

# Department of Economic Initiatives

## Mission

The Department of Economic Initiatives (DEI) leverages County resources and develops policy recommendations and programs to foster economic development and position Fairfax County to be an economically competitive and prosperous community. DEI leads initiatives to deliver innovative solutions that:

- Cultivate a positive environment for the development of a diverse and thriving local business base and local economy;
- Facilitate development through public-private and community partnerships that address strategic priorities, meet County goals, and maximize value; and,
- Foster an entrepreneurial and innovative ecosystem within the County and the region, building on competitive economic strengths.

## Connection to the Countywide Strategic Plan

The Fairfax County Board of Supervisors adopted the first-ever Countywide Strategic Plan on October 5, 2021. The Countywide Strategic Plan serves as a road map to help guide future work, focusing on the 10 Community Outcome Areas that represent the issues of greatest importance to the community. In February of 2023, the first Annual Report on the work of the strategic plan was released to the public. The report contains point-in-time progress highlights for each of the proposed plan strategies, plus a sample data dashboard and data story that is being replicated across all of the outcome areas, and a number of additional initiatives to embed the elements of the plan within department-level work. The report also includes a Year Two Implementation Model, which focuses on identifying the specific strategies that will move forward to implementation under the guidance of the Board of Supervisors. For more information on the Countywide Strategic Plan, please visit [www.fairfaxcounty.gov/strategicplan](http://www.fairfaxcounty.gov/strategicplan). The Department of Economic Initiatives primarily supports the following Community Outcome Area:



Community Outcome Area	Vision Statement
Economic Opportunity	<i>All people, businesses, and places are thriving economically.</i>

## Focus

DEI was established in 2019 to consolidate staff and programs dedicated to local economic and business development initiatives and to focus attention on the continued and shared competitiveness of the local economy. DEI has continued work in strategic areas, has identified additional opportunities and needs to meet County economic development goals, and aligns and prioritizes work within the Countywide Strategic Plan, the Economic Recovery Framework, and recommendations of the Chairman’s Task Force on Equity and Opportunity. DEI areas of focus include enhancing the small and local business ecosystem, supporting catalytic public-private development within communities, and building innovative programs to support economic diversification and key economic assets. Work is informed by an equity lens to support the economic

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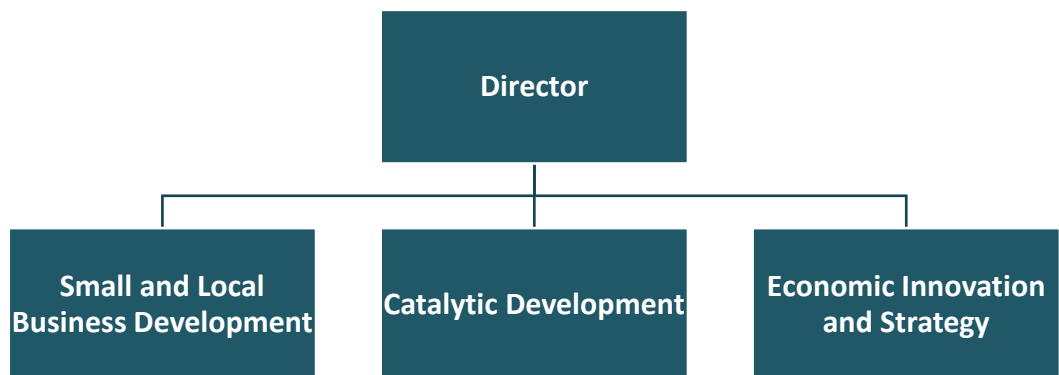
mobility of employees, business owners, and entrepreneurs and achieved through strategic partnerships with County agencies, businesses, institutions, and organizations.

DEI's Small and Local Business Development Division provides assistance through the Business Experience Partnership ("BizEX") service to entrepreneurs and businesses seeking to establish, evolve, or expand a business in Fairfax County. This service offers individualized information about the permits and processes necessary to open and grow a business and facilitates access to other resources, programs, and opportunities which support the County's small and local business community. This division also organizes and promotes educational opportunities and collaborates with partners to maximize strengths and enhance service delivery through all phases of small business ownership.

The Catalytic Development Division plays a unique role supporting place-led economic development efforts, utilizing the unique assets within communities to nurture economic activity, resident economic mobility, reinvestment, and County goals. This includes leading County PPEA (Public-Private Educational Facilities and Infrastructure Act) review and response through engagement with the private sector and County agencies, particularly in identification and development of a PPEA project and the final execution and maintenance of a PPEA partnership. The Catalytic Development Division also coordinates the use of the Economic Opportunity Reserve and provides economic impact and fiscal analysis to help the County understand the return on investment of development projects, financing options, and maximizing economic and social benefits resulting from the projects.

The Economic Innovation and Strategy Division develops and invests in programs that cultivate economic diversification and emerging sectors, builds on strategic assets, and supports economic mobility to ensure prosperous communities, businesses, and workers. This includes executing economic innovation pilot projects, assisting in the creation of centers or activities that stimulate community development and entrepreneurship, and supporting key military and federal economic assets.

## Organizational Chart



## Budget and Staff Resources

Category	FY 2022 Actual	FY 2023 Adopted	FY 2023 Revised	FY 2024 Advertised	FY 2024 Adopted
<b>FUNDING</b>					
<b>Expenditures:</b>					
Personnel Services	\$1,349,334	\$1,741,556	\$1,769,250	\$2,005,324	\$2,065,233
Operating Expenses	101,093	227,571	450,664	232,571	232,571
<b>Total Expenditures</b>	<b>\$1,450,427</b>	<b>\$1,969,127</b>	<b>\$2,219,914</b>	<b>\$2,237,895</b>	<b>\$2,297,804</b>
<b>AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)</b>					
Regular	15 / 15	16 / 16	16 / 16	17 / 17	17 / 17

## FY 2024 Funding Adjustments

The following funding adjustments from the FY 2023 Adopted Budget Plan are necessary to support the FY 2024 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the Budget on May 9, 2023.

### Employee Compensation \$169,673

An increase of \$169,673 in Personnel Services includes \$94,740 for a 5.44 percent market rate adjustment (MRA) for all employees and \$31,521 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2023. The remaining increase of \$43,412 is included to support employee retention and recruitment efforts that will reduce pay compression and align the County's pay structures with the market based on benchmark data.

### Deputy Director \$159,004

An increase of \$159,004, including \$154,004 in Personnel Services and \$5,000 in Operating Expenses, is associated with 1/1.0 FTE new Deputy Director position, which will help support the department's increasingly complex and varied work, oversee equity and strategic plan initiatives, establish appropriate leadership structures, and comply with County policies and reporting requirements. It should be noted that an associated increase of \$78,989 is included in Agency 89, Employee Benefits. For further information on Fringe Benefits, refer to the Agency 89, Employee Benefits, narrative in the Nondepartmental program area section of Volume 1.

## Changes to FY 2023 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2023 Revised Budget Plan since passage of the FY 2023 Adopted Budget Plan. Included are all adjustments made as part of the FY 2022 Carryover Review, FY 2023 Third Quarter Review, and all other approved changes through April 30, 2023.

### Carryover Adjustments \$223,093

As part of the FY 2022 Carryover Review, the Board of Supervisors approved funding of \$223,093 in encumbered carryover mainly for small business online portal development and economic database subscription.

### Third Quarter Adjustments \$27,694

As part of the FY 2023 Third Quarter Review, the Board of Supervisors approved funding of \$27,694 to support employee retention efforts that will reduce pay compression and align the County's pay structures with the market based on benchmark data. This adjustment includes the acceleration of the changes resulting from the FY 2024 Benchmark Compensation Study to be effective beginning

with pay dates in May 2023, as well as the FY 2023 impact of an ongoing review of pay compression in the salaries of current employees.

## Position Detail

The FY 2024 Adopted Budget Plan includes the following positions:

DEPARTMENT OF ECONOMIC INITIATIVES - 17 Positions			
1	Director	3	Management Analysts III
1	Deputy Director [+1]	4	Management Analysts II
1	Project Coordinator	2	Management Analysts I
1	Program and Procedures Coordinator	1	Business Analyst III
2	Management Analysts IV	1	Communication Specialist III
+	Denotes New Position(s)		

## Performance Measurement Results by Community Outcome Area

### Economic Opportunity

In FY 2022, DEI created initial budget performance measures which serve as the baseline year. The department tracked efforts to support entrepreneurs and small businesses through providing direct services, education and/or resources to help them start, stay, or grow in Fairfax County. FY 2022 actuals met anticipated goals and serve to estimate future indicators. The entrepreneurship and small business support estimates for FY 2023 and FY 2024 have been adjusted due to program modifications, updated program launch dates, and the development of new programs. The department also established the baseline number of public-private partnerships and catalytic redevelopment projects led by DEI.

Performance measures for FY 2024 continue to focus on work related to the three primary pillars of the department: small and local business development, economic innovation and strategy, and catalytic development.

Community Outcome Area	FY 2020 Actual	FY 2021 Actual	FY 2022 Estimate	FY 2022 Actual	FY 2023 Estimate	FY 2024 Estimate
<b>Economic Opportunity</b>						
<b>Promoting Economic Vibrancy in All Parts of Fairfax County</b>						
Number of public-private partnership projects led by DEI	NA	NA	4	7	7	11
Number of small business assistance resources developed	NA	NA	5	34	35	40
<b>Healthy Businesses in a Diverse Mix of Industries</b>						
Number of small business or entrepreneurs directly assisted	NA	NA	450	728	800	1,100
<b>Promoting Innovation in the Local Economy</b>						
Number of entrepreneurs or businesses that participate in economic innovation activities or education events organized or supported by DEI	NA	NA	1,000	860	900	900

A complete list of performance measures can be viewed at <https://www.fairfaxcounty.gov/budget/fy-2024-adopted-performance-measures-pm>