



April 14, 2026

*As prepared for delivery:*

Good afternoon, Chairman McKay and members of the Board,

Thank you for the opportunity to speak today. My name is Clayton Medford and I am the Senior Vice President of Government Relations at the NOVA Chamber, NVC.

At our core, NVC and our members support a budget that is about **empowerment**: **empowering** local businesses to grow through reasonable taxes and regulations; **empowering** county employees to engage with businesses, and ultimately **empowering** Fairfax County to lead this region in economic competitiveness, affordability, and quality of life. However, the business community is currently facing a challenging time collaborating with government, a once-valuable partnership that brought decades of economic prosperity to our region.

Last week NVC released the results of the Q1 2026 Northern Virginia Business Leader Survey, which paints a picture of an economy marked by **uncertainty**. Sixty-six percent of business leaders expect the Northern Virginia economy to stagnate or decline over the next six months and 56 percent expressed pessimism about the national economy, even as 67 percent remain optimistic about their own company's performance. That mix suggests businesses still see opportunity but are navigating a challenging environment shaped by cost pressures, policy concerns, and caution about broader market conditions. In that kind of climate, success depends on business and government working together: employers need a local and state policy environment that supports growth, affordability, and talent, while government needs to stay closely connected to the business community to understand barriers, respond with practical solutions, and strengthen the region's competitiveness.

Turning to the Advertised Budget, first on taxes and regulations: we appreciate the challenge of this budget environment, and we recognize the difficult choices before you. We understand that local revenue options are limited and that the real estate tax carries an outsized share of the burden. In that context, we deeply appreciate the effort to keep any increase modest. At the same time, we ask the Board to continue considering the cumulative effect of the full local tax structure on business growth. It is not only the real estate tax that shapes competitiveness. BPOL, the meals tax, the hotel occupancy tax, and other taxes and fees also affect the cost of doing business in Fairfax County. When



employers look at whether to expand, relocate, or invest, or simply to continue operating, they experience these costs simultaneously, not one at a time.

We also want to commend you and the County Executive for making the difficult decision to reprioritize bonds. Deferring new construction is never easy. Maintenance needs do not disappear, and those bills will always come due in some form. But in this fiscal climate, and in a moment of broader economic uncertainty, it is a prudent decision. Just as important, it creates room to advance housing-related priorities, which are central to the NOVA Roadmap and to the county's long-term competitiveness.

Second, Fairfax County needs stronger economic development tools. The NOVA Roadmap calls for an economy that competes by design, not by default. Historically, our region has not relied heavily on tools such as tax deferrals, direct incentives, or flexible deal structures to attract and retain business investment. But that time has passed, and frankly, it passed a long time ago. We ask you to provide adequate funding and flexibility for the Fairfax County Economic Development Authority to aggressively pursue new business opportunities and to support the expansion of existing businesses rooted here. That includes consideration of the kinds of tools Chairman McKay has described in his Board Matter last year on economic development.

This funding could come through increasing the cap on the Economic Opportunity Reserve or through other means at your disposal. Either way, Fairfax County needs to be able to move quickly when opportunities arise. The recent sale of the police training center is a strong example of the kind of creative public-private deal that can produce a win-win outcome and shows what is possible when the county is agile, strategic, and willing to think differently.

Third, taking a small step back from the budget, the business community believes housing and economic development must be treated as inseparable. The County's Housing Task Force draft initiatives are the kind of implementation plan envisioned in the NOVA Roadmap's goal on housing affordability. Repositioning aging commercial centers into mixed-use Suburban Village Centers, piloting compact housing villages, and expanding accessory living units all increase the range of housing choices near jobs and transit. Proposed financing tools, targeted tax incentives, and homebuyer assistance strategies begin to translate broad goals into concrete products that can unlock mixed-income development. Most importantly, the direction to streamline development policies, clarify road and code standards, and foster a "yes, if" culture responds to what both the Roadmap



and the development community have said clearly: Northern Virginia cannot remain economically competitive if more and more of its workforce cannot afford to live here.

Finally, we encourage you to think about empowerment not only in terms of policy and budget, but also in terms of culture. How are you creating an environment where staff across agencies are encouraged to go into the community, hear new ideas, and bring those ideas back for serious consideration? With economic uncertainty and budget constraints, streamlining government is imperative but takes time. A culture and budget aimed at establishing both the support and the expectation that county staff should be proactive, outward-facing, and focused on solutions would be a major step forward in creating a new economy. Every agency should feel empowered to work with the private sector to identify opportunities for economic growth, and to bring those opportunities forward.

So our three budget asks are straightforward:

**Keep the tax rate flat**, while considering the impact of all local taxes, not just the real estate tax, on economic growth.

**Fund economic incentives** by raising the cap on the Economic Opportunity Reserve or identifying other ways to strengthen Fairfax County's economic development toolbox.

And **proactively engage with the business community** in pursuing economic growth and diversification, public-private partnerships, and improvements to affordability.

Overall, we support a budget that empowers businesses to grow, empowers residents to thrive, empowers county staff to engage, and empowers Fairfax County to lead.

Thank you.

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