

**Fairfax County Board of Supervisors
Economic Initiatives Committee (EIC)
J. Hamilton Lambert Conference Center (Room 11)
May 12, 2026**

Meeting Summary

Board Members present: EIC Chairman Supervisor Daniel G. Storck, Board Chairman Jeffrey C. McKay, Supervisor Walter L. Alcorn, Supervisor James N. Bierman, Supervisor Pat Herrity, Supervisor Andres F. Jimenez, Supervisor Rodney L. Lusk, Supervisor Dalia A. Palchik, Supervisor Kathy L. Smith, and Supervisor Rachna Sizemore Heizer.

Board Members absent: None

EIC Chair Storck welcomed everyone to the meeting. He presented the minutes of the February 10 meeting, and they were approved without comment.

Opening Remarks

EIC Chair Storck introduced the Economic Competitiveness Task Force presentation and stated that economic development and housing are central to the Board of Supervisors' work to ensure Fairfax County continues to grow and lead in Virginia and across the country. He noted that the County's economic position is built on a strong foundation and has remained resilient despite the pressures of the previous year and a half. He credited the people, businesses, and leaders of Fairfax County for that continued strength.

EIC Chair Storck continued by stating that the County cannot become complacent. He acknowledged the rising cost of living and doing business, reductions in the federal workforce, and strong competition from lower-cost jurisdictions. He explained that the Board matter introduced by Chairman McKay in August 2025 charged staff, with input from external stakeholders, to analyze Fairfax County's economic position and identify ways to strengthen its competitive advantage through economic incentives, workforce development, the regulatory and land development processes, and the marketing of the County's economic successes.

He stated that today's presentation was the second of two presentations from the Economic Competitiveness Task Force. The first presentation, held on February 10, reviewed economic trends affecting Fairfax County, and the task force subsequently provided Board Members with a written report containing its recommendations. He also highlighted the spring 2026 Fairfax County Small Business Pulse Survey included in the meeting materials and described the survey as an important tool for monitoring how local businesses are responding to the changing economic landscape.

EIC Chair Storck concluded his opening remarks by stating that the meeting would focus on Fairfax County's economic strengths and assets, where the County may need to adjust its approach, and how it can continue creating opportunities for businesses to locate and grow. He then introduced Deputy County Executive Jennifer Miller to provide an overview of the presentation.

Economic Competitiveness Task Force Update and Recommendations

Deputy County Executive Miller began by noting that the September 2025 Board matter on housing grew out of the economic competitiveness work and would be discussed at the Land Use Policy Committee meeting later in the day. She thanked the Fairfax County Economic Development Authority (FCEDA), County staff, and the cross-agency team that participated in the task force. She also recognized project managers Bree Fuller and Theresa Benincasa before introducing Ms. Fuller to present the task force's findings and recommendations.

Ms. Fuller introduced the staff participating in the presentation and explained that the task force was created to assess current economic trends, review business attraction and retention, analyze competing jurisdictions, and consider how Fairfax County could operate differently to enhance its competitive position. The task force established a shared vision that Fairfax County will be a place where diverse businesses and people choose to locate and thrive.

She continued by explaining that the task force organized its work into five subgroups: assessing economic trends, marketing Fairfax County's successes, evolving the development process, leveraging incentives, and accelerating workforce development. The task force met twice each month beginning in fall 2025, while the subgroups met between the full meetings. Staff presented baseline economic data to the EIC in February, engaged the development community in March, and distributed the final report to the Board in April.

Ms. Fuller summarized the economic analysis presented by FCEDA and DEI. Fairfax County continues to have a strong and stable economy, supported by gross domestic product growth, a highly skilled workforce, and resilient consumer spending. At the same time, the County experienced rising unemployment, federal job losses, and difficulty attracting younger workers. Professional-sector employment remains a major strength, but projected growth in that sector is below the national average. Startup formation and the scaling of young firms also trail some peer jurisdictions, particularly in the Sun Belt. She added that office vacancies are beginning to stabilize, although the cost of living and doing business continues to affect employers, workers, and residents.

Marketing Economic Success

Tony Castrilli, Director of the Office of Public Affairs, introduced the task force's marketing and communications recommendations. He stated that the primary goal is to help residents understand how economic performance affects the issues they care about, including County services, employment opportunities, affordability, and quality of life. The communications team will work with the agencies implementing the task force recommendations to explain the initiatives and their results in ways that are relevant to residents.

Mr. Castrilli explained that objective media coverage remains an effective way to expand the County's message. He cited recent coverage of innovation, small business assistance, and the PIVOT grant program as examples of how coordinated outreach can highlight the results of County programs.

He continued by recommending that the Office of Public Affairs convene a multi-agency communications team, including DEI, the Department of Management and Budget, FCEDA, and other subject-matter experts. The team would align economic and fiscal messages and identify opportunities for proactive public education. He noted that budget season provides an especially important opportunity to explain the relationship between economic performance, state funding, County revenues, and services provided to residents.

Mr. Castrilli concluded by introducing a centralized economic and fiscal information web hub that was ready to launch. The hub would provide contacts, key economic indicators, current data, recent news, connections to budget decisions, and a message toolkit for Board offices and community partners. The information would also be shared through the County's social media channels and partner communications.

Economic Incentives

Jamie Gaucher, Division Manager, Economic Innovation & Strategy, Department of Economic Initiatives (DEI), introduced the subgroup's review of financial and nonfinancial incentives. He stated that the County faces increasing national competition in innovation-based economic development and needs to improve entrepreneurs' access to venture capital and regional angel investor networks. He also emphasized the need to identify additional local matching options so Fairfax County can make greater use of state incentive programs.

Mr. Gaucher described several opportunities to strengthen the local economic development environment. These included expanding the number and type of local matching funds, reviewing the Economic Opportunity Reserve to ensure it reflects current conditions, and building on programs that have shown positive results. He identified the Fairfax Founders Fund, the Accelerate breakfast series, SpaceNext, the Quantum World Congress, and innovation-focused job fairs as examples of programs and partnerships that should continue.

He then introduced a proposed technology business accelerator focused on geospatial intelligence, space and aerospace technologies, and dual-use technologies with both military and commercial applications. He explained that accelerators help young companies refine their technology, identify markets, clarify their business models, build management teams, obtain seed investment, and connect with mentors and investors. The proposed accelerator is intended to increase the formation and growth of technology companies, improve access to defense and investment networks, and create additional economic activity in the County.

Mr. Gaucher reviewed accelerator models operating in Virginia and the Washington, D.C. region, including Charlottesville BioHub, Halcyon, Lighthouse Labs, and Smart City Works. He stated that the County would need additional resources for an experienced organization to manage the program. Deputy County Executive Miller later estimated that a technology accelerator contract would cost approximately \$300,000.

Workforce Development

Michael Becketts, Director of the Department of Family Services, began by stating that Fairfax County has many organizations doing important workforce development work, but the system does not have a shared strategy, common measures of accountability, or coordinated deployment

of resources. Businesses and residents may therefore experience the system as complicated and fragmented. He added that the County relies heavily on Workforce Innovation and Opportunity Act funding, which is declining, limited in scope, and difficult to adapt quickly to changing local needs.

Mr. Becketts continued by noting that education and training programs are not always aligned with employer demand in emerging industries. Residents who are asset limited, income constrained, and employed, as well as displaced workers and people changing careers, may also have difficulty finding services and supports that help them move into higher-paying positions. He cited a year-over-year increase in the unemployment rate, an approximately 20 percent decrease in open jobs since January 2025, and the displacement of approximately 13,000 federal workers in Northern Virginia as evidence of the need for a more coordinated approach.

Daniel Mekibib, Assistant Division Director for Workforce Development Public Assistance and Employment Services Division, Department of Family Services, introduced the primary recommendation to establish an Office of Workforce Competitiveness and Advancement. The office would serve as a central coordinating unit for a shared workforce strategy across County agencies, educational institutions, FCEDA, and other partners. The subgroup also recommended developing a more flexible combination of public, private, and philanthropic funding; supporting workers affected by federal reductions, particularly those with security clearances; creating a demand-driven skills accelerator; and improving services for residents who face barriers to career advancement.

DEI Director Rebecca Moudry continued by explaining that the proposed office would not replace the operational roles of existing partners. Instead, it would provide strategic direction, improve coordination, align resources, and establish shared measures of success. The intended result is a workforce system that is easier for employers and residents to navigate and more responsive to changes in the economy.

Evolving the Development Process

Brandy Mueller, Director of Permitting and Code Administration in Land Development Services (LDS), introduced a coordinated set of initiatives intended to improve the speed, predictability, transparency, and customer experience of the development process. She stated that the recommendations reflected Board feedback, discussions with industry, staff work sessions, and the related work of the Housing Task Force.

Ms. Mueller explained that LDS plans to expand digital modernization and automation through greater use of the Planning and Land Use System, project dashboards, and potential artificial intelligence-enabled compliance tools. The department also plans to establish clear target timelines for key review phases and report performance against those targets. Customer-facing tools would provide applicants with a clearer view of project status, expected timelines, and the causes of delays. She stated that consistent performance data and increased predictability could become a competitive advantage when coordinated with the County's economic development partners.

She continued by describing work to identify conflicting, redundant, or unnecessarily complex code and policy requirements. This includes review of the Public Facilities Manual, site plan submission requirements, and the use of professional engineer seals for certain plan elements. LDS also planned to publish a third-party quality-control report assessing whether staff comments meet established expectations. The results would support training, coaching, and ongoing communication with the development industry and the Board.

Ms. Mueller concluded by presenting streamlined review pathways based on project complexity. For qualifying commercial projects, the standard 39-day review could be reduced to 14 days for tenant fit-outs and one day for projects eligible for the commercial fast-track process. She emphasized that the approach would streamline review by matching the process to the project's complexity rather than bypassing regulatory requirements. She also reported that a tenant support services pilot had assisted eight projects during its first 30 days by providing early guidance on site selection, compliance, and permitting.

Deputy County Executive Miller introduced the recommendation to establish a Real Estate Opportunities Team. She explained that the County generally evaluates real estate opportunities after they are identified by a developer. The proposed team would take a more proactive approach by identifying residential, commercial, and community-serving opportunities and determining where County assets could be used to advance Board priorities.

She stated that staff had begun compiling an inventory of County-owned property and working with Fairfax County Public Schools to identify additional opportunities. Preliminary analysis found that several public-private partnerships and accelerated redevelopment opportunities could produce additional tax revenue. The initiative is expected to be cost-neutral or provide a net financial benefit.

Deputy County Executive Miller emphasized that the task force report identifies the intended outcome, performance measures, implementation schedule, and resources required for each recommendation. Ms. Fuller added that several initiatives were already underway and that implementation would continue through early Fiscal Year 2029. Staff will monitor progress, provide biannual updates, and explore the use of a dashboard to report implementation status.

Discussion

Chairman McKay thanked the task force, FCEDA, and County staff for the presentation. He stated that economic development supports the revenues needed to provide County services and therefore extends beyond the work of DEI and FCEDA. He emphasized that maintaining Fairfax County's leadership position requires the County to continue reexamining and improving its practices, particularly as federal reductions affect contractors, workers, and small businesses.

Chairman McKay supported using technology, transparency, and performance measures to improve the development process. He also encouraged staff to maximize state incentives, continue the workforce and accelerator initiatives, and act proactively when older office buildings are unlikely to return to their previous use. He stated that communications should explain how economic development supports the County budget and quality public services.

EIC Chair Storck emphasized that the County's economic communications should remain relevant to residents by explaining how economic conditions affect the cost of living and the ability to live, work, learn, and participate in the community.

Supervisor Palchik emphasized the importance of ensuring that the recommendations serve small and home-based businesses as well as larger employers. She encouraged staff to consider the distinct economic identities of different areas of the County, expand in-person assistance through community-based hubs, and measure whether residents and small businesses can navigate County processes without needing to hire outside assistance. DEI Director Rebecca Moudry described existing entrepreneurship hours in the districts and the potential for the Real Estate Opportunities Team to serve as an entry point for property owners and smaller developers.

Supervisor Lusk expressed support for the proposed local matching options, business accelerator, and streamlined development processes. He stated that the accelerator should support small and medium-sized businesses as they scale and that faster, more predictable permitting would improve the County's ability to attract and retain companies. He also asked how the workforce recommendations would support unemployed and underemployed residents and opportunity youth in addition to residents who meet the ALICE criteria. Staff explained that the initiatives are intended to complement existing programs and address gaps in services.

Supervisor Smith discussed the need for coordinated communications, a clear point of entry for workforce and real estate assistance, and tools that reflect the different levels of experience among applicants. She asked whether artificial intelligence would replace employees and where the third-party quality-control report would be published. Deputy County Executive Miller clarified that artificial intelligence would be used to help employees work more efficiently, not replace them. Ms. Mueller stated that the report was available on the LDS metrics webpage, and staff agreed to send Supervisor Smith the link. Supervisor Smith also emphasized the importance of describing the new review pathways as streamlining rather than expediting.

Supervisor Bierman asked whether the Office of Workforce Competitiveness and Advancement would be housed within DEI. After Ms. Moudry confirmed that placement, he stated that the office could help address gaps affecting displaced mid-career federal workers who need retraining or assistance translating their experience to the private sector. He also encouraged the County to apply the performance measures used by LDS more broadly across County government and cited the eight projects assisted through the tenant support services pilot as an example of a clear outcome.

Supervisor Herrity expressed support for the fast-track permitting work and asked whether artificial intelligence was being used to identify duplication in the Public Facilities Manual and other requirements. Ms. Mueller confirmed that staff are using artificial intelligence to identify redundant or conflicting provisions. Supervisor Herrity also requested the fiscal impact of the recommendations and cautioned against creating another workforce silo. Deputy County Executive Miller stated that specific resource requests would return through the appropriate committee and budget processes and estimated that the combined initiatives would require less than approximately \$2.5 million. FCEDA President and CEO Victor Hoskins explained that

FCEDA focuses on connecting employers with talent, while the proposed office would coordinate the broader workforce system.

Supervisor Alcorn emphasized that the County should collaborate with, rather than compete against, private-sector companies that already support commercialization and business development. He encouraged staff to evaluate unsuccessful accelerator models as well as successful ones and to establish clear performance measures. He also stated that systemic policy changes, such as zoning amendments, may have a greater economic effect than individual entitlement cases. Deputy County Executive Miller described the County's intended role as an ombudsman that helps businesses navigate County processes.

Supervisor Sizemore Heizer cited the Fairfax County Business Pulse Survey, noting that 46 percent of responding businesses held federal contracts and 67 percent reported a decrease in federal spending. She asked staff to identify an overall goal and outcome measures showing how the individual recommendations work together to strengthen the economy. She also encouraged staff to review accelerator models in regions that have successfully developed the targeted industries, consider an innovation hub that helps generate new ideas and industries, and communicate the assets that make Fairfax County attractive to businesses. Deputy County Executive Miller stated that staff would continue developing an overall framework connecting the initiatives to broader economic outcomes.

EIC Chair Storck stated that the County would be judged by whether it follows through on the commitments described in the report and noted that future EIC meetings would continue to review implementation. Chairman McKay concluded the discussion by urging staff to remain focused on an all-County approach that makes Fairfax County simpler, faster, more reliable, more predictable, and more proactive in helping businesses succeed. EIC Chair Storck encouraged the supervisors to review the Fairfax County Business Pulse Survey.

EIC Chair Storck adjourned the meeting.