

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, and uses our One Fairfax equity policy to invest in people and places that have limited access to opportunity. On February 20, 2024, the second 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 community outcome areas, plus three data dashboards and data stories that are 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 Three Implementation Model, which will engage hundreds of County subject-matter experts to identify and champion 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. 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 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 mobility of employees, business owners, and entrepreneurs and

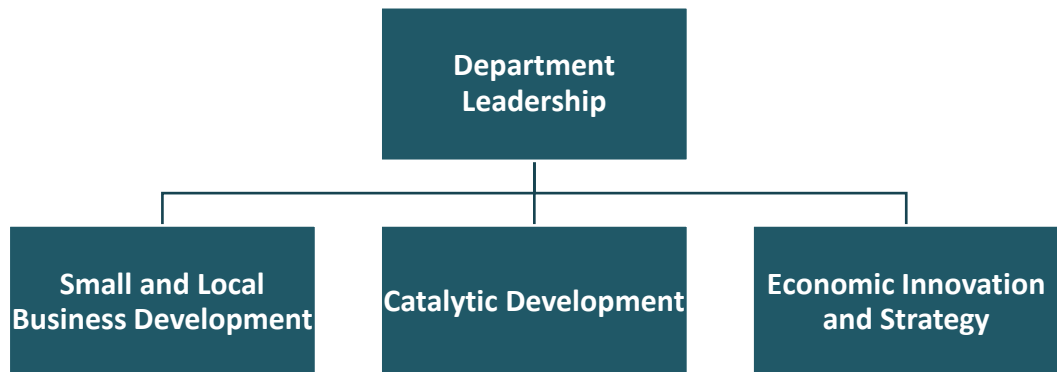
achieved through strategic partnerships with County agencies, businesses, institutions, and organizations.

DEI's Small and Local Business Development Division provides assistance to entrepreneurs and businesses seeking to establish, evolve, or expand a business in Fairfax County. The Business Experience Partnership ("BizEX") service offers individualized information about the processes necessary to open and grow a business and facilitates access to other resources, programs, and opportunities. This division manages the Fairfax CORE platform (Connecting Opportunities and Resources for Entrepreneurs), 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 Fund 10015, 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, building the innovation and entrepreneurship ecosystem, and supporting key military and federal economic assets.

Organizational Chart



Budget and Staff Resources

Category	FY 2023 Actual	FY 2024 Adopted	FY 2024 Revised	FY 2025 Advertised	FY 2025 Adopted
FUNDING					
Expenditures:					
Personnel Services	\$1,660,073	\$2,065,233	\$2,065,233	\$2,074,298	\$2,074,298
Operating Expenses	210,526	232,571	507,518	182,571	182,571
Total Expenditures	\$1,870,599	\$2,297,804	\$2,572,751	\$2,256,869	\$2,256,869
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	16 / 16	17 / 17	17 / 17	17 / 17	17 / 17

FY 2025 Funding Adjustments

The following funding adjustments from the FY 2024 Adopted Budget Plan are necessary to support the FY 2025 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 7, 2024.

Employee Compensation \$68,663

An increase of \$68,663 in Personnel Services includes \$41,304 for a 2.00 percent market rate adjustment (MRA) for all employees and \$22,285 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2024. The remaining increase of \$5,074 is included for employee pay increases for specific job classes identified in the County's benchmark class survey of comparator jurisdictions.

Reductions (\$109,598)

A decrease of \$109,598 reflects reductions utilized to balance the FY 2025 budget. The following table provides details on the specific reductions:

Title	Impact	Positions	FTE	Reduction
Realize Savings Associated with Non-Merit Personnel	This reduction realizes savings of \$59,598 in non-merit personnel budget and is based on the current use of non-merit staff. All functions and responsibilities previously supported by this funding have been absorbed within existing staff and the Fairfax County Department of Transportation.	0	0.0	\$59,598
Reduce Funding for Economic Studies	A reduction of \$50,000 is associated with commissioning economic studies, which allows the County to understand the return on investment of development project financing options and maximize economic and social benefits brought by the projects. The reduction decreases funding for the studies by 50 percent. If a particular study were to be identified by the department and the Board of Supervisors, one-time funding could be considered as part of future quarterly budget reviews.	0	0.0	\$50,000

Changes to FY 2024 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2024 Revised Budget Plan since passage of the FY 2024 Adopted Budget Plan. Included are all adjustments made as part of the FY 2023 Carryover Review, FY 2024 Third Quarter Review, and all other approved changes through April 30, 2024.

Carryover Adjustments \$274,947

As part of the FY 2023 Carryover Review, the Board of Supervisors approved funding of \$274,947 in encumbered carryover mainly for economic initiatives framework analysis and economic database subscription.

Position Detail

The FY 2025 Adopted Budget Plan includes the following positions:

DEPARTMENT OF ECONOMIC INITIATIVES - 17 Positions			
1	Director	3	Management Analysts III
1	Deputy Director	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

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. The department also established the baseline number of public-private partnerships and catalytic redevelopment projects led by DEI. In FY 2023, the targets in a few categories were not achieved for two primary reasons. First, there was insufficient historical data to optimally estimate measures as DEI was established as part of *FY 2019 Carryover Review* and the performance measurements were created in FY 2022. FY 2023 estimates were created before the baseline FY 2022 work was complete. Second, major department programs were not fully operational in FY 2023 as anticipated, which caused a slight decrease in the estimated number of business and entrepreneur participants, resources developed, and direct assistance.

Performance measures for FY 2025 will 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. Additional measures have been added to more fully track and illustrate the work of the department. These include the number of place-based organizations (meaning organizations located in and serving a local community) or initiatives supported, and the amount of Economic Opportunity Investments managed by the department. Economic Opportunity Investments include funding the department manages to create programs that directly support local economic development (for example, small businesses or workforce development programs), projects approved through Fund 10015, Economic Opportunities Reserve, or other sources.

Department of Economic Initiatives

Community Outcome Area	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimate	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Economic Opportunity						
Promoting Economic Vibrancy in All Parts of Fairfax County						
Number of public-private partnership projects led by DEI	NA	7	7	9	11	4
Number of place-based organizations or initiatives supported by DEI	NA	NA	NA	NA	4	5
Healthy Businesses in a Diverse Mix of Industries						
Number of small business or entrepreneurs directly assisted	NA	728	800	612	950	1,000
Number of small business assistance resources developed	NA	34	35	25	40	50
Promoting Innovation in the Local Economy						
Number of entrepreneurs or businesses that participate in economic innovation activities or education events organized or supported by DEI	NA	860	900	655	900	900
Economic Opportunity Investments Managed by DEI	NA	NA	NA	NA	\$21.52 million	\$17.25 million

A complete list of performance measures can be viewed at <https://www.fairfaxcounty.gov/budget/fy-2025-adopted-performance-measures-pm>