



City of Fort Worth Planning and Development Department
 1000 Throckmorton Street
 Fort Worth, TX 76102
www.fortworthgov.org/planninganddevelopment

Neighborhood Empowerment Zone (NEZ) Program

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



Program Guide for Investor-Owners

WHAT IS THE NEIGHBORHOOD EMPOWERMENT ZONE (NEZ)

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.

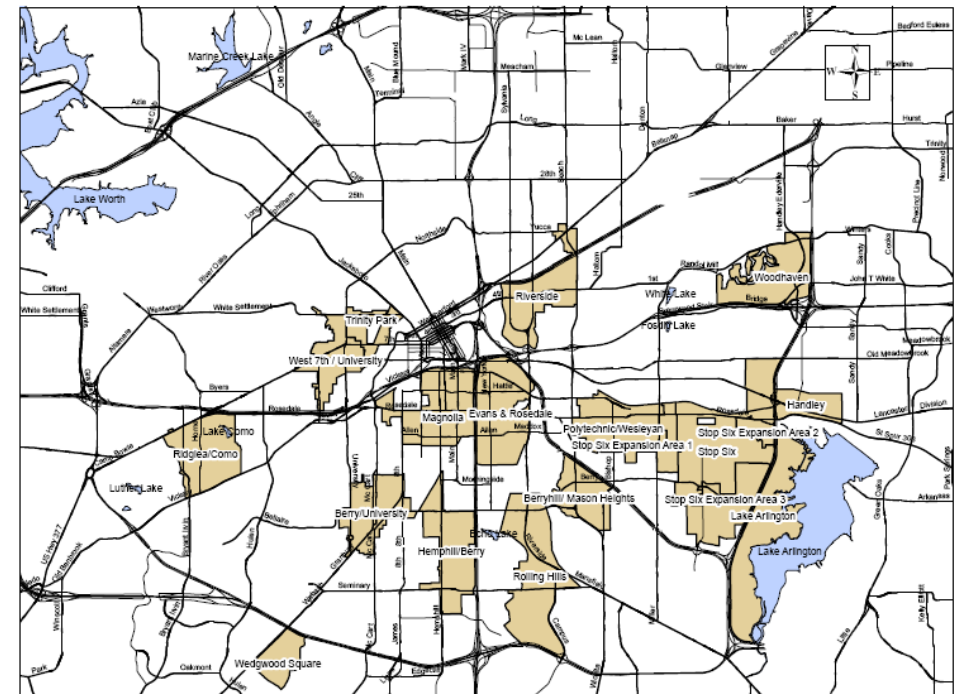
To qualify for NEZ designation, an area must:

- Be aimed at creating or rehabilitating affordable housing, promoting economic development, or improving the quality of public services.
- Have at least 75% of its boundaries 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 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 NEZs designated by the City Council.

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



WHY SHOULD I INVEST IN DEVELOPING SINGLE FAMILY HOMES IN A NEZ?

If you develop single family homes in a NEZ through new construction or rehabilitation:

- 1. You can get municipal property tax abatements for 5 years if:**
 - ▶ You own the property; and
 - ▶ The development conforms with the City of Fort Worth Zoning Ordinance; 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
 - ▶ If it is a rehabilitation, you spend at least 30% of the Tarrant Appraisal District (TAD) value of the property (excluding land) on rehabilitation costs; 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
 - ▶ Ordinance Inspection fees
 - ▶ Consent/encroachment agreement application fees
 - ▶ Water and wastewater impact fees
- 3. You can have City liens removed from your property if:**
 - ▶ 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.

FREQUENTLY ASKED QUESTIONS

Q: What is an investor-owner?

A: An investor-owner is an individual or an organization that develops and owns single family properties but not necessarily reside in these properties.

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: Are there any restrictions on how I use the property?

A: No. You can rent the house to tenants or you can live in it as your residence. However, tax abatements will be available only if you own the property. If you sell the property before 5 years, the new owner can assume the remaining term of the tax abatement by signing a new agreement with the City.

Q: What types of rehab work is 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 located in a NEZ or how do I find out where a NEZ is?

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

Q: I received 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 own the property for a required period of time in order to keep the benefits?

A: No. There is no length-of-ownership requirement.

Q: Is there a limit on how many properties I can own in a NEZ that receive NEZ incentives?

A: No. However, if there are tax delinquencies or City liens on the properties, the tax abatement will be terminated.

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 basic incentives and \$100 for tax abatement. If you are approved for tax abatements, City staff will work with you to finalize the tax abatement agreement with the City.

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For more information contact:
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817-392-2222

