

**MOTION:**

**May 4, 2021  
Regular Meeting  
Res. No. 21-**

**SECOND:**

**RE: APPROVE AMENDMENT ONE TO THE AGREEMENT OF SALE FOR THE PURCHASE OF 6.58 ACRES OF LAND AT 11301 INSPIRATION COURT, MANASSAS, VIRGINIA, 20109, FROM CEN PROPERTIES, LLC, AND BUDGET AND APPROPRIATE \$409,028.80 FROM THE INNOVATION ENTERPRISE FUND FOR THIS PURCHASE – BRENTSVILLE MAGISTERIAL DISTRICT**

**ACTION:**

**WHEREAS**, the Prince William Board of County Supervisors (Board) approved Resolution Number (Res. No.) 20-073 on January 21, 2020, authorizing the purchase of this property from CEN Properties, LLC; and

**WHEREAS**, with the same resolution, the Board appropriated \$1,604,812 from the Innovation Enterprise Fund to pay for this land purchase; and

**WHEREAS**, on December 3, 2019, the Board approved with Res. No. 19-582 the sale of 8.415 acres of County-owned land at 9665 Discovery Boulevard, Manassas, Virginia, 20109, in Innovation Park to CEN Properties, LLC, for the development of a 109,000 square foot headquarters building for NCS Technologies, Inc. This sale is contingent upon the County purchasing 11301 Inspiration Court, Manassas, Virginia, 20109, from CEN Properties, LLC; and

**WHEREAS**, due to the economic uncertainties caused by the COVID-19 pandemic, CEN Properties, LLC, requested to delay the closing until the economic recovery from the pandemic is more certain; and

**WHEREAS**, on October 6, 2020, with Res. No. 20-687, the Board approved Amendment One to the Sale Agreement for the Discovery Boulevard parcel, extending the closing for up to one (1) year and applying this extension to the parcel on Inspiration Court that the County would purchase from CEN Properties, LLC; and

**WHEREAS**, Amendment One to the Sale Agreement for Discovery Boulevard parcel provides that both sites be appraised prior to closing to establish a new sale price and that appraisal resulted in valuing both sites at \$7 per square foot;

**NOW, THEREFORE, BE IT RESOLVED** that the Prince William Board of County Supervisors hereby approves Amendment One to the Agreement of Sale for the purchase of 6.58 acres of land at 11301 Inspiration Court, Manassas, Virginia, 20109, from CEN Properties, LLC, and budgets and appropriates \$409,028.80 from the Innovation Enterprise Fund for this purchase, in a form approved by the County Attorney's Office;

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**BE IT FURTHER RESOLVED** that the Prince William Board of County Supervisors hereby authorizes the Director of Finance to appropriate any unspent funds for this purpose to Fiscal Year 2022.

ATTACHMENT: Amendment One to the Agreement of Sale with CEN Properties, LLC

**Votes:**

**Ayes:**

**Nays:**

**Absent from Vote:**

**Absent from Meeting:**

**For Information:**

Department of Economic Development

ATTEST: \_\_\_\_\_

**Clerk to the Board**

## FIRST AMENDMENT TO AGREEMENT OF SALE

**THIS FIRST AMENDMENT TO AGREEMENT OF SALE** (the "Amendment") is made this \_\_\_\_ day of May 2021 (the "Effective Date") by and between CEN PROPERTIES, LLC, a Virginia limited liability company ("Seller") and the **BOARD OF COUNTY SUPERVISORS OF PRINCE WILLIAM COUNTY, VIRGINIA**, the governing body of a political subdivision of the Commonwealth of Virginia (hereinafter referred to as "Purchaser" or the "County").

### WITNESSETH:

**WHEREAS**, Seller is the owner of a 6.58-acre parcel of land generally located at 11301 Inspiration Court, Manassas, Virginia 20109 (the "Subject Property"); and

**WHEREAS**, Purchaser desires to purchase Subject Property from the Seller and Seller desires to sell the same to the Purchaser upon the terms and conditions hereinafter set forth; and

**WHEREAS**, Seller and Purchaser entered into an Agreement of Sale (the "Agreement"), dated February 12, 2020, for the Subject Property; and

**WHEREAS**, Seller and Purchaser entered into that certain Agreement of Sale, dated December 11, 2019, as amended by that certain First Amendment to Agreement of Sale (the "First Amendment"), dated on October 6, 2020, as amended by that certain Second Amendment to Agreement of Sale, dated as of even date herewith (collectively, the "Discovery Agreement"), for Seller's purchase of a County-owned property at 9601 Discovery Boulevard, Manassas, Virginia 20109 (the "County Property") on the terms and conditions set forth in the Discovery Agreement; and

**WHEREAS**, the First Amendment (i) extended the term of the Discovery Agreement by three hundred sixty-five (365) days, and (ii) provided for a new Purchase Price to be established through a professional appraisal process; and

**WHEREAS**, such appraisal has been completed, and both parties have agreed on a new Purchase Price.

**NOW, THEREFORE**, for good and valuable consideration, including the mutual covenants and undertakings expressed herein, the receipt and sufficiency of which consideration the parties hereto acknowledge, the County and Purchaser agree to amend the Agreement in accordance with the terms and conditions set forth herein. Capitalized terms not defined herein shall have the meaning ascribed to such terms in the Agreement.

**1. PURCHASE PRICE:** Section 3 of the Agreement is hereby deleted in its entirety and replaced with the following:

"Purchaser agrees to pay a total purchase price (the "Purchase Price") of Two Million Six Thousand Three Hundred Seventy-Four and 00/100 Dollars (\$2,006,374.00) for the Subject Property to be paid by Purchaser to Seller at Settlement (as hereinafter defined)."

2. **DEPOSIT:** Seller hereby acknowledges that Purchaser has paid the Deposit into an escrow with Escrow Agent.

3. **COUNTY OBLIGATIONS:** Section 5(F) is hereby deleted in its entirety and replaced with the following:

“Subject to and in accordance with the terms of the Discovery Agreement, Seller shall purchase the County Property from the County for a purchase price of Two Million Five Hundred Sixty-Five Thousand Nine Hundred Two and No/100 Dollars (\$2,565,902.00). Neither Seller nor the County shall be required to close under the Agreement in the event the sale of the County Property pursuant to the Discovery Agreement is not occurring simultaneously with the sale of the Subject Property pursuant to the Agreement; provided, that notwithstanding anything set forth herein to the contrary, Seller agrees to Settlement on the County’s purchase of the Subject Property prior to the closing of Seller’s purchase of the County Property in the event the County accepts an offer to purchase the Subject Property from a third party and provides Seller with written notice thereof.”

4. **RATIFICATION:** The provisions of this Amendment shall govern and control over any contrary or inconsistent provisions of the Agreement. Except as expressly provided in this Amendment, in all other respects, the Agreement is unmodified, remains in full force and effect and is hereby ratified by both parties. This Amendment is executed in connection with and is deemed to be a part of the Agreement. This Amendment may be executed electronically (including, without limitation, by facsimile and/or by .pdf) and in two or more counterparts, each of which together shall be considered one instrument, and shall be as binding and effective as an original signature.

**[Remainder of Page Intentionally Left Blank;  
Signature Page(s) to Follow]**

**WITNESS** the following signatures and seals:

**BOARD OF COUNTY SUPERVISORS OF  
PRINCE WILLIAM COUNTY, VIRGINIA**, the  
governing body of a political subdivision of the  
Commonwealth of Virginia

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: Chair

**ATTEST:**

\_\_\_\_\_

**CEN PROPERTIES, LLC**, a Virginia limited liability  
company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
County Attorney



# STAFF REPORT

<b>Board Meeting Date:</b>	May 4, 2021
<b>Agenda Title:</b>	Approve Amendment One to the Agreement of Sale for the Purchase of 6.58 Acres of Land at 11301 Inspiration Court Manassas, Virginia, 20109, from CEN Properties, LLC, and Budget and Appropriate \$409,028.80 from the Innovation Enterprise Fund for this Purchase
<b>District Impact:</b>	Brentsville Magisterial District
<b>Requested Action:</b>	Approve the resolution.
<b>Department / Agency Lead:</b>	Department of Economic Development
<b>Staff Lead:</b>	Christina Winn, Executive Director

## **EXECUTIVE SUMMARY**

This land purchase is part of a transaction that will result in the expansion of NCS Technologies, Inc. (CEN Properties, LLC, is an affiliated entity of NCS Technologies, Inc.) into a 109,000 square foot headquarters building. This transaction retains 120 jobs and allows NCS Technologies, Inc. to add thirty (30) to sixty (60) new employees.

NCS Technologies, Inc. is a computer designer and manufacturer engaged in third-party integration, NCS-branded solutions, and HP 3D printing solutions. NCS Technologies, Inc. provides these services and products to the Armed Services, the federal government, and intelligence agencies. NCS Technologies, Inc. aligns with the Target Industry sectors of Government Contractors and Information Communication Technology.

As part of a multi-step transaction, the Prince William County Board of County Supervisors (Board) approved the sale of 8.415 acres of land at 9665 Discovery Boulevard, Manassas, Virginia, 20109, to CEN Properties, LLC, on December 3, 2019, with Resolution Number (Res. No.) 19-582. (The 40+ acre 9665 Discovery Boulevard parcel was subdivided to create the 8.415-acre parcel with the address of 9601 Discovery Boulevard). On January 21, 2020, with Res. No. 20-073, the Board approved the purchase of 6.58 acres of land at 11301 Inspiration Court from CEN Properties, LLC. In October 2020, the Board approved Amendment One to the Sale Agreement for 9601 Discovery Boulevard, Manassas, Virginia, 20109, with Res. No. 20-687, providing a requested one (1) year delay in the closing. Amendment One to the Discovery Boulevard land sale also provides an appraisal of all County-owned land in Innovation Park to set the new price for the sale of the Discovery Boulevard land and the Inspiration Court land purchase.

Staff recommends that the Board approve Amendment One to the Agreement of Sale for the purchase of 6.58 acres of land at 11301 Inspiration Court, Manassas, Virginia, 20109, from CEN Properties, LLC, and budget and appropriate \$409,028.80 from the Innovation Enterprise Fund for this purchase.

## BACKGROUND

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Original Land Purchase – In October of 2006, the Board resolved to sell NCS Technologies, Inc. approximately 6.58 acres of land in Innovation Park for \$6 per square foot (Res. No. 06-924) or approximately \$1,306,800. The Agreement of Sale stated the proposed use at the time was the construction of an 80,000 square foot facility.

Land Sale Activity – In 2007, CEN Properties, LLC, an affiliated entity of NCS Technologies, Inc., settled on the 6.58-acre parcel now known as 11301 Inspiration Court, Manassas, Virginia, 20109. The financial crisis of 2008, and subsequent economic slowdown, caused NCS Technologies, Inc. to put a hold on the facility's construction.

NCS Technologies, Inc. Expansion – On December 3, 2019, the Board approved, with Res. No. 19-582, the sale of 8.415 acres of County-owned land at 9665 Discovery Boulevard, Manassas, Virginia, 20109, in Innovation Park to CEN Properties, LLC, for the development of a 109,000 square foot headquarters building for NCS Technologies, Inc. (The 40+ acre 9665 Discovery Boulevard parcel was subdivided to create the 8.415-acre parcel with the address of 9601 Discovery Boulevard). This sale is contingent upon the County purchasing 11301 Inspiration Court, Manassas, Virginia, 20109, from CEN Properties, LLC. On January 21, 2020, the Board approved, with Res. No. 20-073, the purchase of 6.58 acres of land at 11301 Inspiration Court from CEN Properties, LLC. With the same resolution, the Board appropriated \$1,604,812 from the Innovation Enterprise to pay for this land purchase.

Amendment One to the Discovery Boulevard Parcel Sale Agreement - Due to the economic uncertainties caused by the COVID-19 pandemic, CEN Properties, LLC requested to delay the closing until the economic recovery from the pandemic is more certain. On October 6, 2020, with Res. No. 20-687, the Board approved Amendment One to the Sale Agreement for the Discovery Boulevard parcel, extending the closing for up to one (1) year. This extension also applied to the parcel on Inspiration Court that the County would purchase from CEN Properties, LLC.

New Sale Price – Amendment One to the Sale Agreement for Discovery Boulevard parcel provides that both sites be appraised prior to closing. In early 2021, the County hired Kelsey Appraisals to perform this appraisal. The appraisal resulted in valuing both sites at \$7 per square foot. The results of this appraisal are shown in the table below.

<b>SITE</b>	<b>2019 Sale Value</b>	<b>2021 Sale Value</b>	<b>Difference</b>
9601 Discovery Boulevard	\$2,084,757.00	\$2,565,902.00	\$481,145.00
11301 Inspiration Court	\$1,604,812.00	\$2,006,374.00	\$401,563.00
Net Proceeds to the County	\$479,945.00	\$559,528.00	\$79,583.00

## STAFF RECOMMENDATION

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Staff recommends that the Board approve Amendment One to the Agreement of Sale for the purchase of 6.58 acres of land at 11301 Inspiration Court, Manassas, Virginia, 20109, from CEN Properties, LLC, and budget and appropriate \$409,028.80 from the Innovation Enterprise Fund for this purchase.

**Service Level / Policy Impact**

Purchase of this parcel, as part of the total transaction providing for NCS Technologies, Inc.'s expansion, will further the County's Robust Economy Strategic Plan by increasing the commercial tax base, growing jobs in the Targeted Industries of Government Contractor and Information Communication Technology, and increasing at-place employment by adding thirty (30) to sixty (60) employees. CEN Properties, LLC, estimates that they will invest \$12,000,000 in constructing the 109,000 square foot headquarters for NCS Technologies, Inc.

**Fiscal Impact**

The amount needed to close the land purchase includes \$7,465 in closing costs. This amount is added to the difference in the site value (\$401,563) to yield the amount needed to budget and appropriate (\$409,028).

The total transaction providing for NCS Technologies, Inc.'s expansion is estimated to increase real estate property taxes by \$1,489,590 over the next eleven (11) years. The transaction provides a 142% return on investment to the County.

The current balance in the Innovation Enterprise Fund is \$10,287,014.93. After this transaction and the land sale on Discovery Boulevard to NCS Technologies, Inc., the balance will be \$8,573,485.20.

**Legal Impact**

The Board has the legal authority to approve Amendment One to the Sale Agreement for this land purchase and budget and appropriate these funds in accordance with Section 15.2-1800 VA. Code Ann.

**STAFF CONTACT INFORMATION**

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Tom Flynn | (703) 792-5517  
tflynn@pwcgov.org





**PRINCE WILLIAM**  
COUNTY

## CEN/NCS Technologies Land Sale

May 4, 2021  
Board Meeting

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### Items for Consideration



**Public Hearing**

- Approve Amendment Two to the Sale Agreement for 9601 Discovery Boulevard for the Sale of 8.415 acres to CEN Properties, LLC

**Consent Agenda:**

- Approve Amendment One to the Sale Agreement for the Purchase of 6.58 Acres of Land at 11301 Inspiration Court from CEN Properties, LLC

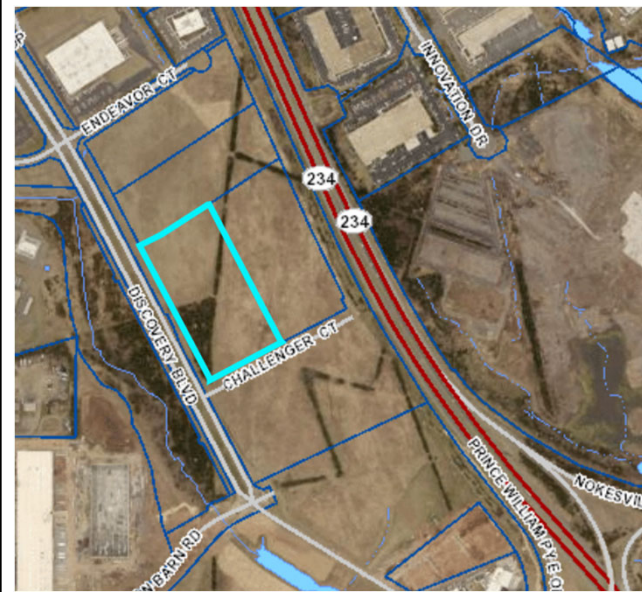
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## 9601 Discovery Boulevard: History

- December 2019: BOCS approved sale to CEN Properties, LLC for the purpose of constructing a 109,000-sf headquarters and assembly facility for NCS Technologies, Inc. (an affiliated company)
  - Agreement included County purchase of 11301 Inspiration Court, a 6.58-acre parcel in Innovation Park owned by CEN Properties, LLC
- NCS Technologies, Inc.: IT and defense contractor employing 120 people with plans to add 30 – 60 more
- October 2020: BOCS approved an extension in the term of the contract due to COVID-19-related economic uncertainties
- Contract extension included professional appraisal of both parcels to establish a new sale price
- New Appraised Value: \$7 per square foot
- \$108,734 in Incentives: \$38,734 Innovation Stormwater Fee Waiver and \$126,200 in Water/Sewer Availability Fee Credits

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## 9601 Discovery Boulevard



- 8.415 acres of County land in Innovation Park
- Adjacent to Planet Direct site
- Original Sale Price at \$6 per square foot: \$2,084,757 (including \$114,587 incentive)
- New Appraised Sale Price: \$2,565,902

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## 11301 Inspiration Court - History



- 2007: County sold this 6.58-acre parcel to CEN Properties, LLC for \$6 per square foot
- NCS Technologies, Inc. planned to build a 70,000 square foot headquarters and assembly facility; project delayed due to the Great Recession in 2009
- December 2019: County agreed to purchase this parcel from CEN Properties, LLC as part of transaction to retain and expand NCS Technologies, Inc. on the 9601 Discovery Boulevard site.
- October 2020: BOCS approved an extension in the term of the contract due to COVID-19 related economic uncertainties
- Contract extension included professional appraisal of both parcels to establish a new sale price
- New Appraised Value: \$7 per square foot


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## 11301 Inspiration Court




- 6.58 acres owned by CEN Properties, LLC
- Adjacent to COPT Data Center 6
- Original Purchase Price at \$5.60 per square foot: \$1,599,934
- New Appraised Sale Price at \$7.00 per square foot: \$2,006,374

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<b>Financial Summary</b>			
<b>SITE</b>	<b>2019 Sale Value</b>	<b>2021 Sale Value</b>	<b>Difference</b>
<b>9601 Discovery Boulevard</b>	\$2,084,757.00	\$2,565,902.00	\$481,145.00
<b>11301 Inspiration Court</b>	\$1,604,812.00	\$2,006,374.00	\$401,562.00
<b>Net Proceeds to the County</b>	\$479,945.00	\$559,528.00	\$79,583.00


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**Questions?**

**Thank you!**

**PRINCE WILLIAM COUNTY**  
Department of Economic Development



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