
TIF #2

DEPARTMENT: Economic Development
FROM: Alex Philips, Economic Development Director
MEETING: August 18, 2025

SUBJECT:

Consider and take possible action on a Second Amendment to the 380 and Development Agreement for Public and Private Improvements in the Reinvestment Zone Number Two, City of Burleson Between the City of Burleson and Depot on Main Holdings, LLC (CSO#543-11-2016).
(Staff Contact: Alex Philips, Economic Development Director)

SUMMARY:

The Depot on Main is a multi-family development at 125 N. Main St. in Old Town Burleson consisting of 275 residential and six live/work, ground-floor units for future retail use. The site was previously the city-owned Public Works Service Center and was sold to the developer, Realty Capital Management (RCM) to redevelop. The project has an appraised value of over \$21 million.

On November 14, 2016, the City Council approved an agreement with RCM to reimburse the developer's cost for public improvements (roads, sidewalks, etc.) with funds from the Reinvestment Zone Number Two (TIF #2). On September 8, 2020, the City Council approved the First Amendment to the agreement extending performance dates, extending the term of the agreement, and decreasing the percentage of the TIF #2 fund reimbursement from 80% to 75%. The total maximum reimbursement of \$2,000,000 did not change. The Amendment also included exhibits detailing a list of approved public improvements, and the site plan.

On June 7, 2021, the City Council approved a planned development zoning amendment that reducing the dwelling units per acre from 75 to 56.22, expanding the list of prohibited uses, prohibiting the use of corrugated metal as a building material and extending the allowable height from three stories to five. The amendment was requested by RCM to adjust the layout of the site to accommodate an area that was determined to be undevelopable as the result of a flood study and would need to be used instead for 100-year flood storage. RCM agreed to construct a dog park amenity in the detention area that would also be available to the public. RCM planned to construct a trail in the Union Pacific Railroad (UPRR) right-of-way for their residents and the public to access the dog park.

Despite coordination with City staff and UPRR, RCM could not be granted permission to construct a pedestrian trail in the UPRR right-of-way. Exhausting all other options, the only ADA accessible path to the dog park is a pedestrian bridge over the low-water crossing.

The cost to build a pedestrian bridge and the associated changes were not anticipated by RCM or the City at the time of approval of the current site plan and project financing. RCM does not have available funds for these unforeseen costs to complete the dog park and provide public access. RCM has requested a portion of the \$2,000,000 TIF2 reimbursement be expedited to cover these additional costs within the original grant amount. The expedited payments will be subject to performance measures and total \$700,000.

If approved, this amendment would replace exhibits to reflect the updated list of public improvements and the updated site plan with the bridge, fencing and sidewalk around the dog park. In addition to annual TIF2 rebate payments, RCM will receive the following payments associated with performance measures:

- \$250,000 – Submit complete site plan amendment application by Dec. 1, 2025
 - Approved administratively based on City Council approve amendment exhibits
- \$125,000 – Obtain building permit and commence construction by Dec. 31, 2025
- \$100,000 – Flatwork inspected and accepted by Mar. 31, 2026
- \$150,000 – Pedestrian bridge inspected and accepted by Sept. 30, 2026
- \$75,000 – Final acceptance of all dog park improvements by Sept. 30, 2027

RECOMMENDATION:

Staff recommends approval

PRIOR ACTION/INPUT (Council, Boards, Citizens):

380 and Development Agreement for Public and Private Improvements in Reinvestment Zone Number Two, City of Burleson Between the City of Burleson and Realty Capital Management, LLC was passed by City Council on November 14, 2016.

First Amendment to 380 and Development Agreement for Public and Private Improvements in Reinvestment Zone Number Two, City of Burleson Between the City of Burleson and Realty Capital Management, LLC was passed by City Council on September 8, 2020.

REFERENCE:

CSO#543-11-2016 (Original Agreement)

CSO#1499-09-2020 (First Amendment)

FISCAL IMPACT:

Proposed Expenditure/Revenue: \$250,000
Account Number(s): 215-66045

Fund: TIF #2

Account Description: Econ Dev Incentive

Note: Approval of this agreement does not increase the total expenditures associated with the project. \$250,000 will be accelerated in FY25.

STAFF CONTACT:

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