



# Economic Development Support Fund

## Update on Funding Requests

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# Reserve Policy and Funding Goals

- The Board approved revised reserve funding target of 10% of General Fund disbursements as part of the FY16 Adopted Budget Plan.
- Reserve target consists of three components:
  - **Managed Reserve**  
*To provide for temporary financing of critical unforeseen disbursements of a catastrophic emergency nature.*
  - **Revenue Stabilization Fund**  
*To permit orderly adjustment to changes resulting from curtailment of revenue.*
  - **Economic Opportunity Reserve**  
*To provide for strategic investment opportunities that are identified by the Board to stimulate economic growth.*

# Reserve Policy Status

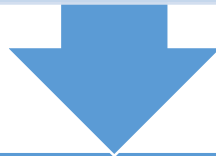
**Managed Reserve: 4% of General Fund Disbursements (Formerly 2%)**

As of FY 2017, the managed reserve totals **\$110.7 million**, or 2.76%



**Revenue Stabilization Fund: 5% of General Fund Disbursements (Formerly 3%)**

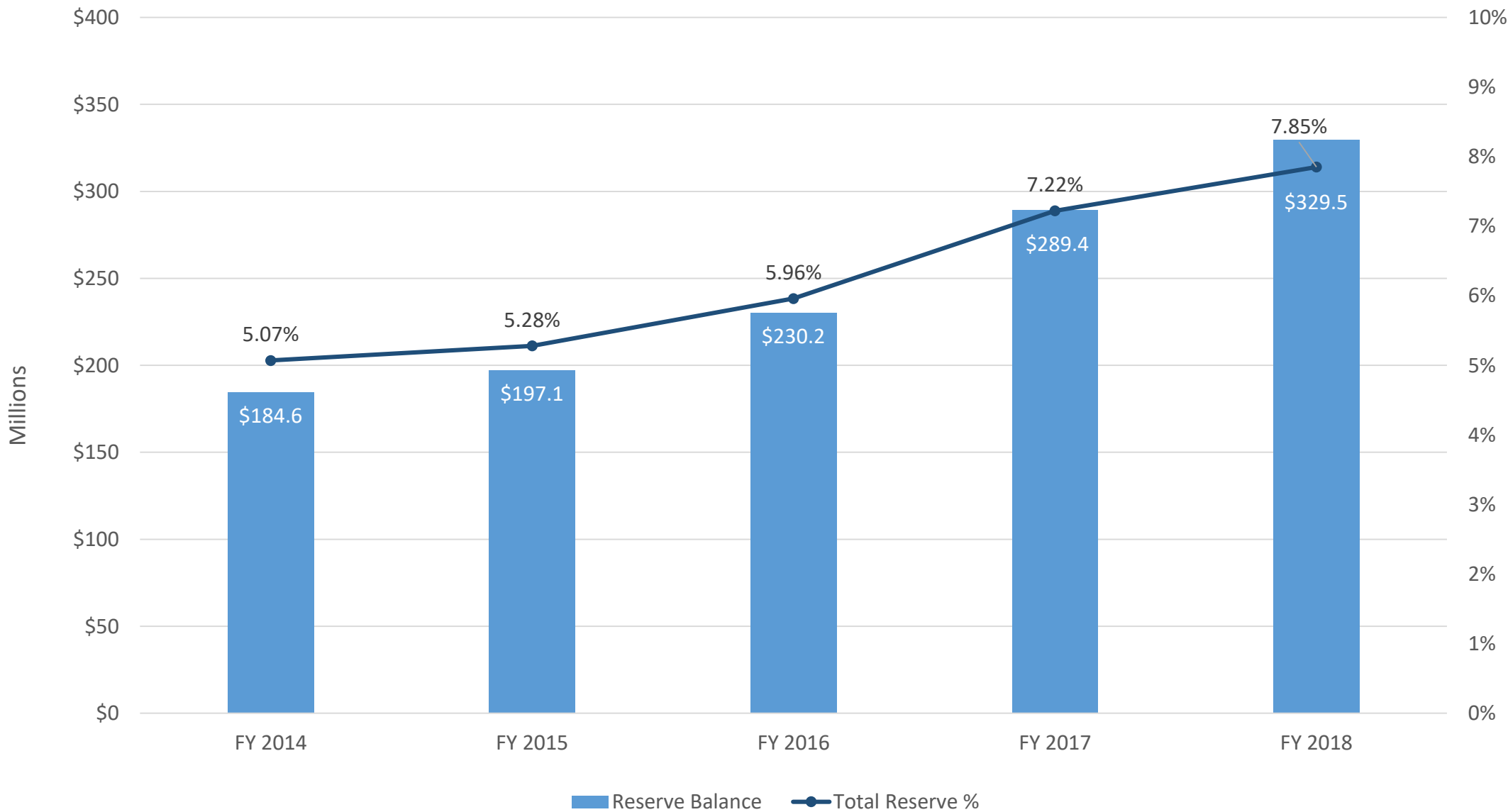
As of FY 2017, the revenue stabilization fund totals **\$178.7 million**, or 4.46%



**Economic Opportunity Reserve: 1% of General Fund Disbursements (New)**

Funding of this reserve will occur once the Managed Reserve & Revenue Stabilization Fund are fully funded

# Progression Towards Reserve Fund Goals



# EOR & EDSF Funding

- FY 2018 Budget progress toward reserve target at 7.85%
- Funding for Economic Opportunity Reserve (EOR) would not occur until after 9% is reached
- In FY 2018, 1% of General Fund disbursements  $\approx$  \$42 million
- Board direction at FY 2016 Carryover Review :
  - Created Economic Development Support Fund (EDSF) to accelerate EOR investments
  - Appropriated \$5 million into EDSF
  - Directed staff to develop guidelines and process for use of EOR and EDSF funds

# EDSF Project Status

- Thirteen Board nominations received to date for funding from the EDSF
  - Four nominations had initial screening on 10/17/17
  - Four nominations under review today
  - Remaining five nominations to be reviewed at a future Committee discussion

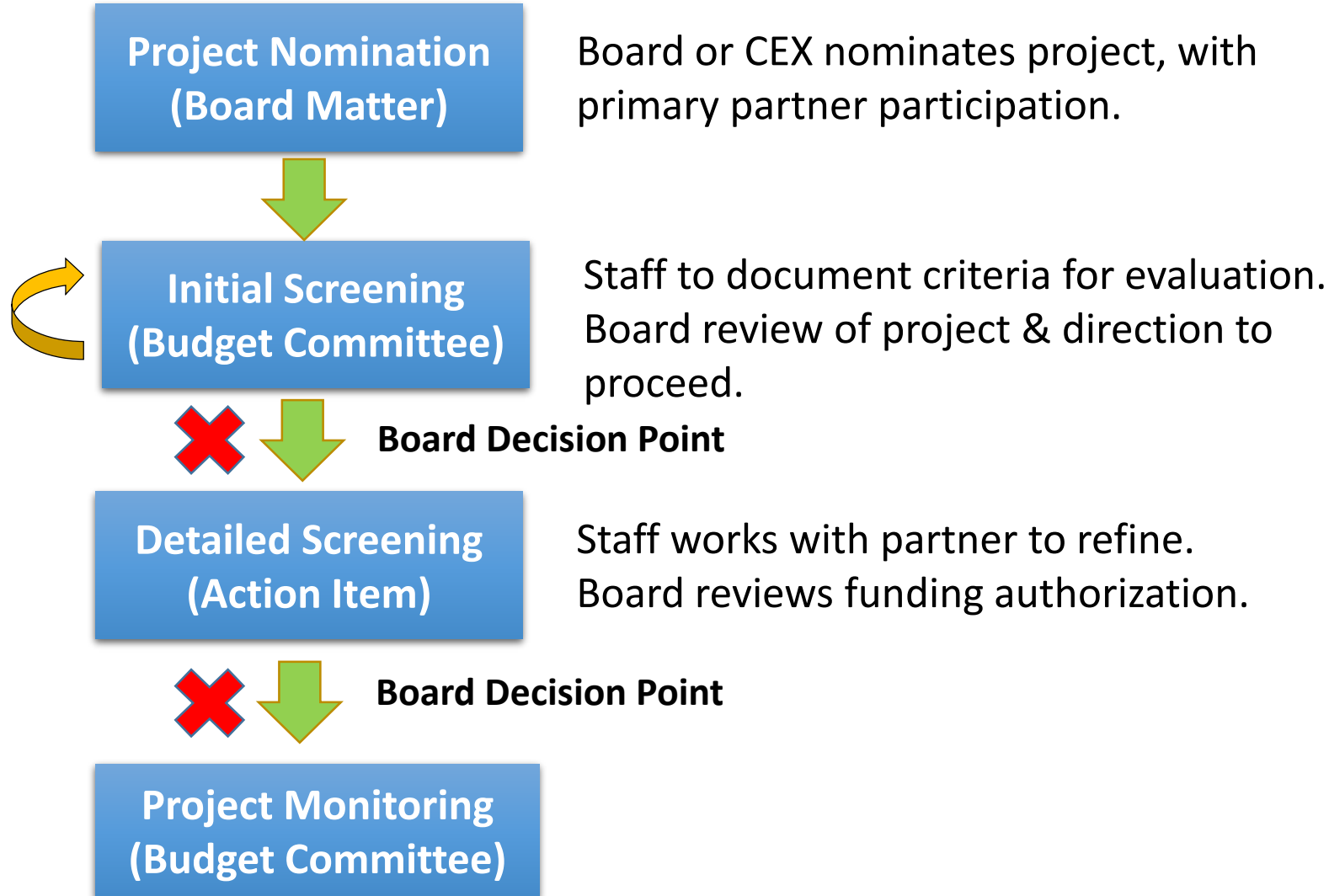
*ESDF Nomination Status Chart*

# EDSF Nominations

Item	Amount Requested
ESSP Implementation Funding	\$200,000
Springfield Gateways Initiative	\$100,000
Go VA – Security University	\$100,000
Greater Washington Export Center	\$450,000
Implementation of Sports Tourism Taskforce Recommendations	TBD
Sports Tourism Economic Development Opportunity	TBD
Historic Tourism and Marketing Support	TBD
Go VA – MACH37 – Local Match	\$25,000
GO VA – Innovation Initiative – Local Match	TBD

Future project nominations are anticipated

# EDSF Process





# EDSF Nominations

- This is a one time investment expenditure
- No funding for operations or maintenance
- No direct or indirect liability to the County
- Project Types to be evaluated in three categories:

Project Type	Goal	Metrics / Review
Capital Development	Invest in projects that support Board Economic Success and equitable growth policies	<ul style="list-style-type: none"> <li>• Economic growth</li> <li>• Taxable revenue</li> </ul>
Property Acquisition	Tactical investment in real property or assets to facilitate future economic growth	<ul style="list-style-type: none"> <li>• County use or repurpose</li> <li>• Future P3 opportunity</li> </ul>
Programming Support	Appropriate investments in actions	<ul style="list-style-type: none"> <li>• Economic growth</li> <li>• Support ESSP goals</li> </ul>

Not all projects nominated have easily defined evaluation metrics associated with return on investment