



Tax Abatement Agreement with Wistron

Cherie Gordon

Economic Development Department

June 17, 2025



Company Overview

- **Wistron** – electronics manufacturer based in Taiwan, including manufacturing related to the semiconductor industry, with 25 branches in 10 countries
- \$32.58B in revenue in USD in 2024 with over over 80,000 employees
- Major Strategic Partner and supplier to  **NVIDIA**
- Wistron InfoComm (USA) (subsidiary of Wistron) is conducting a site search for a **facility to manufacture components** for Nvidia AI **supercomputers**
- Two Fort Worth locations for **two companion projects**:
Project Eagle and Project Westport
- Competing with sites in **El Paso, Nashville, and Fremont, CA**

Project Eagle Location

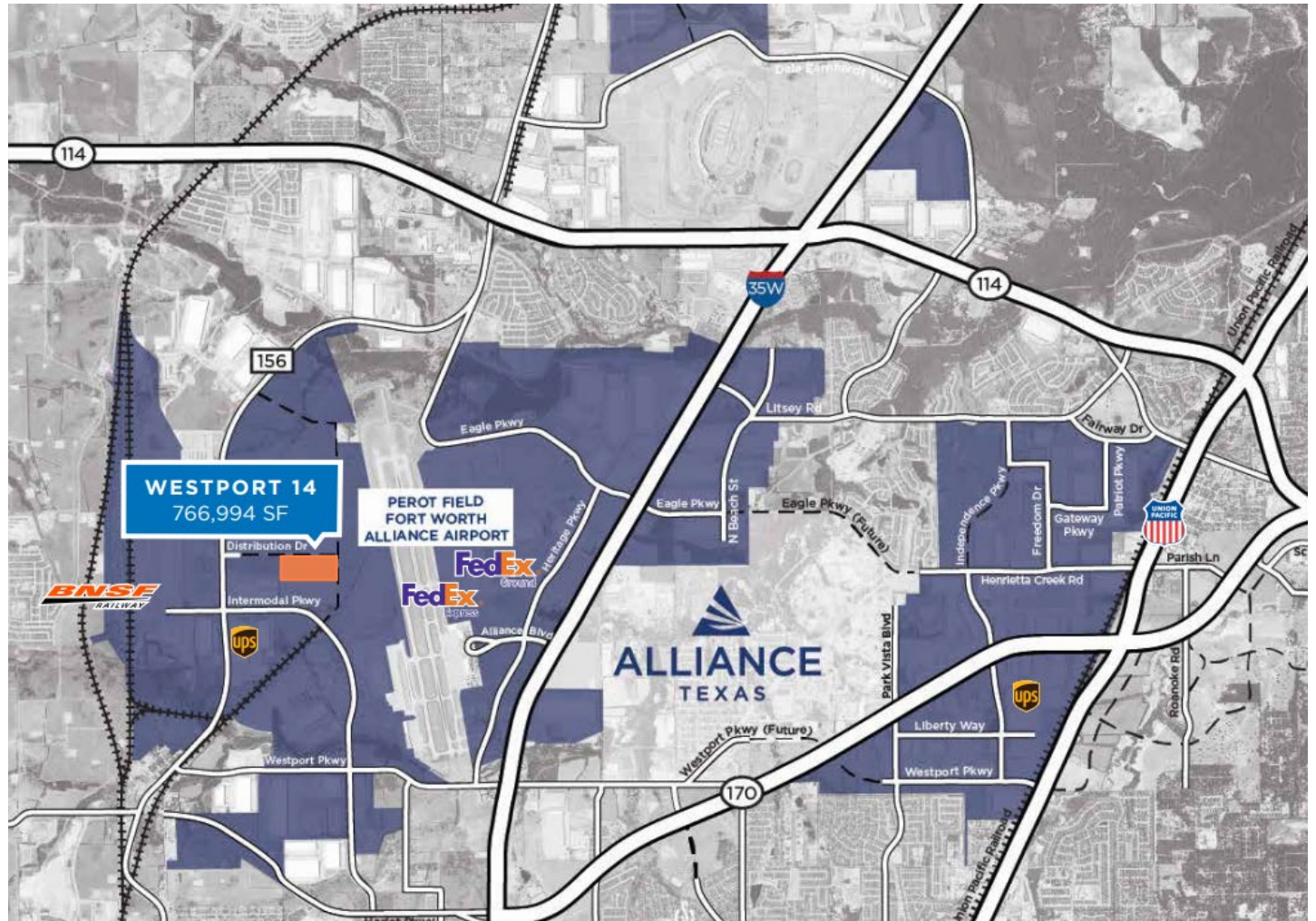
15200 Heritage Parkway
35Eagle Building L
Denton County



County Incentives are also being considered

Project Westport Location

14601 Mobility Way
Alliance Westport 14
Denton County



County Incentives are also being considered

Company Commitments

- Wistron proposes to establish two locations in Fort Worth (Denton County):
Trammel Crow development 35 Eagle (near Alliance) and Hillwood Alliance Westport 14
- Combined **Min. Capital Investment of \$687 Million**
 - Eagle: \$80M in RP improvements by June 30, 2026 and \$411M in BPP by Jan 1, 2027
 - Westport: \$32M in RP improvements by June 30, 2026 and \$164M in BPP by Jan 1, 2027
- Minimum **888 Full-Time jobs**
 - Eagle: Min. 634 Jobs by December 31, 2026
 - Westport: Min. 254 Jobs by December 31, 2026
- Minimum **Average Annual Salary of \$63,000**

Overview of Proposed Incentive Terms

- **10-year term Tax Abatement** (effective overall rate of 74%)
 - 70% Tax Abatement if only **Project Eagle** is delivered; **80% if both projects delivered**
 - 50% Tax Abatement if only **Project Westport** is delivered; **60% if both projects delivered**
- Subject to company performance requirements
 - Failure to meet **minimum investment** results in **default**
 - Failure to meet **minimum \$63,000 average salary** requirement results in **forfeiture** of annual tax abatement
 - Failure to meet full **jobs commitment** results in **forfeiture** of annual tax abatement
- Additional rights, requirements, and penalties apply as negotiated



Combined Project Summary

Private Investment and Employment

- Min. \$687M Capital Investment
 - \$112M Real Construction Costs
 - \$575M Business Personal Property
- 888 jobs
- Minimum Average Annual Wages: \$63,000

10-year incentive proposal

Project Eagle up to 80% and Project Westport up to 60% of the incremental increase in value of real investment and business personal property

Private/Public Ratio

Est. Taxable Value	\$ 607 Million
Est. Benefit	\$ 30.8 Million
NPV Benefit	\$ 22.6 Million
City Participation	4.5%
Est. P:P Ratio	22.3:1

CFW Tax Revenue (10 yr. projection)

Net New Taxes (gross)	\$ 10.6 Million
Net New Taxes (NPV)	\$ 7.8 Million

Payback

Year City is Net Positive:	Year 1
Full Incentive Coverage Period:	7.22 years

Recommendation

- Enter into a 10-year tax abatement agreement on up to 80% of the incremental value of real and business personal property taxes for Project Eagle and up to 60% of the incremental value for Project Westport
- 30-day public notice posted May 24th
- M&C for City Council consideration: June 24th

Thank you

