



Tax Increment Reinvestment Zone #2 Board - Meeting

August 25, 2025 - 1:30 PM

1200 E. Broad St., Mansfield, TX 76063

1. CALL MEETING TO ORDER

2. CITIZEN COMMENTS

Citizens wishing to address the Board on agenda items and items not on the agenda may do so at this time. Due to regulations of the Texas Open Meetings Act, please do not expect a response from the Board as they are not able to do so. **THIS WILL BE YOUR ONLY OPPORTUNITY TO SPEAK.** All comments are limited to five (5) minutes. In order to be recognized during "Citizen Comments" please complete a blue card and present it to the City Secretary prior to the start of the meeting.

3. RECESS INTO EXECUTIVE SESSION

Pursuant to Section 551.071, Texas Government Code, the Board reserves the right to convene in Executive Session(s), from time to time as deemed necessary during this meeting for any posted agenda item, to receive advice from its attorney as permitted by law.

- A.** Consultation with City Attorney to Seek Advice About Pending or Contemplated Litigation, a Settlement Offer, or on a Matter in Which the Duty of the City Attorney to the City's Governmental Body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas Clearly Conflicts with Chapter 551 of the Texas Government Code Pursuant to 551.071
- B.** Discussion Regarding Possible Purchase, Exchange, Lease, or Value of Real Property Pursuant to Section 551.072
- C.** Personnel Matters Pursuant to Section 551.074
- D.** Deliberation Regarding Commercial or Financial Information Received From or the Offer of a Financial or Other Incentive Made to a Business Prospect Seeking to Locate, Stay or Expand in or Near the Territory of the City and with which the City is Conducting Economic Development Negotiations Pursuant to Section 551.087

4. RECONVENE INTO REGULAR BUSINESS SESSION

5. NEW BUSINESS

Discussion, Consideration, and Possible Action regarding a First Amendment to the Economic Development Agreement with Nack Development

Presenters: Jason Moore, Executive Director of Economic Development

Attachments:

- 1. First Amendment to Agreement

6. ADJOURN

CERTIFICATION

THIS IS TO CERTIFY THAT A COPY OF THE NOTICE OF the August 25, 2025 Tax Increment Reinvestment Zone #2 Board Meeting 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 August 19, 2025 prior to 5:00 p.m., in compliance with Chapter 551, Texas Government Code.

Susana Marin, City Secretary

This facility is ADA compliant. If you plan to attend this public meeting and have a disability that requires special arrangements, please call (817) 276-4207 at least three (3) business days in advance. Reasonable accommodation will be made to assist your needs.



City of Mansfield Staff Report

Item ID: 25-1184

Agenda Date: August 25, 2025

Title

Discussion, Consideration, and Possible Action regarding a First Amendment to the Economic Development Agreement with Nack Development

Description/History

On October 9, 2023, by Resolution No. RE-4097-21, City Council authorized an Economic Development Agreement (the "Agreement") with Nack Development, LLC ("Developer"), the Mansfield Economic Development Corporation ("MEDC"), and the Board of Directors of Reinvestment Zone Number Two ("TIRZ #2"). The Agreement supports the phased redevelopment of approximately four (4) acres in Downtown Mansfield. The proposed mixed-use project includes approximately 79,000 square feet of retail, restaurant, or professional office space, no fewer than 20 townhomes, 102 multifamily homes, structured parking, plazas, green areas, and decorative alleys for public enjoyment. The project is intended to serve as a catalytic redevelopment effort for the downtown area, advancing City Council's priorities for urban revitalization, walkable destinations, and expanded housing options. The City, MEDC, and TIRZ #2 agreed to participate in infrastructure support and incentive funding to ensure timely delivery of the project milestones.

Amendment Summary

Since the execution of the Agreement, the City's acquisition of the Texas Tire parcel, an essential component of Phase I, took longer than anticipated. The closing was completed in April 2025, delaying the Developer's ability to proceed with demolition and vertical construction. The First Amendment adjusts project milestone dates to align with the delayed property acquisition. Specifically, it provides revised deadlines for demolition, construction commencement, and subsequent phases. All other substantive provisions of the Agreement, including scope of development, incentive structure, and performance requirements, remain in effect.

Strategic Initiative

Focus on the Future

Recommendation

Approve the First Amendment.

Funding Source

General Fund/MEDC/TIRZ #2

Prepared By

Jason Moore, Executive Director of Economic Development - (817) 728-3651

**FIRST AMENDMENT TO
ECONOMIC DEVELOPMENT AGREEMENT
(NACK DEVELOPMENT)**

This First Amendment to the Economic Development Agreement (“First Amendment”) is entered into effective as of the last date of execution below by and between the City of Mansfield, Texas (“City”), the Mansfield Economic Development Corporation (“MEDC”), a nonprofit Corporation organized under Title 12, Subtitle C1, of the Texas Local Government Code (“Act”), the Board of Directors (the “Board”) of Reinvestment Zone Number Two, City of Mansfield (the “Zone”), (City, MEDC, and Board are collectively referred to as “Public Parties”), and Nack Development, LLC, a Texas Limited Liability Company (the “Company”). City, MEDC, Board and Company may sometimes hereafter be referred to individually as a “party” or collectively as the “parties.”

RECITALS

WHEREAS, the Parties entered into that certain Economic Development Agreement dated November 2023 (the “Original Agreement”), regarding the phased development of a mixed-use project on approximately four (4) acres of land in downtown Mansfield, Texas, consisting of approximately 79,000 square feet of Retail, Restaurant or Professional Office space, and no less than 20 townhomes and 102 multifamily homes, together with structured parking, plazas, green areas, and decorative alleys for the enjoyment of the public (the “Project”); and

WHEREAS, since the execution of the Original Agreement, the City’s acquisition of the Texas Tire parcel necessary for Phase 1 of the Project took longer than anticipated, with closing completed in April 2025; and

WHEREAS, during the due diligence period, an Environmental Phase 1 Report recommended a follow-up Phase 2 Environmental Site Assessment, which Terracon completed in June 2025; and

WHEREAS, the parties desire to amend the Original Agreement to extend the development milestones accordingly, including new deadlines for demolition and construction, as set forth in this First Amendment;

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Section 1. That the foregoing recitals and findings of fact are hereby incorporated into and made a substantive part of this First Amendment by reference and shall be binding upon the parties hereto.

Section 2. That the following subsections of Article 3 (Company Obligations) of the Original Agreement are hereby repealed and replaced as follows:

“3.1 Contract of Sale. Within thirty (30) days of City Council approval of the First Amendment to the Agreement, Company must execute the Contract of Sale and any exhibits of the Contract of Sale requiring Company’s execution.

(a) At the time determined in the Contract of Sale, Company shall purchase that portion of the Property needed for Phase 1 Improvements in an amount of \$2,659,200; and

(b) At the time determined in the Contract of Sale, Company shall purchase that portion of the Property needed for Phase 2 Improvements in an amount of \$2,840,358.

* * *

3.4 Commencement of Construction – Phase 1. Company must achieve Commencement of Construction for Phase 1 Improvements no later than December 1, 2025; provided, however, the City Manager may extend, in his or her sole discretion, such date one time for up to sixty (60) days in the event Company is diligently pursuing the platting, permitting and development of Phase 1 Improvements.

* * *

3.5 Phase 1 Building Final. No later than March 31, 2027, Company must receive a Building Final for Phase 1 Improvements; provided, however, City Manager may extend, in his or her sole discretion, such date one time for up to one hundred eighty (180) days in the event Company is diligently pursuing the construction of Phase 1 Improvements. All dates provided herein are subject to delays for Force Majeure or unreasonable delays by City (or applicable City official) in providing responses, inspections or issuing certificates.

* * *

3.6 Phase 2 Commencement. Company must achieve Commencement of Construction for Phase 2 Improvements no later than February 1, 2027.”

Section 3. That Article 3 (Company Obligations) of the Original Agreement is hereby amended to add subsection 3.4A, as follows:

“Section 3.4A Phase 1 Demolition. The Company shall commence demolition of all buildings on the Phase 1 portion of the Property no later than September 15, 2025.”

Section 4. That the following subsection of Article 4 (Grants) of the Original Agreement is hereby repealed and replaced as follows:

“4.1 Grants.

(a) Within 30 days of Company’s completion of the schematic design (November 2024) of Phase 1 Improvements of the Project, City’s approval of the schematic design, and the Director’s receipt of a Payment Request, MEDC paid Company a Grant in an amount of \$1,500,000, as a direct incentive and for Eligible Costs.

(b) Within 30 days of Commencement of Construction for Phase 1 Improvements of the Project and the Director’s receipt of a Payment Request, MEDC will pay Company a Grant in an amount up to \$750,000, as a direct incentive and for Eligible Costs.

(c) Within 30 days of the Building Final for Phase 1 Improvements of the Project and the Director’s receipt of a Payment Request, MEDC will pay Company a Grant in an amount up to \$750,000, as a direct incentive and for Eligible Costs.

(d) Within 30 days of the Building Final for all Phase 2 Improvements of the Project and the Director’s receipt of a Payment Request, MEDC will pay Company a Grant in an amount up to \$380,000, as a direct incentive and for Eligible Costs.”

Section 5. That Exhibit D of the Original Agreement is hereby repealed and replaced with a new and revised Exhibit D, as attached hereto.

Section 6. That the Original Agreement is incorporated herein as if written word for word and shall continue in full force and effect, except as amended by this First Amendment. In the event of any conflict or inconsistency between the provisions set forth in this First Amendment and the Original Agreement, priority of interpretation shall be in the following order: First Amendment, Original Agreement.

Section 7. That this First Amendment shall be effective on the date this First Amendment (including all counterparts) bears the signature of the authorized representatives of all of the parties.

Section 8. That this First Amendment may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

Section 9. That each party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this First Amendment.

[Signatures on the following page(s)]

EXECUTED on this _____ day of _____, 2025.

**MANSFIELD ECONOMIC
DEVELOPMENT CORPORATION,**
A Texas non-profit corporation

By: _____

Name: _____

Title: _____

ATTEST:

Board Secretary

EXECUTED on this _____ day of _____, 2025.

CITY OF MANSFIELD, TEXAS,
a Texas home-rule corporation

Joe Smolinski, City Manager, or designee

ATTEST:

Susana Marin, City Secretary

EXECUTED on this _____ day of _____, 2025.

TIRZ BOARD NUMBER 2,

Board Chair

ATTEST:

Susana Marin, City Secretary

EXECUTED on this _____ day of _____, 2025.

NACK DEVELOPMENT LLC,
a Texas limited liability company

By: _____

Name: _____

Title: _____

EXHIBIT D

Grant and Payment Schedule

Payment Date	Milestone	Developer Cash to City	380 Grant to Developer	MEDC Grant
11/2023	Schematic Design (full site)			\$1,500,000
9/20/25	Land Acquisition PH 1	\$2,659,200		
9/30/25	Demolition of PH 1 (demo to start by 9-15-25)		\$2,659,200	
12/31/25	Commencement of Construction PH 1			\$750,000
11/20/26	Land Acquisition PH 2	\$2,840,358		
11/30/26	Demo PH 2		\$2,840,358	
12/1/26	Building Final PH 1			\$750,000
2/1/27	Destination Restaurant/Retail Tenant CO			
2/1/27	Commencement of Construction PH 2			
6/1/29	Building Final PH 2			\$380,000
	TOTALS	\$5,499,588	\$5,499,588	\$3,380,000
	Lease Schedule			
Date	Master Lease PMT by City/MEDC/TIRZ			
Feb-27	\$1,794,000			
Feb-28	\$1,794,000			
Feb-29	\$1,794,000			
Feb-30	\$1,794,000			
Feb-31	\$1,794,000			
TOTAL	\$8,970,000.00			