

# Mayor and Council Communication

DATE: 02/10/26

M&C FILE NUMBER: M&C 26-0117

LOG NAME: 17STELLAR\_TA

## **SUBJECT**

(CD 10) Conduct Public Hearing and Adopt an Ordinance Designating Tax Abatement Reinvestment Zone No. 115; Authorize Execution of a Ten-Year Tax Abatement Agreement with Stellar Energy Americas, Inc., or an affiliate, for Development of a Manufacturing Facility to be Located on Property within Tax Abatement Reinvestment Zone No. 115 at 15060 Blue Mound Road, Fort Worth, Texas, in Denton County

(PUBLIC HEARING - a. Staff Available for Questions: Cherie Gordon; b. Public Presentations; 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 a public hearing concerning the designation of Tax Abatement Reinvestment Zone No. 115, City of Fort Worth, Texas, Denton County, for property located at 15060 Blue Mound Road, consisting of approximately 66 acres of land, for the development of a manufacturing facility by Stellar Energy Americas, Inc., or an affiliate;
2. Find that the intended manufacturing facility development and related improvements, as 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. 115 and to the City after the expiration of any tax abatement agreements;
3. Adopt the attached ordinance designating Tax Abatement Reinvestment Zone No. 115, City of Fort Worth, Texas, pursuant to and in accordance with Chapter 312 of the Texas Tax Code;
4. Find that the proposed tax abatement agreement terms meet the criteria and guidelines set forth in the City of Fort Worth's General Tax Abatement Policy (Resolution No. 6222-12-2025); and
5. Authorize the execution of a ten-year tax abatement agreement with Stellar Energy Americas, Inc., or an affiliate, for the development of a manufacturing facility to be located on property at 15060 Blue Mound Road, Fort Worth, Texas, Denton County, in Tax Abatement Reinvestment Zone No. 115

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## **DISCUSSION:**

The purpose of this Mayor and Council Communication is to (1) designate a new Tax Abatement Reinvestment Zone (TARZ No. 115); and (2) authorize a ten-year tax abatement agreement with Stellar Energy Americas, Inc., or an affiliate (collectively, the Company) for the development of a manufacturing facility within TARZ No. 115.

Company is a U.S. energy company based out of Jacksonville, Florida. Company is proposing to develop a new facility to manufacture modular cooling equipment for the domestic hyperscale data center market on approximately 66 acres with a building of at least 1,148,942 square feet located at 15060 Blue Mound Road, Fort Worth, Texas (Project Site).

The City proposes to enter into a tax abatement agreement with the Company to facilitate development of the Project Site. The tax abatement will be tied to the amount of investment made by the Company and satisfaction of other project and spending requirements as follows:

### **Investment and Company Commitments:**

1. Company must expend a minimum of \$34,000,000.00 in total construction costs for real property improvements at the Project Site on or before December 31, 2026;
2. Company must install taxable business personal property (BPP) that is new to the City at the Project Site having a minimum assessed taxable value of \$45,500,000.00 by January 1, 2027;
3. Company will forfeit the tax abatement if the total investment for real property improvements and BPP is not timely pursuant to the terms of the tax abatement agreement;
4. Company must provide a minimum of 1,420 additional full-time jobs at Project Site on or before December 31, 2027, and maintain that level for the duration of the tax abatement agreement, with average salary of at least \$78,000.00 (Employment Commitments). The annual tax abatement will be forfeited for any year in which the Employment Commitments are not met; and
5. Company voluntarily commits to expend by the project completion deadline at least 30% of all real property improvement costs, both hard and soft costs, with Small Businesses (Small Business Commitment). "Small Business" means a business entity located in Tarrant, Wise, Johnson, Parker, or Denton County that holds certification as a small business from an organization approved by the City Manager (City Ordinance No. 27832-08-2025). If Company does not meet the Small Business Commitment, subject to availability and terms of the tax abatement agreement, the tax abatement shall be reduced by 10%.

### **City Commitments:**

1. The City will enter into a tax abatement agreement with the Company for a term of ten years;

**Additional Information Contact:** Cherie Gordon 6053