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Midlothian
Economic Development
Strong. Bright. **Texas.**

FY 2023- 2024

ANNUAL REPORT

BOARD MEMBERS

- Bill Burdett - President
- Lynda Johnson - Vice President
- Aaron Cox - Secretary
- Wayne Shuffield (Jan-May) - Treasurer
- Richard Reno (July-Sept.) - Treasurer
- Phil Weaver - Board Member
- Jim Norris - Board Member
- Wanda Wilkerson - Board Member
- Mayor Coffman (Oct - Apr) - Liaison
- Councilman Rogers (May-Sept) - Liaison



The MED Board of Directors meets monthly. Visitors welcome, MED meetings are open to the public.

310 N. 9th Street
Midlothian, TX
76065

FROM THE BOARD

Midlothian Economic Development (MED) has been in operation for 25-years. It's remarkable to see the growth over this period as our population has grown from 8,200 to nearly 42,000. Our landscape has also changed tremendously — like the Highway 287 bypass, community park, retail centers, Methodist hospital, multiple industrial facilities, and thousands of new residential units. Despite this growth, what has remained constant is Midlothian's commitment to enhance the quality of life for our residents.

The MED, in collaboration with the City, MCDC, MDA, and Ellis County, continue to invest in our community's future. Together, we seek opportunities for high-paying jobs, a diversified tax base, and a thriving local economy.

This fiscal year we continue making steady progress. Through the implementation of the *Five-Year Focus on Projects* strategic plan, we witnessed the tangible results of our continued efforts.

Midlothian's future is bright. The MED Priorities outline a vision to attract primary job employers, create technical training facilities, continue to enhance our downtown, and expand opportunities for commerce at Mid-Way Regional Airport. Midlothian's appeal will only grow stronger as we cultivate a community that builds up our local businesses.

The result will be new restaurants, entertainment, and local retailers that create the quality of life our residents seek.

For 25 years, MED has collaborated closely with our partners to create a community that stands apart. Our commitment remains strong as we continue this path, building something extraordinary that will leave a lasting legacy for future generations.

Sincerely,



Bill Burdett

MED Board President

Highlights



Utility-scale battery storage is crucial for storing excess renewable energy and ensuring reliable power during peak demand.

Desert Willow Energy Storage

The Desert Willow Energy Storage facility, located in Midlothian, Texas, is a 150 MW / 300 MWh lithium-ion battery storage project developed by esVolta. The property was purchased at market rate from Midlothian Economic Development (MED) in late 2023, without additional incentives. MED collaborated with esVolta to secure the necessary zoning approvals, facilitating the project's development. These energy storage facilities are vital for providing reliable electricity to the Texas grid, especially during peak demand.

In addition to the community benefits associated to the electricity provided, this project represents a significant capital investment of +\$150 million. This makes Desert Willow one of the highest capital investment projects on a per square foot basis in Midlothian. The facility's construction and long-term operation will contribute to the local economy, while ensuring the grid's reliability and providing critical electricity to Texas during periods of peak demand. (Approved December 2023)

150MW

Lithium-Ion Battery Storage



Midlothian 2020 Downtown Plan identified seven catalyst projects, Catalyst Project #5 specifically addressed the adaptive reuse of 7th Street.

Lawson District

The Lawson District in Midlothian, Texas, is a key project in the city's downtown revitalization efforts. In late 2020, the City of Midlothian sold the property to a local developer, aiming to transform the site into a vibrant, mixed-use destination. The development will include a combination of restaurants, retail spaces, and entertainment venues, designed to draw both residents and visitors to the downtown area. The project is aligned with the city's 2020 Downtown Master Plan by preserving the historical character of the district while introducing new commercial opportunities.

In August 2024, the MED approved an infrastructure grant for the Lawson District to cover water and wastewater impact fees, an incentive that was initially contemplated during the request for proposal and land purchase process. This infrastructure support is crucial for the project's success, as it addresses significant development costs and encourages further investment in the downtown area. The Lawson District is expected to be a high-capital project, bringing economic growth and revitalization to Midlothian's downtown core. (Approved August 2024)

37,468 SF

Redeveloped downtown restaurant, retail, office, and entertainment space

Construction Update



80 MW

Ellis Solar is the largest private solar farm in the US

- **Gerdau** – The nearly 50-year-old facility is the largest economic driver for the region. In late 2023, Gerdau completed two significant new projects. The first is the 80-megawatt Ellis Solar farm project. This facility is the largest behind the meter solar farm in the US and is critical to achieve target operational costs at the Midlothian mill. The second project was the completion of the GSMP facility. The GSMP facility added a new business line to the Gerdau campus that produces finished goods. Additionally, Gerdau continues the mill modernization project that will ensure the continued operation of the plant. In total, Gerdau has invested half a billion dollars in recent projects.
- **Home Zone Furniture** – In 2022 the city, county, and MED entered into tax abatement and performance agreements for the relocation of Home Zone’s headquarters, advertising productions, and warehouse operations. In late August 2024, Home Zone completed its 700,000 square foot facility. Since Home Zone’s commitment to build in Midlothian they have already contributed to Midlothian ISD and local non-profit organizations.



- **New Town Square aka “City Hall & Library”** – In February 2023, the MED and city formalized a funding agreement to provide \$3 million for infrastructure improvements for the new city hall and library. The building is anticipated to be complete in November 2024; however as of September 2024 all infrastructure improvements have been completed and funds transferred for the project. The city hall project was approved by the MED because it was identified in the downtown plan as Catalyst Project #1. The project has already sparked business activity, and the project will continue to be the central focus for decades to come.
- **Penn to Paper** – In 2023, a performance agreement was approved with Big Q Concepts for infrastructure improvements associated with the restaurant’s downtown expansion. As result of operational challenges due to the downtown construction activities and management changes, the MED and ownership agreed to an extension. The amendment will allow an extra year for the infrastructure improvements to be completed. Per the agreement, MED funds will be given after the completion of the project.

- **Main Street Towne Crossing** – Main Street Towne Crossing – In July 2023, the MED approved a \$3.5 million forgivable loan for the new regional retail center in Midlothian. In June, construction commenced on the 72-acre project. The initial construction will include a significant amount of earth and utility work. Once complete, the center will be a major anchor for retail, restaurants, and possibly entertainment users.
- **Google** – In August, Google hosted an event at the Midlothian facility to celebrate a billion dollars of additional investment in Texas. Google has invested heavily in Ellis County at sites in Midlothian and Red Oak. The Midlothian facility is fully operational, and expansion projects are underway. In addition to the direct benefits from the project, Google continues to contribute to our local school district and non-profit organizations.



Targeted Efforts



25

local businesses participated in the Chamber's Business Academy

- **Small Business Training** – For over 10 years, Midlothian and the Midlothian Chamber have partnered to offer formalized training for entrepreneurs and small businesses in our community. These efforts have taken many different forms ranging from peer training, continuing education, to business plan competitions. In 2024, under the direction of the Chamber's Workforce Committee it was proposed that the community take a significant step forward and allocate resources to hire a professional trainer. Through a sponsorship by the MED, the Chamber created the Business Academy. Midlothian resident, Michael Ray Newman, and Edwin Britt, with Edge Global Inc, were hired to create a year-long program targeted to help grow small business attendees. The academy meets quarterly and will conclude in November. In the inaugural year, the Business Academy included 25 local businesses.
- **Community Forums** – Economic development programming can be complicated to understand. Twice a year, the MED hosts a community forum where Midlothian residents are given an opportunity learn about specific programs and projects. The event provides an opportunity for residents to ask questions to better understand how Midlothian's economic development programming provides direct benefits to our residents. In 2024, forums were held on February 1st and August 1st. Approximately eight people attended each event.

- **MED Owned Land** – In connection with the land sale to Desert Willow Energy Storage, the MED purchased 6.01 acres on V.V. Jones Road. The property was purchased with the intention to resell the property for small users needing buildings under 30,000 square feet. Since the property purchase in November 2023, the MED has worked to secure utility easements for the future development of the property. The MED is waiting for market conditions to improve to sell the property. By way of information, the MED also owns a one-acre tract located at 680 Mt. Zion Road. The MED dedicated right-of-way for the realignment of Mt. Zion Road. The MED does not have any formal plans for this property.
- **MED Records** – In effort to build upon the MED's efforts to improve internal processes and record keeping, the MED implemented data management software. The software is used in the MED's recruitment and compliance efforts.
- **Technical education** – Education is a priority for the Midlothian community. Over the past year, the MED has continued its efforts to promote the need for a long-term technical facility that serves our local employers, adults, and high school students. In February, the MED held a technical workforce roundtable with Midlothian's industrial employers to validate the need and demand for a local educational facility. The event was well attended and discussed four main topics: (1) difficult to hire positions, (2) current training programs, (3) desires for a training program, and (4) target occupations. Despite the variety of industry in Midlothian, consensus was unanimous; Midlothian has a strong need and demand for a technical education facility. The MED continues to work with our workforce partners to explore new opportunities to construct facilities that can better serve our community. This effort will continue, the MED has increased its funding allocation in the Five-Year Funding Model to 15% for a career center.
- **Promotional Efforts** – In effort to enhance the MED's digital recruitment efforts, the MED contracted with Camoin Associates. The company developed a marketing strategy to drive traffic to the MED website. The intention of the efforts was to generate inquiries via digital resources. Despite multiple modifications and a slight increase in web traffic, the program has not met the programs desired objectives. The MED will adjust its digital efforts going forward; however, the resources will be redirected to other areas.

Economic Impact

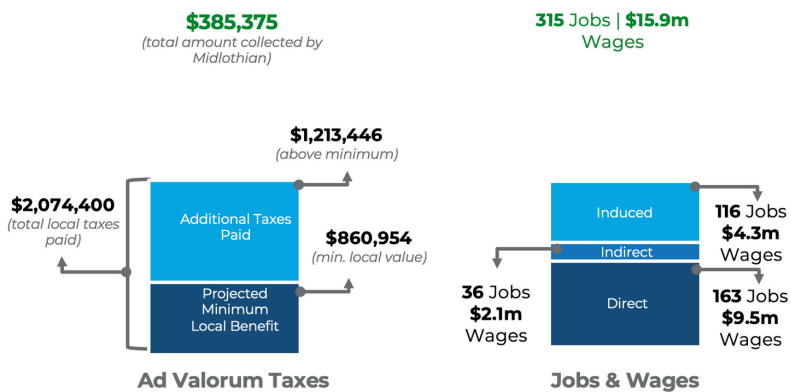
Cities and economic development organizations utilize a variety of different incentive tools to promote economic development. In Midlothian, the most common tools are tax abatements, performance agreements, and Chapter 380's. Each incentive is negotiated to ensure maximum public benefit and formalized in an incentive agreement.

All company benefits are contingent upon the company's performance. Communities benefit from the projects direct and indirect benefits. Direct benefits include the jobs, wages, and taxable values received by the city, county, and school district. Indirect benefits come when the company makes supply chain purchases (know as "indirect" benefits) and when the company's employees make purchases in the community (known as "induced" benefits).

The following is an analysis of the direct and indirect benefits to the City of Midlothian for the active incentive agreements. In summary, **the 2023 direct benefit to Midlothian is 1,895 jobs and \$3,255,133 in city tax revenue.** The indirect benefits include 1,583 jobs and \$108.4 million in wages in our region. Together, the active incentive agreements generate a total economic impact of over \$275 million for our region.

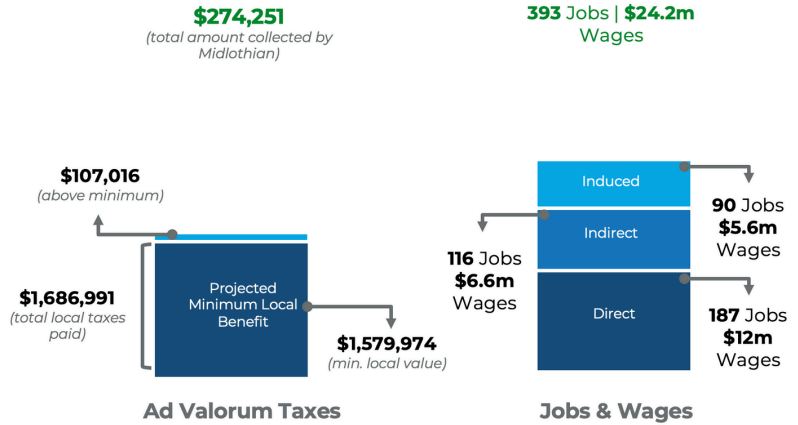
Sunrider Manufacturing

In 2023, Earth Root Holdings, LLC., was required to have a minimum of 90 jobs with a total payroll of \$4,126,590 and \$56 million in taxable value. They exceeded the minimum requirements and received a 55% tax abatement from the city and county; they also received 2nd year loan forgiveness from the MED valued at \$390,322.



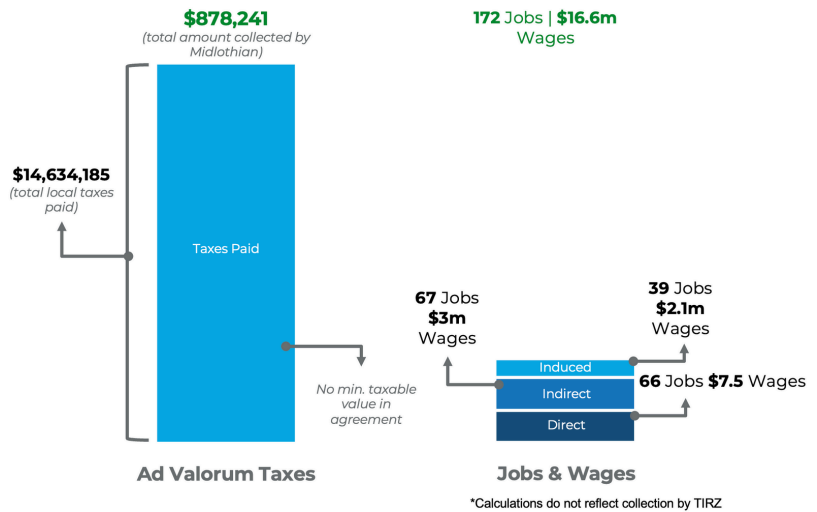
SunOpta Grains & Foods

In 2023, SunOpta Grains & Foods INC., was required to have a minimum of 106 jobs with a total payroll of \$6,200,000 and \$110 million in taxable value. They exceeded the minimum requirements and received a 65% tax abatement from the city and county.



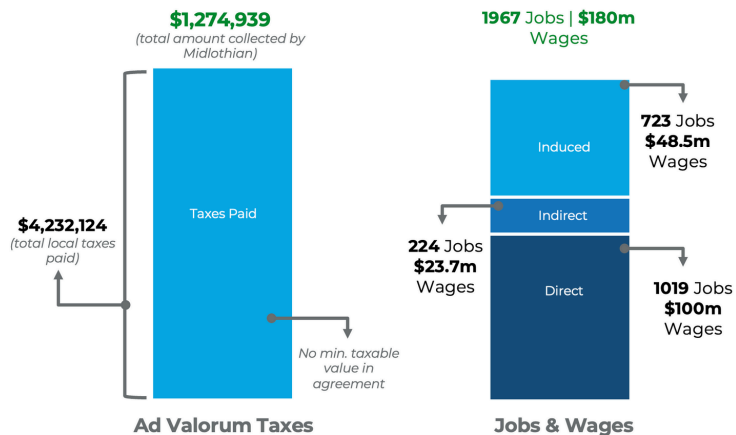
Google

In 2023, Sharka LLC., was required to have a minimum of 40 jobs. They exceeded the minimum requirements and received a 100% personal property and 85% real property tax abatement from the city and county.



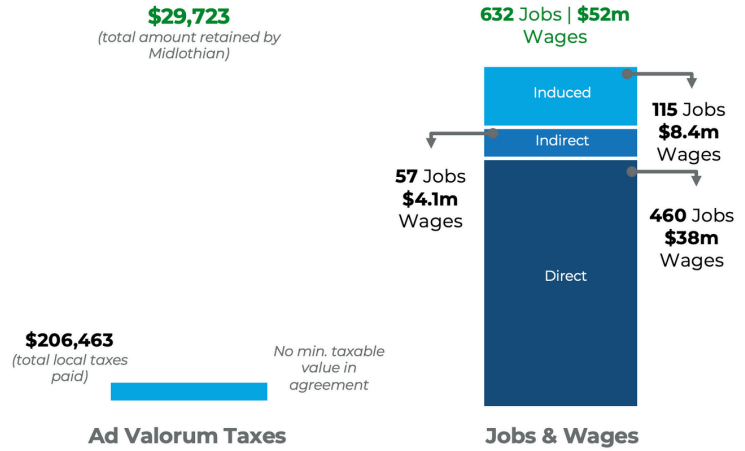
Gerdau

In 2023, Chaparral Steel Midlothian LP., was required to have a minimum of 900 jobs and complete the GSMP finishing facility. Because this is the first year of the agreement no total payroll or taxable value was required. They exceeded the minimum requirements and received a 45% tax abatement from the city and county; they also received an operations grant worth \$1.3 million.



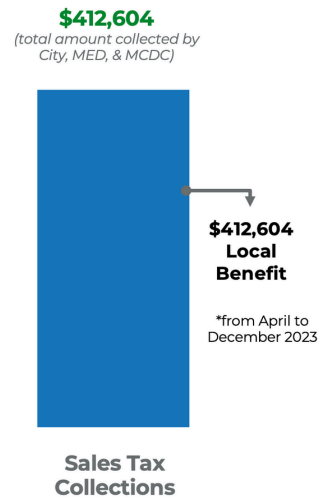
Methodist Midlothian Medical Center:

In 2023, Methodist Health Systems received a 55% personal property Chapter 380 reimbursement from the city; they also received a \$450,000 total grant, paid by the MED and MCD. The grants were received because of the hospital's previous performance of completing the facility.



MSC Direct

In 2023, Sid Tool, received a 40% sales tax reimbursement from the City, MED, and MCD. The sales tax reimbursement was due to MSC's previous performance and continued use of the Midlothian Conference Center.



Recruitment Efforts

The MED proactively seeks to attract and retain companies that create Primary Jobs. Primary Jobs are created by companies that export products and services, regardless of company size. Primary Jobs generate new wealth for Midlothian the new money enters our local economy when wages, taxes, and supplies are paid. Midlothian proactively seeks companies that (1) offer high paying positions, (2) generate significant taxable value, and (3) provide beneficial impact on our local infrastructure.

The basis of Midlothian’s recruitment efforts is to ensure adequate buildings and sites that align with market demands. The MED works closely with property owners and real estate brokers to position these properties for our target industries.

The MED has established aggressive marketing goals and works in partnership with regional partners to generate leads. MED partners include the Governor’s Office of Economic Development, Team Texas, the Dallas Marketing Team, Oncor Electric, and Site Location Partnership and a vast number of local consultants and real estate brokers. The MED is engaged in online marketing, attending trade shows, and visiting other markets to connect with Primary Job employers seeking to expand their businesses. The MED measures its recruitment efforts through the MED Recruitment Key Performance Indicators. Using these KPIs, the MED engages with new leads, aligns their interest with our community, provides site specific details, and provide in-person information about our community.

Recruitment KPIs

	Recruitment Events	Networking Events	Inquiries	Prospects	Site Visits
Goal	8	15	275	82	24
YTD	10	15	267	80	24
YTD	125%	100%	97%	82%	100%



Recruitment Events

The MED participates in recruitment events to generate leads. The MED leverages regional and state partners to extend our reach to connect with companies seeking to expand or relocate.

+1,000

Leads generated from MED recruitment events

- **BIO Conference** – is the largest international convention for biotechnology. The event attracted over 19,500 attendees. The MED attended the event along with BIO Texas and the Dallas Marketing Team.(San Diego, CA)
- **Team Texas Consultants Summit** – is a local event that invites nine site selection consultants to meet with Team Texas members. (Rockwall, TX)
- **IMTS Trade Show** – is the largest manufacturing trade show with over 100,000 attendees. The MED attended the event with Team Texas and Site Location Partnership. (Chicago, IL)



- **Plastec and MD&M Trade Show** – is a large plastic and medical device manufacturing trade show that attracted 14,000 attendees. The MED was represented at the event by Team Texas and Site Location Partnership. (Anaheim, CA)
- **Modex Trade Show** – is one of the largest supply chain trade shows in the country attracting over 50,000 attendees. The MED was represented at the event by Site Location Partnership. (Atlanta, GA)
- **Chicago Team Texas Road Show** – is an event where Team Texas members met with 11 companies that are active in the site selection process. (Chicago, IL)
- **NPE Trade Show** – is the largest plastics trade show in America attracting over 50,000 attendees. The MED was represented at the event by Site Location Partnership. (Orlando, FL)
- **SelectUSA Summit**– is an event hosted by the US Department of Commerce that attracted over 5,000 attendees from 96 different counties that are actively seeking to establish US based operations. The MED attended the event with Team Texas. (Washington, DC)
- **Toronto, Canada Team Texas Roadshow** - is an event where Team Texas members will meet with 12 companies from Ontario that are active in the site selection process.(Toronto, CA)



MED Organization

The MED is a non-profit industrial development corporation created in accordance with Section 501-504 of the Texas Local Government Code. The MED was established in 1999 with voter approval. The MED receives ½ percent of all sales taxes generated in Midlothian.

The MED is authorized to use its funds for (a) qualifying projects, (b) promotion, and (c) operations. The seven member MED Board is appointed by the Midlothian City Council. The MED Board is responsible for all decisions of the corporation within the laws established by the State of Texas. City Council must approve all MED programs and expenditures.

MED STAFF

David Miracle, Executive Director (1998-2002)

Frank Viso, Executive Director (2002-2011)

Kassandra Carroll, Project Manager (2003-2012)

Larry Barnett, President/CEO (2012-2019)

Belinda Wadsworth, Office Manager (2012-2024)

Jennifer Stockett, Marketing Manager (2014-2017)

Kyle Kinateder, CEO (2019-Current)

Natalie Phelps, Senior Business Manager (2021-2023)

Matt Lemin, Analyst (2023-2024)

Joseph Schaefer, Analyst (2024-Current)

MED Priorities

In April 2021, the MED approved a new strategic plan, the Five-Year Focus on Projects. Day One Experts facilitated the plan's creation by seeking input from the MED Board of Directors, City Council, MED & City Staff, and the Midlothian Chamber. The plan formalized the following items: (a) a community baseline that would be used to evaluate future MED projects, (b) a framework wherein authorized projects will be pursued, and (c) the prioritization of MED projects and how they will be implemented. The plan is intended to be a working roadmap that identifies the key economic development objectives of the MED.

As part of the MED's ongoing reevaluation of its objectives. The board continues to maintain the same six priorities; however, the order has been modified. Due to capacity increases by the City to take on additional downtown projects, the Downtown priority has moved from 5th to 3rd. The current MED Priorities are as follows:

1

PRIMARY JOBS

The MED desires to attract companies that export products or services ("Primary Jobs") because these companies generate new money into our local economy. The MED seeks long-term corporate partners that offer high skilled and professional positions that pay above the county average wage, have a low impact on our community infrastructure, promote technology, and seek quality facilities that benefit their company and Midlothian.

Under Section 501.101 of the Act, the MED will provide funding for land, buildings, equipment, facilities, expenditures, targeted infrastructure, and improvements that provide direct benefit to the Primary Job employer and community. Additionally, the MED will work with the development community to ensure that Midlothian has available facilities and development ready sites for perspective Primary Job employers.

2

CAREER CENTER

The MED seeks to establish a local career center that will offer health, trade, and technical education programming for Midlothian's adult learners. The center should leverage and partner with Midlothian Independent School District and seek to create immediate opportunities for graduating seniors. The facility should be equipped to provide the training resources for both the needs of our local industry and future careers.

The MED will provide funding for land, buildings, equipment, facilities, equipment, and infrastructure improvements for a career center in accordance with Section 501.105 of the Act. Special consideration will be given for those occupations and industries that pay above the Ellis County average wage.

3

DOWNTOWN

The MED, in partnership with the city, seeks to revive downtown helping it to create a stronger community identity, vibrancy, opportunity for employment, and community interaction.

Under Section 501.103 of the Act, the MED will provide funding for infrastructure improvements associated with the seven catalyst projects outlined in the Downtown Plan which include: (1) A new town square, (2) refining 8th street from Main Street to Avenue D, (3) Avenue F as a new “green street” spine, (4) Main Street as an asset, (5) adaptive reuse to activate 7th street, (6) carry back-alley plaza northward, and (7) activate rail yard.

4

AIRPORT

The MED seeks to establish Mid-Way Regional Airport as the preferred business aviation airport for our region and to become an economic development asset that provides direct benefits to the City of Midlothian and Waxahachie. Aviation uses such as maintenance-repair and overhaul, fixed-base operators, low volume air cargo, training facilities, and similar uses should be pursued because of their alignment with the airport’s development constraints and the land uses adjacent to the airport.

Under Sections 501.101 and 501.103 of the Act, the MED will provide funding to attract aviation users that create Primary Jobs and for qualified infrastructure improvements that grow business activity at the airport. Deliberate effort should be taken to acquire land for airport expansion. Federal and state transportation funds should be leveraged whenever possible.

5

OFFICE

The MED seeks the long-term diversification of our economic base and envisions a robust market driven, multi-story, low rise office market along the Highway 287 corridor. The office space should be tailored to attract headquarters, professional office, technology, and medical office users.

The MED will provide land, buildings, equipment, facilities, and infrastructure improvements in accordance with Sections 501.101 and 501.103 of the Act. Initial efforts should be made to secure landholdings for future office development. Long-term, the MED should leverage the development community to build multi-story, class A office space along the Highway 287 corridor.

6

DESTINATION DEVELOPMENT

The MED seeks the development of restaurants, entertainment, and other activity uses that create unique opportunities for our residents to enjoy and reinforce Midlothian's local character. These destinations should demonstrate quality building finishes and landscaping while also providing a positive financial return for the community.

The MED will provide funding for qualified public and private infrastructure improvements in accordance with Section 501.103 of the Act. Special consideration should be made for viable projects that align with the other five priorities.

Five-Year Funding Model

The MED receives ½ percent of all sales and use tax collections within the city. The funds can be used for (a) MED operations, (b) promotional expenditures, and (3) authorized projects under Chapter 501 of the Texas Local Government Code.

The MED's primary objective in allocating its funds is to maximize the resources towards authorized projects as outlined in the MED Priorities. The MED Five-Year Funding Model projects annual revenue collections and recognizes project payouts/allocations. Through the model, the MED proactively direct funds to authorized projects that the MED and City Council believes will promote economic development and benefit Midlothian residents.

In the Five-Year Funding Model, the MED has established projections and allocations that are outlined in green. All the numbers in black are carried over from the budget or align with MED commitments that have been authorized through Performance Agreements. The information in blue are future allocations of the MED for future projects that the MED desires to pursue. The model is reviewed regularly by the MED and can be adjusted as new opportunities arise.

Five-Year Funding Model

		Year 1	Year 2	Year 3	Year 4	Year 5
		2023-24	2024-25	2025-26	2026-27	2027-28
	Estimated Reserves (beginning balance)	17,296,107	18,512,187	13,346,377	15,911,939	19,071,594
3.0%	Estimated Sales Tax Revenue	5,886,767	6,063,370	6,245,271	6,432,629	6,625,608
2.0%	Estimated Investment Revenue (avg. annual return)	951,555	345,922	370,244	266,928	318,239
	Estimated Other Revenue	-	-	-	-	-
	Sale of land	-	-	-	-	-
1.0%	Estimated Operating Expenses	(975,348)	(985,102)	(994,953)	(1,004,902)	(1,014,951)
0.0%	Estimated Debt Service (P&I)	-	-	-	-	-
	Estimated New Money	5,862,974	5,424,190	5,620,562	5,694,655	5,928,896
\$ 3,000,000	Primary Jobs (LGC 501.101)	Incentive Amount	3,000,000	3,000,000	3,000,000	3,000,000
	Sid Tool Co. Inc. (2023)	1,971,894	71,894	225,000	225,000	225,000
	Old Fort Worth Road LLC (2022)	750,000	750,000	-	-	-
	Chaparral Steel Midlothian LP (2022)	2,450,000	1,300,000	-	-	1,150,000
	Project Holder 1	3,500,000	500,000	500,000	500,000	500,000
	Project Holder 2	3,500,000	-	500,000	500,000	500,000
	Project Holder 3	3,000,000	-	500,000	500,000	500,000
	Project Holder 4	3,000,000	-	-	-	500,000
	Annual Expenditures	1,371,894	1,475,000	1,225,000	1,225,000	3,375,000
	Remaining Reserves	20,159,081	4,052,296	4,145,562	4,469,655	4,703,896
80%	Infrastructure Improvements (LGC 501.103)	16,127,265	16,094,102	10,295,551	12,041,275	14,494,391
	Weber II (2023) - Destination Development	-	3,500,000	-	-	-
	Big Q Concepts (2023) - Destination Development	-	40,000	-	-	-
	New Town Square (2023) - Downtown	3,000,000	3,000,000	-	-	-
	Methodist Health System - 1A Hospital (2018)	1,000,000	125,000	125,000	-	-
	Methodist Health System - MOB1 (2018)	500,000	100,000	100,000	-	-
	Methodist Health System - 1B Hospital (2018)	350,000	50,000	50,000	50,000	50,000
	Methodist Health System - MOB2 (2018)	600,000	100,000	100,000	100,000	100,000
	Methodist Health System - Outpatient or Corner (2018)	900,000	200,000	180,000	160,000	140,000
	Downtown (Catalyst Projects, Infrastructure Grant)	3,000,000	1,000,000	1,000,000	1,000,000	-
	Airport (Hangers, Land and infrastructure)	2,000,000	2,000,000	-	-	-
	Office (land and infrastructure)	1,500,000	1,500,000	-	-	-
	Commercial Curb Appeal (visual improvements)	-	-	-	-	-
	Destination Development	1,000,000	500,000	500,000	-	-
	Annual Expenditures	3,275,000	9,115,000	1,830,000	1,310,000	290,000
15%	Workforce (LGC 501.102, 501.105)	3,023,862	3,631,707	4,253,541	4,923,989	5,629,573
	Midlothian Training Facility	-	-	-	-	-
	Annual Expenditures	-	-	-	-	-
5%	Other (MED Office)	1,007,954	1,210,569	1,417,847	1,641,330	1,876,524
	MED Office	-	-	-	-	-
	Annual Expenditures	-	-	-	-	-
	Total Annual Expenditures	4,646,894	10,590,000	3,055,000	2,535,000	3,665,000
0%	Unrestricted	-	-	-	-	-
	Estimated Reserves (ending balance)	18,512,187	13,346,377	15,911,939	19,071,594	21,335,489

Updated 9/12/24

Project Timeline & History

The MED's first year of operation was 1999. During that year they had sales tax collections of \$290,026. In 2024 the MED's sales tax collections have increased to over \$5.8 million per year. On the following page is a list of each MED Performance Agreements, city tax abatements, and the values and payout of each agreement.

Historical MED Projects

Year	Company	Performance Agreement	Committed Incentive	Actual Payout	Tax Abt.
Aug-2000	Toys R Us	Primary Job	\$500,000	\$500,000	Y
Oct-2002	Ennis, Inc.	Primary Job	\$317,688	\$317,688	Y
Jun-2003	Target Corp	Primary Job	\$1,000,000	\$1,000,000	Y
Jul-2009	Navarro College	Career Center	\$1,500,000	\$1,500,000	N
Oct-2009	SWFA	Infrastructure	\$125,000	\$125,000	N
Sep-2011	QuikTrip	Primary Job	\$209,280	\$209,280	Y
Oct-2012	Ash Grove	Primary Job	\$300,000	\$95,098	Y
Jun-2013	Midlothian Healthcare Center	Infrastructure	\$150,000	\$150,000	N
Nov-2013	Buckley Oil Co.	Primary Job	\$200,000	\$200,000	Y
Mar-2014	Midlothian LNG	Primary Job	\$500,000	\$300,000	Y
Oct-2014	Courtyard by Marriott	Infrastructure	\$10,570	\$10,570	N
Nov-2014	Beef O'Brady's	Infrastructure	\$15,000	\$15,000	N
Oct-2015	Midlothian Towne Crossing	Infrastructure	\$1,575,000	\$1,575,000	N
May-2018	Google	Tax Abatement			Y
Aug-2018	Methodist Midlothian M.C.	Infrastructure	\$2,650,000	\$1,275,000	N
Jun-2020	Ellis Solar	Primary Job	\$1,500,000		N
Mar-2020	Sunrider Manufacturing	Primary Job	\$3,122,573	\$1,170,965	Y
Nov-2020	Logistic Property Company	Infrastructure	\$800,000	\$800,000	N
Aug-2021	SunOpta1	Primary Job	\$200,000	\$200,000	Y
Aug-2021	Navarro College	Career Center	\$8,000	\$7,643	N
Dec-2021	Hillwood	Infrastructure	\$5,000,000	\$5,000,000	N
Mar-2022	Gerdau	Primary Job	\$2,450,000	\$1,300,000	Y
May-2022	TSTC	Career Center	\$140,000	\$96,000	N
Jun-2022	Home Zone	Primary Job	\$750,000		Y
Jan-2023	SunOpta2	Primary Job	\$300,000	\$300,000	Y
Jan-2023	MSC Direct (Sid Tool)	Primary Job	\$1,800,000	\$71,894	N
Feb-2023	City of Midlothian	Infrastructure	\$3,000,000	3,000,000	N
Jul-2023	Weber MG Midlothian	Infrastructure	\$3,500,000		N
Jul-2023	Penn to Paper	Infrastructure	\$40,000		N
Aug-2024	Lawson District	Infrastructure	\$30,234		N
			\$31,693,345	\$19,219,138	

Financials

Each year, the MED is required to file an Economic Development Corporation Report with the Texas Comptroller. The report provides information on the corporation’s total revenues and expenditures for the fiscal year. Previous reports are available on the [comptrollers’ website](#). The MED will submit its FY 2023-2024 EDC report in April 2025 after the financial audit is completed. The following report is based on year-end projections.

	2022-23 Actual	2023-24 Budget	2023-24 YE Projected
Beginning Fund Balance	\$17,663,862	\$17,296,106	\$17,296,106
REVENUE			
Sales Tax	\$5,125,900	\$5,050,000	\$5,886,767
Interest/Misc Revenues	\$796,618	\$250,000	\$944,783
Sale of Asset	\$87,202	\$0	\$998,696
Total Fiscal Year Revenues	\$6,009,720	\$5,300,000	\$7,830,246
EXPENSES			
Personnel	\$479,215	\$545,146	\$438,782
Administration	\$149,079	\$330,202	\$132,634
Marketing and Promotion	\$24,182	\$150,000	\$121,127
Capital Costs	\$0	\$0	\$547,302
Direct Business Incentives	\$5,725,000	\$5,240,000	\$4,596,894
Debt Service	\$0	\$0	\$0
Total Fiscal Year Expenditures	\$6,377,476	\$6,265,348	\$5,836,739
End of Year Fund Balance	\$17,296,106	\$16,330,758	\$19,289,613

The expenditures are categorized as followed: *Personnel* - Include expenses for salaries, wages, and related employee benefits provided for all persons employed by the corporation. Employee benefits include employer contributions to the retirement system, insurance, sick leave, severance pay and similar benefits. *Administration* - Include expenditures by the corporation including contracts for services, car expenses, rent, supplies, employee training and utilities. *Marketing and Promotion* - Include any costs used to promote and market the community for economic development purposes. (i.e., brochures, advertising, direct mail, printing expenses, trade show expenses.). *Direct Business Incentives* - Include grants, cash, land, sales tax rebates, loans, job training, infrastructure development, loan guarantees, rent subsidies and other incentives. *Debt Service* - Include interest and principal payments on debts of the corporation. *Capital Costs* - Include outlays that result in the acquisition of or additions to fixed assets owned by the corporation and not provided as a direct business incentive.

Looking Forward

The MED's Five-Year Focus on Projects strategic plan was adopted in 2021. At the heart of the plan was the direction to create an annual MED work plan. The work plan outlines specific initiatives that are deemed to be of highest important to achieve the economic success desired by the Midlothian community. In addition to the day-to-day responsibilities, the MED will focus on the following objectives for the 2024-2025 fiscal year:

PJE Recruitment

The MED will continue its proactive approach to seek out primary job employers. The MED has established specific KPIs that have been adapted to market demand and an acknowledgement of the existing inventory in Midlothian.

Promotion

In effort to increase local business activity, the MED will create two funds that Midlothian businesses can use to promote their business and Midlothian. A program will be created for local manufacturers and another program will be created to encourage patronage of Midlothian restaurants, entertainment, and local retail.

Recruitment

KEY PERFORMANCE INDICATORS

5

Recruitment
Events

250

Inquiries

85

Prospects

18

Site Visits



Source: Imperial Construction

Workforce

Labor is a key driver for site selection and education is among the best ways to help our residents, the MED has identified specific vocational and healthcare training initiatives that it will pursue. The MED seeks to continue its support of the Midlothian Chamber's entrepreneurship and small business training programs. This year, the MED will add a new program that will teach local businesses about the incentive opportunities that are available to incentivize their growth in Midlothian. Lastly, the MED will continue its efforts to create a local training facility in Midlothian for technical education.

Organizational Improvement

The MED will continue to reevaluate the MED Priorities and order thereof to ensure both staffing and funding resources are allocated to achieve desired outcomes. The MED will continue to educate and inform Midlothian residents about economic development programming through bi-annual community forums. The MED will continue to administer all economic development performance agreements and abatements with a high level of accuracy and customer service. Lastly, the MED seeks to improve the organization through continuous improvement and will document internal measures to strengthen our organization.