



Legislation Text

File #: 20-3773, **Version:** 1

Resolution - A Resolution of the City of Mansfield, Texas Approving a Termination Agreement Terminating a First Amended and Restated Economic Development and Performance Agreement Between the Mansfield Economic Development Corporation and RMA Holdings, LLC; Authorizing the MEDC President to Execute Said Agreement;and Providing an Effective Date

Approval of the termination agreement

Staff recommends approving the termination of the economic development agreement

In 2016, MEDC entered into an economic development 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. 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 agreement. The MEDC Board voted 6 to 0 on October 6th to approve termination of this agreement.

This would allow MEDC to retain \$750,000 of the funds dedicated to the payment of future incentives. RMA is also requesting termination of their tax abatement agreement which would place the full value of Phase I and Phase II, approximately \$34 million, on the tax rolls immediately.

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