CITY OF FAIRFAX ECONOMIC DEVELOPMENT AUTHORITY
MEETING AGENDA
Tuesday June 3, 2025, 7:00pm
In Person

10300 Eaton Pl, Small Conference Room B, Fairfax, VA 22030

Commissioners Present:
Chair Mitchell Cho
Vice Chair Jeff Hermann
Treasurer Dawn McGruder
Secretary Patrick Soleymani- Virtual
Commissioner Kristin Feenstra

Others Present:
Chris Bruno, Executive Director, Economic Development Department
Matthew Easley, Assistant Director of Operations and Finance, Economic Development Department
Jordan Locke, FCED Associate, Economic Development Department
Eddie Hill, Director, Mason Enterprise Center
Paula Sorrell, Associate Vice President, Mason Enterprise Center

1. Call to Order — Chair Cho
    a. Meeting called to order at 7:00pm.
2. Motion to Consider Remote Participation **[VOTE]** — Commissioners
    a. Vice Chair Hermann motions.
    b. Treasurer McGruder seconds.
    c. Passes unanimously.
3. Adoption of June Meeting Agenda **[VOTE]** — Commissioners
    a. Vice Chair Hermann motions.
        i. Director Bruno amends item 8 to say "EDA Proposed Budget Presentation and Introduction."
    b. Treasurer McGruder seconds.
    c. Passes unanimously.
4. Adoption of May Meeting Minutes **[VOTE]** — Commissioners
    a. Vice Chair Hermann motions.
        i. Director Bruno raises a modification. Council Member Amos did not participate in the meeting in an official capacity. He was present as a member of the public and should be listed as such.
    b. Vice Chair Hermann motions to adopt the minutes to reflect his attendance as a member of the public instead of as a participant in an official capacity.
    c. Secretary Soleymani seconds.
    d. Passes unanimously.
5. Nominating Committee and Election of Officers for FY26 Officers **[VOTE]** — Commissioners
    a. Commissioners took a moment to acknowledge the accomplishments of the previous year and expressed appreciation for Chair Mitchell Cho's leadership. Chair Cho reflected on the Authority's progress, referencing the success of several initiatives, including city council engagement, the Culinary Careers initiative, and the John Cabot program. Commissioners noted that these achievements reinforced public and council confidence in the EDA's work.
    b. The proposed officers were as follows: Jeff Herman for Chair, Patrick Soleimani for Vice Chair, Don McGruder for Treasurer, and Mitchell Cho for Secretary.
        i. Vice Chair Hermann motions.
        ii. Commissioner Feenstra seconds.
        iii. Passes unanimously.

6. Mason Enterprise Center-Fairfax (15 mins w/ Q&A) Center Director Hill
    a. Paula Sorrell, Associate Vice President of the MEC, provided a broad overview Mason Enterprise's work across Virginia, supporting 33,000 small businesses statewide. In 2023, these businesses secured $2.8 billion in follow-on funding, primarily through government contracts, venture capital, and other financial sources. While most funding categories declined, angel investment and revenue from new products increased, typical indicators seen in early recessionary phases. The organization has adapted its services to support this new wave of business creation and is actively working to prevent talent loss in the region.
    b. In the past year, Mason Enterprise provided 34,000 hours of one-on-one counseling, a significant increase indicating heightened demand for support from distressed companies. They also had 58,000 training attendees, showing rising interest in educational resources. They typically support three business categories: those starting, growing, or struggling. Current needs appear split between startups and distressed businesses, suggesting a "dumbbell" distribution of service demand.
    c. Mason Enterprise runs 24 programs, including 8 federal initiatives across five agencies, with others operating statewide or regionally. Support comes from counties and localities, including the City of Fairfax. The organization has about 200 staff and anticipates potentially losing 2 out of 24 programs due to federal cuts ranging from 5X to 140X, particularly in tech-related programs.
    d. Welcomed three new virtual members: Co Systems (a tech group), Nepasoft (a serial entrepreneur's new venture), and Doctor IA (expected to move to an office in 12 months). Four members left: two downgraded from physical space to virtual status to cut costs, while the other two exited completely. A new office client began in June (National Association of Mental Illness Counselors - Northern Virginia), and another company, Frontiers International Consulting, started with a hot desk and may expand to an office later.
    e. Occupancy dipped slightly, with each office representing about 2% occupancy, putting the center around 60% full. Some losses are tied to federal program shutdowns, such as the closing of 2039 and the Minority Business Development Agency, although the latter may continue due to ongoing legal and legislative challenges. Additional SBA programs like SCORE and the Women's Business Center have also been cut, with some being folded into the SBDC network. Current losses are considered manageable and have been anticipated. All known impacts are confined to the April–June timeframe, and there are no additional concerns on the horizon. Compared to regional trends, MEC Fairfax is performing well. Class A vacancy in Northern Virginia is at 27.2%, and companies gave up nearly 300,000 square feet of space in Q1 alone.
    f. To address the changing market, MEC is adjusting its messaging. It is now targeting both technology workers displaced from government agencies and corporate professionals looking to downsize or pursue side ventures. The marketing efforts emphasize MEC as a hub for tech entrepreneurship, positioning it as more than just an incubator. Trends such as larger companies downsizing to co-working spaces are resurging, and MEC hopes to capture that market by promoting its flexibility and value. Arlington's small business space is already full, and overflow leads are often referred to Fairfax.
    g. The Arlington MEC location is small (3 offices and 13 cubicles) but fully occupied and in high demand. The new Arlington building offers cutting-edge amenities like a podcast studio and a drone aviary, and Fairfax tenants do have access to those. Mason Enterprise also operates large-scale 3D printers and an electronic circuit board printer, with plans to open a dual-use demo space in September. This facility aims to replicate the success of the makerspace at the Fairfax campus, which sees around 20,000 users annually.
7. Finance and Operations Update (15 mins w/ Q&A) Assistant Director Easley
    a. Authorize the Executive Director to enter into a multi-year agreement with Cherry Bekaert, LLC for FY auditing services **[VOTE]**
        i. Assistant Director Easley requests for the Authority to approve a multi-year agreement with Cherry Bekaert, LLC to conduct annual audits for Fiscal Years 2025 through 2027. It was reported that the initial price of over $45,000 for the first year had been successfully negotiated

down to $30,000 (FY25), $32,000 (FY26), and $34,000 (FY27). The engagement letter and pricing structure were included in the meeting packet. Commissioners expressed strong support for entering into the agreement, citing the importance of independent, timely, and recurring financial audits as a marker of the EDA's growth and professionalism.

1. Vice Chair Hermann motions.
2. Secretary Soleymani seconds.
3. Passes unanimously.

b. Update on process with MEC Fairfax Organizational Consultant
   i. A progress report on the ongoing work with organizational consultant Domenica Wambold of Dandenmark Consulting was provided. The consultant had been engaged to support structural improvements to the MEC Fairfax's governance and operational model.
   ii. Following meetings with GMU leadership, EDA Legal, and MEC management, a draft advisory board charter was developed. This charter proposes a new strategic oversight body that would report directly to the EDA Commissioners. The board would provide guidance, monitor performance metrics, and recommend implementation strategies to improve tenant acquisition, operational efficiency, and long-term sustainability. It would not have any operational or funding authority.
   iii. The proposed advisory board structure includes representation from the EDA, City of Fairfax, GMU, and MEC tenants (non-voting). Easley requested commissioner feedback on the draft by email and indicated that finalization of the charter would conclude the consultant's engagement. Formal adoption of the charter is anticipated at the July EDA meeting.

8. EDA Proposed Budget Presentation and Introduction — Director Bruno/ Asst. Dir. Easley
   a. Director Bruno introduced two budget scenarios for FY26. Both were shaped by the city's recent budget approval, which allocated approximately $2.3 million to the Economic Development Department. Of this, $1.232 million is proposed to be allocated to the EDA. The first scenario maintains current levels of programming, including the LIFT and FIG grant programs, by reallocating $309,000 from the Economic Opportunity Fund. The second scenario removes funding for these programs, resulting in reduced services.
   b. It was emphasized that while using reserve funds is not ideal, the LIFT and FIG programs have demonstrated strong economic returns, including increased occupancy of commercial space, improved property values, and enhanced tax revenues. Commissioners agreed that the LIFT program, which incentivizes business relocation and long-term leases, offers particularly high impact.
   c. There was consensus on the value of these programs, although some commissioners expressed concern about depleting the Opportunity Fund and highlighted the need to pursue future replenishment. Staff clarified that the use of reserve funds would be formalized through a resolution vote in July, alongside budget adoption. Commissioners also discussed staff vacancies, program adjustments, and a proposed increase in tourism funding to support visitor center operations and local events.
9. New Business — All
   a. Discussed whether the EDA should take a formal position on the proposed George Snyder Trail. Several commissioners acknowledged community concerns related to the environmental impact of the project, while others noted potential economic benefits for the Northfax district. Staff advised that unless the Authority has taken a formal position, it is not obligated to issue one. Commissioners opted to remain neutral at this time, pending further developments from City Council.
10. Public Comment (5 mins) — Public
    a. Doug Church- Central Fairfax Chamber of Commerce
       i. commended the EDA staff and commissioners for their recent presentation to City Council, stating it effectively highlighted the Authority's professionalism, qualifications, and partnerships—especially with George Mason University. They observed that the relationship between the EDA and Council has significantly improved.

ii. invited members to the upcoming Independence Day Breakfast at Kelly's and expressed interest in serving on the advisory board for the Mason Enterprise Center. They also shared that their organization is open to partnering on small-scale funding efforts despite budget constraints.
iii. announced the launch of the Fairfax Forward Foundation, which aims to pursue grants and philanthropic support for projects in both the City and County. They offered to collaborate with the EDA on future opportunities.
iv. Chair Cho shared that they donated laptops to Offender Aid and Restoration (OAR), with the mayor in attendance, and suggested sharing photos from the event with EDA staff.

11. Adjourn — Chair Cho
    a. Meeting was adjourned at 8:19pm.

*****Next Meeting: July 2, 2025*****
6 pm, 3565 Chain Bridge Rd, Fairfax, Virginia 22030
Subject to Change. Please Check gofairfaxcity.com for more information.