



Residence Inn by Marriott, Fairfax City, 3565 Chain Bridge Rd, Fairfax, VA 22030

Commissioners Present:

Chair Beth Young (Virtually)
Vice Chair Kathleen Paley (Virtually)
Treasurer Dawn McGruder
Secretary Tom Ross
Commissioner Mitchell Cho
Commissioner Patrick Soleymani

Others Present:

Chris Bruno, President and CEO, Economic Development Office
Nicole Toulouse, Senior Vice President, Economic Development Office
Matthew Easley, Vice President, Economic Development Office
Tara Borwey, Programs Manager, Economic Development Office
Andrew Wilson, Project Manager, Economic Development Office
Joey Peppersack, EDA Associate, Economic Development Office
Paul Nabti, Zoning and Planning Commission, Fairfax City

1. Call to Order *Commissioners*
 - a. Meeting called to order at 6:00pm.

2. Consideration of Approval for Electronic Participation for Commissioners Young and Paley. *Commissioners*
 - a. Treasurer McGruder explains the reasons for this consideration is due to both commissioners experiencing illness.
 - b. Commissioner Hermann motions to vote.
 - c. Commissioner Soleymani seconds.
 - d. Passes unanimously.

Treasurer McGruder acknowledges the Residence Inn of Fairfax City for hosting the EDA and providing utmost hospitality to its members.

3. Adoption of November Meeting Agenda [**VOTE**] *Commissioners*
 - a. CEO Bruno interjects and modifies the agenda by adding New Business to item 9 and by moving adjournment to item 10.
 - b. Commissioner Hermann motions.
 - c. Secretary Ross seconds.
 - d. Passes unanimously.

4. Mason Enterprise Center - Fairfax (15 mins w/ Q&A) *Center Director Hill*
 - i. The results of October were expected. Currently in November the MEC occupancy stands at 51%.
 - ii. Center Director Hill explains that companies are leaving due to business conditions but are being replaced by others.
 - iii. Center Director Hill states that currently the marketing being done for the MEC consists of him going into DC and meeting with business leaders to recruit them to the MEC. However, many of the meetings are likely to not turn into office tenants.
 - iv. Center Director Hill explains that some new soft-landings candidates are arriving at the MEC who are considered "short-term scholars" who do research on behalf of their company, so they do not qualify as a business.
 1. Center Director Hill explains the pricing for these candidates. One of whom is paying \$500 per month, and the other who is paying \$750 per month.
 2. Since these candidates are not conducting business in Fairfax City, they will not need to obtain a BPOL.

- v. Center Director Hill states that many companies during the move from University Drive to WillowWood have leases up for renewal, totaling 23.
- vi. To honor Chair Young's request for better metrics to measure MEC success, Center Director Hill provides metrics on sponsored programs and training provided by the MEC.
 - 1. Treasurer McGruder asks what the difference between a registrant and attendee is referring to a spreadsheet provided by Center Director Hill showing metrics of training provided to tenants.
 - a. Center Director Hill responds that the difference is if they sign-up or show-up. Further states that the attendees are significantly lower than registrants.
 - 2. Commissioner Cho states that the GovCon 101 class is the most popular and the MEC should focus on the GovCon space.
 - a. Commissioner Cho follows up by asking if there has been any progress on a MEC marketing plan.
 - i. Center Director Hill states that there was one previously in the year, but it has not been discussed recently.
 - 1. President & CEO Bruno states that there are many partnerships moving forward with George Mason Business School. However, there has not been any discussion yet with George Mason regarding a marketing plan.
 - ii. Commissioner Cho asks when a marketing plan meeting will take place.
 - 1. Senior Vice President Toulouse states that a meeting has been scheduled with GMU Business School and Commissioner Cho will be invited to be a part of it.
 - iii. Commissioner Cho states that the vacancy rate is still the main metric that should improve, with a goal between 75% - 80%.
 - 1. Center Director Hill says they are looking to improve the vacancy rate through marketing.
 - a. Commissioner Cho asks if there is a plan for this current marketing.
 - b. Center Director Hill says he will provide this offline.
 - 3. Commissioner Soleymani asks if the MEC is partnering with any other GMU Business School centers to increase GovCon presence, such as the Center for Government Contracting, Center for Innovation and Entrepreneurship, etc.
 - a. Center Director Hill states that the MEC is currently working with the Center for Innovation and Entrepreneurship. Follows up by stating that he will work with other centers if they approach the MEC since they are short-staffed.
 - b. Center Director Hill they are also working with GMU transportation. Commissioner Soleymani says that Reston Limousine has a lot of work that they could do to facilitate that.
 - 4. Treasurer McGruder asks what Center Director Hill can do to get prospective tenants to commit to joining the MEC.
 - a. Center Director Hill says that they love the space, however pricing can be an issue. Further states that many tenants don't want to give up the work-from-home aspect of their company.
 - 5. Commissioner Cho states that George Mason wants to see the MEC. GMU has 40,000 students who can assist in the marketing endeavor. Follows up by saying that business incubation is competitive, so there is an opportunity to set the MEC apart from the others.
 - a. Center Director Hill agrees. Also states that the student body resource is something they have considered but haven't been able to utilize.
- vii. Treasurer McGruder states that by looking at documents provided by Center Director Hill, the occupancy rate of the MEC is not equivalent to previous comments or documents with a Vacancy rate of 52% and an occupancy rate of 48%.
 - 1. Center Director Hill says that the businesses with zoom offices or soft landing businesses are not counted in the document Treasurer McGruder is referring to.
- viii. Secretary Ross asks how much the MEC is charging virtual clients.

1. Center Director Hill answers with \$150, if they have phone service it's \$200.
 - a. Secretary Ross asks if this is a competitive rate. Center Director Hill confirms.
2. Manager Borwey asks if MEC clients get access to all MEC benefits if they only pay for the \$150 virtual office space.
 - a. Center Director Hill confirms.
 - i. Manager Borwey asks what the rate is of virtual tenants taking advantage of the services is.
 1. Center Director Hill roughly estimates 15% - 20%.
3. Manager Borwey asks if in-office tenants are taking advantage of MEC Benefits.
 - a. Center Director Hill answers that this number is also relatively low since most in-office tenants have businesses that are more mature than the virtual clients.
- ix. Treasurer McGruder asks if the MEC is still viable with the current trend of work-from-home still being dominant compared to using office space, especially with the size of the MEC office space.
 1. Center Director Hill answers that some of the other Mason Enterprise Center's don't have as much trouble reducing vacancy rates since their office sizes are much smaller. The main issue is still getting prospective tenants to "pull the trigger" and sign the contract.
 2. Center Director Hill reaffirms that he thinks the MEC can be viable, but alternatives should be considered which they will begin considering and provide to the commissioners.
 - a. CEO Bruno states for the record that alternative proposals and meetings should be handled carefully since they involve the city council. CEO Bruno asks that Center Director Hill informs any relevant EDA officers and him of any changes on a short timeline.
 - i. Center Director Hill states that they have had an internal conversation and will get back to CEO Bruno.
 1. CEO Bruno states that programmatic changes can only happen prior to the budget proposal process for the city, which is currently ongoing, so changes will be difficult for the next 14 months. Any changes needed will need to be prioritized quickly.
 - b. Vice President Easley asks if there are any considerations that can be shared immediately.
 - i. Center Director Hill states that there are multiple personnel involved in this and he does not want to speak for them.
 1. CEO Bruno asks if this requires a reopening of a memorandum of agreement.
 - a. Center Director Hill states this is a possibility.
 - x. Treasurer McGruder asks if Center Director Hill has experience with other MEC's in the region.
 1. Center Director Hill confirms.
 - xi. Manager Borwey asks Center Director Hill if the MEC operates as a center for shared services where businesses can act together as a group for administrative resources.
 1. Center Director Hill states that this is provided together as the normal services.
 - xii. Senior Vice President Toulouse asks if the MEC has a marketing one-pager.
 1. Center Director Hill confirms and will provide it later.
 - xiii. Commissioner Cho emphasizes that the MEC is specifically mentioned on the strategic workplan and is considered a flagship of the EDA. Its success is a paramount priority.
 1. Center Director Hill mentions that as a former client, Commissioner Cho can be an active agent in the discussions.
 - a. MEC Handbook (15 mins w/ Q&A)
 - i. The handbook has been consistently updated and reviewed.
 - ii. A smoking policy has been added.
 - iii. A firearms policy has been added.

5. Art and Economic Prosperity Study Update (AEP6) (15 Mins w/ Q&A)

Megan DuBois

- i. The EDA joined cultural arts in 2021 and in spring of 2022 survey collection began. Surveys were completed in June of 2023.
 1. People surveyed stated that visiting new localities is primarily spurred by the desire to attend artistic events.

- a. People who travelled spent twice as much as people who did not.
 - b. Surveyed people also stated that distance was less of a factor in determining attendance.
 - ii. Arts and Economics is a nationally 151.7 billion industry. 73 billion is spent by the producers, 78 billion is spent by audiences enjoying art. 2.6 million jobs, 101 million in personal income, 29.1 billion in tax revenue that goes towards state and local governments nationwide.
 - iii. According to the most recent study, in post-COVID economy audiences are likely to spend more but travel less.
 - iv. The spending data for Fairfax City is significantly lower than the national average, at around \$21.66.
 - 1. There are multiple factors that effect this:
 - a. Parking is free.
 - b. Events that the city offers are either free or low-cost.
 - v. Events in Fairfax City generated an estimated \$100,000 in the city of Fairfax City during the time of the study.
 - 1. A small number of people come to Fairfax City, but those who travel typically spend \$40.
 - vi. People who work from home prefer to live somewhere where art and culture make localities vibrant. 86% of participants stated that arts and culture are important to their community and life.
 - 1. 79% of people who attend events feel good about supporting the local economy.
 - 2. 72% agree that art events help build community.
 - b. CEO Bruno states that the economic impact numbers are significant and should be shared with the commissioner of the revenue.
 - i. Dubois confirms that this will happen.
 - c. Secretary Ross asks for clarification on how the \$100,000 in the city of Fairfax was generated.
 - i. Megan Dubois states that net revenue was \$600,000, \$100,000 went to the city from restaurant tax, business tax, sales tax, etc.
 - d. Commissioner Hermann asks if there is anything missing from the report that the EDA could be supporting.
 - i. Megan DuBois asks if key businesses could consider being strategically placed around centers that host events.
 - e. Secretary Ross if cross promotions and marketing could be done between businesses and cultural arts.
 - i. Dubois answers that this has previously been done, but they are currently working towards it.
 - f. Commissioner Cho asks if specific numbers of attendees are in the full AEP6 report.
 - i. Megan DuBois confirms.
 - g. Commissioner Soleymani asks if the Center for the Arts at George Mason was included.
 - i. Dubois states that since they aren't in the city they aren't in the current report, but once the report from the county comes in there will be a better idea.
6. CDP Staff and Planning Commissioner Eftekhari on the Comprehensive Plan Review – Discussion (1 Hour).
 - 1. Paul Nabti opens by providing a brief explanation and review of the Comprehensive Plan development process.
 - i. Reaffirms that this will need to be adopted by the city planning commission and city council.
 - ii. States that the planning commission will revisit the EDA in the Spring and hopes to finish in the Summer of 2024.
 - iii. Referencing the strategic workplan, Nabti begins with a discussion on business retention and attraction:
 - 1. Nabti asks the EDA for insight into how public and private partnerships can be fostered to spur redevelopment:
 - a. Commissioner Cho asks if this is solely focused on the development aspect.
 - i. Nabti confirms.
 - b. Secretary Ross asks how the south street extension plays into this.
 - i. Nabti states there are some partnerships occurring there with the planning commission coordinating with the developer but wouldn't categorize that as public and private partnership in this context.
 - c. CEO Bruno asks for clarification on public and private partnerships for development purposes if Nabti is mentioning consideration of establishing a local development corporation or, in some instances a business improvement district with tasks related to it.
 - i. Nabti states that further on in this process this will be mentioned again with questions on the LDC and the BID.
 - d. Secretary Ross if there should be a business improvement district on each of the activity centers.
 - i. CEO Bruno answers by stating this is something to discuss once this process moves into the business improvement section. This is a complicated organization to set up since there are so few property owners in the commercial districts, which would be in essence an additional layer of taxes on the property owner. There also is not an excellent history of the EDA with bidding in the city.

- ii. Treasurer McGruder asks if there is a detriment to having these districts as opposed to having city wide improvement.
 - 1. Nabti states there isn't, so this can be kept in there. However, as progress is being tracked on comprehensive plan actions, it is preferable to have something to provide.
 - 2. CEO Bruno states that a good example is the construction of drapers, and wonders if there is a way to change the wording so that should the opportunity arise then the EDA can still consider this, but there is not too much pressure to move forward. It is possible that the EDA moves to purchase property in the city, but not anytime soon.
- iii. Vice Chair Kathleen Paley mentions that there should be more opportunities for restaurants to seek placement near event centers.
- iv. Referencing the workplan, Nabti moves the discussion towards a citywide recommendation on supporting the establishment of BID's or supporting organizations. Does the city take a more proactive approach to establishing a BID and bring this into the comprehensive plan as a whole?
 - 1. Nabti reaffirms that commissioners can take their time to think about these questions later on and don't need substantial answers yet.
 - 2. Commissioner Hermann asks if the consultants told the planning commission why they thought BIDs would be successful in the small area.
 - a. Nabti affirms that the consultants did not think bids would be successful, they saw BIDs as ways to accomplish certain recommendations. There was no analysis done on the feasibility.
 - 3. Secretary Ross asks if recommendations of the small area plans can be incorporated into the five-year plan.
 - a. Nabti confirms this.
 - b. Commissioner Hermann states that comprehensive plans are aspirational and are not necessarily something that gets done in five years.
 - c. Nabti mentions that this question was worded to include BID's and other similar organizations.
 - 4. Manager Borwey mentions that during their time at the international downtown association that often a BID is funded much like the EDA is funding the OTFBA. A consideration should be made for funding allocation for a smaller area or multiple.
 - 5. Secretary Ross mentions that the return on investment with the OTFBA was substantial, so it may have a substantial ROI for other BID oriented organizations.
- v. Nabti raises the question of establishing a single zip-code for the city. Nabti states that there has been no progress on this.
 - 1. The process for changing a zip-code is lengthy, so many do not want a part in doing this.
 - a. would primarily be done to reduce confusion between sales tax in Fairfax County and Fairfax City.
- vi. Nabti raises the question of if there is any important work being done with current partners that should be mentioned in the comprehensive plan.
 - 1. Manager Borwey mentions that the CFCC and OTFBA are major partners in programs.
 - a. Commissioner Hermann states that those organizations are major partners in economic development but doesn't see the application in terms of physical development noted in the comprehensive plan.
- vii. Nabti moves onto a question regarding the graduation of businesses from the Mason Enterprise Center.
 - 1. Commissioner Cho states that the terminology of "graduate" should change since there is no actual graduation, but more of a transition.
 - 2. CEO Bruno states that the recently adopted MOA removed the graduate portion and replaced it with "maintain businesses in the city" to be leveraged as a business attraction tool.
- viii. Nabti moves towards a question regarding establishing some aspects of George Mason University physically in the city.
 - 1. CEO Bruno mentions that there have been efforts to do this, but it has been unsuccessful.
 - 2. Commissioner Soleymani mentions that George Mason's efforts have been primarily focused on establishing an Arlington presence.
 - a. Commissioner Soleymani adds that the school of business does have a presence in Fairfax City, but that lease ends soon.
 - b. The main focus for development is west campus and upgrading athletic facilities.
 - c. Commissioner Soleymani adds that GMU will continue to grow its student body.
- ix. Nabti mentions that there are actions related to partnerships with GMU spread throughout the comprehensive plan.

1. Commissioner Soleymani mentions that there was a partnership developed on October 2nd between the GMU School of business and the City of Fairfax.
 2. CEO Bruno states that there is an upcoming discussion with GMU regarding events in the City.
 3. Senior Vice President Toulouse mentions that there should be a focus on tourism related to George Mason events.
 - x. Nabti moves forward with a question regarding residential use in commercial corridors.
 1. Commissioner Hermann reaffirms that current trends argue for this, but things may change and the comprehensive plan should be aware of this.
 - xi. Nabti begins a discussion regarding industrial use.
 1. Commissioner Hermann states that industrial space is incredibly important and valuable.
 2. Senior Vice President Toulouse mentions that this space is the most sought-after space in real-estate.
 - xii. Nabti begins a discussion about the decision to encourage property consolidation with language or incentives.
 1. Secretary Ross states that context should be weighed when making site specific decisions.
 2. Commissioner Hermann states that the language surrounding encourage should be firm.
 - xiii. Nabti briefly goes over the comprehensive plan development timeline and reiterates that there are many other commissions/meetings to attend with a schedule subject to change.
7. Public Comment *Public*
- a. Tess Rollins from the OTFBA: The OTFBA is working hard on completing Wander-In with support from EDO staff members. A heavy push on additional vendors will be made. Additional displays and office furniture are also on the way.
 - b. Jennifer Rose from CFCC: Expresses appreciation of support for Fairfax’s finest valor awards. 16 men and women were honored for valorous acts performed by police. This will be done the Friday closest to national First Responders day in October of 2024. The CFCC recognizes how important having a strong arts community is for quality of life and economic development. The CFCC surpassed the 300-member mark.
 - c. Doug Church from CFCC: States that it was a privilege to recognize first responders and heroes. Mentions that the partnerships between CFCC and other organizations crosses multiple business cultures and increases the value of the city. Church states the primary focus is serving the city and the CFCC does a great job of improving perception and communication. Church states the CFCC values their relationship with economic development.
8. Approval of October Meeting Minutes **[VOTE]** *Commissioners*
- a. Motioned by Secretary Ross.
 - b. Seconded by Commissioner Soleymani.
 - c. Passes unanimously.
9. New Business *CEO Bruno*
- a. CEO Bruno makes two brief comments:
 - i. Senior Vice President Toulouse and CEO Bruno met with new Business Development Ombudsperson. This individual will help shepherd development projects and processes in the city. Bruno thanks Andrew Wilson for helping in this project on a quasi-consultant basis and will have this new person shadow him. This person will present in a meeting next year.
 - ii. CEO Bruno provides a brief history on the development of the current Economic Development logo. Utilizing ARPA funds, the EDO has worked with a consultant to develop a new logo to help market the EDA. CEO Bruno then provides a brief explanation of the logo.
 1. Secretary Ross states that is a good idea to market the EDA as separate from the City, but mentions the color of the logo is not appealing.
 - a. States that this logo should be thought of in the context of being placed on a physical sign.
 2. Commissioner Soleymani agrees that the colors are not appealing, and that these colors may not be accessible for individuals that are colorblind.
 3. CEO Bruno states that making small modifications is a possibility.
 4. Treasurer McGruder states that she dislikes the new logo and the color.
 - b. Commissioner Cho asks if using SharePoint to distribute commissioner packets is a possibility.
 - i. Vice President Easley states the EDO will look into this.
 - c. Commissioner Cho asks for an update regarding the operator change at Drapers.
 - i. CEO Bruno states that there have been positive anecdotal reports but the EDA will ask them to prepare a formal report for an upcoming EDA meeting.
 - ii. Secretary Ross says he has enjoyed his experience dining at Drapers.
 1. Commissioner Soleymani seconds this.
 - d. Senior Vice President Toulouse mentions that she will engage with Commissioner Cho regarding partnerships with the GMU Business School Center for Government Contracting.

- e. Manager Borwey states that Small Business Saturday is quickly approaching and will be conducted the Saturday after Thanksgiving and invites the commissioners to join. There will be a proclamation at a City Council meeting. There will be a welcome center at Old Town City Hall from 9:30am – 12:30pm.

10. Adjourn

- a. Motioned by Commissioner Soleymani.
- b. Seconded by Commissioner Hermann.
- c. Meeting adjourned at 8:10pm.

*****Next Meeting: Wednesday December 6, 2023*****

6pm, 10300 Eaton Place Small Conference Room Fairfax, Virginia 22030

Subject to Change. Please Check fairfaxcityconnected.com for more information.