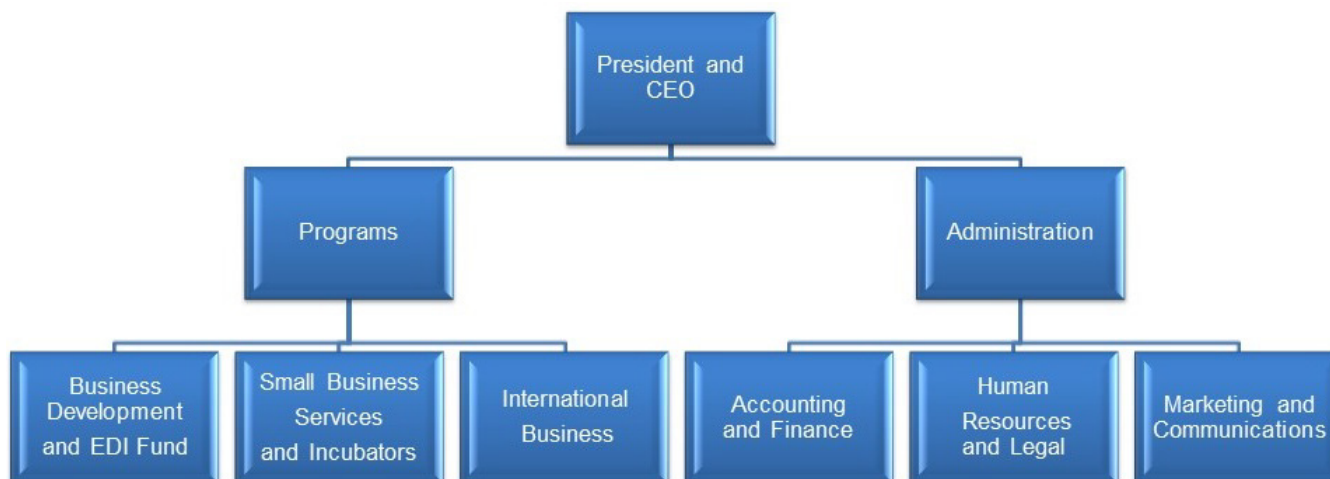


Economic Development Corporation



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

- Promote economic development by providing business services to attract, retain and expand businesses in the County
- Marketing and promoting the County as the best place to do business
- Provide business services to address a wide range of needs for start-up, small and maturing companies
- Promote international business development through export assistance, foreign direct investment (FDI) and international business attraction
- Attract and promote revitalization, repurposing and redevelopment of shopping centers and attraction of retail and restaurant establishments

FY 2020 KEY ACCOMPLISHMENTS

- The County continues to lead the State of Maryland in job growth for the last five years with 5,296 new jobs added in the last quarter of 2019.
- Addition of Urban Atlantic New Carrollton, a state-of-the-art facility home to approximately 1,000 administrative employees, future WMATA Maryland headquarters for 1,500 employees and a multi-family building.
- Broke ground at the Hampton Park Mall, a community development project with apartments, a hotel and 100,000 square feet of retail space.
- 709 jobs were retained or created as a result of EDI Funding.
- 10 new grocery stores opening or under construction.

STRATEGIC FOCUS AND INITIATIVES FOR FY 2021

The agency's top priorities in FY 2021 are:

- Primary focus on business retention and growth of existing companies in targeted industry sectors that lead to job creation and expansion of commercial and small business.
- Promote initiatives, programs, resources and incentives that will encourage economic development in Prince George's County.
- Attract upscale and new-concept restaurants and retail, revitalize older shopping centers and eliminate food deserts.
- Develop and expand strategic marketing campaigns to promote Prince George's County's business climate, success stories, assets and lifestyle.
- Promote international trade by promoting exporting, access to international markets and targeted trade missions.

FY 2021 BUDGET SUMMARY

The FY 2021 proposed budget for the Economic Development Corporation is \$4,565,200, an increase of \$150,900 or 3.4% over the FY 2020 approved budget. The organization's grant from the County totals \$4,065,600, an increase of \$149,900 or 3.8% over the FY 2020 County grant.

Reconciliation from Prior Year

	Expenditures
FY 2020 Approved Budget	\$4,414,300
Increase Cost: Operating - Technology Cost Allocation — Increase in charges based on the new methodology to support anticipated countywide costs	\$117,200
Increase Cost: Compensation - Mandated Salary Requirements	111,000
Add: Operating — Funding for marketing and branding special events	100,000
Increase Cost: Fringe Benefits — Increase in fringe benefit costs resulting from mandated salary requirements; the fringe benefits rate remains at 36.0%	39,900
Increase Cost: Operating — Increase in operating costs for auditing services and advertising/promotion	69,800
Decrease Cost: Operating — Decrease in operating costs for legal services, software/hardware expenses, tradeshow and staff development	(37,000)
Decrease Cost: Removal of One-Time Cost — Goods Food funding	(250,000)
FY 2021 Proposed Budget	\$4,565,200

FY 2021 OPERATING BUDGET

Revenues by Category

Category	FY 2019 Actual	FY 2020 Budget	FY 2020 Estimate	FY 2021 Proposed	Change FY20-FY21	
					Amount (\$)	Percent (%)
County Grant	\$3,443,100	\$3,915,700	\$3,915,700	\$4,065,600	\$149,900	3.8%
Enterprise Zone Grant	65,000	65,000	65,000	65,000	—	0.0%
Small Business Services Revenue		1,000	1,000	2,000	1,000	100.0%
Incubator Revenue	70,520	75,000	75,000	75,000	—	0.0%
Event/Sponsorship Revenue	136,960	150,000	150,000	150,000	—	0.0%
Fundraising Revenue	65,544	66,300	66,300	66,300	—	0.0%
EDI Fund Processing Fees	15,120	16,300	16,300	16,300	—	0.0%
Miscellaneous Income	91,891	125,000	125,000	125,000	—	0.0%
Total	\$3,888,135	\$4,414,300	\$4,414,300	\$4,565,200	\$150,900	3.4%

Expenditures by Category

Category	FY 2019 Actual	FY 2020 Budget	FY 2020 Estimate	FY 2021 Proposed	Change FY20-FY21	
					Amount (\$)	Percent (%)
Compensation	\$1,537,535	\$2,210,400	\$2,210,400	\$2,321,400	\$111,000	5.0%
Fringe Benefits	866,133	795,800	795,800	835,700	39,900	5.0%
Operating	1,477,704	1,408,100	1,408,100	1,408,100	—	0.0%
Total	\$3,881,372	\$4,414,300	\$4,414,300	\$4,565,200	\$150,900	3.4%

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 2025 Target	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimated	FY 2021 Projected	Trend
3,400	2,250	3,360	2,500	3,000	↑

Trend and Analysis

EDC will continue its "Choose Prince George's" business visitation program which primarily focuses on business retention, expansion and attraction in targeted industry sectors that lead to job creation and expansion of the commercial tax base. Through two hyper-targeted marketing campaigns in Seattle, Washington, the agency is focused on identifying contractors and vendors to encourage them to expand their operations with Amazon into Prince George's County. The agency will continue its efforts to attract upscale and new-concept restaurants and retail, revitalize older shopping centers, address pending Shoppers Grocery Store closures, eliminate food deserts and promote healthy foods priority areas.

The agency will continue to work with the Administration and other County agencies to pursue Transit Oriented Developments, which support infrastructure needs such as structured parking, bringing business and jobs to these locations and growing the commercial tax base. EDC intends to focus on new resources and tools to grow small businesses in the County. The agency's business incubator "Innovation Station" will be rebranded with the goal to attract additional tenants to the co-working and virtual space. The agency intends to build upon recent momentum to achieve greater federal/GSA leasing in the County to structure regular communications on pending Request for Proposals (RFPs) and opportunities, and to educate our landlord/developer base on how to best present their sites for consideration. The agency will continue 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 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimated	FY 2021 Projected
Resources (Input)					
Business development specialists	7	7	7	8	8
Workload, Demand and Production (Output)					
Business-site evaluation visits	1,100	1,125	634	900	1,000
Marketing events and presentations	240	220	77	100	125
Efficiency					
Business evaluation visits per assigned specialist	157	161	83	115	125
Weekly visitation rate per specialist	3	3	2	3	3
Quality					
Business attraction, retention and expansion leads	1,400	1,300	1,016	1,200	1,300
Prospects	300	450	205	190	230
Hard prospects	65	45	97	100	115

Performance Measures *(continued)*

Measure Name	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimated	FY 2021 Projected
Deals	32	32	25	28	35
Impact (Outcome)					
Jobs created and/or retained as a result of business attraction, retention and expansion deals	3,500	2,250	3,360	2,500	3,000

Objective 1.2 — Increase the Number of EDI Fund Awards.

FY 2025 Target	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimated	FY 2021 Projected	Trend
17	3	6	6	8	↔

Trend and Analysis

The Economic Development Incentive Fund (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 the agency is to fully leverage the County's investment in the EDI Fund (taxpayer investment) with funds from the State of Maryland and the private sector, including owners' equity and bank funds. The agency understands that we are investing taxpayer monies. The agency strives to minimize the risks of these investments, and maximize the return on investment. This Fund is one of the best tools the County has for business development and attraction.

The EDI Fund continues to drive development and job creation and has played a big role enabling projects to get done. This is a nationally recognized program and has helped the County attract and retain over 13,045 jobs and leverage over \$1.187 billion in private capital investment. The leverage of private capital to the EDI Fund has been nearly 27-to-1, resulting in an increase in the commercial tax base by \$112 million. As a result of the growth in the commercial tax base, approximately \$1.5 million more in taxes is collected annually from projects that required improvements or construction. Of the jobs created and retained, 36% of the jobs were held by Prince George's County residents.

Performance Measures

Measure Name	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimated	FY 2021 Projected
Resources (Input)					
Business development specialists	7	7	7	8	8
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	1,100	1,125	634	900	1,000
Marketing events and presentations	240	220	77	100	125
Efficiency					
Business evaluation visits per assigned specialist	157	161	634	115	125
Weekly visitation rate per specialist	3	3	2	3	3

Performance Measures *(continued)*

Measure Name	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimated	FY 2021 Projected
Quality					
New EDI Fund leads from marketing events and presentations	65	50	48	50	60
EDI Fund applications sent to FSC for further processing	12	7	5	8	10
Non-EDI Fund applications sent to Financial Services Corporation (FSC) for further processing	30	30	16	30	40
EDIF Fund-related jobs attracted, created or retained	1,500	3,437	793	850	900
Impact (Outcome)					
EDI Fund awards	3	3	6	6	8
New candidates who complete EDI Fund application process	18	15	10	12	16
New candidates who complete EDI Fund application process	28%	30%	21%	25%	28%