

July 15, 2025

Panel Rey

ECONOMIC DEVELOPMENT INCENTIVE APPLICATION

City Council Meeting

Presented By:

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Economic Development Director



COMPANY BACKGROUND

- **Panel Rey** began working with the State Economic Development team and a site selector in January 2025 to find sites in Texas.
- **Panel Rey** is a subsidiary of Grupo Promax and is the largest producer of gypsum drywall in Latin America.
- **Family Owned:** Grupo Promax a family-owned Mexican business conglomerate with more than 100 years in the market.
- **Grupo Promax:** Grupo Promax has 17 manufacturing facilities across five countries with a customer base in 40+ countries.

SITE SELECTION

In April 2025, Staff received an incentive application from Panel Rey for their expansion into the US.

- This will be their first manufacturing facility in the US.
- Expanding to serve new and existing customers in the DFW area.
- Attracted to Denton by strategic location and growth in North Texas.
- An existing 60,000 SF building is on their short-list for Phase I of their expansion into the US.

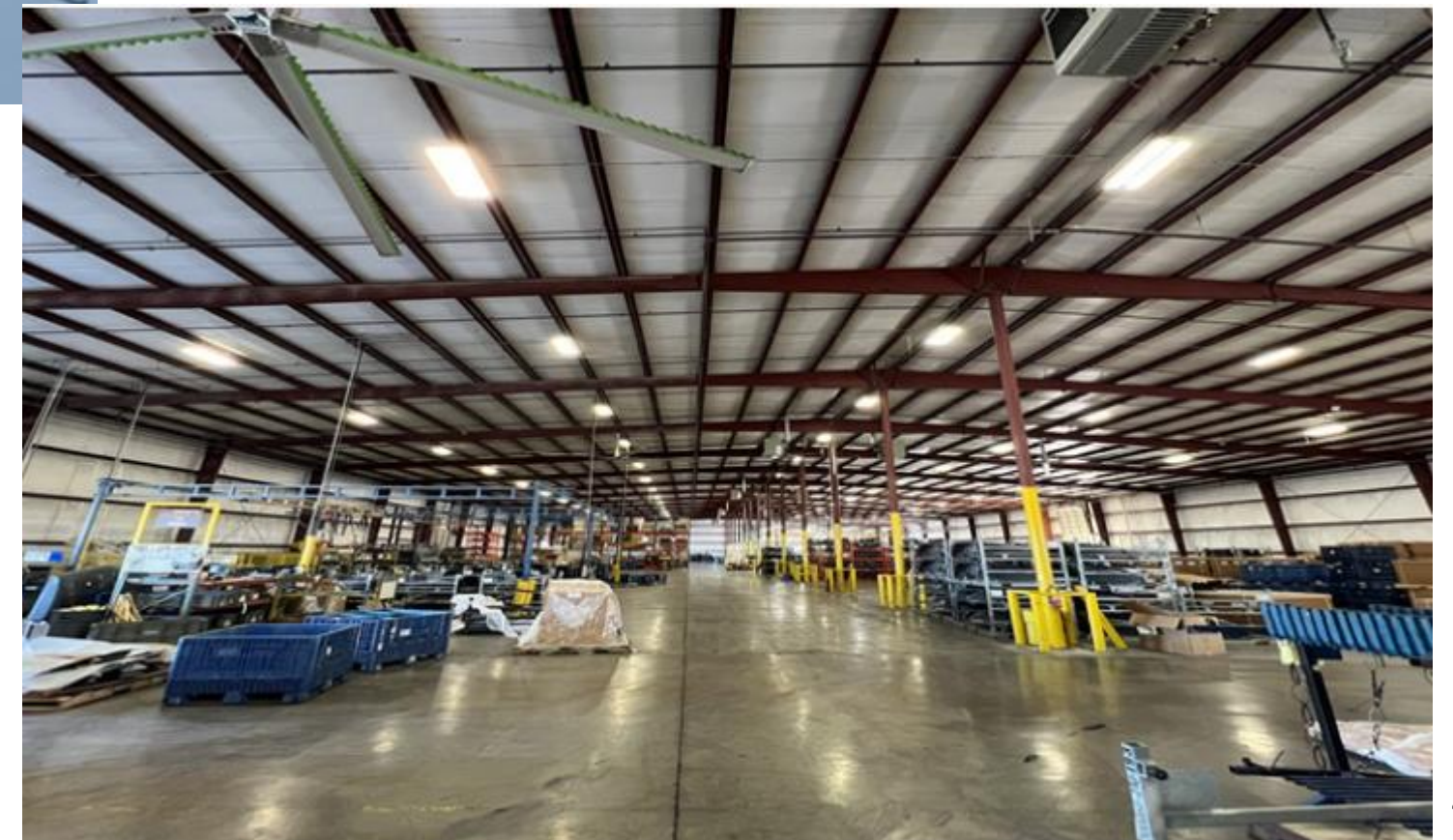
LOCATION: 3651 SHELBY LANE



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60,000 SF building. A 34,000 SF “patio cover” will be constructed to protect loading area on east side of building (red outline). Two silos will be added on the north end of the building.



BENEFITS

Business Recruitment

Creates industry and manufacturing jobs.

Supply Chain

Panel Rey fulfills an integral role within the construction supply chain and has major contracts with large homebuilders.

Workforce

Will create 20 new jobs, with a weighted average salary greater than the City's average.

Scoring Matrix: 89

Excellent (85–155 points)

INCENTIVE APPLICATION

**TOTAL CAPITAL
INVESTMENT**

\$15

Million

IMPROVEMENTS

\$2.7

Million

**BUS. PERSONAL
PROPERTY**

\$7

Million

NEW JOBS

20

Weighted average wage of \$72,733 of all positions. Wages include benefits.

INCENTIVE PROPOSAL

Incentive Terms:

Incentive	Estimated Value
60% Ad Valorem Rebate for 5-years	\$ 47,419
60% Business Personal Property Rebate, for 5-years	\$ 122,938
Jobs Based Grant on qualified jobs estimated for 5-years	\$ 16,500
Relocation Grant - One-time payment	\$ 50,000
Total	\$ 236,857

Summary Table: Investment and City Revenue

Evaluated Property Type	Current Valuation	Estimated Increase in Valuation	Estimated Total Valuation	Current City Revenue	Estimated Increase in Revenue	Total Revenue
Land	\$4,791,707	\$0	\$ 4,791,707	\$28,052	\$0	\$ 28,052
Improvements	\$0	\$2,700,000	\$ 2,700,000	\$0	\$15,806	\$ 15,806
BPP	\$0	\$7,000,000	\$ 7,000,000	\$0	\$40,979	\$ 40,979
Total	\$4,791,707	\$9,700,000	\$ 14,491,707	\$28,052	\$56,786	\$ 84,837

JOB/WAGE INFORMATION

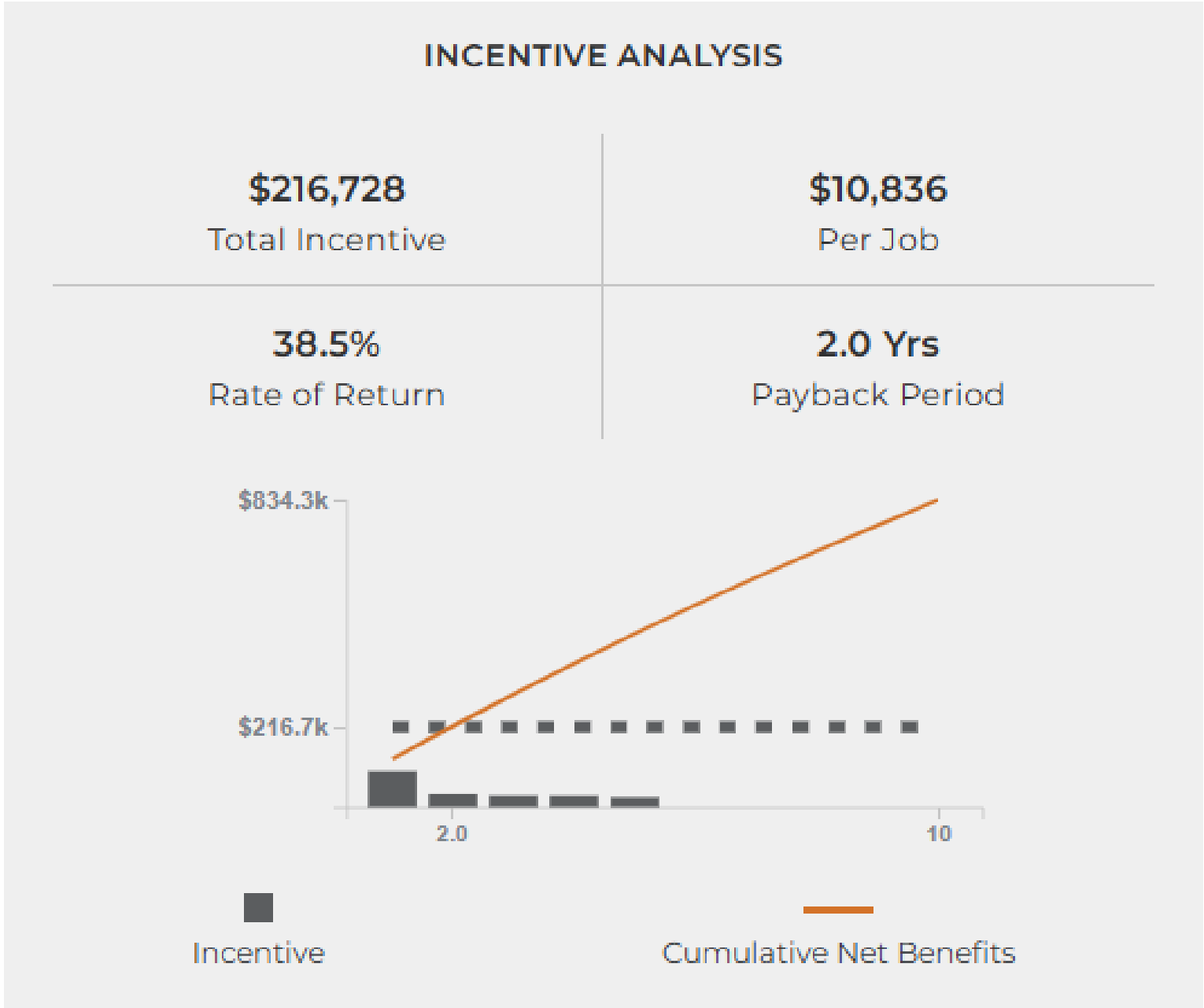
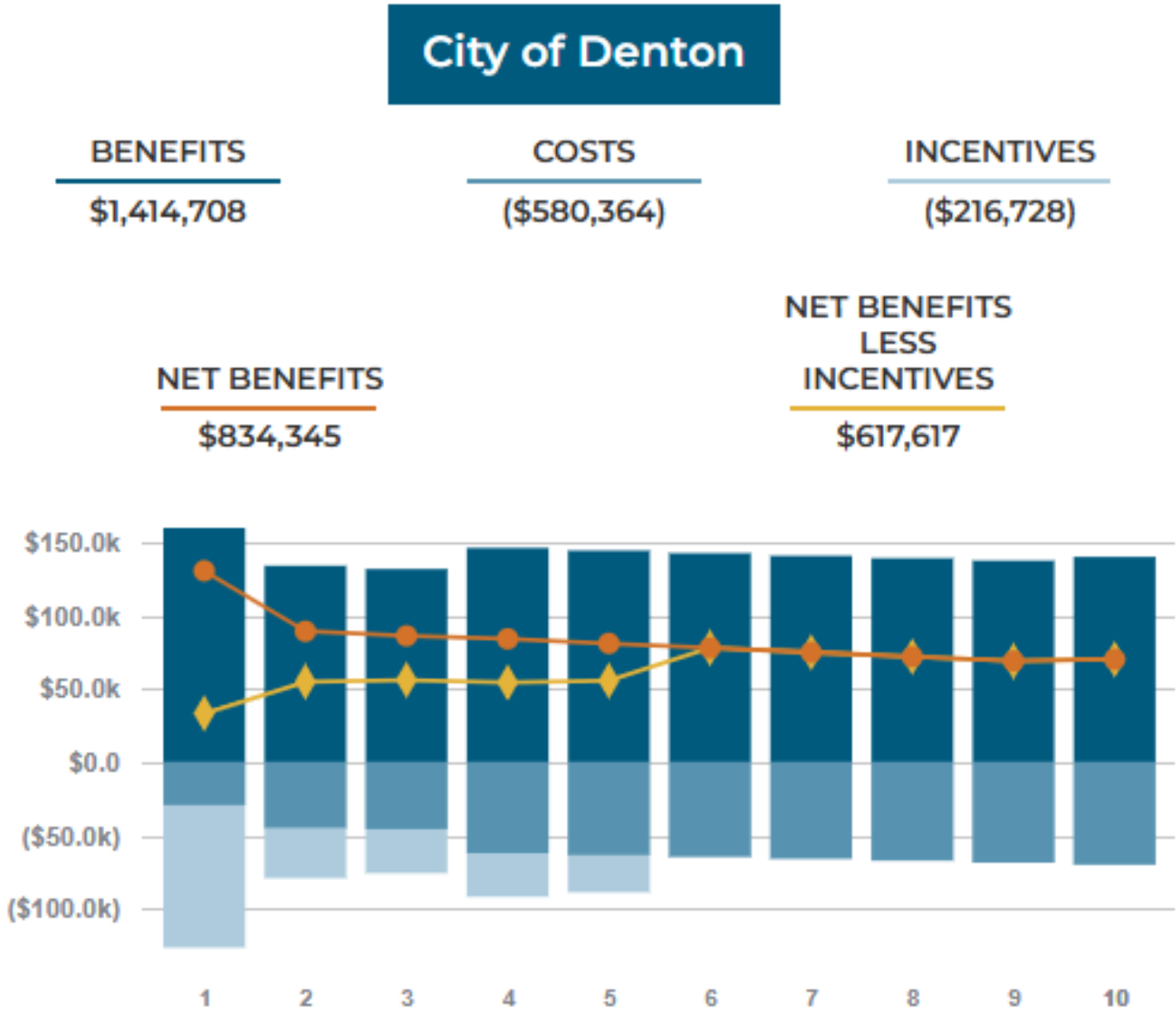
- Expansion creates 20 new jobs
 - Weighted annual salary of \$72,733
 - Annual payroll of \$1,454,660
 - Salaries ranging from \$55,789 to \$175,929 (includes benefits)

Job Type	Year 1	Year 2	Year 3	Year 4	Total Nbr.	Hourly Wage	Annual Salary Per Position
Plant Manager	1				1	\$84.58	\$175,929
Production Supervisor	1				1	\$48.71	\$101,326
Office Administrator	1				1	\$41.55	\$86,425
Hourly Lead/Maintenance	1	1		1	3	\$38.74	\$80,584
Mixer operator	1	2		2	5	\$32.78	\$68,186
Forklift operator	1				1	\$29.80	\$61,988
Line operator	2	2		2	6	\$26.82	\$55,789
Warehouse/Utility	1				1	\$26.82	\$55,789
Shipping loader	1				1	\$26.82	\$55,789

Salary	Grant per New Eligible Job	Eligible Jobs	Grant amount
Jobs equal to or > than \$100,000	\$ 5,000	2	\$ 10,000
Jobs equal to \$90,000-\$99,999	\$ 2,500	0	\$ -
Jobs equal to \$75,000-\$89,999	\$ 1,000	4	\$ 4,000
Jobs equal to \$65,000-\$74,999	\$ 500	5	\$ 2,500
TOTAL		11	\$ 16,500

ECONOMIC IMPACT REPORT FOR PROJECT

Recruitment 31-33 - Manufacturing



NET BENEFITS LESS INCENTIVES OVER 10 YEARS

CITY	\$617,617
COUNTY	\$241,412
SCHOOL DISTRICT	\$612,679
TRANSIT DISTRICT	\$23,828

JOBS

34.3 Total
20.0 Direct
14.3 Spin-off

SALARIES

\$68,478 Avg
\$72,733 Direct
\$62,509 Spin-off

CAPITAL INVEST.

\$9.7M
Buildings + FF&E

RESIDENTIAL DEV.

0.4 Homes
2.6 Relocations

INCENTIVE RECOMMENDATION

Chapter 380 Grant

- Performance-based ad valorem tax rebate at 60% for five-years on new business personal and real property taxes; Jobs Based grant; and a Relocation Grant; for a total incentive amount not to exceed \$236,857.

QUESTIONS?