SpaceX Project Discussion
Project Timeline

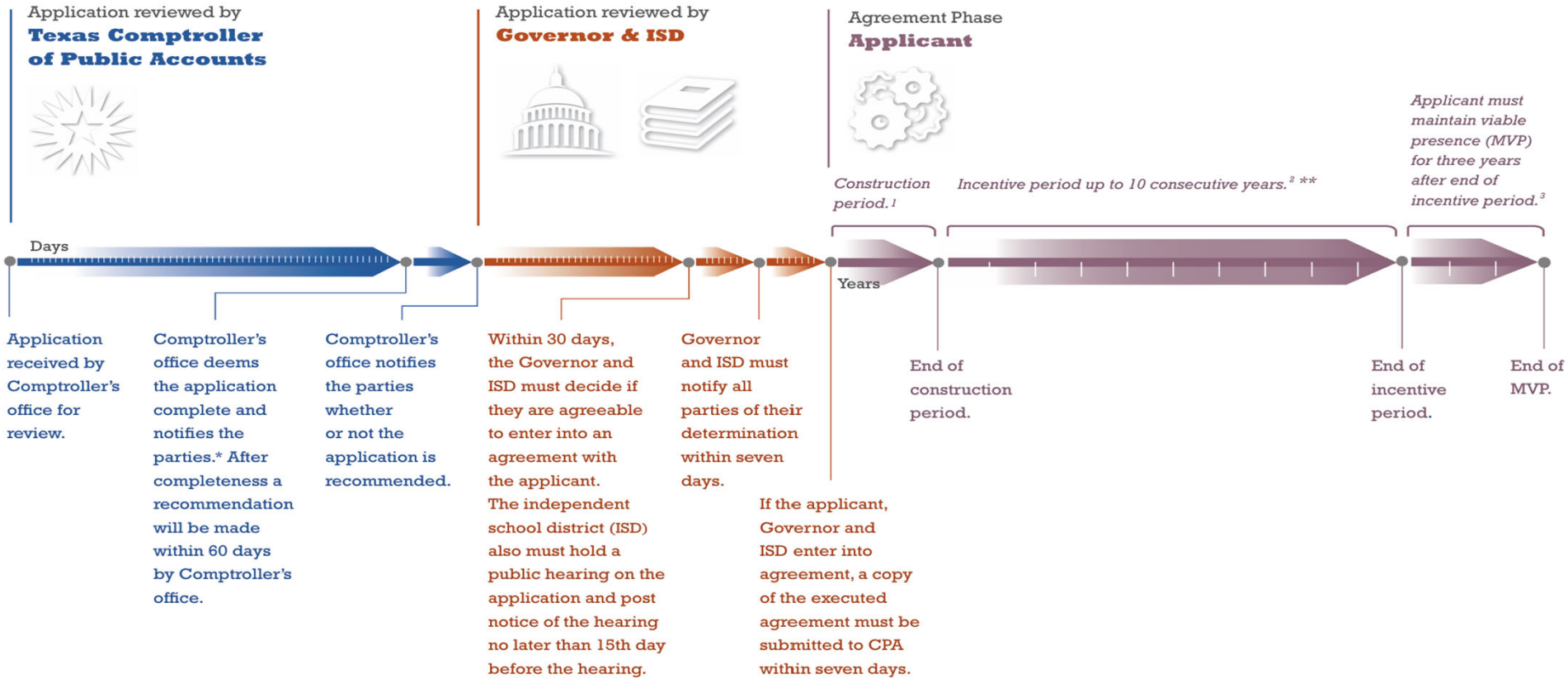
Iola Independent School District

June 16, 2026

Planned Discussion Timeline

- **Overview of JETI Timeline**
- **Overview of Project Timeline**
- **Overview of Project Scope**
- **Review of Texas School Finance**
- **Overview of JETI Agreements**
- **Combination of TeraFab JETI Financials & Iola ISD Finances**
- **Public Hearing**
- **Board Decision**

JETI Timeline



* *Application will be deemed complete once the information required under Section 406.607 is submitted for review.*

** *Reporting begins per Section 403.616*

Parties = ISD, applicant, and Governor

[1] *Section 403.613 (b)(2) An incentive period may not begin: later than Jan. 1 of the first tax year following the 10th anniversary of the date the agreement is entered into.*

Section 403.602(7) "Construction period" means the period prescribed by an agreement as the construction period of the eligible project that is the subject of the agreement.

[2] *Section 403.613 An incentive period is 10 consecutive years and will start no later than Jan. 1 of the 10th anniversary of the date the agreement is entered into.*

Section 403.613(c) The incentive period may be deferred until Jan. 1 of the second tax year following the construction completion date. The deferral of an incentive period under this subsection does not affect the date on which the incentive period ends as prescribed by the agreement.

[3] *Section 403.612 (b)(2)(B) An agreement entered into under this section between the governor, a school district, and an applicant pertaining to an eligible project shall: end on Dec. 31 of the third tax year following the end of the incentive period.*

Project Timeline with Iola ISD

March 17 – Alec Pointer attended an economic development meeting where a potential data center project was presented.

April 29 – Meeting requested by SpaceX with Iola ISD is scheduled for May 4.

April 30 – Emails exchanged between Jeff Dyer, Fred Stormer (Iola ISD legal advisor), and Chris Grammer (Iola ISD financial advisor) regarding potential of Iola ISD requiring assistance from Messrs. Stormer and Grammer.

May 4 – Alec Pointer & Jeff Dyer met with SpaceX and learned that the project had changed to a semiconductor chip manufacturing project & that SpaceX intended to submit a JETI application.

May 5 – JETI applications submitted by SpaceX to Texas State Comptroller – changes made through acceptance, completion, and supplemental process.

May 5 – SpaceX requested Iola ISD's preferred payment method for JETI application fees.

May 6 – Iola ISD received 4 JETI application fee payments ($30k each) totaling $120,000.

May 15 – Iola ISD School Board Meeting. Alec Pointer read a statement confirming knowledge of project & forthcoming JETI applications. The board went into closed session to meet with legal and financial advisors. There was a plan to meet with SpaceX representatives, but this did not occur because of incorrect meeting posting.

The board came out of closed session and moved our regular board meeting from 6/15 to 6/16 in anticipation of a public hearing. As stated in the Public Information Request, the board made clear the requirement to have a public hearing and meeting to determine acceptance/rejection of the JETI in different meetings on different nights to allow board members to fully consider all public input.

The public hearing could only be held on 6/15 if the Texas State Comptroller provided a recommendation on the project on/before 6/1

Project Timeline with Iola ISD

May 27 – Communication received from Grimes County regarding abatement agreement and public hearing.

May 27 – JETI applications accepted by Texas Comptroller & assigned application numbers.

May 28 – Communication between Jeff Dyer, Fred Stormer (Iola ISD legal advisor), and Chris Grammer (Iola ISD financial advisor) regarding anticipated Texas State Comptroller recommendation and scheduling of public hearing.

May 30 – Jeff Dyer forwarded potential required posting documents for a public hearing on 6/15 and meeting on 6/16. For this schedule to comply with legal requirements, the Texas State Comptroller's recommendation must be received and the documents must be posted 15 days before the meeting – this did not happen. Therefore, this meeting was not posted.

This information was released in the Public Information Request and caused some confusion.

June 2-5 – Communication between Jeff Dyer, Fred Stormer (Iola ISD legal advisor), and Chris Grammer (Iola ISD financial advisor) regarding anticipated Texas State Comptroller recommendation and scheduling of public hearing for July.

June 3 – Iola ISD received a Public Information Request from KBTX (fulfilled 6/8).

June 4 – Iola ISD received a Public Information Request from GCCRD (fulfilled 6/8).

June 9 – Iola ISD issued a public statement on Facebook.

June 9 – JETI Application Supplement #1 posted on Texas Comptroller's website.

June 11 – Iola ISD received a Public Information Request from GCCRD (fulfilled 6/15).

Project Timeline with Iola ISD

June 12 – JETI Application Supplement #2 posted on Texas Comptroller's website.

June 15 – Iola ISD received notice that Texas Comptroller has recommended JETI applications.

June 16 – Iola ISD School Board Meeting. The board provided an update on the SpaceX project, including:

- Timeline to date
- Project Scope, as understood by Iola ISD
- Primer on School Finance

The board will also go into closed session, for the first time, to have discussions with a SpaceX representative. This is an opportunity for the board to ask questions that may include sensitive business answers. It is our obligation to collect as much information as we can to make this decision.

SpaceX Project Discussion
Project Scope

Iola Independent School District

June 16, 2026

TeraFab: Investment Scale

$55 Billion

Initial Phases

Estimated Capital Investment

$119 Billion

Total If All Phases Built

Potential Full Investment

For Context

- Exceeds the entire U.S. CHIPS Act authorization ($52.7B)
- Rivals TSMC’s multi-phase Arizona campus in scale
- Would be among the largest single-project chip proposals in the nation

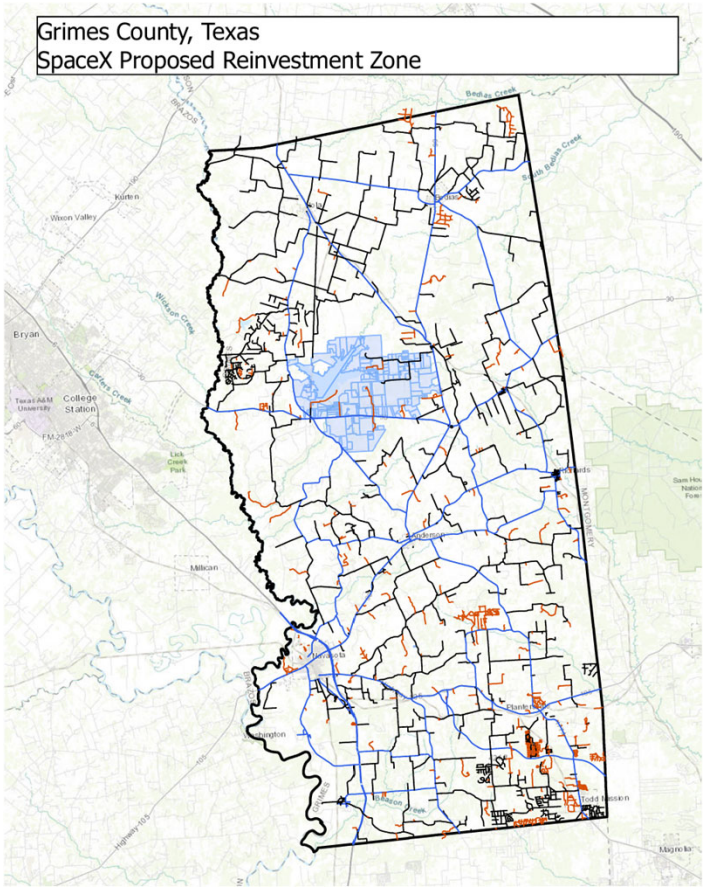
Employment at TeraFab

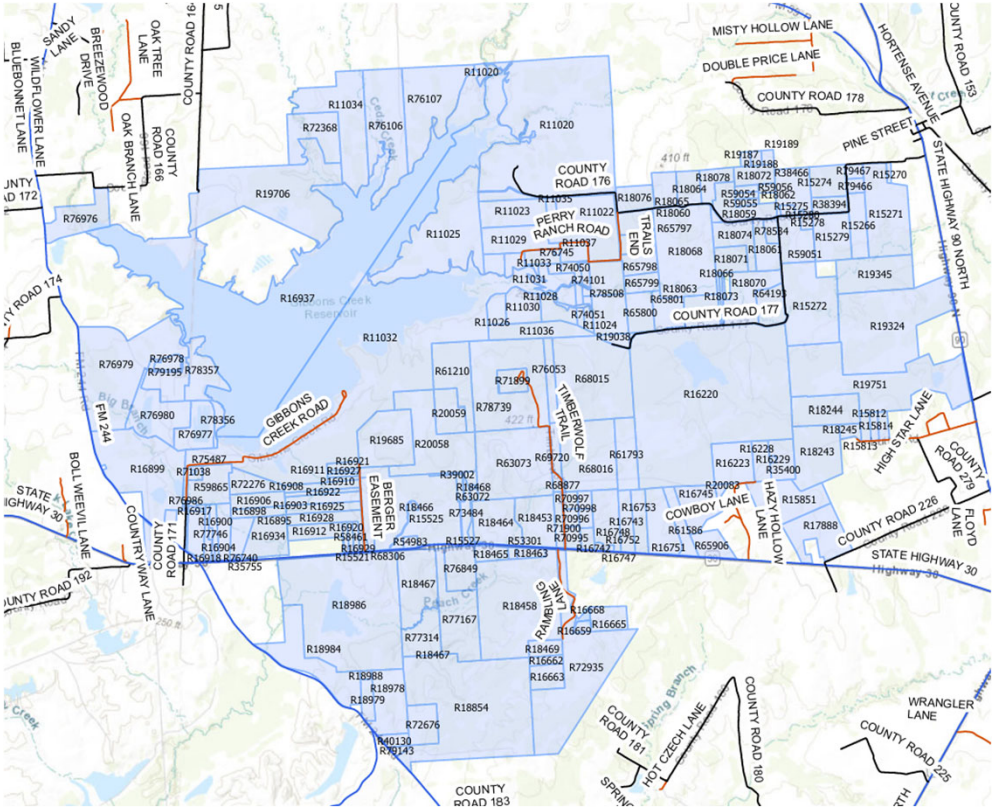
SpaceX's investment in full-time, permanent jobs will be significant:

- During meetings, SpaceX has indicated expected employment at the TeraFab facility to be 2,000+ full-time, permanent jobs.
- The various Musk related enterprises in Bastrop currently employ approximately 1,500 with a smaller footprint.
- The Grimes County agreement requires a minimum 1,000 full-time, permanent jobs.
- The Iola ISD JETI application requires 1,532 full-time, permanent jobs (the method for determining what jobs will be in Iola vs. Anderson is unknown).
- SpaceX has stated that they plan to hire 60% of their workforce locally – obviously this number will not be available in North Grimes County. Therefore, local must be considered a 50-75 mile radius.
- SpaceX has made a commitment to both school districts to be heavily involved in our CTE (career technology education) programs.
    - This commitment is codified in the Grimes County agreement
    - I have verified with Bastrop ISD that Elon Musk's various enterprises in that district are active in their CTE programs.

**SpaceX has regularly stated that they provide the absolute minimum numbers in applications because approvals come with enforcement mechanisms. Therefore, the estimates must be able to survive unexpected economic situations.

Reinvestment Zone



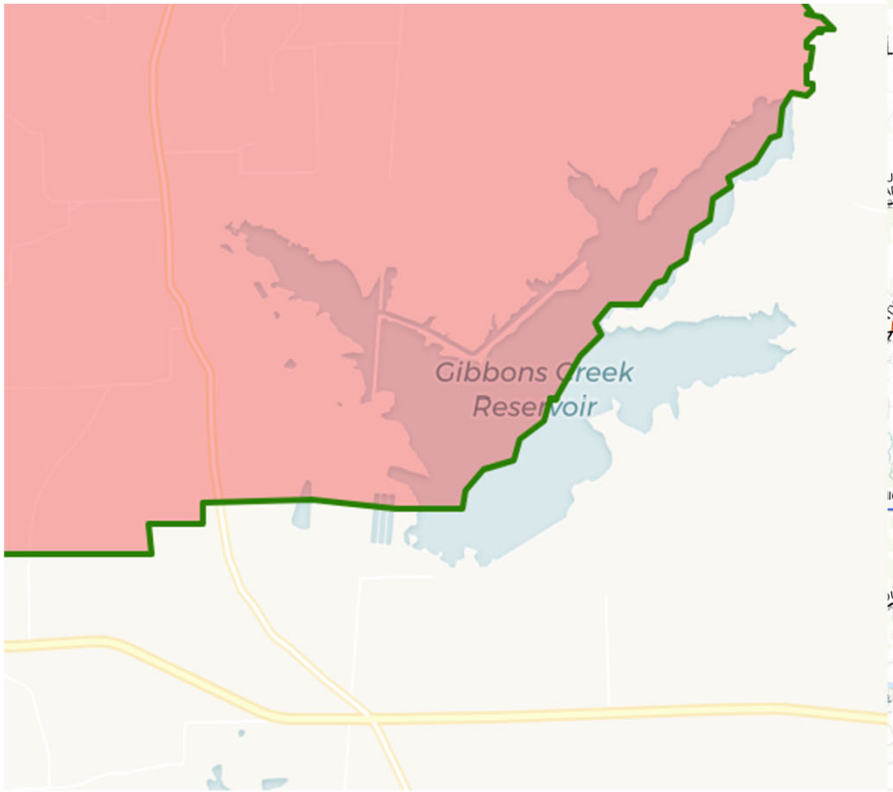


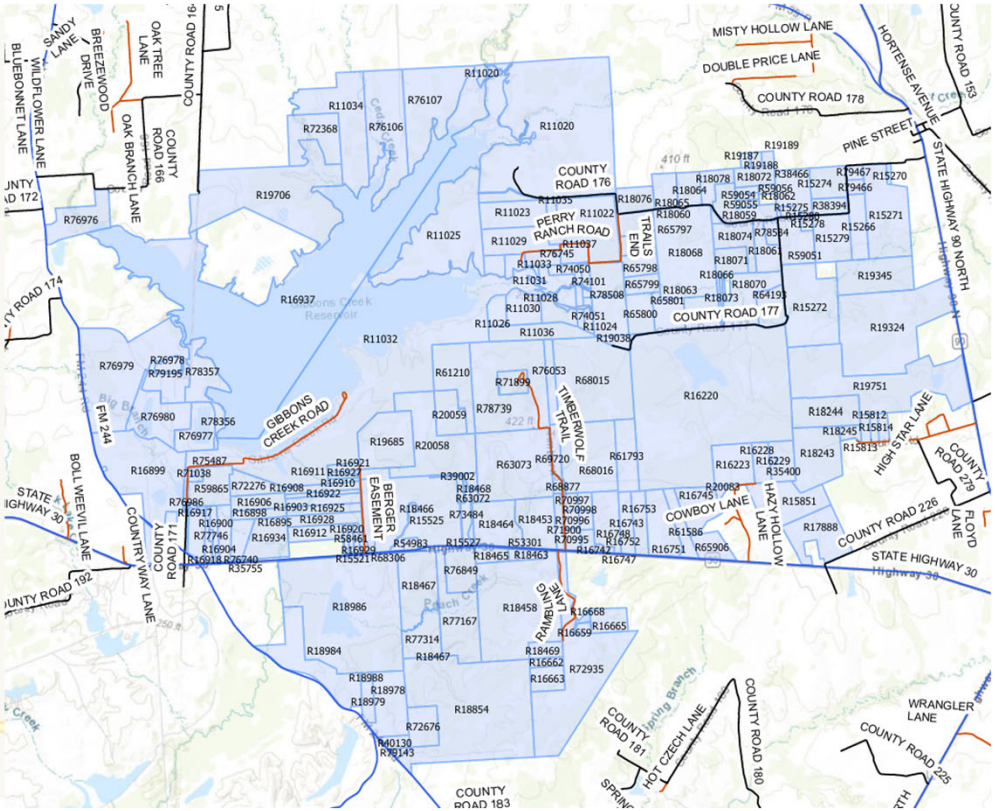
What is a Reinvestment Zone?

A reinvestment zone was created by Grimes County for the property shown on the previous map – this is simply a designation that indicates that properties within the zone qualify for specified tax abatements. This designation:

- Does NOT mean that SpaceX will seek to purchase all of the property,
- Does NOT mean that taxes will be different inside the zone,
- Does NOT mean that eminent domain powers have changed in any way.

Iola ISD Boundaries





SpaceX Project Discussion
Texas School Funding Basics

Iola Independent School District

June 16, 2026

The 2 Parts of School Tax Rates

Texas School District Tax rates consist of 2 major parts:

(1) Interest & Sinking (I&S) – this pays bond debt

(2) Maintenance & Operations (M&O) – this pays all other costs required to operate a school district

$0.1902/$100 of value	+	**$0.6642/$100 of value**	**$0.8544/$100 of value**
Current I&S Tax Rate		Current M&O Tax Rate	Current Total Tax Rate

Calculate Your Tax Bill for a $300,000 Home in Iola ISD

Apply any Abatements or Value Limitations

This includes

- Agriculture exemption
- Homestead exemption
- Senior freeze
- Disabled Veteran / Surviving Spouse abatement

For our example, assume the home has a homestead exemption of $140,000.

Deduct $140,000 from the $300,000 value = $160,000 (this is the value that is taxed)

Calculate Your Tax Bill for a $300,000 Home in Iola ISD

Divide your taxable value by 100

Property taxes are charged per $100 of value

$160,000 / $100 = 1,600 taxable units

Calculate Your Tax Bill for a $300,000 Home in Iola ISD

Calculate your I&S taxes

This is how much of your taxes goes towards paying Iola ISD's bond debt

1,600 x $0.1902 = $304.32

Calculate Your Tax Bill for a $300,000 Home in Iola ISD

Calculate your M&O taxes

This is how much of your taxes goes towards paying Iola ISD's operating expenses

1,600 x $0.6642 = $1,062.72

Calculate Your Tax Bill for a $300,000 Home in Iola ISD

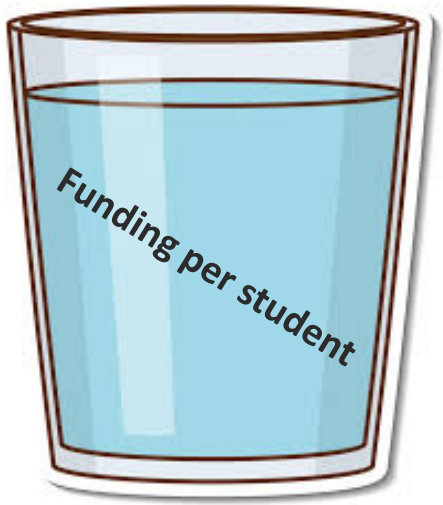
Add both tax values together

This is your total Iola ISD tax bill:

$304.32 + $1,062.72 = $1,367.04

Think of Total Funding per Student as a Cup of Water

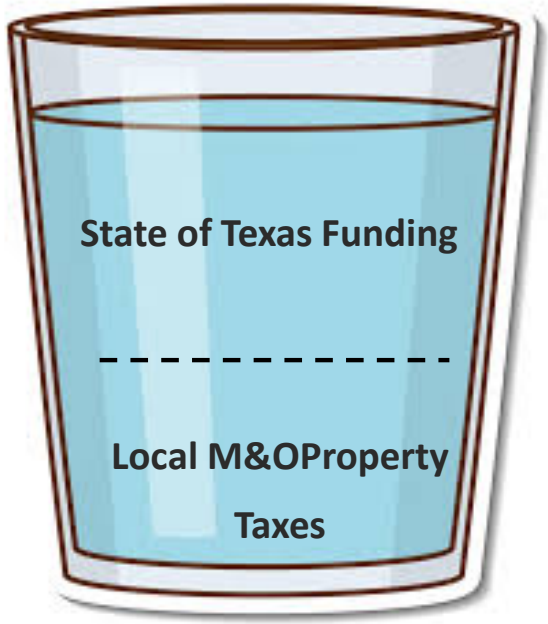
The size of the cup (total funding per student) is set by the Texas Legislature (although it can vary based on a student's needs). However, the size of the cup is set and can't change just because we have more water.



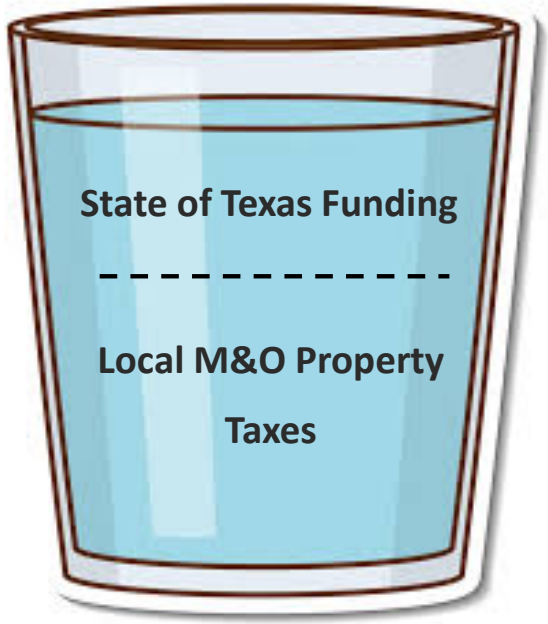
Think of Total Funding per Student as a Cup of Water

Some water (funding) is put into the cup from local M&O property taxes.

Some water (funding) is put into the cup from State of Texas



Think of Total Funding per Student as a Cup of Water



If local M&O property taxes fills up more of the cup, the State of Texas puts less in the cup!

Think of Total Funding per Student as a Cup of Water

If local M&O property taxes fills up the entire cup, the State of Texas puts in NOTHING in the cup.

Think of Total Funding per Student as a Cup of Water

If the cup overflows – the State of Texas not only puts NOTHING into the cup, they take the extra water (funding)…this is called RECAPTURE (also known as Robin Hood)