



TEDC 2024 CEDA APPLICATION

All Applications Must Be Received by August 16, 2024

The 2024 CEDA nominations will be judged in each of the five categories that have made the most significant contribution to economic development in their community and the State of Texas.

AWARD CATEGORIES

The CEDA will be awarded to one community from each of the following five population categories: (as currently marketed). Mark the population category for which you are applying. In addition to CEDA by population, applicants will be considered for five criteria awards such as: Innovativeness, Transferability, Community Commitment & Leverage, Measured Objectives and Secondary Benefits.

- Population less than 10,000 _____
- Population 10,001 to 20,000 _____
- Population 20,001 to 50,000 _____
- Population 50,001 to 100,000 _____
- Population 100,001 to 250,000 _____
- Population 250,001 and above _____

NOMINATION:

Name of Community: _____

TEDC Member Name: _____ (individual member, not organization)

Telephone #: _____

Email Address: _____

Community Population (as currently marketed): _____

Community/Organization Linked-In Profile: _____

Application Submitted By: _____

Email Address: _____

Media Contacts: [optional]

Organization: _____ Contact Name: _____

Email Address: _____

Organization: _____ Contact Name: _____

Email Address: _____

City of Robinson / McLennan County

Community Economic Development Award Application 2024

Prepared by: Greater Waco Chamber

Background:

In March 2023, the Greater Waco Chamber team was contacted by the Dennis Group (DG) representing a well-known Fortune-ranked business regarding a potential food and beverage project, Project Ryegrass. The project's initial search area focused on the Dallas-Fort Worth Metro, excluding the Greater Waco region. However, our team had recently worked with DG on another project. The DG team's familiarity with the region, including the Robinson Business Park, our team's responsiveness and attention to detail along with the local and regional capabilities to serve large industrial customers, including the food industry, prompted DG to suggest the site search area expand to include the Greater Waco area.

For months, our team remained clueless to the identity of the company or its product. After multiple site visits with the DG team for technical reviews, weekly project calls and many emails, the client and the project were revealed in November 2023. Walmart Manufacturing was looking for the home of its next state-of-the-art milk processing plant. Months of additional work ensued with the community remaining diligent in its efforts to support the location of the facility.

On March 7, 2024, at a press conference attended by local and state leaders, community and business representatives, Walmart and Robinson announced the project to great fanfare.

Construction commenced just weeks later on April 1, and beginning in February 2026, more than 100 million gallons of white and chocolate milk will be heading to Walmart and Sam's Club stores across Texas, Oklahoma, Arkansas, Louisiana and Mississippi from Robinson, Texas annually. This project represents Walmart Manufacturing's third milk processing facility in the US, and its first manufacturing facility in Texas.

I. INNOVATIVENESS

Every project is unique and requires its own customization and creativity. As a rural community adjacent to an urban center, Robinson can leverage the region's many assets, including infrastructure, workforce and higher education to position itself as a competitive location for economic development prospects. To help further spur opportunities, Robinson established a Tax Increment Reinvestment Zone (TIRZ) that included the land located at the southeast quadrant of the intersection of Interstate 35 and TX Highway 6, the Robinson Business Park. For nearly 10 years, the 635-acre tract, owned by the Waco Industrial Foundation (WIF), remained vacant, despite its prime location at the confluence of two major thoroughfares and robust on-site utilities. What it lacked was a road! Robinson established the TIRZ with a commitment to partnership. Working with the WIF and McLennan County (collectively contributing nearly \$2million in cash and in-kind contributions), Robinson secured the financing to fund the first phase of the road project. This better positioned the site for consideration when DG came knocking with a new

opportunity. The lack of a road in the Robinson Business Park eliminated the site from multiple prior projects.

Greater Waco's regional approach to economic development is long established with its partnership between the City of Waco, McLennan County and the Waco Industrial Foundation (WIF) bringing government and the private sector together for community building. That same approach of partnership has proven successful in relationship building with Robinson.

When meeting the Walmart team for the first time in November 2023, they were provided transparency and a comprehensive outline of their needs, impediments facing the site, and funding gaps that needed to be filled. Because of the strength of the partnership, the community partners were able to tackle the list in partnership, providing reasonable solutions bridged the company's financial gaps and met the project's aggressive timeline.

Walmart's commitment to Robinson ensures the completion of the road, extension of additional utilities, including natural gas improvements, and off-site improvements to a nearby rural bridge that is weight restricted and undersized for waterflow. In total, Robinson has committed to more than \$10 million in infrastructure improvements needed to support the project and the future industry needs of Robinson Business Park tenants.

II. TRANSFERABILITY

This project is a prime example of the importance of relationships in every project. But for the relationships forged with DG from a prior project (one that never materialized), it is highly unlikely our region would have been added to the search area. But, because of our team's responsiveness and ability to bring local leadership to the table, DG knew Greater Waco would be a viable option for Walmart's project.

The project with Walmart provided many opportunities for collaboration and lessons learned that could be applicable to other communities and economic development practitioners. For this project, the most important and transferable aspects were collaboration and the ability to provide solutions. From the beginning, our public sector partners, utility providers, technical support, higher education and workforce teams and private sector partners were in the room, ready to support the project. When challenges arose (and they did) we worked collectively towards solutions. Together through this process, we strengthened existing relationships and built a strong sense of trust with the Walmart team, which continues during construction and will endure.

Below are a few thoughts others might consider in their own projects:

- Bring the right players to the table early in the process.
- Partners may have solutions and ideas you did not think of, include them in discussions.
- Building strong relationships amongst community partners reflects favorably on your community and gives the company confidence in selecting your site.

- The creative use of economic development resources can and has provided opportunities for new utilization options within our community for future projects. Small changes can yield impactful results.

III. COMMUNITY COMMITMENT & LEVERAGE

Establishing the Tax Increment Reinvestment Zone and opening the door for Tax Increment Financing has been a game-changer for Robinson. The community does not have an established economic development corporation, nor does it is a Type A or B sales tax community, but Robinson has leveraged its own assets and those of the region to provide positive economic impact for its community and the region.

Incentive support for Walmart is focused on infrastructure improvements and property tax relief. The infrastructure improvements supporting Walmart will also expand service capacity for future businesses locating into the Robinson Business Park. Companies will have full access to a brand-new industrial-grade road with interstate access, a distribution natural gas line, increased electrical capacity, full sewer access and drainage improvements, collectively a local investment of more than \$10 million. McLennan County contributed a portion funding to road improvements and materials, Waco Industrial Foundation provided incentivized land pricing and funding for the natural gas line.

The following programs are being accessed to support Walmart's Robinson project:

- Chapter 380 Business Grant (15-year term for personal property tax reimbursement at 70%)
- Tax Increment Financing (reimbursing private sector for natural gas line)
- Incentivized land pricing by Waco Industrial Foundation
- Freeport Exemptions – the site is triple freeport exempt with participation by Waco and McLennan County.
- Texas Enterprise Zone Project Designation
- Skills Development Fund
- Electric service extensions via Oncor
- Waco's recent off-site upgrades of the regional wastewater treatment system capable of handling both the volume of water and affluent generated by a milk processing facility.

IV. MEASURED OBJECTIVES

- Job creation:** 397 full-time jobs
- Wages:** \$65,000/yr., plus benefits (before overtime, bonuses, etc.)
- Site:** 79 acres
- Facility:** 310,000 square feet (production and distribution space)
- Capital Investment:** \$350Million in new taxable real and personal property.

f. Expanded Tax Base: Over the first 20-years of operations, Walmart’s investment will generate more than \$73,000,000 in new property taxes for Robinson, Waco, McLennan County, McLennan Community College and Robinson Independent School District.

g. Direct Economic Impact

According to the Economic Impact Analysis conducted by Impact DataSource, Walmart’s project will generate the following direct economic impact for Robinson & Greater Waco:

- \$25.7MM in annual on-site payroll
- Over \$2.4MM in annual taxable sales for Robinson & McLennan County
- New home construction and the relocation of more than 35 employees and their families to the area.

V. SECONDARY BENEFITS

a. Indirect Economic Impact

According to the Economic Impact Analysis conducted by Impact DataSource, Walmart’s project will generate the following indirect economic impact for Greater Waco:

- 476 spin-off jobs
- \$20MM in annual payroll
- More than \$610,000 in annual taxable sales in Robinson and McLennan County
- New home construction and the relocation of more than 40 people and their families to the area.
- In addition, over the course of construction, there will be hundreds of construction workers on-site, many of whom will be occupying hotel rooms, generating hotel occupancy tax dollars and sales taxes for Robinson, Waco and the surrounding communities through the utilization of local hospitality and service providers.

b. New Business Development Opportunities

Walmart will source its raw milk from the Central Texas region, providing stable business support for the region’s dairy industry. The Robinson plant will produce over 100 million gallons of milk annually.

c. Community partnerships

As mentioned previously, this project has been a team collaboration across the board. The commitment of each partner in supporting the company and the community has been exceptional, and but for the coalition of the willing, Robinson may not have been the final location for this project.