

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 2023 KEY ACCOMPLISHMENTS

- Administered technical assistance training programs to support entrepreneurship and small and minority business growth through collaborative programming, communications, and engagement.
- Revamped and updated the EDC website for ADA compliance.
- Ensured stabilization of a fast-growing logistics sector, including Last Mile Centers by Amazon, Target, and independent developers.
- Encouraged the redevelopment and improvement of targeted shopping centers through the attraction and expansion of retail, restaurant, entertainment, healthcare and innovative, collaborative uses.

- Partnered with the University of Maryland to build a Quantum computing ecosystem around the presence of IonQ, the world’s best capitalized quantum computing company and to support ConnectedDMV to make the DC metropolitan area the quantum computing capital of the world.

STRATEGIC FOCUS AND INITIATIVES FOR FY 2024

The agency’s top priorities in FY 2024 are:

- Return to the primary role of business attraction, retention, and expansion, utilizing the updated Economic Development Strategic Action Plan.
- Support the recovery for multiple sectors in the County by providing technical assistance.
- Attract at least one large-scale \$100 million-plus capex 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 Maryland and make continued progress toward shifting commercial/residential real property tax ratio.
- Develop and implement key initiatives identified in the County’s updated Comprehensive Economic Development Strategic Action Plan.

FY 2024 BUDGET SUMMARY

The FY 2024 proposed budget for the Economic Development Corporation is \$5,896,800, an increase of \$1,414,600 or 31.6% over the FY 2023 approved budget. The organization’s grant from the County totals \$4,772,200, an increase of \$789,600 or 19.8% over the FY 2023 County grant.

Reconciliation from Prior Year

	Expenditures
FY 2023 Approved Budget	\$4,482,200
Increase Cost: Operating — Increase in operating cost for auditing, consultant services, equipment, office supplies, advertising, trade shows and mileage	\$733,600
Add: Operating — Funding allocated for the Developer Pilot Program	500,000
Add: Operating — Funding allocated for the trade show booth	150,000
Increase Cost: Technology Cost Allocation — Increase in OIT charges based on anticipated countywide costs for technology	28,700
Increase Cost: Compensation - Mandated Salary Requirements — Annualization of FY 2023 and planned FY 2024 salary adjustments offset by budgeted attrition	1,700
Increase Cost: Fringe Benefits — Increase in fringe benefit expenses to align with projected costs	600
FY 2024 Proposed Budget	\$5,896,800

FY 2024 OPERATING BUDGET

Revenues by Category

Category	FY 2022 Actual	FY 2023 Budget	FY 2023 Estimate	FY 2024 Proposed	Change FY23-FY24	
					Amount (\$)	Percent (%)
County Grant	\$3,739,100	\$3,982,600	\$3,982,600	\$4,772,200	\$789,600	19.8%
Enterprise Zone Grant	65,000	65,000	65,000	65,000	—	0.0%
Small Business Services Revenue	3,827	2,000	2,000	2,000	—	0.0%
Incubator Revenue	68,900	75,000	75,000	75,000	—	0.0%
Event/Sponsorship Revenue	150,000	150,000	150,000	150,000	—	0.0%
Fundraising Revenue	36,311	66,300	66,300	66,300	—	0.0%
Economic Development Initiative (EDI) Fund Processing Fees	16,300	16,300	16,300	16,300	—	0.0%
American Rescue Plan Act (ARPA) Grant	—	—	1,004,000	496,000	496,000	
Miscellaneous Income	203,363	125,000	356,000	254,000	129,000	103.2%
Total	\$4,282,801	\$4,482,200	\$5,717,200	\$5,896,800	\$1,414,600	31.6%

Expenditures by Category

Category	FY 2022 Actual	FY 2023 Budget	FY 2023 Estimate	FY 2024 Proposed	Change FY23-FY24	
					Amount (\$)	Percent (%)
Compensation	\$2,167,300	\$2,357,400	\$2,357,400	\$2,359,100	\$1,700	0.1%
Fringe Benefits	780,228	848,700	848,700	849,300	600	0.1%
Operating	1,316,129	1,276,100	2,511,100	2,688,400	1,412,300	110.7%
Total	\$4,263,657	\$4,482,200	\$5,717,200	\$5,896,800	\$1,414,600	31.6%

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 2028 Target	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimated	FY 2024 Projected	Trend
3,400	736	4,223	2,400	2,100	↑

Trend and Analysis

The EDC is focused on traditional economic development concentrating on business retention, expansion and attraction in targeted industry sectors that lead to job creation and expansion of the Prince George's County commercial tax base. Recent State labor figures for Calendar Year 2022 show that the County has not fully recovered from 2019 pre-COVID-19 job losses. The region is lagging other urban areas in recovering job losses. Prince George's County has an estimated 25,000 less workers in the labor market which will ultimately negatively impact companies' ability to employ Prince George's County residents. The sharp increase of remote work and the decline in occupied commercial office space continues to impact the region and Prince George's County. Based on these recent figures, the future of commercial real estate is still uncertain.

The implementation of the new County Strategic Plan for Economic Development will provide important direction for EDC's priorities going forward. The EDC is coordinating with other County agencies, such as Employ Prince George's, M-NCPPC, DPIE, and the County Executive's Office to implement the Plan's recommendations. EDC will utilize ARPA funding to implement the Plan's recommendation to establish an "Economic Gardening Program for Black, Indigenous, and People of Color (BIPOC) Businesses." EDC will continue its efforts to attract upscale and new-concept restaurants and retail and revitalize older shopping centers. Plans include a major initiative to attract grocery stores to specific food deserts and promote healthy foods priority areas.

Performance Measures

Measure Name	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimated	FY 2024 Projected
Resources (Input)					
Business development specialists	8	8	8	8	9
Workload, Demand and Production (Output)					
Business-site evaluation visits	1,214	1,187	870	950	1,100
Marketing events and presentations	56	64	48	100	120
Efficiency					
Business evaluation visits per assigned specialist	156.0	148.0	109.0	120.0	150.0
Weekly visitation rate per specialist	3	3	2	2	3
Quality					
Business attraction, retention and expansion leads	673	1,653	1,000	1,000	1,100
Prospects	306	298	412	450	450
Hard prospects	62	32	70	72	95

Performance Measures *(continued)*

Measure Name	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimated	FY 2024 Projected
Deals	17	17	31	35	35
Impact (Outcome)					
Jobs created and/or retained as a result of business attraction, retention and expansion deals	632	736	4,223	2,400	2,100

Objective 1.2 — Increase the Number of EDI Fund Awards.

FY 2028 Target	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimated	FY 2024 Projected	Trend
5	2	0	5	5	↔

Trend and Analysis

The EDC has long been a hub for businesses seeking financing incentives, technical assistance, business engagement, and networking activities. The EDC utilizes several economic development tools and incentives to attract, expand and retain county-based businesses, such as tax credits and grants. These economic development tools are critical for stimulating private investment, increasing the commercial tax base, and creating jobs. An important tool, the Economic Development Incentive Fund (EDI Fund) provides critically needed financial assistance to projects that would not have occurred without this public/private partnership. The EDC administers several tax credit programs including the Enterprise Zone program, the Regional Institution Strategic Enterprise (RISE) Zone tax credit program which now includes rental assistance, the expanded grocery store tax and incentive program, and the newly created Start-up Business Tax Credit program that was enacted in FY 2023.

Performance Measures

Measure Name	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimated	FY 2024 Projected
Resources (Input)					
Business development specialists	8	8	8	8	9
Business development specialists responsible for managing the EDI Fund application intake process	1	1	1	1	1
Workload, Demand and Production (Output)					
Business-site evaluation visits	1,214	1,187	870	950	1,100
Marketing events and presentations	56	40	80	100	120
Individuals engaged through EDC events and networking	0	0	0	440	500
Efficiency					
Business evaluation visits per assigned specialist	156	148	109	120	150
Weekly visitation rate per specialist	3	3	2	2	3
Quality					
Applications processed through EDI Fund, tax credits and other grant programs	n/a	n/a	308	25	30

Performance Measures *(continued)*

Measure Name	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimated	FY 2024 Projected
Businesses assisted through technical assistance programs and collaborative programming	n/a	n/a	n/a	300	400
Impact (Outcome)					
EDI Fund awards	6	2	0	5	5
Tax credit certifications and grant program awards	n/a	n/a	149	12	20
All incentive-related jobs attracted, created or retained	n/a	n/a	n/a	500	500