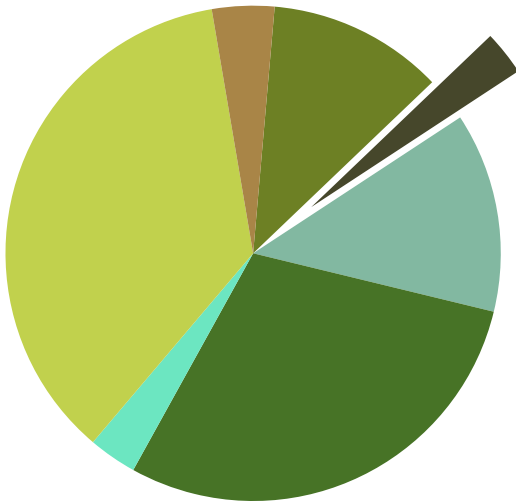


Economic Development

Mission Statement

The mission of the Department of Economic Development is to serve as the first point of contact for startup, relocating, and existing businesses in order to create an abundance of high paying jobs in targeted industry sectors for residents and grow the commercial tax base. The Department of Economic Development offers a wide variety of programs and services to help diversify the County's business base, foster a collaborative business intelligence environment, and build capacity of local entrepreneurs. The Department works with County colleagues and private, nonprofit, institutional, and public partners to attract new business real estate investment that is viable, regionally competitive, and in line with broader County goals and objectives.



Expenditure Budget:
\$5,096,305



2.9% of Community Development

Program:

- Investment Attraction: \$1,875,857
- Existing Business & Small Business Development: \$655,393
- Marketing & Communications: \$1,129,512
- Redevelopment & Revitalization: \$404,502
- Policy, Incentives, & Operations \$1,031,040

Community Development Expenditure Budget:
\$176,175,140

Mandates

The Department of Economic Development does not provide a state or federally mandated service.

Economic Development

Expenditure and Revenue Summary



Expenditure by Program	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Adopted	FY24 Adopted	% Change Budget FY23/ Budget FY24
Investment Attraction	\$1,977,071	\$2,584,779	\$3,702,890	\$1,644,063	\$1,875,857	14.10%
Existing Business & Small Business Development	\$686,662	\$817,668	\$1,640,986	\$788,887	\$655,393	(16.92%)
Marketing & Communications	\$741,696	\$1,258,537	\$1,297,523	\$1,570,904	\$1,129,512	(28.10%)
Economic Development Opportunity Fund	\$0	\$0	\$34,741	\$0	\$0	-
Redevelopment & Revitalization	\$0	\$155,666	\$218,254	\$250,934	\$404,502	61.20%
Policy, Incentives, and Operations	\$0	\$0	\$0	\$421,776	\$1,031,040	144.45%
Total Expenditures	\$3,405,429	\$4,816,649	\$6,894,394	\$4,676,564	\$5,096,305	8.98%

Expenditure by Classification

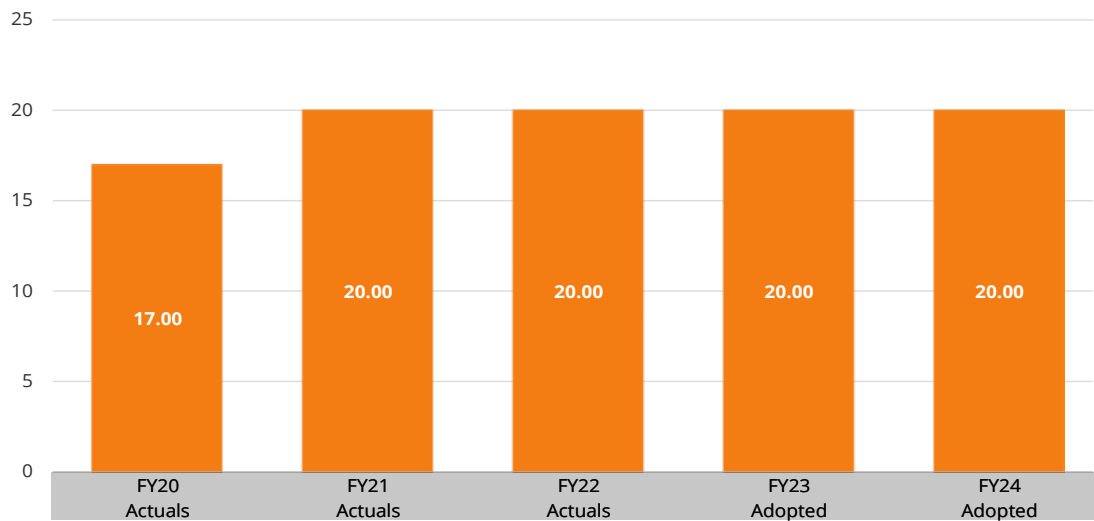
Salaries & Benefits	\$1,771,218	\$2,355,864	\$2,716,033	\$2,760,295	\$3,090,973	11.98%
Contractual Services	\$213,593	\$788,733	\$947,705	\$962,272	\$962,272	0.00%
Internal Services	\$214,376	\$89,427	\$82,581	\$154,385	\$154,972	0.38%
Purchase of Goods & Services	\$538,965	\$669,910	\$1,132,765	\$524,482	\$628,362	19.81%
Leases & Rentals	\$267,277	\$309,639	\$309,568	\$275,130	\$275,130	0.00%
Reserves & Contingencies	\$0	\$0	\$0	\$0	(\$15,404)	-
Payments to Other Local Agencies	\$400,000	\$290,000	\$915,000	\$0	\$0	-
Transfers Out	\$0	\$313,076	\$790,741	\$0	\$0	-
Total Expenditures	\$3,405,429	\$4,816,649	\$6,894,394	\$4,676,564	\$5,096,305	8.98%

Funding Sources

Use of Money & Property	\$216,323	\$189,477	\$263,393	\$226,939	\$226,939	0.00%
Revenue from Other Localities	\$250,000	\$75,000	\$0	\$0	\$0	-
Miscellaneous Revenue	\$250,000	\$73,630	\$531	\$0	\$0	-
Non-Revenue Receipts	\$0	\$1,500	\$0	\$0	\$0	-
Charges for Services	\$0	\$0	\$1,175	\$0	\$0	-
Transfers In	\$0	\$0	\$756,000	\$0	\$0	-
Total Designated Funding Sources	\$216,323	\$716,323	\$339,607	\$226,939	\$226,939	0.00%
Net General Tax Support	\$3,189,106	\$4,627,302	\$5,873,294	\$4,449,625	\$4,869,366	9.43%
Net General Tax Support	93.65%	96.07%	85.19%	95.15%	95.55%	

Economic Development

Staff History by Program



	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Adopted	FY24 Adopted
Investment Attraction	9.05	9.75	8.65	6.65	6.00
Existing Business	1.40	1.40	3.50	3.50	2.00
Marketing & Communications	6.55	7.85	7.10	7.60	4.00
Redevelopment & Revitalization	0.00	1.00	0.75	1.25	2.00
Policy, Incentives & Operations	0.00	0.00	0.00	1.00	6.00
Full-Time Equivalent (FTE) Total	17.00	20.00	20.00	20.00	20.00

Future Outlook

Long-Term Economic Recovery – During FY21-FY23, the Department of Economic Development (DED) deployed millions of dollars in grants funded by the Coronavirus Aid, Recovery and Economic Security (CARES) Act and the American Rescue Plan Act (ARPA) to provide relief to small businesses, to assist businesses in making capital investments to improve resiliency, and to get job seekers back to work. The Department is still in the process of implementing and marketing many of the economic recovery programs identified for ARPA funding, as well as working with other agencies to ensure documentation is ready for audit processes. Many of these ARPA programs to be implemented are focused on long-term recovery efforts such as the small business revolving loan, a small business resource center, barriers to success study, and the hub zone study and attraction. DED will continue to focus on long-term economic recovery by providing support to existing businesses, encouraging new capital investment, and building capacity for entrepreneurial endeavors.

Branding, Marketing and Promotion – Over the past three years, the DED has made a concerted effort to increase overall marketing and promotion reach by developing new original content. The Department has made an impact by changing the perception of Prince William County (PWC) in the marketplace, telling business and industry stories, and securing more PWC business articles in print, digital, and radio outlets. To build on this momentum, the Department will focus on launching new economic development branding with refined messaging to targeted industries to generate new leads. Additionally, a major focus of the marketing and promotion efforts will be to develop new content for the eastern side of Prince William to drive further investment and encourage redevelopment.

New Business Investment – The COVID-19 pandemic accelerated the demand of certain targeted industries due to more people working remotely and using e-commerce to obtain services and goods. That demand is reducing somewhat as the economic activity shifts to a “new normal.” Ensuring that PWC can offer ample real estate product including land, critical infrastructure, expedited time to market, and a competitive operating environment will be important to leverage the activity in Life Sciences, Information Communication Technology, and Specialized Logistics & Supply Chain industries to ultimately attract new business investment and jobs. Generating new business leads will be obtained through participation in strategic trade shows and conferences, site selection consultant mission trips, regional networking and relationship-building events, active use of lead generation data bases and consultants, and an active marketing and social media presence. The Department will work with partner agencies to develop policy proposals that address County challenges, such as: lack of mixed-use office product, shortage of land zoned for manufacturing, and lack of entrepreneurial density.

Economic Development

Existing Business Engagement and Workforce Development – PWC employers across all industries have experienced difficulties in hiring and retaining staff. The federal funding provided by CARES Act and ARPA enabled the County to launch the ELEVATE workforce development program to assist businesses with workforce challenges and provide free resources for training and hiring employees. However, even with these free resources for businesses, the lack of workforce continues to be a community challenge, and the DED team continues to seek out other partners to help identify prospective employees for County businesses. Therefore, workforce development programs and initiatives will continue to be a major focus of Existing Business Engagement during this fiscal year to assist businesses in filling positions and organizing job fairs. Strategic workforce partners at the university, community college, technical, and high school Career and Technical Education levels will be engaged to create opportunities for internships, incumbent workers training, and provide education and certification programs. In addition, through strategic engagement, marketing, and outreach activities, DED will promote grant programs and resources to existing businesses to help them withstand the continued economic hardship created by the pandemic. The Department will work with the NOVA Economic Development Alliance on workforce attraction initiatives.

High Growth Startups and Technology Entrepreneurship Capacity Building – It is widely accepted that, in times of disruption, innovation is born, and that is true for entrepreneurs who may seek to capitalize on new opportunities or decide to start a business if they lost their job. Due to the pandemic, this scenario has played out over the past year as the number of new business establishments has increased in line with regional and national trends. Building and growing a tech entrepreneurial ecosystem will be key to helping the County with overall recovery. The Department’s Ignite Start Up grant has been very successful in attracting the interest of technology startups across industry sectors including cybersecurity, life sciences, healthcare IT, and information technology. Tech entrepreneurs require different levels of services as their economic growth model is vastly different than the legacy small business. The Department’s work in this area is currently dispersed among several staff members. To grow this specialized segment of the County’s overall economic base, dedicated resources and funding will be required.

General Overview

A. Mason Small Business Center Increase – On October 11, 2022, the Board of County Supervisors (BOCS), via [BOCS Resolution 22-467](#), voted to fund a contractual increase for counseling services through the Mason Small Business Development Center (SBDC) of George Mason University. Since 2019, the County has contracted with Mason SBDC to assist entrepreneurs and small businesses in PWC. Mason SBDC has increased counseling hours and workshops to support small business recovery and ignite entrepreneurship in response to the lasting economic impacts caused by the COVID-19 pandemic. With the \$50,840 contract increase, the County pays an annual contract amount of \$288,836 for Mason SBDC services.

Budget Initiatives

A. Budget Initiatives

1. NOVA Economic Development Alliance Membership Cost – Investment Attraction

Expenditure	\$50,000
Revenue	\$0
General Fund Impact	\$50,000
FTE Positions	0.00

- a. Description** – This initiative covers annual membership in the Northern Virginia Economic Development Alliance, a public/private partnership comprised of 10 Northern Virginia communities. The Alliance will provide a coordinated regional approach to business development and lead generation, market the NOVA region as a top place for talent, and increase NOVA brand awareness as a world class region.
- b. Service Level Impacts** – This initiative supports several action strategies in the Resilient Economy goal area of the County’s [2021 – 2024 Strategic Plan](#). Specifically, membership in the Alliance supports Objective RE-1, Action Strategy RE1: H by working with regional partners to share resources as well as to develop and implement a talent attraction and retention strategy. Membership in the Alliance also supports Objective RE-3, Action Strategy RE3: A in the Resilient Economy goal area by increasing external collaborations and partnerships. These efforts build a positive brand/image for PWC.

Economic Development

Program Summary

Investment Attraction

Increase awareness of PWC's advantages as a business location, identify and pursue target market opportunities, develop relationships with investors to build new product, and package prospect proposals resulting in the attraction of new and the expansion of existing businesses.

Key Measures	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Adopted	FY24 Adopted
Total amt. of square footage from new commercial real estate	-	2,476,000	130,223	300,000	100,000
Total amount of capital investment from new businesses	-	\$1.9B	\$1.3B	\$0.5B	\$0.6B
Total number of jobs created from new business	33	1,170	732	300	300
Total capital investment from new commercial real estate product developed	-	\$2.3B	\$12.5M	\$75.0M	-
New occupied space (sf) - leased, build-to-suit, owner occupied	-	100,000	286,116	100,000	-
County at-place employment	130,941	125,254	131,325	127,760	-
Total number of companies moving to PWC	25	25	16	20	-

Program Activities & Workload Measures <i>(Dollar amounts expressed in thousands)</i>	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Adopted	FY24 Adopted
Investment Attraction Marketing	\$1,977	\$2,586	\$3,703	\$1,644	\$1,876
# of active qualified prospects	-	61	64	75	75
# of leads generated	75	83	117	200	200
Close rate on active qualified leads generated to companies' announcements	-	30	20	10	-

Economic Development

Existing Business and Small Business Development

The Existing Business (BRE) and Small Business Development (SBD) program retains existing businesses, identifies and secures company expansion projects, and acts as a strategic advisor to company executives, assisting them to grow and expand their operations in the County. Another component of the BRE program is to engage existing County companies to discover and promote their business successes and provide opportunities for earned media. Workforce development and resources is another major value-added service of the BRE program helping employers find and train new workers and connect them to valuable resources. The SBD program supports new and established firms and positions them for growth by offering key resources, customized assistance, and capacity building to essentially grow the County's own from within.

Key Measures	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Adopted	FY24 Adopted
# of existing business prospects which remained and/or expanded in PWC	12	NR	28	10	20
Total number of existing business jobs created and retained	NR	180	653	250	300

Program Activities & Workload Measures <i>(Dollar amounts expressed in thousands)</i>	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Adopted	FY24 Adopted
Existing Business Outreach/Expansion	\$449	\$381	\$1,149	\$320	\$133
Total amt. of capital investment from business expansion	\$19M	\$46M	\$133M	\$20M	\$30M
Total amt. of square footage from business expansion	43,800	330,800	376,832	75,000	75,000
# of existing business visits	46	92	65	40	50
# of times PWC businesses were engaged related to business development/expansion	4,105	5,045	7,119	5,000	8,000
Small Business Development	\$238	\$437	\$492	\$468	\$522
# of small business workshop or webinar attendees	218	1,228	1,635	400	400
# of one-on-one meetings with small businesses	226	514	993	250	250
Total number of small businesses started	-	7	13	20	20
Total # of jobs created/retained as a result of new small businesses started	-	578	96	500	100

Economic Development

Marketing and Communications

The Marketing and Communications program develops comprehensive marketing campaigns to raise the profile of PWC. Additionally, the program supports business development efforts through collateral production, event assistance and media relations; creates and communicates PWC's economic development messages; generates new leads and interest; and provides valuable content and data to targeted customers.

Key Measures	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Adopted	FY24 Adopted
Total number of marketing qualified lead (outbound digital marketing)	-	72	86	60	75
Total number of sales qualified leads (inbound contacts response)	-	11	17	10	15

Program Activities & Workload Measures <i>(Dollar amounts expressed in thousands)</i>	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Adopted	FY24 Adopted
Business Location and Expansion Research	\$423	\$796	\$852	\$744	\$383
Customized research for clients	250	253	260	-	250
Web Site Marketing and Outreach, Public Relations and Special Events	\$319	\$461	\$446	\$826	\$746

Economic Development

Redevelopment and Revitalization

The Redevelopment and Revitalization program is focused on catalyzing development in targeted areas in eastern PWC, as well as the redevelopment corridors in the adopted Comprehensive Plan. Marketing and promoting targeted areas will be key to attracting the ideal mix of product types and tenants to support investment in these sites. Utilizing federal and state resources and initiatives such as the Federal Opportunity Zone, Hub Zone, and New Market Tax Credit programs and use of Public-Private Partnerships will help accelerate development and create viable opportunities. Focus will consist of creating product to attract the workforce of tomorrow in walkable, mixed-use dense communities that will attract targeted industries such as Information Technology companies and government contractors, thus adding more well-paying jobs to the employment base.

Key Measures	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Adopted	FY24 Adopted
Total amount of mixed-use square footage considered for redevelopment projects	-	-	-	50,000	50,000
Total amount of square footage from new commercial real estate product developed	-	44,000	-	20,000	20,000

Program Activities & Workload Measures <i>(Dollar amounts expressed in thousands)</i>	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Adopted	FY24 Adopted
Redevelopment & Revitalization	\$0	\$156	\$218	\$251	\$405
# of contacts engaged about redevelopment	-	26	-	20	-
# of redevelopment leads generated	-	26	-	25	25
# of active redevelopment projects	-	26	-	5	5
# meetings/briefings private sector prospects interested in OZ opportunities	-	151	38	20	15

Policy, Incentives, and Operations

The Policy, Incentives and Operations program oversees grants management, budget process, and general operations to improve overall efficiency and cross-departmental communications. This program manages the County's economic development incentives program and ensures that appropriate policies, systems, and protocols are in place and adhered to. Additionally, it evaluates new incentive tools that could be leveraged to achieve the Resilient Economy goals in the County's Strategic Plan. The program is also responsible for providing data and economic intelligence to support the business attraction, expansion, and retention efforts of DED.

Key Measures	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Adopted	FY24 Adopted
# of active grants management projects providing performance reporting on time	-	-	-	22	22

Program Activities & Workload Measures <i>(Dollar amounts expressed in thousands)</i>	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Adopted	FY24 Adopted
Operations	\$0	\$0	\$0	\$177	\$427
Number of companies within the customer relationship management database	-	-	-	350	350
Data & Research Tools	\$0	\$0	\$0	\$245	\$604
Response to data requests	-	-	-	250	250
Customized research, data analysis and reporting	-	-	-	16	16