

Graphic Packaging International Incentives Overview



Kris Collins, Greater Waco Chamber

06.17.2025



Graphic Packaging International Incentives Overview

Overview

- Graphic Packaging International Economic Impact
- Significant Infrastructure Improvement Projects
- Community Financial Support
- Graphic Packaging International Project Update

GPI PROJECT STATS:

Capital Investment: \$1Billion

Job Creation: 190 direct jobs

Avg. Wage: \$65,000

Real Estate: 620,000 SF on 125 acres



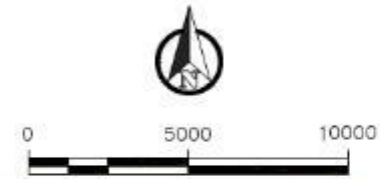
Projected 20 Year Economic Impact:

- 378 direct & indirect jobs
- \$504M in new direct/indirect payroll
- \$289M in new taxes generated across McLennan County
- \$140M in new taxable sales in Waco
- It is estimated more than \$500,000,000 in economic impact will be generated annually during GPI's construction period.

Significant Infrastructure Improvements

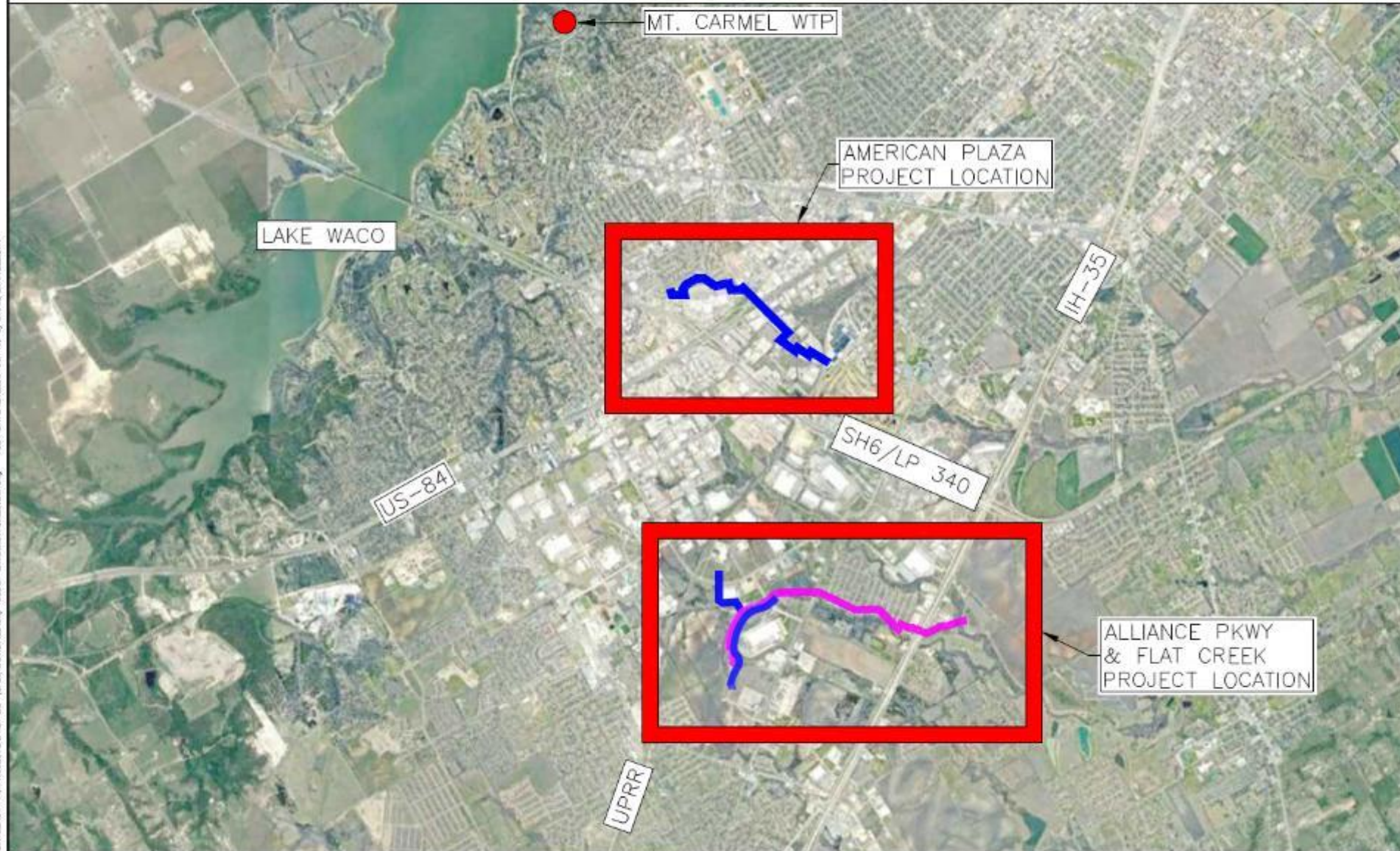


PROJECT LOCATION MAP



LEGEND

- WASTEWATER LINE
- WATER LINE
- WATER TREATMENT PLANT



AMERICAN PLAZA TO EXCHANGE PARKWAY WATER TRANSMISSION LINE



LEGEND

- ELEVATED STORAGE TANKS (EST)
- WATER LINE PHASE I
- WATER LINE PHASE II

WATER UTILITY SERVICES

1. UPPER
FLAT CREEK
36"
WASTEWATER
LINE

2. 30" WASTEWATER LINE

3. ALLIANCE
PARKWAY 30"
WASTEWATER
LINE

4. ALLIANCE
PARKWAY 24"
WATER LINE

PROJECT GATEWAY

PROJECT LIT

TEXAS CENTRAL PKWY

HELLO
BELLO

CATERPILLAR
LOGISTICS

BAGBY AVE

ALLIANCE PKWY

3. ALLIANCE PARKWAY
30" WASTEWATER LINE
ESTIMATED COMPLETION:
MAY 2024

1. UPPER FLAT CREEK
36" WASTEWATER LINE
ESTIMATED COMPLETION:
AUGUST 2024

2. 30" WASTEWATER LINE
ESTIMATED COMPLETION:
MARCH 2024

4. ALLIANCE PARKWAY
24" WATER
LINE/ROADWAY/STORM SEWER
ESTIMATED COMPLETION: MARCH
2025

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CATERPILLAR®

FINAL PLAT
LOT 1, BLOCK 8
TEXAS CENTRAL SOUTH
ADDITION
MCC NO. 2008028836
O.P.R.M.C.T.

CATERPILLAR INC
MCC NO. 2012023136
O.P.R.M.C.T.

**BRAZOS
ELECTRIC
COOPERATIVE**

LOT 2 BLOCK 8
TEXAS CENTRAL SOUTH
ADDITION
MCC NO. 2011020867
O.P.R.M.C.T.

BRAZOS ELECTRIC
POWER COOPERATIVE,
INC.
MCC NO. 2011024557
O.P.R.M.C.T.

Lot 2A, Block 7
Texas Central Addition
MCC 2019022487
O.P.R.M.C.T.

Remainder of a
Called 98.938 Acres
Waco Industrial Foundation
MCC NO. 2005011038
O.P.R.M.C.T.

CALLED 154.9 ACRES
WACO INDUSTRIAL FOUNDATION, A
TEXAS NON-PROFIT CORPORATION
MCC NO. 2005011040
O.P.R.M.C.T.

CARLOS O'CAMPO GRANT
ABSTRACT NO. 32
WALKERHAR COUNTY, TEXAS

Electrolit

**Graphic
Packaging
INTERNATIONAL**

Lot 12, Block 8
Texas Central South Addition
MCC NO. 2019027146
O.P.R.M.C.T.

Timber US Inc
MCC No. 2019028878
O.P.R.M.C.T.

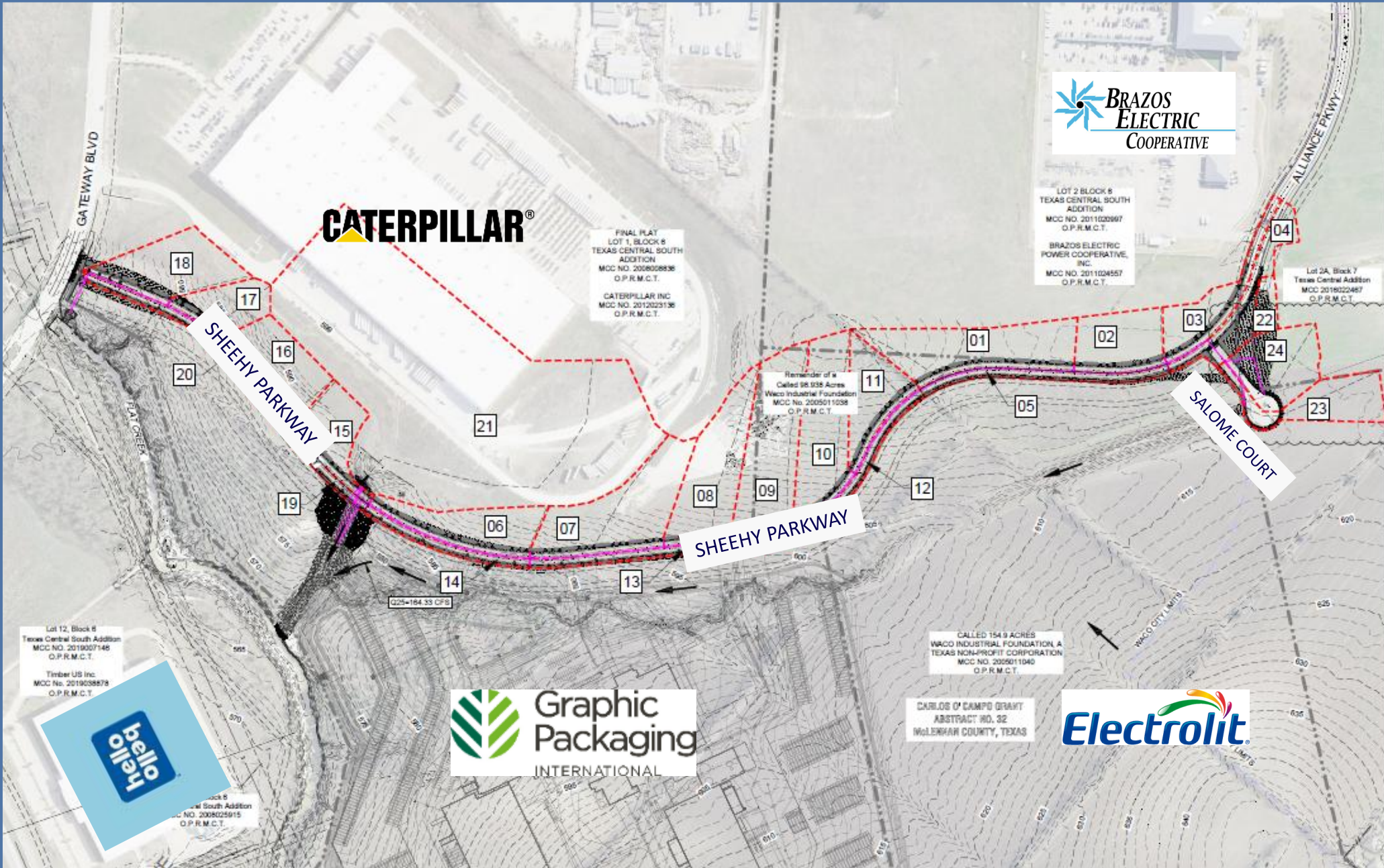
hello

Lot 12, Block 8
Texas Central South Addition
MCC NO. 2008025915
O.P.R.M.C.T.

SHEEHY PARKWAY

SHEEHY PARKWAY

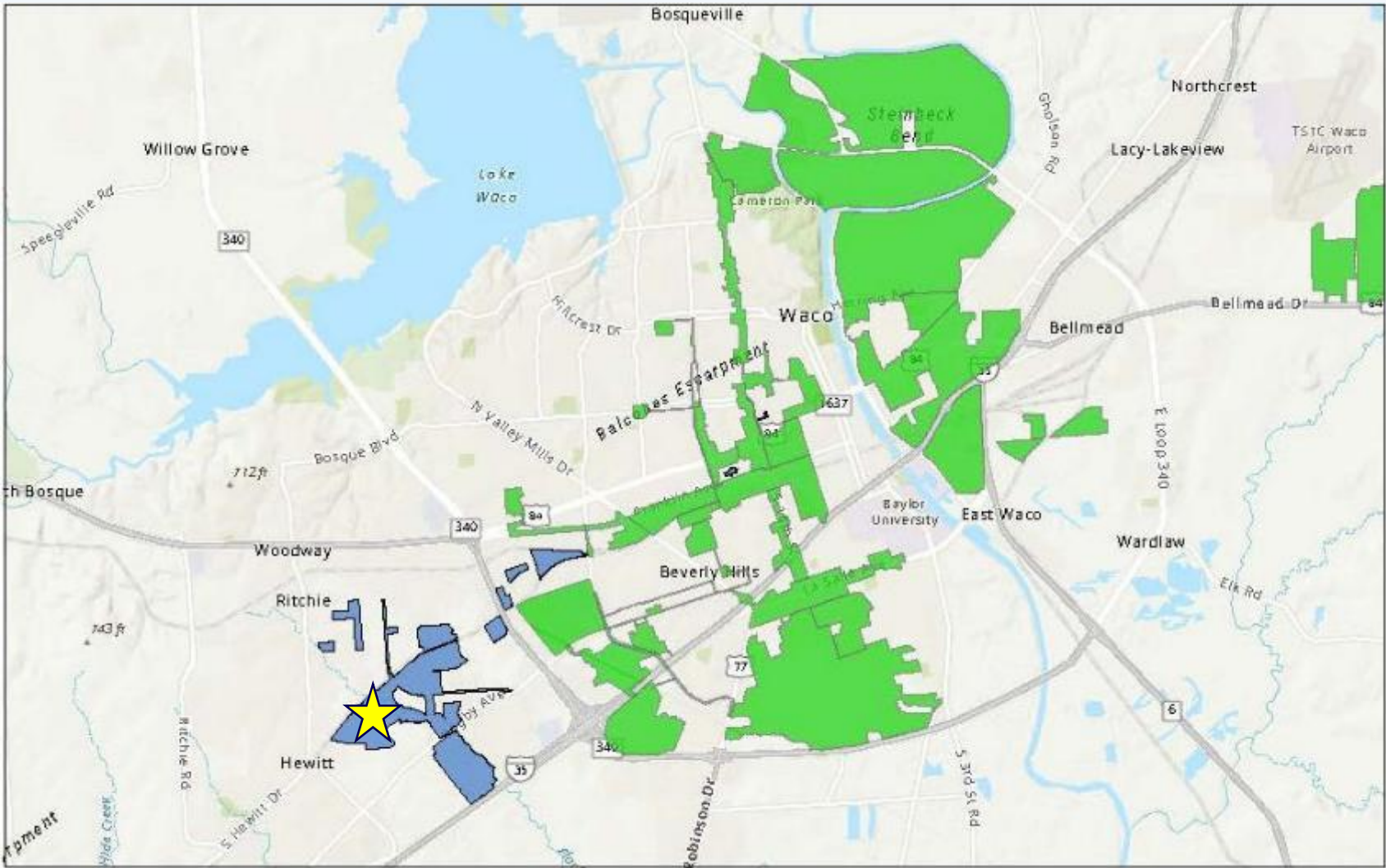
SALOME COURT



COMMUNITY FINANCIAL SUPPORT



TIRZ #4 EXPANSION



TIRZ #4: 20-year Impact:

GPI's \$490MM taxable real property investment will generate est. \$96MM in new TIRZ #4 funds.

TIRZ #4 Contributing Partners	
City of Waco (70%)	\$59.4M
McLennan County (70%)	\$29.4M
MCC (50%)	\$7.8M
Total	\$96.6M

GPI Project Incentive Support Overview

City, County, State of Texas Programs		
Program	Purpose	Amount/Value
WMCEDC	Rail, traffic signal and natural gas cost assistance	\$8,600,000
TIF	Grant of a portion of paid <i>personal property increment, after debt service</i> over 20 years (Years 1-10 @ 90%; Years 11-20 at 50%)	Est. Grant Value
		\$15,600,000 (over 20 years)
	Purchase of infrastructure from Waco Industrial Foundation	Not to exceed \$25,000,000
	Water/Wastewater Normal Industrial Rate Cap	Not to exceed 7% in a single year, through 2030
Fee Waivers – Impact Fees	Economic Development Exemption	\$1,518,966 in savings
Texas EZP Nomination	Reimbursement of a portion of sales taxes paid (State portion only)	Est. \$1,425,000
Utilities	Off-site infrastructure improvements	\$24,000,000

WMCEDC Incentive Overview

The WMCEDC agreement provides up to \$8.6 million in grant funding to support GPI's new manufacturing facility in Waco.

- Three party agreement with WMCEDC, GPI & Waco Industrial Foundation (WIF)
- ~\$4.3 million is designated for GPI to construct a rail spur and traffic signal at Bagby Avenue.
- ~\$4.3 million is allocated to the WIF for building natural gas infrastructure.
- Payments are contingent on the completion and acceptance of these improvements and will be issued within 30 days of documentation approval.



WMCEDC ROI and Payback

Combined WMCEDC Grant Net Benefits Summary

\$8,600,000

Non-Tax Incentive

\$45,263

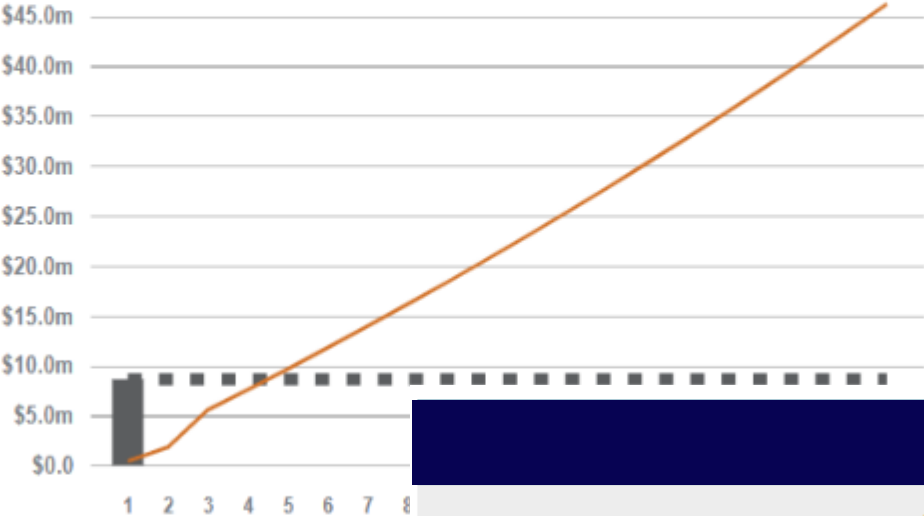
Per Job

26.8%

Rate of Return

4.5 Yrs

Payback Period



■ Incentive

Cumulat

WMCEDC ROI Summary				
	ALLOCATION AMOUNT	PER JOB	RATE OF RETURN	PAYBACK PERIOD
City of Waco	\$4,300,000	\$22,632	35.7%	3.5 Yrs
McLennan County	\$4,300,000	\$22,632	17.9%	6.4 Yrs
Total	\$8,600,000	\$45,263	26.8%	4.5 Yrs

TIF Incentive Overview

TIF #4 Board has reviewed and recommends the following agreement structure:

- Three party agreement, including COW, WIF and GPI
- GPI will receive a share of the incremental property taxes it generates above a minimum threshold of \$3.86 million annually, est. at \$15.6M over 20-years.
- Years 1–10: 90% of the eligible increment.
- Years 11–20: 50% of the eligible increment.

TIF Incentive Overview

- If the annual increment falls below the threshold, GPI must pay the difference ("Hold Harmless Payment").
- The minimum threshold may decrease if other developments in a defined area contribute new taxable value (5% reduction for each \$50M in new increment added).
- City will purchase infrastructure improvements for an amount not to exceed \$25 million from the Waco Industrial Foundation (excluding the natural gas infrastructure), once completed and accepted.

Reduction Eligible Area



These infrastructure improvements have spurred additional investment that will benefit.

This project represents the first time a reduction option has been included in the structure of a Waco incentive agreement.

A Strong Return on Investment

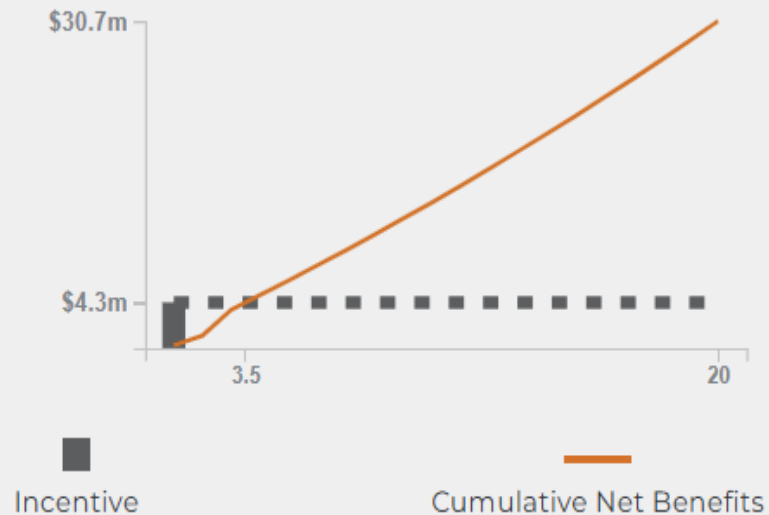
INCENTIVE ANALYSIS

\$4,300,000
Total Incentive

\$22,632
Per Job

35.7%
Rate of Return

3.5 Yrs
Payback Period



The City of Waco will recapture the value of its WMCEDC incentive investment in 3.5 years.

2027-2046 (est. \$29MM in new revenue)

- Est. \$25MM in new direct real property taxes (after TIRZ allocation)
- Est. \$4MM in new personal property & inventory taxes



Graphic Packaging International Update

Current Status

- Construction of the GPI facility is ahead of schedule with operations commencing in October 2025 rather than February 2026.
- Hiring continues and the company is approaching full employment. Training for workers is underway at The WorkSITE.
- \$50M has been spent with local contractors & suppliers
- Completed Projects to Date: Water, Sewer, Natural Gas, Electric
- Pending Projects: Rail (underway), Traffic signal (July), Road (underway) - Sheehy Parkway (July), Sidewalks & Lighting will continue through October 2025.



THANK YOU.

Please contact [Jeremy Pesina](#) or [Kris Collins](#) for any questions