

# **TEDC 2025 CEDA APPLICATION**

All Applications Must Be Received by August 29, 2025

The 2025 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**

o Population less than 10,000

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.

<ul> <li>Population 10,001 to 20,000</li> </ul>	
<ul> <li>Population 20,001 to 50,000</li> </ul>	
o Population 50,001 to 100,000	
o Population 100,001 to 250,000	
o 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:	

#### I. INNOVATIVENESS

The Vinton Steel expansion combines advanced manufacturing, strategic rural retention, and layered public-private financing in one of Texas' smallest incorporated towns. With a total investment of \$250 million, the project secured one of the largest private employers in El Paso County. The project introduced a new green steelmaking technology never used in the United States. Vinton Steel is a division of Japan based Kyoei Steel LTD.

The facility will be the first in the country to implement the Green CityMill Flex platform. Key features include Endless Rolling Technology, a zero-water cooling system, and an advanced fume treatment unit. Together, these innovations reduce emissions by more than 75 percent compared to traditional blast furnace operations. The upgrade will also double annual output to 500,000 short tons, with systems in place to support renewable energy integration and environmental controls.

Vinton Steel is one of the first projects in Texas to receive an award under the Jobs, Energy, Technology, and Innovation (JETI) Act. The award created a partnership between Vinton Steel and the Canutillo Independent School District. Combined with support from the Texas Enterprise Fund, Texas Enterprise Zone, Chapter 380, and Chapter 381 agreements, the project reflects a coordinated, multi-jurisdictional effort to retain and modernize a legacy employer.

Rather than pursuing traditional attraction, the community took a proactive retention-first approach, keeping the company from relocating to Miami, FL or Edmonton, Alberta. The project protects 356 existing jobs and adds 188 new, high-wage positions averaging \$63,612. In partnership with El Paso Community College and the University of Texas at El Paso, a targeted workforce pipeline was established to train both incumbent and incoming talent. Vinton Steel is now a model for how small towns can retain, modernize, and elevate core industry.

### I<u>I. TRANSFERABILITY</u>

The Vinton Steel project serves as a practical and scalable model for other Texas communities seeking to retain and modernize industrial employers. Its success rested on early coordination, cross-sector partnerships, and the creative use of public tools. These elements can be applied anywhere with the right leadership and shared goals.

**Retention-first model:** Rather than pursuing attraction, the Village of Vinton led with a retention strategy focused on saving and growing a legacy employer. The proactive approach kept the company from relocating to Florida or Canada.

**Stacked incentive strategy:** A layered incentive package, combining the Texas Enterprise Fund, JETI, Enterprise Zone designation, and Chapter 380 and 381 agreements, showed how multiple jurisdictions can collaboratively deploy resources for maximum impact.

**School district as a development partner:** Canutillo ISD's \$6 million JETI award is a rare example of a school district participating directly in economic development. This tool gave the district a way to both retain tax base and reinvest in workforce training. Other districts with manufacturing in their tax base can replicate this approach if backed by strong financial planning and local leadership.

**Workforce-aligned education:** Vinton Steel partnered with UTEP and El Paso Community College to align training programs with new production technology. The company also submitted a Skills Development Fund application to train incumbent and future workers. This education-industry model can be replicated wherever technical colleges or workforce boards exist.

**Blueprint for rural competitiveness:** The coordinated response by the Village of Vinton, El Paso County, Canutillo ISD, the State of Texas, and Borderplex Alliance shows how even small towns can compete for high-impact reinvestment. The strategy provides a clear roadmap for rural Texas communities facing similar industrial retention challenges.

# III. COMMUNITY COMMITMENT AND LEVERAGE

The Vinton Steel expansion is a model of deep regional cooperation, leveraging six incentive programs across all levels of government to retain and modernize a major employer.

- The Village of Vinton approved a Chapter 380 agreement worth \$7.9 million
- El Paso County contributed a \$4.2 million Chapter 381 agreement
- Canutillo ISD, through the JETI Act, committed \$6 million in school tax reinvestment
- The Governor's Office awarded a \$1.5 million Texas Enterprise Fund grant
- A Texas Enterprise Zone designation secured \$1.8 million in sales tax rebates

"Vinton Steel's \$250 million investment—supported by the State of Texas through the JETI Grant—marks a decisive step in modernizing our operations, strengthening domestic manufacturing, and creating high-quality jobs in El Paso. We are committed to executing this project with the highest standards of safety, environmental stewardship, and operational excellence, while deepening our partnership with the community we proudly serve."

Eduardo Gonzalez, Vice President of Operations, Vinton Steel, LLC.

Together, this created a coordinated \$21.2 million incentive package, one of the most comprehensive industrial retention efforts ever assembled in a rural Texas community.

Beyond funding, institutional alignment was critical. EPCC and UTEP partnered to develop targeted training aligned with new mill technologies. A Skills Development Fund application was submitted to finance upskilling for current and future workers.

This outcome was only possible because of aligned leadership from the Village Council, El Paso County Commissioners, Canutillo ISD board, Borderplex Alliance, and the State of Texas. Their unified response kept Vinton Steel from relocating and anchored a high-impact employer in place.

## IV. MEASURED OBJECTIVES

The Vinton Steel expansion delivered measurable and enforceable results in capital investment, job creation, and tax generation, making it one of the most impactful industrial retention projects in Texas.

- \$250 million in capital investment will double the facility's steel production from 250,000 to 500,000 short tons annually, making it the largest manufacturing investment in El Paso County history.
- The project created 188 new full-time jobs at an average annual wage of \$63,612, while retaining 356 existing positions—a total of 544 direct jobs in a town of fewer than 2,500 residents.
- The total incentive package of \$21.2 million includes performance-based awards from the Texas Enterprise Fund, JETI, Enterprise Zone, and Chapter 380 and 381 agreements. Each contains strict conditions tied to hiring targets, investment benchmarks, and construction timelines.

The project also yields measurable environmental outcomes. With Endless Rolling Technology and zero-water cooling systems, the mill will:

- Reduce GHG green house gasses emissions by over 75%
- Reduced water usage in the cooling process
- Reduce overall electrical energy consumption

Together, these measurable outcomes demonstrate a strong return on investment for local and state partners while setting a new industrial standard in environmental performance.

### V. SECONDARY BENEFITS

The Vinton Steel expansion generated long-lasting economic, educational, and infrastructure benefits that ripple beyond the site itself.

The creation and retention of **544 high-wage jobs** and **\$250 million investment** is projected to generate **\$1.4 billion in economic output** across El Paso County over the next 15 years. The expansion will support more than 2,200 total jobs, including construction, logistics, and service roles throughout the region.

The modernized facility will yield an additional **\$5.5 million in tax revenue**, sustaining vital public services for Canutillo ISD, the Village of Vinton, and surrounding infrastructure. This tax base stability is critical for a rural community with limited industry diversity.

Two Vinton Steel suppliers are now exploring regional expansions, signaling additional industrial growth tied to the project's success.

Public investments in roads, utilities, and permitting have already increased site capacity for future industrial users. These improvements lay the groundwork for scalable development in northwest El Paso County. - private retail invesement is already underway adjacent to the Vinton Steel Facility

Finally, El Paso Community College and U.T. El Paso are co-developing training programs tailored to the new steel technologies, creating a replicable workforce model that serves both the project and future advanced manufacturers.