



Marand

Proposed Tax Abatement Agreement

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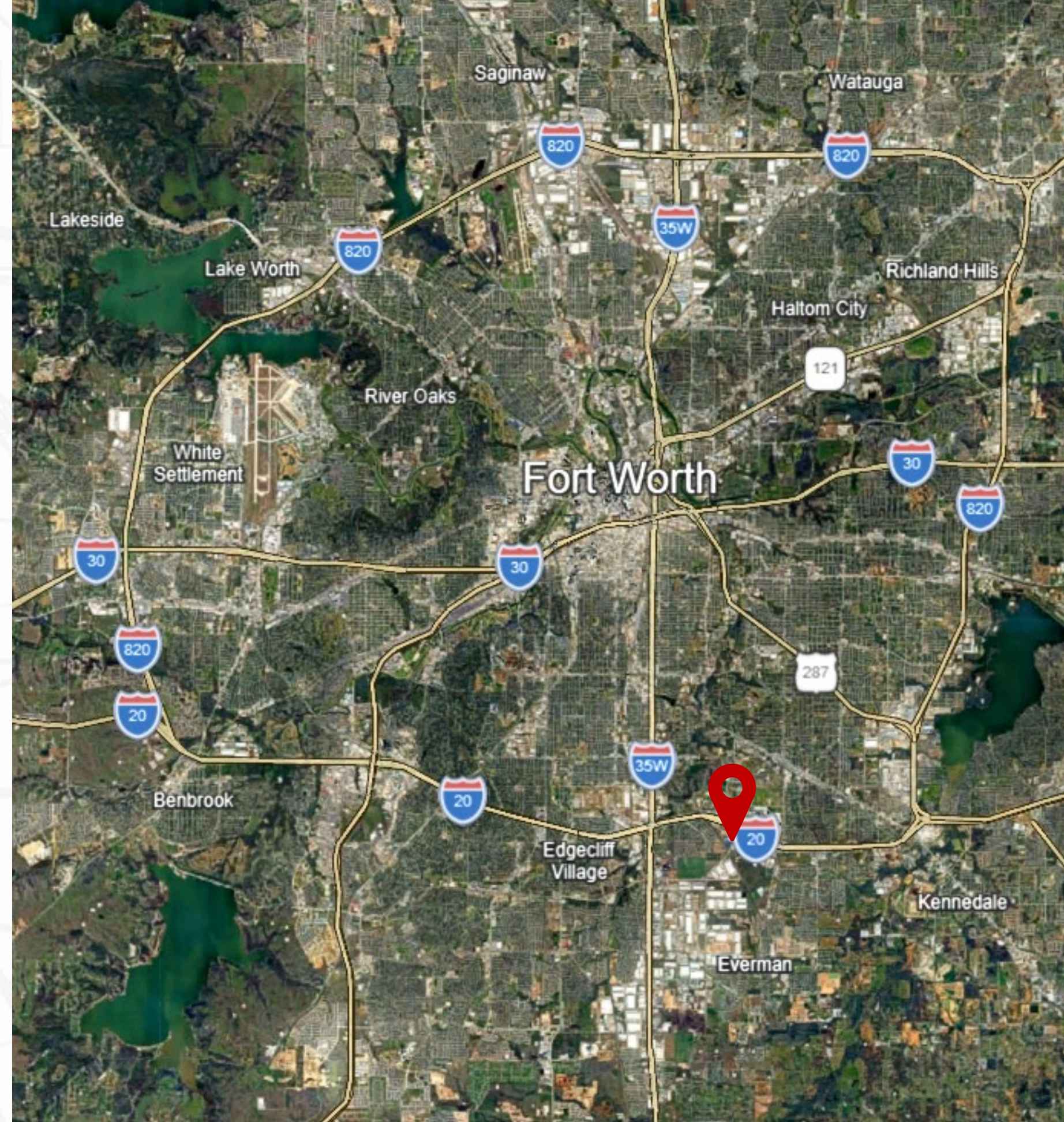
Project Overview

- **Marand** US Holdings LLC (Marand) is an Australian **aerospace and defense company** currently operating in Southeast Fort Worth
- Marand currently **repairs** defense support equipment for **Lockheed Martin** and is transferring to a leased location at 2248 SE Loop 820
- Marand has secured additional defense contracts and is **proposing to expand** their operations
- The proposed expansion would grow their current operations **from 15 employees to 150**, and would include **new manufacturing** operations



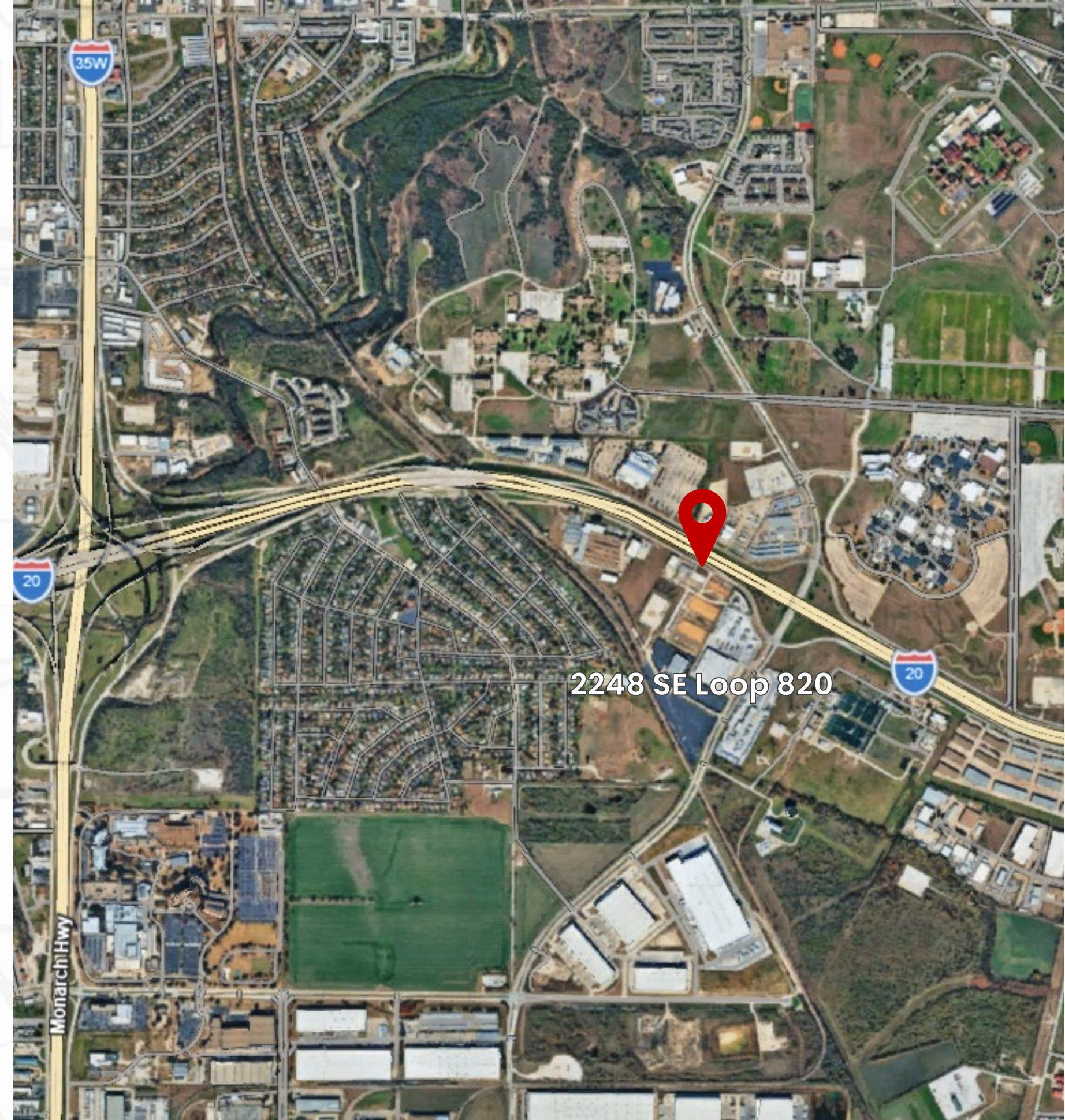
Project Location

Campus Industrial Park
2248 SE Loop 820 (CD 8)



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Company Commitments

- Company proposes to develop a facility for aerospace manufacturing
- **Minimum capital investment of \$31 million** by Dec. 31, 2026
 - \$11 million in real property construction costs by Dec. 31, 2026
 - \$20 million in business personal property costs (BPP) on or before Jan 1, 2027
- **Minimum of 150 full-time jobs**
 - 40 Full Time jobs by end of the first operating year ending Dec. 31, 2027
 - Ramping up to 150 Full Time jobs by the year ending Dec. 31, 2030
- **Minimum average annual salary of \$80,000**
 - Small Business Goal: 30% of Real Property Improvement costs (hard and soft costs)

Proposed Incentive Terms

- **10-year** Tax Abatement Agreement to abate **50%** of City Real and BPP property taxes
- The agreement would be subject to company performance requirements
 - Failure to meet **minimum capital investment** results in default
 - Failure to meet **full jobs commitment** results in forfeiture of annual abatement
 - Failure to meet **minimum average annual salary** requirements results in forfeiture of annual abatement
- Additional rights, requirements, and penalties would apply as negotiated

Strategic Alignment

- **Aerospace and defense** manufacturer
- Supplier to an established **Target Industry** employer
- **Expansion** for an aerospace supplier
- Project delivers **solid job growth**
- **Marand is part of a larger capital group (CPE Capital)** that may have other companies with interest in U.S. operations



Competitive Landscape

- **Competing Locations Offer:**

- Access to key customers and decision-makers
- Potential strategic advantages or cost savings

- **Limited Impact of Fort Worth Presence:**

- Location decision is significantly different for a 150-person operation versus a 15- or 40-person operation

- **Impact of Proposed Incentives:**

- Local support and incentives have played a **significant role in project discussions**
- Company has confirmed that current terms have made **Fort Worth the preferred location**

PROJECT SUMMARY

\$31 MILLION MINIMUM CAPITAL INVESTMENT

- **\$11 million** in real property improvements
- **\$20 million** in business personal property

150 MINIMUM FULL-TIME JOBS

- **40** new jobs by December 31, 2027
- Ramping up to **150** by December 31, 2030

\$80,000 AVERAGE ANNUAL SALARIES

- **\$12 million** estimated new annual payroll
- Manufacturing
- Engineering Positions

PROJECT SUMMARY

Public/Private Participation

- Estimated incentive: **\$934,000**
 - **\$685,570** at net present value (NPV)
- City participation: **2.2%**
- Estimated private/public ratio (NPV): **45.7 to 1**

Project Funding Performance

- The project is the source of its own incentive
- City is cash positive by **Year 1**
- Life-time value of incentives estimated to be covered **5 years** into the 10-year term

Net Tax Revenue (10-year projection)

- Net new taxes (total): **\$934,000**
- Net new taxes (NPV): **\$685,570**

Note: These figures represent the total projected tax revenues received by the City after deducting any grants paid or taxes abated.

Recommendation & Next Steps

- Enter into a 10-year Tax Abatement agreement abating up to 50% on Real and BPP investment
- M&C Consideration: **May 12, 2026**





Questions