Neighborhood Empowerment Zone Program (NEZ)

Background
Chapter 378 of the Texas Local Government Code, effective since May 1999, authorizes municipalities to create NEZs and provide tax and other incentives to promote affordable housing and economic development, and improve the quality of social services, education, or public safety for residents of the NEZ. Pursuant to this law, the Fort Worth City Council created the NEZ program in 2001 to encourage redevelopment activities in Fort Worth’s central city, particularly target areas such as commercial corridor urban villages.

Eligibility to Apply for NEZ Certification
- The property/project location must be in a NEZ
- Owner/developer must submit a complete NEZ application to the City
- Owner/developer must not be delinquent in paying property taxes for any property owned by them
- Owner/developer must not have any City liens filed against any property owned by them
- Projects on property purchased under a contract for deed are not eligible for NEZ incentives
- Rehabilitation projects must equal 30% of the TAD appraised value of the improvements

Incentives Available in a NEZ

Municipal Property Tax Abatement
The following properties/projects may qualify for municipal property tax abatements if approved by City Council:
- Owner-occupied single family property
- Investor-owned single family property
- Single family development project
- Multi-family development project
- Commercial, industrial or community facilities development project
- Mixed-use development project

Fee Waivers
The following fees are waived for NEZ certified projects:
- All building permit related fees (including plans review and inspections)
- Plat application fee
- 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 fee
- Consent/Encroachment Agreement Application fee
- Transportation Impact fee
- Urban Forestry Application fee
- Sign Permit fees

Impact Fee Waivers
The following impact fees are waived for NEZ certified projects:
- Water and wastewater impact fees 100% for single family and multi family, up to $55,000 or equivalent to two 6inch meters, whichever is less for commercial, industrial, mixed-use or community facility projects.

Release of City Liens
The following City liens may be released for NEZ certified properties or projects:
- Weed liens
- Demolition liens
- Board-up/open structure liens
- Paving liens
- All other City liens will not be waived.

Timeline and Fees
The certification process takes approximately 14 to 21 business days from the receipt of a completed application. This process includes checking taxes and liens and completing the Public Notification process.

- There is a $25.00 non refundable application fee to apply for NEZ incentives.
- All requests for tax abatement are processed after project certification and must go before the City Council for a vote. The minimum time to process a tax abatement is 5 to 7 weeks after the date of certification.
- There is a non refundable tax abatement application fee of $100.00 per single family house or 0.5% of the capital improvement budget, minimum $200, maximum $2,000 for all other development projects.

What if I Don't Want to Apply?
If you do not wish to apply for NEZ incentives owners/developers may fill out and sign an Opt Out form.

Ineligible Projects
The following Projects or Businesses are not eligible for NEZ incentives.
- Sexually Oriented Businesses
- Non-residential mobile structures

For more information on the Neighborhood Empowerment Zone Program, please call Planning and Development Department Customer Service at 817-392-2222 or access our page online at www.fortworthtexas.gov/neighborhoods/NEZ
NEIGHBORHOOD EMPOWERMENT ZONE

Application Submittal Checklist

- Completed application and corresponding documents – Incomplete applications will not be accepted
  - $25.00 application fee (non-refundable)
  - If applicable, written approval from Historic and Cultural Landmarks Commission for projects zoned as a designated historical property

- Proof of ownership or evidence of site control such as:
  - A warranty deed
  - Purchase agreement signed by both the seller and the buyer
  - Affidavit of ownership, probated will or evidence of site control such as option to buy
  - A registered Warranty Deed is **required** for applications that are applying for Municipal Tax Abatement.

  *If property is owned by a corporation, corporation papers noting all principles, partners and registered agents is required.*

- Line Itemized construction budget for all projects
  - For residential projects please use attached budget form if you do not have an itemized budget from a contractor

- One set of plans no larger than 11x17 showing dimensions and square footage of the following:
  - Site plan with structure or proposed structure
  - Floor plan (existing and proposed if different)
  - Elevations (North, South, West and East View for New Construction)
  - Elevations effected by the project are required for Rehabilitations

  *These plans will be retained by staff and cannot be used for Building Permit submittal*

- A List of Properties (By address) owned by the owner/developer in the City of Fort Worth
  - You may use attached Property Ownership List

  *Properties owned means **all** properties owned in the City by owner/developer under any name.*

For more information about the NEZ Program, please contact our office at (817)392-2222 or nez.devnezprogram@fortworthtexas.gov
For information about Tax Abatements, please contact the City of Fort Worth Neighborhood Services Department at (817) 392-7316 or by visiting http://fortworthtexas.gov/neighborhoods/NEZ/
# Neighborhood Empowerment Zone (NEZ) Application for Incentives

## Applicant Information

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**Address:**

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<tr>
<th>Street Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
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**Phone:**

**Email:**

**Contact:**

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**Phone:**

**Email:**

## Project Information

NEZ certifications are project and owner specific. Please describe your project:

______________________________

__________________________________________________________________________________________________

### Project Type

- [ ] Single Family
- [ ] Multi-Family
- [ ] Commercial
- [ ] Industrial
- [ ] Community Facilities
- [ ] Mixed-Use

*Please be advised if the project address is zoned as a designated historical property (HC) and your project consists of new construction or exterior renovations, approval of your project is required prior to NEZ application submittal. Written approval from the Historic and Cultural Landmarks Commission (HCLC) must be attached to the NEZ application.*

**Project Address:**

<table>
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<tr>
<th>Street Address</th>
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**Legal Description:**

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<thead>
<tr>
<th>Lot</th>
<th>Block</th>
<th>Addition</th>
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</table>

**New Construction / Addition:**

- [ ] NEW
- [ ] ADDITION

**Remodel / Rehab:**

- [ ] YES
- [ ] NO

**Total New Sq. Ft.**

**Total Development Cost:**

**For a single family project, will the NEZ certified property be occupied by the property owner as a primary residence?**

- [ ] YES
- [ ] NO

If you selected No, please specify if this property will be sold to a homeowner as a primary residence or used as rental property.

____________________________________

If your project is a Commercial or Mixed Use project, please list all specific uses that are being proposed:

____________________________________

## Incentives

**Do you wish to apply for a Municipal Property Tax abatement for this project?**

- [ ] YES
- [ ] NO

If the above answer is yes, please contact the City of Fort Worth Neighborhood Services Department at (817) 392-7316 or visit [http://fortworthtexas.gov/neighborhoods/NEZ/](http://fortworthtexas.gov/neighborhoods/NEZ/) for additional information. All tax abatements must be presented to the Fort Worth City Council for a vote. Tax Abatements are processed after NEZ certification.

**Do you wish to apply for a release of NEZ Policy eligible City liens?**

- [ ] YES
- [ ] NO

Weed, Paving, Demolition and Board Up / Open Structure liens may be released for qualifying projects.
City of Fort Worth
Neighborhood Empowerment Zone (NEZ) Application for Incentives

For Zoning Office Use Only

Does the specified project conform to City of Fort Worth Zoning Regulations?  YES  NO

Will a Zoning Change application be necessary for this project?  YES  NO

Current Zoning: ____________________  Proposed Zoning: ________________

Signature of Zoning Staff: ___________________________________________  Date: ________________

Acknowledgements

PLEASE INITIAL NEXT TO EACH STATEMENT

______ I understand that my application will not be processed if it is incomplete. I agree to provide any additional information for determining eligibility as requested by the City. If the additional information is not submitted within 30 days, the application will be denied and application fees paid will not be reimbursed.

______ I hereby certify that the information provided is true and accurate to the best of my knowledge.

______ I hereby certify that all documents and information required by the Application Submittal Checklist is attached.

______ I hereby acknowledge that I have read the NEZ Basic Incentives and Tax Abatement Policy, which governs the granting of tax abatements, fee waivers and release of City liens, and that any VIOLATION of the terms of the NEZ Basic Incentives or MISREPRESENTATION shall constitute grounds for rejection of an application or termination of incentives at the discretion of the City.

______ I understand that the approval of fee waivers and other incentives shall not be deemed to be approval of any aspect of the project. I understand that I am responsible for obtaining required permits and inspections from the City and in ensuring the project is located in the correct zoning district.

______ I understand that if there are taxes due or liens against any property I own in the City of Fort Worth I may not be eligible for NEZ incentives.

______ I hereby certify that the project plans submitted with this application meet the NEZ design guideline requirements as listed below or meet Strategic Plan guidelines for the Berryhill/Mason Heights, Oakland Corners and Stop Six areas as outlined on the NEZ webpage. I understand that if the project plans do not meet these design requirements, all permits will be put on hold pending correction. If I choose to relinquish my NEZ certification instead of meeting the design requirements, payment for all fees waived by the City up to that point will be due immediately and the building permit will not be issued until payment is made.

a. No metal buildings except for industrial projects.

b. All new construction projects must contain 70% masonry product

c. Exceptions to the masonry product will be made at the City’s discretion for design district overlays (where applicable) and approved planned development projects.

d. Compliance with NEZ design guidelines for Council adopted NEZ Strategic Plans (Berryhill/Mason Heights, Oakland Corners and Stop Six) is required for certification.

e. Attached garages for new single family homes may not extend more than 4 feet past the front building wall.

______ I understand that I must pay all associated fees at the time of project application and/or permit submittal if I wish to submit permits prior to determination of NEZ eligibility. This includes setting up an escrow account with the City. I understand that some permits may not be issued while NEZ eligibility is being established. Example: Applications that are requesting Tax Abatement

Printed Name of Property Owner/Developer  Signature of Property Owner/Developer  Date

Revised 06/27/19 VR-SO
City of Fort Worth
Neighborhood Empowerment Zone (NEZ) Application for Incentives

Please submit your completed application in person to:
City of Fort Worth Planning and Development Department
200 Texas Street, Fort Worth, Texas 76102
To apply online please go to: http://fortworthtexas.gov/neighborhoods/NEZ/apply

For more information on the NEZ Program Incentives, please visit our website at
http://fortworthtexas.gov/neighborhoods/NEZ/ or contact our office at (817) 392-2222 or
nez.devnezprogram@fortworthtexas.gov

For more information on Tax Abatements, see the above website or contact the
Neighborhood Services Department at (817) 392-7316.

For Planning and Development Office Use Only

Project certified for NEZ Basic Incentives: YES ☐ NO ☐  Certified By/Date: ____________________________

If not certified, reason for denial: ________________________________________________________________
Eligible rehabilitation or new construction costs include only physical improvements to real property. Real Property Improvements—means a habitable structure as defined by the Fort Worth Building Code. It does NOT include: personal property such as furniture, appliances, equipment, and/or supplies. Carports, solid or chain-link front fences, parking lots, accessory structures such as sheds and incidental out buildings are only eligible if included in original project budget. These items do not qualify as a stand alone project.

<table>
<thead>
<tr>
<th>Item description : (add further description if needed)</th>
<th>Unit price</th>
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<tbody>
<tr>
<td>Demolition :</td>
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<tr>
<td>Roof Repair/ Replacement/Installation :</td>
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<tr>
<td>Mechanical (Heating/ Air conditioning) :</td>
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<td>Electrical :</td>
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<td>Plumbing :</td>
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<tr>
<td>Flooring (Carpet, Tile, etc):</td>
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<tr>
<td>Additional Room(s) / Additions — Total additional square feet to be added:________</td>
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<td>Interior Improvements (Walls, etc) :</td>
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<td>Foundation :</td>
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<tr>
<td>Materials :</td>
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<td>Exterior (Paint, Siding, Masonry, etc) :</td>
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<td>Landscaping :</td>
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<td>Other :</td>
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**If homeowner labor only**: total # of hours: _______x ___ per hour :

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<th>Total</th>
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I, __________________________, hereby certify that the above estimate of costs for the proposed rehabilitation or new construction of my property at:_____________________________________ is true and correct.

Date
Owner/Developer signature
NEZ Property Ownership List

Please list all properties owned in the City of Fort Worth by the owner/developer. If you do not own other property, please sign the acknowledgement at the bottom of the page.

Address:
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PLEASE SIGN BELOW IF YOU DO NOT OWN ANY OTHER PROPERTIES IN THE CITY OF FORT WORTH

(PRINTED OR TYPED NAME)   (AUTHORIZED SIGNATURE)   (DATE)
City of Fort Worth Planning and Development Department
Neighborhood Empowerment Zone (NEZ)

NEZ INCENTIVES OPT-OUT FORM - Only fill out this form if you DO NOT wish to apply for NEZ

Owner Name and/or Company Name: _______________________________________________________

Owner Phone No. and Address: _____________________________________________________________

Property Address: _________________________________________________________________________

Property Legal Description: _________________________________________________________________

Neighborhood Empowerment Zone (NEZ): ____________________________________________________

Project Description: ________________________________________________________________________

By signing this Opt-Out Form, I acknowledge that I was notified about the NEZ program and all of its incentives including Development Fee Waivers, Impact Fee Waivers, Municipal Tax Abatement, and Release of City Liens.

I understand that if I decide to obtain a building permit for this specific project before applying for NEZ incentives, I am voluntarily forfeiting any claim(s) I have or may have to those incentives and I understand that I will not receive any refund for development fees paid, such as building permit fees, plat application fees, board of adjustment application fees, agreement application fees, street and utility easement vacation application fee, or impact fees such as water and sewer impact fees, transportation impact fees, or any other fee waivers afforded by the NEZ.

I also understand that this Opt-Out Form pertains to this specific project only, and by my signing this form I am signing for all partial or full co-owners of the above mentioned property and that no owner, full or partial may lay claim for a refund and/or NEZ incentives for this project after this form has been signed and fees paid.

I also understand that if I apply for a building permit or begin construction for this project without a building permit before submitting an application for NEZ incentives, I will not be eligible to apply for municipal tax abatement.

Reason For Waiving Incentives:_________________________________________________________________________

Print Owner or Co-Owner Name: __________________________ Print Agent Name: __________________________

Signature: __________________________________________ Date: __________________________

Please Note: Only the Owner, Co-Owner or Agent can sign this form. If agent signs or brings in the Opt-Out form for the owner or co-owner they must have letter of authorization from owner, and a copy of owner’s driver’s license as proof that he/she has the power to act for Owner or Co-owner. A copy of the Registered Warranty Deed is only required if the owner’s name listed in TAD is different from the current owner of the property. *If property is owned by a corporation, corporation papers noting all principles, partners and registered agents is required.

For City Use Only

I, __________________________, discussed NEZ incentives and this Form with the Owner, Co-Owner, or Agent below.

Signature of City Employee

Comments:

Print Name: __________________________ Owner, Co-owner or Agent Who Signed Form

Driver’s license submitted: Yes____ No____

Deed submitted: Yes____ No____

Authorization letter submitted: Yes____ No____

Revised 2/19 VRJ SO