

**City of Falls Church  
Economic Development Authority  
Business Meeting Minutes - APPROVED  
Tuesday, May 3, 2016 – 7 p.m.  
Falls Church City Hall – Dogwood Room  
300 Park Avenue, Falls Church, VA 22046**

**I. Call to Order**

The EDA meeting was called to order at 7:07 p.m. by Chairman Novotny.

**EDA Board Members Present:** Mike Novotny, John Sandoz, Barry Buschow, Bob Young, Erik Pelton, and Brian Williams.

**EDA Members Absent:** Ed Saltzberg.

**EDA Youth Representatives Absent:** Tyler Gogal and Kiran Menon.

**EDO Staff:** Rick Goff, Becky Witsman, and Ingrid Racine.

**City Staff:** City Manager Wyatt Shields.

**Public Attendees:** City Council Member Letty Hardi, Planning Commissioner Lindy Hockenberry, and JoAnne Fiebe.

**II. Approval of March 1, 2016 Minutes**

Mr. Buschow moved approval of the minutes, seconded by Mr. Young, and approved unanimously.

**III. Petitions from the Public:** Ms. Hockenberry reported on the 2016 Washington Area Music Association's annual Wammies event at the State Theatre. She said it was extremely well attended, as was a reception at Argia's restaurant. She showed the Wammies program guide, which features businesses, people and special events in the City, along with the Little City brand – all outcomes of the EDA's grant sponsorship.

**IV. Petitions from the Board**

Mr. Pelton said the Greater Falls Church Chamber of Commerce has produced a guide for businesses displaced by development activity. The effort was led by Chamber board member Andrew Painter, a real estate attorney who lives locally. The guide also contains a wealth of other information for small businesses. Mr. Pelton added that Mr. Painter wishes to attend a future EDA meeting to present and discuss the business guide and related business assistance topics.

Mr. Young noted that the board packet contained information about a task force on City streetscape policy and guidelines that City Council will soon initiate. He said the

board should reserve time on its agenda to discuss the task force and recommend EDA representatives to serve as participants.

Mr. Novotny announced the Northern Virginia regional NAIOP luncheon on May 4 featuring the City of Falls Church, its development success, and emerging trends. He said that Mayor Tarter, developer Todd Hitt, City planning director Jim Snyder, and he will be speakers to an audience of about 200 development industry attendees at the Ritz Carlton in Tysons. He encouraged board members to attend, if possible, and also to provide input regarding the proposed Power Point presentation he circulated. Mr. Young and Mr. Pelton indicated they would be attending. Mr. Williams suggested that the presentation include a note about the consolidation of properties for the Mason Row project, the City's need for more infill office development for small companies, and several other points to communicate at the luncheon.

## **V. New and Continuing Business**

### **a. Presentation on Fairfax County Redevelopment Districts, Including Merrifield and Seven Corners**

Mr. Goff introduced JoAnne Fiebe, revitalization program manager for the Fairfax County Office of Community Revitalization. Ms. Fiebe described the mission of her agency, its history, program areas, challenges and strategies, funding resources, and projects. She then focused on Seven Corners revitalization planning and the Mosaic District of Merrifield.

Seven Corners involved a three-year planning process and much dialogue with the City and its stakeholders. The plan that resulted is sensitive to the City's traffic volume concerns and has borrowed from some successful mixed use projects in Falls Church to shape form and density of development in the project area.

Mosaic was described by Ms. Fiebe as a public/private partnership featuring \$75 million in tax increment financing for public infrastructure improvements, a Community Development Authority, and two million square feet of mixed use development on 23 acres of land. She stressed that the County was fortunate to work with skilled private development partners Mill Creek, Edens, and EYA.

She said that leased and for-sale housing at Mosaic had achieved strong price points, resulting in better-than-anticipated tax base enhancement, while public school impacts are minimal, with very few pupils residing in the development. The retail elements of Mosaic are built with strong anchors, including Target and Angelica Theaters. The County offered flexibility to Edens to fill other retail space creatively, she noted, and there has been a high absorption rate for tenants as a result.

A Q&A session followed Ms. Fiebe's presentation. She was asked how her agency measures success in terms of return on investment in staffing and other resources. She responded that they are beginning to produce more reports documenting their efforts. One important measure of success, she said, is increased real estate assessed values in targeted project areas.

In response to a question, Ms. Fiebe said the County has not developed a policy regarding displaced businesses. She said that at Seven Corners early public engagement in the planning process was a key to success. Asked about the County's experience with Business Improvement Districts (BIDs), she said Fairfax has not created any primarily because of the difficulty of levying additional taxes on commercial properties. Following Q&A Mr. Novotny thanked Ms. Fiebe for her informative presentation and thoughtful answers.

**b. Participation in Meeting through Electronic Means: City Attorney's Clarification on Limits to Electronic Participation**

Mr. Goff referred the board to the city attorney's written response to a question about meeting participation via email, which is not allowed under the statute. A question was then raised about meeting participation via Skype. Mr. Goff responded that Skype was likely permissible, but said he would check specifically with the city attorney and report back in June.

**c. Pole Planters Proposal**

Mr. Goff briefly summarized the status of funding for the hanging flower basket/pole planter project proposed by Barb Cram at the April EDA meeting: It was not funded by the City in the FY 2017 budget and no specific funds have been committed in the FY 2016 City budget. Ms. Cram, however, has already ordered the baskets and has begun installation, he said. Mr. Goff invited Mr. Shields to explain more fully the project's funding status from the City's perspective.

Mr. Shields spoke to a need to involve the downtown business community in a long-term relationship with the City to sustain the pole planter and other beautification projects over time, perhaps through a revived downtown merchants association or a BID. He said City funds would be found to support the hanging flowers in 2016, but are not available in 2017 and beyond. Mr. Young noted that most of the property owners in the 100 and 200 blocks of W. Broad St. are absentee landlords and it is difficult to rally their funding support for projects of this nature.

The board discussed the pros and cons of a BID, including the challenge of identifying a geographic district that generates meaningful funding yet is not so expansive that it fails to deliver consistent services or other results. Staff was asked to research revenue projections for a BID and report back to the board.

Mr. Pelton said it is worth a try to bring together downtown businesses to sponsor planter poles. Mr. Young said a better approach may be to pursue state legislation to allow the City to levy a one percent transient occupancy tax on hotels specifically for economic development purposes, including projects like the pole planters. He said he will discuss this with Delegate Marcus Simon.

Mr. Shields suggested that the EDA commit to 2017 funding of the pole planter project while the City covers expenses for 2016 and a longer term solution is found to keep the project sustainable. Mr. Young made a motion for the EDA to fund the pole planter project in 2017 and lead an effort to plan and form a business district group to

support improvement projects in the future. Mr. Williams seconded the motion, followed by additional discussion, which resulted in an amended motion:

*The EDA will fund the flower project in FY 2017 at a maximum amount of \$17,000 and commit to work with a group of businesses with a goal of improving commercial areas of Broad and Washington Streets.*

The motion was approved unanimously.

**d. Update on Downtown Plaza – Next Steps**

Mr. Goff provided an update that City Council accepted in full the EDA's \$550,000 grant for the downtown plaza in the City's FY 2017 CIP, which becomes effective on July 1, 2016. He said there is not existing City staff capacity to take this project on because it was a late edition to the CIP. However, the director of public works, Assistant City Manager Cindy Mester and Mr. Goff are drafting an announcement for a part-time temporary position to manage the project along with Big Chimneys Park improvements. He said that advertising for the new position will begin very soon, with hiring anticipated by July 1.

The position will manage all aspects of the project, including a consultant to prepare construction documents, work with businesses and property owners, as well as deal with Dominion Power (a task that will also involve Ms. Mester because there is a much larger relationship between the City and the utility company). Mr. Goff explained that there will be roles in park design for the EDA and the Parks and Recreation Advisory Board: The Planning Commission must ultimately approve the site plan. It is expected that the new hire will attend monthly EDA meetings to check in, share information with the board, and seek feedback at every stage of the process.

**e. EDA Retreat or Other Follow-Up Items:** No discussion.

**VI. Staff Reports**

**a. Update on Development Projects**

Mr. Goff provided status reports on the Tradition Place and Broad/Washington mixed-use development projects. He said a City Council work session on Tradition Place is scheduled for May 16 and the EDA is invited to attend. The board requested information in advance about changes to the project, if available before the work session.

The board discussed recently completed work to update and enhance the City's fiscal impact model by TischlerBise consultants. They requested a staff presentation of the model and its new features at the June board meeting, including a comparison of fiscal impact results for Mason Row using the updated versus previous versions of the model

and showing results for new modules that analyze economic impact and capital costs associated with new development.

Mr. Goff said City Council is seeking two EDA members to serve on the streetscape task force. Mr. Young and Mr. Novotny volunteered and the board approved their participation by consensus.

**b. Business Report**

Ms. Witsman reported on a fast food restriction imposed by Burger King as a use in retail space in the Kensington assisted living building. She said work on the former Blue and Grey Building for a café will begin in June. She also said that Harris Teeter is scheduled to open July 20.

Mr. Young reported on progress in filling commercial space in the Southgate Center across Fairfax Street from Falls Church Episcopal Church. He said there will likely be two or three food tenants, among other uses. Rent for the space is advertised at \$35 per square foot, but negotiable.

**c. Marketing Report:** No report was given in the interest of time.

**VII. EDA Member Reports:** None

**VIII. Other Business:** None

**IX. Adjournment**

A motion was made to adjourn, which was seconded, and carried unanimously. The meeting adjourned at 9:43 p.m.