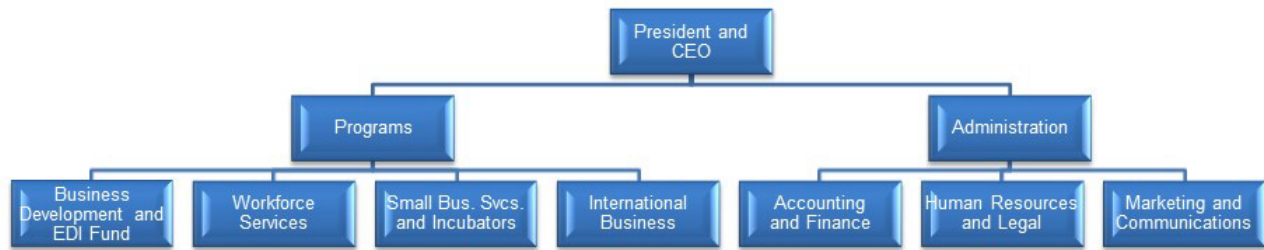


Economic Development Corporation



MISSION AND SERVICES

The Economic Development Corporation (EDC) markets and promotes the County to business, and provides services that support business development, high-wage job creation and the expansion of the County's commercial tax base.

CORE SERVICES

- Market and promote the County as the best place to do business, locally, regionally and globally, provide business intelligence, and assist with site selection, financing and permitting
- Provide tailored business services to retain and grow existing business in key industry sectors, including ICE, healthcare/life sciences, professional services and Federal agency employment
- Attract new businesses in targeted sectors such as Information Technology and Healthcare
- Revitalizing, repurposing and re-developing inner beltway
- Acquiring growth-oriented retail and restaurant establishments
- Launch and grow early-stage companies and international firms in the "Innovation Station" and International Business Center
- Provide business services, technical assistance, financing, networking, matchmaking and partnering opportunities targeted to small businesses
- Targeted acquisition/attraction of companies will be based on "qualified leads" from business partners in the commercial real estate and banking industries, site selection consultants, Maryland Department of Commerce and consultant reports (such as, ROI-data)
- Work with Employ Prince George's to provide services to County-based employers, from recruitment to training and talent acquisition
- Promote international business development through export assistance, foreign direct investment (FDI) and international business location/attraction
- Organize international business seminars and networking events, and plan and execute international business trade missions to enable county-based businesses to export and win business globally, thus creating jobs and business opportunities

FY 2019 KEY ACCOMPLISHMENTS

- Twenty- one businesses relocated to the County and/or expanded their operations to create new jobs including: Kaiser Permanente, Children’s National MC, EBA Engineering, Worldshine Adult Care, Beltsville Land, FTI Consulting, Kenseal, Bless-a-Rider, ATR Corp., Lionel Henderson, Starbucks, Olive Garden, ULTA and Mass Mutual
- County Executive and Council Members participated with the EDC in ICSC, Las Vegas
- The newly-expanded “Innovation Station” attracted twelve new companies, including some international businesses acquired through SelectUSA
- Organized business missions to Korea, China and Nigeria, and assisted County businesses with Export Assistance and “Gold Key” matchmaking services; the international program is slated for the “E-Award” for Export Assistance, a major recognition due to the attraction of growing companies from India
- Began the process of completely revising and updating its website, a major source of business inquiries and business information

STRATEGIC FOCUS IN FY 2020

The agency’s top priorities for FY 2020 are:

- Primary focus on business retention and growth that lead to job creation.
- Additional focus on targeted, focused business attraction in core sectors, such as healthcare and life sciences, professional services and IT (including HealthIT, cyber security, space technology and AI).
- Focus on small business services, including start-ups and the “Innovation Station.”
- Build stronger partnerships with towns and municipalities, especially for development projects.
- Attract upscale and new-concept restaurants and retail, and elimination of food deserts.
- Assist local companies exports to foreign markets, as well as attract FDI and international companies to the County.
- Develop and expand strategic marketing campaigns to promote Prince George’s County’s business climate, success stories, assets and lifestyle.
- Continue to execute a comprehensive fully integrated B2B marketing campaign, utilizing radio, television, digital, social and print media best practices.
- Fully align and integrate Prince George’s County’s brand and messaging in the EDC’s marketing efforts.
- Re-launch EDC’s website and make it a business-driven marketing tool, responsive, user-friendly and informational.
- Develop and execute a proactive campaign to capitalize on the opportunities of Amazon’s second headquarters by marketing the county’s diverse and affordable housing stock, assets, transportation systems and business climate to better position the county for Amazon-affiliated workers and businesses.
- Promote initiatives, programs, resources and incentives that will encourage economic development in Prince George’s County such as opportunity zones and commercial revitalization.

- Participate in local, regional and national industry trade shows and conferences, such as ICSC ReCon (Las Vegas), Mid-Atlantic ICSC, CoreNet Global Summit, SelectUSA, RSA, GlobalSoft, etc. to aggressively market Prince George’s County and to stay abreast of industry trends and best practices.

FY 2020 BUDGET SUMMARY

The FY 2020 proposed budget for the Economic Development Corporation is \$4,414,300, an increase of \$444,200 or 11.2% over the FY 2019 approved budget. The organization’s grant from the County totals \$3,915,700, an increase of \$472,600 or 13.7% over the FY 2019 County grant.

Reconciliation from Prior Year

	Expenditures
FY 2019 Approved Budget	\$3,970,100
Increase Cost: Operating — Increase in facilities expenses, professional fees and operating expenses to support program	\$160,000
Add: Compensation — Creation of new Director of Economic Development Revitalization position	85,000
Add: Operating — Funding for license, software and technical support services for the incubator Program	75,000
Increase Cost: Compensation — Mandatory Salary Requirements	68,800
Increase Cost: Fringe Benefits — Increase in fringe benefit cost resulting from mandatory salary requirements and new position	55,400
FY 2020 Proposed Budget	\$4,414,300

FY 2020 OPERATING BUDGET

Revenue by Category

Category	FY 2018 Actual	FY 2019 Budget	FY 2019 Estimate	FY 2020 Proposed	Change FY19-FY20	
					Amount (\$)	Percent (%)
Miscellaneous Income	\$48,273	\$1,000	\$1,000	\$125,000	\$124,000	12,400.0%
County Grant	3,457,600	3,443,100	3,443,100	3,915,700	472,600	13.7%
Enterprise Zone Grant	65,000	65,000	65,000	65,000	—	0.0%
Small Business Services Revenue	—	1,000	1,000	1,000	—	0.0%
Incubator Revenue	50,000	100,000	100,000	75,000	(25,000)	-25.0%
Event/Sponsorship Revenue	129,314	275,000	275,000	150,000	(125,000)	-45.5%
Fundraising Revenue	62,025	75,000	75,000	66,300	(8,700)	-11.6%
EDI Fund Processing Fees	23,480	10,000	10,000	16,300	6,300	63.0%
Total	\$3,835,692	\$3,970,100	\$3,970,100	\$4,414,300	\$444,200	11.2%

Expenditures by Category

Category	FY 2018 Actual	FY 2019 Budget	FY 2019 Estimate	FY 2020 Proposed	Change FY19-FY20	
					Amount (\$)	Percent (%)
Compensation	\$2,317,374	\$2,056,600	\$2,039,600	\$2,210,400	\$153,800	7.5%
Fringe Benefits	627,593	740,400	734,300	795,800	55,400	7.5%
Operating	1,141,680	1,173,100	1,196,200	1,408,100	235,000	20.0%
Total	\$4,086,647	\$3,970,100	\$3,970,100	\$4,414,300	\$444,200	11.2%

SERVICE DELIVERY PLAN AND PERFORMANCE

Goal 1 — Retain and expand businesses in Prince George's County by providing market intelligence, site selection, technical assistance, permit assistance, relationship management and financial incentives.

Objective 1.1 — Increase the number of jobs directly attracted or retained due to EDC efforts.

FY 2024 Target	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Projected	Trend
3,500	3,500	2,250	2,500	3,000	↑

Trend and Analysis

Prince George's County led the State of Maryland and the region in year-over-year job growth during the five quarters entering 2018. Recently, this trend has slowed. The Economic Development Corporation (EDC) will, therefore, focus heavily on job creation and expansion of the County's commercial tax revenue base through the retention and expansion of existing businesses.

The County approved 46 projects through its Economic Development Incentive Fund (EDI Fund) worth over \$36 million. Those projects have or will result in private capital investments totaling more than \$1.1 billion and the creation or retention of over 12,000 jobs in Prince George's County.

The County currently has \$8-\$12 billion in development projects in the pipeline, not counting the stalled FBI relocation. Major transit-oriented development (TOD) projects include the Kaiser Permanente HQ at New Carrollton Metro (850 jobs), the Town Square at the Suitland Federal Center (Suitland Metro), U.S. Citizenship and Immigration Service (USCIS ---a Federal agency with 3,700 jobs) and a new town center at Camp Springs (Branch Avenue Metro). As more businesses expand and locate here, and as more jobs are created in the County, commercial office vacancy rates will decline, and real property values will rise.

Performance Measures

Measure Name	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Projected
Resources (Input)					
Number of business development specialists	7	7	7	8	8
Workload, Demand and Production (Output)					
Number of business-site evaluation visits	1,000	1,100	1,125	700	800
Number of marketing events and presentations	220	240	220	65	75
Efficiency					
Average number of business evaluation visits per assigned business development specialist	143.0	157.0	161.0	93.0	100.0
Weekly visitation rate per business development specialist	3	3	3	2	2
Quality					
Number of business attraction, retention and expansion leads	1,415	1,400	1,300	575	650
Number of prospects	280	300	450	475	500
Number of hard prospects	60	65	45	50	60

Performance Measures *(continued)*

Measure Name	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Projected
Number of deals	43	32	32	25	35
Impact (Outcome)					
Number of jobs created and/or retained as a result of business attraction, retention and expansion deals	2,300	3,500	2,250	2,500	3,000

Objective 1.2 — Increase the Number of EDI Fund Awards.

FY 2024 Target	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Projected	Trend
12	3	3	6	8	↔

Trend and Analysis

This was previously a Quality performance measure and was changed to an Outcome/Impact performance measure for FY 2020.

The goal of the Economic Development Corporation (EDC) is to fully leverage the County’s investment of Economic Development Incentive Fund (EDI Fund) (taxpayer investment) with funds from the State of Maryland and the private sector, including owners’ equity and bank funds.

EDC understands taxpayer monies are being invested. EDC, therefore, strives to minimize the risks of these investments, and maximize the return on investment.

For FY 2018, three projects were approved totaling \$4.4 million in the EDI Fund commitments. This equates to a total capital investment of \$271.4 million and 3,385 new jobs will be retained and/or created.

The FY 2020 projection of eight projects reflects a slight growth in EDI Fund awards from the projected six in FY 2019. A focus on retention and expansion of existing companies in the County and the attraction of healthcare providers to provide complimentary healthcare services to the UMMS Capital Region Medical Center is anticipated to net more qualified leads and applications for the EDI Fund. Implementation of a strategy to attract Amazon contractors on the west coast to serve the new headquarters in northern Virginia may lead to opportunities to use the EDI Fund to incentivize relocation or attraction to the County.

Performance Measures

Measure Name	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Projected
Resources (Input)					
Number of business development specialists	7	7	7	8	8
Number of business development specialists responsible for managing the EDI Fund application intake process	1	1	1	1	1
Workload, Demand and Production (Output)					
Number of business-site evaluation visits	1,000	1,100	1,125	700	800
Number of marketing events and presentations	220	240	220	260	150
Efficiency					
Average number of business evaluation visits per assigned business development specialist	143	157	161	173	175

Performance Measures *(continued)*

Measure Name	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Projected
Weekly visitation rate per business development specialist	3	3	3	4	4
Quality					
New EDI Fund leads from marketing events and presentations	60	65	50	60	60
Number of EDI Fund applications sent to FSC for further processing	10	12	7	12	10
Number of non-EDI Fund applications sent to FSC for further processing	25	30	30	40	40
Number of EDIF Fund-related jobs attracted, created or retained	2,200	1,500	3,437	2,000	1,500
Impact (Outcome)					
Number of EDI Fund awards	12	3	3	6	8
Number of new candidates who complete EDI Fund application process	15	18	15	20	15
Percentage of new candidates who complete EDI Fund application process	25%	28%	30%	33%	25%