



Meeting Agenda

TIF Reinvestment Zone Number Two Board of Directors

Monday, February 10, 2020

4:00 PM

City Hall - Multi-Purpose Room

1. **CALL TO ORDER**

2. **APPROVAL OF MINUTES**

[20-3457](#) Approval of the May 28, 2019 Meeting Minutes.

Presenters: Joe Smolinski and Susana Marin

Attachments: [TIRZ #2 Minutes 5-28-19](#)

3. **REVIEW AND CONSIDERATION OF A REQUEST TO AMEND THE FOLLOWING AGREEMENT:**

Second Amendment to the 380 and Development Agreement for Public Improvements to Property Within Tax Increment Reinvestment Zone Number Two, City of Mansfield

[20-3458](#) The current agreement (Second Amendment) is between the City of Mansfield (the "City"), the Board of Directors of the Tax Increment Reinvestment Zone Number Two (the "Board"), NRP Holdings, LLC ("NRP Holdings"), Main Street Lofts, L.P. (the "Phase I Owner"), and Main Street Lofts, L.P. (the "Phase II Owner").

Presenters: Joe Smolinski

Attachments: [TIRZ 2, The Lofts \(NRP Holdings\) Second Amendment](#)

[20-3459](#) Main Street Lofts, L.P. (the Phase II Owner) is requesting to reallocate previously approved reimbursements for specific project elements associated with Phase II and the Trail Park. The project elements include General Standard Increases, Hardscapes, Landscaping & Irrigation, and Site Furnishings.

Presenters: Joe Smolinski

Attachments: [Main Street Lofts 380 Agreement Proposal](#)
[Exhibit A Project Elements and Payment Schedule](#)

4. **ADJOURNMENT**

This is a specially called public meeting of a City Council Sub-Committee. It is possible that non-committee members of the City Council may attend in their individual capacity.

CERTIFICATION

THIS IS TO CERTIFY THAT A COPY OF THE NOTICE OF the February 10, 2020 Tax Increment Reinvestment Zone Number Two. Agenda was posted on the City Hall bulletin board, a place convenient and readily accessible to the general public at all times, and to the City's website, mansfieldtexas.gov, on Friday, February 7, 2020 prior to 5:00 p.m., in compliance with Chapter 551, Texas Government Code.

Susana Marin, City Secretary

DATE OF POSTING: _____ TIME: _____ am/pm

DATE TAKEN DOWN: _____ TIME: _____ am/pm

This facility is ADA compliant. If you plan to attend this public meeting and have a disability that requires special arrangements, please call (817) 473-0211 at least 48 hours in advance. Reasonable accommodation will be made to assist your needs. PLEASE SILENCE ALL PAGERS, CELL PHONES & OTHER ELECTRONIC EQUIPMENT WHILE THE CITY COUNCIL MEETING IS IN SESSION.



CITY OF MANSFIELD

1200 E. Broad St.
Mansfield, TX 76063
mansfieldtexas.gov

STAFF REPORT

File Number: 20-3457

Agenda Date: 2/10/2020

Version: 1

Status: Approval of Minutes

In Control: TIF Reinvestment Zone Number Two Board of Directors

File Type: Meeting Minutes

**BOARD OF DIRECTORS
Tax Increment Reinvestment Zone No. 2
City of Mansfield, Texas
Tuesday, May 28, 2019**

The Board of Directors met on Tuesday, May 28, 2019 in the Multi-Purpose Room of City Hall, 1200 E. Broad Street, with the meeting being open to the public and notice of said meeting, giving date, place, and subject thereof, having been posted as prescribed by Chapter 551, Texas Government Code, with the following members present, to wit:

Brent Newsom, Council Member, Chairman
David L. Cook, Mayor
Julie Short, Council Member
Devan Allen, Tarrant County Commissioner

And

Joe Smolinski, Deputy City Manager
Shelly Lanners, Deputy City Manager
Lisa Sudbury, Director of Planning
Susana Marin, City Secretary

1. Call to order

Chairman Newsom called the meeting to order at 4:31 p.m.

2. Minutes

A motion was made by Council Member Short, seconded by Mayor Cook, to approve the minutes for the meeting held August 6, 2018. Motion carried with 4 ayes and 0 nays.

3. Review and consideration of the following request to assign a previously approved development agreement:

A. The Main Street Lofts – approximately 31 acres generally located west of N. Main Street, east of North Street, and south of Newt Patterson Raod.

- i. Partial Assignment and Assumption Agreement between NRP Holdings and MSL to assign NRP Holdings' right, title and interest in the 380 Agreement with respect to Phase II of the Project to MSL.**
- ii. Partial Assignment and Assumption Agreement between MSML and WMCi to assign MSML's right, title and interest in the 380 Agreement with respect to Phase I of the Project to WMCi.**

NRP Group representative Travis Sheffield gave an update on the second amendment to the 380 and Development Agreement for public improvements to

property within the Reinvestment Zone Number Two. He briefed the sub-committee on the assigning rights and obligation and gave clarification on what each group would be responsible for. He gave an update on Phase II of the project.

Deputy City Manager Joe Smolinski, stated staff has reviewed the amendments and they are in support of the changes. He mentioned what would be approved would be the Second Amendment to the 380 and Development Agreement, the Partial Assignment and Assumption Agreement, and the Consent to Partial Assignment of Development Agreement

A motion was made by Mayor Cook to approve the second amendment to the 380 Development Agreement, with the clarification that the last document marked consent to partial assignment be separate and apart to exhibit B. The motion was seconded by Council Member Short and carried with 4 ayes and 0 nays.

4. Adjournment

A motion to adjourn was made by Mayor Cook. The motion was seconded by Council Member Short and carried unanimously. The meeting adjourned at 4:53 p.m.

Brent Newsom, Chairman

ATTEST:

Susana Marin, City Secretary



CITY OF MANSFIELD

1200 E. Broad St.
Mansfield, TX 76063
mansfieldtexas.gov

STAFF REPORT

File Number: 20-3458

Agenda Date: 2/10/2020

Version: 1

Status: New Business

In Control: TIF Reinvestment Zone Number Two Board of Directors

File Type: Discussion Item

Agenda Number:

SECOND AMENDMENT TO
380 AND DEVELOPMENT AGREEMENT
FOR PUBLIC IMPROVEMENTS TO PROPERTY WITHIN
REINVESTMENT ZONE NUMBER TWO, CITY OF MANSFIELD

THIS SECOND AMENDMENT TO 380 AND DEVELOPMENT AGREEMENT FOR PUBLIC IMPROVEMENTS TO PROPERTY WITHIN REINVESTMENT ZONE NUMBER TWO, CITY OF MANSFIELD (this “**Amendment**”) is made and entered into as of the 8 day of July, 2019 (the “**Amendment Effective Date**”) by and among the City of Mansfield, a Texas municipal corporation of Tarrant, Johnson and Ellis Counties, Texas (the “**City**”), the Board of Directors of the Tax Increment Financing Reinvestment Zone Number Two, City of Mansfield, Texas (the “**Board**”), NRP Holdings LLC (“**NRP Holdings**”), Main Street Mansfield Lofts LLC, a Delaware limited liability company (the “**Phase I Owner**”); and Main Street Lofts, L.P., a Texas limited partnership (the “**Phase II Owner**” and hereinafter, the City, the Board, and Phase I Owner and the Phase II Owner are sometimes referred to individually as a “**Party**” and collectively as the “**Parties**”).

RECITALS

A. The City, the Board, and NRP Holdings have entered into that certain 380 and Development Agreement for Public Improvements to Property within Reinvestment Zone Number Two, City of Mansfield, dated as of June 29, 2015 (as amended by that Amendment to 380 and Development Agreement for Public Improvements to Property within Reinvestment Zone Number Two, City of Mansfield dated August 13, 2018 between City, the Board, NRP Holdings and Phase I Owner, the “**Agreement**”).

B. NRP Holdings partially assigned all duties, risks and obligations as to Phase 1 to Owner pursuant to City of Mansfield Consent to Partial Assignment of Development Agreement.

C. The Parties desire to provide for certain acknowledgements with respect to the Agreement, as well as assign, amend and/or modify the Agreement further as more fully set forth herein.

AGREEMENT

In consideration of the mutual covenants, agreements and understandings contained herein and intending to be legally bound, the Parties hereby agree as follows:

1. Incorporation of Recitals; Capitalized Terms. The Recitals to this Amendment are hereby incorporated as if fully set forth herein. All capitalized terms used in this Amendment and not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement.

2. Acknowledgement of Satisfaction of Obligations as to Phase I. The Parties acknowledge and agree that Phase I Owner has fulfilled all outstanding obligations with respect to Phase I of the Agreement except for those set forth in Section 4(H) relating to the Parkland Dedication Fees in Lieu of Dedication as set forth in Section 3 hereof.

3. Parkland Dedication Fees. The Parties acknowledge and agree that the Parkland Dedication Fees shall not exceed the amount equal to the product of Five Hundred and No/100 Dollars (\$500.00) and the total amount of units contained in Phase I and Phase II, less the

product of Fifty Thousand and No/100 Dollars (\$50,000.00) and the acreage of parkland so dedicated under Phase II (not to exceed 2.89 acres), such that the Phase I Owner shall not be responsible, at any point in time, for paying more than One Hundred Fifty Seven Thousand and No/100 Dollars (\$157,000.00) in Parkland Dedication Fees for the Project, such amount representing the product of Five Hundred and No/100 Dollars (\$500.00) and three hundred fourteen (314), the total units contained in Phase I. Notwithstanding the foregoing, Owner shall be entitled to any and all Parkland Dedication Fees so reimbursed by the TIF District in an amount equal to One Hundred Thirty Thousand Five Hundred and No/100 Dollars (\$130,500.00); or the product of Fifty Thousand and No/Dollars (\$50,000.00) per total acreage of parkland so dedicated under Phase II, whichever is less. For avoidance of doubt, Phase II Owner shall not be entitled to any offset or reimbursement from the TIF District under the Agreement and shall be responsible for any and all Parkland Dedication Fees in excess of Phase I Owner's obligations hereunder, whether resulting from any increase in units over five hundred fifty (550) units between Phase I and Phase II or otherwise.

4. Partial Assignment of Development Agreement. The Phase I Owner agrees to assign, and the Phase II Owner agrees to accept, a partial assignment of the Agreement with respect to Phase II of the Project in accordance with the Partial Assignment of the Development attached hereto as Exhibit "A."

5. City of Mansfield Consent to Partial Assignment of Development Agreement. The City agrees to consent to the assignment of the Agreement with respect to the Phase II of the Project in accordance with the Owner the Consent to Partial Assignment of the Development Agreement attached hereto as Exhibit "B." Upon such assignment and the City's consent thereto, the Phase I Owner does not have, and shall not have, any further obligations to the City, the Board, or otherwise, under the Agreement, except as set forth in Section 3 above regarding Parkland Dedication Fee.

6. Ratification of the Agreement. Except as expressly and specifically set forth herein, all of the terms, covenants, agreements and provisions of the Agreement remain unaltered and unmodified and in full force and effect, and the Agreement, as amended by this Amendment, is hereby ratified and confirmed.

7. Conflict. In the event of a conflict between the terms of this Amendment and the other terms of the Agreement, the terms of this Amendment shall control.

8. Section Headings. The headings which have been used throughout this Amendment have been inserted for convenience of reference only and do not constitute matter to be construed in interpreting this Amendment.

9. Counterparts. This Amendment may be executed in several counterparts, each of which shall be fully effective as an original and all of which together shall constitute one and the same instrument. Signed copies of this executed Amendment may be delivered electronically, and such copies shall be deemed to be originals.

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IN WITNESS WHEREOF, the Parties have executed this Amendment as of the date first set forth above.

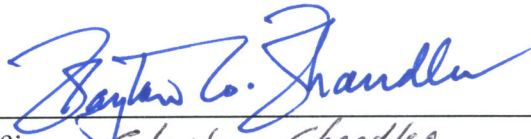
BOARD OF DIRECTORS OF THE TAX
INCREMENT FINANCING REINVESTMENT
ZONE NUMBER WO, CITY OF MANSFIELD,
TEXAS:

By: 

Name: BRENT NEWSOM

Title: Board Chairman

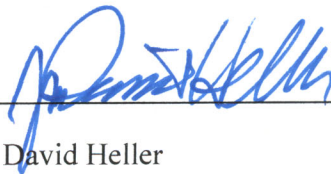
CITY OF MANSFIELD, TEXAS:

By: 

Name: Clayton Chandler

Title: City Manager

NRP HOLDINGS LLC:

By: 

Name: J. David Heller

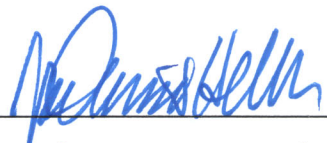
Title: Chief Executive Officer

MAIN STREET MANSFIELD LOFTS LLC:

By: Main Street Lofts Member LLC, its sole member

By: NRP Main Street Lofts Member LLC, its sole member

By: NRP Manager, its Manager

By: 

Name: J. David Heller

Title: President

MAIN STREET LOFTS, L.P.:

By: _____

Name: _____

Title: _____

MAIN STREET MANSFIELD LOFTS LLC:

By: Main Street Lofts Member LLC, its sole member

By: NRP Main Street Lofts Member LLC, its sole member

By: NRP Manager, its Manager

By: _____

Name:

Title:

MAIN STREET LOFTS, L.P.:

By: _____ 

Name: TIM COLIART

Title: PRESIDENT

EXHIBIT A

PARTIAL ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS PARTIAL ASSIGNMENT AND ASSUMPTION AGREEMENT (this “**Assignment**”) is executed this ___ day of _____, 2019 (the “**Effective Date**”), by and between NRP Holdings LLC (“**Assignor**”) and Main Street Lofts, L.P., a Texas limited partnership (“**Assignee**”).

RECITALS

A. Assignor, the City of Mansfield, a Texas municipal corporation of Tarrant, Johnson and Ellis Counties, Texas (the “**City**”), and the Board of Directors of the Tax Increment Financing Reinvestment Zone Number Two, City of Mansfield, Texas (the “**Board**”) are parties to a 380 and Development Agreement for Public Improvements to Property within Reinvestment Zone Number Two, City of Mansfield, dated as of June 29, 2015 (as amended by that Amendment to 380 and Development Agreement for Public Improvements to Property within Reinvestment Zone Number Two, City of Mansfield dated _____ between City, the Board, NRP Holdings and Main Street Mansfield Lofts LLC, a Delaware limited liability company, the “**Agreement**”)

B. Assignee is the owner of the Phase II of the Project, as those terms are defined in the Agreement.

C. Assignor desires to assign to Assignee all of its right, title and interest in and to the Agreement pertaining to Phase II of the Project, and Assignee desires to assume Assignor’s right, title and interest in and to the Agreement pertaining to Phase II of the Project, as more fully set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by each of the parties hereto, Assignor and Assignee do hereby agree as follows:

1. Assignment. Assignor hereby gives, grants, bargains, sells, conveys, transfers and sets over unto Assignee, its successor and assigns, as of the Effective Date, all of the right, title and interest of Assignor in the Agreement to the extent those rights, title and interests pertain to Phase II of the Project. .

2. Acceptance and Assumption of Assignment. Assignee hereby accepts the foregoing assignment and assumes the obligations of Assignor under the Agreement to the extent those obligations pertain to Phase II of the Project.

3. Indemnification by Assignor. Assignor shall indemnify, hold harmless, and defend Assignee and its officers, directors, employees, agents, affiliates, successors and permitted assigns (each a “**Assignee Indemnified Party**”) against any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines,

costs, or expenses of whatever kind, including reasonable attorneys' fees, that are incurred by a Assignee Indemnified Party arising out of any duties, obligations and undertakings of Assignor under the Agreement except for those duties, obligations and undertakings expressly assumed by Assignee in this Assignment.

4. Indemnification by Assignee. Assignee shall indemnify, hold harmless, and defend Assignor and its partners (and their members and managers), employees, agents, affiliates, successors and permitted assigns (each an “**Assignor Indemnified Party**”) against any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorneys' fees, that are incurred by a Assignor Indemnified Party arising out of any duties, obligations and undertakings of Assignor under the Agreement expressly assumed by Assignee in this Assignment.

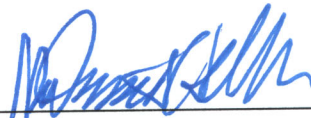
5. Successors and Assigns. The terms and conditions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, *administrators*, successors and assigns.

6. Counterparts. This Assignment may be executed in counterparts, with each part, when taken together, constituting a complete agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties have executed this Assignment as of the date first set forth above.

NRP HOLDINGS LLC:

By:  _____

Name: J. David Heller

Title: Chief Executive Officer

MAIN STREET LOFTS, L.P.:

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF, the Parties have executed this Assignment as of the date first set forth above.

NRP HOLDINGS LLC:

By: _____

Name: J. David Heller

Title: Chief Executive Officer

MAIN STREET LOFTS, L.P.:

By: _____

Name: TIM COLTART

Title: PRESIDENT

EXHIBIT B

CITY OF MANSFIELD CONSENT TO PARTIAL ASSIGNMENT OF DEVELOPMENT AGREEMENT

This Consent (the "Consent") is made by the City of Mansfield, a municipal corporation and political subdivision of the State of Texas ("City").

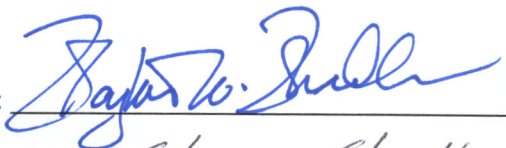
Whereas, the 380 and Development Agreement for Public Improvements to Property within Reinvestment Zone Number Two, City of Mansfield was entered into by the City of Mansfield, the Board of Directors of the Tax Increment Financing Reinvestment Zone Number Two, City of Mansfield, Texas and NRP Holdings LLC, as of June 29, 2015 (as amended, the "Development Agreement") which provides for the construction of certain public and private improvements described in the Development Agreement, in phases.

Whereas, in connection with the acquisition of Phase I of the public and private improvements described in the Development Agreement, NRP Holdings LLC partially assigned the Development Agreement to an affiliate, Main Street Mansfield Lofts LLC, a Delaware limited liability company with the consent of the City.

Whereas, NRP Holdings LLC desires to partially assign the Development Agreement with respect to Phase II of the public and private improvements described in the Development Agreement to Main Street Lofts, L.P., a Texas limited partnership as the owner of the Phase II parcel ("Partial Assignment").

As required by Section 13.B. of the Development Agreement, the City does hereby grant its consent to the Partial Assignment provided that to Main Street Lofts, L.P. accepts all duties, risks and obligations undertaken by NRP Holdings LLC as to Phase II of the public and private improvements. For the purposes of this Consent and the Partial Assignment, signatures transmitted by electronic mail or facsimile transmission shall be deemed to be original signatures.

CITY OF MANSFIELD, TEXAS:

By:  _____

Name: Clayton Chandler

Title: City Manager

SM

CITY OF MANSFIELD CONSENT TO PARTIAL ASSIGNMENT OF DEVELOPMENT AGREEMENT

This Consent (the “**Consent**”) is made by the City of Mansfield, a municipal corporation and political subdivision of the State of Texas (“**City**”).

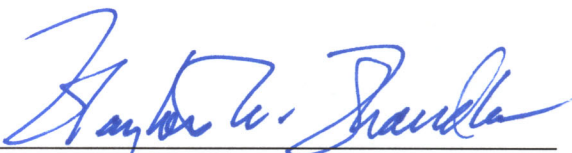
Whereas, the 380 and Development Agreement for Public Improvements to Property within Reinvestment Zone Number Two, City of Mansfield was entered into by the City, the Board of Directors of the Tax Increment Financing Reinvestment Zone Number Two, City of Mansfield, Texas and NRP Holdings LLC, an Ohio limited liability company (“**NRP Holdings**”), as of June 29, 2015 (as amended, the “**Development Agreement**”) which provides for the construction of certain public and private improvements described in the Development Agreement, in phases.

Whereas, in connection with the acquisition of Phase I of the public and private improvements described in the Development Agreement, NRP Holdings partially assigned the Development Agreement to an affiliate, Main Street Mansfield Lofts LLC, a Delaware limited liability company (“**Main Street**”), with the consent of the City.

Whereas, Main Street desires to partially assign the Development Agreement with respect to Phase I of the public and private improvements described in the Development Agreement to WMCi DALLAS VIII, LLC, a Delaware limited liability company (“**WMCi**”), in connection with Main Street’s intended sale of the Phase I parcel to WMCi (“**Partial Assignment**”), it being understood that such Partial Assignment shall be conditioned on the consummation of the sale of the Phase I parcel to WMCi.

As required by Section 13.B. of the Development Agreement, the City does hereby grant its consent to the Partial Assignment provided that WMCi accepts all duties, risks and obligations undertaken by Main Street as to Phase I of the public and private improvements. For the purposes of this Consent and the Partial Assignment, signatures transmitted by electronic mail or facsimile transmission shall be deemed to be original signatures.

CITY OF MANSFIELD, TEXAS:

By: 

Name: Clayton Chordler

Title: City Manager

"Honor the Texas Flag; I Pledge Allegiance to Thee, Texas, One State Under God; One and Indivisible"

Council Member Lewis led the Texas Pledge.

CITIZEN COMMENTS

There were no citizen comments.

COUNCIL ANNOUNCEMENTS

Council Member Leyman had no announcements.

Council Member Short had no announcements.

Council Member Lewis had no announcements.

Council Member Moore made comments on the success of the Feed the Kids program and Back to School Bash. He thanked all the volunteers who make these programs possible.

Mayor Pro Tem Newsom had no announcements.

Council Member Broseh had no announcements.

Mayor Cook had no announcements.

STAFF COMMENTS

City Manager Report or Authorized Representative

Current/Future Agenda Items

There were no staff comments.

Business Services Department Report

18-2811

Presentation of the Monthly Financial Report for the Period Ending June 30, 2018

There were no questions regarding the monthly financial.

TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION

A motion was made by Council Member Lewis to move forward with option three (3) of The Lofts Developer Agreement. Seconded by Mayor Pro Tem Newsom. The motion CARRIED by the following vote:

Aye: 7 - David Cook; Larry Broseh; Brent Newsom; Terry Moore; Julie Short; Mike Leyman and Casey Lewis

Nay: 0

Abstain: 0

CONSENT AGENDA

18-2817

Resolution - A Proposed Resolution Awarding a One Year Renewable Contract to the Lowest and Best Bid for the Supply of Liquid Sodium Hydroxide (Caustic Soda), for an Amount not to Exceed \$725.00 / Dry Ton (Utility Fund FY-2018, FY-2019 Operating Budget)

A motion was made by Council Member Moore to approve the following resolution:

A RESOLUTION AWARDING A ONE YEAR RENEWABLE CONTRACT TO THE LOWEST AND BEST BID FOR THE SUPPLY OF LIQUID SODIUM HYDROXIDE (CAUSTIC SODA), FOR THE BUD ERVIN WATER TREATMENT PLANT

(Resolution in its entirety located in the City Secretary's Office)

Seconded by Council Member Broseh. The motion CARRIED by the following vote:

Aye: 7 - David Cook; Larry Broseh; Brent Newsom; Terry Moore; Julie Short; Mike Leyman and Casey Lewis

Nay: 0

Abstain: 0

Enactment No: RE-3486-18

18-2818

Resolution - A Proposed Resolution Awarding a One Year Renewable Contract to the Lowest and Best Bid for the Supply of One Ton Chlorine Cylinders, for an Amount not to Exceed \$770.00 / Wet Ton (Utility Fund FY-2018, FY-2019 Operating Budget)

A motion was made by Council Member Moore to approve the following resolution:

A RESOLUTION AWARDING A ONE YEAR RENEWABLE CONTRACT TO THE LOWEST AND BEST BID FOR THE SUPPLY OF ONE TON CHLORINE CYLINDERS, FOR THE BUD ERVIN WATER TREATMENT PLANT

(Resolution in its entirety located in the City Secretary's Office)

Seconded by Council Member Broseh. The motion CARRIED by the following vote:

Aye: 7 - David Cook; Larry Broseh; Brent Newsom; Terry Moore; Julie Short; Mike Leyman and Casey Lewis

Nay: 0

Abstain: 0



CITY OF MANSFIELD

1200 E. Broad St.
Mansfield, TX 76063
mansfieldtexas.gov

STAFF REPORT File Number: 20-3459

Agenda Date: 2/10/2020

Version: 1

Status: New Business

In Control: City Council

File Type: Discussion Item

Agenda Number:



January 13, 2020

Ms. Lisa Sudbury
Director of Planning
City of Mansfield
1200 E Broad Street
Mansfield, TX 76063

RE: Main Street Lofts – 380 and Development Agreement for Public Improvements to Property within Reinvestment Zone Number Two, City of Mansfield.

Dear Lisa,

In 2012, the City of Mansfield created the TIRZ No. 2 as part of the Historic Mansfield Implementation Plan. This TIRZ would allocate expected ad valorem tax revenue toward the reimbursement of public and private improvements in the area to support the revitalization of Historic Downtown. As one of the highest ad valorem generators in this TIRZ district, the Main Street Lofts Project entered into a Chapter 380 and Development Agreement with the determination that the Project would promote local economic development and stimulate commercial business activity. With Phase I of the Project complete, Phase II of the project is scheduled to begin construction this year with the final delivery of the public and private improvements in December 2021.

The improvements constructed in Phase I included Sanitary Sewer and Water Line extensions, Roadway Improvements, Public Trails and Landscaping, and “General Standard Increase”, or surplus Private improvements that set a high standard for the redevelopment of Historic Mansfield and generate additional ad valorem revenue. The improvements proposed in the 380 Agreement for Phase II of Project include a similar General Standard Increase, Public Trail and Landscape improvements, and a new 3-acre Public Trail Park that will connect underneath N Main Street to the City’s greater North Mail Trail System.

While the total cost of improvements will substantially exceed the funds allocated to the Project by the TIRZ district, the work completed in Phase I and Federal/City regulations restrict much of what can be eligible for reimbursement in Phase II. Therefore, to deliver the highest value project to Mansfield, Realty Capital Management (as Main Street Lofts L.P.) is requesting to amend the Chapter 380 Agreement for a reallocation of funds within the budgeted Project Elements for the construction of Phase II and the Trail Park, and a two-year time extension to insure we have time to complete the project. The following is a summary of the current TIRZ funds allocation, the Phase I expense summary, and the proposed reallocation of funds within the budgeted expenses for the improvements in Phase II.

**CHAPTER 380 – EXISTING TIRZ ALLOCATION:**

PROJECT ELEMENTS	PHASE I	PHASE II	TRAIL PARK
12" SANITARY SEWER LINE RELOCATION	176,850	-	-
16" WATER LINE CONSTRUCTION	477,000	-	-
FRANCHISE UTILITY LINE RELOCATION	120,000	-	-
GENERAL STANDARD INCREASE (loft windows, ghost lettering, stoops, awnings, signage, etc.)	350,000	150,000	-
HARDSCAPE (trails, corner plaza, way finding signs, etc.)	103,950	86,350	161,700
LANDSCAPE + IRRIGATION (trees, shrubs, sod, ground cover in Main Street Trails and Trail Park)	60,060	72,050	47,300
SITE FURNISHINGS (benches, trash cans, bike racks, light fixtures in Main Street Trails and Trail Park)	44,000	44,000	33,000
MAIN STREET TURN LANE AND STRIPING	99,001	-	-
TOTAL ABOVE	1,430,861	352,400	242,000

PHASE I – TIRZ REIMBURSEMENT SUMMARY:

Description	TIRZ Budget	Amount Spent	Amount Received	Delta
12" Sanitary Sewer Line Relocation	176,850	92,000	92,000	-
16" Water Line Construction	477,000	282,000	282,000	-
Franchise Utility Line Relocation	120,000	62,000	62,000	-
General Standard Increase	350,000	395,600	350,000	(45,600)
Hardscape	103,950	166,155	103,950	(62,205)
Landscape and Irrigation	60,060	219,000	60,060	(158,940)
Site Furnishings	44,000	140,350	44,000	(96,350)
Main Street Left Turn Lane and Striping	99,001	30,900	30,900	-
	\$ 1,430,861	\$ 1,388,005	\$ 1,024,910	\$ (363,095)

TOTAL TIRZ BUDGET **\$1,430,861**

TOTAL REIMBURSED **\$1,024,910**

DELTA **\$405,951**

ADDITIONAL SPENT (NOT REIMBURSED) **\$363,095**

Highlights:

1. Phase I of the project did not receive reimbursement for \$405,951 of the total Phase I TIRZ Budget.
2. Phase I of the project expended an additional \$363,095 amongst the Project Elements that did not receive reimbursement.



3. The General Standard Increase allotment for Phase II is half of the Phase I amount, despite greater quality of improvements and higher cost of construction. We anticipate that the total General Standard Increase between both phases of the project to be well over \$1MM.
4. In combination with the reimbursed hard costs from Phase I, this proposal results in a reduction of \$405,951 in TIRZ spending; from \$1,807,461 to \$1,402,510.

PROPOSED TIRZ REALLOCATION:

PROJECT ELEMENT*	TIRZ PHASE II	PROPOSED	TIRZ TRAIL PARK	PROPOSED
GENERAL STANDARD INCREASE	150,000	243,650	-	-
HARDSCAPE	86,350	50,000	161,700	240,200
LANDSCAPE + IRRIGATION	72,050	26,000	47,300	1,800
SITE FURNISHINGS	44,000	32,750	33,000	-
TOTAL TIRZ REIMBURSEMENT	\$ 352,400	\$ 352,400	\$ 242,000	\$ 242,000

*Initial TIRZ budget was created in 2015 with estimates on preliminary plans and quantities

Highlights:

1. The total dollar amount allotted to the Phase II and Trail Park improvements remains the same.
2. Given the Main Street Trail completion in Phase I, the Phase II budget for Hardscape, Landscape, and Site Furnishings along N Main Street cannot be met. The shortages in these line items are reallocated to General Standard Increase, which substantially exceeds the \$150,000 TIRZ budget.
3. The original TIRZ budget for the Trail Park was created before any flood studies, FEMA review, and construction plans. As plans have evolved and flood studies have been completed, there are FEMA and City regulations that restrict Landscaping and Site Furnishing elements within the Trail Park (because it is floodway). The shortages in these line items are reallocated to Hardscape that will reimburse for the trail, retaining walls, and public stairs from N Main Street to the park, which improvements have either been added or increased since the initial TIRZ budget.

Each of these budgeted Project Elements have been determined to be in the public's benefit and in support of Historic Mansfield's redevelopment. In order to provide the full scope of improvements at the highest dollar value, and in turn the most ad valorem revenue, we need to ensure that the full amount of allotted TIRZ funds for Phase II and the Trail Park are capitalized and committed to the project.

Conclusion – Proposal Summary:

1. Reallocate TRIZ funds within the Phase II and Trail Park project elements, as depicted above.
2. Extend the expiration of the Agreement to December 31, 2022 (currently December 2020).
3. No inspection fees charged for the inspection of improvements approved for reimbursement.
4. Phase II to pay additional Impact and Park Fees for the 30 additional units that were not originally apart of the 380 Agreement.

Thank you for your time and consideration.

Sincerely,



Tim S. Coltart

EXHIBIT A: TIRZ CONSTRUCTION BUDGET

PROJECT ELEMENT	PHASE II	TRAIL PARK
GENERAL STANDARD INCREASE		
Ghost Lettering	35,000	-
Metal Canopies	75,000	-
Loft Windows	25,000	-
Balcony Doors	45,000	-
Storefront Glass (Deck)	125,000	-
Cable/Metal Rail (Deck)	30,000	-
Monument Sign	35,000	-
Curtain Wall System	190,000	-
Architectural Design Fees	-	-
SUBTOTAL BUDGET	560,000	-
TIRZ ALLOCATION	150,000	-
DELTA	410,000	-
HARDSCAPE		
Trails + Trail Connection	-	75,000
Corner Plaza	-	-
Way Finding Signs	-	-
Retaining Walls	-	185,000
Stairs to Park	-	50,000
Culvert in Park (under Trail)	-	5,000
Rails along Stairs and Trail	-	2,000
Curb Inlet Reconstruction + Grass Crete	10,000	-
Emergency Access Approach & Curb	15,000	-
Re-Striping of Parking Spaces	25,000	-
Civil and Landscape Design Fees	-	-
SUBTOTAL BUDGET	50,000	317,000
TIRZ ALLOCATION	86,350	161,700
DELTA	36,350	155,300
LANDSCAPING + IRRIGATION		
Trees	8,000	1,800
Shrubs	3,000	-
Sod	10,000	-
Landscape Lighting	-	-
Landscape Irrigation	5,000	-
Landscape Design Fees	-	-
SUBTOTAL BUDGET	26,000	1,800
TIRZ ALLOCATION	72,050	47,300
DELTA	46,050	45,500
SITE FURNISHINGS		
Benches	20,000	-
Outdoor Tables + Seating	-	-
Waste Receptacles	1,500	-
Powder-Coated Fences	11,250	-
Site Lighting	-	-
Landscape Design Fees	-	-
SUBTOTAL BUDGET	32,750	-
TIRZ ALLOCATION	44,000	33,000
DELTA	11,250	33,000
PROJECT ELEMENT TOTALS		
TOTAL PROJECT BUDGET	668,750	318,800
TOTAL TIRZ ALLOCATION	495,430	242,000
DELTA	173,320	76,800
TOTAL TIRZ FUNDS NOT REIMBURSED	93,650	78,500
TOTAL BUDGET EXPENSES NOT REIMBURSED	410,000	155,300

EXHIBIT A: CONTINUED

Items to be Included in the Project Elements:

General Standard Increase: Ghost Lettering, Signage, Metal Canopies, Loft Windows, Balcony Rails and Doors, Curtain Wall/Storefront Glazing System at the Entrance of Building I, The 4th Floor Storefront Glazing/Rails/Doors in Building IV.

Hardscape: Trails, Enhanced Paving/Sidewalks, Curb/Grate Inlet Reconstruction, Grass-Crete access on N Main Street, N Main Street Striping, Retaining Walls, Stairs to Park, Rails along Stairs and Trail, Culvert in Trail Park.

Landscape and Irrigation: Trees, Shrubs, Sod, Landscape Lighting, Landscape Irrigation.

Site Furnishings: Benches, Outdoor Tables and Seating, Waste Receptacles, Fencing, Bike Racks, Site Lighting.

Project Elements	Phase 1 Completion by December 31, 2016	Phase 2 Completion by December 31, 2019	Trail Park Completion As part of Phase 2	Total Amount	Payment Schedule
12" Sanitary Sewer Line Relocation	\$176,850	n/a	n/a	\$176,850	After acceptance by City and proof of expenditure, Owner will be reimbursed in lump sum up to the amount shown, based upon the actual expenditure attributable to Construction Costs; \$477,00 to be paid out of Utility Fund, not TIRZ Fund
16" water line construction	\$477,000	n/a	n/a	\$477,000	
Franchise utility lines relocation to make room for new water line	\$120,000	n/a	n/a	\$120,000	
General Standard Increase (loft windows, stoops, fountains, ghost lettering, awnings, corner plaza, signage, etc.)	\$350,000	\$150,000	n/a	\$500,000	After acceptance by City and proof of expenditure, Owner will be reimbursed in lump sum up to the amount shown, based upon the actual expenditure attributable to Construction Costs in Phase 1, Phase 2. Owner will submit proposed improvements for approval by the TIRZ Board.
Hardscape, including but not limited to trails, corner plaza, and way finding signs in Main Street Trails and Trail Park	\$103,950	86,350	\$161,700	\$352,000	After acceptance by City and proof of expenditure, Owner will be reimbursed in lump sum up to the amount shown, based upon the actual expenditure attributable to Construction Costs in Phase 1, Phase 2 and Trail Park. For reimbursement, the Owner may submit a request for acceptance and proof of expenditure for Trail Park improvements separately from Main Street Trail improvements.
Landscaping and irrigation, including but not limited to trees, shrubs, groundcover and sod in Main Street Trails and Trail Park	\$60,060	72,050	\$47,300	\$179,410	
Site Furnishings, including but not limited to benches, trash cans, bike racks and Light Fixtures in Main Street Trails and Trail Park	\$44,000	44,000	\$33,000	\$121,000	
Main Street Left Turn Lane and Striping	\$99,001	n/a	n/a	\$99,001	After acceptance by City and proof of expenditure, Owner will be reimbursed in lump sum up to the amount shown, based upon the actual expenditure attributable to Construction Costs.
Cash Incentives to help offset Roadway, water and Sewer Impact Fees and Parkland Dedication Fees	\$396,110	\$345,430	n/a	\$741,540	Defer payment of Impact Fees and Parkland Dedication Fees until certificate of occupancy. TIF District will pay City Impact Fee Fund and General Fund directly up to the amount shown below or the actual fees due, whichever is less.
Total Above	\$2,029,371	\$495,430	\$242,000	\$2,766,801	\$2,289,801 from TIRZ Fund \$477,000 from Utility Fund

Impact Fees and Park Fees	Phase 1	Phase 2	Trail Park	Total	Comments
Roadway Impact Fee	\$236,250	\$135,000	n/a	\$371,250	Based on 550 units, amount to be paid could vary if less units
Water Impact Fee	\$104,000	\$52,000	n/a	\$156,000	Based on three 4" water meters serving both Phase 1 and 2, amount could vary depending on quantity and size of meters.
Sewer Impact Fee	\$55,860	\$27,930	n/a	\$83,790	
Parkland Dedication - fee in lieu of	deferred until certificate of occupancy for Phase 2	\$130,500	n/a	\$130,500	Based on dedication of 2.89 acres of parkland in Phase 2; amount to be paid by Owner could increase if actual parkland dedication is less than 2.89 acres or if as the Property develops, it is determined that the terrain or land condition is unacceptable to City. City will delay collection of fees for both Phase 1 and 2 until certificate of occupancy for Phase 2.
Total Above	\$396,110	\$345,430		\$741,540	
Park Development Fees	\$262,500	\$150,000	n/a	n/a	To be credited 100% upon proof of expenditure of Construction Cost of at least \$500,000 for private pools and dog park; City will not collect the fees due at each phase at building permit issuance.