

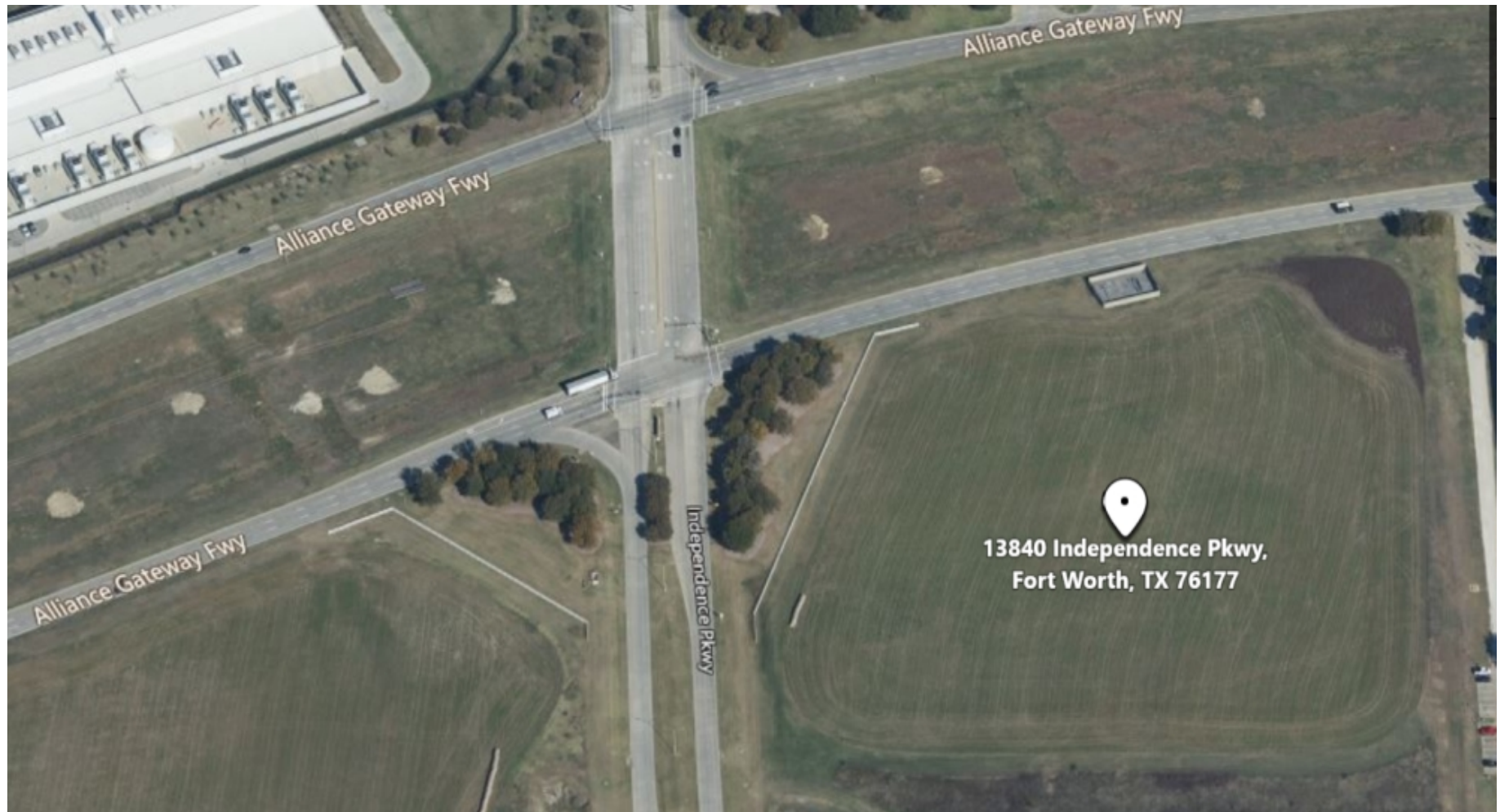


TAX ABATEMENT REQUEST

MP MAGNETICS
LLC



Project Location: 13840 Independence Parkway, Fort Worth



Project Summary:

- MP Magnetics LLC manufactures rare earth magnets and related materials for technology products. Their facility will produce magnets sufficient to power approximately 500,000 EV motors per year
- Proposed location of a 200,000 square foot office, product development center and manufacturing facility
- Investment of \$40M in building and \$60M in BPP
- Add a minimum of 30 FT jobs in the first year and 60 additional over remaining six yrs; avg. salary \$80,390
- Completion of improvements by end of 2023

Request for Incentives:

- MP Materials Corp. (parent company) is headquartered in Las Vegas, Nevada; the company's rare earth materials are mined and processed in Mountain Pass, California
- MP Materials to add additional facility in North Texas to serve as a manufacturing facility and the engineering headquarters of MP Magnetics LLC
- Company evaluated multiple locations for real estate, direct and indirect tax, incentives, and labor factors
- Recent inflation driving material, equipment, construction, and other costs to historic highs
- City of Fort Worth approved up to 60% Tax Abatement for 7 years

Proposed Tax Abatement Terms:

- Up to 50%, 7-year County Tax Abatement on new real & business personal property added
- Requires total minimum investment of \$100 million
 - \$40M real property; \$60M business personal property
- Improvements completed/installed by Dec. 31, 2023
- Add and maintain 30 new FT jobs during first year and an additional 60 jobs over the remaining 6 years

Proposed Tax Abatement Terms:

- Construction Costs spending requirements:
 - 25% with TC companies; 15% with DBE companies
- Annual Supply/Services Expenses spending requirements:
 - 25% with TC companies; 15% with DBE companies
- Reductions for deficiencies in required taxable value, employment and DBE/Tarrant County company spending
- Estimated total 7-year abatement value of \$801,500-County; same or more in new tax revenue

Questions?

