

FAIRFAX CITY

ECONOMIC DEVELOPMENT

Annual Report FY2024

FAIRFAX CITY
ECONOMIC DEVELOPMENT

We are Fairfax City Economic Development—your partner in growth. Centrally located in one of the country's top regions and home to the most diverse and innovative institution in Virginia—George Mason University—Fairfax City is the right environment for your business. Let's build together.

MESSAGE FROM THE DIRECTOR



CHRISTOPHER BRUNO, CEO & DIRECTOR

Fiscal Year 2024 represented a time of rapid growth and success for economic development in Fairfax City. Together, the Economic Development Department and the Economic Development Authority, operating as Fairfax City Economic Development, continued advancing programs and initiatives that support and grow the local city economy. Fairfax City Economic Development (FCED) is not only an important regional voice but also a national model for effective and impactful small-city economic development agencies. Our programs and policies have led to the most competitive commercial and office vacancy rates in the metropolitan region, established initiatives that directly support small businesses and entrepreneurs, and formed critical national and international strategic relationships that continue to elevate the brand of Fairfax City.

This annual report reflects our commitment to clarity and transparency, providing our stakeholders—businesses, residents, and community partners—with a detailed account of how we are driving economic growth and creating value across the city.

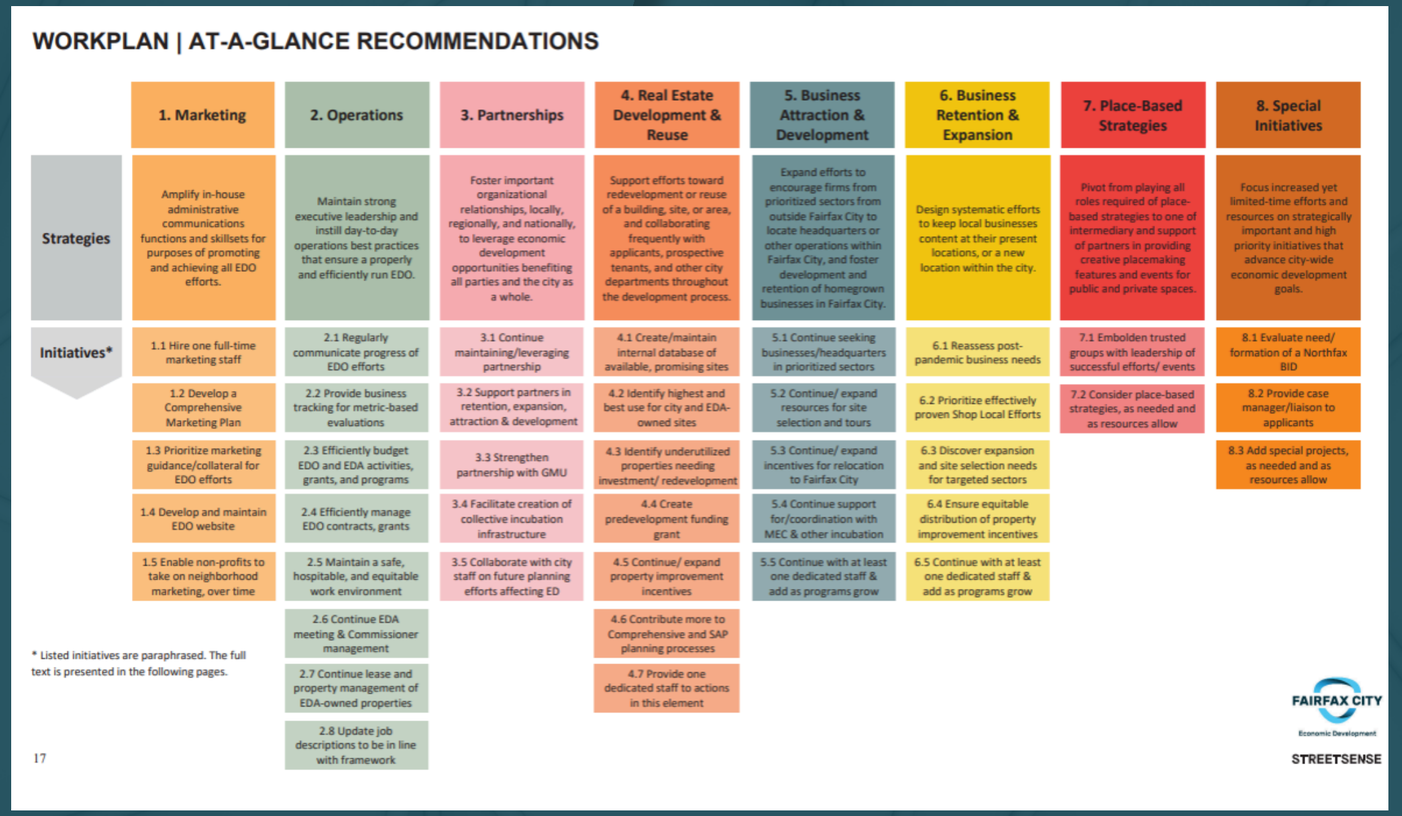
Fairfax City's role within the Northern Virginia Economic Development Alliance continues to position Fairfax City as a leader in regional collaboration. As the FCED portfolio continues to grow, this year with additions in public relations and tourism, the FCED staff remains committed to making Fairfax City the ideal location for economic investment.



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STRATEGIC WORKPLAN

Fairfax City Economic Development (FCED) completed a five-year Strategic Workplan in January 2023, providing guidance through 2028. Public & Non-Profit Consulting team at StreetSense, a global creative collective of place shapers, brand builders, and storytellers, was selected to lead the creation of the FCED strategic Workplan. Emerging from its success with COVID-19 recovery initiatives, FCED has adapted its efforts and resources for a new post-pandemic world. To achieve the stated objectives, the Workplan highlights recommendations so that FCED remains competitive and innovative by following industry standard best practices and promoting the realization of the newly adopted Small Area Plans along with the 2035 Comprehensive Plan while maintaining alignment with the adopted City Council Goals.



WORKPLAN | AT-A-GLANCE RECOMMENDATIONS

	1. Marketing	2. Operations	3. Partnerships	4. Real Estate Development & Reuse	5. Business Attraction & Development	6. Business Retention & Expansion	7. Place-Based Strategies	8. Special Initiatives
Strategies	Amplify in-house administrative communications functions and skillsets for purposes of promoting and achieving all EDO efforts.	Maintain strong executive leadership and instill day-to-day operations best practices that ensure a properly and efficiently run EDO.	Foster important organizational relationships, locally, regionally, and nationally, to leverage economic development opportunities benefiting all parties and the city as a whole.	Support efforts toward redevelopment or reuse of a building, site, or area, and collaborating frequently with applicants, prospective tenants, and other city departments throughout the development process.	Expand efforts to encourage firms from prioritized sectors from outside Fairfax City to locate headquarters or other operations within Fairfax City, and foster development and retention of homegrown businesses in Fairfax City.	Design systematic efforts to keep local businesses content at their present locations, or a new location within the city.	Pivot from playing all roles required of place-based strategies to one of intermediary and support of partners in providing creative placemaking features and events for public and private spaces.	Focus increased yet limited-time efforts and resources on strategically important and high priority initiatives that advance city-wide economic development goals.
Initiatives*	1.1 Hire one full-time marketing staff	2.1 Regularly communicate progress of EDO efforts	3.1 Continue maintaining/leveraging partnership	4.1 Create/maintain internal database of available, promising sites	5.1 Continue seeking businesses/headquarters in prioritized sectors	6.1 Reassess post-pandemic business needs	7.1 Embolden trusted groups with leadership of successful efforts/ events	8.1 Evaluate need/ formation of a Northfax BID
	1.2 Develop a Comprehensive Marketing Plan	2.2 Provide business tracking for metric-based evaluations	3.2 Support partners in retention, expansion, attraction & development	4.2 Identify highest and best use for city and EDA-owned sites	5.2 Continue/ expand resources for site selection and tours	6.2 Prioritize effectively proven Shop Local Efforts	7.2 Consider place-based strategies, as needed and as resources allow	8.2 Provide case manager/liaison to applicants
	1.3 Prioritize marketing guidance/collateral for EDO efforts	2.3 Efficiently budget EDO and EDA activities, grants, and programs	3.3 Strengthen partnership with GMU	4.3 Identify underutilized properties needing investment/ redevelopment	5.3 Continue/ expand incentives for relocation to Fairfax City	6.3 Discover expansion and site selection needs for targeted sectors		8.3 Add special projects, as needed and as resources allow
	1.4 Develop and maintain EDO website	2.4 Efficiently manage EDO contracts, grants	3.4 Facilitate creation of collective incubation infrastructure	4.4 Create predevelopment funding grant	5.4 Continue support for/coordination with MEC & other incubation	6.4 Ensure equitable distribution of property improvement incentives		
	1.5 Enable non-profits to take on neighborhood marketing, over time	2.5 Maintain a safe, hospitable, and equitable work environment	3.5 Collaborate with city staff on future planning efforts affecting ED	4.5 Continue/ expand property improvement incentives	5.5 Continue with at least one dedicated staff & add as programs grow	6.5 Continue with at least one dedicated staff & add as programs grow		
		2.6 Continue EDA meeting & Commissioner management		4.6 Contribute more to Comprehensive and SAP planning processes				
		2.7 Continue lease and property management of EDA-owned properties		4.7 Provide one dedicated staff to actions in this element				
		2.8 Update job descriptions to be in line with framework						

* Listed initiatives are paraphrased. The full text is presented in the following pages.

17

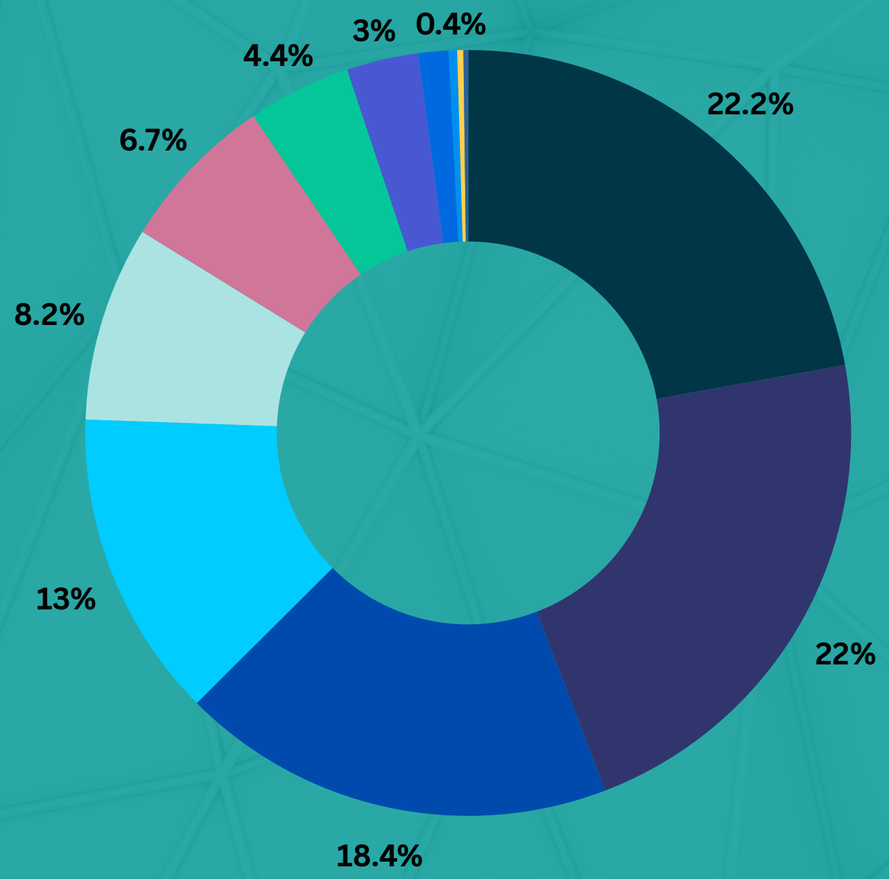
FAIRFAX CITY Economic Development
STREETSENSE

FAIRFAX CITY BY THE NUMBERS

FAIRFAX CITY
ECONOMIC DEVELOPMENT

BREAKDOWN OF BUSINESSES LICENSED IN FAIRFAX CITY

- Repair, Personal & Business Services, 22.2%
- Contractors, 22%
- Finance, Real Estate & Professional Services, 18.4%
- Residential Rental, 13%
- Retailers, 8.2%
- Commercial Rental , 6.7%
- Food & Beverage, 4.4%
- Nonprofit, 3%
- Wholesale, 1.3%
- Research & Development, 0.3%
- Other , 0.2%



24,835
POPULATION

13,408
LABOR FORCE PARTICIPATION

$128,708
MEDIAN HOUSEHOLD INCOME

AAA
BOND RATING

10,040
HOUSEHOLDS

2.6%
UNEMPLOYMENT RATE

COMMERCIAL REAL ESTATE

RESIDENTIAL

$2,471
MARKET RENT/UNIT

4.8%
VACANCY RATE

OVERALL COMMERCIAL

$30.14
MARKET RENT/UNIT

6.1%
VACANCY RATE

INDUSTRIAL

$20.83
MARKET RENT/UNIT

4.5%
VACANCY RATE

RETAIL

$39.15
MARKET RENT/UNIT

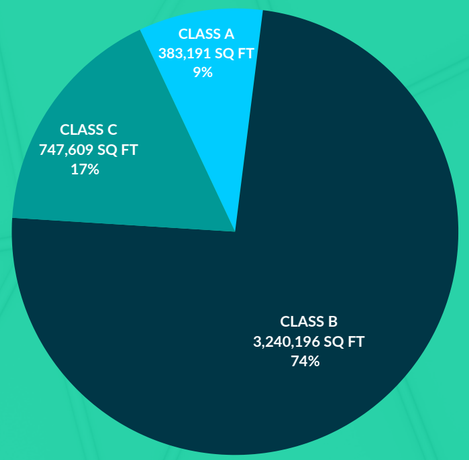
2.3%
VACANCY RATE

OFFICE

$ 24.51
MARKET RENT/UNIT

9.2%
VACANCY RATE

OFFICE MARKET BY CLASS



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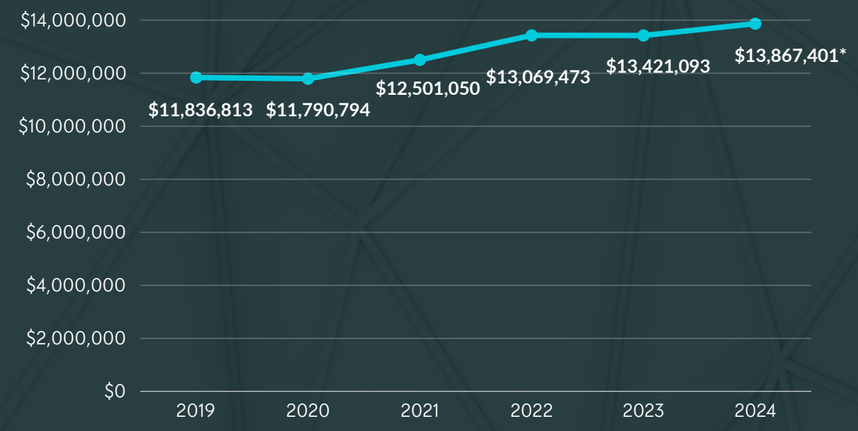




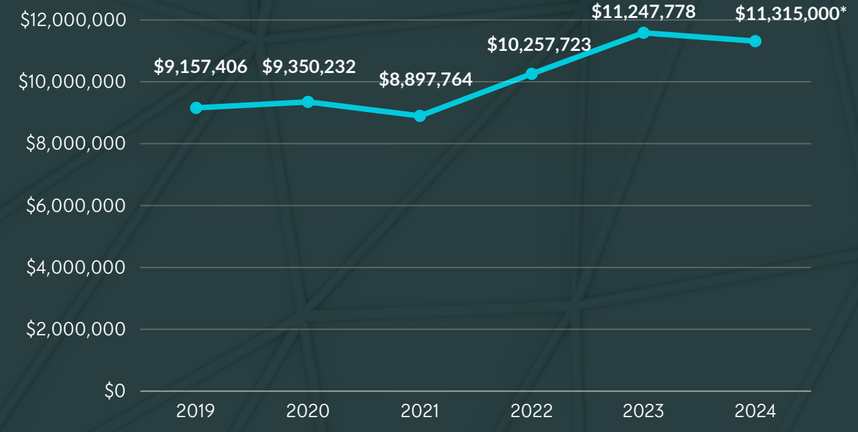
BUSINESS ACTIVITY

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LOCAL SALES TAX REVENUE



BUSINESS, PROFESSIONAL AND OCCUPATIONAL LICENSE TAX (BPOL)

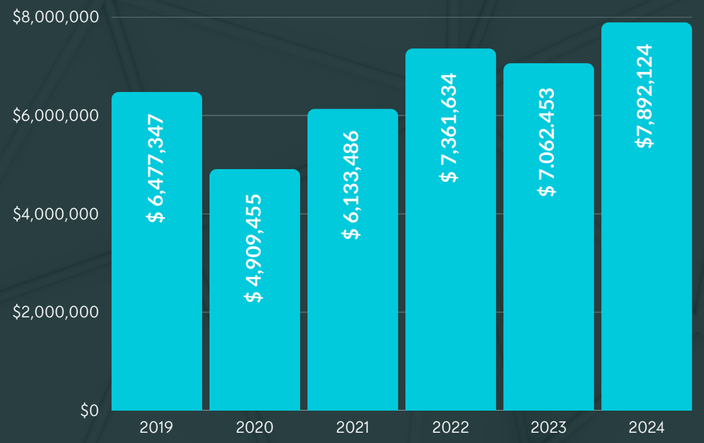


SOURCE: FAIRFAX CITY FINANCE DEPARTMENT | * = ESTIMATE

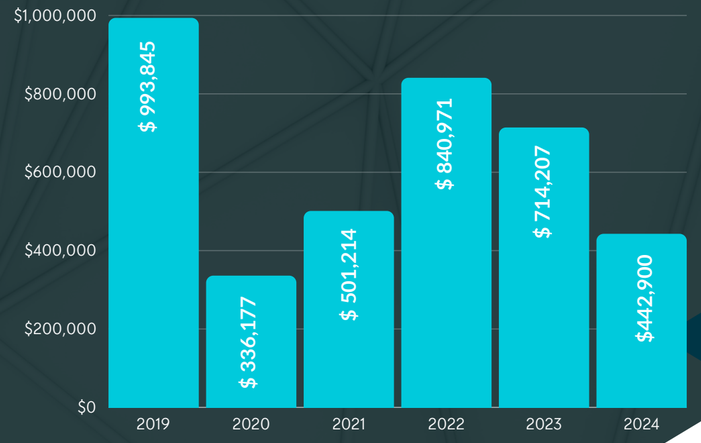
FCED aims to increase total tax revenues from commercial real estate and businesses. By reducing commercial vacancies, real estate taxes increase. Improving business revenues enhances BPOL taxes. Supporting retail businesses can raise sales and meals taxes, and enhancing tourism efforts can increase lodging tax revenues.

CATEGORY	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024
COMMERCIAL REAL ESTATE REVENUE	$30,320,745	$22,016,356	$24,832,452	$26,670,842	$27,345,613

MEALS TAX REVENUE



LODGING TAX REVENUE



BUSINESS INVESTMENT & ENGAGEMENT

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478 New Businesses Opened

Met with 56 Prospective Businesses

Met with 351 Existing Businesses

5000 Businesses Located in Fairfax City

BUSINESS MEETINGS AND ENGAGEMENT

Meetings with businesses are a crucial tool for business retention in the city. During these sessions, FCED showcases our support programs and actively listens to businesses' concerns. This two-way dialogue allows us to address their needs effectively, ensuring a supportive environment that fosters long-term growth and success for local enterprises. These meetings are logged in FCED's internal database and customer management relationship platform (CRM), Bludot. Through these strategic interactions, we aim to maintain strong, thriving business relationships that contribute to the city's economic vitality.

BUSINESS EXPANSION & RETENTION EFFORTS

70% of the work of the business investment team revolves around supporting our existing businesses' success and expansion. The team provides 1:1 meetings with businesses to showcase low or no cost assistance for expansion, creating business connections, and providing assistance to attend business development opportunities or events. Additionally, FCED hosts events like Broker Breakfasts to highlight new leasing opportunities, and government contracting networking opportunities for businesses to pitch and win work. FCED has also created expansion and retention programs such as the Facade and Interior Improvement Grant (FIIG) or the Lease Incentives for Fairfax Tenants (LIFFT) program.

BUSINESS ATTRACTION EFFORTS

FCED is continuously connecting with regional, national, and international companies looking to relocate or expand their corporate footprint. As a part of this recruitment effort, FCED utilizes CoStar to analyze upcoming lease expirations, conferences to engage high growth companies, and public outreach campaigns. This is supplemented by incentive programs including Lease Incentives for Fairfax Tenants and the Technology Zone tax abatement program.

MAJOR LEASING ACTIVITY

ATTRACTION:

- CDM Smith, 8,768 sqft
- Lutheran Social Services of the National Capital Region, 6,942 sqft
- The Chris Atwood Foundation, 6,704sqft
- Integrated Dermatology of Fairfax, 6,615 sqft
- Ellie Mental Health: 5,150 sqft
- Alliance ABA Therapy: 5,000 sqft

RETENTION OR EXPANSION:

- Zeta Associates: 225,000 sqft
- Ox Hill Companies, 7,443 sqft
- UL Solutions: 6,110 sqft

FIIG
FACADE AND INTERIOR IMPROVEMENT GRANT

LIFFT
OFFICE VACANCY GRANT







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ECONOMIC DEVELOPMENT PROGRAMMING

Economic Development programs are vital to Fairfax City as they provide essential support for small businesses, enhance their visibility, and promote local shopping. These initiatives spotlight city businesses, fostering increased engagement and collaboration within the business community. By generating excitement about the city, these programs attract shoppers and diners from across the region, driving economic growth and vibrancy. The success of these efforts ensures that Fairfax City remains a thriving hub for commerce and community activity.



FAIRFAX CITY RESTAURANT WEEK

Fairfax City Restaurant Week (FCRW) is a successful program that has supported the local restaurant community for seven years, particularly during slower periods. It showcases the city's vibrant and diverse culinary scene, a focus that has become even more critical in the post-COVID-19 era. Organized in partnership with the Central Fairfax Chamber of Commerce (CFCC) and the Old Town Fairfax Business Association (OTFBA), FCRW is one of the most inclusive restaurant week initiatives in the region. The event features fixed-price menus—$25 for lunch/brunch, $40 for dinner, as well as two-for-$10 deals— which adds participation opportunities for specialty shops. Last year, FCRW generated an average of $3.3 million in media coverage per installment.

SMALL BUSINESS SATURDAY

Since 2018, FCED has been a Neighborhood Champion for Small Businesses, with a core mission of supporting local businesses during the holiday season. In partnership with CFCC and OTFBA, FCED organized impactful initiatives like hosting a Welcome Station, distributing brochures of business specials, and launching a dedicated website. A Buy One Get One promotion measured success and sold out within 24 hours.

FAIRFAX CITY FLEX CARD

The Fairfax City Flex Card, launched in October 2022 in partnership with Yiftee, Inc., is a digital gift card accepted at over 50 local businesses. During the 2023 holiday shopping season, Fairfax City Economic Development's (FCED) Buy One, Get One promotion generated $177,200 in economic impact, achieving a 250.1% ROI. The Flex Card boosts local spending while raising awareness of Fairfax City businesses, spanning spa services and self-care to a wide range of dining and retail destinations.

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RIBBON CUTTINGS

31

RIBBON CUTTINGS IN FY2024

In FY2024, FCED collaborated with 31 city businesses to celebrate new business openings and milestone anniversaries through ribbon-cutting events. Ribbon Cuttings recognize local business owners' accomplishments publicly and help establish strong relationships between FCED and local businesses. Events draw attention to businesses through social media posts and videos that commemorate the occasion, amplifying visibility and attracting potential customers.





FINANCE & OPERATIONS

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The Finance and Operations Division at FCED consists of three employees (one FTE and two support staff), who manage the organization's $2.2 million budget, prepare financial reports, oversee leasing processes for multiple programs, organize internal and external stakeholder meetings, oversee grant administration, manage hiring practices, lead purchasing efforts and focus on operational efficiency while ensuring compliance with laws and regulations to ensure a properly and efficiently run department. The division supports strategic planning by providing financial and operational insights to stakeholders, including FCED Commissioners. It is pursuing independence by acquiring state and national procurement certifications in addition to HR management external to the city.

Led departmental hiring of **20 employees** (including temp staff) during the fiscal year

Organized and managed **16** regular FCED meetings plus special meetings and retreats

Completed FY2024 Inaugural Independent Audit with no significant findings

Oversaw the creation, administration and execution of at least **60** solicitations, contracts, grants, and initiatives

Drafted and released FCED CY2023 Inaugural Annual Report

Staff acquired the Virginia Contracting Associate Certificate allowing FCED to independently procure services and goods up to and including $100,000

Coordinated initial meetings and relationship management for the GMU Business School partnership agreement.

FIIG FACADE AND INTERIOR IMPROVEMENT GRANT

Façade and Interior Improvement Grant (FIIG): provided financial assistance to new and existing businesses by reimbursing 50% of project costs, up to $20,000. This program resulted in $868,000 in private investment;

LIFFT OFFICE VACANCY GRANT

Lease Incentives for Fairfax Tenants (LIFFT): offers a $5 - $8 per square foot incentive to new businesses moving into one of 19 designated buildings. This has resulted in new or expanding enterprises leasing 18,262 square feet in the city.





PUBLIC RELATIONS & MARKETING

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The Public Relations and Marketing (PR&M) division drives the strategic plan by strengthening Fairfax City's brand, publicity, and social media presence to support economic growth. Key initiatives include hiring a PR and Marketing lead and launching a rebrand with a new logo and website, showcasing FCED's client-focused and business-driven approach. These efforts position Fairfax City as a vibrant destination for investment and innovation, enhancing visibility and attracting businesses and visitors.



The **Fairfax City Economic Development Business Bulletin** is a monthly e-newsletter sharing local business community updates. Subscribers grew by 22.65% to 1,451 readers in FY24.

SOCIAL MEDIA ANALYTICS (FY23 TO FY24)

	AUDIENCE	NET AUDIENCE GROWTH	PUBLISHED POSTS	IMPRESSIONS	ENGAGEMENTS
Overall 2024	5,389	1,485	1,475	1,397,662	55,706
Overall 2023	4,789	741	1,237	839,304	43,790
Facebook	2,431	223	301	929,071	38,580
Instagram	1,841	406	665	354,497	7,017
LinkedIn	874	459	178	80,497	8,883
X	243	33	235	32,670	1,194
Threads*	0	200+*	-	-	-

**Threads currently does not provide the option to view analytics beyond 90 days.*

TOP REPORTING OUTLETS FY24	
OUTLET	WEB UVM
Patch	9,437,174
Washington Business Journal	5,260,040
The Washingtonian	1,089,273
Northern Virginia Magazine	287,100
FFX	265,445
The Connection Newspapers	14,922



To promote Fairfax City as an ideal place for businesses and visitors, FCED appeared in a number of **live news segments** lead by the new PR and Marketing Manager.





The PR&M division achieved **press coverage** for major announcements throughout the year such as the retention effort of Genetix iQ in the Washington Business Journal.



Press coverage is a key indicator of success for the bi-annual **Fairfax City Restaurant Week**, which reached new heights in FY24 with features across online news, TV, and radio segments.

In addition to media coverage, FCED kicked off an ad campaign with iHeart Media, featuring **60-second ads on DC101 FM** throughout the week, reaching thousands of business leaders in the region.



The PR and Marketing division pursues **speaking opportunities** that position FCED leadership as thought leaders in economic development and related fields. These engagements, including panels and op-eds, highlight expertise on topics such as Fairfax City's economy and fostering collaboration with industry leaders.

TOURISM INITIATIVES & THE AMERICAN RESCUE PLAN ACT

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Fairfax City Economic Development was awarded a matching grant of $75,000 in funds to reinvigorate the city's tourism industry through the American Rescue Plan Act (ARPA) and Virginia Tourism Corporation (VTC). This allowed FCED to allocate $150,000 to execute these programs. FCED received these funds in the absence of a City-destination marketing organization and has collaborated with several city departments. Tourism also brings visitors to our hotels, contributing to the tax base. Programs included a town and gown promotion, Discover Fairfax virtual and print maps, mural installations, and light installations.











PARTNERSHIPS

In October 2023, FCED and the GMU Costello College of Business entered into an agreement to establish multiple programs that promote economic growth while providing students with unique experiential learning opportunities.

The agreement will result in projects being delivered from four centers of the business school, three of which began in 2023.

MEC-Fairfax

The Mason Enterprise Center – Fairfax (MEC), located at 10300 Eaton Place above FCED, is Fairfax City's small business incubator and the flagship of the Mason Enterprise network. A partnership between Fairfax City, the EDA, and George Mason University, it is funded by an annual $150,000 EDA allocation and tenant rent revenue. The MEC supports around 55 businesses through space, programs, mentorship, and access to resources like the SBDC and APEX accelerator. The EDA is the main tenant and oversees the lease, while the Center director reports regularly on MEC's status and finances to the EDA Commissioners.



FCED COMMISSIONERS



Mitchell Cho, Chair
Commissioner: Feb 2023- Present



Jeffery Hermann, Vice Chair: July 2022-June 2023



Dawn McGruder, Treasurer : July 2023-Present



Patrick Soleymani, Commissioner: Oct 2023- Present



Beth Young PhD, Chair: July 2023-Present
Secretary: July 2022- June 2023



Kathleen Paley, Vice Chair: July 2023- Present
Chair: July 2022-July 2023



Tom Ross, Secretary: July 2023-Present



Christopher Bruno
CEO/Director
May 2016 - Present



FCED COUNSEL

FCED STAFF



CHRISTOPHER BRUNO
DIRECTOR OF ECONOMIC DEVELOPMENT

NICOLE TOULOUSE
SENIOR ASSISTANT DIRECTOR OF ECONOMIC DEVELOPMENT, BUSINESS INVESTMENT





MATTHEW EASLEY
ASSISTANT DIRECTOR OF ECONOMIC DEVELOPMENT, FINANCE AND OPERATIONS

TARA BORWEY
ASSISTANT DIRECTOR OF ECONOMIC DEVELOPMENT, PROGRAMS





BRITTANY JONES
PUBLIC RELATIONS AND MARKETING MANAGER

STEPHANIE GERSON
TOURISM AND PLACEMAKING SPECIALIST





MARIE SPITTELL
BUSINESS INVESTMENT SPECIALIST

PART-TIME AND TEMP

SPECIAL PROJECTS MANAGER

FCED ASSOCIATE

ACCOUNT SUPPORT ASSOCIATE

INTERNS

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