

Response to Questions on the FY 2006 Advertised Budget Plan

Request By: Chairman Connolly

Question: Describe the purpose and set-up of the proposed Fairfax County Economic Development Authority office in California.

Response: The proposed Fairfax County Economic Development Authority (FCEDA) office in California will promote Fairfax County as a business location to firms for whom East Coast expansions are appropriate. The objectives will be to generate new jobs and investment in Fairfax County, thus enhancing the real estate tax base and allowing the Board to minimize the burden of public service costs on residents.

These objectives will be met by targeting technology firms, securing meetings with their site-location decision-makers, and presenting Fairfax County as an option for the expansion of their operations. While it is possible that companies may decide to relocate away from California, the greater likelihood is that they will recognize federal and other opportunities in the Washington, DC metropolitan area and decide to establish a local presence. The FCEDA regards the proposed representative as a means of ensuring that such expansions take place in Fairfax County rather than other local jurisdictions.

The recruitment of the California representative will be based on the model that the FCEDA has developed for its overseas offices. The candidate will have extensive experience and contacts in the following industry sectors: aerospace, information security, software development, systems integration, and information security. There will be no staff or office infrastructure. He or she will work from an established practice and will supply their own transportation, computers, and telecommunications systems.

The scope of work for the representative would include the following: arrange 12 meetings per month with prospects; arrange meetings for EDA staff 3 times per year; identify industry groups and associations for membership; and arrange speaking engagements and press opportunities for the FCEDA President. It is expected that in the first two years of operation, between five and ten companies will expand into Fairfax County as a result of this effort. The costs for the California representative are shown below:

\$80,000	Annual Retainer
12,800	Staff and Representative travel for market outreach Four staff trips per year at \$3,200 each
3,700	One-time start up costs for letterhead, business cards, e-mail address and website
1,500	Travel expenses for orientation at EDA headquarters
1,000	Memberships in key industry associations
1,000	Mileage reimbursement for miles driven to meetings outside the market area
<u>\$100,000</u>	<u>Total</u>