

June 17, 2025

Mayday Manufacturing

ECONOMIC DEVELOPMENT INCENTIVE PROPOSAL

City Council
Clay Parker, Business Recruitment Specialist



ID25-913; 6/17/25

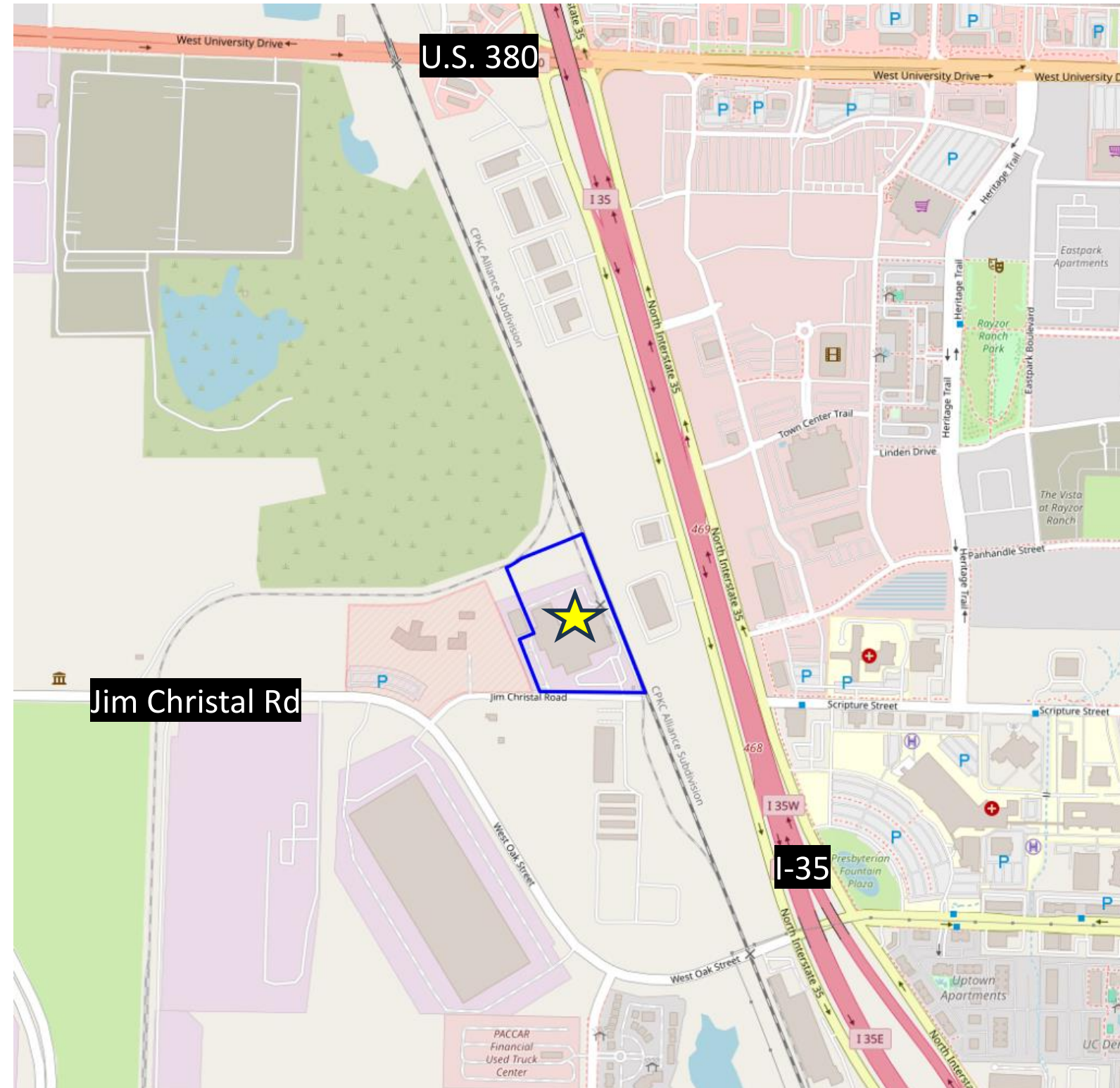
COMPANY BACKGROUND

- **1966:** Mayday Manufacturing was created by James H. Nelson.
 - World leader in build-to-print manufacturing of aerospace bushings, pins, sleeves, and turned metal parts
- **2016:** Acquired by Esco Technologies alongside captive plating shop Hi-Tech Metal Finishing
- **2022:** Hi-Tech was absorbed by Mayday, now serving as the processing division

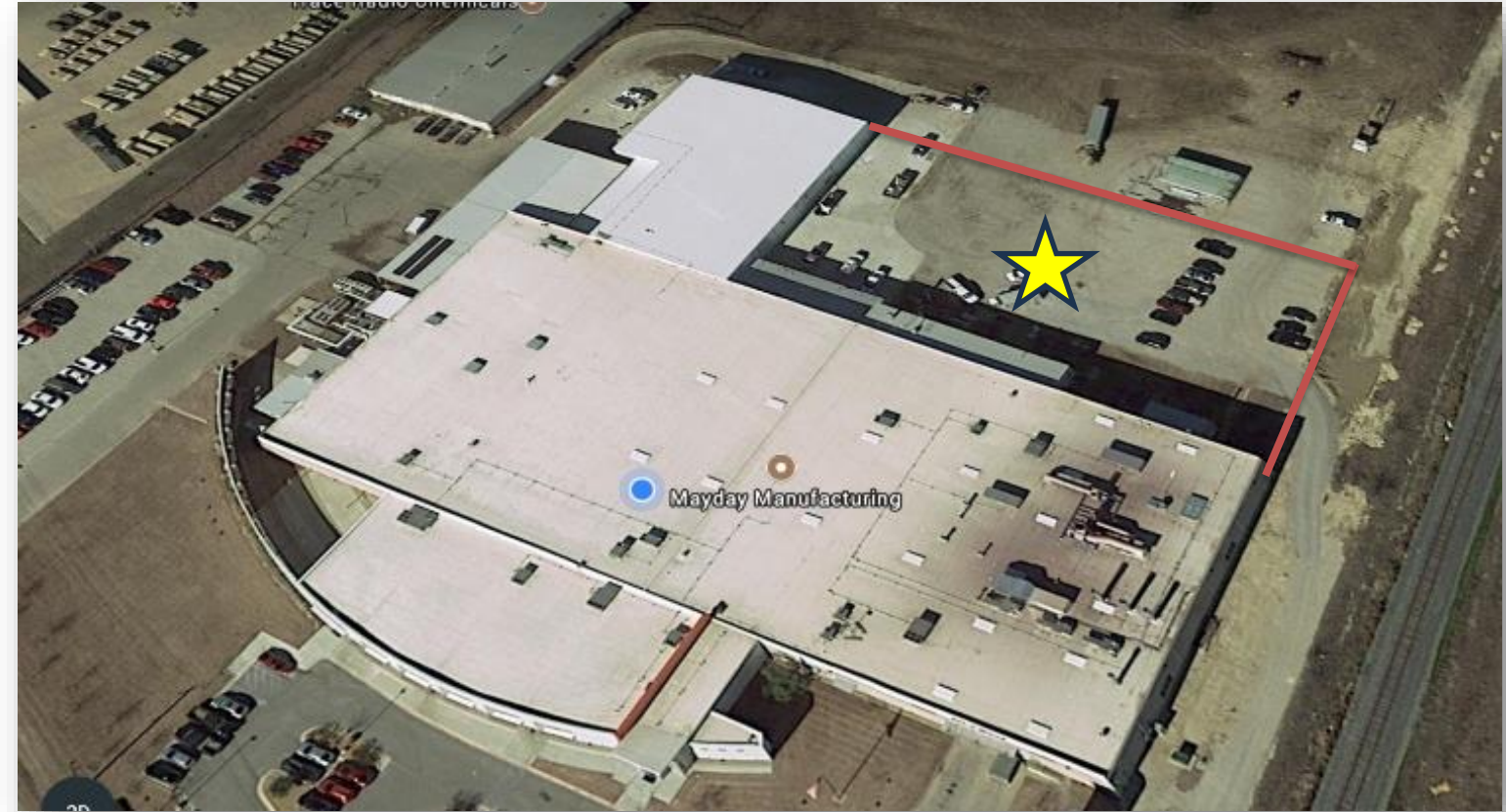
Incentive Request

- Originally incentivized in 2012 (Ordinance #: 2012-045)
 - \$8.5 million expansion
 - 75% rebate on ad valorem taxes above base valuation
 - Completed in 2022
- In March 2025, Staff received an incentive application from Mayday Manufacturing for their new expansion.
 - Due to increased demand, Mayday is looking to expand their facility footprint by ~45k square feet
 - Plan to break ground in July 2025
 - Completion estimated between December 2026–February 2027

LOCATION: 3100 Jim Christal Road



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BENEFITS

Business Retention and Expansion

- Supports an existing manufacturing leader in the Denton region

Supply Chain

- Mayday fulfills an integral role within the aerospace supply chain

Workforce

- Currently employees around 400 in Denton facility, with a mean salary greater than the City's average

Education Collaboration

- Partner with LaGrone Academy and UNT

Incentive Matrix Point Summary

- Total Points: 78 Acceptable (45–84 points)

INCENTIVE APPLICATION

TOTAL CAPITAL
INVESTMENT

\$14.5

Million

IMPROVEMENTS

\$9

Million

BUS. PERSONAL
PROPERTY

\$5.5

Million

NEW JOBS

50

INCENTIVE PROPOSAL

Summary Table:

Evaluated Property Type	Current Valuation	Estimated Increase in Valuation	Estimated New Valuation	Current Annual City Revenue	Estimated Increase in Annual City Revenue	Estimated New City Revenue
Land	\$ 1,380,111	\$0	\$ 1,380,111	\$8,079	\$0	\$8,079
Improvements	\$ 7,519,889	\$9,000,000	\$ 16,519,889	\$44,023	\$52,688	\$96,711
BPP	\$ 24,659,325	\$5,500,000	\$ 30,159,325	\$144,361	\$32,198	\$176,559
Totals	\$33,559,325	\$14,500,000	\$48,059,325	\$196,463	\$84,886	\$281,349

Incentive Terms:

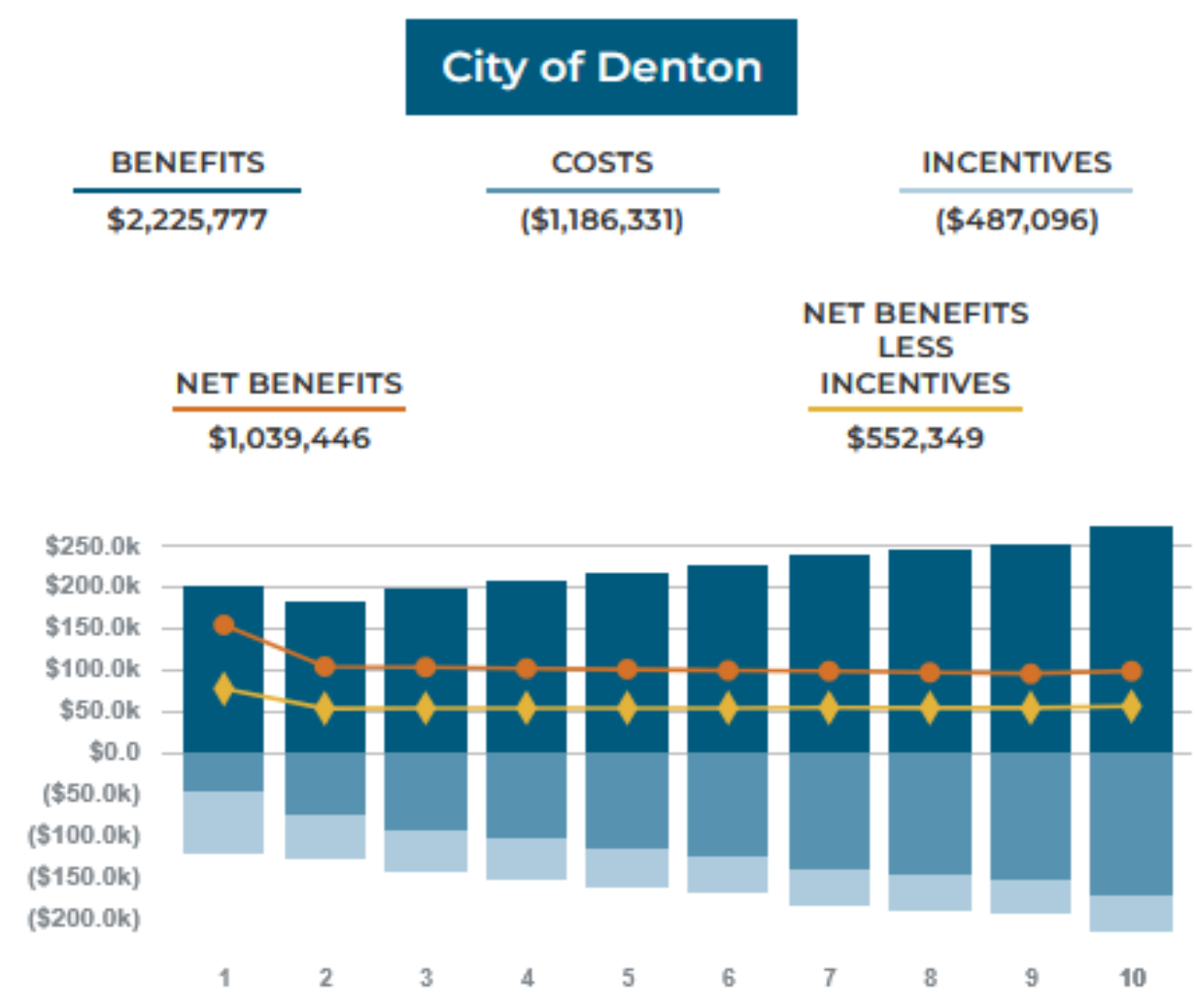
Proposed Incentive	Estimated Total
60% Rebate on new Improvements and BPP for 10 years	\$552,945
Expansion Grant (Catalyst Fund)	\$25,000
Cumulative 10-Year Incentives	\$577,944
Cumulative 10-Year City Revenue	\$2,333,260

JOB/WAGE INFORMATION

- Retains around 400 current employees at Denton facility
- Expansion supports 50 new employees over 10 years
 - Annual payroll of \$2,701,000
 - Salaries ranging from \$45,000 to \$65,000

New Jobs Created Job Type/Description	Total Nbr.	Base Hourly Wage	Annual Base Salary	Annual Payroll
WasteTreatment-HT	3	\$ 26.92	\$ 56,000.00	\$ 168,000.00
Plater	14	\$ 26.44	\$ 55,000.00	\$ 770,000.00
Paint-HT	7	\$ 22.60	\$ 47,000.00	\$ 329,000.00
QCInspection-MD	6	\$ 25.96	\$ 54,000.00	\$ 324,000.00
Masking Tech	6	\$ 21.63	\$ 45,000.00	\$ 270,000.00
Anodize-HT	4	\$ 26.44	\$ 55,000.00	\$ 220,000.00
Machinist	4	\$ 31.25	\$ 65,000.00	\$ 260,000.00
NDT-HT	6	\$ 28.85	\$ 60,000.00	\$ 360,000.00
Total:	50			\$ 2,701,000.00

ECONOMIC IMPACT REPORT FOR EXPANSION




CITY	\$552,349
COUNTY	\$296,746
SCHOOL DISTRICT	\$749,487
TRANSIT DISTRICT	\$33,756

SALARIES

 **\$52,149 Avg**
\$54,020 Direct
\$49,570 Spin-off

JOBS

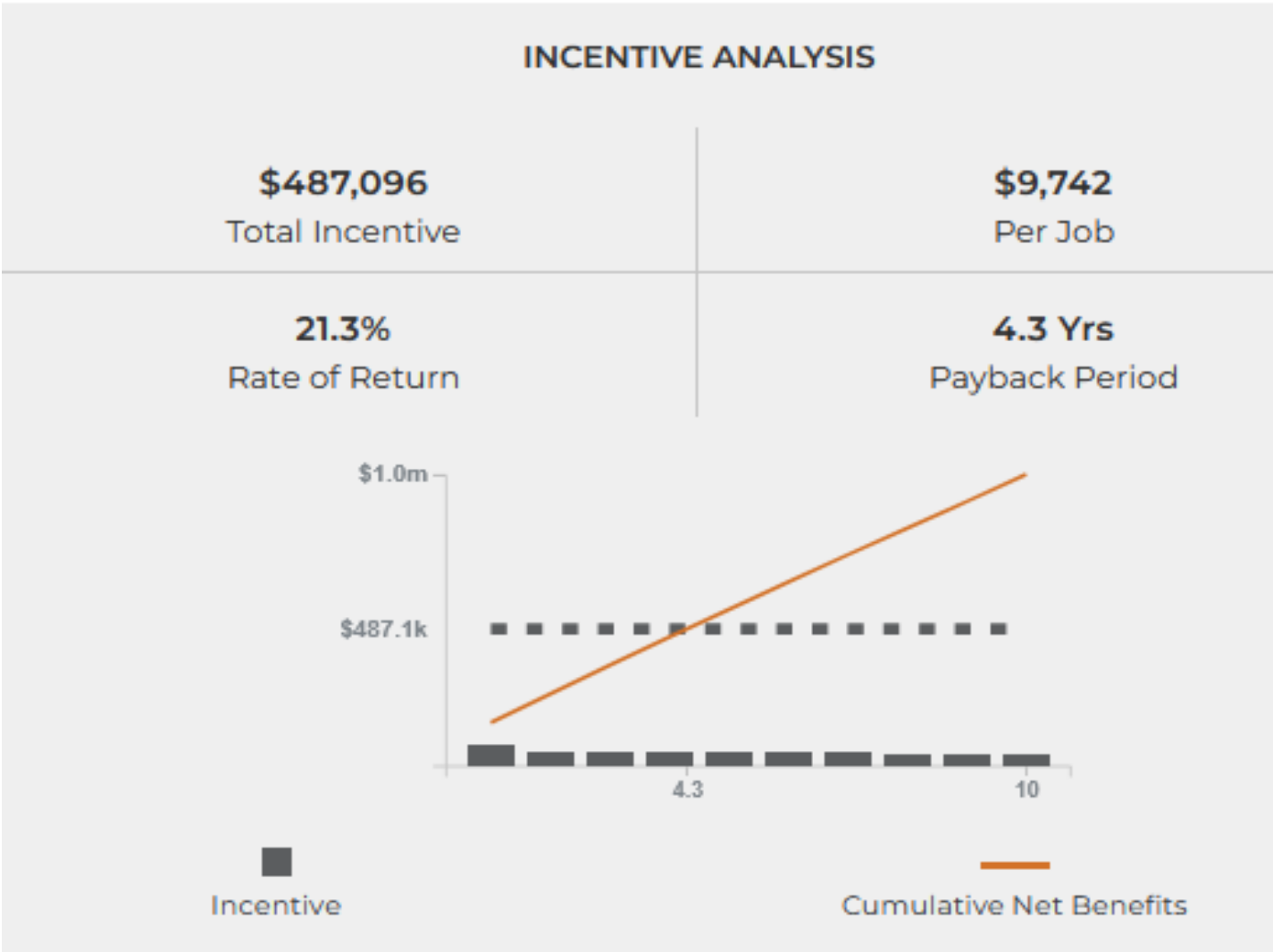
 **86.3 Total**
50.0 Direct
36.3 Spin-off

CAPITAL INVEST.

 **\$14.5M**
Buildings + FF&E

50.0 New Jobs @ \$54,020

This summary does not include the impact from the company's current activity including:



CONSIDERATION

- Consider adoption of an ordinance approving an economic development agreement under Chapter 380 of the local government code for an amount not to exceed \$577,944
 - Ad valorem tax rebate of 60% for 10 years on new business personal and real property and an expansion grant of \$25,000.
- Economic Development Partnership Board approved May 14, 2025 (11-0-1).

QUESTIONS?