

# Mayor and Council Communication

**DATE:** 01/25/22

**M&C FILE NUMBER:** M&C 22-0067

**LOG NAME:** 17EDTARIZ103

## **SUBJECT**

(CD 7) Conduct Public Hearing and Adopt the Attached Ordinance Designating Tax Abatement Reinvestment Zone No. 103, City of Fort Worth, Texas, for Property Located at 13840 Independence Parkway for the Development of a Manufacturing Facility for MP Magnetics LLC or an Affiliate

(**PUBLIC HEARING** - a. Report of City Staff: Kelly Baggett; b. Public Comment; c. Council Action: Close Public Hearing and Act on M&C)

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## **RECOMMENDATION:**

It is recommended that the City Council:

1. Conduct Public Hearing concerning the designation of Tax Abatement Reinvestment Zone No. 103, City of Fort Worth, Texas, for property located at 13840 Independence Parkway for the development of a manufacturing facility for MP Magnetics LLC., or an Affiliate;
  2. Find that the intended improvements, which are set forth in more detail below, are feasible and practical and would be a benefit to the land to be included in Tax Abatement Reinvestment Zone No. 103 and to the City after the expiration of any tax abatement agreements; and
  3. Adopt the attached ordinance designating Tax Abatement Reinvestment Zone No. 103, City of Fort Worth, Texas, pursuant to and in accordance with Chapter 312 of the Texas Tax Code.
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## **DISCUSSION:**

The proposed Tax Abatement Reinvestment Zone No. 103, City of Fort Worth, Texas (TARZ 103) is for the property located at 13840 Independence Parkway in Fort Worth, Texas (Property). A more detailed description of the Property is included as Exhibit A to the attached ordinance. MP Magnetics LLC., or an affiliate, (Company) is considering construction of approximately 200,000 square feet of new manufacturing space on the Property to develop a manufacturing facility. The proposed project is anticipated to result in at least \$100 million in real and business personal property investment (\$40 million in construction costs and \$60 million in business personal property that will be installed at the facilities), along with the creation of at least 30 full-time jobs with a minimum salary of \$80,390.00.

Designating this area as a reinvestment zone allows the City the option to enter into a tax abatement agreement with the Company to help facilitate development within this area.

As required by Chapter 312 of the Texas Tax Code, a public hearing must be conducted regarding the creation or expansion of a Reinvestment Zone. Notice of this hearing was delivered to the governing body of each affected taxing unit and published in a newspaper of general circulation at least seven days prior to this hearing.

Pursuant to Chapter 312 of the Texas Tax Code, the area encompassing the proposed TARZ 103 meets the statutory criteria for designation as a Tax Abatement Reinvestment Zone because the area is likely, as a result of the designation, to contribute to the retention or expansion of primary employment or to attract major investment in TARZ 103 that would be a benefit to the Property and that would contribute to the economic development of the City. Further, the proposed improvements and investments are feasible and practical and would be a benefit to the land to be included in the TARZ 103 and to the City after the expiration of any tax abatement agreement.

The term of TARZ 103 will be five years from the date of adoption of the attached Ordinance and may be renewed for periods not to exceed five years each unless otherwise allowed by law.

The proposed zone is located in COUNCIL DISTRICT 7.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

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## **FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that approval of these recommendations will have no material effect on City funds.

**Submitted for City Manager's Office by:** Jay Chapa 5804

**Originating Business Unit Head:** Robert Sturns 2663

**Additional Information Contact:** Robert Sturns 2663

