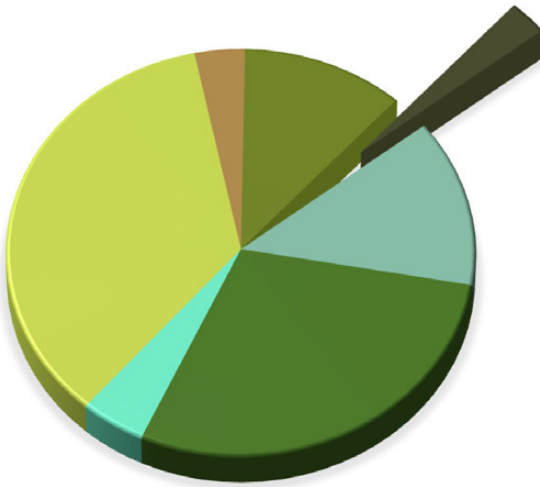


# Economic Development

## 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:**  
**\$4,040,707**

*2.8% of Community Development*

### Program:

- Investment Attraction: \$1,947,552
- Existing Business & Entrepreneurship: \$495,230
- Marketing, Communications & Research: \$1,409,512
- Redevelopment & Revitalization: \$188,413

**Community Development Expenditure Budget:**  
**\$144,638,318**

## Mandates

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

# Economic Development



## Expenditure and Revenue Summary

Expenditure by Program	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Adopted	FY21 Adopted	% Change Budget FY20/ Budget FY21
Investment Attraction	\$2,055,433	\$1,836,148	\$1,824,827	\$1,840,191	\$1,947,552	5.83%
Existing Business & Entrepreneurship	\$472,531	\$479,423	\$428,953	\$512,186	\$495,230	(3.31%)
Marketing, Communications & Research	\$688,624	\$712,991	\$678,554	\$922,330	\$1,409,512	52.82%
ED Opportunity Fund	\$231,730	\$0	\$0	\$0	\$0	0.00%
Redevelopment & Revitalization	\$0	\$0	\$0	\$0	\$188,413	0.00%
<b>Total Expenditures</b>	<b>\$3,448,318</b>	<b>\$3,028,562</b>	<b>\$2,932,334</b>	<b>\$3,274,708</b>	<b>\$4,040,707</b>	<b>23.39%</b>

### Expenditure by Classification

Salaries and Benefits	\$1,562,544	\$1,607,385	\$1,587,514	\$1,972,344	\$2,292,870	16.25%
Contractual Services	\$236,742	\$293,994	\$552,183	\$355,869	\$805,869	126.45%
Internal Services	\$74,977	\$85,788	\$82,197	\$63,208	\$63,208	0.00%
Purchase of Goods & Services	\$617,989	\$578,621	\$315,512	\$610,580	\$606,053	(0.74%)
Capital Outlay	\$6,150	\$0	\$0	\$1,000	\$1,000	0.00%
Leases & Rentals	\$267,618	\$275,275	\$288,568	\$271,707	\$271,707	0.00%
Payments to Other Local Agencies	\$295,000	\$187,500	\$106,360	\$0	\$0	-
Transfers Out	\$387,299	\$0	\$0	\$0	\$0	-
<b>Total Expenditures</b>	<b>\$3,448,318</b>	<b>\$3,028,562</b>	<b>\$2,932,334</b>	<b>\$3,274,708</b>	<b>\$4,040,707</b>	<b>23.39%</b>

### Funding Sources

Revenue from Federal Government	\$50,000	\$0	\$0	\$0	\$0	-
Use of Money & Property	\$170,986	\$237,764	\$187,588	\$226,939	\$226,939	0.00%
Miscellaneous Revenue	\$5,200	\$0	\$0	\$0	\$0	-
Revenue from Commonwealth	\$0	\$350,000	\$0	\$0	\$0	-
Transfers In	\$130,000	\$3,000,000	\$0	\$0	\$0	-
<b>Total Designated Funding Sources</b>	<b>\$356,186</b>	<b>\$3,587,764</b>	<b>\$187,588</b>	<b>\$226,939</b>	<b>\$226,939</b>	<b>0.00%</b>
<b>Net General Tax Support</b>	<b>\$3,092,132</b>	<b>\$559,201</b>	<b>\$2,744,746</b>	<b>\$3,047,769</b>	<b>\$3,813,768</b>	<b>25.13%</b>
<b>Net General Tax Support</b>	<b>89.67%</b>	<b>18.46%</b>	<b>93.60%</b>	<b>93.07%</b>	<b>94.38%</b>	

## Staff History by Program



## Future Outlook

**Reposition Prince William County's (PWC) Brand and Leverage Northern Virginia (NOVA) Economic Development Alliance (EDA) Opportunities** – Building brand awareness with concentrated targeted demographic marketing outreach through regional and national digital networks is essential to gain national recognition. Developing an economic and demographic business case to support the brand will be essential in recruiting companies. With the recent formation of the NOVA EDA, PWC must catch up and assume its position as part of the brand “InNOVation Lives Here” now synonymous with Northern Virginia. The timing is now and vital for PWC to be viewed as an essential workforce recruitment engine and showcase the County’s value proposition in new and novel ways. By creating this brand awareness, the Department will be better able to capitalize on opportunities created through the Micron Semiconductor facility expansion in Manassas and the Amazon HQ2 location in Arlington County.

**Catalyze Development in Eastern PWC** – While the Department of Economic Development (DED) has not historically been involved in redevelopment activities, accelerating economic development in eastern PWC will require a new business focus. Policy, program, and resource initiatives will be identified and implemented to take advantage of investments already 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. Focus will consist of identifying targeted redevelopment areas to catalyze the redevelopment of walkable, mixed-use dense communities to attract targeted industries such as information technology companies and government contractors, thus adding more well-paying jobs to the employment base.

# Economic Development

**Leverage Targeted Industry Clusters** – The Targeted Industry Analysis recommends focusing resources on growing and supporting targeted industry clusters, improving the economic development environment, aligning resources and policies with economic development objectives, and supporting talent pipeline initiatives. The 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. DED will also engage in strategic lead generation activities to expand prospect outreach and filter those leads to viable prospects interested in PWC, thus driving faster results.

**Create a 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 Existing Business & Entrepreneurship program will be the first point of contact for entrepreneurs and small businesses by marketing and promoting the various services offered throughout the County such as free counseling, webinars, networking events, and small business development services programs. The program will also identify initiatives and services for military and veteran-owned, minority, and women-owned small businesses to build capacity and small business skills to ensure the success of the small business owner.

## General Overview

- A. Compensation Studies Implementation** – PWC implemented the findings of two compensation studies during the past three years. The Public Safety Retention and Recruitment Study findings for public safety sworn personnel were completed in FY20. Findings from the Classification and Compensation Study for general, non-sworn employees began implementation in FY20 and funding is included in the FY2021 Budget for completion in FY21. Salary and benefits increases in the FY2021 Budget are due to implementation of both studies. Please refer to the Compensation section of this document for more information.
- B. Position Transfer to Development Services/Position Transfer from Information Technology** – During FY20, the DED transferred 1.00 FTE (Marketing and Research Manager) to the Department of Development Services to support small businesses through marketing and outreach. The total cost of the shifted position is \$131,370. This position transfer supports the County’s Robust Economy Strategic Plan goal of increasing the annual growth of jobs in small business. DED also received 1.00 FTE from the Department of Information Technology resulting in no change to DED’s total FTE count. The total cost of the shifted position is \$110,775.

## Budget Initiatives

### A. Budget Initiatives

#### 1. Marketing Strategy Implementation – Marketing, Communications & Research

Expenditure	\$350,000
Revenue	\$0
General Fund Impact	\$350,000
FTE Positions	0.00

- a. Description** – This initiative is critical to Prince William’s economic recovery. Increased competition coupled with an increase in unemployment will require the department to expand marketing efforts and workforce initiatives. This initiative also will provide ongoing funding for a comprehensive marketing

strategy to capture business leads, raise PWC's profile/brand, and execute the recommendations from plans and various studies such as the Target Industry Study completed in November 2018.

- b. **Service Level Impacts** – A comprehensive marketing strategy that raises PWC's profile with business prospects supports the Strategic Plan outcomes of increasing the commercial tax base and increasing existing businesses retention rate.

## 2. Lead Generation Consultant Contracts – Investment Attraction

Expenditure	\$100,000
Revenue	\$0
General Fund Impact	\$100,000
FTE Positions	0.00

- a. **Description** – This initiative will expand the department's capabilities to generate new leads, and thus create more jobs and investment, in an increasingly competitive landscape due to the pandemic which will aide in economic recovery. This initiative provides funding for the use of Lead Generation consultants prior to identified strategic trade shows and marketing missions. Lead generation consultants increase the return on investment because of the ability to generate leads dependent on networking.
- b. **Service Level Impacts** – Lead Generation supports the Strategic Plan outcomes of increasing at-place employment, increasing the number of targeted jobs, and increasing the number of jobs in small businesses.

## 3. Assistant Director of Policy, Intelligence, and Operations – Investment Attraction

Expenditure	\$112,433
Revenue	\$0
General Fund Impact	\$112,433
FTE Positions	1.00

- a. **Description** – This initiative funds an Assistant Director of the DED. The position will create a culture within the DED of following protocols to effectively manage policy and research as well as operations of the department's incentive programs. As DED's programs grow, especially in the area of redevelopment, it will be crucial to have a team member ensure that incentive programs are implemented, tracked, and reported accurately. Also, as DED is charged with economic recovery and is responsible for creating new business grant programs associated with the CARES Act monies, it is pertinent that this position will oversee those programs to ensure we are following the guidelines and requirements.
- b. **Service Level Impacts** – An Assistant Director of DED will improve the overall efficiency of the department as well as support the Strategic Plan outcome of expanding the commercial tax base in redevelopment areas.

# Economic Development

## 4. Senior Communications Specialist – Marketing, Communications & Research

Expenditure	\$80,428
Revenue	\$0
General Fund Impact	\$80,428
FTE Positions	1.00

- a. **Description** – The hardest impacted industry sectors due to the pandemic include small businesses, retail, restaurants, personal services and accommodations. As such increased communication efforts will need to be expanded to develop new strategies targeted at these sectors to help aid in their recovery. The Senior Communications Specialist will implement communications strategies to support DED’s expansion of new targeted industry sectors, redevelopment efforts, and those businesses with the greatest impact due to the pandemic such as small business, retail, restaurants, and hotels. The Board of County Supervisor’s Strategic Plan, the Blue Skies Presentation, County Audit, and the Targeted Industry Study all have a common theme that more marketing is necessary to be competitive. This initiative will address the marketing need and will help to create more jobs for residents, increase capital investment, and raise the overall commercial tax base in pursuit of the County Robust Economy strategic goal.
- b. **Service Level Impacts** – Dedicated staff to focus on consistent messaging will assist with raising the profile of the existing business base while raising the profile of PWC itself.

## 5. Digital Strategy/Social Media Specialist – Marketing, Communications & Research

Expenditure	\$67,924
Revenue	\$0
General Fund Impact	\$67,924
FTE Positions	1.00

- a. **Description** – This initiative is critical to aid in the economic recovery of our community. Businesses use many various communication tools to receive their information, social media being one of the largest distribution channels. Ensuring that our business community is receiving critical information, as well as using social media to promote existing businesses will be key to helping them recover and grow. This initiative funds a Digital Strategy/Social Media Specialist who will support program initiatives, mission-based campaigns, tradeshow, and events where digital expertise and operational knowledge come together to continue the growth of the digital strategies practice for DED.
- b. **Service Level Impacts** – Social media is a critical tool in any organization’s marketing program. Executives and site selection consultants turn to social media as one of their top five sources of information about a marketplace. Dedicated staff will ensure a consistent presence on all social media channels.

# 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	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Adopted	FY21 Adopted
Total amt. capital investment from new commercial real estate product developed	-	-	-	-	\$100M
Total amt. of square footage from new commercial real estate product developed	-	-	-	-	300,000
New occupied space (sf) - leased, build-to-suit, owner occupied	-	-	-	-	100,000
Total amount of capital investment from new businesses	-	-	-	-	\$200M
County at-place employment	137,060	128,354	130,941	142,000	134,000
Total number of companies moving to PWC	24	18	23	25	25
Total number of new jobs created	766	112	197	300	300

Program Activities & Workload Measures (Dollar amounts expressed in thousands)	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Adopted	FY21 Adopted
<b>Investment Attraction Marketing</b>	<b>\$2,057</b>	<b>\$1,832</b>	<b>\$1,813</b>	<b>\$1,840</b>	<b>\$1,948</b>
# of active qualified prospects	-	-	-	-	75
Close rate on active qualified leads generated to companies' announcements	-	-	-	-	20
# of leads generated	74	191	169	75	300

### 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. Additionally, a main focus of the existing business program is to engage companies to promote their successes and provide opportunities for earned media. The small business and entrepreneurship initiative support targeted and established firms to grow by offering key resources, customized assistance, and capacity building to essentially grow the County's own from within.

Key Measures	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Adopted	FY21 Adopted
# of existing business prospects which remained and/or expanded in PWC	12	13	12	12	12
Total number of existing business jobs created and retained	-	-	-	-	300



# Economic Development

Program Activities & Workload Measures (Dollar amounts expressed in thousands)	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Adopted	FY21 Adopted
<b>Existing Business Outreach/Expansion</b>	<b>\$240</b>	<b>\$249</b>	<b>\$431</b>	<b>\$274</b>	<b>\$257</b>
Total amount of capital investment from existing companies expanding	-	-	-	-	\$50M
Expanded occupied space (square feet) (leased, build-to-suit, owner occupied)	-	-	-	-	75,000
# of welcome emails sent to new businesses	-	-	-	-	1,000
# of existing business visits	-	-	55	50	50
# of times PWC companies were engaged in business engagement/expansion activity	-	-	4,108	3,500	3,500
<b>Entrepreneurship Initiatives</b>	<b>\$231</b>	<b>\$231</b>	<b>\$0</b>	<b>\$238</b>	<b>\$238</b>
# of small business workshop or webinar attendees	-	-	-	-	400
# of small business one-on-one meetings and data EM to client	-	-	-	-	250
Total number of small businesses started	-	-	-	-	20
Total # of jobs created/retained as a result of new small businesses started	-	-	-	-	400

## Marketing, Communications & Research

The Marketing, Communications & Research program is responsible for raising the profile of PWC, generating new leads and interests, providing valuable content and data to targeted customers in order to implement the DED's marketing and communication strategy. Additionally, the program is responsible for providing economic intelligence to support the business attraction, expansion, and retention efforts of DED.

Key Measures	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Adopted	FY21 Adopted
Total number of marketing qualified lead (outbound digital marketing)	-	-	-	-	20
Total number of sales qualified leads (inbound contacts response)	-	-	-	-	5
Media coverage return on investment	-	-	-	250,000	250,000

Program Activities & Workload Measures (Dollar amounts expressed in thousands)	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Adopted	FY21 Adopted
<b>Business Location and Expansion Research</b>	<b>\$427</b>	<b>\$433</b>	<b>\$376</b>	<b>\$672</b>	<b>\$532</b>
Customized research for clients	-	-	-	250	-
Provision of economic intelligence data	-	-	-	12	-
<b>Web Site Marketing and Outreach, Public Relations and Special Events</b>	<b>\$260</b>	<b>\$283</b>	<b>\$312</b>	<b>\$250</b>	<b>\$878</b>
Media coverage return on investments	-	-	-	-	250,000



# Economic Development

## Redevelopment & Revitalization

The new Redevelopment & Revitalization program is focused on catalyzing development in targeted areas in eastern PWC. Marketing and promoting these targeted areas will be key to attract the ideal mix of product types and tenants to support investment in these sites. Utilizing federal and state resources and initiatives such as the new Federal Opportunity Zone, Hub Zones, 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 to attract targeted industries such as Information Technology (IT) companies and government contractors, thus adding more well-paying jobs to the employment base.

Key Measures	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Adopted	FY21 Adopted
Number of property owners engaged about redevelopment	-	-	-	-	20

Program Activities & Workload Measures (Dollar amounts expressed in thousands)	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Adopted	FY21 Adopted
<b>Redevelopment &amp; Revitalization</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$188</b>
# of contacts made due to outreach, trade show or events attended	-	-	-	-	25
Total amount of square footage from new commercial real estate product developed	-	-	-	-	20,000
# of firms introduced to OZ or redevelopment opportunities	-	-	-	-	5
# meetings/briefings private sector prospects interested in OZ/redevelopment opp	-	-	-	-	5