



Melissa S. Peacor  
County Executive

## COUNTY OF PRINCE WILLIAM

OFFICE OF EXECUTIVE MANAGEMENT

1 County Complex Court, Prince William, Virginia 22192-9201  
(703) 792-6600 Metro 631-1703 FAX: (703) 792-7484


# 7-A

BOARD OF COUNTY SUPERVISORS

Corey A. Stewart, Chairman  
Michael C. May, Vice Chairman  
Maureen S. Caddigan  
Pete Candland  
W. S. Wally Covington, III  
John D. Jenkins  
Martin E. Nohe  
Frank J. Principi

April 25, 2014

**TO:** Board of County Supervisors

**FROM:** Jeffrey A. Kaczmarek, Executive Director  
Department of Economic Development (DED) 

**THRU:** Melissa S. Peacor  
County Executive

**RE:** Report on Economic Development, First Quarter 2014

Please find accompanying this memo, a copy of the Report on Economic Development for the First Quarter 2014 with associated presentation. This report offers an overview of recent economic and employment situations, an update on DED program activities and an outline of current departmental initiatives.

*For Release upon Delivery*

# Report on Economic Development

---

*First Quarter, 2014*

*Prince William County, Virginia  
Department of Economic Development*



## REPORT ON ECONOMIC DEVELOPMENT

January - March 2014

### Executive Summary

During the first quarter of 2014, the Department of Economic Development (the Department) completed five (5) economic development projects totaling \$75.0 million in intended capital investment and 60 new jobs, 33 of which were in targeted industries. The Department also continued to advance its key functions of project assistance, prospect development and marketing outreach. This report offers an overview of current economic conditions, an update on the Department's program activities as well as other departmental initiatives.

### Current Economic Conditions and Leading Indicators

Most recent estimates suggest that Prince William County's population grew to 420,465<sup>1</sup> by December 2013, an increase from 402,002 as of the last US Census in 2010. The County's population grew by 43% between 2000 and 2010.

<i>Population / Workforce</i>			
• Population <sup>1</sup> :	420,465 (Dec. 2013)	• Unemployment <sup>2</sup> :	4.8% (Feb. 2014)
• Labor Force <sup>2</sup> :	237,458 (Feb. 2014)	• At-place Employment <sup>2</sup> :	116,765 (Q3 2013)
• Median Household Income <sup>3</sup> :	\$93,744 (2012)	• No. of Establishments <sup>2</sup> :	7,969 (Q3 2013)

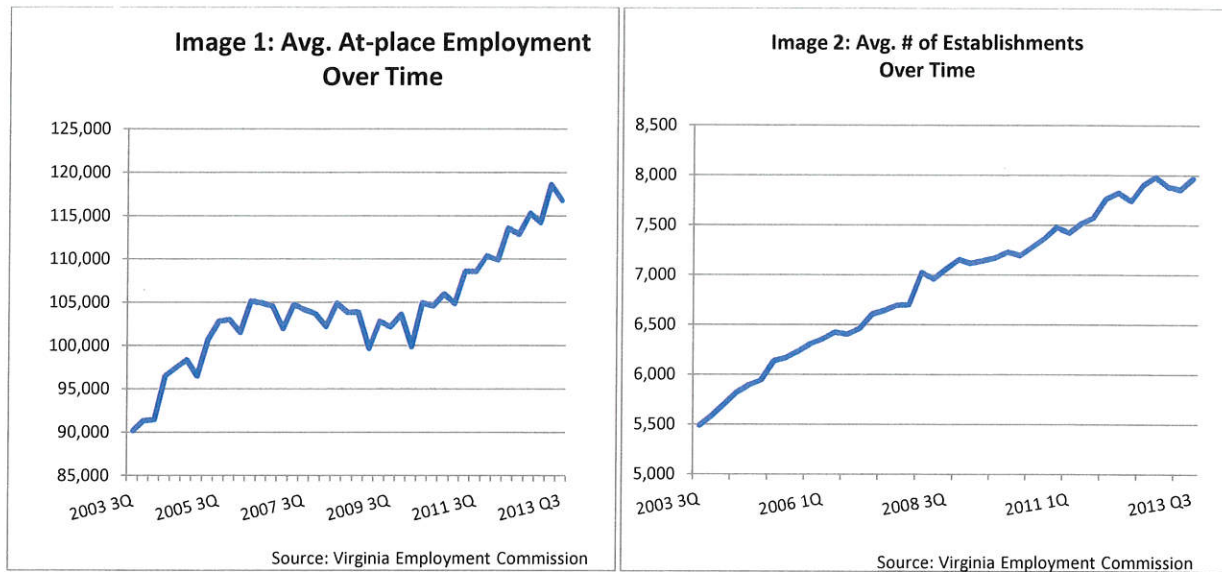
According to latest available data, as of the third quarter of 2013, the County was home to 7,969 business establishments, employing an estimated 116,765 persons. **Images 1 and 2** depict the ten-year trend in both indicators and show they have increased during this time period.

---

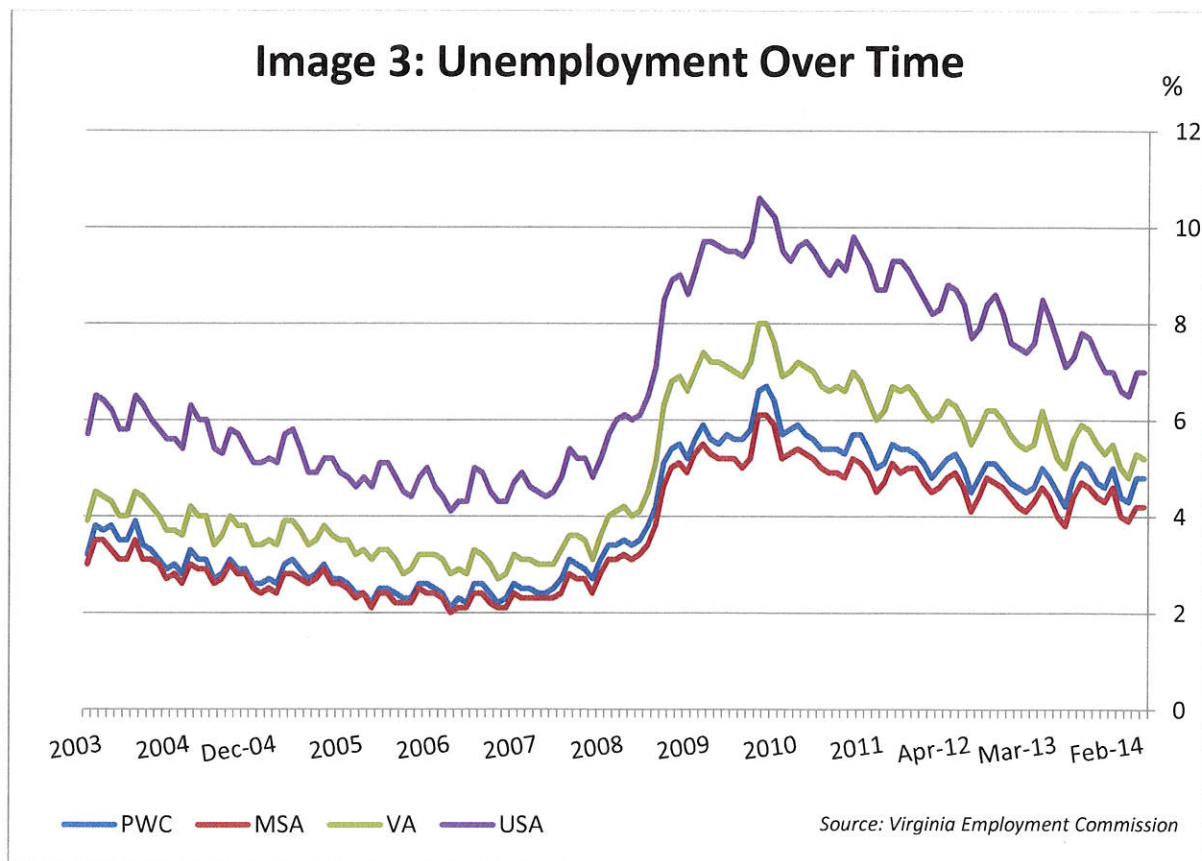
<sup>1</sup> <http://www.pwcgov.org/government/dept/finance/Documents/Prince%20William%20Report%202013%204th%20Q.pdf>

<sup>2</sup> Virginia Employment Commission

<sup>3</sup> American Community Survey, 2013

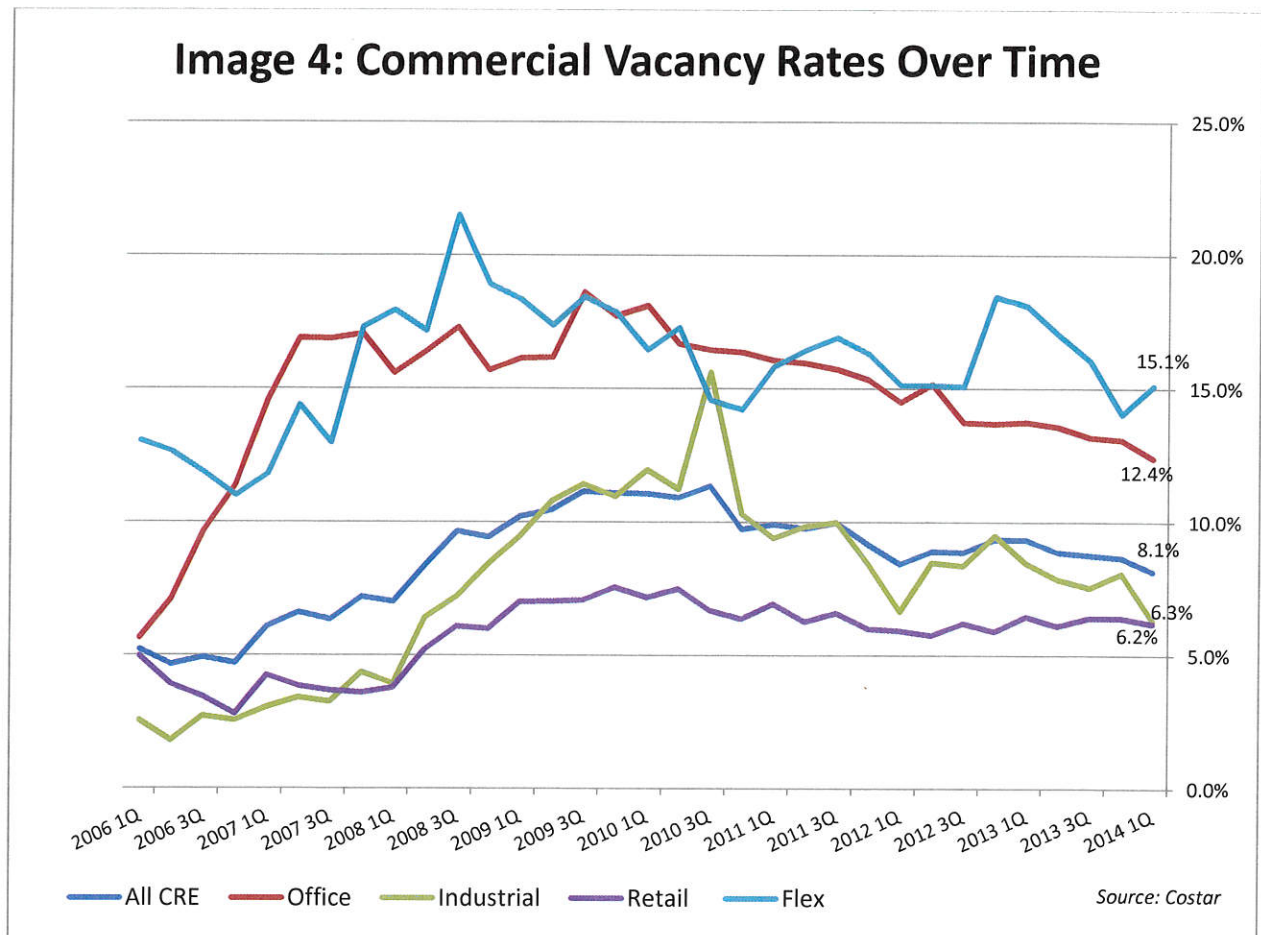


Notwithstanding an upswing in unemployment over the period 2007-2010 in the wake of the economic downturn, unemployment has continued to trend downwards over the last four years as shown in **Image 3** from a high of 6.5% in February 2010 to 4.8% by the February 2014, reflective of a steady improvement in overall economic conditions.





During the first quarter of 2014, vacancy rates for most categories of commercial real estate trended downwards suggesting an increase in commercial real estate activity over the period. The overall commercial vacancy rate stood at 8.1% for the quarter down from 8.7% in the fourth quarter of 2013 and a peak of 11.1% in the first quarter of 2010. Underlying the overall commercial vacancy rate in the first quarter of 2014 were vacancy rates of 12.4% for office, 15.1% for flex, 6.3% for industrial and 6.2% for retail properties as shown in *Image 4*.



## Economic Development Program Update

### Existing Business Program

During the first quarter of 2014, the Department continued to focus on providing support to our local businesses through a variety of means. Existing business outreach during the quarter consisted of **597** instances of proactive and reactive outreach bearing in mind that outreach often entailed multiple interactions with the same company. Accordingly, our efforts resulted in:

- **12** visitations to existing companies to understand both their unique and specific business challenges as well as to identify other ways to encourage business expansion within Prince William County;
- consultation to businesses in **64** instances; and
- **142 resolutions** to queries from businesses within the County.

### ***New Business Attraction and Market Outreach***

The Department continued its accelerated marketing outreach during the first quarter of 2014, engaging in several regional and national industry events and increasing Prince William County's visibility on a regional and national level. Some examples of those events are:

- ***2014 Public-Private Partnership Conference, Dallas, TX*** – one of the largest gatherings of economic development and industry practitioners. The Department participated in one of the Deal Day sessions where municipalities presented information about potential development projects and procurement opportunities to the country's top developers, investors and A/E/C (architecture, engineering and construction) professionals. The event was a unique opportunity to showcase the County to industry executives seeking new relationships with local governments.
- ***2014 Site Selectors Guild Conference, Denver, CO*** – a highly sought after gathering of over 30 of the world's most respected, influential corporate location advisors, which provided a valuable relationship-building opportunity. Also in attendance were 200 local, regional and state economic developers.
- ***MODEX 2014 and Georgia Logistics Summit, Atlanta, GA*** – both events brought together over 20,000 professionals from the logistics and supply chain sectors and offered numerous points of contact with industry professionals. The Department held one-on-one meetings with a dozen consultants and company representatives and established contact with several others.
- ***Science Without Borders, Baltimore, MD*** – the Department attended the event hosted by Johns Hopkins University, which provided a unique opportunity to network and learn more about a featured country's (Israel's) biotech and life science sectors as well as possible ways to partner and collaborate with that country.
- ***Northern Virginia Community College (NVCC) Workforce Development Forum, Annandale, VA*** – the Department participated in a panel discussion on workforce development hosted by NVCC. The panel concurred that Northern Virginia's economic future remains bright but that the region's leaders must do more to increase the workforce's size and technological skills.

- **NAIOP – Northern Virginia Economic Update, Tysons Corner, VA** – the Department participated in a panel discussion at the forum hosted by the National Association of Industrial and Office Properties (NAIOP). The panel was comprised of economic development directors from other localities in Northern Virginia and discussion focused on current trends and challenges facing the region as well as their implications for economic development.
- **8<sup>th</sup> Annual Small Business and Government Conference, Fort Belvoir, VA** – the Department took part in a panel discussion led by local government and county agencies. The event was a valuable opportunity to conduct outreach to small businesses particularly within the federal contracting community.

### ***Electronic Marketing Program***

In order to support both existing business and new business outreach efforts, the Department continued the execution of its electronic marketing program. During the first quarter of 2014, the program experienced:

- an 18.6% increase in Twitter® followers;
- a 13.7% increase in email list; and
- a 17% increase in searches for property via our online real estate database; underscored by a
  - 22% increase in searches for existing spaces; and
  - 32% decrease in searches for land with build-to-suit opportunities.

### ***Results***

*Overall:*

For the first quarter of 2014, the Department's business development efforts resulted directly in:

- **5 projects** completed;
- **\$75.0 million** in new capital investment; and
- **60 new jobs** logged.

Of the 5 projects completed:

- **4** were in targeted industries; while
- **3** were new business to the County and **2** were expansions.

### ***Other Key Initiatives***

The following are some of the key initiatives being pursued by the Department as we continuously strive to improve our efforts at attracting new opportunities, encouraging expansion of existing businesses and increasing the visibility of Prince William County.

- ***Potomac Communities Initiative*** – the Potomac Communities brochure has been completed. The 32-page brochure was the result of a great collaboration between the Planning Office, Economic Development as well as the generous input of our allies within the County. This publication provides a unique consolidated overview of the strategic assets and development opportunities which exist within the Potomac Communities in eastern Prince William County. It will also serve as a template for future publications aimed at showcasing other geographic areas and assets of the County. The brochure has been widely disseminated locally and nationally and has received very positive feedback. Thus far, over 1400 copies have been distributed.
- ***Updated List of Targeted Industries*** – In February 2014, the Prince William Board of County Supervisors agreed to update and expand the County's list of industries that are targeted for economic development opportunities. The decision was based on recommendations proposed in the Economic Competitiveness Analysis and Target Industry Study completed in 2013. The decision also marked an important expansion of our Department's marketing and investment attraction strategy that will determine the scope and focus of the Department's efforts going forward. We have already responded to our revised mandate by adjusting our marketing and outreach strategy to include industry events consistent with our revised targets.
- ***Simulation and Game Institute Ribbon Cutting Ceremony*** – the ribbon-cutting ceremony to mark the opening of the Simulation and Game Institute (SGI) was held on **March 27, 2014**. Over 100 dignitaries and specially invited guests turned out to help celebrate the occasion. Chairman of the Prince William County Board of Supervisors, Corey A. Stewart and County Supervisor W.S. Wally Covington, III, both delivered remarks. Other dignitaries in attendance included County Supervisor, Maureen S. Caddigan, Hon. Karen Jackson, Secretary of Technology, Commonwealth of Virginia, Ángel Cabrera, President, George Mason University (GMU), Dr. Annie Hunt-Burriss, CEO, Prince William Campus, GMU and Dr. Scott M. Martin, Founding Director, Computer Game Design Program, SGI, GMU. The event generated extensive positive earned media coverage for the County and helped brand Prince William County as a strong player in science and technology. To date it is estimated that media coverage gained from the event is equivalent to approximately \$6,500 in "ad value".
- ***Prince William County Science Accelerator*** – work on the build-out of the Science Accelerator continued during the first quarter of 2014 with completion anticipated in mid-May 2014. We anticipate holding a ribbon cutting ceremony on Wednesday June 11, 2014. Located in Innovation Park, adjacent to George Mason University's Prince William Campus, this facility will



be the only public-private commercially available property featuring wet laboratory spaces in the Northern Virginia region for the life sciences industry. The Accelerator will offer up to nine modern wet labs, with shared conference rooms, new equipment and a secure entry lobby and was established to bring critically needed wet lab space to market to attract growing life science companies. In April 2014, the County signed a license agreement with its first tenant – ISOTHrive LLC – a startup life sciences company, for the sub-lease of 603 square feet of space.

# PRINCE WILLIAM COUNTY, VIRGINIA

## REPORT ON ECONOMIC DEVELOPMENT



**First Quarter 2014**

Presented By:  
Jeff Kaczmarek  
*Director*  
Prince William County  
Department of Economic Development

### Capital Investment & Jobs – Q1 2014

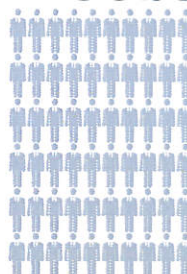
**\$75 MILLION**  
*Capital Investment*

**5 Project Wins**



**4** in Targeted Industries  
**3** New Businesses  
**2** Expansions

**60 New Jobs**



## Project Wins and Successes

### 5 Projects – 3 New, 2 Expansions



- Capital investment \$0.64 mill.
- 2 new jobs
- Expansion



- Capital investment \$2.95 mill.
- 13 new jobs
- New business



- Capital investment \$30 mill.
- 20 new jobs
- New business



- Ribbon Cutting Ceremony - March 27, 2014



Department of Economic Development

## Kudos



Celebrated over 30 years in business



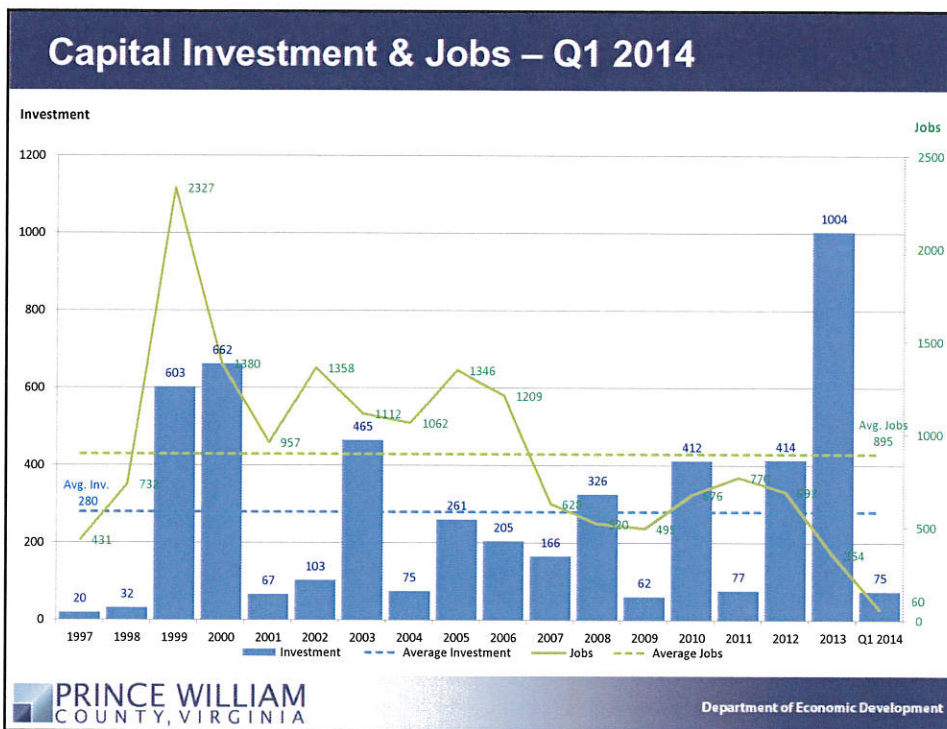
Destination Innovation 2014 winner in the security category



Ranked 25th in the world as a leader of Managed Service Providers (MSP)



Department of Economic Development



### Existing Business Outreach – Q1 2014

During Q1 2014, existing business outreach consisted of **597** instances of proactive and reactive outreach including:



12 visitations

**12 visitations** to existing companies to understand both their unique and specific business challenges as well as to identify other ways to encourage business expansion within Prince William County



64 consultations

**64 instances of consultation services** to businesses



142 resolutions

**142 resolutions** to queries from businesses within the County

PRINCE WILLIAM COUNTY, VIRGINIA

Department of Economic Development



## Business Attraction & Outreach – Q1 2014



### **2014 Public-Private Partnership Conference, Dallas, TX –**

To encourage networking and to foster public-private partnerships between government and private sector entities. Department participated in one Deal Day session and presented information on potential development projects and procurement opportunities



### **2014 Site Selectors Guild Conference, Denver, CO –**

Highly sought after gathering of over 30 of the world's most respected, influential corporate location advisors, which provided a valuable relationship-building opportunity. Also in attendance were 200 local, regional and state economic developers



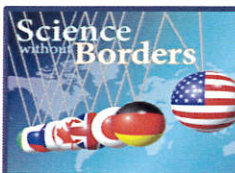
### **MODEX 2014 and Georgia Logistics Summit, Atlanta, GA**

– Brought together over 20,000 professionals from the logistics and supply chain sectors. The Department held one-on-one meetings with a dozen consultants and company representatives



Department of Economic Development

## Business Attraction & Outreach – Q1 2014



**Science Without Borders, Baltimore, MD** – Hosted by Johns Hopkins University and provided a unique opportunity to network and learn more about Israel's biotech and life science sectors as well as possible ways to partner and collaborate with that country



### **NAIOP Northern Virginia Economic Development Update, Tysons Corner, VA**

– The Department participated in a panel discussion comprised of economic development directors from other localities in Northern Virginia. Discussion focused on current trends, challenges facing the region and their implications for economic development



### **8<sup>th</sup> Annual Small Business and Government Conference, Fort Belvoir, VA**

– The Department took part in a panel discussion led by local government and county agencies. The event was a valuable opportunity to conduct outreach to small businesses particularly within the federal contracting community




Department of Economic Development



## Electronic Marketing Achievements – Q1 2014


TWITTER



@PWCDED


18.6% increase in Twitter following

EMAIL LIST



13.7% increase in email list


PROPERTY SEARCHES



17% increase in searches for property via online database:

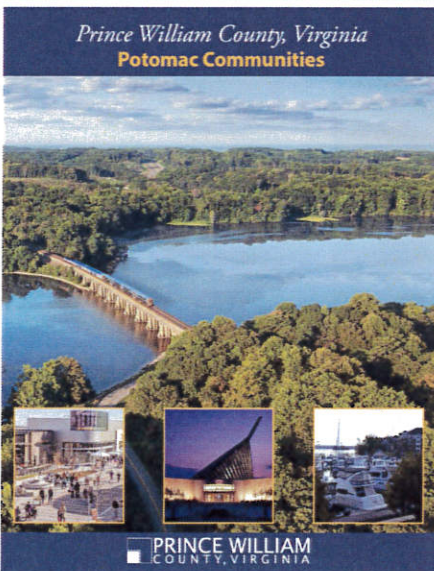
- 22% increase in searches for existing space; and
- 32% decrease in searches for land with build-to-suit opportunities

www.PwcEconDev.org






Department of Economic Development

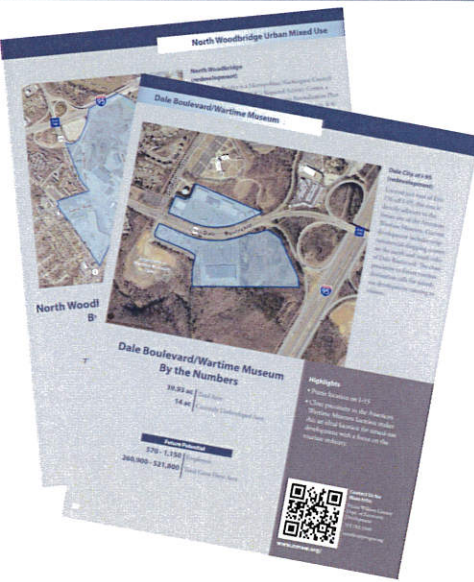
## Program Highlights - Potomac Communities




*Prince William County, Virginia*  
**Potomac Communities**

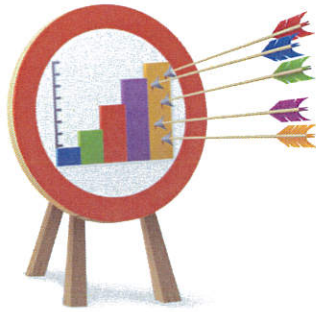
**PRINCE WILLIAM COUNTY, VIRGINIA**





Department of Economic Development

## Program Highlights - Revised Targeted Industries



- In February 2014, the Board of County Supervisors updated and expanded the County's list of industries that are targeted for Economic development opportunities
- The decision was based on recommendations proposed in the Economic Competitiveness and Analysis and Target Industry Study completed in 2013
- List was updated to include more explicitly: **data centers; computer game design and visualization and simulation; IT and cyber security; medical networks; and advanced logistics**
- This marked an important expansion in the Department's marketing and investment attraction strategy

PRINCE WILLIAM  
COUNTY, VIRGINIA

Department of Economic Development

## Program Highlights - Simulation & Game Institute Ribbon Cutting



PRINCE WILLIAM  
COUNTY, VIRGINIA

Department of Economic Development



## Program Highlights – Science Accelerator Build-out



- 9 wet lab spaces totaling 9,000 sq. ft.
- Ready for tenant occupation in mid-May, 2014.
- One lab already leased



**PRINCE WILLIAM**  
COUNTY, VIRGINIA

Department of Economic Development

## Next Steps



### Website Re-design

- Complete re-design and re-launch
- Integrate new target markets
- Interactive and mobile-friendly site
- Improved Search Engine Optimization
- Video capabilities

### Social Media Optimization

- Create LinkedIn Profile
- Create Facebook Page
- Optimize Twitter Profile

### Targeted Industries Work

- Focused lead generation utilizing a call center
- Economic Advisors Group business intelligence
- Expanded research agenda
- Upgrades to Site and Building database

**PRINCE WILLIAM**  
COUNTY, VIRGINIA

Department of Economic Development

## Next Steps – Science Accelerator Ribbon Cutting



Ribbon Cutting ceremony to mark opening of  
Prince William Science Accelerator

June 11, 2014

10:30 a.m.

9385 Discovery Boulevard, Manassas, VA 20110



Department of Economic Development

Prince William County Department of Economic Development

[PwcEconDev.org](http://PwcEconDev.org) | 703.792.5500



Follow us on Twitter  
@PWCDED



Sign-up for our Newsletter at  
[www.PwcEconDev.org](http://www.PwcEconDev.org)



Department of Economic Development