

ECONOMIC DEVELOPMENT CORPORATION

MISSION AND SERVICES

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

Core Services -

- Marketing and promoting the County as a regional and global business location, providing business intelligence, and assisting in site selection and expedited permit processing
- Provide business services, technical assistance, financing, networking, and partnering opportunities
- Preparing the County workforce for existing and emerging jobs
- Organize international seminars/networking events, and business missions
- Nurture start-ups and international firms in the Technology Assistance Center with enhanced business services

Strategic Focus in FY 2016 -

The corporation's top priorities in FY 2016 are:

- Align EDC's marketing and promotion activities with the new branding campaign
- Expand marketing and promotion efforts, including Economic Development Incentive (EDI) Fund marketing
- Bring in foreign direct investment (FDI), help generate exports and promote the Foreign Trade Zone (FTZ 63) through our strong engagements with Africa Trade Office/Africa, Brazil, China, Europe, and India

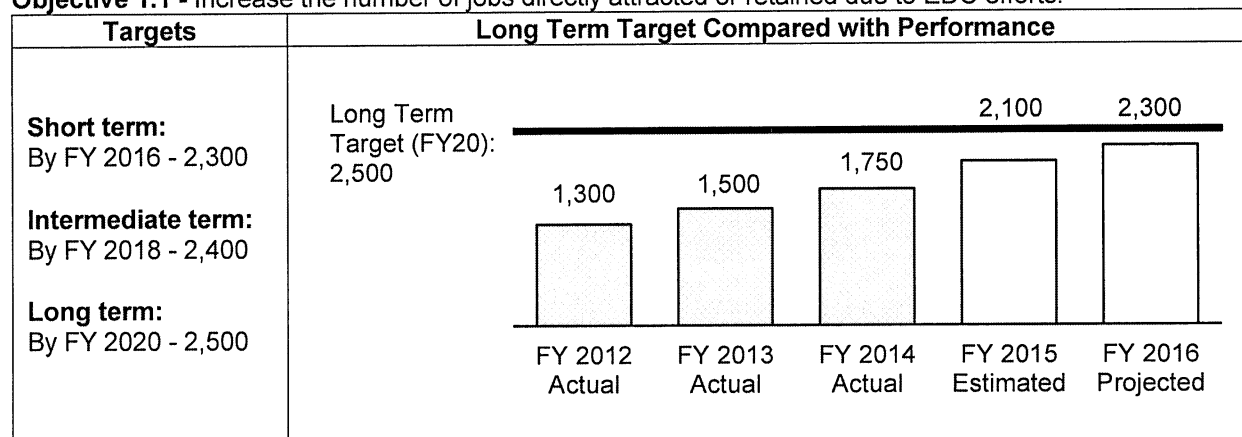
FY 2016 BUDGET SUMMARY

The FY 2016 approved budget for the Economic Development Corporation (EDC) is \$10,072,900, which is an increase of \$3,406,600, or 51.1% over the FY 2015 budget. The EDC grant from the County of \$2,860,200 is a \$114,000 or 3.8% decrease over the FY 2015 County grant.

SERVICE DELIVERY PLAN AND PERFORMANCE

GOAL 1 - To provide marketing, relationship management, technical assistance, and 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 -

The County's unemployment rate stood at 5.5% in November 2014, an improvement from a year ago when the rate stood at 6.3%. The County's current unemployment rate is about the same as the statewide

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average of 5.6%. Job growth is slow and is expected to make a slow recovery. The retail and manufacturing sectors are improving. Business development activity has increased, with EDC's mandated business visitation program, the implementation of Salesforce, re-certification of the Enterprise Zone/Focus Area programs, and the scheduled launch of the FTZ 63 Program.

Performance Measures -

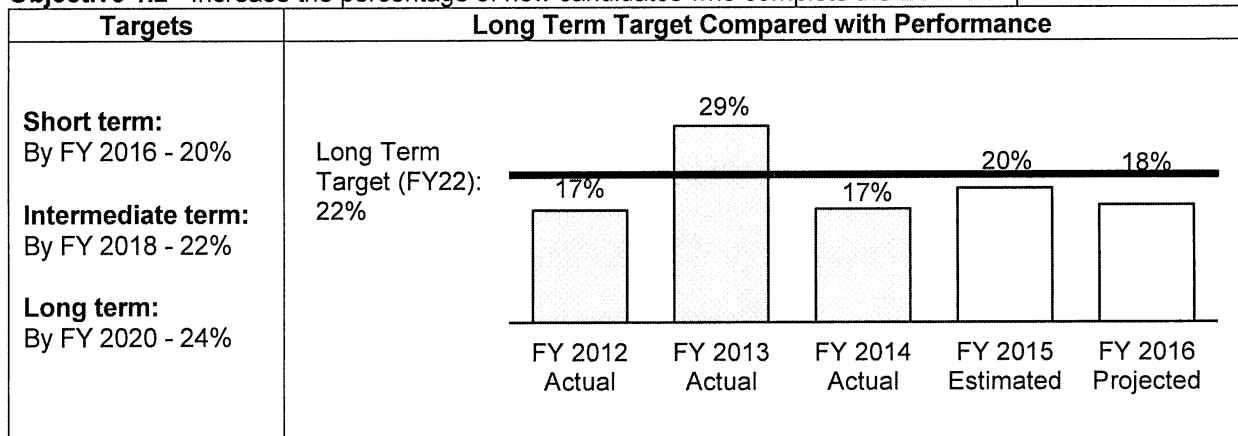
Measure Name	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimated	FY 2016 Projected
Resources (input)					
Number of business development specialists	3	7	7	7	7
Workload, Demand and Production (output)					
Number of business-site evaluation visits	89	770	750	953	1,065
Number of marketing events and presentations	41	87	177	206	240
Efficiency					
Average number of business evaluation visits per assigned business development specialist	30	110	107	136	152
Weekly visitation rate per business development specialist	0.6	2.2	2.1	2.7	3.0
Quality					
Number of business attraction, retention, and expansion leads	NA	1,120	1,100	1,303	1,415
Number of prospects	NA	224	220	261	283
Number of hard prospects	NA	45	44	78	85
Number of deals	NA	14	20	40	43
Impact (outcome)					
Number of jobs created and/or retained as a result of business attraction, retention, and expansion deals	1,300	1,500	1,750	2,100	2,300

Strategies to Accomplish Objective -

- **Strategy 1.1.1** - Develop a marketing plan with detailed demographics of target audiences for upscale retail and hospitality, information technology, life sciences, and manufacturing, warehousing and distribution
- **Strategy 1.1.2** - Conduct site visits, needs assessments, and program referrals for 1,100 County businesses (approximately 7% of all local companies)
- **Strategy 1.1.3** - Implement the branding campaign, in partnership with the County Executive's Office and the Conference and Visitors Bureau, by focusing on the "expand" portion of the campaign to position the County as the location of choice for businesses to grow and expand
- **Strategy 1.1.4** - Provide industry and location intelligence, site selection assistance, technical assistance, permit assistance, financial, and tax incentives to attract, retain, and grow businesses
- **Strategy 1.1.5** - Network and promote the County aggressively at local, regional, and national trade shows and industry conferences, with a special focus on real estate, biotechnology-pharmaceutical, and information technology sector events
- **Strategy 1.1.6** - Network and promote the County at international events and investment conferences

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Objective 1.2 - Increase the percentage of new candidates who complete the EDI Fund process.



Trend and Analysis -

During the first full year of implementation (FY 2013), EDC organized and participated in a large number of marketing and outreach events. These meetings and conferences were held with industry and community groups, and in most parts of the County. As a result, and due to the unique appeal of the EDI Fund, EDC saw an influx of applications, most of which were for grants. Unfortunately, however, a large number of those applications did not meet the strict EDI Fund criteria, and were directed towards other programs, such as small business services. The EDI Fund intake process is now more manageable and activity levels have picked up.

Performance Measures -

Measure Name	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimated	FY 2016 Projected
Resources (input)					
Number of business development specialists	3	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	89	770	750	953	1,065
Number of marketing events and presentations	41	87	177	206	240
Efficiency					
Average number of business evaluation visits per assigned business development specialist	30	110	107	136	152
Weekly visitation rate per business development specialist	0.6	2.2	2.1	2.7	3.0
Quality					
New EDI Fund leads from marketing events and presentations	30	82	71	50	80
Number of EDI Fund applications sent to FSC for further processing	7	14	6	10	12
Number of non-EDI Fund applications sent to FSC for further processing			26	15	25
Number of EDI Fund awards	1	8	8	8	10
Number of EDIF Fund-related jobs attracted, created or retained	16	1,427	503	880	900
Impact (outcome)					
Number of new candidates who complete EDI Fund application process	5	24	12	10	14
Percentage of new candidates who complete EDI Fund application process	17%	29%	17%	20%	18%

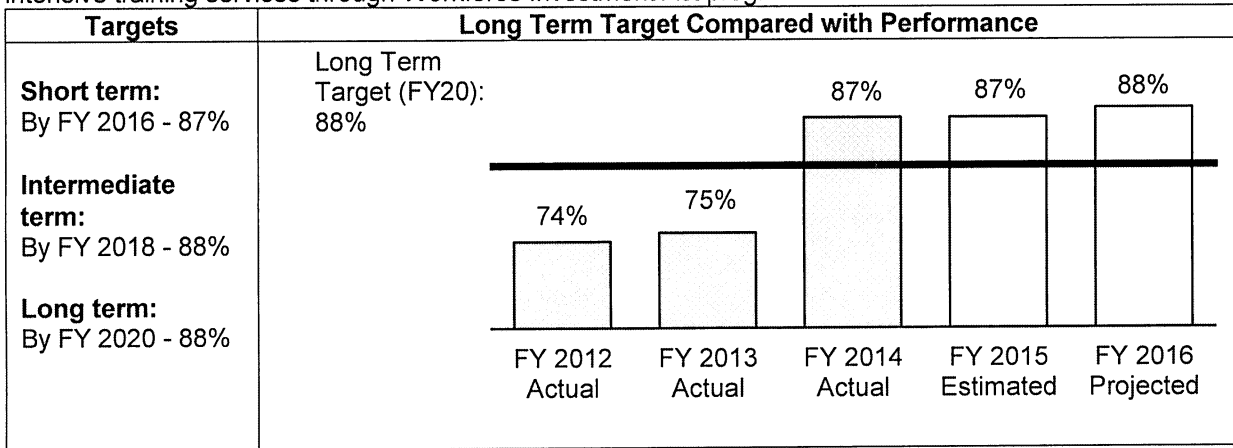
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Strategies to Accomplish Objective -

- **Strategy 1.2.1** - Deploy all business development services – irrespective of industry sector – for business visits and site evaluation visits and prepare weekly reports
- **Strategy 1.2.2** - Organize “developer” forums at least twice per year, and invite leading builders and developers to these forums
- **Strategy 1.2.3** - Organize “Thirsty for Business” Thursdays in various parts of the County and invite local area businesses to network
- **Strategy 1.2.4** - Partner with the County Executive’s Office to promote and implement a part of the branding campaign, especially the “expand” part of the program
- **Strategy 1.2.5** - Participate in national and international business and investment conferences
- **Strategy 1.2.6** - Organize, and participate in, international business events, such as SelectUSA, Africa Business Gala, International Business Day, Foreign Trade Zone, etc.

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 low-income adults placed into employment after receiving intensive training services through Workforce Investment Act programs.



Trend and Analysis -

EDC’s workforce services remain in high demand – from both residents and businesses – due to: (1) tough economic conditions nationally and regionally; (2) the need for skills upgrade as old industries close, and new ones emerge requiring different skill sets; (3) new programs being implemented, including Youth Career Connect (YCC), etc.; and (4) demand from businesses to provide training.

ECONOMIC DEVELOPMENT CORPORATION

Performance Measures -

Measure Name	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimated	FY 2016 Projected
Resources (input)					
Number of career consultants	11	12	10	12	12
Workload, Demand and Production (output)					
Number of One-Stop Career Center visitors	35,856	36,500	45,432	47,500	47,000
Number of Workforce Investment Act intensive and training program participants	820	1,039	830	893	904
Efficiency					
Average number of Workforce Investment Act program participants per career consultant	74	86	83	84	86
Impact (outcome)					
Percentage of low-income adults placed into employment after receiving Workforce Investment Act intensive and training program services	74%	75%	87%	87%	88%

Strategies to Accomplish Objective -

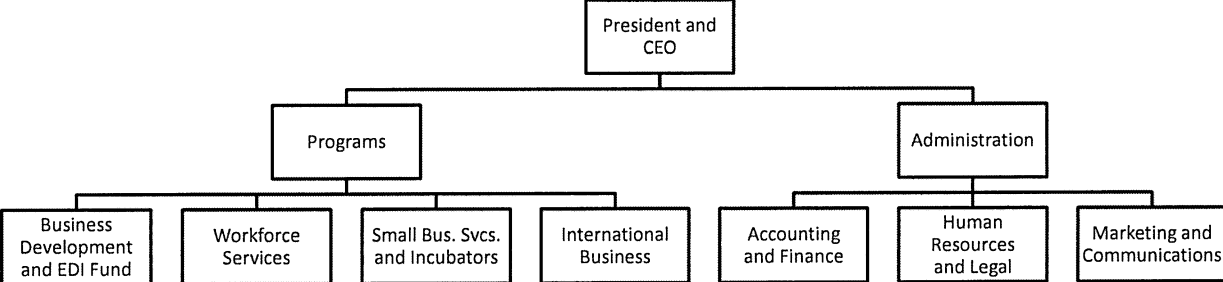
- **Strategy 2.1.1** - Develop training programs for existing workers in high-growth fields, including cyber security, healthcare, and construction technology
- **Strategy 2.1.2** - Promote the One-Stop career centers in the TNI areas
- **Strategy 2.1.3** - Expand marketing of workforce development services to local/regional businesses

FY 2015 KEY ACCOMPLISHMENTS

- Attracted and retained over 1,800 jobs in FY 2014, with more than 2,500 jobs in EDC's FY 2015 pipeline.
- EDI Fund: Since the program's inception in March 2012, 22 businesses have been awarded a total of \$17.7 Million in loans. This has helped attract, retain, or expand over 2,800 jobs (included in the job numbers above).
- Started "Thirsty for Business Thursdays" business networking event in FY 2015. Three events in FY 2015 attracted nearly 500 businesses.
- Acquired "Salesforce" database to track, measure and report all business visits, meetings, projects, and leads.
- Launched the Countywide Foreign Trade Zone Program.
- Obtained a federal grant of \$7 Million to provide training to high school students at three area schools in targeted industries - healthcare, bio-sciences and IT.
- Provided workforce training to over 18,000 residents and employment services to over 40,000 people who came to the One-Stop.

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ORGANIZATION CHART



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FY 2016 OPERATING BUDGET

REVENUES					
	FY 2014 ACTUAL	FY 2015 APPROVED	FY 2015 ESTIMATED	FY 2016 APPROVED	CHANGE FY15 - FY16
Total County Grant	\$ 2,934,000	\$ 2,974,200	\$ 2,974,200	\$ 2,860,200	-3.8%
WIA (Workforce Services)					
State Grants & Other Income	4,701,661	3,500,000	6,000,000	7,000,000	100.0%
Enterprise Zone Grant	65,000	65,000	65,000	65,000	0.0%
TEDCO Grant	-	-	-	-	0.0%
DSS Grant	-	-	-	-	0.0%
Africa Trade Office Grant (SBA)	-	-	-	-	0.0%
HUD-EDI Grant	-	-	-	-	0.0%
MARBIDCO Grant	-	-	-	-	0.0%
Congressional Grant	-	-	-	-	0.0%
Small Business Initiative (SBI)	1,305	1,000	1,900	1,000	0.0%
Incubator Revenue	57,270	82,600	60,600	82,600	0.0%
Resource Sharing Agreement Income	-	-	-	-	0.0%
Event/Sponsorship Revenue	115,150	-	140,000	-	0.0%
Fundraising Revenue	6,750	20,000	60,000	40,600	103.0%
EDI Fund Processing Fees	11,600	20,000	15,000	20,000	0.0%
Miscellaneous Income	3,033	3,500	1,000	3,500	0.0%
Use of Fund Balance	-	-	347,200	-	0.0%
TOTAL	\$ 7,895,769	\$ 6,666,300	\$ 9,664,900	\$ 10,072,900	51.1%
EXPENDITURES					
	FY 2014 ACTUAL	FY 2015 APPROVED	FY 2015 ESTIMATED	FY 2016 APPROVED	CHANGE FY15 - FY16
Compensation	\$ 1,870,844	\$ 2,075,800	\$ 2,100,000	\$ 1,969,100	-5.1%
Fringe Benefits	532,935	629,600	621,100	630,400	0.1%
Operating	5,451,511	3,960,900	6,943,800	7,473,400	88.7%
TOTAL	\$ 7,855,290	\$ 6,666,300	\$ 9,664,900	\$ 10,072,900	51.1%