

# 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 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.

## 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 is aligning and prioritizing work with the Countywide Strategic Plan, the Economic Recovery Framework, the recommendations from the Chairman's Task Force on Equity and Opportunity, among others. DEI areas of focus include enhancing the small and local business ecosystem, supporting catalytic public-private development, and building innovative programs to support economic diversification and key economic assets. Work is conducted through an equity lens to support the economic mobility of employees, business owners, and entrepreneurs. Projects are collaborative and achieved through strategic partnerships with County agencies, businesses, institutions, and organizations.

DEI provides direct assistance to entrepreneurs and businesses seeking to establish, evolve or expand a business in Fairfax County. The Small and Local Business Development Division manages BizEx, the Business Experience Program, which offers individualized information and resources about the permits and processes necessary to open and grow a business and facilitates access to other programs and opportunities which support the County's small and local business community. This division also organizes and promotes educational opportunities and creates enhanced platforms for all phases of the entrepreneurial process.

The Catalytic Development Division plays a unique role in leading County PPEA (Public-Private Educational Facilities and Infrastructure Act) review and response. This includes 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 brought by the projects.

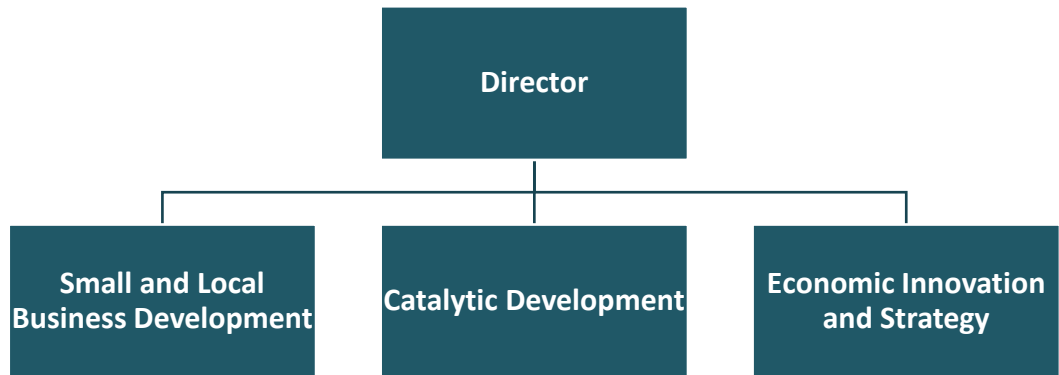
The Economic Innovation and Strategy Division develops and invests in programs that cultivate economic diversification and emerging sectors, builds on strategic assets, and supports economic mobility to ensure prosperous communities, businesses, and workers. This includes executing economic innovation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

## Pandemic Response and Impact

Throughout the COVID pandemic, DEI led direct County support to small and local businesses and developed recovery strategies to assist with economic recovery and supporting a more just and resilient economy. Actions included:

- Overseeing the Small Business COVID-19 Recovery Microloan Fund and transitioning the program to a revolving loan fund.
- Developing, promoting, and overseeing Fairfax RISE, the COVID-19 Small Business and Non-Profit Relief Grant Program, which distributed \$52.6 million in grants to 4,809 small businesses.
- In partnership with the Fairfax County Economic Development Authority (FCEDA), leading and launching an Economic Recovery Framework for business retention and economic competitiveness, and convening Economic Recovery Forums with more than 15 County agencies to discuss implementation and tracking.
- Developing, promoting, and overseeing the \$25 million PIVOT small business recovery grant program, which awarded grants to Fairfax County businesses in the most hard-hit sectors of the economy, including hotel, food service, retail and personal services, and arts and culture industries and helped them continue their recovery.

## Organizational Chart



## Budget and Staff Resources

Category	FY 2021 Actual	FY 2022 Adopted	FY 2022 Revised	FY 2023 Advertised
<b>FUNDING</b>				
<b>Expenditures:</b>				
Personnel Services	\$991,441	\$1,257,811	\$1,582,096	\$1,657,965
Operating Expenses	61,874	151,108	325,099	165,571
<b>Total Expenditures</b>	<b>\$1,053,315</b>	<b>\$1,408,919</b>	<b>\$1,907,195</b>	<b>\$1,823,536</b>
<b>AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)</b>				
Regular	11 / 11	12 / 12	15 / 15	15 / 15

**FY 2023  
Funding  
Adjustments**

The following funding adjustments from the FY 2022 Adopted Budget Plan are necessary to support the FY 2023 program:

**Employee Compensation \$87,369**

An increase of \$87,369 in Personnel Services includes \$62,981 for a 4.01 percent market rate adjustment (MRA) for all employees and \$24,388 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2022.

**Office of Strategy Management for Health and Human Services Realignment \$327,248**

An increase of \$327,248 is associated with the realignment of funding and positions as a result of a reorganizational review of Agency 77, Office of Strategy Management for Health and Human Services (OSM), approved as part of *FY 2021 Carryover Review*. This funding includes \$312,785 in Personnel Services to support the transfer of 3/3.0 FTE positions and \$14,463 in Operating Expenses. This reorganization includes the re-envisioning of Health and Human Services strategic policy and planning efforts, previously coordinated by the OSM. Moving forward, this work will continue through a hybrid of centralized cross-system coordination and imbedded corporate agency supports. There is no net impact on the General Fund in terms of funding or positions associated with these changes.

**Changes to  
FY 2022  
Adopted  
Budget Plan**

The following funding adjustments reflect all approved changes in the *FY 2022 Revised Budget Plan* since passage of the FY 2022 Adopted Budget Plan. Included are all adjustments made as part of the *FY 2021 Carryover Review*, *FY 2022 Mid-Year Review*, and all other approved changes through December 31, 2021:

**Carryover Adjustments \$498,276**

As part of the *FY 2021 Carryover Review*, the Board of Supervisors approved funding of \$498,276, including \$11,500 in Personnel Services for a one-time compensation adjustment of \$1,000 for merit employees and \$500 for non-merit employees paid in November 2021. The remaining amount of \$486,776 is due to \$159,528 in encumbered carryover mainly for small business online portal development, and \$327,248 associated with the realignment of funding and positions as a result of a reorganizational review of Agency 77, Office of Strategy Management for Health and Human Services (OSM), including \$312,785 in Personnel Services to support the transfer of 3/3.0 FTE positions and \$14,463 in Operating Expenses.

**Position Detail**

The FY 2023 Advertised Budget Plan includes the following positions:

DEPARTMENT OF ECONOMIC INITIATIVES - 15 Positions			
1	Director	2	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 II
4	Management Analysts III		

## Performance Measurement Results

In FY 2022, DEI created initial budget performance measures which serve as the baseline year. Performance measures for FY 2023 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.

Tracking the number of entrepreneurs or businesses that participate in economic innovation activities or education events organized or supported by DEI demonstrates efforts to support economic innovation and to encourage entrepreneurs and businesses to grow or establish businesses in Fairfax County.

The number of small businesses and entrepreneurs directly assisted, and the number of small business assistance resources developed will be reported to monitor work on small and local business assistance.

Work coordinating and leading aspects of public-private partnerships and catalytic redevelopment opportunities will be monitored by reporting the number of public-private partnership projects led by DEI. Additional metrics will be considered in alignment with the Countywide Strategic Plan.

Indicator	FY 2019 Actual	FY 2020 Actual	FY 2021 Estimate	FY 2021 Actual	FY 2022 Estimate	FY 2023 Estimate
Number of entrepreneurs or businesses that participate in economic innovation activities or education events organized or supported by DEI	NA	NA	NA	NA	1,000	1,000
Number of small business or entrepreneurs directly assisted	NA	NA	NA	NA	450	450
Number of small business assistance resources developed	NA	NA	NA	NA	5	5
Number of public-private partnership projects led by DEI	NA	NA	NA	NA	4	4

A complete list of performance measures can be viewed at <https://www.fairfaxcounty.gov/budget/fy-2023-advertised-performance-measures-pm>