



Falls Church Pulse

Dear Neighbors,

The City Financial Officer and the School Superintendent presented their initial FY2026 budget revenue and expenditure projections, which anticipate a \$2 million shortfall due primarily to increased school enrollment as a result of housing in new multifamily developments. Whether a real estate tax rate increase will be necessary remains uncertain. This news comes despite the \$6 million FY2024 budget surplus, a \$4.7 million West Falls land lease payment from the developer, and \$8.4 million the City received from the sale a year ago of the Virginia Tech "Grad Center."

On the Accessory Dwelling code revision, the City Council approved the first reading of the code in late November despite many concerns and unanswered questions from Council members, Planning Commissioners and the public.

As 2024 comes to a close, we provide a look at the new businesses that have recently opened and an update on the ones that are working to open, hopefully in 2025. Altogether the list includes 36 businesses and arts organizations.

Also, City Community Planning and Economic Development Services Director Jim Snyder announced his retirement in January, and developer Robert Young passed away in November. The Pulse acknowledges the huge impact both have had on this City.

Our wishes of Comfort and Joy to all,

The Editors
December 2024



FY2026 Budget Guidance For Falls Church City Expects 5.5-6% Revenue Growth, Yet \$2 Million Shortfall

The FY2026 budget guidance cautions that real estate tax rates may need to rise to meet the increased costs for infrastructure and school enrollment growth. Also, there is uncertainty in state and federal funding, and the regional economy.



FCCPS Growth Leads to Possible 9.4% Increase in FY2026 Budget Request

The FCCPS growth projections, driven by new residents moving into West Falls, Broad and Washington and Founders Row II, is a major factor in the 9.4% increase in the FY2026 school budget estimate. The school staff salary increase will be about 5%.



No Short-Term Rentals Allowed in the Latest Accessory Dwellings Code but Impacts on Neighbors Remain, First Reading Passed

At the urging of City Council and Planning Commission, staff reversed the decision to allow short-term rental in accessory dwellings but made no changes to accommodate other concerns about impacts on neighbors, neighborhood and the environment.



The 2024 Year-End Update on New Businesses Recently Opened and Coming Soon

Here are 36 businesses and one pop-up project that have recently opened or plan to open, including store maps for West Falls and Founders Row. Their statuses in the long process of relocating to the City is also provided.



Why the “Grad Center” Site was Bought, Leased, and Sold by the City

The City made \$8.4 million from the sale of the Virginia Tech (VT) grad center in November 2023. Favorable lease terms between the City and VT allowed VT to make a deal with Converge, one the City saw had benefits. VT received \$16.6 million.



CPEDS Director Snyder Announces Retirement; EDA Chair Young Dies

The retirement of Jim Snyder who led the City’s planning and economic development groups, adds to the key leadership positions that need to be filled. The passing of Robert Young, who was involved in many City development projects and chaired the Economic Development Authority, marks a changing of the guard.

Posts you may have missed



Staff’s Accessory Dwelling Code Does Not Regulate Short-Term Rentals or Require Owner Occupancy

Some on Council and Planning Commission have concerns about the proposed code that allows accessory dwellings of up to two stories and 1,000 sf, with no regulations on short-term rentals, occupancy nor parking reviews.



The FY2024 Year-End Financial Report – a \$6 Million Surplus!

The FY2024 surplus was primarily due to a higher investment return than the 2% budgeted, and higher property tax and meals tax revenues. The capital reserve was \$13 million and projected to go down to \$2 million by 2030.



Stoddard Exits Staff, Creating 3 Key Vacancies

Planning Director Paul Stoddard leaves Falls Church for Alexandria as of November 30. The City now has three senior positions to fill, including directors for Human Resources and the Department of Public Works.