



Legislation Text

File #: 22-4860, **Version:** 1

Resolution - Approval of a Resolution of the City Council of the City of Mansfield, Texas, Approving a TIRZ Development Agreement for Reinvestment Zone Number Two, City of Mansfield, By and Between the City of Mansfield, Texas, the Board of Directors of Reinvestment Zone Number Two, City of Mansfield, and HGRC Mansfield, LP; and Providing an Effective Date

Approve the agreement and authorize the City Manager to execute the agreement

That the City Council approve the agreement and authorize the City Manager to execute the agreement and the necessary closing documents for the sale of the land.

In October of 2021, the City Council implemented a new plan that rezoned over 220 acres of land in Historic Downtown Mansfield, to a form-based code named the "Downtown District." The goal of the plan is to increase private investment and therefore assist in the revitalization of Historic Downtown. The plan expands living, working and gathering options in the area and preserves its historic character and aesthetic.

The Downtown District supports the continued evolution and prosperity of Historic Downtown Mansfield by delivering a specific set of placemaking controls that guide the visual quality of the public realm, encourage a rich mix of activities and reinforce timeless principles for architecture.

With this plan underway, Council directed staff to recruit developers that have proven themselves as leaders in these types of downtown, mixed-use developments. Staff went directly to Hoque Global and presented the case for coming to downtown. Executives from Hoque Global toured the city and were excited to be a part of the transformation and catalyzation of Historic Downtown Mansfield. Furthermore, they presented a mixed-use development concept on the city-owned property, located on the northeast corner of Smith Street and Elm Street (approximately 4 acres).

With significant private investment on the 4 acres, their plans included space for restaurants, office, retail, residential units, civic open space and structured parking. Based on the proposal, Council authorized staff to execute a memorandum of understanding with Hoque Global on the deal points presented in the attached TIRZ Development Agreement, and further recapitulated in the analysis section below. This agreement aims to facilitate one of the most catalytic public/private projects in the city's downtown core that will deliver more than \$50 million in private funds to TIRZ #2.

Considered one of the first vertical mixed-use projects for the core of downtown, the TIRZ development agreement on this project provides for the following:

- Developer agrees to construct over 249 residential units (including live/work units), 11,700 square-feet of office/retail/restaurant space, 7,800 square-feet of civic plaza space, and structured parking, at a minimum investment of \$50 million;
- Developer agrees to provide unrestricted public parking for 20 parking spaces within the 280 parking space garage;

- City agrees to sell the land to the Developer at a sales price of \$1.00;
- City agrees to provide an annual reimbursement grant from the TIRZ #2 account, based on the amount of TIRZ revenue this project generates, until the TIRZ expires in 2037, in a total amount not to exceed \$8,061,063;

TIRZ #2 "Project-Generated Funds"

Jason Moore, MEDC, 817-728-3651