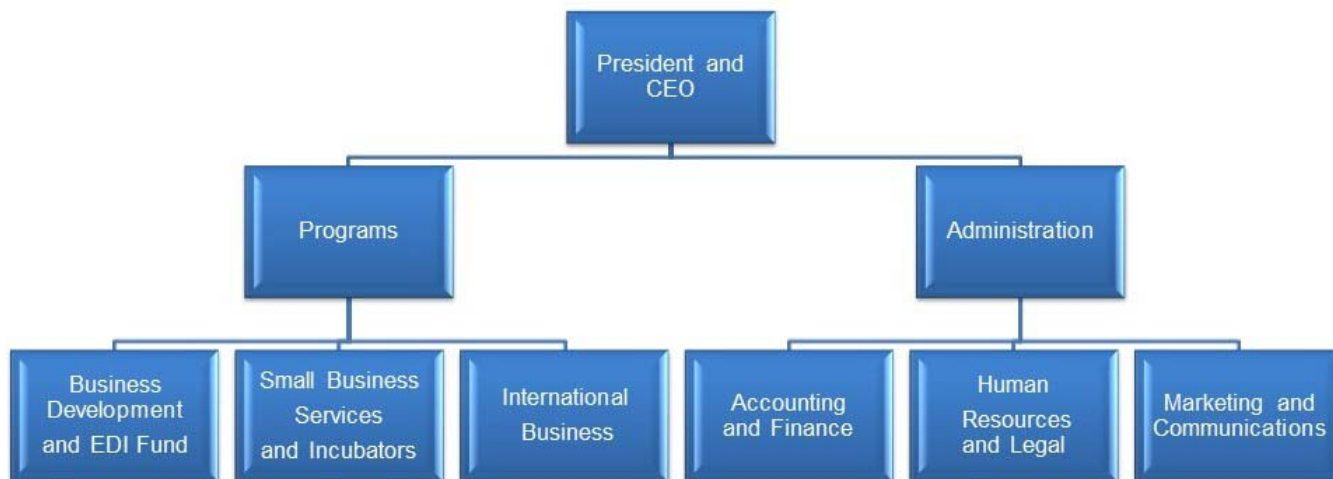


# Economic Development Corporation



## MISSION AND SERVICES

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

### CORE SERVICES

- Promote economic development by providing business services to attract, retain, and expand businesses in the County, growing both jobs and the commercial tax base
- Market and promote the County as the best place to do business
- Provide a wide range of services to support start-up technology companies
- Attract and promote revitalization, repurposing and redevelopment of shopping centers and the attraction of retail establishments
- Promote international business development through export assistance, foreign direct investment and international business attraction

### FY 2022 KEY ACCOMPLISHMENTS

- Supported various COVID-19 economic recovery initiatives including the administration (with FSC First) of various programs including the Restaurant Resiliency Initiative (\$3.1 million); and Personal Service E-Business Grant (\$825,000); the Pathways to Growth & Expansion; Step Forward Initiative; Buy Prince George’s (Buy PGC); and other outreach programs.
- Revamped and updated the EDC website for ADA compliance.
- Successfully started the last mile centers project by Amazon, with almost 1 million SF and 1,300 jobs in the County identified and with the potential of an additional 3.5 million SF in the pipeline.

- Targeted at least 18 shopping centers in the County that have been or are planned for redevelopment and improvement including Beltway Plaza, Hampton Park, Livingston Square, Landover Crossing, Riverdale Plaza, Suitland Town Center, Shoppes at Iverson, Bowie Towne Center, Marlow Heights, and Crystal Plaza, Chillum Road and Southern Market Place. Support was also provided to the six awardees of the Redevelopment Authority’s Commercial Property Improvement Program.
- Partnered with the University of Maryland in building a quantum computing ecosystem around the presence of IonQ, the world’s best capitalized quantum computing company. Continued to be supportive of ConnectedDMV in the pursuit of US Economic Development Administration (EDA) grants (\$60-100 million) that would make the DC metropolitan area the quantum computing capital of the world.

**STRATEGIC FOCUS AND INITIATIVES FOR FY 2023**

The agency’s top priorities in FY 2023 are:

- Support recovery in multiple sectors of the County’s economy from COVID-19 induced stress through technical assistance programming.
- Attract at least one large-scale \$200 million capital expense data center to the County.
- Develop and expand marketing campaigns and promotional opportunities to promote Prince George’s County’s business climate, success stories, assets and lifestyle.
- Regain the County’s status as #1 in job growth in the State of Maryland and make progress toward shifting the commercial and residential real property tax ratio.
- Develop and implement key initiatives identified in the County’s soon to be updated Comprehensive Economic Development Strategic Action Plan.

**FY 2023 BUDGET SUMMARY**

The FY 2023 proposed budget for the Economic Development Corporation is \$4,388,700, an increase of \$150,000 or 3.5% over the FY 2022 approved budget. The organization’s grant from the County totals \$3,889,100, an increase of \$150,000 or 3.5% over the FY 2022 County grant.

**Reconciliation from Prior Year**

	<b>Expenditures</b>
<b>FY 2022 Approved Budget</b>	<b>\$4,238,700</b>
<b>Add: Operating</b> — Funding allocated for the Buy PGC marketing campaign	\$150,000
<b>Increase Cost: Compensation - Mandated Salary Requirements</b>	61,400
<b>Increase Cost: Operating</b> — Increase in operating cost for professional fees for payroll	32,200
<b>Increase Cost: Fringe Benefits</b> — Increase in fringe benefit expenses to align with projected costs	22,000
<b>Increase Cost: Technology Cost Allocation</b> — Increase in OIT charges based on anticipated countywide costs for technology	11,500
<b>Increase Cost: Operating</b> — Increase in operating cost for staff and board expenses for memberships and dues	7,200
<b>Decrease Cost: Operating</b> — Decrease in facilities expenses for insurance and incubator costs	(21,100)

**Reconciliation from Prior Year** *(continued)*

	<b>Expenditures</b>
<b>Decrease Cost: Operating</b> — Decrease in professional fees for auditing	(25,000)
<b>Decrease Cost: Operating</b> — Decrease in various outreach expenses	(88,200)
<b>FY 2023 Proposed Budget</b>	<b>\$4,388,700</b>

## FY 2023 OPERATING BUDGET

### Revenues by Category

Category	FY 2021 Actual	FY 2022 Budget	FY 2022 Estimate	FY 2023 Proposed	Change FY22-FY23	
					Amount (\$)	Percent (%)
County Grant	\$3,997,700	\$3,739,100	\$3,739,100	\$3,889,100	\$150,000	4.0%
Enterprise Zone Grant	65,000	65,000	65,000	65,000	—	0.0%
Small Business Services Revenue	120	2,000	2,000	2,000	—	0.0%
Incubator Revenue	63,821	75,000	75,000	75,000	—	0.0%
Event/Sponsorship Revenue	29,088	150,000	150,000	150,000	—	0.0%
Fundraising Revenue	—	66,300	66,300	66,300	—	0.0%
Economic Development Initiative (EDI) Fund Processing Fees	—	16,300	16,300	16,300	—	0.0%
Miscellaneous Income	149,167	125,000	200,000	125,000	—	0.0%
<b>Total</b>	<b>\$4,304,896</b>	<b>\$4,238,700</b>	<b>\$4,313,700</b>	<b>\$4,388,700</b>	<b>\$150,000</b>	<b>3.5%</b>

### Expenditures by Category

Category	FY 2021 Actual	FY 2022 Budget	FY 2022 Estimate	FY 2023 Proposed	Change FY22-FY23	
					Amount (\$)	Percent (%)
Compensation	\$2,181,945	\$2,227,300	\$2,295,900	\$2,288,700	\$61,400	2.8%
Fringe Benefits	613,075	801,900	826,500	823,900	22,000	2.7%
Operating	928,917	1,209,500	1,191,300	1,276,100	66,600	5.5%
<b>Total</b>	<b>\$3,723,937</b>	<b>\$4,238,700</b>	<b>\$4,313,700</b>	<b>\$4,388,700</b>	<b>\$150,000</b>	<b>3.5%</b>

## 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 2027 Target	FY 2020 Actual	FY 2021 Actual	FY 2022 Estimated	FY 2023 Projected	Trend
2,500	632	736	2,170	1,000	↑

### Trend and Analysis

EDC will return to its "Choose Prince George's" business visitation program which focuses on business retention, expansion and attraction in targeted industry sectors. These efforts will lead to job creation and expansion of the commercial tax base. As previously noted, the COVID-19 pandemic significantly affected EDC's efforts. First, the impact of mandated shutdowns on the national, State and local economies as well as the measureable and publicized impact on commerce, unemployment and business investment. Second, the internal EDC transition of staff away from the Choose Prince George's program to the Administration's Business Recovery, Childcare Recovery and Restaurant Resiliency initiatives. Collectively, these programs distributed more than \$40 million in grants to over 1,500 County business enterprises. Additionally, the Emerge Stronger, Buy Prince George's, Pathways, and Step Forward initiatives supported the local business community and recovery efforts.

EDC will continue to work with the County and other agencies to pursue Transit Oriented Development, including the Blue Line Corridor, support infrastructure needs such as structured parking, bring business and jobs to these locations as well as grow the commercial tax base. The implementation of a new Strategic Plan for economic development will provide important direction for EDC's priorities going forward. EDC is prioritizing its data center initiative and will market the new "by right zoning" and personal property tax waiver to promote multiple sites in the County. EDC will work closely with the University of Maryland to help create a quantum computing ecosystem built around the presence of IonQ, the world's best capitalized quantum computing company. The agency's business incubator "Innovation Station" has been maintained during the COVID-19 crisis. EDC will direct resources to attract additional tenants to the co-working and virtual space.

Building on the announcements that the \$1.4 Billion Bureau of Engraving and Printing is coming to the U.S. Department of Agriculture's Beltsville Agricultural Research Center (BARC) and 1,800 jobs with the Bureau of Labor Statistics moving to Suitland, we will build on that momentum to achieve greater federal General Services Administration (GSA) leasing in the County and structure regular communications on pending Requests for Proposals (RFPs) and opportunities. In the COVID-19 economy, distribution, logistics and warehouse development has grown significantly and that industry sector will be supported. Lastly, the agency will continue to work to attract foreign direct investment opportunities and promote exporting to increase the global competitiveness, diversity and sustainability of County companies.

### Performance Measures

Measure Name	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Estimated	FY 2023 Projected
<b>Resources (Input)</b>					
Business development specialists	7	8	8	8	8
<b>Workload, Demand and Production (Output)</b>					
Business site evaluation visits	634	1,214	1,187	436	1,100

**Performance Measures** *(continued)*

Measure Name	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Estimated	FY 2023 Projected
Marketing events and presentations	77	56	64	40	80
<b>Efficiency</b>					
Business evaluation visits per assigned specialist	83.0	156.0	148.0	55.0	150.0
Weekly visitation rate per specialist	2	3	37	3	3
<b>Quality</b>					
Business attraction, retention and expansion leads	1,016	673	1,653	731	1,300
Prospects	205	306	298	98	200
Hard prospects	97	62	32	8	95
Deals	25	17	17	12	30
<b>Impact (Outcome)</b>					
Jobs created and/or retained as a result of business attraction, retention and expansion deals	3,360	632	736	2,170	1,000

**Objective 1.2** — Increase the Number of EDI Fund Awards.

FY 2027 Target	FY 2020 Actual	FY 2021 Actual	FY 2022 Estimated	FY 2023 Projected	Trend
6	2	1	1	6	↑

**Trend and Analysis**

The EDI Fund provides critically needed financial assistance to projects that would not have occurred without this public/private partnership. Sales, lease and rent disparities in Prince George's County compared to neighboring jurisdictions creates continual demand for incentives and subsidies for commercial, residential and retail development. The goal of EDC is to fully leverage the County's investment of EDI Funds with funds from the State of Maryland and the private sector, including owners' equity and bank funds. The agency strives to minimize the risks of these investments and maximize the return on investment. The EDI Fund has been recognized as one of the most important tools the County has for business development and attraction.

The EDI Fund continues to drive development and job creation in the County. It has played a critical role in enabling projects to move forward. This is a nationally recognized program and has helped the County attract and retain over 13,000 jobs and leverage over \$1.2 billion in private capital investment. The leverage of private capital to EDI Fund has been nearly 27-to-1, resulting in an increase in the commercial tax base by \$120 million. As a result of the EDI Fund, approximately \$1.8 million more in taxes is collected annually from projects that required improvements or construction. Of the jobs created and retained, 30% of the jobs were held by Prince George's County residents. The COVID-19 pandemic and resulting impact on the national, State and local economies did restrict business investment in FY 2020 and FY 2021. It is predicted to have a constraining impact on private sector investment and development for several more years. The EDI Fund is well positioned to improve investor confidence during this transitional phase of the economy.

**Performance Measures**

<b>Measure Name</b>	<b>FY 2019 Actual</b>	<b>FY 2020 Actual</b>	<b>FY 2021 Actual</b>	<b>FY 2022 Estimated</b>	<b>FY 2023 Projected</b>
<b>Resources (Input)</b>					
Business development specialists	7	8	8	8	8
Business development specialists responsible for managing the EDI Fund application intake process	1	1	1	1	1
<b>Workload, Demand and Production (Output)</b>					
Business-site evaluation visits	634	1,214	1,187	436	1,100
Marketing events and presentations	77	56	40	40	80
<b>Efficiency</b>					
Business evaluation visits per assigned specialist	634.0	156.0	148.0	55.0	150.0
Weekly visitation rate per specialist	2	3	3	3	3
<b>Quality</b>					
New EDI Fund leads from marketing events and presentations	48	13	20	8	50
EDI Fund applications sent to FSC for further processing	5	3	7	2	5
Non-EDI Fund applications sent to Financial Services Corporation (FSC) for further processing	16	7	10	3	25
EDI Fund-related jobs attracted, created or retained	793	157	335	0	500
<b>Impact (Outcome)</b>					
EDI Fund awards	6	2	1	1	6
New candidates who complete EDI Fund application process	10	1	6	10	10
New candidates who complete EDI Fund application process	21%	1%	30%	25%	20%

