

ECONOMIC DEVELOPMENT CORPORATION

MISSION AND SERVICES

Mission - 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 a superior regional and global business location, provide business intelligence and assist with site selection
- Provide business services, technical assistance, financing, networking and partnering opportunities
- Prepare the County's workforce for existing and emerging jobs
- Organize international seminars/networking events and business missions
- Nurture start-ups and international firms in the Business Accelerator/Incubator

Strategic Focus in FY 2018 -

- Retain and grow existing companies and employers through the "We Care" blitz, and aggressively attract new companies and employers
- Expand marketing and promotion efforts, including the Economic Development Incentive (EDI) Fund marketing
- Assist County residents with job search, training and placement, with special emphasis on long-term unemployed County residents, veterans, returning citizens and assist employers with recruitment, customized training and on the job training
- Organize mutual briefings with embassies, federal agencies and Maryland Commerce, assist with export promotion, foreign direct investment, organize international business trade missions, promote the Foreign Trade Zone through our strong engagements with Africa, Brazil, China, Canada, Europe, India, Korea and Mexico

FY 2018 BUDGET SUMMARY

The FY 2018 approved budget for the Economic Development Corporation is \$11,386,600, an increase of \$1,754,900 or 18.2% over the FY 2017 approved budget. The organization's grant from the County totals \$3,457,600, an increase of \$219,900 or 6.8% over the FY 2017 County grant.

Budgetary Changes -

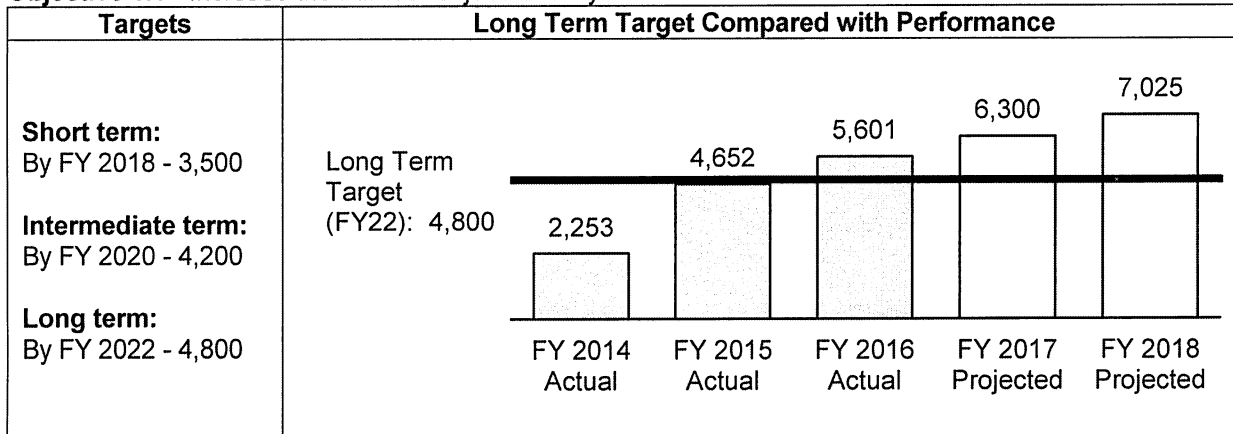
FY 2017 APPROVED BUDGET	\$9,631,700
Increase Costs: Operating - Support ongoing initiatives through the following grants: Work Innovation Opportunity Act ("WIOA"); Youth Career Connect ("YCC"); Video Lottery Terminal ("VLT") and Veterans Grant	\$1,500,000
Increase Costs: Operating - Reflects expenses for Board of Trade membership dues and Branding Campaign contribution	\$129,100
Add Initiative - New - Additional funding to support the lead generation service to promote businesses in the County	\$69,000
Add Initiative - New - Grant writer to assist in securing federal and State grants	\$60,000
Increase Costs: Fringe benefits - Increase in the fringe benefit rate from 32.9% to 33.0%	\$200
Decrease Costs: Compensation - Reflects anticipated salary requirements	(\$3,400)
FY 2018 APPROVED BUDGET	\$11,386,600

ECONOMIC DEVELOPMENT CORPORATION

SERVICE DELIVERY PLAN AND PERFORMANCE

GOAL 1 - To provide marketing, relationship management, technical assistance and financial incentives to attract, retain and expand businesses in Prince George's County.

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



Trend and Analysis -

EDC is continuing its focused strategy for business development. In particular, EDC plans to visit the County's top 1,000 employers. During the first half of FY 2017, EDC's business development team visited over 200 of the County's largest companies and employers, and conducted 100 follow-up visits. In FY 2017, these companies could add over 5,000 new high-wage jobs. Through this program, EDC also identified workforce development, space, permitting and financing needs and opportunities for these companies. In addition, EDC is continuing its business attraction strategy, which targets companies outside the State whose leases are expiring in the next 48 months. Already, this strategy has resulted in the attraction of approximately 30 new businesses, with several more to come from distribution centers and HUB-zones.

EDC estimates the opening of MGM Resort adds approximately 3,600 new jobs, with the number growing slightly in the coming years as companies providing goods and services to MGM are likely to open offices in the County. In addition, the UMMS-Regional Medical Center (RMC) is expected to break ground in the summer of 2017. There is an increasing demand from healthcare service providers to consider Prince George's County as a location for their businesses.

ECONOMIC DEVELOPMENT CORPORATION

Performance Measures:

Measure Name	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Projected	FY 2018 Projected
Resources (input)					
Number of business development specialists	7	7	7	7	7
Workload, Demand and Production (output)					
Number of business-site evaluation visits	750	950	1,071	1,200	1,300
Number of marketing events and presentations	177	210	240	260	260
Efficiency					
Average number of business evaluation visits per assigned business development specialist	107	136	153	171	186
Weekly visitation rate per business development specialist	2.1	2.7	3.1	3.4	3.7
Quality					
Number of business attraction, retention, and expansion leads	1,100	1,250	1,415	1,500	1,600
Number of prospects	220	250	283	300	310
Number of hard prospects	44	50	85	70	70
Number of deals	20	22	43	32	35
Impact (outcome)					
Number of jobs created and/or retained as a result of business attraction, retention, and expansion deals	2,253	4,652	5,601	6,300	7,025

*FY 2014 and FY 2015 Actuals have been restated.

Strategies to Accomplish Objective -

- **Strategy 1.1.1** - Implement a focused strategy for growing and attracting companies in healthcare and life sciences, information technology, professional services, manufacturing, upscale retail/hospitality and warehousing/distribution
- **Strategy 1.1.2** - Continue with the full participation at the annual ICSC Show in Las Vegas and invite targeted retail decision makers to the County to meet shopping center and real estate developers
- **Strategy 1.1.3** - Conduct site visits, needs assessments, and program referrals for 1,300 County businesses (approximately 7% of all local companies)
- **Strategy 1.1.4** - Implement the branding campaign, and raise funds to supplement County investment
- **Strategy 1.1.5** - Provide industry and location intelligence, site selection assistance, technical assistance, permit assistance, financial and tax incentives to attract, retain and grow businesses
- **Strategy 1.1.6** - Organize match-making business events, network and promote the County aggressively at local, regional, national and international trade shows and industry conferences, with a special focus on healthcare/life sciences, IT, bio-pharma, real estate and retail
- **Strategy 1.1.7** - Participate in and promote the County at international mutual briefings, trade mission events and investment conferences

ECONOMIC DEVELOPMENT CORPORATION

Objective 1.2 - Increase the number of EDI Fund Awards.

Targets	Long Term Target Compared with Performance																					
<p>Short term: By FY 2018 - 12</p> <p>Intermediate term: By FY 2020 - 13</p> <p>Long term: By FY 2022 - 14</p>	<p>Long Term Target (FY22): 14</p> <table border="1"> <caption>EDI Fund Awards Performance Data</caption> <thead> <tr> <th>Fiscal Year</th> <th>Awards</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td>FY 2014</td> <td>8</td> <td>Actual</td> </tr> <tr> <td>FY 2015</td> <td>8</td> <td>Actual</td> </tr> <tr> <td>FY 2016</td> <td>10</td> <td>Actual</td> </tr> <tr> <td>FY 2017</td> <td>12</td> <td>Projected</td> </tr> <tr> <td>FY 2018</td> <td>12</td> <td>Projected</td> </tr> <tr> <td>FY 2022 (Target)</td> <td>14</td> <td>Long Term Target</td> </tr> </tbody> </table>	Fiscal Year	Awards	Status	FY 2014	8	Actual	FY 2015	8	Actual	FY 2016	10	Actual	FY 2017	12	Projected	FY 2018	12	Projected	FY 2022 (Target)	14	Long Term Target
Fiscal Year	Awards	Status																				
FY 2014	8	Actual																				
FY 2015	8	Actual																				
FY 2016	10	Actual																				
FY 2017	12	Projected																				
FY 2018	12	Projected																				
FY 2022 (Target)	14	Long Term Target																				

Trend and Analysis -

Prince George's County's EDI Fund is a nationally recognized program and has helped the County attract and retain over 5,000 jobs and increased our commercial tax base. For FY 2016, 10 projects were approved totaling \$8,641,000 in EDI Fund commitments.

ECONOMIC DEVELOPMENT CORPORATION

Performance Measures -

Measure Name	FY 2014 Actual	FY 2015 Actual	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected
Resources (input)					
Number of business development specialists	7	7	7	7	7
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	750	950	1,071	1,200	1,300
Number of marketing events and presentations	177	210	240	260	260
Efficiency					
Average number of business evaluation visits per assigned business development specialist	107	136	153	171	186
Weekly visitation rate per business development specialist	2.1	2.7	3.1	3.4	3.7
Quality					
New EDI Fund leads from marketing events and presentations	71	62	60	70	70
Number of EDI Fund applications sent to FSC for further processing	6	7	10	12	13
Number of non-EDI Fund applications sent to FSC for further processing	26	39	25	30	30
Number of EDI Fund awards	8	8	10	12	12
Number of EDI Fund-related jobs attracted, created or retained	619	767	2,067	675	953
Impact (outcome)					
Number of new candidates who complete EDI Fund application process	12	21	15	18	18
Percentage of new candidates who complete EDI Fund application process	17%	34%	25%	26%	26%

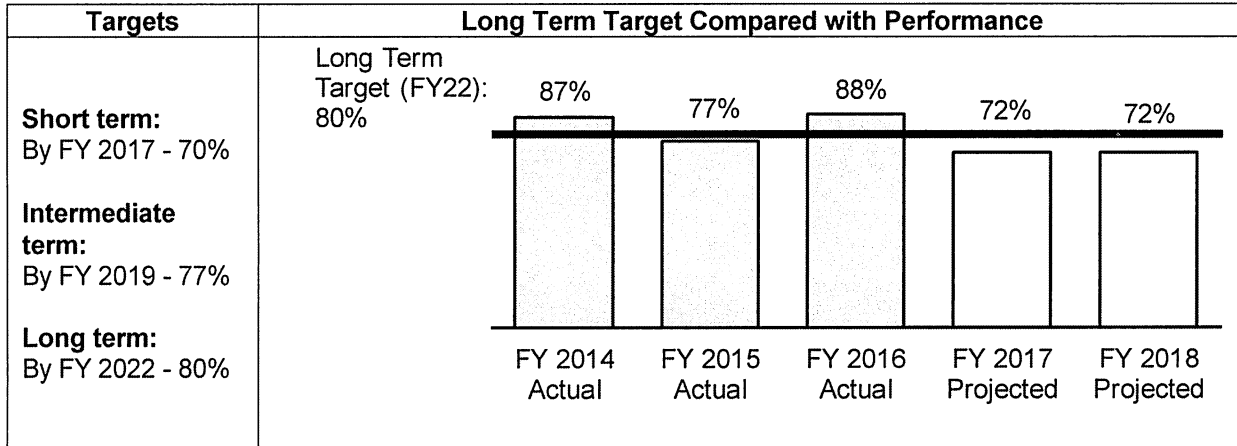
Strategies to Accomplish Objective -

- **Strategy 1.2.1** - Deploy all business development services, visit top 1,000 employers and all lease-ups in the County
- **Strategy 1.2.2** - Prepare weekly intelligence reports and look for growth opportunities
- **Strategy 1.2.3** - Organize High Wage Sector Forums at least twice per year and invite leading companies in the targeted sectors to these forums
- **Strategy 1.2.4** - Participate fully in ICSC (Vegas and Mid-Atlantic), and "Bring the Party Home" in FY 2017 and beyond
- **Strategy 1.2.5** - Create and implement a "food desert" strategy for underserved areas
- **Strategy 1.2.6** - Partner with the County Executive's Office to promote the County through a targeted comprehensive branding and marketing campaign, to build awareness about the strong attributes of the County and as a result, invite new companies and new residents to the County
- **Strategy 1.2.7** - Participate in national and international business and investment conferences and "Mutual Briefings" with embassies

ECONOMIC DEVELOPMENT CORPORATION

GOAL 2 - To provide workforce development services to businesses and County residents that are seeking employment as well as enhancement of their skills/training.

Objective 2.1 - Increase the retention rate of job seekers with severe barriers to employment who receive intensive training services through Workforce Innovation and Opportunity Act programs.



Trend and Analysis -

Workforce Services Division staff has developed a more robust workforce system that has expanded partnerships to increase supportive services for customers with severe barriers, restructure the division to leverage staff resources and increase post-employment contact with both customers and businesses. This strategy is expected to ensure that job seekers with severe barriers to employment have the support necessary to remain employed.

The Prince George’s County Public Workforce System, funded by the Department of Labor’s Workforce Innovation and Opportunity Act, is experiencing a variety of changes under new legislation in FY 2017. Under the new legislation, the public workforce system is being tasked with serving populations with severe barriers that decrease their likelihood of becoming employed. The Department of Labor has deemed the following populations as “Priority” for local workforce areas, including Prince George’s County:

- Recipients of public assistance
- Individuals with disabilities
- Individuals lacking basic skills
- Veterans
- Individuals who are chronically unemployed
- Low income individuals

ECONOMIC DEVELOPMENT CORPORATION

Performance Measures -

Measure Name	FY 2014 Actual	FY 2015 Actual	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected
Resources (input)					
Number of career consultants	10	10	11	10	10
Number of business resource representatives	7	5	5	4	5
Workload, Demand and Production (output)					
Number of businesses served	1,749	1,507	798	900	1,100
Number of One-Stop Career Center visitors	45,432	34,787	33,081	27,000	30,000
Number of Workforce Investment Act intensive and training program participants	830	1,120	922	1,000	1,000
Efficiency					
Average number of Workforce Investment Act program participants per career consultant	83	112	83	65	75
Average Number of Businesses per Business Resource Representative	103	127	77	100	100
Quality					
Number of visits to businesses made by business resource representatives	117	192	150	400	600
Impact (outcome)					
Percentage of low-income adults placed into employment after receiving Workforce Investment Act intensive and training program services	87%	77%	88%	72%	72%

* FY 2015 Actuals have been restated.

Strategies to Accomplish Objective -

- **Strategy 2.1.1** - Develop training programs for disconnected youth (ages 16-24), returning citizens and job seekers that lack skills and industry recognized certifications in the County's high-demand industries
- **Strategy 2.1.2** - Open a National Harbor Career Center to provide services to job seekers and businesses in the southern portion of the County
- **Strategy 2.1.3** - Expand marketing and outreach of workforce development services to local/regional businesses
- **Strategy 2.1.4** - Increase partnerships with local agencies, community based organizations and faith based organizations
- **Strategy 2.1.5** - Work with County partners to create and launch a Prince George's County ReEntry Program by March 2017
- **Strategy 2.1.6** - Work with local, regional, and State partners to increase funding for additional services with less federal restrictions

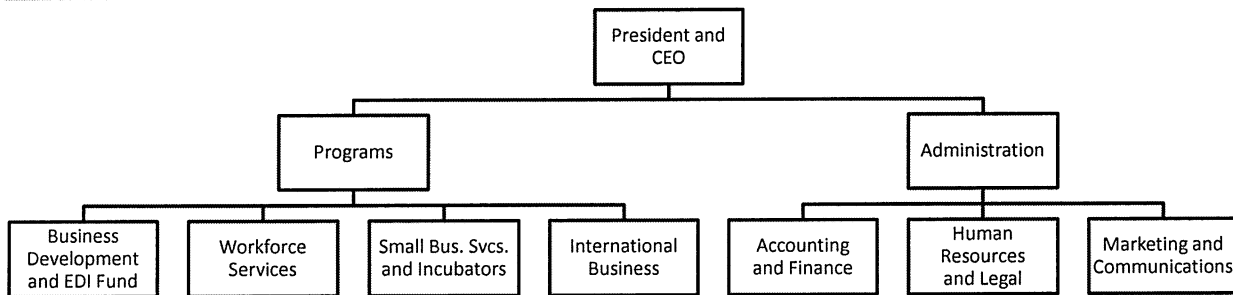
FY 2017 KEY ACCOMPLISHMENTS

- Nearly 40 new businesses have decided to relocate and/or expand into Prince Georges' County, generating thousands of new jobs and occupying more than 600,000 square feet of commercial real estate in the Prince George's County Market.
- "Operation 535": Tailored & Targeted New Employer Acquisition Initiative: Through extensive market research, the EDC has identified 535 Washington, DC and Northern Virginia based companies in the professional services, medical, IT and government sectors where their current leases are expiring within the next 48 months. EDC's business development team has met with 364 of the targeted companies representing a total of 10,915 jobs. To date, 154 of the 364 companies have expressed serious interest in relocating to Prince George's County.

ECONOMIC DEVELOPMENT CORPORATION

- County Executive Baker led an international trade mission to Cuba in November 2016. Along with hosting the outbound trade mission to Cuba, the EDC and the County Executive's Office co-hosted seven International Delegations, seven Embassy Mutual Briefings, and five Mutual Briefings.
- Prince George's County Youth CareerConnect (YCC) received a Federal Grant of \$7 Million in April 2014 to finance a four-year workforce program for youth enrolled in Prince George's County Public High Schools with IT, Healthcare or Bioscience Career Academies.
 - YCC Programming currently in three high schools with a fourth beginning in January, 2017
 - 640 students enrolled, a 14% Increase in enrollments from the previous year, with a 98.8% attendance rate
 - 148 Students (33%) placed in summer internships with 14 companies and two Capstone programs. Leveraged \$34,980 of private employer investments in summer employment.

ORGANIZATION CHART



ECONOMIC DEVELOPMENT CORPORATION

FY 2018 OPERATING BUDGET

REVENUES					
	FY 2016 ACTUAL	FY 2017 BUDGET	FY 2017 ESTIMATED	FY 2018 APPROVED	CHANGE FY17 - FY18
Total County Grant	\$ 2,860,200	\$ 3,237,700	\$ 3,237,700	\$ 3,457,600	6.8%
WIA (Workforce Services) State Grants & Other Income	5,544,689	6,000,000	6,125,000	7,500,000	25.0%
Enterprise Zone Grant	65,000	65,000	65,000	65,000	0.0%
Small Business Services Revenue	125	500	500	500	0.0%
Incubator Revenue	47,115	65,000	65,000	75,000	15.4%
Event/Sponsorship Revenue	405,277	75,000	75,000	100,000	100.0%
Fundraising Revenue	-	175,000	175,000	175,000	0.0%
EDI Fund Processing Fees	6,800	10,000	10,000	10,000	0.0%
Miscellaneous Income	105,554	3,500	-	3,500	0.0%
TOTAL	\$ 9,034,760	\$ 9,631,700	\$ 9,753,200	\$ 11,386,600	18.2%
EXPENDITURES					
	FY 2016 ACTUAL	FY 2017 BUDGET	FY 2017 ESTIMATED	FY 2018 APPROVED	CHANGE FY17 - FY18
Compensation	\$ 1,936,104	\$ 2,165,100	\$ 2,195,000	\$ 2,161,700	-0.2%
Fringe Benefits	596,897	713,200	724,400	713,400	0.0%
Operating	6,678,980	6,753,400	6,833,800	8,511,500	26.0%
TOTAL	\$ 9,211,981	\$ 9,631,700	\$ 9,753,200	\$ 11,386,600	18.2%