

## **FIRST AMENDMENT TO TIRZ DEVELOPMENT AGREEMENT**

This First Amendment to TIRZ Development Agreement (this “Amendment”) is entered into effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by City of Mansfield, Texas (the “City”), the Board of Directors of Reinvestment Zone Number Two, City of Mansfield (the “Board”, and together with the City, the “Public Parties”), and HGRC Mansfield, LP, a Delaware limited partnership (the “Developer”).

### BACKGROUND

- A. The City, the Board, and the Developer entered into that certain TIRZ Development Agreement with an Effective Date of September 14, 2022 (the “Agreement”) covering approximately 3.924 acres of real property located in Tarrant County, Texas, as more particularly described in the Agreement (the “Property”).
- B. The City, the Board, and the Developer desire to amend the Agreement as specified below.

### AGREEMENT

NOW THEREFORE, for and in consideration of the recitals set forth above and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, the City, the Board, and the Developer agree as follows:

- 1. Defined Terms. The definition of “Commencement of Construction” is hereby amended as following:

“Commencement of Construction: shall mean that (i) the plans for the Project have been prepared and all approvals thereof required by applicable governmental authorities have been obtained for construction of the Project on the Property; (ii) all necessary permits for the construction of the Project on the Property pursuant to the respective plans have been issued by all applicable governmental authorities; (iii) grading of the Property for the construction of the Project has been completed; and (iv) construction of the foundation for all structures of the Project has begun.”

Except as specified to the contrary in this Amendment, all other defined terms in the Agreement have the same meanings in this Amendment.

- 2. Commencement. Section 3.1(a) of the Agreement is hereby amended to extend the Commencement of Construction of the Project to no later than December 30, 2024.
- 3. Grant. Notwithstanding anything contained in the Agreement to the contrary, the Public Parties shall grant and pay to Developer \$2,000,000.00 in cash or other immediately available funds on the date of the Commencement of Construction.

4. Fund Priorities. Section 4.2 of the Agreement is hereby deleted in its entirety and replaced with the following:

“Tax Increment Fund Priorities. The funds deposited in the Property TIRZ Fund shall be applied in the following order of priority: (i) any fees imposed by a governmental authority and related to the development of the Project, including but not limited to permit fees, inspection fees, impact fees, platting fees, zoning fees, etc.; (ii) amounts pledged or required for payment of outstanding bonds or debt issued for Zone projects, if any (and provided that bond proceeds are used or reserved to pay City and Board obligations pursuant to this Agreement); (ii); and Reimbursement Payments to the Developer for the Project Costs.”
5. MEDC Operation. The Public Parties shall grant and pay to Developer the amount of \$350,000.00 each year for a period of ten (10) years for Developer to lease a 10,500 square foot space on the Property (the “Lease Space”) to the Mansfield Economic Development Corporation (the “MEDC”) for the operation of a business incubator (the “MEDC Operation”). Developer will provide an initial draft of the lease to the Public Parties for review and comment. The Public Parties and Developer shall work together in good faith to mutually agree upon the final version of the lease for the MEDC Operation on or before April 30, 2024. In the event the Public Parties and Developer cannot agree to the final version of such lease, then the same shall not be considered a default of Developer, but shall allow Developer the right to lease or use the Lease Space for any other tenant or operation.
6. Ratification. The Agreement remains in full force and effect and is ratified and confirmed as expressly modified by this Amendment. If there is a conflict between the terms of the Agreement and this Amendment, then the terms of this Amendment control.
7. Counterparts. This Amendment may be executed in any number of identical counterparts, each of which is considered an original, but together are one agreement. Facsimile, pdf and email signatures are binding on the party providing the facsimile, pdf or email signatures.

[SIGNATURES ON FOLLOWING PAGE]

This Amendment is executed as of the date and year first written above.

**CITY:**

CITY OF MANSFIELD, TEXAS  
a Texas home rule municipality

By: \_\_\_\_\_  
Joe Smolinski, City Manager

**DEVELOPER:**

HGRC MANSFIELD, LP,  
a Delaware limited partnership

By: HGRC Mansfield GP, LLC,  
a Texas limited partnership,  
its general partner

By: \_\_\_\_\_  
Steven Shelley, Vice President