

**City of Falls Church
Economic Development Authority
Business Meeting Minutes - APPROVED
Tuesday, October 4, 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 7:04 p.m. by Chairman Novotny.

EDA Board Members Present: Mike Novotny, Brian Williams, Ed Saltzberg, John Sandoz, Bob Young, Erik Pelton, and Rachelle Barimany.

EDA Youth Representatives Excused: Nuki Giorgadze and Nathan Holmes.

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

City Staff: Kim Callahan and Jason Widstrom.

Public Attendees: City Council Members Letty Hardi and Phil Duncan, Planning Commissioner Lindy Hockenberry, Tom Gittins, and Marty Meserve.

II. Introduction of Newly Appointed Board Member Rachelle Barimany

This item was held until Agenda Item V, “Petitions from the Board.”

III. Approval of August 2, 2016 Minutes

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

IV. Petitions from the Public: Mr. Gittins was invited to speak about the EDA’s recent decision to suspend its program of grants for nonprofit programs and events. He introduced himself as a city resident and business owner. He told the board he initiated FirstFriday, Taste of Falls Church, The Little City Community Guide, Falls Church Arts, and other arts and cultural events and programs in the City.

Mr. Gittins said that the arts and economic development go hand-in-hand. Arts boost the local economy, benefit restaurants, and provide unique features that brand the community in a positive way. He reminded the board that 20,000 copies of the Community Guide are distributed each year and contain the EDA-funded restaurant map and guide. He said that he does not pay himself for any of the arts and cultural work that he does in the community. He challenged the EDA’s decision to end its grants program as ill-advised.

Mr. Sandoz thanked Mr. Gittins for addressing the board and for his volunteer work. He said that the arts are fundamental to the City’s quality of life. Mr. Saltzberg said

that the arts need to be subsidized and that he still favors EDA grants to support programs such as Creative Cauldron and Watch Night. He said the community is not making a big enough investment in the arts and City government should contribute more funds.

Mr. Gittins was asked if FirstFriday is eligible for grants through CATCH. He said it is not because FirstFriday is not a 501(c)3 tax-exempt organization. Mr. Gittins thanked the board for the opportunity to speak.

Ms. Meserve asked to address the board about its grants funding decision. She said she is a City resident, a former vice mayor, former chairperson of the EDA, co-founder of Falls Church Arts, and is closely affiliated with Creative Cauldron. She said that EDA grant support is a small, but important, portion of funding for Creative Cauldron, which she described as a healthy business. She said EDA grants have been used to purchase regional ads that draw patrons into the City and produce positive economic impact. "More experiences are needed in the City," she said, "not more retail." She said that Creative Cauldron is a destination in Falls Church and Mr. Gittins' Art and Frame center is the City's "Torpedo Factory."

Ms. Meserve challenged the EDA's use of public funds for improvements to a downtown park. She clarified that CATCH grants are for project and operational purposes, a different purpose than EDA grants. Mr. Young and Mr. Novotny each explained the public process by which EDA land banking funds were committed to the park project through the City's CIP. They also stated that the City should support money for the arts with annual budget allocations.

Mr. Novotny described the many competing demands for limited EDA funds, such as hanging flower baskets, the study of parking issues, and other needs. Ms. Meserve suggested that the EDA transfer funds to CATCH for grant awards and administration.

Mr. Novotny proposed that the EDA draft and present a letter to City Council to explain its decision to terminate its grants program and encourage Council's budget support for funding to arts and cultural programming.

Mr. Sandoz moved, seconded by Mr. Saltzberg: *That the EDA prepare and submit a letter to City Council communicating its decision to cease its grants program; expressing the need for arts subsidies; acknowledging economic and other benefits of arts and cultural programming in Falls Church; and encouraging the City to subsidize this type of programming to the degree it can.* The motion was approved unanimously.

V. Petitions from the Board

Mr. Novotny reported to the board the purpose of two recent meetings between the School Board and City Council about the George Mason High School site with LINK Strategic Partners. LINK is a consulting firm hired to establish with the elected officials a process framework to move forward with a vision, request for proposals, and construction, in the broad sense of a school facilities solution and commercial development. On November 1, another School Board and Council meeting is scheduled for receipt of a report from LINK highlighting the results of its audit

interviews with primary community stakeholders. The report will be available for distribution on October 19.

Mr. Novotny said that LINK will conduct interviews individually with each EDA board member as “second phase” stakeholders in the process. He suggested that the EDA’s youth representatives also be included as interviewees. He asked staff to assist in arranging a board meeting with LINK in attendance to gather additional feedback in a group setting. Mr. Goff suggested that the EDA’s next meeting be moved forward a week to October 25 to avoid a November 1 conflict with the School Board/Council meeting so board members who may wish to attend the joint meeting can do so. The board decided to set October 25 as its next meeting date and to cancel its November 1 meeting.

Mr. Novotny introduced Ms. Barimany to the board as its newest member. She spoke briefly about her business background in the City and strong interest in serving on the board. Board members and staff introduced themselves to Ms. Barimany.

VI. New and Continuing Business

a. Downtown Plaza Project: Introduction of Project Manager Kim Callahan; Dialogue with Board

Mr. Goff introduced Ms. Callahan, the City’s new project manager for the downtown plaza and Big Chimneys Park improvements. He said that Ms. Callahan is a City resident and a registered professional civil engineer with extensive public and private sector experience in project management. Mr. Goff said this was a good opportunity for Ms. Callahan to share her initial impressions about the project and also give board members a chance to express their thoughts on priorities for park design and features.

Ms. Callahan asked the board about its selection of Olin Architects’ plaza design “Option 3b” as its preferred plan among six choices. Mr. Young responded that the water feature in Option 3b is very important as a way to engage families and children in the park experience. He referenced similar water features at Mosaic and in McLean, noting that there are likely a wide range of costs, but that an affordable solution is possible. He added that he is very anxious to see the project get started and asked for regular updates to the board. He said he would like to see building murals and public art included in the design. Moving the Dominion Power transformer box is not a priority for him, he said, as it can easily be decorated in an artistic way, saving costs for other plaza components.

Ms. Callahan said she is arranging meetings with property owners in the vicinity of the plaza, including Bill Oshinsky and Jeff Jeffrey. Board members noted that inclusion in the project of the alleyway adjacent to the plaza is unresolved with the owner of the property. They suggested that Mr. Goff and Mr. Young be involved in discussions with Mr. Oshinsky. Several board members also identified the water feature as a priority for the plaza. Others advised Ms. Callahan to take child safety into account in plaza design, given its proximity to Broad Street and the alleyway. Suggestions were made about electric power for food vendors, fencing designed to not obstruct views of the plaza from Broad Street, the importance of amphitheater seating for music

performances, seating for outdoor dining, investigation of records of an easement for Dominion Power, local sourcing of construction work and materials, coordination with local arts groups and the City's arborist, and work staged and conducted to minimize disruption to neighboring businesses.

The board had questions and suggestions about the selection of consultants and contractors for the plaza. Mr. Widstrom explained the City's process for using existing contractors to the extent feasible to reduce costs and time delays. Mr. Novotny suggested that Olin Architects be re-engaged for a limited time to provide input on park design at key stages.

b. Streetscape Task Force Update

Mr. Novotny provided the board an update on the work of the Streetscape Task Force on which he serves as co-chair. Mr. Young is also an EDA representative. He referenced a draft report from the task force covering its goals, including branding the City. Streetscape standards, he said, are intended to build on previous guidelines and plans for use in identified districts and at gateway locations in the City. Included in the standards are street furniture, street lights, traffic signal mast arms, trash cans, bicycle racks, bus shelters, and street signs. Tree planters and many related features are addressed in the streetscape standards, which uses cross sections to illustrate options for pedestrian, amenity, and building zones in the setback area proscribed between curbs and buildings.

Mr. Novotny explained that the task force report has standards for streetscape materials and the design of utilities. Public art is referenced in the report with local illustrations and examples of desired forms and treatments. Finally streetscape maintenance at a high standard is stressed in the report with encouragement of public/private partnerships to balance costs and responsibilities. The task force is expected to finalize its report and recommendations by the end of the year, Mr. Novotny said.

Mr. Pelton commented that the work of the task force ties closely to City visioning efforts, placemaking, branding, and the goal of establishing a uniform theme and appearance for public space in the City. He added that welcome signs at gateway locations are very weak and a good place to start with implementation of the new streetscape standards. He said the draft report is an excellent document to start and he looks forward to more details that will follow.

Mr. Novotny requested board feedback on some specific issues addressed in the report. On the issue of tree planters, the board consensus is for the 'flush' versus 'raised' treatment option. Board members supported a proposed code change to require 22-foot setbacks for larger buildings. Other suggestions from the board include electrical outlets for tree lights, additional bike racks with more capacity than the decorative racks, and more pedestrian bump outs at downtown street crossings.

c. Status of 2016 EDA Retreat

Mr. Goff reported that previously suggested dates in October for a board retreat did not result in a date that works for more than five members. The board discussed a different approach, such as a Friday night “happy hour” session sometime in November. Mr. Williams said he would provide Mr. Goff with some options to circulate to the board when conference space is available at Viget Labs.

d. Sept. 19, 2016 Joint Work Session with City Council

i. Status of Tax Abatement Program Revisions

Mr. Goff reported that the proposed Commercial Properties and Tech Zone tax abatement program revisions are scheduled to go to Council for first reading on October 11. He said that questions raised by Council at a work session with the EDA have been addressed in staff reports for the 11th. He invited board members interested to attend the meeting in support of the code revisions. Mr. Young and Mr. Williams volunteered to attend.

ii. Follow-Up on Transient Occupancy Tax and Other Items

Mr. Goff suggested that follow-up is appropriate with Council to encourage its consideration in the FY 2018 budget cycle of the EDA’s recommendation to raise the hotel transient occupancy tax by one percent and to designate the new revenue for downtown improvements. He proposed drafting a board resolution for adoption at the EDA’s October 25 meeting which states the case for a tax increase. The board agreed with this approach and suggested that a cover memo also be drafted for its approval on October 25.

e. Review and Approval of 2017 EDA Meeting Calendar

The board approved the schedule of EDA meetings presented by staff for 2017.

VII. Staff Reports

a. Update on Development Projects

Mr. Goff reported the status of the Mason Row project and its pending request before the Zoning Board of Appeals. The developers are seeking a variance for a 10-foot cantilevered portion of the building’s eastern façade on the second level to extend into the 20-foot setback area. The purpose is to provide sufficient space for a dine-in movie theater operator with multiple screens.

The board asked about the property at 260 W. Broad Street at the corner of Little Falls, across from the Stratford Motor Lodge. They inquired about the property’s availability for purchase, potentially with the EDA’s land banking funds. Staff responded with information about the property’s assessed value, its reported asking price, and the condition and historic status of a segment of the building. The board encouraged staff to inquire directly with the property owner his interest in selling.

b. Business Report

Ms. Witsman highlighted and answered questions about several new businesses, including Rare Birds and Kids First Swim School. She was asked for updates about when the Northside Social II project at N. Maple and Park Avenue will begin construction, as well as the status of the Lincoln at Tinner Hill project and its vacant commercial space.

c. Marketing Update: No report due to lateness of the hour.

VIII. EDA Member Reports: None

IX. Other Business: None

X. Adjournment

A motion was made to adjourn, which was seconded, and carried unanimously. The meeting adjourned at 9:45 p.m.