



CITY OF FAIRFAX ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES
Wednesday, September 7, 2022 6:00 pm
In Person at Economic Development Facility

10300 Eaton Place, Small Conference Room, Fairfax, VA 22030

Commissioners Present:

Chair Kathleen Paley
Vice-Chair Jeff Hermann
Commissioner Tom Ross
Commissioner and Secretary Beth Young
Commissioner Soledad Portilla
Commissioner and Treasurer Fred Cornett

Others Present:

Christopher Bruno, Director, Economic Development Office
Danette Nguyen, Deputy Director & Programs Manager, Economic Development Office
Matthew Easley, Assistant Director for Finance and Operations, Economic Development Office
Ashleigh Scarborough, EDA Associate, Economic Development Authority
Andrew Wilson, Project Manager
Eddie Hill, Mason Enterprise Center-Fairfax Incubator Manager

1. Call to Order Chair Paley
2. Adoption of July Meeting Minutes [**VOTE**] Commissioners
 - a. Vice-Chair Hermann initiates motion to approve and Commissioner Cornett 2nds motion.
 - i. Passes unanimously.
3. Draper's Update PM Wilson
 - a. Construction and Completion PM Wilson
 - i. Final Building Code Certification of Occupancy & Final Certificate of Use and Occupancy Zoning completed and signed.
4. NOVA Labs Update Commissioner Ross
 - a. Presented an update for the months of July and August. In July Commissioner Ross opened about Marketing Discussions, beginning with the details of suggested improvements. Those listed were brand experience, contract performance metrics, permit and incubator tenant statuses, and sponsors.
 - b. Commissioner Ross was happy to announce many improvements from July to August.
 - i. Focal points included, trimming of tree in front of NOVA Labs for better appearance, and growth of the place overall.
 - ii. Performance metrics were improved: membership agreements and lease agreements have been finalized.
 - iii. 9 out of 10 of the incubator spaces have been leased out.
 - iv. Branching into sponsors will begin around mid-September to October to actively solicit local partnerships.

- v. The grand opening of NOVA Labs and ribbon cutting will be with a few weeks of Fall Festival, where they will announce at Fall Festival.
- vi. Testing and developing after school program to work with local schools will begin shortly.

5. Strategic Planning Process Update

Director Bruno

- a. EDO and City government have retained the services of Streetsense, to help develop an economic development strategic work plan. There is an advisory committee over zoom of about 25-30 people that will consult and talk through economic development issues that are currently being faced in the city.
- b. Inventory of all the work economic development is doing both through the authority and the office has been submitted, as well as a 13-page work plan. This information is being cross referenced with what the comprehensive plan states, what the city council documents and policy states, and are currently at the gap analysis phase to figure out if what the EDA/O is properly aligned with priorities of the council.
- c. At the end of 4 meetings a strategic plan will be delivered to EDO, EDA and indirectly the city council.

6. Consideration of an Award to the Old Town Fairfax BA

Director/ Deputy Director

- a. Recommending that commissioners award OTFBA (Old Town Fairfax Business Association) with \$50,000 for the attraction and retention of professional staff to help with organizational development and programming issues.
- b. Kelly O'Brien the Secretary for the Board of the OTFBA spoke about how they need someone to bring these ideas and make them a reality. The candidate went through a vetting process. The OTFBA conducted multiple interviews to determine the best candidate for this position. She is experienced in promoting small business.
- c. Chair Paley calls for a motion to provide this award to the OTBA, Commissioner Young initiates the motion, while Commissioner Cornett 2nds. The vote was 5 in favor – 1 abstained (Commissioner Portilla).

7. Mason Enterprise Center

a. Facility Relocation Update

PM Wilson/Incubator Manager Hill

- i. The final inspections and building permits have been completed and approved on both buildings.
- ii. Net 100, a separate contract vendor being paid by the landlord, will be finished in 10300 by Friday.
- iii. The Furniture will be delivered Saturday 9/10 and 4 days following will be unpacking and assembling of the furniture.
- iv. Cox brought internet into both spaces last week and Wi-Fi installation should be 13th or 14th of September.

v. Final move is expected October 4th or 5th.

b. Tenant Relocation Update

Incubator Manager Hill

- i. Incubator Manager Hill expressed that there is an excitement about client relocation and the property/move.
- ii. In terms of commitments in taking and signing leases it is currently at 55% occupancy. Across both facilities the occupancy is at 70%, the incubator itself is at 60%. In terms of purpose of budgets, Hill stated 80% occupancy rate will be used.
- iii. The MEC people have had the information explained to them and revising FAQs, fireside chat scheduled for next Thursday at 2pm.
- iv. There are 60-70 clients who are virtual model participants. They pay X amount a month for conference facilities and optional counseling. Hill stated there has been very little push back on pricing of the new MEC.
- v. Financial sustainability is a requirement to move to the new MEC.

c. Marketing/Handbook

Incubator Manager Hill

- i. Minimal marketing with regards to discussions about clients and educational events through Summer. In early August they were able to lease space to resident clients, (1 month block out exclusivity period), by which the first month MEC only leased space to resident clients. Promotion will now start across region and outside of the current clients.
- ii. Incubator Manager Hill wants to focus on the program and the value of the program itself, rather than just the new space and location.
- iii. Incubator Manager Hill expressed that no updated handbook has been created yet. He intends to have the clients sign the lease with the previous handbook, to get the leasing process done. Hill has advised individuals that changes will be coming going forward. The new handbook should be completed before the end of Fall.
- iv. Commissioner Cornett shared that Assistant Director for Finance and Operations Easley and EDA Associate Scarborough will be inventorying all new furniture once assembled. The furniture software program will list and track the furniture's information, each piece will be barcoded and scanned.
- v. PM Wilson added that there will be some furniture from the old MEC will be transferred to the new MEC. Those pieces will also be inventoried in a system. The current landlord may be interested in keeping some of the previous furniture (yet to be determined).
- vi. Director Bruno answers a question about the previous MEC, there is an upcoming program to fill commercial office space that has already been approved, the last update received is that they figuring out what to do with the larger building, in a larger timeframe.

- vii. Incubator Manager Hill added one last note about the previous MEC locations furniture. He stated that in the event there was a claim that George Mason University wanted to make on some of the furnishings, he reached out in that regard and has not heard back.
- viii. Commissioner Cornett added that because there is 6 months free rent that it should make it easier to close the gap from 80% to 100% occupancy. The first month's rent is also paid. Chair added kudos to PM Wilson for his job helping keep the ability for the free rent.
- ix. Commissioner Cornett mentioned rent rolls for both these floors Incubator Manager Hill is leasing, he would like to get Hills's team on a monthly bases on a rent roll that shows occupants and what is being charge.
- x. Chair Paley asks if the security deposits amounts are set. Incubator Manager Hill responds that his intention is to charge the difference between the security deposits.

8. EDA/O Update

a. Staffing Update

- i. Director Bruno updates that the EDO is welcoming Ashleigh Scarborough, the new EDA Associate who will be working with Assistant Director for Finance and Operations Easley on a number of things, mostly focused on coordinating with the commissioners, and lastly playing a pivotal role in the relocation process of the MEC.
- ii. Director Bruno also added that on September 19th, the EDO will be joined by a Business Investment Manager, this person will be responsible for developing the framework for our business attraction programs and initiatives. Nicole Merlene will join the EDO form Montgomery County Economic Development, where she has been doing this for two and a half years. Her focus will be on technology and life sciences businesses.

b. Ribbon Cutting for EDO Deputy Director & Programs Manager

- i. There will be a ribbon cutting for EDO on 10/6. Will be a private ribbon cutting event, more information will be shared as it becomes available.

c. Programs Update

i. Summer Restaurant Week

1. The first Summer iteration of Fairfax City Restaurant week just finished. Over 25 restaurants participated, and almost half elected to extend another week.
2. Meals tax will be available after August (30 days to report), the economic impact report will be comprehensive of both the Winter and Summer program after we receive the meals tax information.
3. Deputy Director and Programs Manager Nguyen noted that the summer iteration was the first time that a diner survey was created. That survey had 10 questions that looked at personal characteristics, marketing information, demographic

information, and a way to identify it is just Fairfax City residents or if there was a pull from outside of the city.

4. 389 scans of the QR code, which in turn will provide metrics that will be reported outside of the meals tax and advertising and marketing.
 - a. 240 people completed the survey. The survey was open both weeks of the program.
 - b. This was not a large fiscal impact on the program, if participants completed the survey they were entered into a raffle that equates to about 25 gift cards at \$20 each.
- ii. Business Openings/Ribbon Cuttings
 1. Drappers ribbon cutting will be rescheduled.
 2. Big Buns ribbon cutting will be 9/15.
 - a. The CEO of Thompson Hospitality will be in attendance.
 3. Ribbon cuttings have more that doubled in calendar year '21 to calendar year '22.
 4. There will be 3 more ribbon cuttings including: The Flatts on 9/28 which will be spearheaded by the Central Fairfax Chamber of Commerce.
- iii. Other
 1. Fairfax City Flex Card, closed loop gift card, Special Programs Manager Tara Borwey, has launched this program for outreach to the business community for participation. It is going to be live for the public on 10/08 with Fall Festival.
 - a. There will be marketing and promotion to the public at Fall Festival.
 - b. 3 businesses are signed on board, Special Programs Manager Borwey is targeting Old Town and Point 50 Shopping Center, which contained more of the locally owned businesses that could use a gift card program.
 2. Fall festival
 - a. Seeking commissioners to support the EDA tent. The commissioners support with last years tent was appreciated. More information to come.

9. Public Comment

Public

- a. William Pitchford from City of Fairfax Citizens for Smarter Growth, interested in participating with the strategic plan, Director Bruno notified him that he will contact him directly.
- b. Pitchford has concerns about a possible proposed Sunrise retirement facility, in the old Bank of America Building, he expressed that he feels the city should inject energy into the city and business community.
- c. Lastly, transportation networks, he expressed the city does a great job for bike riders but there is not a lot of locations that have a place to park and lock a bike, especially in commercial areas.
 - i. Chair thanks him for raising this concern.

10. Motion to Convene Closed Meeting

EDA

- a. I move that the Economic Development Authority convene to a closed meeting under Section 2.2-3711.A.8 of the *Code of Virginia* for a discussion concerning efforts to attract a business which has not yet made its intent to relocate into the City of Fairfax, VA publicly known.

All Commissioners in favor of the motion, please signify by voting aye. Those opposed to the motion, please vote nay. The vote is all in favor of the motion and none opposed.

The Economic Development Authority retired into a closed meeting at 7:05pm.

11. Motion to Conclude Closed Meeting

EDA

- a. At 7:12pm the Economic Development Authority concluded its closed discussion concerning a business which has not yet made its intent to relocate into the City of Fairfax, VA publicly known.

I move that each of us certify that, to the best of each Commissioner's knowledge, (i) only public business matters lawfully exempted from the open meeting requirements in the Virginia Freedom of Information Act, and (ii) only public business matters identified in the motion convening the closed meeting were heard, discussed or considered.

All Commissioners in favor of the verification motion please signify by voting aye. Those opposed to the motion please vote nay.

The motion passes unanimously by a vote of 6 to 0.

*****Next Meeting: Wednesday October 5, 2022***
THIS WILL BE AN IN-PERSON MEETING
10300 Eaton Place, Small Conference Room, Fairfax, VA 22030**