



CITY OF FAIRFAX ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES
September 4, 2024 6:00 pm
In Person at Economic Development Facility

10300 Eaton Place, Conference Room B, Fairfax VA 22030

Commissioners Present:

Chair Mitchell Cho
Treasurer Dawn McGruder- remote
Commissioner Beth Young
Commissioner Kathleen Paley
Commissioner Tom Ross

Others Present:

Chris Bruno, President and CEO, Economic Development Office
Nicole Toulouse, Senior Assistant Director, Economic Development Office
Matthew Easley, Assistant Director, Economic Development Office
Tara Borwey, Programs Manager, Economic Development Office
Andrew Wilson, Special Projects Manager, Economic Development Office

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| 1. Call to Order | Chair Cho |
| 2. Motion to Consider Remote Participation [VOTE] | Commissioners |
| a. Commissioner Young motions | |
| b. Commissioner Ross seconds. | |
| c. Passes unanimously. | |
| 3. Adoption of September Meeting Agenda [VOTE] | Commissioners |
| a. Chair Cho motions. | |
| b. Commissioner Paley seconds. | |
| c. Passes unanimously. | |
| 4. Van Metre Redevelopment Project Presentation (15 mins w/ Q&A) | Molly Novotny |
| a. Mr. Van Meter developed Fairfax Square in 1963, comprising 100 townhomes and commercial spaces that maintain high occupancy rates. The plan is to replace 14 old buildings while adding new commercial and residential areas, including a 60-unit affordable housing project. | |
| b. The redevelopment aims to enhance community feel and will go through legislative review, with a special use permit expected by the end of the year. Construction is anticipated to start in 2026, with an estimated investment of \$12-16 million for the first building. | |
| ~~5. Mason Enterprise Center - Fairfax (15 mins w/ Q&A)~~ | ~~Center Director Hill~~ |
| 6. Directors Update/ Special Projects Update (15 mins w/ Q&A) | Director Bruno |
| a. Karp Strategies | |
| i. The EDA has commissioned TP Strategies to conduct an economic impact and needs assessment for the Ox Block project in Old Town Fairfax. The independent analysis aims to verify the developer's claims about the project's potential benefits. | |

- ii. Plans for a "green museum" gallery space are also included, which could serve as a tourist attraction. Additionally, the project may involve redeveloping outdated office buildings in Old Town.
- b. Cavalry Analytics
 - i. The Cavalry Analytics study, funded by the city manager's office, focuses on retail market analysis for North Fax and Old Town. It examines demographics, purchasing power, retail gaps, and development recommendations. The final draft was delivered today and will be shared with the EDA after review.
 - ii. A study by the Costello School of Business identified infrastructure challenges at the Indian Place site, limiting buildable areas. Updates on this and the Cavalry study will be provided at the next EDA meeting.
- c. Staffing
 - i. Business Investment Specialist
 - 1. Introduces Marie, who has been with the office for about a year and a half, is now serving as the acting Business Investment Manager while Nicole Toulouse is on maternity leave. She has also been appointed permanently as Business Investment Specialist. Marie brings experience from her time at the Alexandria Economic Development Partnership and the International Economic Development Council. She's been a great asset to the team, stepping in during this period of office expansion.
 - ii. Tourism / Placemaking
 - 1. This role is a new addition to the economic development portfolio and is a priority for the mayor, city council, and city manager. The new hire will be responsible for developing a strategy around tourism management, coordinating activities with the Office of Historic Resources, Parks and Recreation, and overseeing the broader marketing and communications strategy. The position is currently part-time, but there is a request to increase it to full-time in the next budget cycle. There was a brief discussion regarding the number of full-time equivalent employees (FTE) budgeted, with clarification needed on the exact figure. It was confirmed that the new hire is open to transitioning to full-time if approved.
 - iii. New PT/ Temp Employees and Intern/Fellows
 - 1. Offers have been or will soon be extended for a Marketing Associate and a Programs Associate, who will support the marketing, public relations, and programs portfolios. These roles are funded by the budget approved earlier in the fiscal year and will assist in advancing key projects.
 - 2. Announces three interns—a Business Investment Intern, a Communications Intern, and a Programs Intern—will be starting within the next week. There was also mention of an MEC Fellow, whose position had been approved in a previous meeting.

- a. Are interns open for everyone or do you only work with Mason students?
 - i. Applications are open to everyone. The FCED has had success with several schools in the region.
 - d. City Manager's Strategic Plan and Implementation Expectations
 - i. The city manager has requested that the department begin aligning its strategic work plan with the broader citywide strategic plan. Efforts are underway to measure the success of existing programs against the metrics set by the city manager's office, and the board can expect to receive more information on this in the future.
 - ii. Brief discussion on the trend of shifting tourism positions from cultural affairs and arts agencies to economic development. Historically, these positions were associated with offices of Historic Resources, but the department plans to align with this trend, recognizing that it is common for agencies to have multiple personnel in tourism roles.
- 7. Business Investment Update (15 mins w/ Q&A) Business Investment Specialist Spittell
 - a. LIFFT
 - i. As part of the \$300,000 allocated to the Lease Incentives for Fairfax Tenants (LIFFT) grant program, \$79,008 has been distributed across eight grants. Currently, eight additional applicants have funds reserved, totaling \$81,494, pending the confirmation of business licenses or the return of signed LIFFT agreements. Three more applicants are in the process of determining their eligibility, potentially contributing an additional \$50,540 to the program.
 - ii. If all grant applications are processed, the LIFFT fund will retain \$9,950. During July and August, email reminders were sent to applicants without reserved funds, notifying them that the available funding operates on a first-come, first-served basis, requiring a signed lease to secure funds. Applications from those who do not respond will be deemed inactive, enabling efficient resource allocation.
 - b. Business retention meetings with Mayor
 - i. In early August, the Fairfax City Economic Development team reached out to around 100 businesses in Fairfax City through a letter signed by both the Director and Mayor Reed. The correspondence thanked these businesses for their contributions to the local economy and invited them to meetings. The businesses were chosen based on criteria such as substantial square footage, high employee counts, or their status as top revenue generators in the community. So far, the team has either scheduled or conducted seven meetings, yielding valuable feedback about the business landscape.
 - c. International attraction efforts/Italy trip
 - i. The Director and Business Investment Specialist plan to visit Italy in September to take part in the SBDC Friuli Venezia Giulia trade mission. This visit aims to foster

connections between Virginia businesses and Italian firms interested in entering the Northern Virginia market. Notably, this endeavor is being financed by unspent funds from the previous fiscal year, ensuring that it does not affect the current budget. Through these strategic efforts, Fairfax City aims to enhance its international business engagement and stimulate regional economic development.

1. What is the breakdown of funding for the Italian Trade Agency?

- a. The \$33,000 allocated for the Italian Trade Agency partnership is was originally earmarked for a program involving boot camps that target life sciences and clean tech industries. There is no fiscal impact on the current year's budget, as these funds are a reallocation from a previous program. If the program does not move forward, the funds can be redirected to other initiatives resulting from the upcoming trip.

- ii. Fairfax City Economic Development is intensifying its initiatives to position the city as a favorable entry point for international enterprises. The team has held constructive discussions with the Delegation of German Industry and Commerce in Washington, DC, along with the Founder Institute and the U.S. Foreign Commercial Service in Milan. They are also looking to establish a partnership with John Cabot University in Rome.

8. Operations Update (15 mins w/ Q&A)

Assistant Director Easley

a. FY24 Rollover Update

- i. An update on the rollover for fiscal year 2024 indicates that the staff has effectively managed the program and administrative budgets, resulting in total expenditures just over \$1.4 million. This leaves approximately \$1.2 million to carry over into fiscal year 2025. It is important to note that this expenditure includes funds from previous projects and a significant portion dedicated to the Economic Opportunity Fund, which serves as reserve funding for unexpected economic development initiatives. A comprehensive proposal for rolling over funds into specific fiscal year 2025 categories will be presented next month.

b. Building Signage Install Update

- i. The Economic Development Office has also unveiled a new sign as part of their branding initiative, which was developed in collaboration with Brittany and Civic Brand. Funding was secured to promote this initiative, which reflects the growth of the department, expanding from one employee to approximately 15 over the past eight years. While metrics from the sign's display may be limited, it symbolizes the department's progress and development. The story about this initiative was featured in Patch.com, highlighting the department's advancements.

c. FIIG Request **[VOTE]**

- i. The board has authorized the allocation of the full \$300,000 in funding to the Fit program, an expansion of a previously successful initiative that has facilitated over

\$860,000 in private investments to enhance businesses in the city. Grants from the program range from \$550 to a maximum reimbursable amount of \$20,000. Due to the success and high demand for the program, a request is made to reallocate \$100,000 from the Economic Opportunity Fund to the FIT program for fiscal year 2025. Some board members suggested refining program criteria to encompass broader improvements beyond exterior elements like windows, potentially including interior enhancements as well.

- ii. Secretary Ross motions.
- iii. Commissioner Paley seconds.
- iv. Passes 5/7.

d. FCED FY2024 Audit [VOTE]

- i. The Economic Development Authority plans to hire Cherry Bekaert to conduct its fiscal year 2024 audit, following guidance from Dawn and Fairfax County operations staff. This firm, known for its expertise in government auditing standards, will be engaged at a cost of \$35,000, funded by the approved budget for unplanned economic development initiatives for fiscal year 25. An independent audit has been a priority to emphasize the Authority's autonomy from the city's audit processes, ensuring effective oversight. The treasurer highlighted the importance of hiring an experienced firm to facilitate a smooth audit process.

9. Programs Update (15 mins w/ Q&A)

Programs Manager Borwey

a. Old Town Fairfax Business Association Update (operations, events, Perch, etc.)

- i. The Old Town Fairfax Business Association (OTFBA) is hiring a new Executive Director with Perch Advisors' assistance, receiving over 60 applications. Seven candidates were interviewed, using \$8,500 in unused FY24 grant funds to support the search. Board training sessions are planned for October 16 and 17 at WillowWood, following the new hire.
- ii. FCED is also working with OTFBA on drafting the Old Town Service District (OTSD) grant, which will provide \$150k in funding for FY25, managed by FCED on behalf of the city.

b. FCRW – Summer

- i. Fairfax City Restaurant Week is a joint initiative by Fairfax City Economic Development, the Central Fairfax Chamber of Commerce, and the Old Town Fairfax Business Association, featuring curated menus from 28 participating restaurants. The EDA has allocated \$40k from the FY25 budget for the program, with additional funding from enrollment fees. This year marks the event's seventh edition, now managed by Joy Riot, with three new restaurants joining.

c. Local Spending Initiative [VOTE]

- i. This initiative aims to establish Fairfax City as a premier shopping destination by supporting locally owned businesses across the retail, wellness, and experiential sectors through a biannual program. This initiative will reallocate \$30k from Shop Local Week and Small Business Saturday, utilizing additional miscellaneous funds from the FY25 budget. To ensure successful execution, FCED plans to secure a marketing and event management consultant through the RFP process.
- ii. Secretary Ross motions.
- iii. Commissioner Young seconds.
- iv. Passes 5/7.

10. Public Relations and Marketing Update (15 mins w/ Q&A)

PR & Marketing Manager Jones

- a. IDA Conference Recap
 - i. FCED representatives, including EDA Secretary Patrick Soleymani, Chris Bruno, Tara Borwey, and Brittany Jones, will attend the 70th Annual IDA Conference in Seattle from September 10-13. They will lead a breakout session on public-private partnerships, highlighting collaboration with George Mason University to offer strategies for leveraging university resources and fostering innovation in economic development.
- b. Ads
 - i. DC News Now Ad
 - 1. The DC News Now TV ad campaign for Fairfax City Economic Development is live, featuring Tara Borwey promoting Fairfax City Restaurant Week and the Women's Business Luncheon. The ads air once daily, Monday through Friday, during the 6 PM news hour. In addition, digital ads are running on CTV streaming and YouTube, complemented by social display ads to further increase visibility and engagement.
- c. Press Updates
 - i. Highlights key Programs Division initiatives, including the Culinary Careers Collaborative, Fairfax City Shop Local Week, the Women's Entrepreneur Empowerment Luncheon, the Women's Grant Opportunity, and Summer 2024 Fairfax City Restaurant Week. These efforts attracted coverage from major outlets like Fox 5, WTOP, WUSA9, and FFXNow, highlighting the impact of these initiatives on the local economy and community.
- d. New FCED Merch
 - i. Shares new merchandise like polos, water bottles, and belt bags, along with a retractable banner and trade show kit for events. In partnership with George Mason University, 8 oz honey jars with FCED labels will be given to partners and attendees at the IDA conference. These efforts aim to enhance FCED's brand visibility among businesses.

11. New Business

Commissioners

- a. Due to staff travel, Assistant Director Easley and Programs Manager Borwey will serve as acting directors. Further details will be provided in an email.

12. Public Comment (5 mins)

Public

- a. Bill Pitchford- Smarter growth
 - i. Shares plans of next public seminar, focusing on the changing landscape of retail and its impact on Fairfax City. The seminar will cover future retail developments in Old Town, North Fax, Perfect Circle, and Camp Washington, with a focus on smaller area plans. Two potential dates are being considered: April 9, 2025, or May 14, 2025.
- b. CFCC
 - i. The Central Fairfax Chamber of Commerce has grown to over 350 members, reflecting a 31% increase from last year.
 - ii. On September 25th, the Chamber will co-host the Women's Empowerment Luncheon with the Commission for Women and the City's EDA. Later that evening, they will also host a candidate meet and greet with local organizations. The Fairfax Valor Awards, honoring first responders and law enforcement, will take place on October 25th. Additionally, a Halloween event is scheduled for October 27th in partnership with local groups.
 - iii. The Fairfax Forward Foundation, recently established as a 501(c)(3), will have its official launch announced soon.

13. Adoption of June Special and July Meeting Minutes [VOTE]

Commissioners

- a. Chair Cho motions.
- b. Commissioner Young seconds.
- c. June meeting minutes passes 5/7.
- d. July meeting minutes passes 4/7-one abstention.

14. Adjourn

Chair Cho

- a. Meeting adjourned at 7:55pm.

*****Next Meeting: October 2, 2024*****
6 pm, 10300 Eaton Pl. Fairfax, Virginia 22030
Subject to Change. Please Check gofairfaxcity.com for more information.