



FAIRFAX CITY
ECONOMIC DEVELOPMENT

City Council & Fairfax City EDA-FCED

May 27, 2025

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Economic Development Authority

- Seven Commissioners appointed by Mayor & City Council to four-year terms
 - Executive Director responsible for board development and makes non-binding nominations to City Council for commissioner appointments
- Meets monthly on the first Wednesday; frequent special meetings
- May purchase, sell, and lease property (e.g. Draper's and MEC)
- Has been responsible for developing property and partnering on development projects
- Possesses authority to issue bonds and lease revenue bonds on behalf of and in partnership with the City of Fairfax
- As a municipal corporation, the EDA is responsible for adopting and exercising oversight of its budget and programs
- Pursuant to enabling legislation and bylaws, the Authority from time to time appoints staff and has appointed an Executive Director
- Operates independent procurement and financial management controls (including independent audit)
- Permitted to conduct economic development work anywhere throughout the Commonwealth with proper justification
- Has the ability to raise funds for special projects and initiatives, invest directly in private business through compliance agreements if they support the economic development goals of the Mayor and City Council, and oversees the administration of investment programs and packages benefitting the City of Fairfax

Commissioners



Economic Development
Authority



Mitchell Cho,
Chair



Jeffery Hermann,
Vice Chair



Dawn McGruder,
Treasurer



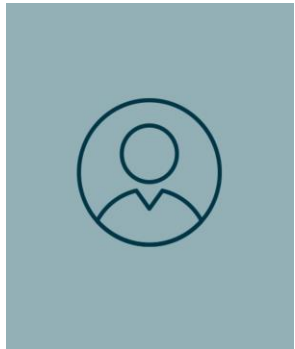
Patrick Soleymani,
Secretary



Kathleen Paley

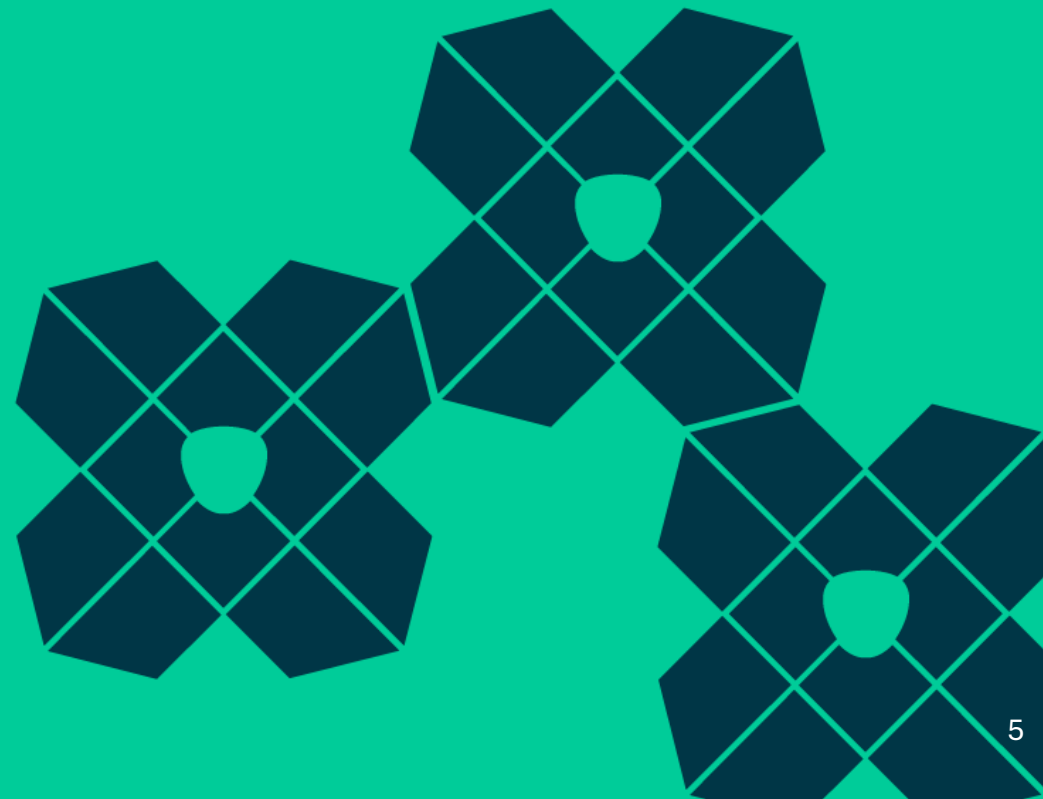


Kristin Feenstra



Vacant

Fairfax City Economic Development





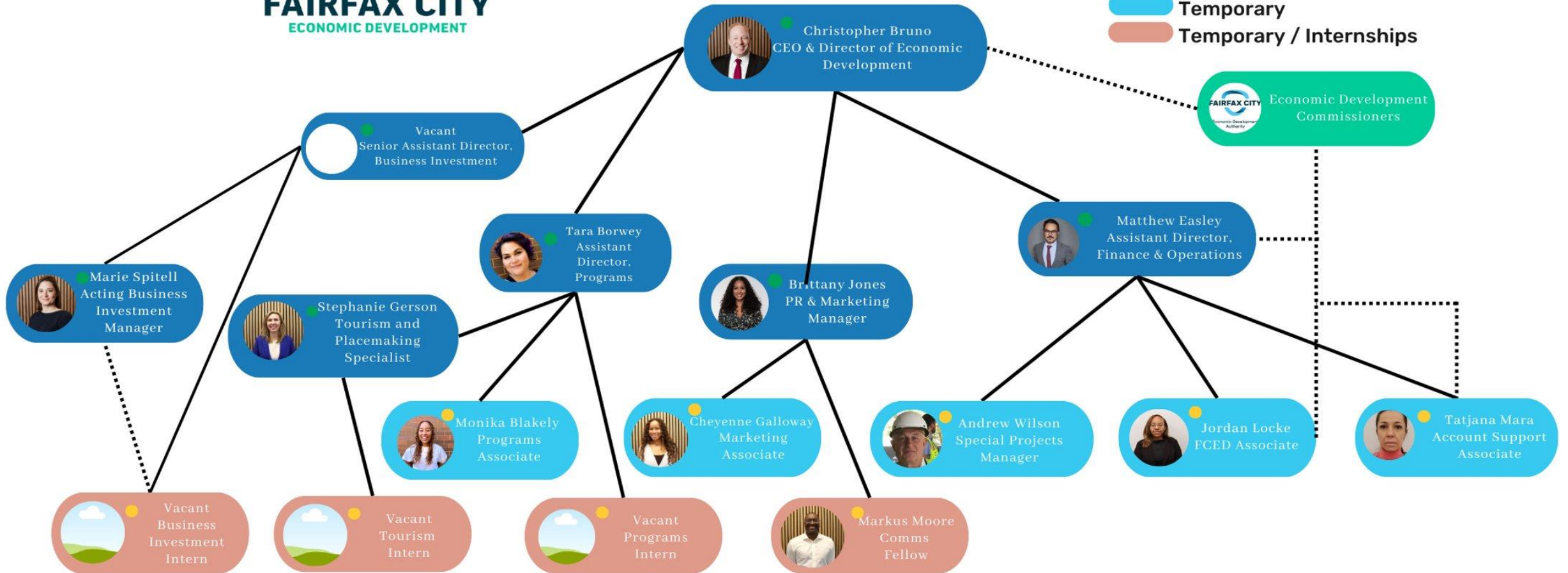
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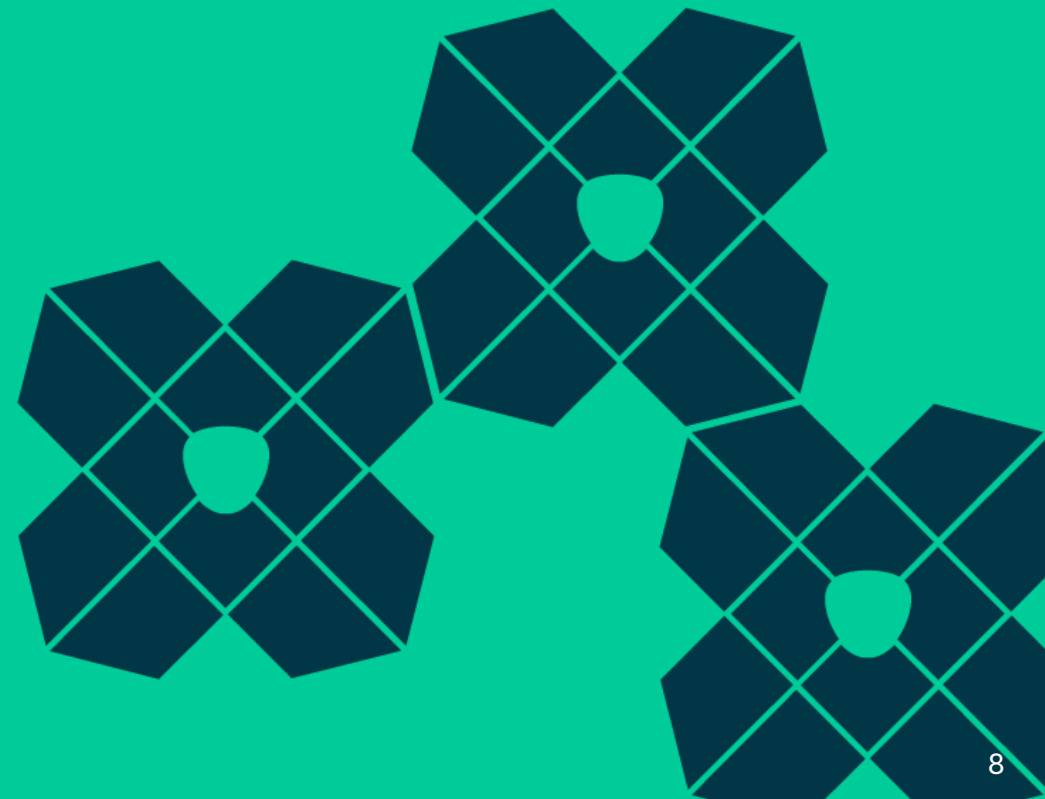
About The Fairfax City Economic Development Department

"FCED works to attract, retain, and expand successful businesses. This is achieved through various means, including providing capacity-building resources for existing businesses, creating engaging spaces for residents and employers, supporting the City's long-term real estate development goals, marketing Fairfax City as a prime destination for business growth, and spearheading innovation through strategic partnerships with institutions and organizations. Through a range of resources, incentives, partnerships, and programs, FCED is committed to empowering Fairfax City businesses to succeed while contributing to the economic vitality of the community." - @gofairfaxcity

- Umbrella agency of the Economic Development Department and the Economic Development Authority
- Hybrid of City FTEs (6.5) and EDA approved project-based temporary employees, including interns (5-7)
- Client/industry-focused organization, non-regulatory, administers EDA programs and initiatives under the direction of the Economic Development Authority
- Responsible for reporting to EDA Commissioners and Mayor & City Council and for producing public facing reports
- Advances implementation of the Strategic Workplan (adopted from goals consistent with the City Council priorities, small area plans, and comprehensive plan)
- Serve as representatives of the EDA's work throughout the community and beyond



FCED Strategic Workplan



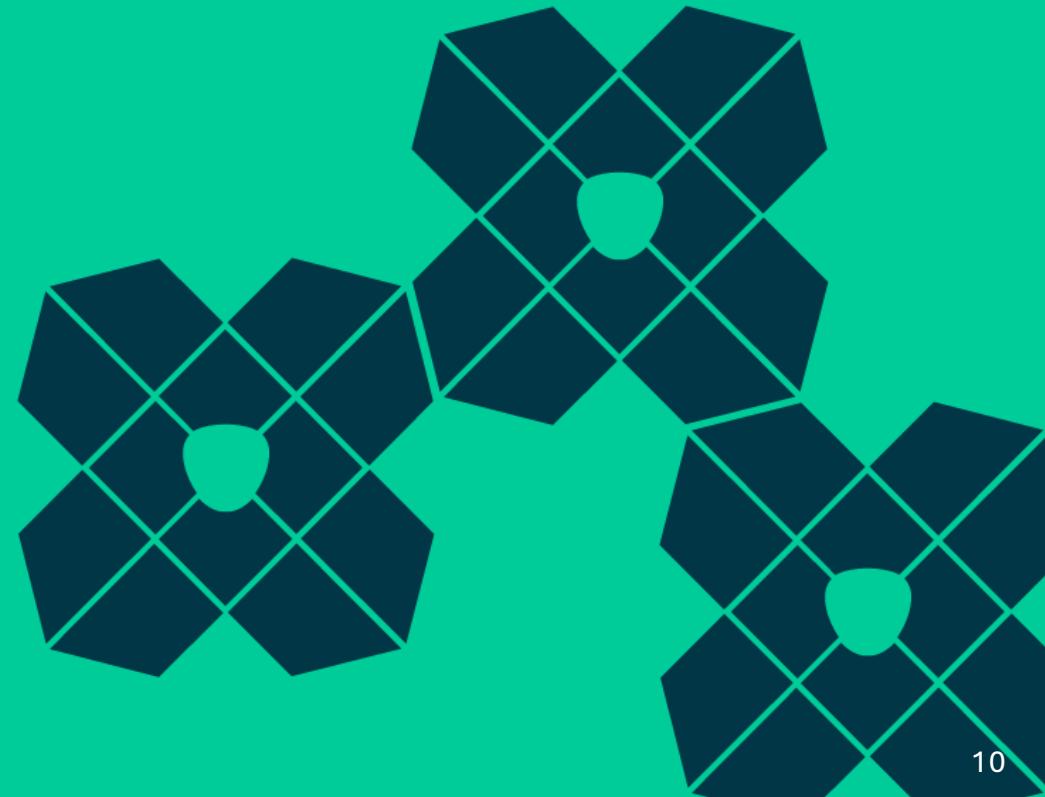
Strategic Workplan

- Developed with extensive input from stakeholders across government, community, industry, and strategic partners
- Implementation demands broader capacity than what resource allowance
- Update** included Public Relations as a vital economic development component
- Update** included Tourism and related strategies after successful VTC-FCED program in 2022 and request of City Council

Fairfax City Economic Development Strategic Workplan | At-A-Glance Recommendations

	1. PR & 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	9. Tourism* *Added March 2025
Strategies	Amplify in-house administrative communications functions and skills for purposes of promoting and achieving all FCED efforts.	Maintain strong executive leadership and instill day-to-day operations best practices that ensure a properly and efficiently run FCED.	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.	Invest in tactics to raise awareness for Fairfax City's profile and offerings locally, regionally, and nationally.
Initiatives*	1.1 Hire one full-time PR & marketing staff 1.2 Develop a Comprehensive Marketing Plan 1.3 Prioritize marketing guidance/collateral for FCED efforts 1.4 Develop and maintain FCED website 1.5 Enable non-profits to take on neighborhood marketing, over time	2.1 Regularly communicate progress of FCED efforts 2.2 Provide business tracking for metric-based evaluations 2.3 Efficiently budget FCED and EDA activities, grants, and programs 2.4 Efficiently manage FCED contracts, grants 2.5 Maintain a safe, hospitable, and equitable work environment 2.6 Continue EDA meeting & Commissioner management 2.7 Continue lease and property management of EDA-owned properties 2.8 Update job descriptions to be in line with framework	3.1 Continue maintaining/leveraging partnership 3.2 Support partners in retention, expansion, attraction & development 3.3 Strengthen partnership with Mason 3.4 Facilitate creation of collective incubation infrastructure 3.5 Collaborate with city staff on future planning efforts affecting ED	4.1 Create/maintain internal database of available, promising sites 4.2 Identify highest and best use for city and EDA-owned sites 4.3 Identify underutilized properties needing investment/redevelopment 4.4 Create redevelopment funding grant 4.5 Continue/ expand property improvement incentives 4.6 Contribute more to Comprehensive and SAP planning processes 4.7 Provide one dedicated staff to actions in this element	5.1 Continue seeking businesses/headquarters in prioritized sectors 5.2 Continue/ expand resources for site selection and tours 5.3 Continue/ expand incentives for relocation to Fairfax City 5.4 Continue support for/coordination with MEC & other incubation 5.5 Continue with at least one dedicated staff & add as programs grow	6.1 Reassess post-pandemic business needs 6.2 Prioritize effectively proven Shop Local Efforts 6.3 Discover expansion and site selection needs for targeted sectors 6.4 Ensure equitable distribution of property improvement incentives 6.5 Continue with at least one dedicated staff & add as programs grow	7.1 Embolden trusted groups with leadership of successful efforts/ events 7.2 Consider place-based strategies, as needed and as resources allow	8.1 Evaluate need/ formation of a Northfax BID 8.2 Provide case manager/ liaison to applicants 8.3 Add special projects, as needed and as resources allow	9.1 Establish a new brand identity and visitor-focused website 9.2 Raise awareness of Fairfax City businesses in tandem with Mason and Eagle Bank events 9.3 Encourage civic pride with a marketing campaign and awards for local businesses 9.4 Explore transferring Visitor Center operations to FCED 9.5 Explore a small increase in the City's TOT Tax to fund tourism initiatives 9.6 Advocate for enhancements to University Drive 9.7 Invest in gateway signage or promotional banner across Main St 9.8 Revitalize retail activations in Old Town

FCED Portfolio Areas





Business Investment

Staffing: 1 FTE, .75 FTE, and 1 EDA-funded temporary employee/fellow

- Currently Senior Assistant Director Position Vacancy (Since 2025) - Current Acting Business Investment Manager
- Portfolio oversees business attraction, retention, expansion efforts and select partnerships
- Concierge services and attraction/retention outreach
- Negotiates incentive packages to advance Business Investment goals
 - By necessity and law, this process must be removed from the City Council
 - Deals/Packages/Programs are negotiated under strict closed session provisions with the Commissioners. Adoption and vote occurs on the EDA level within the context of a public meeting.
- Performance metrics based on:
 - Commercial office leasing, employee counts/job creation, lease term, revenue generation, secondary revenue generation potential
- Major success stories:
 - LIFFT – 18 individual business recipients; leasable square footage; positive impact on assessed value
 - E.g. Zeta Associates - 10-year lease, 300% ROI expected, 400+ jobs
 - Among the lowest office vacancy rates in Northern Virginia
- Challenges:
 - Staffing requires significant experience proven track record
 - Real Estate reuse and redevelopment is unstaffed
 - Office development has stopped
 - Office to residential conversion creates additional complications



Business Investment

International Programming – e.g. Korea and Italy

- **Korea – Spring 2025**
 - CEO/Director attended a weeklong trip to Korea with the Costello College of Business Senior Leadership and University Leadership
 - Significant exposure connecting with:
 - Korean Data Agency
 - Global Digital Initiative
 - Seoul FinTech
 - Incheon StartUp Park
 - Ongoing discussions with Center for Innovation & Entrepreneurship for Korea - Fairfax pipeline utilizing MEC-Fairfax and CIE
 - Replicates foundation of John Cabot University-Rome partnership
- **Fruili Venezia Giulia/ Rome – Fall 2024**
 - CEO/Director and Acting Business Investment Manager attended a weeklong trip organized by SBDC, and supported by the EDA and Select-Fruili Venezia Giulia
 - Outgrowth of Commonwealth partnership entered between Gov. Youngkin and President Massimiliano Fedriga of FVG
 - Partnership with John Cabot University extends FCED brand into Italy laying foundation for pathway for Italian-Foreign investment into MEC soft-landing pad
 - ***Complimented SelectUSA efforts in Spring of 2025***



Programs & Tourism

Staffing: 1 FTE, .75 FTE, and .25 - EDA-funded temporary employee/fellow

- Fairfax City Restaurant Week (Winter/Summer)
 - Average media value of \$3.3M in FY24
 - Collaboration with OTFBA and CFCC
- Designated board member for OTFBA
- Small Business Saturday and Small Business Month
 - Dedicated programming to support retail businesses
 - Based on FCRW framework
- Fairfax City Flex Card
 - 56 participating businesses
 - E.g. \$20K investment = \$128K return last FY
- Façade and Interior Improvement Grant (FIIG)
 - Program resulted in \$2.8M fiscal impact
 - 33 total recipients

Programs & Tourism

Ribbon Cuttings and Milestone Celebrations

- In 2024, FCED collaborated with 23 city businesses to celebrate new business openings and milestone anniversaries through events
- Ribbon Cuttings serve to publicly recognize local business owners' accomplishments and 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
- Ribbon cuttings and milestones celebrations support business retention efforts



Programs & Tourism

Staffing: .75 FTE

Findings of the Strategic Workplan

- Following successful implementation of ARPA and VTC funded programming, City Council requested FCED develop and implement a tourism function
- Tourism advisory board consisting of City Council, trusted regional partners and industry professionals engaged to develop a set of thoughtful and realistic deliverable integrated into the Strategic Workplan
- The Northern Virginia region accounted for \$11.2 billion in travel and tourism expenditures in 2018 (approximately 44% of the state's overall travel and tourism expenditures).



- Due to tourism investment, other jurisdictions in NOVA can promote and market the region to a global audience
 - Visit Fairfax, Visit Alexandria, All in Arlington, and Visit Loudon County are collectively able to promote themselves as stand alone destinations within a larger region
 - Regional tourism initiatives include:
 - Brand and website development
 - Marketing efforts
 - Group and meeting retention and attraction
 - Regional partnership through NOVA tourism, Destination DC and VTC allowing for global marketing efforts

Programs & Tourism



Current Tourism Funding:

- Fairfax City and Fairfax County has a TOT of 7% of the total amount of the room charge
 - Fairfax City - 4% to city GF; 3% to Northern Virginia Transportation District
 - 5 reputable hotels paying into TOT
 - City Charter limits how TOT is used
 - Fairfax County – 2% to GF; 2% to Visit Fairfax; 3% to NVTD
 - 106 contributing hotels
 - 2% is in accordance with Virginia Tax Code
- In FY 25, \$100,000 of the EDA's budget was allocated to tourism and placemaking initiatives for the city
- A 1% TOT increase could generate approximately \$192K in additional annual revenue for sustained tourism investment and long-term economic growth

2023 Economic Impact:

- 120,000 in total overnight visitors (placer.ai)
- \$586,040 in TOT
- \$17M (approx.) in lodging direct spend (2024)
- \$118M in total direct spending from visitors (inclusive of retail, entertainment, F+B, lodging)
- 1,133 jobs directly supported by visitors



Programs & Tourism

Tourism Opportunity:

- Lack of existing tourism programming leads to decline in TOT revenue and missed secondary opportunities
- Fairfax City's neighbors are the competition, but also part of the product of Northern Virginia. Recognizing the power of creating synergies with nearby offerings will help propel Fairfax City's appeal to visitors.

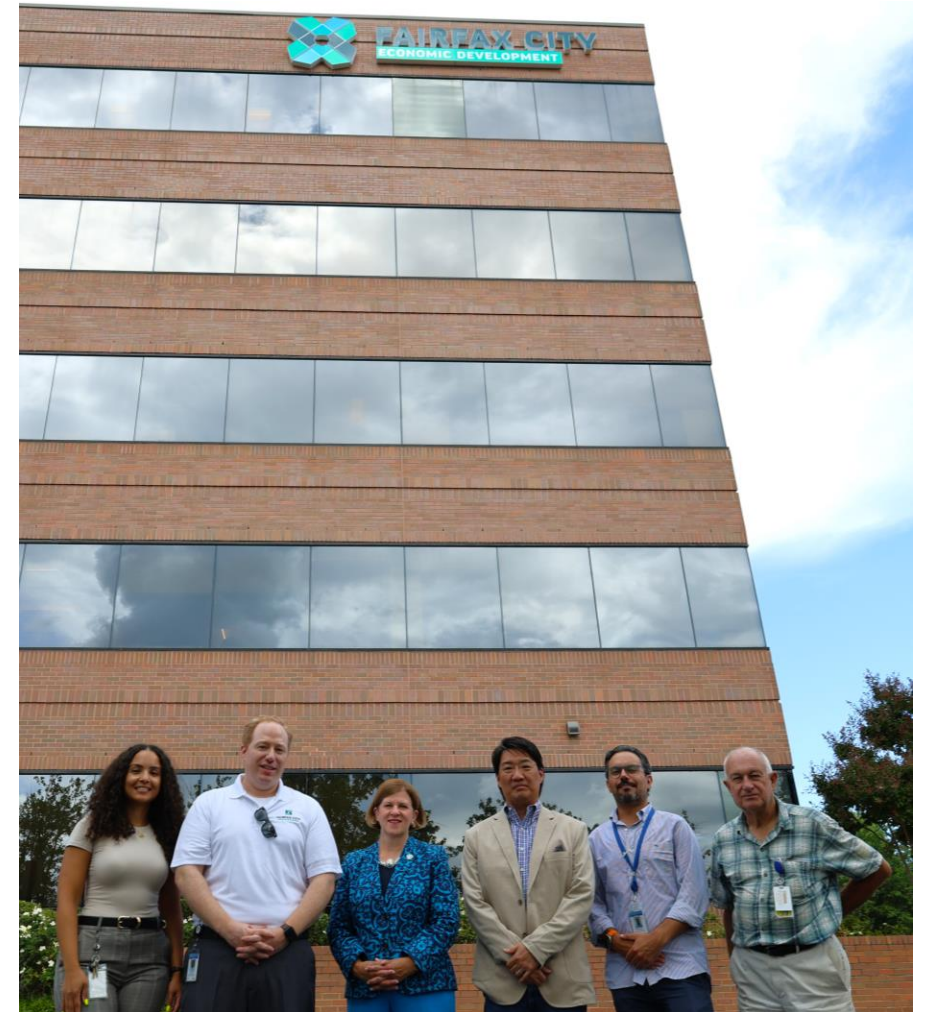
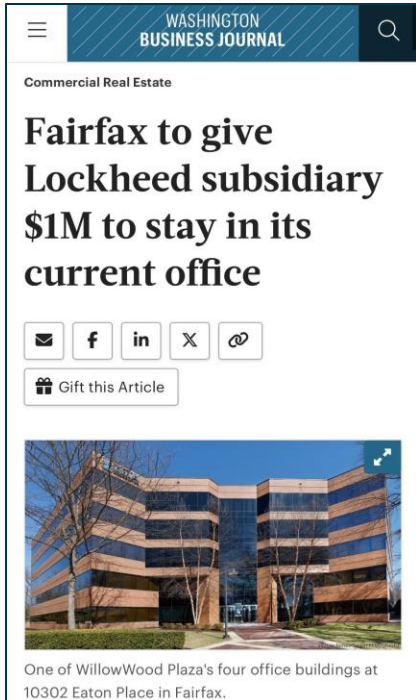
FY 25/26 Next Steps:

- Design new tourism brand and website to promote Fairfax City (9.1)
- Explore potential reassignment of the Visitors Center/Operations (9.4)
- Raise awareness of Fairfax City businesses in tandem with George Mason and EagleBank Arena. (9.2)
- DMO (Destination Marketing Organization) designation (9.5)
 - 89% of all counties and cities in Virginia have a DMO (Fairfax City does not)
 - Requires action by council
- Explore monetary partnership with Visit Fairfax (9.1/9.5) and supplemental city-specific programming

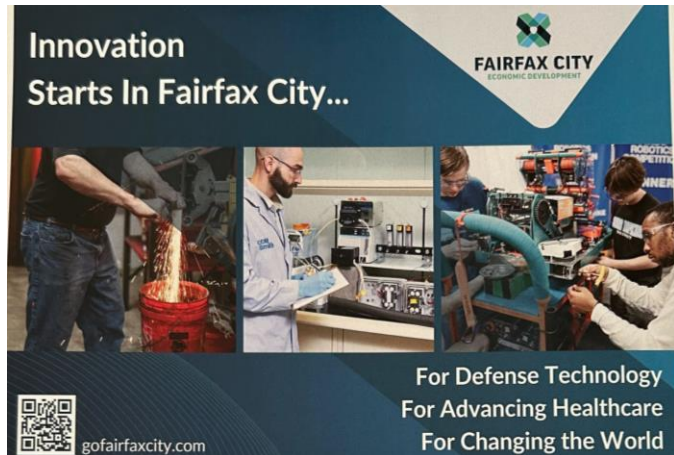
Public Relations & Marketing

Staffing: 1 FTE and 2 .25 EDA-funded temporary employee/fellow

- FCED's PR & Marketing division drives the strategic five-year workplan by **building brand awareness, managing social media, planning PR campaigns, and strengthening media relationships** to support economic growth.
- Specializes in economic development-focused communications and positioning Fairfax City as a top destination to start, grow, and invest in a business.
- In June 2024, FCED **launched a rebrand** to establish a unified, independent identity—enhancing accessibility, expanding international reach, and saving thousands in outsourced marketing costs.



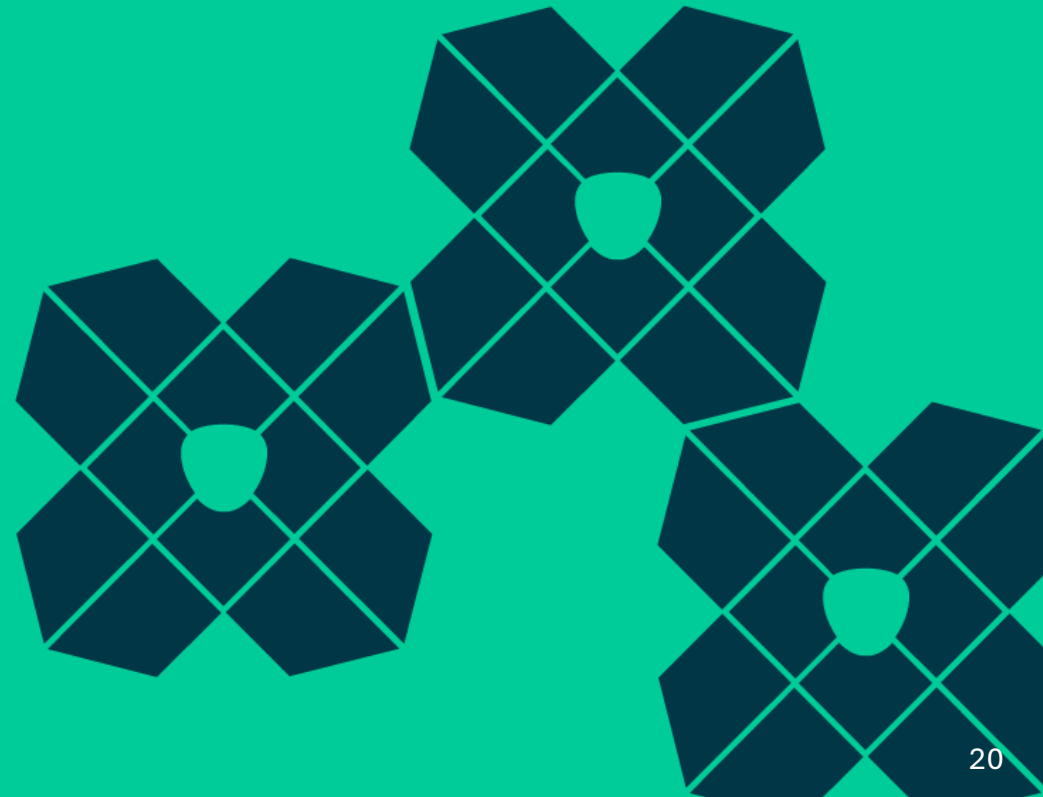
Public Relations & Marketing



The PR&M division is also responsible for the following:

- Distributes press releases and maintains media relationships
- Sends the monthly Business Bulletin to 2.1K+ subscribers with a 34% open rate
- Creates content and manages @gofairfaxcity on LinkedIn, Instagram, Facebook, and X
- Produces Faces of Fairfax City video series highlighting local businesses; most views on Instagram (2K)
- Designs marketing materials including brochures, flyers, banners, and branded merchandise
- Manages gofairfaxcity.com, an independent website with news, resources, and incentive info
- Participates in regional marketing efforts with partners from NOVA EDA and Greater Washington

Special Initiatives & Partnerships



Special Initiatives & Partnerships



- **Relationship management distributed across FCED portfolios**
- Allow FCED to break into priority industries more deeply and use resources more efficiently
- Leverage relationships with economic development partners for opportunities;
 - Northern Virginia Economic Development Alliance
 - Mason Enterprise Center – Fairfax
 - George Mason University Costello College of Business
 - Old Town Fairfax Business Association and Central Fairfax Chamber of Commerce
 - John Cabot University – Business School
 - Select Friuli-Venezia / ITA
 - Town of Vienna Economic Development
 - Draper's Restaurant Management
 - NoVA Labs
 - International Downtown Association
 - Virginia Economic Development Partnership (VEDP)
 - Virginia Economic Development Association (VEDA)

George Mason University Partnerships

Costello College of Business & the MEC



- In 2023, FCED and the George Mason University Costello College of Business entered into an agreement to establish multiple programs that promote economic growth while providing students access to unique experiential learning opportunities.
 - The four academic centers:
 - The Center for Innovation and Entrepreneurship
 - The Center for Real Estate Entrepreneurship
 - The Center for Retail Transformation
 - The Greg and Camille Baroni Center for Government Contracting
- Mason Enterprise Center - Fairfax
- George Mason Korea

Discussion: FCED/MCC/Commissioners

