

McKinney Independent School District
#1 Duvall Street, McKinney, Texas 75069

To: Board of Trustees

From: Shawn Pratt, Superintendent

Subject: Application for a limitation on the taxable value of the property for maintenance and operations and valorem tax purposes filed by Lite-On LLC pursuant to the Jobs, Energy, Technology and Innovation (JETI) Act (Texas Comptroller of Public Accounts Application J0030)

Date: June 29, 2026

The Texas Jobs, Energy, Technology, and Innovation Act (JETI) was created with the passage of House Bill 5 (88th Legislature, Regular Session) and codified under Texas Government Code, Chapter 403. JETI aims to help Texas stay competitive by attracting new jobs and investment to the state. The JETI program enables a company, school district and Governor's office to enter into an agreement for a 10-year school district maintenance and operations (M&O) tax appraised value limitation pursuant to statutorily mandated job creation and investment minimums.

Lite-On, Inc. (Lite-On) applied through the Texas Comptroller of Public Accounts (Application J0030) on or about April 24, 2026. Lite-On plans to invest \$200 million through capital investment in real and personal property improvements over the investment period, consisting of real property acquisition, building improvements and interior construction, and machinery and equipment investments. The proposed facility will be used for the manufacture and integration of power supplies, power management systems, rack-mounted power solutions, and backup battery units used in servers, telecommunications equipment, and cloud infrastructure. The project will be located at 300 and 310 Cypress Hill Drive, McKinney, Texas. The project is projected to employ at least 500 full-time direct employees working at the site upon ramp-up completion. Positions include manufacturing technicians, assembly and integration specialists, quality assurance personnel, supply chain and logistics coordinators, technical engineering support, administration, and management.

A copy of the application documents containing more detail about this project may be accessed at: <https://comptroller.texas.gov/economy/development/prop-tax/jeti/application-details.php?id=J0030>

Impact Statement: There are no limitations on I&S taxes throughout the life of the project. Property is limited to 50% of appraised value during the incentive period for M&O taxes.

It is recommended: The Board of Trustees must take a formal vote to approve or reject a JETI agreement affecting the McKinney ISD.

Resource Person(s): Shawn Pratt, Superintendent & Dr. Dennis Womack, Assistant Superintendent for Business Operations

Respectfully submitted,

Shawn Pratt
Superintendent

Dr. Dennis Womack
Assistant Superintendent for
Business Operations