,735	0
006901 GULF OF MAINE AQUARIUM RESEARCH FACILITY										
General Bond Fund-Arbitrage	1,500,000	0	0	0	0	0	0	0	0	0
	1,500,000	0	0	0	0	0	0	0	0	0
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	750,000	0	0	0	0	0	0	0	0	0
Capital	0	0	0	0	0	0	0	0	0	0
	750,000	0	0	0	0	0	0	0	0	0
006902 WIRED GRANT										
Federal Fund	0	0	1,771,582	1,805,814	2,219,165	3,831,936	2,060,549	0	0	0
	0	0	1,771,582	1,805,814	2,219,165	3,831,936	2,060,549	0	0	0
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	0	0	3,220	759,738	1,288,052	1,556,211	316,459	0	0	0
Capital	0	0	0	0	0	0	0	0	0	0
	0	0	3,220	759,738	1,288,052	1,556,211	316,459	0	0	0
006903 CURRICULUM TRAINING & WORKSHOP										
Other Special Revenue	68,850	70,227	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
	68,850	70,227	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	26,552	14,638	6,112	23,800	31,962	52,148	25,685	18,658	16,496	40,356
Capital	0	0	0	0	0	0	0	0	0	0
	26,552	14,638	6,112	23,800	31,962	52,148	25,685	18,658	16,496	40,356

Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
044717 MAINE MICROENTERPRISE INITIATIVE FUND										
General Fund	1,000,000	683,303	114,738	0	0	0	0	0	0	0
	1,000,000	683,303	114,738	0	0	0	0	0	0	0
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	1,696	239,320	114,739	0	0	0	0	0	0	0
Capital	0	0	0	0	0	0	0	0	0	0
	1,696	239,320	114,739	0	0	0	0	0	0	0
044718 MAINE MICROENTERPRISE INITIATIVE FUND										
Other Special Revenue	0	0	644,245	459,531	180,692	110,789	0	0	0	0
	0	0	644,245	459,531	180,692	110,789	0	0	0	0
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	0	0	203,443	278,408	107,172	47,496	0	0	0	0
Capital	0	0	0	0	0	0	0	0	0	0
	0	0	203,443	278,408	107,172	47,496	0	0	0	0
057709 OFFICE OF TOURISM										
General Fund	267,795	0	0	0	0	0	0	0	0	0
	267,795	0	0	0	0	0	0	0	0	0
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	267,739	0	0	0	0	0	0	0	0	0
Capital	0	0	0	0	0	0	0	0	0	0
	267,739	0	0	0	0	0	0	0	0	0
057711 PUBLICATIONS REVOLVING FUND										
Other Special Revenue	202,986	200,000	101,375	101,375	51,375	51,375	51,375	115,661	51,375	51,375
	202,986	200,000	101,375	101,375	51,375	51,375	51,375	115,661	51,375	51,375
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	3,617	11,316	9,620	5,556	9,533	176	191	8,476	8,659	308
Capital	0	0	0	0	0	0	0	0	0	0
	3,617	11,316	9,620	5,556	9,533	176	191	8,476	8,659	308
057712 TOURISM COOPERATIVE MARKETING FUND										
Other Special Revenue	50,000	50,000	151,434	52,403	52,403	52,403	52,403	52,403	52,403	52,403
	50,000	50,000	151,434	52,403	52,403	52,403	52,403	52,403	52,403	52,403
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	15,000	0	45,737	0	0	3,445	0	0	0	0
Capital	0	0	0	0	0	0	0	0	0	0
	15,000	0	45,737	0	0	3,445	0	0	0	0

Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
057749 TOURISM MARKETING PROMOTION FUND										
Other Special Revenue	7,192,352	8,168,507	8,353,949	8,473,319	9,678,818	10,055,817	9,917,756	12,872,749	9,925,793	12,875,829
	<u>7,192,352</u>	<u>8,168,507</u>	<u>8,353,949</u>	<u>8,473,319</u>	<u>9,678,818</u>	<u>10,055,817</u>	<u>9,917,756</u>	<u>12,872,749</u>	<u>9,925,793</u>	<u>12,875,829</u>
Position	7.000	7.000	7.000	7.000	7.000	7.000	8.000	8.000	8.000	8.000
Personal Services	449,638	487,799	509,796	551,181	513,693	592,645	691,297	651,886	590,487	675,217
All Other	6,122,119	6,903,523	7,095,279	7,092,292	7,831,023	8,241,703	8,555,789	6,518,130	7,424,468	9,566,937
Capital	0	0	0	0	0	0	0	0	0	0
	<u>6,571,757</u>	<u>7,391,322</u>	<u>7,605,075</u>	<u>7,643,473</u>	<u>8,344,716</u>	<u>8,834,348</u>	<u>9,247,086</u>	<u>7,170,016</u>	<u>8,014,955</u>	<u>10,242,154</u>
057750 CREATIVE ECONOMY										
Other Special Revenue	0	0	330,000	715,744	268,322	101,757	83,163	24,167	0	0
	<u>0</u>	<u>0</u>	<u>330,000</u>	<u>715,744</u>	<u>268,322</u>	<u>101,757</u>	<u>83,163</u>	<u>24,167</u>	<u>0</u>	<u>0</u>
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	0	0	68,092	385,449	228,175	18,621	58,996	24,167	0	0
Capital	0	0	0	0	0	0	0	0	0	0
	<u>0</u>	<u>0</u>	<u>68,092</u>	<u>385,449</u>	<u>228,175</u>	<u>18,621</u>	<u>58,996</u>	<u>24,167</u>	<u>0</u>	<u>0</u>
058501 BRUNSWICK NAVAL AIR STATION REDEVELOPMENT 09 PL 414 B										
General Bond Fund-Arbitrage	0	0	0	0	0	0	0	4,660,000	7,896,727	809,010
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,660,000</u>	<u>7,896,727</u>	<u>809,010</u>
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	0	0	0	0	0	0	0	103,274	4,135,707	809,010
Capital	0	0	0	0	0	0	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>103,274</u>	<u>4,135,707</u>	<u>809,010</u>
058502 COMMUNITIES FOR MAINE'S FUTURE PROGRAM PL 2009 C.414B										
General Bond Fund-Arbitrage	0	0	0	0	0	0	0	0	3,500,000	120,822
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,500,000</u>	<u>120,822</u>
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	0	0	0	0	0	0	0	0	327,467	120,822
Capital	0	0	0	0	0	0	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>327,467</u>	<u>120,822</u>
058512 OFFICE OF BUSINESS DEV										
General Fund	2,082,616	2,101,406	1,917,445	1,777,999	1,768,570	1,606,526	1,461,178	1,382,478	1,254,543	1,480,149
	<u>2,082,616</u>	<u>2,101,406</u>	<u>1,917,445</u>	<u>1,777,999</u>	<u>1,768,570</u>	<u>1,606,526</u>	<u>1,461,178</u>	<u>1,382,478</u>	<u>1,254,543</u>	<u>1,480,149</u>
Position	15.500	15.000	14.000	14.000	14.000	14.000	7.000	7.000	7.000	8.000
Personal Services	990,614	998,193	1,012,936	1,017,158	1,069,208	978,152	863,672	554,426	456,212	738,406
All Other	1,024,459	863,499	808,503	720,011	586,937	603,552	503,272	778,232	456,966	564,359
Capital	0	0	0	0	0	0	0	0	0	0
	<u>2,015,073</u>	<u>1,861,692</u>	<u>1,821,439</u>	<u>1,737,169</u>	<u>1,656,145</u>	<u>1,581,704</u>	<u>1,366,944</u>	<u>1,332,658</u>	<u>913,178</u>	<u>1,302,765</u>

Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
061704 MAINE BIOMEDICAL RESEARCH FUND 2005 PL C. 462										
General Bond Fund-Arbitrage	0	0	0	5,900,000	2,100,000	750,000	1,250,000	500,000	750,000	0
	0	0	0	5,900,000	2,100,000	750,000	1,250,000	500,000	750,000	0
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	0	0	0	5,000,000	1,000,000	0	750,000	500,000	750,000	0
Capital	0	0	0	0	0	0	0	0	0	0
	0	0	0	5,000,000	1,000,000	0	750,000	500,000	750,000	0
067445 INTERNATIONAL COMMERCE-DECD										
General Fund	681,964	682,242	656,139	614,838	687,543	661,586	634,789	634,192	637,418	614,292
	681,964	682,242	656,139	614,838	687,543	661,586	634,789	634,192	637,418	614,292
Position	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Personal Services	102,041	102,208	105,112	89,346	105,116	112,285	111,895	112,114	115,461	115,624
All Other	579,768	580,000	551,000	524,836	579,836	549,105	521,852	521,852	521,852	498,409
Capital	0	0	0	0	0	0	0	0	0	0
	681,809	682,208	656,112	614,182	684,952	661,390	633,747	633,966	637,313	614,033
067546 ME SMALL BUSINESS COMM-DECD										
General Fund	791,316	791,315	781,790	903,921	1,209,982	886,937	872,056	690,478	690,478	683,684
	791,316	791,315	781,790	903,921	1,209,982	886,937	872,056	690,478	690,478	683,684
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	730,511	730,509	598,853	663,482	1,048,677	705,359	872,055	690,478	690,478	512,764
Capital	0	0	0	0	0	0	0	0	0	0
	730,511	730,509	598,853	663,482	1,048,677	705,359	872,055	690,478	690,478	512,764
071056 ECONOMIC OPPORTUNITY FUND										
Other Special Revenue	126,000	0	0	0	0	0	0	0	0	0
	126,000	0	0	0	0	0	0	0	0	0
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	0	0	0	0	0	0	0	0	0	0
Capital	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
072627 ECONOMIC CONVERSION DIVISION										
Federal Fund	2,469,106	3,127,449	3,061,672	2,595,787	0	0	0	0	0	0
	2,469,106	3,127,449	3,061,672	2,595,787	0	0	0	0	0	0
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	544,106	390,918	240,744	2,595,787	0	0	0	0	0	0
Capital	0	0	0	0	0	0	0	0	0	0
	544,106	390,918	240,744	2,595,787	0	0	0	0	0	0

Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Z00376 KENNEBEC CHAUDIERE HERITAGE COMMISSION										
General Fund	0	50,000	0	0	0	0	0	0	0	0
	0	50,000	0	0	0	0	0	0	0	0
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	0	49,946	0	0	0	0	0	0	0	0
Capital	0	0	0	0	0	0	0	0	0	0
	0	49,946	0	0	0	0	0	0	0	0
Z02201 INTERNATIONAL NE BIOTECH CORRIDOR										
General Fund	0	0	0	11,000	0	0	0	0	0	0
	0	0	0	11,000	0	0	0	0	0	0
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	0	0	0	11,000	0	0	0	0	0	0
Capital	0	0	0	0	0	0	0	0	0	0
	0	0	0	11,000	0	0	0	0	0	0
Z05701 MAINE ECONOMIC DEVELOPMENT EVALUATION FUND										
Other Special Revenue	0	0	0	0	150,000	200,000	200,000	200,000	200,000	200,000
	0	0	0	0	150,000	200,000	200,000	200,000	200,000	200,000
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	0	0	0	0	0	0	0	0	0	0
Capital	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
Z07101 LEADERSHIP & ENTREPRENEURIAL DEVELOPMENT										
Other Special Revenue	0	0	0	0	0	500	500	500	500	500
	0	0	0	0	0	500	500	500	500	500
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	0	0	0	0	0	0	0	0	0	0
Capital	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
Z07201 RENEWABLE ENERGY RESOURCES FUND										
Other Special Revenue	0	0	0	0	0	645,441	645,441	645,441	288,000	288,000
	0	0	0	0	0	645,441	645,441	645,441	288,000	288,000
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	0	0	0	0	0	0	37,596	0	152,471	54,397
Capital	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	37,596	0	152,471	54,397

Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Z08401 RIVERFRONT COMMUNITY DEVELOPMENT 07 PL 39-F										
General Bond Fund-Arbitrage	0	0	0	0	0	2,500,000	0	0	0	0
	0	0	0	0	0	2,500,000	0	0	0	0
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	0	0	0	0	0	2,500,000	0	0	0	0
Capital	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	2,500,000	0	0	0	0
Z08401 RIVERFRONT COMMUNITY DEVELOPMENT PROGRAM										
General Bond Fund-Arbitrage	0	0	0	0	0	0	2,500,000	0	0	0
	0	0	0	0	0	0	2,500,000	0	0	0
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	0	0	0	0	0	0	2,500,000	0	0	0
Capital	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	2,500,000	0	0	0
Z10801 COMMUNITIES FOR MAINE'S FUTURE FUND										
Other Special Revenue	0	0	0	0	0	0	0	500	500	500
	0	0	0	0	0	0	0	500	500	500
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0	0
All Other	0	0	0	0	0	0	0	0	0	0
Capital	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
HEADCOUNT TOTALS	45.000	45.000	43.000	43.000	42.000	41.000	33.000	32.000	30.000	32.000

**Department of Economic and Community Development
2013-2014 Regulatory Agenda**

19-100: Office of Administration and Policy
19-498: Office of Community Development
19-499: Office of Business Development

AGENCY UMBRELLA-UNIT NUMBER: **19**

AGENCY NAME: **Department of Economic and Community Development**

CONTACT PERSON: Doug Ray, Office of the Commissioner, DECD, 59 State House Station, Augusta, ME 04333. Telephone: (207) 624-9802 Email: douglas.ray@maine.gov.

EMERGENCY RULES ADOPTED SINCE THE LAST REGULATORY AGENDA: None

EXPECTED 2013-2014 RULE-MAKING ACTIVITY:

100: Office of Administration and Policy

Chapter 1: Municipal Tax Increment Financing Rule

STATUTORY AUTHORITY: 30-A §5223 and §5229

PURPOSE: Amend the rules to align with current statute and other technical adjustments.

ANTICIPATED SCHEDULE: When Conditions are Right

AFFECTED PARTIES: Municipalities, unorganized territories, businesses, communities

Chapter 50: Affordable housing tax increment financing

STATUTORY AUTHORITY: 30-A §5250-A and §5250-B

PURPOSE: Amend the rules to carry out duties of an affordable housing development district.

ANTICIPATED SCHEDULE: When Conditions are Right

AFFECTED PARTIES: Municipalities, unorganized territories, businesses, communities

Chapter 75: Business disclosure associated with eligibility for public subsidies and incentives

STATUTORY AUTHORITY: 5 §13070-J

PURPOSE: Amend the rule to align with current statute and other technical adjustments.

ANTICIPATED SCHEDULE: When Conditions are Right

AFFECTED PARTIES: Businesses seeking state assistance and/or access to state incentive programs.

CHAPTER 90: The Maine Rural Development Authority

STATUTORY AUTHORITY: 5 §13120-L

PURPOSE: Amend the rule to align with current statute and other technical adjustments.

ANTICIPATED SCHEDULE: When Conditions are Right

AFFECTED PARTIES: Communities seeking loans for the development of commercial facilities.

CHAPTER 100: Pine Tree Development Zone Rules

STATUTORY AUTHORITY - 30-A §5250-M

PURPOSE: Amend the rule to align with current statute and other technical adjustments

ANTICIPATED SCHEDULE: When Conditions are Right

AFFECTED PARTIES: Companies using or eligible for Pine Tree Development Zone benefits, Economic Development organizations and consultants.

CHAPTER 200: Pine Tree Recreation Zone

STATUTORY AUTHORITY: 30-A §5250-Q

PURPOSE: Amend the rule to align with current statute and other technical adjustments.

ANTICIPATED SCHEDULE: When Conditions are Right

AFFECTED PARTIES: Municipalities, unorganized territories, businesses, communities

CHAPTER 400: Employment Tax Increment Financing Rules

STATUTORY AUTHORITY: 36 §6759

PURPOSE: Amend the rule to align with current statute and other technical adjustments

ANTICIPATED SCHEDULE: When Conditions are Right

AFFECTED PARTIES: Companies using or eligible for ETIF, State Agencies, Economic Development Consultants.

CHAPTER 450: Applied Technology Development Centers

STATUTORY AUTHORITY: 5 § 15321

PURPOSE: These rules establish the criteria for grants and program operation for targeted technology incubators.

ANTICIPATED SCHEDULE: When Conditions are Right

AFFECTED PARTIES: Municipalities, economic development organizations, communities and businesses

CHAPTER 500: Brunswick Naval Air Station Jobs Increment Financing Fund

STATUTORY AUTHORITY: 5 § 13083-S-1

PURPOSE: These rules establish the criteria for grants and program operation for targeted technology incubators.

ANTICIPATED SCHEDULE: When Conditions are Right

AFFECTED PARTIES: Municipalities, economic development organizations, communities and businesses

498: Office of Community Development

CHAPTER 42: Program Statement for administering the 2014 Community Development Block Grant Program

STATUTORY AUTHORITY: 5 §13073

PURPOSE: The rule outlines the procedures by which DECD will administer the Community Development Block Grant Program and allows DECD to administer the federal grant funds in a timely and efficient manner.

ANTICIPATED SCHEDULE: Notice of proposed rule in September 2013, public hearing in October of 2013 and adoption by the end of October 2013.

AFFECTED PARTIES: The beneficiaries are Maine's cities and towns (excluding Auburn, Bangor, Biddeford, Lewiston, Portland and Cumberland County, with the exception of Brunswick and Frye Island) and primarily persons of low-to-moderate income.

CHAPTER 60: Communities for Maine's Future Program

STATUTORY AUTHORITY: 5 § 13056-D

PURPOSE: These rules implement the program to provide funding for the rehabilitation, revitalization and enhancement of downtowns and village centers and main streets in the State.

ANTICIPATED SCHEDULE: When Conditions are Right

AFFECTED PARTIES: Maine municipalities looking for assistance in community development efforts.

CHAPTER 65: Historic Preservation Revolving Fund

STATUTORY AUTHORITY: 5 § 13056-F

PURPOSE: These rules implement the program to provide funds to qualified nonprofit historic preservation organizations for the purpose of acquiring endangered historic properties of local, state or national significance.

ANTICIPATED SCHEDULE: When Conditions are Right

AFFECTED PARTIES: Qualified nonprofits seeking funds to preserve historic property.

CHAPTER 70: Regional Economic Development Assistance

STATUTORY AUTHORITY: 5 § 13073-A

PURPOSE: These rules implement the program to award start-up grants to nonprofit local or regional community organizations providing local or regional economic development programs.

ANTICIPATED SCHEDULE: When Conditions are Right

AFFECTED PARTIES: Economically distressed communities in Maine.

CHAPTER 75: Riverfront Community Development Program

STATUTORY AUTHORITY: 5 § 13083-T

PURPOSE: These rules implement the program to assist communities along the State's rivers to revitalize their riverfronts in an environmentally sustainable manner and to promote river-oriented community development and enhancement projects.

ANTICIPATED SCHEDULE: When Conditions are Right

AFFECTED PARTIES: Maine municipalities located along rivers.

CHAPTER 80: Economic Opportunity Program

STATUTORY AUTHORITY: 5 § 13090-B

PURPOSE: These rules establish the criteria for implementation of the program.

ANTICIPATED SCHEDULE: When Conditions are Right

AFFECTED PARTIES: Maine municipalities seeking grants to secure public and/or private investments to stimulate economic growth.

CHAPTER 300: Training and Certification for Code Enforcement Officers

STATUTORY AUTHORITY: 30-A § 4451- 5

PURPOSE: These rules establish the standards and procedures to certify and recertify local code enforcement officers, local plumbing inspectors, building officials and third-party inspectors. It establishes the minimum standards for all code enforcement officers appointed in Maine and recertification standards that recognize the experience and diverse job responsibilities of Maine's professional code enforcement community. The rules are intended to be flexible to accommodate the range of experience of code enforcement officers, while laying out basic requirements for newly-appointed code enforcement officers.

ANTICIPATED SCHEDULE: When Conditions are Right

AFFECTED PARTIES: Code Enforcement Officers, Local Plumbing Inspectors, Third-party Inspectors, Municipal Officials, Fire Marshal's Office, Maine Municipal Association, etc.

499: Office of Business Development

CHAPTER 255: Visual Media Production Certification

STATUTORY AUTHORITY: 5 § 13090-L

PURPOSE: These rules establish the criteria for program operation of the Visual Media Production Certification.

ANTICIPATED SCHEDULE: When Conditions are Right

AFFECTED PARTIES: Producers of Maine media projects.

CHAPTER 260: Visual & Digital Media Loan Program

STATUTORY AUTHORITY: 5 § 13090-M

PURPOSE: These rules establish the criteria for program operation of the Visual & Digital Media Loan Program.

ANTICIPATED SCHEDULE: When Conditions are Right

AFFECTED PARTIES: Producers of Maine media projects.

CHAPTER 301: Maine Products Marketing Program

STATUTORY AUTHORITY: 5 § 13058(3) and 13061, *et seq.*

PURPOSE: These rules establish the criteria for program operation of the Maine Products Marketing Program.

ANTICIPATED SCHEDULE: When Conditions are Right

AFFECTED PARTIES: Maine producers of consumer goods.

CHAPTER 311: Maine Microenterprise Initiative Fund

STATUTORY AUTHORITY: 5 § 13063-K and 13063-M

PURPOSE: These rules establish the criteria for carrying out this article.

ANTICIPATED SCHEDULE: When Conditions are Right

AFFECTED PARTIES: Maine community-based organizations providing training to microenterprises.

CHAPTER 321: Travel Promotion Matching Fund Program

STATUTORY AUTHORITY: 5 § 13090-G

PURPOSE: These rules establish the criteria for carrying out this program.

ANTICIPATED SCHEDULE: When Conditions are Right

AFFECTED PARTIES: Maine public and private nonprofit travel promotional organizations.

CHAPTER 331: Technology Centers

STATUTORY AUTHORITY: 5 § 15322

PURPOSE: These rules establish the program to support early-stage development of technology-based businesses.

ANTICIPATED SCHEDULE: When Conditions are Right

AFFECTED PARTIES: Early-stage, technology-based businesses in the State.