



**Chapter 403 (JETI) Appraised Value Limitation Financial Impact of the
Proposed
Bell Textron Inc. Project in the
Northwest Independent School District**

(Project # J0002)

April 22, 2024

JETI PUBLIC HEARING

- JETI – stands for Jobs, Energy, Technology and Innovation
- Enacted in the 88th Legislature
- Enables ISDs, Company and Governor Office to enter into an economic development agreement
- 10 year ISD M&O appraised value limitation (50%)
- Purpose is mandated job creation and investment minimums

APPLICATION PROCESS

1. New Application (Company pays \$30,000 to NISD – Finance and Legal Fees)
2. Send Application to Comptroller
3. Completeness Letter – March 15th (90 day window to receive approval from Governor's office and ISD)
4. Comptroller Recommendation – March 27th (Determined that project would be good for both the State and ISD, brings in more taxes than company saves, and approval of JETI was compelling factor to locate in the District)
5. Public Hearing – April 22nd (Willingness to enter agreement within 30 days)
6. Governor and ISD Determination – April 22nd (Willingness to enter agreement)
7. Agreement Execution (Submit to Comptroller within 7 days of execution)

M&O IMPACT

Revenue Model “No Project”

Year of Agreement	School Year	TOTAL M&O Taxes	TOTAL State Aid	TOTAL Recapture	TOTAL General Fund
CONST 1	2024-25	\$275,388,062	\$25,613,135	-\$14,472,154	\$286,529,043
CONST 2	2025-26	\$305,870,474	\$21,614,793	-\$30,119,858	\$297,365,409
CONST 3	2026-27	\$340,010,775	\$30,019,239	-\$61,366,974	\$308,663,040
CONST 4	2027-28	\$378,247,913	\$25,896,330	-\$83,698,107	\$320,446,137
CONST 5	2028-29	\$421,073,508	\$37,025,873	-\$123,601,660	\$334,497,721
I1	2029-30	\$469,017,203	\$35,410,315	-\$154,536,839	\$349,890,679
I2	2030-31	\$469,016,890	\$43,269,468	-\$162,394,877	\$349,891,481
I3	2031-32	\$469,017,979	\$35,773,685	-\$154,900,101	\$349,891,563
I4	2032-33	\$469,019,068	\$43,267,458	-\$162,394,881	\$349,891,645
I5	2033-34	\$469,020,156	\$35,771,674	-\$154,900,104	\$349,891,726
I6	2034-35	\$469,021,077	\$43,265,602	-\$162,394,884	\$349,891,795
I7	2035-36	\$469,022,318	\$35,769,678	-\$154,900,108	\$349,891,888
I8	2036-37	\$469,023,421	\$43,263,438	-\$162,394,888	\$349,891,971
I9	2037-38	\$469,024,510	\$35,767,654	-\$154,900,111	\$349,892,053
I10	2038-39	\$469,025,598	\$43,261,428	-\$162,394,892	\$349,892,134
VP1	2039-40	\$469,015,200	\$9,192,892	-\$154,900,096	\$323,307,996
VP2	2040-41	\$469,017,377	\$16,724,847	-\$162,394,878	\$323,347,346
VP3	2041-42	\$469,020,223	\$16,724,847	-\$162,394,883	\$323,350,187

Assumptions: 1) Student Growth = 4.1%

Revenue Model “Project with JETI”

Year of Agreement	School Year	TOTAL M&O Taxes	TOTAL State Aid	TOTAL Recapture	TOTAL General Fund
CONST 1	2024-25	\$275,437,928	\$25,609,125	-\$14,517,916	\$286,529,137
CONST 2	2025-26	\$305,920,340	\$21,610,867	-\$30,165,674	\$297,365,533
CONST 3	2026-27	\$340,060,642	\$30,015,401	-\$61,412,849	\$308,663,194
CONST 4	2027-28	\$378,297,780	\$25,892,553	-\$83,744,020	\$320,446,314
CONST 5	2028-29	\$421,123,373	\$37,025,698	-\$123,647,615	\$334,501,456
I1	2029-30	\$470,115,569	\$35,407,034	-\$155,549,645	\$349,972,958
I2	2030-31	\$470,130,863	\$43,266,235	-\$163,422,165	\$349,974,933
I3	2031-32	\$470,077,532	\$35,770,527	-\$155,877,120	\$349,970,939
I4	2032-33	\$470,024,201	\$43,264,541	-\$163,321,799	\$349,966,943
I5	2033-34	\$469,970,871	\$35,768,839	-\$155,776,763	\$349,962,948
I6	2034-35	\$469,925,742	\$43,262,977	-\$163,229,152	\$349,959,567
I7	2035-36	\$469,864,896	\$35,767,165	-\$155,677,051	\$349,955,010
I8	2036-37	\$469,810,879	\$43,261,152	-\$163,121,068	\$349,950,963
I9	2037-38	\$469,757,548	\$35,765,467	-\$155,576,049	\$349,946,967
I10	2038-39	\$469,704,217	\$43,259,459	-\$163,020,703	\$349,942,973
VP1	2039-40	\$470,213,734	\$9,192,840	-\$156,005,272	\$323,401,302
VP2	2040-41	\$470,107,072	\$16,724,799	-\$163,399,779	\$323,432,092
VP3	2041-42	\$469,967,603	\$16,724,806	-\$163,268,541	\$323,423,868

2) Property Tax Growth = 12%



M&O IMPACT - DIFFERENCES

Year of Agreement	School Year	TOTAL M&O Taxes	TOTAL State Aid	TOTAL Recapture	TOTAL General Fund
CONST 1	2024-25	\$49,866	-\$4,010	-\$45,762	\$94
CONST 2	2025-26	\$49,866	-\$3,926	-\$45,816	\$124
CONST 3	2026-27	\$49,867	-\$3,838	-\$45,875	\$154
CONST 4	2027-28	\$49,867	-\$3,777	-\$45,913	\$177
CONST 5	2028-29	\$49,865	-\$175	-\$45,955	\$3,735
I1	2029-30	\$1,098,366	-\$3,282	-\$1,012,805	\$82,279
I2	2030-31	\$1,113,973	-\$3,233	-\$1,027,288	\$83,452
I3	2031-32	\$1,059,553	-\$3,158	-\$977,019	\$79,376
I4	2032-33	\$1,005,133	-\$2,917	-\$926,918	\$75,298
I5	2033-34	\$950,715	-\$2,835	-\$876,658	\$71,222
I6	2034-35	\$904,665	-\$2,626	-\$834,267	\$67,772
I7	2035-36	\$842,578	-\$2,513	-\$776,943	\$63,122
I8	2036-37	\$787,458	-\$2,286	-\$726,180	\$58,992
I9	2037-38	\$733,038	-\$2,187	-\$675,937	\$54,914
I10	2038-39	\$678,619	-\$1,969	-\$625,811	\$50,839
VP1	2039-40	\$1,198,534	-\$52	-\$1,105,176	\$93,306
VP2	2040-41	\$1,089,695	-\$48	-\$1,004,901	\$84,746
VP3	2041-42	\$947,380	-\$41	-\$873,658	\$73,681

M&O IMPACT – TOTAL IMPACT

Year of Agreement	School Year	Project Taxable Value for I&S	Project Taxable Value for M&O	Assumed M&O Tax Rate	Tax Savings to Company	School District Revenue Gain
I1	2029-30	\$321,917,292	\$164,697,292	\$0.6669	\$1,048,500	\$82,279
I2	2030-31	\$326,597,292	\$167,037,292	\$0.6669	\$1,064,106	\$83,452
I3	2031-32	\$310,277,292	\$158,877,292	\$0.6669	\$1,009,687	\$79,376
I4	2032-33	\$293,957,292	\$150,717,292	\$0.6669	\$955,268	\$75,298
I5	2033-34	\$277,637,292	\$142,557,292	\$0.6669	\$900,849	\$71,222
I6	2034-35	\$263,827,292	\$135,652,292	\$0.6669	\$854,799	\$67,772
I7	2035-36	\$245,207,292	\$126,342,292	\$0.6669	\$792,711	\$63,122
I8	2036-37	\$228,677,292	\$118,077,292	\$0.6669	\$737,591	\$58,992
I9	2037-38	\$212,357,292	\$109,917,292	\$0.6669	\$683,172	\$54,914
I10	2038-39	\$196,037,292	\$101,757,292	\$0.6669	\$628,753	\$50,839
TOTALS					\$8,675,435	\$687,266

M&O IMPACT – DISTRICT IMPACT

	Project Not Built	Project Built with Agreement	Project Impact
Project M&O Taxable Value	\$0	\$1,375,632,920	\$1,375,632,920
Project I&S Taxable Value	\$0	\$2,676,492,920	\$2,676,492,920
Total M&O Taxes	\$4,690,208,220	\$4,699,382,318	\$9,174,098
Recapture	-\$1,586,111,687	-\$1,594,571,513	-\$8,459,827
Total M&O State Aid	\$394,820,401	\$394,793,395	-\$27,005
Total M&O Revenue	\$3,498,916,934	\$3,499,604,200	\$687,266

I&S IMPACT

Year of Agreement	School Year	Local Value without Project	I&S Taxes without Project	Project Full Taxable Value	I&S Taxes with Project	Additional I&S Taxes from Project
CONST 1	2024-25	\$39,856,422,034	\$167,795,537	\$7,477,292	\$167,827,016	\$31,479
CONST 2	2025-26	\$44,639,192,678	\$187,931,001	\$7,477,292	\$187,962,481	\$31,479
CONST 3	2026-27	\$49,995,895,800	\$210,482,721	\$7,477,292	\$210,514,201	\$31,479
CONST 4	2027-28	\$55,995,403,296	\$235,740,648	\$7,477,292	\$235,772,127	\$31,479
CONST 5	2028-29	\$62,714,851,691	\$264,029,526	\$7,477,292	\$264,061,005	\$31,479
I1	2029-30	\$70,240,633,894	\$295,713,069	\$321,917,292	\$297,068,340	\$1,355,272
I2	2030-31	\$70,240,633,894	\$295,713,069	\$326,597,292	\$297,088,043	\$1,374,975
I3	2031-32	\$70,240,633,894	\$295,713,069	\$310,277,292	\$297,019,336	\$1,306,267
I4	2032-33	\$70,240,633,894	\$295,713,069	\$293,957,292	\$296,950,629	\$1,237,560
I5	2033-34	\$70,240,633,894	\$295,713,069	\$277,637,292	\$296,881,922	\$1,168,853
I6	2034-35	\$70,240,633,894	\$295,713,069	\$263,827,292	\$296,823,782	\$1,110,713
I7	2035-36	\$70,240,633,894	\$295,713,069	\$245,207,292	\$296,745,391	\$1,032,323
I8	2036-37	\$70,240,633,894	\$295,713,069	\$228,677,292	\$296,675,800	\$962,731
I9	2037-38	\$70,240,633,894	\$295,713,069	\$212,357,292	\$296,607,093	\$894,024
I10	2038-39	\$70,240,633,894	\$295,713,069	\$196,037,292	\$296,538,386	\$825,317
VP1	2039-40	\$70,240,633,894	\$295,713,069	\$179,717,292	\$296,469,678	\$756,610
VP2	2040-41	\$70,240,633,894	\$295,713,069	\$163,397,292	\$296,400,971	\$687,903
VP3	2041-42	\$70,240,633,894	\$295,713,069	\$142,057,292	\$296,311,130	\$598,061

I&S IMPACT - SUMMARY

	Project Not Built	Project Built with Agreement	Project Impact
Total I&S Taxes	\$4,910,249,326	\$4,923,717,332	\$13,468,006



**Chapter 403 (JETI) Appraised Value Limitation Financial Impact of the
Proposed
Bell Textron Inc. Project in the
Northwest Independent School District**

(Project # J0002)

Questions?