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

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: City of Waco/McLennan County

TEDC Member Name: Kris Collins (individual member, not organization)

Telephone #: 254.723.3810

Email Address: kcollins@wacochamber.com

Community Population (as currently marketed): 304,000

Community/Organization Linked-In Profile: www.linkedin.com/company/greater-waco-cha

Application Submitted By: Kris Collins

Email Address: kcollins@wacochamber.com

Media Contacts: [optional]

Organization: Waco Tribune Herald Contact Name: Mike Copeland

Email Address: mike.copeland@wacotrib.com

Organization: Greater Waco Chamber Contact Name: Gabriella Colurciello

Email Address: gcolurciello@wacochamber.com

City of Waco / McLennan County

Community Economic Development Award Application 2025

Prepared by: Greater Waco Chamber

Background:

In December 2021, the Greater Waco Chamber team was contacted by the U.S. Commercial Service, which introduced us to representatives from a Mexico-based pharmaceutical company interested in establishing a U.S. production facility. During a virtual meeting, Grupo PiSA shared its plans to expand sales of its hydration beverage, Electrolit, and noted that Waco was being considered as a potential site for its first U.S. manufacturing operation. At the time, all Electrolit products were manufactured in Guadalajara, Mexico, and imported into the U.S. for distribution. This initial conversation marked the beginning of what would become known as Project Lit. Several sites across Texas were being evaluated, alongside ongoing discussions about potential expansion within Mexico.

An initial site visit took place in February 2022, followed by a second in March. With each visit, relationships between company representatives and local community leaders deepened. As a family-owned business, PiSA was not only searching for a suitable location for its production facility, but also for a community where it could grow and thrive. A site within the Gateway Business Park was ultimately identified as a strong fit for the company's operational needs. From the outset, a wide range of partners—including elected officials, municipal staff, utility providers, and workforce development representatives—were actively engaged, reinforcing PiSA's confidence in Waco as the ideal location.

What began as a relatively straightforward project quickly evolved into a complex puzzle involving relationship management, engineering and infrastructure challenges, and high-stakes negotiations. The shift came with the arrival of a second prospect—Project Gateway Tower (Graphic Packaging International)—seeking to develop the adjacent property. Suddenly, our team was no longer supporting a single major user of water and utilities, but two, each with similarly aggressive timelines and significant infrastructure demands. The situation became even more complex when GPI expressed interest in the very site PiSA had selected. Navigating that conversation was, to put it mildly, delicate. Yet, in a show of collaboration and community-mindedness, PiSA graciously agreed to accommodate the request, recognizing the broader value and impact of both projects for the region.

Behind the scenes of this critical phase, teams were hard at work addressing the infrastructure demands of both projects. Significant upgrades to onsite and upstream water systems were required to support two major users—each needing 1 million gallons of water per day. Additionally, substantial electricity and natural gas capacity had to be secured, along with rail access for both operations. And all the while, the clock was ticking.

On June 30, 2022, PiSA purchased 120 acres in Waco, Texas for its first U.S. manufacturing facility. While the acquisition marked a major milestone, much work remained. The company continued engineering the facility and navigating internal processes to secure final family approvals. It would be another 17 months before PiSA formally announced its intentions in Waco.

Throughout that time, our efforts continued in the background—supporting the parallel development timelines of both projects and ensuring infrastructure planning kept pace.

Finally, on November 12, 2024, Electrolit Manufacturing USA officially unveiled its plans to the world. Construction began immediately, and starting in February 2026, Electrolit beverages sold in the U.S. will be proudly made in Waco, Texas.

The full media release for the project announcement is available at https://wacoeconomicdevelopment.com/about-us/news/electrolit-brings-manufacturing

INNOVATIVENESS

The project demonstrates innovation in a variety of ways by leveraging partnerships and tapping into existing economic tools but utilizing them in new ways. 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.

The scale of the Electrolit and GPI projects elevated the City's partnership with the Waco Industrial Foundation (WIF) to an unprecedented level. Given the tight development timeline, innovative approaches were essential. Rather than having the City of Waco handle all upstream and onsite improvements, responsibilities were strategically divided between the City and the WIF.

The WIF not only provided discounted land for the developments but also served as the financier for $30 million in new infrastructure. This included water, wastewater, drainage, natural gas, and the construction of a new access road. Meanwhile, the City managed upstream infrastructure, such as installing new pumps at the water treatment facility and upsizing pipelines to accommodate increased water demand.

Upon completion, the WIF will sell the infrastructure improvements to the City, effectively receiving reimbursement. To fund the improvements, the City issued Certificates of Obligation (COs), with debt service to be covered by new revenues generated within the Tax Increment Reinvestment Zone (TIRZ).

Historically, Waco has used its TIRZ primarily for downtown redevelopment and catalytic projects, including McLane Stadium and the Foster Pavilion. This marks the first time the City has leveraged TIRZ funds to support industrial development.

By partnering with a private entity, the project was able to move at an accelerated pace to meet the demanding timelines. All infrastructure improvements are on track for completion by October 2025.

I. TRANSFERABILITY

This project provided many opportunities and lessons learned that would 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 (even the prospect) towards solutions. Together through this process, we strengthened existing relationships and built a strong sense of trust with the project team, that continues during construction and will endure.

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

- Review your property information well and understand any potential impediments along with the solutions needed to resolve them. For example, a court ordered telecom easement along the rail line nearly derailed both projects and required significant intervention by Union Pacific Railroad to resolve.
- Partners may have solutions and ideas you didn't think of, include them in discussions.
- Bring the right players to the table early in the process.
- Building strong relationships amongst community partners reflects favorably on your community and gives the company confidence in choosing 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.

II. COMMUNITY COMMITMENT & LEVERAGE

We know incentives can be the difference-maker in a project. Unlike other communities in Texas, Waco does not have Type A or B sales tax funding. Rather, Waco and McLennan County partner to provide funding support for projects through the Waco McLennan County EDC. Incentive support for Electrolit has focused on infrastructure improvements. The WMCEDC funds supporting this project will reimburse the company for expenses related to natural gas line improvements and electricity infrastructure expenses. The following programs are being accessed to support Electrolit's Waco project:

- Chapter 380 Business Grant (15-year term for personal property)
- Tax Increment Financing (reimbursing private sector development of public utilities)
- Waco McLennan County Economic Development Corporation – cash grant to offset natural gas line extension and electricity extension expenses.
- Creative Financing by the Waco Industrial Foundation acquiring private debt to extend public infrastructure to support the project.
- Freeport Exemptions – the site is double freeport exempt with participation by Waco and McLennan County.
- Texas Enterprise Zone Project Designation
- Skills Development Fund
- Electric service extensions via Oncor
- Waco's reorganization of its Capital Improvement Plan schedule to reallocate $30MM dollars for off-site water system improvements in support of both Electrolit and GPI.

III. MEASURED OBJECTIVES

a. **Job creation:** 200 direct full-time jobs, 200 indirect jobs
b. **Wages:** $60,000/yr., plus benefits (before overtime, bonuses, etc.)
c. **Site:** 120 acres
d. **Facility:** 640,000 square feet (production and distribution space)
e. **Capital Investment:** $400Million in new taxable real and personal property.

f. **Expanded Tax Base:** Over the first 20-years of operations, Electrolit's investment will generate more than $97,000,000 in new property taxes for Waco, McLennan County, McLennan Community College and Midway Independent School District.

g. **Direct Economic Impact**
According to the Economic Impact Analysis conducted by Impact DataSource, Electrolit's project will generate the following direct economic impact for Greater Waco:
   - $13M in annual on-site payroll
   - Over $4.7MM in annual taxable sales for Waco & McLennan County

IV. SECONDARY BENEFITS

a. **Indirect Economic Impact**
According to the Economic Impact Analysis conducted by Impact DataSource, Electrolit's project will generate the following indirect economic impact for Greater Waco:
- 212 spin-off jobs
- $10MM in annual payroll
- In addition, over the course of construction, there are be hundreds of construction workers on-site, many of whom occupy hotel rooms and frequent area businesses, generating hotel occupancy tax dollars and sales taxes for Waco and the surrounding communities through the utilization of local hospitality and service providers.

b. **New Business Development Opportunities**
Electrolit's parent company, Grupo PiSA, is the largest pharmaceutical and medical device manufacturer in Latin America. As the company continues to expand its global footprint, it is already exploring additional opportunities in Waco. Furthermore, as a family-owned business, Grupo PiSA's leadership frequently engages with other family-owned enterprises in Mexico and has actively recommended Greater Waco as a prime location for establishing U.S. operations.

c. Community partnerships
As mentioned previously, this project has been a true team effort. The commitment demonstrated by each partner—to both the company and the community—has been exceptional. Without the strong collaboration and shared vision of this coalition of willing partners, Waco may not have been selected as the final location for this project.