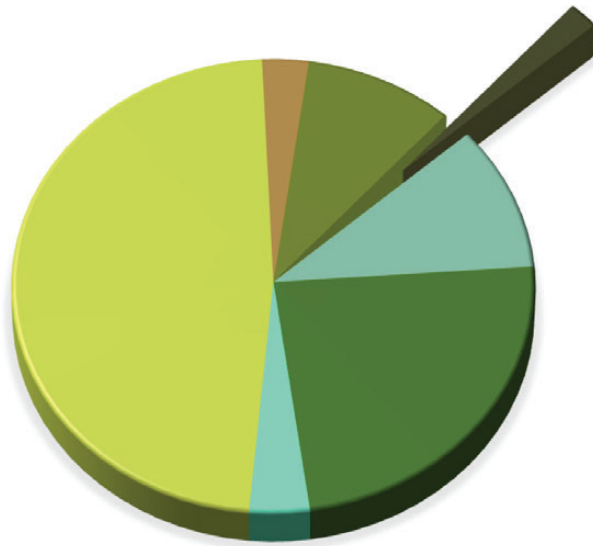


Economic Development

Mission Statement

The mission of the Department of Economic Development is to enable a robust economy with wealth creation opportunities for its residents by the attraction of new business investment, expansion of existing businesses, and the generation of new companies in the County's targeted sectors.



Expenditure Budget:
\$3,274,708



1.9% of Community Development

Program:

- Investment Attraction: \$1,840,191
- Existing Business: \$512,186
- Marketing & Research: \$922,330

Community Development Expenditure Budget:
\$170,455,457

Mandates

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

Economic Development



Expenditure and Revenue Summary

Expenditure by Program	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Adopted	FY20 Adopted	% Change Budget FY19/ Budget FY20
Investment Attraction	\$1,626,720	\$2,055,433	\$1,836,148	\$1,830,931	\$1,840,191	0.51%
Existing Business	\$465,963	\$472,531	\$479,423	\$499,196	\$512,186	2.60%
Marketing & Research	\$793,969	\$688,624	\$712,991	\$588,651	\$922,330	56.69%
Opportunity Fund	\$0	\$231,730	\$0	\$0	\$0	0.00%
Total Expenditures	\$2,886,652	\$3,448,318	\$3,028,562	\$2,918,779	\$3,274,708	12.19%

Expenditure by Classification

Salaries and Benefits	\$1,488,009	\$1,562,544	\$1,607,385	\$1,681,469	\$1,972,344	17.30%
Contractual Services	\$425,390	\$236,742	\$293,994	\$434,548	\$355,869	(18.11%)
Internal Services	\$67,626	\$74,977	\$85,788	\$53,893	\$63,208	17.28%
Purchase of Goods & Services	\$568,013	\$617,989	\$578,621	\$476,162	\$610,580	28.23%
Capital Outlay	\$26,457	\$6,150	\$0	\$1,000	\$1,000	0.00%
Leases & Rentals	\$251,146	\$267,618	\$275,275	\$271,707	\$271,707	0.00%
Payments to Other Local Agencies	\$5,000	\$295,000	\$187,500	\$0	\$0	0.00%
Transfers Out	\$55,011	\$387,299	\$0	\$0	\$0	0.00%
Total Expenditures	\$2,886,652	\$3,448,318	\$3,028,562	\$2,918,779	\$3,274,708	12.19%

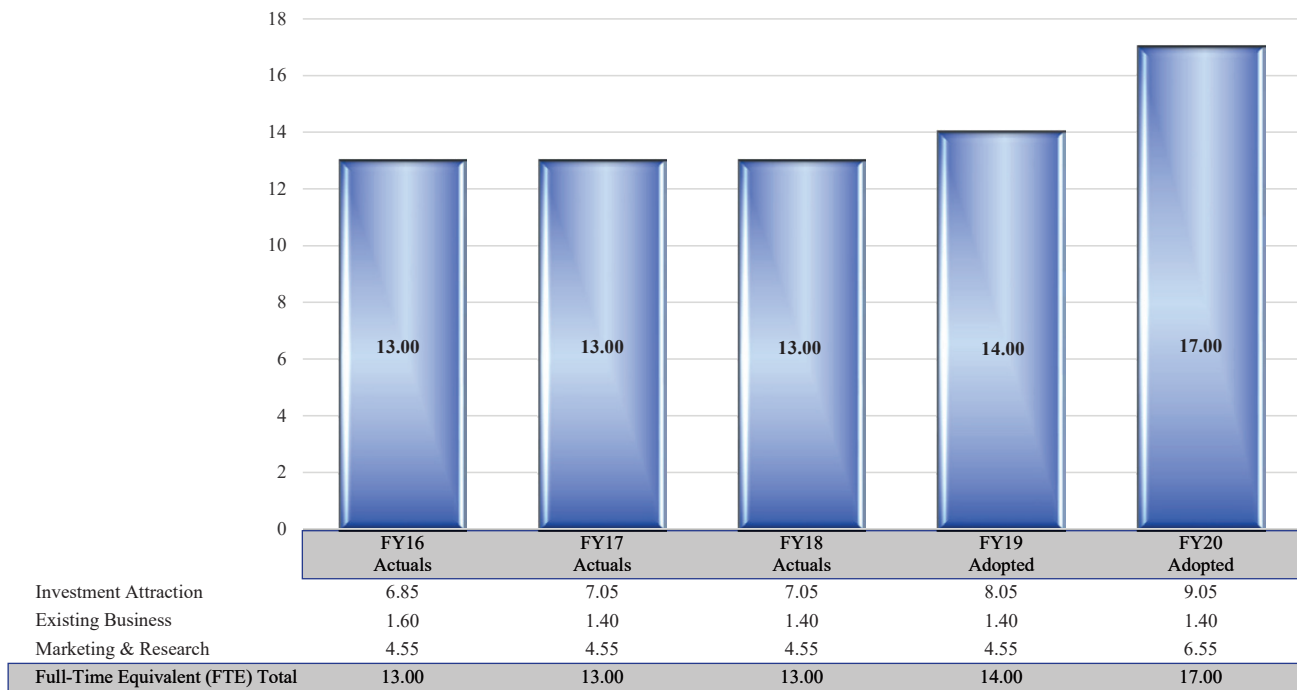
Funding Sources

Revenue from Federal Government	\$0	\$50,000	\$0	\$0	\$0	0.00%
Use of Money & Property	\$31,479	\$170,986	\$237,764	\$106,939	\$226,939	112.21%
Miscellaneous Revenue	\$0	\$5,200	\$0	\$0	\$0	0.00%
Revenue from Commonwealth	\$0	\$0	\$350,000	\$0	\$0	0.00%
Transfers In	\$443,507	\$130,000	\$3,000,000	\$0	\$0	0.00%
Total Designated Funding Sources	\$474,986	\$356,186	\$3,587,764	\$106,939	\$226,939	112.21%
Net General Tax Support	\$2,411,666	\$3,092,132	\$559,201	\$2,811,840	\$3,047,769	8.39%
Net General Tax Support	83.55%	89.67%	18.46%	96.34%	93.07%	

Economic Development



Staff History by Program



Future Outlook

Growing Targeted Industry Clusters – The recently completed Targeted Industry Analysis recommends focusing resources on growing and supporting targeted industry clusters, improving the economic development environment, and aligning resources and policies with economic development objectives. The Department of Economic Development (DED) will work with partner agencies to ensure that policies and resources are aligned in order to maximize opportunities for success within these cluster areas.

Enhancing Small Business Ecosystem – The County’s business economy is predominantly small- and mid-sized enterprises, with over 95% having 20 or fewer employees. The County also has a growing entrepreneurial sector, particularly in technology services. To build on this ecosystem, DED’s new Small Business Manager will work to enhance small business services throughout the County. This position will work in close coordination with the Development Services Department’s Small Business Project Management Program and with the Mason Enterprise Center to provide comprehensive small business assistance, counseling, and support services.

Accelerating Development in Eastern Prince William County (PWC) – Four initiatives have already begun which will enhance economic development opportunities in eastern PWC including: 1) a cybersecurity initiative in conjunction with Northern Virginia Community College (NVCC); 2) an “entrepreneurial accelerator” program to identify and assist high-growth potential companies; 3) a business intelligence effort to identify federal and state contractors; and 4) pursuing opportunities with George Mason University’s (GMU) Potomac Science Center in the area of environmental science. In addition, DED will be more proactive in pursuit of redevelopment opportunities. While the Department has not historically been involved in redevelopment activities, accelerating economic development in eastern PWC will require a change in the way the Department does business. Policy, program, and resource initiatives will be identified and implemented to take advantage of investments already

Economic Development

occurring in both the private and public sectors focusing on investments within the Small Area Plans, including North Woodbridge, Triangle, Parkway Employment Center, and Dale City. More aggressive use of federal and state resources and initiatives (such as the new Federal Opportunity Zone program) and use of Public-Private Partnerships will accelerate development within these redevelopment areas.

Elevating the County's Brand and Capitalizing on Major Regional Projects – The Department has made significant progress over the last five years in increasing the County's profile—globally, nationally, and regionally. Nevertheless, in order to accelerate efforts to increase visibility, DED will need to be more actively engaged in digital marketing communications channels.

Capitalizing on Regional Projects – With the recent announcements of the Micron Semiconductor facility expansion in Manassas and the Amazon HQ2 location in Arlington County, opportunities arise to capitalize on these major investments particularly in the areas of supply chain and workforce. The Department has begun both internal research as well as discussions with key partners and regional economic development counterparts as to how to leverage these major expansion/location decisions.

Strengthening Partner Relationships – The Department is constantly striving to leverage efforts by working with local and regional partners. DED sees the biggest partnership opportunities continuing to be with NVCC as well as GMU's Science & Technology campus. The Department will also continue to collaborate with the Northern Virginia Technology Council, the Prince William and Northern Virginia Chambers, the Virginia Economic Development Partnership, and the Greater Washington Board of Trade. The agreements with the County's Industrial Development Authority (IDA) will be updated to ensure that the work of the IDA is well integrated into the County's strategic plan initiatives. DED also intends to more formally engage with Marine Corps Base Quantico on the outgoing talent pipeline and to facilitate opportunities with existing companies or new business start-ups.

General Overview

- A. **Redevelopment Manager** – 1 FTE was shifted from the Commonwealth Attorney's Office to DED. This position will serve as a Redevelopment Manager who will be responsible for developing, marketing, and implementing redevelopment opportunities for the County's Targeted Industries, pursuant to the County's Robust Economy Strategic Plan Goal. The total cost of the shifted position is \$87,301.
- B. **Increase in Department Revenue** – DED's revenue budget is increased by \$60,000 based on an analysis of actual revenue received in FY17 and FY18.
- C. **Small Business Assistance** – A total of \$238,066 is included in the DED's budget to enter into an agreement with the Mason Enterprise Center to provide services to small businesses in the County. The success of small businesses remains an integral part of the County's Robust Economy Strategic Plan Goal.

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Budget Initiatives

A. Budget Initiatives

1. Increased Utilities Costs at Science Accelerator (Wet Lab) – Investment Attraction

Expenditure	\$60,000	General Fund Impact	\$0
Revenue	\$60,000	FTE Positions	0.00

a. **Description** – This initiative funds the increased cost of utilities such as gas, electric, and water at the Science Accelerator located at Innovation Park. The initiative is revenue supported from lease revenue the County receives from Science Accelerator tenants so there is no net impact to the general fund.

b. **Service Level Impacts** – Existing service levels are maintained.

2. Communications Specialist – Marketing & Research

Expenditure	\$70,671	General Fund Impact	\$70,671
Revenue	\$0	FTE Positions	1.00

a. **Description** – This initiative funds one Communications Specialist position that will create a wide variety of digital and hardcopy communications and marketing materials such as press releases, social media announcements, email newsletters, brochures, and other publications.

b. **Service Level Impacts** – This position will assist with the Robust Economy Strategic Plan goal by increasing outreach to existing businesses to more than 3,450 times per year.

3. Business Development Manager – Investment Attraction

Expenditure	\$90,576	General Fund Impact	\$90,576
Revenue	\$0	FTE Positions	1.00

a. **Description** – This initiative funds one Business Development Manager position that will advance the County’s efforts to expand existing businesses, provide more support to small businesses, and promote redevelopment opportunities.

b. **Service Level Impacts** – This position will assist with the following Robust Economy Strategic Plan goals: 1) increase commercial tax base as a percentage of overall tax revenue to 35 percent and 2) increase outreach to existing businesses by contacting existing businesses to more than 3,450 times per year.

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Program Summary

Investment Attraction

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

Key Measures	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Adopted	FY20 Adopted
Targeted jobs from new businesses	449	766	112	300	300
County at-place employment	122,596	137,060	128,354	141,000	142,000
Capital investment from new businesses	\$92.2M	\$1.2B	\$103.6M	\$500.0M	\$450.0M
Project wins from new businesses	13	24	18	23	25

Program Activities & Workload Measures (Dollar amounts expressed in thousands)	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Adopted	FY20 Adopted
Investment Attraction Marketing	\$1,627	\$2,057	\$1,832	\$1,831	\$1,840
Number of target missions/trade shows/special events	160	146	182	120	100
Number of leads generated	107	74	191	300	75
Qualified leads	60	49	57	70	75
Number of projects managed	42	49	49	50	55
Percent leads converted to projects	-	-	-	-	20%

Existing Business & Entrepreneurship

The Existing Business & Entrepreneurship program retains existing businesses, identifies and secures company expansion projects, and acts as a strategic advisor to company executives, assisting them to expand their operations in the County. In addition, the entrepreneurship initiative supports targeted and established firms to grow by offering key resources and customized assistance. The program also pursues initiatives to support small businesses and enhance the County's "entrepreneurial ecosystem." The Department of Economic Development's FY2020 Budget includes funding for the Mason Enterprise Center which provides small business assistance throughout the County. Mason Enterprise Center funding is included in the Entrepreneurship Initiatives activity.

Key Measures	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Adopted	FY20 Adopted
Capital Investment from existing businesses	-	-	-	-	\$50M
Targeted jobs from existing businesses	95	816	196	350	300
Business consultations completed	-	466	473	425	500
Existing business assisted with retention/expansion	-	-	-	-	52

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Program Activities & Workload Measures (Dollar amounts expressed in thousands)	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Adopted	FY20 Adopted
Existing Business Outreach/Expansion	\$235	\$240	\$249	\$268	\$274
Local companies assisted with expansion projects	17	12	13	12	-
Outreach activities	-	-	-	-	3,500
Existing business retention visits	-	-	-	-	50
Entrepreneurship Initiatives	\$231	\$231	\$231	\$231	\$238
Jobs created	131	142	255	150	-
Jobs saved/retained	106	169	12	50	-

FY16-18 Actuals reflect services provided by the Flory Small Business Center. FY20 targets are being developed for Mason Enterprise Center.

Marketing & Research

The Marketing & Research program is responsible for the coordination and execution of Economic Development's marketing and communication strategy, as well as the provision of economic intelligence to support the business attraction, expansion, and retention efforts of Economic Development.

Key Measures	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Adopted	FY20 Adopted
Unique visitors to digital content posted	-	-	-	-	40,000
Media coverage return on investment	-	-	-	-	250,000
Link clicks (user engagement)	-	-	-	-	3,000
Increase in social media followers	-	-	-	-	300
Number of E-mail subscribers	-	-	-	-	60,000
Marketing communications online digital content unique views	-	-	42,938	50,000	-
Website visits	-	-	39,420	22,000	25,000

Program Activities & Workload Measures (Dollar amounts expressed in thousands)	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Adopted	FY20 Adopted
Business Location and Expansion Research	\$595	\$427	\$433	\$343	\$672
Site and building inventory maintained and updated	45	75	100	350	-
Economic development research conducted for or presented to clients	70	144	142	250	-
Customized research for clients	-	-	-	-	250
Provision of economic intelligence data	-	-	-	-	12
Web Site Marketing and Outreach, Public Relations and Special Events	\$199	\$260	\$283	\$246	\$250
Press releases disseminated or media calls for information/statements fielded	81	150	175	200	-
Property searches on the Economic Development Site and Building Database	4,169	2,873	1,290	7,000	-