



CITY OF FAIRFAX ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES
Wednesday, April 7th, 2021 6:00 PM
Via Electronic Participation

Virtual Meeting via Zoom, Fairfax City, VA 22030

Commissioners Present:

Chair Jeff Hermann
Commissioner Soledad Portilla
Commissioner Tom Ross
Commissioner Kathleen Paley
Commissioner Beth Young
Commissioner Fred Cornett
Commissioner Paula Sorrell

Others Present:

Rob Stalzer, City Manager for City of Fairfax
Christopher Bruno, Director for Fairfax City's Office of Economic Development
Danette Nguyen, Assistant Director of Economic Development/Programs Manager, Fairfax City
Patricia Lopez, Communications Fellow, Fairfax City
Matthew Easley, Operations Manager, Fairfax City
Ashley Ward-Willis, Legal Intern, Fairfax City
Andrew Wilson, Project Manager
Jennifer Rose, Central Fairfax Chamber of Commerce
Shannon Duffy, Old Town Fairfax Business Association
Paul Nabti, Division Chief, Community Development and Planning

1. Call to Order

The meeting was called to order at 6:01 pm by Chair Hermann.

2. Approval of March Meeting Minutes

Commissioner Ross made a motion to approve the minutes from the March meeting. Commissioner Paley seconded the motion. A roll call vote was then initiated. Those who said aye were Commissioner Ross, Commissioner Young, Commissioner Portilla, Commissioner Paley and Chair Hermann.

3. Economic Development Office/Exec. Director Update

a. Appoint Procurement Manager for EDA

Bruno states that before the next monthly meeting in May, he will be distributing a draft motion in resolution format to the EDA commissioners that will request for discussion and appointment of the City's procurement manager to serve as the "purchasing agent" for the Fairfax City EDA. Position will help in efficiency and provide assistance on other requests to increase the integrity in the City's contracting process.

Commissioner Portilla asks Bruno to define what kind of "procurement" will be in this context. Bruno responds that it is similar to one we currently have for Fairfax City Restaurant Week contracts. This position will assist in any services the EDA purchases such as website design, business capacity building support programs, etc. Essentially, it will target any jobs/tasks that are outside the scope of the EDO's staff but are still within the EDO's projects.

4. City Manager's Proposed Budget Update

For FY22's tax rate, the recommended budget included a half cent increase to the \$1.75, totaling to \$1.80 of which half cent increase will be dedicated to the City's storm water fund. Subsequent to the budget being released and presented on February 23, 2021, the Commissioner of Revenue advises the City that they have

additional BPOL bank stock, tax and sales/use tax revenues in excess of about \$1 million that had not been accounted for in the original recommended budget. As a result, one option presented to City Council was to retain the existing tax rate of \$1.75 at which the City will reconsider budget during the final work session on May 5th, 2021.

FY22 budget from the Fairfax City EDO recommends 1.5 FTEs (full-time employees). If City's revenues are higher than estimated, it is possible that an additional (.5) position (part-time employee) will be considered at the end of FY21 (June 30, 2021).

Most of City's real estate growth derived from the Residential side with the overall market increase being 3.7%. On the commercial side, City observed a decrease of 5.3%. The overall real estate increase city-wide was 3.71% of which 2.79% came from new construction. In FY21 budget, City had to cut \$18 million from expenses based on anticipation the City revenue will decrease by such amount. The EDO/A's efforts in supporting local businesses through grants and programmatic assistance via the CARES funds has resulted in the local tax revenue for local taxes totaling to \$33.5 million as opposed to the estimated \$26.3 million.

City is currently in process of evaluating storm water utility and have done a number of analyses at different gradations as they move through policy considerations. Specific rates/rate structures will apply to different types of residential and commercial properties and will apply, if not exempted, to all properties in the City. The premise behind the storm water utility is that these are ongoing expenses that the City has. Currently, the City allocates (0.03) cents to a current rate of \$1.75 while the actual cost to the City is (5.74) cents. Storm water utility will not be considered in FY22 budget.

5. Update on Small Area Plan Process (Approved and Proposed)

Paul Nabti provides the EDA with updates on the small area plan processes in the City. Background on small area plans: The City's 2035 Comprehensive Plan adopted in 2019 had recommendations for each of the City's five activity areas which includes small area plans. First small area plans established in 2020 was Northfax and Old Town because of the amount of traffic evident in those areas. Goals of small area plans are to build consensus and vision, identify needs and obstacles, provide clear direction for public and private development and enable proactive marketing. In Northfax small area plan, one area has been marked "completed" while 2 are at the "inquiry" stage and 2 more are at the "approval" stage. 2 areas in inquiry process reflects a good sign from property owners that small area plan processes are beneficial

The current small area plan being constructed is Kamp Washington. This particular activity center is treated differently in that there was a lot of interest from property owners surrounding the activity center area. In response, study area boundaries have been extended to accommodate inquiries from property owners surrounding marked activity center area. Based on timeline provided by Paul Nabti, Kamp Washington assessment, analysis and data collection will begin mid-April 2021. Development will be facilitated in a four-part process where the final summary document recommendations and implementation is estimated to be in June 2022. Individuals are able to navigate to (www.fairfaxva.gov/smallareaplans) to view plans in greater detail as well as observe implementation guides.

Commissioner Paley asks if the EDA has any instrumental role in the small area plans processes. Nabti replies that the EDA can engage through providing feedback during the various review processes. Commissioner Paley also asks that with these small area plans, there's a sense that each activity center has a theme; hence, are there any initial thoughts about various types of themes that would be associated with Kamp Washington? Nabti answers that the construction process must begin in order to truly determine the best suited theme for Kamp Washington.

Commissioner Portilla makes an observation about the essentiality concerning the "walkability" component in Kamp Washington area given that it is heavily saturated with residential properties. Chair Hermann, Commissioner Paley and Commissioner Young agree that safety for pedestrians should be strongly considered in the construction of Kamp Washington's small area plan since there are parks surrounded by residential areas but no safe way for them to be approached. Nabti replies that it is certainly one key component that will be implemented. Commissioner Portilla and Chair Hermann requests for periodic updates on small area plan construction progress.

6. MEC Updates

A PDF file with MEC updates was distributed to Commissioners given that Director Stolz was unable to attend the monthly meeting. Commissioner Sorrell provides a high-level update on what is evident in PDF file such as the MEC showing a decrease in revenue.

7. Parkview Property Development Update

Project Manager Andrew Wilson states that not much progress is evident since last month's meeting given that there are now questions regarding the implementation of a drainage system and that they are awaiting the delivery of the framing material for the exterior walls, which will be the next step in the process. Bruno commends Commissioner Portilla and Wilson on their efforts in the Parkview Property construction.

8. ISVC Recommendation to Explore Relocation of Business Incubator

Commissioner Paley requests a motion to authorize the Fairfax City EDA Executive Board to proceed with identifying a new location for the incubator project and granting it the ability to negotiate on behalf of the EDA. A meeting will be held to review the terms of the lease agreements, if needed, prior to authorizing the Chair to enter into any lease. Chair Hermann made a motion to approve the request made by Commissioner Paley on behalf of the EDA's role in the Incubation Services Visioning Committee (ISVC). Commissioner Ross seconded the motion. A roll call vote was then initiated. Those who said aye were Commissioner Ross, Commissioner Young, Commissioner Portilla, Commissioner Paley and Chair Hermann. Commissioner Cornett was unable to provide a comment at the time.

9. Comments

a. Public Comments

Jennifer Rose thanks Commissioner Young and Assistant Director Danette Nguyen for their work in the Women's Networking Event on March 19, 2021. Shannon Duffy expresses her thanks to the EDO/A for all their work.

b. Chair Comments

Chair Hermann introduces the new Commissioner to the EDA, Beth Young. Commissioner Young has been a resident of Fairfax City since 1996, a City business owner of a federal contracting firm since 2004 and serves on the Fairfax City's Commission for Women.

Chair Hermann mentions that him and Commissioner Cornett have reviewed several proposals for the RFP distributed for accounting services and anticipate that selections will be made prior to next month's EDA meeting. Bruno states his appreciation towards Chair Hermann and Commissioner Cornett for their efforts in facilitating the RFPs and mentions that appointing a procurement manager would help in getting this process done in the future. Bruno also expresses his gratitude towards the City's Finance department in providing these services voluntarily.

Finally, Chair Hermann reminds Commissioners of the EDA to check/use their City email in order to be aware of future meetings and announcements to consolidate communication.

10. Other/New Business

11. Closed Session

12. Adjourn

The meeting was adjourned at 7:10 p.m.

Next regular meeting of the EDA is scheduled for the 5, of May 2021.