



Neighborhood Empowerment Zone (NEZ) Program

A Program to promote housing, economic development and quality services in Fort Worth's Central City.



Program Guide for Homeowners

WHAT IS THE NEIGHBORHOOD EMPOWERMENT ZONE (NEZ) PROGRAM ?

The City of Fort Worth created the Neighborhood Empowerment Zone (NEZ) Program to improve Fort Worth's Central City (see map). The NEZ Program aims to encourage private investment in housing, businesses and services in NEZ areas.

To qualify for NEZ designation, an area must:

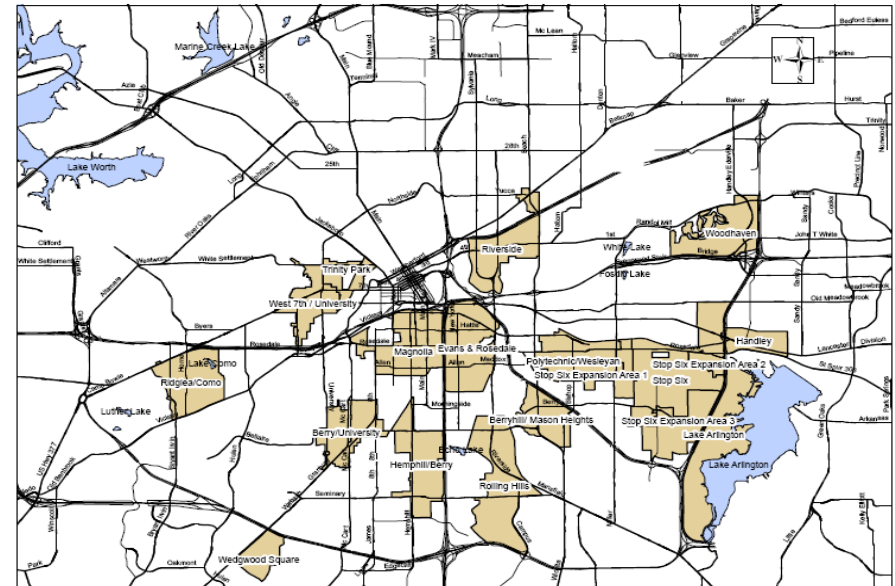
- Be aimed at creating or rehabilitating affordable housing, promoting economic development, or improving the quality of public services.
- Have at least 75% of its bounda-

ries in CDBG-eligible areas or the central city.

- Have no more than 6,000 people or be no larger than 1.5 square miles at the time of designation.
- Meet criteria as a State Reinvestment Zone.
- Be located within or include state/federal empowerment or enterprise zones, mixed-use growth centers, Model Blocks, special target areas, or commercial corridors to be given priority consideration.

The City Council selected the Stop Six neighborhood as the first NEZ in April 2001. Other existing NEZ areas are shown in the map below. The basic incentives under the NEZ Program are available for all NEZ areas designated by the City Council.

City of Fort Worth Neighborhood Empowerment Zones (NEZ's - April 2007)



WHY SHOULD I LIVE IN A NEZ?

If you already owned a home in a NEZ:

1. You can get municipal property tax abatements for 5 years if:

- ▶ You own the property and live in it as your primary residence; and
- ▶ You spend at least 30% of the Tarrant Appraisal District (TAD) value of your home (excluding land) to fix it up; and
- ▶ You don't owe any taxes to the City of Fort Worth; and
- ▶ There are no City liens filed against any properties you own in Fort Worth; and
- ▶ You must apply for tax abatement before any improvements are made and any building permits are issued.

2. You don't have to pay the following fees :

- ▶ All building permit related fees (including plans review and inspections)
- ▶ Plat application fee (including concept plan, preliminary plat, final plat, short form replat)
- ▶ Board of Adjustment application fee
- ▶ Demolition fee
- ▶ Structural moving fee
- ▶ Community Facility Agreement (CFA) application fee
- ▶ Zoning application fee
- ▶ Street and utility easement vacation application fee
- ▶ Water and waste water impact fees
- ▶ Ordinance Inspection fees
- ▶ Consent/encroachment agreement application fees

3. You can have City liens removed from your property if:

- ▶ You fix up your home; and
- ▶ You do not owe any taxes to the City of Fort Worth; and
- ▶ There are no City liens filed against OTHER properties you own in Fort Worth.

If you are buying a newly constructed home in a NEZ:

You can get municipal property tax abatements for 5 years if:

- ▶ You own the property and live in it as your primary residence; and
- ▶ You don't owe any taxes to the City of Fort Worth; and
- ▶ There are no City liens filed against any properties you own in Fort Worth; and
- ▶ The seller who sells you the house must have a tax abatement agreement with the City.

If you are buying a newly rehabilitated home in a NEZ:

You can get municipal property tax abatements for 5 years if:

- ▶ You own the property and live in it as your primary residence; and
- ▶ The rehabilitation work on your house is equal to at least 30% of the TAD value of your home (excluding land) before it was improved; and
- ▶ You don't owe any taxes to the City of Fort Worth; and
- ▶ There are no City liens filed against any properties you own in Fort Worth; and
- ▶ The seller who sells you the house must have a tax abatement agreement with the City.

FREQUENTLY ASKED QUESTIONS

Q: What is municipal property tax abatement?

A: Municipal property tax abatement is a temporary exemption of the City portion of property

tax on the INCREASED VALUE of a property as determined by TAD. It is a tax freeze.

Q: What are City liens?

A: City liens are labor liens incurred by the City for mowing the property, boarding-up improved property, having the property demolished or paving streets.

Q: What types of rehab work are eligible?

A: All improvements to real property can be counted toward the 30% minimum rehab cost requirement. Improvements or purchase of personal property such as furniture, appliances are NOT eligible. Please note that not all improvements to real property result in an increase in appraised value.

Q: How do I know whether my property is in a NEZ or how do I find out where a NEZ is located?

A: Call the Planning and Development Department at (817) 392-2222 or find out from the Web Site (www.fortworthgov.org/planninganddevelopment).

Q: I receive fee waivers, do I still have to apply for building permit, zoning, platting or other development procedures?

A: Yes. You still need to apply for any of these procedures, if applicable. The approval of fee waivers does not guarantee the approval of development procedures.

Q: I bought a property in a NEZ and I want to develop it. However, there are City liens on the property, what should I do?

A: If you personally don't owe any taxes to the City and there are no liens filed against other properties you own in Fort Worth, then you can apply for the City liens to be released.

Q: I qualify for NEZ incentives. Do I have to stay in my house for a required period of time in order to keep the benefits?

A: No. If you receive tax abatement and you sell the house after three years, the new homeowner can still get the tax abatement for the remaining 2 years by signing a new agreement

HOW CAN I APPLY FOR NEZ INCENTIVES?

Step 1: Visit the City of Fort Worth Planning and Development Department Web Site (www.fortworthgov.org/planninganddevelopment). Click on Neighborhood Empowerment Zone. Review the NEZ program information to see if your project qualifies to receive NEZ incentives.

Step 2: Apply at the Permitting Center Check-In at City Hall (LL South) for a building permit, and if required, a zoning change, and staff will assess your project to determine if it is NEZ eligible. If it meets all criteria, you will receive notice that your project has been certified to receive NEZ incentives.

Step 3: For questions regarding the NEZ program, email them to DevNEZProgram@FortWorthGov.Org and a staff person will respond as soon as possible; or, you may contact the Customer Service section at 817-392-2222.

Step 4: There is an application fee of \$25 for NEZ basic incentives and \$100 for NEZ tax abatements. If you are approved for tax abatements, City staff will work with you to finalize the tax

CITY OF FORT WORTH
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For More Information Contact:
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817-392- 2222

