



Legislation Details (With Text)

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| File #: | 20-3774 | Version: | 1 | Name: | Resolution - A Resolution of the City of Mansfield, Texas Approving a Termination Agreement Terminating a Tax Abatement Agreement Between the City of Mansfield, Texas and RMA Holdings, LLC; Authorizing the Mayor to Execute Said Agreement; and Providing an |
| Type: | Resolution | Status: | | | Passed |
| File created: | 9/16/2020 | In control: | | | City Council |
| On agenda: | 10/12/2020 | Final action: | | | 10/12/2020 |
| Title: | Resolution - A Resolution of the City of Mansfield, Texas Approving a Termination Agreement Terminating a Tax Abatement Agreement Between the City of Mansfield, Texas and RMA Holdings, LLC; Authorizing the Mayor to Execute Said Agreement; and Providing an Effective Date | | | | |
| Sponsors: | Richard Nevins, Peter Phillis | | | | |
| Indexes: | | | | | |
| Code sections: | | | | | |
| Attachments: | 1. Resolution, 2. Tax Abatement Termination Agreement | | | | |

| Date | Ver. | Action By | Action | Result |
|------------|------|--------------|----------|--------|
| 10/12/2020 | 1 | City Council | Approved | Pass |

Resolution - A Resolution of the City of Mansfield, Texas Approving a Termination Agreement Terminating a Tax Abatement Agreement Between the City of Mansfield, Texas and RMA Holdings, LLC; Authorizing the Mayor to Execute Said Agreement; and Providing an Effective Date

Approve termination of tax abatement agreement

Staff recommends approving the termination of the tax abatement agreement.

In 2016, MEDC entered into an tax abatement agreement with RMA Holdings, LLC (AM-C Warehouse) for the development of a large cold storage facility. The agreement called for the facility to be developed in four phases and the incentives were to be paid at the conclusion of each phase. The agreement was amended in 2017 to change the deadlines for completion of Phase III and Phase IV and to revise the beginning year of the abatement to 2020. RMA completed Phase I and Phase II of the project and satisfied all of the requirements to receive the incentives for those phases.

RMA has now been sold to Americold - the world's largest REIT focused on owning and operating temperature controlled warehouses. As a result, RMA will no longer be able to fulfill their commitments for Phase III and IV and has requested termination of this tax abatement agreement.

This would place the full value of Phase I and Phase II, approximately \$34 million, on the tax rolls immediately. RMA is also requesting termination of their economic development agreement.

General Fund

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