

MOTION:

**December 15, 2020
Regular Meeting
Res. No. 20-**

SECOND:

RE: AUTHORIZE THE EXECUTION OF A PERFORMANCE AGREEMENT WITH NORTH WOODBRIDGE TC LLC, AND THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF PRINCE WILLIAM FOR AN ECONOMIC DEVELOPMENT OPPORTUNITY FUND GRANT OF \$750,000 AND BUDGET AND APPROPRIATE \$750,000 FROM THE ECONOMIC DEVELOPMENT OPPORTUNITY FUND FOR A GRANT TO NORTH WOODBRIDGE TC LLC, TO INCENTIVIZE THE CREATION OF A COMBINED 19.3188 ACRE SITE FOR REDEVELOPMENT

ACTION:

WHEREAS, the Industrial Development Authority of the County of Prince William (IDA) has been created to promote the economic development of Prince William County, Virginia (County), pursuant to enabling legislation under Section 15.2-4900 *et seq.*, VA Code Ann.; and

WHEREAS, the IDA has the authority to make grants or loans of money for economic development pursuant to Section 15.2-4905, VA Code Ann.; and

WHEREAS, Grace Street Properties LLC, is the owner of Station Plaza, located at 13414 and 13444 Jefferson Davis Highway in North Woodbridge; and

WHEREAS, principals from Boosalis Properties and IDI Group Companies have formed the joint venture North Woodbridge TC LLC (NWTC); and

WHEREAS, the Prince William Board of County Supervisors (Board) wishes to induce NWTC to purchase from Woodbridge Ford Property LLC, the adjoining three parcels of land totaling 6.3648-acres, located at 13494 Jefferson Davis Highway, Woodbridge, VA, 22191, 13417 Occoquan Road, Woodbridge, VA, 22101, and 13441 Occoquan Road, Woodbridge, VA, 22191 (collectively the Cowles Property) (Exhibit A – Site Assemblage); and

WHEREAS, such assemblage of land with adjoining Station Plaza would enable entitlement of over 19.3188 acres of combined properties for redevelopment purposes in better alignment with the North Woodbridge Small Area Plan (SAP); and

WHEREAS, North Woodbridge TC LLC (NWTC) has entered into a Purchase Agreement with Woodbridge Ford Property LLC for the purchase of the 6.3648-acre Cowles Property, but has requested financial assistance to acquire the property as it is difficult to finance non-incoming producing land, especially due to the COVID-19 market environment; and

WHEREAS, it is necessary from time to time to provide financial assistance to assist in land assemblages for redevelopment in Prince William County, Virginia, as an essential part of the County's economic development effort; and

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WHEREAS, NWTC has completed two consecutive 90-day study periods, to assemble project team, perform appraisals, market analysis, and assess site conditions including egress and ingress of the site; and

WHEREAS, NWTC has secured the Purchase Agreement with a \$500,000 non-refundable deposit; and

WHEREAS, NWTC has been formed for the sole purpose of purchasing and redeveloping the above referenced Woodbridge Ford Properties LLC parcels; and

WHEREAS, NWTC has agreed to accept an Economic Development Opportunity Fund Grant (EDOF Grant) under this Performance Agreement (Agreement) with the IDA as an incentive to assemble, entitle, submit site plans, and develop an expanded Station Plaza redevelopment project with quality vertical mixed-use development in conformance with the newly adopted North Woodbridge SAP; and

WHEREAS, the list of the County Economic Development Targeted Industries has been expanded by the Board to include redevelopment and revitalization projects within Opportunity Zones and strategic redevelopment areas in Prince William County, as is the case with this specific proposal; and

WHEREAS, the proposed project is in alignment with the Prince William County 2017-2020 Strategic Plan objective to expand the commercial tax base in redevelopment areas; and

WHEREAS, this Agreement is consistent with the agreement entered by and between the IDA and the Board for granting assistance to locate and expand targeted industries in the County to promote long-term economic development in the County; and

WHEREAS, the Board wishes to duly authorize and commit an EDOF Grant, the proceeds of which are to be provided to the IDA, which will in turn provide the proceeds pursuant to this Agreement with NWTC, for payment of costs associated with entitlement, site plan and carrying costs of the Cowles Property; and

WHEREAS, upon execution of this Agreement, and a written request from NWTC, containing any necessary bank wiring instructions, NWTC will receive the proceeds of this EDOF Grant in the amount of Seven Hundred and Fifty Thousand and 00/100 Dollars (\$750,000) in two payments, in accordance with the schedule and conditions contained in this Agreement; and

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WHEREAS, this enables NWTC, at the conclusion of the second study period, to begin preparation for both entitlement and site plan submittal for a combined Cowles Property/Station Plaza redevelopment in conformance with the North Woodbridge SAP; and

WHEREAS, the IDA and NWTC desire to enter into this Agreement to memorialize the understandings and conditions under which financial incentives will be provided to NWTC and to set forth the obligations and responsibilities of the parties in connection therewith;

NOW, THEREFORE, BE IT RESOLVED that the Prince William Board of County Supervisors hereby authorizes the execution of a Performance Agreement with North Woodbridge TC LLC, and the Industrial Development Authority of the County of Prince William for an Economic Development Opportunity Fund Grant of \$750,000 and budget and appropriate \$750,000 from the Economic Development Opportunity Fund for a Grant to North Woodbridge TC LLC, to incentivize the creation of a combined 19.3188-acre site for redevelopment;

BE IT FURTHER RESOLVED that should North Woodbridge TC LLC be unable to satisfy the conditions of its Performance Agreement with the Industrial Development Authority of the County of Prince William within the current fiscal year, the Prince William Board of County Supervisors authorizes the transfer, budget, and re-appropriation of approved Economic Development Opportunity Funds for the project in subsequent fiscal years.

ATTACHMENT: Performance Agreement

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

For Information:

Department of Economic Development

ATTEST: _____

Clerk to the Board

PERFORMANCE AGREEMENT

THIS PRINCE WILLIAM COUNTY ECONOMIC DEVELOPMENT INCENTIVE GRANT AGREEMENT (herein referred to as "Agreement"), made this ____ day of _____, 2020 by and among the Prince William County Board of Supervisors, a body corporate and politic (the "County Board"), the **INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF PRINCE WILLIAM**, (hereinafter referred to as "IDA"), a political subdivision of the Commonwealth of Virginia, and **NORTH WOODBRIDGE TC LLC** (herein referred to as "NWTC"), a Virginia limited liability company, individually a "Party" and collectively the "Parties".

WITNESSETH:

WHEREAS, the IDA has been created to promote the economic development of the County, pursuant to enabling legislation under Section 15.2-4900 *et seq.*, VA Code Ann.; and

WHEREAS, the IDA has the authority to make grants or loans of money for economic development pursuant to Section 15.2-4905, VA Code Ann.; and

WHEREAS, Grace Street Properties LLC, is the owner of Station Plaza located at 13414 and 13444 Jefferson Davis Highway in North Woodbridge; and

WHEREAS, principals from Boosalis Properties and IDI Group Companies have formed the joint venture North Woodbridge TC LLC (NWTC); and

WHEREAS, the County Board wishes to induce NWTC to purchase from Woodbridge Ford Property LLC the adjoining three parcels of land totaling 6.3648-acres, located at 13494 Jefferson Davis Highway, Woodbridge, VA 22191, 13417 Occoquan Road, Woodbridge VA 22101 and 13441 Occoquan Road, Woodbridge VA 22191 (collectively the "Cowles Property"). **(Exhibit A – Site Assemblage)**; and

WHEREAS, such assemblage of land with adjoining Station Plaza would enable entitlement of over 19.3188 acres of combined properties for redevelopment purposes in better alignment with the North Woodbridge Small Area Plan ("SAP"); and

WHEREAS, NWTC has entered into a Purchase Agreement ("Purchase Agreement") with Woodbridge Ford Property LLC for the purchase of the 6.3648-acre Cowles Property, but has requested financial assistance to acquire the property as it is difficult to finance non-income producing land, especially due to the COVID-19 market environment; and

WHEREAS, it is necessary from time to time to provide financial assistance to assist in land assemblages for the purpose of redevelopment in Prince William County, Virginia, as an essential part of the County's economic development effort; and

WHEREAS, NWTC has completed two consecutive 90-day study periods, to assemble project team, perform appraisals, market analysis, and assess site conditions including egress and ingress of the site; and

WHEREAS, NWTC has secured the Purchase Agreement with a \$500,000 non-refundable deposit; and

WHEREAS, NWTC has been formed for the sole purpose of purchasing and redeveloping the above referenced Woodbridge Ford Property LLC parcels; and

WHEREAS, NWTC has agreed to accept an Economic Development Opportunity Fund Grant ("EDOF Grant") under this Agreement with the IDA as an incentive to assemble, entitle, submit site plans and develop an expanded Station Plaza redevelopment project with quality vertical mixed-use development in conformance with the newly adopted North Woodbridge SAP; and

WHEREAS, the list of the County Economic Development Targeted Industries has been expanded by the County Board to include redevelopment and revitalization projects within Opportunity Zones and strategic redevelopment areas in Prince William County, as is the case with this specific proposal; and

WHEREAS, the proposed project is in alignment with the Prince William County 2017-2020 Strategic Plan objective to expand the commercial tax base in redevelopment areas; and

WHEREAS, this Agreement is consistent with the agreement entered by and between the IDA and the County Board for granting assistance to locate and expand targeted industries in the County to promote long-term economic development in the County; and

WHEREAS, the County Board has duly authorized and committed an EDOF Grant, the proceeds of which are to be provided to the IDA, which will in turn provide the proceeds pursuant to this Agreement to NWTC for payment of costs associated with entitlement, site plan and carrying costs of the Cowles Property; and

WHEREAS, upon execution of this Agreement, and a written request from NWTC, containing any necessary bank wiring instructions, NWTC will receive the proceeds of the Seven Hundred and Fifty Thousand and 00/100 Dollar (\$750,000) EDOF Grant in two payments, in accordance with the schedule and conditions contained in this Agreement; and

WHEREAS, this enables NWTC at conclusion of the second study period to begin preparation for both entitlement and site plan submittal for a combined Cowles Property/Station Plaza redevelopment in conformance with the North Woodbridge SAP; and

WHEREAS, the County Board, IDA and NWTC desire to enter into this Agreement to memorialize the understandings and conditions under which financial incentives will be

provided to NWTC and to set forth the obligations and responsibilities of the parties in connection therewith;

NOW, THEREFORE, in consideration of the mutual promises of the Parties and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby state and agree as follows:

- 1) **Incorporation of Recitals**– The preceeding recitals are an integral part of the Agreement and set forth the intentions of the Parties and the premises on which the Parties have entered into the Agreement. Accordingly, the recitals are fully incorporated into the Agreement by this reference as if fully set forth herein.
- 2) **Definitions**– In addition to any other capitalized term for which meaning is expressly defined in the Agreement, the following terms shall be defined as follows:
 - a) “County Board” means the Prince William County Board of Supervisors.
 - b) “County Executive” means the County Executive of Prince William County or his/her designee.
 - c) “Effective Date” means December 15, 2020, the date of approval of the Resolution and Agreement by the County Board.
 - d) “Agreement” means this Performance Agreement.
 - e) “Funding” means the funding by the IDA, as approved and provided by the County Board, classified as a grant pursuant to the Agreement.
 - f) “IDA” means the Industrial Development Authority of the County of Prince William.
 - g) “NWTC” includes both NWTC and its affiliates and entities that it may form with its joint venture partners for the project, any changes in which are subject to approval by the County Board.
 - h) “Cowles Property” means collectively the adjoining three parcels of land owned by Woodbridge Ford Property LLC totaling 6.3648-acres and located at 13494 Jefferson Davis Highway, Woodbridge, VA 22191, 13417 Occoquan Road, Woodbridge VA 22101 and 13441 Occoquan Road, Woodbridge VA 22191.
 - i) “SF” means Square Feet.
 - j) “Station Plaza” means collectively the adjoining two parcels of land owned by Grace Street Properties LLC totaling 12.954 acres and located at 13414 Jefferson Davis Highway, Woodbridge, VA 22191 and 13444 Jefferson Davis Highway, Woodbridge, VA 22191.
- 3) **NWTC Covenants and Obligations**
 - a) NWTC agrees to have a Purchase Agreement, entitle, and submit site plans with the intention of settling on the Cowles Property within three (3) years from the Effective Date for the purpose of redevelopment of the 6.3648-acre Cowles Property located at 13494 Jefferson Davis Highway, Woodbridge, VA 22191, 13417 Occoquan Road, Woodbridge VA 22101 and 13441 Occoquan Road,

Woodbridge VA 22191 in an assemblage and redevelopment project with the adjoining Station Plaza Shopping Center. **(Exhibit A – Site Assemblage).**

- b) NWTC shall submit, with Grace Street Properties as necessary, Re-Zoning and Site Plan Applications for the combined 19.38 acres consisting of the Cowles Property and adjacent Station Plaza. NWTC acknowledges and agrees that securing the cooperation of Grace Street Properties, and the submittal of Zoning and Site Plan Applications for both the Cowles Property and adjacent Station Plaza, is a condition precedent to the IDA's obligations, including those obligations set forth in Para. 5.
- c) At Re-Zoning Application submittal for the combined Station Plaza/Cowles Property, the NWTC application will include a minimum of 130,000 SF of non-residential development.
- d) At Final Site Plan submittal for the first development phase on the Cowles Property, the NWTC plan will include a minimum of 40,000 SF of non-residential development in the first development phase.
- e) NWTC agrees to commence development, defined as the pouring of footers, for Phase 1 which is to contain a minimum 40,000 square feet of non-residential development within two (2) years of Final Site Plan approval.
- f) NWTC agrees to use the EDOF Grant funds administered through the Agreement for payment of costs associated with entitlement, site plan, and carrying costs of the Cowles Property.
- g) NWTC must have a valid Prince William County Business License and be current on Prince William County taxes. Additionally, NWTC will need to provide sufficient evidence to the County that they are current on all State and Federal taxes.
- h) NWTC and parent company, Boosalis Properties, covenants and agrees to remain current on all applicable property, business, professional, and occupational license taxes assessed to NWTC by Prince William County and to make timely filing and payment for all such taxes.
- i) NWTC acknowledges and agrees that the EDOF Grant are County funds for which the IDA is serving as a conduit through the Agreement, and that the IDA's obligation to disburse the EDOF Grant to NWTC is wholly contingent upon the IDA's receipt of the EDOF Grant funds from the County in the first instance. NWTC represents that it is a Virginia limited liability company, that it is authorized to conduct business in Virginia, that its members have approved the transaction contemplated by this Agreement under its policies and procedures through formal resolution, that the undersigned is authorized to sign this Agreement on behalf of NWTC and that this Agreement will be binding on NWTC and its successors and assigns. NWTC agrees to provide proper documentation of the preceding to the County Executive or his designee, before the disbursement of the EDOF Grant funds to the IDA.
- j) NWTC shall give its good faith, reasonable cooperation with Prince William County staff requests for due diligence to verify that the company and its principals are reputable and in good standing.
- k) NWTC will provide access to audited financial disclosures of said company.

- l) NWTC recognizes this Agreement is a pay-for-performance Grant and includes targeted milestones of rezoning application and final site plan submittal. This proposal does not guarantee that the County Board will approve the Property rezoning application. Instead, triggers and reportable updates are tied to submission, and possibly subsequent submissions within so many days of comments.
- m) For up to four (4) years and six (6) months from the Effective Date, NWTC shall provide a quarterly written report on the fifteenth of the month in which it is due to the County Executive or his designee, of progress with entitlement, site plan and other matters required to bring the Agreement to completion and move the redevelopment project forward. The first quarterly report shall be submitted by February 15, 2021.
- n) For up to two (2) years from Final Site Plan approval, NWTC will provide bi-annual reports on its efforts to close on the property, obtain construction financing and commence development, defined as the pouring of footers, on the Phase I portion on the Cowles Property.
- o) NWTC additionally covenants and agrees to provide the County Executive or his designee a notarized Affidavit according to the disbursement schedule contained in this Agreement, a sample of which is attached (**Exhibits B, C, & D**), declaring whether milestones have been achieved. The notarized Affidavit will specifically document submittal of rezoning application and submittal of final site plan, both of which are required for EDOF Grant disbursement. It will also document pouring of footers for Phase I of the development.
- p) NWTC acknowledges and agrees that the IDA has designated the County Executive to administer the Agreement for the IDA in all respects, including but not limited to, making determinations as to NWTC's compliance with the Disbursement Prerequisites in Section 5 and the Disbursement conditions in Section 6 and enforcing the IDA's repayment rights in Section 7.

4) **IDA Covenants and Obligations**

- a) Upon receipt of the requested monies from the County Board to fund the EDOF Grant payment to NWTC, the IDA shall, subject to the Disbursement Prerequisites in Section 5, disburse the EDOF Grant payment to NWTC pursuant to Section 6. Should NWTC not fulfill the Disbursement Prerequisites within nine hundred (900) days of the Effective Date, the IDA will return the monies to the County Board. The County Executive or his designee shall determine whether NWTC has timely fulfilled the Disbursement Prerequisites.
- b) The total maximum term of the EDOF Grant will be no longer than six (6) years and six (6) months from the Effective Date. After such time, the IDA will return any remaining funds to the County Board.

5) **Disbursement Prerequisites**

The IDA's obligation to disburse the first Three Hundred Seventy-Five Thousand and 00/100 Dollars (\$375,000) EDOF Grant is subject to and conditioned upon receipt of funds from the County and the County Executive's (or his designee's) determination of NWTC's fulfillment of the following pre-conditions ("Disbursement Prerequisites") within two (2) years of the Effective Date. The IDA shall disburse the EDOF Grant funds within 60 days after the County Executive complies with Subsection f) below.

a) **Receipt of Notarized Affidavit.** NWTC must have provided the County Executive or his designee, with a notarized Affidavit, a sample of which is attached as **Exhibit B – Sample of the Required Notarized Affidavit**, declaring or attaching, among other things:

- i) A copy of the signed Land Sale Agreement between NWTC and Woodbridge Ford Property LLC for the Cowles Property.
- ii) NWTC must cooperate with Prince William County staff requests for due diligence to verify that the company and its principals are reputable and in good standing; such documentation will be submitted with the Affidavit.
- iii) NWTC must provide an internally prepared financial statement and project budget for NWTC, and a list of all members of NWTC. This list and statement shall be updated quarterly from the Effective Date, until the term of this Grant expires.
- iv) Submittal of a complete Rezoning application for the combined Station Plaza/Cowles Property, to include a minimum of 130,000 SF of non-residential development.
- v) The Rezoning application will be filed within 150 days of the Effective Date of this Agreement. The County Executive may amend the agreement to extend this timeframe for up to 90 days. Such extension will be considered due to unforeseen COVID-related affects on market conditions, that in turn directly affect the ability to submit the rezoning application. The application must be accepted by County Planning Office staff as meeting all quality control requirements and standards.
- vi) Evidence of NWTC quarterly updates of progress with entitlement, site plan and other matters required to move the redevelopment project forward.
- vii) NWTC must provide evidence that its project team (attorney, engineer, marketing consultant, transportation consultant, etc.) has met with Prince William County department staff involved in processing the rezoning and site plan applications on a consistent, ongoing basis.

If the below pre-conditions and all other applicable Disbursement Prerequisites are met, and upon receipt of the County Executive's written direction and instructions, the IDA shall disburse to NWTC the second Three Hundred Seventy-Five Thousand and 00/100 Dollars (\$375,000) after final site plan submittal. The IDA shall disburse the EDOF Grant funds within 60 days after the County Executive complies with Subsection f) below.

- b) **Receipt of Notarized Affidavit:** NWTC must have provided the County Executive or his designee with a notarized Affidavit (see Exhibit C) as required by Subsection (a), declaring or attaching among other things:
- i) NWTC has provided Prince William County staff appropriate due diligence to verify that the company and its principals are reputable and continue to remain in good standing.
 - ii) NWTC has provided a quarterly internally prepared financial statement and project budget for NWTC, and a list of all members of NWTC.
 - iii) NWTC has provided evidence of quarterly updates of progress with site plan and other matters required to move the redevelopment project forward.
 - iv) NWTC and its project team (attorney, engineer, marketing consultant, transportation consultant, etc.) have communicated with Prince William County department staff involved in processing the site plan application at least every quarter and shall be responsive more often as is reasonably necessary.
 - v) Final Site Plan submittal for the first development phase which is for the Cowles Property, to include a minimum of 40,000 SF of non-residential development in the first development phase.
- c) **Business License** – NWTC must provide to the County Executive or his designee a copy of NWTC's Prince William County Business License.
- d) **Release of Tax Information** – Prior to the disbursement of any EDOF Grant funds, NWTC must sign the Authorization to Release Confidential Tax Information (attached as **Exhibit E**) to authorize the Prince William County, VA Finance Department to release NWTC's business license tax (BPOL) and business tangible personal property tax information to the Prince William County Executive or his designee, beginning with tax year 2020 and continuing until the EDOF Grant is paid. The County will treat the tax information as confidential and will not release it to the public, except as required by applicable law, or as part of composite real estate and employee-related revenue data in accordance with Section 8 i).
- e) **Payment of Taxes** – Prior to any disbursement according to the schedule, NWTC must be current on all applicable property, business, professional, and occupational license taxes assessed to NWTC or its parent company by Prince William County.
- f) **County Executive's Verification** – Before the IDA disburses any EDOF Grant funds pursuant to the Agreement, the County Executive or his designee will
- i) Review and approve that the information in the Subsections 5 a) and 5 b) of the Notarized Affidavit is satisfactory, and
 - ii) Confirm and verify, where applicable, that NWTC has complied with the Subsections 5 c) through e) pre-conditions, and

- iii) Send a written notice, specifying that the Subsections a) through e) information, where applicable, has been reviewed and approved, and directing the IDA to disburse the applicable EDOF Grant through the Agreement to NWTC.

6) **Disbursement of EDOF Grant**

Upon the County Executive's verification of NWTC's satisfaction of the Disbursement Prerequisites in Section 5, the IDA shall disburse to NWTC the EDOF Grant in accordance with the Section 5) Subsections a) and b) schedules, upon receipt of the following:

- i) Quarterly and Bi-Annual Reporting: NWTC will provide quarterly updates of progress with entitlement, site plan and other matters required to move the redevelopment project forward. After Final Site Plan approval, NWTC will provide bi-annual updates of progress on its efforts to close on the property, obtain construction financing and commence development, defined as the pouring of footers, on the Phase I portion on the Cowles Property.
- ii) Notarized Reporting: According to the EDOF Grant Distribution Schedule in Section 5 subsections a) and b), NWTC will provide a notarized Affidavit to the County Executive or his designee as proof that milestones were achieved. The Prince William County staff will verify the documentation. Verification of the foregoing and all other obligations of NWTC is a condition subsequent to funding hereunder such that a violation, beyond applicable notice, grace, and cure periods, shall be a default under the Agreement.
- iii) Project Team Meetings: NWTC and its project team (attorney, engineer, marketing consultant, transportation consultant, etc.) will regularly meet with Prince William County department staff involved in processing the rezoning and site plan applications to help ensure timely issue resolution and coordination.
- iv) Disbursement Prerequisites: Verification of NWTC's satisfaction of Section 5.
- v) The County Board's transmission of the applicable EDOF Grant to the IDA. The County Board shall transmit the EDOF Grant funds to the IDA in accordance with the procedures set out in the IDA Secretary/Treasurer's September 22, 2020 memorandum, which has been furnished previously to the County Executive.
- vi) The County Executive's Section 5 f) direction, including written EDOF Grant funds disbursement instructions, and
- vii) NWTC's written request, containing any necessary bank wiring instructions, to the IDA for disbursement of EDOF Grant funds.

7) **Repayment of EDOF Grant**

- a) If NWTC meets the requirements contained in this Agreement and receives the first payment of the EDOF Grant, and if the rezoning has been approved, but NWTC fails to submit final site plan within one (1) year of rezoning approval, then NWTC shall return to the IDA Three Hundred Seventy-Five Thousand and 00/100 Dollars (\$375,000) or 100% of the first payment of the EDOF Grant within sixty (60) days of receipt of notification by the County. Any refund paid by NWTC to the IDA under this provision shall be repaid to the County Board within sixty (60) days of receipt of the funds from NWTC. The County shall be responsible for any costs of collection hereunder.
- b) If NWTC meets the requirements contained in this Agreement and receives the second payment of the EDOF Grant, but NWTC fails to close on the property and commence development, defined as the pouring of footers, of Phase 1 which is to contain a minimum 40,000 square feet of non-residential development, within two (2) years of Final Site Plan approval then NWTC shall return to the IDA Seven Hundred and Fifty Thousand and 00/100 Dollars (\$750,000) or 100% of the total EDOF Grant within sixty (60) days of receipt of notification by the County. Any refund paid by NWTC to the IDA under this provision shall be repaid to the County Board within sixty (60) days of receipt of the funds from NWTC. The County shall be responsible for any costs of collection hereunder.

8) **Miscellaneous Provisions**

- a) **Notices** – Demands and Communications between the Parties. Formal notices, demands and communications between the Parties shall be given by (i) personal service; (ii) reputable document delivery service, such as Federal Express, with a receipt showing date and time of delivery; or (iii) certified or first-class United States mail, postage prepaid, with a receipt showing date and time of delivery:

To the County: Christopher E. Martino, County Executive
Prince William County
Office of Executive Management
1 County Complex Court
Prince William, Virginia 22192
Phone: 703-792-6600
Fax: 703-792-4225
Email: CEmartino@pwcgov.org

With Copies to: Michelle Robl, County Attorney
Prince William County
Office of the County Attorney
1 County Complex Court

Prince William, Virginia 22192
Phone: 703-792-6620
Fax: 703-792-6633
Email: mrobl@pwcgov.org

Robert P. Skoff, Assistant County Attorney
Prince William County
Office of the County Attorney
1 County Complex Court
Prince William, Virginia 22192
Phone: 703-792-7188
Fax: 703-792-6633
Email: rskoff@pwcgov.org

Christina Winn, Executive Director
Prince William County
Department of Economic Development
13575 Heathcote Blvd, Ste 240
Gainesville, VA 20155
Phone: 703-792-5500
Fax 703-792-5502
Email: cmwinn@pwcgov.org

NWTC:

George Boosalis, Manager
North Woodbridge TC LLC
c/o Boosalis Properties
13562 Jefferson Davis Hwy. #100
Woodbridge, VA 22191
Phone: 703-494-7691
Fax: 703.494.0291
Email: george@boosalisproperties.com

With Copy to Counsel: Randy Weiss LLP
1750 K Street, NW, Suite 900
Washington, DC 20006
Phone: 202-296-2121
Email: rweiss@weissllp.com

IDA: Patrick F. O'Leary, Esq., Chairman
Industrial Development Authority of the
County of Prince William
P.O. Box 2636
Manassas, Virginia 20108
Email: idaofpwcchairman@pwcida.org

Cell: 703.217.0748

Home address

13084 Saint Andrews Court
Woodbridge, VA 22192-4808
Phone: 703-590-9600

Mr. Bobby Long, Secretary/Treasurer
Industrial Development Authority of the
County of Prince William
P.O. Box 2636
Manassas, Virginia 20108
Phone: 703-405-1333
Email: Bobby.Long@LongevityConsulting.com

- b) **Entire Agreement Amendments** – This Agreement constitutes the full agreement between the Parties, and no Party shall be bound by any terms, conditions, or representations not contained herein. This Agreement may be modified only by written agreement signed by all Parties hereto with the same formality, and with the consent of the County Board.
- c) **Assignment** – This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns. In the event NWTC should find a need to assign the Agreement to another entity prior to Board of County Supervisors action on the Cowles Property re-zoning request, such assignee must adhere to the same terms and conditions of the Agreement and must be approved by the County Board and IDA. NWTC must notify both the IDA Chairman as well as the County Executive or his designee promptly of any proposed changes to the ownership of the Cowles Property. The County must approve in writing the assignment of the Agreement to any entity. The decision to grant such approval will be made by either the County Executive or the County Board. Such County approval shall not be unreasonably withheld for an assignment which does not deviate from the intentions of the Agreement.
- d) **Governing Law; Venue and Construction** – This Agreement is made and is intended to be performed in Prince William County, Virginia, and shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia. The doctrines of good faith and reasonableness shall govern a party's performance hereunder as well as remedies and enforcement available to a party.
- e) **Determination; Disbursements**
 - i) Any determination by the County Executive of fulfillment or non-fulfillment of the terms of the Agreement by NWTC shall be binding on the IDA. The IDA may request such determinations by the County Executive as necessary.

- ii) The IDA shall have no responsibility to disburse any funds to NWTC beyond the amount that the IDA has received from or on behalf of the County Board for the purpose.
- f) **Non-Liability of Officials, Employees and Agents** – No member, official, employee or agent of the County Board or of the IDA shall be personally liable to NWTC in the event of any default or breach by the County Board or by the IDA or for any amount that may become due to NWTC or its successors or assigns under the terms of this Agreement.
- g) **Business Day Convention** – If the date of any required action falls upon a weekend day or a holiday or other day when the Prince William County, Virginia government is not open for business, the required action may be deferred to the next business day.
- h) **Force Majeure** – If any Party is delayed in the performance of its obligations hereunder, and such delay is due to *force majeure*, including, by way of illustration and not limitation, any event beyond a Party's control, matters causing delay on account of health, safety, casualty, terrorism, acts of nature, fire, catastrophic weather, explosion, riot, war or labor strike or any other extraordinary event beyond the Party's control provided any of the foregoing may impact on the ability of the Party to complete its performance obligations under this Agreement and only if the Party gives prompt notice of such *force majeure* event(s) and has made reasonable efforts to address the impact of such event(s), to the extent the same may be practicable by such Party, then the Party may in writing request an extension of the performance commitments from the Parties. Such extension shall not exceed six (6) months, and such extension shall not be unreasonably withheld. An extension beyond (6) months or a subsequent incidence must be mutually agreed upon by the Parties, and such consideration for approval shall not be unreasonably withheld.
- i) **Confidentiality** – Unless otherwise required by applicable law or regulation, including the Virginia Freedom of Information Act, the County Board and the IDA will use reasonable efforts to keep all proprietary reports and other information submitted by NWTC confidential and will not make such reports available publicly, except that the County may include in periodic reporting to the County Board NWTC's reported information concerning milestones achieved by NWTC, EDOF Grant payments made by the IDA and composite tax and revenue data projected for the redevelopment. If NWTC's confidential reports and information are otherwise required to be made public or disclosed, the County Board or the IDA will notify NWTC and will cooperate with NWTC to redact any information that is legally permitted to be redacted.
- j) **Counterparts** – This Agreement shall be signed in duplicate, and each of said duplicates shall constitute an original.

IN WITNESS WHEREOF, the parties hereto have hereafter set their signatures and seals by their respective duly authorized representatives as of the date first written above.

Approved as to form:

Ann Wheeler, Chair
Board of County Supervisors of Prince William County

Date

**Industrial Development Authority of
the County Of Prince William**

Pat O'Leary, Chairman

Date

NORTH WOODBRIDGETC LLC

George Boosalis, Manager

Date

Exhibit "A" Site Assemblage

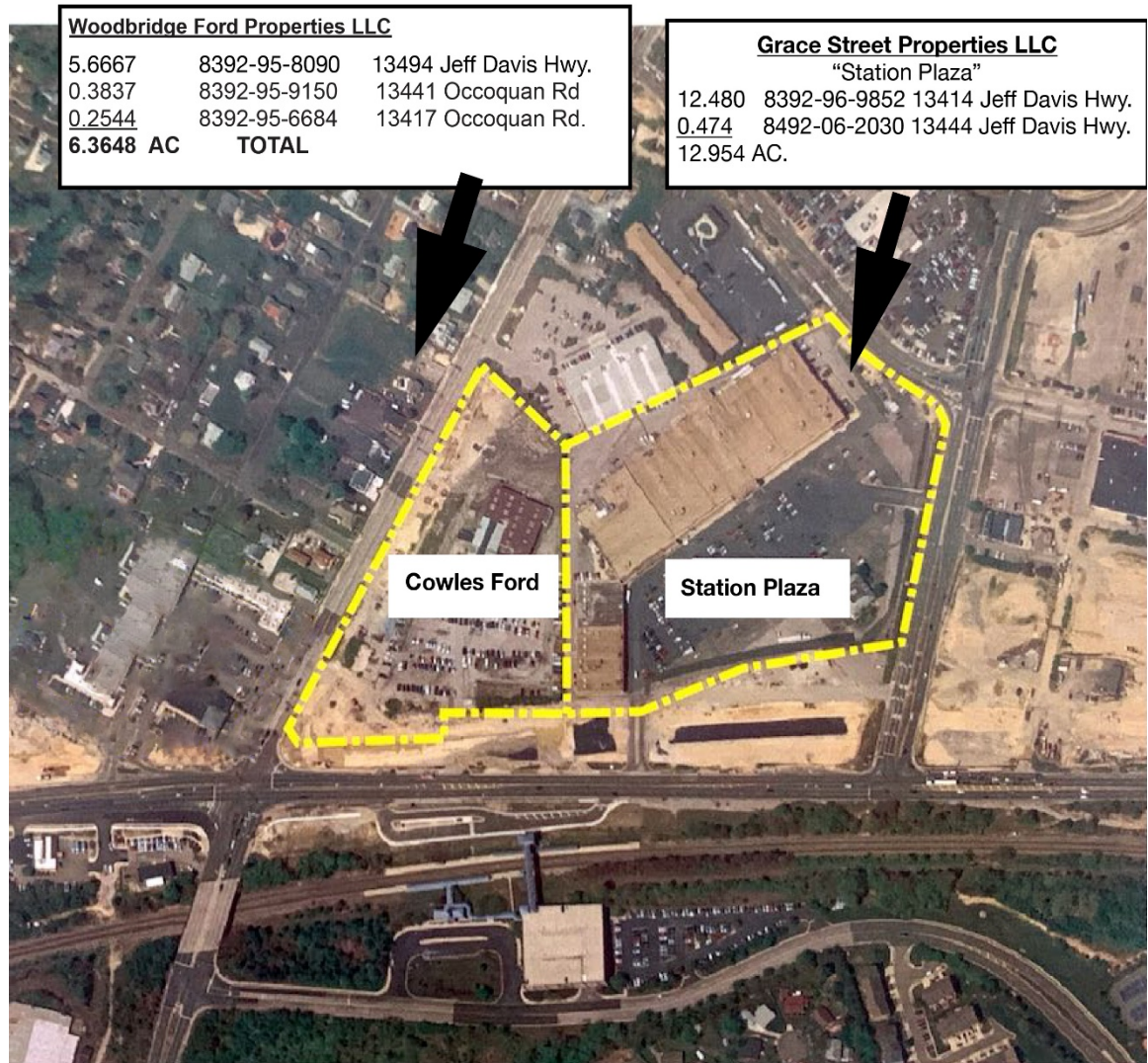


Exhibit B
SAMPLE OF THE REQUIRED NOTARIZED AFFIDAVIT

AFFIDAVIT OF NORTH WOODBRIDGE TC LLC
COMMONWEALTH OF VIRGINIA/COUNTY OF PRINCE WILLIAM
Subscribed and sworn before me this ____ day of _____, 20____.

North Woodbridge TC LLC, a Virginia corporation authorized to transact business in the Commonwealth of Virginia, after first being duly sworn, appeared before the undersigned authority and affirmed the following facts under oath:

- 1) Authority to Execute and Deliver Affidavit: George Boosalis is Manager of North Woodbridge TC LLC ("**NWTC**") and as Manager has been duly authorized to execute and deliver this Affidavit for and on behalf of NWTC. The Affidavit is a requirement of the Prince William Economic Development Incentive Grant Performance Agreement (the "**Agreement**") dated _____ 2020 by the Prince William County Board of Supervisors, Industrial Development Authority of the County of Prince William ("IDA") and NWTC. All actions required under NWTC organizational documents and applicable governing law for the authorization, execution, and delivery of this Affidavit have been duly taken (to the extent required) as of the date of execution and delivery of this Affidavit. All terms in this Affidavit are defined as in the Agreement.
- 2) Prerequisites and Initial Milestones: As of _____, 20____:
 - a. NWTC has provided a copy of the signed Land Sale Agreement between NWTC and Woodbridge Ford Property LLC for the Cowles Property which is attached to this Notarized Affidavit; and
 - b. NWTC has provided Prince William County staff appropriate due diligence within to verify that the company and its principals are reputable and in good standing.
 - c. NWTC has provided a quarterly internally prepared financial statement and project budget for NWTC, a list of all members of NWTC, an income statement and balance sheet, as well as monthly bank statements.
 - d. NWTC has provided (*insert number*) ____ quarterly updates of progress with entitlement, site plan and other matters required to move the redevelopment project forward.
 - e. NWTC and its project team (attorney, engineer, marketing consultant, transportation consultant, etc.) has met with Prince William County department staff involved in processing the rezoning and site plan applications (*Insert number*) ____ times.
 - f. NWTC filed a complete Rezoning application on _____, 20____, for the combined Station Plaza / Cowles Property. A copy of this rezoning application, Rezoning # _____ is attached to this Affidavit:
 - g. The NWTC Rezoning application includes _____ SF of non-residential development, which meets the required minimum of 130,000 SF of non-residential development in this Agreement.

NORTH WOODBRIDGE TC LLC

By: _____

Name: _____

Title: _____

I, _____, a notary public, do hereby certify that _____ the affiant
whose name is subscribed to the foregoing Affidavit duly swore and made oath
that the facts contained therein are true and correct to the best of his/her
information, knowledge and belief, before me in the said City/County of
_____ Commonwealth of Virginia, this _____ day of _____,
20____.

My Commission expires:

Notary Public _____

Notary Registration No. _____

[Reproducible Notarial Seal]

Exhibit C

SAMPLE OF THE REQUIRED NOTARIZED AFFIDAVIT

AFFIDAVIT OF NORTH WOODBRIDGE TC LLC

COMMONWEALTH OF VIRGINIA/COUNTY OF PRINCE WILLIAM

Subscribed and sworn before me this ____ day of _____, 20 ____.

North Woodbridge TC LLC, a Virginia corporation authorized to transact business in the Commonwealth of Virginia, after first being duly sworn, appeared before the undersigned authority and affirmed the following facts under oath:

- 1) Authority to Execute and Deliver Affidavit: George Boosalis is Manager of North Woodbridge TC LLC ("**NWTC**") and as Manager has been duly authorized to execute and deliver this Affidavit for and on behalf of NWTC. The Affidavit is a requirement of the Prince William Economic Development Incentive Grant Performance Agreement (the "**Agreement**") dated _____, 2020 by the Prince William County Board of Supervisors, Industrial Development Authority of the County of Prince William ("IDA") and NWTC. All actions required under NWTC organizational documents and applicable governing law for the authorization, execution, and delivery of this Affidavit have been duly taken (to the extent required) as of the date of execution and delivery of this Affidavit. All terms in this Affidavit are defined as in the Agreement.
- 2) Prerequisites and Milestones: As of _____, 20 ____:
 - a. NWTC has provided Prince William County staff appropriate due diligence to verify that the company and its principals are reputable and remain in good standing.
 - b. NWTC has provided a quarterly internally prepared financial statement and project budget for NWTC, a list of all members of NWTC, an income statement and balance sheet, as well as monthly bank statements.
 - c. NWTC has provided (*insert number*) _____ quarterly updates of progress with site plan and other matters required to move the redevelopment project forward.
 - d. NWTC and its project team (attorney, engineer, marketing consultant, transportation consultant, etc.) has met with Prince William County department staff involved in processing the rezoning and site plan applications (*Insert number*) _____ times.
 - e. NWTC filed a complete Final Site Plan application on _____, 20____, for the first development phase on the Cowles Property. A copy of the Final Site Plan submittal # _____ is attached to this Affidavit.
 - f. The NWTC Final Site Plan includes _____ SF of non-residential development, the pouring of footers for which meets the minimum of 40,000 SF of non-residential development required by this Agreement for the first development phase.

NORTH WOODBRIDGE TC LLC

By: _____

Name: _____

Title: _____

I, _____, a notary public, do hereby certify that _____
the affiant whose name is subscribed to the foregoing Affidavit duly swore
and made oath that the facts contained therein are true and correct to the
best of his/her information, knowledge and belief, before me in the said City
/County of _____, Commonwealth of Virginia, this _____
day of _____, 20____.

My Commission expires:

Notary Public _____

Notary Registration No. _____

[Reproducible Notarial Seal]

Exhibit D
SAMPLE OF THE REQUIRED NOTARIZED AFFIDAVIT

AFFIDAVIT OF NORTH WOODBRIDGE TC LLC
COMMONWEALTH OF VIRGINIA/COUNTY OF PRINCE WILLIAM
Subscribed and sworn before me this _____ day of _____, 20____.

North Woodbridge TC LLC, a Virginia corporation authorized to transact business in the Commonwealth of Virginia, after first being duly sworn, appeared before the undersigned authority and affirmed the following facts under oath:

- 1) Authority to Execute and Deliver Affidavit: George Boosalis is Manager of North Woodbridge TC LLC ("**NWTC**") and as Manager has been duly authorized to execute and deliver this Affidavit for and on behalf of NWTC. The Affidavit is a requirement of the Prince William Development Incentive Grant Performance Agreement (the "**Agreement**") dated _____, 2020 by the Prince William County Board of Supervisors, Industrial Development Authority of the County of Prince William ("IDA") and NWTC. All actions required under NWTC organizational documents and applicable governing law for the authorization, execution, and delivery of this Affidavit have been duly taken (to the extent required) as of the date of execution and delivery of this Affidavit. All terms in this Affidavit are defined as in the Agreement.
- 2) Prerequisites and Milestones: As of _____ 20____:
 - a. NWTC has provided Prince William County staff appropriate due diligence to verify that the company and its principals are reputable and remain in good standing.
 - b. NWTC has provided a bi-annual internally prepared financial statement and project budget for NWTC, a list of all members of NWTC, an income statement and balance sheet, as well as monthly bank statements.
 - c. NWTC has provided bi-annual reports on its efforts to close on the property, obtain construction financing and commence development.
 - d. NWTC has completed the pouring of footers on the Cowles Property for Phase I to include a minimum of 40,000 SF non-residential development.

NORTH WOODBRIDGE TC LLC

By: _____
Name: _____
Title: _____

I, _____, a notary public, do hereby certify that _____ the
affiant whose name is subscribed to the foregoing Affidavit duly swore and
made oath that the facts contained therein are true and correct to the best of
his/her information, knowledge and belief, before me in the said City/County of
_____ Commonwealth of Virginia, this _____ day of
_____, 20____.

My Commission expires:

Public _____

No. _____

Notary

Notary Registration

Exhibit E
Authorization to Release Confidential Tax Information

Name of taxpayer (please give the corporate or personal name which is used for the tax accounts): _____ Trade name _____

Last of taxpayer number (CTTN, EIN or SS to help locate the records): _____

The above-named taxpayer gives the Prince William County Finance Department permission to share the following confidential tax information with:

Michelle Attreed, CFO/Director of Finance, Prince William County, VA, or her designee

This permission is effective for the following types of taxes:

- ☐ All information about taxes assessed by Prince William County
- ☐ OR
- ☐ Only the following specific tax information (initial each that apply);
- ☐ BPOL Tax information, including gross receipts and BPOL taxes assessed
- ☐ Meals Taxes collected and remitted
- ☐ Transient Occupancy Taxes collected and remitted
- ☐ Information about personal property taxes assessed. (Note, the tax amount of personal property tax assessed to any taxpayer *is* already public information.)

This permission is for tax years.

- ☐ All tax years OR
- ☐ The following specific tax years: _____

This permission:

- ☐ Includes future tax years until revoked, or
- ☐ Does not include future tax years

Read before _____ The person signing this form affirms that she/he is authorized to waive tax confidentiality for the named taxpayer and is acting with the explicit authorization of the taxpayer. Fraudulent use of this form could subject the signer to civil and criminal liability.

Signature of authorized representative

Print Name of authorized representative

Title

Date



STAFF REPORT

Board Meeting Date:	December 15, 2020
Agenda Title:	Authorize the Execution of a Performance Agreement with North Woodbridge TC LLC and the Industrial Development Authority of the County of Prince William for an Economic Development Opportunity Fund Grant of \$750,000 and Budget and Appropriate \$750,000 from the Economic Development Opportunity Fund for a Grant to North Woodbridge TC LLC to Incentivize the Creation of a Combined 19.3188-Acre Site for Redevelopment
District Impact:	Woodbridge Magisterial District
Requested Action:	Approve the resolution.
Department / Agency Lead:	Department of Economic Development
Staff Lead:	Christina Winn, Executive Director

EXECUTIVE SUMMARY

North Woodbridge TC LLC (NWTC) plans to assemble three (3) parcels totaling 6.3648-acres known as the Cowles Property, along with the adjacent 12.954-acre Station Plaza shopping center purchased by Grace Street Properties LLC in October 2019, to create a combined 19.3188-acre site for redevelopment. The location of these properties is in North Woodbridge, located at the corner of Route 123 and Route 1. It is the intention of NWTC to rezone the properties under a commercial mixed-use redevelopment in alignment with the North Woodbridge Small Area Plan (SAP). The proposed rezoning for the combined parcels would include 130,000 – 165,000 SF retail with 850 residential units.

The purpose of the Economic Development Opportunity Fund (EDOF) Grant of \$750,000 is to incentivize North Woodbridge TC LLC to purchase the Cowles Property and combined with the existing Station Plaza Property, owned by Grace Street Properties LLC, pursue the entitlement of approximately 19.3188-acres of combined properties under a commercial mixed-use redevelopment in alignment with the North Woodbridge SAP. The EDOF would be a pay-for-performance incentive that would be paid in two (2) payments tied to specific metrics. NWTC has requested financial assistance to acquire the adjoining property, as it is difficult to finance non-income producing land, especially due to the current COVID-19 market environment. It is a County goal to promote and assist with the assemblage of parcels in targeted redevelopment zones such as the North Woodbridge SAP, as part of the County's economic redevelopment effort.

It is the recommendation of staff that the Board of County Supervisors (BOCS) authorize the execution of a Performance Agreement with North Woodbridge TC LLC and the Industrial Development Authority of the County of Prince William for an Economic Development Opportunity Fund Grant of \$750,000 and budget

and appropriate \$750,000 from the Economic Development Opportunity Fund for a Grant to North Woodbridge TC LLC to incentivize the creation of a combined 19.3188-acre site for redevelopment.

BACKGROUND

Proposed Project – Grace Street Properties LLC purchased the 12.954-acre Station Plaza shopping center in October 2019. Adjacent to the shopping center is the 6.3648-acre Cowles Property which was a former auto dealership. Principals of Boosalis Properties and IDI Group Companies teamed up to form North Woodbridge TC LLC (NWTC), in order to assemble the combined 19.3188-acre site for redevelopment. The combined site is located at the southwest corner of Route 1 and Route 123 in North Woodbridge and is the center of the Town Center in the North Woodbridge SAP. NWTC is the contract purchaser for the Cowles Property and plans to rezone and develop the properties under a commercial mixed-use redevelopment in alignment with the North Woodbridge SAP.

Product Type & Phasing – Phase I will be the redevelopment of the vacant Cowles Ford auto dealership site; Phase II will be the redevelopment of the existing Station Plazas Shopping center. NWTC plans for vertically integrated mixed-use buildings in substantial conformance with the North Woodbridge SAP. Each of the first two phases are anticipated to be constructed as five-story buildings consisting of wood frame residential over concrete retail podium, wrapping precast garages. The residential will be rental, primarily one (1) and two (2)-bedroom units. The total for Phase I and II is 130,000 – 165,000 SF retail with 850 residential units.

Capital Investment – Cost of redeveloping the combined Cowles Property/ Station Plaza properties is estimated at \$380 million:

Project Phase	Capital Investment
Phase I (Cowles Property)	\$115m
Phase II a (Station Plaza)	\$130m
Phase II b (Station Plaza)	\$135m
TOTAL	\$380m

Transportation Oriented Development – The Cowles Property is located directly across the street from the Woodbridge VRE station and serves as a catalyst for Transportation-Oriented Development.

Business Retention – Acquisition of the adjoining parcel will allow for a phased redevelopment that will provide greater flexibility to certain existing Station Plaza tenants who wish to relocate into the new town center. Without combining the adjoining Cowles Property, a redevelopment of Station Plaza on its own would entail the demolition of existing businesses without a place to move them to within the new redevelopment. As a part of this project, the developer will be helping to retain and relocate their businesses that currently have short-term leases.

Target Industry – On February 5, 2019, the BOCS approved Resolution Number 19-080, updating the Target Industry list. The approved list includes qualified companies or projects locating in Opportunity Zones or Redevelopment Areas.

Opportunity Zone – The site is located in one of the six Opportunities Zones in the County. NWTC has been introduced to the benefits of Federal Opportunity Zones and has the ability to consider use for the project.

County Investment – To close the project financing gap due to the challenges in financing non-income producing land, NWTC requested that the County provide a \$750,000 EDOF Grant. The EDOF is a pay-for-performance grant which requires NWTC to achieve specific milestones in order to receive the incentive. The EDOF Grant funds will be transferred to the Industrial Development Authority (IDA), which will administer the grant in two (2) payments as follows:

- 1) \$375,000 at Rezoning Application submittal for the combined Station Plaza/Cowles Property, subject to the application including a minimum of 130,000 square feet of non-residential development; and
- 2) \$375,000 at Final Site Plan submittal for the first development phase for the Cowles Property, subject to the plan including a minimum of 40,000 square feet of non-residential development.

Key Provisions of the EDOF Grant Agreement

1. Project – The EDOF Grant Agreement is necessary for the redevelopment project to move forward. It allows both the developer and the County to achieve the vision and goals set forth in the recently adopted North Woodbridge SAP for a new Town Center.
2. Closing on Cowles Property – NWTC will settle on the Cowles Property upon achieving rezoning and final site plan approval.
3. Claw Back – NWTC will pay back the County \$375,000 if they have received the first payment of the EDOF Grant but fail to submit final site plan within one (1) year of rezoning approval. If NWTC receives both payments of the EDOF Grant but fails to close on the property and commence development, defined as the pouring of footers, on the Cowles Property with a minimum 40,000 square feet of non-residential development in Phase I within two (2) years of receiving the second grant, then NWTC shall reimburse the IDA \$750,000 or 100% of the EDOF Grant.
4. Reporting – The Grant is a pay-for-performance Agreement requiring NWTC to submit notarized affidavits documenting that they have achieved mutually agreed upon milestones for rezoning and site plan submittals and included minimum non-residential square footage in the plans. NWTC is additionally required to provide quarterly and bi-annual written updates.
5. Time Schedule
 - 1st EDOF Payment Q2 2021, after Rezoning Submission
 - 2nd EDOF Payment Q2 2022, after Final Site Plan Submission for Cowles Property
 - Cowles Property Closing Q4 2022
 - Phase I Construction: 2 years: 2023 & 2024
 - Leasing will commence Q3 2024 and be completed Q3 2025

Risks

Approving the Performance Agreement is the best path forward to the development of a mixed-use town center to meet the County's redevelopment goals. However, there are risks involved:

1. NWTC can submit their rezoning application, receive the first \$375,000 grant payment, but the rezoning may not get approved. However, this risk is mitigated because preliminary site plan submission will have been long-underway and staff will be working with an experienced local team of attorneys, engineers, and architects to assure a rezoning application is submitted which is in substantial conformance with the SAP and County goals.
2. The structure of the development entity provides limited financial back stop in the event the development entity encounters financial difficulty and goes bankrupt before obtaining all entitlement approvals of closing on the land, and after receiving the incentive. Since NWTC will not close on the land until after site plan approval, the County is limited in the mitigation levers (such as liens on the Cowles Property) to control for this risk. However, NWTC is required to provide quarterly financial reporting to staff so they can monitor the LLC's financial position and help find solutions in the event that an issue is identified.
3. Economic conditions and changes in mixed-use projects due to COVID-19 pandemic present market risk to the project. This may cause delays in the project obtaining its entitlement approvals or the overall length of time it takes to develop the entire property. NWTC obtained a market study that provided insight into those risks and suggested ways to mitigate those risks. However, market risk can never be eliminated from a land development project.

STAFF RECOMMENDATION

It is the recommendation of staff that the BOCS authorizes the execution of a Performance Agreement with North Woodbridge TC LLC and the Industrial Development Authority of the County of Prince William for an Economic Development Opportunity Fund Grant of \$750,000 and budget and appropriate \$750,000 from the Economic Development Opportunity Fund for a Grant to North Woodbridge TC LLC to incentivize the creation of a combined 19.3188-acre site for redevelopment.

Service Level / Policy Impact

The Station Plaza project is located within the North Woodbridge Opportunity Zone. The County recently amended its Targeted Industry List to include a "Company or Project Locating in an Opportunity Zone or Designated Redevelopment Area." The Department of Economic Development may provide targeted industry status to qualified companies or projects locating in Opportunity Zones or Redevelopment Areas. The Station Plaza redevelopment qualifies for such targeted status, which enables use of the EDOF and fast-track processing.

The proposed project is in alignment with the Prince William County 2017-2020 Strategic Plan objective to expand the commercial tax base in redevelopment areas. In addition to retention and attraction of jobs and new investment, the mixed-use development will offer a walkable live/work/play environment while contributing to a more Robust Economy.

Fiscal Impact

Return on Investment was conducted on the Phase I Cowles Property, based on the combined value of the residential and retail space projected for the new mixed-use development. The Finance Department estimates that this project will generate an annual real estate tax revenue of \$590,518. The break-even period once improvements have been added would be 1.38 years. Once the 4.5-year development schedule is added, that brings the expected time to 5.88 years.

The EDOF Fund has a current balance of \$3,129,258, which is the net projected fund balance as of June 30, 2020 after commitments contained in Resolution Number 20-386 and Resolution Number 20-514. The Station Plaza EDOF Grant of \$750,000 would reduce it to \$2,379,258, which would be the net projected fund balance as of December 30, 2020.

Legal Impact

The County Attorney has reviewed and approved as to form the Agreement. The BOCS has the legal authority to budget and appropriate these funds and authorize the Performance Agreement.

STAFF CONTACT INFORMATION

Jim Gahres | (703) 792-5505
jgahres@pwcgov.org