



PRINCE GEORGE'S COUNTY GOVERNMENT
OFFICE OF MANAGEMENT AND BUDGET



Aisha N. Braveboy
County Executive

M E M O R A N D U M

DATE: March 23, 2026

TO: Sylvia King
Senior Legislative Budget Officer

THRU: Angela Fair Baker, Acting Director *afb*
Office of Management and Budget

FROM: Ingrid S. Watson, President and CEO
Economic Development Corporation

RE: First Round FY 2027 Proposed Budget Responses

We are submitting a request for budgetary information to facilitate an efficient and effective budget review and reporting process. Please respond to the questions and complete the following tables with the appropriate information. In some cases, we have populated the tables with available known data. In instances where the tables need to be re-sized or modified to accommodate additional information, please feel free to do so.

DOCUMENT REQUESTS/CHANGES

1. Please provide a copy of EDC's most recent Annual Report.

Please refer to Attachment #1 – Q#1- FY 2024 Annual Report

2. Please provide a copy of EDC's most recent audited financial statements, including any management letters that were issued.

Please refer to Attachment #2 - Q#2 – FY 2025 Financial Statement

3. Please provide a copy of the most recent organizational chart and a schedule of employees/positions proposed for FY 2027. For each of the Organization's divisions, please include a list of incumbents and vacant positions, including respective position titles, and related compensation. Please identify and explain any proposed new positions or any position that will be materially changed in any manner.

Please refer to Attachment #3 – Q#3 – FY 2026 Organizational Chart, and

Attachment#4 – Q#3- FY 2027 Schedule of Position Management

4. Please provide a list of the organization's grants and/or sponsors applied for, received, pending, and denied, including an update of each status and the services provided.

The Following grant applications have been submitted thus far:

- Maryland DHCD OAG TAG FY 2025 \$35,000
 - Community Development Block Grant \$143,00
 - Community Partnership Grant \$50,000.
 - The Truist Bank \$20,000

 - The M&T Bank Amplify Fund Grant of \$50,000.
5. Has the Corporation made, or does it plan to make, any organizational changes or modifications in FY 2026 or FY 2027? If so, then please identify the specific changes; the goals, objectives, and rationale for the changes; an assessment of the impact the changes have had or will have on the Corporation's operations to date; and the short-term and long-term fiscal implications for the Corporation and the County.
 - a. Discuss changes made in FY 2026 to date and changes planned for the remainder of FY 2026; and
 - b. Discuss changes expected to take place in FY 2027.

EDC does not plan to make organizational changes or modifications for FY 2027. However, if there is a significant increase in grant funding that necessitates organizational change for execution, then the organizational structure will be led by those requirements.

OVERALL BUDGET

6. Please identify and quantify any known or anticipated operational or fiscal impacts that the proposed Maryland State budget or other actions taken or being considered by the Maryland General Assembly may have on the Corporation's programs and operations.

During the 449th Maryland General Assembly, 2026 regular session, Prince George's County Economic Development Corporation is currently tracking the following bills and its economic impact to the Corporation and Prince George's County:

HB 1247 | Prince George's County - Tax Increment Financing - Extraordinary Development District - Alterations PG 425-25 (Sphere Bill)

HB 127 seeks to alter the definition of "extraordinary development district" for the purpose of provisions of law governing tax increment financing to include a certain immersive entertainment venue; expanding the purposes for which bond proceeds may be used by Prince George's County or the revenue authority of Prince George's County to include the acquisition, construction, or rehabilitation of an immersive entertainment venue in an extraordinary development district.

The bill also authorizes the Maryland-National Capital Park and Planning Commission to enter into a certain agreement that pledges certain taxes as security bonds issued by Prince George's County contingent on the adoption of certain resolutions and generally relating to tax increment financing of an extraordinary development district.

According to Ernest & Young's financial analysis, the economic impact of Sphere will provide \$1.3 billion of annual income for Prince George's County, \$1.5 billion of annual income for the State of Maryland, and approximately 7,000 jobs, and an additional 2 million visitors to the State. The legislation requests to broaden the Tax Incremental Financing definition to provide for construction to be added to the definition.

HB 369 | Prince George's County - Property Tax Credit - New Businesses PG 407-26

HB 369 seeks to authorize the governing body of Prince George's County to grant, by law, a certain property tax credit against the county property tax imposed on the property of any property owned or leased by a new business that creates 10 or more full-time jobs in an industry targeted for expansion by the Prince George's County Economic Development Corporation.

The local fiscal effect is that Prince George's County property tax revenues may decrease beginning in fiscal year 2027 to the extent the property tax credit is granted. The amount of the revenue decrease depends on the number of property tax credits that are granted, the assessed value of each eligible property, and the amount and duration of the property tax credit, none of which can be reliably estimated.

HB 1243 | Prince George's County - Personal Property Tax Exemption for Small Manufacturers PG 423-26

HB 1243 seeks to exempt all personal property in the possession of a person engaged in a manufacturing business with 50 or fewer employees from the personal property tax in Prince George's County.

Bill imposes a local government mandate, which is a directive in a bill requiring a local government unit to perform a task or assume a responsibility that has a discernible fiscal impact on the local government unit.

7. Please identify and quantify any known or anticipated operational or fiscal impacts or other actions taken or being considered by the Federal Government that may have on the Department's programs and operations.
 - **Changes to the 8(a) Program by the Small Business Administration (SBA) may affect which businesses qualify for the 8(a) program, potentially limiting access to federal contracts for small businesses in Prince George's County. The SBA eliminated the social disadvantage based on race and moved toward a race-neutral, more fact-specific program.**

- **The availability of federal grants and loans aimed at infrastructure development (through the Infrastructure Investment and Jobs Act), tax incentives, changes to labor laws and minimum wage, environmental regulations, and tariffs can directly impact local development projects.**

The EDC will need to remain proactive in its response to these changes by actively engaging our federal representatives, developing programs to assist businesses in navigating the changes, and strengthening our partnerships with federal agencies.

GENERAL BUDGET

Revenues & Expenditures

8. Please provide, by line-item detail, the Corporation's revenues and expenditures for the following periods; FY 2025 Actuals*, Approved FY 2026 Budget*, Estimated FY 2026*, FY 2026 YTD (as of the most recent reporting period), and Proposed FY 2027*.
 - a. Please provide a breakdown of the compensation and fringe benefit totals, including position titles.

Please refer to Attachment #5 – Q#8 – FY 2027 Operating Budget

- b. Please identify and explain any expenditure category where estimated overall expenditures are expected to significantly exceed originally budgeted levels.
 - I. **Personnel costs are expected to increase by \$195,000.**
EDC went through the budget process with open vacancies and had attrition assessed on personnel costs. Now that EDC is fully staffed, the personnel cost will increase by \$195,000. Two executive staff members were terminated with severance pay, and the two positions were filled within two weeks of the termination.
 - II. **The OIT charges will increase by \$21,400.**
 - III. **The consultants/contractual services expense category will increase by \$450,000 to cover consulting expenses for Small Business, events, and grant programs.**
 - IV. **The International Affairs/Trade Mission expense category will have an increase of \$110,000 because of the pass-through expenses incurred for the South Korea Trade Mission held in September 2025**

1. **South Korea Trade Mission \$110,000**

- V. The Events and Sponsorship expenses will increase by \$160,000 because of two major factors.
1. EDC has been receiving and honoring sponsorship requests from strategic partners in the economic development sector in the region and the county. EDC is projecting to spend \$80,000 on sponsorship commitments.
 2. EDC is planning more events, such as:
 - a. She Means Business
 - b. Women's History Month Luncheon
 - c. Procurement 360
 - d. The Preakness Brunch
 - e. The State of the Economy
 - f. ICSC Conferences
 - i. ICSC Mid Atlantic
 - ii. ICSC Las Vegas
 - g. Latino Business Breakfast
- VI. Subject to budget appropriation, the advertising and promotion expenses are expected to increase as marketing and branding resources will have to be invested in promoting the county's economic development initiatives at major conferences such as
- a. ICSC Conferences
 - i. ICSC Mid Atlantic
 - ii. ICSC Las Vegas
 - b. Latino Business Breakfast
 - c. Select USA
 - d. The world Quantum conference
- VII. Conference and travel expenses are expected to increase because of the EDC staff.
1. Will participate in international conferences such as the Select USA in Mexico in February 2027 (\$25,000)
 2. Will participate in small business and economic development conferences and trainings out of state (\$42,800)

VIII. The health insurance and professional insurance costs will increase significantly because of inflation and the fact that EDC is now classified as a small employee entity with healthcare costs based on individual age ranges as opposed to discounted group rates. The increase in the cost of living has increased health insurance premiums to a tune of 8%, higher than the last fiscal year (\$45,000)

- c. Please also identify and explain the rationale for any new expenditure categories proposed for FY 2027.

International trade missions are essential for cultivating and building relationships with sister cities and global partners. These relationships will give us access to new markets with cutting-edge resources, services, products, and foreign investments.

- d. Are the originally estimated FY 2026 revenues, including any grants, being realized? Please identify and discuss any significant changes from the originally estimated FY 2026 revenues.

The Sponsorship and Fundraising revenue, when combined, is projected to be approximately \$25,000 higher than the budgeted amount of \$216,300 due to an increase in the number of events planned in the year.

The EDC has realized estimated FY 2026 revenues in some income categories and exceeded the budget.

The Other Revenue category will be \$250,000 higher than the budgeted amount because of the passthrough revenue for the South Korea Trade mission in the amount of \$80,000 and pass-through funds for the Business Round Table in the amount of \$150,000.

The Innovation Station Business Incubator is projecting \$5,000 lower revenue than the budgeted amount of \$75,000. Office tenancy in the Innovation Station Business Incubator was curtailed since the restructuring efforts of the Federal government. Many businesses have learned to survive and flourish through virtual tenancy and virtual operations. EDC has restructured the Innovation Station Business Incubator to attract more virtual tenants. Virtual tenants pay a quarter of the cost of a large office. You need four virtual tenants to raise the rental revenue for one office. The collaborative office spaces haven't had a lot of activity since the pandemic. There has been a limited footprint in the Innovation Center suite, which resulted in a decrease in rental income. The current lease agreements will only generate rental revenue in the amount of \$70,000, which will result in a \$5,000 variance between the budget and the actuals. There is a need to continuously revamp the Innovation

revamp the Innovation Center and cultivate cutting-edge marketing initiatives and new strategies to attract more tenants in Collaborative Space and Virtual offices.

- e. Has the organization attempted to obtain outside grants to fund proposed expansions? If applicable, how successful were these attempts, and what setbacks (if any) did the organization encounter?

Grants Submitted, Awarded, declined:

- **Five (5) grants are still pending a decision.**
 - **Two grants have been awarded to PGEDC, but with a low funding level.**
 - **Challenges encountered when applying for grants include extended lag and lead times.**
- f. How many grants have been obtained in FY 2026? Please identify and discuss changes in expected FY 2027 revenue sources and levels relative to FY 2026.

Grants awarded thus far:

- **Maryland DHCD OAG TAG FY 2026 \$143,000**
 - **The Truist Bank grant for \$20,000 to support programming, technology, resource materials, and administrative costs.**
- g. If large revenue changes are anticipated, how does the Corporation plan to adjust its overall operations to adhere to the reduction in revenues? What programs are most likely to be impacted by this reduction?

Please refer to the response for Question 5d and Attachment #5 - Q#8a - 992-EDC FY 2027 Operating Budget

Staffing

9. To what extent, if at all, have EDC employees received or are expected to receive salary increases or other adjustments in FY 2026? Please discuss any increases or other adjustments that have been or will be made.

EDC employees are not expected to receive a salary increase in FY 2026 unless there is a county-wide allocation for salary adjustments.

10. Does the Corporation plan to extend any salary increases or other adjustments in FY 2027? Please discuss any planned increases or other adjustments for FY 2027.

EDC employees are expected to receive a salary increase in FY 2027 as a way of retaining staff in a volatile economy.

11. Please identify any staffing or position changes that have occurred in FY 2026 that were not part of the Corporation's submission to the County Council in response to FY 2026 budget questions.

- **Ms. Ingrid S. Watson, President and CEO**
- **Mr. Brannndon Jackson, Chief Operating Officer**
- **Ms. Tomeka Bumbry, Vice President, Policy and Public Relations**

12. Please identify and provide an explanation for any proposed new positions or for any position that will be materially changed in any manner.

There are no newly proposed positions or any changes to positions identified for FY 2027.

13. Please identify any contracts (including consultant contracts) and leases that were not part of the Corporation's submission to the County Council in response to FY 2026 budget questions.

There are no new contracts for FY 2026.

WORKLOAD AND PROGRAM IMPACT

14. Please provide a status update on the Economic Development Incentive Fund (EDIF).
- a. How many applications have been received to date? How many were received in FY 2026 to date?

To date, 1,218 total applications have been received through the EDIF online portal. In the current fiscal year of 2026, 71 EDIF applications were entered into the EDIF online portal. Of the 71 applications, 4 applications were submitted, of which 1 has been fully submitted and is progressing with further consideration.

- b. Please provide details of EDI Fund client outreach and the current pipeline of projects. How many of these entities are new to the EDIF process?

The EDI Fund continues to find success through traditional prospect outreach approaches. In addition, PGCEDC provides outreach of the EDI Fund by way of business assistance, as well as technical assistance programs. Some of the programs that PGCEDC offers are Employee Recruitment and Training, Business Financing, Building and Site Location Assistance, Public-sector Procurement, and Introductions.

All assistance programs are strategies that evoke dialogue and further understanding of the business's needs, which present further opportunities. Moreover, the PGCEDC business development team continues to communicate with both businesses and developers within the county and engage in robust conversations about how their "projects" could benefit from public-private partnerships. In doing so, often an EDI Fund conversation will be broached for further consideration. Overall, the Prince George's County Economic Development staff is utilized to increase awareness, activity, and participation in the program.

The EDI Fund fiscal 26' pipeline is robust and poised to produce significant economic impact for Prince George's County and grow the commercial tax base. The current pipeline includes seven (7) projects across multiple industry sectors, which include manufacturing, health care, motion picture and video film production, and information technology. Six out of seven "entities" as described are new to the EDIF process.

Currently, the EDI Fund pipeline consists of seven (7) active projects totaling \$10,750,000 in total aggregate project cost and \$775,000 in EDI Fund request. Total net new full-time jobs produced from all projects are estimated at 210.

- c. If at all, in what ways does the EDC participate in the compliance process after loans have been distributed?

The Prince George's County Economic Development Corporation participates in compliance with loans after disbursement in an appurtenant and complementary manner. As per the EDI Fund legislation (CB-004-2011; Sec. 10-288):

“(1) The Chief Administrative Officer, or his/her designee, shall provide each member of the County Council with a quarterly report that outlines the financial assistance that has been provided and the overall performance of the Fund.

(2) The report prepared by the Chief Administrative Officer shall include information about the compliance of the award recipient with the terms and conditions of the award and the provisions of this Title, including compliance with the provisions of Sec. 10-284 (Purposes and Priorities of the Fund) of this Title.

(g) County Auditor Reviews for Compliance. The County Auditor may regularly review the performance of financial assistance awards from the Fund for compliance with the terms and conditions negotiated by the Chief Administrative Officer.”

It is important to note that the Prince George's County Economic Development Corporation assists the Chief Administrative Officer's "Designee" FSC First with quarterly and year-end reporting functions. This is executed through providing details related to each funded loan and participation in the monthly credit committee review.

In addition, the culmination of prequalifying each successful EDI Fund candidate, PGCEDC presents a "Letter of Intent" or proposal. In many ways, this is where compliance begins. For context, each executed proposal letter requires and commits the borrower to agree upon terms that include compliance language. For example, borrowers' commitment to hire Prince George's County residents, including Prince George's County-based businesses, and specific construction related costs related to their project are determined by The Prince George's County Economic Development Corporation.

- d. How has the EDI Fund replenished itself in FY 2026, if at all?

Please refer to FSC First.

- e. Please provide an update on the Corporation's ability to attract development to extend the County's tax base using EDI funds. What industries have been the focus for FY 2026? What approach does the agency anticipate taking in FY 2027?

For context, the EDI Fund's initial \$50 million appropriation has leveraged over \$1.4 billion of investment into the County's economy. The EDI Fund is still consistently able to leverage funds to attract, retain, and expand businesses and the commercial tax base in Prince George's County. In addition, specifically the EDI Fund continues to be a conduit to businesses and projects that meet legislative priority

funding criteria e.g., – Transit Oriented Development (TOD), Inside the Beltway, Prioritizing Economically Impactful Industry Sectors (Health Care and Hospitals, Information Technology Services, Federal Government, Manufacturing, Research Intensive Industries), aligned with the County’s overall Economic Strategic Plan and “But For Test”.

Currently, the remaining balance of the EDI Fund is still able to effectively advance funds for lending purposes. Our organization is aligned with the County Executive’s initiative to create a market and overall support the County’s newly anticipated “Fashion District”. For FY 2027, we envision our expertise and resources to be allocated to support this new effort. The EDI Fund can be an important tool in incentivizing these efforts.

15. In FY 2026 YTD, how many firms from outside the County have relocated to the County due to EDC’s efforts?

- a. Please provide the number of businesses. For each business, please identify the specific effort EDC utilized to attract the business partner.

Nine (9) businesses have relocated to the County.

- 1. Challenger Transportation – Provided site assistance and incentive information**
- 2. Sensory Sentiments - Provided site assistance, permit assistance, and incentive information**
- 3. Avante Orthopaedics – provided site assistance and permit assistance**
- 4. Graybar Electric - Provided site assistance, permit assistance, and incentive information**
- 5. Evisa International, Inc/ Evisa Construction -Provided space in Innovation Station Business Incubator (ISBI)**
- 6. Live-K Karaoke – provided permit assistance**
- 7. Mr. Electric - provided small business and financial resources info**
- 8. Infinity Lab Solutions – provided small business resources**
- 9. Virtual geo – Provided space in ISBI**

b. Please provide the number of employees for each business.

1. **Challenger Transportation – 350**
2. **Sensory Sentiments – 30**
3. **Avante Orthopaedics – 12**
4. **Graybar Electric – 100**
5. **Evisa International, Inc/ Evisa Construction – 1**
6. **Live-K Karaoke – 25**
7. **Mr. Electric – 2**
8. **Infinity Lab Solutions – 3**
9. **Virtual geo – 3**

c. What is the estimated monetary fiscal impact for the County due to these efforts?

Projected Project Cost - \$37,602,100.00

d. Please provide any location and district-specific markets if available.

1. **Challenger Transportation – N/A**
2. **Sensory Sentiments – 3821 Evergreen Pkwy, Bowie, MD 20716. District 4**
3. **Avante Orthopaedics – Berwyn Heights**
4. **Graybar Electric – N/A**
5. **Evisa International, Inc/ Evisa Construction – This is an international company coming from Kenya and now in ISBI**
6. **Live-K Karaoke – 137 National Plaza #200, Oxon Hill, MD 20745 District 8**
7. **Mr. Electric – 9805 Kildore Way, Fort Washington, MD 20744 District 8**
8. **Infinity Lab Solutions – 927 Pine Forest Lane, Upper Marlboro, MD 20774 District**
9. **Virtual geo – This company had a DC office and has expanded into Maryland via ISBI.**

16. Does the EDC foresee additional potential obstacles that could further inhibit FY 2027 planned program performance and operations? If so, please identify and discuss possible options to address them.

- **The EDC recognizes the importance of legislative and policy frameworks; however, it is essential to ensure we address how certain regulations may pose challenges for our businesses. The EDC will foster more open communication and collaboration with stakeholders so we can all work together on solutions that support economic growth in Prince George’s County.**
- **Other potential obstacles include lengthy approval times for projects, limited financial incentives, competition from neighboring jurisdictions, and funding to support marketing efforts that cultivate and elevate the positive identity for the County.**

17. Please discuss placemaking efforts with other housing and economic development agencies that occurred in FY 2026. What placemaking efforts does EDC foresee in FY 2027?

EDC placemaking efforts for FY 2027 will include:

- Working directly with M-NCPPC Planning Department on prioritizing public spaces and pedestrian-friendly environments in mixed-use developments.
 - Partnering with the Department of Housing and Community Development on initiatives that address affordable housing and community revitalization efforts.
 - Collaborating with Prince George's County Arts and Humanities Council to commission murals, sculptures, and other forms of public art that reflect local culture and history.
 - Partnering with Parks and Recreation for festivals and pop-up events that showcase local talent.
 - Using social media campaigns to promote placemaking efforts, events, and local businesses.
 - Working with developers in the early stages of the development process to encourage them and educate them on the benefits of placemaking
18. What plans does EDC have for business development programming and technical assistance in FY 2027? How will the county's business community be impacted overall?

In FY 2027, the Economic Development Corporation plans to continue delivering the core business development programming and technical assistance initiatives that have driven measurable impact over the past several years. These include flagship programs such as AI for Small Business in partnership with the University of Maryland, Website Essentials, our Entrepreneur-in-Residence model, and the 0–100 Accelerator, among others.

By maintaining strong institutional partnerships and consistent, high-quality programming, the EDC will further solidify its role as a trusted and recognizable hub for entrepreneurs across Prince George's County. Additionally, EDC's Innovation Station Business Incubator is a State of Maryland, TEDCO, and Maryland Business Innovation Association recognized business accelerator with a soft-landing program and serves as an innovation ecosystem catalyst. Predictability and continuity in programming are essential to building long-term brand recognition and ensuring that business owners know where to turn for support at every stage of growth.

While we strongly encourage continued Council investment to sustain and scale this work, we also plan to pursue complementary funding streams, including State revitalization programs through DHCD and Community Partnership Grants, as well as other competitive funding opportunities. Diversifying funding sources will help maintain program continuity and expand reach where possible.

Over the past three years alone, more than 1,000 businesses have been served through EDC technical assistance programs. These efforts have contributed to job retention, job creation, operational strengthening, and improved business sustainability across the County. Continued support will allow us not only to maintain this level of impact, but to strategically expand it — particularly in underserved communities and emerging growth sectors.

Without sustained investment, it would be challenging to replicate the scale and consistency of impact achieved to date. However, with continued support, the EDC is well-positioned to deepen its reach, strengthen the County’s entrepreneurial ecosystem, and contribute.

- **Training Programs, and partnerships with UMD, BSU, and PGCC**
- **Workshops and Seminars**
- **Small Business Resource events**
- **Business Coaching/Mentorship Programs**
- **Access to incentives and capital**
- **Specific initiatives that focus on key industries**
- **ISBI**
- **Marketing Support**
- **Partnerships with EPG, Experience Prince George’s**

The EDC’s cumulative efforts over the years have had a tremendous impact on businesses. The level of support and resources provided will continue to empower our local businesses by equipping them with the necessary knowledge and incentives to successfully operate. In FY 2027, the EDC’s key performance indicators include –

- **Conducting 1,250 business-site evaluation visits**
- **Conducting 105 marketing events and presentations**
- **Generating 800 business opportunities to attract, retain, and grow businesses**
- **Securing 40 business agreements**
- **Creating 1,000 new jobs.**

CONTRACTS

19. Please provide a schedule of all contracts, including consultant contracts, included in the Corporation’s proposed FY 2027 budget. Please include the name of each contractor, the budgeted contract amount, and a description of the proposed contractual services. Please also identify the Minority Business Enterprise (MBE) and County-Based Business (CBB) status for each contract.

Please refer to Attachment #7 – Q#19 – FY 2027 MBE Contracts

PROPERTY

20. Please provide a schedule that reflects all equipment, property, and other leases included in the Corporation’s proposed FY 2027 budget. Please include the name of each lease, the budgeted lease amount, and the purpose of each lease.

PGCEDC EQUIPMENT LEASES FOR FY 2027

COMPANY	EQUIPMENT PURPOSE	MONTHLY COST	ANNUAL COST
Metro Business Systems (MBS)	5 Copiers / Printers	\$ 1,874.50	\$ 22,494.00
Cintas	Water Filter System	\$ 74.57	\$ 894.84
Pitney Bowes	Postage Machine	\$ 134.25	\$ 1,611.00
TOTAL EQUIPMENT LEASES			\$ 24,999.84